

DEF 14A 1 d78987ddef14a.htm DEFINITIVE PROXY STATEMENT

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

SCHEDULE 14A

**Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934**

Filed by the Registrant Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to Section 240.14a-12

Oracle Corporation

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

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(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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September 18, 2020

To our Stockholders:

You are cordially invited to attend the 2020 Annual Meeting of Stockholders of Oracle Corporation. Our Annual Meeting will be held on Wednesday, November 4, 2020, at 10:00 a.m., Pacific Time. In light of the COVID-19 outbreak, for the safety and well-being of our stockholders, directors and employees, and taking into account the protocols of local, state and federal governments, we have determined that this year's Annual Meeting will be held in a virtual format only. At our virtual Annual Meeting, stockholders will be able to attend, vote and submit questions via the Internet. Our goal is to continue to serve the needs of our stockholders without significant disruption while closely monitoring developments related to the COVID-19 pandemic to keep our stockholders, directors and employees safe.

We describe in detail the actions we expect to take at the Annual Meeting in the following Notice of 2020 Annual Meeting of Stockholders and proxy statement. We have also made available a copy of our Annual Report on Form 10-K for fiscal 2020. We encourage you to read the Form 10-K, which includes information on our operations, products and services, as well as our audited financial statements.

This year, we will again be using the "Notice and Access" method of providing proxy materials to stockholders via the Internet. We believe that this process provides stockholders with a convenient and quick way to access the proxy materials and vote, while allowing us to conserve natural resources and reduce the costs of printing and distributing the proxy materials. We will mail to most of our stockholders a Notice of Internet Availability of Proxy Materials containing instructions on how to access our proxy statement and the Form 10-K and vote electronically via the Internet. This notice will also contain instructions on how to receive a paper copy of the proxy materials. All stockholders who are not sent a notice, or who otherwise request, will be sent a paper copy of the proxy materials by mail or an electronic copy of the proxy materials by email. See "Questions and Answers about the Annual Meeting" beginning on page 78 for more information.

Please use this opportunity to take part in our corporate affairs by voting your shares on the business to come before this meeting. **Whether or not you plan to attend the meeting, please vote electronically via the Internet or by telephone, or, if you requested paper copies of the proxy materials, please complete, sign, date and return the accompanying proxy card or voting instruction card in the enclosed postage-paid envelope.** See "How Do I Vote?" on page 6 of the proxy statement for more details. Voting electronically, by telephone or by returning your proxy card does NOT deprive you of your right to attend the virtual meeting and to vote your shares during the meeting for the matters acted upon at the meeting. If you cannot attend the virtual meeting, we invite you to listen to a recording for up to seven days following the meeting by going to www.virtualshareholdermeeting.com/ORCL2020 or our website at www.oracle.com/investor.

Sincerely,

A handwritten signature in black ink, appearing to read "Lawrence J. Ellison".

Lawrence J. Ellison
Chairman and Chief Technology Officer

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500 Oracle Parkway
Redwood City, California 94065

NOTICE OF 2020 ANNUAL MEETING OF STOCKHOLDERS

TIME AND DATE	10:00 a.m., Pacific Time, on Wednesday, November 4, 2020
LOCATION	This year the meeting will be held in a virtual format only. Please visit www.virtualshareholdermeeting.com/ORCL2020
REPLAY	A recording of the meeting will be available at www.virtualshareholdermeeting.com/ORCL2020 and on our website at www.oracle.com/investor following the Annual Meeting through November 11, 2020.
ITEMS OF BUSINESS	<ol style="list-style-type: none"> (1) To elect 14 director nominees to serve on the Board of Directors until our 2021 Annual Meeting of Stockholders. (2) To hold an advisory vote to approve the compensation of our named executive officers. (3) To approve the Oracle Corporation 2020 Equity Incentive Plan. (4) To ratify the selection of Ernst & Young LLP as our independent registered public accounting firm for fiscal 2021. (5) To consider and act on two stockholder proposals, if properly presented at the Annual Meeting. (6) To transact such other business as may properly come before the Annual Meeting and any adjournment or postponement thereof.
RECORD DATE	September 8, 2020
PROXY VOTING	It is important that your shares be represented and voted at the Annual Meeting. You can vote your shares electronically via the Internet, by telephone or by completing and returning the proxy card or voting instruction card if you requested paper proxy materials. Voting instructions are provided in the Notice of Internet Availability of Proxy Materials, or, if you requested printed materials, the instructions are printed on your proxy card and included in the accompanying proxy statement. You can revoke a proxy at any time prior to its exercise at the Annual Meeting by following the instructions in the proxy statement.
MEETING ADMISSION	You are entitled to attend the Annual Meeting online, vote and submit questions during the meeting by visiting www.virtualshareholdermeeting.com/ORCL2020 and entering the 16-digit control number included on the Notice of Internet Availability of Proxy Materials, on your proxy card (if you requested printed materials), or on the instructions that accompanied your proxy materials. You will only be entitled to vote and submit questions at the Annual Meeting if you are a stockholder as of the close of business on September 8, 2020, the record date. More details on how to participate in this year's virtual meeting can be found on pages 6 and 7 and in the "Questions and Answers about the Annual Meeting" beginning on page 78. In the event of a technical malfunction or other situation that at the discretion of the Chairman of the Board of Directors may affect the ability of the Annual Meeting to satisfy the requirements for a meeting of stockholders to be held, the Chairman or Corporate Secretary of Oracle will convene the meeting at 12:00 p.m. Pacific Time on the same date and at the location specified above solely for the purpose of holding the adjourned meeting at this later time. Under the foregoing circumstances, we will post information regarding the announcement on the Investors page of Oracle's website at www.oracle.com/investor .



Brian S. Higgins
Vice President, Associate General Counsel and Secretary
September 18, 2020

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This summary highlights information contained elsewhere in this Proxy Statement. For more complete information about these topics, please review our Annual Report on Form 10-K for fiscal 2020 and the contents of this Proxy Statement. Fiscal 2020 began on June 1, 2019 and ended on May 31, 2020. Fiscal 2021 began on June 1, 2020 and ends on May 31, 2021.

The Notice of Internet Availability of Proxy Materials, this Proxy Statement and the accompanying proxy card or voting instruction card, including an Internet link to our Annual Report on Form 10-K for fiscal 2020, were first made available to stockholders on or about September 18, 2020.

2020 Annual Meeting of Stockholders**Date and Time**

Wednesday, November 4, 2020
10:00 a.m., Pacific Time

Location

Online via live audio webcast at
www.virtualshareholdermeeting.com/ORCL2020

Record Date

September 8, 2020

Replay

A recording of the meeting will be available on our website at www.oracle.com/investor and at www.virtualshareholdermeeting.com/ORCL2020 following the Annual Meeting through November 11, 2020.

Attendance

You are entitled to attend the Annual Meeting online, vote and submit questions during the meeting by visiting www.virtualshareholdermeeting.com/ORCL2020 and entering the 16-digit control number included on the Notice of Internet Availability of Proxy Materials, on your proxy card (if you requested printed materials), or on the instructions that accompanied your proxy materials. You will only be entitled to vote and submit questions at the Annual Meeting if you are a stockholder as of the close of business on September 8, 2020, the record date.

Voting Roadmap

Agenda Item	Board Recommendation	Page
• Election of 14 directors	For Each Nominee	59
• Advisory vote to approve the compensation of our named executive officers (NEOs)	For	60
• Approval of the Oracle Corporation 2020 Equity Incentive Plan	For	62
• Ratification of selection of Ernst & Young LLP as our independent registered public accounting firm for fiscal 2021	For	70
• Stockholder proposals	Against	72

Corporate Governance Highlights

Board of Directors	Stockholder Rights and Engagement	Governance Best Practices
--------------------	-----------------------------------	---------------------------

- | | | |
|---|--|---|
| <ul style="list-style-type: none"> ✓ Ongoing Board refreshment: 2 new directors added in fiscal 2020, for a total of 6 directors added in the last 6 fiscal years ✓ Separate Board Chair and Chief Executive Officer (CEO) roles ✓ Lead independent director ✓ Majority of independent directors (9 out of 14) ✓ 100% independent Board committees ✓ 36% of Board members are women or come from a diverse background ✓ Annual director elections ✓ Director majority voting policy ✓ Annual Board and committee performance evaluations, including individual director interviews | <ul style="list-style-type: none"> ✓ Single class of voting stock ✓ No supermajority voting provisions ✓ Stockholder proxy access ✓ Right to call a special meeting (20%) ✓ Stockholder right to act by written consent ✓ Active stockholder outreach and engagement program | <ul style="list-style-type: none"> ✓ Pledging policy adopted in January 2018 with quarterly risk reviews ✓ Robust director and senior officer stock ownership guidelines ✓ Anti-hedging policy applicable to all employees and directors |
|---|--|---|

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In Proposal No. 1, we are asking you to vote FOR each of the 14 director nominees listed below. Each director attended at least 75% of all Board meetings and applicable committee meetings during fiscal 2020.

Nominee	Director		Independent	Current Committees
	Age	Since		
Jeffrey S. Berg Chairman of Northside Services, LLC; Former Chairman and CEO, International Creative Management, Inc.	73	1997	✓	<ul style="list-style-type: none"> • Independence (Chair) • Finance and Audit • Governance
Michael J. Boskin* Tully M. Friedman Professor of Economics and Wohlford Family Hoover Institution Senior Fellow, Stanford University	74	1994	✓	<ul style="list-style-type: none"> • Finance and Audit (Chair)
Safra A. Catz CEO, Oracle Corporation	58	2001		
Bruce R. Chizen Senior Adviser to Permira Advisers LLP; Venture Partner, Voyager Capital; Former CEO, Adobe Systems Incorporated	65	2008	✓	<ul style="list-style-type: none"> • Governance (Chair) • Finance and Audit
George H. Conrades Executive Advisor and Former Chairman and CEO, Akamai Technologies, Inc.; Managing Partner, Longfellow Venture Partners	81	2008	✓	<ul style="list-style-type: none"> • Compensation (Chair) • Independence
Lawrence J. Ellison Chairman, Chief Technology Officer (CTO) and Founder, Oracle Corporation	76	1977		
Rona A. Fairhead Former Minister of State, U.K. Department for International Trade; Former Chair of the BBC Trust; Former Chair and CEO, Financial Times Group	59	2019	✓	<ul style="list-style-type: none"> • Finance and Audit
Jeffrey O. Henley Vice Chairman of the Board, Oracle Corporation	75	1995		
Renée J. James Chairman and CEO, Ampere Computing LLC; Operating Executive, The Carlyle Group; Former President, Intel Corporation	56	2015		
Charles W. Moorman IV Senior Advisor and Former CEO, Amtrak; Former CEO, Norfolk Southern Corporation	68	2018	✓	<ul style="list-style-type: none"> • Compensation • Independence
Leon E. Panetta Co-founder and Chairman, Panetta Institute for Public Policy; Former U.S. Secretary of Defense; Former Director of the Central Intelligence Agency	82	2015	✓	<ul style="list-style-type: none"> • Compensation • Governance
William G. Parrett Former CEO, Deloitte Touche Tohmatsu	75	2018	✓	<ul style="list-style-type: none"> • Governance
Naomi O. Seligman Senior Partner, Ostriker von Simson, Inc.	82	2005	✓	<ul style="list-style-type: none"> • Compensation (Vice Chair)
Vishal Sikka Founder and CEO, Vianai Systems, Inc.; Former CEO and Managing Director, Infosys Limited	53	2019		

* Current lead independent director. See "Corporate Governance—Board Leadership Structure" on page 25 for more information.

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Stockholder Outreach and Board Responsiveness

We have a long tradition of engaging with our stockholders to solicit their views on a wide variety of issues, including corporate governance, environmental and social matters, executive compensation and other issues.

Independent Director Engagement. On a regular basis, certain of our independent directors hold meetings with our stockholders. The meetings tend to be among our largest institutional investors and members of our Compensation Committee, with the Chair of our Governance Committee joining if the agenda warrants his attendance. Neither our Chairman nor our Chief Executive Officer participate in these meetings to ensure investors are able to provide candid feedback to our directors. We provide an open forum to our investors to discuss and comment on any aspects of our executive compensation program and governance matters. The Board believes these meetings are important because they foster a relationship of accountability between the Board and our stockholders and help us better understand and respond to our stockholders' priorities and perspectives.

- In fiscal 2020, certain of our independent directors held meetings with **ten** institutional stockholders representing approximately **30%** of our outstanding unaffiliated shares (based on data available as of June 30, 2020).
- Thus far in fiscal 2021, we reached out to stockholders representing approximately **31%** of our outstanding unaffiliated shares (based on data available as of June 30, 2020) to set up meetings with members of the Compensation Committee. The full Compensation Committee has already held video conference meetings with **four** institutional stockholders. We have continued to engage with our stockholders despite the challenges posed by the global COVID-19 pandemic.

Executive Director Engagement. As part of our regular Investor Relations engagement program, our executive directors hold meetings with a number of our institutional stockholders throughout the year. We also typically hold an annual financial analyst meeting at Oracle OpenWorld where analysts are invited to hear presentations from key members of our management team, including our executive directors. We held our fiscal 2020 analyst day at Oracle OpenWorld on September 19, 2019. In fiscal 2020, our executive directors held meetings with stockholders representing approximately **21%** of our outstanding unaffiliated shares (based on data available as of June 30, 2020). As a result of the global COVID-19 pandemic, we have cancelled our in-person analyst day which was originally expected to occur in fiscal 2021.

Legal and Investor Relations Engagement. Members of our Legal and Investor Relations team also engage with stockholders throughout the year. After the proxy statement is filed there is a further attempt to re-engage with stockholders in order to discuss matters on the annual stockholder meeting agenda and solicit feedback. When appropriate, independent directors join these discussions.

Say-on-Pay Vote Outcome and Board Responsiveness. Stockholders approved our advisory say-on-pay proposal at our 2019 Annual Meeting with 58% of the votes cast voting in favor, up from the prior year approval of 54%. While the Board was pleased to achieve these majority votes, it was disappointed by the low support. Members of the Compensation Committee actively sought to understand what actions the Compensation Committee could take to address stockholder concerns. Below is a summary of the Board's response to the most critical feedback received from investors.

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	What We Heard	The Board's Response
<p>Executive Compensation</p> <p>(See page 34 for details on the PSOs)</p>	<ul style="list-style-type: none"> • Front loaded grants, such as the performance stock options (PSOs) granted to Mr. Ellison and Ms. Catz in fiscal 2018, are uncommon. • There is concern about the rigor of the goals selected for the PSOs. • Although the compensation of Oracle's top executives was lowered, there is still concern that the PSOs will pay out at a high amount during the 5-year performance period. • There is an expectation from certain of our largest stockholders that Oracle will honor its commitment <u>not</u> to (1) change the performance metrics of the PSOs midstream, even if internal projections show no vesting, or (2) grant any additional awards to Mr. Ellison and Ms. Catz during the 5-year performance period of the PSOs. • There should be a strong link between company performance and executive compensation. 	<ul style="list-style-type: none"> • Following the 2019 Annual Meeting, the Compensation Committee considered the concerns from stockholders regarding the PSOs and discussed possible approaches to addressing such concerns with its independent compensation consultant. After considering the benefits and disadvantages of cancelling or revising the PSOs to set new long-term performance measures for Mr. Ellison and Ms. Catz, the Compensation Committee determined that, on balance, the approach that would be most responsive to stockholder concerns would be to maintain the existing terms applicable to the outstanding PSOs and continue to honor the commitment made to our stockholders not to grant any additional equity to the PSO holders for the duration of the PSO performance period. • In reaching this decision, the Compensation Committee gave weight to the following considerations: (1) no portion of the PSOs have vested to date resulting in no additional pay to Mr. Ellison and Ms. Catz, (2) internal projections continue to demonstrate that the performance goals are rigorous and not easily attainable during the performance period, (3) if the PSOs do vest, stockholders will have achieved significant long-term value, and (4) assurances have been given to investors that no changes or additional grants will be made to Mr. Ellison and Ms. Catz during the 5-year performance period of the PSOs. • Oracle's cloud business has become an important part of the company's long-term success and the PSOs were carefully designed to drive performance in the areas that would be most beneficial to our stockholders. As such, after taking into consideration stockholders' feedback, the Compensation Committee continues to believe that the current design of the PSO program directly links the long-term incentive compensation of our most senior executives with company performance and stockholder value.
Corporate Governance	<ul style="list-style-type: none"> • Board pay remains high, particularly for committee chairs. • The Board should be comprised primarily of independent directors who are not overly deferential to the Chairman and Founder of Oracle. • The system of rotating the lead independent director is uncommon and stockholders want assurances that it is effective. • Stockholders appreciate that Oracle has a female Chief Executive Officer and 4 women on the Board but want to see an ongoing commitment to diversity at the Board level. 	<ul style="list-style-type: none"> • In fiscal 2020, the Board approved significant reductions to non-employee director compensation. Effective May 31, 2020, committee chair equity awards were eliminated, and the grant value of each of the annual and initial equity awards was reduced from \$400,000 to \$350,000. See page 17 for details on director compensation. • The Board believes it is desirable to maintain a mix of longer-tenured, experienced directors and newer directors with fresh perspectives. In furtherance of this objective, the Board worked diligently to identify and interview qualified candidates. The Board elected Dr. Sikka and Mrs. Fairhead in fiscal 2020, Mr. Moorman and Mr. Parrett in fiscal 2018, Ms. James in fiscal 2016 and Secretary Panetta in fiscal 2015. • After receiving feedback from stockholders, the Board also reexamined our system of rotating the lead independent director on an annual basis among the chairs of the F&A Committee, the Governance Committee and the Compensation Committee. The Board determined that the directors filling this role take it very seriously and believes the position is strengthened by the particular insights and diversity of viewpoints that the different committee chairs bring to the position. This structure also provides a broader group of directors the opportunity to serve in an additional leadership role. • Presently, 36% of our Board members are women or come from a diverse background. The Governance Committee continues to consider potential director candidates on an ongoing basis and is committed to actively seeking women and minority candidates for the pool from which director candidates are selected.

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Executive Compensation Highlights

CEO Compensation at a Glance

- Our CEO's compensation is predominantly performance-based
- In fiscal 2020, **Ms. Catz earned less than \$1 million in total compensation, consisting of:**
 - **\$950,000** in salary, and
 - **\$14,055** in other compensation
- The Compensation Committee's independent consultant provided data showing market pay in the range of \$20-\$35 million for similarly situated CEOs
- During fiscal 2020, Ms. Catz received:
 - **No increase in her salary**
 - **No bonus**
 - **No new equity grant** and
 - **No performance-based equity vesting** based on fiscal 2020 performance

**Fiscal 2020
Named Executive Officers (NEOs)**

- Lawrence J. Ellison, Chairman and CTO*
- Safra A. Catz, CEO*
- Mark V. Hurd, Former CEO*
- Dorian E. Daley, Executive Vice President and General Counsel
- Jeffrey O. Henley, Vice Chairman
- William Corey West, Executive Vice President, Corporate Controller and Chief Accounting Officer

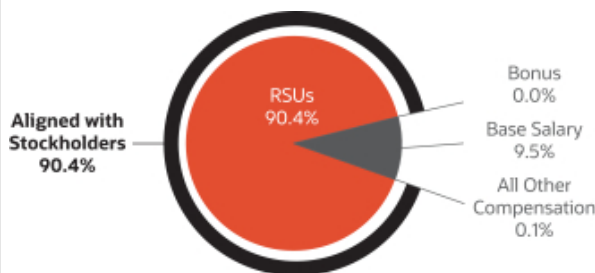
* We have included Mr. Ellison as an NEO for fiscal 2020 on a voluntary basis in the interest of transparency. Ms. Catz also serves as our principal financial officer. Mr. Hurd passed away on October 18, 2019.

**Fiscal 2020 Compensation
Mr. Ellison, Ms. Catz and Mr. Hurd**

Below is an excerpt of our fiscal 2020 Summary Compensation Table (SCT) showing the total compensation for Mr. Ellison, Ms. Catz and Mr. Hurd. See page 47 for the full SCT and related footnotes.

Name	Fiscal Year	Salary (\$)	All Other Compensation (\$)	Total (\$)
Lawrence J. Ellison	2020	1	1,716,114	1,716,115
Safra A. Catz	2020	950,000	14,055	964,055
Mark V. Hurd	2020	356,653	370,791	727,444

**Fiscal 2020 Compensation
Ms. Daley, Mr. Henley and Mr. West**



Compensation Best Practices

✔ Best Practices We Employ

- ✔ High proportion of compensation for our CEO and CTO is performance-based and aligned with stockholders
- ✔ Caps on maximum payout of bonuses and performance-based equity awards
- ✔ Robust stock ownership guidelines
- ✔ Disciplined dilution rates from equity awards
- ✔ Compensation recovery (clawback) policy for cash bonuses in the event of a financial restatement
- ✔ Annual risk assessment of compensation programs
- ✔ Independent compensation consultant and independent compensation committee
- ✔ Anti-hedging policy applicable to all employees and directors
- ✔ Anti-pledging policy with limited exceptions

✘ Practices We Avoid

- ✘ No severance benefit arrangements except as provided under our equity incentive plan to employees generally or as required by law
- ✘ No single-trigger change in control vesting of equity awards
- ✘ No change in control acceleration of performance-based cash bonuses
- ✘ No minimum guaranteed vesting for performance-based equity awards
- ✘ No discretionary cash bonuses for CEO and CTO
- ✘ No "golden parachute" tax gross-ups for NEOs
- ✘ No payout or settlement of dividends or dividend equivalents on unvested equity awards
- ✘ No supplemental executive retirement plans, executive pensions or excessive retirement benefits
- ✘ No repricing, cash-out or exchange of "underwater" stock options without stockholder approval

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ORACLE

PROXY STATEMENT

We are providing these proxy materials in connection with Oracle Corporation's 2020 Annual Meeting of Stockholders (the Annual Meeting). The Notice of Internet Availability of Proxy Materials (the Notice), this proxy statement and the accompanying proxy card or voting instruction card, including an Internet link to our most recently filed Annual Report on Form 10-K, were first made available to stockholders on or about September 18, 2020. This proxy statement contains important information for you to consider when deciding how to vote on the matters brought before the Annual Meeting. Please read it carefully.

HOW DO I VOTE?

Your vote is important. You may vote on the Internet, by telephone, by mail or by attending the Annual Meeting, all as described below. The Internet and telephone voting procedures are designed to authenticate stockholders by use of a control number and to allow you to confirm that your instructions have been properly recorded. If you vote by telephone or on the Internet, you do not need to return your proxy card or voting instruction card. **Telephone and Internet voting facilities are available now and will be available 24 hours a day until 11:59 p.m., Eastern Time, on November 3, 2020.**

Vote on the Internet

If you are a stockholder of record, you may submit your proxy by going to www.proxyvote.com and following the instructions provided in the Notice. If you requested printed proxy materials, you may follow the instructions provided with your proxy materials and on your proxy card. If your shares are held with a broker, you will need to go to the website provided on your Notice or voting instruction card. Have your Notice, proxy card or voting instruction card in hand when you access the voting website. On the Internet voting site, you can confirm that your instructions have been properly recorded. If you vote on the Internet, you can also request electronic delivery of future proxy materials.

Vote by Telephone

If you are a stockholder of record, you can also vote by telephone by dialing 1-800-690-6903. If your shares are held with a broker, you can vote by telephone by dialing the number specified on your voting instruction card. Easy-to-follow voice prompts will allow you to vote your shares and confirm that your instructions have been properly recorded. Have your proxy card or voting instruction card in hand when you call.

Vote by Mail

If you have requested printed proxy materials, you may choose to vote by mail, by marking your proxy card or voting instruction card, dating and signing it, and returning it in the postage-paid envelope provided. If the envelope is missing, please mail your completed proxy card to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717. If the envelope is missing and your shares are held with a broker, please mail your completed voting instruction card to the address specified therein. Please allow sufficient time for mailing if you decide to vote by mail.

Please note that if you received a Notice, you cannot vote by marking the Notice and returning it. The Notice provides instructions on how to vote by Internet and how to request paper copies of the proxy materials.

Voting at the Annual Meeting

The method or timing of your vote will not limit your right to vote at the Annual Meeting if you attend the Annual Meeting and vote on the virtual meeting platform. The shares voted electronically, telephonically, or represented by the proxy cards received, properly marked, dated, signed and not revoked, will be voted at the Annual Meeting.

This year's Annual Meeting will be held in a virtual format only. The accompanying proxy materials and the meeting's website: www.virtualshareholdermeeting.com/ORCL2020 include instructions on how to participate in the meeting and how you may vote your shares of Oracle's stock. To be admitted to the Annual Meeting online, vote and submit questions during the meeting, you must enter the 16-digit control number included on the Notice of Internet Availability of Proxy Materials, on your proxy card (if you requested printed materials), or on the instructions that accompanied your proxy materials.

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The virtual meeting platform is fully supported across browsers (Internet Explorer, Firefox, Chrome, and Safari) and devices (desktops, laptops, tablets, and cell phones) running the most updated version of applicable software and plugins. Participants should ensure that they have a strong WiFi connection wherever they intend to participate in the meeting. Participants should also give themselves enough time to log in and ensure that they can hear streaming audio prior to the start of the meeting.

We encourage you to access the Annual Meeting before it begins. Online check-in will start 15 minutes before the meeting on November 4, 2020. If you have difficulty accessing the meeting, please call 1-800-586-1548 (toll free) or 303-562-9288 (international). We will have technicians available to assist you.

Q&A at the Annual Meeting

During the question and answer session, we will include questions submitted in advance of, and questions submitted live during, the Annual Meeting. You may submit a question in advance of the meeting at www.proxyvote.com after logging in with the 16-digit control number included on the Notice of Internet Availability of Proxy Materials, on your proxy card (if you requested printed materials), or on the instructions that accompanied your proxy materials. Questions may be submitted during the Annual Meeting through www.virtualshareholdermeeting.com/ORCL2020. Please identify yourself when submitting a question. We will endeavor to answer as many stockholder-submitted questions as time permits that comply with the meeting rules of conduct. We reserve the right to edit any inappropriate language and to exclude questions regarding topics that are not pertinent to meeting matters or Oracle's business. If we receive substantially similar questions, we may group such questions together and provide a single response to avoid repetition in the interest of time and fairness to all stockholders.

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BOARD OF DIRECTORS

Nominees for Directors

Our Board of Directors (the Board) consists of 14 directors, 13 of whom stood for election at our last annual meeting of stockholders. The Board unanimously elected Vishal Sikka as a director effective as of December 10, 2019, and Dr. Sikka will stand for election at the Annual Meeting along with our other 13 directors.

Director Qualifications

Our Corporate Governance Guidelines (described in “Corporate Governance—Corporate Governance Guidelines” on page 21) contain Board membership qualifications that apply to Board nominees recommended by the Governance Committee. The Governance Committee strives for a mix of skills, experience and perspectives that will help create an outstanding, diverse, dynamic and effective Board. In selecting nominees, the Governance Committee assesses the independence, character and acumen of candidates and endeavors to collectively establish areas of core competency of the Board, including, among others, industry and technical knowledge and experience; management, accounting and finance expertise; and demonstrated business judgment, leadership and strategic vision. The Governance Committee values a diversity of backgrounds, experience, perspectives and leadership in different fields when identifying nominees. As noted in our Corporate Governance Guidelines, the Governance Committee is committed to actively seeking women and minority candidates for the pool from which director candidates are chosen.

The Governance Committee also takes **director tenure** into consideration when making director nomination decisions and believes that it is desirable to maintain a mix of longer-tenured, experienced directors and newer directors with fresh perspectives. The Governance Committee and the Board also believe that longer-tenured, experienced directors are a significant strength of the Board, given the large size of our company, the breadth of our product offerings and the international scope of our organization. See “Corporate Governance—Director Tenure, Board Refreshment and Diversity” on page 27 for more information.

Below we identify the key experiences, qualifications and skills our director nominees bring to the Board and that the Board considers important in light of Oracle’s businesses and industry.

- **Industry Knowledge and Experience.** We seek to have directors with experience as executives or directors or in other leadership positions in the particular technology industries in which we compete because our success depends on developing and investing in innovative products and technologies. This experience is critical to the Board’s ability to understand our products and business, assess our competitive position within the technology industry and the strengths and weaknesses of our competitors, maintain awareness of technology trends and innovations, and evaluate potential acquisitions and our acquisition strategy.
- **Management, Oversight of Complex Organizations, Accounting and Finance Expertise.** We believe that an understanding of management practices, oversight of complex organizations, and accounting/finance expertise is important for our directors. We value management experience in our directors as it provides a practical understanding of organizations, processes, strategies, risk management and the methods to drive change and growth that permit the Board to, among other things, identify and recommend improvements to our business operations, sales and marketing approaches and product strategy. We also seek to have at least one independent director who qualifies as an audit committee financial expert, and we expect all of our directors to be financially knowledgeable.
- **Business Judgment, Leadership and Strategic Vision.** We believe that directors with experience in significant leadership positions are commonly required to demonstrate excellent business judgment, leadership skills and strategic vision. We seek directors with these characteristics as they bring important insights to Board deliberations and processes.

The Board evaluates its own composition in the context of the diverse experiences and perspectives that the directors collectively bring to the boardroom. Their backgrounds provide the Board with vital insights in areas such as:

Finance and Accounting	Technology Industry	Cybersecurity and Risk Management	Mergers and Acquisitions
Operation of Global Organizations	Computer Science	Governmental Affairs and Regulation	Strategic Transformation
International Tax and Monetary Policy	Intellectual Property	Executive Leadership and Talent Development	Customer Perspective

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The experiences, qualifications and skills of each director that the Board considered in his or her nomination are included below the directors' individual biographies on the following pages. The Board concluded that each nominee should serve as a director based on the specific experience and attributes listed below and the direct personal knowledge of each nominee's previous service on the Board, including the insight and collegiality each nominee brings to the Board's functions and deliberations. The age of each director is provided as of September 8, 2020, the record date for the Annual Meeting.

Jeffrey S. Berg

Independent Director

Age: 73

Director since 1997

Board Committees:
Independence (Chair),
Finance and Audit,
Governance

Mr. Berg has been an agent in the entertainment industry for over 40 years. Mr. Berg has served as Chairman of Northside Services, LLC, a media and entertainment advisory firm, since May 2015. Mr. Berg was Chairman of Resolution, a talent and literary agency he founded, from January 2013 until April 2015. Between 1985 and 2012, he was the Chairman and CEO of International Creative Management, Inc. (ICM), a talent agency for the entertainment industry. He has served as Co-Chair of California's Council on Information Technology and was President of the Executive Board of the College of Letters and Sciences at the University of California at Berkeley. He previously served on the Board of Trustees of the Anderson School of Management at the University of California at Los Angeles.

Qualifications: As the former CEO of ICM, Mr. Berg brings to the Board over 25 years of leadership experience running one of the world's preeminent full service talent agencies in the entertainment industry. Mr. Berg's prior experience as CEO and as a representative of some of the world's most well-known celebrities offers the Board a unique perspective with respect to managing a global brand in rapidly changing industries and in management, compensation and operational matters.

Michael J. Boskin

Independent Director

Age: 74

Director since 1994

Board Committees:
Finance and Audit (Chair)

Dr. Boskin is the Tully M. Friedman Professor of Economics and Wohlford Family Hoover Institution Senior Fellow at Stanford University, where he has been on the faculty since 1971. He is CEO and President of Boskin & Co., Inc., a consulting firm. He was Chairman of the President's Council of Economic Advisers from February 1989 until January 1993. Dr. Boskin currently serves as director of Bloom Energy Corporation and previously served as a director of Exxon Mobil Corporation.

Qualifications: Dr. Boskin is recognized internationally for his research on world economic growth, tax and budget theory and policy, U.S. saving and consumption patterns and the implications of changing technology and demography on capital, labor, and product markets. He brings to the Board significant economic and financial expertise and provides a unique perspective on a number of challenges faced by Oracle due to its global operations, including, for example, questions regarding international tax and monetary policy, treasury functions, currency exposure and general economic and labor trends and risks. In addition, Dr. Boskin's experience as CEO of his consultancy firm and as a former director of another large, complex global organization provides the Board with important perspectives in its evaluation of Oracle's practices and processes.

Safra A. Catz

Chief Executive Officer

Age: 58

Director since 2001

Ms. Catz has been our CEO since September 2014. She served as our President from January 2004 to September 2014 and as our Chief Financial Officer (CFO) most recently from April 2011 until September 2014. Ms. Catz was previously our CFO from November 2005 until September 2008 and our Interim CFO from April 2005 until July 2005. Prior to being named President, she held various other positions with us since joining Oracle in 1999. Ms. Catz is currently a director of The Walt Disney Company and previously served as a director of HSBC Holdings plc. She also serves on the U.S. National Security Commission on Artificial Intelligence.

Qualifications: In her current role at Oracle, Ms. Catz is responsible for all operations at Oracle other than product development and engineering. As our CEO and former CFO, our Board benefits from Ms. Catz's many years with Oracle and her unique expertise regarding Oracle's strategic vision, management and operations. Prior to joining Oracle, Ms. Catz developed deep technology industry experience as a managing director with the investment banking firm Donaldson, Lufkin & Jenrette from 1986 to 1999 covering the technology industry. With this experience, Ms. Catz brings valuable insight regarding the technology industry generally, and in particular in the execution of our acquisition strategy. In addition, Ms. Catz's service as a director of other large, complex global organizations provides the Board with important perspectives in its evaluation of Oracle's practices and processes.

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Bruce R. Chizen

Independent Director

Age: 65

Director since 2008

Board Committees:
Governance (Chair),
Finance and Audit

Mr. Chizen is currently an independent consultant and has served as Senior Adviser to Permira Advisers LLP (Permira), a private equity firm, since July 2008, and as a Venture Partner at Voyager Capital, a venture capital firm, since August 2009. He has also served as an Operating Partner for Permira Growth Opportunities, a private equity fund, since June 2018. From 1994 to 2008, Mr. Chizen served in a number of positions at Adobe Systems Incorporated (Adobe), a provider of design, imaging and publishing software, including CEO (2000 to 2007), President (2000 to 2005), acting CFO (2006 to 2007) and strategic adviser (2007 to 2008). Mr. Chizen currently serves as a director of Synopsys, Inc.

Qualifications: As the former CEO of Adobe, Mr. Chizen brings to the Board first-hand experience in successfully leading and managing a large, complex global organization in the technology industry. In particular, Mr. Chizen's experience in heading the extension of Adobe's product leadership provides the Board with perspectives applicable to challenges faced by Oracle. In addition, Mr. Chizen's current roles at Permira and Voyager Capital require him to be very familiar with companies driven by information technology or intellectual property, which allows him to provide the Board with valuable insights in its deliberations regarding Oracle's acquisition and product strategies. The Board also benefits from Mr. Chizen's financial expertise and significant audit and financial reporting knowledge, including his experience as the former acting CFO of Adobe. Mr. Chizen's service as a director of a large, complex global organization, as well as smaller private companies, provides the Board with important perspectives in its evaluation of Oracle's practices and processes.

George H. Conrades

Independent Director

Age: 81

Director since 2008

Board Committees:
Compensation (Chair),
Independence

Mr. Conrades has served as an Executive Advisor to Akamai Technologies, Inc. (Akamai), a content delivery network services provider for media and software delivery and cloud security solutions, since June 2018. He previously served as Akamai's CEO from 1999 to 2005 and Chairman from 1999 to March 2018. Mr. Conrades currently serves as Managing Partner at Longfellow Venture Partners, a private venture fund advising and investing in early stage healthcare and technology companies. He also served as a Venture Partner at Polaris Venture Partners, an early stage investment company, from 1998 to 2012 and is currently Partner Emeritus. Mr. Conrades currently serves as a director of Cycleron, Inc. and previously served as a director of Akamai Technologies, Inc., Ironwood Pharmaceuticals, Inc. and Harley-Davidson, Inc.

Qualifications: As the former CEO of Akamai, Mr. Conrades brings to the Board first-hand experience in successfully leading and managing a large, complex global organization in the technology industry. Mr. Conrades' experience provides the Board with a perspective applicable to challenges faced by Oracle. In addition, Mr. Conrades' current role at Longfellow Venture Partners requires him to be very familiar with growth companies, including those driven by information technology or intellectual property, which allows him to provide the Board with valuable insights in its deliberations regarding Oracle's acquisition and product strategies. Mr. Conrades' service as a director of large, complex global organizations, as well as smaller private companies, provides the Board with important perspectives in its evaluation of Oracle's practices and processes.

Lawrence J. Ellison

Chairman, Chief Technology
Officer and Founder

Age: 76

Director since 1977

Mr. Ellison has been our Chairman of the Board and CTO since September 2014. Mr. Ellison served as our CEO from June 1977, when he founded Oracle, until September 2014. He previously served as our Chairman of the Board from May 1995 to January 2004. Mr. Ellison currently serves as a director of Tesla, Inc.

Qualifications: Mr. Ellison is Oracle's Founder and served as our CEO since we commenced operations in June 1977 through September 2014. He is widely regarded as a technology visionary and one of the world's most successful business executives. Mr. Ellison's familiarity with and knowledge of our technologies and product offerings are unmatched. He continues to lead and oversee our product engineering, technology development and strategy. For over 40 years he has successfully steered Oracle in new strategic directions in order to adapt to and stay ahead of our competition and changing industry trends. Mr. Ellison is our largest stockholder, beneficially owning approximately 38.3% of the outstanding shares of our common stock, directly aligning his interests with those of our stockholders.



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Rona A. Fairhead

Independent Director

Age: 59

Director since 2019

Board Committees:
Finance and Audit

Mrs. Fairhead served as Minister of State for Trade and Export Promotion, Department of International Trade in the United Kingdom from September 2017 to May 2019. She previously served as Chair of the British Broadcasting Corporation (BBC) Trust from October 2014 to April 2017. From 2006 to 2013, Mrs. Fairhead was Chair and CEO of the Financial Times Group Limited, which was a division of Pearson plc, and, prior to that, she served as Pearson plc's CFO. Before joining Pearson plc, Mrs. Fairhead held a variety of leadership positions at Bombardier Inc. and Imperial Chemical Industries plc. Mrs. Fairhead previously served as a director of Pearson plc, HSBC Holdings plc and PepsiCo, Inc. Mrs. Fairhead is a member of the U.K. House of Lords.

Qualifications: Mrs. Fairhead brings to the Board extensive international experience in finance, risk management and global operations gained from her leadership roles at the BBC Trust, the Financial Times Group, Pearson plc and other multinational companies. She also contributes significant expertise in government affairs from her experience as the U.K. Minister of State for Trade and Export Promotion. Mrs. Fairhead also offers her valuable perspectives on risk management resulting from her experiences serving as chair of the risk committee and financial system vulnerabilities committee of HSBC Holdings plc and as chair of the U.K. Government's Cabinet Office Audit and Risk Committee. In addition, Mrs. Fairhead brings to the Board global marketplace insights and customer perspectives developed through her prior service on the boards of directors at multinational public companies across multiple industries.

Jeffrey O. Henley

Vice Chairman

Age: 75

Director since 1995

Mr. Henley has served as our Vice Chairman of the Board since September 2014. Mr. Henley previously served as our Chairman of the Board from January 2004 to September 2014. He served as our Executive Vice President and CFO from March 1991 to July 2004.

Qualifications: Our Board benefits from Mr. Henley's many years with Oracle and his deep expertise and knowledge regarding our strategic vision, management and operations. Mr. Henley meets regularly with significant Oracle customers and is instrumental in closing major commercial transactions worldwide. This role allows Mr. Henley to remain close to our customers and the technology industry generally. Mr. Henley also brings to the Board significant financial and accounting expertise from his service as our former CFO and in other finance positions prior to joining Oracle.

