



2022 Environmental, Social, and Governance Report

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About this Report

Coupa is committed to advancing sustainable business practices and driving positive impact for our customers and communities — doing well and doing good. We advance our Environmental, Social, and Governance (ESG) strategic initiatives through collaboration — both internally and externally with our stakeholders. Understanding the importance of transparency in building trust, in 2021 we published our [first ESG report](#) where we communicated our initial ESG priorities, initiatives, and performance.

In this second annual ESG Report, we seek to demonstrate continued progress of our ESG initiatives to investors, employees, customers, and other stakeholders. Unless noted, this report highlights activities and performance during Coupa’s fiscal year ending January 31, 2022.

We monitor the evolving ESG landscape and use several leading frameworks and standards to inform our strategy and reporting efforts, including:

- Sustainability Accounting Standards Board (SASB)
- Global Reporting Initiative (GRI)
- UN Global Compact (UNGC)
- Sustainable Development Goals (SDGs)
- Task Force on Climate-Related Financial Disclosures (TCFD)



CEO Letter

Building for Sustained Success

Everywhere in our world, we see challenge and change — the pandemic, war, inflation, climate, inequity, and inequality. We're collectively asking, "What's our tomorrow?" and looking for answers with our family, friends, colleagues, and communities.

Coupa also looks for solutions through the power of a united Business Spend Management (BSM) community. Our customers, partners, suppliers, and employees — our Coupa Village — come together to co-create ideas and innovations that help all of us to do well and do good.

Today, Coupa maximizes the value of almost \$4 trillion in cumulative global business spend. Through our Business Spend Management platform, we leverage the data from that spend across more than 2,500 customers and 8 million suppliers to accelerate inclusivity, sustainability, governance, and opportunity.

But we can do more.

Global GDP is approaching \$100 trillion — a 195% increase in just 20 years. Now imagine a world where the impact of that business spend is focused on not only accelerating profit, but also accelerating progress toward Environmental, Social, and Governance (ESG) goals.

Think what that would mean for our common effort to combat climate change, open doors of opportunity to underrepresented communities, significantly reduce risk, and create more value across the economy, from ideation to creation to consumer.

That exponential impact is the **united power of business spend**.

Our Values, Vision, and Mission

For Coupa, everything starts with our values. Ensure customer success. Focus on results. Strive for excellence.

These values guide us in our daily work together. They're the foundation on which we build our company, shape our strategies, and make our decisions. Our values are the common bonds that draw us together as a Coupa community.

Today, we're sharing our Coupa vision and mission.

Our vision: We see a global community of companies and leaders, united to make every business dollar spent more effective, equitable, and sustainable.

Our mission: Through the power of trillions of dollars in business spend, our mission is to unlock our customers' full potential to do well and do good, anchored in a shared belief that we are smarter, together.

If our values are our foundation, our vision and mission are our beacons. They're the inspiration for our innovation roadmap and our efforts to lead positive change in our communities around the world.

Our values, vision, and mission must be reflected in every touchpoint we have with our community. We reinforce their trust as they see our values reflected in their experiences and engagement with us.

Doing More Across Our Communities

We've worked to do more with our Coupa Village to make a difference in the places where we live and work. Around the world, our employees give back through their time, talent, and money. Making a difference is core to our purpose and we want to do even more.

Employees are a vital part of our commitment to ESG progress. That's why we've expanded our company-supported volunteer time-off by 150%, giving employees a full week to serve, while doubling the Coupa matching grants for employee financial donations. In 2021, we contributed to more than 1,000 organizations globally.

Our new skills-based pro bono initiative opens opportunities to share our talents and technology with organizations that are making a difference but need help scaling for broader success.

We're also doing more at the leadership level, bringing on new expertise to lead Coupa's ESG efforts and raising the bar on what we aspire to achieve.

And this year, together across a united global community of companies, governments, and people, we made a special effort to help Ukrainian families. We connected with our customers, suppliers, and partners in the region to help them through challenges they never anticipated.

We are also dedicated to doing our part to combat climate change and we've taken initial steps to be carbon neutral for 2020-2021.

Striving for Excellence

Even with our progress, there are clear areas for improvement.

A global team with diverse backgrounds and experiences is a powerful multiplier of business innovation and growth. And when our teams better reflect the communities and companies we serve, it makes Coupa a destination company, where people want to stay, grow, and build together.

As you'll see in this report, in 2021, we made progress, increasing underrepresented minorities by 2.5%, rising to 11.5% of our U.S. workforce. Our global gender diversity also improved, rising to 31% female representation in our global workforce in 2021 — a 2% increase from 2020. But there's more we can do.

To reflect this priority, we've put in place a clear strategy and associated commitments for workplace diversity. Coupa's new Director of Diversity, Equity, and Inclusion (DEI) will reinforce the imperative of progress across the company.

We're strengthening partnerships with Historically Black Colleges and Universities in the U.S. and organizations such as Black Tech Pipeline and Professional Diversity Network.

These engagement efforts also include our LGBTQ+ community, people with disabilities, women, and veterans and their families.

We're also doing more to strengthen skills and expand opportunities for people already at Coupa.

We've doubled our commitment to career development coaching for our team members and launched an interactive framework that empowers employees to establish development goals aligned to career aspirations.

Coupa Rising Stars also launched this year, striving to develop skills and networks for 100 next-generation leaders at the company, broaden their visibility across the business, and empower them to create a positive impact for the entire Coupa community.

