UNIVERSAL STATES DEPARTMENT OF LABOR
OFFICE OF ADMINISTRATIVE LAW JUDGES

OFFICE OF FEDERAL CONTRACT
COMPLIANCE PROGRAMS, UNITED
STATES DEPARTMENT OF LABOR,

Plaintiff,

v.

ORACLE AMERICA, INC.,

Defendant.

OALJ Case No. 2017-OFC-00006
OFCCP No. R00192699

DECLARATION OF JONATHAN
RIDDELL IN SUPPORT OF
DEFENDANT ORACLE
AMERICA, INC.'S MOTION TO
SEAL PORTIONS OF THE
EVIDENCE SUBMITTED IN
SUPPORT OF ORACLE'S
MOTION FOR SUMMARY
JUDGMENT, OR, IN THE
ALTERNATIVE, FOR PARTIAL
SUMMARY JUDGMENT AND
MOTION TO EXCLUDE THE
TESTIMONY OF JANICE
FANNING MADDEN, PH.D.

EXHIBITS VOLUME 1 OF 3

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EXHIBITS VOLUME 1 OF 3
DECLARATION OF J. RIDDELL IN SUPPORT OF ORACLE’S MOTION TO SEAL
CASE NO. 2017-OFC-00006
EXHIBIT A
UNITED STATES DEPARTMENT OF LABOR
OFFICE OF ADMINISTRATIVE LAW JUDGES

OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS, UNITED STATES DEPARTMENT OF LABOR, Plaintiff,
v. ORACLE AMERICA, INC., Defendant.

OALJ Case No. 2017-OFC-00006
OFCCP No. R00192699

DECLARATION OF FAROUK ABUSHABAN IN SUPPORT OF DEFENDANT ORACLE AMERICA, INC.'S MOTION FOR SUMMARY JUDGMENT OR, IN THE ALTERNATIVE, FOR PARTIAL SUMMARY JUDGMENT

ABUSHABAN DECLARATION ISO ORACLE'S MOTION FOR SUMMARY JUDGMENT

CASE NO. 2017-OFC-00006
I, Farouk Abushaban, hereby declare as follows:

1. I make this declaration in support of Oracle America, Inc. ("Oracle")'s motion for summary judgment or, in the alternative, for partial summary judgment. I have personal knowledge of the matters contained in this declaration. If called to testify to the information in this declaration, I could do so competently.

2. Before signing this declaration, I read it carefully to make sure it was accurate, and it is. I was not pressured or required to sign this declaration. I am providing this declaration voluntarily.

3. I am a male and a current Oracle employee. I joined Oracle in August 1997. Until recently, I worked in the Support job function. My system job title was Product Support Snr Manager, my job code was 90248, and my career level was M3. I worked in the line of business led by Charles Rozwat, Executive Vice President of Customer Support Services. On September 9, 2019, I transitioned into a new role in the Product Development job function. My new job title is Program Manager 5 and my new job code is 66685.

4. I am based in Colorado Springs, Colorado, but have supervised direct reports based in Oracle's California headquarters during my tenure as a Support manager.

5. I joined Oracle as a technical support engineer at the IC2 career level. I worked my way up through the company and, in September 2015, transitioned into management from an IC5 role into my former position as senior manager. I joined Oracle after working roughly 12 years in the tech industry as a field engineer in various capacities. My last position before joining Oracle was working onsite as a field engineer at Bank One (later acquired by J.P. Morgan Chase). I came to Oracle because I was seeking professional growth. During my interviews with Oracle, I learned that I could develop my existing skills in hardware and networking, and also expand my realm of knowledge into software. I saw Oracle as a bigger company with more opportunities for my career.

6. In my support role, my team and I were part of a global support team called the Enterprise Engineered Systems Support Team. Oracle's Engineered Systems refers to pre-
integrated hardware and software systems that Oracle sells to customers looking to optimize and streamline their IT processes. Our customers ranged far and wide, as our products can be found in any company that needs to access, manage, secure, and store data. For example, we supported large companies, governments, hospitals, small businesses, and banks, both in the U.S. and internationally.

7. My group supported the engineered systems for three “appliances”: Exadata, Super Cluster, and Oracle Database Appliance. An “appliance” is a machine that contains preconfigured hardware and software – it is like a “pantry” that is full of high-end servers that we shipped to customers fully loaded with Oracle software, cables, and many other components. We also supported the cloud aspects of these appliances.

8. Exadata took up eighty percent of our work. It is a single piece of hardware (a database server machine) designed by Oracle that incorporates the database engine, the storage engines, the networking components, cloud, and other parts. It provides optimized functionality for Oracle Database and offers a highly efficient and cost-effective solution for customers who run their software on it. The other two appliances, Super Cluster and Oracle Database Appliance, serve a similar function. Exadata and Oracle Database Appliance mainly run on Oracle’s operating system, called Oracle Linux, and Super Cluster runs on another operating system that Oracle acquired, called Solaris.

9. From my experiences with these appliances, I know that when a customer experienced an issue, they filled out a service request (“SR”) describing the problem. The SR went to the global team, the Enterprise Engineered Systems Support Team, which consisted of approximately a dozen managers including me until recently (five to six in the U.S. and the remainder in India), all of whom supported the database components of the Oracle Engineered Systems. The SR system is set up to triage customer requests based on the product, the skills needed to support that product, and the engineers available. My team provided support from either 10 a.m. to 7 p.m. Mountain Time or 11 a.m. to 8 p.m. Mountain Time, depending on the time of year. Other teams filled in the gaps so that we could offer customer support 24/7. We
supported the hardware and software for the entire product, meaning everything from the power
cord to the ethernet cord to the data stream. My team’s role was to identify the issue, determine
the steps needed to resolve it, and engage the proper Oracle team(s) to complete the task. For
example, if one of our products had a hardware failure, we engaged the hardware team to replace
it. We also worked with the networking, development, and many other teams. My team was the
first line of defense in ensuring customers got what they needed.

10. In my prior managerial role, I had twelve direct reports, two of whom were
female. My direct reports had differing areas of expertise: some had expertise in the Solaris
operating system, others in the Linux operating system, and some had added expertise in the
cloud. Most of my direct reports shared a system job title and job code—Technical Analyst 4-
Support (job code 90023)—but had varying skills and responsibilities. Each engineer on my
team had a niche technical proficiency in some aspect of our work. For example, a female
Technical Analyst 4-Support on my former team named [redacted] had a
very different skillset than another Technical Analyst 4-Support on my team, [redacted]
even though they shared the same job title. [redacted] had a strong database background. Based on
my interactions with [redacted] I know that she focused her career on fixing very specific pieces of
code, internal components of the server, and the backend processes of the data server where data
is stored. Before she joined my Support team several years ago, she specialized in fixing bugs in
Oracle Database. This type of work is primarily solitary and does not require an understanding
of the application and the end-user experience.

11. On the other hand, as [redacted] former supervisor, I know that he focused on
Oracle applications before he joined my support team. He was skilled in middleware, which is
the interface between the data stored on our appliances, and the application used by the end user.
For example, a user accesses an email application like Hotmail from his or her browser to send
photos stored on the computer’s database. The application runs on one of our engineered
systems, like ExaLogic or another application platform, but it does not house any data (i.e.
photos); the data is stored in the backend server on Oracle’s database. That bridge between the

ABUSHABAN DECLARATION ISO ORACLE’S MOTION FOR SUMMARY JUDGMENT

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database and the application is middleware. To work in middleware, had to understand
the application from the user end all the way to the server and storage ends, and also have
reasonable competency in the underlying hardware. However, did not need to know the
details of how the application, Hotmail, operates; she specialized in the database used to store the
photos being sent via Hotmail.

12. and had different skillsets. was not as strong in the
technical aspects of the database like but he could support a customer with problems on
both ends of the application and the database. Accordingly, had the skills to handle
situations such as a customer who needs an engineer onsite to evaluate a problem from a general
perspective, which would require communicating with end users, management, information
systems designers, and technical administrators to diagnose a problem. By contrast, excelled at working with database administrators on the back end, including interacting with other
technically-savvy customers who understand the technical aspects of the database. and
each had different skills, but they were both valuable to my team.

13. Additionally, there are differences in skill level and expertise among the career
levels of my direct reports. For example, a Technical Analyst 4, like , was able to
generate a more detailed defect report than her colleague with a Technical Analyst 3 job title. A
defect report is a document that explains where a product failed. It gets submitted to Oracle’s
product development teams, who work to create a fix for the failure. As her supervisor, I
expected defect reports to be more detailed because she had a higher level of expertise
with the code—as compared to a lower-level employee—that allowed her to offer more nuanced
examples and identify possible causes of the problem. I generally expected a correlation
between higher career levels and the thoroughness of the work they produced.

14. My experience working with the product development teams in my support role
allowed me to make connections that led to my transition to my new role as a Program Manager
5. This is a highly technical job that matches my background in applications, monitoring
software, networking, and my current expertise in Oracle Database. In my support role, I
ABUSHABAN DECLARATION ISO ORACLE’S MOTION FOR SUMMARY JUDGMENT
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worked with the product development teams and waited for them to create the fix for my customer’s problem. Now, I am part of the team that is developing the solution. Even though I am no longer in a managerial position and do not have direct reports, I missed doing this type of work and I find it satisfying in terms of my success and accomplishments.

15. I participated in hiring for my team in my managerial role, and in doing so I worked with my HR Business Partners to determine the appropriate salary range and career level for the candidate. Typically, I looked for expertise in Oracle products and experience in networking and systems administration (namely, with operating systems such as Linux and Solaris, and how they operate in the cloud). The closer a candidate’s experience aligned with my team’s daily work, the more likely that candidate became a finalist. My starting salary decisions have never been overturned, and I have never recommended a candidate outside the salary range for his or her position.

16. In making starting pay decisions, I considered many factors, including primarily the skills, experience, and expertise that the individual brings to my team. Although in some instances, I have considered prior pay among those factors, it was not the primary factor, and in fact, I have only noticed it when it was significantly out of range for my team. I have not hired since October 2017, but around that time, I received an email instructing me and all managers not to ask about prior salary in hiring. I also attended a mandatory webinar explaining this policy. I understand that since October 2017, Oracle prohibits managers or recruiters from asking about or considering prior pay in making starting pay decisions.

17. As a manager, I also participated in distributing focal increases for my direct reports, but I did not participate in bonus or equity distributions. During the focal cycle, I ranked my team from top to bottom in terms of performance. I evaluated performance based on customer ratings, the individual’s contribution to my team, flexibility to handle escalations, attentiveness to customers, productivity, efficiency, accuracy, attention to detail with respect to documentation for our processes, contributions to publishing notes on customer solutions, and consistency in all these benchmarks. I also considered internal pay equity among my team.
members, and I aimed to ensure that each member was paid equitably as compared to his or her peers. I prioritized giving increases to my top performers who left a big impact on my team.

18. For example, my top-ranked report in the most recent focal cycle did not have extensive experience in [redacted] but [redacted] had a solid background in [redacted] and [redacted] and [redacted] used [redacted] skills to learn [redacted], performed well, and met and exceeded [redacted] key performance indicators. I rewarded [redacted] for hitting the ground running because I and the team valued [redacted] efforts.

19. As a manager, I regularly participated in Oracle’s trainings, which are annual or biannual depending on the subject. I recall receiving training on topics including sexual harassment, retaliation, and various non-discrimination topics. The trainings are nuanced and have taught me to be aware that the playing field must be level for everyone.

20. I have never considered race or gender in hiring or in compensation decisions when I was a manager. I always based my decisions on technical expertise and performance, because those are the skills that got delivered to the customer and I felt that this was the right way to treat people. I also have never witnessed any gender- or race-based bias against any employees during my time at Oracle.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.


Farouk Abushaban
UNITED STATES DEPARTMENT OF LABOR
OFFICE OF ADMINISTRATIVE LAW JUDGES

OFFICE OF FEDERAL CONTRACT
COMPLIANCE PROGRAMS, UNITED
STATES DEPARTMENT OF LABOR,
Plaintiff,
v.
ORACLE AMERICA, INC.,
Defendant.

OALJ Case No. 2017-OFC-00006
OFCCP No. R00192699

DECLARATION OF BALAJI
BASHYAM IN SUPPORT OF
DEFENDANT ORACLE
AMERICA, INC.’S MOTION FOR
SUMMARY JUDGMENT OR, IN
THE ALTERNATIVE, FOR
PARTIAL SUMMARY
JUDGMENT
I, Balaji Bashyam, declare as follows:

1. I make this declaration in connection with Oracle America, Inc.’s (“Oracle”) motion for summary judgment or, in the alternative, for partial summary judgment. This declaration is based on my personal knowledge. If called as a witness, I could and would testify competently as to its contents. Before signing this declaration, I read it carefully to make sure it was accurate, and it is. I was not pressured or required to sign this declaration, and am providing this declaration voluntarily.

2. I am the Senior Vice President, Global Customer Support, Cloud Services at Oracle. I am responsible for leading the “Software as a Service” (“SaaS”) group. I report to Charles Rozwat, who leads Customer Services for Oracle, which offers customer-facing support for Oracle’s portfolio of products. I have held this specific title since March of 2018, but have been in my current role for approximately five years.

3. I have been employed by Oracle since 1997. I have worked in Customer Services since coming to Oracle. I began as an individual contributor, then, before assuming my current role, moved on to run technical support (focusing on, for instance, database and middleware).

4. On a high level, Customer Services provides client-facing services related to a wide variety of applications that can be grouped into two very broad categories. There are cloud-based products, meaning applications in the cloud, and there are “on-premise” products, which have both hardware and software components and come in different types. Within the cloud-based organization, there are currently two basic groups of applications—my group (“SaaS”) and Platform as a Service (“PaaS”), which is led by Richard Sarwal (who also leads the on-premise portfolio of products). Each of these groups focuses on a different set of products. There was previously a third grouping, Infrastructure as a Service (“IaaS”), but this group has since moved to reporting alongside various development roles up to Don Johnson. SaaS is bigger in terms of revenue and headcount, and it continues to grow rapidly.
5. As the leader of SaaS Support, I am familiar with the wide variety of cloud-based products for which employees in my group provide customer-facing support. I am also familiar with PaaS and on-premise products and how they compare to the products in my group. My familiarity with PaaS and the on-premise group comes from my many discussions with my colleagues, including Richard Sarwal, and also from the fact that I have been working within the Customer Services line of business for 22 years in various roles.

6. Prior to 2015, all the support sub-groups of Oracle’s applications and services used to operate under a single organization. In 2015, the SaaS group split from the IaaS and PaaS groups because the products had different customers and required employees to deliver different levels and types of support. As discussed above, IaaS is now a part of Don Johnson’s organization. Because of the split in 2015, SaaS now uses a different support model and works very closely with the development teams that report up to Steve Miranda.

7. Because of the differences in the customer base for certain products, and in the services we offer for those products, different products often require a different skill set, level of experience, and training. So while on a high level, all support personnel help customers solve problems, two individuals who share the same job title but who work on different products will generally have different responsibilities and will also need to have different training and experience. This is particularly apparent when comparing two engineers who share the same job title and level, but one engineer works on a cloud-based product and the other works on an on-premise product. In the on-premise service world, any time a customer logs a service request, or a “ticket,” there is a lot of responsibility on the customer to show us the diagnostics. In the cloud service world, we can run the diagnostics if the customer permits it, so a SaaS engineer would need to know how to run those diagnostics. Moreover, in the on-premise world, customers may upgrade their applications every 2 to 3 years, or even 5 to 6 years, depending on the application. In the cloud world, upgrades happen every quarter, or every 3 months, so there is a lot more responsibility on the support team to keep everything refreshed and up to date. In addition, the
support for cloud-based products often requires a greater degree of automation and efficiency than on-premise products, so an engineer who works on cloud-based products may need to be knowledgeable in automation (whereas an engineer who works on on-premise products may require these skills to a lesser extent).

8. Even within SaaS, which is all cloud-based, there is a wide range of products that require different duties and skill sets. For example, our products Taleo and Fusion are at different life cycles and require different support models. Taleo is a product used for the hiring process. Oracle acquired Taleo through an acquisition in 2012. Taleo is extremely stable, which means it is not going to go through a lot of change. It is comparatively easy to find someone with the level of expertise required to provide service for a mature product like Taleo.

9. Fusion, by contrast, is a fairly new product that is growing approximately 50-60% every quarter. Fusion is a cloud-based digital business platform. When a product is not very mature, like Fusion, support engineers have to do much more complex work to diagnose problems. Fusion engineers often need to interface with our core development team. With a new product, new releases and new features are common. When there is a new release of Fusion, it is packed with numerous new features, and customers ask numerous questions when they are attempting to try different combinations of the features, and there could be defects they run into. To resolve these issues, a support engineer working on Fusion is going to play a much more active role than an engineer working on Taleo.

10. Because of the difference between the level of training and expertise required for servicing cloud-based products versus on-premise products, I am looking for job candidates with skill sets that differ. SaaS is one of the Customer Services groups that is growing, so I am constantly looking for new hires with cutting edge experience in supporting cloud-based products. In contrast, it is much easier to find candidates for the on-premise products because a lot of people in the market have experience with on-premise products. For SaaS, we are looking for different candidates: those who know the new generation of cloud products and have Fusion
knowledge. There are fewer of these second kind of candidates, and they are in high demand. We have consistently faced strong competition for talent from other players in the cloud area, including large companies such as Amazon and Microsoft as well as small start-ups. Because of this, sometimes, if I cannot find a candidate who is knowledgeable about cloud-based products and has the right level of expertise, I will look for candidates with some domain knowledge and then provide training to them. Some of our hires are internal transfers from on-premise, but we have to take time to train those people because they do not have the necessary skill and experience we require, nor are they knowledgeable about specific cloud-based support methodologies.

11. Whether it is a current employee or outside hire, a candidate with cloud-based experience may command a higher salary than another candidate who is lacking in that experience. Cloud-based products require modern techniques, and the market is extremely competitive for those individuals. For example, if we find an extraordinary candidate from another company who did a lot of great implementations, we would pay a premium for that candidate.

12. SaaS engineers also differ in terms of their productivity, which is one of the many factors we look at when determining compensation. For example, an engineer’s productivity can be related to the complexity of the product. An analyst working on a less complex product may be able to handle a higher number of tickets per day, whereas if an analyst is working on a more complex product, which could also require more expertise and training, that analyst may be able to handle a fewer number of tickets per day. A strict numeric count of “tickets processed” would not adequately reflect the skill or effort of different individuals, given that some tickets are very complex or require niche knowledge while others may be simpler to resolve, such that a broader group of employees with more general skill sets could assist.

13. When an employee rises to the manager level, product type and the location where the manager is based can influence compensation. If a Product Support Senior Manager
leads a team focused on a product that is highly strategic, that manager will have additional job
duties that will be considered when setting their compensation. For example, currently there is a
female Product Support Senior Manager on my team a male
Product Support Senior Manager. The female Product Support Senior Manager works on
financial products The male Product Support Senior Manager is focused on a product called CRM on demand, by contrast. The

14. There are meaningful differences in job duties for employees at different career
levels within the SaaS group. For instance, there are differences in their level of participation in
critical and complicated customer issue resolutions, the extent to which they are mentoring
others, and their level of knowledge of the products they support. As a result, there are different
expectations for a Technical Analyst 4 role (IC4 career level) versus a Technical Analyst 2 role
(IC2 career level), for example. Among other job duties, my organization relies on Technical
Analyst 4s to take the lead on resolving complex customer escalations according to their areas of
expertise, such as helping a customer try different combinations of newly-released features
within Fusion. Employees in a Technical Analyst 4 position generally have a high level of
knowledge regarding the product(s) they work on—such as Taleo or Fusion—because, in most
cases, they have worked on the same product for several years. In addition, these employees also
have a mentoring role by training and overseeing the work of more junior employees. In
contrast, Technical Analyst 2s generally do not have in-depth knowledge of their respective
products and work under the direction of higher level employees. Technical Analyst 2s usually
handle relatively lower level customer questions related to the specific products they support, such as resolving customer login issues for Taleo.

15. In my organization, candidates are generally hired into the positions for which they applied. In other words, if a hiring manager is looking to fill a position based on certain requirements (i.e. level of experience and skill level), he or she generally hires a candidate who fits those requirements. On very rare occasions, managers come across candidates who are over-qualified for the position for which they applied. For example, a superstar candidate with skills and experience akin to an IC4 career level may apply for an open IC3 position. In such circumstances, and to avoid a lost opportunity to hire exceptional talent, a hiring manager may hire that person as an IC4. Such situations, however, are the exception and not the rule, and are made on a case-by-case basis considering the particular experience and expertise of the candidate at issue, as well as the business needs of the organization.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed in Redwood City, California on September 19, 2019.

Balaji Bashyam
EXHIBIT C
UNited States Department of Labor
Office of Administrative Law Judges

Office of Federal Contract Compliance Programs, United States Department of Labor,

Plaintiff,

v.

Oracle America, Inc.,

Defendant.

OALJ Case No. 2017-OFC-00006
OFCCP No. R00192699

Declaration of Janet Chan in Support of Defendant Oracle America, Inc.’s Motion for Summary Judgment or, in the Alternative, For Partial Summary Judgment
I, Janet Chan, declare as follows:

1. I make this declaration in support of Oracle America Inc.’s (“Oracle”) motion for summary judgment or, in the alternative, for partial summary judgment. I have personal knowledge of the matters contained in this declaration. If called to testify to the information in this declaration, I could do so competently.

2. I know that I am one of the employees whose compensation is at issue in this lawsuit. I understand that the attorneys who interviewed me and assisted in preparing this declaration for me represent Oracle and do not represent me. Before signing this declaration, I read it carefully to make sure it was accurate, and it is. I was not pressured or required to sign this declaration. I am providing this declaration voluntarily.

3. I am an Asian female and a current Oracle employee. I work in the Product Development job function and my system job title is Program Mgmt Sr Director-ProdDev. My job code is 66689 and my career level is M5. I report to Meeten Bhavsar, a Product Development Senior Vice President, and I work in the line of business led by Steven Miranda, Executive Vice President of Oracle Applications Product Development. I am based in Redwood Shores, California.

4. Prior to joining Oracle, I worked at AT&T. In 1996, I applied and was hired for the Software Developer 3 position on the Oracle Database product development team, and worked my way to a Software Developer 5 in just over a year. Oracle Database is a type of database server that stores and retrieves large amounts of information, primarily for large enterprise companies. As a Software Developer, I supported and coordinated the implementation of updates, called “releases,” to the Oracle Database. My role was to ensure that the updates worked properly under a set of technical production criteria before the release was delivered to
customers. In 2003, I moved to Oracle Enterprise Manager (EM) Team, which was an offshoot from my database team and fell under the same umbrella of a larger team formerly known as Server Technologies. EM is a set of web-based tools aimed at managing software and hardware produced by Oracle and other technology companies. I moved to the EM team because I saw it as an opportunity to expand my program management skills. Indeed, on that team, I was promoted to a Software Development Sr. Manager. The EM team was and is still led by Vinita Pauniker. One of Vinita’s peers on the EM team, Meeten Bhavsar, then managed a product called MyOracleSupport, an application that allowed Oracle customers to open service requests. Meeten’s team maintained and built features for this application, which were used exclusively by Oracle’s internal technical support teams. In 2011, I joined Meeten’s MyOracleSupport team, and my job title changed to Program Manager 5, which was a non-managerial role at the IC5 career level. Two years later, in 2013, I moved back to a managerial role as a Program Mgmt. Director.

5. In approximately 2015, Meeten moved from the MyOracleSupport team to the Fusion Applications team and he asked me to join him. This new team was built to create applications with similar functionalities as MyOracleSupport, but for external clients. On Meeten’s new Fusion Applications team, I was promoted to my current title, Program Management Sr. Director, for one of the many pillars under Fusion Applications, called the Oracle Customer Experience (CX) (initially known as Customer Relationship Management). Examples of other pillars include Financials, Supply Chain Management, Human Capital Management (HCM), and Higher Education. As I moved up Oracle’s chain of command, I expanded the scope of my skills and responsibilities. For example, I slowly increased my role in the coordination of product releases and took ownership of more products, including the CX
product suite. CX is a compilation of products and applications that intertwines marketing, commerce, sales, and service to ensure that users optimize the experience of their customers through the entire customer “life cycle.” These tools are offered “on-premise” (meaning, on machines at the customer’s location) and in the cloud.

6. My team is comprised of approximately thirty people and is called the Fusion CX Program Release Management and Quality Assurance (QA) Team. At a high level, we are responsible for ensuring that releases—changes in a product’s code—are carried out accurately and efficiently. Generally, my team manages the process end-to-end, from the product proposal, to the coding, to the testing of the product, and ultimately to its actual delivery on the market.

7. My team is divided into two main parts: project management and quality assurance. Project management refers to seeing the progression of the product from start to finish. For instance, part of my team works on product integration, which refers to the process of making sure a change to the underlying code of the product works well with all the other components within the product and upholds the product’s high quality. There are over 1,000 developers who code for various products within CX, and my team must confirm that the functionality of the products does not regress with any coding changes. On the other hand, quality assurance refers to testing the product to ensure that it is functioning as intended under different circumstances. If my team discovers a problem, my team is responsible for either cleaning up the code or connecting with the right Oracle teams to resolve the issue. Another smaller part of my team handles product delivery, which involves working with the broader development team for a certain product and ensuring that a well-functioning product is delivered to the market on time and as intended. Overall, my team’s goal is to work together to keep up
with a rigorous product delivery cadence to ensure that Oracle offers the highest quality CX products to the market.

8. Even among employees on my team, sharing a system job title and job code does not mean employees perform similar work. For example, I share a system job title and job code with another member of my team named [redacted], but my role and scope of responsibilities are much broader. [redacted] manages the product delivery process, which is just one portion of the overall product management, release, and QA scheme that I manage, as described above. Product delivery entails putting together programs that enable our broader team to deliver products and features that meet the highest quality. [redacted] oversees a team that proposes new product features and manages their architecture and design alongside the development team. She does not cover other aspects of the process, including integration and testing, which fall under my purview. Because my role is significantly wider in scope than [redacted], our positions are not interchangeable.

9. As a manager, I participate in allocating compensation increases to my direct reports in the form of focals (merit-based salary increases, typically given on an annual basis), bonuses (one-time merit-based increases), and equity distributions. My approach is to set objectives for my direct reports that relate to Oracle’s executive-level objectives communicated to me by my manager, which include producing high-quality products, having high customer retention, and being a differentiator in the market. One of my current objectives is to improve the quality of our product by reducing the number of bugs at various milestones in the product’s development.

10. Each of my direct reports contributes to those objectives in different ways because they work on different parts of the CX production process. For focal increases, for example, I
consider how each individual applied the objectives to his or her role in that year, in addition to evaluating creativity, initiative, and generally going above and beyond my expectations. I evaluate how well each of my direct reports embodies these goals. I stack rank each of my direct reports and also rate each of them from 1 to 5. I view a 3 rating as solid performance, a 4 rating as exceeding expectations, and a 5 rating as a rare superstar with unique skills and motivation.

11. I use a similar approach for awarding bonuses, which are not as common on my team as focal and equity distributions. I try to reward the superstars on my team who really captured my attention and added value to the team. I evaluate which of my direct reports has excelled in a project or taken leadership initiative, and I award a bonus to someone whom I view as the top-ranking performer on my team.

12. I view equity as a way to encourage retention because it takes four years to vest. When equity distributions are available for my direct reports, I evaluate each of them and ask myself what would happen if that person left. The who are most indispensable to me receive equity.

13. My compensation decisions have never been overturned. Meeten and I have open discussions about my decisions and we always come to an agreement. I apply a similar approach in reviewing the compensation decisions of my direct reports. I give them a budget and they allocate it to their direct reports as they see fit. I try to ensure consistency in ratings for individuals at the same career level with similar roles and responsibilities, so if I have a question or concern about an inconsistency or a rating, I will initiate a discussion about it and offer my opinion. To the extent I have questions about my direct reports’ compensation decisions, we have a conversation and come to a mutual agreement.
14. I feel that I have been treated fairly at Oracle. My management has always supported women in the workplace and I feel that women have a voice at Oracle. Meeten, my current supervisor, is a wonderful manager who I feel has always looked to promote and mentor women on our team. I also coach my female subordinates to ask for opportunities, request promotions, and not be afraid to “manage your manager.” In my tenure at Oracle, I have attended various conferences focused on women, and now, as a manager, I nominate and encourage my female subordinates to attend them as well. I also participate in events hosted by Oracle Women’s Leadership (OWL) group, such as speakers, group discussions, and various social gatherings aimed to bring women together and inspire their careers.

15. From an ethnicity and race perspective, I view Oracle as a very diverse workplace. I have never witnessed or experienced bias based on race or gender at Oracle.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed in Redwood Shores, California on 9/11, 2019.

Janet Chan
EXHIBIT D
UNITED STATES DEPARTMENT OF LABOR
OFFICE OF ADMINISTRATIVE LAW JUDGES

OFFICE OF FEDERAL CONTRACT
COMPLIANCE PROGRAMS, UNITED
STATES DEPARTMENT OF LABOR,

Plaintiff,

v.

ORACLE AMERICA, INC.,

Defendant.

OALJ Case No. 2017-OFC-00006
OFCCP No. R00192699
DECLARATION OF JON TYLER
ECKARD IN SUPPORT OF
DEFENDANT ORACLE
AMERICA, INC.‘S MOTION FOR
SUMMARY JUDGMENT OR, IN
THE ALTERNATIVE, FOR
PARTIAL SUMMARY
JUDGMENT

ECKARD DECLARATION ISO ORACLE’S MOTION FOR SUMMARY JUDGMENT

CASE NO. 2017-OFC-00006
I, Jon Tyler Eckard, hereby declare as follows:

1. I make this declaration in support of Oracle America, Inc. (“Oracle”)’s motion for summary judgment or, in the alternative, for partial summary judgment. I have personal knowledge of the matters contained in this declaration. If called to testify to the information in this declaration, I could do so competently.

2. Before signing this declaration, I read it carefully to make sure it was accurate, and it is. I was not pressured or required to sign this declaration. I am providing this declaration voluntarily.

3. I am a Caucasian male and a current Oracle employee. I work in the Support job function and my system job title is Technical Account Manager (TAM) Director. However, my role is better described by my discretionary title, Director, ACS Global Delivery North America Applications. My job code is 86240 and my career level is M4. I report to Sachin Shah, a Technical Account Manager (TAM) Sr. Director, and work in the line of business led by Charles Rozwat, Executive Vice President of Customer Support Services. I am based in Charlotte, NC but work from home near Ellenboro, NC. I have supervised employees based in Oracle’s California headquarters since 2013.

4. Prior to joining Oracle, I worked for five years at CACI, Inc.—a professional services and information technology company—where I was a programmer for technology-related projects involving the Navy. I joined Oracle in January 1990 and worked my way up through the company. I was hired into an entry-level systems administrator role, Staff Sales Consultant, within Oracle’s internal IT department. In approximately 1993, I moved into Oracle’s government sales organization (then called “Oracle Government”) based in Bethesda, MD, where I was a pre-sales consultant. As a pre-sales consultant, I talked to customers about Oracle’s database technology and performed “proofs of concept,” which involved going onsite to customers’ data centers and installing and configuring their systems with Oracle software to illustrate how it worked, with the intention that my demonstration would make them want to purchase the software. Then, in 1997, I moved to North Carolina and joined the team called
“Field Support” that evolved into my current team. In approximately 2006, I was promoted to a regional management position covering certain products for the Southeast region of the U.S. As a manager, I gained direct reports and started managing their projects, hiring new engineers, conducting performance reviews, and ensuring that my team stayed on track in terms of efficiency and budget. Then, in approximately 2014, I was promoted to my current role.

5. At Oracle, my team works within Advanced Customer Support (ACS) for Applications (“ACS Applications”). ACS is an umbrella organization that provides support for other Oracle pillars in addition to Applications, such as Oracle Database, Fusion Middleware, Oracle Cloud, and other Oracle offerings. When I first joined this team in 1997, it consisted of a handful of support engineers who went onsite and helped customers resolve their technical problems with various Oracle products. Since then, the team has grown drastically in size and scope. Today, ACS provides the highest level of customer support that Oracle offers. Through annualized contracts, ACS provides Oracle customers a dedicated team of engineers that works proactively with the customer’s internal technical teams to resolve problems and optimize the functionality of the customer’s Oracle products. Unlike standard customer support, ACS also provides customers with a dedicated account manager and direct access to their support engineers via email and a personalized toll-free number. My team’s role is to create business relationships with our customers and develop partnerships, in contrast to other teams within Oracle’s support organization that answer customer questions on an ad hoc basis.

6. As a manager, my role is to manage schedules for customer engagement, work with Oracle’s sales teams to generate new business, and assist my direct reports in identifying solutions to customer problems by leveraging the appropriate resources within Oracle. Oracle has talent all over the globe, and I help my team identify the right talent in the right place and the right time to address a particular customer’s issue. I also work with my peers across the country and internationally to create and improve applications support for customers.

7. My ACS Applications team primarily focuses on two products: Enterprise Business Suite (EBS) and PeopleSoft Enterprise (PeopleSoft). EBS is a set of business
applications for operating and automating multiple aspects of a company’s business, such as supply chain management, project planning, e-commerce, internet procurement, transportation management (e.g., shipping products and ensuring they ship on time), manufacturing (e.g., building and custom-configuring new products and existing parts), and various other features. The customer base for EBS primarily consists of large Fortune 500 and Fortune 1000 companies. PeopleSoft performs functions similar to EBS, but typically for smaller customers. For instance, some state universities use PeopleSoft to manage student grants and class registration, as well as their finances and other functions related to operating the university.

8. I have 10 direct reports, four of whom are Systems Analyst 4-Support (IC4 career level; job code 90244) and six of whom are Systems Analyst 5-Support (IC5 career level; job code 85550). One of my direct reports, [redacted], is an Asian female who works at Oracle’s headquarters as a Systems Analyst 4-Support. My other direct reports include employees of different genders and races and are primarily located in Dallas, Texas. The broader ACS Applications team offers support around the clock with staggered shifts on teams in the U.S. and India, and my direct reports generally work standard business hours in their respective time zones, typically from 8:00 a.m. until 5:00 p.m.

9. My direct reports are highly specialized, such that even those that share the same job code or career level often have very different duties and responsibilities on our team. Each individual has a unique skillset; seven of my reports are skilled in various aspects of EBS, while the three others are experts in aspects of PeopleSoft. The skills and experience needed to support EBS and PeopleSoft are very different. For instance, [redacted] is a PeopleSoft expert with a sub-specialty in two particular applications, Payroll and Human Capital Management (HCM). She can investigate and resolve customer issues with these applications because she understands their technical functionality. As one example, PeopleSoft technology allows users to define payroll groups according to various criteria (such as an employee’s level within a company), such that multiple groups of payroll can be processed simultaneously. [redacted] recently used her specialized knowledge to assist a customer with configuring the Payroll application in this way and
significantly simplified the customer’s payroll processes.