Renée J. James

Non-Employee Director

Age: 56

Director since 2015

Ms. James is currently the Chairman and CEO of Ampere Computing LLC (Ampere), a company she founded in 2017 that produces high-performance semiconductors for hyperscale cloud, storage, and edge computing. Ms. James also has served as an Operating Executive for The Carlyle Group, a global alternative asset manager, since February 2016. In this role, Ms. James evaluates new technology investments for the firm and advises portfolio companies on their strategic direction and operational efficiency. In January 2016, Ms. James concluded a 28-year career with Intel Corporation (Intel), where she most recently served as President. Ms. James is Chair of the National Security Telecommunications Advisory Committee to the President of the United States. She also serves as a director of Citigroup Inc., Sabre Corporation and Vodafone Group Plc.

Qualifications: As a seasoned technology executive, Ms. James brings to the Board extensive, international experience managing large, complex global operations in the technology industry. In her distinguished career at Intel, Ms. James held a variety of positions in research and development leadership in both software and hardware and the management of global manufacturing. Our Board benefits from the leadership, industry and technical expertise Ms. James acquired at Ampere and Intel and through her service on the boards of public and private companies in the technology and financial services industries. In addition, Ms. James brings to the Board expansive knowledge of cybersecurity gained through the positions she has held at Intel and as Chair of the National Security Telecommunications Advisory Committee to the President of the United States.

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Charles W. Moorman IV

Independent Director

Age: 68
Director since 2018

Board Committees:
Compensation,
Independence

Mr. Moorman is currently a Senior Advisor to Amtrak, where he previously served as President and CEO from August 2016 to January 2018. Mr. Moorman was previously CEO (from 2005 to 2015) and Chairman (from 2006 to 2015) of Norfolk Southern Corporation (Norfolk Southern), a transportation company. From 1975 to 2005, he held various positions in operations, information technology, and human resources at Norfolk Southern. Mr. Moorman serves as a director of Chevron Corporation, and previously served as a director of Duke Energy Corporation and Norfolk Southern.

Qualifications: As the former CEO of Norfolk Southern, Mr. Moorman brings to the Board extensive experience leading and managing the operations of a large, complex Fortune 500 company. Mr. Moorman's forty-year career with Norfolk Southern included numerous senior management and executive positions requiring expertise in engineering, technology, finance and risk management. Mr. Moorman also brings to the Board significant regulatory expertise and familiarity with environmental affairs gained through his leadership roles at both Amtrak and Norfolk Southern. In addition, Mr. Moorman's service as a director of other large public companies provides the Board with important perspectives in its evaluation of Oracle's practices and processes.

Leon E. Panetta

Independent Director

Age: 82
Director since 2015

Board Committees:
Compensation,
Governance

Secretary Panetta served as U.S. Secretary of Defense from 2011 to 2013 and as Director of the Central Intelligence Agency from 2009 to 2011. Prior to that time, Secretary Panetta was a member of the United States House of Representatives from 1977 to 1993, served as Director of the Office of Management and Budget from 1993 to 1994 and served as President Bill Clinton's Chief of Staff from 1994 to 1997. He is the co-founder and Chairman of the Panetta Institute for Public Policy and currently serves as moderator of the Leon Panetta Lecture Series, a program he created. Secretary Panetta previously served as Distinguished Scholar to Chancellor Charles B. Reed of the California State University System and professor of public policy at Santa Clara University.

Qualifications: With a distinguished record of public service at the highest levels of government, Secretary Panetta brings to the Board robust, first-hand knowledge of government affairs and public policy issues. Secretary Panetta's 16 years of experience in the U.S. House of Representatives and service in the administrations of two U.S. Presidents allow him to advise the Board on a wide range of issues related to Oracle's interactions with governmental entities. In addition, Secretary Panetta's service as a leader of large and complex government institutions, including the U.S. Department of Defense, the Central Intelligence Agency and the Office of Management and Budget, provides the Board with important perspectives on Oracle's operational practices and processes, as well as risk management and oversight expertise.

William G. Parrett

Independent Director

Age: 75
Director since 2018

Board Committees:
Governance

Mr. Parrett served as the CEO of Deloitte Touche Tohmatsu, a multinational professional services network, from 2003 until 2007. He joined Deloitte in 1967 and served in a series of roles of increasing responsibility until his retirement in 2007. Mr. Parrett serves as a director of The Blackstone Group L.P. and the Eastman Kodak Company. He previously served as a director of Conduent Inc., Thermo Fisher Scientific Inc., UBS Group AG and iGate Corporation. Mr. Parrett is a Certified Public Accountant with an active license.

Qualifications: As the former CEO of Deloitte Touche Tohmatsu, Mr. Parrett brings to the Board significant experience leading and managing the operations of a large, complex global organization. Mr. Parrett is highly skilled in the fields of auditing, accounting and internal controls, and risk management, and he brings valuable financial expertise to the Board. In addition, Mr. Parrett's service as a director of other public companies in the technology and financial services sectors provides the Board with important perspectives in its evaluation of Oracle's practices and processes.



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Naomi O. Seligman

Independent Director
 Age: 82
 Director since 2005
 Board Committees:
 Compensation (Vice Chair)

Ms. Seligman is a senior partner at Ostriker von Simson, Inc., a technology research firm which chairs the CIO Strategy Exchange. Since 1999, this forum has brought together senior executives in four vital quadrants of the IT sector. From 1977 until June 1999, Ms. Seligman served as a co-founder and senior partner of the Research Board, Inc., a private sector institution sponsored by 100 chief information officers from major global corporations. Ms. Seligman previously served as a director of Akamai Technologies, Inc., iGate Corporation and The Dun & Bradstreet Corporation.

Qualifications: As a senior partner at Ostriker von Simson, Inc., a co-partner of the CIO Strategy Exchange, and a co-founder and former senior partner of the Research Board, Inc., Ms. Seligman is recognized as a thought leader in the technology industry. Ms. Seligman also serves as an independent advisor to some of the largest multinational corporations where she helps oversee global strategy and operations, which allows her to provide our Board with important perspectives in its evaluation of Oracle's practices and processes. The Board also benefits from Ms. Seligman's unique experience and customer-focused perspective and the valuable insights gained from the senior-level relationships she maintains throughout the technology industry.

Vishal Sikka

Non-Employee Director
 Age: 53
 Director since 2019

Dr. Sikka is the founder and CEO of Vianai Systems, Inc., a startup company that provides advanced software and services in artificial intelligence and machine learning. Previously, he was the CEO and Managing Director of Infosys Limited, a multinational IT services company, from 2014 to 2017. From 2002 to 2014, Dr. Sikka was at SAP SE, a multinational software company, where he served on the Executive Board from 2010 to 2014. Dr. Sikka holds a PhD in computer science with a focus on artificial intelligence from Stanford University. He serves on the Supervisory Board of BMW Group and on the Advisory Council for the Stanford Institute for Human-Centered Artificial Intelligence.

Qualifications: As the former CEO of Infosys Limited and a former member of the Executive Board at SAP SE, Dr. Sikka brings to the Board extensive leadership experience managing the operations of large, multinational enterprise information technology companies. The Board also benefits from Dr. Sikka's expertise in the fields of artificial intelligence, information management, distributed systems and related areas. In addition, Dr. Sikka's service as a director of other multinational companies provides the Board with important perspectives in its evaluation of Oracle's practices and processes.

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Recommendations of Director Candidates

The Governance Committee will consider all properly submitted candidates recommended by stockholders for Board membership. Our Corporate Governance Guidelines (available on our website at www.oracle.com/goto/corpgov) set forth the Governance Committee's policy regarding the consideration of all properly submitted candidates recommended by stockholders as well as candidates recommended by current Board members and others.

Any stockholder wishing to recommend a candidate for consideration for nomination by the Governance Committee must provide a written notice to the Corporate Secretary of Oracle by email (Corporate_Secretary@oracle.com) with a confirmation copy sent by mail at 500 Oracle Parkway, Mailstop 5op7, Redwood City, California 94065. Our offices in California are currently closed due to the COVID-19 pandemic so we encourage you to communicate via email at this time; however, we continue to check physical mail on a periodic basis. The written notice must include the candidate's name, biographical data and qualifications and a written consent from the candidate agreeing to be named as a nominee and to serve as a director if nominated and elected. By following these procedures, a stockholder will have properly submitted a candidate for consideration. However, there is no guarantee that the candidate will be nominated.

Potential director candidates are generally suggested to the Governance Committee by current Board members and stockholders and are evaluated at meetings of the Governance Committee. In evaluating such candidates, every effort is made to complement and strengthen skills within the existing Board. The Governance Committee seeks Board approval of the final candidates recommended by the Governance Committee. The same evaluation procedures apply to all candidates for director, whether submitted by stockholders or otherwise.

Information regarding procedures for the stockholder submission of director nominations to be considered at our next annual meeting of stockholders may be found in "Corporate Governance—Proxy Access and Director Nominations" on page 22 and "Stockholder Proposals for the 2021 Annual Meeting" on page 77. Submissions must follow the requirements set forth in our bylaws.

Board Meetings

Our business, property and affairs are managed under the direction of the Board. Members of the Board are kept informed of our business through discussions with our Chairman, Vice Chairman, CEO, General Counsel, Corporate Secretary and other officers and employees, by reviewing materials provided to them and by participating in meetings of the Board and its committees.

During fiscal 2020, the Board met seven times (four regularly scheduled meetings and three special meetings). **Each director attended at least 75% of all Board and applicable committee meetings in fiscal 2020.** Board members are expected to attend our annual meeting of stockholders, and all of our directors serving on the Board at the time of our last annual meeting of stockholders in November 2019 attended that meeting.

**Number of Board and Committee Meetings
Fiscal 2020**

Compensation 9	Finance and Audit 8
Board 7	
Governance 5	Independence 3

Committees, Membership and Meetings

The current standing committees of the Board are the Finance and Audit Committee (F&A Committee), the Governance Committee, the Compensation Committee and the Committee on Independence Issues (Independence Committee).

Each committee reviews its charter at least annually, or more frequently as legislative and regulatory developments and business circumstances warrant. Each of the committees may make additional recommendations to our Board for revision of its charter to reflect evolving best practices. The charters for the F&A, Governance, Compensation and Independence Committees were most recently revised as of August 6, 2020 and are posted on our website at www.oracle.com/goto/corpgov.

[Table of Contents](#)**Committee Membership**

The table below identifies committee membership as of September 8, 2020, the record date of the Annual Meeting.

Director	Finance and Audit	Compensation	Governance	Independence
Jeffrey S. Berg	✓		✓	✓ Chair
Michael J. Boskin	✓ Chair			
Safra A. Catz				
Bruce R. Chizen	✓		✓ Chair	
George H. Conrades		✓ Chair		✓
Lawrence J. Ellison				
Rona A. Fairhead	✓			
Jeffrey O. Henley				
Renée J. James				
Charles W. Moorman IV		✓		✓
Leon E. Panetta		✓	✓	
William G. Parrett			✓	
Naomi O. Seligman		✓ Vice Chair		
Vishal Sikka				

The Board has determined that all directors who served during fiscal 2020 on the Compensation, F&A, Governance and Independence Committees were independent under the applicable New York Stock Exchange (NYSE) listing standards during the periods they served on those committees. The Board has also determined that all directors who served during fiscal 2020 on the Compensation and F&A Committees satisfied the applicable NYSE and U.S. Securities and Exchange Commission (SEC) heightened independence standards for members of compensation and audit committees during the periods they served on those committees. See “Corporate Governance—Board of Directors and Director Independence” on page 27 for more information.

The Finance and Audit Committee

The F&A Committee oversees our accounting and financial reporting processes and the audit and integrity of our financial statements, assists the Board in fulfilling its oversight responsibilities regarding audit, finance, accounting, cybersecurity, tax and legal compliance and risk, and evaluates merger and acquisition transactions and investment transactions proposed by management. In particular, the F&A Committee is responsible for overseeing the engagement, independence, compensation, retention and services of our independent registered public accounting firm. The F&A Committee’s primary responsibilities and duties are to:

- act as an independent and objective party to monitor our financial reporting process and internal control over financial reporting;
- review and appraise the audit efforts of our independent registered public accounting firm;
- receive regular updates from our internal audit department regarding our internal audit plan and compliance with various policies and operational processes across all lines of business;
- evaluate our quarterly financial performance at earnings review meetings;
- oversee management’s establishment and enforcement of financial policies and business practices;
- oversee our compliance with laws and regulations and our Code of Ethics and Business Conduct;
- provide an open avenue of communication between the Board and the independent registered public accounting firm, General Counsel, financial and senior management, Chief Compliance & Ethics Officer and internal audit department;
- review and discuss with management privacy and data security risk exposures;
- review and, if within its delegated range of authority, approve merger and acquisition and financial transactions proposed by our management; and
- produce the Report of the Finance and Audit Committee of the Board, included elsewhere in this proxy statement, as required by SEC rules.

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The F&A Committee held executive sessions with our independent registered public accounting firm on four occasions in fiscal 2020. The Board has determined that Dr. Boskin and Mrs. Fairhead each qualify as an “audit committee financial expert” as defined by SEC rules.

The Compensation Committee

The Compensation Committee’s primary responsibilities and duties are to:

- review and approve all compensation arrangements, including, as applicable, base salaries, bonuses and equity awards, of our CEO and our other executive officers;
- review and approve non-employee director compensation, subject to ratification by the Board;
- lead the Board in its evaluation of the performance of our CEO;
- review and discuss the Compensation Discussion and Analysis (CD&A) portion of our proxy statement with management and determine whether to recommend to the Board that the CD&A be included in our proxy statement;
- review the Compensation Committee Report for inclusion in our proxy statement, as required by SEC rules;
- review, approve and administer our stock plans, and approve equity awards to certain participants;
- annually assess the risks associated with our compensation practices, policies and programs applicable to our employees to determine whether such risks are appropriate or reasonably likely to have a material adverse effect on Oracle; and
- oversee our 401(k) Plan Committee and amend the Oracle Corporation 401(k) Savings and Investment Plan (the 401(k) Plan) when appropriate.

The Compensation Committee helps us attract and retain talented executive personnel in a competitive market. In determining any component of executive or director compensation, the Compensation Committee considers the aggregate amounts and mix of all components in its decisions. Our legal department, human resources department and the independent compensation consultant support the Compensation Committee in its work. For additional details regarding the Compensation Committee’s role in determining executive compensation, including its engagement of an independent compensation consultant, refer to “Executive Compensation—Compensation Discussion and Analysis” beginning on page 32. See “Executive Compensation—Compensation Discussion and Analysis—Elements of our Executive Compensation Program—Equity Awards and Grant Administration” on page 39 for a discussion of the Compensation Committee’s role as the administrator of our stock plans and for a discussion of our policies and practices regarding the grant of our equity awards.

Risk Assessment of Compensation Policies and Practices

The Compensation Committee, in consultation with management and Compensia, Inc., the committee’s independent compensation consultant, has assessed the compensation policies and practices applicable to our executive officers and other employees and concluded that they do not create risks that are reasonably likely to have a material adverse effect on Oracle. The Compensation Committee conducts this assessment annually.

The Nomination and Governance Committee

The Governance Committee’s primary responsibilities and duties are to:

- review and evaluate the size, composition, function and duties of the Board consistent with its needs;
- identify, consider, recommend and assist in recruiting qualified candidates for election to the Board;
- review and reassess the adequacy of our corporate governance policies and procedures, including our Corporate Governance Guidelines;
- review the performance of the Board and its committees (including reviewing the performance of individual directors);
- review and assess the adequacy of our policies, plans and procedures regarding succession planning;
- oversee compliance with our Policy on Pledging Oracle Securities (see page 23 for details) and risks related to pledging arrangements; and
- oversee risks related to sustainability and climate change.

[Table of Contents](#)***The Committee on Independence Issues***

The Independence Committee is charged with reviewing and approving individual transactions, or a series of related transactions, involving amounts in excess of \$120,000 between us (or any of our subsidiaries) and any of our affiliates, such as an executive officer, director or owner of 5% or more of our common stock. The Independence Committee's efforts are intended to ensure that each proposed related person transaction is on terms that, when taken as a whole, are fair to us. If any member of the Independence Committee would derive a direct or indirect benefit from a proposed transaction, he or she is excused from the review and approval process with regard to that transaction. The role of the Independence Committee also encompasses monitoring of related person relationships as well as reviewing proposed transactions and other matters for potential conflicts of interest and possible corporate opportunities in accordance with our Global Conflict of Interest Policy. In addition, the Independence Committee evaluates and makes recommendations to the Board regarding the independence of each non-employee director under the applicable NYSE listing standards.

Director Compensation***Highlights***

- Significant reductions in director compensation in fiscal 2020, including:
 - Eliminating committee chair equity awards
 - Reducing the grant value of annual and initial equity awards
- No per-meeting fees
- Emphasis on equity to align director compensation with our stockholders' long-term interests
- Stockholder-approved limits on equity awards
- No retirement benefits or perquisites
- Robust stock ownership guidelines (see page 25 for details)

Overview

Our directors play a critical role in guiding our strategic direction and overseeing the management of Oracle. Ongoing developments in corporate governance, executive compensation and financial reporting have resulted in increased demand for highly qualified and productive public company directors. In addition, Oracle's acquisition program and expansion into new lines of business can demand substantial time commitments from our directors.

These considerable time commitments and the many responsibilities and risks of being a director of a public company of Oracle's size, complexity and profile require that we provide reasonable incentives for our non-employee directors' continued performance by paying compensation commensurate with their qualifications and significant workload. Our non-employee directors are compensated based on their respective levels of Board participation and responsibilities, including service on Board committees. Our non-employee directors display a high level of commitment and flexibility in their service to Oracle. Several of our directors serve on more than one committee. In addition to engaging with our senior management, our non-employee directors personally attend and participate in important customer and employee events, such as Oracle OpenWorld and Oracle President's Council forums, and meet with our stockholders throughout the year to better understand their perspectives. Annual cash retainers and equity awards granted to our non-employee directors are intended to correlate with the qualifications, responsibilities and time commitments of each such director.

Our employee directors, Mr. Ellison, Ms. Catz and Mr. Henley, do not receive separate compensation for serving as directors of Oracle.

[Table of Contents](#)***Fiscal 2020 Reductions in Director Compensation***

The Compensation Committee reviews non-employee director compensation on at least an annual basis, taking into account peer company data, best practices, the external environment for compensation and stockholder feedback, and makes recommendations to the Board.

In fiscal 2016 and fiscal 2018, based on the Compensation Committee's recommendations, the Board approved reductions to non-employee director compensation.

Continuing this pattern, in fiscal 2020 based on the Compensation Committee's recommendation, the Board approved further significant reductions to non-employee director compensation.

Effective May 31, 2020:

- The grant value of each of the annual and initial equity awards for Board service was **reduced** from \$400,000 to \$350,000; and
- Committee chair equity awards were **eliminated** which resulted in:
 - a **\$200,000 reduction** in equity grant value to our F&A Committee Chair and Compensation Committee Chair; and
 - a **\$65,000 reduction** in equity grant value to our Governance Committee Chair and Independence Committee Chair.

Annual Equity Grant for Directors

Non-employee directors participate in our Amended and Restated 1993 Directors' Stock Plan (the Directors' Stock Plan), which sets forth stockholder-approved limits on annual equity awards for service on the Board and as a committee chair as described below.

Grant Type	Stockholder-Approved Director Plan Equity Award Limits
Board Annual Grant	45,000 options (or 11,250 RSUs)
F&A Committee Chair	45,000 options (or 11,250 RSUs)
F&A Committee Vice Chair	30,000 options (or 7,500 RSUs)
Compensation Committee Chair	45,000 options (or 11,250 RSUs)
Governance Committee Chair	15,000 options (or 3,750 RSUs)
Independence Committee Chair	15,000 options (or 3,750 RSUs)

The Directors' Stock Plan provides that in lieu of all or some of the stock option limits set forth in the plan, non-employee directors may receive grants of RSUs of an equivalent value, as determined on any reasonable basis by the Board. The Board determined that a ratio of four stock options to one RSU should be used, consistent with its approach for equity awards granted to Oracle employees, and that all non-employee director equity awards would be delivered in the form of RSUs that are granted on May 31 of each year and fully vest on the first anniversary of the date of grant.

For a number of years, the Board has provided that that each equity award will be limited to the lesser of the stockholder-approved equity award limits set forth in the Directors' Stock Plan or a specified grant value, and has granted equity awards with a value significantly below such stockholder-approved equity award limits. As noted above, in fiscal 2020, the Board approved further changes to our non-employee director compensation program in fiscal 2020, including reductions in the size of equity awards and the elimination of committee chair equity awards.

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Below is a summary of the grant value limit on annual equity awards effective May 31, 2020 and the number of RSUs actually granted to non-employee directors on May 31, 2020. As noted above, no equity awards were granted to committee chairs.

Grant Type	Stockholder-Approved Equity Award Limits	Dollar Value Effective May 31, 2020	Equity Actually Granted on May 31, 2020 (1)	% Reduction from Stockholder-Approved Limits (2)
Board Annual Grant	45,000 options (or 11,250 RSUs)	\$ 350,000	6,509 RSUs	↓ 42%

(1) Calculated by dividing the grant value by the closing price of Oracle common stock on the date of grant (\$53.77 per share), rounding down to the nearest whole share.

(2) Percentage reduction in the number of RSUs actually granted on May 31, 2020 compared to stockholder-approved equity award limits.

Initial Equity Grant for New Directors

The Directors' Stock Plan also provides for an initial equity award of not more than 45,000 stock options (or 11,250 RSUs) for new non-employee directors, prorated based upon the number of full calendar months remaining in the fiscal year of the director's appointment. In accordance with the reductions to our non-employee director compensation described above, any new non-employee director will receive an initial equity award equal to the lesser of 11,250 RSUs or RSUs with a total value of \$350,000 (calculated by dividing the grant value by the closing price of Oracle common stock on the date of grant, rounding down to the nearest whole share), prorated based upon the number of full calendar months remaining in the fiscal year of the director's appointment.

Cash Retainer Fees for Directors

In fiscal 2020, each of our non-employee directors received (1) an annual cash retainer fee of \$52,500 for serving as a director of Oracle (prorated for directors who did not serve on the Board for the full fiscal year) and (2) each of the applicable retainer fees set forth in the table below for serving as a chair or as a member of one or more of the committees of the Board (prorated for directors who served as chairs or committee members for less than the full fiscal year).

Annual Committee Member Retainer Fees

F&A and Compensation Committees	\$ 25,000
Governance and Independence Committees	\$ 15,000

Additional Annual Retainer Fees for Committee Chairs

F&A and Compensation Committees	\$ 25,000
Governance and Independence Committees	\$ 15,000

Board members do not receive fees for meetings they attend.

Fiscal 2020 Director Compensation Table

The following table provides summary information regarding the compensation we paid to our non-employee directors in fiscal 2020.

Name	Fees Earned or Paid in Cash (\$)	Stock Awards (4) (5) (\$)	All Other Compensation (\$)	Total (\$)
Jeffrey S. Berg	122,500	343,740	—	466,240
Michael J. Boskin	102,500	343,740	—	446,240
Bruce R. Chizen	107,500	343,740	—	451,240
George H. Conrades	117,500	343,740	—	461,240
Rona A. Fairhead (1)	57,264	671,471	—	728,735
Hector Garcia-Molina (2)	26,148	—	—	26,148
Renée J. James	52,500	343,740	—	396,240
Charles W. Moorman IV	85,495	343,740	—	429,235
Leon E. Panetta	92,500	343,740	—	436,240
William G. Parrett	70,179	343,740	—	413,919
Naomi O. Seligman	77,500	343,740	—	421,240
Vishal Sikka (3)	24,952	507,527	282,000	814,479

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- (1) Mrs. Fairhead joined the Board on July 31, 2019, and her fiscal 2020 cash compensation was prorated accordingly. As a new director, in accordance with our Directors' Stock Plan, Mrs. Fairhead received two equity grants during fiscal 2020: an initial one-time prorated equity grant of 5,920 RSUs on the effective date of her appointment, and the annual grant received by all non-employee directors on May 31, 2020.
- (2) Mr. Garcia-Molina did not stand for re-election at the 2019 Annual Meeting of Stockholders. He passed away on November 25, 2019. His fiscal 2020 cash compensation was prorated, and he did not receive a fiscal 2020 equity grant.
- (3) Dr. Sikka joined the Board on December 10, 2019, and his fiscal 2020 cash compensation was prorated accordingly. As a new director, in accordance with our Directors' Stock Plan, Dr. Sikka received two equity grants during fiscal 2020: an initial one-time prorated equity grant of 2,985 RSUs on the effective date of his appointment, and the annual grant received by all non-employee directors on May 31, 2020. Prior to Dr. Sikka joining the Board, Oracle entered into a consulting agreement with Hang Ten Systems LLC ("Hang Ten"), a company wholly owned by Dr. Sikka. Under the agreement, Hang Ten provided consulting services and sales support to Oracle for three months. The amount shown in the "All Other Compensation" column for Dr. Sikka includes payments made for these consulting services, and no further payments are due.
- (4) The amounts reported in this column represent the aggregate grant date fair values of RSUs computed in accordance with the Financial Accounting Standards Board's (FASB) Accounting Standards Codification (ASC) Topic 718, *Compensation—Stock Compensation* (FASB ASC 718). The non-employee directors have not presently realized a financial benefit from these awards because none of the RSUs granted in fiscal 2020 have vested. For information on the valuation assumptions used in our stock-based compensation computations, see Note 13 of Notes to our Consolidated Financial Statements included in our Annual Report on Form 10-K for fiscal 2020.
- (5) The following table provides additional information concerning the stock awards (in the form of RSUs) and stock options held by our non-employee directors as of the last day of fiscal 2020.

Name	Total Unvested RSUs Outstanding at Fiscal 2020 Year End (#)	RSUs Granted During Fiscal 2020 (b) (#)	Total Option Awards Outstanding at Fiscal 2020 Year End (#)
Jeffrey S. Berg	6,509	6,509	157,500
Michael J. Boskin	6,509	6,509	300,000
Bruce R. Chizen	6,509	6,509	—
George H. Conrades	6,509	6,509	67,500
Rona A. Fairhead	12,429	12,429	—
Hector Garcia-Molina (a)	—	—	—
Renée J. James	6,509	6,509	9,375
Charles W. Moorman IV	6,509	6,509	—
Leon E. Panetta	6,509	6,509	37,500
William G. Parrett	6,509	6,509	—
Naomi O. Seligman	6,509	6,509	112,500
Vishal Sikka	9,494	9,494	—

- (a) Mr. Garcia-Molina's unvested RSUs were forfeited upon his death.
- (b) The RSUs reported in this column were granted on May 31, 2020 and vest on the first anniversary of the date of grant (May 31, 2021).

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CORPORATE GOVERNANCE

We regularly monitor developments in corporate governance and review our processes and procedures in light of such developments. As part of those efforts, we review federal laws affecting corporate governance, as well as rules adopted by the SEC and NYSE. We believe we have in place corporate governance procedures and practices that are designed to enhance our stockholders' interests.

Corporate Governance Guidelines

The Board has adopted Corporate Governance Guidelines (the Guidelines), which address the following matters:

- director qualifications;
- director majority voting policy;
- director responsibilities, including risk oversight;
- executive sessions and leadership roles;
- director conflicts of interest;
- Board committees;
- director access to officers and employees;
- director compensation;
- director orientation and continuing education;
- director and executive officer stock ownership;
- CEO evaluations;
- stockholder communications with the Board;
- performance evaluations of the Board and its committees; and
- management succession.

The Guidelines require all members of the F&A, Compensation, Governance and Independence Committees to be independent, each in accordance with or as defined in the rules adopted by the SEC and NYSE. The Independence Committee and the Board make this determination annually for all non-employee directors.

The Board and each committee have the power to hire legal, accounting, financial or other outside advisors as they deem necessary in their best judgment without the need to obtain the prior approval of any officer of Oracle. Directors have full and free access to officers and employees of Oracle and may ask questions and conduct investigations as they deem appropriate to fulfill their duties.

Conflict of interest expectations for our non-employee directors are addressed in the Guidelines and provide that each non-employee director must disclose to our General Counsel:

- all of his or her executive, employment, board of directors, advisory board or equivalent positions in other organizations annually;
- any such proposed positions with a public company before they become effective and any such positions with a private company promptly following his or her appointment to such entity; and
- any potential conflicts of interest that may arise from time to time with respect to matters under consideration of the Board.

The General Counsel must report all such disclosures to the Independence Committee, and the Board must consider such disclosures and other available information and take such actions as it considers appropriate. All directors are expected to comply with Oracle's Code of Ethics and Business Conduct, except that for our non-employee directors, the provisions regarding conflicts of interest in the Guidelines supersede these same provisions in the Code of Ethics and Business Conduct.

The Guidelines provide for regular executive sessions to be held by non-employee directors. The Guidelines also provide that the Board or Oracle will establish or **provide access to appropriate orientation programs or materials for the benefit of newly elected directors**, including presentations from senior management and visits to Oracle's facilities.

Under the Guidelines, the Board periodically evaluates the appropriate size of the Board and may make any changes it deems appropriate. The Compensation Committee is required under the Guidelines to conduct an annual review of our CEO's performance and compensation, and the Board reviews the Compensation Committee's report to ensure the CEO is providing the best leadership for Oracle in the short and long term.

The Guidelines are posted on, and we intend to disclose any future amendments to the Guidelines on, our website at www.oracle.com/goto/corpgov.

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Proxy Access and Director Nominations

Under our proxy access bylaw, a stockholder (or a group of up to 20 stockholders) owning at least 3% of Oracle's outstanding shares continuously for at least three years may nominate and include in Oracle's annual meeting proxy materials director nominees constituting up to the greater of two individuals or 20% of the Board, provided that the stockholders and the nominees satisfy the requirements specified in our Bylaws.

See "Stockholder Proposals for the 2021 Annual Meeting" on page 77 for information on the requirements for stockholders who wish to submit a director nomination for inclusion in our 2021 proxy statement or submit a director nomination to be presented at our 2021 annual meeting of stockholders (but not for inclusion in our proxy statement).

Majority Voting Policy

The Guidelines set forth our majority voting policy for directors, which states that, in an uncontested election, if any director nominee receives an equal or greater number of votes WITHHELD from his or her election as compared to votes FOR such election (a Majority Withheld Vote) and no successor has been elected at such meeting, **the director nominee must tender his or her resignation following certification of the stockholder vote.**

The Governance Committee must promptly consider the resignation offer and a range of possible responses based on the circumstances that led to the Majority Withheld Vote, if known, and make a recommendation to the Board as to whether to accept or reject the tendered resignation, or whether other action should be taken. The Governance Committee in making its recommendation, and the Board in making its decision, may each consider any factors or other information that it considers appropriate and relevant, including, but not limited to:

- the stated reasons, if any, why stockholders withheld their votes;
- possible alternatives for curing the underlying cause of the withheld votes;
- the director's tenure;
- the director's qualifications;
- the director's past and expected future contributions to Oracle; and
- the overall composition of the Board.

The Board will act on the Governance Committee's recommendation within 90 days following certification of the stockholder vote. Thereafter, the Board will promptly publicly disclose in a report furnished to the SEC its decision regarding the tendered resignation, including its rationale for accepting or rejecting the tendered resignation. The Board may accept a director's resignation or reject the resignation. If the Board accepts a director's resignation, then the Board, in its sole discretion, may fill any resulting vacancy or may decrease the size of the Board, in each case pursuant to our Bylaws. If a director's resignation is not accepted by the Board, such director will continue to serve until the next annual meeting and until his or her successor is duly elected, or his or her earlier resignation or removal.

Any director who tenders his or her resignation pursuant to this policy may not participate in the Governance Committee recommendation or Board action regarding whether to accept the resignation offer. However, if a majority of the members of the Governance Committee received a Majority Withheld Vote at the same election, then the independent directors who did not receive a Majority Withheld Vote must appoint a committee among themselves to consider any resignation offers and recommend to the Board whether to accept such resignation offers.

Through this policy, the Board seeks to be accountable to all stockholders and respects the rights of stockholders to express their views through their votes for directors. However, the Board also deems it important to preserve sufficient flexibility to make sound evaluations based on the relevant circumstances in the event of a greater than or equal to 50% WITHHELD vote against a specific director. For example, the Board may wish to assess whether the sudden resignations of one or more directors would materially impair the effective functioning of the Board. The Board's policy is intended to allow the Board to react to situations that could arise if the resignation of multiple directors would prevent a key committee from achieving a quorum. The policy also would allow the Board to assess whether a director was targeted for reasons unrelated to his or her Board performance at Oracle. The policy imposes a short time frame for the Board to consider a director nominee's resignation and make its decision public.

[Table of Contents](#)**Prohibition on Speculative Transactions and Pledging Policy**

Prohibition on Speculative Transactions. Our Insider Trading Policy prohibits all employees, including our executive officers, and non-employee directors, from purchasing financial instruments (including prepaid variable forward contracts, equity swaps, short sales, puts, collars, straddles and exchange funds) or otherwise engaging in transactions that are designed to or have the effect of hedging or offsetting any decrease in the market value of Oracle securities. The prohibition does not apply to the exercise of any employee stock options granted by Oracle.

Pledging Policy. In January 2018, the Governance Committee adopted a Policy on Pledging Oracle Securities (the Pledging Policy). The Pledging Policy prohibits Oracle directors, executive officers and their immediate family members from:

- holding Oracle securities in a margin account; and
- pledging Oracle securities as collateral to secure or guarantee indebtedness, subject to two exceptions:
 - pledges of securities of a target company that are in place at the time Oracle acquires such company are permitted; and
 - Oracle's Founder may continue to pledge Oracle securities as collateral to secure or guarantee indebtedness, but he may not hold Oracle securities in a margin account.

The Pledging Policy also requires the Governance Committee to review all pledging arrangements, assess any risks to Oracle and its stockholders and report on the arrangements to the F&A Committee and the Board. The Pledging Policy provides that all pledges must comply with Oracle's Insider Trading Policy and must be pre-cleared as specified in Oracle's Trading Pre-clearance Procedures. The Governance Committee may periodically seek outside advice and counsel in connection with its oversight of pledging arrangements.

Review of Pledging Arrangements. As of September 8, 2020, Mr. Ellison, Oracle's Founder, Chairman, CTO and largest stockholder, had pledged 317,000,000 shares of Oracle common stock as collateral to secure certain personal indebtedness. Mr. Ellison's pledged shares secure personal term loans only; none of his shares are pledged as collateral for margin accounts. The pledged shares are not used to shift or hedge any economic risk in owning Oracle common stock. No other executive officer or director, or any of their immediate family members, holds shares of Oracle common stock that have been pledged to secure any personal or other indebtedness.

Every fiscal quarter, the Governance Committee reviews Mr. Ellison's pledging arrangements from a risk management perspective and regularly provides a report to the F&A Committee and the Board. In accordance with the Pledging Policy, the Governance Committee considers the following when reviewing the pledging arrangements:

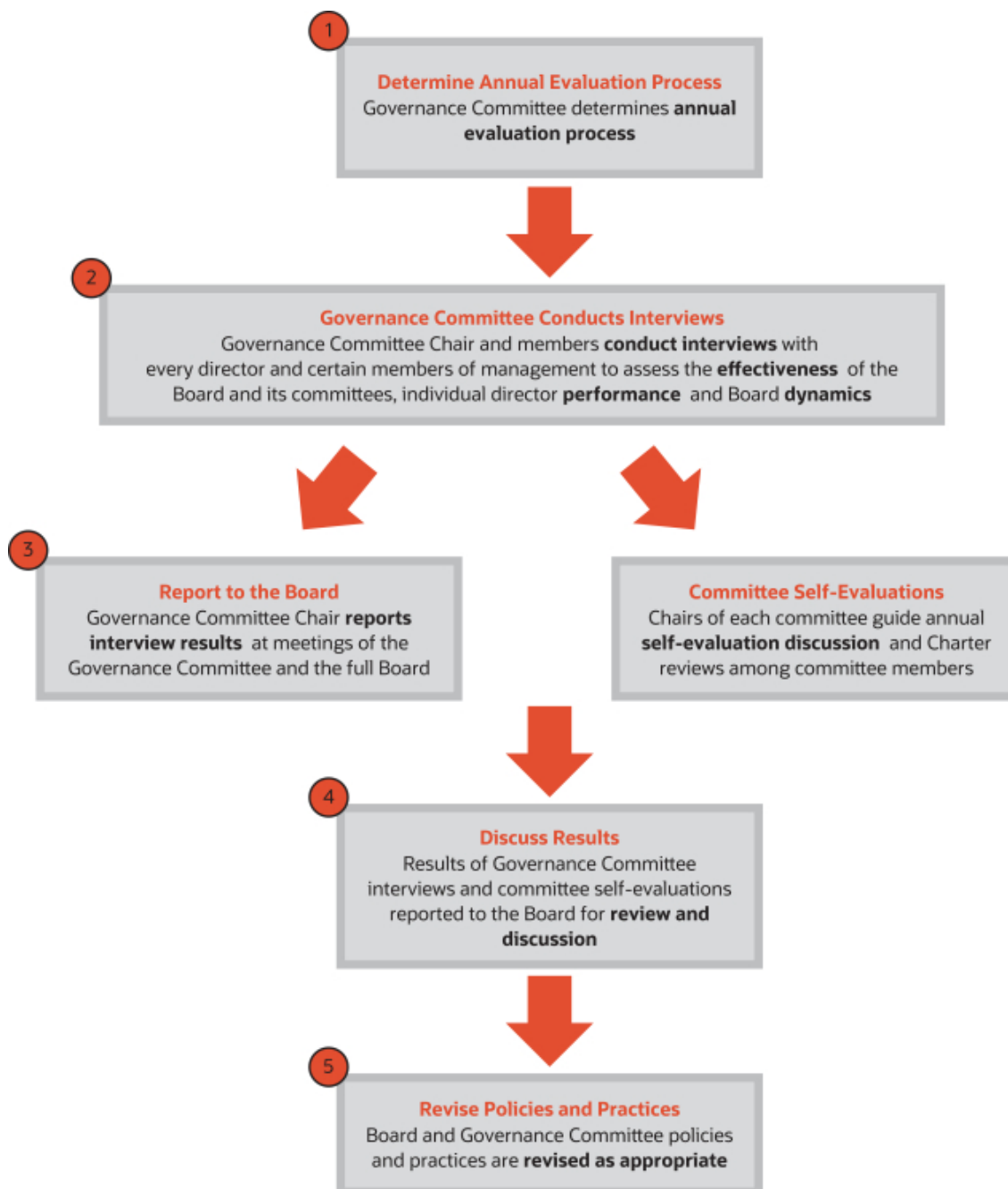
- historical information and trends regarding Mr. Ellison's pledging arrangements;
- the key terms of the loans under which shares of Oracle common stock have been pledged as collateral;
- the magnitude of the aggregate number of shares of Oracle common stock that are pledged in relation to:
 - the total number of shares of Oracle common stock outstanding; and
 - the total number of shares of Oracle common stock owned by Mr. Ellison;
- the market value of Oracle common stock;
- Mr. Ellison's independent ability to repay any loans without recourse to the already-pledged shares; and
- any other relevant factors.

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Board and Committee Performance Evaluations

The Board and each of its committees conduct annual self-evaluations to determine whether they are functioning effectively and whether any changes are necessary to improve their performance. The Board believes that the multi-step evaluation process outlined below allows for a constructive review of the Board and is essential to maintaining Board effectiveness.

Multi-Step Evaluation Process



[Table of Contents](#)**Stock Ownership Guidelines for Directors and Senior Officers**

Non-employee directors and senior officers are required to own shares of Oracle common stock to align their interests with the long-term interests of our stockholders. The Governance Committee sets and periodically reviews and makes changes to these ownership requirements, which we refer to as the Stock Ownership Guidelines. The current Stock Ownership Guidelines were adopted in July 2011 and amended in April 2015.

