

ORACLE

AND THE ENVIRONMENT



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

Oracle is committed to maintaining its facilities and operating its business in ways that minimize its impact on the environment.

Through a combination of green-minded business practices and employee involvement, Oracle strives to implement environmental best practices, and the company's efforts play a significant role in Oracle's overall corporate citizenship initiatives. As an office-based business, Oracle focuses on the following:

- Improving energy use performance
- Reducing global greenhouse gas emissions
- Adopting eco-friendly procurement procedures
- Reducing water consumption
- Transportation
- Recycling

Oracle's Approach

Global Environment Forum: Oracle Global Real Estate and Facilities leads an ongoing Global Environment Forum to implement environmental best practices throughout the company's facilities. The forum reviews the company's energy and environmental practices, discerns best practices, sets guidelines and goals, and monitors progress.

Business Practices Changes: Oracle has made changes to its business practices in areas such as procurement, product delivery, recycling, and transportation, and is taking a more eco-friendly approach to running its large marketing events.

Oracle's Initiatives

U.S. EPA Climate Leaders: Oracle was the first software company to voluntarily participate in the United States Environmental Protection Agency's (EPA) Climate Leaders Program in 2004. This industry/government partnership requires members to develop long-term, comprehensive greenhouse gas (GHG) emissions-reduction goals and monitor and report progress to the EPA. Oracle will achieve its reduction goals almost entirely through more efficient energy use such as:

- Global replacement of incandescent lamps with compact fluorescent lamps (CFLs) and light-emitting diodes (LEDs) in all Oracle-owned buildings
- Upgrades to heating, ventilating, and air conditioning (HVAC) systems, and energy management and control systems
- Energy efficient design and operation of data centers, including development of a benchmarking index for energy performance and the use of an innovative heat containment system
- Compressors upgraded with advanced variable-speed technology
- Energy management system upgraded from pneumatic to direct digital controls
- Advanced controls schemes for elimination/reduction of overlapping cooling and heating, and energy-efficient operation
- Manual override of motion sensors during unoccupied hours
- Use of photosensor-controlled lobby lights

[RESULTS]

Oracle's efforts to lessen its impact on our environmental surroundings, including investing in new equipment and changing certain business practices, have resulted in a more efficient, environmentally sound use of energy and resources. Specifically, at its corporate headquarters in Redwood Shores, California, Oracle has reduced electricity use by 12.4 percent, 14.7 percent, and 14 percent; and natural gas use by 11.1 percent, 10 percent, and 14.6 percent, respectively, over the past three years, compared with the baseline use of 2000. Oracle is also using more than 7 percent of renewable energy to power its main data center. The Austin Data Center is one of the most energy efficient data centers, using less than 0.5 kWh for cooling and ancillary energy for each kWh of IT equipment power use, which is less than 50 percent of the industry average of more than 1 kWh for each kWh of IT equipment power use.

U.S. EPA Green Power Partnership

Program: Oracle's Austin Data Center joined the EPA's Green Power Partnership Program in 2004. This program requires participating companies to purchase a minimum percentage of their power from clean and renewable sources (e.g., sun, wind). Oracle's green power purchase exceeds the minimum EPA requirement.

ISO 14001 Certification: Oracle's European and South African operations are certified to the ISO 14001 environmental standard in 14 countries. These operations have defined common objectives, set localized targets, and launched various initiatives including

- Saving 37,400 liters of water by operating a new waterless valet scheme
- Promoting hybrid vehicles as company car options
- Actively assessing vendors' environmental policy as part of the procurement process
- Using hydroelectric power when possible (100 percent use in Italy)
- Aggressively recycling paper goods
- Offering environmental awareness training to all employees
- Purchasing energy from sustainable resources

Climate Savers Computing Initiative:

As a member of Climate Savers, Oracle has committed to improve energy efficiency by purchasing initiative-compliant, high-efficiency computers and servers, and enabling their power management capabilities.

Oracle's Green Business Practices

Supply Chain and Suppliers: In addition to becoming more conscious about its own impact on the environment, Oracle also considers if its key suppliers are doing the same. Examples of how Oracle works with its suppliers include the following:

- Included environmental selection criteria within its Managed Supplier Partner program. Oracle evaluates tier 1, 2, and 3 suppliers, in part, on their environmentally friendly policies and practices.
- Changed PC procurement to ensure suppliers preinstall power-saving enablers on every PC delivered to Oracle.
- Implemented dual-sided printing, thereby reducing paper consumption.
- Extended the use of remanufactured toner cartridges.

Products and Packaging: Oracle has reduced the environmental impact of internal manufacturing and distribution operations by consolidating warehouse facilities and moving to electronic delivery of software and documentation. After moving to electronic distribution in 1998, Oracle has reduced the amount of printed documentation it ships by more than 96 percent.

Recycling: Almost since its founding, Oracle has had a formal program to recycle waste by-products found in most office environments: batteries, bottles, cans, cardboard, CDs, computers, paper, toner cartridges, and more. Examples of Oracle's efforts in this area include the following:

- Approximately 71 tons of paper, cardboard, cans, bottles, and plastic are recycled each year at its headquarters in California.
- Oracle builds global partnerships with leading IT hardware recycling companies to retire all Oracle IT hardware and technology assets in an environmentally friendly manner. Oracle has set a high global standard, using the U.S. and Singapore environmental laws as a basis, regardless of whether other countries have lower standards. Oracle also works with its partners to donate refurbished computers, where feasible, to nonprofit organizations.

Transportation Alternatives: Oracle is committed to decreasing the number of cars on the road and has established alternative commuter programs. Oracle has been consistently recognized as one of the "Best Workplaces for Commuters" by the EPA. Oracle sponsors shuttles to and from local train stations, and provides bicycle lockers, priority carpool parking, OraBikes for local use, vanpool programs, and discounted public-transit tickets for employees.

Marketing Events: Oracle Marketing has made its large global conferences more eco-friendly by, for example, using recycled carpeting, making materials available online, encouraging use of Nalgene water bottles, printing all items on recycled paper, and increasing the use of hybrid vehicles for customer and executive transportation.

To learn how individuals can make an impact, please visit The Nature Conservancy's Web site at www.nature.org/initiatives/climatechange/calculator