10. Another member of my team, [name redacted], has the same system job title and job code as [name redacted], but he specializes in PeopleSoft from a different, more technical perspective. He has only a basic understanding of Payroll and HCM. Instead, he is a technical architect who helps customers identify and design the applications they need for their businesses. He is adept at analyzing a customer’s environment (meaning all of the customer’s machines, systems, and programs) from top to bottom, including advising the customer on the size of the backend database server needed for their business, analyzing the number of users that can connect to the customer’s programs and what methods will be used to connect, and recommending technical improvements to optimize the functionality of Oracle’s PeopleSoft applications. In the example above, whereas [name redacted] would help customers configure the PeopleSoft Payroll application to a customer’s specific needs, [name redacted] would determine the needed hardware architecture and how to properly install the application on the customer’s systems. [name redacted] and [name redacted] have complementary (rather than fungible) skills, such that together they provide a more robust solution for our customers. Still others on my team utilize different skills to perform different work on various EBS products, which neither [name redacted] nor [name redacted] support.

11. I have not hired externally as a manager, as I have inherited my direct reports from various internal re-organizations within Oracle. However, I participate in awarding compensation increases in the form of focals, which are salary increases that occur periodically (often but not always on an annual basis). My direct reports are not eligible for bonus awards or equity distributions. For focal increases, I typically receive a budget from my manager and general guidelines on how to distribute it, including to take into account merit and performance. At the end of the day, I am empowered to allocate focal increases as I see fit. In my particular process, I stack-rank all of my direct reports from one to ten based on each individual’s performance, and also rate their performance on a scale of one to five, with five being the top level of performance. A rating of five is rare and is typically tied to a combination of leadership and technical skills. To award a five rating, I look for advanced technical skills, recognition as
an expert in complex issues by other members of my team, and the ability to assist customers with the most difficult or unusual questions, such as those not normally found in our support database. This level of knowledge only comes from extensive experience.

12. All of my reports are highly-experienced engineers, but I determine my top performers based on several factors that I have developed during my tenure at Oracle, including their technical skills, willingness to grow and expand their knowledge set and skills, and receipt of excellent customer feedback. Other factors that play into performance include how well my reports interact and coordinate with the broader team. I applied these processes in my most recent focal cycle in 2019.

13. In my experience as a manager, my salary increase (focal) decisions have never been changed by upper management. I have not received any pushback from my managers, though I have sometimes been asked questions about the basis for my decisions. On those rare occasions, I have an open conversation with my manager and reach agreement before moving forward. I have never taken race or gender into account in my compensation decisions.

14. I attend Oracle’s mandatory trainings for managers on an annual basis. I recall that these trainings covered various forms of discrimination, including racial and gender-based discrimination. I take these trainings seriously because their topics are very important, and I strive to treat everyone the same way regardless of their race, gender, or any other characteristics besides their technical qualifications and performance. I have been at Oracle for many years and I have never witnessed any bias on any of my teams.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.


[Signature]

Jon Tyler Eckard

ECKARD DECLARATION ISO ORACLE'S MOTION FOR SUMMARY JUDGMENT

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CASE NO. 2017-OPC-00006
EXHIBIT E
UNITED STATES DEPARTMENT OF LABOR
OFFICE OF ADMINISTRATIVE LAW JUDGES

OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS, UNITED STATES DEPARTMENT OF LABOR,

Plaintiff,

v.

ORACLE AMERICA, INC.,

Defendant.

OALJ Case No. 2017-OFC-00006
OFCCP No. R00192699

DECLARATION OF BARBARA FOX IN SUPPORT OF DEFENDANT ORACLE AMERICA, INC.'S MOTION FOR SUMMARY JUDGMENT OR, IN THE ALTERNATIVE, FOR PARTIAL SUMMARY JUDGMENT

FOX DECLARATION ISO ORACLE’S MOTION FOR SUMMARY JUDGMENT

CASE NO. 2017-OFC-00006
I, Barbara Fox, hereby declare as follows:

1. I make this declaration in support of Oracle America, Inc.’s (“Oracle”) motion for summary judgment or, in the alternative, for partial summary judgment. I have personal knowledge of the matters contained in this declaration. If called to testify to the information in this declaration, I could do so competently.

2. I know that I am one of the employees whose compensation is at issue in this lawsuit. I understand that the attorneys who interviewed me and assisted in preparing this declaration for me represent Oracle and do not represent me. Before signing this declaration, I read it carefully to make sure it was accurate, and it is. I was not pressured or required to sign this declaration. I am providing this declaration voluntarily.

3. I am a female and a current Oracle employee. I work in the Product Development job function and my system job title is Product Mgmt/Strategy Snr Director-ProdDev. However, my role is better described by my discretionary title, Senior Director, Fusion HCM Product Management. My job code is 17250 and my career level is M5. I report to Ognjen Pavlovic, the Product Mgmt/Strategy VP-ProdDev, and I work in the line of business led by Steven Miranda, Executive Vice President of Oracle Applications Product Development. I am based in Cocoa Beach, Florida, but I worked in Oracle’s California headquarters from July 2014 until November 2017.

4. I have worked at Oracle for almost twenty-four years. Prior to joining Oracle, I worked in the IT department of a company called Autoliv, an automobile supplier that makes airbags. Autoliv used Oracle software to manage its financials, and my role was to implement and configure it to meet the company’s business needs. This Oracle software is a suite of applications called Oracle Financials and includes applications to help customers with all their financial needs, such as general ledger and accounts payable and receivable. I eventually decided to join Oracle because I had experience with Oracle software and thought it was a beneficial career move to work for a large tech company.

5. I was hired into the Senior Consultant position I applied for in Oracle’s Salt Lake
City offices in October 1995. My job code was 20400 and my career level was IC2. This role was similar to my role at Autoliv – I helped companies implement Oracle Financials by traveling onsite and ensuring that the software was able to function efficiently on the customers’ systems. In approximately 1999, I wanted to limit my travel for personal reasons, and I requested a transfer into a different role. My management was very supportive of me and allowed me to move into a customer support role, where I worked from home on customer escalations. An escalation is where a customer petitions for additional assistance beyond Oracle’s general support services, either because the customer requires a quicker response, more nuanced technical skills, or other reasons. My role was to assist the customer with finding the right resources within Oracle to solve their issue as quickly as possible. I found the support role did not suit my lifestyle because it required me to be on call around the clock, including on weekends. In the early 2000s, I again requested a transfer and assumed a new role within the Product Development job function. From my role in customer support, I had numerous contacts within the product development teams who assisted me with my transition. To my knowledge, I was the first person in Oracle’s product development group in Salt Lake City who was permitted to work remotely, because I had proven my skills and dedication as a support engineer and my manager trusted me.

6. Within the product development organization, I worked on E-Business Suite (EBS), a product with which I had experience through my support role. EBS is a comprehensive set of business applications that allows customers to operate all aspects of their business, including customer relationship management (CRM), enterprise resource planning (ERP), supply chain management (SCM), Financials, and other components. I received on-the-job training for my new role and progressed through the organization with the mentorship of my manager. Within EBS, I worked on the Oracle Project Management Team as a manager, senior manager, and director. This team developed a suite of project management applications used primarily for large-scale construction projects. My role and responsibilities involved interacting with engineering and construction customers and understanding their requirements (meaning, their...
expectations of the EBS software and how they planned to use it), translating those business requirements into technical designs, and then negotiating with Oracle’s engineering teams to build the software in a way that meets and even exceeds the customer’s expectations. In approximately 2008, I moved to Florida to care for elderly parents, and Oracle continued to allow me to work on the EBS Project Management Team remotely.

7. In July 2014, I transferred onto a new team in Oracle’s headquarters office, called Human Capital Management (HCM). Like my EBS team, my HCM team works with customers to figure out how and what functions they need our software to perform, and then we design the software accordingly and work with our engineering team to build it. However, the products have different functionalities and require different expertise. HCM is a cloud software application suite for global Human Resources (HR), talent, and workforce management. It is used primarily by HR companies for managing promotions, performance reviews, employee transfers, and other HR-related tasks. Within HCM, I am responsible for workforce management, which is the all-encompassing name for three different sets of applications: Time and Labor, Scheduling, and Absence Management. For example, the HCM software has a feature called “Attestation,” which allows employers to request a verification from employees when there is a variance in their normal schedule. If an employee works overtime, skips a meal break, reports time on non-scheduled work day, or records any other variance in his or her normal schedule, the feature will ask the employee to verify that he or she received authorization to do so from a manager when submitting his or her time card. My title of Product Mgmt/Strategy Sr Director-ProdDev. and my career level (M5) did not change when I switched to this team.

8. My transition from the EBS to the HCM teams took approximately six months due to the differences in the products and the skills required to manage their products. I received significant on-the-job training and used these several months to familiarize myself with HCM. I needed to acquire an in-depth understanding of workforce management and its applications so that I could advise my team on how to design the software to meet the appropriate customer
requirements. Additionally, I attended two formal training courses through Oracle University in Dallas, Texas regarding how to implement and use workforce management and all of its applications. It was important for me to understand how the applications work with and affect one another so that I could lead my team efficiently. For example, a customer using HCM could be a hospital that uses the scheduling software within workforce management to generate shift schedules for nurses, doctors, and other hospital staff. Then, the time and labor applications within workforce management must reap information from those schedules to automatically generate time cards, which may need to be adjusted for various reasons, such as if a nurse works overtime during surgery or misses a shift. Finally, the payroll applications within workforce management must adjust the pay accordingly in line with these time sheets. To advise on the proper designs for molding this software to customer requirements, I needed to understand all these elements of workforce management and how they work together.

9. My role as a senior director on the HCM team involves reviewing how end users interact with the HCM software from start to finish to ensure it works smoothly. To do so, I look at the functional and the technical design of the applications. The functional design refers to whether the software will meet the customer’s requirements (e.g. if the customer needs the software to track overtime attestations versus missed meal break attestations, or both). The technical design (which is not necessarily code, but similar) refers to the underlying schematics of the software. My technical background in programming allows me to determine how a technical design will interact with other applications and data, ensure that the technical design is engineered properly, and that it is not more complicated than it needs to be. When I confirm that the technical and functional aspects of the design are complete, I approve the design. I also spend a significant portion of my time helping our customers implement the HCM software and in design meetings reviewing all the technical designs. Approximately a year and a half ago, I moved to my home in Cocoa Beach, Florida where I remain in the same role.

10. I have nine direct reports, four of whom are based in Oracle’s headquarters: and are Caucasian and have the job title Product
Manager/Strategy 5-ProdDev, the job code 17150, and the career level of IC5. [Redacted] is an Asian male with the job title Product Manager/Strategy 4-ProdDev, job code 17140, and career level IC4. [Redacted], my most recent college hire, is an Asian female whose job title is Product Manager/Strategy 2-ProdDev, job code is 17120, and career level is IC2.

11. There are differences in skill level and expertise among the career levels of my direct reports. For instance, [Redacted] an IC4, has one of the [Redacted] on my team because of his extensive engineering background, [Redacted] with communicating with customers (particularly customer executives) and other product management skills that are essential to my team, to [Redacted]. [Redacted] focuses primarily on the Time and Labor applications within HCM, [Redacted] of the overall architecture and component of workforce management as a whole (which includes Time and Labor, Scheduling, and Absence Management). I expect my IC5 reports to know all three sets of applications and how they are architected to work together, how customers use them in conjunction with each other, and how a change in one set of applications impacts the others. Generally, my IC5 reports have more depth and breadth of knowledge than my IC4 reports.

12. My direct reports have different roles and responsibilities, even those that share the same job title. For example, [Redacted] share a job title but have different expertise and perform very different tasks. [Redacted] is adept in the architecture of HCM, which means he knows how its parts fit together. Every customer may use the attestation feature mentioned above for a different purpose: one customer might want to ask attestation for overtime, and another for a missed a meal break. Generally, the benefit of this feature, and the HCM software, is that it is customizable to customers’ business needs and requirements. The HCM product must be configured to these requests, and [Redacted] can realize how these new features will function within the existing product. His responsibilities and tasks include helping to design the underlying technical setup of all new features by scheming out how customers will make use of the features within their customized HCM product. For example, as it relates to the attestation feature, his
duties would be designing the particular feature to reflect which employees must attest to which questions and in what circumstances. He configures many other features of HCM in this manner according to customer needs.

13. On the other hand, [redacted] is much more skilled in program management, which means she ensures that the features of the product are completed in the right order and on time. She tracks the development of the software and the features each customer requests, and she signs off that features were built appropriately by Oracle’s engineering teams. This requires her to track the progress of the engineering teams, manage the resolution of any bugs within the application, and any other issues. She also maps out how the product will generally interact with end users, such as designing the user interface that the end user will see. [redacted] roles are both critical to my team, but they are not interchangeable.

14. I have not hired externally for my team since 2013, but as a manager, I participate in allocating compensation increases to my direct reports in the form of focus increases (salary increases that typically occur on an annual basis), bonuses (one-time merit increases), and equity distributions. I focus on evaluating performance for all three types of compensation rewards, with an emphasis on different factors. For instance, for focal increases, I prioritize performance and pay equity. In terms of performance, I look for someone who can independently solve problems efficiently with minimal involvement from me, volunteers to take on extra responsibilities, leads big projects, and takes initiative. In terms of pay equity, I evaluate whether any of my direct reports are on the lower end of the pay scale for their role in relation to their peers.

15. One of my direct reports, [redacted], [redacted] – his current job title is [redacted]. [redacted] and his job code is [redacted] joined my team in Oracle’s headquarters, but [redacted]. When he first joined my team, [redacted]
the entire project from start to finish, which impressed me. He put in the time and research necessary to illustrate his skills. I considered his excellent performance in my evaluation of [redacted] during the focal cycle.

16. For equity distributions, I follow the guidelines I receive from my managers, which advise me to consider performance and employee retention. I reserve equity for especially high performers who are essential and indispensable to my team. I want my direct reports to feel rewarded for their hard work and have an incentive to stay at Oracle. My compensation decisions are generally approved, although I am sometimes asked to provide a justification as to my underlying rationale. I discuss my decisions with my supervisor and we typically reach agreement before moving forward. I have never considered gender or ethnicity in making compensation decisions.

17. I attend Oracle’s mandatory trainings for managers on an annual basis, and I recall that these trainings covered various non-discrimination topics.

18. I have felt very supported by Oracle throughout my career. I think Oracle rewards performance and good performers can have fulfilling careers at Oracle. I have been promoted eight times as I worked my way up the ranks from a consultant to a senior director. I have never witnessed any bias on any of my teams during my tenure at Oracle.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed in Cocoa Beach, Florida on Sept 9, 2019.

Barbara Fox

FOX DECLARATION ISO ORACLE’S MOTION FOR SUMMARY JUDGMENT

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EXHIBIT F
DECLARATION OF SACHIN SHAH IN SUPPORT OF DEFENDANT ORACLE AMERICA, INC.’S MOTION FOR SUMMARY JUDGMENT OR, IN THE ALTERNATIVE, FOR PARTIAL SUMMARY JUDGMENT
I, Sachin Shah, declare as follows:

1. I make this declaration in support of Oracle America, Inc. (“Oracle”)’s motion for summary judgment or, in the alternative, partial summary judgment. I have personal knowledge of the matters contained in this declaration. If called to testify to the information in this declaration, I could do so competently.

2. Before signing this declaration, I read it carefully to make sure it was accurate, and it is. I was not pressured or required to sign this declaration. I am providing this declaration voluntarily.

3. I am an Asian male and a current Oracle employee. I work in the Support job function and my system job title is Technical Account Manager (TAM) Sr. Director, but my role is better described using my discretionary title, Sr. Director ACS Global Delivery Applications. My job code is 86250 and my career level is M5. I report to Tony Gray, the Group Vice President for Cloud Service Business Development and Customer Management, and I work in the line of business led by Charles Rozwat, Executive Vice President of Customer Support Services. I am based in Pleasanton, California, but I supervised employees based in Oracle’s California headquarters during the time period at issue in this case.

4. I joined Oracle in 2006 after Oracle acquired my former employer, Siebel Systems. I began my Oracle career as Technical Analyst 3-Support, then became a manager in 2008 and worked my way up the ranks. As a manager, my role expanded to focusing on people and customer management, creating new services, meeting with customers, creating sales opportunities, and related tasks. I was promoted to my current title approximately one year ago.

5. At Oracle, I manage all of Oracle’s applications customers across North America (and a few in Latin America) that annually contract with Oracle for Advanced Customer Services
Oracle offers many applications that perform functions to help customers operate their businesses, such as products for Enterprise Resource Planning (ERP). ERP has various modules like financials, Human Capital Management (HCM), manufacturing, supply chain management, Siebel (name of software for Customer Relationship Management (CRM)), employee management (e.g. PeopleSoft), and countless related business operations. ACS is an add-on service that offers targeted, personalized technical support that is above and beyond the capabilities of Oracle’s general support team. My team handles the entire spectrum of Oracle’s applications offerings. My peer managers handle ACS for other major Oracle technologies, such as Oracle Database, Oracle Infrastructure, and Oracle Cloud offerings.

6. Typically, customers who contract for ACS services receive their own toll-free number and an identification number that routes their service tickets to a dedicated team of engineers who offer around-the-clock support and work closely with the customer’s technical support teams. Due to this customization, my team’s troubleshooting starts at a higher level than Oracle’s general support. Because my team’s engineers are intimately familiar with the customer’s products and systems, they skip the rudimentary support questions and reach the heart of the problem faster. ACS helps customers significantly reduce resolution times, so their business can get back on track in a shorter time.

7. At a high level, my team must ensure that our customers are satisfied with our services so that we continue to grow the business. I also work with internal stakeholders at Oracle to identify and develop new services for our customers based on changing trends in technology and ensure that the ACS offerings are in line with customer and market expectations.

8. I oversee a team of approximately forty engineers who support ACS customers in different capacities. Most of them are flex workers, which means they work remotely from...
home, and they are scattered all around the country. I have fourteen direct reports, three of whom are females based in Oracle’s headquarters. These three women include two in the job code 85550 (Systems Analyst 5-Support), [REDACTED] and [REDACTED] and one in the job code 90244 (Systems Analyst 4-Support), [REDACTED].

9. Every engineer on my team is specialized and caters to an application or set of applications, including those that share the same job code. For instance, [REDACTED] share a job code but have different roles and responsibilities. Both support customers with E-Business Suite (EBS), a type of ERP software that is one of Oracle’s major product lines. EBS is comprised of a set of business applications for automating various modules like financials, HCM, manufacturing, and supply chain management. However, [REDACTED] focuses on the functional side of EBS applications, and [REDACTED] expertise lies on the technical side. Functional knowledge refers to how the application and its software works, while technical knowledge refers to familiarity with installing the product and ensuring that it works as intended, applying patches (fixes to security threats and other improvements to the applications so that the software reaches peak functionality), and ensuring that the application communicates efficiently with the underlying database on which it is built.

10. For example, Oracle Financials is one of the applications within EBS, and it has multiple submodules dealing with general ledger, project accounting, and related functions. [REDACTED] needs accounting knowledge to help customers with questions as to what the application does and how it should perform to help the customer meet their needs. Conversely, [REDACTED] must be able to talk customers through how to install the product, update the software with the latest patches, and other technical components. Additionally, they interact with different members of a customer’s staff. For instance, [REDACTED] supports a customer’s technical teams, such as database...
administrators, but works with a customer’s employees who use the application to perform certain tasks, such as monthly/yearly closing of the books of accounts (through Oracle Financials). Because handle different aspects of the EBS technology, their roles are not interchangeable.

11. As a manager, I am involved in hiring for my team. After I open a requisition, I work with my assigned recruiter, who conducts initial screenings and assists me with narrowing down candidates. My practice is to hire for the position I advertised. If I open a requisition for a Systems Analyst 5-Support, candidates without the proper qualifications for that title and career level will not filter through the selection process.

12. In screening candidates, I review the depth of a candidate’s knowledge and experience. Experience with EBS and its applications, or with other large Oracle product suites, such as Seibel and PeopleSoft, is a top priority because my team is so technically focused. However, I also look for candidates who are well-rounded in that they are hungry to learn new skills, have excellent communication, writing, and speaking skills, and prioritize the success of the team over individual success. My direct reports must work closely with technical staff and often high-level executives at large companies, and their ability to add value to our customers’ business and represent Oracle in a positive light is very important to me.

13. Typically, candidates are interviewed by three or four members of my team who specialize in the area for which the candidate applied. Once I decide to hire a candidate, I work with my HR Business Partner to help me determine the appropriate starting salary based on a combination of market-driven factors, like a candidate’s geographic location and the candidate’s qualifications. My practice is to discuss the candidate with my supervisor to ensure that we are on the same page about his or her qualifications before making a final offer. I recall receiving
training regarding Oracle’s policy of not asking candidates for prior salary information, although even before this policy, I have never asked for a candidate’s prior pay and it has not factored into my starting pay decisions. Instead, I focus primarily on the candidate’s technical experience and how that candidate will contribute to my team in the short run and in the long run.

14. My salary recommendation has never been questioned or changed. I work closely with the HR Business Partner assigned to my ACS team and ensure that the candidate’s proposed salary matches Oracle’s salary ranges and the candidate’s qualifications. Race and gender have never factored into my hiring process or starting salary decisions.

15. I also participate in determining compensation increases for my direct reports in the form of focals, bonuses, and equity distributions. The term “focal” refers to a salary increase that typically, but not always, occurs annually, whereas a bonus is usually a one-time monetary award. In deciding how to allocate a focal budget from my manager, I evaluate the performance of my direct reports by looking at the satisfaction rankings they receive from our customers and the scope of their work in the last year. For example, I consider if they drafted any white papers, created technical presentations for customers, won any awards, completed any technical certifications, or generally represented Oracle in a positive light on any platform.

16. For awarding bonuses, I consider similar performance-based criteria, but I try to reward a direct report who really went above and beyond and stood out, either by completing a difficult technical task or project for a client or by going the extra mile in some other way on my team. As for equity, I contemplate my team’s long-term goals and I reward individuals that I feel are most indispensable in terms of their skills and contribution to my team.

17. Several of my direct reports, including [redacted] are exceptional engineers who are always at the top of my ranking because they go above and beyond in supporting their
customers. I have never received any negative feedback about them from our customers. They contribute significantly to my team and I value their integrity, honesty, and diligence that also keeps our customers satisfied. Race and gender have never played a role in my compensation decisions.

18. Due to [redacted], I promoted her from a Systems Analyst 4-Support to a Systems Analyst 5-Support several years ago. I have also promoted my third female direct report in Oracle’s headquarters, [redacted] to her current position of Systems Analyst 4-Support for similar reasons. Race and gender have never played a role in my promotions decisions. The primary factors I consider are a person’s value to the team, quality of his or her work, honesty, and communication. If my direct report meets these criteria, I push to promote them. I try to facilitate growth on my team by maintaining an open-door policy, good communication, and making myself readily available for questions, so that my reports stay motivated.

19. As a manager, I participate in Oracle’s mandatory trainings. I recall that these trainings cover a variety of topics, like racial and gender-based discrimination, ethics, sexual harassment privacy, and other areas. I listen carefully to these trainings, which are typically presented in a webinar format, so that I can answer the questions at the end. I also ensure that my direct reports complete Oracle’s required trainings on time.

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20. I have felt supported in my experience at Oracle. Oracle recognizes hard work and how quickly its engineers can adapt to the changing needs of the business. I have never witnessed or experienced any racial or gender bias at Oracle.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed in Pleasanton, California on Sep. 13, 2019.

\[ /(sachin Shah) \\
Sachin Shah \]
DECLARATION OF
HARMOHAN SURI IN SUPPORT
OF DEFENDANT ORACLE
AMERICA, INC.'S MOTION FOR
SUMMARY JUDGMENT OR, IN
THE ALTERNATIVE, FOR
PARTIAL SUMMARY
JUDGMENT
I, Harmohan Suri, declare as follows:

1. I make this declaration in support of Oracle America Inc. (“Oracle”)’s motion for summary judgment or, in the alternative, for partial summary judgment. I have personal knowledge of the matters contained in this declaration. If called to testify to the information in this declaration, I could do so competently.

2. Before signing this declaration, I read it carefully to make sure it was accurate, and it is. I was not pressured or required to sign this declaration. I am providing this declaration voluntarily.

3. I am an Asian male and a current Oracle employee. I work in the Support job function and my system job title is Product Support Senior Director. My job code is 90252 and my career level is M5. I report to Lauren Verno, the Vice President for Database and Enterprise Manager Support, and I work in the line of business led by Charles Rozwat, Executive Vice President of Customer Support Services. I am based in Orlando, Florida, but I supervised employees based in Oracle’s California headquarters in 2001, 2012, and 2015 through 2017.

4. I joined Oracle in 1995 as a Technical Analyst 3-Support (IC3 career level). Within a year, I became a manager, and my job title changed to Technical Support Manager 3 Applications. I then moved from manager to director, and then to my current position as senior director in 2001. Prior to joining Oracle, I worked in other technology companies as a consultant. Right before joining Oracle, I worked at Encore Systems Corp., a company involved in developing Enterprise Resource Planning (“ERP”) software, which is a set of software tools used to run a business, including financials, human resources, manufacturing, and other business components. There, I wrote code for and supported the company’s financial reporting systems. I
moved to Oracle because it was a leading ERP company in the market at that time, and I
continued working with ERP at Oracle.

5. At Oracle, I am primarily responsible for managing a part of Oracle Database’s
global support teams as well as the global support team for a product called Enterprise Manager
(“EM”). Oracle Database allows customers to save, store, retrieve, extract, update, and
manipulate all their data for various business components such as HR, sales, inventory,
financials, customer relations, and any other data they may have. Generally, customers build
applications on top of Oracle Database to present their data in different formats, so they can do
financial reporting, customer relationship data management, and other tasks required to operate
their business. Within Oracle Database, I support the manageability product area, which deals
with memory management of the Database, internal errors, and utilities (e.g. uploading data).

6. EM is a product that enables customers to monitor the health of their computer
systems, including their hardware and software. Mainly, EM allows customers to define and set
rules for their systems, and then EM alerts customers when their systems’ health deviates from
those defined rules.

7. My team, which consists of 193 people, primarily assists customers who call in
with issues about the manageability of Oracle Database and EM. For example, the
manageability portion of my team handles customer issues related to usage (when a customer
tries to access data but the process malfunctions or is too slow), memory utilization of the
Database, and related issues. For EM, customers could call in with questions about defining,
deploying, or monitoring the rules they set for their systems, or how to interpret an error display.

8. Of the 193 people on my team, fifteen people focus on critical customer
“escalations.” An escalation is when a customer feels that Oracle’s support team has not
adequately handled a question or has not responded in the customer’s preferred time frame. When issues with the Oracle Database (not just with manageability, but any Oracle Database issue) or with EM escalate in their level of urgency, such as when the customer threatens to cancel our service or asks for a refund (causing financial loss to Oracle), my escalation team gets involved. This team regularly handles these types of escalations and ensures that customer problems are resolved promptly, but they do not generally handle line support issues, meaning those answered by Oracle’s general first-line-of-defense support teams. I assist my escalation team with engaging resources across different Oracle organizations to evaluate the customer’s problem and take corrective action as soon as possible.

9. I have seventeen direct reports, eight of whom are female. I also have Asian and African American direct reports. My direct reports are primarily skilled in support operations management (meaning, they are skilled in managing the operations of our support team, including how service requests are triaged and how they get processed) and in customer escalations. I assign top accounts to all my direct reports and expect them to develop relationships with customers and expertise in the customers’ products over time.

10. My direct reports have different skills and responsibilities that complement one another to make my team function smoothly. Even the roles of my direct reports who share a job code differ significantly. For instance, two of my female direct reports are [REDACTED] and [REDACTED]. They, along with several of my other direct reports, share the same job title (Technical Analyst 4-Support) and job code (90023).

11. [REDACTED] and [REDACTED] have different backgrounds that led them to my team. [REDACTED] primarily worked as a support engineer on what is called “main frame technology,” another term for hardware (a desktop machine is an example of hardware). This kind of technology refers to
the machines used by companies to store large amounts of data using Oracle Database or other
database brands. On the other hand, background was supporting the applications system
side (applications, like email, are the tools built on top of Oracle Database). Her expertise was in
supporting an Oracle product called Enterprise Business Suite (EBS), which is a set of
applications that helps businesses automate various processes including supply chain
management and customer relations programs. and skills are complementary, but
not interchangeable.

12. The skills needed for supporting the database side are different than for
supporting the applications side. skills are more geared toward finding solutions for
problems with hardware, and her expertise lies in what are considered more traditional (i.e. not
autonomous) methods of computing in my industry. For example, a common issue with
hardware is called disk failure, which is the error that occurs when a customer is unable to save
data (i.e. when data is saved, it gets written on a disk, and if that process fails, the customer
receives error messages). is skilled at correcting such an issue by asking for a part
replacement or scheduling a code change to update the software (called a patch).

13. On the other hand, skills are more geared toward modern, cutting edge
technology that involves autonomous processing and the cloud. For instance, a part of her
skillset is focused on a feature called Online Transaction Processing (“OLTP”), which refers to
the technology behind real-time processing of data (e.g. when ordering a product online,
customers enter their payment information and the purchase occurs instantaneously). Currently,
has a certification from Oracle called the “Oracle Certified Associate (OCA)” for Oracle
Database, which certifies her as an expert on Oracle Database and particularly on autonomous
transaction processing, where the Oracle Database can run autonomously, self-diagnose
problems, and then self-correct those problems without human involvement. is also preparing to receive another certification called the “Oracle Cloud Certification” which would certify her as an expert in the cloud space. These certifications, coupled with her focus on more modern, autonomous technologies, differentiate technical skillset from

14. Another reason that and are not interchangeable is because they support different customers, which also requires different skills. Customers who call in for support with Oracle Database are typically technically competent and have worked with complex Oracle Database technology. They require a significantly more technical level of communication, which can offer. Conversely, customers needing support with applications could include a line clerk at a department store with no technical expertise whatsoever who is using the application to make a sale. can communicate with these types of customers much more seamlessly than . Therefore, if I am assigning an escalation for a customer using EBS or another application that runs on Oracle Database, I would first turn to . Alternatively, I would assign to customers having issues with the database side, such as running Oracle Database on Exadata (the name of a popular Oracle server that optimizes the use of the Oracle Database and all its applications for customers).

15. Although I may reassign customers among my direct reports from time to time to manage work load and availability, there is a learning curve. , and each of my other direct reports have an expertise in their customers’ products and have developed relationships with developers and other key players who are critically important to offer the highest level of support. Their knowledge takes a long time to acquire. They can pick up each other’s skills, but that transition will require training and time, which is expensive to Oracle because it involves
training classes, various technical certifications, and other training components. For that reason, my direct reports are not easily interchangeable.

16. I have not hired any of my direct reports from outside of Oracle. They either joined my team as transfers through a reorganization or have had a very long tenure at Oracle. However, I participate in determining compensation increases for my direct reports when they’re available, including focals (merit-based salary increases, typically given on an annual basis), bonuses (one-time merit-based increases), and equity distributions.

17. A focal process typically occurs once a year, although it does not always occur annually. I receive a certain budget from my manager, who instructs me to apportion it among the top performers on my team. In deciding how to allocate this budget, I consider a variety of merit-based factors. Generally, I look at who is indispensable to the database support business and how they fit with the strategy of the company. This requires me to look at the day-to-day contributions of my direct reports and assess how critical they are to the organization, how they have managed their customers, and their participation internally on improving the infrastructure for our team. For example, in evaluating members of my escalation team, I review the type and difficulty level of the escalations my team received from certain product areas, and at the product footprint. By “footprint,” I mean the product’s infrastructure and the stability of its components (like its operating system, middleware (the software that is the middle layer between the operating system and the applications built on top of it), etc.). The footprint indicates the difficulty in supporting the product. For example, my team supports certain products which are stable and secure with limited bugs, and these products will generally cause less customer escalations and will not be as challenging to support as less-stable products, such as those that have been recently released or got new features that result in bugs (and consequently more
frequent escalations from customers). I take that footprint into account when evaluating the
diligence of my direct reports for purposes of focal compensation increases.

18. Another characteristic that stands out to me is the individual’s reliability. If I
assign a task, I am very dependent on my direct report to complete the task on time. Individuals
with a 100% track record for reliability are typically at the top of my list when I am making focal
decisions.

19. I also consider location and aim to invest my merit increases in someone who fits
my understanding of the general direction of corporate strategy. Major Oracle support locations
move the company forward because they contain teams of engineers of varying levels who can
help and train one another, which benefits Oracle’s customers by increasing my team’s skills and
efficiency. My focus is on retaining and growing my employee pool in these major locations and
I try to incentivize people to stay there instead of in remote locations. As such, I would have a
harder time awarding a salary increase to an individual in Alaska, for example.

20. Finally, I consider the individual’s compensation ratio, which is where an
individual’s salary falls within Oracle’s predetermined range for each career level. Today, most
of my direct reports generally and I try to balance out
my team when possible.

21. I employ the same underlying principles for the bonus and equity processes, with
minor modifications. For bonus awards, I also look to reward a direct report for something
critical they performed during a 6-month or 1-year cycle. For equity distributions, I consider a
long-term perspective and look for people who innovate and add value from a technical support
perspective. I do not typically decide the amount of equity distributions because . In those cases, I provide
recommendations to my manager. Additionally, there is significant corporate focus on cloud versus on-premise products. The

22. I submit my compensation recommendations to my supervisor and she works with HR to ensure that there is consistency in the distribution of compensation increases for her direct reports. My compensation decisions have never been overruled, but my manager checks for outliers and on occasion has asked me to justify my reasoning. For example, if I gave someone on my team an unusually high increase, she may ask me to explain why that person deserves a raise that is higher than the norm. I have never considered race or gender for any compensation decisions and I have not seen such discriminatory bias from my superiors.

23. As a manager at Oracle, I participate in required training every two years, which covers all the details about treating people fairly regardless of their ethnicity, gender, race, and other protected characteristics. In my opinion, Oracle takes these trainings very seriously.

24. Generally, I’ve been happy with my career at Oracle. I feel like I’m an important part of the organization and I feel respected. Being Asian hasn’t made a difference for me one way or the other. I have never practiced, witnessed, or experienced bias based on race or gender at Oracle.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.