Under the Stock Ownership Guidelines, our non-employee directors and senior officers must own the following number of shares of Oracle common stock within five years from the date such person becomes a director or senior officer:

Title	Minimum Number of Shares
Chairman and Chief Technology Officer	250,000
Chief Executive Officer	250,000
President	100,000
Executive Vice Presidents who are Section 16 Officers	50,000
All other Executive Vice Presidents	25,000
Non-employee directors	10,000

Each person promoted from within the senior officer positions has one year from the date of his or her promotion to comply with any increased ownership requirement. Shares of Oracle common stock that count toward satisfying the Stock Ownership Guidelines include any shares held directly or through a trust or broker; shares held by a spouse; shares held through our 401(k) Plan and our Oracle Corporation Employee Stock Purchase Plan (the ESPP); deferred, vested RSUs; and shares underlying vested but unexercised stock options, with 50% of the “in-the-money” value of such options being used for this calculation. Full-value awards, such as RSUs, do not count toward the Stock Ownership Guidelines until they vest.

As of September 8, 2020, we believe all of our non-employee directors and senior officers are currently in compliance with the Stock Ownership Guidelines or have additional time to comply, and many of them maintain holdings of Oracle common stock significantly in excess of the minimum required number of shares. Consistent with our objective of aligning the interests of our directors and officers with the long-term interests of stockholders, many of our directors and officers do not sell their shares of Oracle common stock when their RSUs vest.

Board Leadership Structure

The roles of Board Chair and CEO are currently filled by separate individuals. Since September 2014, Mr. Ellison has served as our Chairman, and Ms. Catz has served as our CEO (Mark Hurd also served as CEO from September 2014 through September 2019). Previously, Mr. Henley served as Chairman and Mr. Ellison served as CEO.

The Board believes that the separation of the offices of the Chair and CEO is appropriate at this time because it allows our CEO to focus primarily on Oracle’s business strategy, operations and corporate vision. The Board elects our Chair and our CEO, and each of these positions may be held by the same person or by different people. We believe it is important that the Board retain flexibility to determine whether these roles should be separate or combined based upon the Board’s assessment of the company’s needs and Oracle’s leadership at a given point in time.

We believe that independent and effective oversight of Oracle’s business and affairs is maintained through the composition of the Board, the leadership of our independent directors and Board committees and our governance structures and processes. The Board consists of a substantial majority of independent directors, and the Board’s Compensation, F&A, Governance and Independence Committees are composed solely of independent directors.

As set forth in our Guidelines, on an annual rotating basis, the chairs of the F&A Committee, the Governance Committee and the Compensation Committee serve as the lead independent director at executive sessions of the Board. The lead independent director serves as a liaison between our independent directors and our executive directors and performs such additional duties as the Board determines. **Currently, Dr. Boskin serves as the lead independent director.** The directors filling this role take it very seriously and the Board believes the position is strengthened by the particular insights and diversity of viewpoints that the different committee chairs bring to the position. This structure also provides a broader group of directors the opportunity to serve in an additional leadership role.

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The Board’s Role in Risk Oversight

Management is responsible for assessing and managing risks to Oracle, and, in turn, the Board is responsible for overseeing management’s efforts to assess and manage risk. The Board’s risk oversight areas include, but are not limited to:

- leadership structure and succession planning for management and the Board;
- strategic and operational planning, including with respect to significant acquisitions, long-term debt financing and Oracle’s long-term growth;
- information technology and cybersecurity;
- risks and opportunities related to the ongoing COVID-19 pandemic;
- diversity and inclusion; and
- legal and regulatory compliance.

Cybersecurity Risk Oversight

Cybersecurity risk oversight is a top priority for the Board. Oracle’s head of Global Information Security and its Chief Privacy Officer regularly brief the F&A Committee on Oracle’s information security program and its related priorities and controls. In turn, the F&A Committee reports to the full Board regarding the committee’s cybersecurity risk oversight activities.

The Board has been receiving regular updates from Oracle’s executives regarding the impact and risks of the ongoing **COVID-19 pandemic** on Oracle’s business. The Board has also been updated on the steps Oracle has taken to provide critical technologies, programs and support to individuals and organizations to navigate, adjust and continue their operations in light of the unique demands and constraints imposed by the pandemic. For decades, Oracle has developed, delivered and supported products and services that enable telecommunication companies to keep people connected; retailers to provide food and other necessities; researchers to identify solutions; hospitals to provide care; airlines to ensure travel; banks to help people access funds; insurers to provide benefits; governments to keep people safe and informed; utilities to supply power and water; and many other critical functions. Oracle has proactively sought, supported, donated to, partnered and engaged with organizations globally that provide critical medicines, research, goods and services to combat the COVID-19 pandemic.

While the Board has the ultimate oversight responsibility for Oracle’s risk management policies and processes, various committees of the Board also have the following responsibilities for risk oversight.

F&A Committee	Oversees risks associated with our financial statements and financial reporting, our independent registered public accounting firm, our internal audit function, tax issues, mergers and acquisitions, credit and liquidity, information technology, privacy and cybersecurity , legal and regulatory matters, and Code of Ethics and Business Conduct compliance.
Compensation Committee	Considers the risks associated with our compensation policies and practices, with respect to executive compensation, director compensation and employee compensation generally, as well as human capital management , including talent acquisition and retention.
Governance Committee	Oversees risks associated with our overall governance practices and the leadership structure of management and the Board, as well as risks related to the pledging of Oracle securities and risks related to sustainability and climate change. In accordance with our Pledging Policy, the Governance Committee regularly reviews Mr. Ellison’s pledging arrangements from a risk management perspective and provides a report to the F&A Committee and the Board, as described in “Prohibition on Speculative Transactions and Pledging Policy” on page 23. The Governance Committee also periodically reviews and assesses the adequacy of our policies, plans and procedures with respect to succession planning for Oracle’s key executive officers, including the CEO and the CTO. At least annually, the Board holds an executive session with each of the CEO and the CTO to discuss potential successors and the performance, strengths and weaknesses of any such candidates.
Independence Committee	Reviews risks arising from transactions with related persons and director independence issues.

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The Board is kept informed of each committee's risk oversight and other activities via regular reports of the committee chairs to the full Board. For example, with respect to acquisitions and depending on the size of the acquisition meeting a threshold figure, the F&A Committee performs the initial review of the proposed transaction—taking into consideration any risks associated with the transaction—and determines whether to recommend that the Board approve the transaction. The F&A Committee also reviews completed acquisitions periodically to determine whether the acquired companies have performed as expected.

In addition, the Board plays an active oversight and risk mitigation role through its [regular review of Oracle's strategic direction](#). While management is responsible for setting Oracle's strategic direction, the directors review Oracle's strategy at every regular meeting of the Board. One Board meeting each year is dedicated to strategy and has historically been held off-site. The Board engages in candid discussions with management with respect to Oracle's strategic direction. We believe this Board oversight helps identify and mitigate risks associated with our overall business strategy.

Board of Directors and Director Independence

Each of our directors stands for election every year. [We do not have a classified or staggered board](#). If the director nominees are elected at the Annual Meeting, the Board will continue to be composed of three employee directors (Mr. Ellison, Ms. Catz and Mr. Henley) and eleven non-employee directors.

Upon the recommendation of the Independence Committee, the Board determined that each of the following nine current directors is independent (as defined by applicable NYSE listing standards and our Corporate Governance Guidelines): Mr. Berg, Dr. Boskin, Mr. Chizen, Mr. Conrades, Mrs. Fairhead, Mr. Moorman, Secretary Panetta, Mr. Parrett and Ms. Seligman. The Board also determined, upon recommendation of the Independence Committee, that Mr. Garcia-Molina, who did not stand for re-election at the 2019 Annual Meeting of Stockholders, was independent during the time he served on the Board in fiscal 2020. Therefore, all directors who served during fiscal 2020 on the Compensation, F&A, Governance and Independence Committees were independent under the applicable NYSE listing standards and SEC rules. The Board further determined, upon recommendation of the Independence Committee, that all directors who served during fiscal 2020 on the Compensation and F&A Committees satisfied the applicable NYSE and SEC heightened independence standards for members of compensation and audit committees.

In making the independence determinations, the Board and the Independence Committee considered all facts and circumstances relevant under the NYSE listing standards and SEC rules, including any relationships between Oracle and entities affiliated with the directors. In particular, the following relationships were considered:

- Dr. Boskin is employed by Stanford University, which has received donations from both Oracle and various Board members. In addition, certain Board members serve on advisory or oversight boards at Stanford University or are otherwise employed part-time by Stanford University. Mr. Garcia-Molina was also employed by Stanford University until he passed away in November 2019. Mr. Garcia-Molina served on the Board from 2001 until his death. During his 18 years on the Board, he provided valuable technical and industry-specific perspectives.
- The total amount Oracle donated to Stanford University constituted less than 0.01% of Oracle's total revenues in fiscal 2020. Predominately all of the funds Oracle donated were contributed directly to Stanford Hospital and Clinics. Based on a review of publicly available data, we believe the contributions represented less than 0.03% of Stanford University's total revenues in its last fiscal year. The contributions fall within NYSE prescribed limits and guidelines.

The non-employee directors held an executive session following each of the regularly scheduled Board meetings, for a total of four meetings in fiscal 2020.

The F&A Committee has adopted a requirement that if an F&A Committee member wishes to serve on more than three audit committees of public companies, the member must obtain the approval of the F&A Committee, which will determine whether the director's proposed service on the other audit committee(s) will detract from his/her performance on our F&A Committee. No F&A Committee member currently serves on more than three audit committees of public companies.

Director Tenure, Board Refreshment and Diversity

We believe it is desirable to maintain a mix of longer-tenured, experienced directors and newer directors with fresh perspectives. In furtherance of this objective, the Board elected Dr. Sikka and Mrs. Fairhead in fiscal 2020,

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Mr. Moorman and Mr. Parrett in fiscal 2018, Ms. James in fiscal 2016 and Secretary Panetta in fiscal 2015, for a total of 6 directors added in the last 6 fiscal years.

However, we do not impose director tenure limits or a mandatory retirement age. The Board has considered the perspectives of some stockholders regarding longer-tenured directors, but believes that longer-serving directors with experience and institutional knowledge bring critical skills to the boardroom. In particular, the Board believes that given the large size of our company, the breadth of our product offerings and the international scope of our organization, longer-tenured directors are a significant strength of the Board. The Board also believes that longer-tenured directors have a better understanding of the challenges Oracle is facing and are more comfortable speaking out and challenging management. Accordingly, while director tenure is taken into consideration when making nomination decisions, the Board believes that imposing arbitrary limits on director tenure would deprive it of the valuable contributions of its most experienced members.

Board Diversity

36% of our Board members are women or come from a diverse background

The Board and the Governance Committee value diversity of backgrounds, experience, perspectives and leadership in different fields when identifying nominees. As set forth in our Guidelines, **the Governance Committee, acting on behalf of the Board, is committed to actively seeking women and minority candidates for the pool from which director candidates are selected.** Presently, 36% of our Board members are women or come from a diverse background (4 of our 14 Board members are women, including our CEO).

Stockholder Outreach

We have a long tradition of engaging with our stockholders to solicit their views on a wide variety of issues, including corporate governance, environmental and social matters, executive compensation and other issues.

Independent Director Engagement. On a regular basis, certain of our independent directors hold meetings with our stockholders. The meetings tend to be among our largest institutional investors and members of our Compensation Committee, with the Chair of our Governance Committee joining if the agenda warrants his attendance.

Neither our Chairman nor our Chief Executive Officer participate in these meetings to ensure investors are able to provide candid feedback to our directors. We provide an open forum to our investors to discuss and comment on any aspects of our executive compensation program and governance matters. The Board believes these meetings are important because they foster a relationship of accountability between the Board and our stockholders and help us better understand and respond to our stockholders' priorities and perspectives.

- In fiscal 2020, certain of our independent directors held meetings with **ten** institutional stockholders representing approximately **30%** of our outstanding unaffiliated shares (based on data available as of June 30, 2020).
- Thus far in fiscal 2021, we reached out to stockholders representing approximately **31%** of our outstanding unaffiliated shares (based on data available as of June 30, 2020) to set up meetings with members of the Compensation Committee. The full Compensation Committee has already held video conference meetings with **four** institutional stockholders. We have continued to engage with our stockholders despite the challenges posed by the global COVID-19 pandemic.

Executive Director Engagement. As part of our regular Investor Relations engagement program, our executive directors hold meetings with a number of our institutional stockholders throughout the year. We also typically hold an annual financial analyst meeting at Oracle OpenWorld where analysts are invited to hear presentations from key members of our management team, including our executive directors. We held our fiscal 2020 analyst day at Oracle OpenWorld on September 19, 2019. In fiscal 2020, our executive directors held meetings with stockholders representing approximately **21%** of our outstanding unaffiliated shares (based on data available as of June 30, 2020). As a result of the global COVID-19 pandemic, we have cancelled our in-person analyst day which was originally expected to occur in fiscal 2021.

Accountability:

One Share, One Vote

Oracle has a **single class of voting stock, with each share entitled to one vote.** Our executives, including our Founder, are thus held accountable to stockholders, who have voting power in proportion to their economic interest in our stock.

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Legal and Investor Relations Engagement. Members of our Legal and Investor Relations team engage with stockholders throughout the year. However, after the proxy statement is filed there is a push to re-engage with stockholders in order to discuss matters on the annual stockholder meeting agenda and solicit feedback. When appropriate, independent directors join these discussions.

The feedback received from our stockholder outreach efforts is communicated to and considered by the Board, and, when appropriate, the Board implements changes in response to stockholder feedback. See “Proxy Statement Summary—Stockholder Outreach and Board Responsiveness” on pages 3 and 4 for a summary of the recent feedback we have received from our stockholders and the Board’s response to this feedback.

Communications with the Board

Any person wishing to communicate with any of our directors, including our independent directors, regarding Oracle may send an email to Corporate_Secretary@oracle.com or may write to the director, c/o the Corporate Secretary of Oracle at 500 Oracle Parkway, Mailstop 5op7, Redwood City, California 94065. Our offices in California are currently closed due to the COVID-19 pandemic so we encourage you to communicate via email at this time; however, we continue to check physical mail on a periodic basis. The Corporate Secretary will forward relevant communications directly to the director(s) specified or, if none is specified, to the Chairman of the Board. In addition, we present all such communications, as well as draft responses, at meetings of our Governance Committee. These communications and draft responses are also provided to the appropriate committee or group of directors based on the subject matter of the communication; for example, communications regarding executive compensation are provided to our Compensation Committee, in addition to our Governance Committee.

Employee Matters

Code of Conduct. In 1995, we adopted a Code of Ethics and Business Conduct (the Code of Conduct), which is periodically reviewed and amended by the Board. We require all employees, including our senior officers and our employee directors, to read and to adhere to the Code of Conduct in discharging their work-related responsibilities. Our Compliance and Ethics Program, under the direction of our Chief Compliance and Ethics Officer, administers training on and enforces the Code of Conduct. We have also appointed Regional Compliance and Ethics Officers to oversee the application of the Code of Conduct in each of our geographic regions. We provide mandatory web-based general training with respect to the Code of Conduct, and we provide additional live and web-based training on specific aspects of the Code of Conduct from time to time to certain employees. Employees are expected to report any conduct they believe in good faith to be a violation of the Code of Conduct. The Code of Conduct is posted on our website at www.oracle.com/goto/corpgov. We intend to disclose on our website any future amendments of the Code of Conduct or any waivers granted to our executive officers from any provision of the Code of Conduct.

Compliance and Ethics Reports. With oversight from the F&A Committee, we have established several different reporting channels employees may use to seek guidance or submit reports concerning compliance and ethics matters, including accounting, internal controls and auditing matters. These reporting channels include Oracle’s Integrity Helpline, which may be accessed either over the phone or by way of a secure Internet site. Employees may contact the helpline 24 hours a day, seven days a week. Interpreters are provided to helpline callers who want to communicate in languages other than English, and employees using the online system may file a report in the language of their choice. Employees who contact the helpline, whether over the phone or online, generally may choose to remain anonymous. Certain countries other than the United States, however, limit or prohibit anonymous reporting; employees who identify themselves as being from an affected country are alerted if special reporting rules apply to them.

Global Conflict of Interest Policy. Our Global Conflict of Interest Policy (the Conflict of Interest Policy), which supplements the Code of Conduct, is applicable to all Oracle employees. The Conflict of Interest Policy is designed to help employees identify and address situations that may give rise to potential conflicts of interest or the appearance of conflicts of interest. Employees are required to disclose any conflicts of interest or potential conflicts of interest in accordance with the Conflict of Interest Policy. On an annual basis, each senior officer of Oracle is required to submit a Conflicts of Interest Questionnaire and Affirmation disclosing any actual or potential conflicts of interest and affirming that the senior officer has read, understands and is in compliance with the Conflict of Interest Policy.

Corporate Citizenship Report. Information regarding our workforce, charitable activities, environmental policy and global sustainability initiatives and solutions is available in our Corporate Citizenship Report published on our website at www.oracle.com/corporate/citizenship. The information posted on or accessible through our website, including the Corporate Citizenship Report, is not incorporated into this Proxy Statement (see “No Incorporation by Reference” on page 83).

[Table of Contents](#)**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

The following table provides information, as of September 8, 2020, the record date of the Annual Meeting, with respect to the beneficial ownership of Oracle common stock by: (1) each stockholder known by us to be the beneficial owner of more than 5% of our common stock; (2) each director or nominee; (3) each executive officer named in the Summary Compensation Table (other than Mr. Hurd, who passed away in October 2019); and (4) all current executive officers and directors as a group. Except as set forth below, the address of each stockholder is 500 Oracle Parkway, Redwood City, California 94065.

Name of Beneficial Owner	Amount and Nature of Beneficial Ownership (1)	Percent of Class
Directors and NEOs		
Lawrence J. Ellison (2)	1,164,232,353	38.3%
Jeffrey S. Berg (3)	358,955	*
Michael J. Boskin (4)	371,653	*
Safra A. Catz (5)	21,118,592	*
Bruce R. Chizen (6)	60,002	*
George H. Conrades (7)	111,666	*
Dorian E. Daley (8)	975,458	*
Rona A. Fairhead	5,920	*
Jeffrey O. Henley (9)	4,847,121	*
Renée J. James (10)	50,752	*
Charles W. Moorman IV (11)	48,920	*
Leon E. Panetta (12)	76,467	*
William G. Parrett	16,466	*
Naomi O. Seligman (13)	165,112	*
Vishal Sikka (14)	—	*
William Corey West (15)	509,647	*
All current executive officers and directors as a group (17 persons) (16)	1,198,512,261	39.1%
Other More Than 5% Stockholders		
The Vanguard Group, 100 Vanguard Blvd., Malvern, PA 19355 (17)	169,500,078	5.6%

* Less than 1%

- (1) Unless otherwise indicated below, each stockholder listed had sole voting and sole investment power with respect to all shares beneficially owned, subject to community property laws, if applicable.
- (2) Includes 25,500,000 shares subject to currently exercisable stock options or stock options exercisable within 60 days of the record date and 317,000,000 shares pledged as collateral to secure certain personal indebtedness, including various lines of credit. See "Corporate Governance—Prohibition on Speculative Transactions and Pledging Policy" on page 23 for more information on Board and committee oversight of Mr. Ellison's pledging arrangements.
- (3) Includes 5,000 shares owned by Mr. Berg's spouse, 128,861 shares held in a trust for the benefit of Mr. Berg and his family, 67,594 shares held in a grantor retained annuity trust for the benefit of Mr. Berg and his family and 157,500 shares subject to currently exercisable stock options or stock options exercisable within 60 days of the record date.
- (4) Includes 300,000 shares subject to currently exercisable stock options or stock options exercisable within 60 days of the record date.
- (5) Includes 1,118,592 shares held in a trust for the benefit of Ms. Catz and her family and 20,000,000 shares subject to currently exercisable stock options or stock options exercisable within 60 days of the record date.
- (6) Includes 5,000 shares held in a trust for the benefit of Mr. Chizen and his family.

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- (7) Includes 67,500 shares subject to currently exercisable stock options or stock options exercisable within 60 days of the record date.
- (8) Includes 212,958 shares held in trusts for the benefit of Ms. Daley and her family and 762,500 shares subject to currently exercisable stock options or stock options exercisable within 60 days of the record date.
- (9) Includes 1,813,174 shares held in a trust for the benefit of Mr. Henley and his family, 31,000 shares held in a trust for the benefit of Mr. Henley's children, 102,947 shares held in a trust by the J&J Family Foundation and 2,900,000 shares subject to currently exercisable stock options or stock options exercisable within 60 days of the record date.
- (10) Includes 9,375 shares subject to currently exercisable stock options or stock options exercisable within 60 days of the record date.
- (11) Includes 2,454 shares held in trusts for the benefit of Mr. Moorman's family.
- (12) Includes 38,967 shares held in a trust for the benefit of Mr. Panetta's family and 37,500 shares subject to currently exercisable stock options or stock options exercisable within 60 days of the record date.
- (13) Includes 7,397 shares owned by Ms. Seligman's spouse of which she disclaims beneficial ownership and 112,500 shares subject to currently exercisable stock options or stock options exercisable within 60 days of the record date.
- (14) Dr. Sikka joined the Board on December 10, 2019. He has been granted RSUs, none of which have vested or will vest within 60 days of the record date.
- (15) Includes 400,000 shares subject to currently exercisable stock options or stock options exercisable within 60 days of the record date.
- (16) Includes all shares described in the notes above. Also includes 2,388,811 additional shares of Oracle common stock, 3,000,000 shares subject to currently exercisable stock options or stock options exercisable within 60 days of the record date, and 174,366 vested RSUs (including dividend equivalents) for which settlement has been deferred, in each case held by an executive officer who is not named in the table.
- (17) Based on a Schedule 13G/A filed with the SEC on February 12, 2020 by The Vanguard Group (Vanguard) on behalf of itself, Vanguard Fiduciary Trust Company and Vanguard Investments Australia, Ltd. The Schedule 13G/A indicates that as of December 31, 2019, Vanguard had sole voting power with respect to 3,383,433 shares, shared voting power with respect to 705,477 shares, sole dispositive power with respect to 165,621,830 shares, and shared dispositive power with respect to 3,878,248 shares. The address of The Vanguard Group is 100 Vanguard Blvd., Malvern, PA 19355.

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EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Fiscal 2020 Named Executive Officers

Lawrence J. Ellison
Chairman and Chief Technology Officer

Safra A. Catz
Chief Executive Officer

Mark V. Hurd
Former Chief Executive Officer

Dorian E. Daley
Executive Vice President and General Counsel

Jeffrey O. Henley
Vice Chairman of the Board

William Corey West
Executive Vice President, Corporate Controller and
Chief Accounting Officer

Fiscal 2020 began on June 1, 2019 and ended on May 31, 2020.

We have included Mr. Ellison as an NEO for fiscal 2020 on a voluntary basis in the interest of transparency. See the Summary Compensation Table (SCT) on page 47 for additional information.

Ms. Catz serves as our principal executive officer and principal financial officer.

Mr. Hurd passed away on October 18, 2019. He was one of our Chief Executive Officers during fiscal 2020.

CEO Compensation at a Glance

- Our CEO's compensation is predominantly performance-based
- In fiscal 2020, **Ms. Catz earned less than \$1 million** in total compensation, consisting of:
 - **\$950,000** in salary, and
 - **\$14,055** in other compensation
- The Compensation Committee's independent consultant provided data showing market pay in the range of \$20-\$35 million for similarly situated CEOs
- During fiscal 2020, Ms. Catz received:
 - **No increase in her salary**
 - **No bonus**
 - **No new equity grant** and
 - **No performance-based equity vesting** based on fiscal 2020 performance

Oracle in Fiscal 2020

- **\$22.3 billion** returned to stockholders
 - **\$19.2 billion** in repurchases of common stock
 - **\$3.1 billion** in dividends paid
- Earnings per share of **\$3.08**
- Operating margin of **36%**
- Operating income of **\$13.9 billion**
- Total revenues of **\$39.1 billion**
- Cloud services and license support revenues plus cloud license and on-premise revenues of **\$32.5 billion**

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Fiscal 2020 Executive Compensation Highlights for Other Named Executive Officers

- In fiscal 2020, similar to Ms. Catz’s compensation, for Mr. Ellison and Mr. Hurd:
 - Base salaries remained **unchanged**
 - **No bonuses** were earned
 - **No new equity was granted**
 - **No performance-based equity awards vested** based on fiscal 2020 performance
- In fiscal 2020, for the other NEOs (Ms. Daley, Mr. Henley and Mr. West):
 - Modest base salary increases for Ms. Daley and Mr. West
 - **No bonuses** were earned
 - Each received a restricted stock unit grant
- The total compensation mix for these 3 NEOs is heavily weighted toward equity-based awards, thus **aligning their compensation with the interests of our stockholders**

Compensation Best Practices
✓ Best Practices We Employ

- ✓ High proportion of compensation for CEO and CTO is performance-based and aligned with stockholders
- ✓ Caps on maximum payout of bonuses and performance-based equity awards
- ✓ Robust stock ownership guidelines
- ✓ Disciplined dilution rates from equity awards
- ✓ Compensation recovery (clawback) policy for cash bonuses in the event of a financial restatement
- ✓ Annual risk assessment of compensation programs
- ✓ Independent compensation consultant and independent compensation committee
- ✓ Anti-hedging policy applicable to all employees and directors
- ✓ Anti-pledging policy with limited exceptions

✗ Practices We Avoid

- ✗ No severance benefit arrangements except as provided under our equity incentive plan to employees generally or as required by law
- ✗ No single-trigger change in control vesting of equity awards
- ✗ No change in control acceleration of performance-based cash bonuses
- ✗ No minimum guaranteed vesting for performance-based equity awards
- ✗ No discretionary cash bonuses for CEO and CTO
- ✗ No “golden parachute” tax gross-ups for NEOs
- ✗ No payout or settlement of dividends or dividend equivalents on unvested equity awards
- ✗ No supplemental executive retirement plans, executive pensions or excessive retirement benefits
- ✗ No repricing, cash-out or exchange of “underwater” stock options without stockholder approval

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Five-Year Performance-Based Stock Options: A Rigorous Long-Term Equity Program Directly Linked to Performance and Stockholder Value Creation

No equity awards were granted to Mr. Ellison, Ms. Catz or Mr. Hurd in fiscal 2020. In fiscal 2018, the Compensation Committee granted each of these NEOs an equity award consisting entirely of PSOs. Consistent with the long-term nature of our transition toward our cloud business, the PSOs granted to each of Mr. Ellison, Ms. Catz and Mr. Hurd are intended to represent five years of equity compensation and were granted with the expectation that these NEOs will receive **no additional equity awards until 2022 at the earliest**. Our cloud business has become an important part of our long-term success. With the PSO program, the Compensation Committee sought to directly link the long-term incentive compensation of our most senior executives with ambitious goals related to our cloud offerings and stockholder return.

The PSOs may be earned only upon the attainment of rigorous stock price, operational and market capitalization performance goals over a five-year performance period running from fiscal 2018 through fiscal 2022. **Due to the rigor and long-term nature of the PSO goals, none were achieved in fiscal 2020, 2019 or 2018, and thus no tranches of the PSOs have been earned to date.**

1 Tranche of the PSOs (1/7th)

may be earned based on achievement of a **stock price** goal

Oracle's average stock price for 30 calendar days must equal or exceed \$80 in order for the tranche to be earned

6 Tranches of the PSOs (6/7ths)

may be earned based on achievement of **both (1) operational** goals and **(2) market capitalization** goals

- One goal of each type (operational and market capitalization) must be satisfied in order for a tranche (i.e., 1/7th of the award) to be earned
- If market capitalization goal(s) are satisfied but no operational goal(s) are satisfied (or vice versa), then no tranche will be earned until subsequent achievement of the other goal type occurs

6 Operational Goals

- Become the largest enterprise Software-as-a-Service (SaaS) company as measured by an independent third-party report
- Attain \$20 billion in non-GAAP total cloud revenues in a fiscal year
- Attain \$10 billion in non-GAAP total SaaS revenues in a fiscal year
- Attain \$10 billion in non-GAAP total Platform-as-a-Service (PaaS) and Infrastructure-as-a-Service (IaaS) revenues in a fiscal year
- Attain non-GAAP SaaS gross margin of 80%
- Maintain non-GAAP PaaS/IaaS gross margin of at least 30% for three of the five fiscal years in the performance period

6 Market Capitalization Goals

- Increase Oracle's market capitalization from a baseline of \$207 billion by:
 - \$16.7 billion
 - \$33.3 billion
 - \$50 billion
 - \$66.7 billion
 - \$83.3 billion
 - \$100 billion
- Shares issued in connection with a material acquisition would be excluded from the calculation of market capitalization

[Table of Contents](#)**Fiscal 2020 Compensation for Mr. Ellison, Ms. Catz and Mr. Hurd**

The Compensation Committee routinely engages with our principal unaffiliated stockholders regarding executive compensation matters and takes stockholder feedback seriously (see page 36 for details). We believe the fiscal 2020 compensation of Mr. Ellison, Ms. Catz and Mr. Hurd addresses the feedback received from our stockholders because **their compensation is aligned with the long-term interests of our stockholders.**

Below is an excerpt of our fiscal 2020 SCT showing the total compensation for Mr. Ellison, Ms. Catz and Mr. Hurd. See page 47 for the full SCT and related footnotes. This table is not a substitute for the information required to be contained in SCT.

Name	Fiscal Year	Salary (\$)	Bonus (\$)	Stock Awards (\$)	Option Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	All Other Compensation (\$)	Total (\$)
Lawrence J. Ellison	2020	1	—	—	—	—	1,716,114	1,716,115
Safra A. Catz	2020	950,000	—	—	—	—	14,055	964,055
Mark V. Hurd	2020	356,653	—	—	—	—	370,791	727,444

In fiscal 2020, the principal elements of compensation for each of **Mr. Ellison and Ms. Catz** were as follows:

- **Base Salary:** \$1 for Mr. Ellison (unchanged since fiscal 2011) and \$950,000 for Ms. Catz (unchanged since fiscal 2012)
- **Annual Performance-Based Cash Bonus:** **No cash bonuses were earned in fiscal 2020**
- **Long-Term Incentive Compensation:**
 - No equity awards were granted in fiscal 2020 because PSOs granted in fiscal 2018 are intended to represent five years of equity compensation
 - No equity awards vested based on fiscal 2020 performance
 - **Due to the rigor and long-term nature of the PSO goals, none were achieved in fiscal 2020, 2019 and 2018, and thus no tranches of the PSOs have been earned to date**
 - The 4th and final tranche of the 2017 PSUs was **not earned**

In fiscal 2020, the principal elements of compensation of **Mr. Hurd**, who passed away in October 2019, were as follows:

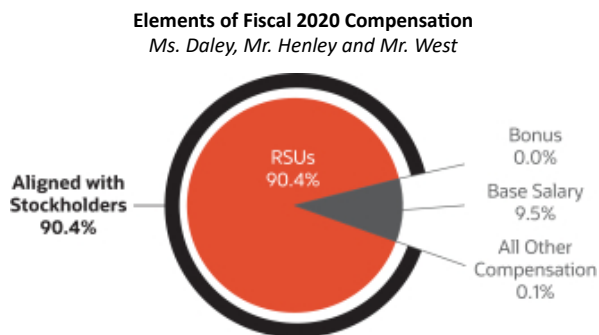
- **Base Salary:** Mr. Hurd received \$356,653, representing a pro rata portion of his salary (unchanged since fiscal 2012)
- **Annual Performance-Based Cash Bonus:** Mr. Hurd was not eligible to receive a cash bonus because executives must be employed by Oracle on the date of any bonus payment
- **Long-Term Incentive Compensation:** At the time of his death, Mr. Hurd's equity awards were treated in accordance with the terms of the Oracle Corporation Amended and Restated 2000 Long-Term Equity Incentive Plan (the 2000 Equity Plan) and his equity award agreements
 - In accordance with his PSU grant agreement, all of Mr. Hurd's unvested PSUs were forfeited upon his death
 - In accordance with his PSO grant agreement, his unvested PSOs were subject to the same vesting terms through the next vesting measurement date following his death; on August 4, 2020, the Compensation Committee determined that no performance goals had been achieved and **100% of Mr. Hurd's PSOs were cancelled** as of that date
 - In accordance with the 2000 Equity Plan (and consistent with how equity is treated for all Oracle employees at death), the last remaining unvested tranche of Mr. Hurd's unvested time-based stock options was accelerated resulting in 562,500 stock options vesting (please see "Severance, Change in Control and Death Benefits" below for more information)

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Fiscal 2020 Compensation for All Other NEOs

The principal elements of fiscal 2020 compensation for Ms. Daley, Mr. Henley and Mr. West were a base salary, a cash bonus opportunity and restricted stock units (RSUs), as described in further detail beginning on page 39.

The total compensation mix for these NEOs is heavily weighted toward equity-based awards, thus aligning their compensation with the interests of our stockholders. In the aggregate, approximately **90.4%** of the fiscal 2020 total compensation (as reported in the SCT on page 47) for Ms. Daley, Mr. Henley and Mr. West was **equity-based**.



Stockholder Outreach and Compensation Committee Responsiveness

The Compensation Committee actively solicits the views of our principal unaffiliated stockholders on executive compensation matters. On an annual basis, members of the Compensation Committee hold meetings with our unaffiliated stockholders at which executive compensation and other corporate governance matters are discussed at length. Thus far in fiscal 2021, we reached out to stockholders representing approximately **31%** of our outstanding unaffiliated shares (based on data available as of June 30, 2020) to set up a meeting with members of the Compensation Committee, and the full Compensation Committee held video conference meetings with four institutional stockholders.

Stockholders approved our advisory say-on-pay proposal at our 2019 Annual Meeting with 58% of the votes cast voting in favor, up from the prior year approval of 54%. While the Board was pleased to achieve these majority votes, it was disappointed by the low support. Members of the Compensation Committee actively sought to understand what actions the Compensation Committee could take to address stockholder concerns. For a detailed summary of the Board's response to the most critical feedback received from investors, see the table on page 4.

The most critical feedback from our investors on our executive compensation program related to the PSO awards. We understand and share our stockholders' focus on maintaining a long-term incentive program with rigorous and meaningful performance goals that properly aligns our executives' compensation with the interests of our stockholders. As we discussed with our investors during our engagement efforts, we believe that the five-year PSO grants achieve these goals.

- While the grants resulted in a large amount of *reported* compensation in 2018, none of the PSOs have vested to date and no compensation has been *realized* from the awards—precisely because of the rigor of the goals.
- As discussed in the description of the PSO program on page 34, we believe the goals associated with the PSOs are tailored to focus our executives on the long-term strategic and operational goals of the company. The PSOs were carefully designed to drive performance in the areas that would be most beneficial to our stockholders.
- After considering investor concern and closely analyzing the effectiveness and appropriateness of the PSO program, the Compensation Committee has determined that given the long-term nature of the awards and the rigor of the goals, it will maintain the existing terms applicable to outstanding PSOs and adhere to its commitment not to issue any additional equity or other replacement awards to the named executive officers holding PSOs until the PSO performance period is over.

[Table of Contents](#)**Fiscal 2020 Pay Outcomes: Pay-for-Performance**

A significant portion of the compensation amounts our NEOs ultimately realize are contingent on the achievement of our primary business objectives and the creation of short-term and long-term value for our stockholders. The table below summarizes the fiscal 2020 outcomes for our NEOs' **performance-based compensation**. Details regarding the material elements of the PSOs, PSUs and cash bonus awards can be found on pages 34 and 38 to 40.

Pay Element	NEO	Fiscal 2020 Outcome	Reason
PSOs	Lawrence J. Ellison	• No tranches of the PSOs granted in fiscal 2018 have been earned to date	• None of the stock price, market capitalization or operational performance goals of the PSOs were satisfied in year 1 (fiscal 2018), year 2 (fiscal 2019) or year 3 (fiscal 2020)
	Safra A. Catz		
	Mark V. Hurd		
PSUs	Lawrence J. Ellison	• The 4th and final tranche of the 2017 PSUs was not earned	• Oracle's revenue and operating cash flow growth was among the lower growth rates of the PSU Comparator Companies, resulting in no payout for the final tranche of the 2017 PSUs
	Safra A. Catz		
Annual Performance-Based Cash Bonus	Lawrence J. Ellison	• No cash bonus earned	• While we were profitable in fiscal 2020, Oracle's non-GAAP pre-tax profits did not grow year over year
	Safra A. Catz		
	Jeffrey O. Henley		
	Dorian E. Daley		
	William Corey West	• No cash bonus earned	• Oracle's overall financial performance did not meet internal expectations required to fund a bonus pool

Objectives of Our Executive Compensation Program

The objectives of our executive compensation program are to:

- attract and retain highly talented and productive executive officers;
- align the interests of our executive officers with those of our stockholders; and
- provide incentives for their superior performance.

The Compensation Committee believes we employ some of the most talented senior executives in our industry. Our senior executives are routinely recruited as candidates to lead other large, sophisticated technology companies. Given the strength of our NEO group, the Compensation Committee believes it is critical they receive total compensation opportunities that reflect their individual skills and experiences and are commensurate with the management of an organization of Oracle's size, scope and complexity. Further, the Compensation Committee believes that our NEOs' compensation levels must be appropriate to retain and properly motivate them. At the same time, however, the Compensation Committee seeks to align our NEOs' pay with the investment gains or losses of Oracle's stockholders.

Within Oracle, executive compensation is weighted most heavily toward our most senior executive officers because they have the greatest impact on our business and financial results.

[Table of Contents](#)**Elements of Our Executive Compensation Program****Each Element of the Program is Closely Linked to Our Business Objectives**

Our executive compensation program consists of the three principal elements described in the table below. We believe this compensation mix encourages appropriate decisions that are consistent with our business strategy of constantly improving our performance and building short-term and long-term stockholder value.

Compensation Element	Designed to Reward	Relationship to Business Objectives	At-Risk
1. Long-Term Incentive Compensation (page 38)	<ul style="list-style-type: none"> Success in achieving sustainable long-term results 	<ul style="list-style-type: none"> Align our NEOs' interests with long-term stockholder interests to increase overall stockholder value Motivate and reward our NEOs for achieving sustainable long-term results Attract and retain talented NEOs in a competitive market for talent 	✓
2. Annual Cash Bonus (page 39)	<ul style="list-style-type: none"> Success in achieving annual operating results 	<ul style="list-style-type: none"> Motivate and reward our NEOs for achieving or exceeding annual financial performance goals Share incremental profits earned by Oracle with our NEOs 	✓
3. Base Salary (page 40)	<ul style="list-style-type: none"> Experience, knowledge of the industry, duties and scope of responsibility 	<ul style="list-style-type: none"> Provide a minimum, fixed level of cash compensation to attract and retain talented NEOs who can successfully design and execute our business strategy 	

1. Long-Term Incentive Compensation

Our philosophy with regard to granting long-term incentive compensation is to:

- be sensitive to the overall number and value of shares of Oracle common stock underlying the equity awards granted;
- effectively manage the overall net dilution resulting from our use of equity as a compensation tool, by granting equity awards to a relatively small number of employees, with a focus on our senior executives, engineers and high performers in other areas of our business; and
- provide the largest awards to our top performers and individuals with the greatest responsibilities because they have the potential and ability to contribute the most to the success of our business and the creation of long-term stockholder value.

Consistent with this philosophy, our cumulative potential dilution since June 1, 2017 has been a weighted-average annualized rate of 1.5% per year. For details on the calculation of our cumulative potential dilution, see Item 7—Management's Discussion and Analysis of Financial Condition and Results of Operations and Note 13 to our consolidated financial statements in our Annual Report on Form 10-K for fiscal 2020.

Long-Term Incentive Compensation—Mr. Ellison, Ms. Catz and Mr. Hurd

Fiscal 2020—No Equity Granted; No PSOs Earned/ No PSUs Earned

In fiscal 2020, the Compensation Committee did not grant any equity awards to Mr. Ellison, Ms. Catz or Mr. Hurd and no portion of the PSOs or PSUs vested.

Fiscal 2018—PSOs Granted

In fiscal 2018, the Compensation Committee granted each of Mr. Ellison, Ms. Catz and Mr. Hurd an equity award consisting entirely of PSOs that may be earned only upon the attainment of stock price, market capitalization and operational performance goals. Due to the rigor and long-term nature of the underlying performance goals, **none of the goals were achieved in fiscal 2020, 2019 or 2018, and thus no tranches of the PSOs have been earned to date. All of Mr. Hurd's PSO were forfeited** on August 4, 2020, when the Compensation Committee certified that no performance conditions were met for the PSO performance period ending May 31, 2020 following Mr. Hurd's death.