A BSM Platform Built for Progress and Purpose

The Coupa platform is the most powerful business spend transformation solution in the industry.

Critically, that same platform also informs and transforms companies' purpose. Through Sustainable BSM, we connect the Coupa community to make every business dollar spent more sustainable and inclusive.

In the last year alone, we created more than 30 new capabilities to help our customers make progress toward their own ESG goals. With the launch of our Supplier Diversity Dashboard, we're helping to accelerate supplier diversity and expand opportunity; already, our customers have shifted billions of dollars in spend to small businesses and diverse suppliers. We're also enabling companies to reduce their carbon footprint in their supply chain through our modeling capabilities and newly released Scope 3 Emissions Dashboard.

We've achieved a lot, and we're only just beginning.

What's Our Tomorrow?

Throughout this report, you'll see the goals we have, the progress we've made, and the opportunities in front of us. I deeply appreciate the efforts of our employees, partners, suppliers, and stakeholders to ensure that Coupa continues to match the power of business spend with the power of shared purpose.

What's our tomorrow? None of us have the exact answer. But I believe that, through our shared values and common purpose, we'll find it together.

Our intent and insight will lead to action. We'll find greater value in diverse ideas and experiences. We'll strive for excellence and lead with authenticity.

United, we are a powerful community.

We dream. We dare. We inspire.



Rob Bernshteyn
Chief Executive Officer and Chairman of the Board



Our Company

Coupa's cloud-based platform empowers thousands of global organizations to spend smarter and drive positive impact through our Community. We are all united by the power of spend.

In this section:

- [About Coupa](#) →
- [Our Mission & Values](#) →
- [Our Operations & Workforce](#) →
- [2021 Highlights](#) →
- [Awards & Recognition](#) →



Key Highlights:

\$3.6+
TRILLION

cumulative spend
under management

3,000+
EMPLOYEES

across 32 offices
in 14 countries

8+
MILLION

global suppliers

About Coupa

As the industry-leading provider of Business Spend Management (BSM), Coupa offers a cloud-based platform that connects our 2,500+ customers with more than 8 million suppliers globally. The core of our Software-as-a-Service (SaaS) platform is the transactional engine for managing a company's business spend across supply chain, procurement, and finance functions.

