



# 2023 Oracle Statement Against Modern Slavery

Oracle Corporation and its subsidiaries (“Oracle”) is committed to treating all workers with respect and dignity, ensuring safe working conditions, and conducting environmentally responsible and ethical operations.

This statement describes the actions taken by Oracle during our fiscal year 2023 (June 1, 2022 to May 31, 2023) to prevent modern slavery and human trafficking in its business and supply chain and in any part of its own business. Oracle is issuing this statement pursuant to applicable laws concerning modern slavery, including but not limited to, the UK Modern Slavery Act, Modern Slavery Act 2018 Australia, and California Transparency in Supply Chains Act of 2010.

Oracle references “modern slavery” in this statement to include slavery, servitude, forms of child labor, forced labor, human trafficking, debt bondage, slavery-like practices (such as forced marriage), deceptive recruiting for labor or services, as well as violation of other human rights as defined under applicable laws.

## Consultation with Entities Owned or Controlled by Oracle

To prepare this statement, Oracle engaged with the reporting entities covered by this statement, consulted the entities it owned or controlled, and other stakeholders. A collaborative approach is undertaken in combating any modern slavery risks with engagement from senior management downwards through owned and controlled entities, with risks remediated through policies, education, and compliance activities.

## Oracle’s Organizational Structure, Operations, and Supply Chains

Oracle is headquartered in Austin, Texas with operations in 175+ countries, including Australia, Brazil, Canada, France, Germany, India, Ireland, Japan, the Netherlands, Romania, the United Kingdom, and the United States.

As of May 31, 2023, Oracle employed approximately 164,000 full-time employees, including approximately 35,000 in sales and marketing,

### Related policies

[Oracle Employee Code of Ethics and Business Conduct](#)

[Oracle Partner Code of Ethics and Business Conduct](#)

[Oracle Supplier Code of Ethics and Business Conduct](#)

[Policy against Trafficking in Persons and Slavery](#)

[RBA Code of Conduct](#)

[Responsible Labor Initiative](#)

[Oracle’s Conflict Minerals Report](#)

approximately 27,000 in cloud services and license support operations, approximately 39,000 in services, approximately 47,000 in research and development, approximately 13,000 in general and administrative positions, and approximately 3,000 in hardware. Of these employees, approximately 62,000 were employed in the U.S. and approximately 102,000 were employed internationally. Oracle Corporation Australia Pty Limited (ACN 003 074 468) and Oracle Global Services Australia Pty Ltd (ACN 632 743 689) employ approximately 2,000 employees in Australia. Oracle Corporation UK Limited (Company Reg. No. 1782505) and Oracle Global Services Limited (Company Reg. No. SC246876) employ approximately 5,000 employees in the United Kingdom.

Oracle provides products and services that address all aspects of corporate information technology (IT) environments—applications, platform, and infrastructure. Oracle applications, platform, and infrastructure offerings are delivered to customers worldwide through a variety of flexible and interoperable IT deployment models which enable customer choice and flexibility. Oracle markets and sells globally to businesses of many sizes, government agencies, educational institutions, and resellers with a worldwide sales force positioned to offer the combinations that best meet customer needs.

Oracle has three businesses. One is the Cloud and Software business, which is comprised of (i) New Software Licenses, (ii) Software Support, and (iii) Cloud Services. The second is the Hardware business, which is comprised of (i) Hardware Systems Products and (ii) Hardware Systems Support. Oracle Cloud and Software and Oracle Hardware are collectively referred as "Oracle Solutions". The third business is Oracle Services, which is comprised of related services to end-user customers that have purchased Oracle Solutions and are seeking additional after-sale services, such as Consulting, Managed Cloud Services, and Education. These businesses are supported by a significant amount of technical infrastructure, including data centers located in the U.S. and other countries.

To produce hardware products that Oracle markets and sells to customers and that Oracle utilizes internally to deliver as a part of the Oracle Cloud operations, Oracle relies on both internal manufacturing operations as well as manufacturing partners located in North America, Europe, and Asia-Pacific countries, including China, Japan, Malaysia, Philippines, Singapore, South Korea, Taiwan, Thailand and Vietnam.

Oracle's internal manufacturing operations consist primarily of strategic sourcing, materials procurement, assembly, testing, and quality control of Oracle Engineered Systems, certain enterprise and data center servers, and storage products. For all other manufacturing, Oracle generally relies on manufacturing partners to produce hardware-related components and hardware products. Oracle may involve internal manufacturing

operations in the final assembly, testing, and quality control processes for these components and products. Production of hardware products requires that Oracle purchase materials, supplies, product subassemblies, and fully assembled products from a number of suppliers. Oracle works closely with direct hardware manufacturing suppliers to understand and evaluate their supply chain practices.

