

# Welcome to your CDP Climate Change Questionnaire 2020

## C0. Introduction

### C0.1

#### **(C0.1) Give a general description and introduction to your organization.**

Oracle Corporation provides products and services that address all aspects of corporate information technology (IT) environments—applications, platform and infrastructure. Our applications, platform and infrastructure offerings are delivered to customers worldwide through a variety of flexible and interoperable IT deployment models, including cloud-based, on-premise, or hybrid, which enable customer choice and flexibility. We market and sell our offerings 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.

Scale:

- US\$39.5 billion total GAAP revenue in FY2019
- 430,000 customers in 175 countries
- 25,000 partners worldwide
- More than 136,000 employees
- 14,000 customer support specialists, speaking 29 languages
- 19,000 implementation consultants
- Key industries: financial services, manufacturing, communications, media and entertainment, utilities, tax, public sector, education and research, life sciences, healthcare, travel and transportation, consumer products, aerospace and defense, automotive, professional services, and natural resources

Innovation and Investment:

- #19 of 100 most valuable global brands (Interbrand Best Global Brands 2018 Rankings)
- More than 18,000 patents worldwide
- 38,000 developers and engineers
- 484 independent user communities in 92 countries representing more than 1 million members
- 5 million registered members of the Oracle Developer Community

Other:

- Headquarters: Redwood Shores, California
- Major operations in the United States, India, the United Kingdom, Japan, Germany, Canada, , France, Australia, Brazil, the Netherlands, Romania, and Ireland
- Fiscal year: June 1 to May 31

For more information about Oracle (NYSE:ORCL), visit [oracle.com](http://oracle.com).

## C0.2

**(C0.2) State the start and end date of the year for which you are reporting data.**

	Start date	End date	Indicate if you are providing emissions data for past reporting years
Reporting year	January 1, 2019	December 31, 2019	No

## C0.3

**(C0.3) Select the countries/areas for which you will be supplying data.**

Albania  
Algeria  
Argentina  
Armenia  
Australia  
Austria  
Bahrain  
Belarus  
Belgium  
Brazil  
Bulgaria  
Canada  
Chile  
China  
Colombia  
Costa Rica  
Côte d'Ivoire  
Croatia  
Cyprus  
Czechia  
Denmark  
Egypt  
Estonia  
Finland  
France  
Germany  
Ghana  
Greece  
Hungary  
India  
Indonesia  
Ireland  
Israel  
Italy

Japan  
Jordan  
Kazakhstan  
Kenya  
Kuwait  
Latvia  
Lebanon  
Lithuania  
Luxembourg  
Malaysia  
Malta  
Mauritius  
Mexico  
Morocco  
Netherlands  
New Zealand  
Nigeria  
North Macedonia  
Norway  
Oman  
Pakistan  
Peru  
Philippines  
Poland  
Portugal  
Puerto Rico  
Republic of Korea  
Romania  
Russian Federation  
Saudi Arabia  
Senegal  
Serbia  
Singapore  
Slovakia  
Slovenia  
South Africa  
Spain  
Sri Lanka  
Sweden  
Switzerland  
Taiwan, Greater China  
Thailand  
Turkey  
Ukraine  
United Arab Emirates  
United Kingdom of Great Britain and Northern Ireland

United States of America  
Viet Nam

## C0.4

**(C0.4) Select the currency used for all financial information disclosed throughout your response.**

USD

## C0.5

**(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.**

Operational control

# C1. Governance

## C1.1

**(C1.1) Is there board-level oversight of climate-related issues within your organization?**

Yes

### C1.1a

**(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.**

Position of individual(s)	Please explain
Chief Executive Officer (CEO)	<p>Oracle's CEO is responsible for climate-related issues relevant to Oracle. This CEO is a member of Oracle's Board of Directors, and signatory to Oracle's Environmental Policy, empowering Oracle's executive Environmental Steering Committee, which presents its findings and recommendations to the CEO on an ongoing basis. The CEO is responsible for Oracle's global operations, encompassing key aspects of the business that are relevant to climate change, including Real Estate and Facilities, Procurement, Human Resources, Finance, Legal, and Risk Management.</p> <p>In 2019, Oracle's CEO signed the Business Roundtable Statement on the Purpose of a Corporation which addresses several key issues corporations need to help address including maintaining a healthy environment and a sustainable economy.</p>

## C1.1b

**(C1.1b) Provide further details on the board’s oversight of climate-related issues.**

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – all meetings	<p>Reviewing and guiding strategy</p> <p>Reviewing and guiding major plans of action</p> <p>Reviewing and guiding risk management policies</p> <p>Overseeing major capital expenditures, acquisitions and divestitures</p> <p>Monitoring and overseeing progress against goals and targets for addressing climate-related issues</p>	<p>Oracle’s CEO is responsible for reviewing and guiding strategy around environmental and climate- related issues. In 2017 the CEO reviewed and approved Oracle’s 2020 sustainability goals, which include Oracle Cloud data centers, real estate and facilities, and development sites, and oversees the company’s energy procurement strategy. Oracle’s Environmental Steering Committee (ESC), led by the Chief Sustainability Officer (CSO), reports to the CEO regarding strategic developments and KPI’s related to the progress against goals on an ongoing basis. In 2019 the ESC was expanded to include several new business leaders including Legal, Marketing, &amp; our General Business Units (GBU’s).</p> <p>In 2019, Oracle’s ESC under executive approval decided to conduct a climate-related scenario analysis for its most critical facilities (headquarters, data centers, and offices). In 2020, Oracle conducted the scenario analysis to assess its climate-related risks and opportunities under an RCP8.5 and an RCP4.5 scenario, in 2020 and by 2040. The analysis revealed coastal flooding, temperature extremes, and storm damage to be Oracle’s top risks under both scenarios. The findings from this analysis will be shared with Oracle’s RMRP team, the ESC, Oracle’s business continuity, and executive leadership team to inform our future climate-related business strategy.</p>

## C1.2

**(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.**

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
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Chief Sustainability Officer (CSO)	Both assessing and managing climate-related risks and opportunities	More frequently than quarterly
Sustainability committee	Both assessing and managing climate-related risks and opportunities	Quarterly

## C1.2a

**(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).**

Oracle's Chief Sustainability Officer (CSO) oversees the company's overall sustainability strategy and also sets the strategic direction for Oracle to enable thousands of its customers to become more sustainable through the use of Oracle solutions.

The CSO, who reports to Oracle's CEO on sustainability, also chairs the internal Environmental Steering Committee (ESC), which was launched in 2008. The ESC (Oracle's equivalent of a "Sustainability Committee" as defined by CDP above) establishes the company's sustainability goals and meets quarterly to define strategy and monitor progress. The ESC is comprised of senior individuals from a wide range of Oracle business units, who, in turn, lead working groups within their respective business units. The CSO and the ESC are responsible for climate-related issues and foster cross-functional collaboration within the company. Issues addressed range from data center operations to employee engagement.

The ESC is also responsible for identifying strategic business opportunities related to climate change. For example, ESC members have been working to embed sustainability into Oracle's fast-growing Cloud business—from operating energy efficient data centers and signing the Corporate Colocation and Cloud Buyers' Principles for renewable energy (Real Estate and Facilities), to conducting research and training around the circular economy (Product Design and Hardware Development) and establishing Oracle's sustainability goals.

The process through which the ESC monitors climate-related issues includes a detailed materiality assessment that is used to benchmark and monitor climate-related issues (risks and opportunities) that are most relevant to our business. Key issues identified in the most recent iteration include: integrating sustainable business thinking, including circularity and climate change, and leveraging our technology for economic, social, and environmental value creation. Key outcomes and action items from ESC meetings are reported up to the CEO on a quarterly basis, and down to the relevant business units more frequently than quarterly.

The ESC includes the following members:

CSO and Supply Chain Group VP, Asst. General Council, Sales SVP, Real Estate/Facilities VP, Real Estate/Facilities Sr. Director, Marketing VP, EH&S Director, Citizenship Exec. Director, Supply Chain VP, HR & Philanthropy VP, Sustainability Sr. Director, Hardware Development SVP, Global Procurement VP, Government Affairs VP, Manufacturing and Distribution VP, Regional Country Leader VP, Cloud Legal VP, Cloud Datacenter Services VP, GBU SVP.

All members of the ESC are senior managers at Oracle and, as a Committee, are empowered by and answerable to Oracle’s CEO, who is also a member of Oracle’s Board of Directors. Among the ESC members, one reports directly to the CEO, and nine others are in her management chain; five members are in the management chain of Oracle Executive Chairman and Chief Technology Officer.; and two members are in the management chain of Oracle’s other CEO. This structure enables the ESC to adopt a cross-functional and collaborative approach while assessing and managing climate-related issues.

To supplement the quarterly ESC meetings, more than 50 individuals representing the various business units convene at an annual, in-person meeting to align our efforts and strategize for the upcoming year. Findings and action items from this meeting are reported up to the ESC, assigned to the relevant business units (Supply Chain, Corporate Citizenship, etc.) and are noted and tracked in a consolidated document. Issues are monitored via monthly meetings, where members from each business unit share their progress and collaborate on outstanding issues. The action items often address issues related to business continuity, including exposure to physical climate events or climate-related regulation that could potentially disrupt our business.

In addition, Oracle’s Risk Management and Resiliency (RMRP) and EHS teams assess the potential severity and scale of natural disasters (e.g. hurricanes, earthquakes, etc.) and accordingly formulate contingency and resiliency plans on an annual basis. The RMRP process includes a planning, documenting, and testing cycle that assesses Oracle’s resiliency to respond to physical risks, including climate-related natural disasters. Sustainability team members are also included in Oracle’s cross-functional Risk Engagement Group (OREG), which connects risk managers and key stakeholders across Oracle and provides an open forum for building awareness and sharing best practices around companywide risks, including those related to climate change. The OREG serves as an informal and independent supplement to Oracle’s formal RMRP process, and issues raised by OREG members are considered as part of the formal RMRP process as appropriate.

## C1.3

**(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?**

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	

## C1.3a

**(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).**

Entitled to incentive	Type of incentive	Activity incentivized	Comment
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Chief Sustainability Officer (CSO)	Monetary reward	Emissions reduction project	Oracle has several executives—including the Chief Sustainability Officer and other members of the Environmental Steering Committee—whose roles focus on leading the company’s sustainability strategy and efforts. Annual bonuses and related compensation for such individuals are partially tied to their success in driving
Environment/Sustainability manager	Monetary reward	Emissions reduction project	Oracle has several environmental and sustainability managers, whose roles are focused on implementing processes and initiatives to advance sustainability across the company. Annual bonuses and related compensation for such individuals are partially tied to their success in driving Oracle’s sustainability efforts.
All employees	Non-monetary reward	Emissions reduction project	<p>As part of the Sustainability Champions program, Oracle recognizes employees who help attain Oracle’s sustainability goals, thereby reducing our environmental footprint. Sustainability Champions are recognized in Oracle’s internal sustainability newsletter, and receive a ‘Sustainability Champion’ badge to include in their employee profiles.</p> <p>Oracle’s 2019 Sustainability Champions included a group of employees in Romania that started an Eco Team committed to raising awareness regarding environmental issues and providing alternatives to address them. Most recently, their primary challenge has been that only plastic tableware is available in the Bucharest offices. To reduce the use of these single-use plastics, they engaged in several initiatives, including offering re-usable cups for employees and making stainless steel cutlery available. According to estimations, the team reduced the use of about 60,000 single-use plastic cups in less than one year. Other winners included a team in Amsterdam that held several activities including; arranging informational sessions about electric vehicles, motorcycles, bikes,</p>

			<p>and other forms of sustainable transportation; granting free bike maintenance and repair, and the benefits of recycling/swapping clothing. Additionally, a member on this team also served as the project leader for a 'plastic fishing' event in the canals of Amsterdam. In India award winners included an internal "Green Warrior Team" who conducted several activities including, the planting of trees, encouraging the use of reusable and recyclable products, avoiding single-use plastics, educating rural and urban communities (including students) to use healthy sustainable resources to reduce waste, promoting and using organic products, saving water, and cleaning public places, parks, schools and orphanages. This team was also responsible for planting more than 30,000 trees in the last two years. In the US Oracle recognized a member of the Oracle Event and Marketing team. For more than 10 years the Event and Marketing team has worked to ensure Oracle events like OpenWorld are on track to meet the goals of zero-waste and carbon-neutrality.</p>
All employees	Non-monetary reward	Behavior change related indicator	<p>Through the annual Oracle Volunteers Awards, Oracle recognizes and rewards employees who lead outstanding volunteer projects in collaboration with environmental non-profit organizations globally. Projects are judged on impact, leadership, and innovation. Each winning project leader receives an "Excellence in Project Leadership" badge, an award certificate, and a \$500 donation to the partner non-profit organization.</p> <p>In 2019 Oracle Volunteers teamed up with environmental non-profits on projects to restore habitats, plant trees, clean up beaches and parklands, protect wildlife, and more. In 2019 33,949 Oracle Volunteers donated over 124,900 hours across 1,543 projects.</p>

			<p>Examples include; In the United States volunteers assisted non-profits focused on ocean conservation, mammal rescue and rehabilitation, habitat restoration, inland and coastal garbage and plastic removal, trail reconstruction, tree plantings, and other environmental specific volunteering projects. In Busteni, Romania, Oracle Volunteers got out into nature and cleaned up Bucegi Natural Park with SinVi. In Dublin, Ireland, Oracle Volunteers supported the Department of Culture, Recreation and Economic Services, by collecting loads of rubbish from Fairview Park. In Lagos, Nigeria, employees celebrated World Oceans Day by participating in a beach clean up with Mental and Environmental Development Initiative for Children (MEDIC). In Santiago, Chile, Oracle Volunteers teamed up with Fundacion Inspira to build out a healing garden for patients of a local hospital. On the coast, in Puchuncaví, employees rallied together to clean the beach with Sea Shepard Chile. In Tokyo, Japan, Oracle Volunteers spent time outdoors tending to community flowerbeds outside our office with the Aoyama Town Association. In Bangalore, India, more than 130 new hires planted trees with the Rotary Bangalore, while in Mumbai, Oracle Volunteers participated in a massive beach clean-up with World Wildlife Fund India.</p>
Other, please specify Real Estate and Facilities team members	Non- monetary reward	Emissions reduction project	Members of Oracle's Real Estate and Facilities team are eligible to earn recognition for a variety of achievements, including sustainability performance.
All employees	Non- monetary reward	Behavior change related indicator	In 2019, Oracle launched the Green Team recognition program. This program includes "recognition badges" for green team members who have exemplified sustainability in the workplace. For example, a Romanian based team was recognized after implementing a "reusable tableware" program at our Romania offices,

			reducing over 60,000 single use utensils. Oracle continues to cultivate and recognize its employees making sustainability a part of their day to day jobs. Each was awarded a “green Teams” badge on their employee profile and a spotlight in Oracle’s internal Sustainability Newsletter. There are over 40 green teams worldwide.
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## C2. Risks and opportunities

### C2.1

**(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?**

Yes

#### C2.1a

**(C2.1a) How does your organization define short-, medium- and long-term time horizons?**

	From (years)	To (years)	Comment
Short-term	0	5	
Medium-term	5	15	
Long-term	15	30	

#### C2.1b

**(C2.1b) How does your organization define substantive financial or strategic impact on your business?**

While there are not fixed boundaries defining Oracle substantive financial or strategic impacts to its business there is materiality. The details of this materiality are included in our 10-K filings. Specific to the climate, the materiality/priority of each climate-related risk is analysed based on the same criteria used to assess other types of risks, including: probability, cost, and risk of non-action. If a climate risk is assessed as having the potential for significant chronic or acute impact on our core and/or strategic business functions, including service delivery and support, product development and deployment, supply chain management, facility operations, employee recruitment and retention, or brand reputation, we consider the risk to have potentially substantive financial/strategic impact. In these assessments, significant can range from zero-tolerance to qualitative thresholds, each vary on a case by case basis and are managed through our processes, controls, and corporate governance.