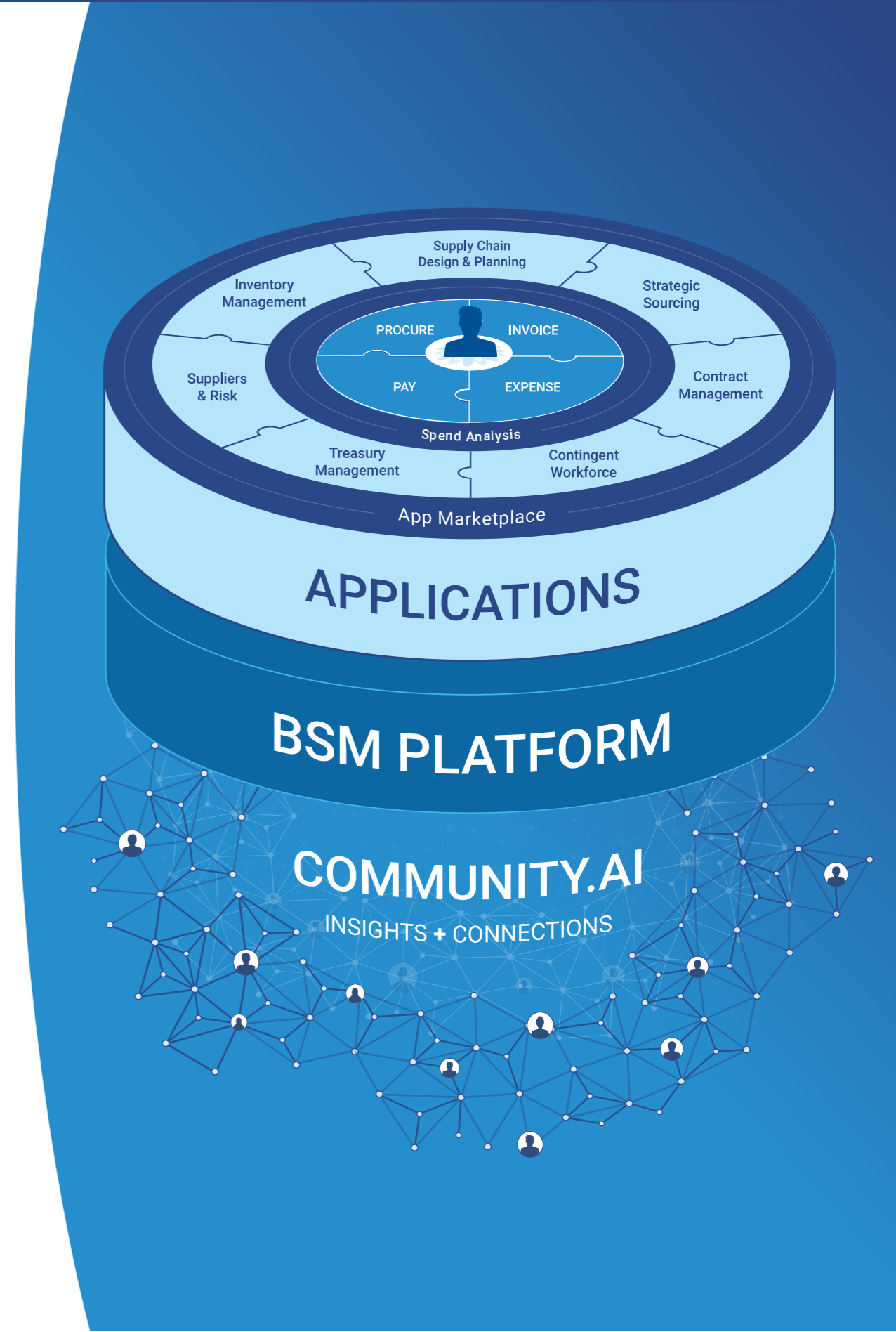


Through supporting applications, our platform helps companies manage spend via supply chain design and planning, strategic sourcing, contract management, contingent workforce, treasury management, suppliers and risk, travel and expense management, and inventory management. We designed our BSM platform for the modern, mobile workforce that expects real-time results, transparency, and agility from software solutions.

Coupa's experience, community data, and insights advance both the impact of our own business and the broader Coupa Community to improve global sustainable supply chains. The collective insights of our customers and suppliers grow as Coupa's business does. This benefits Coupa's Community from the powerful network effects built into our product — which we call exponential impact.

Coupa drives business value for our customers, partners, and suppliers while delivering meaningful impact for the communities we serve. During the past two years, our team size has nearly doubled with substantial growth continuing into 2022. As of April 30, 2022, our cumulative spend under management was \$3.6 trillion.

In continued efforts to harness the power of spend, we launched [Coupa Ventures](#) in 2021, a fund to shape innovation in BSM by enabling us to make strategic investments in early- and growth-stage companies. These investments include companies that have made ESG a core focus, from diversity and inclusion to the mitigation of supplier risk.



Our Mission & Values

The foundation of Coupa's culture is built on three unwavering principles we refer to as our core values:

- 1 Ensure Customer Success
- 2 Focus On Results
- 3 Strive For Excellence

We emphasize these principles across our company. Our team members embody them. Our work is defined by them. The values guide how we treat each other within our organization, and how we approach interactions with our customers, suppliers, partners, and others with whom we do business.

These values also serve as the foundation for our purpose as a corporation. We're excited to share our mission and vision for our company — and what team members around the world strive to achieve together every day.



Coupa's Core Values

ENSURE CUSTOMER SUCCESS

Obsessive and unwavering commitment to making customers successful.



FOCUS ON RESULTS

Relentless focus on delivering results through innovation and a bias for action.



STRIVE FOR EXCELLENCE

Commitment to a collaborative environment infused with professionalism, integrity, passion, and accountability.



VISION

We see a global community of companies and leaders, united to make every business dollar spent more effective, equitable, and sustainable.

MISSION

Through the power of trillions of dollars in business spend, our mission is to unlock our customers' full potential to do well and do good, anchored in a shared belief that we are smarter, together.

Our Operations & Workforce

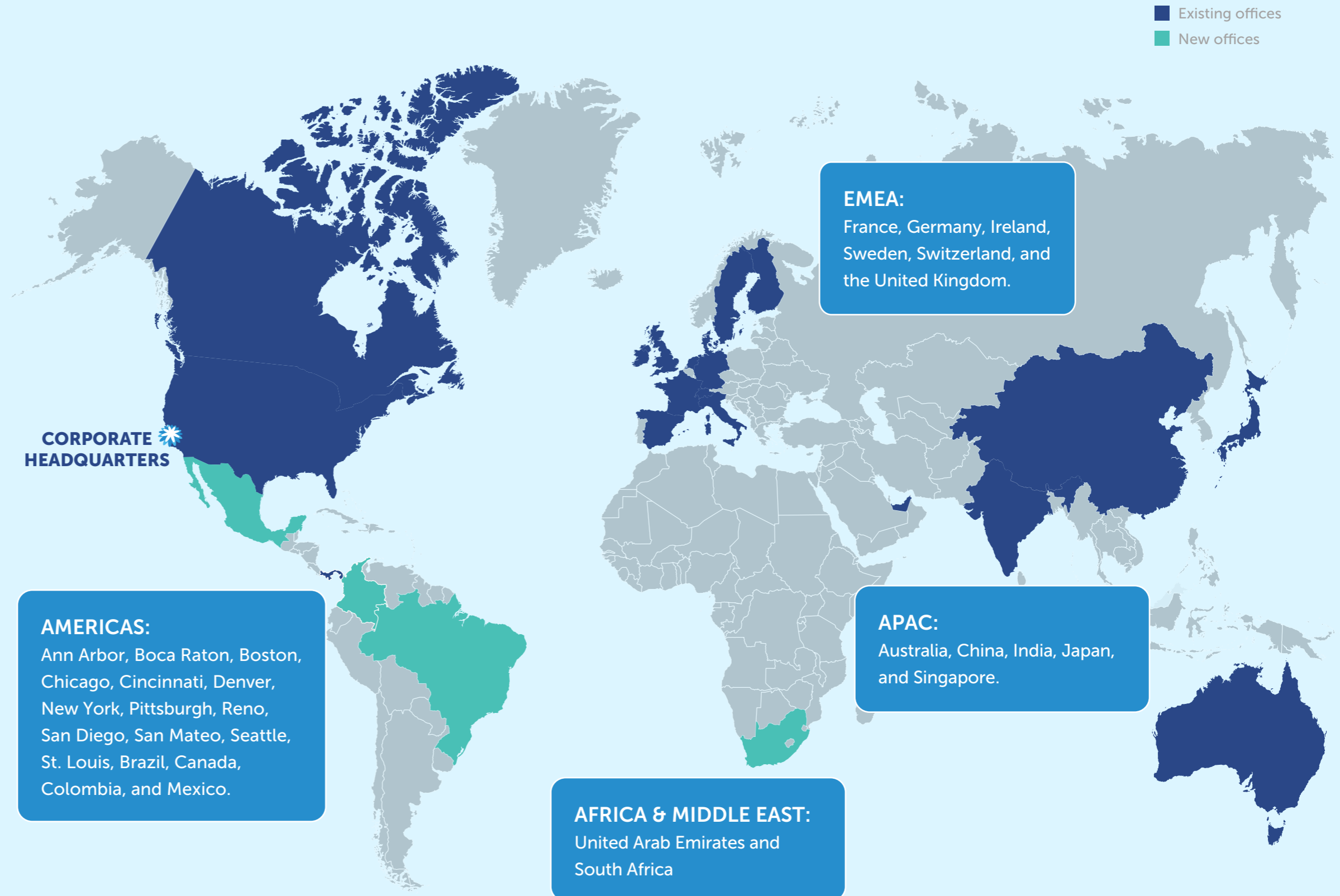
Headquartered in San Mateo, California, Coupa has a global presence and reach. In 2022, our company will continue to grow with new teams and offices in Brazil, Colombia, Mexico, and South Africa.