Harmohan Suri

SURI DECLARATION ISO ORACLE’S MOTION FOR SUMMARY JUDGMENT

-8-

CASE NO. 2017-ORC-00006
EXHIBIT H
DECLARATION OF CHANDNA TALLURI IN SUPPORT OF DEFENDANT ORACLE AMERICA, INC.’S MOTION FOR SUMMARY JUDGMENT OR, IN THE ALTERNATIVE, FOR PARTIAL SUMMARY JUDGMENT
I, Chandna Talluri, hereby declare as follows:

1. I make this declaration in support of Oracle America, Inc. (“Oracle”)’s motion for summary judgment or, in the alternative, for partial summary judgment. I have personal knowledge of the matters contained in this declaration. If called to testify to the information in this declaration, I could do so competently.

2. I know that I am one of the employees whose compensation is at issue in this lawsuit. I understand that the attorneys who interviewed me and assisted in preparing this declaration for me represent Oracle and do not represent me. Before signing this declaration, I read it carefully to make sure it was accurate, and it is. I was not pressured or required to sign this declaration. I am providing this declaration voluntarily.

3. I am a female and a current Oracle employee. I work in the Information Technology job function and my system job title is IT Director. However, my role is better described under my discretionary job title, which is Director, OALQA. OALQA stands for Oracle Applications Lab, Quality Assurance. My job code is 75040 and my career level is M4. I work in the line of business led by Steven Miranda, Executive Vice President of Oracle Applications Product Development. I am based in Oracle’s California headquarters.

4. I joined Oracle in February 2017 as a Senior Manager of OALQA. I was promoted to Director approximately one year ago. Prior to joining Oracle, I worked at a financial services company, CashEdge, now called Fiserv. I joined Oracle because the application I was working with at CashEdge was not faring well in the market, I did not feel challenged in my role, and I saw more opportunities at Oracle.

5. Since I joined Oracle, I have been primarily responsible for a product called Oracle Configure, Price, and Quote Cloud, or CPQ. This product is part of a cloud-based technology called Oracle Application Labs that implements, maintains, and upgrades various products used internally within Oracle. CPQ is an application that offers a comprehensive tool for Oracle’s sales representatives and business teams to perform and track their work. It allows the sales team to look for potential buyers, generate and track potential sales opportunities, create
quotes for customers with pricing and other information, follow-up with customers, and has many other functionalities related to sales. The version of CPQ that my team handles is used primarily by Oracle’s internal sales and business teams. A separate Oracle team handles the version of CPQ that is available externally to customers.

6. My team is comprised of approximately twenty-one people and is spread across the U.S., India, and Mexico. I have seven direct reports, two of whom are based in Oracle’s California headquarters. My team is called the CPQ Center of Excellence for Testing (COE). We conduct testing and quality assurance, which means that we test technical changes and updates to CPQ before they are put into production, and ensure that all changes function properly.

7. This process involves functional testing and automation testing, and I manage two teams dedicated to each type of testing. Functional testing refers to manual testing, which requires a deep understanding of the application and how it works. CPQ is an application that uses and interacts with many other products and systems to do its job, such as customer management and validation systems, order management systems, and others. Functional engineers must understand how CPQ interacts with these systems and find ways to test and improve its functionality. To do so, they login as the end users and test CPQ for processes like creating ordering documents, price quotations, customer validation, proper calibration of taxes based on the customer’s location, and many other aspects of CPQ’s functionality. They use their knowledge of the application’s ins and outs to generate comprehensive test cases and ensure that the application is tested thoroughly enough before it is released to customers. To do so, functional engineers do not need extensive coding expertise.

8. On the other hand, automation engineers are coding experts. Automation refers to the process of automating certain testing so that multiple scenarios can be tested faster (or even simultaneously), at any time of day or night, and more efficiently without the need for human oversight. To this end, the automation teams works closely with developers, who assist with coding and developing scripts. My expectations for automation engineers are that they know and
understand automation tools, such as Java, Python, or Selenium, so that they can develop scripts (i.e. write code) which properly mimics the end user. Using the above example, an automation engineer would write code that automatically tests an improper login and whether tax is calibrated correctly based on the customer’s location. The automation engineers do not need extensive knowledge of the application’s functionality because they need to write code according to a test case, which identifies all the steps that must be coded (e.g., Step 1: login; Step 2: make sure login is successful, etc.). They must also determine the timing and scope of automation for every given step. Finally, they need to capture the results and present them in a coherent way, such as which tests failed and which were successful and why. To perform these tasks for CPQ, automation engineers need significant coding expertise.

9. My role is to manage my functional and automation teams to ensure that CPQ’s monthly releases occur on time. A release refers to new code that gets added to the application either to fix, enhance, or improve its functionality. My position in quality assurance requires me and my team to fully understand the changes and the new functionality for the product. For the functional team, a big part of my role is determining the type and scope of testing and ensuring that my team has enough resources to complete it in a timely manner. For the automation team, my role includes generating and managing the roadmap for automation and developing priorities for which testing should be automated first.

10. Some of the engineers I manage on these teams have overlapping job codes, but their roles are entirely different depending on whether they perform functional or automation testing. For example, I supervise two IT Managers (job code 75020), one on the functional team and the other on the automation team, who have completely different skillsets. One of the managers supervises the functional team for manual testing activities. Her expertise is in the functionality of the product and how the application behaves, and she understands the ins and outs of the CPQ application better than anyone else. However, she does not perform automation testing and does not know the coding behind the application. The other IT Manager I supervise works on the automation testing team for CPQ. He has sound knowledge in coding and comes...
up with the frameworks needed to automate test cases, but he is not functionally strong because his role is not centered on understanding the functionality of the application. Their roles are complementary in the sense that they are two sides of the same coin, and both are needed to ensure that CPQ operates at the highest level for our customers. However, their skillsets are not interchangeable.

11. Similarly, I have four colleagues at my director level within OALQA—three in Oracle’s headquarters office and one in India—who share my job code but have different roles and responsibilities. Whereas I manage the functional and automation teams for CPQ, my colleagues manage Oracle’s Cloud Framework and Oracle Fusion Applications, such as Enterprise Resource Planning (ERP), Sales Cloud, and Supply Chain. These applications are functionality different. Since we have a mix of expertise and manage different products, I do not believe that we can step into each other’s roles without a significant amount of training and on-the-job experience.

12. For example,  has the same system job title as me and also works at Oracle’s California headquarters. We are in the same QA organization, but  works on Fusion Applications like ERP, Sales Cloud, and Supply Chain. Like me,  and her team also perform release testing, but the components and functionalities of our applications are very different, so their testing requires different technical knowledge and skills. For instance, CPQ allows Oracle’s sales teams to maximize deal profitability by optimizing pricing and creating dynamic proposals, contracts, and other sales items, while Fusion Applications have a broader scope and use different systems to function. Fusion Applications could be used by human resources or individual employees to create expense reports, offer human capital management, financial management, and other functions.

13. I know which points of integration require testing in CPQ, but these points are different in Fusion Applications. Integration refers to systems that must work together to perform a single role. For example, a customer’s contact information lives in one application, and the tax that customer must pay based on their geographic location is stored on another
These applications must be integrated in order to generate a customer’s price quote or receipt within CPQ. The systems that must be integrated for Fusion Applications are completely different than for CPQ. For example, if human resources is creating an expense report, the system must determine the category of the reports (e.g. meal versus travel reimbursement), the approval hierarchy for the expense, and the employee’s bank account for receiving the reimbursement. I do not know which systems must work together to make those applications perform properly because our underlying technical knowledge for our respective products does not translate to one another. For these reasons, if I had to step into shoes, I would require extensive training to obtain her level of expertise in Fusion Applications and vice versa.

14. As a manager, I am involved in hiring. Typically, my team aims to hire at the IC3 career level, but on rare occasions we may hire an IC2 or IC4, depending on the candidate’s particular experience. I work closely with Oracle’s recruiting agent, who advertises the position and conducts the initial screening based on my needs for the position. Then, candidates go through a formal interview process, with approximately four interviews per candidate. I discuss the finalists with my manager and we evaluate the candidate’s potential contribution and our team’s overall needs. Once I select a candidate, I work with an HR Business Partner dedicated to OAL to determine the market rate for the position based on the candidate’s background. I determine starting salary mainly by looking at prior experience. I have never relied on prior pay as part of the decision-making process – I focus exclusively on a candidate’s merits. I also have never considered race or gender in my hiring or compensation decisions. My hiring decisions and starting pay determinations have never been overturned.

15. Several factors make a candidate’s resume stand out to me, depending on whether I am hiring for my functional or automation teams. For the functional team, any background in Oracle applications stands out because it makes the candidate’s transition to my team more seamless because he or she should be able to quickly learn CPQ’s functionality. A testing background is also useful, and I evaluate how readily a candidate can test applications, their depth of understanding of how applications function in the cloud, and their knowledge of the
database. For the automation team, I look for more technical skills, such as experience with Java, the candidate’s coding proficiency, whether the candidate ever developed automated testing for an application, and the like. Finally, I consider non-technical factors for both teams, such as a candidate’s attitude, the type of challenges I think they can take on, and how well they work with the other members of my team.

16. I participate in determining compensation increases, including focal, bonus, and equity distributions. Although I do not determine the percentage allotted to each person, I rank my direct reports and provide recommendations to my supervisor. I base my ranking decisions on my direct reports’ quality of work and how it comports with the overall expectations of their roles. I always consider whether someone has gone the extra mile and reward the individuals who are consistently reliable in their performance. For example, during the last focal process, I evaluated all of my direct reports. For my direct reports on the automation team, I considered the quality of the coding frameworks they developed and how well they used that framework on the team – meaning, whether they were available to the team to provide training and answer questions. For my direct reports on the functional team, I evaluated how well they knew the application. Those that knew that application inside and out stood out to me; for example, if someone came up with good test cases and was proactive in identifying issues for a release early on. I also consider pay equity for my direct reports. My ranking decisions have never been overturned, but on occasion my supervisor has asked me to provide justifications for the rankings. I have transparent conversations with my supervisor on this subject and I feel that he values my recommendations. Race and gender have never played a role in the ranking of my direct reports.

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17. I have not seen or experienced any bias based on gender or race during my time at Oracle, and I do not believe that my race or gender has played a role in my compensation or career development at Oracle. I attend Oracle’s mandatory annual non-discrimination trainings, pay attention to HR guidance regarding compensation and hiring decisions, and have regular discussions with my manager about the dos and don’ts for my team.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed in Redwood City, California, on 09/18, 2019.

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Chandna Talluri
EXHIBIT I
Yakkundi Declaration ISO Oracle’s Motion for Summary Judgment

Yakkundi Declaration ISO Oracle’s Motion for Summary Judgment

UNITED STATES DEPARTMENT OF LABOR
OFFICE OF ADMINISTRATIVE LAW JUDGES

OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS, UNITED STATES DEPARTMENT OF LABOR,

Plaintiff,

v.

ORACLE AMERICA, INC.,

Defendant.

OALJ Case No. 2017-OFC-00006
OFCCP No. R00192699

DECLARATION OF NACHIKETA YAKKUNDI IN SUPPORT OF DEFENDANT ORACLE AMERICA, INC.’S MOTION FOR SUMMARY JUDGMENT OR, IN THE ALTERNATIVE, FOR PARTIAL SUMMARY JUDGMENT

CASE NO. 2017-OFC-00006
I, Nachiketa Yakkundi, hereby declare as follows:

1. I make this declaration in support of Oracle America, Inc. (“Oracle”)’s motion for summary judgment or, in the alternative, for partial summary judgment. I have personal knowledge of the matters contained in this declaration. If called to testify to the information in this declaration, I could do so competently.

2. Before signing this declaration, I read it carefully to make sure it was accurate, and it is. I was not pressured or required to sign this declaration. I am providing this declaration voluntarily.

3. I am an Asian male and a current Oracle employee. I work in the Support job function and my system job title is Product Support Senior Manager. My job code is 90248 and my career level is M3. I report to Frederick McFall (Senior Director, Customer Support, Middleware – Identity Management) and work in the line of business led by Charles Rozwat, Executive Vice President of Customer Support Services. I am based in Belmont, California. I supervised four female employees based at Oracle’s headquarters between 2013 and mid-2017.

4. I joined Oracle in a Technical Support Analyst 1 (IC1 career level) role in June 1994 and worked in various junior-level support roles until February 2000. During that time period, Oracle and other technology companies engineered their database products differently for each operating system, such as Windows, Unix, IBM, and others. Oracle maintained separate product support teams based on the operating system. I initially worked on the team that supported the Oracle Database product for the Unix operating system for approximately three years. In 1997, I moved to a worldwide support services group known as the “Emerging Technologies” group, which supported Oracle’s niche products and developing technologies that had not yet yielded a significant market footprint. One example of such a niche product was Oracle Internet Directory (OID), the first technology to utilize a novel user-authentication system called the Lightweight Directory Access Protocol (LDAP). Using LDAP, OID served as a user repository that allowed Oracle customers to more easily administer their users and resources, and it was cheaper and more convenient compared to other database products.
5. In approximately February 2000, I left Oracle and joined a company called Ventro, where I worked as an applications specialist. This role was technically distinct from my previous roles at Oracle because it dealt with applications rather than the back-end databases on which those applications are built, but I saw this move as an expansion of my support skills. At Ventro, I supported internal engineers who used various e-commerce applications, a budding field at that time. To support these applications, I had to understand the functionality of the applications and learn to deal with the product developers. After my first 4-6 months at Ventro, I was promoted to manager and held that position until April 2001, when the company dissolved.

6. In May 2001, I joined another technology company called Oblix, a supplier of identity and web services management software. There, I switched to providing customer-facing support for Oblix products (as opposed to supporting internal engineers at Ventro). Oblix made products using a system called Single Sign On (SSO). SSO refers to the authentication process that occurs once a user signs on to an application and receives permissions to access certain content based on their role and authority within a company (similar to an employee logging into a company’s portal and accessing various applications, such as their HR records and email, without additional login prompts). One of Oblix’s main SSO products was called COREid. Oracle acquired Oblix in March 2005. Prior to re-joining Oracle as part of the acquisition, I was a manager at Oblix from 2001 to approximately 2003, and then a Product Support Senior Manager. After the acquisition, I continued to provide customer-facing support for Oblix products, primarily COREid, which Oracle rebranded as “Oracle COREid” and eventually renamed Oracle Access Manager (OAM).

7. Since that time, OAM and its underlying systems have expanded significantly and now include myriad products. Today, I am part of the OAM support team, which supports a suite of ten to twelve on-premise products that provide web access management and user identity administration. “On-premise” refers to software that runs on computers at the physical location of the person or organization using the software, rather than at a remote facility or in the cloud.

8. OAM allows companies to customize access to their systems and files in many
ways, including delegating who can access what information based on their title or authorization. It provides security based on the user’s profile, so that different employees can access different levels of applications (a level is how far a user can go in the system) or access applications only for a certain duration. This process of delegating systems and files according to a customer’s preference is called access management. Generally, OAM is used by organizations that need security infrastructure to protect their digital resources.

9. The way that OAM intertwines select functionalities from different technologies makes it a unique offering in the market. For instance, it includes an LDAP directory component (repository of user and application data), a web server component, an authorization component (authorizing users to access certain systems), and an authentication component (proving a person’s ownership of an electronic identity). Each of these components functions independently outside of OAM, but their combination is distinctive and makes OAM a central feature of customers’ software organization (i.e. LDAP is its own product, but OAM does not use its entire scope of functionality, just its repository portion to store critical data). However, the fusion of these technologies also makes OAM a very complex product to support, because it requires an in-depth understanding of each technology and how it operates, as well as how it affects and is affected by other non-Oracle products and systems. The technical analysts on my team are highly experienced in OAM and understand its nuances better than any other support team at Oracle.

10. My team assists customers with access management by setting up test cases for quality control, creating performance statistics, and interacting with and advising different groups within Oracle that develop and improve the products we support. My team must also be competent in non-Oracle products that frequently interact with the products we support. For example, Oracle’s operating system is called Oracle Linux, but we must also know other operating systems on which OAM runs, including IBM’s “AIX” operating system, Microsoft Windows, and others. When a customer files a service request, we cannot always tell whether the problem is with OAM or with a supporting or tangential system, so knowledge of other

YAKKUNDI DECLARATION ISO ORACLE’S MOTION FOR SUMMARY JUDGMENT

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CASE NO. 2017-OFC-00006
systems with which OAM interacts allows us to isolate the problem quickly and either resolve it or connect with the right team to assist the customer.

11. Supporting OAM is complex in part because it requires an understanding of OAM’s different versions, as each version affects the functionality of the product itself and may interact differently with other Oracle systems and even non-Oracle components. Not all OAM customers share the same version of OAM, and not all customers necessarily have the most recent version. Knowledge of previous, current, and even future versions of OAM (i.e. knowing about upcoming features of OAM that may be included in upcoming versions) is essential to supporting our customers. The knowledge required to support OAM takes a long time to acquire and can only be mastered with hands-on experience with the product and its customers. Additionally, my team must understand scripts (a script is a way of automating manual steps), which is particularly essential to OAM because automating OAM and eliminating human error is extremely useful due to the many systems OAM impacts. Hands-on experience is key. The expertise in many other technologies makes dealing with OAM and supporting it a very complex process.

12. There are two other teams located elsewhere in the U.S. that roll up to my supervisor and provide support for the access management suite of products, and OAM in particular. My team also has counterparts in Romania and India. However, my team is unique because it provides support exclusively for the access management suite of products, and the other teams provide support for other suites such as the directory suite, which includes products like the Oracle Identity Governance (OIG). The OIG support team analysts (who also roll up to my supervisor) do not have in-depth knowledge of OAM because their product fits into a different part of the authentication cycle. Both the OIG and OAM are under Oracle’s Identity Management suite of products and there is an inherent integration between them, but their underlying technology and the functions they perform are qualitatively different. OIG is simpler because it is used in the user creation process, when the user has not yet begun using the customer’s systems. For example, it is used to give access to certain systems for new employees,
and set up their demographics like work address, office number, etc. Conversely, OAM is used when an employee actually begins work. Then, the employee may have issues with accessing certain privileges (e.g. a managerial employee should have access to information for his or her direct reports, but the system is not allowing the manager to login), or using certain passwords. These issues involve and impact a different set of technologies than OIG. For this reason, my team’s expertise specifically in OAM makes them unique from other teams under Oracle’s Identity Management umbrella.

13. As a manager, I manage the workload for my team, conduct performance reviews, allocate projects, and handle escalations of different issues. Prior to becoming a manager, I was a Technical Specialist-Support (job code 90022), so I know how to perform technical work like testing product functionality and interacting with customers on a technical level. My role and expertise are different from my colleagues, even those that share my job code and system job title. For example, there is a senior manager based at Oracle’s headquarters who shares my job code, but our similarities begin and end there. She and her team provide software support for Oracle’s software application server and the Java suite of products. Java is a coding language that provides a platform for writing code for many different products, whereas OAM is a unique product used for a specific task: data access management. OAM requires an extensive amount of “talking” and connecting between OAM and non-OAM components, and troubleshooting problems with OAM requires an intimate understanding of the non-Oracle components it interacts with, such as the Linux, Windows, or other operating system on which it is built, as described above. Although I have working knowledge of Java, I am unable to troubleshoot a Java program or even recognize that a problem might be related to Java. This is because Java and OAM use different technologies and require completely different sets of skills.

14. I have fifteen direct reports, five of whom are female. My direct reports span three career levels, including Technical Analyst 3, 4, and 5. One of my direct reports in Oracle’s headquarters, [redacted], is a Technical Analyst 4-Support (job code 90023), and she has the same job title as [redacted], who works under my peer manager. The same differences that apply...
to me and my peer manager apply to our direct reports.

15.  is not interchangeable with  because  does not have the same experience with the different non-Oracle technologies with which OAM interacts, such as web servers and operating systems like Windows. This familiarity is crucial for supporting customers who use OAM. For example,  must know how to utilize a heavily-used protocol called Light Directory Access Protocol (LDAP) upon which directory products are built. A directory product captures a company’s directory, and OAM requires an initial setup of a directory structure to assign access management to groups and individuals within the company based on their position in the directory. There are various directory structures, all of which involve the use of the LDAP protocol.  must have intimate knowledge of LDAP and directory products, because even a small glitch in the LDAP protocol can have severe repercussions on OAM. Redirecting the customer to our counterpart teams that support directory products would be inefficient because, like , they do not know the OAM product. As a support engineer on the Java team,  does not need to understand other products that must be in place before OAM installation can occur, such as web servers like Apache, IBM, and others. If a web server is not accepting requests and not functioning properly, OAM’s functionality will also fail.

16. Additionally, there are differences in skill level and expertise among the career levels of my direct reports. The biggest difference between an employee working at the IC3 career level and the IC4 career level is the ability to mentor and double-check the work of less experienced peers. An IC4’s breadth of knowledge about OAM’s versions would generally be much wider. For example, IC4s are generally familiar with older versions of OAM because they have worked in the field longer than a less experienced IC3. The ability to differentiate and compare the functionality of OAM among its many versions enables better customer support because that knowledge allows an IC4 to diagnose problems more efficiently.

17. I participate in hiring and compensation decisions for my team. When I select a candidate to hire, I work with my team’s designated Human Resources Business Partner to discuss the appropriate salary for that candidate based on the market and other factors. In hiring
for my team, I look for candidates with experience with access management products like OAM and will offer a pay premium if needed to hire a candidate with that specific background, but I also value experience with products and systems on which OAM depends (such as directory services), and proficiency with systems administration, configuration, and performance tuning of various web servers and operating systems. Exposure to and expertise in other Oracle products is also a plus because Oracle products have a consistent installation module, and experience with installing one Oracle product yields familiarity that can be helpful in installing OAM. If a candidate has worked with Oracle products, I look to see whether they have experience handling failures in the product, as recovering from product failure is a crucial aspect of my team’s daily work. The specifics of a candidate’s prior experience and work are thus critical in my hiring decisions. Although I sometimes considered an applicant’s prior pay prior to October 2017, it was never the sole or even primary factor – I used it more as a reference point than as a basis for my starting pay decision.

18. I recall hiring one of my direct reports, [redacted]. Her current job title is Technical Analyst 4 – Support (IC4) and her job code is 90023, and I initially hired her as a Technical Analyst 3 – Support (IC3) under the job code 90122. [redacted] had valuable experience at another tech company, Synopsys, and she was extremely familiar with various directory products and the LDAP and SSO technologies that are crucial for supporting OAM. During her interview, I recall asking many questions about the Unix operating system on which OAM runs. As a former Unix engineer, I wanted to test the depth of her knowledge on this system, and her answers impressed me. Although [redacted] had limited experience with Oracle products, her understanding of the underlying technology of OAM was excellent and she at that time matched the skills and proficiency needed for the Technical Analyst 3 – Support (IC3) position.

19. As a manager, I also determine compensation increases for my team in the form of focal increases (salary raises that occur periodically, generally annually, if and when there is a budget allocated to me by my manager). My process for determining focal increases involves looking to the performance ratings of each of my direct reports, on a scale from one to five (five
being reserved only for superstar performers). I rank my direct reports according to the effort they have contributed in the past year, which I measure by evaluating whether they went above and beyond expectations, put in extra hours and worked in earnest to make sure that problems were resolved for our customers, and efficiently managed their case load. I also try to reward individuals who have not received a salary increase in a long time but have been consistent and improved their work and widened or deepened their expertise and product knowledge. My compensation increase decisions have always been respected by my managers and I am not aware of any instance where a more senior manager overturned any of my decisions. Sometimes, my manager has asked me to explain the thinking behind my decision, but in those instances we have always had a discussion and come to an agreement before moving forward. I do not participate in bonus or equity distributions.

20. During my tenure at Oracle, I have regularly attended Oracle’s mandatory training courses, some of which are offered annually and others biannually. I recall receiving trainings on different forms of discrimination including gender, race, and other protected characteristics, among other topics. These characteristics have never played any role in my hiring or compensation decisions at Oracle. Not once.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed in Redwood Shores, CA on 16 September, 2019.

Yachiketa Yakkundi

Yakkundi Declaration ISO Oracle’s Motion for Summary Judgment

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CASE NO. 2017-OFC-00006
EXHIBIT J
UNITED STATES DEPARTMENT OF LABOR
OFFICE OF ADMINISTRATIVE LAW JUDGES

OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS, UNITED STATES DEPARTMENT OF LABOR,

   Plaintiff,

v.

ORACLE AMERICA, INC.,

   Defendant.

OALJ Case No. 2017-OFC-00006
OFCCP No. R00192699

DECLARATION OF KATE WAGGONER IN SUPPORT OF DEFENDANT ORACLE AMERICA, INC.’S MOTION FOR SUMMARY JUDGMENT OR, IN THE ALTERNATIVE, FOR PARTIAL SUMMARY JUDGMENT

WAGGONER DECLARATION ISO ORACLE’S MOTION FOR SUMMARY JUDGMENT

CASE NO. 2017-OFC-00006
I, Kate Waggoner, declare as follows:

1. I make this declaration in support of Oracle America Inc.’s (“Oracle”) motion for summary judgment or, in the alternative, for partial summary judgment. I have personal knowledge of the matters contained in this declaration. If called to testify to the information in this declaration, I could do so competently.

2. Before signing this declaration, I read it carefully to make sure it was accurate, and it is. I was not pressured or required to sign this declaration. I am providing this declaration voluntarily.

**Background**

3. I am currently Senior Director, Global Compensation at Oracle, and have been since approximately January 2018. Prior to that I worked at Oracle as Director, Compensation (from approximately November 2014 to December 2017); Senior Manager, Compensation (from approximately March 2012 to October 2014); and Compensation Analyst (from approximately March 2005 to February 2012). I joined Oracle following its acquisition of PeopleSoft, Inc. in 2005; previously I had worked at Time Warner Telecom, J.D. Edwards, and PeopleSoft, all in compensation-related roles. I hold a B.A. in psychology with a minor in statistics from the University of Northern Colorado and an M.A. in human resources and industrial relations from the University of Minnesota-Twin Cities.

4. In my current role, I am responsible for Oracle’s global compensation programs; the administration, setup, and rollout of annual focal review, corporate bonus, and equity programs (when offered); overseeing maintenance of and updates to Oracle’s global job table; and supervising merger and acquisition (M&A) activities related to compensation, which
involves the transition of acquired employees into Oracle’s jobs, pay programs and plans. I report to Phil Jenish, Oracle’s VP of Compensation and Workforce Intelligence.

5. Given my current and former roles and long history with Oracle, I am familiar with the breadth of products and services that Oracle develops and offers to customers. I am also familiar, given my role, with Oracle’s history of acquisitions.

**Oracle’s Products, Services, and Workforce**

6. Oracle is a leading global technology company that provides cutting-edge software and hardware products and related services to customers worldwide. Oracle’s more than 800 products and services are designed for customers of any size, from small business to large global corporations.

7. Our products vary widely in the technologies they power and the functions they support. For example, Oracle’s products include everything from cloud computing solutions to middleware to industry-focused software to hardware to network solutions and more. Oracle’s application, platform, and infrastructure technologies enable enterprise information technology environments worldwide. More broadly, Oracle products assist customers with an array of objectives, including enterprise resource planning, customer experience and customer relationship management, procurement and supply chain management, human capital and talent management, business analytics, financial management, and governance, risk, and compliance.

8. Oracle provides comprehensive services to supplement and support its products. Those services include providing security assessments and pushing software enhancements and upgrades, as well as providing excellent customer support and education.
9. One of the primary ways Oracle has grown its uniquely diverse business is by acquisition. Acquisitions enable Oracle to innovate faster and provide an unparalleled breadth and depth of technology products and services.

10. Oracle has acquired top companies like PeopleSoft, Sun Microsystems, NetSuite, and others that focus on specialized technologies and services, many of which differ in important ways from Oracle’s legacy product offerings. Together these acquisitions have added hundreds of new products to Oracle’s portfolio.

11. I have reviewed extracts from Oracle’s centralized data systems which are kept in Oracle’s regular course of business and contain our system of record regarding the employment records of Oracle employees. Those extracts reflect that, as of January 1, 2019, Oracle employed more than 48,000 employees nationwide. As of that date more than 11,000 employees worked at its headquarters location in Redwood Shores, California.

**Oracle’s Lines of Business/Functional Hierarchy**

12. Oracle is organized functionally into lines of business (“LOBs”), each of which is generally focused on a distinct part of Oracle’s business or operations. Although others at Oracle may use the term “LOB” in different ways, from the perspective of the Compensation team, each of these LOBs is defined by its particular leader or head, who in turn reports directly to one of Oracle’s CEOs (Safra Catz or Mark Hurd) or its CTO (Larry Ellison).

13. At the highest levels, LOBs encompass entire segments of Oracles’ business or operations. Additional layers divide employees into narrower sub-organizations and teams that reflect increasingly specialized areas of the company. These specialized teams differ in terms of their import to the company and their role in the company’s strategic vision.
14. Managers within these LOBs fan out through a reporting hierarchy that ultimately ends with “first-level” (or “direct”) managers who supervise individual contributors. This managerial hierarchy is in a near-constant state of flux, to reflect Oracle’s evolving technologies and portfolio structures.

15. Budgeting decisions and allocations for bonuses and/or salary raises are made within the framework of this LOB hierarchical structure, and can reflect differing allocations to different teams and units based on (among other things) the importance of retaining and motivating employees on that team. Accordingly, the particular team an employee works within, and where that team is situated within Oracle’s LOB structure, may impact individual compensation. The budget allocated to a particular LOB (or subset thereof) may also be impacted by the composition of that LOB in terms of the country or countries where employees in that LOB work, as different per-country weights are applied when determining how much budget to allocate to account for differences in market conditions, among other factors.

16. Attached as Exhibit A is a true and correct copy of a training presentation entitled “Annual Focal Program (Sales & Non-sales) and Workforce Compensation” that was prepared by the Compensation team for presentation to HR business partners at Oracle (ORACLE_HQCA_0000380438). As noted in the speaker notes accompanying slide 6: “Budgets are published to the top executive level of the organization based on eligible salaries for eligible employees on September 1. Each LOB leader is then able to determine the method of cascading budgets in their organization.” Because of my responsibility for the administration, setup, and rollout of Oracle’s global compensation programs, I am familiar with how the budget allocation process works, and believe this to be a true and accurate statement.
Oracle’s Global Job Table and Classification System

17. Job functions are a different way that Oracle organizes its employees for different purposes, and are the highest level classification in the global job table that my team maintains and updates. Job functions describe, in broad strokes, the general kind of work an employee performs – for example, Legal, Administrative, or Product Development. Job functions sweep in huge numbers of employees with vastly different skills, duties, and responsibilities, and do not capture or reflect any particular employee’s day-to-day-job duties. Employees in the Product Development job function, for example, work on differing components of all manner of applications, platform, and infrastructure products. Employees within the IT job function work in areas including business implementation and planning, data center services, network services, and risk management. And employees within the Support job function provide services related to products ranging from legacy on-premise solutions to cloud-based solutions and other emerging technologies.

18. I have reviewed copies of data files produced to the government in this case, which I understand contain extracts from Oracle’s centralized data systems which contain data recorded and maintained in the regular course of business by Oracle. That data shows that approximately 7,521 individuals were employed in the Product Development job function at Oracle’s headquarters at some point from January 1, 2013 forward (which is the time period that I understand to be at issue in this case), approximately 1,044 individuals were employed in the IT job function during that time period at Oracle’s headquarters, and approximately 349 individuals were employed in the Support job function at Oracle’s headquarters during that time period.

19. Unlike LOBs, job functions do not have a single head or leader. The individuals who work within a given job function work across different LOBs and report to many different
leaders, who in turn oversee many different products and teams. For example, an employee within the Product Development job function does not necessarily work within the LOB previously led by Thomas Kurian, the President of Product Development at Oracle, during the relevant time period; employees within the Product Development job function are spread across various LOBs.

20. Employees within each of these sweeping job functions are organized into more narrow groupings called specialty areas, and, within each specialty area, job families (e.g., applications developers). Each job family is comprised of multiple system job titles. System job titles generally reflect a progression of development within a job family (e.g., Applications Developer 1, Applications Developer 2, and so on). Each of these system job titles corresponds to a unique job code.

21. Because I am responsible for overseeing the maintenance of and updates to Oracle’s global job table (which contains Oracle’s system job titles), I am familiar with Oracle’s system job titles, including those used by Oracle in its headquarters offices. Examples of system job titles in use at headquarters during what I understand to be the relevant period (as reflected in the data files produced to Plaintiff in this case) in the Product Development job function include HW Development Technician 3, Product Mgmt/Strategy SVP – Prodev, QA Analyst 1-5, Software Developer – Architect, and Technical Writer 1-5 – Prodev. Examples of system job titles in use during the relevant period in the IT job function at headquarters include Database Administrator 1-5, IT Security Analyst 3-5, IT VP, and Project Mgmt Srn Director. Examples of system job titles in use during the relevant period in the Support job function at headquarters include Business Services Srn Director-Support, Customer Service Analyst 2-3—Support, Field Support Specialist 3, and Product Support VP.
22. Each level of grouping within the job table that my team maintains and updates—job function, specialty area, job family, and system job title—provides a high-level description of the work performed by employees with that label. Even the most granular label in this taxonomy—system job title—does not account for differences in individual job duties among the employees with that label, and there are indeed many differences. Employees with the same system job title may work on different tools and use different programming languages. Their jobs may require them to work different numbers of hours or attend a different number or type of training. Some employees spend much more time in meetings than others with the same system job title, whereas others do much more coding. Some work on more complex products than others. Some work on many components or sub-areas within the product at a given time (or over the course of time), whereas others work on only one or two.

23. Because I am responsible for overseeing the maintenance of and updates to Oracle’s global job table, I also am familiar with the salary ranges that accompany Oracle’s system job titles. Each system job title at Oracle is associated with a broad salary range. There is a set of salary ranges that apply to employees who work in zip codes we define for this purpose to encompass the San Francisco Bay Area (sometimes referred to on the Compensation team as the “HQ Salary Range”). My colleague, Kris Edwards—Senior Director, Compensation at Oracle—and her team reviews each set of ranges for each system job title each year and recommends range adjustments if and as we deem appropriate based on, among other things, market research of compensation benchmarks in use at other technology companies with whom Oracle competes for talent. These salary ranges generally span [a range]. For example, in FY2018, the salary range for an Applications Developer 3 at HQ spanned nearly [a range].
24. System job title reflects an individual’s career level. The global career level structure has two paths: Management (corresponding to codes M1-M10) for those whose primary responsibility is management of two or more regular employees, and Individual Contributor (corresponding to codes IC0-IC6) for all other roles. There is no correlation between a given “step” in those two tracks—in other words, one cannot assume that an individual contributor in an IC3-level role is any more or less experienced than a manager in an M3-level role.