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Long-term incentive compensation for these NEOs is 100% performance-based. The PSOs will be earned only if Oracle both significantly grows its cloud business and increases its stock price and market capitalization by May 31, 2022. The PSOs are intended to represent **five years** of long-term incentive compensation. Performance measured against the goals is evaluated annually. See page 34 above for a description of these grants.

Fiscal 2017—PSUs Granted

In fiscal 2017, a portion of the long-term incentive compensation opportunities for Mr. Ellison, Ms. Catz and Mr. Hurd consisted of PSUs, which are measured using two performance metrics: (1) 50% of the number of target PSUs is tied to relative growth in total consolidated U.S. GAAP revenues; and (2) 50% of the number of target PSUs is tied to relative growth in total consolidated U.S. GAAP net cash flows from operating activities. The Compensation Committee selected these metrics because management analyzes revenue growth and operating cash flows as proxies for the creation of long-term stockholder value.

The PSUs were divided into four equal annual tranches, each of which was eligible to be earned and settled at the end of each of four separate, varying performance periods, based on Oracle's performance. None of the 2017 PSUs were earned by Mr. Ellison, Ms. Catz or Mr. Hurd in fiscal 2020.

Long-Term Equity Compensation—Ms. Daley, Mr. Henley and Mr. West

In fiscal 2020, Ms. Daley, Mr. Henley and Mr. West received long-term equity compensation in the form of RSUs that vest in equal annual installments over four years from the date of grant. The Compensation Committee believes that RSUs serve as an effective performance incentive because they become more valuable as our stock price increases (which benefits all stockholders) and fully vest only if the recipient remains employed through the final vesting date. Because RSUs have value to the recipient even in the absence of stock price appreciation, RSUs help retain and incentivize employees during periods of market volatility, and result in Oracle granting fewer shares of common stock than through stock options of equivalent grant date fair value.

- Ms. Daley received an annual award of 170,000 RSUs in fiscal 2020
- Mr. Henley received an annual award of 100,000 RSUs in fiscal 2020
- Mr. West received an annual award of 90,000 RSUs in fiscal 2020

Equity Awards and Grant Administration

The Board has designated the Compensation Committee as the administrator of the 2000 Equity Plan and the Directors' Stock Plan. The Compensation Committee, among other things, selects award recipients under the 2000 Equity Plan, approves the form of grant agreements, determines the terms and restrictions applicable to the equity awards and adopts sub-plans for particular subsidiaries or locations.

We have a policy of generally granting equity awards on pre-established dates. The Board has delegated to an executive officer committee the authority to approve a capped number of equity award grants to certain employees. The executive officer committee cannot grant equity to non-employees or to certain executives. Equity awards approved by either the Compensation Committee or the executive officer committee during a calendar month are typically granted together on a pre-established day of the following month.

The Compensation Committee and F&A Committee also monitor the dilution and "overhang" effects of our outstanding equity awards in relation to the total number of outstanding shares of Oracle common stock. We do not grant equity awards in anticipation of the release of material nonpublic information, and we do not time the release of material nonpublic information based on equity award grant dates.

2. Annual Cash Bonuses

None of our NEOs received a cash bonus in fiscal 2020.

Performance-Based Cash Bonuses under the Executive Bonus Plan

Our stockholder-approved Executive Bonus Plan is intended to motivate our senior executives by rewarding them when our annual financial performance objectives are met or exceeded. **In fiscal 2020, Mr. Ellison, Ms. Catz and Mr. Henley did not earn bonuses** even though Oracle was profitable. Mr. Hurd was ineligible for a bonus because executives must be employed by Oracle on the payment date in order to receive a bonus.

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Under the Executive Bonus Plan, the Compensation Committee assigns each participant an annual target cash bonus opportunity and establishes the financial performance metric or metrics that must be achieved before an award actually will be paid to the participant for the year. Consistent with prior years, the Compensation Committee selected year-over-year growth in our non-GAAP pre-tax profits as the financial performance metric for determining our NEOs' bonuses for fiscal 2020 (other than for Ms. Daley and Mr. West, whose bonus arrangements are described below) because management regularly uses this metric internally to understand, manage and evaluate our business performance and make operating decisions with a view to the creation of stockholder value. In addition, as a measure of profitability, this metric requires our NEOs to manage multiple variables (i.e., revenues and operating expenses) in achieving the goal of growing our non-GAAP pre-tax profit, which the Board believes to be an important measure of Oracle's financial performance and value creation for our stockholders.

For purposes of the Executive Bonus Plan, "non-GAAP pre-tax profit" is defined as:

- Oracle's U.S. GAAP income before provision for income taxes;
- Minus stock-based compensation expenses, acquisition-related and other expenses, restructuring expenses and amortization of intangible assets; and
- Plus an adjustment to increase our U.S. GAAP income before provision for income taxes for the full amount of revenues recognized from certain contracts assumed in acquisitions as if the acquired companies had remained independent entities during the applicable fiscal year.

Under the bonus formula, if Oracle's non-GAAP pre-tax profits do not grow year-over-year, then our NEOs will not receive any bonuses under the Executive Bonus Plan even if Oracle has been profitable. Further, even where Oracle's non-GAAP pre-tax profits grow year-over-year, if we do not meet our internal profitability expectations for the fiscal year, the bonuses paid to our NEOs will be below target. The Compensation Committee has discretion to reduce or eliminate but not increase the award determined by the bonus formula.

Between fiscal 2019 and fiscal 2020, our non-GAAP pre-tax profits did not grow. Consequently, Mr. Ellison, Ms. Catz and Mr. Henley did not earn bonuses for fiscal 2020.

Cash Bonus Opportunity for Ms. Daley and Mr. West

Ms. Daley and Mr. West were eligible to receive a discretionary bonus for fiscal 2020. At the beginning of fiscal 2020, the Compensation Committee set a target bonus opportunity of \$750,000 for Ms. Daley, subject to a \$1,500,000 cap, and set a target bonus opportunity of \$450,000 for Mr. West, subject to a \$900,000 cap. Oracle's overall financial performance did not meet internal expectations required to fund a bonus pool. Consequently, neither Ms. Daley nor Mr. West received a cash bonus for fiscal 2020.

3. Base Salary

The base salaries of Mr. Ellison and Ms. Catz have not increased in over eight years. Base salary represents the only fixed component of the three principal elements of our executive compensation program and is intended to provide a baseline amount of annual compensation for our NEOs. When setting base salary levels, the Compensation Committee considers the base salaries paid to NEOs in comparable positions at the companies in our compensation peer group, Oracle's performance and the individual NEO's contributions to Oracle.

Mr. Ellison's base salary is set at \$1 consistent with the Compensation Committee's view that his entire total direct compensation opportunity should be "at-risk." Ms. Catz's salary is \$950,000 unchanged in over eight years. Mr. Henley's salary is \$650,000 unchanged in over a decade. Ms. Daley and Mr. West each received modest salary increases in fiscal 2019, with Ms. Daley's salary increasing from \$825,000 to \$875,000 and Mr. West's salary increasing from \$495,000 to \$530,000.

Limited Perquisites and Other Personal Benefits

In fiscal 2020, we provided our NEOs with certain limited perquisites and other personal benefits, each of which the Compensation Committee believes are reasonable and in the best interests of Oracle and our stockholders. The amounts of all perquisites and other personal benefits provided to our NEOs are reported in the "All Other Compensation" column of the SCT below.

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Residential Security

The Board has established a residential security program for the protection of our most senior executives based on an assessment of risk, which includes consideration of the executive's position and work location. We require these security measures for Oracle's benefit because of the importance of these executives to Oracle, and we believe these security costs are necessary and appropriate business expenses since these costs arise from the nature of the executives' employment at Oracle.

The Compensation Committee reviews and approves the residential security budget each year, which includes a review of the actual and credible threats made against our senior executives during the last completed fiscal year. For Mr. Ellison, Oracle pays for the annual costs of security personnel at his primary residence. Mr. Ellison paid for the initial procurement and installation of security equipment for his primary residence, and he pays for ongoing maintenance and upgrade fees for such equipment. Mr. Ellison also pays for all security costs for his other residences.

For Mr. Hurd, Oracle previously paid for the cost of the installation of a technical security system at his primary residence. In fiscal 2020, Oracle paid for annual service costs and security personnel at Mr. Hurd's primary residence for that portion of the fiscal year when he was our Chief Executive Officer. Ms. Catz was offered a security system paid for by Oracle but opted instead to maintain the existing security system at her residence, which she pays for directly.

Although we view the security services provided for our senior executives as an integral part of our risk management program and as necessary and appropriate business expenses, because they may be viewed as conveying a personal benefit to these individuals, we have reported the aggregate incremental costs to Oracle of these services in the "All Other Compensation" column of the SCT below.

Aircraft Use

Our company-owned aircraft are considered a business tool to be used for essential business purposes only. Our policy regarding the use of company-owned aircraft provides that use of the aircraft for non-business travel is prohibited, subject to certain limited exceptions. We permit our NEOs to be accompanied by guests during business trips on company-owned aircraft. We believe there is no aggregate incremental cost to Oracle as a result of our NEOs being accompanied by guests when traveling on Oracle business. However, in certain instances, a portion of the aircraft costs attributable to non-business passengers cannot be deducted by Oracle for corporate income tax purposes. When applicable, we disclose the amount of these incremental forgone tax deductions in the footnotes accompanying the SCT. In fiscal 2020, use of our company-owned aircraft did not result in a loss of a corporate income tax deduction.

Pension Benefits or Supplemental Retirement Benefits

During fiscal 2020, other than the 401(k) Plan and our deferred compensation programs, we did not provide any pension or retirement benefits to our NEOs and do not believe that these types of benefits are necessary to further the objectives of our executive compensation program.

We offer the 1993 Deferred Compensation Plan (the Cash Deferred Compensation Plan) to certain employees, including eligible NEOs, under which participants may elect to defer all or a portion of their base salary and annual performance-based cash bonus. We also offer certain employees, including eligible NEOs, the ability to defer the settlement of their earned and vested RSUs under the terms of the Oracle Corporation Stock Unit Award Deferred Compensation Plan (the RSU Deferred Compensation Plan). We offer these plans because we believe they are competitive elements of compensation for our NEOs. For a description of our Cash Deferred Compensation Plan and RSU Deferred Compensation Plan, see "Fiscal 2020 Non-Qualified Deferred Compensation" on page 52.

Severance, Change in Control and Death Benefits

Each of our NEOs is employed "at will." None of our NEOs has an employment agreement with Oracle that provides for payments or benefits in the event of a termination of employment or in connection with a change in control of Oracle.

If Oracle is acquired, all RSUs and time-based stock options granted to our employees (including our NEOs) under our 2000 Equity Plan will become fully vested if (1) the equity awards are not assumed or (2) the equity awards are assumed and the holder's employment is terminated without cause within 12 months after the acquisition. This vesting acceleration provision is provided to all employees who participate in the plan and is not subject to any other material conditions or obligations.

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Pursuant to the terms of the PSO grant agreements, in the event of a change in control of Oracle, any unvested tranches subject to market capitalization goals and operational goals will be earned only to the extent any unmatched market capitalization goals have been met on or before the trading date immediately prior to the change in control. The unvested tranche subject to the stock price goal will only be earned if the stock price goal is achieved prior to the change in control.

In addition, if any employee of Oracle dies while employed by Oracle, the 2000 Equity Plan provides for two additional tranches of vesting of his or her time-based stock options (if any) upon his or her death. Oracle's standard form of RSU grant agreement provides for one additional tranche of vesting of RSUs for all grantees, including executives. Further, pursuant to the terms of the PSO grant agreements, upon the applicable NEO's death, his or her unvested PSOs remain outstanding and eligible to vest through the next vesting measurement date following his or her death.

Determination of Executive Compensation Amounts for Fiscal 2020

Factors Considered in Setting Fiscal 2020 Compensation for Our NEOs

The Compensation Committee approved our NEOs' fiscal 2020 compensation and determined that the fiscal 2020 compensation levels were appropriate and necessary to reward, retain and motivate our NEOs based on our executive compensation philosophy and the Compensation Committee's subjective evaluations of:

- the potential future contributions our NEOs can make to our success and our NEOs' roles in executing our business strategies;
- our desired future financial performance in each NEO's principal areas of responsibility and the degree to which we wish to provide incentives for him or her;
- each NEO's past performance, experience and level of responsibility;
- the Compensation Committee's belief that many of the NEOs could lead another company and the goal of protecting against recruiting efforts by other companies;
- the complexity of our business and ongoing increases in workloads and responsibilities for our NEOs;
- each NEO's expected progress toward goals within his or her areas of responsibility;
- each NEO's skills, knowledge and experience;
- the appropriate mix of compensation (i.e., short-term versus long-term, fixed versus variable) for each NEO; and
- any other factors the Compensation Committee deems appropriate.

The Compensation Committee does not have a set formula by which it determines which of these factors is more or less important, and the specific factors used and their weighting may vary among individual NEOs and over time. When determining the size of the equity awards, the Compensation Committee considers both the overall size of the awards and the potential value of the awards.

Compensation Decision-Making Process and the Role of Executive Officers

The Compensation Committee deliberates on, determines and approves our NEOs' compensation based on the collective subjective judgment of its members, which is guided by their significant collective business experience, and their evaluation of the factors above. See "Board of Directors—Nominees for Directors—Director Qualifications" on page 8 for a discussion of the expertise and skills of each of our Compensation Committee members. None of our NEOs determines his or her own compensation.

Fiscal 2020 Compensation for Mr. Ellison, Chairman and CTO

Long-Term Incentive Compensation	None granted
Performance-Based Cash Bonus	A cash bonus opportunity under the Executive Bonus Plan based on 0.2% multiplied by the growth in our non-GAAP pre-tax profits over the preceding fiscal year. Mr. Ellison received no bonus payment (\$0) for fiscal 2020.
Annual Base Salary	\$1 (unchanged since fiscal 2011)

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In addition to the factors described above, the Compensation Committee approved this compensation package based on, among other factors, competitive pay data drawn from the companies in our compensation peer group, input from the Compensation Committee's independent compensation consultant, and an assessment of Mr. Ellison's overall responsibility for business strategy, operations and corporate vision. The Compensation Committee emphasized the objectives of retaining his services and providing meaningful incentives for superior performance and engagement. The Compensation Committee believes that Mr. Ellison, as Oracle's Founder who has guided the company for over 40 years, is invaluable. Although Mr. Ellison has a significant equity interest in Oracle, the Compensation Committee believes his annual compensation package is necessary to maintain the focus of his visionary drive and his active role in our operations, technology, strategy and growth. The Compensation Committee also believes that Mr. Ellison's role as an executive at Oracle is distinct from his roles as a director and significant stockholder.

Fiscal 2020 Compensation for Ms. Catz, CEO

Long-Term Incentive Compensation	None granted
Performance-Based Cash Bonus	A cash bonus opportunity under the Executive Bonus Plan based on 0.2% multiplied by the growth in our non-GAAP pre-tax profits over the preceding fiscal year. Ms. Catz received no bonus payment (\$0) for fiscal 2020.
Annual Base Salary	\$950,000 (unchanged since fiscal 2012)

In addition to the factors described above, the Compensation Committee approved this compensation package based on, among other factors, competitive pay data drawn from the companies in our compensation peer group, input from the Compensation Committee's independent compensation consultant, and an assessment of Ms. Catz's significant role and responsibilities with Oracle. As our CEO, Ms. Catz is responsible for Oracle's long-term strategy, culture and financial performance. As our principal financial officer, she also has oversight and responsibility for the accuracy and integrity of our financial results.

Fiscal 2020 Compensation for Mr. Hurd, Former CEO

Long-Term Incentive Compensation	None granted
Performance-Based Cash Bonus	A cash bonus opportunity under the Executive Bonus Plan based on 0.2% multiplied by the growth in our non-GAAP pre-tax profits over the preceding fiscal year. Mr. Hurd received no bonus payment (\$0) for fiscal 2020.
Annual Base Salary	\$950,000 (unchanged since fiscal 2012)

In addition to the factors described above, the Compensation Committee approved this compensation package based on, among other factors, competitive pay data drawn from the companies in our compensation peer group, input from the Compensation Committee's independent compensation consultant, and an assessment of Mr. Hurd's significant role and responsibilities with Oracle. As our former CEO, Mr. Hurd was responsible for worldwide sales and marketing, consulting, support and Oracle's industry-specific global business units. He also acted as a primary contact for our customers, among other responsibilities.

Fiscal 2020 Compensation for Ms. Daley, Executive Vice President and General Counsel

Long-Term Incentive Compensation	An annual award of 170,000 RSUs
Cash Bonus	A target cash bonus opportunity of \$750,000, subject to a \$1,500,000 cap. Ms. Daley received no bonus payment (\$0) for fiscal 2020.
Annual Base Salary	\$875,000 (increased from \$825,000 in fiscal 2019)

In addition to the factors described above, the Compensation Committee approved this compensation package based on, among other factors, competitive pay data drawn from the companies in our compensation peer group, input from the Compensation Committee's independent compensation consultant, the recommendation of the CEO, and an assessment of Ms. Daley's significant role and responsibilities overseeing all legal matters at Oracle and managing a large-scale multinational legal team. In particular, Ms. Daley plays a critical role in setting the strategy for Oracle's litigation and regulatory matters and provides leadership in the areas of compliance and ethics, data protection and privacy, intellectual property and corporate governance, among other responsibilities.

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Fiscal 2020 Compensation for Mr. Henley, Vice Chairman

Long-Term Incentive Compensation	An annual award of 100,000 RSUs
Performance-Based Cash Bonus	A cash bonus opportunity under the Executive Bonus Plan based on 0.02% multiplied by the growth in our non-GAAP pre-tax profits over the preceding fiscal year. Mr. Henley received no bonus payment (\$0) for fiscal 2020.
Annual Base Salary	\$650,000 (unchanged for over a decade)

In addition to the factors described above, the Compensation Committee approved this compensation package based on, among other factors, competitive pay data drawn from the companies in our compensation peer group, input from the Compensation Committee's independent compensation consultant, the recommendation of the CTO, and an assessment of Mr. Henley's highly valued contributions to Oracle's strategic vision, management and operations. Mr. Henley meets regularly with significant Oracle customers and is instrumental in closing major commercial transactions worldwide. As Oracle's former CFO and a seasoned executive with nearly 30 years of experience at Oracle, Mr. Henley also serves as a trusted adviser to our senior executives.

Fiscal 2020 Compensation for Mr. West, Executive Vice President, Corporate Controller and Chief Accounting Officer

Long-Term Incentive Compensation	An annual award of 90,000 RSUs
Cash Bonus	A target cash bonus opportunity of \$450,000, subject to a \$900,000 cap. Mr. West received no bonus payment (\$0) for fiscal 2020.
Annual Base Salary	\$530,000 (increased from \$495,000 in fiscal 2019)

In addition to the factors described above, the Compensation Committee approved this compensation package based on, among other factors, competitive pay data drawn from the companies in our compensation peer group, input from the Compensation Committee's independent compensation consultant, the recommendation of the CEO, and an assessment of Mr. West's critical role in overseeing the accuracy and integrity of Oracle's consolidated financial statements. Mr. West has been with Oracle since April 2007 and before that he spent 14 years with Arthur Andersen LLP, most recently as a partner, amongst other prior professional experiences.

Other Factors in Setting Executive Compensation

Compensation Consultant

The Compensation Committee selected and directly engaged Compensia, Inc. (Compensia), a national compensation consulting firm, as its compensation advisor for fiscal 2020 to provide analysis and market data on executive and director compensation matters, both generally and within our industry. Among other matters, Compensia assisted the Compensation Committee with a comparison of our executive compensation policies and practices against a group of peer companies (as determined and identified below), with reviewing the annual risk assessment of our compensation policies and practices applicable to our NEOs and other employees, and reducing non-employee director compensation as described on pages 17 to 19. Compensia also prepared materials for use in orientation for new directors who join the Compensation Committee. Compensia did not determine or recommend any amounts or levels of our executive compensation for fiscal 2020.

The Compensation Committee recognizes that it is essential to receive objective advice from its external advisors. Consequently, the Compensation Committee is solely responsible for retaining and terminating Compensia. Compensia reports directly to the Compensation Committee and Compensia did not provide any other services to Oracle during fiscal 2020. Our CEO did not meet independently with representatives of Compensia nor did she consult with management's outside compensation consultant on any executive compensation matters for fiscal 2020. The Compensation Committee has determined that the work resulting from Compensia's engagement did not raise any conflicts of interest.

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Peer Company Executive Compensation Comparison

The Compensation Committee, in consultation with Compensia, annually establishes a group of peer companies, which are generally in the technology sector, for comparative purposes based on a number of factors, including:

- their size and complexity;
- their market capitalization;
- their competition with us for talent;
- the nature of their businesses;
- the industries and regions in which they operate; and
- the structure of their executive compensation programs (including the extent to which they rely on annual bonuses and other forms of variable, performance-based incentive compensation) and the availability of information about these programs.

For fiscal 2020, the companies comprising the compensation peer group consisted of:

Accenture plc	Facebook, Inc.	QUALCOMM Incorporated
Alphabet Inc.	Hewlett-Packard Enterprise Company	salesforce.com, inc.
Amazon.com, Inc.	Intel Corporation	SAP SE
Apple Inc.	International Business Machines Corporation	
Cisco Systems, Inc.	Microsoft Corporation	

In determining fiscal 2020 executive compensation, the Compensation Committee considered, among other factors, executive pay information drawn from this group of peer companies and from the Radford 2019 Executive Compensation Survey for comparative purposes. However, the Compensation Committee did not use such information to tie any executive's individual compensation to specific target percentiles.

Risk Assessment of Our Executive Compensation Policies and Practices

As part of its annual compensation-related risk review, the Compensation Committee considered, among others, the following factors which mitigate incentives for our executive officers to take inappropriate risks:

- The PSOs granted to Mr. Ellison and Ms. Catz are divided into seven equal tranches that are eligible to be earned based on the attainment of rigorous stock price, market capitalization and operational goals within five fiscal years of the date of grant. Consequently, Mr. Ellison and Ms. Catz will only realize value from their equity awards through sustained long-term appreciation of our stock price and significant growth in our cloud business, which mitigates excessive short-term risk taking.
- All annual performance-based cash bonuses are subject to a specified dollar cap that limits the maximum amount payable to an NEO and may be decreased in the Compensation Committee's discretion, which protects against an NEO receiving a windfall or disproportionately large bonus relative to the Compensation Committee's assessment of our actual financial performance. The cash bonus each of Ms. Daley and Mr. West is eligible to earn is also subject to a specified dollar cap set by the Compensation Committee at the beginning of each fiscal year.
- The financial metric used in the Executive Bonus Plan for Mr. Ellison, Ms. Catz and Mr. Henley is year-over-year growth in Oracle's non-GAAP pre-tax profits. Our management regularly uses this metric to understand, manage and evaluate our business and make operating decisions. Using this metric for the annual performance-based cash bonus opportunities further aligns these NEOs' interests with our business goals.
- We maintain a compensation recovery (clawback) policy that allows us to recover or cancel any cash bonuses paid that are awarded as a result of achieving financial performance goals that are not met under any restated financial results.
- Each of our senior officers is subject to robust stock ownership requirements described in "Corporate Governance—Stock Ownership Guidelines for Directors and Senior Officers" on page 25. Our senior officers would experience significant lost value in their holdings of Oracle common stock and potentially all of the value of their Oracle stock options and other equity awards if our stock price suffered an extended decline due to inappropriate or unnecessary risk taking.

[Table of Contents](#)**Tax and Accounting Considerations**

Section 162(m) of the Internal Revenue Code of 1986, as amended, places a limit of \$1 million on the amount of compensation that we may deduct as a business expense in any year with respect to certain of our most highly paid executive officers. While the Compensation Committee considers the deductibility of compensation as one factor in determining executive compensation, the Compensation Committee retains the discretion to award compensation that is not deductible as it believes that it is in the best interests of our stockholders to maintain flexibility in our approach to executive compensation in order to structure a program that we consider to be the most effective in attracting, motivating and retaining key executives.

Accounting considerations also play a role in the design of our executive compensation program. Accounting rules require us to expense the grant date fair values of our equity awards (that is, the value of our equity awards based on U.S. GAAP), which reduces the amount of our reported profits under U.S. GAAP. Because of this stock-based expensing and the impact of dilution to our stockholders, we closely monitor the number, share amounts and the fair values of the equity awards that are granted each year.

2019 Stockholder Advisory Vote on Executive Compensation

At our annual meeting of stockholders in November 2019, we conducted our annual advisory vote on the fiscal 2019 compensation of our NEOs (a “say-on-pay” vote). The compensation of our NEOs received support from approximately 58% of the votes cast on the say-on-pay proposal, up from the prior year approval of 54%. While we were pleased to achieve these majority votes, we would like to continue to increase stockholder support for our NEO compensation. To that end, the Compensation Committee continues to engage in regular discussions with our principal unaffiliated stockholders regarding their views on executive compensation matters and continues to take such input into account in making compensation decisions (see page 36 for details).

Other Compensation Policies

Compensation Recovery (Clawback) Policy

We have adopted a clawback policy for our executive officers providing that if Oracle restates its reported financial results, we will seek to recover or cancel any cash bonuses paid that were awarded as a result of achieving financial performance goals that are not met under the restated financial results. When the SEC adopts final clawback policy rules under the Dodd-Frank Wall Street Reform and Consumer Protection Act, we will revise our policy to comply with such rules.

Compensation Committee Report

The Compensation Committee has reviewed and discussed with management the Compensation Discussion and Analysis contained in this proxy statement. Based upon this review and discussion, the Compensation Committee recommended to the Board that the Compensation Discussion and Analysis be included in this proxy statement.

Submitted by: George H. Conrades, Chair
Naomi O. Seligman, Vice Chair
Charles W. Moorman IV
Leon E. Panetta

[Table of Contents](#)**Fiscal 2020 Summary Compensation Table**

The following table provides summary information concerning cash, equity and other compensation awarded to, earned by or paid to our NEOs in fiscal 2020, 2019 and 2018.

Name and Principal Position	Fiscal Year	Salary (\$)	Bonus (\$)	Stock Awards (3) (\$)	Option Awards (4) (\$)	Non-Equity Incentive Plan Compensation (\$)	All Other Compensation (5) (\$)	Total (\$)
Lawrence J. Ellison (1) <i>Chairman and Chief Technology Officer</i>	2020	1	—	—	—	—	1,716,114	1,716,115
	2019	1	—	—	—	—	1,662,827	1,662,828
	2018	1	—	—	103,700,000	3,612,553	1,619,089	108,931,643
Safra A. Catz <i>Chief Executive Officer</i>	2020	950,000	—	—	—	—	14,055	964,055
	2019	950,000	—	—	—	—	15,981	965,981
	2018	950,000	—	—	103,700,000	3,612,553	19,780	108,282,333
Mark V. Hurd (2) <i>Former Chief Executive Officer</i>	2020	356,653	—	—	—	—	370,791	727,444
	2019	950,000	—	—	—	—	1,531,646	2,481,646
	2018	950,000	—	—	103,700,000	3,612,553	32,470	108,295,023
Dorian E. Daley <i>Executive Vice President and General Counsel</i>	2020	875,000	—	9,256,500	—	—	8,422	10,139,922
	2019	825,000	400,000	6,766,500	—	—	8,291	7,999,791
Jeffrey O. Henley <i>Vice Chairman</i>	2020	650,000	—	5,445,000	—	—	8,814	6,103,814
	2019	650,000	—	—	3,556,000	—	8,615	4,214,615
William Corey West <i>Executive Vice President, Corporate Controller and Chief Accounting Officer</i>	2020	530,000	—	4,900,500	—	—	8,442	5,438,942

- (1) We have included Mr. Ellison as an NEO for fiscal 2020 on a voluntary basis. Under applicable SEC rules, we were not required to include Mr. Ellison as an NEO for fiscal 2020, but we chose to do so in the interest of transparency.
- (2) Mr. Hurd passed away during fiscal 2020, on October 18, 2019.
- (3) The amounts reported in this column represent the aggregate grant date fair values of RSUs (for Ms. Daley, Mr. Henley and Mr. West) granted during the relevant fiscal years computed in accordance with FASB ASC 718.

For information on the valuation assumptions used in our computations, see Note 13 to our consolidated financial statements in our Annual Report on Form 10-K for fiscal 2020. See “Compensation Discussion and Analysis—Elements of Our Compensation Program—Long-Term Incentive Compensation—Ms. Daley, Mr. Henley and Mr. West” on page 39 for a discussion of these awards. The amounts reported do not reflect whether the NEO has actually realized or will realize an economic benefit from the awards.

- (4) The amounts reported in this column for Mr. Ellison, Ms. Catz and Mr. Hurd for fiscal 2018 represent the grant date fair values of PSOs computed in accordance with FASB ASC 718, valued based on the probable achievement of the performance goals at the time of grant. Assuming maximum achievement of the performance goals, the grant date fair value of the PSOs granted to each of Mr. Ellison, Ms. Catz and Mr. Hurd would be \$175,150,000. The amount reported in this column for fiscal 2019 for Mr. Henley represents the grant date fair values of time-based stock options computed in accordance with FASB ASC 718.

For information on the valuation assumptions used in our computations, see Note 13 to our consolidated financial statements in our Annual Report on Form 10-K for fiscal 2020. See “Compensation Discussion and Analysis—Elements of Our Compensation Program—Long-Term Incentive Compensation” beginning on page 38 and “Executive Summary—Five-Year Performance-Based Stock Options” on page 34 for a discussion of these awards. The amounts reported do not reflect whether the NEO has actually realized or will realize an economic benefit from the awards.

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- (5) For fiscal 2020, the amounts reported in this column include:
- (a) Company matching contributions under our 401(k) Plan of \$5,100 for each of Ms. Catz, Ms. Daley and Mr. Henley. Our employees, including our NEOs, are eligible to participate in our 401(k) Plan and we match 50% of an eligible salary deferral up to the first 6% of such deferrals, not to exceed \$5,100 in a calendar year and subject to a multi-year vesting schedule.
 - (b) Flexible credits used toward covering the premiums for cafeteria-style benefit plans, including life insurance and long-term disability benefits, in the amount of \$1,580 for Mr. Ellison, \$8,613 for Ms. Catz, \$1,242 for Mr. Hurd, \$2,980 for Ms. Daley, \$2,839 for Mr. Henley and \$8,100 for Mr. West. All Oracle employees are eligible to receive flexible credits.
 - (c) Security-related costs and expenses of \$1,709,456 for Mr. Ellison's residence and \$369,296 for Mr. Hurd's residence. Pursuant to a residential security program, as described in "Compensation Discussion and Analysis—Elements of Our Compensation Program—Limited Perquisites and Other Personal Benefits—Residential Security" on page 41, our most senior executives are required to maintain home security systems. We believe these security costs and expenses are necessary and appropriate business expenses.
 - (d) Legal counsel fees of \$5,078 for Mr. Ellison, \$342 for each of Ms. Catz, Ms. Daley and Mr. West, \$253 for Mr. Hurd and \$875 for Mr. Henley. We hire legal counsel to assist our executives with complying with reporting obligations under applicable laws in connection with their personal political campaign contributions.
 - (e) The following may be deemed to be "personal benefits" for our NEOs although we believe there was no aggregate incremental cost to us during fiscal 2020: we permit our NEOs to be accompanied by guests on private aircraft leased or owned by Oracle, which are expected to be used for business travel. This use in fiscal 2020 did not result in a loss of a corporate income tax deduction.

[Table of Contents](#)**Grants of Plan-Based Awards During Fiscal 2020**

The following table shows equity and non-equity awards granted to our NEOs during fiscal 2020. The equity awards identified in the table below are also reported in the Outstanding Equity Awards at Fiscal 2020 Year-End table.

Name	Grant Date	Award Type	Estimated Future Payouts Under Non-Equity Incentive Plan Awards			All Other Stock Awards: Number of Shares of Stock or Units (2) (#)	Grant Date Fair Value of Stock and Option Awards (\$)
			Threshold (\$)	Target (1) (\$)	Maximum (1) (\$)		
Lawrence J. Ellison		Cash Bonus	—	820,586	1,641,172		
Safra A. Catz		Cash Bonus	—	820,586	1,641,172		
Mark V. Hurd		Cash Bonus	—	820,586	1,641,172		
Dorian E. Daley	6/27/2019	RSUs				170,000	9,256,500
Jeffrey O. Henley	6/27/2019	RSUs				100,000	5,445,000
		Cash Bonus	—	82,059	164,117		
William Corey West	6/27/2019	RSUs				90,000	4,900,500

- (1) The target plan award amounts reported in these columns are determined based on our internal profitability expectations for the fiscal year multiplied by the individual's bonus percentage under the Executive Bonus Plan. The maximum plan award amounts are equal to 200% of the applicable target. The actual payout amount for fiscal 2020 under the Executive Bonus Plan was \$0 for each of Mr. Ellison, Ms. Catz, Mr. Hurd and Mr. Henley, as reported in the "Non-Equity Incentive Plan Compensation" column of the SCT above. See "Compensation Discussion and Analysis—Elements of Our Compensation Program—Annual Cash Bonuses" beginning on page 39 for a discussion of the material features of our Executive Bonus Plan for fiscal 2020.
- (2) The RSUs reported in this column were granted under our 2000 Equity Plan. The RSUs vest 25% per year over four years on the anniversary of the date of grant.

[Table of Contents](#)**Outstanding Equity Awards at Fiscal 2020 Year-End**

The following table provides information on the outstanding PSOs, PSUs, RSUs and time-based stock options held by our NEOs as of May 31, 2020.

Name	Grant Date	Option Awards (2)					Stock Awards (2)			
		Number of Securities Underlying Unexercised Options Exercisable (#)	Number of Securities Underlying Unexercised Options Unexercisable (#)	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (3) (#)	Option Exercise Price (\$)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (4) (#)	Market Value of Shares or Units of Stock That Have Not Vested (5) (\$)	Equity Incentive Plan Awards: Number of Shares, Units or Other Rights That Have Not Vested (6) (#)	Equity Incentive Plan Awards: Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested (5) (\$)
Lawrence J.	7/20/2017	0	0	17,500,000	51.13	7/20/2025				
Ellison	6/30/2016	1,687,500	562,500	0	40.93	6/30/2021			140,624	7,561,353
	7/2/2015	2,250,000	0	0	40.36	7/2/2020				
	7/24/2014	2,250,000	0	0	40.47	7/24/2024				
	7/1/2013	7,000,000	0	0	30.11	7/1/2023				
	7/5/2012	7,000,000	0	0	29.72	7/5/2022				
	6/29/2011	7,000,000	0	0	32.43	6/29/2021				
	7/1/2010	7,000,000	0	0	21.55	7/1/2020				
Safra A. Catz	7/20/2017	0	0	17,500,000	51.13	7/20/2025				
	6/30/2016	1,687,500	562,500	0	40.93	6/30/2021			140,624	7,561,353
	10/5/2014	500,000	0	0	38.89	10/5/2024				
	7/24/2014	2,250,000	0	0	40.47	7/24/2024				
	7/1/2013	5,000,000	0	0	30.11	7/1/2023				
	7/5/2012	5,000,000	0	0	29.72	7/5/2022				
	6/29/2011	5,000,000	0	0	32.43	6/29/2021				
Mark V. Hurd (1)	7/20/2017	0	0	17,500,000	51.13	7/20/2025				
	7/5/2012	2,733,083	0	0	29.72	10/18/2020				
	9/8/2010	200,000	0	0	24.14	9/8/2020				
Dorian E. Daley	6/27/2019						170,000	9,140,900	0	0
	6/27/2018						121,875	6,553,219	0	0
	7/10/2017						81,250	4,368,813	0	0
	6/30/2016	243,750	81,250	0	40.93	6/30/2026	20,313	1,092,230	0	0
	7/2/2015	325,000	0	0	40.36	7/2/2025				
	7/24/2014	112,500	0	0	40.47	7/24/2024				
Jeffrey O. Henley	6/27/2019						100,000	5,377,000	0	0
	6/27/2018	100,000	300,000	0	43.45	6/27/2028				
	7/10/2017	200,000	200,000	0	49.62	7/10/2027				
	6/30/2016	300,000	100,000	0	40.93	6/30/2026				
	7/2/2015	400,000	0	0	40.36	7/2/2025				
	7/24/2014	400,000	0	0	40.47	7/24/2024				
	7/1/2013	400,000	0	0	30.11	7/1/2023				
	7/5/2012	400,000	0	0	29.72	7/5/2022				
	6/29/2011	400,000	0	0	32.43	6/29/2021				
	7/1/2010	400,000	0	0	21.55	7/1/2020				
William Corey West	6/27/2019						90,000	4,839,300	0	0
	6/27/2018						55,313	2,974,180	0	0
	7/10/2017						35,625	1,915,556	0	0
	6/30/2016						15,625	840,156	0	0
	7/1/2013	200,000	0	0	30.11	7/1/2023				
	7/5/2012	200,000	0	0	29.72	7/5/2022				

- (1) Mr. Hurd's vested equity awards transferred to his estate upon his death. For Mr. Hurd's unvested equity: (a) in accordance with the 2000 Equity Plan (and consistent with how equity is treated for all Oracle employees at death), the last remaining tranche of Mr. Hurd's unvested stock options was accelerated resulting in 562,500 stock options vesting (please see "Potential Payments Upon Termination or Change in Control" for more


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information); (b) in accordance with the PSU grant agreement, all of Mr. Hurd's unvested PSUs were forfeited upon his death on October 18, 2019; and (c) in accordance with his PSO grant agreement, his unvested PSOs were subject to the same vesting terms through the next vesting measurement date following his death. On August 4, 2020, the Compensation Committee determined that no performance measures had been achieved and Mr. Hurd's PSOs were cancelled as of that date.

- (2) All time-based stock options and RSUs vest or vested 25% per year over four years on each anniversary of the date of grant.
- (3) The amounts in this column reflect unearned and unvested PSOs. The PSOs are divided into seven equal tranches that are eligible to be earned based on the attainment of certain stock price, market capitalization and operational goals within five fiscal years of the date of grant. Mr. Hurd's PSOs were forfeited on August 4, 2020, when the Compensation Committee certified that no performance conditions were met for the PSO performance period ending May 31, 2020. See "Compensation Discussion and Analysis—Elements of Our Compensation Program—Long-Term Incentive Compensation" on page 38 and "Executive Summary—Five-Year Performance-Based Stock Options" on page 34 for a discussion of the material features of these awards, including the vesting criteria.
- (4) For Ms. Daley, Mr. Henley and Mr. West, this column reflects unvested RSUs, which vest in equal annual installments over four years. See "Compensation Discussion and Analysis—Elements of Our Compensation Program—Long-Term Incentive Compensation—Ms. Daley, Mr. Henley and Mr. West" on page 39 for a discussion of the material features of these awards, including the vesting criteria.
- (5) Value calculated using the closing market price of Oracle common stock on May 29, 2020 (\$53.77 per share).
- (6) For Mr. Ellison and Ms. Catz, this column reflects the target number of unearned 2017 PSUs, which did not vest and were forfeited on August 4, 2020, when the Compensation Committee certified that no performance conditions were met for the 2017 PSU performance period ending May 31, 2020. See "Compensation Discussion and Analysis—Elements of Our Compensation Program—Long-Term Incentive Compensation" on page 38 for a discussion of the material features of these awards, including the vesting criteria.

Option Exercises and Stock Vested During Fiscal 2020

The following table provides information on our NEOs' exercise of stock options and the vesting of our NEOs' PSUs or RSUs, as applicable, during fiscal 2020.