3,076

Full-time employees globally*

*As of January 31, 2022



2021 Highlights

Sustainable BSM

Billions of dollars

small business and diverse supplier spend across Coupa Community

285+

customers with active ESG & DEI usage on the Coupa BSM platform

30+

new capabilities that help drive impact and progress toward ESG goals across business spend processes

Environmental

Carbon neutral

for Scope 1, Scope 2, Scope 3 business travel emissions

100%

renewable energy to cover global office electricity consumption

5,400+

pounds of e-waste recycled across San Mateo and Ann Arbor offices

Social

2.5%

increase in underrepresented minority employee community in the U.S.

85%

positive employee engagement score achieved from Great Place to Work® survey

\$630K

provided in charitable donations from Coupa

Governance

Hired

new VP & Director leadership roles on ESG team

Published

Global Anti-Corruption and Bribery Policy

90%

employee compliance with Code of Conduct annual training

Awards & Recognition

In 2021, we were honored to be recognized with the following awards:



FORTUNE

Future 50

Best Small & Medium Workplaces

Best Workplaces for Millennials

Best Workplaces in Technology

Best Workplaces in the Bay Area



Our Strategy

At Coupa, we are building a community of inspired employees, customers, suppliers, and partners who share our belief in the power of spend to drive positive impact for businesses, society, and the planet.

In this section:

- [ESG Materiality Assessment](#) →
- [ESG Governance](#) →
- [Stakeholder Engagement](#) →

Key Highlights:

EXPANDED ESG TEAM

by hiring key leaders and supporting team members

SILVER MEDAL

EcoVadis sustainability rating elevates Coupa's score, moving the company into the top 25% of all companies assessed



Our Strategy

During the past two years, we have focused on building a strategic ESG program foundation — including establishing greater governance and strengthening our own sustainable business practices.

As a result, we were awarded a silver medal sustainability rating from EcoVadis, moving us to the top 25% of all companies assessed. Through our holistic, 360-degree commitment to ESG, we achieve greater impact and further our company’s purpose through our talent, time, and technology.

E

Environmental

We care about the planet and strive to help our customers reduce their environmental footprint while also reducing our own, including in the following areas:

- Sustainable Procurement
- Energy & Emissions
- Waste

S

Social

We amplify our social impact by cultivating a collaborative, diverse, and inclusive culture and enabling our employees, suppliers, and communities to thrive through:

- Diversity, Equity, and Inclusion
- Talent & Culture
- Volunteerism & Philanthropy

G

Governance

We believe in strong governance practices and solutions as a trusted partner and are committed to reducing risks in global supply chains through:

- Risk Management
- Data Privacy & Security
- Ethical Conduct

Sustainable Business Spend Management

Q&A

What is your vision for ESG at Coupa?



Our vision starts internally with our commitment to climate action, and dedicating our time, talent, and technology in service of society. This also means ensuring we are upholding the highest standards in our governance. Together with our customers, we are building the infrastructure to seize possibilities and lead ESG as one of the world’s best enterprise software companies.

Gina Tesla, VP, ESG

ESG Materiality Assessment & Strategic Framework

Our ESG strategy focuses on ten priorities determined by a 2020 materiality assessment. As part of the process, we conducted interviews with executive leadership and key external stakeholders, including: investors, customers, business partners, suppliers, and nonprofit organizations. These different perspectives informed priorities most important to our stakeholders and to Coupa’s business success. These ESG priorities have helped us provide the foundation for our key initiatives and reporting.