25. To my knowledge and understanding, the majority of employees are hired into the job and career level for which they applied. On occasion, however, an employee may be hired at one career level above or below the level listed in the job posting, depending upon the individual’s specific experience and expertise and consistent with Oracle’s business needs. On such occasions, individual front-line managers are the primary decision-makers regarding adjustments to level at hire. For example, the job requisition may be for a Software Developer 3, but the best qualified candidate’s skills and expertise are a bit more advanced, such that the candidate is qualified to be a Software Developer 4. In such an instance, the hiring manager may determine that the candidate should be brought in at a higher level and will explain this on the justification form to HR listing the candidate’s qualifications that warrant the job at a higher level.

26. Some employees (but not all) have a discretionary job title as well as a system job title, which in many cases is more descriptive and specific than the system job title. As with system job title, the details of the work performed by two individuals with the same discretionary job title may vary significantly. Among many other factors, such individuals may work on different products; supervise or serve as a lead for a different number of employees; and work a different number of hours.
Oracle’s Compensation Framework, Training, and Processes

27. In my directorial and managerial roles at Oracle, I am familiar with Oracle’s compensation framework and its goals. The aim of that compensation framework is to achieve the overarching goals of equity within teams and recognition of each employee’s particular knowledge, skills, abilities, performance, experience, and contributions to the company.

28. Oracle’s compensation system is highly decentralized in order to further its business need to recognize individual skills and contributions. An employee’s direct manager—who knows individual employees’ work and how their work compares to that of others—typically plays the most significant role in setting that employee’s compensation. First-line managers, for example, determine the starting compensation to offer to new hires. Similarly, most salary increases occur during the annual focal review process (in years when there is a focal review process). Although these individual salary increases ultimately are subject to an approval process by more senior management to ensure alignment with budget, senior managers generally defer to and rarely change the decisions of the lower-level managers.

29. Compensation budgets are managed through a computerized compensation tool called Workforce Compensation. Different LOBs (and sub-organizations within each LOB) cascade compensation (salary, bonus, and equity) budgets down through their organizations to different levels. In other words, in one organization an employee’s second-level manager may control the budget for her compensation, whereas in another organization the budget may be held at a higher level. Even within a single LOB, budgetary authority may be cascaded to different levels in different parts of the LOB. And the level to which budget is “pushed down” may also vary for different compensation programs; for example, a given LOB (or sub-part of an LOB)
may push down bonus award approval authority in a given year or cycle to one managerial level, but focal salary increase approval authority to a different level.

30. Whatever manager is the last recipient of budget allocation determines how to distribute the budget in the form of compensation awards to individual employees. The managers responsible for recording those decisions in the compensation tool may exercise their own judgment or consult other managers (for example, if they do not directly supervise the employees at issue) for their views. Usually, first- or second-line managers play a primary role in the allocation decision. From there, in the vast majority of cases, the approval process simply acts as a check to review whether managers stay within allotted budgets.

31. In the training that members of the Compensation team prepare and provide to managers, managers are advised to take a comprehensive view in making compensation recommendations. For instance, managers may award greater compensation—particularly bonuses or incentive stock awards—to those employees who work on more complex products. Likewise, managers may provide additional compensation as incentive to employees who work on products that require skills for which the labor market is particularly competitive.

32. Through trainings provided by the Compensation team, individual managers are encouraged to consider the relative pay among employees on their particular teams when making compensation decisions, including awarding bonuses and salary increases through the focal review process, and to strive for pay equity while accounting for all relevant factors. Managers are expressly instructed to make compensation decisions without regard to employees’ gender or any other protected characteristic.
33. Attached as Exhibit B is a true and correct copy of a training presentation entitled “Global Compensation Training: Managing Pay Module” that was prepared by the Compensation team for presentation to managers at Oracle (ORACLE_HQCA_0000364183).

34. Attached as Exhibit C is a true and correct copy of a training presentation entitled “Global Compensation Training: Salary Ranges at Oracle” that was prepared by the Compensation team for presentation to managers at Oracle (ORACLE_HQCA_0000364272).

35. Attached as Exhibit D is a true and correct copy of a training presentation entitled “Global Compensation Training: Job Classification and Global Job Table Module” that was prepared by the Compensation team for presentation to managers at Oracle (ORACLE_HQCA_0000364276).

36. Attached as Exhibit E is a true and correct copy of a training presentation entitled “Managing Compensation: July 2016” that was prepared by the Compensation team for presentation to managers at Oracle (ORACLE_HQCA_0000056234).

37. Oracle engages legal counsel to direct privileged pay analyses, including a review and evaluation of Oracle’s pay systems, pay decisions, and pay data as warranted, for the purpose of providing legal advice regarding Oracle’s compliance with applicable state and federal non-discrimination requirements and to assess legal risk.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed in Parker, Colorado on 17 September, 2019.

Kate Waggoner

WAGGONER DECLARATION ISO ORACLE’S MOTION FOR SUMMARY JUDGMENT

CASE NO. 2017-OFC-00006
EXHIBIT K
Waggoner MSJ Decl., Ex. A
Annual Focal Program (Sales & Non-sales) and Workforce Compensation

HR Training

Oracle Compensation
Intro: Good morning everyone – thanks for joining me this morning. I have a lot of information to share with you today. Things are still evolving but I’ll share with you everything we know right now.

We know that the timeline is compressed and you have multiple priorities so I wanted to get this information to you sooner rather than later.

Today we will be reviewing key general process information, the functionality of Workforce Compensation that you will need as HR, the functionality you’ll need to help managers use to do their planning, along with tips for working with Workforce Comp and tools and resources available during the process.

My team is also putting together a FAQ document that we’ll post on the wiki. Amanda Crane will be managing the chat in today’s session. I’ll pause and take questions at the end of each section.

Let’s get started.
Annual Focal Program

General Information

• Timeline

  - The corporate timeline is available on the Compensation Wiki
  - Each LOB may establish their own internal timeline for the process that ensures Executive review and approval before the Corporate submission date

    Monday, September 26 – Plan open to HR to start their validation – waiting for final budget approval

    Friday, September 30 at 9:00 PM PST until Saturday, October 1 at 9:30 AM PST - PLANNED SYSTEM OUTAGE FOR PATCHING

    Monday, October 10 & Tuesday, October 11 - MANDATORY BLACKOUT PERIOD FOR REL11, PLAN WILL BE UNAVAILABLE

    Wednesday, October 19 - All recommendations should be submitted to the LJE/Catz/Hurd level to allow them time to review

    Friday, October 21 - Plan Closes at 5:00 PM PACIFIC, absolutely no flexibility in this deadline due to the HCM Release 11 go-live on October 24th.

    Thursday, December 1 - Base Salary Increases Effective

Here is the corporate timeline which can be found on the wiki. Each LOB may establish their own internal timeline for review and approval before the corporate deadline.

The plan is open to HR for validation. Several issues have been identified on eligible salaries and salary ranges. OAL has completed the fixes for most of the data issues. We are also still waiting on final budget approval. The budgets will be published and an update will be posted to the wiki as soon as we receive approval to move forward.

All recommendations should be submitted to LJE/Catz or Hurd by the end of the day Wednesday, October 19 for their review.

The plan closes at 5 pm pt on Friday, October 21. This deadline is due to the HCM Release 11 go-live.

Increases will be effective Thursday, December 1.

Any updates will be posted to the wiki.
Annual Focal Program

General Information

• Workforce Compensation Tool Down Times
  – Scheduled Maintenance:
    September 30 @ 9PM PT – October 1 @ 9:30AM PT
  – Blackout Period for move to the Public Cloud (Release 11):
    October 10 @ 12AM PT – October 12 @ 12AM PT

#

As you saw on the previous slide there will be a couple of tool outages. These are the known down times for Workforce Compensation, where both HR and managers will not be able to access the tool. During these times there will be no access to the module – no viewing – no downloading, etc.
Annual Focal Program

General Information

• Eligibility
  – Review the eligibility document posted on the Workforce Compensation homepage and the Compensation Wiki
  – Be sure the employee population for your organizations are correctly reflected on the WC worksheet
    – Not all employees are eligible for all of the corporate programs
  – 3 countries aren’t eligible for this program
    • Argentina, Brazil and Venezuela
  – Employees hired after September 1 aren’t eligible

#

As you know, not all employees are eligible for all of the corporate programs. Please review the eligibility document for this year’s process and be sure your employee population is reflected correctly on your Workforce Comp worksheet. The eligibility document is located on both the compensation wiki and the Workforce Compensation homepage.

3 countries aren’t eligible for this program. Argentina, Brazil and Venezuela. Special focal programs are run for both Argentina and Venezuela because of their high inflation. Brazil employees receive a mandatory increase every year.

Employees hired after September 1 aren’t eligible for the program. Employees who were otherwise eligible for the program but termed after September 1 may show in the module.
Annual Focal Program

General Information

• Tool
  – All organizations, sales and non-sales, will use Workforce Compensation (WC)
  – Data in the module is effective September 1
    • Manager changes and other changes after that date won’t be reflected in the module

• Budgets
  – Budgets are set at the top executive level for each organization based on eligible salaries for eligible employees on September 1. Each LOB head may determine the method of allocating budgets to their organization
  – Separate budgets for non-sales base increases, sales base increases and sales ATV increases
  – WC Modeling feature is available to assist in pushing down budgets based on specific criteria

#

All organizations, sales and non-sales, will use Workforce Compensation to enter their compensation recommendations in the same worksheet. Managers will enter base salary increases and ATV in different columns, depending on employee eligibility. Columns will be grayed out if an employee is ineligible for that particular component.

Data in the module is effective September 1 – changes after that date won’t be reflected in the module

Budgets are published to the top executive level of the organization based on eligible salaries for eligible employees on September 1. Each LOB leader is then able to determine the method of cascading budgets in their organization. There will be separate budgets for non-sales base increases, sales base increases and sales ATV increases.

Workforce Compensation has a modeling feature to assist managers in pushing down budgets, which we will review later in the presentation.
Annual Focal Program

General Information

• Job Changes
  • Non-sales to sales/presales
    • Job changes from non-sales to sales/presales will not be allowed in this program
    • ATV column will be grayed out for employees currently in non-sales positions
  • Sales/presales to non-sales
    • Job changes from sales/presales to non-sales will not be allowed in this program
  • Changes moving employees on to or off of a variable plan will not be managed through this program
    • This type of change will need to be done through a normal workflow transaction
  • Any US job change from an overtime eligible position to non-overtime eligible position requires a job classification form.
    • Forms can be found on the wiki
    • Forward completed forms to corpcomp_us@oracle.com by COB October 14

Job changes from non-sales to sales/presales will not be allowed in this program. The ATV column will be grayed out for employees currently in non-sales positions. Job changes from sales/presales to non-sales will not be allowed either during this program.

Changes moving employees on to or off of a variable plan will not be managed through this program. This type of change will need to be done through a normal workflow transaction.

Any US job change from an overtime eligible position to a non-overtime position requires a job classification form to be completed. These forms can be found on the wiki. Forward completed forms to corpcomp_us@oracle.com by COB October 14. We ask managers to review salaries for employees changing OT status and whenever possible the new salary should be at least the minimum of the new salary range.
Any promotion to M6 or above requires the completion of the VP promo template. This form can be found on the comp wiki. Completed templates should be forwarded to corpcomp_us@oracle.com by COB October 14.

OD scheduled pay progressions scheduled for 12/1 shouldn’t be included in the focal module. Please monitor to be sure that these employees aren’t also receiving a focal increase – the system won’t allow for 2 increases on the same day.

Recommendations should not be communicated until approval has been received. This notification will come from Corporate Compensation. Also adjustments can sometimes happen during the approval process, so always check in Workforce Comp before communicating a recommendation.
Annual Focal Program

General Information

- Other
  - Effective date of pay increase
    - December 1 - Increase will be on the US December 15th check. Outside the US the increase will be on the next available pay check after December 1
  - Access
    - Be sure you have access to the compensation wiki and workforce compensation for the appropriate leader
    - Contact your compensation consultant if you don’t have access to the wiki
    - Follow the instructions on the wiki for access to workforce compensation
  - H1B increases
    - No December 1 increases
    - If increase effective after 9/1 or processed after 9/1 new salary will not be reflected in the module
    - If increase effective in November and employee receiving a focal increase – monitor to be sure both increases processed

The effective date of the approved increases in the focal module will be December 1. The increase will be on the US December 15th paycheck. Outside the US the increase will be on the next available pay check after December 1.

Be sure you have access to the compensation wiki and workforce compensation for the appropriate leader. Contact your compensation consultant if you don’t have access to the wiki. Follow the instructions on the wiki for access to workforce compensation.

There aren’t any H1B increases effective 12/1 which will make the process easier than in some years. Please be aware that any H1B increase effective after 9/1 or processed after 9/1 will not show in the module. If a H1B increase is effective in November and the employee is also receiving a focal increase – monitor that both increases are processed appropriately.
Annual Focal Program

General Information
• Other (continued)
  – International Transfers
    • Manual adjustments may be needed if employee not in new country by September 1
    • Employee must be in the new country in HCM for manual adjustment to be done
  – Transaction Freeze
    • Effective immediately the CEO office will push back on all increases that aren’t dive & saves or legally required increases (H1B, etc.)
  – Ranking Feature
    • Automatic ranking feature enabled for organizations wanting to use it
  – OFSS
    • Will have separate plans and budget but will be in the module
  – Delphi
    • Will not be in the module (originally this was communicated that they would be in the module – due to system issues)

#

Manual adjustment will be needed for employees who weren’t in their new country when the module data was cut. Once the employee shows in the new country in HCM we can adjust the module. Please watch for these employees during your validation.

Effective immediately the CEO office will push back on all increases that aren’t dive & saves or legally required increases such as H1B increases.

There is an automatic ranking feature that is enabled in the module. Only limited organizations use this feature but it has been enabled.

OFSS employees are included in this program. They will have separate plans and budgets.

Delphi employees will not be included in the module as well. (Originally we expected these employees to be included in the module but there are system issues so these folks will be managed on spreadsheets.)
Annual Focal Program

General Information

• Other (continued)
  – All employees are required to be assigned a manager to show on a planning worksheet
  – LOAs
    • Employees on a paid leave of absence are eligible if all other eligibility criteria are met. Any approved salary increase will become effective upon the employee’s return
  – Questions throughout the process
    • Contact your compensation consultant

#

All employees are required to be assigned to a manager to show on a planning worksheet. Watch for this during your data validation.

Employees on a paid leave of absence are eligible for this program if all other eligibility criteria are met. Any approved salary increase will become effective upon the employee’s return from leave.

When you have questions during the program – please check the wiki for the latest information and if you still have a question, contact your US compensation consultant.
Annual Focal Program
Guidance for Managers Making Recommendations

• When making salary recommendations
  – Compare employee to other employees in the work group doing the same job with similar experience, skills and performance
  – Avoid using the “peanut butter” approach
  – When promoting employees, base salary increases typically can be
    • Base salaries should be appropriately placed in the new salary range
    • If proposing an increase greater than [redacted], consider giving a portion of the increase now and a portion later based on performance in the role

#

When making salary increase recommendations a managers should compare an employee to other employees in the work group doing the same job with similar experience, skills and performance. A manager should be able to explain why employees are paid differently.

Giving the same amount/% of increase across the entire team should be avoided.

A typical promotion increase is usually [redacted]. However, the base salary should be appropriately placed in the new salary range. If you’re proposing an increase greater than [redacted], consider giving a portion of the increase now and a portion later based on the employee’s performance in the role.
Annual Focal Program
HR Manager Review Recommendations

• HR Managers Review
  – Review employee’s with 1 or 2 ratings that are being proposed for an increase
  – Review employees under minimum with ratings of 3 or above
  – Review employees rated 4 or 5 with no increase proposed
  – Review employees with increases placing the employee over the max of the range
  – Review all increases over x%
  – Review all job changes and promotions
    • Complete JCRF for changes from OT eligible
    • Complete VP promo template for VP promos
  – Review increases less than [ ]

#
As an HR manager, we recommend you review

Proposed increases for employees rated 1 or 2
Pay close attention to employees under minimum rated 3 or above.
Review employees rated 4 or 5 with no increase being proposed
Review increases that place the employee over the max of the range
Review all increases over x% (you can determine the threshold that makes sense for your organization).
Review job changes and promotions – are they appropriate – does the employee and scope of the job meet our leveling requirements. Have the required forms been completed.
Review salary increases less than [ ] - salary increases should be meaningful.
Annual Focal Program
US Compensation Review

• US Comp Team Review
  – Review all JCRFs for job changes from OT eligible
  – Review proposed promotions to M6 and above
  – Review for general anomalies – too generous, below mins, etc.
  – Job Changes to job codes not used in the US

#

The US Comp team will review

All job classification review forms for job changes from OT eligible to non-OT eligible
All proposed promotion to M6 and above

We’ll also review the module for general anomalies – large increases – below minimum employees as well as for job changes to job codes not used in the US – Executive Assistant and Implementation Consultant 4.
This section shows you how to access and use Workforce Compensation for HR.
What is Workforce Compensation?

- Workforce Compensation (WC) is an Oracle Self Service Application for managing compensation processes, allowing you to:
  - Allocate, model and distribute budgets to subordinate managers
  - Rate employees (Compensation Rating only, not Talent Rating)
  - Make, Review and Submit Recommendations for employees
  - Review historical compensation information
  - View and download employee information for offline work or further analysis

Note: Firefox is the preferred browser for Workforce Compensation

Workforce Compensation is an Oracle Self-Service Application for managing compensation processes. In the next several sections of our training, we will review the tasks that can be done in Workforce Comp.

First, we will start with your budget. The tool allows you to allocate, model, and distribute budgets to your organization. This will include determining if you will pass budget down to subordinate managers, reviewing how to build a budget model, applying a model, and publishing a budget.

After we explain how to work with your budget in Workforce Comp, we will give you instructions on how to download your worksheet to an Excel spreadsheet, in case you’d like to work offline.

Next, we will review how to Rate your employees. Please note that this is a Compensation rating only. It is not the official Talent Review rating.

Finally, we will show you how to make recommendations, review your subordinate managers’ recommendations and, submit recommendations for your entire organization to your manager for approval.

You can also view historical compensation information and download employee information for further analysis.

- When working with Workforce Comp, remember that Firefox is the preferred browser.
Now let's begin with access to Workforce Compensation.
To access Workforce Compensation from the my.oracle.com homepage, select the [blank] link from the [blank].

On the next screen, under [blank], click [blank].

At the Sign In screen, enter your Single Sign-On credentials.
How to Access

Navigate to Compensation

From the [insert link], select the Compensation icon

- HR and Compensation Admins will use the [insert link]
- LOB Managers will use the [insert link] under the

NOTE: Your menu options may differ from what is shown here, depending on your Access level

Once logged into [insert link], select the [insert link] icon, which is the link that HR and Compensation will use. The [insert link] icon is what will be used by line managers.

Please note that your menu options may differ from what is shown here, depending on your Access level.
How to Access

1. Click [Redacted]

2. Your name will appear in the Manager field. [Redacted]

3. Enter [Redacted] and click [Redacted]

4. Click the [Redacted] in the [Redacted]

Once the [Redacted], click on [Redacted] to search [Redacted] of, as shown in #1.

Your name [Redacted]. Click on the [Redacted] as shown in #2.

The [Redacted].

In step 3, enter the [Redacted]

Next, click [Redacted]
How to Access
Access Planning Worksheet

Click on either set of links to open the Planning Worksheet screen for the appropriate plan.

Once the [ ] , the plans available to that manager will appear. Click on the [ ].
How to Access

Select the desired Excel icon to begin your validation:

Select

- The [ blank ] shown on the screen.
- The [ blank ] This option requires the download and installation of the [ blank ] and the [ blank ] could take a considerable amount of time. For instructions to [ blank ], please see the [ blank ].

The [ blank ] We recommend using the [ blank ] but remember to change the [ blank ] before downloading to Excel.
Next we will discuss the steps required during HR eligibility validation.
Eligibility Validation
Eligibility and Planning Worksheet

• Review the eligibility rules for the program.
  – **Eligibility Criteria:** Person Type, Country, Job, etc.
  – **Eligibility Status:** “Eligible” or “Ineligible”
    • If Ineligible, employee will **NOT** show on the Planning Worksheet
      – Exception: Ineligible Managers with Eligible Employees will show in the tool but cannot be planned

• Use the **Export to Excel** function to download a copy of the Manager Planning Worksheet

---

To begin your eligibility validation, start by reviewing the eligibility rules for the program, which can be found on the Workforce Compensation homepage and Compensation Wiki. The rules are different for Bonus, Equity and Focal programs.

For each program, there are specific criteria that must be met. For example:

• **Person Type:** Participants must be regular, Oracle employees. Contractors, students and temporary employees are typically not eligible.

• **Country:** Employees working in certain countries are not eligible.

• **Job:** Employees in certain Jobs and Career Levels are not eligible.

The Manager Plan will list only eligible employees. If an employee is ineligible, the employee will **NOT** be on the Planning Worksheet.

There is an exception: Ineligible Managers with Eligible Employees will show up in the tool but will be grayed out and cannot be planned.

To get all employees in your organization, you need to change the Team filter from **Direct Reports to All** and click the Go arrow.

**Use the Export to Excel** function to download a copy of the Manager Planning Worksheet to Excel.
Eligibility Validation

Eligibility Review Instructions

• Compare a Global Comp Detail Report to the WC Planning Worksheet, and note any employees that have eligibility issues
  – Be sure all **eligible** employees are listed
  – Identify email address for any missing employees who should be eligible
  – Note any employees who should be ineligible
  – Work with Regional Compensation to make manual eligibility changes

• Make sure **all employees are assigned a manager**
  – If not assigned to a valid manager, the employee will **NOT** show on the Manager Planning Worksheet

Compare a global comp detail report to the Planning Worksheet you get from Workforce Comp:
  – Confirm that all eligible employees are listed
  – Identify email address for any missing employees who should be eligible
  – Note any employees on the Planning Worksheet who should be ineligible
  – Work with Regional Compensation to make any manual eligibility changes by exception

Make sure all employees are assigned a manager. Otherwise, the employee will **NOT** show on the Manager Planning Worksheet.
This next section will show you how to change the Worksheet Manager for employees with missing or wrong managers.
Worksheet Manager Change
Administer Workers

- Use [redacted] if an employee’s manager is [redacted]
  - If you are on the [redacted] page, click the [redacted] link above and then [redacted].

CAUTION: Changing the manager during the Bonus or Salary Review processes WILL change the manager/LOB budget. Budgets will NOT change for the Equity process.

If an employee’s Manager [redacted], you can use the [redacted] to make the correction.

If you are on the [redacted] page, simply click on the [redacted] link. If you are on the [redacted] page, click [redacted] and then click on [redacted].

A word of caution: For Bonus and Focal plans, changing the manager WILL change the manager, and perhaps, the LOB budget. Budgets will NOT change if the manager is changed for the Equity plan.
Worksheet Manager Change

Change Worksheet Manager

1. Enter the [blank] or [blank] and click the [blank] button.
2. In the [blank], click the [blank] to open [blank] page.
3. In the [blank] section, find the appropriate [blank] link and click to open it.

Search for the [blank]. Click on the [blank] in the [blank]. This opens a new section. Click on the appropriate plan link.
Worksheet Manager Change

Change Worksheet Manager cont.

4. Click the [ ]

5. In the [ ] section, the [ ] is displayed

6. Click the [ ] and [ ] for the [ ] to receive the [ ]

7. Select the [ ] to start the [ ]

The task opens on the [ ]. Click on the [ ] tab to find the [ ] section.

The [ ] is displayed. Use the [ ] to start the [ ] process.
Worksheet Manager Change
Change Worksheet Manager cont.

8. If the employee is a manager, you will be asked how to handle subordinates. The is

If the employee is also a manager, a Use this option

The
If you want to move the [redacted], select [redacted]. In this case, only the [redacted] will be moved to the [redacted] and all [redacted] under that [redacted] will be assigned to the [redacted], effectively staying in the current organization.
Worksheet Manager Change

Change Worksheet Manager cont.

10. Your [field] will appear in the [field] along with the [field] you entered the [field].


12. Click the [button] (upper right hand corner) to complete the [field].

13. Check the [field] to verify your change.

Your [field] will appear in the [field] field along with the [field] in which you entered the [field].

The [field] prevents the [field] from correctly adjusting as defined by the [field]. Please make sure to [field] the [field].

To complete the [field], click either the [button] button.

Finally, check the [field] and [field] worksheets to verify your change.
This next section introduces you to Workforce Compensation and explains how to access and use the tool as a manager.
The Workforce Compensation landing page has 2 sections:
Now let's begin with budget allocation.
Budget Allocation

- Go to [link] and click either link for the budget pool worksheet.

- The initial time the budget is selected, you must choose a [category]. Your selection will affect the [metric].

- Selecting the [option] option allows you to adjust the [value] if desired.

To allocate a budget, click on the [section] header under [section].

Then click either the [link] under the [section] Header or under the [link] to take you to the budget pool worksheet. These 2 options are indicated by the red arrows.

The first time you go in to the [section] section you will be asked to choose a [type]. This step is very important - it will determine the [metric].
Budget Allocation

- Enter budget amounts in the column.
  - The __________ row is the budget for recommendations to your direct reports.
- You must __________ budgets so subordinate managers can see their budgets.
  - Click the __________ arrow next to the __________ icon & select __________.
  - If __________ budgets to only a few managers, highlight __________ and use __________.

The budget can be distributed to subordinate managers manually by __________ column as indicated by the red box.

The __________ row is the budget for you to give recommendations to your direct reports.

You must __________ budgets for subordinate managers to see a budget on their worksheet. To __________ your budget, click the drop-down arrow next to the __________ icon and select __________. You can choose to __________.
In order to distribute your budget, you may need to do some modeling first.
Budget Modeling

- Models make it easy to see how different allocation methods and criteria affect your budget.
- Who might create Models –
  - Managers who intend to pass down budgets to subordinate managers
  - Managers who intend to make the allocations themselves (hold the entire budget)
  - Different models can be created, previewed and applied before publishing the budget.

NOTES:
- Applying a model will overwrite any previously entered recommendation amounts.
- Models should never be applied after the budget has been published.

Models make it easy to see how different allocation methods and criteria affect your budget distribution.

Different models can be created, previewed and applied. Your modeling should be completed before you publish a budget.

Remember, applying a model will overwrite any previously entered recommendation amounts. More importantly, models should never be applied after the budget has been published.
Create a Budget Model

Create Model

• On the [BLANK], click the [BLANK] next to the [BLANK].

• Enter [BLANK].

To create a budget model, click the [BLANK] icon drop-down on the budget worksheet, select [BLANK].

Enter a model name – choose one that is meaningful to you.

The [BLANK] will default to values determined by the plan administrator. Click [BLANK].
Create a Budget Model

Model Properties

1. Choose an [ ] from the drop-down list
2. Select up to [ ] from the drop-downs
   Note: [ ]
3. Click [ ]

Under the [ ] section, choose an [ ] indicated by (1).

Under the [ ] section, enter up to [ ] for the model. Use the [ ] to make your choices. The [ ] will appear after a [ ] is entered and the [ ] field will appear after the [ ] field is entered.

When finished, click [ ]
Create a Budget Model

Model Details

- Enter amounts in the _______ section to calculate and build the budget accordingly
  - Click the _______
  - Use the inner scroll bar to view the entire list
Create a Budget Model

Preview Model Results

* The [ ] displays the [ ]
* Two other tabs:

On the [ ] screen:
The [ ] is shown in the [ ] section.
There are [ ] on this screen— [ ] which is the [ ]
Create a Budget Model

- Click [button] to return to the [landing page]

- If you have [existing data], you can [select option]
  - Click the [button]
  - Choose [option] from the [list]
    and confirm the [details]

Click [button] to return to the [landing page] or [button] to go back to the [home page]

If you have not [uploaded data], you can [select option]
  Click the [button] and choose [option] from the [list]

Go to the budget worksheet and confirm the model amounts have been applied.
Next, we will give you instructions on how to export your worksheet to Excel if you choose to work offline.
Excel Export

- Excel Export is a two-way process for [redacted] which requires:
  - Download and installation of [redacted]
  - Configuration of Excel
- For detailed instructions, please refer to the [redacted] posted on the [redacted].

NOTE: You must download and install the latest version of [redacted], which became available on [redacted]. Please uninstall any old versions and install the new version.

You may complete planning for your employees in the [redacted], or you can choose to [redacted].

The [redacted] is a two-way process that allows you to [redacted], make recommendations and [redacted] if you choose.

To use this feature, you must download and install the latest version of [redacted] and configure Excel. If you have a version prior to [redacted], you must uninstall the old version before installing the new version. For detailed instructions on how to download and install [redacted], please reference the Word file posted on the [redacted] website.
Workforce Compensation
Rate Employees

The next section will show you how to enter ratings.
Rate Employees

• From the [blank], click either link to open the worksheet for the [blank]

• On the [blank] Rating column

• Use the [blank]

To rate your employees, from the [blank] click the [blank] either under [blank] or under [blank].

On the [blank]
Use the [blank]
Always Save any entry you make.

The requirements for entering ratings is determined by Line of Business. Check with your manager if you are unsure of the process for your organization.
This section shows you how to make recommendations for employees.
Make Recommendation

View your Budget: 

- If you do not see your Budget information on your 
  
- Select from the and click the to the your budget amounts should now display 

There are two ways to view your budget. The first option is in your 

If the shows as indicated by (2), you will not see your budget as indicated by the red box 1. Select from the and click the as indicated by (3). After clicking the your budget amounts should now display.
Make Recommendation

View your Budget: Option 2 –

- Another way to view your budget is from the [tab]. Click the link to see the budget information.

Another way to view your budget is from the [tab]. Click the [tab] tab to view your budget information on the right.

This is the recommended option.
Make Recommendation

Entering Recommendations: Option 1 -

- Enter job changes in the [ ] and [ ] columns
- For non-sales, enter salary changes in the [ ] or [%] columns. The other column will auto-calculate
- For sales, enter salary and ATV changes in the [ ] column

DO NOT SUBMIT until ALL your subordinate managers have submitted their worksheets to you. Your submittal [ ]

#

Please review the employees on your spreadsheet. If you are missing an employee, or if there is inaccurate information, please contact your HR Manager.

You also have two methods to enter recommendations for employees. The first option is to enter recommendations [ ]. You will make salary recommendations as either an increase AMOUNT in local currency or a percentage of eligible salary. For sales employees, you also have the option to enter an ATV increase amount. Additionally, you could propose a job change and/or discretionary title change on this screen as well. Employees not eligible for a particular compensation component will have that column grayed out.

After making entries, please remember to save your work.

Please do not submit your recommendations until all your subordinate managers have completed their recommendations. Submitting will make it so all managers below you won’t be able to make any changes to their recommendations.
Make Recommendation

Entering Recommendations: Option 2a

- Click the [REQUIRED] icon.
- Click [REQUIRED] on the [REQUIRED]. You will [REQUIRED].
- If your [REQUIRED], [REQUIRED] will [REQUIRED].
- A successfully downloaded file will [REQUIRED].
- Verify the [REQUIRED] columns have no background color and [REQUIRED].

The second option is to export to [REQUIRED], and [REQUIRED].

- To do this, click the [REQUIRED] icon to start the [REQUIRED] process.
- Click [REQUIRED] on the [REQUIRED]. Then log in using your [REQUIRED].
- If your [REQUIRED], a successful download will have [REQUIRED] and active [REQUIRED] buttons.
- Verify the [REQUIRED] and recommendations can be entered.

Please note: In the tool, you can plan salary increases by amount or percentage, and employees are grayed out if they are ineligible for a compensation component. In this option, all fields are editable for all employees, but if the employee is ineligible for a particular compensation component, the amount entered will not upload into the tool.
Make Recommendation

Entering Recommendations: Option 2b

NOTE: If you are...

- In ...
  - Click the [ ] button and click [ ] to select the default [ ]
  - The [ ] will process
  - [ ] is complete when you see the [ ] that says ...
  - Click [ ] and [ ] to column [ ] to verify the rows updated successfully

- In WC:
  - Click the [ ] link to refresh the [ ] and verify your changes were...

Once manager recommendations are complete [ ], you will need to [ ].

In ...
- Click the [ ] button and click [ ] for the default [ ]
- The [ ] will process and when it is finished you will see the [ ] that says ...
- Click [ ] and scroll to column [ ] in the [ ] to verify the [ ] successfully.

In [ ], click the [ ] link to refresh the [ ] and verify your changes were [ ].
In this section, we will cover how to review, approve and submit your recommendations.
Review, Approve and Submit

Review: Return for Correction or Request Information

If subordinate managers need to make corrections or you need more information before approving, highlight the [underline] and click [underline] or [underline], respectively.

If your subordinate managers need to make corrections after they submitted their recommendations or if you need more information before approving, you may make those requests within the tool.

Click either [underline] or [underline] and type in your comments in the pop-up box.
Review, Approve and Submit

Review: Worksheet Status

* On the [tab], you can see your Approval Status and the Status of your subordinate managers:

* Click the [ ] or [ ] icons for more information

You can review the status of your subordinate managers from the [tab].
Review, Approve and Submit

Approve

• Approve your subordinate managers’ submissions via the [tab].
  Click the [tab] to the [tab] and make a selection:

  [Details removed]

Use the [tab] to approve your subordinate managers’ submissions, either individually or all at once by clicking [details removed].

To approve selected managers, select a [details removed] or use the [details removed], then choose [details removed].

Choosing [details removed] will approve your entire hierarchy.

After approving, you can verify your approval in the [details removed] column.
Review, Approve and Submit
Submit: Warning

DO NOT submit until your subordinate managers have completed their submission to you

Submit only when your entire organization has completed their recommendations. There is no way to do this automatically.
Review, Approve and Submit

Submit: Option 1 —

- On the [redacted], click the [redacted] button in the [redacted]

NOTE: When you [redacted]

There are two ways to submit your recommendations to your manager for approval:

The first option is on the [redacted], click the [redacted] button in the [redacted]
Review, Approve and Submit

Submit: [Redacted]

- On the Compensation Workforce

At this point you are finished with the process

**Do not** communicate recommendations until you receive notification from Corporate Compensation that approval has been obtained

Always **verify** in Workforce Compensation before you communicate to employees to ensure that the final recommendations have not changed

The second way to submit for approval is on the [Redacted] where you can click on the [Redacted]

You have now finished the recommendation process.

Please remember not to communicate any recommendations until you receive notification from Corporate Compensation through your manager or HR manager.

Also adjustments can sometimes happen during the approval process, so always check in Workforce Comp before communicating a recommendation.
In this last section, we will share some helpful tips when using the Workforce Compensation tool and resources to help answer your questions.
Workforce Comp Tips

Browsers
• Firefox is the preferred browser
• Use the latest version of Mozilla Firefox
  – Check your version:
    From the Menu Bar,
    select Help > About Firefox
  – Download the latest browser version at MyDesktop
• Other Browsers
  – Chrome
  – Internet Explorer

As mentioned earlier, Firefox is the preferred browser. Be sure to use the latest version of Firefox, which can determined by following the instructions on this slide. If needed, download the latest browser from “MyDesktop.”