Name	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise (1) (#)	Value Realized on Exercise (1) (2) (\$)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting (3) (\$)
Lawrence J. Ellison	—	—	374,622	21,091,219
Safra A. Catz	2,250,000	27,158,350	374,622	21,091,219
Mark V. Hurd	400,000	11,961,260	374,622	21,091,219
Dorian E. Daley	200,000	3,902,510	121,875	7,058,594
Jeffrey O. Henley	—	—	—	—
William Corey West	150,000	3,748,180	67,500	3,902,858

- (1) The amounts included in these columns for Mr. Hurd represent stock options that were exercised by Mr. Hurd prior to his death. Following Mr. Hurd's death, his estate exercised time-based stock options covering an aggregate of 19,716,917 shares prior to the end of fiscal 2020, which are not included in this table.
- (2) The value realized on exercise is calculated as the difference between the market price of Oracle common stock at the time of exercise and the applicable exercise price of the stock options multiplied by the number of exercised shares. The value realized on exercise is not necessarily indicative of value actually received by the NEO, as the NEO may choose to hold (rather than sell) some or all of the shares acquired upon the exercise of options.
- (3) The value realized on vesting equals the closing market price of Oracle common stock on the vesting date multiplied by the number of vested shares. The value realized on vesting is not necessarily indicative of value actually received by the NEO, as the NEO may choose to hold (rather than sell) some or all of the shares acquired upon vesting.

[Table of Contents](#)**Fiscal 2020 Non-Qualified Deferred Compensation**

Our NEOs and certain other highly compensated employees are eligible to enroll in our Cash Deferred Compensation Plan and RSU Deferred Compensation Plan.

Cash Deferred Compensation Plan

Under the Cash Deferred Compensation Plan, employees may elect to defer annually the receipt of a portion of their compensation and thereby defer taxation of these deferred amounts until actual payment of the deferred amounts in future years. Participants may elect to defer base salary, bonus and commissions earned during a given year. The maximum amount of compensation permitted to be deferred is the amount remaining after all deductions for other benefits and taxes are first deducted from the gross payment. Participants may defer payment until age 59 1/2 or until termination of employment, subject to earlier payment in the event of a change in control of Oracle or death. Distributions may be made, at the participant's option, in a lump sum payment or in installments over a period of five or ten years.

Participants may receive market returns on their deferred compensation amounts based on the performance of a variety of mutual fund-type investments selected by them. Almost all of the investment options in our Cash Deferred Compensation Plan are identical, subject to certain asset class variations, to the investment options in our 401(k) Plan.

RSU Deferred Compensation Plan

Under the RSU Deferred Compensation Plan, employees may elect to defer the receipt of either 0% or 100% of their earned and vested RSUs and thereby defer taxation of the awards. Participants may elect to defer receipt for five or ten years from the grant date of the award, or until termination of employment, subject to earlier payment in the event of death and certain other circumstances. Distributions may be made, at the participant's option, in a lump sum payment or in installments over a period of five or ten years. Dividend equivalents are credited to participants' accounts after deferred RSUs have vested.

The table below provides information on the non-qualified deferred compensation of our NEOs in fiscal 2020. None of the NEOs participate in the RSU Deferred Compensation Plan.

Name	Executive Contributions in FY 2020 (\$)	Registrant Contributions in FY 2020 (\$)	Aggregate Earnings in FY 2020 (\$)	Aggregate Withdrawals / Distributions (\$)	Aggregate Balance at FY 2020-end (\$)
Lawrence J. Ellison					
<i>Cash Deferred Compensation (1)</i>	—	—	4,276,765	—	30,215,986
Safra A. Catz	—	—	—	—	—
Mark V. Hurd	—	—	—	—	—
Dorian E. Daley	—	—	—	—	—
Jeffrey O. Henley					
<i>Cash Deferred Compensation (2)</i>	312,000	—	498,441	—	3,030,748
William Corey West	—	—	—	—	—

- (1) Mr. Ellison is not currently eligible to participate in the Cash Deferred Compensation Plan or the RSU Deferred Compensation Plan because his base salary is \$1. Amounts shown for Mr. Ellison relate to contributions made when he was eligible to participate in the Cash Deferred Compensation Plan.
- (2) Mr. Henley participates in the Cash Deferred Compensation Plan. The amount shown in the "Executive Contributions in FY 2020" column represents a portion of the base salary reported for Mr. Henley in the SCT for fiscal 2020. The amount shown in the "Aggregate Earnings in FY 2020" column is not included in the SCT for fiscal 2020 because such earnings were not preferential or above-market. The amount shown in the "Aggregate Balance at FY 2020-end" column for Mr. Henley includes \$564,879 reported in the SCT for fiscal 2019.

[Table of Contents](#)**Potential Payments Upon Termination or Change in Control**

Typically, we have entered into an employment offer letter with each of our NEOs upon hire that provides the executive is employed “at will.” None of these employment offer letters with our NEOs provide for payments or benefits upon a termination of employment or in connection with a change in control of Oracle. Only our broad-based equity plan and the PSOs provide for payments upon a termination of employment or a change in control, as described below.

No “Single-Trigger” Change in Control Benefits Under Our Equity Plan and Equity Awards

Under the 2000 Equity Plan, the vesting of PSUs, RSUs and time-based stock options, including those held by our NEOs, will accelerate only if both of the following events occur:

- Oracle is acquired; and
- either the equity awards are not assumed, or the equity awards are assumed and the recipient’s employment is terminated without cause within 12 months following the acquisition.

Pursuant to the terms of the PSO grant agreements, in the event of a change in control, any unvested tranches subject to market capitalization goals and operational goals will be earned to the extent any unmatched market capitalization goals have been met on or before the trading date immediately prior to the change in control. The unvested tranche subject to the stock price goal will only be earned if the stock price goal is achieved prior to the change in control.

The following table provides the intrinsic value as of May 29, 2020 (the last trading day during our fiscal year) of the unearned PSUs, unvested RSUs and “in-the-money” time-based stock options held by our NEOs that would accelerate under the circumstances described in the preceding paragraphs. The intrinsic values of the unearned PSUs and the unvested RSUs were calculated by multiplying the target number of unearned PSUs or unvested RSUs, as applicable, by the closing market price of Oracle common stock on May 29, 2020 (\$53.77 per share). The intrinsic value of the stock options was calculated by multiplying the number of unvested shares by the amount by which the closing market price of Oracle common stock on May 29, 2020 exceeded the exercise price of the related option. The table excludes the intrinsic value of the unearned PSOs as none of the PSOs would have been earned under the circumstances described in the preceding paragraphs based on performance through the end of fiscal 2020.

Name	Intrinsic Value of Unvested Equity Awards (\$)
Lawrence J. Ellison	14,783,853
Safra A. Catz	14,783,853
Dorian E. Daley	22,198,412
Jeffrey O. Henley	10,587,000
William Corey West	10,569,192

Death Benefits

If any employee of Oracle dies while employed by Oracle, the 2000 Equity Plan provides for two additional tranches of vesting of his or her time-based stock options (if any) upon his or her death. Oracle’s standard form of RSU grant agreement provides for one additional tranche of vesting of RSUs for all grantees, including executives. Pursuant to the terms of the PSO grant agreements, upon the applicable NEO’s death, his or her unvested PSOs are subject to the same vesting terms through the next vesting measurement date following his or her death. Pursuant to the terms of the PSU grant agreements, upon death all PSUs are forfeited.

The following table provides the intrinsic value as of May 29, 2020 (the last trading day during our fiscal year) of unvested RSUs and “in-the-money” time-based stock options held by our NEOs that would accelerate on death. The intrinsic values of the unvested RSUs were calculated by multiplying the accelerated RSUs by the closing market price of Oracle common stock on May 29, 2020 (\$53.77 per share). The intrinsic value of the stock options was calculated by multiplying the number of accelerated shares by the amount by which the closing market price of Oracle common stock on May 29, 2020 exceeded the exercise price of the related option. The table excludes (1) the unvested PSUs because they terminate at death, and (2) the intrinsic value of the unearned PSOs as none of the PSOs would have

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been earned under the circumstances described in the preceding paragraphs based on performance through the end of fiscal 2020.

Name	Intrinsic Value of Unvested Equity Awards (\$)
Lawrence J. Ellison	7,222,500
Safra A. Catz	7,222,500
Dorian E. Daley	8,789,491
Jeffrey O. Henley	5,522,250
William Corey West	3,999,144

Mr. Hurd's Death Benefits

Mr. Hurd's vested equity awards transferred to his estate upon his death. For Mr. Hurd's unvested equity: (a) in accordance with the 2000 Equity Plan (and consistent with how equity is treated for all Oracle employees at death), the last remaining tranche of Mr. Hurd's unvested stock options was accelerated resulting in 562,500 stock options vesting, which resulted in \$7,661,250 in intrinsic value being realized; (b) in accordance with the PSU grant agreement, all of Mr. Hurd's unvested PSUs were forfeited upon his death on October 18, 2019; and (c) in accordance with his PSO grant agreement, his unvested PSOs were subject to the same vesting terms through the next vesting measurement date following his death. On August 4, 2020, the Compensation Committee determined that no performance measures had been achieved and Mr. Hurd's PSOs were cancelled as of that date. The intrinsic value of Mr. Hurd's stock options that vested was calculated by multiplying the number of vested shares by the amount by which the closing market price of Oracle common stock on October 18, 2019 exceeded the exercise price of the related option.

Equity Compensation Plan Information

The following table provides information regarding our equity compensation plans as of May 31, 2020 (shares in millions).

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (#)	Weighted Average Exercise Price of Outstanding Options, Warrants and Rights (\$)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (#) (1)
Equity compensation plans approved by stockholders	276	24.73	257 (2)
Equity compensation plans not approved by stockholders	1 (3)	21.59	—
Total	277 (4)	24.71 (4)	257

- (1) Excludes the shares listed under the column heading "Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights."
- (2) Includes approximately 212 million shares available for future issuance under the 2000 Equity Plan, approximately 1 million shares available for future issuance under the Amended and Restated 1993 Directors' Stock Plan, and approximately 44 million shares available for future issuance under the ESPP, including the shares subject to purchase during the offering period, which commenced on April 1, 2020 (the exact number of which will not be known until September 30, 2020, the end of the offering period). Under the 2000 Equity Plan, each share issued pursuant to an option reduces the number of shares available for future issuance by one share, and each share issued pursuant to full-value awards (including RSUs and PSUs) reduces the number of shares available for future issuance by 2.5 shares.
- (3) Includes stock options and RSUs that were assumed in connection with our acquisitions. No additional awards were or can be granted under the plans pursuant to which these awards were originally issued.
- (4) Of the approximately 277 million shares to be issued, approximately 176 million reflect shares to be issued upon exercise of outstanding stock options (including PSOs) with a weighted average exercise price of \$38.86 per share and a weighted average remaining contractual life of 3.54 years. The remaining portion represents RSUs and PSUs, which have no purchase price. PSOs and PSUs are reflected at target.

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CEO PAY RATIO

In accordance with SEC rules, we are providing the ratio of the annual total compensation of our CEO to the annual total compensation of our median compensated employee (the median employee).

For fiscal 2020, our ratio of CEO to median employee annual total compensation is **11 to 1**. The fiscal 2020 total compensation of Ms. Catz was \$964,055. The fiscal 2020 total compensation of our median employee was \$87,402.

To identify our median compensated employee, we used the base salaries of our May 31, 2020 employee population (other than our CEO) and the currency exchange rates then in effect, annualized for all permanent employees who did not work for the entire year. As of May 31, 2020, we had 136,177 employees, of which 129,381 were considered in identifying the median employee after excluding less than 5% of our total employees from the following jurisdictions (in accordance with SEC rules): Argentina (647), Colombia (874), Egypt (454), Hungary (434), Indonesia (145), Kazakhstan (14), Malaysia (564), Philippines (2,676), Pakistan (73), Russia (387), Sri Lanka (26), Ukraine (432) and Vietnam (70).

TRANSACTIONS WITH RELATED PERSONS

From time to time, we enter into transactions with entities in which an executive officer, director, 5% or more beneficial owner of our common stock or an immediate family member of these persons has a direct or indirect material interest. As set forth in its charter, the Independence Committee reviews and approves each related person transaction or series of similar transactions exceeding \$120,000, including material amendments thereto.

Prior to approving any transaction, the Independence Committee must be informed or have knowledge of:

- the related person's relationship or interest; and
- the material facts of the proposed transaction, and any material amendments thereto.

The proposed transaction, and any material amendments thereto, must be on terms that, when taken as a whole, are fair to Oracle.

We annually survey our non-employee directors and executive officers to identify any entities they are affiliated with that may enter into a transaction with Oracle that may require disclosure as a related person transaction. We prepare a list of related person entities, which we post internally for reference by our sales force and our purchasing groups. On a quarterly basis, we also review and update this list with Mr. Ellison's advisors, as many of the entities on this list are direct or indirect investments of Mr. Ellison. Potential transactions are compared against this list by management to determine if they require review and approval by the Independence Committee. With respect to sales of products and services, we also compare transactions posted to our general ledger against this list to determine if any related person transactions occurred without pre-approval and the reason pre-approval was not obtained, whether inadvertent or otherwise.

For sales of products and services to be approved by the Independence Committee, we provide the Independence Committee with data indicating that the proposed discounts and terms are consistent with the discounts and terms provided to unrelated customers. For purchases, we provide the Independence Committee with data points showing that the rates or prices are comparable to the rates or prices we could have obtained from an unrelated vendor or are consistent with pricing the vendor uses with other unrelated parties.

Mr. Ellison has entered into a written price protection agreement with us that applies to any related person transaction involving a purchase of goods or services from an entity in which Mr. Ellison has a direct or indirect material interest and with which we enter into a transaction while Mr. Ellison is one of our executive officers or Chairman of the Board. Under this agreement, if we present Mr. Ellison with reasonable evidence of a lower price or rate for the same goods or services offered by the related company, which would have been available to us at the time we entered into the applicable transaction, then Mr. Ellison will reimburse us for the difference. This agreement expires three years after the date on which Mr. Ellison is neither an executive officer of Oracle nor Chairman. The Independence Committee may approve certain other transactions where it can conclude that such transactions are otherwise on terms that are fair to us.

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The Independence Committee also reviews and monitors ongoing relationships with related persons to ensure they continue to be on terms that are fair to us. On an annual basis, the Independence Committee receives a summary of all transactions with related persons, including transactions that did not require approval. Total related person transaction revenues were less than 0.01% of our total revenues and total related person operating expenses were approximately 0.1% of our total operating expenses in fiscal 2020.

Sales of Products and Services

In the ordinary course of our business, we sell products and services to companies in which Mr. Ellison or a member of his immediate family directly or indirectly has a material interest. In fiscal 2020, the total amount of all purchases by these companies was approximately \$900,000. Listed below are our transactions with such companies that purchased more than \$120,000 in products and services from us in fiscal 2020.

- Annapurna Releasing LLC purchased approximately \$415,000 in cloud SaaS products.
- Lanai Resorts LLC purchased approximately \$246,000 in hardware, cloud SaaS products, software licenses and support.
- The Ronin Project, Inc. purchased approximately \$125,000 in cloud IaaS and PaaS products.

Purchases of Products and Services

From time to time, we purchase products and services from companies in which Mr. Ellison or a member of his immediate family directly or indirectly has a material interest. In fiscal 2020, the total amount of all purchases from these companies was approximately \$1.8 million. Listed below are our transactions with such companies from which we purchased more than \$120,000 in products and services in fiscal 2020.

- Oracle paid Desert Champions, LLC approximately \$1.1 million in management fees, tickets, merchandise, advertising and other marketing-related costs in connection with tennis tournaments sponsored by Oracle.
- Oracle paid F50 League LLC \$470,000 for tickets to SailGP sailing tournament races used for marketing purposes.
- Oracle leased aircraft for executive business travel from a Wing and a Prayer, LLC for approximately \$254,000.

Transactions with F50 League LLC

In fiscal 2020, Oracle entered into an agreement providing for an in-kind exchange with the SailGP sailing league (operated by Mr. Ellison's company F50 League LLC) with the following terms: Oracle received a SailGP sponsorship package, including branding rights and customer hospitality experiences, valued at approximately \$3.3 million; and SailGP received Oracle products, services and office space valued at approximately \$1.6 million.

Transactions with Universal Tennis LLC

In fiscal 2020, Oracle paid Universal Tennis LLC, a tennis ranking company in which Mark Hurd was an investor, \$625,000 in accordance with a sponsorship agreement. Under the sponsorship agreement, Oracle also provided Universal Tennis LLC with Oracle software valued at approximately \$20,000.

Transactions with Ampere Computing LLC

In fiscal 2020, Oracle paid Ampere Computing LLC (Ampere) approximately \$445,000 for hardware used for development and testing purposes and placed a \$25 million pre-payment order for Ampere processors. Renée J. James, an Oracle director, is the Chairman and CEO of Ampere, a developer of high-performance semiconductors for hyperscale cloud, storage, and edge computing. Oracle has appointed one director to Ampere's board. Oracle holds less than 20% of the outstanding equity of Ampere.

Compensation of Related Persons Employed by Oracle

Steven Janicki, Vice President, Global IT Communications and Experience, is Mr. Ellison's half-brother. In fiscal 2020, Mr. Janicki received a base salary of \$260,000. Mr. Janicki also received an equity award of 875 RSUs and \$3,934 in flexible credits used toward cafeteria-style benefit plans in fiscal 2020.

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LEGAL PROCEEDINGS

Derivative Litigation Concerning Oracle's NetSuite Acquisition

On May 3 and July 18, 2017, two alleged stockholders filed separate derivative lawsuits in the Court of Chancery of the State of Delaware, purportedly on Oracle's behalf. Thereafter, the court consolidated the two derivative cases and designated the July 18, 2017 complaint as the operative complaint. The consolidated lawsuit was brought against all the then-current members and one former member of our Board of Directors, and Oracle as a nominal defendant. Plaintiff alleges that the defendants breached their fiduciary duties by causing Oracle to agree to purchase NetSuite Inc. (NetSuite) at an excessive price. Plaintiff seeks declaratory relief, unspecified monetary damages (including interest), and attorneys' fees and costs. The defendants filed a motion to dismiss, which the court denied on March 19, 2018.

On May 4, 2018, our Board established a Special Litigation Committee (the SLC) to investigate the allegations in this derivative action. Three non-employee directors served on the SLC. On August 15, 2019, the SLC filed a letter with the court, stating that the SLC believed that plaintiff should be allowed to proceed with the derivative litigation on behalf of Oracle. After the SLC advised the Board that it had fulfilled its duties and obligations, the Board withdrew the SLC's authority, except that the SLC maintained certain authority to respond to discovery requests in the litigation.

After plaintiff filed its initial complaint, plaintiff filed several amended complaints. Plaintiff filed its most recent amended complaint on February 18, 2020. The complaint asserts claims for breach of fiduciary duty against our CEO, our CTO, the estate of Mark Hurd (our former CEO who passed away on October 18, 2019), and two other members of our Board of Directors. Oracle is named as a nominal defendant. The complaint also asserts an aiding-and-abetting claim against NetSuite's former CEO and NetSuite's former CTO. The two former NetSuite officers moved to dismiss the complaint, which the court granted on June 22, 2020. Our CEO and CTO answered the latest complaint on March 3, 2020, and Oracle filed an answer on the same day. On February 20, 2020, the other defendants filed a motion to dismiss. No hearing has been scheduled for this motion. On July 24, 2020, plaintiff filed a motion for leave to file a further amended complaint. The court has not yet ruled on this motion. On September 8, 2020, the defendants who moved to dismiss on February 20, 2020, moved to dismiss the proposed amended complaint. No hearing date has been set for this motion.

On April 20, 2020, after our CEO and CTO indicated that they might challenge plaintiff's standing to pursue this matter, an additional plaintiff moved to intervene in this case. On April 29, 2020, the court granted that plaintiff's motion to intervene. On May 7, 2020, our CEO and CTO filed a motion for summary judgment, seeking to have the plaintiff that filed the July 18, 2017 complaint dismissed from the case for lack of standing, arguing that this plaintiff had not continuously owned Oracle stock during the relevant time period. On July 9, 2020, the court appointed the recent intervenor as co-lead plaintiff, and ruled that the motion should be held in abeyance unless and until there were questions about the co-lead plaintiff's standing. The parties are conducting discovery.

While Oracle continues to evaluate these claims, we do not believe this litigation will have a material impact on our financial position or results of operations.

Securities Class Action and Derivative Litigation Concerning Oracle's Cloud Business

On August 10, 2018, a putative class action, brought by an alleged stockholder of Oracle, was filed in the U.S. District Court for the Northern District of California against us, our CTO, our then-two CEOs, two other Oracle executives, and one former Oracle executive. As noted above, Mr. Hurd, one of our then-two CEOs, passed away on October 18, 2019. On March 8, 2019, plaintiff filed an amended complaint. Plaintiff alleges that the defendants made or are responsible for false and misleading statements regarding Oracle's cloud business. Plaintiff further alleges that the former Oracle executive engaged in insider trading. Plaintiff seeks a ruling that this case may proceed as a class action, and seeks damages, attorneys' fees and costs, and unspecified declaratory/injunctive relief. On April 19, 2019, defendants moved to dismiss plaintiff's amended complaint. On December 17, 2019, the court granted this motion, giving plaintiffs an opportunity to file an amended complaint, which plaintiff filed on February 17, 2020. On April 23, 2020, defendants filed a motion to dismiss, which is scheduled for hearing on September 24, 2020. We believe that we have meritorious defenses against this action, and we will continue to vigorously defend it.

On February 12, 2019, a stockholder derivative lawsuit was filed in the U.S. District Court for the Northern District of California. The derivative suit is brought by two alleged stockholders of Oracle, purportedly on Oracle's behalf, against all members of our Board, and Oracle as a nominal defendant. Plaintiffs claim that the alleged actions described in the

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August 10, 2018 class action discussed above caused harm to Oracle, and that Oracle's Board members violated their fiduciary duties of care, loyalty, reasonable inquiry, and good faith by failing to prevent this alleged harm. Plaintiffs also allege that defendants' actions constitute gross mismanagement, waste, and securities fraud. Plaintiffs seek a ruling that this case may proceed as a derivative action, a finding that defendants are liable for breaching their fiduciary duties, an order directing defendants to enact corporate reforms, attorneys' fees and costs, and unspecified equitable relief. On April 26, 2019, the court approved a stay of this action, which will be lifted if the class action discussed above is dismissed, if the motion to dismiss the class action is denied, or if either party voluntarily chooses to lift the stay.

On May 8, 2019, a second derivative action was filed in the U.S. District Court for the Northern District of California. The derivative suit is brought by an alleged stockholder of Oracle, purportedly on Oracle's behalf, against our CTO, our then-two Chief Executive Officers, one former Oracle executive, and Oracle as a nominal defendant. Plaintiff claims that the alleged actions described in the August 10, 2018 class action discussed above caused harm to Oracle, and plaintiff raises further allegations of impropriety relating to Oracle's stock buybacks and acquisition of NetSuite. Plaintiff asserts claims for violation of securities laws, violation of fiduciary duties, contribution and indemnification. Plaintiff seeks a ruling that the case may proceed as a derivative action, and seeks damages, declaratory and other equitable relief, attorneys' and expert fees and costs. On June 4, 2019, the court issued an order finding that this case was related to the derivative case above and staying the case under the court's prior stay order. On July 8, 2019, plaintiffs in the two derivative actions filed a consolidated complaint. The actions remain stayed.

While Oracle continues to evaluate these claims, we do not believe this litigation will have a material impact on our financial position or results of operations.

Derivative Litigation Concerning Oracle's Board Composition and Hiring Practices

On July 2 and 10, 2020, two alleged stockholders filed derivative lawsuits in the U.S. District Court for the Northern District of California, purportedly on Oracle's behalf, and thereafter, filed a consolidated complaint on August 21, 2020, against all members of our Board, and Oracle as a nominal defendant, seeking declaratory and injunctive relief, monetary damages, interest, corporate governance changes, disgorgement, restitution, punitive damages, and an award of attorneys' fees, expert fees, and costs. Plaintiffs allege that: (a) defendants breached their fiduciary duties by permitting Oracle to violate anti-discrimination laws and Oracle's own policies, failing to ensure sufficient diversity on the board, failing to ensure an independent board chairman, rehiring Ernst & Young LLP as Oracle's auditors, and by breaching a Settlement Agreement with Hewlett-Packard; (b) defendants made false and misleading statements in Oracle's proxy statements; (c) defendants received unjust compensation and were unjustly enriched; (d) defendants aided and abetted this conduct; and (e) our CTO and CEO are liable for abuse of control.

On July 30, 2020, a third stockholder filed a derivative lawsuit in the same court, against all members of our Board, and Oracle as a nominal defendant, seeking declaratory and injunctive relief, corporate governance changes, monetary damages, interest, disgorgement, and an award of attorneys' fees, expert fees, and costs. Plaintiff alleges that defendants: (a) breached their fiduciary duties by opposing stockholder proposals regarding a pay equity report; (b) wasted corporate assets; (c) made false and misleading statements in Oracle's 2019 proxy statement; and (d) were unjustly enriched.

While Oracle continues to evaluate these claims, we do not believe this litigation will have a material impact on our financial position or results of operations.

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PROPOSAL NO. 1

ELECTION OF DIRECTORS

At our Annual Meeting, stockholders will elect directors to hold office until the next annual meeting of stockholders and until the director's successor is elected and qualified, or until the director's earlier resignation or removal. Proxies cannot be voted for a greater number of persons than the number of nominees named. Each nominee has agreed to be named in this proxy statement and to serve if elected. If any nominee for any reason is unable or unwilling to serve, the proxies may be voted for such substitute nominee as the proxy holder may determine, unless the Board, in its discretion, reduces the number of directors serving on the Board.

Directors

The following directors are being nominated for election by our Board, including our CEO and our other executive officers on our Board: Jeffrey S. Berg, Michael J. Boskin, Safra A. Catz, Bruce R. Chizen, George H. Conrades, Lawrence J. Ellison, Rona A. Fairhead, Jeffrey O. Henley, Renée J. James, Charles W. Moorman IV, Leon E. Panetta, William G. Parrett, Naomi O. Seligman and Vishal Sikka.

For details regarding Board qualifications and the specific experiences, qualifications and skills of each of our director nominees, see "Board of Directors—Nominees for Directors" on page 8.

Required Vote

Directors are elected by a plurality of votes cast. Our majority voting policy for directors in our Corporate Governance Guidelines states that in an uncontested election, if any director nominee receives an equal or greater number of votes WITHHELD from his or her election as compared to votes FOR such election (a Majority Withheld Vote) and no successor has been elected at such meeting, the director nominee must tender his or her resignation following certification of the stockholder vote.

The Governance Committee will promptly consider the resignation offer and a range of possible responses based on the circumstances that led to the Majority Withheld Vote, if known, and make a recommendation to the Board as to whether to accept or reject the tendered resignation, or whether other action should be taken. The Governance Committee in making its recommendation, and the Board in making its decision, may each consider any factors or other information that it considers appropriate and relevant.

The Board will act on the Governance Committee's recommendation within 90 days following certification of the stockholder vote. Thereafter, the Board will promptly publicly disclose in a report furnished to the SEC its decision regarding the tendered resignation, including its rationale for accepting or rejecting the tendered resignation. The Board may accept a director's resignation or reject the resignation. If the Board accepts a director's resignation, or if a nominee for director is not elected and the nominee is not an incumbent director, then the Board, in its sole discretion, may fill any resulting vacancy or may decrease the size of the Board, in each case pursuant to our Bylaws. If a director's resignation is not accepted by the Board, the director will continue to serve until the next annual meeting of stockholders and until his or her successor is duly elected, or his or her earlier resignation or removal.

Full details of our majority voting policy for directors are set forth in our Corporate Governance Guidelines, available at www.oracle.com/goto/corpgov.

The Board of Directors recommends a vote FOR the election of each of the nominated directors.

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PROPOSAL NO. 2

ADVISORY VOTE TO APPROVE THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS

Pursuant to Section 14A of the Exchange Act, we are asking our stockholders to cast a non-binding, advisory vote on the compensation of our NEOs (a “say-on-pay” vote). We currently hold our say-on-pay vote annually and we expect the next say on pay vote will occur in 2021. In deciding how to vote on this proposal, we urge you to consider the following factors, as well as the information contained in “Executive Compensation—Compensation Discussion and Analysis” beginning on page 32.

Executive Compensation Highlights

CEO Compensation at a Glance

- Our CEO’s compensation is predominantly performance-based
- In fiscal 2020, Ms. Catz earned less than \$1 million in total compensation, consisting of:
 - \$950,000 in salary, and
 - \$14,055 in other compensation
- The Compensation Committee’s independent consultant provided data showing market pay in the range of \$20-\$35 million for similarly situated CEOs
- During fiscal 2020, Ms. Catz received:
 - No increase in her salary
 - No bonus
 - No new equity grant and
 - No performance-based equity vesting based on fiscal 2020 performance

Fiscal 2020
Named Executive Officers (NEOs)

- Lawrence J. Ellison, Chairman and CTO*
- Safra A. Catz, CEO*
- Mark V. Hurd, Former CEO*
- Dorian E. Daley, Executive Vice President and General Counsel
- Jeffrey O. Henley, Vice Chairman
- William Corey West, Executive Vice President, Corporate Controller and Chief Accounting Officer

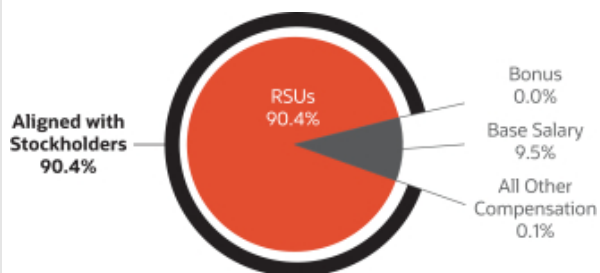
* We have included Mr. Ellison as an NEO for fiscal 2020 on a voluntary basis in the interest of transparency. Ms. Catz also serves as our principal financial officer. Mr. Hurd passed away on October 18, 2019.

Fiscal 2020 Compensation
Mr. Ellison, Ms. Catz and Mr. Hurd

Below is an excerpt of our fiscal 2020 SCT showing the total compensation for Mr. Ellison, Ms. Catz and Mr. Hurd. See page 47 for the full SCT and related footnotes.

Name	Fiscal Year	Salary (\$)	All Other Compensation (\$)	Total (\$)
Lawrence J. Ellison	2020	1	1,716,114	1,716,115
Safra A. Catz	2020	950,000	14,055	964,055
Mark V. Hurd	2020	356,653	370,791	727,444

Fiscal 2020 Compensation
Ms. Daley, Mr. Henley and Mr. West



[Table of Contents](#)**Compensation Best Practices****✔ Best Practices We Employ**

- ✔ High proportion of compensation for CEO and CTO is performance-based and aligned with stockholders
- ✔ Caps on maximum payout of bonuses and performance-based equity awards
- ✔ Robust stock ownership guidelines
- ✔ Disciplined dilution rates from equity awards
- ✔ Compensation recovery (clawback) policy for cash bonuses in the event of a financial restatement
- ✔ Annual risk assessment of compensation programs
- ✔ Independent compensation consultant and independent compensation committee
- ✔ Anti-hedging policy applicable to all employees and directors
- ✔ Anti-pledging policy with limited exceptions

✘ Practices We Avoid

- ✘ No severance benefit arrangements except as provided under our equity incentive plan to employees generally or as required by law
- ✘ No single-trigger change in control vesting of equity awards
- ✘ No change in control acceleration of performance-based cash bonuses
- ✘ No minimum guaranteed vesting for performance-based equity awards
- ✘ No discretionary cash bonuses for CEO and CTO
- ✘ No “golden parachute” tax gross-ups for NEOs
- ✘ No payout or settlement of dividends or dividend equivalents on unvested equity awards
- ✘ No supplemental executive retirement plans, executive pensions or excessive retirement benefits
- ✘ No repricing, cash-out or exchange of “underwater” stock options without stockholder approval

Required Vote

We are asking our stockholders to support the compensation of our NEOs and our compensation philosophy as described in this proxy statement. You may vote FOR or AGAINST the following resolution, or you may ABSTAIN. This advisory vote on NEO compensation will be approved if it receives the affirmative vote of the holders of a majority of shares of Oracle common stock present or represented and entitled to vote on this matter at the Annual Meeting.

“RESOLVED, that the stockholders hereby approve, on an advisory basis, the compensation paid to the named executive officers, as disclosed in Oracle’s Proxy Statement for the 2020 Annual Meeting of Stockholders pursuant to the compensation disclosure rules of the U.S. Securities and Exchange Commission, which includes the Compensation Discussion and Analysis, the compensation tables and related narrative disclosures that accompany the compensation tables.”

Your vote is advisory, and therefore not binding on Oracle, the Board or the Compensation Committee, and will not be interpreted as overruling a decision by, or creating or implying any additional fiduciary duty for, the Board or the Compensation Committee. Nevertheless, our Board and Compensation Committee value the opinions of our stockholders and view this vote as one of the modes of communication with stockholders. As in prior years, the Board and Compensation Committee will review and consider the outcome of this vote in determining future compensation arrangements for our NEOs.

The Board of Directors unanimously recommends a vote FOR the advisory approval of the compensation of our NEOs.

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PROPOSAL NO. 3

APPROVAL OF THE ORACLE CORPORATION 2020 EQUITY INCENTIVE PLAN

We are asking our stockholders to approve the Oracle Corporation 2020 Equity Incentive Plan (the “2020 Equity Plan”), including approval of 90 million shares of common stock reserved for issuance under the 2020 Equity Plan. The 2020 Equity Plan was approved by our Board on August 6, 2020, subject to stockholder approval. If the 2020 Equity Plan is approved by our stockholders, the 2020 Equity Plan will become effective on the date of our Annual Meeting (the “Effective Date”).

The 2020 Equity Plan is intended to replace the Amended and Restated 2000 Long-Term Equity Incentive Plan (the “Prior Plan”), which will expire under its terms on the date of our Annual Meeting. No additional stock awards will be granted under the Prior Plan once it has expired. All outstanding stock awards granted under the Prior Plan will continue to be subject to the terms and conditions of the Prior Plan and the applicable agreements evidencing such stock awards, provided that certain shares subject to outstanding stock awards that would have become available for issuance after the Effective Date under the terms of the Prior Plan may become available for issuance under the 2020 Equity Plan.

Reasons to Approve the 2020 Equity Plan

If the 2020 Equity Plan is not approved, it will not become effective and Oracle will not have a stock-based compensation plan in place to grant stock awards to employees following the Annual Meeting. We consider equity compensation to be a vital element of our employee compensation program and believe that the continued ability to grant stock awards at competitive levels is in the best interest of Oracle and its stockholders. The Board believes the 2020 Equity Plan is a critical incentive and retention tool as we continue to compete for talent.

We believe the number of shares reserved under the 2020 Equity Plan will be sufficient to enable us to grant stock awards under the 2020 Equity Plan for approximately the next two years, based on historical grant and forfeiture levels, the recent market prices of Oracle shares, and the anticipated use of stock awards as an incentive and retention tool.

The table below shows the stock awards that were outstanding under the Prior Plan and the 1993 Directors’ Stock Plan (the “Directors’ Stock Plan”), as well as outstanding stock awards that were assumed in connection with our acquisitions, in each case, as of the Record Date of September 8, 2020. On that date, the closing price of Oracle shares as reported on NYSE was \$55.32 per share.

	Shares underlying outstanding stock options (#)	Weighted avg. exercise price of per share	Weighted avg. remaining term	Shares underlying outstanding RSUs and deferred vested PSUs (#)	Shares available for future grant (#)
Prior Plan	136,429,674	\$ 38.92	3.42 years	113,895,582	130,487,146
Directors’ Stock Plan	684,375	\$ 37.92	3.28 years	74,584	1,268,343
Assumed Awards*	878,200	\$ 24.86	3.83 years	23,170	—
Total	137,992,249	\$ 38.82	3.42 years	113,993,336	131,755,489

* Includes stock options and restricted stock units (RSUs) that were assumed in connection with our acquisitions. No additional stock awards were or can be granted under the plans pursuant to which these awards were originally issued. If any of these assumed awards are forfeited, the related shares cannot be re-used for additional stock awards.

In fiscal 2018, the Compensation Committee granted each of Mr. Ellison, Ms. Catz and Mr. Hurd a stock award consisting entirely of performance-based stock options (PSOs) that may be earned only upon the attainment of rigorous stock price, market capitalization and operational performance goals (See page 34 for details on the PSOs). These PSOs were intended to represent five years of equity compensation and were granted with the expectation that no additional stock awards will be granted to these NEOs until 2022 at the earliest. Mr. Hurd passed away on October 18, 2019. In connection with his death, Mr. Hurd’s PSOs were forfeited on August 4, 2020, when the Compensation Committee certified that no performance conditions were met for the PSO performance period ending May 31, 2020. As of the date of this proxy statement, none of these PSOs have vested for any of our NEOs.

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We recognize that stock awards dilute existing stockholders. Both the Compensation and F&A Committees regularly review our long-term incentive compensation program to ensure that we balance our employee compensation objectives with our stockholders' interest in limiting dilution from stock awards. As of May 31, 2020, our cumulative potential dilution since June 1, 2017 has been a weighted average annualized rate of 1.5% per year. For details on the calculation of our cumulative potential dilution, see Item 7—Management's Discussion and Analysis of Financial Condition and Results of Operations and Note 13 to our consolidated financial statements in our Annual Report on Form 10-K for fiscal 2020.

The Compensation Committee also regularly reviews our burn rate and equity overhang activity. The following table provides detailed information regarding our burn rate and equity overhang activity for the last three fiscal years. The effects of our stock repurchase program are excluded from these calculations.

	Fiscal 2020 (%)	Fiscal 2019 (%)	Fiscal 2018 (%)
Gross Burn Rate (1)	1.65%	1.76%	3.07%
Net Burn Rate (2)	1.11%	0.90%	2.62%
Equity Overhang (3)	13.77%	15.64%	16.45%

- (1) Gross Burn Rate is calculated as (a) the number of new stock awards granted under the Prior Plan and the Director Plan plus stock awards assumed in acquisitions, divided by (b) the total number of Oracle shares outstanding as of the end of the fiscal year.
- (2) Net Burn Rate is calculated as (a) the number of new stock awards granted under the Prior Plan and the Director Plan plus stock awards assumed in acquisitions, net of stock awards cancelled and forfeited, divided by (b) the total number of Oracle shares outstanding as of the end of the fiscal year.
- (3) Equity Overhang is calculated as (a) the number of shares subject to outstanding stock awards (including stock awards assumed in acquisitions) plus the number of shares available for grant under Prior Plan and the Director Plan, divided by (b) the number of shares subject to outstanding stock awards (including stock awards assumed in acquisitions), plus the number of shares available for grant under Prior Plan and the Director Plan, plus the total number of Oracle shares outstanding as of the end of the fiscal year.

The table below shows the number of shares subject to performance awards granted at target, vested and forfeited within the last three fiscal years under the Prior Plan, which consisted of performance-based stock options and performance-based stock units.

	Number of Shares/Units
Non-vested at May 31, 2017	5,500,000
Granted (1)	69,000,000
Vested (2)	(1,222,650)
Forfeited	(1,433,600)
Non-vested at May 31, 2018	71,843,750
Granted (3)	0
Vested	(1,988,839)
Forfeited	(14,375,000)
Non-vested at May 31, 2019	55,479,911
Granted (4)	0
Vested	(1,129,464)
Forfeited	(854,911)
Non-vested at May 31, 2020 (5)	53,495,536

- (1) Includes 66,500,000 PSOs granted to current NEOs (or NEOs at the time of grant) of which (a) none have vested to date, and (b) as of September 8, 2020, 31,500,000 have been forfeited. 14,000,000 PSOs were forfeited in September 2018 when Thomas Kurian left Oracle and 17,500,000 PSOs were forfeited on August 4, 2020 when the Compensation Committee determined that no performance measures had been achieved following Mark Hurd's death.