In 2019 Oracle's ESC approved the funding to implement a scenario analysis to further understand its climate risks. The scenario analysis was conducted in accordance with the Financial Stability Board Task Force on Climate-related Financial Disclosures (TCFD) recommendations and discloses the various risks to Oracle. This analysis found that the most significant impact under both climate scenarios in the short term is temperature extremes while in the medium and long-term, top risks are driven by coastal flooding and temperature extremes under both scenarios. The top opportunities across the short, medium, and long-term and both scenarios are energy efficiency, renewable energy price stability, and energy resilience.

## C2.2

**(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.**

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### **Value chain stage(s) covered**

Direct operations  
Upstream  
Downstream

### **Risk management process**

Integrated into multi-disciplinary company-wide risk management process

### **Frequency of assessment**

More than once a year

### **Time horizon(s) covered**

Short-term  
Medium-term  
Long-term

### **Description of process**

Climate -related materiality assessments are performed by Oracle's Environmental Steering Committee (ESC), which meets every quarter to address any climate-related risks, opportunities, and issues that have been identified in the previous three months. The evaluation process is ongoing at multiple scales, and the time-frame considered varies depending on the potential severity of risks identified but covers at least six years. The ESC reports its findings to Oracle's CEO quarterly. In addition, Oracle has several processes in place to identify and assess climate-related risks, both at company and asset level.

Oracle's Environmental Steering Committee (ESC) meets quarterly to address potential transitional risks around increased stakeholder concern, and members of each business unit convene annually at Oracle headquarters to align their efforts and strategize for the upcoming year. Findings and action items from these meetings are reported to the ESC, assigned to the relevant business units (Real Estate and Facilities, Supply Chain,

Corporate Citizenship, etc.) and are noted and tracked in a consolidated document. Each issue is monitored via monthly meetings, where members from each business unit report on their progress and collaborate on outstanding issues. The action items primarily address business continuity, including climate-related issues such as exposure to physical climate events that could potentially disrupt our business.

In 2019 Oracle's ESC approved the funding to implement a scenario analysis to further understand its climate risks. The scenario analysis will be in accordance with the Financial Stability Board Task Force on Climate-related Financial Disclosures (TCFD) recommendations and will be used to ensure Oracle is identifying and managing its physical and transition risks. The resulting analysis will be used to further augment all of Oracle's current risk management practices.

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### **Value chain stage(s) covered**

Direct operations  
Upstream  
Downstream

### **Risk management process**

A specific climate-related risk management process

### **Frequency of assessment**

More than once a year

### **Time horizon(s) covered**

Short-term  
Medium-term

### **Description of process**

Company level climate-related physical and transition risks and opportunities are assessed by several groups, including Real Estate and Facilities (which includes Environment Health and Safety and Energy Management), Corporate Citizenship, Sustainability Strategy, Supply Chain Operations, Public Policy, and Legal, who continuously monitor reputational risks and regulatory developments at international, national, state, and local levels. Potential risks are then documented and analysed for appropriate responses. For example, Oracle's Risk Management and Resiliency Program (RMRP) and Environmental Health and Safety (EHS) teams assess the potential severity and scale of natural disasters (e.g. hurricanes, earthquakes) and formulate contingency plans accordingly on an annual basis. The RMRP process includes a planning, documenting, and testing cycle that assesses Oracle's resiliency in response to physical risks, including climate-related natural disasters. Oracle's RMRP Program Management Office publishes a formal Risk Assessment template that provides for the identification and characterization of environmental and climate-related risks. Due to the distributed nature of Oracle operations, individual business units around the globe are responsible for identifying and planning for relevant environmental and climate-related risks associated with their specific geographies. For example, in

2019 Oracle’s Risk and Business Due Diligence teams developed process to establish risk profiles for all new Cloud regions as part of the site selection process. In 2019 this process was used in conjunction with Oracle’s new Cloud regions in South Korea, South America, and India. The profiles addressed regulatory risks, renewable energy, climate, natural disasters, and contingency plans and were integrated into the supplier and site selection process.

**Value chain stage(s) covered**

- Direct operations
- Upstream
- Downstream

**Risk management process**

A specific climate-related risk management process

**Frequency of assessment**

More than once a year

**Time horizon(s) covered**

Short-term

**Description of process**

Sustainability team members are also included in Oracle’s cross-functional Risk Engagement group (OREG), which connects risk managers and key stakeholders across Oracle and provides an open forum for building awareness and sharing best practices around company-wide risks, including those related to climate change. The OREG serves as an informal and independent supplement to Oracle’s formal RMRP process, and issues raised by OREG members are considered as part of the formal RMRP process, as appropriate.

**C2.2a**

**(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?**

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Oracle is subject to several state, federal, and international laws governing protection of the environment and climate change mitigation, including energy efficiency, end-of-life treatment of our products, and the use of certain chemical substances. For example, the EU Energy Efficiency Directive, the CRC Energy Efficiency Scheme in the UK, the EU Waste Electrical and Electronic Equipment Directive (WEEE Directive), and China’s regulation on Management Methods for Controlling Pollution Caused by Electronic Information Products impact Oracle’s business in those regions. Oracle’s Government Affairs, Real

		<p>Estate and Facilities, and Reverse Logistics teams closely monitor and manage Oracle’s compliance with such regulation as part of their risk assessment processes.</p> <p>Emerging environmental and climate-related regulation may impact several aspects of Oracle’s business, including our facility operations, and product design and stewardship. Oracle’s Government Affairs team and the Environmental Steering Committee monitor such regulation on an ongoing basis as part of Oracle’s risk assessment process. For example, the Government Affairs team closely monitors potential laws around energy efficiency and the circular economy in the EU.</p> <p>Oracle currently does not have a high-risk impact for litigation risks under an RCP8.5 or RCP4.5 scenarios. The actual values are being used in Oracle’s risk assessments.</p>
Emerging regulation	Relevant, sometimes included	<p>Emerging environmental and climate-related regulation may impact several aspects of Oracle’s business, including our facility operations, and product design and stewardship. Oracle’s Government Affairs team and the Environmental Steering Committee monitor such regulation on an ongoing basis as part of Oracle’s risk assessment process. For example, the Government Affairs team closely monitors potential laws around energy efficiency and the circular economy in the EU.</p> <p>Oracle currently does not have a high-risk impact for litigation risks under an RCP8.5 or RCP4.5 scenarios. The actual values are being used in Oracle’s risk assessments.</p>
Technology	Relevant, always included	<p>Technology risks are always included in Oracle’s climate-related risk assessments. For example, risks associated with Oracle’s cloud services data centers, including energy cost fluctuations, are closely monitored by the Cloud Investment and Planning team.</p> <p>Technology risks are always included in Oracle’s climate-related risk assessments. For example, risks associated with Oracle’s cloud services data centers, including energy cost fluctuations, are closely monitored by the Cloud Investment and Planning team.</p> <p>Oracle’s access to technology is relatively unaffected under an RCP8.5 and an RCP4.5 scenarios. The actual values are being used in Oracle’s risk assessments.</p>
Legal	Relevant, always included	<p>Legal and compliance risks associated with current or emerging regulation are always included in Oracle’s climate-related risk assessments. For example, Oracle is subject to several state, federal, and international laws governing protection of the environment and</p>

		<p>climate change mitigation, including the EU Energy Efficiency Directive, the CRC Energy Efficiency Scheme in the UK, and China's regulation on Management Methods for Controlling Pollution Caused by Electronic Information Products, all of which impact Oracle's business in those regions. The compliance requirements and costs associated with these regulations are substantial, and Oracle has several programs and processes in place to help ensure compliance, such as Oracle's Facility Environmental Compliance (FEC) program, which serves to aid regional facility teams in complying with relevant facility-based environmental and climate-related laws and regulations.</p>
Market	Relevant, always included	<p>Market risks, such as shifts in customer preferences toward low-carbon products, are always included in Oracle's climate-related risk assessments. The Sustainability Strategy team monitors market trends to inform product strategy. For example, the demand for low-carbon products drove an effort to train Oracle's hardware engineers in circular economy design principles, through "Design for Environment" guidelines.</p>
Reputation	Relevant, always included	<p>Reputational risks are always included in Oracle's climate-related risk assessments. For example, Oracle's performance on certain sustainability surveys/indices, including CDP and DJSI, could impact Oracle's reputation, and subsequently Oracle's business.</p> <p>Reputational risks are collectively managed by several lines of business, including Corporate Citizenship, Sustainability Strategy, Marketing, and Real Estate and Facilities. Oracle has several processes and initiatives in place to address reputational risks, including setting and achieving ambitious sustainability goals, as well as communicating about our sustainability efforts and accomplishments, both internally and externally. For example, Oracle's Corporate Citizenship Report, which highlights our sustainability efforts and achievements, is shared widely with Oracle's stakeholders. In recognition of our efforts, Oracle ranked #41 on 3BL Media's list of 100 Best Corporate Citizens for 2019.</p> <p>Based on the scenario analysis conducted for the 20 facilities, Oracle estimates minimal risk under RCP4.5 and marginal risk under RCP8.5 by 2040. The actual values are being used in Oracle's risk assessments.</p>
Acute physical	Relevant, always included	<p>Oracle's Risk Management and Resiliency Program (RMRP) and Environmental Health and Safety (EHS) teams assess the severity and scale of acute physical risks (e.g. hurricanes, typhoons, earthquakes, etc.) and formulate contingency plans accordingly on an annual basis. The RMRP process includes a planning, documenting, and testing cycle that assesses Oracle's resilience in response to physical risks, including climate-related natural disasters. Oracle's RMRP Program</p>

		<p>Management Office publishes a formal Risk Assessment template that provides for the identification and characterization of environmental and climate-related risks. For example, Oracle's RMRP team took several steps to proactively address the risks posed by Hurricanes Dorian, Humberto and Lorenzo in 2019. This included actively communicating with employees and preparing to re-route critical business operations to alternative offices.</p> <p>Storm damages poses a significant risk to Oracle, as the third highest financial risk. Unlike the two other top risks which are chronic, and therefore increase more drastically over time, storm damage presents a consistent steady increase in impact between 2020 and 2040. The Oracle Global Customer Support (GCS) Call Center HQ is most impacted by storm damage from Hurricane risk in particular.</p>
Chronic physical	Relevant, always included	<p>Chronic physical risks are considered as part of Oracle's climate-related risk assessments – including, for example, the impacts of rising mean temperatures and rising sea level on Oracle's facilities and data centers. Such risks are addressed by multiple lines of business, including Oracle's Real Estate and Facilities team, which incorporates chronic physical rise, such as sea level rise, into its site selection process. For example, in 2019, to combat the risk of flooding in the western regions of Chile, Oracle's Real Estate and Facilities team identified properties located on higher ground, as part of its site selection process. These site selection practices are still in effect today.</p> <p>The scenario analysis found that the most significant impact under both climate scenarios in the short term is temperature extremes while in the medium and long-term, top risks are driven by coastal flooding and temperature extremes under both scenarios.</p>

## C2.3

**(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?**

Yes

## C2.3a

**(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.**

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Identifier

Risk 1

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Chronic physical

Rising mean temperatures

**Primary potential financial impact**

Increased direct costs

**Company-specific description**

An increase in the mean (average) temperature could impact Oracle's business, especially in areas where we operate our data centers and labs, including in Austin, TX and Salt Lake City, UT. Hotter weather may result in higher energy and water consumption to cool our data centers, which could drive up operational cost. Increased demand for electricity could also result in a grid shutdown, which could negatively impact our business and operations. For example, the cooling system at Oracle's Austin Data Center is equipped to operate normally for about 5 hours during hot weather. An increase in mean temperatures could necessitate additional water supply, in the absence of which, the cooling system may cease to operate. Global warming could also result in rising sea levels, which could impact Oracle's facilities in certain coastal areas, including our headquarters in California. Oracle considers such climate-related risks when making long-term, strategic decisions around its real estate portfolio and operations.

**Time horizon**

Long-term

**Likelihood**

Likely

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

Yes, an estimated range

**Potential financial impact figure (currency)**

**Potential financial impact figure – minimum (currency)**

2,800,000

**Potential financial impact figure – maximum (currency)**

8,500,000

**Explanation of financial impact figure**

According to a U.S. Department of Energy Report titled, "Assessing the Effect of Rising Temperatures" (published January 2017), nationwide spending on commercial electricity is likely to rise by 4-12% by year 2040, based on projected climate-induced temperature rise, using a low GHG emissions pathway. Using this projection, we estimate that Oracle's annual operational costs would increase by \$2.8M - \$8.5M, based on Oracle's global energy spend.

The potential financial impact figures represent that range (minimum 4% and maximum 12% of Oracle's global energy spend).

**Cost of response to risk**

2,600,000

**Description of response and explanation of cost calculation**

The methods we use to manage this risk include designing, building, and operating some of the most energy-efficient data centers in the industry. We continually evaluate our new and existing data centers to identify opportunities to improve performance. For our new data centers, we select the optimal locations to leverage outside air cooling. In addition, to address the risk of a possible grid shutdown, we have uninterruptible power supply (UPS) systems and generators for all of our key sites and data centers. We employ the best available technology to continuously improve energy efficiency at our data centers, including the use of low-loss electrical energy distribution systems and highly efficient cooling systems. For example, at Oracle's Salt Lake City Data Center, we have installed a separate air handler that provides outside air economization and some evaporative cooling, which enables the original cooling system to operate much more efficiently.

Additionally, we consider climate-related risks as part of our site selection process. For example, to combat the risk of flooding in Guadalajara, Mexico, we identified properties located on higher ground, as part of our site selection process.

The cost to respond to the risk estimation represents the cost of implementing energy efficiency and emissions reduction measures across our facilities in 2019 not limited to staffing augmentations, administrative costs, and the increased costs associated with mitigating the risk.

**Comment**

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**Identifier**

Risk 2

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Emerging regulation  
Carbon pricing mechanisms

**Primary potential financial impact**

Increased direct costs

**Company-specific description**

As carbon pricing gains momentum globally, Oracle's operating costs may be impacted in regions where carbon taxes and cap-and-trade schemes are implemented. According to a World Bank report titled "State and Trends of Carbon Pricing 2018" (published May 2018), to date, 51 carbon pricing initiatives have been implemented or are scheduled for implementation globally. This trend has the potential to drive up electricity costs, and in turn, Oracle's operating and compliance costs, particularly in regions where we operate data centers. For example, Oracle's operations in the UK are subject to the Climate Change Levy (CCL), which requires commercial entities to pay a carbon tax if they use fossil fuels to generate electricity.

**Time horizon**

Medium-term

**Likelihood**

About as likely as not

**Magnitude of impact**

Medium-low

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

3,800,000

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact figure**

For example, if a carbon price of \$10 per metric ton were established through carbon regulation (per World Bank estimates, 46% of the emissions covered are priced at less than US\$10/tCO<sub>2e</sub>),

Oracle's operational costs could increase by approximately \$3.8M. This figure was estimated using an advanced modeling leveraging Oracle's historic Scope 1 and Scope 2 (market-based) emissions and projected year over year growth multiplied by the World Bank Carbon Cost of \$10 (\$10 x Oracle CO<sub>2e</sub> projections).

**Cost of response to risk**

2,600,000

### **Description of response and explanation of cost calculation**

Some methods Oracle uses to manage this risk include continually implementing and evaluating potential onsite renewable energy projects, as well as renewable energy provided through local utility grids. For example, in 2019, roughly 34% of our total energy use came from verified renewable sources, and we executed several onsite solar projects at our facilities in India and in the U.S. Oracle also works with its colocation data center providers to implement best practices around energy efficiency, as well as influence the procurement of renewable sources to power our data center operations. This helps us better manage and reduce our Scope 2 emissions, and hence, our exposure to increased carbon pricing.

In 2019, we continued to leverage the measures implemented in 2018 to maximize energy efficiency and emission reductions throughout our real estate portfolio, including Smart Building Control and Monitoring systems, dimmable lighting installations, building HVAC controls, hardware and advanced control schemes, upgraded our mechanical cooling systems with economizers and higher efficiency components and boiler and heating systems, and undertook retro-commissioning. These measures result in estimated emissions reduction of 3,681 MT CO<sub>2</sub>e annually.