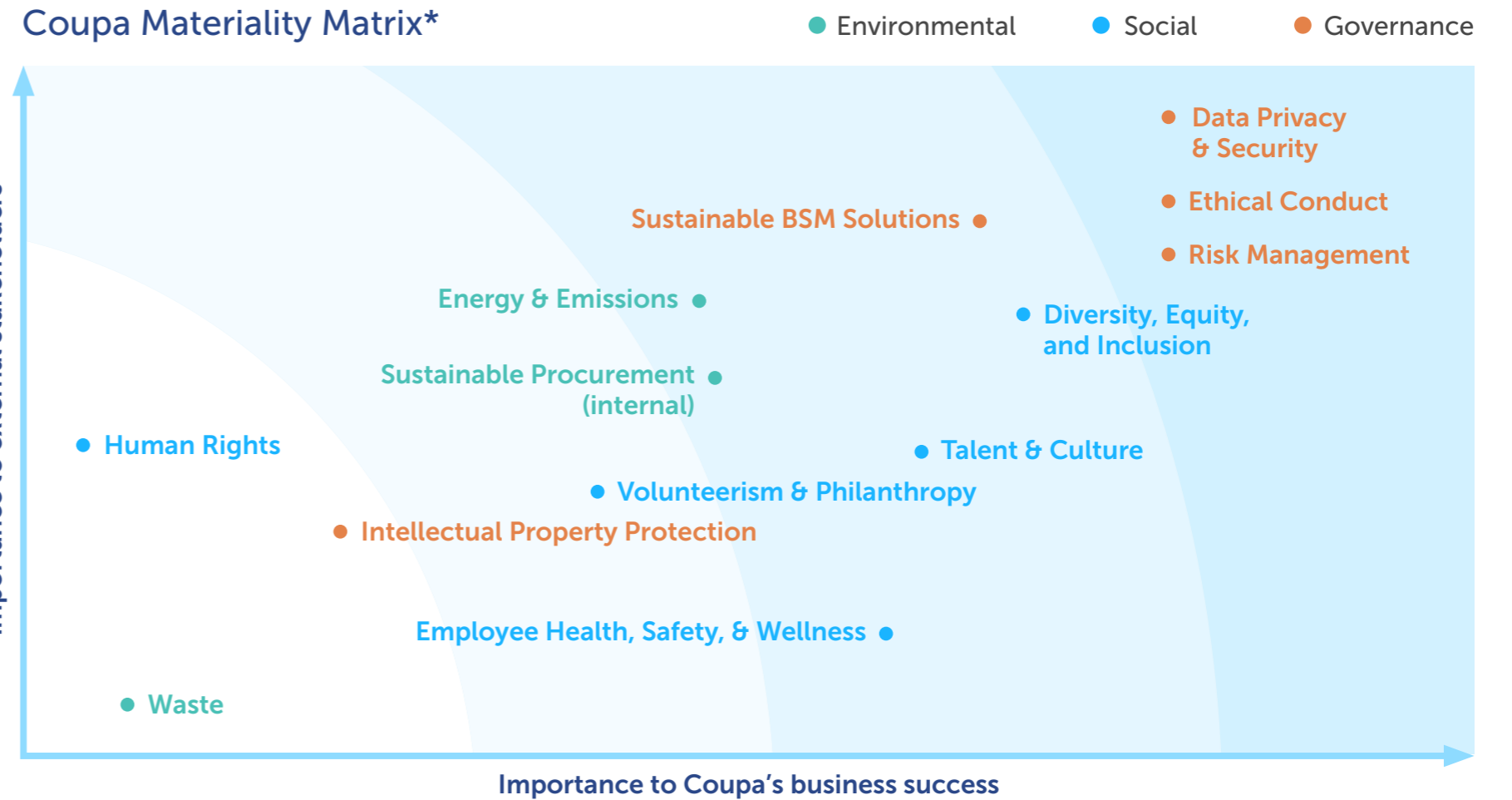
During the next year, we plan to review our material priorities to take into consideration our business growth, changing stakeholder needs, and ESG marketplace trends.

Based on our ESG priorities, we have identified six UN Sustainable Development Goals (SDGs) where we believe we can have an impact across our business and our BSM platform.



Coupa supports the Ten Principles of the United Nations Global Compact on human rights, labor, environment, and anti-corruption. We are committed to integrating the principles into the strategy, culture, and day-to-day operations of our company.”

Rob Bernshteyn, CEO and Chairman, Coupa



WE SUPPORT
UN GLOBAL COMPACT

SUSTAINABLE DEVELOPMENT GOALS

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

10 REDUCED INEQUALITIES

11 SUSTAINABLE CITIES AND COMMUNITIES

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

* Some topics are material to all ESG areas

ESG Governance

In addition to establishing key ESG priorities and creating reporting mechanisms to hold ourselves accountable, we have expanded organizational capacity to support our goals. Building upon our foundation and organizational momentum, we've made significant resource investments to accelerate our impact.

Specifically, in fiscal year 2022, we created and filled our first executive-level role, reporting to the Chief Legal Officer, to oversee our ESG initiatives: Vice President of ESG. We also added two Director positions on the ESG team to expand our social impact initiatives and advance our expertise in Diversity, Equity, and Inclusion.

We have a cross-functional ESG working group that drives and implements the program strategy, and we recently formed an ESG Executive Steering Committee responsible for decision-making on key areas of focus. The Nominating and Corporate Governance Committee of the Board of Directors provides oversight and receives regular updates on the program's progress.

Q&A

What would you say is unique about Coupa's approach to ESG governance?



As a company, we care deeply about our ESG impact and have strong support across the entire company. For us, governance doesn't just sit on one team — we have employees leading ESG initiatives across our different functions and encourage employees at any level to initiate or raise ideas for new ESG-related projects and groups.

Jon Stueve, Chief Legal Officer

ESG is a key priority with direct oversight from the Coupa Board of Directors and executive leadership.