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- (2) Does not include 37,500 shares, which were issued in fiscal 2018 as a result of above target vesting of PSUs based on fiscal 2017 performance.
- (3) Does not include 701,547 shares, which were issued in fiscal 2019 as a result of above target vesting of PSUs based on fiscal 2018 performance.
- (4) Does not include 314,402 shares, which were issued in fiscal 2020 as a result of above target vesting of PSUs based on fiscal 2019 performance.
- (5) Includes the 17,500,000 PSOs held by Mr. Hurd at fiscal year end, which were subsequently forfeited on August 4, 2020.

Stockholder approval of the 2020 Equity Plan will also enable Oracle to grant awards that qualify for specific employer/employee tax and social treatment under French Finance Law for 2018 n° 2017-1837 of December 30, 2017 as amended, should Oracle in its discretion decide to grant such awards to employees in France who are eligible to participate in the 2020 Equity Plan.

2020 Equity Plan Subject to Stockholder Approval

The 2020 Equity Plan will only become effective if it is approved by our stockholders at the Annual Meeting. If our stockholders do not approve this Proposal No. 3, the 2020 Equity Plan will not become effective.

The 2020 Equity Plan Combines Compensation and Corporate Governance Best Practices

The 2020 Equity Plan includes provisions that are designed to protect our stockholders' interests and reflect corporate governance best practices, including:

- ***Fungible Share Counting.*** The 2020 Equity Plan provides that each share issued pursuant to a full value award reduces the number of shares available for grant under the 2020 Equity Plan by 2.5 shares.
- ***No Liberal Share Counting or Recycling.*** Shares used to satisfy the exercise price, purchase price or tax withholding obligation of an award, and shares repurchased by us with the proceeds of an option exercise, will not become available again for issuance under the 2020 Equity Plan.
- ***Stockholder Approval Required for Additional Shares.*** The 2020 Equity Plan does not contain an annual "evergreen" provision. The 2020 Equity Plan authorizes a fixed number of shares, so that stockholder approval is required to issue any additional shares.
- ***No Single-Trigger Change of Control.*** Stock awards do not accelerate upon a change of control unless the acquiring company does not assume the stock awards, or if such awards are assumed and the acquiring company terminates the participant's employment within 12 months following the consummation of the change of control.
- ***Disclosure of Change of Control Vesting Treatment.*** The 2020 Equity Plan discloses the specific vesting treatment for both time and performance-based stock awards in connection with a change of control.
- ***Minimum Vesting Requirement.*** Stock awards granted under the 2020 Equity Plan will have a minimum one-year vesting period from the date of grant, provided that such requirement will not apply to (i) 5% of the shares initially reserved under the 2020 Equity Plan and (ii) awards assumed or substituted in connection with an acquisition. The minimum vesting requirement will not prevent the acceleration of vesting under the 2020 Equity Plan in connection with a change of control of Oracle or a termination of employment or services.
- ***No Dividends and Dividend Equivalents on Unvested Awards.*** Dividends and dividend equivalents will not be paid or settled with respect to any stock award granted under the 2020 Equity Plan until the underlying shares or units vest, and no dividend equivalents or otherwise may be credited with respect to options and stock appreciation rights ("SARs").
- ***Repricing Not Allowed.*** The 2020 Equity Plan prohibits reducing the exercise price of stock options and SARs and cancelling "underwater" stock options and SARs for cash or another stock award without stockholder approval.
- ***No Discounted Stock Options or SARs.*** All stock options and SARs granted under the 2020 Equity Plan must have an exercise or strike price equal to or greater than the fair market value of Oracle common stock on the date the stock option or SAR is granted.
- ***Awards Subject to Clawback.*** Stock awards are subject to clawback pursuant to any clawback policy adopted by us from time to time or required by law. In addition, if a participant's employment is terminated for cause, the Compensation Committee may terminate a participant's outstanding stock awards granted under the 2020 Equity Plan.

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- **Limit on Stock Awards.** The 2020 Equity Plan limits the number of shares that may be granted to any one participant during any one fiscal year.
- **Stock Options and SARs Will Expire After 7 Years.** The 2020 Equity Plan provides for a term of seven (7) years for stock options and SARs unless the Compensation Committee provides otherwise.
- **Includes Best Practice Performance-Based Stock Award Provisions.** While the enactment of the 2017 Tax Cuts and Jobs Act eliminated the performance-based compensation exception under Section 162(m) of the Code, the 2020 Equity Plan includes many best practice performance-based stock award provisions.
- **Prohibition on Loans and Transfer.** The 2020 Equity Plan provides that no participant will be permitted to purchase shares via a promissory note, and in no event may any stock award be transferred for consideration to a third-party financial institution.

Description of the 2020 Equity Plan

Set forth below is a summary of the other principal features of the 2020 Equity Plan. The 2020 Equity Plan is set forth in its entirety as Appendix A to this Proxy Statement, and all descriptions of the 2020 Equity Plan contained in this Proposal No. 3 are qualified by reference to Appendix A.

Purpose. The purpose of the 2020 Equity Plan is to provide incentives to attract, retain and motivate eligible persons that are important to our success, by offering them an opportunity to participate in our future performance through the grant of stock options, restricted stock, RSUs, SARs, performance-based stock awards and stock bonuses (each individually, an “award”).

Eligibility. Employees (including officers), consultants, independent contractors and advisors are eligible to participate in the 2020 Equity Plan. As of May 31, 2020, there were approximately 135,000 full-time employees (including 6 executive officers) and approximately 9,200 consultants eligible to receive awards under the 2020 Equity Plan. Since our executive officers may participate in the 2020 Equity Plan, each of them has an interest in this proposal. Non-employee directors are not eligible to participate in the 2020 Equity Plan.

Types of Awards and Minimum Vesting. Awards that may be granted are stock options (both nonstatutory stock options and incentive stock options (which may only be granted to employees)), SARs, restricted stock, RSUs, performance-based stock awards and stock bonuses. Ninety-five percent (95%) of the shares subject to awards granted under the 2020 Equity Plan must contain a minimum one-year vesting period from the date of grant; provided that, awards assumed or substituted in connection with an acquisition are not subject to this minimum vesting requirement and the minimum vesting requirement will not prevent the acceleration of vesting under the 2020 Equity Plan or under policies or contracts that provide for acceleration of vesting in connection with a change of control or termination of employment or services.

Shares Reserved for Issuance. If the 2020 Equity Plan is approved by the stockholders and becomes effective, the total number of shares authorized under the 2020 Equity Plan will be (i) 90 million shares of Oracle common stock, plus (ii) the number of shares that remain unissued and are available for grant under the Prior Plan as of the Effective Date, plus (iii) the number of shares subject to any awards granted under the Prior Plan that are outstanding as of the Effective Date which, after the Effective Date, would have been available again for issuance under the terms of the Prior Plan had the 2020 Equity Plan not become effective, provided that shares subject to Prior Plan awards other than options or SARs will increase the number of shares authorized for issuance under the 2020 Equity Plan by 2.5 times the number of shares subject to such forfeited awards. If the company substitutes or assumes outstanding awards granted by another company, whether in connection with an acquisition of such other company or otherwise, the number of shares subject to the substituted or assumed awards will not reduce the number of shares available under the 2020 Equity Plan.

Share Conversion Ratio. Each share issued with respect to awards granted under the 2000 Equity Plan, other than stock options or SARs, is counted against the aggregate share reserve as 2.5 shares. Each share issued with respect to a stock option or SAR is counted against the aggregate share reserve as one share.

Shares Returned to the Plan. Except as described in the next paragraph, shares subject to awards, and shares issued under any award granted under the 2020 Equity Plan will again be available for grant and issuance in connection with subsequent awards to the extent such shares: (a) are subject to issuance upon exercise of a stock option or SAR granted under the 2020 Equity Plan but which cease to be subject to the option or SAR right for any reason other than the exercise of the award or the withholding or tendering of shares to satisfy any related tax withholding obligations;

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(b) are subject to awards granted under the 2020 Equity Plan that are forfeited or repurchased by us at the original issue price; or (c) are subject to awards granted under the 2020 Equity Plan that otherwise terminate without such shares being issued. To the extent an award is paid out in cash rather than shares, such cash payment will not result in reducing the number of shares available for issuance under the 2020 Equity Plan.

Shares Not Returned to the Plan. Shares used to pay the exercise or purchase price of an award or to satisfy any tax withholding obligations in connection with an award, and shares repurchased by the company on the open market with the proceeds of a stock option exercise will not be available again for grant and issuance under the 2020 Equity Plan. In addition, the full number of shares subject to SARs granted under the 2020 Equity Plan that are to be settled by the issuance of shares will be counted against the number of shares available for issuance under the 2020 Equity Plan, regardless of the number of shares actually issued upon settlement of such SAR. Further, shares subject to awards that are assumed or substituted in connection with an acquisition and shares subject to awards that are cancelled or exchanged under an exchange program will not be available again for grant and issuance under the 2020 Equity Plan.

Administration. Our Compensation Committee will administer the 2020 Equity Plan, except when the Board decides to directly administer the 2020 Equity Plan, and will have the authority to, among other things, construe and interpret the plan and any agreement or document executed pursuant to the plan, grant awards and determine their terms, and make all other determinations necessary or advisable for the administration of the plan. However, to the extent permitted by applicable law and listing requirements, the Compensation Committee or the Board may delegate to one or more of our officers, the authority to (a) designate employees who are not officers to be recipients of awards and determine the number of shares to be subject to such awards granted to such designated employees, subject to certain restrictions that are set forth in the 2020 Equity Plan and (b) take any and all actions on behalf of the Compensation Committee other than any actions that affect the amount or form of compensation of officers or have material tax, accounting, financial, human resource or legal consequences to us or our affiliates.

Per Share Exercise Price. The per-share exercise price of stock options and SARs granted under the 2020 Equity Plan must be equal to at least the fair market value of a share of our common stock on the grant date of the option or SAR.

No Repricing Without Prior Stockholder Approval. Without prior stockholder approval, (i) the exercise price of a stock option or SAR may not be reduced (repriced) and (ii) a stock option or SAR may not be cancelled in exchange for another option or SAR with a lower exercise price, cash or another award if the exercise price of such cancelled stock option or SAR exceeds the fair market value of a share on the date of such cancellation (in each case, other than in connection with a change of control or certain capitalization events).

Number of Shares Per Calendar Year and Incentive Stock Option Limit. No person is eligible to receive more than 25,000,000 shares in any fiscal year pursuant to the grant of one or more options or SARs under the 2020 Equity Plan, and no person is eligible to receive more than 10,000,000 shares in any fiscal year pursuant to the grant of one or more awards other than stock options or SARs under the 2020 Equity Plan. No more than 25,000,000 shares may be issued pursuant to the exercise of incentive stock options. No incentive stock options may be granted after the 10th anniversary of the date the 2020 Equity Plan was adopted by the Board.

Vesting and Exercisability. Awards become vested and exercisable, as applicable, within such periods, or upon such events, as determined by the administrator and as set forth in the related award agreement. Vesting may be based on the passage of time in connection with services performed for us or upon achievement of performance goals or other criteria, subject to the minimum one-year vesting requirement described above. Unless otherwise determined by the Compensation Committee, the maximum term of each option and SAR is seven years from the date of grant, and options cease vesting on the date of termination of service or the death or disability of the service provider and generally expire three months after the termination of the service provider's service to us or up to 12 months following the date of death or disability. SARs become exercisable as they vest and are settled in shares or cash, as determined by the administrator, having a value at the time of exercise equal to (1) the number of shares deemed exercised, times (2) the amount by which our stock price on the date of exercise exceeds the exercise price of SARs. RSUs are settled in shares or cash, depending on the terms upon which they are granted, and only to the extent that they are vested. Shares issued pursuant to a restricted stock award remain subject to our right to repurchase or reacquire them to the extent they are unvested. In addition, the 2020 Equity Plan allows us to reduce, suspend or extend the vesting of awards in the event a participant has a change in status from a full-time employee to a part-time employee or takes an extended leave of absence.

Method of Exercise. The exercise price of options and the purchase price, if any, of other stock awards may be paid by (a) cash or check, or (b) where expressly approved by the administrator and permitted by applicable law:

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cancellation of indebtedness, surrender of shares, waiver of compensation due or accrued for services to us or an affiliate, broker assisted same-day sales, a combination of the foregoing or any other method permitted by applicable law, provided that no participant will be permitted to execute a promissory note as partial or full consideration for the purchase of shares.

Adjustment of Shares. Except as would result in taxation under Section 409A of the Code ("Section 409A"), the number of outstanding shares is adjusted by a stock dividend, an extraordinary cash dividend that has a material effect on the price of Oracle common stock, recapitalization, stock split, reverse stock split, subdivision, combination, reclassification or similar change in our capital structure, without consideration, then (a) the number of shares reserved for issuance and future grant under the 2020 Equity Plan, (b) the exercise prices of and number of shares subject to outstanding stock options and SARs, (c) the number of shares subject to other outstanding awards, (d) the maximum number of shares that may be issued as incentive stock options, and (e) the maximum number of shares that may be issued to an individual in any one fiscal year, will be proportionately adjusted, subject to any required action by our Board or our stockholders and in compliance with applicable securities laws; provided that in the event the adjustment would result in a fraction of a share, we have the right to round up or down to the nearest whole share or settle such fraction of a share in cash, taking into consideration applicable laws and accounting guidance.

Performance Awards. Our Compensation Committee may grant awards subject to the satisfaction of specified performance criteria. Our Compensation Committee determines the terms surrounding performance awards, including the required levels of performance with respect to specified business criteria (including any adjustment(s) thereto that will be applied in determining the achievement of such performance criteria), the corresponding amounts payable upon achievement of such levels of performance, and the termination and forfeiture provisions; provided that all performance criteria must be determined when the achievement of such criteria remains substantially uncertain and the Compensation Committee must certify in writing the extent to which such performance criteria have been timely achieved and the extent to which the shares subject to awards have been earned.

As determined by the Compensation Committee, to the extent applicable, the performance criteria may be measured (i) in absolute terms, (ii) in relative terms, (iii) on a per-share basis, (iv) against the performance of the company as a whole or one or more identifiable business units, products, ecosystems, lines of business or segments, (v) on a pre-tax or after-tax basis, and/or (vi) on a GAAP or non-GAAP basis. The performance criteria may differ from participant to participant and from award to award and may include: asset turnover; billings; bookings; capacity utilization; cash flow, operating cash flow, or cash flow or operating cash flow per share (before or after dividends); contract value; customer growth; data center openings or closings; earnings per share; EBITDA, including EBITDA growth; economic value added; gross profit margin; intellectual property (e.g., patents)/product development; inventory turnover; market share; mergers and acquisitions or divestitures; net income margin; net income; net or gross sales; operating expenses; operating income; operating profit margin; pre-tax income; profit; profits; return on assets; return on capital; return on equity; return on net assets; return on sales; revenues (including recurring revenues); sales growth; sales margin (including both growth rates and margin percentages); stock price, including market price appreciation of our stock; total stockholder return (on a relative or absolute basis); or any other factor (such as individual business objectives, unit-specific operational metrics or individual performance goals) the committee so designates, provided that such objectives do not result in adverse accounting, tax, reporting or other consequences.

No Dividends and Dividend Equivalents on Unvested Awards. Dividends and dividend equivalents will not be paid or settled with respect to any award granted under the 2020 Equity Plan unless and until the underlying shares or units vest, and no dividends or dividend equivalents may be credited with respect to options or SARs.

Transferability. Unless determined otherwise by the Compensation Committee, a stock award granted under the 2020 Equity Plan may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or by the laws of descent or distribution. If the Compensation Committee makes a stock award transferable, including, without limitation, by instrument to an inter vivos or testamentary trust in which the awards are to be passed to beneficiaries upon death or by gift to a permitted transferee, such award will contain such additional terms and conditions as the administrator deems appropriate; provided, however, that in no event may any award be transferred for consideration to a third-party financial institution.

Change of Control. Unless otherwise provided in an agreement with us or one of our affiliates, or by the Compensation Committee at the time of grant, in the event of a change of control (as defined in the 2020 Equity Plan), the acquiror may either assume outstanding awards or substitute equivalent awards. If an award is assumed or substituted awards and a participant is terminated without cause within 12 months after the consummation of such

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change of control, the assumed or substituted award will accelerate and vest in full upon such termination. If the acquiror fails to assume or substitute awards issued under the 2020 Equity Plan, all awards will accelerate and vest in full at or prior to the effective date of the change of control. However, in the event of a change of control, any award subject to performance goals will vest based on the greater of target performance or the actual level of performance, and any such award that is assumed or substituted will continue to be subject to any service requirements applicable to such award.

Clawback of Stock Awards. The 2020 Equity Plan provides that awards will be subject to clawback or recoupment pursuant to any compensation clawback or recoupment policy that may be adopted by the Compensation Committee. In addition, if a participant's employment is terminated for cause (as defined in the 2020 Equity Plan), the Compensation Committee may require the cancellation of the participant's outstanding awards.

Stockholder Approval. Stockholder approval is required for certain types of amendments to the 2020 Equity Plan, including any increase in the number of shares available for issuance.

Amendment or Termination of 2020 Equity Plan. Our Board may at any time terminate or amend the 2020 Equity Plan or any form of stock award agreement under the 2020 Equity Plan, subject to any required stockholder approval.

Certain U.S. Federal Income Tax Information

The following is a general summary under current law of certain U.S. federal income tax consequences to participants who are citizens or individual residents of the United States relating to the types of stock awards that may be granted under the 2020 Equity Plan. This summary describes only the general tax principles and is provided only for general information. Certain kinds of taxes, such as foreign taxes, state and local income taxes, payroll taxes and the alternative minimum tax, are not discussed.

- **Nonqualified Stock Options.** The grant of a nonqualified stock option will not be a taxable event. The optionee generally will recognize ordinary income upon exercise of the option, in an amount equal to the excess of the fair market value of the shares received at the time of exercise (including option shares withheld by us to satisfy tax withholding obligations) over the exercise price of the option, and generally Oracle will be allowed a deduction in this amount, subject to any limitations under Section 162(m) or any other tax rule. Upon disposition of the shares received upon exercise, the optionee will recognize long-term or short-term capital gain or loss, depending upon the length of time he or she held such shares. The amount of long-term or short-term capital gain or loss recognized by the optionee upon disposition of the shares will be an amount equal to the difference between the amount realized on the disposition and the optionee's basis in the shares (which basis is ordinarily the fair market value of the shares on the date the option was exercised).
- **Incentive Stock Options.** Neither the grant nor the exercise of an incentive stock option will be a taxable event for regular tax purposes, except that the alternative minimum tax may apply to the exercise. The optionee will recognize long-term capital gain or loss on a disposition of shares acquired upon exercise of the option provided the optionee does not dispose of such shares within two years from the date the option was granted or within one year after the shares were transferred to the optionee. For purposes of determining such gain or loss, the optionee's basis in such shares will, in general, be the exercise price of such option. If the optionee satisfies both of the holding periods described above, then Oracle will not be allowed a deduction by reason of the exercise of the option. If the optionee disposes of the shares acquired upon exercise before satisfying both of the holding period requirements discussed above (a "disqualifying disposition"), his or her gain recognized on the disqualifying disposition will be taxed as ordinary income to the extent of the difference between the fair market value of the shares on the date of exercise (or, if less, the amount realized upon the disposition of the shares) and the exercise price of such option, and generally Oracle will be entitled to a deduction in this amount, subject to any limitations under Section 162(m) or any other tax rule. The gain (if any) in excess of the amount recognized as ordinary income on a disqualifying disposition will be long-term or short-term capital gain, depending upon the length of time the recipient held the shares.
- **SARs.** The grant of a SAR will not be a taxable event. The recipient of a SAR generally will recognize ordinary income upon exercise of the SAR, in an amount equal to the excess of the fair market value of the exercised shares at the time of exercise (including shares withheld by us to satisfy tax withholding obligations) over the exercise or base price of the SAR, and generally Oracle will be allowed a deduction in this amount, subject to any limitations under Section 162(m) or any other tax rule. Upon disposition of any shares received upon exercise, the recipient will recognize long-term or short-term capital gain or loss, depending upon the length of time he or she held such shares. The amount of long-term or short-term capital gain or loss recognized by the recipient upon

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disposition of the shares will be an amount equal to the difference between the amount realized on the disposition and the recipient's basis in the shares (which basis is ordinarily the fair market value of the shares on the date the SAR was exercised).

- **Restricted Stock.** The grant of restricted stock will not be a taxable event until the award vests, unless the participant timely files an election under Section 83(b) of the Code to be taxed at the time of grant. In such circumstances the recipient will recognize ordinary income equal to the fair market value of the shares at the time of purchase or grant less the amount paid for such shares (if any). Any gain or loss recognized upon any later disposition of the shares generally will be a capital gain or loss. If the recipient does not make an 83(b) election, the recipient will upon vesting recognize ordinary income equal to the fair market value of the shares at the time of vesting less the amount paid for such shares (if any). Any gain or loss recognized upon any later disposition of the shares generally will be a capital gain or loss. Oracle generally will be allowed a deduction for the compensation income recognized by the recipient, subject to any limitations under Section 162(m).
- **Stock Bonuses.** The grant of a stock bonus is generally taxable upon grant, and the recipient will recognize ordinary income equal to the fair market value of the shares at the time of grant, and generally Oracle will be entitled to a deduction in this amount, subject to any limitations under Section 162(m). Any gain or loss recognized upon any later disposition of the shares generally will be a capital gain or loss. A recipient who makes a proper election to defer the payment of a stock bonus will not recognize income with respect to the shares, and Oracle will not be entitled to a corresponding deduction, until the end of the deferral period. At the end of the deferral period, the recipient will recognize ordinary compensation income, and Oracle will be entitled to a corresponding deduction, subject to any limitations under Section 162(m) or any other tax rule, equal to the fair market value of the shares of common stock issued at that time.
- **RSUs.** The grant of an award of RSUs will not be a taxable event. The recipient of the award generally will recognize ordinary compensation income in each year in which the units vest in an amount equal to the fair market value of the shares of common stock received, and generally Oracle will be entitled to a deduction in this amount, subject to any limitations under Section 162(m) or any other tax rule. A recipient's basis for determining gain or loss on a subsequent disposition of these shares of common stock will be the amount the recipient must include in income when the units vest. Any gain or loss recognized on a disposition of the shares of common stock generally will be short-term or long-term capital gain or loss, depending on the length of time the recipient holds the shares. A recipient who makes a proper election to defer the settlement of RSUs will not recognize income with respect to the units, and Oracle will not be entitled to a corresponding deduction, until the end of the deferral period. At the end of the deferral period, the recipient will recognize ordinary compensation income, and Oracle will be entitled to a corresponding deduction, subject to any limitations under Section 162(m) or any other tax rule, equal to the fair market value of the shares of common stock issued at that time.

New Plan Benefits

The 2020 Equity Plan does not provide for set benefits or amounts of awards and we have not approved any awards that are conditioned on stockholder approval of the 2020 Equity Plan. The basis for participation in the 2020 Equity Plan is the Compensation Committee's decision, in its sole discretion, that an award to an eligible participant will further the 2020 Equity Plan's stated purpose described above. In exercising its discretion, the Compensation Committee will consider the recommendations of management and the purposes of the 2020 Equity Plan.

For more information regarding Oracle's equity compensation plans, including the Directors' Stock Plan and the ESPP, please see "Executive Compensation—Equity Compensation Plan Information."

Required Vote

Approval of the 2020 Equity Plan requires the affirmative vote of the holders of a majority of shares of common stock present or represented and entitled to vote on this matter at the Annual Meeting. If approved by stockholders, the 2020 Equity Plan will become effective on the date of the Annual Meeting. If stockholders do not approve this proposal, the 2020 Equity Plan will not become effective and Oracle will not have a stock-based compensation plan in place to grant stock awards to employees following the Annual Meeting.

The Board of Directors unanimously recommends a vote **FOR the approval of the 2020 Equity Plan.**

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PROPOSAL NO. 4

RATIFICATION OF SELECTION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Our F&A Committee is responsible for overseeing the engagement, independence, compensation, retention and services of our independent registered public accounting firm retained to audit our consolidated financial statements. The F&A Committee has selected Ernst & Young LLP (EY) as our independent registered public accounting firm to perform the audit of our consolidated financial statements for fiscal 2021. Representatives of EY will be present at the Annual Meeting, will be given an opportunity to make a statement at the meeting if they desire to do so and will be available to respond to appropriate questions from stockholders.

EY has served as our independent registered public accounting firm since 2002. In conjunction with the mandated rotation of EY's lead engagement partner, the F&A Committee is involved in the selection of EY's lead engagement partner. The F&A Committee also periodically considers whether there should be a rotation of independent registered public accounting firms because the F&A Committee believes that it is important for the registered public accounting firm to maintain independence and objectivity. In deciding to engage EY, our F&A Committee reviewed, among other factors, registered public accounting firm independence issues raised by commercial relationships we have with the other major accounting firms. We have no commercial relationship with EY that would impair its independence. Consequently, at this time, the F&A Committee does not believe that a rotation of registered public accounting firms is merited and believes that the continued retention of EY to serve as our independent registered public accounting firm is in the best interests of Oracle and its stockholders.

The F&A Committee reviews audit and non-audit services performed by EY, as well as the fees charged by EY for such services. In its review of non-audit service fees, the F&A Committee considers, among other things, the possible effect of the performance of such services on the registered public accounting firm's independence. Additional information concerning the F&A Committee and its activities with EY can be found in the following sections of this proxy statement: "Board of Directors—Committees, Membership and Meetings" and "Report of the Finance and Audit Committee of the Board of Directors."

Pre-approval Policy and Procedures. We have a policy that outlines procedures intended to ensure that our F&A Committee pre-approves all audit and non-audit services provided to us by EY. The current policy provides for (1) general pre-approval of audit and audit-related services which do not exceed certain aggregate dollar thresholds approved by the F&A Committee, and (2) specific pre-approval of all other permitted services and any proposed services which exceed these same dollar thresholds. Throughout the year, the F&A Committee reviews updates regarding the nature and extent of services provided by EY.

The term of any general pre-approval is twelve months from the date of pre-approval, unless the F&A Committee considers a different period and states otherwise. The F&A Committee will annually review and pre-approve a dollar amount for each category of services that may be provided by EY without requiring further approval from the F&A Committee. The policy describes the audit, audit-related, tax and all other services that have this general pre-approval, and the F&A Committee may add to, or subtract from, the list of general pre-approved services from time to time.

In connection with this pre-approval policy, the F&A Committee will consider whether the categories of pre-approved services are consistent with the SEC's rules on auditor independence. The F&A Committee will also consider whether the independent registered public accounting firm may be best positioned to provide the most effective and efficient service, for reasons such as its familiarity with our business, people, culture, accounting systems, risk profile and other factors, and whether the service might enhance our ability to manage or control risk or improve audit quality. All such factors will be considered as a whole, and no one factor is necessarily determinative.

The F&A Committee is also mindful of the relationship between fees for audit and non-audit services in deciding whether to pre-approve any such services. It may determine, for each fiscal year, the appropriate ratio between the total amount of fees for audit, audit related and tax services and the total amount of fees for certain permissible non-audit services classified as "all other fees."

The F&A Committee pre-approved all audit and non-audit fees of EY during fiscal 2020.

[Table of Contents](#)**Ernst & Young Fees**

The following table sets forth approximate aggregate fees billed to us by EY for fiscal 2020 and fiscal 2019:

	2020	2019
Audit Fees (1)	\$ 24,342,290	\$ 26,520,352
Audit Related Fees (2)	4,195,685	2,115,207
Tax Fees (3)	3,254,567	3,810,118
All Other Fees (4)	8,000	—
Total Fees	\$ 31,800,542	\$ 32,445,677

- (1) Audit fees consisted of audit work performed in the preparation of financial statements, as well as work generally only the independent registered public accounting firm can reasonably be expected to provide, such as statutory audits or accounting consultations.
- (2) Audit related fees consisted of services with respect to the Statement on Standards for Attestation Engagements (SSAE) No. 16, related to our and our acquired entities' cloud services offerings.
- (3) Tax fees consisted principally of tax compliance and advisory services for Oracle and entities acquired by Oracle.
- (4) All other fees consisted principally of general training and advisory services.

Required Vote

The ratification of the selection of EY requires the affirmative vote of the holders of a majority of shares of common stock present or represented and entitled to vote on this matter at our Annual Meeting.

The Board of Directors unanimously recommends a vote **FOR the ratification of the selection of EY.**

REPORT OF THE FINANCE AND AUDIT COMMITTEE OF THE BOARD OF DIRECTORS**Review of Oracle's Audited Financial Statements for the Fiscal Year Ended May 31, 2020**

The F&A Committee has reviewed and discussed with our management our audited consolidated financial statements for the fiscal year ended May 31, 2020.

The F&A Committee has discussed with Ernst & Young LLP (EY), our independent registered public accounting firm, the matters required to be discussed by the applicable requirements of the Public Company Accounting Oversight Board (the PCAOB) and the U.S. Securities and Commission (the SEC).

The F&A Committee has also received the written disclosures and the letter from EY required by applicable requirements of the PCAOB regarding EY's communications with the F&A Committee concerning independence and the F&A Committee has discussed the independence of EY with that firm.

Based on the F&A Committee's review and discussions noted above, the F&A Committee recommended to the Board of Directors that our audited consolidated financial statements be included in our Annual Report on Form 10-K, for the fiscal year ended May 31, 2020, for filing with the SEC.

Submitted by: Michael J. Boskin, Chair
 Jeffrey S. Berg
 Bruce R. Chizen
 Rona A. Fairhead

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PROPOSAL NO. 5

STOCKHOLDER PROPOSAL REGARDING PAY EQUITY REPORT

Pax World Funds, 30 Penhallow Street, Suite 400, Portsmouth, NH 03801, along with co-sponsor the Comptroller of the City of New York as custodian and trustee of five retirement and pension funds, have represented that each has beneficially owned the requisite amount of Oracle common stock for more than one year and have notified us that a representative will present the proposal below (the Pay Equity Report Proposal) at the Annual Meeting.

The Board of Directors opposes the following Pay Equity Report Proposal for the reasons stated after the proposal.

Proposal 5—Pay Equity Report**Whereas:**

The median income for women working full time in the U.S. is 80% of that of their male counterparts. Women of all racial and ethnic groups earn less than men of the same group. Differences in experience, education, role, etc. may account for some of this gap, but an analysis by Glassdoor finds that even controlling for these factors, an unexplained gap of 4.9% remains between men and women in the U.S., and the adjusted gender pay gap for women in the technology industry is higher than average, at 5.4%.

McKinsey reports that women comprise 40% of the technology software industry's workforce and remain underrepresented at every level, comprising just 19% of the C-Suite. At Oracle, women comprise 30% of employees and just 24% of leadership positions.

Research links greater board and managerial diversity with better company financial performance, better problem solving and increased innovation. Morgan Stanley found that gender diversity is linked to better returns for tech companies. McKinsey states "a lack of gender diversity carries with it a major opportunity cost, both for individual tech companies and the entire sector." Mercer finds that actively managing pay equity "is associated with higher current female representation at the professional through executive levels and a faster trajectory to improved representation."

Oracle does not report on pay equity among its U.S. employees. In contrast, Apple, Microsoft, eBay, and salesforce.com publish information on their gender pay equity practices and the results of gender pay assessments.

Companies that exhibit significant pay disparities by gender, race or ethnicity face regulatory, litigation and reputational risk. Multiple states have adopted strong equal pay laws. Large employers in the U.K.— including Oracle UK—must disclose their gender pay gaps annually.

The case for greater pay equity reporting and oversight at Oracle is compelling. Oracle faces two separate legal actions alleging pay discrimination:

- A U.S. Department of Labor lawsuit alleges systematic discrimination against female and minority employees at Oracle.
- A class action lawsuit brought by three former employees alleges that women software engineers are routinely paid less than men in similar jobs at Oracle.

Resolved:

Shareholders request that Oracle report annually to the board and shareholders, identifying whether there exists a gender/racial pay gap among its employees, and if so, outline the steps being taken to reduce the gap and support advancement opportunities for women and minorities. The Organization for Economic Cooperation and Development defines the gender pay gap as the difference between male and female earnings expressed as a percentage of male earnings. The report should be prepared by April 2021 at reasonable cost and omit proprietary information.

Supporting Statement:

A report adequate for investors to assess Oracle's strategy and performance would include the percentage pay gap between male and female employees across race and ethnicity (including base, bonus and equity compensation), the methodology used to identify pay disparities and a discussion of policies, programs and goals to eliminate disparities and promote equal opportunities for women and minorities to advance to senior roles.

[Table of Contents](#)**Statement in Opposition to Proposal No. 5**

As a global company with approximately 135,000 employees and customers in over 175 countries, we are committed to ensuring that we do not discriminate on the basis of gender or race in our compensation programs, and we are further committed to diversity and inclusion in our workforce. We make every effort to attract, invest in and develop the talents of employees who reflect the diversity of our customers and the communities in which we do business. We believe a diverse workforce enables us to better anticipate and meet our customers' changing needs in a fast-paced global economy and deliver greater value to our stockholders.

Pay equity is a serious societal and global issue. Oracle promotes equality through our hiring, pay and promotions practices and processes. Specifically:

- New jobs are posted publicly for anyone to apply.
- Hiring and promotion pay decisions are based on a variety of non-discriminatory factors, including consideration of the job itself and the pay range associated with it, as well as the skills, experience, education and expertise the individual brings to Oracle—not race or gender.
- Our compensation framework aims to achieve equity, as well as recognition of each employee's particular knowledge, skills, abilities, performance, experience, and contributions to the company.
- Inquiries about candidates' prior salary history are prohibited. This policy has been in effect in Oracle's U.S. offices prior to the enactment of state laws in California and elsewhere prohibiting this practice.

Diversity and inclusion in our workforce starts at the top. Thirty-six percent of our Board members are women or come from a diverse background (four of our 14 Board members are women, including our CEO). Since 2006, Oracle Women's Leadership (OWL), a leadership and professional development program, has sought to develop, engage and empower current and future generations of Oracle women leaders. Each of our more than 80 worldwide OWL communities is led by a senior Oracle woman leader and focuses on professional development, networking and community outreach at the local level. OWL's global events are open to all Oracle employees, promoting diversity and inclusion across our workforce. Oracle also has additional employee resource groups (ERGs), which are a vital part of our culture and allow employees to connect with the diverse and inclusive communities that make up who we are as a company. Our ERGs include, among others, the African-American Business Leadership for Excellence, Oracle Latinos Alliance, Oracle Professional Asian Leadership, Oracle Diverse Abilities Network and Military and Veteran Employment Network. More information about diversity and inclusion at Oracle, including gender, race and ethnicity data for Oracle's workforce, is available at www.oracle.com/corporate/careers/culture/diversity.html.

In addition to fostering diversity and inclusion at Oracle, we support efforts to build a future pipeline of diverse talent in the technology industry globally. Oracle has committed to invest more than \$3 million in direct and in-kind funds to immerse girls worldwide in science, technology, engineering and math (STEM) through the U.S. government's Let Girls Learn initiative. Under this commitment, Oracle is offering more than 65 direct educational events and support conferences, summer computing camps and codefests for girls, with the aim of inspiring them to explore and pursue opportunities in STEM fields. In addition, Oracle Education Foundation and Oracle Volunteers are teaching girls coding, electrical engineering and project management through workshops at Design Tech High School, an innovative public high school housed in a new facility that Oracle constructed on the campus of its headquarters. Oracle has also partnered with the Anita Borg Institute for Women in Technology, the Grace Hopper Celebration of Women, the Level Playing Field Institute, the Society of Women Engineers, the Women of Color STEM Conference, the United Negro College Fund Scholars Program, Lesbians Who Tech, and the National Society of Black Engineers Jr., among other organizations that foster the advancement of underrepresented groups in the technology industry.


We believe the creation and publication of a pay equity report as requested by this proposal would be costly and time-consuming and, in light of our long-standing efforts in this area, would not lead to meaningful gains in support of workforce diversity and gender and racial pay equity.

For the reasons set forth above, the Board unanimously recommends a vote AGAINST adoption of Proposal No. 5.

[Table of Contents](#)**Required Vote**

The adoption of the Pay Equity Report Proposal requires the affirmative vote of the holders of a majority of shares of common stock present or represented and entitled to vote on the matter at our Annual Meeting.

The Board of Directors unanimously recommends a vote **AGAINST adoption of Proposal No. 5.**

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PROPOSAL NO. 6

STOCKHOLDER PROPOSAL REGARDING INDEPENDENT BOARD CHAIR

Kenneth Steiner, 14 Stoner Ave., 2M, Great Neck, NY 11021, has represented that he has beneficially owned the requisite amount of Oracle common stock for more than one year and has notified us that a representative will present the proposal below (the Independent Board Chair Proposal) at the Annual Meeting. Mr. Steiner has appointed John Chevedden and/or Mr. Chevedden's designee to act on his behalf regarding the Independent Board Chair Proposal.

The Board of Directors opposes the following Independent Board Chair Proposal for the reasons stated after the proposal.

Proposal 6—Independent Board Chairman

Shareholders request that our Board of Directors adopt a policy, and amend our governing documents as necessary, to require that the Chairman of the Board be an independent member of the Board. Although it would be better to have an immediate transition to an independent Board Chairman, the Board would have the discretion to phase in this policy for the next Chief Executive Officer transition.

If the Board determines that a Chairman, who was independent when selected, is no longer independent, the Board shall select a new Chairman who satisfies the requirements of the policy within a reasonable amount of time. Compliance with this policy is temporarily waived if no independent director is available and willing to serve as Chairman.

It is important to have an Independent Board Chairman to build up the oversight role of the Directors. The following directors received from 23% to 28% in negative votes at the 2019 annual meeting:

Bruce Chizen (Lead Director)
Charles Moorman
George Conrades
Jeffrey Berg
Naomi Seligman
Leon Panetta

The 23% to 28% in negative votes are worse than they seem since Mr. Lawrence Ellison, who controls 35% of the vote, is assumed to have voted in favor of these directors. These directors also controlled 100% of the Executive Pay Committee, 75% of the Nomination Committee and 50% of the Audit Committee.

Meanwhile Ms. Safra Catz, CEO, received \$191 million in total realized pay in 2019. Plus there is a long history of shareholders rejecting the excessive Oracle executive pay:

2015	51% Rejection
2016	55% Rejection
2017	50% Rejection
2018	46% Rejection
2019	42% Rejection

Most companies have rejection rates of 5% to 10%. The 42% to 55% rejection is worse than it seems because Mr. Ellison, who controls 35% of the vote, is assumed to have voted in favor of this excessive executive pay.

This proposal topic won 44%-support at a previous Oracle annual meeting. This 44%-support represented majority support from non-insider shares.

Please vote yes:

Independent Board Chairman—Proposal 6

[Table of Contents](#)**Statement in Opposition to Proposal No. 6**

The Board believes it is important to preserve flexibility to determine the most appropriate leadership structure based on an assessment of Oracle's needs and circumstances at any given time. The Board believes our company and our stockholders benefit from this flexibility, as our directors are well positioned to determine our leadership structure given their in-depth knowledge of our leadership team, our strategic goals, and the opportunities and challenges we face. Moreover, our lead independent director role, as well as our other corporate governance practices, already provide the independent leadership and management oversight requested by this proposal.

As described in our Corporate Governance Guidelines (the Guidelines), the Board does not have a policy mandating the separation of the roles of Chair and CEO. The Board elects our Chair and appoints our CEO, and these positions may be held by the same person or by different people. Currently, the roles of Chair and CEO are filled by separate individuals: Mr. Ellison, Oracle's founder and CTO, serves as Chairman, and Ms. Catz serves as CEO. The Board believes that the separation of the offices of the Chair and CEO is appropriate at this time because it allows our CEO to focus primarily on Oracle's business strategy, operations and corporate vision. The Board further believes it is valuable for Mr. Ellison to serve as Chairman because his familiarity with and knowledge of our technologies and product offerings are unmatched. With over 40 years of experience at Oracle, Mr. Ellison is uniquely positioned to lead the Board in its oversight of our company's business and strategic direction.