The cost of management estimation represents the cost of implementing energy efficiency and emissions reduction measures across our facilities in 2019.

### **Comment**

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#### **Identifier**

Risk 3

#### **Where in the value chain does the risk driver occur?**

Direct operations

#### **Risk type & Primary climate-related risk driver**

Technology

Transitioning to lower emissions technology

#### **Primary potential financial impact**

Increased indirect (operating) costs

#### **Company-specific description**

A global and local transition to a low-carbon economy will require a larger investment in renewable and energy efficiency technology. The transition to this technology could result in rising energy and electricity prices, which have the potential to impact Oracle's cloud business and facility operations. As Oracle's cloud business grows, we are seeing increased energy use, especially at our colocation Cloud data centers. This exposes Oracle to some financial risks – such as volatility of fuel prices – and could affect the cost of data center operations.

Fluctuating energy and electricity prices may also impact Oracle's supply chain, including its hardware product assembly, transportation, and logistics operations and distribution centers. This, in turn, could drive up the cost of manufacturing and distributing Oracle products. Climate change and more extreme weather events are likely to drive up energy demand and consumption, which in turn could lead to an increase or fluctuation in energy and electricity costs, leading to an increase in Oracle's operational costs.

**Time horizon**

Medium-term

**Likelihood**

About as likely as not

**Magnitude of impact**

Low

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

350,000

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact figure**

According to the Energy Information Administration (EIA), the projected increase in electricity costs for the commercial sector between 2019 and 2020 is 0.05 cents per kWh (10.69 in 2019 vs. 10.74 in 2020).

Oracle's electricity consumption modeling, projections estimate the increase in electricity costs would be \$350,000. These projections assume Oracle's projected energy usage of 7M kWh multiplied by \$0.05 (the increased costs of energy EIA)

**Cost of response to risk**

2,600,000

**Description of response and explanation of cost calculation**

Some methods Oracle uses to manage this risk include purchasing energy in the open market when possible and using advanced purchasing and hedging to further minimize risk and diversify our energy portfolio. We strive to maximize energy efficiency throughout our real estate portfolio to reduce exposure to energy price fluctuations. For example, in 2019, we continued to leverage the implement several measures implemented in 2018 to maximize energy efficiency and emission reductions throughout

our real estate portfolio, including Smart Building Control and Monitoring systems, dimmable lighting installations, building HVAC controls, hardware and advanced control schemes, upgraded our mechanical cooling systems with economizers and higher efficiency components and boiler and heating systems, and undertook retro-commissioning. These measures resulted result in an estimated emissions reduction of 3,861 MT CO<sub>2</sub>e annually.

In addition, Oracle continues to implement and evaluate potential onsite renewable energy projects, as well as renewable energy provided through local utility grids. For example, in 2019, 34% of our total energy use came from verified renewable sources, and we executed several onsite solar projects at our facilities in India and in the U.S. Oracle also works with its colocation data center providers to implement best practices around energy efficiency, as well as influence the procurement of renewable sources to power our data center operations.

The cost of management estimation represents the cost of implementing energy efficiency and emissions reduction measures across our facilities in 2019.

## Comment

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### Identifier

Risk 4

### Where in the value chain does the risk driver occur?

Direct operations

### Risk type & Primary climate-related risk driver

Emerging regulation

Mandates on and regulation of existing products and services

### Primary potential financial impact

Increased direct costs

### Company-specific description

Environmental and climate-related laws and regulations could impact Oracle's business by increasing Oracle's operational and compliance-related costs. For example, environmental legislation such as the EU Directive on Restriction of Hazardous Substances (RoHS), the EU Waste Electrical and Electronic Equipment Directive (WEEE Directive) and China's regulation on Management Methods for Controlling Pollution Caused by Electronic Information Products, may increase our cost of doing business internationally and impact our hardware revenues from the EU, China and other countries with similar environmental legislation. Regulations around electronic waste management impact how Oracle manages its reverse supply chain and Product Take Back and Recycling programs. The number of government entities globally that require reporting and declarations around electronic waste continues to increase year

over year. Since there are no reporting standards across governments, this drives complexity and administrative overhead.

Oracle is also impacted by several other climate-related regulations, including the EU Energy Efficiency Directive, and the Energy Savings Opportunity Scheme (ESOS). For example, Article 8 of the EU Energy Efficiency Directive 2012/27/EU requires multinational companies like Oracle to comply with energy efficiency legislation specific to every member state in which they operate. The requirements include energy audits that must be completed every four years.

Compliance with such regulations could drive up Oracle's operational costs, and noncompliance could result in penalties or fines.

**Time horizon**

Short-term

**Likelihood**

Likely

**Magnitude of impact**

Medium-low

**Are you able to provide a potential financial impact figure?**

Yes, an estimated range

**Potential financial impact figure (currency)**

**Potential financial impact figure – minimum (currency)**

8,000

**Potential financial impact figure – maximum (currency)**

50,000

**Explanation of financial impact figure**

The estimated financial implications of the risk before taking action include cost of noncompliance with various global schemes addressing electronic waste management, which, although unlikely, could range from \$8K to \$50k depending on the region and severity of the issue.

The potential financial impact figures represent the estimated minimum and maximum cost of noncompliance with various global schemes available at the time of response. .

**Cost of response to risk**

250,000

**Description of response and explanation of cost calculation**

One of the methods we use to manage this risk is implementing robust take back and recycling programs to help ensure compliance with related laws and regulations. As a

strong proponent of the circular economy, Oracle has various offerings for our customers and suppliers to return excess used products or materials. In FY19 Oracle's Reverse Supply Chain Organization collected more than 3 million lbs of product. Of the total material collected, 99.5% was either recycled or reused. Oracle conducts audits to help ensure that our recyclers and their downstream processors have proper Health and Safety controls in place and are compliant with local law. By expanding the number of sites in our recycling network and increasing the percentage of material reused vs. recycled, we reduce shipping miles and conserve raw materials, both of which enable us to reduce our GHG emissions. In order to meet local compliance obligations, Oracle has also joined compliance schemes and product stewardship programs in several countries and jurisdictions.

With regards to other climate-related legislation such as ESOS and CCA, we aim to minimize our costs by proactively identifying opportunities to enhance energy efficiency across our facilities. For these reasons, we believe Oracle is well positioned to meet potential future environmental regulations.

The cost of management represents the cost of complying with various environmental schemes globally.

## Comment

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### Identifier

Risk 5

### Where in the value chain does the risk driver occur?

Direct operations

### Risk type & Primary climate-related risk driver

Market

Changing customer behavior

### Primary potential financial impact

Decreased revenues due to reduced demand for products and services

### Company-specific description

Growing awareness around the negative impacts of climate change is likely to drive a shift in consumer behavior, with an increased emphasis on sustainable and resilient business practices. As a result, an increasing number of customers are taking sustainability into account when making purchasing decisions. Oracle receives 150-250 environmental or climate-related inquiries annually from its key customers.

If Oracle fails to meet customer expectations around sustainability, our business could be adversely impacted.

### Time horizon

Medium-term

**Likelihood**

About as likely as not

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

Yes, an estimated range

**Potential financial impact figure (currency)**

**Potential financial impact figure – minimum (currency)**

50,000,000

**Potential financial impact figure – maximum (currency)**

75,000,000

**Explanation of financial impact figure**

If we assume that Oracle were at risk of losing 5% of the business represented by customers requesting data on Oracle's environmental performance and management, then the potential financial impact (before taking action) could range from \$50M - \$75M.

The potential financial impact figures were derived by calculating 5% of the estimated revenue represented by these customers (minimum 5% of \$1B, and maximum 5% of \$1.5B), The revenue was derived from Oracle's most current 10K filings.

**Cost of response to risk**

50,000

**Description of response and explanation of cost calculation**

The methods that Oracle is using to manage this risk include investing in strong sustainability practices and reporting efforts. In addition to sharing data with investors and customers through initiatives such as CDP, Gartner and EcoVadis, Oracle responds to dozens of individual customer requests each year. Oracle has established aggressive sustainability goals around energy consumption, emissions reduction, renewable energy, water and waste. For example, our 2025 goals include 55% reduction in emissions per unit of energy consumed, and 26% reduction in absolute emissions (base year 2015). As part of our efforts to meet these goals, we continually implement and evaluate potential onsite renewable energy projects, as well as renewable energy provided through local utility grids. For example, in 2019, 34 % of our total facilities energy use came from verified renewable sources, and we executed several onsite solar projects at our facilities in India and in the U.S.

The cost of management represents the cost of responding to environmental inquiries from customers and investors, through initiatives such as CDP and EcoVadis.

## Comment

### C2.4

**(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?**

Yes

### C2.4a

**(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.**

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#### Identifier

Opp1

#### Where in the value chain does the opportunity occur?

Direct operations

#### Opportunity type

Resource efficiency

#### Primary climate-related opportunity driver

Move to more efficient buildings

#### Primary potential financial impact

Reduced indirect (operating) costs

#### Company-specific description

Oracle's facilities portfolio includes more than 26 million square feet of real estate in our operational control. We continuously invest in technologies and solutions to reduce the environmental footprint of our facilities and data centers around the world. By adopting more efficient building standards, Oracle is able to not only minimize its environmental footprint, but also realize significant efficiency gains and cost reductions.

As of 2018, Oracle owned 28 facilities that received ENERGY STAR ratings from the US Environmental Protection Agency, 27 facilities that were recognized by the Building Owners and Managers Association (BOMA) 360 Performance Program, and 5 LEED-certified facilities. We continue to pursue opportunities for improved efficiency and performance.

#### Time horizon

Short-term

#### Likelihood

Very likely

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

640,000

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact figure**

The financial impact of this opportunity includes cost savings resulting from energy efficiency measures implemented at our facilities worldwide. The potential financial impact figure represents the sum of actual and projected cost savings from a variety of energy efficiency measures implemented globally in 2019, including:

- Energy efficiency: building services (\$+500K)
- Energy efficiency: Processes, including data center initiatives (\$+100K)

The estimated cost savings are calculated by Oracle facility managers globally, and are then tracked and consolidated into a single document by Oracle's Global Sustainability Manager.

**Cost to realize opportunity**

2,300,000

**Strategy to realize opportunity and explanation of cost calculation**

Oracle's strategy to realize this opportunity includes maximizing energy efficiency and emission reductions throughout our real estate portfolio. For example, in 2019, Oracle pursued and received Energy Star (energy efficiency) certification for its next generation of servers used in data centers. We also implemented several energy efficiency measures at our facilities globally, including building HVAC controls, Smart Building Control and Monitoring systems, hardware and advanced control schemes, upgraded our mechanical cooling systems with economizers and higher efficiency components and boiler and heating systems, and undertook retro-commissioning. These measures resulted in an estimated emissions reduction of 3.681 MT CO<sub>2</sub>e. Oracle has a goal to achieve a 26% reduction in absolute emissions, and a 55% reduction in emission per unit of energy consumed by 2025 (base year 2015). The energy efficiency initiatives mentioned above are helping us make progress toward these goals.

In addition, Oracle benchmarks its sustainability performance using standards such as Energy STAR, LEED, and BOMA. As of 2019, Oracle owned 28 facilities that received ENERGY STAR ratings, 27 facilities that were recognized by the Building Owners and Managers Association (BOMA) 360 Performance Program, and 5 LEED-certified

facilities.

The cost to realize this opportunity represents the current (\$2,300,000) investment associated with energy efficiency and emissions reduction initiatives across our facilities, including data centers.

### **Comment**

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#### **Identifier**

Opp2

#### **Where in the value chain does the opportunity occur?**

Direct operations

#### **Opportunity type**

Resource efficiency

#### **Primary climate-related opportunity driver**

Reduced water usage and consumption

#### **Primary potential financial impact**

Reduced indirect (operating) costs

#### **Company-specific description**

Oracle leverages a wide range of water-saving strategies across our facilities globally, as a result of which we have achieved a consistent year-over-year reduction in our total water use. This helps Oracle achieve cost reductions and operational efficiencies.

For example, since we launched our water reduction goal in 2015, we have saved an estimated 200 million liters of potable water globally.

#### **Time horizon**

Short-term

#### **Likelihood**

Very likely

#### **Magnitude of impact**

Medium-low

#### **Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

#### **Potential financial impact figure (currency)**

775,000

#### **Potential financial impact figure – minimum (currency)**

## Potential financial impact figure – maximum (currency)

### Explanation of financial impact figure

The financial impact of this opportunity includes cost savings resulting from efficient water management practices. The potential financial impact was calculated by multiplying the actual water savings from 2015 to 2019 by a global average cost per liter of water

The global cost of water was based on the average cost of potable water identified by The International Benchmarking Network for Water and Sanitation Utilities applied against Oracle's total real estate square footage by county. The resulting factor is \$0.0031 per liter of water.

### Cost to realize opportunity

300,000

### Strategy to realize opportunity and explanation of cost calculation

Oracle's strategy to realize this opportunity includes implementing water-saving initiatives and processes at our facilities around the globe. Oracle has a goal to achieve a 25 percent reduction in potable water use per square foot by 2020 (base year 2015). For example, over the past 9 years, we've been irrigating the landscape at our headquarter campus with reclaimed water, saving approximately 26 million gallons of potable water per year. Additionally, Oracle conducts rainwater harvesting at our facilities in several countries, including India, Brazil, and Japan. These efforts help ensure that Oracle is well positioned to realize this opportunity.

The cost to realize this opportunity includes the cost of implementing water-saving initiatives at several Oracle facilities in 2019. The value is based on Oracle's historical per liter costs in reducing its water waste.

### Comment

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#### Identifier

Opp3

#### Where in the value chain does the opportunity occur?

Direct operations

#### Opportunity type

Resource efficiency

#### Primary climate-related opportunity driver

Use of recycling

#### Primary potential financial impact

Other, please specify  
Recovered Value

### **Company-specific description**

As a responsible producer of hardware products, Oracle offers various take back programs that allow our customers and suppliers to return excess used products or materials. This presents an opportunity for Oracle to not only minimize e-waste by harvesting parts, but also to realize value from recycled materials by working with third party recyclers. In FY19, Oracle collected more than 3 million lbs of material, of which 99.5% was recycled or reused.

As our customers increasingly move from on-premise servers to the Oracle Cloud, we will have greater control over the deployment and end-of-life treatment of our assets. As a result, we anticipate the percent of systems we take back versus systems we ship into the market to grow from ~16% today, to more than 50% over the next several years. This will enable us to further maximize the recovered value from old or decommissioned IT equipment.

Additionally, through these efforts, Oracle is able to minimize the GHG emissions associated with landfill and the sourcing of raw materials.

### **Time horizon**

Short-term

### **Likelihood**

Very likely

### **Magnitude of impact**

Medium

### **Are you able to provide a potential financial impact figure?**

Yes, an estimated range

### **Potential financial impact figure (currency)**

#### **Potential financial impact figure – minimum (currency)**

15,000,000

#### **Potential financial impact figure – maximum (currency)**

20,000,000

### **Explanation of financial impact figure**

The financial value recovered through our Take Back program and Reverse Supply Chain amounts to \$15M-\$20M annually, and this figure is growing. This value is derived from a combination of the following:

- Re-manufactured systems and data center rack solutions
- Spare parts and options which extend the support life of products for our customers
- Resale of used components

### **Cost to realize opportunity**

200,000

### **Strategy to realize opportunity and explanation of cost calculation**

Through our Reverse Supply Chain program, we process more than 3 million lbs of material annually. Oracle's strategy to realize this opportunity includes three key elements:

- Increasing volume of material collected
- Encouraging reuse ahead of wasteful new purchases and premature recycling
- Expanding the channels through which we recover value

Oracle's Take Back programs are an example of the Circular Economy in practice. In addition to minimizing waste sent to landfill, this process enables Oracle to drive resource productivity and capture additional value from the materials used to build our products. For example, in FY19 we took back approximately 15% percent of systems compared with the amount we shipped into the market. In addition, much of the recovered financial value from these programs flows back to the entity that returned the product (both external customers and internal Cloud business unit), which encourages customers to reinvest in new Oracle products and services. Our Reverse Supply Chain is distributed across the three regions; Americas, Europe and Asia. Processing Take Back material locally acts as investment in those regions and reduces transportation miles and the associated carbon emissions.