Oracle's procurement team manages Oracle's suppliers of goods and services for internal use. This team contracts with suppliers that provide everything from advertising services to office supplies.

### **Oracle's Policies in Anti-Slavery and Anti-Human Trafficking**

Oracle's Employee [Code of Ethics and Business Conduct](#) ("CEBC") defines Oracle's values and continued commitment to ethical business practices and legal compliance. The CEBC sets forth key rules and provides links to policies and resources to help employees understand Oracle's business values and responsibilities. All Oracle employees are required to comply with the CEBC. Employees' understanding of the CEBC is reinforced through online training upon hire and annually thereafter. The CEBC establishes Oracle's commitment to support and respect the protection of human rights and reinforces that Oracle's business partners and suppliers do the same.

This commitment is further described in Oracle's [Human Rights Statement](#) that references respect for specific international human rights instruments that prohibit all forms of modern slavery and human trafficking. The statement aligns with the Organization for Economic Cooperation and Development Guidelines for Multinational Enterprises on Responsible Business Conduct, the [ILO Declaration on Fundamental Principles and Rights at Work](#), and other relevant laws, regulations, statements, and declarations, which call for the prohibition and elimination of slavery, forced servitude and compulsory labor, including child labor.

Oracle requires all suppliers and partners to embrace Oracle's commitment to integrity and ethical behaviour through the [Oracle Supplier Code of Ethics and Business Conduct](#) ("SCEBC") and [Oracle Partner Code of Ethics and Business Conduct](#) ("PCEBC"). Oracle's Employee, Supplier, and Partner Codes of Conduct are available in various languages, including English, Chinese, Dutch, French, German, Italian, Japanese, Korean, Portuguese, Russian, Thai, and Spanish.

Furthermore, as a member of the [Responsible Business Alliance](#) ("RBA"), Oracle's Supply Chain Operations ("SCO") and Supply Chain Legal, manages and monitors the Environmental, Social, and Governance ("ESG") inquiries for Oracle's direct hardware supply chain in accordance

with the [RBA Code of Conduct](#) (“RBA Code”), which is incorporated into Oracle’s standard supplier agreements.

The CEBC, SCEBC, PCEBC and RBA Code (“Codes”), combined with Oracle’s supply chain due diligence efforts and supplier capacity building programs, provide the key mechanisms used to prevent and mitigate risks of modern slavery and human trafficking in the supply chain. The Codes set standards designed to protect the health, safety, and treatment of workers, including the prohibition of any form of modern slavery, including forced, bonded, or indentured labor, involuntary prison labor, sex trafficking, and human slavery or trafficking. Any violation of these standards by an Oracle employee can result in disciplinary action, including termination of employment. Any violation by a supplier may result in penalties including contract termination.

### **Modern Slavery Risks Assessment and Mitigation of Risks**

Oracle’s responsible sourcing and human rights initiatives across the company and its supply chains are managed by an internal core group whose members include the ESG team, the global sustainability team, the SCO and indirect procurement teams, the compliance and ethics team, the conflict minerals compliance team, the human resources team, and the government affairs team. This group develops company strategies, shares best practices, and builds awareness to facilitate continuous improvement of Oracle’s human rights initiatives across the company and its supply chains.

Oracle continues to regularly assess modern-slavery risks in its own operations and supply chains, and of those entities it owns or controls. Oracle also assesses external risks. SCO assessment processes involve review and analysis to (a) identify strategic suppliers within the supply chain and (b) identify, rank, and rate the actual and potential risk factors related to that supplier, commodity, manufacturing type, region, and their supply chain. These factors include, but are not limited to, country and sector risk profiles, external reports and standards, publicly available risk assessment ratings such as US CBP, membership in organizations such as the RBA, where codes of conduct form part of the membership criteria, supplier self-assessment findings, and third party or Oracle audit results.

Such risks that Oracle evaluates include the use of third-party supplier factories, third-party mining of conflict minerals, and third-party production of raw materials.

While modern slavery can be found among any population, Oracle recognizes certain groups are particularly vulnerable, including:

- Domestic and foreign migrant workers
- Contract, agency, and temporary workers

- Vulnerable populations (e.g., refugees)
- Young or student workers

While modern slavery can be found in all countries, some countries are associated with a higher risk for modern slavery, for example, countries with large populations of migrant workers, with weaker labor law enforcement, where charging workers recruitment fees is common practice, or where modern slavery prevalence has been well documented. Based on the Global Slavery Index and review of Oracle's business and supply chain footprint, Oracle understands that some of those countries in which Oracle does business may present higher risks for modern slavery, requiring additional due diligence, partnership, and collaboration.

