

Section 172(1) Statement

The Company recognises the importance of delivering effective corporate governance in supporting the long-term success and sustainability of its business. The Company's purpose is to help people see data in new ways, discover insights and unlock endless possibilities. The Company's stakeholders are its employee workforce, suppliers, investors and the communities in which it operates.

Issues, Factors and Stakeholders

When taking decisions, the Directors of the Company have access to functional assurance support, such as HR, Company Secretarial, Legal and Finance, to identify matters which may have an impact on the proposed decision. This information is provided to the Directors along with any proposed minutes and other supporting documents. This information can include, where relevant; the likely consequences of the decision in the long term, the interests of the Company's employees, the need to foster the Company's business relationships with suppliers and others, the impact of the Company's operations on the community and the environment, the desirability of the Company maintaining a reputation for high standards of business conduct, and the need to act fairly between members of the Company.

Board Governance

The Company holds regular board meetings throughout the year and the Board is supported by a group wide focus on risk management, including a global conflict of interest policy, corporate governance guidelines and a code of ethics, which support the Board's decision-making.

The Company implements a board harmonisation policy in appointing Directors to the Board, where individuals are selected from various critical lines of business, for example, from Tax, Legal or Finance, and are selected for appointment based on expertise, experience and seniority. Drawing from personnel across the Company means that many perspectives are considered when decisions are being made, and the impact of any decision on all relevant stakeholders can be fully evaluated. In addition to broad Board membership, the Directors draw on the input and expertise of other lines of business, for example Human Resources, Health and Safety and Operations, to provide information and support to Board decisions.

During the year the Oracle group undertook a corporate governance review to understand the impact of the new BEIS Regulations on its business and processes. As an outcome of the review, the Group is in the process of implementing a number of changes to its governance processes, including adopting an entity governance policy which supports the decision-making at subsidiary level by the Directors. As part of the decision making process for any principal decision, as defined by the Group as those which have a significant financial, commercial or operational impact on the Company, the Directors now receive, and consider, the potential impact of the decision on the identified stakeholder groups and any mitigating action the Company can take to reduce any adverse impact.

Matters identified that may affect the Company's performance in the long term are set out in the 'Principal risks and uncertainties' section of the Strategic Report.

Stakeholders

The Company has identified, and actively engages with, key stakeholders. For details of how the Company has had regard to foster relationships with its key stakeholders, and the impact of that regard on decision making, refer to the Stakeholder Engagement Statement.

- The Company has identified its employee workforce, suppliers, investors and the communities in which it operates as its key stakeholders. These stakeholders were identified as such based on their importance to the long-term success of the Company and the environment in which the Company operates.
- Details of decisions regarding key stakeholders are recorded in the minutes of Board meetings.
- The Company uses various channels of communication to consult with its employees, including formal and informal meetings, employee surveys, intranet sites and a weekly email news bulletin. In addition, through employee representatives, employees can engage in dialogue with management.
- There is a management structure in place to encourage the stakeholder engagement process.
- The Company has invested in energy efficiency measures across its portfolio of properties in order to reduce the Company's climate change impacts, as disclosed in the Directors Report. Energy saving measures have been introduced and all electricity is now purchased from 100% renewable sources.
- The employee workforce are key to the long-term success of the Company due to the nature of the Company's activities, which include quality assurance, logistical management and research and development, to support the Oracle Global Supply Chain process.

Training

The board of Directors is aware of the importance of undertaking regular and ongoing training to support regulatory requirements. As part of the Directors' role as employees of the Oracle Group, they receive annual training on matters such as Oracle's Code of Conduct, Anti-Money Laundering, Bribery and new procedures brought into the Group. The Directors will also undergo Directors' training in the future to support their legal and statutory duties. More details on the Directors' training programme can be found in the Directors' report.

Principal Decisions

Principal decisions are those which are commercially material matters of financial or operation performance that will have a material impact on the Company or on key stakeholders. When making principal decisions the board is mindful that its strategic decisions can have long term implications for the business and its stakeholders and these implications are carefully assessed. The Directors take active steps to ensure the suggestions, views and interests of the stakeholders are captured in the decision making. The Directors hold frequent Board meetings to discuss the key decisions impacting the company.

The principal decisions taken by the Directors during the reporting period included decisions relating to the COVID-19 Pandemic and the group-restructure.

Employee realignment

On 1 June 2019 the Company acquired employees, operating assets and liabilities associated with those employees, and certain movable real estate and facilities assets from Oracle Corporation UK Limited and Oracle Poland, who are related parties. The employees' interests were fundamental in the decision to align operations into a more efficient structure.

There was a designated team assigned to the project to identify and actively engage with the various departments and key stakeholders. The Directors relied on the expertise of various departments to ensure the success of the project. Human resources engaged with the workers council to ensure the concerns of the employees were addressed throughout the project.

COVID-19

The spread of the COVID-19 outbreak has caused severe disruptions in the global economy and financial markets and could potentially create widespread business continuity issues of an unknown magnitude and duration as yet. The Company has conducted business as usual with some modifications to employee travel, employee work locations, among other modifications. The Directors will continue to actively monitor the situation and may take further actions that alter the Company's business operations as may be required by federal, state or local health authorities or that it determines are in the best interests of its employees, suppliers and shareholders.

The Company has controls in place to limit each of these potential exposures and management and the Directors regularly review, reassess and proactively limit the associated risk. The Company has insurances, business policies and organization structures to limit these risks and the Board of Directors closely monitor the Company's trading activities.

Culture

With the Company's core values of mutual respect, integrity, customer satisfaction, quality, teamwork, fairness, communication, compliance, innovation and ethics, our focus and strategy is underpinned by the behaviours and attitudes of the Company's employees and ultimately the Directors. The Directors ensure that the decisions made are in line with Oracle's code of conduct and consider the impact on different stakeholder groups, as well as ensuring a diverse and collaborative environment and ensure that they treat all stakeholders fairly.

The Company has comprehensive HR policies in place to support and develop employees and to create a culture that values all employees, including an Equal Employment Opportunity policy and an Education and Training policy. There is a comprehensive employee consultation mechanism in place. The Company has invested in energy efficient measures to reduce its climate change impacts.