

FY17 Focal

Discussion Document

Oracle Human Resources

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Discussion Topics

- Compensation Philosophy
- Current Market Positioning
- Actual Base Salary Spend vs. Market Movement
- Voluntary Attrition
- Compa Ratios
- Proposed Focal Budgets

Compensation Philosophy

- Total Compensation Focus
 - Base Salary
 - Variable Pay (Bonus/Incentive/Commission)
 - Equity
- Pay for Performance/Potential
 - Employees with highest performance/potential along with those in critical roles should be rewarded at greater levels
- Market Competitive
 - Ensures Oracle can attract and retain high performing/potential employees.
- Pay Within Our Means
 - Being fiscally responsible by managing our compensation spend.

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Current Market Positioning

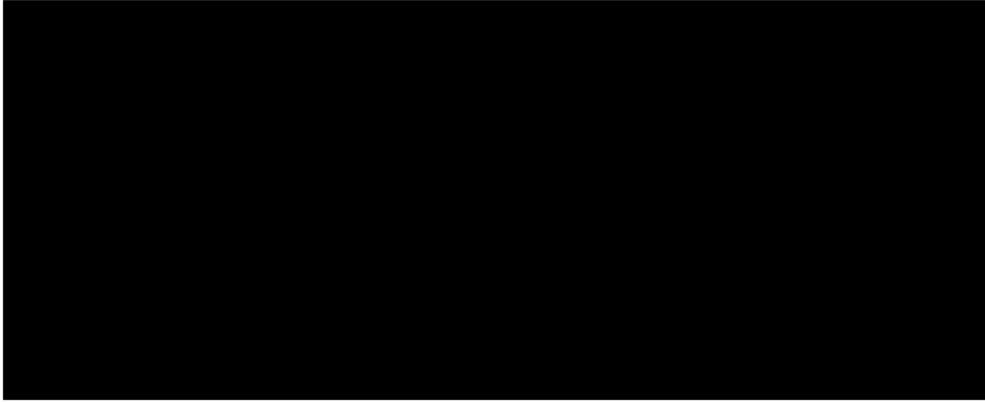
- **Sales** (Sales and Pre-Sales Job Functions)
 - Base Salary range midpoints targeted slightly below 50th percentile of market
 - OTE targeted at the 60th percentile of market
- **Non-Sales** (All Other Job Functions)
 - Base Salary range midpoints targeted at 50th percentile of market
- **Market Peer List**
 - Accenture, Adobe, AMD, Apple, BMC, CA, Cisco, EMC, Facebook, Google, HPE, IBM, Informatica, Intel, Juniper, Microsoft, NetApp, Open Text, Qualcomm, Red Hat, Salesforce, SAP, Symantec, Teradata, VMWare, Workday and Yahoo.
 - Supplemented with local market competitors where applicable.

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Actual Base Salary Spend vs. Market Movement

Top 5 Countries



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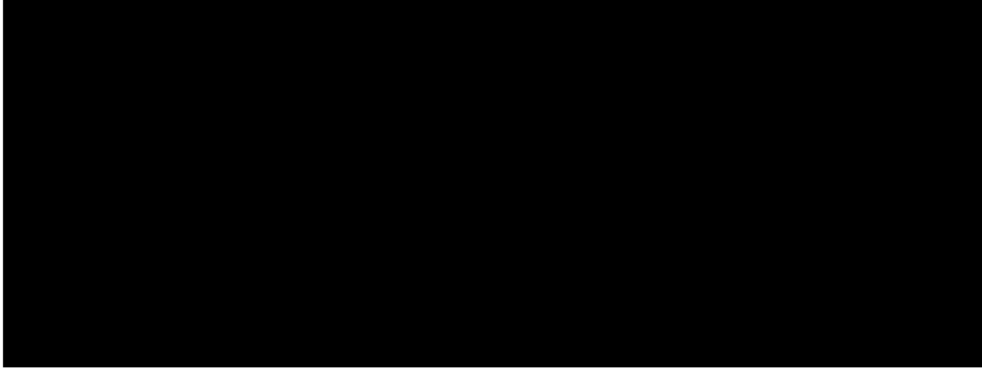
Top 5 Countries make up [redacted] of overall employee population. [redacted] of PD; [redacted] of Sales; [redacted] of Support; [redacted] of Consulting; [redacted] of G&A; [redacted] of Mktg and [redacted] of Support

[redacted] was in [redacted] with a budget of [redacted]