You may also use Chrome or IE as well.
Workforce Comp Tips
Collapsible Panes and Expand Arrows

To see more fields without scrolling or if the Team filter is not visible:

1. To gain more work space, click on the left-pointing arrow to collapse the Tasks pane.
2. To show hidden filters, ...

As you use the tool, you may find you need more space on your screen. You can achieve this by collapsing the pane by clicking the — indicated by the red circle with the number 1 on this slide.

If your screen is small, you may also find that certain Worksheet filters are not visible, such as the “Team” filter. You can expand the hidden filters by clicking on the double right-pointing arrows — indicated by the red circle with the number 2 as shown here.
Workforce Comp Tips

Nested Scroll Bars

- Workforce Compensation has nested scroll bars (inner and outer)
  - You may need to use the vertical scroll bar to reveal the horizontal scroll bar at the bottom
    - Here, the horizontal scroll bar was out of sight
  - By using the vertical scroll bar, the horizontal scroll bar was revealed

Workforce Compensation uses nested scroll bars. You may need to use the vertical scroll bar to reveal the horizontal scroll bar at the bottom of the page. The example on this slide shows that the horizontal scroll bar was out of sight and by using the vertical scroll bar, it was revealed.
Workforce Comp Resources
Check and Add APS Entitlement

All managers of people must have the
Oracle HCM Talent Line Manager
APS Privilege to use Workforce Compensation
This role is automatically assigned

If your manager is experiencing access issues or getting error messages when trying to perform manager actions, the auto-assign may have failed.

Check the manager’s APS Entitlement to ensure they have the Oracle HCM Talent Line Manager role. Instructions can be found in the embedded document: “How to Check and Add OIM APS Entitlements.docx”

All people managers will be automatically assigned the Oracle HCM Talent Line Manager role to use Workforce Compensation. If a manager is experiencing access issues, please use the embedded instructions to check their OIM APS entitlement or download the Workforce Compensation access instructions from the wiki. If the Oracle HCM Talent Line Manager role is not listed, please add it.
As we discussed earlier, the corporate timeline is posted on the Compensation Wiki. Please address any questions related to LOB timelines.

The eligibility document is available on both the Comp Wiki and Workforce Comp website, please work with your managers to determine the reason an employee is ineligible.

Submit questions on WC access and functionality to MyHelp - Compensation at the url listed.
Workforce Comp Resources

Useful Websites

**Compensation Wiki**: For the latest program news, HR Training Materials, Access Instructions and program Calendars and Information

**Workforce Compensation Website**: For the Manager Training Slides, Manager User Guide, OTube Videos, Quick Reference Guides and Helpful Hints, ADFdi Installation Instructions, Eligibility document and FAQs

This training and any additional HR-specific information will be posted on the Compensation Wiki.

The manager training, user guide, link to OTube videos and quick reference guides, and eligibility document are all available on the Workforce Compensation website.
Let’s recap quickly the next steps for HR.
Next Steps

• Review Eligibility
  – Eligibility Exceptions: Work with Regional Compensation to update these employees manually in the Administer Workers task
  – Manager Changes: Use the Administer Workers task, Status and Hierarchy tab to make changes for missing and incorrect managers

• Review Workforce Compensation functionality
  – Review the training and resources available on the Workforce Compensation website, including OTube videos and reference guides

• Schedule manager training, if necessary

One of the most critical tasks for you in this process is the validation of eligibility:

  – If there are eligibility exceptions, you will need to have Region Compensation update this manually in the Administer Workers task
  – If manager changes are required, you as HR, will need to update this in the Administer Workers task, under the Status and Hierarchy tab

Also, please take the time to familiarize yourself with the functionality of Workforce Compensation and schedule manager trainings, as appropriate.
This concludes our training on how to use Workforce Compensation.
Let’s go ahead and open it up for any questions.
EXHIBIT L
Waggoner MSJ Decl., Ex. B
Global Compensation Training
Managing Pay Module
This is the Managing Pay module for compensation training. There are 8 other modules that have been developed to provide you a basic overview of many topics you should be aware of when managing employees at Oracle. Most compensation information applies globally; however, there are some topics that vary by country and/or region, so the global compensation team developed region-specific modules to cover topics that aren’t relevant worldwide. Please review the modules for each region in which you have employees.

Keep in mind that this is simply an overview and it is not designed to teach you everything there is to know about compensation. It is important to work with your local compensation team representative and HR manager on employee compensation issues.
In this module, we will discuss the general principles of managing pay for your employees. We will go through examples of how to set pay when recruiting, promoting and transferring employees, and we will also discuss the topic of off-cycle reviews.
Introduction

• **In this module we consider pay management issues when:**
  – Recruiting prospective employees
  – Employees are being promoted
  – Employees are transferring to a new role
  – Employees are voluntarily making a cross border transfer – not on assignment
• **These activities may involve:**
  – Setting the rate for the job
  – Changes in split (base/annual target variable [ATV])
  – Change from commission/variable pay to bonus & vice versa
  – Lateral transfers with and without changes in salary range
  – Transfers between individual contributor IC and M management roles

Discussions about how to manage pay at Oracle come up in many situations. These discussions will occur during the recruitment of an employee, when giving a promotion to an employee, and when transferring an employee to a new role, or to a new country.

When faced with these situations, most compensation related discussions will be about how to set the base salary for an employee, whether it is a new recruit, a promoted employee, or a transferring employee.

The transfer of an employee to a new role could give rise to more potential compensation adjustments if the move includes a change in variable pay, for example an employee moving from a Consulting role into a Sales Role. What should happen with the base salary? What should happen with the variable in case of such a move?

The intention of this module is to educate you and to give you guidelines on how to handle each of these scenarios.
General Principles

- Compensation and benefits must be in line with the standard for the job
- Employee’s salary should take into account:
  – Comparisons with others in group (peers) - equity
  – Relevant knowledge, skills, abilities and experience
- A promotion does not necessarily require a simultaneous salary increase. This would normally be taken care of during the salary increase process.
- Employees must not undertake a new role until the compensation has been fully approved and the appropriate terms and conditions have been accepted.

Managing pay at Oracle is an art, not a science, and there are various factors at play. Compensation and benefits offered to employees should be in line with the Oracle local standard for the job, but managers should also take into account internal equity, as well as the relevant knowledge, skills, abilities and experience of the employee.

A promotion does not necessarily require a salary increase at the same time, although you should take into consideration the compa-ratio of the employee in the new role if you do promote without an increase. While it is perfectly appropriate for a newly promoted employee to fall in the first quartile of the new range, the compensation team discourages dry promotions where the employee would fall below the range, because eventually getting the employee appropriately positioned in the range following a promotion without an increase can be quite difficult.

It is important to note that employees must not undertake a new role until the compensation elements have been approved and the appropriate terms and conditions have been accepted.
General Principles (2)

- Balance external and internal equity considerations
- Differentiate rewards by performance
- Manage your budget – you will never have enough!
  - Base salaries should be reviewed in a business context, taking account of what
    the business can afford
- Be honest and open with communications on rewards and performance
- These principles apply globally, but pay rates differ by country

Setting pay for an employee is not a simple exercise. To make the best decision, it is important that you consider all the relevant pieces of the puzzle; namely, balancing internal and external equity, individual performance levels of your employees, and your overall budget.

Internal equity is considering how much you pay your employees relative to one another. In addition to salary, variable compensation and stock options are other tools you can use to differentiate pay to give more to your “stars”. When you are making pay decisions consider internal equity, and be as fair as possible. Differences need to be based on fair, justifiable and non-discriminatory criteria. Focus on results, which is not always the same as effort. Some employees try really hard, but for whatever reason, do not come through with the desired results. It is important to coach these employees to turn effort into results, where possible, so that they will be rewarded in the future.

Once again, it is important that your employees know the factors that you consider when making pay decisions if you want these factors to shape individual behaviors. If an employee believes he or she will get the average salary increase regardless of his or her performance, there is no motivation from a monetary perspective for him or her to expend extra effort to improve performance. You SHOULD NOT MAKE SPECIFIC PROMISES HERE, rather it is important to communicate that if an employee achieves all of his or her objectives, he or she will be rewarded more than an employee who does not. As a manager, you can give examples of possible rewards, such as getting promoted faster, getting a larger share of the bonus pool relative to lower performers at the same level, or getting a better than average salary increase when salary increase budgets become available.

It is important for managers to be open and honest with their employees when it comes to rewards and performance. However, it is equally important that employees know that there are no guarantees.
Other Observations

- There is no data to support a direct link between compensation alone and attrition.
- Some short term internal equity distortions, caused, for example, by acquisitions, cannot be always be rectified immediately.

Be careful when analyzing pay and attrition. It is natural for employees to leave the company for more money, and for them to provide this as the reason for leaving, but other factors generally prompted them to look outside in the first place. Examples of such factors may include, lack of career development, poor management, and working environment - for instance excessive amounts of travel and/or overtime.

It is important to note that sometimes acquired employees have higher salaries than the legacy Oracle groups, and we are not able to rectify the inequity immediately. In Europe and many other parts of the world, legislation requires the company to retain the salaries of the acquired employees.
Recruitment

- Each job is assigned a salary range that is unique to the country
  - The midpoint of the salary range represents the base salary a fully competent employee performing as expected
- When recruiting you should consider the value of the "total reward" rather than salary alone, both tangible and intangible:
  - Value of base salary, annual target variable (ATV)/bonus, Benefits (retirement plan, medical, life and disability insurance, car/car allowance, etc)
  - Oracle experience, training, career development, long term opportunities, location etc

If you seek to recruit externally a person already in a similar role, who is fully competent, you may have to pay a salary higher than average to attract him or her. If you consider offering a higher base salary, don’t forget to account for the other elements that Oracle has to offer, including great benefits, employee training, career development and long term opportunities. If the candidate would have potential gains in variable pay or in the value of the benefits package, this should not be overlooked when setting the base salary for a new recruit.

Selecting the correct global career level for the individual's skill level is key, and please beware of recruiting at an artificially low salary, particularly where a candidate comes from a lower paid sector, as this may give rise to equity issues in the future.
Recruitment (2)

- Example Scenario:
  - Range (from CWB or IWB) 49,000 - 68,000 - 86,000
  - Average salary on team: 65,000
  - Candidates doing the job are earning 63,000 – 75,000
- Recruitment dilemma:
  - Qualified candidates are earning as much or more than existing team members
  - A premium will be required to attract these candidates:
    - say 68,000 (midpoint) \times \text{higher than midpoint and Oracle average)}
  - Would increase costs and pay pressures within the group
  - But could still recruit as pay requirement is still within range

In this scenario, we are looking to recruit someone to fill a role with a range of 49,000 to 86,000, and a range midpoint of 68,000. The average salary of the peers on the team is 65,000, but the qualified candidates doing the same job are earning 63,000 to 75,000.

Oftentimes, a premium of \text{higher than midpoint and Oracle average)} will be required to lure a candidate away from his or her current job. In this case, we would probably have to pay above the midpoint, and above the peer average just to get the candidate to join Oracle.

While it is possible to make an offer that is above the midpoint, please keep in mind the following when making a premium offer:

1. The high offer may cause pay pressure within the team, and longer tenured employees may be disgruntled because the new hire has a higher salary.
2. The performance of the candidate has not been tested – you may be employing an average performing employee at an above average salary.
3. There may be some potential for equal pay claims, employee relations issues and attrition among the peers.
Recruitment – Alternative Strategy

- **External applicant has minimum qualifications for the position, may be from non tech company:**
  - Applicants at this level currently earning 54,000
  - Ready for promotion/stretch
  - Oracle average 65,000
  - An attractive offer can be made at a salary lower than 65,000
  - Below grade midpoint of 68,000

- **Advantages:**
  - Hiring salary, say, between 56,500 – 60,000 depending upon assessed performance potential, background etc
  - Keeps costs down
  - No equity issues
  - Recruit motivated – career progression, industry experience
  - Scope to progress salary as employee progresses

If we take a different approach to hiring into the same job mentioned in the previous slide, with a midpoint of 68,00 and Oracle average of 65,000, we could hire a qualified applicant who may be from a non-technical company and we may be able to offer a lower salary. In this situation, we could offer a salary between 56,500 and 60,000, and this would still be within the range, which is 49,000 to 86,000, but it wouldn’t cause equity issues among the team. The recruit may be motivated by the opportunity for career progression and the industry experience, and we do not have to pay a premium to get him or her to join the team.
Internal transfers are a daily occurrence at Oracle, and while a pay adjustment isn’t always necessary, it should be standard practice to review the compensation of an employee transferring from one role to another.

In this scenario, the employee is transferring from one role to another with the same career level, salary grade, and benefits. At first glance, it would seem acceptable to just move the employee to the new role without changing base salary. However, the new role has a different pay mix, so the annual target variable (ATV) is increased by 237% and the on target earnings (OTE) are increased by over 40% if salary is not reduced.

In this situation, the compensation recommendation would be to reduce the base slightly in order to position the employee more appropriately on the team in terms of experience and role within the team. Even though we have suggested to reduce the base salary, the employee’s total earnings potential still increases by over 30%, and this recommendation ensures that we don’t cause internal equity concerns because we have positioned the new employee a bit lower than existing incumbents.
Changing Roles (2)

- Example Scenario: current and new role in same salary band but new role has lower annual target variable:
  - Salary range midpoint for both jobs: 57,900
  - Employee’s current salary: 54,600
  - Employee’s current OTE (50:50 Split): 109,200
  - Split for new role: 70/30
  - Average salaries of both jobs: 56,000

- Recommendation:
  - Salary: 56,000
  - OTE: 80,000

There are also internal transfer situations where the on target earnings will be reduced dramatically upon transfer. This is a difficult sell but the new role has less risk and the employee has the choice not to take it. In this scenario, the new OTE has a standard 70:30 split and we’ve included a small increase in base salary, from 54,600 to 56,000, which is the average base of the incumbents already in the job. It is important to remember that the employee must be paid the appropriate rate for the new job, regardless of earning potential in his or her prior role. You should not be tempted to maintain the earnings of an employee who has a desire to change roles.

Alternatives to this scenario may include the following:
If the new peer group average salary was higher, say 63,000, the employee’s base salary could have been enhanced by a small amount, assuming there is no material difference in skills and experience. This would put him or her closer to peers, and the employee would also be better positioned for future promotions.

On the other hand, if the new peer group average salary was lower, say 52,000, the employee’s base salary may need to be reduced in order to maintain internal equity. While reducing base salary is very difficult, it is not impossible when done for the right reasons. In this situation, the employee’s base salary could stay as it is but you would need to carefully consider internal equity and whether the salary level can be justified on the grounds of a genuine material difference.
Promotions

- A promotion is a move from a job in one career level to a job in a higher career level with greater responsibility and impact on the Company’s business.
- Promotions are not always accompanied by a salary increase but:
  - Benefits may increase
  - Incentive earnings may be different, higher leverage, and lead to increased earnings potential
- Pay does and should vary between individuals, but variations must be due to a genuine material difference
  - Experience, knowledge, skills, performance, etc.

As defined, a promotion is a move from a job in one career level to a job in a higher career level with greater responsibility and impact on the company’s business. Promotions are not always accompanied by a base salary increase, but benefits and incentive earnings may increase for the employee.

If an employee is positioned very low in his or her current range, or has a salary that is not in line with the peer group in the new role, a promotion without a salary increase could cause internal equity issues, and may even cause the employee to fall below the minimum of the new range.

Therefore, it is strongly recommended that promotions without salary increases do not take place unless the individual's pay is appropriately positioned in the new range and peer group. In Canada, employees are required to be paid within the range, so a promotion without an increase that would put the employee below the new range is strictly prohibited.
Promotions – More Difficult Issues

Situation 1:

– Employee’s current salary is very high in the current salary range and without an increase would also be high in the range for the new position:
– Consider
  • Promotion without pay increase
  • Total pay – does the total compensation/incentive opportunity increase?

In this first scenario, a promotion without an increase would probably not cause issues. While most employees would prefer an increase in salary to go along with the increased responsibility that comes with getting promoted, this employee would be positioned high in the new range, so there is little risk involved in terms of the new group of peers. If the promotion leads to an increase in annual target variable, or if the benefits increase with this promotion, these would be good selling points for the employee without having to increase his or her base salary.
Promotions – More Difficult Issues

Situation 2:

– Employee is to be promoted from IC to M level job
– Consider
  • No link between IC level and M level roles
  • Has the employee to be promoted had management experience?
– Total pay – does the overall package improve?
  • Base pay: how does the current base pay compare to the new peer group?
    What level of salary increase should be given in recognition of additional responsibilities
  • While it is good practice to increase salaries for significant promotions such as a promotion to management, it may not be necessary in all cases.

The last scenario we will describe is the promotion from an individual contributor level to a management position.

The first decision to be made is to determine which M-level should be used. Remember, there is no direct link in our career paths between IC-levels and M-levels. In determining the level, you would factor in the size of the team, the scope and complexity of the position, and whether or not the employee has previous management experience.

Once you have determined the appropriate management level, and what specific job code will be applicable, you need to look at the overall package of the new position, including base salary, variable or bonus pay, and benefits eligibility. While it is good practice to increase base salary in recognition of a promotion to management, in some cases, the overall compensation package will improve, even without an increase in base salary.

As mentioned previously, it is recommended that promotions without salary increases do not take place unless the individual's pay is appropriately positioned in the new range or peer group.
Cross-Border Transfers

• A cross border transfer is a permanent move from one country to another. It is NOT an assignment.
• Pay levels for the same job differ markedly from country to country even where currency is the same, eg. in Europe several countries use the Euro but have different salary ranges.
• You should pay appropriately in the new country. Do NOT simply transfer at the same salary level converted to the new currency.
• If the employee’s job code is not changing in the transfer, use the employee’s current compa-ratio as a starting point to determine the base salary in the new location, provided that will not place the employee below or above the new range.
• If the move is a promotion you should consider adopting the principles outlined earlier in this module.
• The new country benefits apply.

For cross-border, or international transfers, you will need to use the ranges in both the current and future country in order to determine the appropriate base salary for the employee in the new country. In most circumstances, the methodology to determine salaries for international transfers is to use the employee’s current compa-ratio, and keep it constant upon transfer, provided that the employee is not changing job codes.

It is important to note that even though many countries share a common currency - the Euro in Europe, for example - the ranges that are appropriate in each country are going to be based on the local labor market, so they will not be the same.

To further explain, an employee transferring from Germany to Slovakia will be paid in Euro in both locations. However, the midpoint for the job in Germany is 60,500 and the midpoint for the same job in Slovakia is 31,600. This is almost a 50% differential. If the employee is paid 58,000 in Germany, his or her compa-ratio is 95%. Therefore, we should adjust the employee’s base salary so that he or she is paid 95% of the midpoint in Slovakia, which is 30,270. While this may seem like a huge pay cut, the employee will be in the exact same position within the Slovakia market as he or she was in the German market.

In cases where the employee’s current compa-ratio is extremely high, or extremely low, we look to the new peer group, while keeping in mind the employee’s current position. For example, if an employee has a compa-ratio that would put him or her below the new range minimum, we look to the new peer group average and then take into account the low current compa-ratio. In this case, the employee would transfer at the low end of the peer group, but never below range. The same applies for employees who would be over range maximum. The employee would transfer at the high end of the peer group, but never above range.

In the case of a cross border transfer, the move is generally a lateral one with no change in the job level or compa-ratio. However, occasionally, the move also involves a complete change in job family and/or level. In this case, the salary is established in the same way as a new hire.
Salary Increase Reviews

- Use the salary increase review for:
  - Promotions
  - Promotions that were not accompanied by a salary increase
  - Rewarding performance
  - Addressing equity issues where differentials are not justified on the grounds of
    - Knowledge
    - Skills
    - Experience
    - Some other measurable non-discriminatory factor

The salary increase process is the most common time for promoting and giving base salary increases to employees. You should use your salary increase budget wisely and first recognize your top performers and those employees who were promoted without an increase at some other point during the year. You should also use the salary increase process to address issues where differences in salary are not justified on the grounds of knowledge, skills, experience or some other measurable, non-discriminatory factor. A measurable non-discriminatory factor could include size of quota or target, size or complexity of a project, or span of control.
Off-cycle Reviews

- An off cycle review may be required for:
  - Promotion
  - Competitive counter offer
  - A change between commission and bonus based compensation
  - A change of job to a different on-target earnings (OTE) split

Off-cycle reviews are not very common at Oracle, but they do occur. An off-cycle increase may be necessary to accompany a promotion with a significant increase in responsibility, to counter an offer from a competitor, or to fill a gap that may be left if an employee job change involves a change in variable earnings.
A business justification will need to accompany any request for an off-cycle increase. The justification should include the flight risk of the employee if we don’t give an increase, the impact on the business if the employee leaves, any internal equity concerns, and the employee’s performance record.
More Complex Issues

- Contact your Compensation Analyst any time you need assistance. For example, in the following instances:
  - No range(s) associated with a job(s)
  - A new job that has not existed in country before
  - Difficulty in deciding what to recommend when an employee transfers between roles with different compensation splits or types eg variable vs base
  - Cross-border transfers

Please work directly with the appropriate compensation contact if you have any questions regarding a compensation-related topic. These situations may involve:

- Needing assistance if there is not a range listed for a specific job in a certain location
- A job that has not existed in a country before, or
- Making a recommendation for an employee transfer.

The list of compensation and HR contacts can be found on the Global HR Website under the CONTACTS link. The contacts are listed by Region.
Remember...

- There are no absolute right or wrong or “one size fits all” answers
- Each situation should be reviewed on a case-by-case basis but the principles should be applied as consistently as possible
- Reasons for the decision should be recorded
- Look at the whole picture, not just the position in the salary grade.
  - Differentials between employees
  - Average salaries and ATV’s and OTE’s
  - Internal equity
  - Skills, Knowledge, Competencies etc
- The salary and benefits should be set correctly for the new position. Do not try and protect the earnings of the current job
- The increase/change in status should not be backdated
- Where the change is voluntary the employee has the choice not to accept.

In conclusion, it is important to remember that compensation decisions are made on a case-by-case basis and the circumstances need to be reviewed in each instance. There is not a “one size fits all” solution for managing pay. As we have reviewed, you should look at the whole picture when making a pay decision, including internal equity, average salaries, ATVs and OTEs within the group, as well as the knowledge, skills and competencies of the employee.

Always keep in mind that the salary and benefits should be set appropriately for the new role, regardless of the employee’s potential earnings in a previous role.
In a self service organization like Oracle, there are many resources available to educate you on making compensation decisions.

Your manager should be your number 1 resource for compensation-related discussions. He or she can give you direction about compensation decisions made at the line-of-business level. For example, during the salary increase, bonus and stock processes, some LOBs may implement specific strategies on how they want to allocate their budget pools.

Another important resource for you is the local Compensation manager or HR manager for the country in which the employee works. He or she will be able to provide expertise on local practices, processes and requirements for that country. In addition to providing advice on day-to-day comp decisions, the compensation team and HR team can also provide advice for some of the more difficult compensation-related challenges that you may face. You can find your HR Contact and HR Manager by checking your ARIA page. The appropriate compensation contact can be found on the HR Global website.

In addition to personal resources, Oracle has plenty of online resources available to you. There is a wealth of information available through the global HR website and through HRMS applications like Manager Self Service (often referred to as MEE), Compensation Workbench -or CWB- and Information Workbench (often referred to as IWB).

On the HR Global Website you will find the country HR sites, global compensation information, employee handbooks and global policies such as code of ethics and Business Conduct.

Compensation Workbench is used for comp processes such as the Global Corporate Bonus and the Salary Increase Review and on IWB you will find job and salary information and history for all employees within your organization.
Information Workbench (IWB)

- Main View options:
  - Salary
  - Job Information
  - Sales Salary
  - Total Compensation (summarized - Rolling 12 months)
  - US hours worked - great tool to track overtime hours
- Filters:
  - All employees
  - Direct employees
  - By team
  - Per country
- There is also a training video available under: Information and Links / Trainings.

Information Workbench is accessed via your Compensation Workbench responsibility. IWB is a tool available to assist you in monitoring all compensation related information pertaining to your employees. In addition to base salary history, bonus history, job history and salary range data, IWB enables you to track overtime and exception pay history for US employees in your hierarchy. The data is refreshed every month.

The main view options that you will find on Information Workbench are salary, job information, and sales salary. But you will also be able to find a summarized total compensation overview of your employees. The overview will show what base and variable compensation your employees have received in the last 12 months.

If you want to view specific sections of your organization, there are filters available in Information Workbench. You may filter by country or direct report team, or you may choose to view just your direct employees or all employees who report up to you.

If you have little experience with Information Workbench, you can use the training video that is available in Compensation Workbench under Information and Links and then Training.
EXHIBIT M
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Global Compensation Training
Salary Ranges at Oracle
Compensation Training Overview

- The Oracle Compensation Training for managers includes the following modules:
  - Introduction
  - Job Classification and Global Job Table
  - Salary Ranges
  - Managing Pay
  - Compensation Processes
  - Region specific modules
    • Americas
    • Asia Pacific
    • Europe, Middle East and Africa
    • Latin America

This is the Salary Ranges module for compensation training. There are 8 other modules that have been developed to provide you a basic overview of many topics you should be aware of when managing employees at Oracle. Most compensation information applies globally; however, there are some topics that vary by country and/or region, so the global compensation team developed region-specific modules to cover topics that aren’t relevant worldwide. Please review the modules for each region in which you have employees.

Keep in mind that this is simply an overview and it is not designed to teach you everything there is to know about compensation. It is important to work with your local compensation team representative and HR manager on employee compensation issues.
In this session, we are going to review all that an Oracle manager needs to know about our internal salary ranges. What are they? How are they created and who creates them? And how should managers use the ranges to make decisions?
What are Salary Ranges?

• A tool to assist managers/HR in making decisions about base salaries during the recruiting process, salary increase reviews and job changes or promotions
• A reflection of the local market for base salaries being paid by competitor companies.

Salary ranges assign a minimum and maximum to the amount that we are willing to pay for a specific job. They reflect the market in the area and allow for much variation in knowledge, skills & abilities that each individual brings to the company.

Salary ranges are country specific. There may be more than one set of ranges per country – in the US, there is a set of ranges for HQ/Bay Area employees and another set of ranges for all other locations.
Why do we have Salary Ranges?

Salary ranges are a tool to assist managers in making decisions about pay.
- Broad ranges allow managers to account for differences in experience, skills, competencies and performance of candidates and incumbents.
- Ranges help managers with employees in multiple countries to pay according to the local market.

Salary ranges are a tool to assist managers in making decisions about pay. They provide managers with a range of pay that is considered fair and competitive in the local labor market for a specific job. Oracle’s ranges are intentionally broad to allow managers to differentiate between employees who are new to their roles and still learning, and those who are fully qualified, very experienced and top performers.

Without such tools managers with employees in multiple countries may think of pay rates in terms of their own home country. This could result in paying too high or too low relative to the local markets.

Salary ranges may be found in the Manager Self Service tool, or in Compensation Workbench and Information Workbench.
How are Local Salary Ranges Developed?

- Local compensation teams participate in, and use data from, salary surveys conducted regularly by external consulting companies.
- Compensation surveys should only be purchased and participated in by the Global/Regional Compensation Team.
- Salary ranges are assigned to Oracle’s global jobs based on local market salaries per country.
- Jobs that pay similarly in the local labour market are allocated to the same range.

As a mature, established company, Oracle recognizes the importance of paying competitively relative to the local market.

The global comp team regularly participates in comp surveys and maintains peer relationships with comp professionals at our competitor companies to have access to comp data. This is done at a local country level, as there are clearly market differences from one country to the next, as well as even within-country differences in some cases. For example, jobs in Silicon Valley are paid higher than those in Orlando, FL, so we have a 10% differential in the US for non-HQ jobs. There are also 2 sets of ranges for China, because of the market differences between Beijing and the other Chinese cities in which we operate.

It is IMPERATIVE that only the global compensation team submit compensation data for survey participation and purchase. No one outside of global compensation should be submitting Oracle employee data to 3rd parties.
Creating Salary Ranges

Preferred Competitor Companies

- Adobe
- Apple
- Applied Materials
- Cadence
- Cisco
- Ebay
- Google
- HP
- IBM
- Intel
- Microsoft
- Motorola
- Qualcomm
- SAP
- Texas Instruments
- Yahoo!

Software Industry
Local Companies
Consulting Separate List
Sales Separate List
Geographical Differences

When participating in surveys, Oracle submits data on what we are paying for certain jobs while always ensuring anonymity of incumbents. Our primary sources of data come from highly reputable 3rd party consulting firms who gather data from participants, and compile it to produce reports that keep individual company data confidential. Oracle targets to be competitive against a select list of competitor companies chosen by our board of directors. These are the companies the board feels are our biggest competitors for talent – those that we hire from, and lose employees to. It is not an exhaustive list, rather the most prominent companies only, and those that are felt to be the “premier” high tech market sector.

There may be differences in the list by country, depending on the key competitors in that country. The market maturity in a specific country plays a huge role in determining how much market data we are able to gather. In relatively new geographies, we use whatever data we can get, because we don’t always have direct competitors in those markets. The list may also change for some LOBs, since they may compete for talent elsewhere, for example, we may benchmark against consulting firms for the consulting function.

In addition to survey market data, the compensation teams also get data from more informal sources, such as through recruiters or peers in other companies.
Salary range is the link between internal and external equity. All jobs that are considered equal in value to Oracle are grouped into the same local grade level, and have the same salary range. The salary range numbers are set based on what the local market is paying for the jobs in that range. Salary ranges are reviewed annually, and the range for a job could change from year-to-year (up or down) based on the review of market data.

There are multiple jobs in the grade, often across different lobs.

The Minimum is the entry level salary for a job. Some countries have legal requirements that employees cannot be paid below the range minimum for their job. In these countries, a salary may be green circled, meaning that the employee must be given a salary increase to bring his or her salary from below the salary range minimum for the job into the salary range for the job.

The Midpoint or Job Rate is how much a fully competent employee should earn for the job. It reflects Oracle's desired market position relative to the external market, provided they are fully experienced, fully competent and performing at a completely satisfactory level. The midpoint or job rate is determined based on the desired target market position for all jobs in that grade level. Desired market position around which the midpoint is built may vary from one country to the next, based on the level of maturity of Oracle within that country.

The Maximum is the upper end of the salary range. This is the maximum salary level that is set for the highest level of performance in a job. Regardless of how fantastic an individual employee may be, there is an upper limit on what makes sense for Oracle to pay for a particular job being performed. This is represented by the range maximum. Some countries have legal requirements that employees cannot be paid above the range maximum for their job. In these countries, the salary may be red circled, meaning that the employee is not eligible for a salary increase until his or her salary falls under the range max, either due to being promoted to a job in a higher range, or due to the salary range moving up based on market movement.

As mentioned previously, there are separate ranges for each country, because ranges are based on the local labor market.
Example of moving from salary survey to salary ranges

- Local market data is analyzed to create a pay structure that is competitive for all Oracle jobs in the local market, lowest to highest-paid.

- Each Job is assigned to the salary range that is most closely aligned to the market pay. This ensures salary ranges are based on external local market data, not on Oracle’s internal structure.

- Where individual jobs are paid similarly, jobs are assigned to the same salary range.

This slide demonstrates the process that the regional compensation teams go through to determine the salary range that applies to each job at Oracle. The comp team in each region goes through a similar process for every country.

A pay structure is built based on the local market data – starting with the lowest paid job and going through the highest paid job. Once the structure is built, the market data is reviewed for each individual position, and the salary grade chosen is the one with the midpoint that is closest to the market data. Each salary grade will have jobs across various functions, and will also include jobs of varying levels. It all depends on the local market data for the position.

The following slide provides a visual of how the salary grade assignments may be structured.
Example of Pay Structure

This graphic shows an example of how the pay structure in a specific country may look. As you can see, there could be various levels or jobs across various functions assigned to the same salary grade. For example, you will notice that grade 5 includes Function A&B's IC3 and M1, as well as Function F&G's and H, I & J's IC2.

You will also notice that Grade 8 has an IC4, IC5, M2 and M3. This graphic clearly demonstrates that there is no intentional correlation between the IC career levels and the MG career levels. Some families may appear to cross over at a certain IC level, but it is purely coincidental and based on market data and is not consistent across job families or functions.

It is important to note that depending on local market pay trends which can go up or down, the salary grade assignments and the ranges themselves may fluctuate from year-to-year.
Effectively Utilizing Salary Ranges

The business climate and focal budgets play the biggest role in how managers are able to position employees within their range.

Besides the business climate, a number of factors need to be considered when determining where to position an employee within the salary range. These factors include:

1. The employees' skills, knowledge, and experience.
2. Internal equity to others in the organization who have similar skill sets for the same role.
3. Performance
4. Previous compa-ratio
5. Tenure in current position – in general, employees who have remained in their current role tend to be paid higher in the salary range.
Things to Consider as a Manager

• Employees at the very top of their range:
  – Are often highly effective contributors whose promotional prospects are, for various reasons, limited.
  – May have been in the same role for a significant period of time, without the possibility for promotion.
  – May have legacy compensation issues due to joining as a result of an acquisition
• Employees in different countries will be paid differently for doing the same job, even if the currency is the same.
• Employees in the same job do not necessarily earn the same amount

To reiterate, salary ranges are intentionally broad to allow managers to differentiate between employees who are new to their roles and still learning, and those who are fully qualified, very experienced and top performers. The ranges are based entirely on the local market and any attempt to do currency conversions to determine appropriate pay levels will not work.

In general, a majority of the population will fall somewhere between the 1st and 3rd quartile of their range. However, there are individual cases where it is completely justified to use the 4th quartile up to the maximum of the range. If you have employees in Canada, it is important to remember that there are legal requirements that employees cannot be paid over the maximum of the range. The only exception to this law are for acquired employees. In this case, the employee will be red circled & will not be eligible for a base salary increase until the range shifts up, or the employee moves to a job in a new range with a higher maximum salary.
Base Salary – Compa-Ratio

- Compa-Ratio is a way to ascertain the base salary competitiveness. It is the ratio of an employee’s actual annualized pay rate (numerator) to the midpoint or some other control point for the job’s pay range (denominator).

- An example:

  Employee in Job X has an annual salary of $30,000
  The local salary range midpoint for Job X = $28,000
  Compa-ratio = Employee salary ÷ Range Midpoint x 100
  = $30,000 ÷ $28,000 x 100
  = 107.1

An employee’s compa-ratio is the ratio of his or her FTE base salary to the midpoint of his or her assigned range. In this example, an employee with a base salary of $30,000 who is in a job with a range midpoint of $28,000 has a compa-ratio of 107.1. This means that the employee is paid at 107% of the midpoint, or 7% over the midpoint of the range.