In CY19 Oracle's Reverse Supply Chain team held several circularity training sessions with several teams in Oracle including our hardware design teams, cloud operations teams, and Environmental Steering Committee. During these trainings several members of Oracle's RSCO stood out and were nominated and one was ultimately chosen to represent Oracle's Sustainability Rising Star's in the 2019 Corporate Eco Forum Leadership Development Program. .

The cost to realize this opportunity represents the cost of complying with various environmental schemes globally as provided by Oracle's Reverse Supply Chain executive management (subject matter experts) based on the scope.

### **Comment**

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#### **Identifier**

Opp4

#### **Where in the value chain does the opportunity occur?**

Direct operations

#### **Opportunity type**

Resource efficiency

**Primary climate-related opportunity driver**

Other, please specify

Benefits to workforce management and planning

**Primary potential financial impact**

Reduced indirect (operating) costs

**Company-specific description**

Oracle's increasing emphasis on environmental sustainability, both internally and externally, has the potential to strengthen our brand value and reputation. As sustainability and corporate responsibility become increasingly important to job seekers and employees, we believe that Oracle's reputation as a good corporate citizen is helping us attract and retain top talent, while also helping drive employee engagement within our workforce.

We anticipate that this opportunity will continue to grow in the coming years, as we invest in strong sustainability practices to drive brand value and reputation. In recognition of our efforts, Oracle was named in Corporate Responsibility Magazine's 2019 100 Best Corporate Citizens list, which recognizes outstanding environmental, social and governance (ESG) transparency and performance amongst the 1,000 largest US public companies. Oracle ranked #41, up from #97 in 2017.

**Time horizon**

Short-term

**Likelihood**

Very likely

**Magnitude of impact**

High

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact figure**

Potential financial implications of this opportunity include improved profitability and costs savings associated with higher employee engagement, as well as improved retention and recruitment.

According to a Gallup report titled "State of the American Workforce" (published 2017),

highly engaged business units are likely to realize 17% higher productivity and 21% higher profitability than disengaged business units. Hence, by continuing to invest in strong sustainability practices and employee engagement initiatives, Oracle could strengthen its financial performance.

**Cost to realize opportunity**

500,000

**Strategy to realize opportunity and explanation of cost calculation**

One method Oracle is using to realize this opportunity is communicating our sustainability efforts and accomplishments, both internally and externally, including through the annual Oracle Corporate Citizenship Report.

Each year, through the Oracle Giving and Oracle Volunteering programs, we support hundreds of environmental nonprofit organizations globally. In conjunction with the Oracle Volunteering Focus on Environment initiative and Earth Week, Oracle hosts Green Fairs at several office locations globally and virtually via video. The purpose of these fairs is to engage and educate employees around Oracle's sustainability and climate-related initiatives. More than 1,900 Oracle employees attended the 2019 Green Fairs.

Additionally, Oracle continued promoting the 'Sustainability Champions' program in 2019, through which we recognize employees who are advancing environmental sustainability at work and beyond

New in 2019, Oracle launched the Green Team recognition program. This program includes "recognition badges" for green team members who have exemplified sustainability in the workplace. One Romania based team was recognized after implementing a "reusable tableware" program at our Romania offices, reducing over 60,000 single use utensils. Oracle continues to cultivate and recognize its employees making sustainability a part of their day to day jobs.

The cost to realize this opportunity represents the costs associated with managing Oracle's sustainability and CSR communications and programs this is based on a combination of the pro-rated salary of employees contributing to Oracle's CSR programs, corporate memberships, forums, disclosures, consulting, and training expenses in CY19.

**Comment**

## C3. Business Strategy

### C3.1

#### (C3.1) Have climate-related risks and opportunities influenced your organization’s strategy and/or financial planning?

Yes, and we have developed a low-carbon transition plan

### C3.1a

#### (C3.1a) Does your organization use climate-related scenario analysis to inform its strategy?

Yes, qualitative and quantitative

### C3.1b

#### (C3.1b) Provide details of your organization’s use of climate-related scenario analysis.

Climate-related scenarios and models applied	Details
RCP 4.5 RCP 8.5	<p>Given the growing emphasis of incorporating the TCFD recommendations for assessing and managing climate-related risks and opportunities, Oracle identified the need to conduct a climate scenario analysis to inform business strategy.</p> <p>In 2020, Oracle analyzed its most mission-critical facilities’ physical locations for acute and chronic physical and transitional risks and opportunities. The analysis was conducted by external climate experts using Climonomics®— a proprietary analytical software tool. To conduct the analysis, Oracle used the asset value (by using a proxy value based on square footage and facility type) in each of the mission-critical location to apportion company financial risk by each location as a way to assess the magnitude on financial impact associated with the location and timeframe within which a potential risk may become reality. The analysis included two scenarios defined by the IPCC BREEAM’s Representative Concentration Pathway (RCP)—namely RCP4.5 for years 2020 and 2040 and RCP8.5 for the year 2040—to assess physical risk exposure and the Shared Socioeconomic Pathways family of scenarios (SSP 1-5) for carbon-price effects or transitional risks and opportunities.</p> <p>The time-frames selected in Oracle’s scenario analysis, 2020 and 2040, were chosen based on Oracle’s desire to understand, plan for, and manage current (2020) and potential future (2040) climate-related risks and opportunities to its assets, operations, and services. The results of this analysis identified temperature extremes, storm damage, litigation, and coastal flooding risks to be of most relevance to Oracle’s business, assets, operations, and strategy Out of</p>

	<p>all Oracle's physical locations, its Oracle HQ, Cross functional campus ADC (Austin), NAM Cloud Deployment Phoenix, and NetSuite GBU Customer Support Center (Philippines) locations are at most risk between 2020 and 2050. The findings of this report will be shared with Oracle's leadership, RMRP team, business continuity function, and the ESC to better understand the specific risk impacts and to develop resilience mechanisms</p>
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### C3.1d

**(C3.1d) Describe where and how climate-related risks and opportunities have influenced your strategy.**

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	<p>Oracle has several products and services that are impacted by climate change spanning both short-term and medium-term timelines Oracle's sustainability-related solutions empower our customers to advance their own sustainability initiatives and present an opportunity for increased revenue as the demand for low-carbon technology grows.</p> <p>In terms of risks, the growth in Oracle's Cloud business means increased energy use at our cloud data centers. To manage this risk, Oracle signed on to the Corporate Colocation and Cloud Buyers' Principles to guide the energy procurement strategy for Oracle Cloud data center co-location providers. These principles aim to drive partnership between customer and service provider so both parties have an incentive to reduce energy consumption. Aspects of climate change that have influenced Oracle's strategy include: potential resource availability challenges, the need to reduce energy and water use and waste generation, extreme weather events (e.g., floods and storms), potential regulatory changes, and opportunities to develop sustainability-related solutions for our customers. To this end, we closely monitor our energy and natural resource consumption, and end-of-life treatment of our hardware products. Oracle is optimally positioned to deliver practical, concrete solutions that help our customers with their sustainability initiatives.</p> <p>For example, Oracle solutions are enabling massive efficiencies, primarily through Oracle's Opower Energy Efficiency programs. Since its launch in 2008, Opower solutions have been implemented at more than 100 electric</p>

		<p>and gas utilities globally, motivating customers to save more than 20 TWh of energy via personalized behavioral insights. Oracle is also optimally positioned to manage a highly energy efficient cloud, by owning and designing a complete and integrated IT stack. In 2019 SoCalGas implemented an OPower solution allowing 1,400,000 customers to receive a monthly personalized energy use comparison report. This report allows the customers to compare their consumption habits against their neighbors' habits, this visibility has created a 2% reduction in energy/gas usage in those homes since introduced.</p> <p>Additionally, Oracle's status as a leader in sustainability helps the company attract and retain top talent. We estimate that the magnitude of impact on our products and services is moderate.</p>
Supply chain and/or value chain	Yes	<p>Climate-related risks and opportunities impact several aspects of Oracle's supply chain, particularly our direct hardware suppliers We estimate that the magnitude of impact on our supply chain is moderate-high and short-term.</p> <p>For this reason, Oracle incorporates climate-related risks into its supply chain planning and operations. One mechanism through which we manage this risk is membership in the Responsible Business Alliance. We also continued developing a Sustainable Procurement Program for our indirect supply chain to help further the responsible behavior of those suppliers, including on climate change mitigation efforts. In 2019 this program introduced several goals related to supplier engagements including i) ensuring 100% of Oracle Key suppliers abide by Oracle's Environmental Language Contained in Oracle's Supplier Code of Ethics by marking this language as mandatory, ii) additionally, 100% of all Key suppliers will have an environmental program in place by 2025, &amp; iii) at least 80% of Oracle's Key suppliers will have GHG reduction program in place by 2025. These goals will allow Oracle to continue to manage its supply chain and their environmental performance.</p>
Investment in R&D	Yes	<p>Climate-related risks and opportunities impact several aspects of Oracle's Investment in R&amp;D. Oracle considers these risks short-term and the magnitude of impact is medium. Oracle provides solutions that cover all aspects of the nexus of IT and sustainable business practices,</p>

		<p>hardware, technology and applications, from cloud data centers to business intelligence to smart utility grids. In addition to customer solutions Oracle leverages several of the same technologies and business practices within our own operations to reuse, recycle and reduce. This includes developing solutions focused on building a new circular economy that promotes greater resource productivity and sustainable product design guidelines and processes (Design for Environment). In 2019 Design for environment launched several projects. One key project included developing reusable pallets which increased the product/area ratio reducing shipping emissions and reduced the single use nature of wood pallets. Other projects included reduced single use plastics in Oracle servers, and the increased use of recycled plastics in our manufacturing.</p>
Operations	Yes	<p>We estimate a high impact of climate-related risks and opportunities on our operations. Climate-related risks and opportunities impact many aspects of our operations, including facility management, energy efficiency, the use of renewable energy, water, and waste reduction, employee health and safety, and transportation and distribution</p> <p>Oracle has set ambitious sustainability goals addressing emissions reduction, energy efficiency, renewable energy use, water use, and waste reduction. These goals drive strategic decision-making related to Oracle’s operations globally, and enable us to conduct our business sustainably.</p> <p>Oracle’s Risk Management and Resiliency Program (RMRP) and Environmental Health and Safety (EHS) teams assess the potential severity and scale of climate-related events (e.g. hurricanes, flooding, etc.), and formulate business continuity and resiliency plans accordingly on an annual basis. The RMRP process includes a planning, documenting, and testing cycle that assesses Oracle’s resilience to respond to physical and transition risks, including climate-related events and other natural disasters. Sustainability team members are also included in Oracle’s cross-functional Risk Engagement group, which connects risk managers and key stakeholders across Oracle and provides an open forum for communication and collaboration around company-wide risks, including those related to climate change. This decision was influenced by the increasing likelihood of climate-related impacts on our business, including physical climate and extreme weather</p>

		<p>events.</p> <p>Internally, we have set aggressive, long-term emissions-and energy-reduction goals (base year 2015), including science-based targets to achieve a 26% reduction in absolute emissions (Scope 1 and 2) by 2025 and to achieve a 55% reduction in emissions per unit of energy consumed by 2025. As an example of initiatives, Oracle collaborated with one of its key logistics providers to deploy a Bio-LNG powered vehicle to transport retired server assets managed by the Reverse Supply Chain Operations team. Oracle also became a signatory to the Principles for Sustainable Events. These decisions were driven by the need to minimize emissions across our operations.</p>
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### C3.1e

**(C3.1e) Describe where and how climate-related risks and opportunities have influenced your financial planning.**

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Direct costs Capital expenditures Acquisitions and divestments Access to capital Assets Liabilities	<p><b>REVENUES:</b> The identified risks and opportunities factor into our revenues through enhancing the sale of Oracle’s sustainability related solutions and product lines (e.g. business intelligence and reporting tools, utilities applications, supply chain applications, IoT, engineered systems) as well as Oracle’s cloud service offerings, which also have numerous environmental and climate-related benefits for our customers. We estimate the adverse impact on our revenues to be low and the timeline to be short-term.</p> <p><b>DIRECT COSTS:</b> The identified risks and opportunities impact multiple aspects of Oracle’s operating costs, including utility costs, energy contracts, and other expenses related to facility management and logistics. We estimate the impact of climate-related factors on our operating costs to be moderate and the timeline to be short term</p> <p><b>CAPITAL EXPENDITURES:</b> The identified risks and opportunities impact certain aspects of Oracle’s capital expenditures, including properties where our offices and data centers are housed. Oracle’s Real Estate and Facilities team considers environmental and climate-related factors during the site selection process, and undertakes remediation efforts as required. For example, during the construction of a new facility for Design Tech High School at our headquarters campus (along the Belmont Slough), we raised the levee around the school facility to address the potential of sea level rise. Additionally, to combat the risk of flooding in Guadalajara, Mexico, we identified properties located on</p>

	<p>higher ground, as part of our site selection process. We estimate the impact on our capital expenditures/allocation to be minimal and the timeline to be short-term.</p> <p>ACQUISITIONS AND DIVESTMENT'S: Some aspects of our acquisition strategy are impacted by climate-related opportunities. For example, Oracle acquired Opower, whose Energy Efficiency programs have been implemented at more than 100 electric and gas utilities around the globe to date, motivating customers to save more than 20 TWh of energy through multichannel, personalized communications.</p> <p>We estimate the impact on our acquisitions and divestments to be minimal and the timeline to be short-term.</p> <p>ACCESS TO CAPITAL: We believe that Oracle's access to capital has not been impacted by climate-related risks and opportunities, because investors are confident and satisfied in Oracle's management of climate-related issues. Occasionally, Oracle investors request that we disclose information about our climate mitigation efforts, including via the CDP Climate Change program, which indicates that investors want to better understand Oracle's environmental efforts on behalf of their clients. We actively address any such inquiries from investors on an ongoing basis. Operating in a socially responsible manner – including in terms of climate change mitigation – combined with delivering superior shareholder value, maximizes Oracle's ability to access capital. We estimate the impact on to be low to medium, and the time frame to be short and medium term.</p> <p>ASSETS: Rising efficiency standards has not yet impacted but may require additional investment for some of the hardware assets at Oracle's facilities, including our data centers. We expect that any additional investments would be offset by cost savings. We estimate the impact on our assets to be minimal and the predicted timescale is medium term.</p> <p>LIABILITIES: Managing risks related to climate change helps Oracle minimize our liabilities, including business disruption exposure and liability insurance. For example, by working with our direct suppliers in collaboration with the Responsible Business Alliance (RBA) to raise climate change awareness we aim to reduce our exposure to potential supply chain disruptions. We estimate the impact on our liabilities to be minima and the timescale to be medium term.</p>
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### C3.1f

**(C3.1f) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).**

Oracle identifies additional risk information including climate related risks in its annual 10-K filings, in its Corporate Citizen Report and on its external Sustainability Web page located at; <https://www.oracle.com/corporate/citizenship/sustainability/>

## C4. Targets and performance

### C4.1

**(C4.1) Did you have an emissions target that was active in the reporting year?**

Both absolute and intensity targets

### C4.1a

**(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.**

---

**Target reference number**

Abs 1

**Year target was set**

2018

**Target coverage**

Company-wide

**Scope(s) (or Scope 3 category)**

Scope 1+2 (market-based)

**Base year**

2015

**Covered emissions in base year (metric tons CO<sub>2</sub>e)**

459,516

**Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)**

100

**Target year**

2025

**Targeted reduction from base year (%)**

26

**Covered emissions in target year (metric tons CO<sub>2</sub>e) [auto-calculated]**

340,041.84

**Covered emissions in reporting year (metric tons CO<sub>2</sub>e)**

365,543

**% of target achieved [auto-calculated]**

78.655501742

**Target status in reporting year**

Underway

**Is this a science-based target?**

Yes, we consider this a science-based target, but this target has not been approved as science-based by the Science-Based Targets initiative

**Please explain (including target coverage)**

Oracle self-assessed this target to be a mid-term science-based target.

