

THE ORACLE UK PENSION PLAN

Recovery Plan

Status

This Recovery Plan has been prepared by the Trustees of the Oracle UK Pension Plan (the Plan) after obtaining the advice of the Scheme Actuary appointed by the Trustees.

This document follows the actuarial valuation of the Plan as at 31 May 2016, which revealed a funding shortfall (technical provisions minus value of assets) of £165.5m. It has been agreed by the sponsoring employer, Oracle Corporation UK Limited (the Employer).

Steps to be taken to ensure that the Statutory Funding Objective is met

To eliminate this funding shortfall, the Trustees and the Employer have agreed that additional contributions (i.e. contributions in addition to those needed to cover the expenses of the Plan) will be made, with part of the funding shortfall being made good by additional investment returns.

Contributions will initially be paid into an escrow arrangement over the period from 31 May 2016 until at least May 2025, with contributions being paid across from escrow into the Plan following the results of the valuation at the Final Test Date of 31 May 2025 if there is a deficit in the Plan. Contributions paid after 31 May 2025 will be paid direct to the Plan. Further details on the funding mechanism are provided below.

In determining the level of contributions required for the Plan, assumptions about the future experience of the Plan will be made. Further details on the contribution arrangements and assumptions used are given below.

Payments to escrow

The Employer and Trustees have agreed as part of the 2016 actuarial valuation that the Employer will continue to make payments in respect of the funding shortfall into an escrow arrangement until at least April 2025. Payments to the escrow will be made in monthly instalments of £833,333 with the first instalment under this schedule due by no later than 31 July 2017 (for the July 2017 instalment) and the last instalment due by the last business day in May 2035. The terms of the escrow arrangement are set out in the "Funding Deed in relation to the Escrow Arrangement" dated 28 May 2015 (the Funding Deed).

Unless agreed otherwise between the Trustees and Employer, payments falling due after April 2025 will be made direct to the Plan.

Note that payments due to the escrow can be reduced by the amount of any contributions that have been paid to the Plan directly by the Employer since the date of this Schedule, excluding those in respect of augmentations or made under the indemnity provisions in the Plan rules.

An actuarial report on developments affecting the Plan's technical provisions and funding level will be obtained annually between actuarial valuations. This check will be based on the Technical Provisions assumptions in the Statement of Funding Principles in force at the previous actuarial valuation date with market conditions updated to the effective date.

If an annual Actuarial Report reveals a surplus (taking into account the monies in the escrow), payments to the escrow arrangement may cease in accordance with the Funding Deed. If an update reveals a surplus in the Plan (excluding the monies in the escrow), then all the funds in the escrow may be returned to the Employer and the escrow may be wound up.

If an annual Actuarial Report reveals a deficit (taking into account the monies in the escrow), then the Employer will continue / resume making payments to the escrow arrangement.

Final Test Date contribution from the escrow arrangement

The "Final Test Date" in the Funding Deed is 31 May 2025. In accordance with the Funding Deed, at the Final Test Date the Trustees may require the transfer of escrow monies to the Plan, up to a maximum of the deficit calculated using Technical Provisions assumptions at that date.

The Trustees and Employer have agreed that this Recovery Plan will run beyond the Final Test Date on the understanding any contributions due after April 2025 will be paid directly into the Plan.

Period in which the Statutory Funding Objective should be met

The funding shortfall is expected to be eliminated in 19 years from the valuation date, which is by 31 May 2035. This expectation is based on the following assumptions:

- Technical provisions will continue to be calculated according to the method and assumptions set out in the Statement of Funding Principles agreed as part of the 2016 triennial valuation, with financial conditions unchanged from those at the valuation date.
- Plan experience will be in line with the assumptions underlying the technical provisions, except that the investment return during the period will be 6.0% pa on Core Contributions to which the Pensions Underpin applies.
- The results derived from the Final Test Date under the Funding Deed, which will determine the monies to be paid to the Plan with effect from 31 May 2025.

Progress towards meeting the Statutory Funding Objective

Due to the escrow mechanism, the contributions required to meet the Statutory Funding Objective, at least 50% of the contributions will be paid immediately following the Final Test Date on 31 May 2025.

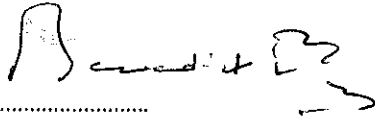
This Recovery Plan has been agreed by the Trustees and the Employer



Signed on behalf of the Trustees of the Oracle UK Pension Plan

19 July 2017

Date



Signed on behalf of Oracle Corporation UK Limited

25 July 2017

Date

Date of Recovery Plan: 25 July 2017