Looking at the compa-ratio of employees in different jobs helps you get a sense of the fairness of their pay relative to each other. This is helpful when you are managing employees doing different kinds of work, at different levels and in different countries or regions within a country.

Once again, it is important to remember that not everyone has, nor should they have, the same compa-ratio. The right number for each employee depends on his or her individual skills, contributions, performance, etc.

Compa-ratio is a great indicator to compare the base salaries of employees across different levels of jobs or countries where you cannot compare dollar for dollar.

For example, HR uses compa-ratio as an indicator to help set salaries for employees on international transfer between different countries. Markets are so different, we cannot just convert the current salary into a new currency and expect it will be appropriate in the new country. We look to maintain compa-ratio, while also taking into account internal equity and experience of the employee.
Compensation Trends Observed at Oracle

- Base salaries should be reviewed in a business context. What can the business afford?
- There is no data to support a clear link between compensation alone and attrition.
- There are short term internal equity distortions, for example those caused by M&A activities, which cannot be rectified immediately.

It is important to remember that base salaries must be reviewed in a business context, and as a manager, you must always consider what the business can afford at any point in time. The business performance and the economic situation and forecast are key factors in all compensation-related decisions that are made at Oracle. Therefore, while it is good to know the best practices for how to use salary ranges, you must keep in mind the current business climate.
Key Considerations When Establishing Pay

- Balance external and internal equity considerations
- Differentiate rewards by performance
- Manage your budget – you will never have enough!
- Be honest and open with communications on rewards and performance

Setting pay for an employee is not a simple exercise. To make the best decision, it is important that you consider all the relevant pieces of the puzzle; namely, balancing internal and external equity, individual performance levels of your employees, and your overall budget. In addition, there are external factors that weigh into recruitment & retention, and internal factors, such as morale issues & internal transfers.

Internal equity is considering how much you pay your employees relative to one another. In addition to salary, variable compensation and stock options are other tools you can use to differentiate pay to give more to your "stars". When you are making pay decisions consider internal equity, and be as fair as possible. Differences need to be based on fair, justifiable and non-discriminatory criteria. Focus on results, which is not always the same as effort. Some employees try really hard, but for whatever reason, do not come through with the desired results. It is important to coach these employees to turn effort into results, where possible, so that they will be rewarded in the future.

Once again, it is important that your employees know the factors that you consider when making pay decisions if you want these factors to shape individual behaviors. If an employee believes he or she will get the average salary increase regardless of his or her performance, there is no motivation from a monetary perspective for him or her to expend extra effort to improve performance. You SHOULD NOT MAKE SPECIFIC PROMISES HERE, rather it is important to communicate that if an employee achieves all of his or her objectives, he or she will be rewarded more than an employee who does not. As a manager, you can give examples of possible rewards, such as getting promoted faster, getting a larger share of the bonus pool relative to lower performers at the same level, or getting a better than average salary increase when salary increase budgets become available.

It is important for managers to be open and honest with their employees when it comes to rewards and performance. However, it is equally important that employees know that there are no guarantees.
Tools and Resources

- Your manager
- The local Compensation/HR department
  - the HR Global Website lists compensation contacts & you will find your HR Rep & Manager by checking your ARIA page
- Internal Websites
  - MEE
  - DBI
  - CWB – used for bonus, stock & salary increase processes
  - IWB – shows salary information and history for all employees within your organization
  - HR Global Website, global HR policies

In a self service organization like Oracle, there are many resources available to educate you on making compensation decisions.

Your manager should be your number 1 resource for compensation-related discussions. He or she can give you direction about compensation decisions made at the line-of-business level. For example, during the salary increase, bonus and stock processes, some LOBs may implement specific strategies on how they want to allocate their budget pools.

Another important resource for you is the local Compensation manager or HR manager for the country in which the employee works. He or she will be able to provide expertise on local practices, processes and requirements for that country. In addition to providing advice on day-to-day comp decisions, the compensation team and HR team can also provide advice for some of the more difficult compensation-related challenges that you may face. You can find your HR Contact and HR Manager by checking your ARIA page. The appropriate compensation contact can be found on the HR Global website.

In addition to personal resources, Oracle has plenty of online resources available to you. There is a wealth of information available through the global HR website and through HRMS applications like Manager Self Service (often referred to as MEE), Compensation Workbench -or CWB- and Information Workbench (often referred to as IWB).

On the HR Global Website you will find the country HR sites, global compensation information, employee handbooks and global policies such as code of ethics and Business Conduct.

Compensation Workbench is used for comp processes such as the Global Corporate Bonus and the Salary Increase Review and on IWB you will find job and salary information and history for all employees within your organization.
Information Workbench (IWB)

- Main View options:
  - Salary
  - Job Information
  - Sales Salary
  - Total Compensation (summarized - Rolling 12 months)
  - US hours worked - great tool to track overtime hours
- Filters:
  - All employees
  - Direct employees
  - By team
  - Per country
- There is also a training video available under: Information and Links / Trainings.

Information Workbench is accessed via your Compensation Workbench responsibility. IWB is a tool available to assist you in monitoring all compensation related information pertaining to your employees. In addition to base salary history, bonus history, job history and salary range data, IWB enables you to track overtime and exception pay history for US employees in your hierarchy. The data is refreshed every month.

The main view options that you will find on Information Workbench are salary, job information, and sales salary. But you will also be able to find a summarized total compensation overview of your employees. The overview will show what base and variable compensation your employees have received in the last 12 months.

If you want to view specific sections of your organization, there are filters available in Information Workbench. You may filter by country or direct report team, or you may choose to view just your direct employees or all employees who report up to you.

If you have little experience with Information Workbench, you can use the training video that is available in Compensation Workbench under Information and Links and then Training.
EXHIBIT N
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Global Compensation Training
Job Classification and Global Job Table Module
This is the Job Classification and Global Job Table module for compensation training. There are 8 other modules that have been developed to provide you a basic overview of many topics you should be aware of when managing employees at Oracle. Most compensation information applies globally; however, there are some topics that vary by country and/or region, so the global compensation team developed region-specific modules to cover topics that aren’t relevant worldwide. Please review the modules for each region in which you have employees.

Keep in mind that this is simply an overview and it is not designed to teach you everything there is to know about compensation. It is important to work with your local compensation team representative and HR manager on employee compensation issues.
This is the agenda we will be covering together today. After a short introduction we will start our presentation on the Job Classification Methodology that we use globally at Oracle.

We will talk about what Job Classification is and show you the various elements of Job Classification. We will also mention the impact of Job Classification on other HR and non-HR processes by selecting the correct job for your employees.

And finally we will give you some things to consider as a manager in relation to Job Classification, for example where to find information on the jobs of your employees and how to change a job in the Oracle systems.
Introduction

- Job Classification is a consistent global framework for job related information that supports a number of key HR and non-HR processes as well as management reporting.
- The Global Job Table is a key component of the Job Classification system, but other data also forms part of the overall system.
- Managers are responsible for ensuring that employees on their teams are in the right job in HRMS.
- Attaching employee records to the incorrect job in HRMS will result in multiple problems related to HR and other processes.

Job classification is a consistent global framework for job-related information that supports a number of key HR and non-HR processes. The global job table is a key component of the job classification system. There are many system elements that are tied to employees based on the job code to which they are assigned, and managers are responsible for ensuring that employees are in the correct job code.

Assigning an incorrect job code to an employee could cause problems for various processes down the line, and we will discuss the potential issues that incorrect job codes may cause throughout this presentation.
Global Job Classification at Oracle is a process that is all about ensuring that we assign the correct job code to each employee. In the next two slides we will first mention the elements of global job classification that are the most important to managers. We will also give a very short description of the elements.

After this short introduction of the most important elements, we will explain each topic in more detail.

It is very important to mention here that once a job code is selected, all the other elements have been defined for that job code. This means there will not be a job code that has more than one official job title or function or career level, etc.

One of the most important topics to remember right now is that the process is a global process, with no country specific job classification elements included. So if an employee moves from the US to the UK to perform the same job, e.g. Senior Consultant, then there will be no changes in terms of job classification and, therefore, no changes in the elements you have seen on this slide.
Job Code

- Every employee with the same Job Code will have the same Job Title, Function, Specialty Area and Global Career Level
- Example:
  Job 20410 appears as follows in HR Self Service:

We will now start explaining the most relevant details of the job classification process.

On this slide you see job code 20410, which is only one of more than 1,000 unique job codes (and therefore jobs) that are included in the global job table.

The global job title is just a brief description of the job, referring to the official internal title of the job. The internal job title will be used mostly for system and reporting purposes.

In general the global job title is not the title the employee might use to describe his or her job on a business card, or when speaking to colleagues, clients or relatives.

In the next slides we will discuss the function, specialty area and career level.
The function describes the general type of work the employee performs. This slide lists all of the global job functions at Oracle, including IT, Development, Facilities, Legal and Sales.

All employees working in a sales position, will be part of the Sales Function, regardless of the exact job title or job code. The same applies, for instance, for all employees in Finance.

If an employee is working in a financial position for Consulting, then the job code assigned should be part of the Finance function, despite the fact that the employee is working in the Consulting organization.
The specialty area is more specific, and it describes the work the employee performs within the defined function.

In this slide, we clearly show that within the Finance function, not all employees are doing the same type of work. Employees in the finance function may be working in one of twelve specialty areas, such as accounting, contracts, purchasing, or tax. The specialty area assigned to a job helps to pinpoint the responsibilities of that job.

For example, when employees send in expenses to be reimbursed, they will be processed by employees in the Shared Service Center in the Accounting specialty area, but our salaries are processed by local payroll. Both Accounting & Payroll/Commissions are specialty areas within the Finance function.
Global Career Level

- Global career levels are a set of broad, hierarchical categories related to the level at which a job is performed.
- Responsibilities, individual contributions and job complexity increase from one job level to the next job level in the hierarchy.
- The global career level structure has two paths: Management (M1 – M10) and Individual Contributor (IC0 – IC5). There is no correlation between M and IC level.
- An employee is considered to be a manager if his/her primary responsibility is management (with hire/fire authority) of two or more regular full time equivalent Oracle employees. All other employees should be considered individual contributors, including team leaders.

A job family is a series of levels where the nature of the work is similar. The distinct levels represent Oracle’s requirements for increased skill, knowledge, and responsibilities. The higher the career level, the higher the complexity of the job duties.

This means that if a job in Finance has the same level of responsibilities and complexity as a job in Sales, the career level of the two jobs will be the same.

There are career levels for Management positions (with levels ranging from M1 through M10) and for non-management positions, the so-called individual contributors (with levels ranging from IC0 through IC6). In order to be considered a manager in the US, you must have at least 2 people reporting to you, and your primary responsibility should be that of managing people. For all other countries, only 1 report is necessary. For the individual contributor career path, assignment to the IC6 level is “gated”, meaning that there is a rigorous appointment process within groups, most typically development, that use this level. There are very few employees worldwide in this level.
This slide gives an overview of all Management Career Levels, which is more or less self-explanatory. The information is meant to give a quick total overview of all existing Management Career Levels at Oracle.

Definitions of these levels are available. The formal definitions can be helpful when recruiting a new employee, or when making a decision on whether or not to give a promotion to an employee. Please contact your compensation representative if you are interested in seeing how each management level is defined.
This slide gives an overview of all Individual Contributor Career Levels.

Definitions of these levels are also available. Please contact your compensation representative if you are interested in seeing how each individual contributor level is defined.

It is important to note that there is NO correlation between M-levels and IC-levels. Each career path is considered separate from the other, and transfers or job changes across the paths are to be evaluated on a case-by-case basis.

Please also note that the IC6 level is exceptional and requires a special promotion process in most LOBs.
In addition to job code, function, specialty area and career level, there are other elements in the global job table that are held against the individual jobs.

One of the critical elements is Compensation type.

Oracle Consultants who are "billable" may be eligible to participate in the Consulting Discretionary Bonus Plan. Consulting bonuses are administered through Global Incentive Planning.

Sales commissions are designed to direct, motivate, and reward sales employees for achieving desired business objectives. Sales commissions are administered through Global Sales Compensation. Oracle Instructors, outside the U.S., who are "billable" are eligible to receive a quarterly bonus. Instructor bonuses are administered through Global Incentive Planning.

Only Oracle recruiters are eligible for the Recruitment plan. This plan is based on measurable recruitment goals.

The Global Performance Bonus Plan is an annual plan, but the Bonuses are discretionary and there are no entitlements.

It is important to note that, in general, employees with the same job code are eligible to participate in the same variable or bonus plan, so correctly assigning the job code, and therefore, the compensation type, is critical to ensuring that your employees are on the right plan.
Additional Job Table Information (2)

- Salary Grades
  - These link to base salary ranges that assist managers to make decisions about salaries during the salary increase review, promotion or recruitment processes
- Consulting Target Bonus
  - This may differ from country to country
- Consulting Job Level
- Billable Flag
  - Relevant Consulting jobs only

Other important information that is tied directly to the job table includes salary grades, consulting target bonus levels, consulting job levels and the billable flag, which is relevant to some consulting jobs.

Salary grades link a range to each job code, and the grades are assigned at the country level. Grades are determined based on local market analysis, so a grade 8 in the US is not the same as a grade 8 in Australia, or a grade 8 in France. There is a separate training module on how salary ranges are developed and used at Oracle, so please check out that presentation when you have some time.
Impact on HR Processes

- The classification of a job has direct impact on:
  - Compensation
    * Salary range
    * Compensation type
  - iRecruit/Offer Letter
  - Employment terms for acquired employees
  - Benefits (eligibility/level of benefits coverage)
  - Appraisal (individual profile/job competencies)
- Eligibility for Compensation Workbench Processes
  - Sales Increase/Salary Review
  - Non-Sales Increase/Salary Review
  - Global Bonus
  - Consulting Bonus (managed outside CWB outside US)
  - Approval authority levels for HR processes

The classification of a job has a direct impact on many processes.

First, if the employee is in the wrong job, it could have a direct impact on the variable compensation of the employee. If you have, for example, a Consulting Sales Representative on your team, that is mapped to a consulting delivery job, you will have problems in issuing a comp plan, because the consulting job is eligible for a consulting bonus plan. In addition, we have 2 salary increase processes at Oracle. One is for the Sales function and the other is for all other functions. If someone is misclassified, he or she may not be eligible at the appropriate salary increase time for his or her role. This again illustrates how each job code has pre-defined elements that can not be changed.

Second, in some countries certain benefits are linked directly to the job of the employee, for example the eligibility for a company car or car allowance. Correctly assigning a job code impacts the benefits for which the employee is eligible.

Third, access to Manager Self Service and Compensation Workbench is limited – only employees with a global career level of M1 through M10 are granted access to these tools.

And finally, by incorrectly classifying an employee, we are misrepresenting survey data being reported, and we could be violating local laws putting the company at risk for litigation.

These topics clearly illustrate the importance of having your employees in the correct job.
In addition to impacting HR processes, the job code selected will impact various non-HR processes.

Some of these processes include: compensation plan issuance, headcount reporting for the general ledger and sales applications. Project billing rates for consultants are also linked to the job classification of each employee. If an employee is mapped too low, this could have a direct impact on the margin of the business.

***PLEASE HOLD ON THIS SLIDE FOR A BIT TO GIVE VIEWERS A CHANCE TO READ ALL BULLETS***
Further Information Sources

- Detailed definitions of the Function, Specialty Area, Global Career Levels can be found on the Managers’ Resource Guide (MRG) accessed via manager HR Self Service
- The MRG also contains detailed information on:
  - Where to find information on jobs
  - How to change the job of your employees
  - How to change the product association and industry code for your employees

Through Manager HR Self Service, also known as MEE (Manage Employee Events), managers can view an employee’s assignment, salary and training information and change employee details by processing HR transactions through a web browser.

An extensive manual is also available to managers, the MEE Handbook for Managers, in which the manager can find a description of all the options that are included in MEE.

The job code assigned to an employee can also be found in Information Workbench and in MyOracle at People Search.
In a self service organization like Oracle, there are many resources available to educate you on making compensation decisions.

Your manager should be your number 1 resource for compensation-related discussions. He or she can give you direction about compensation decisions made at the line-of-business level. For example, during the salary increase, bonus and stock processes, some LOBs may implement specific strategies on how they want to allocate their budget pools.

Another important resource for you is the local Compensation manager or HR manager for the country in which the employee works. He or she will be able to provide expertise on local practices, processes and requirements for that country. In addition to providing advice on day-to-day comp decisions, the compensation team and HR team can also provide advice for some of the more difficult compensation-related challenges that you may face. You can find your HR Contact and HR Manager by checking your ARIA page. The appropriate compensation contact can be found on the HR Global website.

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Information Workbench (IWB)

- Main View options:
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  - Sales Salary
  - Total Compensation (summarized - Rolling 12 months)
  - US hours worked - great tool to track overtime hours
- Filters:
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If you want to view specific sections of your organization, there are filters available in Information Workbench. You may filter by country or direct report team, or you may choose to view just your direct employees or all employees who report up to you.

If you have little experience with Information Workbench, you can use the training video that is available in Compensation Workbench under Information and Links and then Training.
EXHIBIT O
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Program Agenda

Compensation Systems Fundamentals
- Oracle Job Table
- Career Level Tracks
- Salary Ranges
- Compa Ratio
- Sales Comp Mixes

Pay Decisions
- Principles of Managing Pay
- New Hires
- Internal Transfers
- International Transfers
- Promotions
- Off-Cycle Salary Adjustments
- Business Justifications

Compensation Programs
- Annual Equity Program
- Global Corporate Bonus
- Sales and Non-Sales Salary Increases
- Workforce Compensation Replaces Compensation Workbench
Compensation Systems Fundamentals
Jobs at Oracle are classified using a consistent global framework. Each job is assigned 5 core elements. These elements are:

- **The Job Code** which is the unique identifier for the job and is one of about 1300 Job Codes included in the global job table.
- **The Job Title** which is a brief description of the job – known as the “system title”. In general the global job title is not the title the employee might use to describe his job to colleagues or clients or use it for a business card.
- **The Function** describes the general type of work the employee performs. This isn’t specific to the employee’s LOB.
- **The Specialty Area** is a subset of the function and is intended to further identify the work performed.
- **Finally, the Career Level** is a broad category that indicates increased skill, knowledge, and responsibilities and performance expectations. The higher the career level, the higher the complexity of the job duties.

As shown in our example, the job title, function, specialty and career level will be the same globally.
Global Career Levels

- Global career levels are a set of broad, hierarchical categories related to the level at which a job is performed.
- Responsibilities, contribution and job complexity increase from one job level to the next in the hierarchy.
- The global career level structure has two paths: Management (M1-M10) and Individual Contributor (IC0 – IC6). There is no correlation between M and IC level.

<table>
<thead>
<tr>
<th>Management</th>
<th>Individual Contributor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary responsibility is management</td>
<td>All other employees including team leaders</td>
</tr>
<tr>
<td>Levels M1 to M10</td>
<td>Levels IC0 to IC6</td>
</tr>
</tbody>
</table>

As mentioned on the prior slide, global career levels are a set of broad categories related to the level a job is performed. These levels indicate where responsibilities, individual contributions and job complexity increase from one job level to the next.

The career level for a job in one organization with the same level of responsibilities and complexity as a job in another organization, will be the same level. This means that if a job in Finance does have the same level of responsibilities and complexity as a job say in Sales, the career level of the two jobs will be the same.

The career level structure has 2 paths. Management positions and Non-Management positions which are referred to as Individual Contributors. There is no direct mapping between M-levels and IC-levels. Each career path is considered separate from the other, and transfers or job changes across the paths should be evaluated on a case-by-case basis.
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<thead>
<tr>
<th>Career Level</th>
<th>Job Title</th>
<th>Discretionary Title</th>
<th>Responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>IC1</td>
<td>Software Developer 1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>IC2</td>
<td>Software Developer 2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>IC3</td>
<td>Software Developer 3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>IC4</td>
<td>Software Developer 4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>IC5</td>
<td>Software Developer 5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>IC6</td>
<td>Software Developer 6</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Global Career Levels

**Manager (M) Career Levels (2 or more direct reports)**

<table>
<thead>
<tr>
<th>Career Level</th>
<th>Job Title</th>
<th>Discretionary Title</th>
<th>Responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>M1 - M2</td>
<td>Software Development Manager</td>
<td></td>
<td></td>
</tr>
<tr>
<td>M3</td>
<td>Software Development Senior Manager</td>
<td></td>
<td></td>
</tr>
<tr>
<td>M4</td>
<td>Software Development Director</td>
<td></td>
<td></td>
</tr>
<tr>
<td>M5</td>
<td>Software Development Senior Director</td>
<td></td>
<td></td>
</tr>
<tr>
<td>M6</td>
<td>Software Development Vice President</td>
<td></td>
<td></td>
</tr>
<tr>
<td>M7 – M10</td>
<td>Srn VP, Exec VP, Pres</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Choosing the Correct Job Code

When choosing a job code, you should select the job that most closely reflects the role. It is important to remember that the job code need not be in a specific function just because an employee is in a specific LOB. An example of this is Admin Assistants. Admins have a function of Admin but can be located across the organization.

If the job code is incorrect there could be an impact to the employee’s compensation, including their salary range, bonus eligibility, overtime eligibility and compensation plan eligibility.

In some cases an incorrect job code could impact an offer letter or employment terms especially for M&A employees and hamper access to manager self service and compensation program tools.

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**Why is this so important? What might be impacted by inaccurate job mapping?**

- Salary Range

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- The Job code selected should be the job which most closely reflects the role in the organization

Why is this so important? What might be impacted by inaccurate job mapping?
- Salary Range
- Bonus eligibility

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Why is this so important? What might be impacted by inaccurate job mapping?
  • Salary Range
  • Bonus eligibility
  • Overtime eligibility

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- The job code selected should be the job which most closely reflects the role in the organization.

Why is this so important? What might be impacted by inaccurate job mapping?
- Salary Range
- Bonus eligibility
- Overtime eligibility
- Visa eligibility, systems access, and more

When choosing a job code, you should select the job that most closely reflects the role. It is important to remember that the job code need not be in a specific function just because an employee is in a specific LOB. An example of this is Admin Assistants. Admins have a function of Admin but can be located across the organization.

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Salary Ranges

Each job code in the global table is assigned to a salary grade that refers to a salary range.

Salary ranges are a tool designed to assist in making decisions about pay by providing ranges that are considered fair and competitive in the local labor market for a specific job. Oracle’s ranges are intentionally broad to allow managers to differentiate between employees who are new to their roles and still learning, and those who are fully qualified, very experienced and top performers.

Salary ranges are developed at the local country level, since there are market differences from one country to the next, as well as even within-country differences in some cases. For example, jobs in Silicon Valley are paid higher than those in Orlando, FL, so we have a differential in the US for non-HQ jobs.

Salary survey information from 3rd party consulting companies is used to develop our salary ranges. Market data is reviewed relative to the particular job and it’s typical to vary between functions. For instance, market data for the sales function differs when compared to market data for the support function.
Salary ranges are the link between internal and external equity and assist in making pay decisions during the recruitment process, focal reviews, job changes and also for a promotion. Jobs that have the same local market value are grouped into the same local grade level, and have the same salary range. There are multiple jobs in each grade, often across different LOBs.

Salary ranges are reviewed annually and based on the review of this market data, the salary range structure can be moved as a whole or individual jobs may change grades from year-to-year (up or down).

So, how do we determine the correct placement of an employee in their salary range? The business climate and salary increase budgets play a key role in how managers are able to position employees within their range.

Other factors to consider when determining an appropriate position in the salary range are:

1. The employee’s skills, knowledge, and experience and perhaps education (if a requirement for the job).
2. Position in the range of others in the organization who have similar skill sets for the same role.
3. Sustained performance by the employee.

So, specifically, let’s review the ideal usage of a salary range.

Employees who are still learning their role, or employees whose contribution is below the standard should generally be positioned somewhere between the minimum and the 1st Quartile. We find that with some teams, and in particular with Mergers and Acquisitions, we might have employees perhaps with limited skills, experience or education that truly are shy of meeting particular job requirements and therefore, might be under the minimum of the assigned salary range.

Hopefully over time these employees will have opportunities to increase their skills and knowledge and gain experience and, as budgets allow, their pay can be re-aligned.

As we see in this example, using the U.S. salary range for the Implementation Consultant II (an iC2)

- The midpoint typically reflects the external market rate for an experienced, fully competent and solid performing employee performing this job.
- The 3rd and 4th quartiles should generally include employees who are our top performers, who are ready for promotion or for those who possess a “hot skill”.
- The maximum is typically the highest salary that should be paid for a job.

As a manager, you may not always have the budget to perfectly place all your employees, but we wanted to give you an overview and understanding of the intended usage of the salary range.
Base Salary – Compa-Ratio

- Compa-Ratio is the ratio of the employee’s salary to the midpoint of their job’s salary range.
- Example:
  Annual salary - 
  Local salary range midpoint - 
  Compa-ratio = Employee salary ÷ Range Midpoint x 100
  = 
  = 104.5
- How do we use Compa-Ratio?
  - Salary benchmarking of peers in role
  - International transfers between two countries
  - Periodic salary reviews

An employee’s compa-ratio is the ratio of their full time equivalent base salary to the midpoint of their assigned job’s salary range. With this calculation, you have an opportunity to look at employees in different jobs and to gain a sense of their pay relative to each other. This is helpful when you are managing employees doing different kinds of work, at different levels and in different countries or regions within a country. Of course, it is important to remember that not everyone has, nor should they have, the same compa-ratio. The right compa-ratio for each employee depends on their individual experience, skills, contributions and performance.

To calculate a compa-ratio, as shown in our example for an Implementation Consultant II, we will divide the annual salary of by the midpoint of with a resulting compa-ratio of 104.5. This means that the employee is paid at 104.5% of the midpoint, or almost 5% over the midpoint of the range. This data point would indicate that the employee is fully experienced and competent to successfully perform the duties of the job and is being paid slightly over the current market of the job.
At Oracle, we have variable pay components such as those found within our consulting or corporate plans however, this slide is just speaking specifically about sales plans.

Base pay, as you know, is what an employee is given for a job which may be impacted by the employee with various factors such as their performance. The Annual Target Variable (ATV) is an earning opportunity for the employee based on achievement of their sales goals. It is this equation of base salary and the target variable that provides the ‘Pay Mix’ ratio of the job. The overall purpose of the pay mix is to help establish a motivating risk/reward proposition for those employees with influence over sales outcomes. Of course, the higher the jobs influence the higher the pay mix should be. Adding an employees base pay and their ATV provides their OTE (On-Target Earnings).

So, for instance, an Applications Sales Rep I and II (in the U.S.) is provided a standard 50/50 pay mix which indicates the employee is given 50% of their earnings in their base pay and a 50% ATV opportunity. This highly leveraged 50/50 pay mix indicates a significant influence over a sale. An example of a lower leveraged job is the pre-sales consultant with a standard pay mix of 80/20. This pay mix indicates their influence for the sale is not as great and therefore most of their dollars (or 80%) is found in their base pay with 20% leveraged in the ATV.

Of course, for some employees based on attainment of their specific sales goals, they will find that their base pay when combined with their variable pay can be very rewarding.
Sales – Pay Mix

|----------|-----------|--------------|---------------------------|---------------------------|-------------------------------|---------------------------|-------------------------------|--------------------------------|--------------------------------|--------------------------------|

- **Global Incentive Comp (GIC) Team**
- **Standard v. Non-Standard Pay Mix**

Here’s a look at a standard pay mix for a sales role at Oracle. In this instance, we are looking at an Alliances Consultant role. For this role, the standard pay mix between base salary and target variable can be as leveraged as 70/30 (70% base / 30% variable) or less leveraged as 80/20 (80% base/ 30% variable). It then shows what the min, mid, and max base salary and target variables for each scenario can be.

The Global Incentive Comp Team is responsible for maintaining the sales pay mixes. They also review all sales roles offered to ensure the terms are in line with the standards. It is important to keep the sales pay mix within these standard mixes. This ensures consistency in the roles and teams across Oracle, and avoids pushback from our Global Incentive Comp Team and the BoD.
Thanks Jana

In the next section of our presentation, I will review several types of pay decisions you may make as a manager.
General Principles of Managing Pay

- Compensation and benefits must be in line with the standard for the job
- Balance external and internal equity
- Consider the relevant knowledge, skills, abilities and experience of the employee
- Differentiate rewards by performance but manage within your budget
- Be honest and open with communications on rewards and performance
- These principles apply globally

Managing pay is an art, not a science, and there are various factors to consider.

Here are some of the general principles of managing pay.

Compensation and benefits offered to employees should be in line with the Oracle local standard for the job.

Managers need to balance external and internal equity, as well as the relevant knowledge, skills, abilities and experience of the employee or candidate.

Rewards should be differentiated by performance which can be a challenge when managing within your budget.

It is important for managers to be open and honest with their employees when it comes to rewards and performance. However, it is equally important that you never make specific promises.

Remember these principles apply globally.
New Hires

• When posting a position
  – Choose the correct job family and career level
    • Most closely reflects the role and level of the work required
• When determining an offer
  – Make final determination of correct career level for the candidate – may differ from
    level of posting – one level up or down
    • Based on experience and skill set of candidate
  – Review salary range for proposed position and salary range position of existing
    incumbents in work group
  – Understand variable pay plan, if any eligibility
  – Review candidate and proposed package with HRBP prior to making candidate offer

When hiring a new employee you must first post a position. Choose the job family based on the family that most closely reflects the role. The Career level should be chosen based on the level of work the organization requires not the level that it would be nice to have or the level of the current members of the team.

When you’re making an offer, make the final career level determination based on the candidate’s experience and skill set. The career level may differ from the level of the posting – one level up or down is allowed with no additional posting requirements. Also review the current salary range and the position in the salary range of existing incumbents in the work group.

Be sure you understand if the position is eligible for any variable pay such as the Global Corporate Bonus or a sales incentive plan.
Scenario #1
New Hire – Choosing a Career Level and Salary

• Position posted as a M4
  – Will have 4 reports – 1 IC3, 2 IC4s and 1 IC5
• Candidate has 10 years experience including 2 years management experience
• Key factors in determining career level
  – Job Scope
  – Candidate’s experience
• Key factors in determining starting salary
  – Peer salaries with similar skills, experience, and job
  – Local market salary data to ensure offer competitiveness

Let’s review a scenario on choosing a career level and salary for a new hire.

Here are some of the facts.

The position is posted as a M4. The position will have 4 reports – 1 IC3, 2 IC4s and 1 IC5.

The candidate has 10 years experience including 2 years management experience.

The key factors in determining the career level are the job scope and the candidate’s experience.

The key factor in determining the starting salary is where the peers doing similar work are paid.

Based on the this information what would you recommend?

The candidates management experience and the size and makeup of the proposed team isn’t strong enough to qualify for the M4 level. When posting a job, you are free to hire one level up or down, so in this case, a potential recommendation would be M3 instead.

Determine the salary based on the pay of peers with similar experience and skills doing similar work in the organization.
Scenario #2
New Hire – Choosing a Career Level and Salary

• Position posted as a M2
  – Will not have any direct reports
• Candidate has 7 years experience including 1 year management experience
• Key factors in determining career level
  – Job Scope
  – Candidate’s experience
  – Number of direct reports

*Taleo postings may be adjusted up or down one level from what was posted. It must be within the same IC or M career track. You cannot adjust across career tracks.

Let’s review a scenario on choosing a career level and salary for a new hire.

Here are some of the facts.

The position is posted as a M2. The position is not likely have any direct reports immediately, but may in the future. This is why the hiring manager posted the role as an M2.

The candidate has 7 years experience including 1 year management experience.

The key factors in determining the career level are the job scope and the candidate’s experience. It’s also important for manager hires to consider the size of the team and level of the direct reports.

Based on the this information what would you recommend?

Because the new hire will not immediately manage a team consisting of at least 2 direct reports, this hire should not be in a manager role. The role should instead be hired as an individual contributor based on the candidate’s experience and current expected scope of the role. If or when a team is built under this employee, a promotion to a manager role would be appropriate.

Based on these facts, and the candidates level of applicable experience, a more appropriate level to hire would be an IC3 or IC4 role.

*It is important to know that once you’ve posted a Taleo req as a manager or individual contributor role, you cannot adjust the req between the two career tracks. You can adjust up or down one level within the same career track, but not across M or IC tracks (ie. IC to M, M to IC). So in this scenario, the hiring manager would need to post a new IC3 or IC4 level role and hire the candidate against that req.
** Promotions **

- A promotion is typically a move to a new job with greater responsibility and impact to the company.
  - Some promotions are within the same job family and career path and
  - Others can be to a new job family or career path
- Promotions are not always accompanied by a salary increase
  - Salary should, however, be appropriately positioned in new salary range

** LOB timing for promotions.**

A promotion is typically a move to a new job with greater responsibility and impact to the Company. Some promotions are within the same job family and career path and others can be to a new job family or career path.

Promotions aren’t always accompanied by a salary increase. The salary should be appropriately positioned in the new salary range. If an employee is positioned very low in their current range, or has a salary that is not in line with the peer group in the new role, a promotion without a salary increase could cause internal equity issues, and may even cause the employee to fall below the minimum of the new range.
Promotions

- Key factors for IC promotions
  - Skills, experience, and performance of the employee
  - Scope of the job

- For promotions from IC to Manager
  - No direct mapping between paths
  - Consider scope of the job and previous management experience to determine level

- Key factors for Management promotions
  - Scope of job and business need for job at new level
  - Experience, performance, and results of the employee

Key factors to consider for IC promotions are the skills, experience, and performance of the employee and the scope of the job.

For promotions from IC to Manager the new career level should be determined based on the scope of the new job and the previous management experience of the candidate. There is no direct mapping between the IC and M career paths.

Key factors for management promotions are the scope of the job and business need for a job at the new level. The employee’s experience and results are also important factors.
Polling Question

Under which situation would you feel a promotion is appropriate?

A. An employee has been in the same grade for quite awhile and is due a promotion
B. I’m concerned the employee may leave the organization
C. The salary of my employee appears to be low and by giving them a promotion I get a chance to increase it
D. An employee mentions to you that a colleague next to them is doing the same job but has a higher career level. They’ve asked to be promoted.
E. None of the above

Read the slide and do poll.

Best answer is E.

A. Promoting someone simply because they have been around for a while and seem “due” for a promotion, doesn’t mean it is appropriate to promote the employee. If the person’s role isn’t changing and you have no need for higher level work to be performed, then a promotion isn’t really a good idea.

B. This situation is a little tougher. We shouldn’t promote someone just to retain them but we should be sure that we provide development and growth opportunities for employees. If this employee is a top performer or critical to your organization but there is no business need for the next higher level, discuss other opportunities with your manager and HR manager. If you promote but there is no change to the job duties, this may be a short-term answer.

