



**2015 Shareholder Resolution**  
**ORACLE – Co-filed with Investor Voice**  
Request: Adopt Policy on Simple Majority Vote Counting

**RESOLVED:** Shareholders of Oracle Corporation (“Oracle”) hereby request the Board of Directors to take or initiate the steps necessary to amend the Company’s governing documents to provide that all matters presented to shareholders, other than the election of directors, shall be decided by a simple majority of the shares voted FOR and AGAINST an item. This policy shall apply to all such matters unless shareholders have approved higher thresholds, or applicable laws or stock exchange regulations dictate otherwise.

**SUPPORTING STATEMENT:**

A simple-majority formula includes only FOR and AGAINST votes. It does not include ABSTAIN votes.

- The Securities and Exchange Commission (“SEC”) mandates use of a simple-majority formula for determining resubmission eligibility of shareholder proposals.
- A CalPERS-commissioned study found that 48% of the S&P 500 and Russell 1000 employ a simple-majority standard.
- Institutional Shareholder Services (“ISS”) states: “that a simple majority of voting shares should be all that is necessary to effect change regarding a company and its governance provisions.”<sup>1</sup>
- A Council of Institutional Investors (“CII”) Governance Policy states: “Uninstructed broker votes and abstentions should be counted only for purposes of a quorum.”<sup>1</sup>

The problem with counting abstentions is that voter intent is unknowable. Nevertheless, Oracle includes abstentions in the formula for all votes,<sup>2</sup> then counts every ABSTAIN vote as if it were an AGAINST vote.

This Proposal would end that practice and harmonize how Oracle both counts and reports voting results<sup>2</sup> to shareholders, the SEC, and press.

Because Oracle has a “majority voting policy for directors” (which does not incorporate abstentions) it should be neither burdensome nor difficult to adopt simple-majority as a uniform standard.<sup>2</sup>

---

A recent white paper studied the impact of counting abstentions. It examined voting in the S&P 500 and the Russell 3000 across 11 years, and evaluated more than 21,000 individual votes ([www.investorvoice.net/vote-counting](http://www.investorvoice.net/vote-counting)).

*The Wall Street Journal* published an exclusive on this research, and *Corporate Secretary* magazine named the simple-majority issue a “must-read” for executives.

**One key finding:** Rather than a neutral effect, counting abstentions as if AGAINST creates a 7.6 times greater negative impact on shareholder proposals than on management items, which undermines the value of shareholder input and guidance.

**SUMMARY:**

- 48% of the S&P 500 and Russell 1000 already use a simple-majority standard, which makes this a reasonable and mainstream request.
- Roughly a third of companies presented with this Proposal have adopted simple-majority as an enhancement to their governance. These companies are from the S&P 500, and half are Delaware-chartered, like Oracle.
- Both ISS and CII favor simple-majority voting.
- Simple math confirms that counting abstentions lowers votes, and research demonstrates it also unduly impacts shareholders.

Shareholders deserve a harmonized, fair, and consistent voting system – not a 2-count system that creates multiple outcomes, favors director elections, and disproportionately impacts shareholders.

**Therefore, please vote FOR** good governance and simple-majority voting at Oracle.

---

<sup>1</sup> Emphasis added.

<sup>2</sup> Except for director elections.