Stakeholder Engagement

Through our business, Coupa delivers value for investors, employees, customers, suppliers, business partners, and the communities in which we operate, live, and serve. We engage stakeholders through various channels to build collaborative relationships and get feedback to inform our approach and identify purpose-focused opportunities.

EXTERNAL INITIATIVES

- United Nations Global Compact
- CECP
- World 50
- Sustainable Purchasing Leadership Council
- Pledge 1%
- Points of Light
- MSDUK
- NMSDC
- WBENC



Investors

Coupa communicates with investors through earnings calls, shareholder outreach calls, and direct meetings. In 2021, we engaged with seven of our top investors specifically related to ESG topics to ensure alignment with their priorities.



Customers

We seek feedback and collaborate on ESG with our customers. For example, Coupa held two Customer Advisory Board meetings and an event with our new Customer Executive Board on ESG. We also continually seek ideas and promote dialogue through our Coupa Community Forum via our BSM platform and through our customer teams.



Suppliers & Partners

Coupa works with top suppliers to adhere to our [Supplier Code of Conduct](#) and complete ESG assessments. Within our Coupa Supplier Community, we engage with our Supplier Advisory Board (launched in 2020) to inform our approach to help diverse small and medium-sized businesses grow. We also work with various partners to drive ESG awareness on joint thought leadership and customer initiatives.



Employees

We have ongoing engagement with employees to educate and raise awareness in a variety of channels, including our company All Hands meetings, intranet and newsletters, engagement surveys, events, webinars, new hire onboarding, and employee resource groups. This helps ensure that our employees understand the central role they play in advancing our ESG strategy and goals.



Community & Nonprofit Organizations

Coupa engages with local nonprofit organizations through employee volunteerism and giving opportunities, philanthropic funding, and other strategic partnership initiatives. We're members of Pledge 1% and recently joined Points of Light.



Memberships & External Initiatives

We continue to be a signatory to the United Nations Global Compact, and this past year we were members of the Sustainable Purchasing Leadership Council and supplier diversity organizations, including MSDUK, NMSDC, and WBENC. We recently joined Chief Executives for Corporate Purpose (CECP) and World 50.

Sustainable BSM

Coupa creates positive economic, social, and environmental impact through our platform. We refer to this as Sustainable BSM. Our goal is for every business dollar spent to become more sustainable and more inclusive. We believe that customers and suppliers working together as a community can create exponential ESG impact.

FOCUS ON RESULTS



In this section:

- [Reducing Carbon Footprint](#)
- [Increasing Supplier Diversity, Equity, & Inclusion](#)
- [Managing ESG-Related Risk](#)
- [Global Health & Development](#)

Key Highlights:

BILLIONS OF DOLLARS

total small- and diverse-business spend across our Coupa Community

285+ CUSTOMERS

use Sustainable BSM to drive ESG goals

30+ NEW CAPABILITIES

help drive impact and progress toward ESG goals across business spend processes

Sustainable Business Spend Management (BSM)



With thousands of Coupa BSM customers and more than 8 million suppliers and trillions of dollars of cumulative business spend flowing through our platform, Coupa has the unique ability to influence purchasing decisions on a large scale. This reduces risk and has a positive impact across global supply chains, communities, and business operations.

Sustainable BSM provides a prescriptive approach for ESG impact, empowering users to make real-time changes to their spend at the time decisions are being made. We provide customers with more than 80 capabilities in our BSM platform that help drive impact and progress toward ESG goals across business spend processes — such as procurement, sourcing, supply chain, and travel. Through Sustainable BSM, we aim to enable the Coupa Community to make every business dollar spent more sustainable and inclusive.

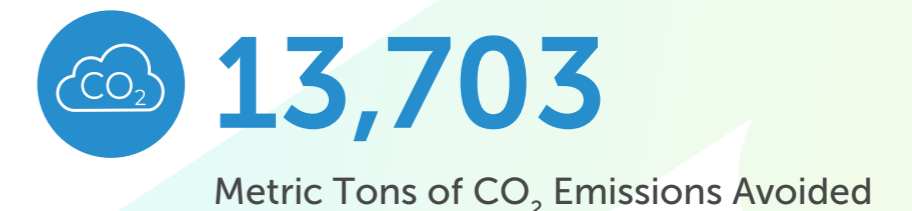
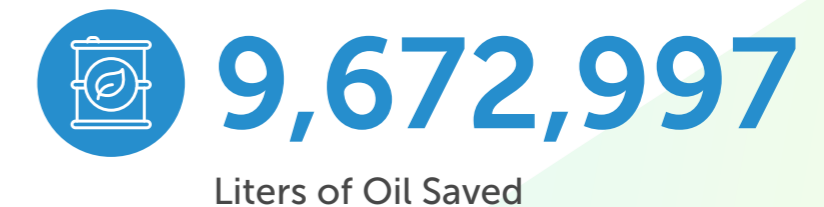
Community

At Coupa, we believe that none of us is as smart as all of us. Business communities are an opportunity for competitive differentiation for improving speed, agility, and efficiency, as well as stakeholder capitalism. That’s why we leverage artificial intelligence (AI) algorithms to extract insights from trillions of dollars in aggregated and anonymized spend data on our platform to help customers identify better ways to reduce risk, be more sustainable, increase efficiency, and be more profitable. This group of meaningful insights is known as [Community.ai](#). By combining the power of AI with peer-to-peer connections, we believe we can help the Coupa Community become exponentially smarter — including across ESG.