---

**Target reference number**

Abs 2

**Year target was set**

2018

**Target coverage**

Company-wide

**Scope(s) (or Scope 3 category)**

Scope 1+2 (market-based)

**Base year**

2015

**Covered emissions in base year (metric tons CO2e)**

459,516

**Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)**

100

**Target year**

2050

**Targeted reduction from base year (%)**

65

**Covered emissions in target year (metric tons CO2e) [auto-calculated]**

160,830.6

**Covered emissions in reporting year (metric tons CO2e)**

365,543

**% of target achieved [auto-calculated]**

31.4622006968

**Target status in reporting year**

Underway

**Is this a science-based target?**

Yes, we consider this a science-based target, but this target has not been approved as science-based by the Science-Based Targets initiative

**Please explain (including target coverage)**

Oracle self-assessed this target to be a long-term science-based target. Oracle would achieve a 2.95% average reduction year-over-year in our absolute scope 1 and 2 emissions.

---

**Target reference number**

Abs 3

**Year target was set**

2016

**Target coverage**

Business division

**Scope(s) (or Scope 3 category)**

Scope 1+2 (market-based)

**Base year**

2015

**Covered emissions in base year (metric tons CO2e)**

373,626

**Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)**

81

**Target year**

2020

**Targeted reduction from base year (%)**

20

**Covered emissions in target year (metric tons CO2e) [auto-calculated]**

298,900.8

**Covered emissions in reporting year (metric tons CO2e)**

211,880

**% of target achieved [auto-calculated]**

216.4544223368

**Target status in reporting year**

Achieved

**Is this a science-based target?**

Yes, we consider this a science-based target, but this target has not been approved as science-based by the Science-Based Targets initiative

**Please explain (including target coverage)**

Oracle has a goal in place to achieve a 20% reduction in absolute Scope 1 + Scope 2 emissions by 2020 for its real estate and facilities operations, which accounted for 81% of total emissions in the base year (2015). As of 2018, we had achieved this goal.

---

**Target reference number**

Abs 4

**Year target was set**

2019

**Target coverage**

Company-wide

**Scope(s) (or Scope 3 category)**

Scope 3: Business travel

**Base year**

2019

**Covered emissions in base year (metric tons CO<sub>2</sub>e)**

173,807

**Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)**

100

**Target year**

2025

**Targeted reduction from base year (%)**

25

**Covered emissions in target year (metric tons CO<sub>2</sub>e) [auto-calculated]**

130,355.25

**Covered emissions in reporting year (metric tons CO<sub>2</sub>e)**

173,807

**% of target achieved [auto-calculated]**

0

**Target status in reporting year**

New

**Is this a science-based target?**

No, but we are reporting another target that is science-based

**Please explain (including target coverage)**

Oracle self-assessed this target to be a medium-term target, the coverage includes Oracle's Scope 3 business travel emissions.

## C4.1b

**(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).**

---

**Target reference number**

Int 1

**Year target was set**

2018

**Target coverage**

Company-wide

**Scope(s) (or Scope 3 category)**

Scope 1+2 (market-based)

**Intensity metric**

Metric tons CO<sub>2</sub>e per megawatt hour (MWh)

**Base year**

2015

**Intensity figure in base year (metric tons CO<sub>2</sub>e per unit of activity)**

0.431

**% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure**

100

**Target year**

2025

**Targeted reduction from base year (%)**

55

**Intensity figure in target year (metric tons CO<sub>2</sub>e per unit of activity) [auto-calculated]**

0.19395

**% change anticipated in absolute Scope 1+2 emissions**

26

**% change anticipated in absolute Scope 3 emissions**

0

**Intensity figure in reporting year (metric tons CO2e per unit of activity)**

0.25

**% of target achieved [auto-calculated]**

76.355199325

**Target status in reporting year**

Underway

**Is this a science-based target?**

No, but we are reporting another target that is science-based

**Please explain (including target coverage)**

Oracle has a goal to achieve a 55% reduction in emissions per unit of energy consumed by 2025 (base year 2015).

## C4.2

**(C4.2) Did you have any other climate-related targets that were active in the reporting year?**

Target(s) to increase low-carbon energy consumption or production  
Other climate-related target(s)

### C4.2a

**(C4.2a) Provide details of your target(s) to increase low-carbon energy consumption or production.**

---

**Target reference number**

Low 1

**Year target was set**

2016

**Target coverage**

Business division

**Target type: absolute or intensity**

Absolute

**Target type: energy carrier**

Electricity

**Target type: activity**

Consumption

**Target type: energy source**

Renewable energy source(s) only

**Metric (target numerator if reporting an intensity target)**

Percentage

**Target denominator (intensity targets only)**

**Base year**

2015

**Figure or percentage in base year**

24

**Target year**

2020

**Figure or percentage in target year**

33

**Figure or percentage in reporting year**

34

**% of target achieved [auto-calculated]**

111.1111111111

**Target status in reporting year**

Achieved

**Is this target part of an emissions target?**

Oracle's Real Estate and Facilities has a goal to achieve 33 percent renewable energy use by 2020. Progress against this goal is measured based on total electricity consumption at facilities where we have data. As of 2018 this goal has been met and will be replaced with Low2 below.

**Is this target part of an overarching initiative?**

No, it's not part of an overarching initiative

**Please explain (including target coverage)**

This goal was set as part of a business division initiative to reduce its reliance on carbon intense energy sources through increased consumption of renewable energy.

---

**Target reference number**

Low 2

**Year target was set**

2019

**Target coverage**

Business division

**Target type: absolute or intensity**

Absolute

**Target type: energy carrier**

Electricity

**Target type: activity**

Consumption

**Target type: energy source**

Renewable energy source(s) only

**Metric (target numerator if reporting an intensity target)**

Percentage

**Target denominator (intensity targets only)**

**Base year**

2015

**Figure or percentage in base year**

24

**Target year**

2025

**Figure or percentage in target year**

50

**Figure or percentage in reporting year**

34

**% of target achieved [auto-calculated]**

38.4615384615

**Target status in reporting year**

New

**Is this target part of an emissions target?**

Upon meeting Oracle Real Estate and Facilities 2020 target early, an additional goal was set to achieve 50 percent renewable energy use by 2025. Progress against this goal is measured based on total electricity consumption at facilities where we have data.

**Is this target part of an overarching initiative?**

No, it's not part of an overarching initiative

**Please explain (including target coverage)**

This goal was set as part of a business division initiative to reduce its reliance on carbon intense energy sources through increased consumption of renewable energy.

---

**Target reference number**

Low 3

**Year target was set**

2019

**Target coverage**

Business division

**Target type: absolute or intensity**

Absolute

**Target type: energy carrier**

Electricity

**Target type: activity**

Consumption

**Target type: energy source**

Renewable energy source(s) only

**Metric (target numerator if reporting an intensity target)**

Percentage

**Target denominator (intensity targets only)**

**Base year**

2019

**Figure or percentage in base year**

28

**Target year**

2025

**Figure or percentage in target year**

100

**Figure or percentage in reporting year**

28

**% of target achieved [auto-calculated]**

0

**Target status in reporting year**

New

**Is this target part of an emissions target?**

Oracle's OCI Business Division which supports Oracle's cloud services has committed to achieve 100 percent renewable energy use by 2025. Progress against this goal is measured based on total electricity consumption at facilities where we have data.

**Is this target part of an overarching initiative?**

No, it's not part of an overarching initiative

**Please explain (including target coverage)**

This goal was set as part of a business division initiative to reduce its reliance on carbon intense energy sources through increased consumption of renewable energy.

## C4.2b

**(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.**

---

**Target reference number**

Oth 1

**Year target was set**

2016

**Target coverage**

Company-wide

**Target type: absolute or intensity**

Intensity

**Target type: category & Metric (target numerator if reporting an intensity target)**

Waste management  
metric tons of waste diverted from landfill

**Target denominator (intensity targets only)**

square foot

**Base year**

2015

**Figure or percentage in base year**

1.01

**Target year**

2020

**Figure or percentage in target year**

0.76

**Figure or percentage in reporting year**

0.76

**% of target achieved [auto-calculated]**

100

**Target status in reporting year**

Achieved

**Is this target part of an emissions target?**

Oracle set a goal to achieve a 25 percent reduction in waste sent to landfill per square foot of owned facilities by 2020, against a 2015 baseline. As of 2018, Oracle achieved this goal.

**Is this target part of an overarching initiative?**

No, it's not part of an overarching initiative

**Please explain (including target coverage)**

This goal was part of an internal effort to reduce waste directed towards landfills. The practices in place continue year over year to result in reduced waste. Oracle will establish a new waste goal in 2020 for its 2025 goals.

---

**Target reference number**

Oth 2

**Year target was set**

2016

**Target coverage**

Company-wide

**Target type: absolute or intensity**

Intensity

**Target type: category & Metric (target numerator if reporting an intensity target)**

Other, please specify

Other, please specify

Liters of potable water

**Target denominator (intensity targets only)**

square foot

**Base year**

2015

**Figure or percentage in base year**

101.2

**Target year**

2020

**Figure or percentage in target year**

75.91

**Figure or percentage in reporting year**

86.7

**% of target achieved [auto-calculated]**

57.3349149862

**Target status in reporting year**

Underway

**Is this target part of an emissions target?**

Oracle has a goal to achieve a 25 percent reduction in potable water consumption per square foot of owned facilities by 2020, against a 2015 baseline

**Is this target part of an overarching initiative?**

No, it's not part of an overarching initiative

**Please explain (including target coverage)**

This goal was part of an internal effort to reduce water consumption. The practices in place continue year over year to result in reduced water consumption. Oracle will establish a new waste goal in 2020 for its 2025 goals.

---

**Target reference number**

Oth 3

**Year target was set**

2019

**Target coverage**

Company-wide

**Target type: absolute or intensity**

Absolute

**Target type: category & Metric (target numerator if reporting an intensity target)**

Engagement with suppliers

Other, please specify

Percentage of Key Suppliers having environmental program in place.

**Target denominator (intensity targets only)**

**Base year**

2019

**Figure or percentage in base year**

60

**Target year**

2025

**Figure or percentage in target year**

100

**Figure or percentage in reporting year**

60

**% of target achieved [auto-calculated]**

0

**Target status in reporting year**

New

**Is this target part of an emissions target?**

No

**Is this target part of an overarching initiative?**

No, it's not part of an overarching initiative

**Please explain (including target coverage)**

Percentage of Key Suppliers having environmental program in place. Key Suppliers is internally defined based on total spend and contract liability. Oracle is committed in ensuring its Key Suppliers have environmental programs in place. This include compliance with Oracle's Code of Supplier Conduct which includes several areas of the business including sustainability and the environment.

---

**Target reference number**

Oth 4

**Year target was set**

2019

**Target coverage**

Company-wide

**Target type: absolute or intensity**

Absolute

**Target type: category & Metric (target numerator if reporting an intensity target)**

Engagement with suppliers  
Percentage of suppliers setting emissions reduction targets

**Target denominator (intensity targets only)**

**Base year**

2019

**Figure or percentage in base year**

35

**Target year**

2025

**Figure or percentage in target year**

80

**Figure or percentage in reporting year**

35

**% of target achieved [auto-calculated]**

0

**Target status in reporting year**

New

**Is this target part of an emissions target?**

Yes, scope3 emissions reductions.

**Is this target part of an overarching initiative?**

No, it's not part of an overarching initiative

**Please explain (including target coverage)**

This metric was developed to measure and track our progress against the number of indirect procurement key supplier who have emissions reduction goals in place. Oracle key suppliers, who collectively comprise of 80% total spend are mainly responsible for Oracle's Scope3 emissions. Oracle will leverage an education program, supplier engagement, and integrate this as mandatory requirements for new suppliers to meet this goal.

## C4.3

**(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.**

Yes

## C4.3a

**(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.**

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	29	0
To be implemented*	7	566
Implementation commenced*	6	165
Implemented*	33	13,989
Not to be implemented	3	0

## C4.3b

**(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.**

### Initiative category & Initiative type

Company policy or behavioral change  
Resource efficiency

### Estimated annual CO2e savings (metric tonnes CO2e)

661

### Scope(s)

Scope 1  
Scope 2 (location-based)  
Scope 2 (market-based)

### Voluntary/Mandatory

Voluntary

### Annual monetary savings (unit currency – as specified in C0.4)

48,084

### Investment required (unit currency – as specified in C0.4)

216,393

### Payback period

4-10 years

### Estimated lifetime of the initiative

6-10 years

### Comment

Process optimization: In an effort to reduce our data center emissions, we implemented a number of voluntary measures, including ongoing lab energy optimization initiatives, enhanced IT and cooling power monitoring and tracking, PUE tracking, airflow management, heat containment, hot aisle/cold aisle barriers, optimized airflow, efficient cooling production, airside economization, evaporative humidification, and evaporative cooling. These initiatives also cover our Scope 1 and Scope 2 (location-based) emissions.

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### Initiative category & Initiative type

Low-carbon energy consumption

Other, please specify

Low Carbon Energy Mix

### Estimated annual CO<sub>2</sub>e savings (metric tonnes CO<sub>2</sub>e)

13,218

### Scope(s)

Scope 1

Scope 2 (location-based)

Scope 2 (market-based)

### Voluntary/Mandatory

Voluntary

### Annual monetary savings (unit currency – as specified in C0.4)

239,302

### Investment required (unit currency – as specified in C0.4)

826,408

### Payback period

No payback

### Estimated lifetime of the initiative

<1 year

### Comment

In addition to increasing our renewable energy procurement through utilities/suppliers, we completed installations of new solar Photovoltaic (PV) arrays at our facilities in Pune and Mumbai, India. We also commenced onsite solar installations at our facility in Bengaluru, India the change in emissions reflects these values.

