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**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 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
EXPERT REPORT AND
TESTIMONY OF JANICE
FANNING MADDEN, PH.D.**

I, Kate Waggoner, declare as follows:

1. I make this declaration in support of Oracle America, Inc.'s ("Oracle") 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 Expert Report and Testimony of Janice Fanning Madden, Ph.D. I have personal knowledge of the matters discussed in this declaration or, where stated, base my statements on information and belief or my review of records kept in the regular course of business by Oracle. If called to testify to the information in this declaration, I could do so competently. Before signing this declaration, I read

DECLARATION OF KATE WAGGONER IN SUPPORT OF ORACLE'S MOTION TO SEAL

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

2. 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.

3. 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.

4. Given my current and former roles and long history with Oracle, I am familiar with Oracle's policies and business practices regarding treatment of confidential commercial information related to Oracle's compensation and job architecture-related materials and confidential information about current and former employee compensation. I have reviewed the following materials that Oracle seeks to seal and the redacted versions of the same, the latter of which are attached as exhibits to the 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.:

Riddell Decl. Exhibit	Document Name	Confidential Material
A	Declaration of Farouk Abushaban in Support of Defendant Oracle America, Inc.'s Motion for Summary Judgment or, in the Alternative, For Partial Summary Judgment	Compensation and performance information of non-party employees: ¶18
B	Declaration of Balaji Bashyam in Support of Defendant Oracle America, Inc.'s Motion for Summary Judgment or, in the Alternative, For Partial Summary Judgment	Personally-identifying information about non-party employee, including compensation and performance information: ¶ 13
C	Declaration of Janet Chan in Support of Defendant Oracle America, Inc.'s Motion for Summary Judgment or, in the Alternative, For Partial Summary Judgment	Equity distribution strategy that likely divulges the identities of individuals and their compensation: ¶ 12
E	Declaration of Barbara Fox in Support of Defendant Oracle America, Inc.'s Motion for Summary Judgment or, in the Alternative, For Partial Summary Judgment	Compensation information of non-party employee: ¶ 15
G	Declaration of Harmohan Suri in Support of Defendant Oracle America, Inc.'s Motion for Summary Judgment or, in the Alternative, For Partial Summary Judgment	Compensation information of non-party employees: ¶ 20 Bonus and equity allocation strategy, the details of which personally identify non-parties and reveal their compensation: ¶ 21
J	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 MSJ Decl.")	Salary range information: ¶ 23
K	Waggoner MSJ Decl., Ex. A, Annual Focal Program (Sales & Non-sales) and Workforce Compensation (ORACLE_HQCA_0000380438)	Salary increase strategy: pp. 12-13

Riddell Decl. Exhibit	Document Name	Confidential Material
L	Waggoner MSJ Decl., Ex. B, Global Compensation Training: Managing Pay Module (ORACLE_HQCA_0000364183)	Compensation strategies regarding offers to new hires: p. 9
M	Waggoner MSJ Decl., Ex. C, Global Compensation Training: Salary Ranges at Oracle (ORACLE_HQCA_0000364272)	Salary Ranges: p. 9 Pay structure and grade level exemplar: p. 10
N	Waggoner MSJ Decl., Ex. D Global Compensation Training: Job Classification and Global Job Table Module (ORACLE_HQCA_0000364276)	Internal job structure from Oracle internal network: p. 6
O	Waggoner MSJ Decl., Ex. E Managing Compensation, July 2016 (ORACLE_HQCA_0000056234)	Internal job structure, responsibilities, and organization: pp. 4, 6-7 Salary, salary range and compa-ratio information: pp. 17-18, 20
P	Transcript of the Deposition of Kate Waggoner, July 19, 2019	Strategies regarding application of salary ranges: 174:15, 174:19, 178:4-5, 178:7-9, 178:12, 178:15-18 Confidential information regarding focal budgets: 192:8-10, 192:13, 192:23-25, 193:6-7, 193:24-25, 252:1-4, 266:13, 266:17-18
Q	Oracle Compensation & Mapping (ORACLE_HQCA_0000399991)	Internal job structure, functions, and organization as they appear on Oracle's internal network: ORACLE_HQCA_0000399998-400001
R	Expert Report of Ali Saad, Ph.D., July 19, 2019	Oracle salary, bonus, and equity information: ¶¶ 14, 38-40, 43-44, 46, 51, 53-54, 57-58, 68-69, 71-72, 82, 85-89 (fn. 61), 118, 126, 136-

Riddell Decl. Exhibit	Document Name	Confidential Material
		<p>137, 139-41, 162-163, 166 (fn. 129), 186, 190, and pp. C2-C3, C8, E6-E9</p> <p>Compensation and promotion strategies that relate to specific teams of employees: ¶ 115 (fn. 89, 91)</p> <p>Compensation information for specific non-party employees: ¶¶ 51, 53-54, 68, 71-72, 85-89 (fn. 61), 106-107, 139, 141</p>
S	Expert Report of Janice Madden, Ph.D., July 19, 2019	<p>Information about bonus awards: pp. 11, 26 (fn. 15)</p> <p>Information about stock awards: pp. 11, 23-24, 36, 44</p>
T	Expert Rebuttal Report of Ali Saad, Ph.D., August 2019	<p>Oracle compensation information: ¶¶ 38 (fn. 40), 39, 41</p> <p>Compensation information for specific non-party employees: ¶¶ 28-30 (including Examples 1-3), 37-38, 41, 48, 86</p>
U	Expert Rebuttal Report of Janice Madden, PhD, August 16, 2019	Pay growth data: p. 52 (Table R10)
V	Transcript of the Deposition of Janice Madden, Ph.D., October 10, 2019	Salary range information: 55:5, 121:23

Portions of Plaintiff's Motion Contain Confidential and Proprietary Compensation-Related Material.