C. Promoting someone already low in their range will potentially lead to bigger problems.

D. In this situation, you should discuss with your HR manager.

When considering whether a promotion is appropriate it is important that you objectively look at the experience, skills and performance of the employee.
**IC Product Development Promotion Template**

<table>
<thead>
<tr>
<th>Employee Name:</th>
<th>Manager:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Level and Job:</td>
<td>Proposed Position:</td>
</tr>
<tr>
<td></td>
<td>Job Code:</td>
</tr>
<tr>
<td>No. of Years:</td>
<td>No. of Years:</td>
</tr>
<tr>
<td>in Current Position:</td>
<td>in Industry:</td>
</tr>
<tr>
<td>Current Salary:</td>
<td>Min Salary for New Position:</td>
</tr>
<tr>
<td>Performance Rating:</td>
<td>VP/STP:</td>
</tr>
</tbody>
</table>

Please address the following factors, including examples when recommending promotions to senior development positions in Product Development:

**SUMMARY OF EXPERIENCE**
(Provide a brief description of current and previous experience, education, and areas of responsibilities.)

**SCOPE OF POSITION**
(Describe the scope and complexity of the technical work being performed. Describe how the position is critical to Oracle's strategic plans or revenue.)

**TECHNICAL ABILITY**
(Describe the technical skills, knowledge, and abilities that are needed to solve difficult problems with minimal direction. Include any technical skills or certifications.)

**TEAMWORK AND COLLABORATION WITHIN ORACLE**
(Describe the individual's ability to be effective in a team, ability to work with others when needed, ability to influence others in other Oracle groups and what results have been achieved. What has the position contributed to their success or has been a catalyst for them?)

**EXPERIENCE:**
(Provide a technology, product or program area that is highly visible and recognized as an independent entity.)

**ACHIEVEMENTS:**
(Describe specific, significant deliverables or accomplishments contributed to this individual as a major contributor. Does the individual have a significant portfolio of such achievements? Also explain how the individual exhibits the qualities of leadership, technical credentials, and overall ability to represent their group both within and outside Oracle.)

**Recommendation:**
(Comments from other center management staff both within and outside of group – Min of three.)
Management Promotion Template
Miranda Organization

Employee Name: ____________________________
Manager: ________________________________

Current Career Level and Job Code: ____________
Proposed Position and Job Code: _____________

# of Years in Current Position: ____________
# of Years in Industry: ____________

Current Salary: ____________________________
Min Salary for New Position: ______________

Performance Rating: ________________________
VP/SVP: ________________________________

Please address the following factors, including examples when recommending promotions to Management positions:

BUSINESS NEED
(Describe the organization structure used for this level, attach proposed org. chart.)

SUMMARY OF EXPERIENCE
(Provide a brief description of current and previous experience, education, and areas of expertise.)

MANAGEMENT SKILLS
(Briefly describe the individual's management skills which reflect their ability to get tasks done while attracting and retaining good employees.)

SCOPE OF POSITION
(Describe the expanded scope and responsibilities. Define how the position is deliverable in Oracle's strategic plan or revenue. Include any or complexity of the role, i.e., numbers of people to manage or influence, magnitude of product for Oracle or technical challenges.)

Materials, Handouts and Signs of Control

Current Position:

# Employees under this position: ______ Direct Reports: ______
Proposed Position:

# Employees under this position: ______ Direct Reports: ______

SIGNIFICANCE OF POSITION AND IMPACT ON THE COMPANY
(Describe the position's significance and how it impacts products, revenue generation, critical technology or its importance to customers or partners.)

EXTERNAL VISIBILITY
(How much time does the individual spend representing Oracle to outside contacts, such as customers, partners, press and analysts? These contacts should include technology, product or programs that is highly visible and recognized as an independent entity.)

TEAMWORK AND INFLUENCE WITHIN ORACLE
Internal Transfers

• The starting point for transfers should be lateral – salary and career level
  – Internal transfers should not be used as means to increase salaries
  – However, if the new role has a change in pay mix or there is a change to job family, some adjustment may be appropriate

The starting point for internal transfers should typically be lateral for both salary and career level. Transfers should not be used as a means to increase salaries or give promotions.

However, if the new role has a change in the mix of base and variable pay, an adjustment may be appropriate.

Typically we don’t adjust the career level for a transfer. However, if the transfer involves a change in job family, sometimes an adjustment is appropriate.
Scenario - Internal Transfer

- I have an internal candidate I would like to hire but he will only transfer if I promote him.
- He has the exact skill set I need for my group and we desperately need the help.
- I’m going to tell him that I’ll promote him and give him a salary bump to ensure he accepts my offer.

Let’s review a Scenario on an internal transfer

READ SLIDE ALOUD

What’s wrong with these statements based on what we just discussed on the previous slide.

Internal transfers are typically lateral – salary and career level. Focus on the business need & the level of contribution they will make in the new role. If the employee’s background (their experience and skill set) is such that a promotion is reasonable at the time of the transfer, a strong justification will be needed to get it approved.

Don’t ever make promises prior to getting final approval from BOD. You may review the package that you intend to request, but make it clear that it is pending final approval. This situation is a good example of when it is a good idea to engage the help of your HR manager.
International Transfers

- A cross border transfer is a permanent move from one country to another
- Only employees who have unique or highly specialized skills are considered for this type of transfer
- You should pay appropriately in the new country. Don’t simply transfer at the current salary converted to the new currency
- Pay levels for the same job differ from country to country even where currency is the same
  - In Europe several countries use the Euro but have different salary ranges
- Generally, lateral move with no change in career level

An international transfer is a cross border permanent move from one country to another. It isn’t an assignment.

Only employees who have unique or highly specialized skills are considered for this type of transfer.

You should pay appropriately in the new country. Don’t transfer at the current salary converted to the new currency.

Pay levels for the same job differ markedly from country to country even where currency is the same. In Europe several countries use the Euro but have different salary ranges which are based on the local labor market.

Generally international transfers are lateral moves with no change in career level.
International Transfers (cont.)

• To determine appropriate salary for international transfer transferring to the same position in a new country use the employee’s current compa-ratio and keep it constant in the salary range of the new country.
  – This methodology places the salary at the same position in range in the new country as in the old country
  – If employee’s current compa-ratio is extremely high or extremely low it may be appropriate to use the new peer group to place the salary appropriately
  – Don’t convert the current salary to the new currency
  – If transfer is into a completely different job family, then determine salary as if a new hire

• Compa-ratio = current salary / midpoint of salary range

To determine an appropriate salary for an international transfer where the employee is transferring to the same position in a new country, use the employee’s current compa-ratio and keep it constant in the salary range of the new country.

• This methodology places the salary at the same position in range in the new country as in the old country

• If employee’s current compa-ratio is extremely high or extremely low it may be appropriate to use the new peer group to place the salary appropriately

• As we’ve mentioned earlier, don’t just convert the current salary to the new currency

• If the transfer is into a completely different job family, then determine the salary as if the employee is a new hire.

The Compa-ratio is calculated by dividing the current salary of the employee by the midpoint of the salary range.

Because the international transfer process can be complex, please reach out to your HR manager for assistance in determining an appropriate salary.
Off-Cycle Salary Increases

- An off cycle increase may be needed for:
  - Competitive counter offer (Dive and Save)
  - Job change with change to the variable pay plan
- Off Cycle increases in FY17 – limited
- Always Consult your HR Business Partner

Off-cycle increases are not very common at Oracle, but they do occur. An off-cycle increase may be necessary to accompany a promotion with a significant increase in responsibility, to counter an offer from a competitor – known as a dive and save or when there is a change to the variable pay.

To qualify as a dive and save, a written offer is required.

When there is a decrease in variable, typically when an employee is moving from a Sales or Pre-sales position to a Non-sales position or from a Sales or Pre-sales role with more leverage, the new base salary should be determined based on the employee’s experience and pay of the peers in the new workgroup and a base increase may be appropriate.

For any proposed pay action, please proactively work with your respective HR manager. They can assist you in determining if an increase is appropriate and if so what the appropriate amount is and timing should be depending on the country and situation.

We expect that off-cycle increases will continue to be very limited in FY17 company wide.
Workflow Justifications

• An effective justification should include:
  – New Hires/Transfers
    • Description of the job and the business need for it
    • Skills and experience of the candidate and how they meet the requirements of the job
    • Data used to determine salary offer
  – Off-Cycle Promotions
    • Attach relevant information on the scope of the new job
    • If an increase is proposed, position in new salary range and comparison to peers
  – Dive and Saves
    • Performance and results
    • Impact to business if employee leaves organization

• Justifications should be thorough yet concise and be based on facts not feelings

An effective justification is important to a smooth approval process for any job or pay change. It is important that relevant information is provided for all the subsequent approvers.

For new hires you should include a description of the job and the business need for it. You should also include the skills and experience of the candidate and how they meet the requirements of the job. You should also describe how you determined the salary offer.

For off-cycle promotions or any base pay increases, you should include relevant information about the scope of new position or why an employee needs the proposed pay increase. Included in the details will also be the position in the new salary range and comparison to the peers in the same position. The approvers also like to see a sentence that speaks to the urgency of the proposed pay increase to gain a full picture of the request.

For dive and saves, you should include performance and results of the employee and the impact to the business if the employee leaves.

Justifications should be thorough yet concise and be based on facts not feelings.

Again, please work with your Hr Manager when writing justifications.
Recap

- Each situation should be reviewed on a case-by-case basis but the principles should be applied as consistently as possible
- There are no absolute right or wrong or “one size fits all” answers
- Look at the whole picture, not just the position in the salary grade
  - Internal equity
  - Skills, Knowledge, Competencies, etc.
- Reasons for the decision should be documented
- The salary and benefits should be set correctly for the new position
- The increase/change in status should not be backdated
- When in doubt, consult your HR Business Partner

It is important to remember that compensation decisions are made on a case-by-case basis and many pieces of information need to be considered in each instance. There is not a “one size fits all” solution for managing pay. As we have reviewed, you should look at the whole picture when making a pay decision, including internal equity, as well as the knowledge, skills and competencies of the employee.

You should document the information you used to make your decision. The salary and benefits should be set correctly for the position.

The increase or job change should not be backdated.
Compensation Programs
Global Compensation Programs

• **Annual Equity Program**
  – May/June timeframe
  – CHOICE – 100% stock options, 100% RSU’s or 50% options/50% RSU’s

• **Global Corporate Bonus**
  – Program announced after fiscal year end earnings announcement
  – Planning generally during July/August timeframe

• **Sales and Non-Sales Salary Increases**
  – Sales and non-sales salary reviewed managed separately
  – Sales salary review twice annually Sept/Oct and May/June timeframes
  – Non-Sales salary review generally Sept/Oct timeframe

• **Workforce Compensation (WC) tool to manage comp programs**

There are several compensation programs that you may be asked to make recommendations for your employees. Annual Equity, Global Corporate Bonus, Sales and Non-Sales Salary Increases. Currently these programs are run at separate times. Each program has a different eligibility criteria so not all employees are eligible for all programs. We will review these programs in more detail in the next few slides.

We have used Compensation Workbench (CWB) in the past to make recommendations for our the compensation programs. Workforce Compensation is replacing CWB this year. Workforce Compensation also referred to as Fusion Workforce Compensation (FWC) is the tool we are currently selling as part of our HCM product.
What is Workforce Compensation?

- Workforce Compensation (WC) is an Oracle Self Service Application for managing compensation processes, allowing you to:
  - Model and allocate budgets
  - Publish (pass down) budgets to subordinate managers
  - Rate, Rank and Award individual employees
  - Review historical compensation information
  - View and download employee information for off-line work for further analysis
  - View submission status of subordinate managers

- Where can I find Workforce Compensation (WC)?
  - Employee Self Service Cloud > MyHR > My Team > Workforce Compensation

What is Workforce Compensation?

WC is an Oracle Self-Service Application for managing compensation processes and is very similar to CWB. However, it has more flexibility than CWB. The new tool allows you to model and allocate budgets, publish or pass down budgets to managers below you, rate and/or rank employees, make stock, bonus and salary recommendations, review recommendations submitted by your subordinate managers and then submit recommendations for your entire organization to your manager.

You can also view historical compensation information and download employees information and work off-line.
Thank you for your time.....

closing comments.....
Connell MSJ Decl., Ex. C
CONFIDENTIAL VIDEOTAPE RULE 30(B)(6) DEPOSITION OF:

KATE WAGGONER

PURSUANT TO NOTICE, the 30(b)(6)
videotaped deposition of KATE WAGGONER was taken on
behalf of the Plaintiff at U.S. Department of Labor,
1244 Speer Boulevard, Suite 515, Denver, Colorado, on
July 19, 2019, at 9:54 a.m., before K. Michelle Dittmer,
Registered Professional Reporter and Notary Public within
Colorado.

JOB No. 190719HGE
Q. Okay.

MS. CONNELL: For the record, Counsel, you have the errata for the transcripts, so . . .

MR. SONG: I just wanted to see what the witness remembered.

Q. (By Mr. Song) How are compensation rules set at Oracle?


A. What do you mean by "compensation rules"?

Q. (By Mr. Song) Okay. How about compensation policies?


A. We don't really have compensation policies. Our one policy related to compensation is the prior pay policy.

Q. (By Mr. Song) Uh-huh.

A. Other than that, we do not have policies at Oracle about compensation.

Q. (By Mr. Song) Okay. So the one policy -- one compensation policy you have at Oracle is regarding prior pay. So can we talk about that?

A. Sure.

Q. Can you tell me what that policy is,
please.

A. Effective October of 2017, managers may no longer ask prior pay of a candidate for Oracle's -- for an Oracle job application.

Q. Okay. And why is that?

MS. CONNELL: Objection. Calls for speculation.

But you can answer.

A. It was a policy change that -- I know that there was a change in the law in 2018, and we got ahead of what the law was -- was going to mandate in 2018.

Q. (By Mr. Song) Okay. And who decided that?

A. I don't know.

Q. You -- so you --

A. I did not --

Q. It was not --

A. -- decide that.

Q. -- your decision?

A. No.

Q. Well, who -- did somebody tell you to change this policy?


A. I wasn't part of the change in the policy.

My role at that time had moved on, already, to being
salary is warranted.

Q. Okay. And who -- who would decide on these exceptions? Who would make the decision?

A. The manager.

Q. Manager?

A. In consultation with HR. They would -- and potentially their comp consultant, to say, "This is a situation that warrants an increase."

Q. Okay. And which situations would warrant an increase?

A. Oh, goodness.


A. I -- I mean, I can't speak to every -- I -- what I could think of is, you know, if there's an internal equity. If there's an internal peer group comparison that has it be an exception.

If -- if somebody has been in a group where potentially they were overlooked for a raise during focal for a couple of years, and they're transferring to a team and the manager notices, "Wow, they've had the same base salary for two years, I would like to do something for them." That might be another situation.

Q. (By Mr. Song) Uh-huh. And how would
internal -- how would -- in a situation like this, where there's a lateral changing, how would the internal equity of that person's salary be analyzed to determine whether they should be given a raise or not?

MS. CONNELL: Objection. Incomplete hypothetical and calls for speculation.

A. So a -- say a manager is managing five people that do what this new person is going to do.

Q. (By Mr. Song) Okay.

A. They would determine who on their team -- you know, maybe two of them come with similar background, going to be in the same location, same knowledge skills, abilities, everything they bring to the table, are considered peers. That manager is familiar with the pay of their own team.

Q. Okay.

A. And so they might say, "Oh, the peers over here make" -- I don't know -- "110- and 112-," and so that would -- that would be their way to say -- I wouldn't say there's -- that they analyze --

Q. Uh-huh.

A. -- but that they're familiar with the handful of people who do some -- do the same, and so they know what -- what the salaries are of the people who are going -- are performing the same role.
Q. Other than salaries, are they also looking -- are they looking at anything else to determine whether a lateral or transfer should get a raise?

MS. CONNELL: Objection. Incomplete hypothetical and calls for speculation.

A. I -- I don't know.

Q. (By Mr. Song) Are they only looking at salary to determine whether the -- that person should get a raise?

MS. CONNELL: Same objections.

A. I -- I don't know.

Q. (By Mr. Song) Okay.

A. I mean, going down to individual managers, again, thousands of them, there are cases -- they might look at equity grant history, maybe.

Q. Okay.

A. Or -- or -- and position and range. There are all sorts of things to consider when determining that.

Q. Yeah. Those are the things that I'm looking for.

A. Yeah.

Q. Like, what else? Would they be looking at job code, job title, GCL, things like that?

MS. CONNELL: Objection. Incomplete
Q. Okay. And when a manager is comparing this employee, this potential -- this hypothetical transfer or lateral to his or her peers, what is that manager looking at? Are they looking at job code, job title, things -- how are they determining who are the peers of this lateral?


A. Yeah, I -- I think I talked about that a little bit. They would appear as same location, same duties, you know, working on the same product.

Q. (By Mr. Song) Uh-huh.

A. Same level of experience coming in. Their -- their -- maybe their job history, their education history, those kinds of things. So they might look to determine who's -- who's working on the same product. Job code doesn't really tell them much unless you get down to: What product are they working on and what are the duties and their role.

So generally, I would say a manager -- you know, in some cases, there's -- the manager might only have one person doing that kind of job, so then you might have to go up to the next level to figure out who the
peers are. You might have to get a little bit higher to get a group of people who do the same duties, but what their job code is doesn't necessarily tell you that they're doing the same thing. So you have to get into the individuals and knowing what the individuals are doing and what they bring to the table or brought to the table and where they're located.

Q. Okay.

MS. CONNELL: And I'll just also insert an objection that I think this line of questioning has gone beyond the scope of the PMK topics.

Q. (By Mr. Song) Okay. Who gives the training on the compensation guidelines?

A. When it was first rolled out in 2011, so prior to this case even, we did some live -- some live sessions with compensation and HR representing. But since we have moved it to an On Demand, and so all of the modules themselves are available to managers in their time at their -- basically, on -- when they need it, and so we don't have a person behind it.

There were -- there were audio recordings of those 2011 versions, and they could listen to it at any time, anyplace. So it's not a -- it's not live.

Q. Okay. Have you ever done any live trainings?
Q. And have you seen a picture of this slide before?

A. Oh, yes.

Q. Okay. And I think I forgot to ask you, were you involved in drafting or developing this training?

A. This particular training, I was not.

Q. Okay. Do you need a second to review it, or --

A. No.

Q. No? Okay.

A. Very familiar.

Q. Okay. And this -- this slide -- can you just describe it for me?

A. So this slide gives an example of what our global job table would look like. It explains to managers that we have unique job codes. And then from there, there is a system job title, a function that explains the type of work being performed, a specialty area that gets a little bit more specific about the type of work being performed, and then the global career level that represents where in our broad hierarchical structure that job code falls.

Q. Okay. Can you explain each global career level a little bit more in detail, please.
A. Yes. So there are two tracks: We have the individual contributor track, and we have the manager track. And the individual contributor track, entry level would be -- it goes IC -- it actually starts at IC-0. The IC-0s are more administrative-type roles. So within IC-0, we would have Administrative-1, Administrative-2, A-1, A-2, A-3, A-4. And that's for, like, admin assistants and some of our -- I believe, like, our -- some of our help desk and more -- just more junior administrative-type roles sit in that IC-0.

Q. Uh-huh.
A. IC-1 is entry level. Like fresh out of college, you don't have any experience, but it's on the professional ranks, like our developers or our programmer analysts or whoever that might be.

So it goes IC-4, all the way up -- IC's actually go all the way up to I- -- we have an IC-7 in product development, but that's a guru, and I think we've only ever had one or two people in that job code in the history of Oracle, so that we --

Q. Okay.
A. -- in that level in the history of Oracle, so I don't -- we don't really talk about having IC-7.

Q. Okay.
A. For most jobs, it goes IC-1 through IC-6. And IC-6 is the highest-level individual contributor we have in our table.

For managers, it starts at M-1, which is entry-level supervisory, and goes all the way up to M-10, and our M-10 are our CEOs. Most of our employees fall in the M-2 to M-6. And M-6 would represent, like, the VP level; M-2 is, like, first-line manager.

Q. Okay.

A. And there is no -- you'll see on one of these other -- on the next page, there is no correlation. Like just because you're an IC-4, if you move to manager, it doesn't mean you'll be a specific level of manager. Every case is evaluated on its own merit, every individual is evaluated on its own merit. So we really view it as two completely independent tracks.

Q. Okay. And what about job code?

A. What about it?

Q. Can you explain what that is and how it's used?

A. Okay. It's --

MS. CONNELL: Objection. Compound.

But you can answer.

A. Okay. It is a -- just a unique identifier for a very general bucket of overarching responsibilities.
at a specific career level. So it is -- it is -- it
tells us, like a -- like the software developer 3, this
10530 is the unique identifier for software developer 3.
That tells us at the IC-3 level, which is five to eight
years of experience, know -- know what you're doing, but
not super-seasoned in your career, but not fresh, either.
Kind of right in the middle.

Q. (By Mr. Song) Uh-huh.
A. And the -- the software developer
responsibility, the -- the duties under that are very
broad and overarching. It just means they work on
developing our products. Which product or what kind of
work they do in developing those products, you don't know
by the job code.

Q. Okay. And how -- does job code factor
into compensation at all?

A. Each job code is assigned a very broad
range, so we have an idea of where compensation may fall
for that code.

Q. (By Mr. Song) Uh-huh.
A. But the code itself doesn't really tell
you a whole lot.

Q. Okay. What about the IC level?
A. Again, each code can only have one IC
And then from there, the minimum, midpoint, and maximum is derived. So every job that has E.09 as their grade --

Q. Okay.

A. -- has the same range, as long as -- I need to clarify that -- as long as it's the same location. So we have E.09 HQ, E.09 non-HQ. E.09 -- so you might have a different range depending on your location as well.

Q. Okay. So using the job code, salary grade, and salary range, how is it decided where an employee is going to fall within that range?


A. So I think as the slide says --

Q. (By Mr. Song) Uh-huh.

A. -- that you account for experience, skills, competencies, your performance, your location. There's all sorts of things that come into that.

Q. Okay.

A. So it depends on what the employee brings to the table.

Q. Okay. And who is making that determination?

A. On where the employee will fall?
Q. Yeah.

A. The managers generally decide the comp
package for their employee.

Q. Okay. And is there any overview of the
manager's decision on where the employee falls in the
salary range?


A. Could you be more specific as to, like,
when in the employees stage? Like, what are we --

Q. (By Mr. Song) Well, so, for example,
the -- a manager says, "Okay, this employee falls at the
midpoint, 50 percent."

A. Uh-huh.

Q. That's what I -- based on the job code and
salary grade and range and experience, because all these
things, I decide myself, "50 percentile on this" --

A. Uh-huh.

Q. -- totally --

A. Okay.

Q. -- average or -- I don't know what that
means, the 50 percent there. Does that mean they're
fully competent, or average? Is it below average?

MS. CONNELL: Objection. Incomplete
hypothetical. Calls for speculation. Compound. Vague
and ambiguous.
A. The 50th percentile of the range generally means they come in with the skills required to do the job at that level.

Q. (By Mr. Song) Okay.
A. So that's at that level.
Q. Okay.
A. If you are asking about how manager -- so are we talking about new hires? Are we talking about people all throughout the year? Are we talking about -- what do you mean with --
Q. Well -- well --
A. -- the managers and the oversight question that you had?
Q. Well, let's start with new hires.
If it's -- if it differs between new hires and current or existing employees, et cetera -- well, let's start with new hires.
A. Okay.
Q. So --
A. So the salary range -- or the salary that's determined by a manager in -- for a new hire --
Q. Uh-huh.
A. -- the employee -- the candidates generally come to us with -- I mean, they have their -- their resume they've reviewed, the manager
decides they are the right candidate.

Q. Uh-huh.

A. Maybe they bring something a little more to the table than your average person at, say, an IC-3, and so they want to place that person in the third quartile.

The manager can make that decision.

There's -- they may have consulted with their business partner or -- or included the compensation analyst, their compensation consultant in it. But the manager makes that decision and then would submit that offer into that iRecruitment work form.

Q. Right.

A. But then works its way up the approvals. In the end, the -- the top approver is really doing more of a sanity check, like -- to make sure somebody didn't enter, like, a million dollars for an IC-3, just more of a sanity: Does this make sense within the range?

But in general, the -- the manager makes that decision for where they're going to place their employee based on what they bring to the table, where they are located, what's the internal -- what is the internal peer group paid, all those kind of things.

Q. Can they go outside -- can a manager go
level is defined, they don't tend to have that hire/fire, compensation decision type of authority.

Q. (By Mr. Song) All right. M-2s would have the compensation authority --

MS. CONNELL: Objection --

Q. (By Mr. Song) -- or do have the compensation authority?

MS. CONNELL: -- incomplete hypothetical. Asked and answered.

A. Yes. That's the first-line manager when they're hiring somebody.

Q. (By Mr. Song) Okay. If an M- -- so let's say an M-2 makes a compensation decision. How many levels of a review -- review, sorry, does it go up?


A. The -- anything regarding pay --

Q. (By Mr. Song) Uh-huh.

A. -- really would -- prior to -- we had the accelerated hiring experience. I don't know if you're familiar with that. That is one of the exhibits that are here.

But in 2013, when this started up, until fairly recently with the accelerated hiring experience, it would go up every level. It would first go to an HR
representative, and then it would go to a compensation
person, and it would go up the whole chain, up to the
very top.

But once you reach, you know, the -- once
it goes through, like, HR and comp and then maybe one
level of manager, it's really -- it goes to the -- the
sanity check piece: Like, does this pass the sniff test?
They're not doing any real deep diving into anything. It
really is what that first-line manager has submitted --

Q. Okay.
A. -- just continues on up the road.
Q. Okay.
A. With accelerated hiring, it skips, now,
compensation and tends to go all the way up so that the
process happens as -- as it indicates, accelerated
hiring, everything moves much quicker.
Q. Uh-huh.
A. And so it goes up, but again, to the -- to
the CEO office. But again, it's really that sanity check
of making sure -- we've had -- we've had situations, for
example, where the CEO office realizes they missed a
comma, and then the salary they offered was, like, $2,000
instead of 200,000 -- like, just things that --
Q. Yeah.
A. -- if they look too quickly --
Q. Yeah, dotting your T's?
A. -- they miss it.
Q. Yeah, dotting -- yeah.
A. So it's -- it's the -- in the end, does this look fine? They're not going into any specific detail.
Q. And when did accelerated hiring start?
A. I believe it was 2018 sometime.
Q. Okay. But prior -- so prior to then, HR, comp, and maybe one manager would have more of a substantive review rather than just a sanity check?
A. In most cases, I would say --
Q. In most cases?
A. -- yes. Yeah.
Q. Okay. And so what -- what would that entail?
MS. CONNELL: Objection. Calls for speculation.
A. That would entail, you know, maybe looking at -- looking at a resume to see what kind of experience they bring, making sure -- you know, looking at -- glancing at the peer group to say: Does this make -- you know, what does -- what compa-ratio does it give this person? Where does it place them in the range? Does it make sense for what they bring to the table? And, you
know, if we've identified these are the seven peers, does it fall nicely in there?

It's just kind of a review to make sure that that -- that that makes sense.

Q. (By Mr. Song) Okay. So HR, comp, and the manager directly --

A. First-line manager.

Q. -- above that manager --

First-level manager?

A. Yeah.

Q. Would do this kind of a review?

MS. CONNELL: Objection. Incomplete hypothesis and calls for speculation.

A. I would -- so the -- the manager the next level up maybe wouldn't go into that -- that's more -- first-line manager, HR, and compensation would either review it individually or maybe over the phone to say:

This -- you know, this is where we think this person should fall based on the resume and -- and their location and what they bring to the table.

And then when the manager submits the Workflow, they would probably put in the justification,
you know: This -- we positioned it here for this reason.
And then the next-level manager might look a little bit closer.

Q. Okay.

A. But if it's not -- I mean, if it's over the range, yes, they're going to dig into it a little bit more.

If it seems kind of out of line, really, it -- it -- even that next-line manager, it's likely that the hiring manager probably already had a conversation with his or her direct manager to say, "This is my opening and this is the window of what I'd like to offer." And so there's probably already been, before they even get to that point.

So I would say when it reaches that next-level manager, they likely aren't digging in quite as much as HR and comp would have with the manager in that initial setting.

Q. (By Mr. Song) Okay. And who at HR would it be that would review these compensation decisions?


A. It would be the -- the business partner assigned to support that particular area of the business would be who the manager would call if they needed
consultation.

Q. (By Mr. Song) Okay. Would there be anybody else at HR that would look at that?


Q. (By Mr. Song) Just primarily the business partner?

A. Yeah. Yeah.

Q. Okay. And what about at compensation?

A. Again, there's a compensation consultant assigned to various areas of the business.

Q. Uh-huh.

A. And the HR business partner assigned to that particular manager would engage comp to say, "We could use your help in -- in developing the compensation package for this person."

Q. Okay. Would they also consider gender?

A. No.


Q. (By Mr. Song) No? Okay. Would they consider race?

A. No.

Q. Okay.

A. We're trained not to consider either one.
ambiguous. Asked and answered.

And for the record, you're asking her in her personal capacity?

MR. SONG: Yeah, right now.

A. I definitely recommended using them as a point of reference.

Q. (By Mr. Song) Okay.

A. I don't know what -- what else you --

Q. Okay. That's just what I was trying to --

A. Yeah.

Q. -- figure out.

A. It's like point -- yes, it -- point of reference for any manager --

Q. Okay.

A. -- a good point of reference to be able to compare employees across.

Q. Okay. So then, similarly, does Oracle recommend -- does Oracle's compensation guidelines recommend using these compa-ratios to managers?

MS. CONNELL: Objection. The guidelines, as she testified, are in writing and have been produced in this case, and they speak for themselves.

A. So, I mean, if I read -- the -- the slide says, this is how you use it, tells how to calculate it, and it says: It's helpful when you are managing

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employees during -- doing different kinds of work.
Remember that not everyone has, nor should they have, the
same. And the right compa-ratio does depend on
individual experience, skills, contribution, and
performance.

So educating managers on what they can get
out of compa-ratio and what it tells them is part of the
guidelines. But, you know, whether we say, "You must use
this," it's always been used as a point of reference and
just educating them on what they can -- what they can
glean from that -- that number when they look across
their team.

Q. (By Mr. Song) Yeah. It's certainly not
required. But I was trying to figure out whether it's
recommended -- because it doesn't even -- it doesn't even
really recommend the use of them. It just kind of
explains what they are and how they can be used.

But -- but I was just trying to find out
if there was -- if Oracle recommends using compa-ratios
versus not recommending them or making a
nonrecommendation?

A. The recommendation --

MS. CONNELL: Well, I'll object to the
colorization of the document, and it speaks for
itself. And the question itself is asked and answered.
A. Yeah, I do.

Q. Okay. And can you tell us what it is, very quickly?

A. So it just outlines the approval levels required for various kinds of changes submitted in Workflow.

Q. Okay. And are approvals required for compensation decisions?

A. Well, yes.

MS. CONNELL: Objection. Compound, but . . .

A. It -- so on here, the -- when it comes to, like, the assignment, one of -- about halfway down the page, the assignment when it comes to some -- like job change, I think in -- in my capacity here, the job codes and the job changes would be part of compensation-ish, and, you can see, it's one level up and then an HR is required.

But when it comes to any changes in pay, there's the -- when it -- dollars at the bottom of the page.

Q. (By Mr. Song) Uh-huh.

A. All of this -- you'll see some of them -- so base salary increase goes all the way up through the CEO office. But again, that's a cursory, a sanity
check --

Q. Sanity check?
A. -- they're not doing anything real . . .

And then, like, the addition of annual 

target variable for the first time, that also goes up to 

the very top level. Relocation.

So yeah, there's -- there's things that 

are compensation related that -- that go up and it -- 

this documents what level of final approval is required 

in order for it to get processed.

Q. Okay. And is this document still current?
A. I am not positive on that, simply because 

of the accelerated hiring experience.

Q. Oh. Well, actually, it would probably be 
different then, right? Because this is March of 2017?
A. 2017.
Q. So that was before the accelerated hiring, 

right?

A. I -- yes. I -- I think so. So I -- to 

what extent this changed for that -- 

Q. Uh-huh.
A. -- I'm not positive -- because, like, part 

of the accelerated hiring experience, they removed 

compensation, for example, from the review. And this one 
doesn't have compensation on it anyway.
So when that communication happens is still -- is in those conversations before -- before the formal offer goes. And then once the final -- once that top-level approval is done, then they can say, "Okay, we've got approval. It's going into the system. We got you at this base salary."

So -- and similarly, with transfers as well, they would have the conversation to say, "This is what we're going to put in for you."

Q. Okay. And the -- the final-level sanity check, is that Mr. Ellison or the board?

A. No. That is -- we have a team of three who are considered the CEO office of approvers, and they are lower-level individual contributors that, again, do that sanity check to say, "Does this -- is this -- does this look okay?"

But they're handling thousands every month because they do it globally, and it's really just that cursory review to say, "Does this -- does everything look up to . . ."

Q. Okay. And that's Mr. Ellison, Ms. Catz, and is it --

A. Oh, no. They have nothing to do with it. There is a team of three low-level individual contributors who represent the office of the CEO to
make -- to -- to do that final checkbox that it's approved after their sanity check.

Q. Who are the three team members?
A. Carolyn Balkenhol; she's mentioned in this document, in fact, in the notes on page 10. It says Carolyn Balkenhol is in there. Carolyn Balkenhol, and then the other two women are Lynn -- I forgot Lynn's last name -- and Yvonne Sieber. I forget -- I forget Lynn's last name, though.

But it's three women who monitor that in-box that's considered the CEO office of approvers. But the -- the CEO and executive, that -- they're proxies for them. They -- those guys don't actually see these.

Q. And the CEO office, is that Mr. Ellison's office?
A. No. Our CEO, the -- well, now it represents all three of them, the CEO office of approvers. Our CEOs are Safra Catz and Mark Hurd.

Q. Uh-huh.
A. And then Mr. Ellison is the executive chairman and CEO -- or CTO. That's why it says the "CEO(s)" with the "s" in the parentheses and "executive chairman" and CTO." Those are the three M-10s, but it's really, they proxy, they have -- they have proxies that act on their behalf.
A. But, you know, if they, like a couple weeks later, realize something that -- that it didn't quite get to the amount that they were -- like there could be a subsequent change.

Q. Uh-huh.

A. But changing what was approved in a Workflow, that doesn't happen once it's gone --

Q. Okay.

A. -- to that level.

Q. At what level can changes still be made to the salary decision? All the way to the CEO office?


A. I would say -- I mean, technically speaking, a request for a change could happen at any level. It's pretty rare. I -- it's very rare that stuff gets changed. Because there's so much done by the front-line manager, with HR and with comp and coming -- like, they don't -- they don't have any interest in delaying this process. They are not interested in putting something up for -- for the levels of approval, only to have it shot down and come back to them.