## C4.3c

**(C4.3c) What methods do you use to drive investment in emissions reduction activities?**

Method	Comment
Employee engagement	<p>As we manage our facilities, it is our standard protocol to engage employees in more sustainable practices. The employee engagement program is managed by the Corporate Citizenship, Sustainability, and Real Estate and Facilities teams. The objective of the program is to energize employees and solicit their help in reaching Oracle's sustainability goals. We also publish information regarding emissions reduction, energy efficiency, water and waste reduction, on our internal sustainability employee engagement website and in other employee communications including newsletters, social media, and videos.</p>
Employee engagement	<p>Our Real Estate and Facilities team and the Oracle Volunteering program collaborate on an annual Focus on Environment initiative, in conjunction with Earth Week. Employees worldwide partner with environmental nonprofit organizations and NGOs to take action for a healthy planet. On Earth Day each year, all non-emergency lights and all Oracle signs (internal and external) at Oracle offices are turned off during the local lunch hour. This reduces Oracle's carbon footprint on Earth Day and reminds us of the importance of reducing the amount of energy we use every day.</p> <p>In addition, Oracle hosts Annual Green Fairs at several office locations globally. The purpose of these fairs is to engage and educate employees around Oracle's sustainability and climate-related initiatives, while also encouraging them to adopt sustainable practices at work and beyond</p>
Internal incentives/recognition programs	<p>Oracle runs an annual Sustainability Champions program, which recognizes employees who are advancing environmental sustainability at work and beyond. Sustainability Champions are recognized in Oracle's internal sustainability newsletter, and receive a "Sustainability Champion" badge to include in their employee profiles. Oracle's 2019 Sustainability Champions included a group of employees in Romania that started an Eco Team committed to raising awareness regarding environmental issues and providing alternatives to address them. Most recently, their primary challenge has been that only plastic tableware is available in the Bucharest offices. To reduce the use of these single-use plastics, they engaged in several initiatives, including offering re-usable cups for employees and making stainless steel cutlery available. According to estimations, the team reduced the use of about 60,000 single-use plastic cups in less than one year. Other winners included a team in Amsterdam that held several activities including; arranging informational sessions about electric vehicles, motorcycles, bikes, and other forms of sustainable transportation; granting free bike maintenance and repair, and the benefits of recycling/swapping clothing. Additionally, a member on this team also served as the project leader for a 'plastic fishing' event in the canals of</p>

	<p>Amsterdam. In India award winners included an internal “Green Warrior Team” who conducted several activities including, the planting of trees, encouraging the use of reusable and recyclable products, avoiding single-use plastics, educating rural and urban communities (including students) to use healthy sustainable resources to reduce waste, promoting and using organic products, saving water, and cleaning public places, parks, schools and orphanages. This team was also responsible for planting more than 30,000 trees in the last two years. In the US Oracle recognized a member of the Oracle Event and Marketing team. For more than 10 years the Event and Marketing team has worked to ensure Oracle events like OpenWorld are on track to meet the goals of zero-waste and carbon-neutrality.</p>
Financial optimization calculations	<p>Oracle’s approach is to create solutions that are both environmentally and financially sustainable. We use several different criteria for financial calculations depending on the type of project (owned or leased facility, expected life of efficiency measure, expected term of use/occupancy, etc.). We use criteria such as simple payback, internal rate of return, life cycle costing, etc.</p>
Compliance with regulatory requirements/standards	<p>Oracle strives to comply with local, regional and national regulations and standards applicable to each of our facilities and products. We work cross-functionally to meet or exceed such regulatory standards and requirements.</p>
Dedicated budget for energy efficiency	<p>Our Real Estate and Facilities team, which includes data center design and operations, has dedicated headcount and resources for energy efficiency. Our teams work to design more energy-efficient data centers and facilities, and monitor equipment to track and optimize its energy performance. Oracle’s approach is to make energy efficiency and sustainability an integral part of our operations. We continually explore new technologies and solutions and carry out many energy efficiency projects, including leveraging external incentives where available, as long as they meet our internal ROI criteria.</p>
Dedicated budget for other emissions reduction activities	<p>Oracle's Real Estate and Facilities organization has a dedicated budget for several emissions reduction activities, including purchase of renewable energy, commuter travel, and employee ride-sharing programs. In 2019, we continued our work to reduce travel by leveraging Oracle products and updating our travel-related business practices. We ask employees to travel only when necessary and employ Oracle Web Conferencing and video conferencing technologies across our enterprise to ensure that virtual meetings are highly effective. In addition, we have installed electric vehicle charging stations at several of our facilities, and offer alternative transportation and commuter benefits to our employees across North America. In recognition of these efforts, Oracle was named a Best Workplace for</p>

	Commuters in California for meeting the National Standard of Excellence.
Dedicated budget for low-carbon product R&D	Oracle develops products that support more than 430,000 customers in 175 countries to employ our industry-leading technology to address their environmental initiatives in conjunction with other business objectives.

## C4.5

**(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?**

Yes

## C4.5a

**(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.**

### Level of aggregation

Group of products

### Description of product/Group of products

Many of Oracle's solutions enable our customers to be more environmentally sustainable and to reduce their greenhouse gas emissions. These solutions are broadly categorized under 'Risk and Performance Management' (including environmental data collection, analytics, and reporting); 'Business Operations' (including transportation management, smart grid technologies, and product lifecycle management); and 'IT Infrastructure' (including energy efficient engineered systems, Internet of Things (IoT), Big Data, Blockchain, and cloud computing).

### Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

### Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify

Avoided emissions are reported on a customer-by-customer basis

### % revenue from low carbon product(s) in the reporting year

59

### Comment

The % revenue from low-carbon products is calculated using the percent of renewable energy use at Oracle Cloud colocation data centers in 2019. Inherently, the benefits of Oracle's solutions are not just limited to environmental performance improvements, but also include cost reduction and continuous business improvement potential. In terms of

R&D, Oracle is rigorously focused on working with its customers to meet their business needs in the ongoing development of our solutions. Oracle's commitment to developing practices and products that help protect the environment includes addressing product enhancement requests from customers related to their sustainability efforts. Oracle's strategy is to embed sustainability related features in products so customers can leverage their existing IT investments and business processes wherever possible. In many cases customers are also able to configure Oracle's solutions to address their sustainability needs in conjunction with other business objectives. Oracle spends roughly \$6.1 billion annually on research and development of products and services, including those related to sustainability and climate change mitigation.

## C5. Emissions methodology

### C5.1

**(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).**

#### Scope 1

---

**Base year start**

January 1, 2015

**Base year end**

December 31, 2015

**Base year emissions (metric tons CO<sub>2</sub>e)**

14,953

**Comment**

#### Scope 2 (location-based)

---

**Base year start**

January 1, 2015

**Base year end**

December 31, 2015

**Base year emissions (metric tons CO<sub>2</sub>e)**

505,575

**Comment**

#### Scope 2 (market-based)

---

**Base year start**

January 1, 2015

**Base year end**

December 31, 2015

**Base year emissions (metric tons CO2e)**

444,563

**Comment**

## C5.2

**(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.**

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

## C6. Emissions data

### C6.1

**(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?**

**Reporting year**

---

**Gross global Scope 1 emissions (metric tons CO2e)**

16,520

**Comment**

### C6.2

**(C6.2) Describe your organization's approach to reporting Scope 2 emissions.**

**Row 1**

---

**Scope 2, location-based**

We are reporting a Scope 2, location-based figure

**Scope 2, market-based**

We are reporting a Scope 2, market-based figure

**Comment**

## C6.3

**(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO<sub>2</sub>e?**

### Reporting year

---

**Scope 2, location-based**

560,683

**Scope 2, market-based (if applicable)**

349,022

**Comment**

## C6.4

**(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?**

No

## C6.5

**(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.**

### Purchased goods and services

---

**Evaluation status**

Relevant, calculated

**Metric tonnes CO<sub>2</sub>e**

1,139,792

**Emissions calculation methodology**

This figure represents the estimated emissions associated with key categories of purchased goods and services, representing a significant portion of our total spend. The emissions reported cover our direct hardware suppliers, as well as material indirect procurement categories (e.g. furniture, telecommunications, and computers). The emissions were calculated by multiplying the spend data for each category of goods by the corresponding conversion factors as outlined in the DEFRA 2012 Conversion Factor Repository, Annex 13.

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

0

**Please explain**

Percentage of emissions calculated using data obtained from suppliers is not calculated due to a large number of suppliers and/or transactions.

**Capital goods**

---

**Evaluation status**

Relevant, calculated

**Metric tonnes CO<sub>2</sub>e**

151,888

**Emissions calculation methodology**

Emissions from capital goods are calculated using spend analysis of Oracle's material capital expenditures. The emissions were calculated by multiplying the spend data for each category of goods by the corresponding conversion factors as outlined in the DEFRA 2012 Conversion Factor Repository, Annex 13.

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

0

**Please explain**

Percentage of emissions calculated using data obtained from suppliers is not calculated due to a large number of suppliers and/or transactions.

**Fuel-and-energy-related activities (not included in Scope 1 or 2)**

---

**Evaluation status**

Relevant, calculated

**Metric tonnes CO<sub>2</sub>e**

21,233

**Emissions calculation methodology**

According to the Energy Information Administration (EIA), approximately 6 percent of total electricity input in the US is lost to transmission and distribution. Based on this assumption, we calculated 6 percent of our total Scope 2 emissions to estimate the Scope 3 emissions around fuel- and energy-related activities. The Scope 2 emissions figure was calculated using the following standards: EPA eGRID 2012 for U.S. Electricity; EPA GHG Emission Factors Hub for U.S. Natural Gas; National Greenhouse Accounts Factors for Australia Electricity and Natural Gas; DEFRA Greenhouse Gas Conversion Factor Repository (2016) for Electricity and Natural Gas in all other countries.

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

0

**Please explain**

Percentage of emissions calculated using data obtained from suppliers is not calculated due to a large number of suppliers and/or transactions.

## Upstream transportation and distribution

---

### Evaluation status

Relevant, calculated

### Metric tonnes CO<sub>2</sub>e

8,956

### Emissions calculation methodology

This data is obtained from Oracle's transportation and distribution vendors on an annual basis. The emissions are calculated using an equation from the GLEC framework for logistics emissions: Distance Traveled x Total Weight x GLEC Protocol emissions factors per transport mode.

One of our vendors has developed an internal tool leveraging the following information:

- 1) Actual customer shipment records for the period, listing origin and destination points, weight per shipment and primary shipment mode;
- 2) A proprietary distance table based largely on the Publication 151 – Distance Between Ports. National Imagery and Mapping Agency, 2001. Distances are calculated based on common vessel routings for ocean and using the “Great Circle Distance” method for air and ocean; Distances for road freight are calculated using the planned distance between the origin and destination points and a circuitry factor to provide a more accurate distance and allow for deviations.
- 3) GLEC emissions factors per primary mode of transport.

This data represents emissions produced in landfills from waste generated in the total area under our operational control at Oracle-owned buildings globally. The volume of waste was converted to lbs using an average density of 450 lbs per yd<sup>3</sup>. The emissions calculation was based on the EPA Waste Reduction Model (WARM) version 14 (updated March 2016) using the 0.35 National Average Emission Factor for Landfilling.

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

### Please explain

Our transportation and distribution vendors provide us with annual emissions data, including both upstream and downstream emissions. We estimate that upstream emissions account for approximately 20% of those emissions, whereas downstream emissions account for 80%.

## Waste generated in operations

---

### Evaluation status

Relevant, calculated

**Metric tonnes CO2e**

1,055

**Emissions calculation methodology**

This data represents emissions produced in landfills from waste generated in the total area under our operational control at Oracle-owned buildings globally. The volume of waste was converted to lbs using an average density of 450 lbs per yd<sup>3</sup>. The emissions calculation was based on the EPA Waste Reduction Model (WARM) version 14 (updated March 2016) using the 0.35 National Average Emission Factor for Landfilling.

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

0

**Please explain**

Percentage of emissions calculated using data obtained from suppliers is not calculated due to a large number of suppliers and/or transactions.

**Business travel**

---

**Evaluation status**

Relevant, calculated

**Metric tonnes CO2e**

173,807

**Emissions calculation methodology**

This data is acquired from Oracle's air travel reporting tool, as well as our car rental vendors. For air travel, Oracle uses an internal system that is part of the Oracle Business Intelligence Enterprise Edition (OBIEE) tool, leveraging the DEFRA Greenhouse Gas Conversion Factor Repository (2019).

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

0

**Please explain**

Percentage of emissions calculated using data obtained from suppliers is not calculated due to a large number of suppliers and/or transactions.

**Employee commuting**

---

**Evaluation status**

Relevant, calculated

**Metric tonnes CO2e**

70

**Emissions calculation methodology**

This number was calculated using annual mileage data from Oracle's employee shuttle service providers. The emissions were estimated using the following emission factors: CO<sub>2</sub>: 0.107 (kg CO<sub>2</sub>/passenger-mile), CH<sub>4</sub>: 0.0006 (g CH<sub>4</sub>/passenger-mile), N<sub>2</sub>O: 0.0005 (g N<sub>2</sub>O/passenger-mile), as referenced in the EPA Climate Leaders Greenhouse Gas Inventory Protocol Core Module Guidance for Bus Business Travel. These emission factors are based on the assumption that the bus travel is conducted in buses mainly fueled by diesel, and were derived from statistical information on passenger-mile in Table VM-1 of the Federal Highway Administration's Highway Statistics 2005, along with emissions data from Table 2-17 from the U.S. Greenhouse Gas Emissions and Sinks: 1990–2005.

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

100

#### **Please explain**

The figure represents emissions data from our employee shuttle providers for our offices in Redwood Shores and Santa Clara, California. This figure does not include emissions from individual employee commuting. With more than 137,000 employees globally, located in over 80 countries, flex working schedules and telecommuting, we are unable to provide a calculation for individual employees.

### **Upstream leased assets**

---

#### **Evaluation status**

Not relevant, explanation provided

#### **Please explain**

Oracle leases a number of facilities and equipment such as copiers. All emissions related to these upstream leased assets are within our Scope 1 and 2 GHG inventory.

### **Downstream transportation and distribution**

---

#### **Evaluation status**

Relevant, calculated

#### **Metric tonnes CO<sub>2</sub>e**

35,824

#### **Emissions calculation methodology**

This data is obtained from Oracle's transportation and distribution vendors on an annual basis. The emissions are calculated using an equation from the GLEC framework for logistics emissions: Distance Traveled x Total Weight x GLEC Protocol emissions factors per transport mode.

One of our vendors has developed an internal tool leveraging the following information:

- 1) Actual customer shipment records for the period, listing origin and destination points, weight per shipment and primary shipment mode;
- 2) A proprietary distance table based largely on the Publication 151 – Distance Between

Ports. National Imagery and Mapping Agency, 2001.

Distances are calculated based on common vessel routings for ocean and using the "Great Circle Distance" method for air and ocean; Distances for road freight are calculated using the planned distance between the origin and destination points and a circuitry factor to provide a more accurate distance and allow for deviations.

3) GLEC emissions factors per primary mode of transport.

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

100

#### **Please explain**

Our transportation and distribution vendors provide us with annual emissions data, including both upstream and downstream emissions. We estimate that upstream emissions account for approximately 20% of those emissions, whereas downstream emissions account for 80%.

### **Processing of sold products**

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#### **Evaluation status**

Not relevant, explanation provided

#### **Please explain**

Subsequent to manufacturing, Oracle products are not processed further.

### **Use of sold products**

---

#### **Evaluation status**

Not relevant, explanation provided

#### **Please explain**

With Oracle's ongoing transition to the Cloud, we have determined that our key impact in this category lies in the delivery of Oracle Cloud products and services. To this end, we continue to work with our colocation data center providers to build a cloud infrastructure that is clean, efficient, and circular.

All emissions resulting from the use of our cloud offerings are included in our Scope 2 emissions inventory, hence we have determined that this Scope 3 category is not relevant to us.

### **End of life treatment of sold products**

---

#### **Evaluation status**

Not relevant, explanation provided

#### **Please explain**

Upon evaluating the estimated emissions associated with the disposal and treatment of Oracle-branded products, we determined that this source is not relevant, and the

emissions are not material to our Scope 3 emissions footprint. We offer product take-back to all of our customers to help ensure products are recycled or disposed of responsibly and in compliance with the law. Products that cannot be remanufactured by Oracle for reuse are sent to our contracted recyclers, who responsibly recycle, or resell the remaining material - sending only 0.5% to landfill. In FY19, Oracle collected more than 3 million lbs of material, of which 99.5% was recycled or reused.

Oracle conducts audits to help ensure that our recyclers and their downstream processors have proper Health & Safety controls in place and are compliant with local law. By expanding the number of sites in our recycling network and increasing the percentage of material reused vs. recycled, we reduce shipping miles and conserve raw materials, both of which have an environmental benefit. We assist our customers in their end-of-life planning and in many cases offer de-install, data destruction, transportation and recycling services at no charge. More information of Oracle's Take Back and Recycling programs can be found at; <http://www.oracle.com/us/products/servers-storage/take-back-and-recycling/index.html>

## Downstream leased assets

---

### Evaluation status

Relevant, calculated

### Metric tonnes CO<sub>2</sub>e

10,915

### Emissions calculation methodology

This figure was calculated by multiplying the total square feet of subleased space by 15.9 kWh of electricity consumption per square feet (taken from the EIA CBECS survey) and the eGRID subregion US average emission factor of 1,136.53 lbs/MWH.

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

### Please explain

Percentage of emissions calculated using data obtained from suppliers is not calculated due to a large number of suppliers and/or transactions.

## Franchises

---

### Evaluation status

Not relevant, explanation provided

### Please explain

Oracle does not have any franchises.

## Investments

---

### Evaluation status

Not relevant, explanation provided

**Please explain**

Oracle is not a financial institution. Our "investments" are primarily debt investments without known use of proceeds.