5. Multiple items among the redacted materials in the above chart contain confidential and proprietary information about Oracle's compensation structure, and more particularly, specific numbers for salary ranges for various positions and private information regarding certain employees, including their current salary, their salary offers for new positions, their current compa ratios, and the justifications for their salary offers based on their particular employee assets.

6. The testimony Oracle seeks to seal in paragraph 23 of Riddell Decl. Ex. J is based on and contains data that is contained in Oracle's confidential Salary Range History spreadsheet, which, upon information and belief, was produced to OFCCP as confidential at Bates number ORACLE_HQCA_0000581471. Just as explained above, this salary range information is confidential and proprietary information, and Oracle maintains and protects this information as confidential.

7. The evidence Oracle seeks to seal in Riddell Decl. Exs. S and U reflects data about bonus awards, stock awards, and pay growth that, upon information and belief, is derived from confidential Oracle data files. Just as explained above, this information is confidential and proprietary information, and Oracle maintains and protects this information as confidential.

8. The commercial value of the types of information described in paragraphs five through seven above, hinges entirely on its remaining confidential. The information concerning Oracle's compensation structure – the salary ranges Oracle has determined are appropriate for certain employee positions and the premiums Oracle deems appropriate to pay to attract certain talent – are the result of work-product, developing an understanding of the labor markets in which Oracle competes, and refinement through trial and error. Oracle uses salaries and premium pay to compete for talent, and so the value of this work product is necessarily dependent upon keeping it confidential within Oracle. To that end, Oracle has expended significant resources over many years to develop, adjust, and refine its compensation strategies,

both to advance its business interests, and to attract and retain its workforce.

9. The ability to attract and retain talent drives Oracle's business success because its talented workforce is the lifeblood that drives all the services, products, and support Oracle provides to its customers. Oracle is keenly aware that competition for talent is fierce within the technology industry; Oracle competes not only against major technology companies, but it often competes for talent with emerging companies – this is especially true within California. As a result, disclosing detailed salary information to Oracle's competitors would undermine its ability to attract talent, while empowering its competitors. In other words, Oracle's competitors would be able to leverage Oracle's information to develop compensation structures designed to outbid Oracle in hiring or entice Oracle employees to leave. That, of course, would undermine Oracle's business, which as noted above, is dependent upon its talented employees.

Portions of Plaintiff's Motion Contain Confidential Compensation Information Derived from Employee Personnel Files and Secured Databases.

10. Various materials found in the above chart contain the specific compensation amounts for Oracle employees.

11. Employees' specific compensation information is derived from personnel files and Oracle databases to which Oracle limits access. Oracle limits access to personnel files and data, because the information relates to personal, private, and highly sensitive information Oracle has about its employees. Oracle respects its employees' privacy interests and maintains strict internal confidentiality policies to limit dissemination of the information found within personnel files. Safeguards Oracle employs to maintain the confidentiality of personal compensation information include limiting access by assigning access rights to only certain persons. For example, managers can view compensation information regarding employees who report up to them, but they generally do not have access to other employees within the broader line of business or organization. Similarly, certain individuals responsible for matters related to compensation (e.g., me), HR, payroll, etc., have access to a broader set of employees'

compensation information based on business needs. In the absence of access rights such as those described above, personal compensation information is completely restricted.

12. The personal privacy interests of the Oracle employees whose compensation information is identified in the redacted portions of materials described above would be compromised if their salaries or salary histories became public.

Confidential Job Architecture-Related Documents.

13. Various materials found in the above charts contain specific information detailing Oracle's job architectures, reflecting Oracle's proprietary and confidential human resources strategies for structuring job positions and promotions. The way that Oracle organizes its workforce was developed internally and is the direct result of substantial effort and investment over decades, with an overarching objective of effectively accounting for and organizing its large workforce. The way in which Oracle has successfully structured its workforce is an integral component of its objective to maintain its competitive position within the technology sector. The architecture has been steadily refined in response to business and customer needs, and market demand.

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14. Oracle undertakes substantial efforts to maintain confidentiality over the materials discussed above by limiting the access to, and distribution of, such information. Oracle restricts internal access to the information, limiting distribution to only those with a legitimate business need to know. When the information is disseminated internally, Oracle's general practice is to mark it Confidential, Oracle Internal, and/or Highly Restricted. Oracle also controls and safeguards this information by entering into agreements with employees that prohibit them from sharing or using any proprietary information externally or internally in the absence of a legitimate business need—and explicitly prohibiting the unnecessary use or sharing of the types of information discussed above, such as the compensation of other Oracle employees and non-public financial information.

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

Executed in Parker, Colorado on October 17, 2019


Kate Waggoner