So the -- the thorough review at the beginning is intended to make its way and pass all the way through. So it's very rare that anything would
change after the manager.

Q. (By Mr. Song) Okay. If -- if somebody at, let's say, the -- the next-level manager makes a request for a change to a salary decision?

A. Uh-huh.

Q. Does it have to go back to the lower-level manager who made the decision, or does it just keep going up?

A. No, it goes back.

Q. Okay.

A. So that if the -- if, say, just -- say, for example, if my manager, if I submitted something and my manager thought I needed to change it, he would return for correction.

And then I would make a change, note the change, and then send it back up --

Q. Okay.

A. -- again.

Q. So it has to go back and then all the way back up --

A. Yeah.

Q. -- again?

A. Yeah. Or it would be denied and say, "You know, start over." They'll -- they could just click "Reject" and say, "Will you resubmit that? I didn't like
Q. But there's no box -- I mean, there's no requirement to include comments on why you're rejecting a salary decision?
A. Not to my knowledge. I don't believe it's required.
Q. Are there guidelines that suggest to do that, or ...
A. Not to my knowledge.
Q. All right.
MR. SONG: I think that's it. We can --
THE WITNESS: For now?
MR. SONG: -- take a break.
THE WITNESS: Okay.
MS. CONNELL: Okay. Great. Thank you.
THE VIDEOGRAPHER: Going off the record.
Time is 12:32 p.m.
(Recess taken from 12:32 p.m. until 1:14 p.m.)
THE VIDEOGRAPHER: Back on the record.
Time is 1:14 p.m.
Q. (By Mr. Song) Ms. Waggoner, regarding
sanity checks --
A. Uh-huh.
Q. -- for the top-level reviews, how do you
know that they're only sanity checks at the top?

A. I have had numerous conversations. I know Carolyn fairly well. I've had numerous conversations about -- about her and kind of what they're -- what they're looking at, what they're looking for.

I also know that because there's only three of them and they handle this responsibility globally --

Q. Uh-huh.

A. -- there are thousands that come through. So they don't -- there would be no possible way for three of them to do any deep digging into what's going on.

Q. Okay. And so did anybody tell you that they're just sanity checks?

A. Oh, yes. My -- I mean, Carolyn, when we've talked about what it is she's looking at and what it is she's going -- she's going through, she and I have talked about, before, how this is just making sure nothing crazy is going on.

Q. Uh-huh. Okay. And what about at the EVP level, those are sanity checks as well?

A. Yes, I believe so.

Q. Okay. All right. And how do you know they're only sanity checks there?

A. Also because at this level, people are
pretty far removed from the individuals themselves and the -- the data, the actual data.

Q. Uh-huh.
A. And because they have a lot -- a lot of volume that will come through to them as well and -- they simply don't get into that kind of detail when it come -- they have much bigger strategic and visionary work to do than get into the minutiae of an offer.

Q. Okay. Then did you hear any -- did you hear from anybody specific about the EVP level only doing sanity checks? So you heard from Carolyn at the CEO level.
A. Uh-huh.
Q. What about EVP, did anybody tell you that?
A. No.
Q. No?
A. I wouldn't say anybody's told me that --
Q. Okay.
A. -- specifically.
Q. All right. So you're just -- you know, you're just basing that on your knowledge of their workload, the number of requests they get, et cetera?
A. Yes.
MS. CONNELL: Objection.
A. And --
Q. (By Mr. Song) Okay.

A. And conversations with HR -- HR that supports them, that kind of -- so not specific individual -- like I couldn't name specific individuals, but just knowing kind of what that process is.

Some EVPs, for example, might have one day of the week that they look at transactions because they just get so many, they -- they dedicate and just do a quick sanity check to make sure that nothing is awry.

Q. All right. What about SVP, senior vice president?


A. What about them?

Q. (By Mr. Song) What -- do -- they do sanity checks, correct?

A. I would -- yes, I would say that theirs is a sanity check, unless the hire is for someone right below them. I mean, it really -- it depends on how far down -- if they're the first level after the submission, then they --

Q. Okay.

A. -- might look at it a little more closely, but --

Q. Okay. And then how do you know those are sanity checks at that level?
A. Same answer.

Q. Okay. All right. And then if you could look at Exhibit --

A. If I could add to that. The other reason I know is because it's -- they're almost never changed. Like, it -- it almost never gets rejected or -- or changed or anything. So it really is -- if this passes the sniff test, if this passes sanity, it's good.

Q. Yeah.

In your experience, how many have been changed at those levels?

A. At that level?

Q. Yeah.

A. I couldn't even begin to guess, but --

Q. Okay.

A. -- very small.

Q. Okay. Like less than five?

A. Over the span of many, many years? I couldn't say a number. I would say well less than 5 percent over the span of many years.

Q. Okay. And I wanted to -- I forgot to ask you about one page on Exhibit 7, so if you could turn to Exhibit 7, page 29.

MS. CONNELL: You mean Bates Label 29 --

MR. SONG: Yeah.
maybe they're not contributing at quite the right standard, they might be lower in the range.

And that's why when I was saying you can't make any determination about what the right compa-ratio would be for somebody, because there are factors involved in -- in why they may be positioned a certain way in the range.

And then similarly, the higher quartiles, if their contribution is exceptionally high or they're ready for promotion, they might be higher in that range because they're ready to go to the next step, and the next range would be higher.

Q. Okay. And when it says -- next to "Market," it says, "External equity"?

A. Uh-huh.

Q. And what's that?

A. So those are our salary surveys.

Q. Like from Radford and --

A. Yeah.

Q. Oh, it's -- okay.

A. Yeah.

Q. And then what about next to "Peers," it says, "Internal equity"?

A. Uh-huh.

Q. What does that mean?
A. So the internal -- the people on the team who perform the same role, working on the same products, exact same responsibilities, at the same level, in the same location.

Q. Okay. And would that be under the same manager, all the --

A. Typically.

Q. All the peers? Okay.

A. It could get a little broader than that. I mean, it -- it could get a little broader; if there's only one or two, we might say, "Let's move up so we have a little bigger sample size," but it's under specific team.

Q. Okay. And salaries could be allocated, right?

MS. CONNELL: Objection. Asked and answered.

A. Yes, we've established there could be people.

Q. (By Mr. Song) Okay. And what would you consider to be -- what would you consider to be low, like on this salary range?

A. I think we --

MS. CONNELL: Objection --

A. -- already talked about that.
documents speaks for themselves.

A. Yeah.

Q. (By Mr. Song) Yeah.

A. --

Q. Okay.

A. --

Q. Okay.

MS. CONNELL: Objection. Asked and answered, and the documents speak for them--

A. --

Q. (By Mr. Song) Yeah.

A. -- as I've said before, and they're meant

But as I mentioned, you're

Q. Okay. Does product factor into pay?

A. Product --

Q. Like the product that the employee works on?

A. Absolutely.

Q. Okay. And how -- how does it factor into pay?
A. So it factors into the pay for the individual. It does not factor in for the salary range piece, the range that we assign internally at Oracle. As I said, our ranges are intentionally broad to account for things such as product and location and that.

And I believe I went over an example earlier where a product would impact. Say, for example, somebody has an older skill that is not as highly commanded in the market and like -- like the JD Edwards, product development of the JD Edwards product or maintaining the JD Edwards product. That's just not a hot product anymore, and so the market is not dictating that we must pay them in the fourth quartile.

Conversely, we've got the hot skills of, like, machine learning or artificial intelligence or some areas of -- of cloud, where the market is incredibly hot, there isn't as much talent out there for it, and a lot of us high-tech companies are competing for that talent.

So therefore, their knowledge of that particular product and that particular technology would warrant them higher in the range.

Q. Okay. And recommending a salary for an employee who's working on, say, a hot -- a hot product?

A. Uh-huh.

Q. Do they have to justify that in writing
anywhere?

MS. CONNELL: Objection. Asked and answered.

A. Generally, in the offer, if it's going to be high in the range -- or -- and really anywhere in the range, the manager does give a little blurb about what it is they bring to the table and what they might -- and their reason for putting the salary where it is.

Not required, but in general --

Q. Okay.

A. -- like I said, they don't -- they're not interested in sending something up that isn't going to get approved, so they will -- they will document their reasons behind the decision to expedite the process of approval.

Q. (By Mr. Song) Okay. And is there something in the guidelines about how to consider product in making a pay decision?

MS. CONNELL: Objection. The documents speak for themselves.

A. Off the top of my head, I don't know if we specifically say "product" in the guidelines.

We talk about how the ranges are broad to allow managers to account for difference in experience, skills, competencies, and performance of the candidates.
and incumbents. And so I would say what they bring to that product would be their -- some of their skills and competencies would be relevant to what it is they're going to work on because the -- you -- likely, we would be looking for machine learning skills in order to perform the machine learning roles here. So I think it kind of is baked into that, but a specific product name or specific product, we don't call that out as something different here.

Q. (By Mr. Song) Okay. Because, yeah, I didn't see anything in here specifically about how to factor into -- factor in product into pay.

But I wanted to know if you knew of anything specific?

A. Yeah. I don't believe we mention product, but what they can -- in order to get hired into a product, your skills and experience and competencies would be part of that experience.

Q. Okay.

A. Or would be part of that, kind of how you can contribute to that product.

Q. So that's more of an unwritten guideline or guidance?

MS. CONNELL: Objection. Misstates her testimony.
A. It's -- it's known that certain --
depending on the product you're working on, your skills
and experience and competencies will be different, and so
what you bring to the table and what -- what you're going
to be working on here is what factors in.

Q. (By Mr. Song) Okay. Yeah. I think I
understand that.

But I'm just trying to get to the
guidance, of whether there is specific guidance on how to
do that or how to factor into, you know, a pay decision
what the product is?

MS. CONNELL: Objection. Asked and
answered.

Q. (By Mr. Song) So it doesn't sound like
there's anything written --

A. You know --

Q. -- in the guidelines?

A. -- as I said --

MS. CONNELL: Objection. Asked and
answered. The documents speak for themselves, and
mischaracterizes her testimony.

A. It doesn't say the word "product," but the
experience and the skills and the competencies that
people bring is what makes them qualified to work on a
certain product. Therefore, it can all be encompassed in
what helps to make their decision on where to position their pay.

Q. (By Mr. Song) All right. I think you mentioned compensation committee earlier today?
A. Yeah.
Q. Yeah. Can you --
A. That's duties.
Q. Yeah. Can you tell me about the compensation committee?
A. So --
A. -- the compensation committee that I was referring to before is the compensation committee of the board of directors, and they oversee executive compensation matters at Oracle.
Q. (By Mr. Song) And that would be from SVP on up, or --
A. EVP on up.
Q. EVP on up. Okay.
And how many members are there of the committee?
MS. CONNELL: Just object as this line of questioning being beyond the scope of the topics on which she's been designated to testify.
But you can answer in your personal
person, prorated based on their eligibility for the period. If they were -- for example, if our -- if they were only eligible for six months of the period, that focal eligible salary would be one-half of their actual annual salary because they're eligible for only six months.

Q. Okay. And then what about the "Focal base amount increase"?
A. That would be the base salary increase in -- I can't tell if this was turned on to U.S. dollars or not, but it would be the -- the amount of increase that they're -- the manager has input to give to that person.

Q. And is "Focal" just returning to referring to the focal review?
A. Yes.

Q. Okay.
A. It's like the -- that's the use -- word we use for merit, our merit increase cycle.

Q. Okay. And -- and then towards the end of those columns, that includes the compa-ratio that we previously spoke about?
A. Yeah.

Q. Okay. And it has the quartile.
And then towards the end of that, it's a
Q. Okay. And then what about stock options, they wouldn't be included on here?
A. They were not part of this plan.
Q. Oh, okay. And then while we're on -- on the subject of focal reviews, can you tell us a little bit about the focal reviews?
A. What about them?
Q. (By Mr. Song) What are they?
A. It's the one time that we review all employees for potential base salary increases or job changes, promotions. It's -- focal is just, it refers to a focal one point in time, instead of -- some companies might do anniversary reviews. We do it one point in time.
Q. Okay. And are there guidelines regarding the focal review?
A. Guidelines? What --
Q. (By Mr. Song) Well, you have guidelines on salary range, compa-ratio?
A. Uh-huh.
Q. Is there -- are there any instructions or any guidance on how to do a focal review --
1. No.
2. No?
3. No.
4. When --
5. It varies.
6. Okay. And how is it decided what time they're going to happen?
7. It has to do with
8. Okay. But it is?
10. Okay. So what's the -- is it typically?
11. No.
12. No?
13. It's not.
15. It's not.
16. Then what's the average kind of time frame of when you guys do focals?
18. I would say in the, maybe.
19. We've had a lot of in the time that I have been here, and we have had where
we have not had anything at all.

Q. (By Mr. Song) Okay. And then who decides when to have them?

A. Our CEOs.

Q. And do you know how they decide?

A. It has to do with

Q. Just those -- just those two things?

Like --

A. I don't know what else goes into their head.

Q. Okay.

A. But that's what --

Q. Okay.

A. They are looking at Oracle globally and what is in the best interest of the company.

Q. Okay. So once they decide they're going to have a -- Oracle's going to have a focal review, what do they do next? How do they implement it or how do they get it done?

A. They let me know that we're going to do it, and we -- we actually are -- we propose to them country budgets, to say: Around the world, this is what the budget should be per country, as a


to some of their client groups. My team does not personally do that training, but there is training that exists.

And -- and we also post training online, on a website for managers to access, and we have links to that training to say: Here -- here's training on how to use workforce compensation and -- and guidelines for this process.

Q. And then it's left to the managers to actually conduct the focal reviews?
A. Yes. The managers input their recommendations.

Q. Okay.
A. For the increases, the managers put those in.

Q. And that's when those reviews that go up the chain of command -- we talked about earlier -- happen, right?
A. This -- in this particular -- in -- for focal, so the up-the-chain-of-command thing, that's for -- more for new hires, for individual Workflows. For this particular process, it -- it can go up the chain of command.

Q. Uh-huh.
A. And, like, a third- or fourth-level
manager can see everything that's been entered for their lower-level managers, but it does not require that every single level click "Approve, Approve, Approve, Approve." It doesn't -- it doesn't really work quite the same way.

Q. Okay. And -- but there's still the sanity checks at the top for -- for these focal review approvals?

A. At the very top, the -- it's more, it -- the -- they confirm that everybody stayed within the budget they were given.

So at the end of a program, I present a summary to our CEOs and CT-- executive vice -- or executive chairman and CTO that shows: This was their eligible head count, this is who -- this is how many got a raise, this was their budget, and this was their spend.

And as long as everybody stayed within the budget they were given, we get the green light to post, to process them.

Q. Okay. For new hires, you -- you mentioned that there were -- there was the next-level manager, the compensation -- the compensation consultant, and the HR business manager who would do a little bit more of a substantive review of the pay decision.

Is that -- is that true here as well for the focal review process?
A. For the -- so I believe -- I believe more -- what I testified to that was that the -- the
managers might consult with their business partners, and they would have a conversation about what makes sense for that new hire offer. And if necessary, HR might engage comp if they would like some help. Comp was -- compensation consultant was not always involved with those decisions.

With a -- when we have a focal program open, the manager may or may not engage with HR. HR may or may not engage with comp.

But they -- but HR and compensation do look at the worksheets and run downloads of the worksheets to do some sanity checks to make sure, you know, we -- we might have a case where somebody accidentally -- actually, what happen -- what tends to happen, and I mentioned it here, there is a currency switcher.

And so sometimes managers think they're entering all their recommendations in as -- as U.S. dollars, but then when HR goes in to run kind of a -- to run a -- just a spot-check of what's going on and what's been entered and how much progress has been made --

Q. Uh-huh.

A. -- HR discovers that they put in -- say
they put in for 10,000 and their intention was $10,000, but it actually was only -- they were on the local currency page, so 10-- it was 10,000 rupees, which comes to like a dollar. And so just those kinds of -- they go in and check to make sure that what they're -- what is being inputted is -- and they'll follow up then with the manager to say, "I don't think you meant to do this." So they'll do a little bit of spot checks on it, but it's not -- I wouldn't say there are real in-depth analyses on things, but they are available to consult with the manager, should the manager need to have some conversation around . . .

Q. And what would you say is the primary purpose of the focal review?


A. We say that our primary purpose, it's to keep up with local markets. We have to -- the market moves every single year in every single country, and CPI is a big deal in our employees' buying power. So to be able to keep up with market movement, to be able to -- to give raises to people if they have moved into a higher-level role or -- or are going to be taking on, say, a management role to be --
hiring, HR is seeing all of these Workflows. So from that standpoint, HR would be involved because they see it come through. Whether the manager consulted with HR on making that final decision before putting it in the Workflow, I can't -- can't say for certain.

Q. (By Mr. Song) Uh-huh.
A. But someone in HR would see it when the manager enters it in.
Q. Okay. So I wanted to talk a little bit more about prior pay.
Oracle does not have a policy regarding prior pay, correct?
MS. CONNELL: Objection. Misstates her prior testimony.
Q. (By Mr. Song) No. I'm saying it does not?
A. We do have a policy. We spent the first hour --
Q. Oh, I'm sorry.
A. -- of this talking about it.
Q. I'm sorry. Yeah, I'm sorry, that is the policy. I'm sorry. I meant prior to -- okay. Let me rephrase that. I think I'm having a lunch moment.
Does -- Oracle does not have a policy regarding -- like prior to the change in policy -- or enactment of the policy that you can't use prior pay,
Oracle did not have a policy regarding use of prior pay in setting -- setting compensation, correct?

A. We did not have a policy on it, no.

Q. Okay. Was there ever a time that -- that Oracle managers were required to use prior -- to -- required to consider prior pay in setting a salary?

A. I would say no.

Q. No? Okay.

Were they -- were there guidelines regarding use of prior pay in setting salary?

A. I believe, in reviewing some of the documents that have been produced, I've been sort of refreshed that that could be a reference point. But as far as requiring that to be used, I don't believe it was ever required to be used.

But it -- it certainly has been mentioned in -- in prior documentation, that prior pay could be a -- either a starting point or a consideration or something, and then we go into skills, experience, location, product, you know, where -- where they would be -- peers, all that stuff.

MS. CONNELL: And for the record, those guidelines have been produced and they do speak for themselves.

Q. (By Mr. Song) Did -- prior to the
Q. Okay. And then once that budget is approved, can any changes be made to it?


A. The very top level budget? I mean, we could -- Safra could say: We're going to spend a little bit more here.

Q. (By Mr. Song) Okay.

A. But it really -- we start out with that, and nobody has authority to make changes to that top number except for our CEOs.

Q. Okay. So once the managers get the budget cascaded down to them -- and so, for example, Safra, under her line of business, would decide how much each manager gets, what their budget is?


A. It goes one level at a time.

Q. (By Mr. Song) Okay.

A. So I meet with Safra to ask her how she would like to push down her top number.

Q. Okay.
A. Say her top -- her overall percentage
globally is 3.8 percent.

Q. Okay.

A. Depending on the area that we're talking
about, she might say -- you know, or actually, what I --
what I usually start to do for her is model -- go back
into the countries, because she might have a leader who
has a much larger population in India where that country
percentage was 9 percent, and so maybe she would say,
"Give them 5.7 because they've got U.S., they've got
India, they've got people all over the world."

So she makes the decision for the next
level down --

Q. Okay.

A. -- what their budget would be, and then
those reports make their decision for the next level
down.

Q. Okay.

A. It goes, usually, one level at a time.

Q. Okay. So if you're at the bottom level,
like the M-2 or M-1, you don't have any say in, like
changing the budget or anything like that?

MS. CONNELL: Objection. Misstates --

Q. (By Mr. Song) You're stuck with it?

MS. CONNELL: Objection. Misstates her
Q. But if all things were working out well, it's annual, like, if you've got the budget for it?
   A. Yes, yeah.
   Q. Okay.
   A. It would be to recognize performance each fiscal year. If we're going to have one --
   Q. Okay.
   A. -- it recognizes the prior completed year.
   Q. Okay. And is there a specific budget for -- for bonuses?
   A. Absolutely.
   Q. Okay.
   A. Yeah.
   Q. And -- and is that similar to the fiscal review budget? How does that work?
   A. No. That one is: Our CEOs with finance accrue, throughout the year, how much they think we will be able to afford. And then if they decide we will be going forward with paying out a bonus, they tell me a dollar amount at the very top level.
   Q. Okay. And then does it cascade down, the way the other budget did?
   A. Yes. Same way.
   Q. Okay. But this is more at the end of the fiscal year, correct?
A. Yes.

Q. And then the -- the amount of the -- the budget that's cascaded down, how is that -- how is that figured out? Like, how do they calculate that?


A. So the very top level pool, as I said, is decided with our CEO in finance.

Q. (By Mr. Song) Uh-huh.

A. And then that ends up becoming, we -- we calculate from that number the percentage of the eligible salaries that is.

Q. Okay.

A. So whether it comes out to be [blurred] of all eligible salaries in the company --

Q. Okay.

A. -- then the next level cascading, everybody would get [blurred], across the board. So then from the [blurred] And how they cascade from there is up to them.

Q. Okay. So would it also be dependent on how many employees are within your line of business?

A. That factors into the eligible salary. So yes, you get the percentage of the eligible salaries. If you have more employees, you probably have a higher eligible salary. So your dollar amount to spend would be
Q. Okay. And at the -- at the manager level, when they're actually making the bonus decisions, how are they doing that? Is it just up to their discretion?

MS. CONNELL: Objection. Calls for speculation.

A. The -- the corporate bonus program is a discretionary program. It's manager input.

Q. (By Mr. Song) Okay. So the -- the manager gets to decide how much to -- how much and who to give it to?

A. Yes.

Q. Okay. And are there guidelines for the manager on how to, you know, distribute bonuses?

A. In our compensation guidelines and when we've had bonuses, we do speak to being sure -- refreshing managers on how they should really focus on the people who had an outstanding year or maybe they contributed to a really critical project that year, but just sort of highlighting -- our guidelines highlight for them, especially in years of lean budget -- which is what we've had for the last many years -- specifying for them, "Remember to focus on the people who are" -- done -- so who contributed in that particular fiscal year to the most important things.
Q. Okay. And are the -- the bonuses that managers decide to give employees reviewed? Is there, like, a supervision of -- or check on --

A. So that follows the same as the focal. So it works -- it kind of works its way up within the workforce compensation module.

Q. Okay. And are there any systems in place to try to ensure equity or fairness in distributing the bonuses?

MS. CONNELL: Objection. Vague. Assumes facts. Beyond the scope of the PMK topics for which she's been designated.

A. I don't know. I mean, there's nothing centrally mandated or done.

Q. (By Mr. Song) Uh-huh.

A. If different HR business partners go in and try to do that, they -- they maybe could. But I don't know of anything centrally done.

Q. And so it's the -- the same managers that are making the salary decisions, they're the ones that are also making the bonus decisions?

A. Correct.

Q. Okay.

A. It's the direct managers for the eligible employees.

A. It's the same as the Workflow process that come -- that is outlined in our matrix, the Exhibit 8. If it involves money, it goes all the way -- it goes up the chain.

If it is just a -- and then the other reviews, it speaks in Exhibit 8, if it's a job change to a position below an M-4, it only has to go up one level. But if it's a job change to a director or senior director, it goes up to a few levels; and then job change to M-6 or above, it goes up to the CEO office.

So it depends. But it's -- it's the Workflow process. Kind of like the offer, where it has to go through various stages.

Q. (By Mr. Song) All right. And then can you tell me about the dive and save? Is dive and save a policy at Oracle?

A. I -- not a policy.

Q. Okay.

A. Dive and saves happen at Oracle.

Q. All right.

A. And essentially, that refers to an employee who has an offer to leave Oracle. They have an offer in hand for a higher compensation package than they're earning at Oracle, and they could go to their
manager to say, "I'm resigning. I've gotten an offer at X company," and the manager may say, "I would like to counter."

It's essentially a counter to an external offer and then -- and then they could -- if the employee would stay for our counteroffer, then they would initiate a transaction for that counteroffer.

Q. Okay. And is that one of the better ways to get a big raise at Oracle?


A. I guess I'm not -- I'm not sure what -- what you mean by that.

Q. (By Mr. Song) Well, if you -- it seems like -- it seems like the dive and save -- I don't know what you want to call it -- program or practice seems to result in larger increases or raises for --

MS. CONNELL: There's no question pending.

THE WITNESS: Okay.

Q. (By Mr. Song) So is -- and so it seems like that's one of the -- one of the better ways or best ways to get a large increase at Oracle, or maybe at any company.

But would that be fair to say, that the dive and -- getting an offer from an outside company is
STATE OF COLORADO

CITY & COUNTY OF DENVER

I, K. Michelle Dittmer, a Registered Professional Reporter and Notary Public within the State of Colorado, do hereby certify that previous to the commencement of the examination, the said deponent was duly sworn or affirmed by me to testify to the truth.

I further certify this deposition was taken in shorthand by me at the time and place herein set forth and thereafter reduced to typewritten form, and that the foregoing transcript constitutes a true and correct record.

I further certify that I am not related to, employed by, nor of counsel for any of the parties or attorneys herein, nor otherwise interested in the result of the within action.


[Signature]

K. Michelle Dittmer
Registered Professional Reporter
Notary Public

Dated: July 29, 2019
EXHIBIT Q
Connell MSJ Decl., Ex. I
Oracle Compensation & Mapping
Agenda

1. Oracle’s Compensation Philosophy
2. Compensation System Fundamentals
3. Mapping Process
4. Q&A
Compensation Philosophy

- Attracting, retaining and motivating highly skilled, high performing employees is key to Oracle's ongoing success.

- Oracle's goal is to compensate employees based on their contribution to the company and Oracle's financial performance.
Compensation Components at Oracle

**Base Salary**

Linked to an employee's skills and competencies in their current role, sustained performance and local labor market conditions.

**Short-term Incentives**

Provides a mechanism to reward short-term (less than one year) performance and results. Payouts are intended to vary based on performance.

Examples of Short-term incentives at Oracle are:

- Sales Incentive Plans - tied to individual or team performance against a quota
- Global Corporate Bonus - discretionary bonus funded by company performance

**Long-term Incentives**

Intended to be a retention tool. Equity awards also tie individual awards to adding shareholder value.

Oracle uses:
- Stock Options
- Restricted Stock Units
Oracle's Incentive/Bonus Plans

*Developed to reward and incentivize employees to achieve and exceed their role and team related objectives*

**Sales**
- Sales and Pre-Sales Roles
- Metrics defined based on LOB, role, level, country
- Fiscal year cycle

**Consulting**
- Combination of utilization component and manager discretion
- Fiscal year cycle
- Payment linked to LOB/Corporate business results
- Structure of plan and applicable metrics differ depending on role, level, country.

**Global Corporate Bonus**
- Discretionary
- Fiscal year cycle
- Payment linked to Corporate business results

**Other role-specific plans**
- Oracle University
- Recruitment
- Support

Additional information and more details on the Oracle Plans will be provided during the M&A harmonization communications that can supersede current information.

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Compensation System Fundamentals
Compensation System Fundamentals

Core Elements for Each Job

- **Job Code**: unique identifier for the job globally
- **Job Title**: brief description of the job — "system title"
- **Function**: describes the general type of work performed
- **Specialty Area**: subset of function to further identify the work performed
- **Global Career Level**: broad steps in job families that indicate increased skill, knowledge, responsibility, & performance expectations

Global Job Table

Jobs are classified using a consistent global framework

- When a job code is selected, the core elements are automatically populated globally
- Other elements tied to the job such as grade, salary range and compensation plan are determined by country
- Choosing the correct job code for your employees is extremely important — can impact compensation, including salary range, bonus and compensation plan eligibility, overtime eligibility as well as other non-HR systems
Global Job Table

Every employee with same Job Code will have the same Global Job Title, Function, Specialty Area and Global Career Level
Job Functions, Specialty Areas and Job Families

Below is a subset of functions, specialty areas and job families at Oracle

<table>
<thead>
<tr>
<th>FUNCTION</th>
<th>SPECIALTY</th>
<th>JOB FAMILIES</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</table>

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Job Functions, Specialty Areas and Job Families

Below is a subset of functions, specialty areas and job families at Oracle
Global Career Levels

- Global career levels are a set of broad, hierarchical categories related to the level at which a job is performed.
- Responsibilities, contribution, and job complexity increase from one job level to the next in the hierarchy.
- The global career level structure has two paths: Management (M1-M10) and Individual Contributor (IC0 – IC6).
  There is no correlation between M and IC level.
- An employee is considered to be a manager if their primary responsibility is management (with hire/fire authority) of two or more regular full-time equivalent Oracle employees. All other employees should be considered individual contributors, including team leaders.
# Leveling Framework

<table>
<thead>
<tr>
<th>Category</th>
<th>Specific Criteria</th>
<th>Learning</th>
<th>Developing</th>
<th>Fully Competent</th>
<th>Advanced (Mentor)</th>
<th>Strategic</th>
<th>Strategic Innovation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope</td>
<td>Responsibility, level of contact, Financial impact, Accountability/results</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Solution Complexity / Strategic Thinking</td>
<td>Nature of problems solved, Role in addressing problems, Complexity of solutions</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Freedom to Act</td>
<td>Level of guidance; Takes direction from</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer Interface</td>
<td>Level of contact, main level of interaction,</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Knowledge / Expertise</td>
<td>Business acumen, Technical skills, Education, Experience</td>
<td></td>
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</tbody>
</table>

**Why Six Levels to go from Low to High?**

- Number required to effectively differentiate roles / levels in the organization
- Alignment with external labor market data; more companies and surveys have 5-7 total levels
# Individual Contributor Career Levels

<table>
<thead>
<tr>
<th>Level</th>
<th>Role</th>
<th>Competency</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>IC1</td>
<td>Associate Professional</td>
<td>Learning</td>
<td>Contributes through Following Directions: Activity, with guidance and problem solving with assistance. Follows standard practices and procedures. Gaining competence in an area. 0-2 yrs experience.</td>
</tr>
<tr>
<td>IC2</td>
<td>Intermediate Professional</td>
<td>Developing</td>
<td>Contributes Independently: Completes own role largely independently with some assistance and guidance. Works on duties that are semi-routine but recognizes the need for occasional deviation from accepted practice. Developing professional expertise. Typically a Bachelor's degree with minimum of 2 yrs experience.</td>
</tr>
<tr>
<td>IC3</td>
<td>Staff Professional</td>
<td>Career Team Lead</td>
<td>Contributes through Expertise: Tasks are varied and complex requiring independent judgment. Contributes to moderately complex aspects of a project or assignment. Fully competent in area of expertise. May assist peers with aspects of their role or have a project leadership role. 5-8 yrs relevant experience, 2 yrs for Development.</td>
</tr>
<tr>
<td>IC4</td>
<td>Senior Professional</td>
<td>Advanced (Mentor)</td>
<td>Contributes through Others: Leading contributor providing direction and mentoring to others. Recognized authority and leading contributor in immediate business area/function. Decisions and solutions may impact current/future design and strategy of product technologies and/or business. Work is non-routine with high complexity involving the application of advance technical/business skills. 8 yrs of relevant experience; 7 years for Development.</td>
</tr>
<tr>
<td>IC5</td>
<td>Guru (Internal Expert)</td>
<td>Leadership (5% ± 10% global pop)</td>
<td>Contributes through Leadership: Manages and plans implementation of company policy for achieving business goals. Acknowledged authority within the organization. Recommends, justifies and implements major changes to existing products/services/processes. Frequently operating at the leading edge of technology. Provides technical product/professional leadership and expertise to management in development of new products/processes. 12+ years related experience.</td>
</tr>
<tr>
<td>IC6</td>
<td>Architect</td>
<td>Acknowledged Expert (2% - 3% global pop)</td>
<td>Acknowledged authority within the corporation and/or industry nationally and internationally. Provides leadership in the development and strategic direction of new products, processes and techniques. Primary consultant on large, global projects that affect the organization's long term objectives/strategy/vision.</td>
</tr>
</tbody>
</table>
## Management Career Levels

Management is defined as one who is directly responsible for the practice or process of managing two or more employees with accountability for performance management, hire, fire, disciplinary, and rewards activities. Should have budget responsibility.

<table>
<thead>
<tr>
<th>Level</th>
<th>Title</th>
<th>Responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>M1</td>
<td>Supervisor</td>
<td>Directs a resource allocation team, coordinating the sub-activities of a workforce and setting priorities. Supervise within prescribed procedures.</td>
</tr>
<tr>
<td>M2</td>
<td>Manager</td>
<td>First line manager with operational focus within a single function. Manages employees who perform similar tasks within a single function, BU/dept., product or technical discipline. Majority of interaction is within the same BU or function. Manage tasks and projects, as defined by senior management, to meet business targets. Typical span of control is 2-5 employees.</td>
</tr>
<tr>
<td>M3</td>
<td>Sr. Manager</td>
<td>Modifies and executes company policies that affect immediate operations and may have company-wide effect. Manages employees who perform similar tasks across multiple work groups or department. Primary interaction is within the same BU/function. May occasionally interact with customers on issues. Plans, implements, maintains budget for functional area or section.</td>
</tr>
<tr>
<td>M4</td>
<td>Director</td>
<td>Participates in developing and recommending strategic plans. Develops short/medium and long term plans to successfully implement operational policies. Influence across functions to shape ideas of executives or customers. Manages multiple first line managers with different accountabilities, an/or functional experts. Typical span of control is up to 8 employees.</td>
</tr>
<tr>
<td>M5</td>
<td>Sr. Director</td>
<td>Develops and recommends strategic plans and set business and fiscal objectives. Develops corporate and/or organizational policies and authorizes their implementation. Establishes and maintains influential relationships at all levels of internal and external customers/prospects. Responsible for cultivating across functional community. Manages first line managers and directors with different accountabilities and/or functional experts across multiple departments. Typical span of control is up to 15 employees.</td>
</tr>
</tbody>
</table>
Mapping Process
Job Mapping Process

- Job mapping is a process to align [Target employee's] job titles and levels to Oracle job titles and career levels
- When determining an employee's Oracle job title and career level, we will consider:
  - Benchmark job match to external market
  - Employee's job duties and scope compared to similar positions at [Target Co.] and Oracle
  - Employee's [Target's] salary, job title and description
- Decisions will be reviewed cross functionally to ensure fairness
- Decisions approved by [Target Co] senior management member
How Do [Target Co.] Jobs Fit Into Oracle Job Families?

Job title and career level determinations are based on the *specific work being performed* based on both:

- **Job Content**
  - Jobs are assessed relative to the various families and their corresponding content summaries to find the best fit

- **Leveling Criteria**
  - To be considered for a given level, 80% or more of the defined leveling criteria required must be met