**Other (upstream)**

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**Evaluation status**

**Please explain**

**Other (downstream)**

---

**Evaluation status**

**Please explain**

## C6.7

**(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?**

No

## C6.10

**(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO<sub>2</sub>e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.**

---

**Intensity figure**

0.0000092542

**Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO<sub>2</sub>e)**

365,543

**Metric denominator**

unit total revenue

**Metric denominator: Unit total**

39,500,000,000

**Scope 2 figure used**

Market-based

**% change from previous year**

4

**Direction of change**

Decreased

**Reason for change**

Emission reduction activities as discussed in detail in this report and generalized as increased operational efficiency and robust supplier engagement. Oracles complete Global Sustainability strategy is set forth in Oracle's public website and other public documents.

---

**Intensity figure**

2.687813365

**Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)**

365,543

**Metric denominator**

full time equivalent (FTE) employee

**Metric denominator: Unit total**

136,000

**Scope 2 figure used**

Market-based

**% change from previous year**

2.5

**Direction of change**

Decreased

**Reason for change**

Emission reduction activities such as increased operational efficiency, and employee engagement. Oracles complete Global Sustainability strategy is set forth in Oracle's public website.

## C7. Emissions breakdowns

### C7.1

**(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?**

Yes

## C7.1a

**(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).**

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	16,490	IPCC Fourth Assessment Report (AR4 - 100 year)
CH4	21	IPCC Fourth Assessment Report (AR4 - 100 year)
N2O	9	IPCC Fourth Assessment Report (AR4 - 100 year)
HFCs	0	IPCC Fourth Assessment Report (AR4 - 100 year)
PFCs	0	IPCC Fourth Assessment Report (AR4 - 100 year)

## C7.2

**(C7.2) Break down your total gross global Scope 1 emissions by country/region.**

Country/Region	Scope 1 emissions (metric tons CO2e)
North America	12,721
Asia Pacific (or JAPA)	2,198
Latin America (LATAM)	187
Europe, Middle East and Africa (EMEA)	1,414

## C7.3

**(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.**

By activity

## C7.3c

**(C7.3c) Break down your total gross global Scope 1 emissions by business activity.**

Activity	Scope 1 emissions (metric tons CO2e)
Data center activities: The figure cited here represents fuel use for backup electricity at our standalone data centers in Austin, Texas and Salt Lake City, Utah.	140

Various business activities, including but not limited to manufacture of hardware and business services (office-based activities)	16,380
---	--------

## C7.5

**(C7.5) Break down your total gross global Scope 2 emissions by country/region.**

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted for in Scope 2 market-based approach (MWh)
North America	327,894	250,880	867,807	116,680
Asia Pacific (or JAPA)	109,840	83,166	141,170	24,467
Latin America (LATAM)	3,884	3,380	20,229	4,749
Europe, Middle East and Africa (EMEA)	119,065	11,596	373,582	293,772

## C7.6

**(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.**

By activity

### C7.6c

**(C7.6c) Break down your total gross global Scope 2 emissions by business activity.**

Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Various business activities, including but not limited to manufacture of hardware and business services (office-based activities), & internal data center operations.	283,902	195,359
Emissions from colocation data center facilities associated with Oracle Cloud services	276,781	153,663

## C7.9

**(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?**

Decreased

## C7.9a

**(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.**

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	13,328	Decreased	3.5	<p>In addition to increasing our renewable energy procurement through utilities/suppliers, we completed installations of new solar Photovoltaic (PV) arrays at our facilities in Pune and Mumbai, India. We also commenced onsite solar installations at our facility in Bengaluru, India the change in emissions reflects these values.</p> <p>The emissions value percentage was calculated by dividing the estimated savings (13,328) by the previous year's scope 1 and scope 2 emissions (379,532 MTCO2e). Resulting in 3.5%.</p>
Other emissions reduction activities	661	Decreased	0.2	<p>This represents activities, including leveraging automated systems to control heating, cooling, ventilation, lighting, and other energy consuming equipment; LED lighting installation; lighting and HVAC system and control upgrades; domestic hot water upgrades; modified boiler systems to reduce operating times; submeter installation to monitor individual labs and large equipment.</p> <p>The emissions value percentage was calculated by dividing the estimated savings (661) by the previous year's scope 1 and scope 2 emissions (379,532 MTCO2e). Resulting in 0.2%.</p>
Divestment				Not measured or not applicable.
Acquisitions				Not measured or not applicable.

Mergers				Not measured or not applicable.
Change in output				Not measured or not applicable.
Change in methodology				Not measured or not applicable.
Change in boundary				Not measured or not applicable.
Change in physical operating conditions				Not measured or not applicable.
Unidentified				Not measured or not applicable.
Other				Not measured or not applicable.

## C7.9b

**(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?**

Market-based

## C8. Energy

### C8.1

**(C8.1) What percentage of your total operational spend in the reporting year was on energy?**

More than 0% but less than or equal to 5%

### C8.2

**(C8.2) Select which energy-related activities your organization has undertaken.**

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	Yes

Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	Yes
Generation of electricity, heat, steam, or cooling	Yes

## C8.2a

**(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.**

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	65,564	65,564
Consumption of purchased or acquired electricity		11,571	1,386,563	1,398,134
Consumption of purchased or acquired heat		0	67	67
Consumption of purchased or acquired steam		0	1,022	1,022
Consumption of purchased or acquired cooling		0	3,566	3,566
Consumption of self-generated non-fuel renewable energy		3,168		3,168
Total energy consumption		14,739	1,456,782	1,471,521

## C8.2b

**(C8.2b) Select the applications of your organization's consumption of fuel.**

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes

Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

## C8.2c

**(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.**

---

### Fuels (excluding feedstocks)

Natural Gas

### Heating value

HHV (higher heating value)

### Total fuel MWh consumed by the organization

61,205

### MWh fuel consumed for self-generation of electricity

8,192

### MWh fuel consumed for self-generation of heat

53,013

### Emission factor

0.25322

### Unit

metric tons CO2e per MWh

### Emissions factor source

US EPA Emission Factors for Greenhouse Gas Inventories, 9 March 2018

### Comment

---

### Fuels (excluding feedstocks)

Diesel

### Heating value

HHV (higher heating value)

**Total fuel MWh consumed by the organization**

2,294

**MWh fuel consumed for self-generation of electricity**

2,294

**MWh fuel consumed for self-generation of heat**

0

**Emission factor**

0.18123

**Unit**

metric tons CO<sub>2</sub>e per MWh

**Emissions factor source**

US EPA Emission Factors for Greenhouse Gas Inventories, 9 March 2018

**Comment**

---

**Fuels (excluding feedstocks)**

Other, please specify  
estimate of fuel use for owned vehicles

**Heating value**

HHV (higher heating value)

**Total fuel MWh consumed by the organization**

2,065

**MWh fuel consumed for self-generation of electricity**

0

**MWh fuel consumed for self-generation of heat**

0

**Emission factor**

0.1975

**Unit**

metric tons CO<sub>2</sub>e per Mg

**Emissions factor source**

DEFRA Conversion Factors 2017 and US EPA Emission Factors for Greenhouse Gas  
Inventories, 9 March 2018

**Comment**

This emission factor was derived from the DEFRA Conversion Factors 2017 repository (passenger vehicles category) -- 0.29357 kgCO<sub>2</sub>e per miles for Average vehicle (assuming an average mileage of 10,000 per vehicle). The fuel consumption was estimated using EPA's EF Hub, Heat content for motor gasoline (.125 MMBtu/gal).

## C8.2d

**(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.**

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	13,654	13,654	3,168	3,168
Heat	53,013	53,013	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

## C8.2e

**(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero emission factor in the market-based Scope 2 figure reported in C6.3.**

### Sourcing method

Unbundled energy attribute certificates, Renewable Energy Certificates (RECs)

### Low-carbon technology type

Wind

### Country/region of consumption of low-carbon electricity, heat, steam or cooling

Other, please specify

United States and India

### MWh consumed accounted for at a zero emission factor

28,508

### Comment

In 2019, we purchased low carbon energy at several facilities, including 16,937 MWh and 11,571 MWh of renewable energy credits (RECs) in the U.S. and India respectively.

### Sourcing method

Green electricity products (e.g. green tariffs) from an energy supplier, supported by energy attribute certificates

**Low-carbon technology type**

Low-carbon energy mix

**Country/region of consumption of low-carbon electricity, heat, steam or cooling**

Other, please specify

Oracle measures this data globally.

**MWh consumed accounted for at a zero emission factor**

49,715

**Comment**

This represents the zero carbon electricity purchased through suppliers at several locations around the world.

---

**Sourcing method**

Other, please specify

Renewable use at colocation datacenters; supplier managed low/no carbon energy solutions

**Low-carbon technology type**

Low-carbon energy mix

**Country/region of consumption of low-carbon electricity, heat, steam or cooling**

Other, please specify

Oracle measures this data globally.

**MWh consumed accounted for at a zero emission factor**

355,060

**Comment**

This represents the amount zero carbon electricity provided by directly by the suppliers at several locations around the world.

## C9. Additional metrics

### C9.1

**(C9.1) Provide any additional climate-related metrics relevant to your business.**

---

**Description**

Waste

**Metric value**

0.76

**Metric numerator**

Liters

**Metric denominator (intensity metric only)**

square footage (owned buildings)

**% change from previous year**

0.1

**Direction of change**

Decreased

**Please explain**

Oracle has a goal to achieve a 25 percent reduction in waste sent to landfill per square foot of owned facilities by 2020, against a 2015 baseline. As of 2018, Oracle had achieved this goal.

---

**Description**

Other, please specify  
Water use

**Metric value**

86.7

**Metric numerator**

Liters of potable water

**Metric denominator (intensity metric only)**

square footage (owned buildings)

**% change from previous year**

0.3

**Direction of change**

Decreased

**Please explain**

Oracle has a goal to achieve a 25 percent reduction in potable water consumption per square foot of owned facilities by 2020, against a 2015 baseline.

## C10. Verification

### C10.1

**(C10.1) Indicate the verification/assurance status that applies to your reported emissions.**

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

### C10.1a

**(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.**

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

 Oracle 2019 GHG Inventory Assurance Review Letter FINAL\_20200824.pdf

**Page/ section reference**

1-2

**Relevant standard**

ISO14064-3

**Proportion of reported emissions verified (%)**

100

### C10.1b

**(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.**

**Scope 2 approach**

Scope 2 location-based

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

 Oracle 2019 GHG Inventory Assurance Review Letter FINAL\_20200824.pdf

**Page/ section reference**

1-2

**Relevant standard**

ISO14064-3

**Proportion of reported emissions verified (%)**

100

## C10.1c

**(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.**

---

**Scope 3 category**

Scope 3: Business travel

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Third party verification/ assurance underway

**Attach the statement**

 Oracle 2019 GHG Inventory Assurance Review Letter FINAL\_20200824.pdf

**Page/section reference**

1-2

**Relevant standard**

ISO14064-3

**Proportion of reported emissions verified (%)**

100

**Scope 3 category**

Scope 3: Waste generated in operations

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

**Attach the statement**

 Oracle 2019 GHG Inventory Assurance Review Letter FINAL\_20200824.pdf

**Page/section reference**

1-2

**Relevant standard**

ISO14064-3

**Proportion of reported emissions verified (%)**

100

**C10.2**

**(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?**

Yes

**C10.2a**

**(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?**

Disclosure module verification relates to	Data verified	Verification standard	Please explain

C8. Energy	Energy consumption	ISO 14064-3	In addition to our emissions data, we verified our total energy consumption (MWh), as reported in C8.2a.  1
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 1 Oracle 2019 GHG Inventory Assurance Review Letter FINAL\_20200824.pdf

## C11. Carbon pricing

### C11.1

**(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?**

No, and we do not anticipate being regulated in the next three years

### C11.2

**(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?**

No

### C11.3

**(C11.3) Does your organization use an internal price on carbon?**

No, and we do not currently anticipate doing so in the next two years

## C12. Engagement

### C12.1

**(C12.1) Do you engage with your value chain on climate-related issues?**

Yes, our suppliers

Yes, our customers

### C12.1a

**(C12.1a) Provide details of your climate-related supplier engagement strategy.**

---

#### Type of engagement

Information collection (understanding supplier behavior)

#### Details of engagement

Collect climate change and carbon information at least annually from suppliers

**% of suppliers by number**

100

**% total procurement spend (direct and indirect)**

28

**% of supplier-related Scope 3 emissions as reported in C6.5**

42

**Rationale for the coverage of your engagement**

This engagement initiative covers 100% of Oracle's strategic direct hardware suppliers (direct procurement), representing a significant portion (80%) of Oracle's total spend. As a member of the Responsible Business Alliance (RBA), we have established a formal process for engaging with our suppliers on a variety of issues related to climate change, including energy consumption and GHG emissions, water use, and hazardous substances. In 2018, we engaged with our strategic suppliers to report data on their carbon, water and waste footprints via the RBA platform, aiming to achieve a supplier response rate of 85% based on hardware spend . Oracle leverages quarterly scorecards for our strategic suppliers, and provides training to new supplier managers around quarterly Social and Environmental Responsibility (SER) deliverable requests and why they are important. In addition, Oracle is an active member of the RBA Environmental Sustainability working group, and contributed to revising language in the code to address energy and water issues in the supply chain. Oracle also evaluated the RBA environmental maturity model to determine how it may be applied to our own strategic manufacturing suppliers, in addition to being leveraged by other RBA members. These efforts help us to not only educate our supply chain on various climate-related issues and strategies, but also to help us manage our own environmental impact, and that of our products.

**Impact of engagement, including measures of success**

The impact of engagement includes greater transparency into Oracle's supply chain, and the associated risks and areas for improvement. In 2019, we exceeded our goal (which also constitutes our measure of success) of engaging Oracle's hardware suppliers representing 85% of our total direct procurement spend, ultimately surveying 100% and receiving responses from 89%.

**Comment**

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**Type of engagement**

Information collection (understanding supplier behavior)

**Details of engagement**

Collect climate change and carbon information at least annually from suppliers

**% of suppliers by number**

80

**% total procurement spend (direct and indirect)**

72

**% of supplier-related Scope 3 emissions as reported in C6.5**

58

**Rationale for the coverage of your engagement**

Oracle's in-direct procurement team has set a target ensuring 80% of the Key suppliers have emissions reductions targets in place by 2025. The data in this engagement documents the progress of that goal. Oracle Key in-direct suppliers make up 80% of Oracle's total in-direct procurement spend.

**Impact of engagement, including measures of success**

As part of Oracle's Sustainable Procurement program, we are requesting quantitative and qualitative reporting from our Key indirect suppliers to better understand supplier behavior and to identify potential areas for improvement. These metrics are compiled into supplier success stories that are shared with Oracle employees company-wide. In 2018, we launched our first round of reporting via a supplier survey. The goal of the survey is to establish a baseline to assess suppliers' sustainability performance, which will allow us to track progress going forward, as well as identify and work with suppliers who do not meet our sustainability standards. The success of this initiative is measured by the percent of total procurement spend represented.

**Comment**

In 2019 Oracle received responses from just under 75% of all suppliers surveyed.

---

**Type of engagement**

Engagement & incentivization (changing supplier behavior)

**Details of engagement**

Run an engagement campaign to educate suppliers about climate change  
Climate change performance is featured in supplier awards scheme

**% of suppliers by number**

0

**% total procurement spend (direct and indirect)**

32

**% of supplier-related Scope 3 emissions as reported in C6.5**

21

**Rationale for the coverage of your engagement**

Several of Oracle's business divisions have included Oracle's Sustainability strategy into recurring Business Review Meetings (SBR's). These meetings discuss various topics related to Oracle's overall supplier management. In these meetings Oracle's internal and external sustainability goals are presented. These numbers represent the subset of

indirect procurement suppliers that are managed by the business divisions with advanced sustainability goals as described. The number of suppliers is not measured however the % of in-direct procurement and Scope 3 emissions is.

### **Impact of engagement, including measures of success**

Several of the business units in conjunction with their SBR's prepare a scorecard measuring a supplier's performance against its peers. This methodology is known as TQRDC (technology, quality, responsiveness, delivery, & cost), in 2019 Travel and Cloud Operations augmented the TQRDC mechanisms to add sustainability as part of the scoring, resulting in a TQRDCS methodology. These scores are used in conjunction with RFP's to assist in identifying the suppliers who meet Oracle's needs across the TQRDCS methodology.