After hundreds of conversations and ESG go-live events over the past year, three major areas of areas of impact have emerged which will continue to drive value for the Coupa Community: reducing carbon footprint, increasing supplier diversity, equity, and inclusion and managing ESG-related risk in supply chains.

Community Digitization Impact

By digitizing various business spend processes, from contracts to invoices to payments and more, our software helps customers reduce environmental costs traditionally associated with inefficient business processes and physical record-keeping. Each Coupa customer can see its impact from digitizing spend processes on reducing emissions, saving trees, and avoiding water use and fuel consumption. Since we started recording this data and the impact digitization has had on the planet, the Coupa BSM platform and our Community of customers and suppliers have made an incredible difference.



Reducing Carbon Footprint

With the supply chain being a major driver of carbon emissions for many companies and more businesses setting ambitious science-based targets and net zero emissions goals, Coupa has prioritized greenhouse gas (GHG) emissions reduction as an important area for innovation and insights in our BSM platform and across the Coupa Community.

Coupa provides businesses with greater visibility into indirect emissions occurring in their value chain to help drive environmental sustainability initiatives and reach net zero goals. This is increasingly important in certain geographic regions as ESG legislation rolls out across the globe, including the recently proposed SEC regulations around emissions reporting for public companies in the U.S.

Our customers increasingly factor emissions into their complex supply chain design and sourcing decisions. Typically, many supply chain and sourcing scenarios involve striving for optimal savings and efficiencies, but in many cases it's not just about time and financial benefits.

Coupa's Supply Chain Design & Planning solutions allows customers to measure and weigh emissions alongside cost to optimize freight, logistics, and inventory decisions and find the perfect balance between emissions-to-serve and cost-to-serve. Our sourcing tools enable customers to factor in emissions alongside multiple other criteria to find the optimal bids when sourcing raw materials, freight and logistics, goods, and services.



OPTIMIZING SUPPLY CHAIN TRANSPORT TO HELP ACHIEVE 2050 CARBON NEUTRALITY GOAL

Saint-Gobain is a global manufacturer that designs, produces, and distributes materials for dozens of well-known brands worldwide. With a mission to achieve carbon neutrality by 2050, the company leveraged Coupa to focus their efforts on optimizing transportation in their supply chain.

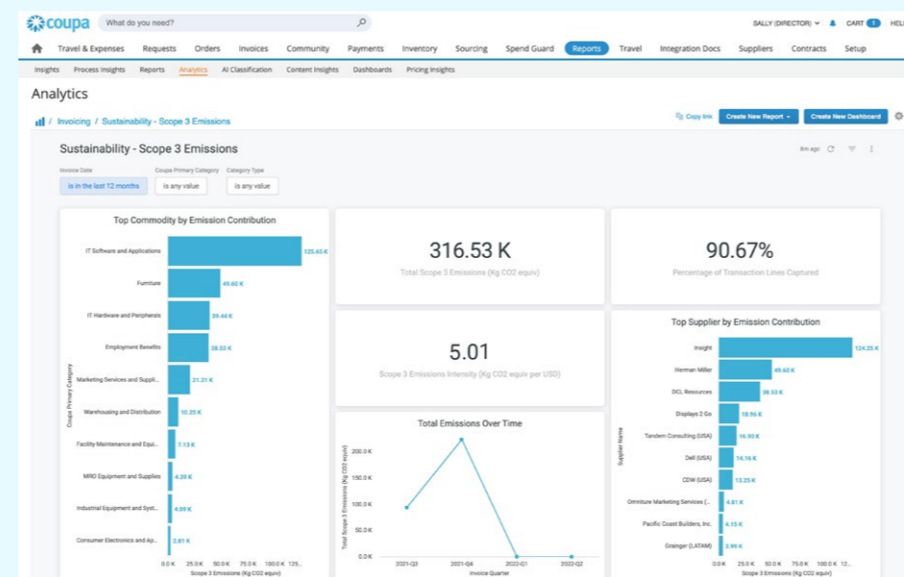
With more than 1.7 million kilometers of highway, 3,900 transportation routes, and 13,000+ potential network configurations for their portfolio of businesses in Brazil, Saint-Gobain utilized Coupa to identify supply chain efficiencies – balancing two primary KPIs of cost and CO₂ emissions. These efforts, applied across 40 projects in the past year, have resulted in total transport emissions reductions of 13%, with a 40-60% reduction in transport emissions across certain projects.

“With Coupa, we can model different supply chain scenarios delivering reductions to our cost and CO₂ emissions KPIs, which helps us drive bottom line results and environmental impact.”

Fabricio Saraiva Moreira
Operational Excellence Director LATAM at Saint-Gobain

Scope 3 Emissions Dashboard

GHG emissions reductions and reporting also play a major role in the innovation pipeline for Sustainable BSM. In May 2022, we launched our first emissions-related tracking capabilities in the form of a Scope 3 Emissions Dashboard, specifically for Category 1: Purchased Goods and Services, as defined by the [Greenhouse Gas Protocol](#). Through this innovation, we will help customers make informed spend decisions that can help reduce emissions impact and support their climate goals.



Increasing Supplier Diversity, Equity, & Inclusion

Supplier diversity is one of the most powerful ways that a company delivers on diversity, equity, and inclusion (DEI). It also increases a company's ability to innovate and expand while providing multiple channels to drive competition. Coupa helps customers increase supplier diversity and inclusion through their spend.