We do not believe that a policy requiring an independent chair is necessary to ensure that the Board provides independent and effective oversight of Oracle's business and management. Our Guidelines provide that on an annual rotating basis, the chair of the F&A Committee, the Compensation Committee or the Governance Committee serves as the lead independent director at executive sessions of the Board. The lead independent director serves as a liaison between our independent directors and our executive directors and performs additional duties as the Board determines. Currently, Michael Boskin serves as the lead independent director.

As required by our Guidelines, a majority of the Board and each member of the F&A Committee, the Compensation Committee, the Governance Committee and the Independence Committee are "independent" under the applicable NYSE and SEC rules, which ensures that oversight of critical matters—such as the integrity of Oracle's financial statements, the compensation of our executive officers, the selection and evaluation of directors, and the development of corporate governance principles—is entrusted to independent directors. The Board and each of its committees have unrestricted access to officers and employees of Oracle and have the authority to ask such questions and conduct investigations, and to retain legal, accounting, financial or other outside advisors, as they deem necessary or appropriate to fulfill their duties. In addition, as required by our Guidelines, our non-employee directors meet in executive sessions without management on a regular basis, and our independent directors meet in executive session at least once a year.

The proposal's rigid approach to board leadership is not the practice of the majority of companies in the S&P 500. According to the 2019 Spencer Stuart Board Index, approximately 66% of companies in the S&P 500 do not have an independent board chair. We believe that rather than taking a "one-size-fits-all" approach to board leadership, the Board's fiduciary duties are best fulfilled by retaining flexibility to determine the leadership structure that serves the best interests of Oracle and our stockholders, taking into account Oracle's needs and circumstances at any given time.

For the reasons set forth above, the Board unanimously recommends a vote AGAINST adoption of Proposal No. 6.

Required Vote

The adoption of the Independent Board Chair Proposal requires the affirmative vote of the holders of a majority of shares of common stock present or represented and entitled to vote on the matter at our Annual Meeting.

The Board of Directors unanimously recommends a vote AGAINST adoption of Proposal No. 6.

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STOCKHOLDER PROPOSALS FOR THE 2021 ANNUAL MEETING

Our Bylaws contain procedures governing how stockholders may submit proposals or director nominations to be considered at our annual meetings. The SEC has also adopted regulations (Exchange Act Rule 14a-8) that govern the inclusion of stockholder proposals in our annual proxy materials.

The table below summarizes the requirements for stockholders who wish to submit proposals or director nominations for our 2021 annual meeting of stockholders. Stockholders should carefully review our Bylaws and Exchange Act Rule 14a-8 to ensure that they have satisfied all of the requirements necessary to submit proposals or director nominations to be considered at our 2021 annual meeting of stockholders. Our Bylaws are posted on our website at www.oracle.com/goto/corpgov.

	Proposals for inclusion in 2021 proxy statement	Director nominations for inclusion in 2021 proxy statement (proxy access)	Other proposals/nominations to be presented at 2021 annual meeting*
Type of Proposal or Nomination	SEC rules permit stockholders to submit proposals for inclusion in our proxy statement by satisfying the requirements described in Exchange Act Rule 14a-8.	A stockholder or a group of up to 20 stockholders meeting the ownership requirements described in Section 1.12 of our Bylaws may submit director nominees (constituting up to the greater of two directors or 20% of the Board) for inclusion in our proxy statement by satisfying the requirements described in Section 1.12 of our Bylaws.	Stockholders may present proposals or director nominations directly at the annual meeting (but not for inclusion in our proxy statement) by satisfying the requirements described in Section 1.11 of our Bylaws.
When Proposal or Nomination Must Be Received by Oracle	No later than the close of business on May 21, 2021. However, if we did not hold an annual meeting the previous year, or if the date of our annual meeting has changed by more than 30 days from the anniversary of the previous year's meeting, we will announce a new deadline in our public filings with the SEC.	No earlier than April 21, 2020 and no later than the close of business on May 21, 2021. However, if our annual meeting is advanced or delayed by more than 30 days from the anniversary of the previous year's meeting, a stockholder's written notice will be timely if it is delivered by the later of the 120th day prior to such annual meeting or the 10th day following the announcement of the date of the meeting.	No earlier than May 21, 2021 and no later than the close of business on June 20, 2021. However, if our annual meeting is advanced or delayed by more than 30 days from the anniversary of the previous year's meeting, a stockholder's written notice will be timely if it is delivered by the later of the 90th day prior to such annual meeting or the 10th day following the announcement of the date of the meeting.
Where to Send Proposal or Nomination	<p>By Mail: Corporate Secretary, Oracle Corporation, 500 Oracle Parkway, Mailstop 5op7, Redwood City, CA 94065</p> <p>By Email: Corporate_Secretary@oracle.com, with a confirmation copy sent by mail</p> <p>Our offices in California are currently closed due to the COVID-19 pandemic so we encourage you to communicate via email at this time; however, we continue to check physical mail on a periodic basis.</p>		
What Must Be Included with Proposal or Nomination	The information required by Exchange Act Rule 14a-8	The information required by our Bylaws	The information required by our Bylaws

* If stockholders do not comply with the Bylaw notice deadlines in this column, we reserve the right not to submit the stockholder proposals or nominations to a vote at our annual meeting. If we are not notified of a stockholder proposal or nomination by June 20, 2021, then the management personnel who have been appointed as proxies may have the discretion to vote for or against such stockholder proposal or nomination, even though such proposal or nomination is not disclosed in the proxy statement.

Under our Bylaws, if the number of directors to be elected to the Board is increased and we do not make a public announcement specifying the size of the increased Board at least 100 days prior to the first anniversary of the preceding year's annual meeting, a stockholder's written notice of nominees for any new position will be considered timely if it is delivered to our Corporate Secretary by the 10th day following the announcement.

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QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING

Q: Who is soliciting my vote?

A: The Board of Directors of Oracle is soliciting your vote at the 2020 Annual Meeting of Stockholders.

Q: What is the purpose of the Annual Meeting?

A: You will be voting on the following items of business:

- the election of directors (Proposal 1);
- an advisory vote to approve the compensation of our NEOs (Proposal 2);
- the approval of the Oracle Corporation 2020 Equity Incentive Plan (Proposal 3);
- the ratification of the selection of Ernst & Young LLP (EY) as our independent registered public accounting firm for fiscal 2021 (Proposal 4); and
- up to two stockholder proposals, if properly presented at the Annual Meeting (Proposals 5 and 6).

If any other business properly comes before the meeting, you will be voting on those items as well.

Q: What are the Board of Directors' recommendations?

A: The Board recommends that you vote your shares as follows:

- **for** the election of each of the directors (Proposal 1);
- **for** the approval, on an advisory basis, of the compensation of our NEOs (Proposal 2);
- **for** the approval of the Oracle Corporation 2020 Equity Incentive Plan (Proposal 3);
- **for** the ratification of the selection of EY as our independent registered public accounting firm for fiscal 2021 (Proposal 4);
- **against** the stockholder proposals (Proposals 5 and 6); and
- **for or against** other matters that come before the Annual Meeting, if any, as the proxy holders deem advisable.

Q: Who is entitled to vote at the Annual Meeting?

A: The Board set September 8, 2020 as the record date for the Annual Meeting. All stockholders who owned Oracle common stock at the close of business on September 8, 2020 may vote at the Annual Meeting.

Q: Who can attend the Annual Meeting?

A. All stockholders as of the record date may attend the virtual 2020 Annual Meeting. We will also make the Annual Meeting viewable to any guests interested in Oracle's business. Guests will not be able to vote shares or ask questions during the meeting.

Q: Can stockholders ask questions during the Annual Meeting?

A. Yes. We will answer stockholder questions submitted in advance of, and questions submitted live during, the Annual Meeting. Stockholders may submit a question in advance of the meeting at www.proxyvote.com after logging in with the 16-digit control number included on the Notice of Internet Availability of Proxy Materials, on their proxy card (if they requested printed materials), or on the instructions that accompanied their proxy materials. Questions may be submitted during the Annual Meeting through www.virtualshareholdermeeting.com/ORCL2020. We will endeavor to answer as many stockholder-submitted questions as time permits that comply with the meeting rules of conduct. We reserve the right to edit any inappropriate language and to exclude questions regarding topics that are not pertinent to meeting matters or Oracle's business. If we receive substantially similar questions, we may group such questions together and provide a single response to avoid repetition in the interest of time and fairness to all stockholders.

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Q: What do I need to attend the Annual Meeting and when should I arrive?

A: This year's Annual Meeting will be held in a virtual format only. The accompanying proxy materials and the meeting's website: www.virtualshareholdermeeting.com/ORCL2020 include instructions on how to participate in the meeting and how you may vote your shares of Oracle's stock. Stockholders may vote and submit questions while connected to the Annual Meeting on the Internet. To be admitted to the Annual Meeting, you must enter the 16-digit control number included on the Notice of Internet Availability of Proxy Materials, on your proxy card (if you requested or received printed materials), or on the voting instruction forms that accompanied your proxy materials.

We encourage you to access the Annual Meeting before it begins. You may access the meeting site 15 minutes before the meeting on November 4, 2020. If you have difficulty accessing the meeting, please call 1-800-586-1548 (toll free) or 303-562-9288 (international). We will have technicians available to assist you.

Q: Will the Annual Meeting be recorded and available on the Internet?

A: Yes, a recording of the meeting will be available at www.virtualshareholdermeeting.com/ORCL2020 and on our website at www.oracle.com/investor following the Annual Meeting through November 11, 2020.

Q: Why did I receive a notice in the mail regarding the Internet availability of proxy materials instead of a paper copy of proxy materials?

A: We are permitted to furnish proxy materials, including this proxy statement and our Annual Report on Form 10-K for fiscal 2020, to our stockholders by providing access to such documents on the Internet instead of mailing printed copies. Most stockholders will not receive printed copies of the proxy materials unless they request them. Instead, the Notice, which was mailed to most of our stockholders, explains how you may access and review all of the proxy materials on the Internet. The Notice also describes how you may submit your proxy on the Internet. If you would like to receive a paper or email copy of our proxy materials, you should follow the instructions for requesting such materials in the Notice. Any request to receive proxy materials by mail or email will remain in effect until you revoke it.

Q: Can I vote my shares by filling out and returning the Notice?

A: No. The Notice identifies the items to be voted on at the Annual Meeting, but you cannot vote by marking the Notice and returning it. The Notice provides instructions on how to vote by Internet and how to request paper copies of the proxy materials.

Q: Why didn't I receive a notice in the mail regarding the Internet availability of proxy materials?

A: Stockholders who previously elected to access proxy materials over the Internet will not receive the Notice in the mail. You should have received an email with links to the proxy materials and online proxy voting. Additionally, if you previously requested paper copies of the proxy materials or if applicable regulations require delivery of the proxy materials, you will not receive the Notice.

If you received a paper copy of the proxy materials or the Notice by mail, you can eliminate all such paper mailings in the future by electing to receive an email that will provide Internet links to these documents. Opting to receive all future proxy materials online will save us the cost of printing and mailing documents to your home or business and help us conserve natural resources. To request electronic delivery, please go to www.oracle.com/investor or the website provided on your proxy card or voting instruction card.

Q: How many votes do I have?

A: You will have one vote for each share of Oracle common stock you owned at the close of business on the record date, provided those shares were either held directly in your name as the stockholder of record or were held for you as the beneficial owner through a broker, bank or other nominee.

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Q: What is the difference between holding shares as a stockholder of record and beneficial owner?

A: Most of our stockholders hold their shares through a broker, bank or other nominee rather than directly in their own name. As summarized below, there are some differences between shares held of record and those owned beneficially.

Stockholders of Record. If your shares are registered directly in your name with our transfer agent, American Stock Transfer & Trust Company, LLC, you are considered the stockholder of record with respect to those shares, and the Notice or proxy materials are being sent directly to you. As the stockholder of record, you have the right to grant your voting proxy directly to us or to vote electronically at the Annual Meeting. If you have requested printed proxy materials, we have enclosed a proxy card for you to use.

Beneficial Owners. If your shares are held in a stock brokerage account or by a bank or other nominee, you are considered the beneficial owner of shares held in “street name,” and the Notice or these proxy materials are being forwarded to you by your broker, bank or nominee who is considered the stockholder of record with respect to those shares. As the beneficial owner, you have the right to direct your broker, bank or nominee on how to vote and are also invited to attend the Annual Meeting. If you requested printed proxy materials, your broker, bank or nominee has enclosed a voting instruction card for you to use in directing the broker, bank or nominee regarding how to vote your shares.

Q: How many votes can be cast by all stockholders?

A: Each share of Oracle common stock is entitled to one vote. There is no cumulative voting. We had 3,010,888,041 shares of common stock outstanding and entitled to vote on the record date, September 8, 2020.

Q: How many votes must be present to hold the Annual Meeting?

A: A majority of the shares entitled to vote as of the record date must be present on the virtual meeting platform or by proxy at the Annual Meeting in order to hold the Annual Meeting and conduct business. This is called a “quorum.” Shares are counted as present at the Annual Meeting if you properly cast your vote electronically or telephonically, or a proxy card has been properly submitted by you or on your behalf. Both abstentions and broker non-votes are counted as present for the purpose of determining the presence of a quorum.

Q: How many votes are required to elect directors (Proposal 1)?

A: Directors are elected by a plurality of the votes cast. This means that the 14 individuals nominated for election to the Board who receive the most FOR votes (among votes properly cast electronically, telephonically or by proxy) will be elected.

While directors are elected by a plurality of votes cast, our Corporate Governance Guidelines include a majority voting policy for directors. This policy states that in an uncontested election, any director nominee who receives an equal or greater number of votes WITHHELD from his or her election as compared to votes FOR such election and if no successor has been elected at such meeting, the director nominee must tender his or her resignation following certification of the stockholder vote. The Governance Committee is required to make recommendations to the Board with respect to any such tendered resignation. The Board will act on the tendered resignation within 90 days from the certification of the vote and will publicly disclose its decision, including its rationale.

Only votes FOR are counted in determining whether a plurality has been cast in favor of a director nominee. If you withhold authority to vote with respect to the election of some or all of the nominees, your shares will not be voted with respect to those nominees indicated. For a WITHHELD vote, your shares will be counted for purposes of determining whether there is a quorum and will have a similar effect as a vote *against* that director nominee under our majority voting policy for directors.

Full details of our majority voting policy are set forth in our Corporate Governance Guidelines available on our website at www.oracle.com/goto/corpgov.

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Q: How many votes are required to adopt the other proposals (Proposals 2 through 6)?

A: Proposals 2 through 6 will be approved if such items receive the affirmative vote of a majority of the shares of Oracle common stock represented at the Annual Meeting and entitled to vote on the matter. If your shares are represented at the Annual Meeting but you abstain from voting on any of these matters, your shares will be counted as present and entitled to vote on a particular matter for purposes of establishing a quorum, and the abstention will have the same effect as a vote *against* that proposal.

Your vote on Proposal 2 (vote on NEO compensation), Proposal 4 (selection of Ernst & Young LLP) and each of the stockholder proposals are advisory, which means the result of the votes are non-binding on Oracle, the Board and the committees of the Board. Although the votes are non-binding, the Board and its committees value the opinions of our stockholders and will review and consider the voting results when making future decisions regarding these matters.

Q: What if I don't give specific voting instructions?

A: **Stockholders of Record.** If you are a stockholder of record and you indicate when voting by Internet or by telephone that you wish to vote as recommended by our Board, or you return a signed proxy card but do not indicate how you wish to vote, then your shares will be voted:

- in accordance with the recommendations of the Board on all matters presented in this proxy statement; and
- as the proxy holders may determine in their discretion regarding any other matters properly presented for a vote at the meeting.

If you indicate a choice with respect to any matter to be acted upon on your proxy card, the shares will be voted in accordance with your instructions on such matter.

Beneficial Owners. If you are a beneficial owner and hold your shares in street name and do not provide the organization that holds your shares with voting instructions, the broker or other nominee will determine if it has the discretionary authority to vote on the particular matter. In very limited circumstances, brokers have the discretion to vote on matters deemed to be routine. Under applicable law, brokers generally do not have discretion to vote on most matters. For example, if you do not provide voting instructions to your broker, the broker could vote your shares for the ratification of the selection of Ernst & Young LLP as our independent registered public accounting firm (Proposal 4) because that is deemed to be a routine matter, but the broker could not vote your shares for any of the other proposals on the agenda for the Annual Meeting. We encourage you to provide instructions to your broker regarding the voting of your shares.

If you do not provide voting instructions to your broker and the broker has indicated that it does not have discretionary authority to vote on a particular proposal, your shares will be considered "*broker non-votes*" with regard to that matter. Broker non-votes will be considered as represented for purposes of determining a quorum but generally will not be considered as entitled to vote with respect to a particular proposal. Broker non-votes are not counted for purposes of determining the number of votes cast with respect to a particular proposal. Thus, a broker non-vote will help with obtaining a quorum, but the broker non-vote will not otherwise count toward the outcome of the vote on a proposal that requires the affirmative vote of a majority of the shares present and entitled to vote.

Q: Can I change my vote after I voted?

A: Yes. Even if you voted by telephone or on the Internet or if you requested paper proxy materials and signed the proxy card or voting instruction card in the form accompanying this proxy statement, you retain the power to revoke your proxy or change your vote at any time before it is voted at the Annual Meeting. You can revoke your proxy or change your vote at any time before it is exercised at the Annual Meeting by giving written notice to the Corporate Secretary of Oracle, specifying such revocation. You may change your vote by a later-dated vote by telephone or on the Internet or timely delivery of a valid, later-dated proxy or by voting at the Annual Meeting.

Q: What does it mean if I receive more than one Notice, proxy or voting instruction card?

A: It generally means that some of your shares are registered differently or are in more than one account. Please provide voting instructions for all Notices, proxy cards and voting instruction cards you receive.

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Q: Who pays for the proxy solicitation and how will Oracle solicit votes?

A: We will bear the expense of printing, mailing and distributing these proxy materials and soliciting votes. In addition to the solicitation of proxies by mail, our directors, officers and other employees may solicit proxies by personal interview, telephone, electronic communications or otherwise. They will not be paid any additional compensation for such solicitation. We will request brokers and nominees who hold shares of our common stock in their names to furnish proxy materials to beneficial owners of the shares. We will reimburse such brokers and nominees for their expenses incurred in forwarding solicitation materials to such beneficial owners. We have also retained Innisfree M&A Incorporated to solicit proxies and to separately prepare a stockholder vote analysis of certain proposals for an aggregate fee of approximately \$50,000, plus customary costs and expenses.

Q: Who will count the votes?

A: Broadridge Financial Services has been appointed as the inspector of elections for the Annual Meeting. A representative of Broadridge Financial Services will tabulate votes cast by proxy or electronically before and during the meeting.

Q: How do I find out the voting results?

A: Preliminary voting results may be announced at the Annual Meeting, and final voting results will be published in a Current Report on Form 8-K that we expect to file with the SEC within four business days after the Annual Meeting. After the Form 8-K is filed, you may obtain a copy by visiting www.oracle.com/investor, calling our Investor Relations Department at 1-650-506-4073, writing to Investor Relations Department, Oracle Corporation, 500 Oracle Parkway, Redwood City, California 94065, or sending an email to investor_us@oracle.com.

Q: What if I have questions about lost stock certificates or I need to change my mailing address?

A: Stockholders may contact our transfer agent, American Stock Transfer & Trust Company, LLC, by calling 1-888-430-9892, by emailing help@astfinancial.com, or by writing to American Stock Transfer & Trust Company, LLC, 6201 15th Avenue, Brooklyn, New York 11219. Also see our transfer agent's website at www.astfinancial.com to get more information about these matters.

Q: What if I need to change my email address?

A: Opting to receive all future proxy materials online will save us the cost of printing and mailing documents to your home or business and help us conserve natural resources. If you need to change the email address that we use to mail proxy materials to you or if you wish to sign up to receive future mailings via email, please go to the website provided on your proxy card or voting instruction card, to request to receive materials solely by electronic delivery in the future and supply the appropriate email address.

Q: Who should I contact if I have questions?

A: Stockholders with questions or who need assistance in voting their shares may call our proxy solicitor, Innisfree M&A Incorporated, toll-free at 1-888-750-5834. Banks and brokers may call collect at 1-212-750-5833.

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NO INCORPORATION BY REFERENCE

In our filings with the SEC, information is sometimes “incorporated by reference.” This means that we are referring you to information that has previously been filed with the SEC and the information should be considered as part of the particular filing. As provided under SEC regulations, the “Report of the Finance and Audit Committee of the Board of Directors” and the “Report of the Compensation Committee of the Board of Directors” contained in this proxy statement specifically are not incorporated by reference into any other filings with the SEC and are not deemed to be “Soliciting Material.” In addition, this proxy statement includes several website addresses or references to additional company reports found on those websites. These website addresses are intended to provide inactive, textual references only. The information on these websites, including the information contained in those reports, is not part of this proxy statement and is not incorporated by reference.

OTHER BUSINESS

The Board does not presently intend to bring any other business before the meeting, and, so far as is known to the Board, no matters are to be brought before the meeting except as specified in the notice included in this proxy statement. As to any business that may properly come before the meeting, however, the persons named in the proxy will vote the shares represented thereby in accordance with the judgment of the persons voting such proxies.

HOUSEHOLDING

We have adopted a procedure approved by the SEC called “householding.” If stockholders have the same address and last name, do not participate in electronic delivery of proxy materials and have requested householding in the past, they will receive only one copy of our printed annual report and proxy statement unless one or more of these stockholders notifies us that they wish to continue receiving individual copies. This procedure reduces our printing costs and postage fees and conserves natural resources. Each stockholder who participates in householding will continue to have access to and use separate voting instructions.

If any stockholders in your household wish to receive a separate annual report and proxy statement, they may call our Investor Relations Department at 650-506-4073 or write to Investor Relations Department, Oracle Corporation, 500 Oracle Parkway, Redwood City, California 94065. They may also send an email to our Investor Relations Department at investor_us@oracle.com. See also www.oracle.com/investor. Other stockholders who have multiple accounts in their names or who share an address with other stockholders can authorize us to discontinue mailings of multiple annual reports and proxy statements by contacting Investor Relations.

By Order of the Board of Directors,



Brian S. Higgins
Vice President, Associate General Counsel and Secretary

All stockholders are urged to vote electronically via the Internet or by telephone or, if you requested paper copies of the proxy materials, complete, sign, date and return the proxy card or voting instruction card in the enclosed postage-paid envelope. Thank you for your prompt attention to this matter.

[Table of Contents](#)**Cautionary Note on Forward-Looking Statements**

We do not as a matter of course make public forecasts as to our total shares outstanding and utilization of various stock awards due to the unpredictability of the underlying assumptions and estimates. In particular, the forecasts set forth in Proposal No. 3 (Approval of the Oracle Corporation 2020 Equity Incentive Plan) includes embedded assumptions which are highly dependent on the public trading price of Oracle stock and other factors, which we do not control. These forecasts reflect various assumptions regarding our future operations. The inclusion of the forecasts set forth in Proposal No. 3 should not be regarded as an indication that these forecasts will be predictive of actual future outcomes, and the forecasts should not be relied upon as such.

Statements in this proxy statement relating to Oracle's future plans, expectations, beliefs, intentions and prospects, such as statements regarding our intentions related to future grants of equity to certain of our named executive officers, are "forward-looking statements" and are subject to material risks and uncertainties. Many factors could affect our current expectations and our actual results, and could cause actual results to differ materially. A detailed discussion of these factors and other risks that affect our business is contained in our SEC filings, including our most recent reports on Form 10-K and Form 10-Q, particularly under the heading "Risk Factors." You should not place undue reliance on forward-looking statements, which reflect our expectations only as of the date of this proxy statement. We undertake no obligation to update any statement in light of new information or future events.

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APPENDIX A

ORACLE CORPORATION 2020 EQUITY INCENTIVE PLAN

(As approved by the stockholders on [November 4, 2020])

1. **PURPOSE.** The purpose of this Plan is to provide incentives to attract, retain and motivate eligible persons whose present and potential contributions are important to the success of the Company, and its Affiliates, by offering them an opportunity to participate in the Company's future performance through the grant of Awards. Capitalized terms not defined elsewhere in the text are defined in Section 27 of this Plan.

2. **SHARES SUBJECT TO THE PLAN.**

2.1 **Number of Shares Available.** Subject to Sections 2.5 and 2.6 and any other applicable provisions hereof, the aggregate number of Shares that are available for grant and issuance under the Plan is equal to the sum of: (i) 90 million Shares, plus (ii) the number of Shares that remain unissued and available for grant under the 2000 Plan on the date the Company's stockholders approve the Plan (the "**Approval Date**"), plus (iii) the number of Shares subject to any stock awards granted under the 2000 Plan that are outstanding as of the Approval Date which, after the Approval Date, would have been available again for issuance under the terms of the 2000 Plan had this Plan not become effective ("**Forfeited Prior Plan Awards**"), provided that Shares subject to Forfeited Prior Plan Awards other than Options or SARs will increase the number of Shares that are available for grant and issuance under the Plan by 2.5 times the number of Shares subject to such Forfeited Prior Plan Awards.

2.2 **Share Conversion Ratio.** Any Shares that are subject to Options, SARs or other Awards that are not Full-Value Awards shall be counted against the numerical limits of Section 2.1 as one Share for every Share subject thereto. Any Shares subject to Full-Value Awards on the date of grant shall be counted against the numerical limits of Section 2.1 as 2.5 Shares for every one Share subject thereto. To the extent that a Share that was subject to an Award that counted as 2.5 Shares against the Plan reserve pursuant to the preceding sentence is recycled back into the Plan under Section 2.3, the Plan shall be credited with 2.5 Shares.

2.3 **Lapsed, Returned Awards.** Except as otherwise may be provided for herein, Shares subject to Awards, and Shares issued under the Plan under any Award, will again be available for grant and issuance in connection with subsequent Awards under this Plan to the extent such Shares: (a) are subject to issuance upon exercise of an Option or SAR granted under this Plan but which cease to be subject to the Option or SAR for any reason other than due to the exercise of the Option or SAR or the withholding or tendering of shares to satisfy any related tax withholding obligations; (b) are subject to Awards granted under this Plan that are forfeited or are repurchased by the Company at the original issue price; or (c) are subject to Awards granted under this Plan that otherwise terminate without such Shares being issued. Except with respect to Shares of Restricted Stock that are forfeited rather than vesting, Shares that have actually been issued under the Plan under any Award will not be returned to the Plan and will not become available for future distribution under the Plan. To the extent an Award under the Plan is paid out in cash rather than Shares, such cash payment will not result in reducing the number of Shares available for issuance under the Plan. The full number of Shares subject to a SAR granted under the Plan that are to be settled by the issuance of Shares shall be counted against the number of Shares available for award under the Plan, regardless of the number of Shares actually issued upon settlement of such SAR. Shares used to pay the exercise price or Purchase Price of an Award, to satisfy the tax withholding obligations related to an Award and Shares repurchased by the Company from the Participant with the proceeds of an Option exercise will not become available for future grant or sale under the Plan. The Shares available for issuance under the Plan may be authorized and issued Shares or treasury Shares. For the avoidance of doubt, Shares that otherwise become available for grant and issuance because of the provisions of this Section 2.3 shall not include Shares subject to Awards that were granted pursuant to Section 2.7 hereof or Shares subject to Awards that are cancelled or exchanged (other than for cash) under an Exchange Program.

2.4 **Minimum Share Reserve.** At all times the Company shall reserve and keep available a sufficient number of Shares as shall be required to satisfy the requirements of all outstanding Awards granted under this Plan.

2.5 **Limitations.** Subject to adjustment as provided in Section 2.6, no more than 25,000,000 Shares shall be issued pursuant to the exercise of ISOs. No ISOs may be granted after the tenth (10th) anniversary of the earlier of (i) the date the Plan is adopted by the Board, or (ii) the date the Plan is approved by the stockholders of the Company. Subject to adjustment as provided in Section 2.6, no Participant shall be granted within any fiscal year of

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the Company, one or more Options or SARs, which in the aggregate are for more than 25,000,000 Shares under the Plan. Subject to adjustment as provided in Section 2.6, no Participant shall be granted within any fiscal year of the Company, one or more Awards other than Options or SARs, which in the aggregate are for more than 10,000,000 Shares under the Plan.

2.6 Adjustment of Shares. Except as would result in taxation under Section 409A of the Code, if the number of outstanding Shares is adjusted by a stock dividend, extraordinary cash dividend that has a material effect on the price of the Shares, recapitalization, stock split, reverse stock split, subdivision, combination, reclassification or similar change in the capital structure of the Company, without consideration, then (a) the number of Shares reserved for issuance and future grant under the Plan set forth in Section 2.1, (b) the Exercise Prices of and number of Shares subject to outstanding Options and SARs, (c) the number of Shares subject to other outstanding Awards, (d) the maximum number of Shares that may be issued as ISOs set forth in Section 2.5, and (e) the maximum number of Shares that may be granted pursuant to Awards to a Participant in any one fiscal year set forth in Section 2.5, shall be proportionately adjusted, subject to any required action by the Board or the stockholders of the Company and in compliance with applicable securities laws; provided that in the event the adjustment would result in a fraction of a Share, the Company reserves the right to round up or down to the nearest whole Share or settle such fraction of a Share in cash, taking into consideration applicable laws and accounting guidance.

2.7 Assumption or Substitution of Awards by the Company. The Company, from time to time, also may substitute or assume outstanding awards granted by another company, whether in connection with an acquisition of such other company or otherwise, by either: (a) assuming such award under this Plan or (b) granting an Award under this Plan in substitution of such other company's award. Such assumption or substitution will be permissible if the holder of the substituted or assumed award would have been eligible to be granted an Award under this Plan if the other company had applied the rules of this Plan to such grant. In the event the Company assumes an award granted by another company, subject to the requirements of Section 409A of the Code, the Purchase Price or the Exercise Price, as the case may be, and the number and nature of Shares issuable upon exercise or settlement of any such Award will be adjusted appropriately. In the event the Company elects to grant a new Option in substitution rather than assuming an existing option, such new Option may be granted with a similarly adjusted Exercise Price. Any awards that are assumed or substituted under this Plan shall not reduce the number of Shares authorized for grant under the Plan or authorized for grant to a Participant in any fiscal year.

3. ELIGIBILITY, MINIMUM VESTING AND CHANGE IN TIME COMMITMENT.

3.1 ISOs may be granted only to Employees. All other Awards may be granted to Employees (including Employees who are Directors) and Consultants of the Company or any Affiliate; provided such Consultants render bona fide services not in connection with the offer and sale of securities in a capital-raising transaction.

3.2 All Awards granted under the Plan must be subject to a minimum one-year vesting period following grant, with no portion of any Award vesting prior to the end of such one-year vesting period; provided, however, that up to 5% of the Shares available for future distribution under this Plan may be granted pursuant to Awards without such minimum vesting requirement and such requirement shall not prevent the acceleration of vesting pursuant to Sections 4 and 19 hereof or under policies or contracts that provide for acceleration of vesting in connection with a Change of Control or termination of employment or services. In addition, any awards assumed or substituted in connection with an acquisition under Section 2.7 shall not be subject to this minimum vesting requirement.

3.3 In the event a Participant's regular level of time commitment in the performance of his or her services for the Company and any an Affiliate of the Company is reduced (for example, and without limitation, if the Participant is an Employee of the Company and the Employee has a change in status from a full-time Employee to a part-time Employee or takes an extended leave of absence) after the date of grant of any Award to the Participant, subject to applicable law, the Committee or an authorized Officer of the Company has the right in its sole discretion to (x) make a corresponding reduction in the number of Shares or cash amount subject to any portion of such Award that is scheduled to vest or become payable after the date of such change in time commitment, (y) in lieu of or in combination with such a reduction, suspend and/or extend the vesting or payment schedule applicable to such Award, except that in no event may an Award be exercised after the expiration of the term set forth in the applicable Award Agreement; or (z) not act and thereby, retain the original vesting schedule and number of Shares. In the event of any such reduction, suspension or extension, the Participant will have no right with respect to any portion of the Award that is so reduced, suspended or extended.

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4. ADMINISTRATION.

4.1 Committee Composition; Authority. This Plan will be administered by the Committee or by the Board acting as the Committee. Subject to the general purposes, terms and conditions of this Plan, and the direction of the Board, the Committee will have full power to implement and carry out this Plan. The Committee will have the authority to:

- (a) construe and interpret this Plan, any Award Agreement and any other agreement or document executed pursuant to this Plan;
- (b) prescribe, amend and rescind rules and regulations relating to this Plan or any Award;
- (c) select persons to receive Awards;
- (d) determine the form and terms and conditions, not inconsistent with the terms of the Plan, of any Award granted hereunder. Such terms and conditions include, but are not limited to, the exercise price, the time or times when Awards may vest and be exercised (which may be based on Performance Goals), any vesting acceleration or waiver of forfeiture restrictions, and any restriction or limitation regarding any Award or the Shares relating thereto, based in each case on such factors as the Committee will determine;
- (e) determine the number of Shares or other consideration subject to Awards;
- (f) determine the Fair Market Value in good faith, if necessary;
- (g) subject to Section 16, determine whether Awards will be granted singly, in combination with, in tandem with, in replacement of, or as alternatives to, other Awards under this Plan or any other incentive or compensation plan of the Company or any Affiliate of the Company;
- (h) grant waivers of Plan or Award conditions;
- (i) determine the vesting, exercisability and payment of Awards;
- (j) correct any defect, supply any omission or reconcile any inconsistency in this Plan, any Award or any Award Agreement;
- (k) determine whether an Award has been earned;
- (l) subject to Section 16, determine the terms and conditions of any, and to institute any Exchange Program;
- (m) reduce or waive any criteria with respect to Performance Goals;
- (n) adjust Performance Goals to take into account changes in law or in accounting or tax rules, or such other extraordinary, unforeseeable, nonrecurring or infrequently occurring events or circumstances as the Committee deems necessary or appropriate to avoid windfalls or hardships;
- (o) waive any conditions or rights under, amend any term of, or amend, alter, suspend, discontinue or terminate, any Award granted under this Plan, prospectively or retroactively; provided, however, that no such action shall materially impair the rights of any affected Participant or holder or beneficiary under any Award theretofore granted under the Plan without the consent of any relevant Participant or holder or beneficiary of an Award; and
- (p) make all other determinations necessary or advisable for the administration of this Plan.

4.2 Delegation to an Officer. To the extent permitted by applicable law and listing requirements, the Committee or the Board may delegate to one or more officers of the Company who may be (but are not required to be) Insiders ("**Officers**"), the authority to do any of the following (i) designate Employees who are not Insiders to be recipients of Awards, (ii) determine the number of Shares to be subject to such Awards granted to such designated Employees, and (iii) take any and all actions on behalf of the Committee other than any actions that affect the amount or form of compensation of Insiders or have material tax, accounting, financial, human resource or legal consequences to the Company or its Affiliates; provided, however, that the Committee or Board resolutions regarding any delegation with respect to (i) and (ii) will specify the total number of Shares that may be subject to the Awards granted by such Officer and that such Officer may not grant an Award to himself or herself. Any Awards will be granted on the form of Award Agreement most recently approved for use by the Committee or the Board, unless otherwise provided in the resolutions approving the delegation authority.

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4.3 Committee Interpretation and Discretion. Any determination made by the Committee with respect to any Award shall be made in its sole discretion at the time of grant of the Award or, unless in contravention of any express term of the Plan or Award, at any later time, and such determination shall be final and binding on the Company and all persons having an interest in any Award under the Plan. Any dispute regarding the interpretation of the Plan or any Award Agreement shall be submitted by the Participant to the Company for review. Any Officer of the Company, including but not limited to Insiders and the Company's Secretary and Assistant Secretary, shall have the authority to review and resolve disputes with respect to Awards held by Participants who are not Insiders, and such resolution shall be final and binding on the Company and the Participant. Only the Committee shall have the authority to review and resolve disputes with respect to Awards held by Participants who are Insiders, and such resolution shall be final and binding on the Company and the Participant.

4.4 Administration of Awards Subject to Performance Goals. The Committee will, in its sole discretion, determine the Performance Goals, if any, applicable to any Award (including any adjustment(s) thereto that will be applied in determining the achievement of such Performance Goals) on or prior to the Determination Date. The Performance Goals may differ from Participant to Participant and from Award to Award. The Committee shall determine and approve the extent to which such Performance Goals have been timely achieved and the extent to which the Shares subject to such Award have thereby been earned.

4.5 Section 16 of the Exchange Act. Awards granted to Participants who are Insiders must be approved by two or more "non-employee directors" of the Board (as defined in the regulations promulgated under Section 16 of the Exchange Act).

4.6 Documentation. The Award Agreement for a given Award, the Plan and any other documents may be delivered to, and accepted by, a Participant or any other person in any manner (including electronic distribution or posting) determined by the Company.

5. **OPTIONS.** The Committee may grant Options to Participants and will determine whether such Options will be Incentive Stock Options within the meaning of the Code ("*ISOs*") or Nonqualified Stock Options ("*NQSOs*"), the number of Shares subject to the Option, the Exercise Price of the Option, the period and circumstances during which the Option may be exercised, and all other terms and conditions of the Option, subject to the following:

5.1 Option Grant. Each Option granted under this Plan will identify the Option as an ISO or an NQSO. An Option may (but need not) be awarded or vest based on, among other things, satisfaction of such Performance Goals during any Performance Period as are set out in advance in the Participant's individual Award Agreement. If the Option vests based on the satisfaction of Performance Goals, then the Committee will: (x) determine the nature, length and starting date of any Performance Period for each Option; (y) select the Performance Criteria to be used to measure the performance; and (z) determine what additional vesting conditions, if any, should apply. Performance Periods may overlap, and Participants may participate simultaneously with respect to Options that are subject to different Performance Goals and other criteria.

5.2 Date of Grant. The date of grant of an Option will be the date on which the Committee makes the determination to grant such Option, or a specified future date. The Award Agreement and a copy of this Plan will be delivered to the Participant within a reasonable time after the granting of the Option.

5.3 Exercise Period. Options may be exercisable within the times or upon the conditions as set forth in the Award Agreement governing such Option; provided, however, that no Option will be exercisable after the expiration of seven (7) years from the date the Option is granted, unless the Committee provides otherwise; and provided further that no ISO granted to a person who, at the time the ISO is granted, directly or by attribution owns more than ten percent (10%) of the total combined voting power of all classes of stock of the Company or of any Affiliate of the Company ("*Ten Percent Stockholder*") will be exercisable after the expiration of five (5) years from the date the ISO is granted. The Committee also may provide for Options to become exercisable at one time or from time to time, periodically or otherwise, in such number of Shares or percentage of Shares as the Committee determines.

5.4 Exercise Price. The Exercise Price of an Option will be determined by the Committee when the Option is granted; provided that: (i) the Exercise Price of an Option will be not less than one hundred percent (100%) of the Fair Market Value of the Shares on the date of grant and (ii) the Exercise Price of any ISO granted to a Ten Percent Stockholder will not be less than one hundred ten percent (110%) of the Fair Market Value of the Shares on the date of grant, except in each case, with respect to an Option that is assumed or substituted under Section 2.7. Payment for the Shares purchased may be made in accordance with Section 10 of the Plan and the applicable Award Agreement and in accordance with any procedures established by the Company.

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5.5 Method of Exercise. Any Option granted hereunder will be exercisable according to the terms of the Plan and at such times and under such conditions as determined by the Committee and set forth in the Award Agreement. An Option may not be exercised for a fraction of a Share. An Option will be deemed exercised when the Company receives: (i) notice of exercise (in such form as the Committee may specify from time to time) from the person entitled to exercise the Option, and (ii) full payment for the Shares with respect to which the Option is exercised (together with applicable withholding taxes). Full payment may consist of any consideration and method of payment authorized by the Committee and permitted by the Award Agreement and the Plan. Shares issued upon exercise of an Option will be issued in the name of the Participant. Until the Shares are issued (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), no right to vote or receive dividends or any other rights as a stockholder will exist with respect to the Shares. The Company will issue (or cause to be issued) such Shares promptly after the Option is exercised. No adjustment will be made and no dividend equivalent will be credited to a Participant for a dividend or other right for which the record date is prior to the date the Shares are issued, except as provided in Section 2.6 of the Plan. Exercising an Option in any manner will decrease the number of Shares thereafter available, both for purposes of the Plan and for sale under the Option, by the number of Shares as to which the Option is exercised.