### **Comment**

In 2019 Oracle held over 100 SBR's. TQRDCS ratings were used to evaluate and ultimately award services in three new cloud regions in 2019.

## **C12.1b**

**(C12.1b) Give details of your climate-related engagement strategy with your customers.**

---

### **Type of engagement**

Collaboration & innovation

### **Details of engagement**

Run a campaign to encourage innovation to reduce climate change impacts

### **% of customers by number**

100

### **% of customer - related Scope 3 emissions as reported in C6.5**

3

### **Please explain the rationale for selecting this group of customers and scope of engagement**

As a strong proponent of the circular economy, Oracle provides several Take Back programs for 100% of our hardware customers. In the absence of such programs, Oracle's hardware products could result in significant electronic waste at the end of their useful life. Hence, the rationale for offering these programs to our hardware customers is to help mitigate any environmental impacts or security risks that may be caused by improper disposal of old or decommissioned IT equipment. Customers who use our Take Back programs have access to free on-site services, including disk erasure, as concerns around data security continue to grow. Each year, approximately 40,000 spare parts are harvested, tested and provided to Oracle Service to support customers and extend the useful life of product. Customers who upgrade after 4-5 years of use help

support other customers who choose to run a product for 8-12 years, thus conserving natural resources. With the growth of Oracle's Cloud business, we anticipate the percent of systems we take back versus systems we ship into the market to grow from ~16% today, to more than 50% over the next several years. Our Reverse Supply Chain is distributed across the 3 regions; Americas, Europe and Asia. Processing Take Back material locally acts as an investment in those regions, and reduces transportation miles, as well as associated carbon emissions.

### **Impact of engagement, including measures of success**

Oracle's Take Back programs return 40,000 spare parts annually to service Oracle products, support customers, and extend the useful life of additional products. As a result, we are able to significantly reduce electronic waste in our operations and advance the circular economy.

The success of this initiative is measured by the volume of material collected through Oracle's Take Back programs, and the percentage diverted from landfill. In FY19, Oracle collected more than 3 million lbs of material, of which 99.5% was recycled or reused.

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### **Type of engagement**

Education/information sharing

### **Details of engagement**

Run an engagement campaign to education customers about your climate change performance and strategy

### **% of customers by number**

100

### **% of customer - related Scope 3 emissions as reported in C6.5**

### **Please explain the rationale for selecting this group of customers and scope of engagement**

Oracle released a 'digibook' titled The Sustainable Supply Chain, with the goal of enabling our customers to advance sustainability within their own organizations. The digibook includes key sustainability initiatives companies are enabling today, how businesses across different industries are managing more sustainable operations, and Oracle's modern suite of solutions that help companies meet their sustainability goals. The publication was shared with Oracle's customers, supply chain managers and professionals from several companies. The rationale for selecting this group was to provide valuable guidance and thought leadership to both existing and prospective customers. The % of Scope3 emissions is not calculated.

### **Impact of engagement, including measures of success**

The Sustainable Supply Chain digibook has been shared with more than 7,400 users, including Oracle customers, and has reached additional users through online and in-person engagement, including blogs, customer campaigns, etc. Success is measured by the number of users reached.

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### **Type of engagement**

Education/information sharing

### **Details of engagement**

Run an engagement campaign to education customers about your climate change performance and strategy

### **% of customers by number**

100

### **% of customer - related Scope 3 emissions as reported in C6.5**

### **Please explain the rationale for selecting this group of customers and scope of engagement**

Oracle OpenWorld is Oracle's annual customer conference, engaging over 60,000 attendees. The event is designed and implemented with sustainability in mind, and has set aggressive sustainability goals around emissions offset, water and waste reduction. During the event, Oracle customers are engaged in several sustainability sessions and have the opportunity to learn about Oracle's climate change performance and strategy. In addition, Oracle hosts a Sustainability Innovation Awards event at OpenWorld each year, where we recognize customers who are using Oracle products and services to meet their own sustainability goals. 2019 marked the 12th anniversary of these awards. OpenWorld and nominations for Sustainability Innovation Awards are open to all Oracle customers. The Scope 3 impact is not calculated by Oracle.

### **Impact of engagement, including measures of success**

The success of this engagement is measured by the progress achieved toward our event sustainability goals (e.g. emissions offset, water and waste reduction), as well as the number of customers engaged through the Sustainability Innovation Awards.

The impact of this engagement included progress toward Oracle's event sustainability goals. For example, Oracle and its venue partners offset over 55,115 pounds of carbon at the 2019 event, which represents 100% of onsite carbon emissions at the event and 144,632,635 pounds of CO<sub>2</sub> have been offset by Oracle OpenWorld over the past 9 years. This is equivalent to the CO<sub>2</sub> emissions from 7,570 homes' energy use for one year or the greenhouse gas emissions from 162,789,726 miles driven by an average passenger vehicle. Through the Sustainability Innovation Awards, we recognized several Oracle customers using our products to advance their own sustainability initiatives. Several award winners leveraging Oracle's technology to meet their sustainability solutions include Walmart, Unilever, Cisco, Sprint, and Motorola

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**Type of engagement**

Education/information sharing

**Details of engagement**

Run an engagement campaign to educate customers about the climate change impacts of (using) your products, goods, and/or services

**% of customers by number**

100

**% of customer - related Scope 3 emissions as reported in C6.5**

**Please explain the rationale for selecting this group of customers and scope of engagement**

Oracle hosts several forums for building awareness and sharing best practices with our customers on an ongoing basis, through videos, customer case studies, and news.

Oracle has a dedicated Sustainability YouTube channel and a Sustainability Matters blog, which are accessible to existing and potential customers around the world.

Each of these engagements are available to 100% of Oracle customers. Oracle does not measure the Scope 3 impact for these engagements.

**Impact of engagement, including measures of success**

The success of this engagement is measured by the number of views garnered and subscribers engaged.

The impact of engagement includes a growing audience of existing and potential customers through these online platforms. The Oracle Sustainability Solutions YouTube channel has more than 900 subscribers, and the customer success stories have collectively garnered more than 50,000 views to date.

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**Type of engagement**

Education/information sharing

**Details of engagement**

Share information about your products and relevant certification schemes (i.e. Energy STAR)

**% of customers by number**

100

**% of customer - related Scope 3 emissions as reported in C6.5**

**Please explain the rationale for selecting this group of customers and scope of engagement**

Oracle publishes several tools to help customers understand Oracle's environmental performance. Due to the broad nature of Oracle products this includes everything from Energy Star details on Hardware to our overall Corporate performance. Oracle uses a variety of customer engagement tools to share information about our products and services. Each of these engagements are available to 100% of Oracle customers. Oracle does not measure the Scope 3 impact for these engagements.

### **Impact of engagement, including measures of success**

Success of this engagement isn't quantifiable. However, the impact of the engagement is significant to Oracle because it's important to our customers efforts to meet their climate change targets. As an example, Oracle provided to its customers the percentage of Renewable Energy for each of its OCI datacenters and customers can obtain site specific advanced environmental details such as, Location Based Emissions, Market Based Emissions, Co2e Factors, and Renewable Energy % (year over year), thus allowing customers to use environmental performance as an aspect of service on boarding.

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### **Type of engagement**

Collaboration & innovation

### **Details of engagement**

Run a campaign to encourage innovation to reduce climate change impacts

### **% of customers by number**

100

### **% of customer - related Scope 3 emissions as reported in C6.5**

### **Please explain the rationale for selecting this group of customers and scope of engagement**

Oracle recognizes select customers for their use of Oracle technology to drive innovative sustainability initiatives. The awards recognize organizations for outstanding work to ensure that sustainability remains a fundamental tenet of enterprise social responsibility. Oracle is honored to congratulate each winner on their leadership and proud they have chosen Oracle technology to help power their cloud transformations.

These award-winning organizations are using many different Oracle products to take an environmental lead as well as to reduce costs and improve business efficiencies using green business practices. The top award winner, Southern California Gas Company, was awarded the 2019 Chief Sustainability Officer of the Year Award.

Winners hail from a wide range of industries and regions. Four of the winning customers chose to include a partner that helped support their sustainability initiatives. The winning nominations were selected by a panel of five judges. Three judges are from Oracle. The other two judges include Heli Helskyaho, CEO Miracle Finland Oy and Oracle ACE

Director, and Joe Imbimbo, Oracle Applications DBA at PPG Industries and member of the Board of Directors for the Oracle Applications Users Group.

Each of these awards are available by nomination to 100% of Oracle customers. Oracle does not measure the Scope 3 impact for these engagements.

**Impact of engagement, including measures of success**

Success isn't measurable. However, the number of nominees for the award have increased by 17% in CY19

## C12.3

**(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?**

Trade associations

## C12.3b

**(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?**

Yes

## C12.3c

**(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.**

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**Trade association**

Information Technology Industry Council (ITI)

**Is your position on climate change consistent with theirs?**

Consistent

**Please explain the trade association's position**

ITI's Environmental Leadership Council leads industry engagement in product materials selection and design; green procurement standards and policies; product stewardship and e-recycling initiatives; and supply chain transparency and sustainability challenges.

**How have you influenced, or are you attempting to influence their position?**

Oracle serves on the Board of Directors of the Information Technology Industry Council (ITI) and works with ITI to promote improved energy efficiency and reduced energy use within states and the United States federal government. These actions align with ITI's position on climate change, and are considered among ITI's key focus areas.

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**Trade association**

Advanced Energy Economy (AEE)

**Is your position on climate change consistent with theirs?**

Consistent

**Please explain the trade association's position**

AEE is the primary association representing the advanced energy industry. They promote the environmental and economic benefits of a range of advanced energy solutions, including energy efficiency and tools to incorporate renewable energy into the electric grid.

**How have you influenced, or are you attempting to influence their position?**

Oracle serves on the Board of Directors of AEE and shapes all of AEE's policy positions on issues that impact the market size for our products, particularly the energy efficiency solutions we provide to utilities. We also help implement those policy positions by supporting advocacy efforts.

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**Trade association**

DigitalEurope

**Is your position on climate change consistent with theirs?**

Consistent

**Please explain the trade association's position**

DigitalEurope's Digital Sustainability Policy Group (DSPG) aims to be the trusted and preferred partner for environmental policy makers, reaching out for constructive discussion with other stakeholders. It advocates the integration of environmental considerations at the stage of product design with the aim of reducing all relevant potential environmental impacts over its entire life cycle. The aim is to demonstrate leadership in this area, helping to support other industries through advancement in electronics, software applications and services.

**How have you influenced, or are you attempting to influence their position?**

Oracle's work with DigitalEurope's Digital Sustainability Policy Group encompasses the following focus areas: Chemicals, Ecodesign, Waste, Resource efficiency. Each focus area addresses a number of topical issues including substance restrictions, eWaste, material and energy efficiency, GHG measuring, and ecolabels.

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**Trade association**

American Chamber of Commerce to the EU

**Is your position on climate change consistent with theirs?**

Consistent

**Please explain the trade association's position**

AmCham EU strives to promote a coherent, science-based and balanced approach to sustainable growth. It supports better regulation and facilitation of the transatlantic dialogue on environmental issues. The committee identifies, monitors, evaluates and makes policy recommendations on European environmental policies including: • Chemical legislation (REACH) • RoHS and Waste Electrical and Electronic Equipment (WEEE) Directive implementation • Circular economy • Resource efficiency and waste • Conflict minerals • Air quality

**How have you influenced, or are you attempting to influence their position?**

Oracle engages in committee work at AmCham EU, particularly in the environment committee and the transport, energy and climate committee. Both committees cover current issues like resource efficiency, waste and circular economy, RoHS implementation and review, as well as conflict minerals. A senior Oracle executive currently holds the position of Chairman of the Board for the organization.

## C12.3f

**(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?**

The global business processes which span all business divisions at Oracle are governed by Oracle's Environmental Steering Committee (ESC) – which includes representatives from several business units, including the Public Policy and Government Affairs teams, and which is led by Oracle's Chief Sustainability Officer (CSO) – has processes in place to ensure a common approach that is consistent with Oracle's overall strategy on climate change. These processes include risk identification and assessment, cross-functional marketing and communications, and stakeholder and supply chain engagement. The ESC meets quarterly, with sub-committees and working groups meeting more frequently. This team ensures all of Oracle's direct and indirect activities that influence policy are consistent with our overall climate strategy.

## C12.4

**(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).**

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**Publication**

In mainstream reports

**Status**

Complete

**Attach the document**

 Oracle Annual Report 10K FY19.pdf

### Page/Section reference

#### Content elements

Governance  
Risks & opportunities

#### Comment

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#### Publication

In voluntary sustainability report

#### Status

Complete

#### Attach the document

 Operations section 2\_Oracle Corporate Citizenship Report 2019.JPG

 Operations section\_Oracle Corporate Citizenship Report 2019.JPG

 Employees section\_Oracle Corporate Citizenship Report.JPG

 Clean Cloud section\_Oracle Corporate Citizenship Report 2019.JPG

 CSO Message\_Oracle Corporate Citizenship Report 2019.JPG

 Customers section\_Oracle Corporate Citizenship Report 2019.JPG

#### Page/Section reference

Screenshots of public pages

#### Content elements

Governance  
Strategy  
Risks & opportunities  
Emissions figures  
Emission targets  
Other metrics

#### Comment

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#### Publication

In voluntary communications

### Status

Complete

### Attach the document

 Oracle Sustainability Twitter.JPG

 Oracle Sustainability Matters blog.JPG

### Page/Section reference

Screenshots of public documents

### Content elements

Strategy

Other metrics

### Comment

## C15. Signoff

### C-FI

**(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.**

Oracle Corporation (“Oracle”) is a global company that designs, produces and markets computer software and hardware, and provides sales, consulting, education and training in the application and use of its products. Oracle is committed to meeting the needs of our customers, including helping our customers use information technology to meet environmental challenges. Taking account of our business needs, customer requirements and the desire to minimize adverse impacts on the environment, we maintain our facilities, run our business operations and develop products in a responsible manner. Oracle’s primary environmental impacts relate to: the company’s own energy consumption as well as the energy consumption of its hardware products; the disposition of its hardware products at the end of their useful life; vendor and supply chain management; business travel; and the consumption of natural resources through its own activities and its procurement processes. Oracle, with the cooperation of its employees, customers, contractors and suppliers, is committed to environmental management through:

- Participating in efforts to improve environmental protection and the sharing of appropriate knowledge, methods and working practices;
- Monitoring and continually improving performance to help protect the environment, including pollution prevention;
- Managing the consumption of energy, water, paper and other resources used by Oracle in its day-to-day operations;
- Identifying opportunities to divert, minimize, reuse and recycle our waste stream;
- Incorporating environmental considerations into procurement processes;
- Considering environmental issues when leasing or purchasing property;

- Promoting staff adoption of alternative and sustainable commuter transport options;
- Striving to reduce business travel and promote alternatives wherever practicable;
- Keeping our internal and external stakeholders informed about Oracle’s environment, health and safety performance;
- Working with our customers to develop software and hardware offerings to help our customer base manage their own environmental challenges;
- Committing to comply with applicable environmental laws and regulations, as well as other standards to which Oracle subscribes;
- Educating our employees about the steps Oracle is taking to help protect the environment and providing channels for employees to contribute to our efforts;
- Requesting that employees report any instances of noncompliance with applicable environmental laws and regulations and conducting appropriate follow-up.

Oracle is committed to the successful implementation of this policy. To achieve results, Oracle develops and monitors short- and long-term environmental objectives.

Oracle’s Environmental Steering Committee (the “ESC”) is responsible for the implementation and oversight of this policy. The ESC, which is comprised of senior employees from Oracle’s various business units, meets regularly to review Oracle’s progress and status on environmental issues and makes recommendations related to this policy and other environmental initiatives. Representatives of the ESC provide regular updates and reports to the CEO of Oracle.

## C15.1

**(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.**

	Job title	Corresponding job category
Row 1	Chief Sustainability Officer	Chief Sustainability Officer (CSO)