Oracle or RBA's third-party independent auditors regularly audit the results of the risk assessment on hardware suppliers' facilities, and Oracle actively monitors the results of such audits and responds to any audits of concern involving Oracle suppliers. Audits are scheduled in advance. The scope of these audits may include in-depth factory tours, meetings with management, human resources, environment, health and safety, on-site interviews, document reviews, and assessments of related areas such as dormitories, factory work areas, restrooms, cafeterias, wastewater treatment facilities, and warehouses. The audit protocol is designed to assess high-risk suppliers' performance in the areas covered by the Codes, including modern slavery risk. Identified issues are investigated during the initial audit to determine root causes and develop corrective action plans. The auditors are trained to report any concerns they observe on an ongoing basis. In conjunction with RBA's initial audit activities and associated timelines, any priority or major findings are escalated to suppliers and monitored by Oracle via Strategic Sourcing's quarterly Supplier Scorecards and quarterly Executive Supplier Business Reviews.

Based upon these assessments, Oracle implements changes in its processes for management of modern slavery risks, as described in the next section.

### **Actions Taken by Oracle to Address Risks Including Due Diligence and Remediation Processes in Relation to Anti-Slavery and Anti-Human Trafficking**

Oracle enforces its Codes and the [Policy against Trafficking in Persons and Slavery](#) through supplier contracts, supplier assessments and audits, and capability building programs. Together, these components comprise a due diligence process that identifies, monitors, and mitigates the risk of human trafficking or forced labor in Oracle's supply chains.

Oracle's ESG team partners with Oracle's factory and sourcing managers to ensure that suppliers conform to the Codes' requirements, including labor rights, ethics, environmental protection, and occupational health and safety. Specifically, Oracle prohibits any form of human trafficking or involuntary labor through threat, force, fraudulent claims, or other coercion.

Oracle's hardware direct suppliers certify through the onboarding process, contract warranties and regular assessments that the products, including the materials within the products, and supplier's manufacturing processes comply with all applicable laws and regulations, which include laws against human trafficking and slavery. Oracle includes terms in its supplier contracts obligating suppliers to comply with Oracle's policies, including anti-slavery and human trafficking standards, as well as the RBA Code of Conduct, with a breach of such obligations potentially resulting in termination of the contract and/or business relationship with Oracle.

All new and directly contracted hardware suppliers for Oracle servers, devices, and their packaging material and components undergo initial risk and capability assessments and audits to assess their conformance, including risks of human trafficking and slavery. Third-party auditors conduct these audits and assessments using a checklist composed of RBA requirements. During the review process, auditors examine documentation, visit production lines, dorms, canteens, and waste storage facilities, and conduct face-to-face interviews with workers and factory management. After the initial baseline assessment, Oracle's ESG team monitors the performance of all directly contracted suppliers. Subject to government and health safety restrictions, Oracle's ESG team supplements these third-party audits with third party onsite assessments of high- and medium-risk component suppliers' factories.

If non-conformances are detected, ESG, Sourcing, and Manufacturing teams work closely with the supplier to develop corrective action plans to resolve detected issues, including providing links to education and training. The supplier is required to identify the root cause of the non-conformance, establish a corrective course of action, and implement preventive actions for all issues found. The supplier must correct issues within specific deadlines based on the severity of the non-conformance or risk termination of its business relationship with Oracle.

Oracle complies with the reporting and other obligations under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 in relation to Conflict Minerals. As part of this reporting obligation, Oracle has determined that components in its hardware products contain Conflict Minerals, and that the Conflict Minerals are necessary to the functionality of the hardware products. For additional details, please see [Oracle's Conflict Minerals Report](#). Oracle drives responsible sourcing of raw

materials through its extended supply chain by surveying in-scope suppliers' sourcing in their own supply chains. Oracle also use tools that include supplier and smelter capability development and support broader industry efforts to promote responsible mining and sourcing. Finally, Oracle conducts audits of Oracle's directly contracted suppliers to verify conformance to Oracle requirements.