5.6 Termination. The exercise of an Option will be subject to the following (except as may be otherwise provided in an Award Agreement):

(a) If the Participant is Terminated for any reason except for the Participant's death or Disability, then the Participant may exercise such Participant's Options only to the extent that such Options would have been exercisable by the Participant on the Termination Date no later than three (3) months after the Termination Date (or such shorter time period as may be determined by the Committee), but in any event no later than the expiration date of the Options.

(b) If the Participant is Terminated because of the Participant's death (or the Participant dies within three (3) months after the Participant's Termination Date pursuant to Section 5.6(a)), then the Participant's Options may be exercised only to the extent that such Options would have been exercisable by the Participant on the Termination Date and must be exercised by the Participant's legal representative, or authorized assignee, no later than twelve (12) months after the Termination Date (or such shorter time period as may be determined by the Committee), but in any event no later than the expiration date of the Options.

(c) If the Participant is Terminated because of the Participant's Disability, then the Participant's Options may be exercised only to the extent that such Options would have been exercisable by the Participant on the Termination Date and must be exercised by the Participant (or the Participant's legal representative or authorized assignee) no later than twelve (12) months after the Termination Date (or such shorter time period as may be determined by the Committee) but in any event no later than the expiration date of the Options (with any exercise of an ISO beyond (a) three (3) months after the Termination Date when the Termination is for a Disability that is not a "permanent and total disability" as defined in Section 22(e)(3) of the Code, or (b) twelve (12) months after the Termination Date when the Termination is for a Disability that is a "permanent and total disability" as defined in Section 22(e)(3) of the Code, deemed to be exercise of an NQSO).

5.7 Limitations on Exercise. The Committee may specify a minimum number of Shares that may be purchased on any exercise of an Option, provided that such minimum number will not prevent any Participant from exercising the Option for the full number of Shares for which it is then exercisable.

5.8 Limitations on ISOs. With respect to Awards granted as ISOs, to the extent that the aggregate Fair Market Value of the Shares with respect to which such ISOs are exercisable for the first time by the Participant during any calendar year (under all plans of the Company and any Affiliate) exceeds one hundred thousand dollars (\$100,000), such Options will be treated as NQSOs. For purposes of this Section 5.8, ISOs will be taken into account in the order in which they were granted. The Fair Market Value of the Shares will be determined as of the time the Option with respect to such Shares is granted. In the event that the Code or the regulations promulgated thereunder are amended after the Approval Date to provide for a different limit on the Fair Market Value of Shares permitted to be subject to ISOs, such different limit will be automatically incorporated herein and will apply to any Options granted after the effective date of such amendment.

5.9 Modification or Extension. Subject to Section 409A of the Code (to the extent Section 409A of the Code is applicable to the holder of the Options), the Committee may modify or extend outstanding Options, provided that any such action may not, without the written consent of a Participant, materially impair any of such

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Participant's rights under any Option previously granted. Any outstanding ISO that is modified, extended, or otherwise altered will be treated in accordance with Section 424(h) of the Code.

6. RESTRICTED STOCK AWARDS.

6.1 Awards of Restricted Stock. A Restricted Stock Award is an award to an eligible person of Shares that are subject to restrictions ("**Restricted Stock**"). The Committee will determine the number of Shares of Restricted Stock that may be issued to or purchased by the Participant, the Purchase Price, if any, the restrictions under which the Shares will be subject and all other terms and conditions of the Restricted Stock Award, subject to the Plan. All Restricted Stock shall be made pursuant to an Award Agreement.

6.2 Purchase Price. The Purchase Price for a Restricted Stock Award, if any, will be determined by the Committee and may be less than Fair Market Value on the date the Restricted Stock Award is granted. Payment of the Purchase Price must be made in accordance with Section 10 of the Plan, the applicable Award Agreement and in accordance with any procedures established by the Company.

6.3 Terms of Restricted Stock Awards. Restricted Stock Awards will be subject to such restrictions as the Committee may impose or are required by law. These restrictions may be based on completion of a specified period of service with the Company or an Affiliate and/or upon completion of Performance Goals, if any, during any Performance Period as set out in advance in the Participant's Award Agreement. Prior to the grant of a Restricted Stock Award, the Committee shall determine: (a) the nature, length and starting date of any restriction period for the Restricted Stock Award; (b) the restrictions on Unvested Shares; and (c) the number of Shares that may be awarded to the Participant. If the Unvested Shares of Restricted Stock are being awarded or earned upon the satisfaction of Performance Goals, then the Committee will: (x) determine the nature, length and starting date of any Performance Period for each Unvested Share; and (y) select the Performance Criteria to be used to measure the performance, if any. Performance Periods may overlap, and a Participant may participate simultaneously with respect to Restricted Stock Awards that are subject to different Performance Periods and having different Performance Goals and other criteria.

6.4 Termination of Participant. Except as may be set forth in the Participant's Award Agreement, vesting ceases on such Participant's Termination Date (unless determined otherwise by the Committee).

7. STOCK BONUS AWARDS.

7.1 Awards of Stock Bonuses. A Stock Bonus Award is an award of Shares to an eligible person without a Purchase Price that is not subject to any restrictions. All Stock Bonus Awards may but are not required to be made pursuant to an Award Agreement.

7.2 Terms of Stock Bonus Awards. The Committee will determine the number of Shares to be awarded to the Participant under a Stock Bonus Award.

7.3 Form of Payment to Participant. Payment may be made in the form of cash, whole Shares, or a combination thereof, based on the Fair Market Value of the Shares subject to the Stock Bonus Award on the date of payment, as determined in the sole discretion of the Committee.

8. STOCK APPRECIATION RIGHTS.

8.1 Awards of SARs. A Stock Appreciation Right ("**SAR**") is an award to a Participant that may be settled in cash, or Shares (which may consist of Restricted Stock), having a value equal to (a) the difference between the Fair Market Value on the date of exercise over the Exercise Price multiplied by (b) the number of Shares with respect to which the SAR is being settled (subject to any maximum number of Shares that may be issuable as specified in an Award Agreement). All SARs shall be made pursuant to an Award Agreement.

8.2 Terms of SARs. The Committee will determine the terms of each SAR including, without limitation: (a) the number of Shares subject to the SAR; (b) the Exercise Price and the period and circumstances during which the SAR may be exercised and settled; (c) the consideration to be distributed on settlement of the SAR; and (d) the effect of the Participant's Termination on each SAR. The Exercise Price of the SAR will be determined by the Committee when the SAR is granted and may not be less than one hundred percent (100%) of the Fair Market Value of the Shares on the date of grant. A SAR may be awarded or may vest based on, among other things, satisfaction of Performance Goals, during any Performance Period as are set out in advance in the Participant's individual Award Agreement. If the SAR vests based on the satisfaction of Performance Goals, then the Committee

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will: (x) determine the nature, length and starting date of any Performance Period for each SAR; (y) select from among the Performance Criteria to be used to measure the performance; and (z) determine what additional vesting conditions, if any, should apply. Performance Periods may overlap, and Participants may participate simultaneously with respect to SARs that are subject to different Performance Goals and other criteria.

8.3 Exercise Period and Expiration Date. A SAR will be exercisable within the times or upon the occurrence of events determined by the Committee and set forth in the Award Agreement governing such SAR. The SAR Agreement shall set forth the expiration date; provided that no SAR will be exercisable after the expiration of seven (7) years from the date the SAR is granted unless the Committee provides otherwise. The Committee may also provide for SARs to become exercisable at one time or from time to time, periodically or otherwise (including, without limitation, upon the attainment during a Performance Period of Performance Goals), in such number of Shares or percentage of the Shares subject to the SAR as the Committee determines. Except as may be set forth in the Participant's Award Agreement, vesting ceases on such Participant's Termination Date (unless determined otherwise by the Committee). Notwithstanding the foregoing, the rules of Section 5.6 also will apply to SARs.

8.4 Form of Settlement. Upon exercise of a SAR, a Participant will be entitled to receive payment from the Company in an amount determined by multiplying (i) the difference between the Fair Market Value of a Share on the date of exercise over the Exercise Price; times (ii) the number of Shares with respect to which the SAR is exercised. At the discretion of the Committee, the payment from the Company for the SAR exercise may be in cash, in Shares of equivalent value, or in some combination thereof.

8.5 Termination of Participation. Except as may be set forth in the Participant's Award Agreement, vesting ceases on such Participant's Termination Date (unless determined otherwise by the Committee).

9. RESTRICTED STOCK UNITS.

9.1 Awards of Restricted Stock Units. A Restricted Stock Unit Award is an award to a Participant of units ("RSUs"), each of which shall correspond to a Share that may be settled in cash, or by issuance of a Share (which may consist of Restricted Stock). All RSUs shall be granted pursuant to an Award Agreement.

9.2 Terms of RSUs. The Committee will determine the terms of a Restricted Stock Unit Award, including, without limitation: (a) the number of Shares subject to the Restricted Stock Unit Award; (b) the time or times during which the RSUs may be settled; and (c) the consideration to be distributed on settlement, and the effect of the Participant's Termination on the RSUs. A Restricted Stock Unit Award may be awarded or vest based on, among other things, satisfaction of such Performance Goals during any Performance Period as are set out in advance in the Participant's Award Agreement. If RSUs vest based upon satisfaction of Performance Goals, then the Committee will: (w) determine the nature, length and starting date of any Performance Period for the RSUs; (x) select from among the Performance Criteria to be used to measure the performance; (y) determine what additional vesting conditions, if any, should apply; and (z) determine the number of Shares deemed subject to the Restricted Stock Unit Award. Performance Periods may overlap and Participants may participate simultaneously with respect to Restricted Stock Unit Awards that are subject to different Performance Periods and different Performance Goals and other criteria.

9.3 Form and Timing of Settlement. Payment of vested RSUs shall be made as soon as practicable after the date(s) determined by the Committee and set forth in the Award Agreement. The Committee, in its sole discretion, may settle vested RSUs in cash, Shares, or a combination of both. The Committee may also permit a Participant to defer payment under a Restricted Stock Unit Award to a date or dates after the RSUs are vested provided that the terms of the Restricted Stock Unit Award and any deferral satisfy the requirements of Section 409A of the Code (and/or other applicable tax laws that may be applicable to the Participant).

9.4 Termination of Participant. Except as may be set forth in the Participant's Award Agreement, vesting ceases on such Participant's Termination Date (unless determined otherwise by the Committee).

10. PAYMENT FOR SHARE PURCHASES.

Payment from a Participant for Shares purchased pursuant to this Plan may be made in cash or by check or, where expressly approved for the Participant by the Committee and where permitted by law (and to the extent not otherwise set forth in the applicable Award Agreement):

- (a) by cancellation of indebtedness of the Company to the Participant;
- (b) by surrender of Shares held by the Participant that have a Fair Market Value on the date of surrender equal to the aggregate exercise price of the Shares as to which said Award will be exercised or settled;

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(c) by waiver of compensation due or accrued to the Participant for services rendered or to be rendered to the Company or an Affiliate of the Company;

(d) by consideration received by the Company pursuant to a broker-assisted or other form of cashless exercise program implemented by the Company in connection with the Plan;

(e) by any combination of the foregoing; or

(f) by any other method of payment as is permitted by applicable law.

11. **TAXES.**

11.1 **Taxes Generally.** Whenever a taxable or tax withholding event occurs in relation to an Award granted under this Plan, the Participant shall be responsible for any U.S. federal, state, and local and any non-U.S. income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items that are applicable to the Participant as a result of participation in the Plan.

11.2 **Withholding Arrangements.** The Committee, in its sole discretion and pursuant to such procedures as it may specify from time to time, may require or permit a Participant to satisfy any withholding obligation the Company or an Affiliate may have with respect to such tax-related items, in whole or in part, by (without limitation) (i) paying cash, (ii) using proceeds from the sale of Shares delivered pursuant to the exercise or settlement of the Award, (iii) electing to have the Company withhold otherwise deliverable cash or Shares having a Fair Market Value equal to the amount required to be withheld under applicable tax laws, subject to applicable accounting guidance, or (iii) delivering to the Company already-owned Shares having a Fair Market Value equal to the amount required to be withheld under applicable tax laws, subject to applicable accounting guidance. The Fair Market Value of the Shares to be withheld or delivered will be determined based on such methodology that the Company deems to be reasonable and in accordance with applicable law.

12. **TRANSFERABILITY.** Unless determined otherwise by the Committee, an Award may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or by the laws of descent or distribution. If the Committee makes an Award transferable, including, without limitation, by instrument to an inter vivos or testamentary trust in which the Awards are to be passed to beneficiaries upon the death of the trustor (settlor) or by gift to a Permitted Transferee, such Award will contain such additional terms and conditions as the Administrator deems appropriate; provided, however, that in no event may any Award be transferred for consideration to a third-party financial institution.

13. **PRIVILEGES OF STOCK OWNERSHIP; RESTRICTIONS ON SHARES.**

13.1 **Stockholder and Dividend Rights.** No Participant will have any of the rights of a stockholder with respect to any Shares until the Shares are issued to the Participant. Any Participant who holds Shares issued under the Plan shall have the same voting, dividend and other rights as the Company's other stockholders; provided however, that in the case of any unvested Award or unvested portion thereof (including but not limited to Unvested Shares of Restricted Stock), the Participant shall not be entitled to any dividends and other distributions paid or distributed by the Company on an equivalent number of vested Shares. Notwithstanding the foregoing, at the Committee's discretion, such Participant may be credited with dividends and other distributions in the case of any Unvested Shares of Restricted Stock, provided that such dividends and other distributions (or any related earnings or interest on such dividends or distributions, if the Committee in its sole discretion provides for such payments) shall not be paid or distributed to the Participant unless, until and only to the extent such Shares vest. The value of dividends and other distributions (or any related earnings or interest, if applicable) payable or distributable with respect to any Unvested Shares of Restricted Stock that do not vest shall be forfeited.

13.2 **Dividend Equivalent Rights.** Subject to applicable law, the Committee in its sole discretion may credit to each Participant who holds an Award other than Restricted Stock, Options and SARs, in the form of dividend equivalents or otherwise, an amount equal to the value of all dividends and other distributions (whether in cash or other property) paid or distributed by the Company on an equivalent number of Shares, which may either be paid in cash or increase the number of Shares subject to the Award; provided, however, that such Participant will not be paid any such dividend equivalents (or any related earnings or interest on such dividends or distributions, if the Committee in its sole discretion provides for such payments) unless, until and only to the extent that the underlying Award vests. The value of dividend equivalents (or any related earnings or interest, if applicable) payable with respect any Award or any portion thereof that does not vest shall be forfeited.

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13.3 No Dividend or Dividend Equivalent Rights on Options or SARs. For the avoidance of doubt, no dividends, dividend equivalents or similar entitlements may be credited with respect to Options and SARs.

14. CERTIFICATES AND BOOK ENTRIES. All certificates or book entries for Shares or other securities delivered under this Plan will be subject to such stop transfer orders, legends and other restrictions as the Committee may deem necessary or advisable, including restrictions under any applicable U.S. federal and state or foreign securities or other laws, or any rules, regulations and other requirements of the SEC or any stock exchange or automated quotation system upon which the Shares may be listed or quoted.

15. ESCROW; PROHIBITION ON LOANS. To enforce any restrictions on a Participant's Shares, the Committee may require the Shares to be held in book entry form with the restrictions on such Shares duly noted or, alternatively, require the Participant to deposit with the Company or an agent designated by the Company (or place under the control of the Company or its designated agent) all certificates representing Shares, together with stock powers or other instruments of transfer approved by the Committee, appropriately endorsed in blank, for the purpose of holding in escrow (or controlling) such certificates until such restrictions have lapsed or terminated, and the Committee may cause a legend or legends referencing such restrictions to be placed on the certificates or note in the Company's direct registration system for stock issuance and transfer such restrictions and accompanying legends with respect to the book entries. No Participant will be permitted to execute a promissory note as partial or full consideration for the purchase of Shares.

16. STOCKHOLDER APPROVAL OF REPRICING. The Committee shall not without the approval of the stockholders of the Company, (i) reduce the Exercise Price of any previously granted Option or SAR, (ii) cancel any previously granted Option or SAR in exchange for another Option or SAR with a lower Exercise Price or (iii) cancel any previously granted Option or SAR in exchange for cash or another award if the Exercise Price of such Option or SAR exceeds the Fair Market Value of a Share on the date of such cancellation, in each case, other than in connection with a Change of Control or the adjustment provisions set forth in Section 2.6.

17. SECURITIES LAW AND OTHER REGULATORY COMPLIANCE. An Award will not be effective unless such Award is in compliance with all applicable U.S. federal and state securities laws and any foreign securities, exchange control and other laws, the rules and regulations of any governmental body and the requirements of any stock exchange or automated quotation system upon which the Shares may then be listed or quoted, as they are in effect on the date of grant of the Award and also on the date of exercise or other issuance. Notwithstanding any other provision in this Plan, the Company will have no obligation to issue or deliver certificates or establish book entries for Shares under this Plan prior to: (a) obtaining any approvals from governmental agencies that the Company determines are necessary or advisable; and/or (b) completion of any registration or other qualification of such Shares under any U.S. state or federal law or any foreign law or the ruling or other decision of any governmental body that the Company determines to be necessary or advisable. The Company will be under no obligation to register the Shares with the SEC or to effect compliance with the registration, qualification or listing requirements of any state securities laws or foreign securities, exchange control or other laws, stock exchange or automated quotation system, and the Company will have no liability for any inability or failure to do so.

18. NO OBLIGATION TO EMPLOY. Nothing in this Plan or any Award granted under this Plan will confer or be deemed to confer on any Participant any right to continue in the employ of, or to continue any other relationship with, the Company or any Affiliate or limit in any way the right of the Company or any Affiliate to terminate Participant's employment or other relationship at any time.

19. CHANGE OF CONTROL.

19.1 Assumption or Substitution of Awards. Unless otherwise provided in the Award Agreement or any other written agreement between the Company or any Affiliate and the Participant or unless otherwise expressly provided by the Committee at the time of grant of an Award, in the event of a Change of Control, any or all outstanding Awards may be assumed or substituted by the surviving or acquiring corporation for equivalent Awards, which assumption or substitution shall be binding on all Participants. If an Award is assumed or substituted as set forth above, and the Participant's employment is terminated by the surviving or acquiring corporation without Cause within twelve (12) months after the consummation of such Change of Control, such assumed or substituted Award shall accelerate and, if applicable, become immediately and fully exercisable, and any repurchase or resale restrictions applicable to any such Award shall automatically lapse, upon such termination.

19.2 No Assumption or Substitution of Awards. Unless otherwise provided in the Award Agreement or any other written agreement between the Company or any Affiliate and the Participant or unless otherwise

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expressly provided by the Committee at the time of grant of an Award, in the event such surviving or acquiring corporation does not agree to assume or substitute any Awards, as provided above, pursuant to a Change of Control, then notwithstanding any other provision in this Plan to the contrary, all unvested Awards that are not assumed or substituted, whether subject to time or performance-based vesting conditions, will vest in full at or prior to the effective time of the Change of Control as determined by the Committee, contingent upon the closing of the Change of Control; provided, however, that any payout in connection with a terminated Award shall comply with Section 409A of the Code to the extent necessary to avoid taxation thereunder. In addition, in the event such surviving or acquiring corporation refuses to assume or substitute any Options and/or SARs, the Company will notify the Participants who are holders of such Options and/or SARs in writing or electronically that such Awards will be exercisable for a period of time determined by the Committee in its sole discretion, and such Awards will terminate upon the expiration of such period.

19.3 **Performance Goals.** Unless otherwise provided in the Award Agreement or any other written agreement between the Company or any Affiliate and the Participant or unless otherwise expressly provided by the Committee at the time of grant of an Award, in the event of a Change of Control, any Award subject to Performance Goals shall either vest based on: (i) target performance being deemed to have been achieved or (ii) the actual level of performance for the applicable Performance Period as determined by the Committee, depending on whichever of (i) or (ii) results in a greater number of Shares that vest; provided however, that any Award subject to Performance Goals, which is assumed or substituted pursuant to Section 19.1, shall continue to be subject to any service requirement that applies to such Award.

20. **GOVERNING LAW.** This Plan and all Awards granted hereunder shall be governed by and construed in accordance with the laws of the State of Delaware in the United States, without regard to such state's conflict of laws rules.

21. **AMENDMENT OR TERMINATION OF PLAN.** The Board may at any time terminate or amend this Plan in any respect, including, without limitation, amend any form of Award Agreement or instrument to be executed pursuant to this Plan; provided, however, that the Board will not, without the approval of the stockholders of the Company, amend this Plan in any manner where stockholder approval is necessary or required as determined by the Committee; provided further, that a Participant's Award shall be governed by the version of this Plan then in effect at the time such Award was granted unless such Plan amendment will not adversely affect the rights of such Participant under any outstanding Award in a material way.

22. **NON-U.S. PARTICIPANTS.** Notwithstanding any provision of the Plan to the contrary, to comply with the laws in countries outside the United States in which the Company and its Affiliates operate or in which Participants work or reside, the Committee, in its sole discretion, shall have the power and authority to: (i) determine which Participants outside the United States will be eligible to participate in the Plan; (ii) modify the terms and conditions of any Award granted to Participants outside the United States; (iii) establish sub-plans and modify exercise procedures and other terms and procedures and rules, to the extent such actions may be necessary or advisable, including adoption of rules, procedures or sub-plans applicable to particular Affiliates or Participants in particular locations; provided that no such sub-plans and/or modifications shall take precedence over Section 2 of the Plan or otherwise require stockholder approval; and (iv) take any action, before or after an Award is granted, that it deems advisable to obtain approval or comply with any necessary local governmental regulatory exemptions or approvals. Without limiting the generality of the foregoing, the Committee is specifically authorized to adopt rules, procedures and sub-plans with provisions that limit or modify rights on eligibility to receive an Award under the Plan or on death, disability, retirement or other termination of employment, available methods of exercise or settlement of an Award, payment of income, social insurance contributions and payroll taxes, the shifting of employer tax or social insurance contribution liability to the Participant, the withholding procedures and handling of any Share certificates or other indicia of ownership. Notwithstanding the foregoing, the Committee may not take any actions hereunder, and no Awards shall be granted, that would violate applicable laws.

23. **NONEXCLUSIVITY OF THE PLAN.** Neither the adoption of this Plan by the Board, the submission of this Plan to the stockholders of the Company for approval, nor any provision of this Plan will be construed as creating any limitations on the power of the Board to adopt such additional compensation arrangements as it may deem desirable, including, without limitation, the granting of stock awards and bonuses otherwise than under this Plan, and such arrangements may be either generally applicable or applicable only in specific cases.

24. **INSIDER TRADING POLICY.** Each Participant who receives an Award shall comply with any policy adopted by the Company from time to time covering transactions in the Company's securities by Employees, officers and/or directors of the Company.

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25. OTHER POLICIES. Each Award may be subject to the terms and conditions of any other policy (and any amendments thereto) adopted by the Company from time to time, which may include any policy related to the vesting or transfer of equity awards. Whether any such policy will apply to a particular Award may depend, among other things, on when the Award was granted, whom the Award was granted to, and the type of Award.

26. ALL AWARDS SUBJECT TO ANY COMPANY CLAWBACK OR RECOUPMENT POLICY. All Awards shall be subject to clawback or recoupment pursuant to any compensation clawback or recoupment policy that may be adopted by the Committee from time to time thereafter or required by law during the term of Participant's employment or other service with the Company or its Affiliates that is applicable to executive officers, employees, or other service providers of the Company and its Affiliates. In addition to any other remedies available under such policy and applicable law, the Committee may also require the cancellation of a Participant's outstanding Awards if such Participant's employment is terminated for Cause.

27. DEFINITIONS. As used in this Plan, and except as elsewhere defined herein, the following terms will have the following meanings:

"2000 Plan" means the Company's Amended and Restated 2000 Long-Term Equity Incentive Plan.

"Affiliate" means any Parent or Subsidiary of the Company.

"Award" means any award under the Plan, including any Option, Restricted Stock Award, Stock Bonus Award, Stock Appreciation Right or Restricted Stock Unit Award.

"Award Agreement" means, with respect to each Award, the written or electronic agreement between the Company and the Participant setting forth the terms and conditions of the Award, which shall be in substantially a form (which need not be the same for each Participant) that the Committee has from time to time approved, and will comply with and be subject to the terms and conditions of this Plan.

"Board" means the Board of Directors of the Company.

"Cause" will have the meaning ascribed to such term in any written agreement between the Participant and the Company or an Affiliate defining such term and, in the absence of such agreement, such term means, with respect to a Participant, a good faith and reasonable determination by the Company that the Participant has, during the term of his or her employment with the Company or an Affiliate: (a) been convicted of, or pleaded nolo contendere to, (1) any felony or (2) any other lesser crime involving fraud, embezzlement, or misappropriation; (b) engaged in gross negligence or willful misconduct in the performance of his or her duties; (c) breached any material provision of any agreement entered into with the Company or an Affiliate; (d) misappropriated any (1) material property of the Company or an Affiliate or (2) opportunity of the Company or an Affiliate; (e) failed to materially comply with any written policy or procedure of the Company or an Affiliate; or (f) engaged in an act or omission that results in financial or other harm to the Company or an Affiliate. The determination as to whether a Participant is being terminated for Cause will be made in good faith by the Company and will be final and binding on the Participant.

"Code" means the United States Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

"Committee" means the Compensation Committee of the Board or those persons to whom administration of the Plan, or part of the Plan, has been delegated as permitted by law.

"Company" means Oracle Corporation, or any successor corporation.

"Common Stock" means the common stock of the Company.

"Consultant" means any person, including an advisor or independent contractor, engaged by the Company or an Affiliate to render services to such entity.

"Change of Control" means the occurrence of any of the following events:

(a) an individual, corporation, partnership, group, associate or other entity or "person", as such term is defined in Section 14(d) of the Exchange Act, other than the Company or any employee benefit plan(s) sponsored by the Company, is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of 50% or more of the combined voting power of the Company's outstanding securities ordinarily having the right to vote at elections of directors;

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(b) individuals who constitute the Board of Directors of the Company on the effective date of the Plan (the “**Incumbent Board**”) cease for any reason to constitute at least a majority thereof, provided that any Approved Director, as hereinafter defined, shall be, for purposes of this subsection (b), considered as though such person were a member of the Incumbent Board. An “**Approved Director**”, for purposes of this subsection (b), shall mean any person becoming a director subsequent to the effective date of the Plan whose election, or nomination for election by the Company’s stockholders, was approved by a vote of at least three-quarters of the directors comprising the Incumbent Board (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee of the Company for director), but shall not include any such individual whose initial assumption of office occurs as a result of either an actual or threatened election contest (as such terms are used in Rule 14a-11 of Regulation 14A promulgated under the Exchange Act) or other actual or threatened solicitation of proxies or consents by or on behalf of an individual, corporation, partnership, group, associate or other entity or “person” other than the Board; or

(c) the consummation of (A) a merger or consolidation involving the Company other than with a wholly-owned subsidiary and other than a merger or consolidation that would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) more than 65% of the combined voting power of the voting securities of the Company or such surviving entity outstanding immediately after such merger or consolidation, or (B) a sale, exchange or other disposition of all or substantially all of the assets of the Company.

Notwithstanding the foregoing definition or any other provision of the Plan, the term Change in Control will not include a sale of assets, merger or other transaction effected exclusively for the purpose of changing the domicile of the Company and the definition of Change in Control (or any analogous term) in an individual written agreement between the Company or any Affiliate and the Participant will supersede the foregoing definition with respect to Awards subject to such agreement; provided, however, that if no definition of Change in Control or any analogous term is set forth in such an individual written agreement, the foregoing definition will apply. To the extent required for compliance with Section 409A of the Code, in no event will a Change in Control be deemed to have occurred if such transaction is not also a “change in the ownership or effective control of” the Company or “a change in the ownership of a substantial portion of the assets of” the Company as determined under Treasury Regulations Section 1.409A-3(i)(5) (without regard to any alternative definition thereunder). The Committee may, in its sole discretion and without a Participant’s consent, amend the definition of “Change in Control” to conform to the definition of “Change in Control” under Section 409A of the Code, and the regulations thereunder.

“**Determination Date**” means any time when the achievement of the Performance Goals associated with the applicable Performance Period remains substantially uncertain; provided, however, that without limiting the foregoing, that if the Determination Date occurs on or before the date on which 25% of the Performance Period has elapsed, the achievement of such Performance Goals shall be deemed to be substantially uncertain.

“**Director**” means a member of the Board.

“**Disability**” means total and permanent disability as defined in Section 22(e)(3) of the Code in the case of ISOs and in the case of other Awards, a Participant’s disability, as determined by the Social Security Administration or the long-term disability plan maintained by the Company; provided however, that in the case of Participants residing outside the United States, “Disability” shall have such meaning as determined by the Committee for purposes of the Plan taking into consideration the provisions of applicable laws.

“**Employee**” means any person, including Officers and Directors, employed by the Company or any Affiliate of the Company. Neither service as a Director nor payment of a director’s fee by the Company will be sufficient to constitute “employment” by the Company.

“**Exchange Act**” means the United States Securities Exchange Act of 1934, as amended.

“**Exchange Program**” means a program pursuant to which outstanding Awards are surrendered, cancelled or exchanged for cash, the same type of Award or a different Award (or combination thereof).

“**Exercise Price**” means, with respect to an Option, the price at which a holder may purchase the Shares issuable upon exercise of an Option and with respect to a SAR, the price at which the SAR is granted to the holder thereof.

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“Fair Market Value” means, as of any date, the value of a Share determined as follows:

(a) Except as otherwise determined by the Committee as permitted hereunder, if, on such date, the Shares are listed on a national or regional securities exchange or market system, the Fair Market Value of a Share shall be the closing price of a Share as quoted on such national or regional securities exchange or market system constituting the primary market for the Shares, as reported in any such source as the Company deems reliable, and, if there is no such closing price on the date of determination, the Fair Market Value of a Share shall be the closing price of a Share on the next trading day following the day of determination.

(b) Notwithstanding the foregoing, the Committee may, in its discretion, determine the Fair Market Value on the basis of the closing, high, low or average sale price of a Share or the actual sale price of a Share received by a Participant, on such date, the preceding trading day, the next succeeding trading day or an average determined over a period of trading days; provided, however, that, for purposes of determining the exercise price of Options or SARs, the Fair Market Value shall not be less than the Fair Market Value determined under (a). The Committee may vary its method of determination of the Fair Market Value for different purposes under the Plan.

(c) If, on such date, the Shares are not listed on a national or regional securities exchange or market system, the Fair Market Value of a Share shall be as determined by the Committee in good faith.

“Full-Value Awards” means any Awards that result in the Company transferring the full value of any underlying Share granted pursuant to an Award, but shall not include Options and SARs.

“Insider” means an officer or director of the Company or any other person whose transactions in the Company’s Common Stock are subject to Section 16 of the Exchange Act.

“Option” means an award of an option to purchase Shares pursuant to Section 5 of the Plan.

“Parent” means any corporation (other than the Company) in an unbroken chain of corporations ending with the Company if each of such corporations other than the Company owns stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

“Participant” means a person who holds an Award under this Plan.

“Performance Goals” means one or more performance goals (or combined goals) established by the Committee for the Performance Period based upon the performance criteria selected by the Committee. Any criteria used may be measured, as applicable, (i) in absolute terms, (ii) in relative terms, including, but not limited to, the passage of time (such as year over year growth) and/or against another company, a comparison group of companies or index designated by the Committee, (iii) on a per-share basis, (iv) against the performance of the Company as a whole or one or more identifiable business units, products, ecosystems, lines of business or segments of the Company, (v) on a pre-tax or after-tax basis, and/or (vi) on a GAAP or non-GAAP basis. The performance goals may include, but are not limited to, the following measures (such criteria, the **“Performance Criteria”**):

- asset turnover;
- billings;
- bookings;
- capacity utilization;
- cash flow, operating cash flow, or cash flow or operating cash flow per share (before or after dividends);
- contract value;
- customer growth;
- data center openings or closings;
- earnings per share;
- EBITDA, including EBITDA growth;
- economic value added;
- gross profit margin;
- intellectual property (e.g., patents)/product development;
- inventory turnover;

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- market share;
- mergers and acquisitions or divestitures;
- net income margin;
- net income;
- net or gross sales;
- operating expenses;
- operating income;
- operating profit margin;
- pre-tax income;
- profit;
- profits;
- return on assets;
- return on capital;
- return on equity;
- return on net assets;
- return on sales;
- revenues (including recurring revenues);
- sales growth;
- sales margin (including both growth rates and margin percentages);
- stock price, including market price appreciation of the Company's stock;
- total stockholder return (on a relative or absolute basis); or
- Any other factor (such as individual business objectives, unit-specific operational metrics or individual performance goals) the Committee so designates, provided that such objectives do not result in adverse accounting, tax, reporting or other consequences.

"Performance Period" means the period of time selected by the Committee over which the attainment of one or more Performance Goals will be measured for the purpose of determining a Participant's right to and the payment of an Award. Performance Periods may be of varying and overlapping duration, at the sole discretion of the Committee.

"Permitted Transferee" means any child, stepchild, grandchild, parent, stepparent, grandparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law (including adoptive relationships) of the Participant, any person sharing the Participant's household (other than a tenant or employee), a trust in which these persons (or the Participant) have more than 50% of the beneficial interest, a foundation in which these persons (or the Participant) control the management of assets, and any other entity in which these persons (or the Participant) own more than 50% of the voting interests.

"Plan" means this Oracle Corporation 2020 Equity Incentive Plan, as amended from time to time.

"Purchase Price" means the price to be paid for Shares acquired under the Plan, other than Shares acquired upon exercise of an Option or SAR.

"Restricted Stock Award" means an award of Shares pursuant to Section 6 of the Plan.

"Restricted Stock Unit Award" means an Award granted pursuant to Section 9 of the Plan.

"SEC" means the United States Securities and Exchange Commission.

"Securities Act" means the United States Securities Act of 1933, as amended.

"Shares" means shares of the Company's Common Stock and any successor security.

"Stock Appreciation Right" means an Award granted pursuant to Section 8 of the Plan.

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“Stock Bonus Award” means an Award granted pursuant to Section 7 of the Plan.

“Subsidiary” means any corporation (other than the Company) in an unbroken chain of corporations beginning with the Company if each of the corporations other than the last corporation in the unbroken chain owns stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

“Termination” or **“Terminated”** means, for purposes of this Plan with respect to a Participant, that the Participant has for any reason ceased to provide services as an Employee, Consultant or Director. An employee will not be deemed to have ceased to provide services in the case of (i) leaves of absence covered by such policies that are approved by the Committee, (ii) transfers between the Company, an Affiliate, or their successors, or (iii) a change in the capacity in which the Participant renders service to the Company or an Affiliate as an Employee, Consultant or Director. The Committee or an authorized representative of the Company will have sole discretion to determine whether a Participant has ceased to provide services and the effective date on which the Participant ceased to provide services, and such determination may take into consideration whether the Participant continues to actively provide services to the Company or an Affiliate (the **“Termination Date”**). In addition, to the extent required for exemption from or compliance with Section 409A of the Code, the determination of whether there has been a Termination will be made, and such term will be construed, in a manner that is consistent with the definition of “separation from service” as defined under Treasury Regulation Section 1.409A-1(h) (without regard to any alternative definition thereunder).

“Unvested Shares” means Shares that have not yet vested or are subject to a right of repurchase or reacquisition in favor of the Company (or any successor thereto).

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ORACLE

Oracle Corporation

2020 Annual Meeting of Stockholders

November 4, 2020

10:00 a.m. Pacific Time



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ORACLE CORPORATION
 ATTN: LUIS MONTANO
 500 ORACLE PARKWAY
 REDWOOD SHORES, CA 94065

VOTE BY INTERNET

Before The Meeting - Go to www.proxyvote.com

Use the Internet to transmit your voting instructions and for electronic delivery of information up until 11:59 p.m. Eastern Time the day before the cut-off date or meeting date. Have your proxy card in hand when you access the web site and follow the instructions to obtain your records and to create an electronic voting instruction form.

During The Meeting - Go to www.virtualshareholdermeeting.com/ORCL2020

You may attend the meeting via the Internet and vote during the meeting. Have the information that is printed in the box marked by the arrow available and follow the instructions.

VOTE BY PHONE - 1-800-690-6903

Use any touch-tone telephone to transmit your voting instructions up until 11:59 p.m. Eastern Time the day before the cut-off date or meeting date. Have your proxy card in hand when you call and then follow the instructions.

VOTE BY MAIL

Mark, sign and date your proxy card and return it in the postage-paid envelope we have provided or return it to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717.

TO VOTE, MARK BLOCKS BELOW IN BLUE OR BLACK INK AS FOLLOWS:

D22335-P43899

KEEP THIS PORTION FOR YOUR RECORDS
 DETACH AND RETURN THIS PORTION ONLY

THIS PROXY CARD IS VALID ONLY WHEN SIGNED AND DATED.

ORACLE CORPORATION			For All	Withhold All	For All Except	To withhold authority to vote for any individual nominee(s), mark "For All Except" and write the number(s) of the nominee(s) on the line below.
The Board of Directors recommends you vote FOR the following:			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
1.	Election of Directors					_____
Nominees:						
01)	Jeffrey S. Berg	08)	Jeffrey O. Henley			
02)	Michael J. Boskin	09)	Renee J. James			
03)	Safra A. Catz	10)	Charles W. Moorman IV			
04)	Bruce R. Chizen	11)	Leon E. Panetta			
05)	George H. Conrades	12)	William G. Parrett			
06)	Lawrence J. Ellison	13)	Naomi O. Seligman			
07)	Rona A. Fairhead	14)	Vishal Sikka			
The Board of Directors recommends you vote FOR the following proposals:			For	Against	Abstain	The Board of Directors recommends you vote AGAINST the following proposals:
2.	Advisory Vote to Approve Compensation of Named Executive Officers.		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3.	Approve the Oracle Corporation 2020 Equity Incentive Plan.		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5. Stockholder Proposal Regarding Pay Equity Report.
4.	Ratification of Selection of Independent Registered Public Accounting Firm.		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6. Stockholder Proposal Regarding Independent Board Chair.
NOTE: Such other business as may properly come before the meeting or any adjournment thereof.						
Please sign exactly as your name(s) appear(s) hereon. When signing as attorney, executor, administrator, or other fiduciary, please give full title as such. Joint owners should each sign personally. All holders must sign. If a corporation or partnership, please sign in full corporate or partnership name by authorized officer.						
<input type="text"/> Signature [PLEASE SIGN WITHIN BOX]			<input type="text"/> Date		<input type="text"/> Signature (Joint Owners)	
<input type="text"/> Date			<input type="text"/> Date			



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The Notice and Proxy Statement and Form 10-K are available at www.proxyvote.com.

D22336-P43899

**ORACLE CORPORATION
Annual Meeting of Stockholders
November 4, 2020 10:00 AM
This proxy is solicited by the Board of Directors**

The stockholder(s) hereby appoint(s) Lawrence J. Ellison, Jeffrey O. Henley and Brian S. Higgins, or either of them, as proxies, each with the power to appoint (his/her) substitute, and hereby authorize(s) them to represent and to vote, as designated on the reverse side of this ballot, all of the shares of Common stock of ORACLE CORPORATION that the stockholder(s) is/are entitled to vote at the Annual Meeting of Stockholders to be held at 10:00 AM, PST on November 4, 2020, at www.virtualshareholdermeeting.com/ORCL2020, and any adjournment or postponement thereof.

This proxy, when properly executed, will be voted in the manner directed herein. If no such direction is made, this proxy will be voted in accordance with the Board of Directors' recommendations.

Continued and to be signed on reverse side