Sales



Product Development

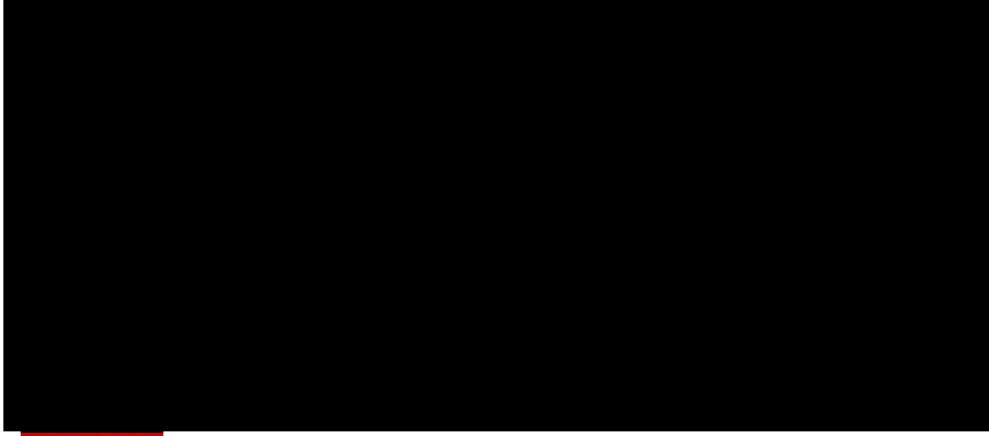


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Voluntary Attrition



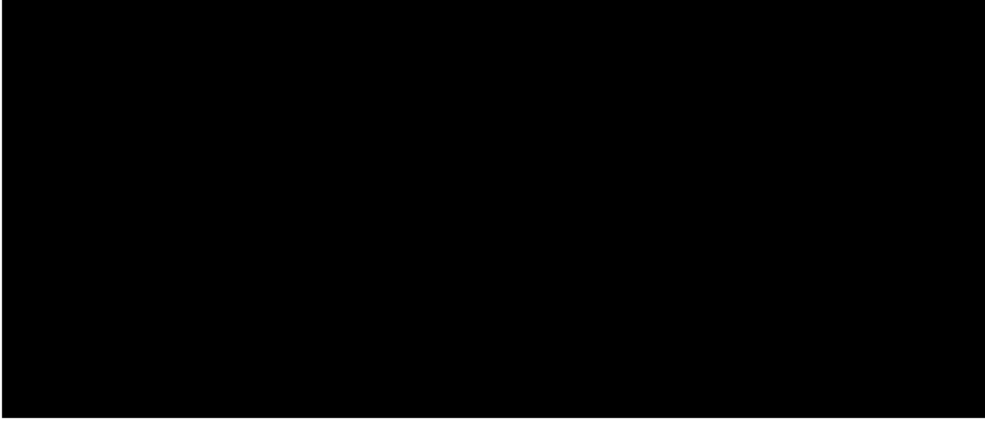
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Market Rates: Sales – [REDACTED]; PreSales – [REDACTED]; Prodev – [REDACTED]; Cons – [REDACTED]; Supp – [REDACTED]; Finance – [REDACTED]; Inftech – [REDACTED]; Train – [REDACTED]; Manudist – [REDACTED]; HR – [REDACTED]; Admin – [REDACTED]

Compa Ratios



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Compa Ratios are generally [redacted] – ranges from [redacted] within our [redacted] largest countries

- Sales [redacted]
- Development [redacted]
- G&A [redacted] higher

Proposed Focal

- Run separate processes for Sales (Sales & Pre-Sales job functions) and Non-Sales (all other job functions)
 - Separate budgets for each as well
- Effective Date – October 1, 2016
 - HCM Public Cloud Go-Live scheduled for October 24, 2016
- Eligibility Cutoff Date – 60 days prior to effective date
- Budgets by Country
 - excludes Argentina, Brazil and Venezuela
- Focus spend most tenured top talent/critical role employees
- OFSS process aligned to Oracle timeline and budget

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Total Proposed Budget - Oracle

Region	Non-Sales		Sales	
	%	USD	%	USD
[Redacted Data]				



Total Proposed Budget - OFSS

Region	Non-Sales		Sales	
	%	USD	%	USD
[Redacted Data]				



Appendix

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This slide can also be used as a Q and A slide

FG&A

Ctry	FY16 - FG&A							FY15 - FG&A								
	Focal	Out of Cycle	Overall	Oracle		Market			Focal	Out of Cycle	Overall	Oracle		Market		
				Focal %	Overall %	Merit %	Overall %	CPI				Focal %	Overall %	Merit %	Overall %	CPI
[Redacted Data]																



Sales Voluntary Attrition

by Country

Country	HC	FY15	FY16	YoY	Country	HC	FY15	FY16	YoY	Country	HC	FY15	FY16	YoY
[Redacted Content]														



Non-Sales Voluntary Attrition

by Country

Country	HC	FY15	FY16	YoY	Country	HC	FY15	FY16	YoY	Country	HC	FY15	FY16	YoY
[Redacted Content]														