### **Effective Action Taken to Address Modern Slavery and the Results of These Actions**

In Fiscal Year 2023, Oracle completed 49 audits based on the RBA Code of Conduct at hardware supplier factory locations. The process is to check initial audit findings and results and then escalate to the supplier manufacturing site or other applicable location in order to remedy all findings before the closure audit. During Fiscal Year 2023, Oracle identified a single priority 1 issue related to a third-party charging recruiting fees. This issue was addressed and corrected before the closure audit. During these assessments and audits, improvement opportunities were identified in the areas of labor documentation, policy, contingency planning, health, safety, and environmental compliance or labor agency contracts. In these cases, corrective actions were developed and validated by the ESG and SCO teams with continuous monitoring for effectiveness.

Oracle established due diligence strategies and procedures as a basis for direct hardware supply chain management and disclosure compliance based upon the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

Oracle is a member of the RBA's [Responsible Labor Initiative \(RLI\)](#), a multi-industry, multi-stakeholder initiative focused on ensuring that the rights of workers vulnerable to forced labor in global supply chains are consistently respected and promoted. Oracle is also a member of techUK's [Responsible Business Conduct Group](#). Oracle plans to use RBA's "*Specialty Validated Assessment Program (SVAP) on Forced Labor*" as a potential supplement to the current state VAP audits for suppliers with factories where high labor content and low-skilled workers are employed. This is an audit program based exclusively on identifying the risk of forced labor at a manufacturing site or via a Labor Provider (such as a labor agent or recruitment agency). The elements of the SVAP audit were carefully constructed to create a specialized assessment program limited in scope to only focus on provisions related to forced labor. In addition, Oracle is researching third-party sources to scan for supplier risks searches, news alerts, press releases, and other public media, as well as evaluating automation opportunities for such alerts using existing Oracle tools.

## **Training on Anti-Modern Slavery and Anti-Human Trafficking**

As part of the Oracle ESG program, employees and management are trained on the risks and issues associated with human trafficking and slavery, including methods of mitigating risks within hardware supply chains. To increase awareness of human trafficking and modern slavery risks, Oracle provides annual training to its SCO sourcing teams, who work directly and indirectly with Oracle's sourcing and product management teams. Training on Codes reinforces the expectation that employees, temporary workers, and contractors (collectively, "workers") follow applicable laws and report concerns of illegal or unethical activity. Oracle trains workers to conduct due diligence to identify and avoid working with parties that engage in modern slavery or other illegal practices.

Oracle will continue to communicate and provide resources to its employees over the course of this year and in the future to increase awareness of risks of modern slavery, steps to be taken to identify and mitigate those risks, and continue to make resources available for these purposes.

Oracle ensures accountability in these policies by providing multiple routes for employees, suppliers, rights holders and other stakeholders to report their concerns to Oracle. The Codes identify how concerns can be submitted, including anonymously through use of Oracle's Integrity Helpline at 800-679-7417, or for issues regarding a facility or employee based in the European Union, call the EU Helpline at 866-455-1215. The Integrity Helpline allows employees and others to ask compliance questions and anonymously report concerns regarding Oracle's and its suppliers' business operations. Oracle investigates and, where appropriate, implements or requires of its suppliers remedial action to address reported incidents, such as additional training, testing, and monitoring.

## **Assessing the Effectiveness and Results of the Actions Being Taken by Oracle to Assess and Address Modern Slavery Risks**

Oracle recognizes that its review and assessment of its actions to identify and address modern slavery risks in its operations and across its supply chain will be an ongoing and evolving process. Oracle will continue to monitor the effectiveness of the process and procedures and will continually assess the effectiveness of its actions by tracking outcomes, reviewing and addressing information reported by employees, customers, suppliers, or other stakeholders and third parties, engaging with suppliers, and regularly undertaking internal governance and external assurance processes. Such efforts include reviewing Oracle's actions on at least an annual basis, and on an ad hoc basis as needed, regularly engaging with suppliers regarding compliance issues, tracking



relevant metrics, and maintaining active memberships with industry groups working to prevent or mitigate human trafficking and related issues. Oracle is committed to drive continuous improvement of its existing policies.


## Conclusion

Oracle remains committed to its responsibility to respect human rights across all operations. In line with Oracle's ongoing efforts, it is committed to driving continuous improvement by building supplier engagement on topics related to slavery and human trafficking, furthering engagement with relevant industry groups and external stakeholders, and promoting collaboration and benchmarking to assess human rights risks.

For more information on Oracle's efforts to empower people, strengthen communities, and protect our planet, please visit [www.oracle.com/citizenship](http://www.oracle.com/citizenship).

This statement was reviewed by relevant internal teams and approved by Oracle Corporation.

Date: 30 October 2023

DocuSigned by:  
  
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Stuart A. Levey  
Executive Vice President and Chief Legal Officer

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