Our journey accelerated with our acquisition of ConnXus in 2020, a provider of global diversity reporting solutions, which helped jump start the integration of diversity-ownership data into Community.ai. We continue to enhance our diversity data and build supplier diversity capabilities across the Coupa platform.

Moving forward, we will also develop new partnerships with diversity certification bodies around the globe and help remove the silos that persist for supplier diversity teams in their day-to-day activities. In 2021, Coupa partnered with Minority Supplier Diversity UK (MSDUK) to help grow diverse spending in the UK with ethnic minority-owned businesses.

Advancing innovation over this last year, supplier diversity has expanded across more applications in the BSM platform.

This includes:

- Providing the ability to report on which suppliers are small and diverse-owned businesses, while also fostering an increase in diverse spend by allowing customers to find new diverse suppliers, source from those suppliers, and immediately direct more spend to them.
- Using diversity data for sourcing events to be launched or paused if supplier inclusion goals are not included in RFIs or RFPs. Customers can now notify stakeholders when at least one small or diverse supplier is included in the event, or stop it until a diverse supplier is added. This is unique to Coupa customers because we are bringing diversity data to spend decisions happening in real-time, instead of having to rely on separate applications.

With the launch of the Supplier Diversity Dashboard in 2021, we have been able to measure utilization and impact. We saw a monthly usage of ~1,100 visits across 250+ customers.

Additionally, we enabled community benchmarks for the major small and diverse supplier categories as part of Community.ai, and we currently see best-in-class leaders in the Coupa Community attain **20% or more diverse spend**. With our efforts and in collaboration with our customers and partners, we hope to see this number increase in 2022. In addition to providing these benchmarks, our platform provides prescriptive insights to help influence increased spend with more small businesses and diverse suppliers.

In 2022, we continue our focus on enhancing supplier diversity through Tier 2 data collection and reporting, enhanced Tier 1 spend and category reports, increased granularity of minority categories in certain regions, and expanded global diversity data from new sources and agencies.

Q&A

What sets Coupa and Sustainable BSM apart from others?



To make exponential impact, ESG data must be embedded into day-to-day decision making. Sustainable BSM capabilities are designed to empower users to make real-time changes to their spend when decisions are being made.

Donna Wilczek, SVP of Product Strategy & Innovation

2021

Billions of dollars

Total Small Business & Diverse Supplier Spend in Community

Coupa Advantage Program

Coupa Advantage offers turnkey savings and sourcing events for Coupa customers to leverage the scale of the Coupa Community. This includes pre-vetted suppliers and pre-negotiated contracts. Additionally, a portion of the proceeds from this program helps fund [Coupa Cares'](#) charitable donations.

Last year, Coupa Advantage focused on helping organizations achieve diversity spend goals by adding several more high-quality, diverse suppliers who are ready to work with Coupa customers. Customers who are part of this program can access a list of suppliers that can support Tier 1 and Tier 2 diverse spend goals. Last year, 14% of the spend in the program was directed toward diverse suppliers. Our aim is to keep growing this number in 2022 and beyond.



In 2021, we published a guide for our customers and prospects on building a diverse supply base.

In addition to diversity, Coupa Advantage also has suppliers that have created sustainable and eco-friendly catalogs for customers to access, supporting their sustainable procurement objectives.

Moving forward, we plan to leverage our Community to help decrease carbon emissions through Coupa Advantage. For example, Coupa plans to purchase carbon offset credits on behalf of our customers when they use Coupa Advantage. Our aim is to deliver the resulting carbon offset certificates back to those customers.

Managing ESG-Related Risk

Coupa helps customers manage and reduce ESG-related risk through two pathways. First, our product compliance team monitors ESG legislation around the world; and second, we provide expanded platform capabilities to integrate ESG data across risk and other BSM decisions.

Faced with stricter legislation around ESG reporting requirements, like the German Supply Chain Act or the proposed U.S. SEC reporting requirements on climate disclosure, more companies are realizing the compliance challenges that come with such expanded legislation. Decision-makers are increasingly aware that their own companies and those of their peers need better information on suppliers' ESG credentials.

We have increased the areas across Coupa's platform where ESG risk data can be leveraged. One of the most important innovations is the use of supplier health and third-party risk data in sourcing event approvals. Customers can now notify stakeholders or pause an RFP

if suppliers do not meet minimum ESG and risk scores, reside on a country's screening list, or show signs of supply chain issues. The report on the left shows how ESG, diversity, and risk checks can be incorporated into a customer's approval process, ensuring that all risk domains have been evaluated and impact can be driven prior to launching a sourcing event.



INTEGRATING ESG IN DEPLOYING BUSINESS SPEND MANAGEMENT – STARTING ON DAY ONE

Coupa and Accenture are working with a major banking client to shape an ESG-centric Coupa deployment that would embed salient ESG topics such as Supplier Diversity & Inclusion, Net Zero, and Human Rights at the heart of its design and configuration. This would help the client toward its ambition of becoming the Financial Services leader for ESG in Procurement.

Businesses are challenged by a lack of sufficient visibility into supply chain data and inadequate technology is holding them back from fully realizing ESG targets. Coupa’s research report, [How to Mitigate ESG Risk in Your Supply Chain](#), helps businesses overcome these hurdles.

97%

agree that accurate data on suppliers is important to understand supplier risk

65%

said they do not have the technology needed to assess ESG risk and compliance

95%

wish to speed up responses to external disruptive events

71%

lack the access to data that enables that type of agility

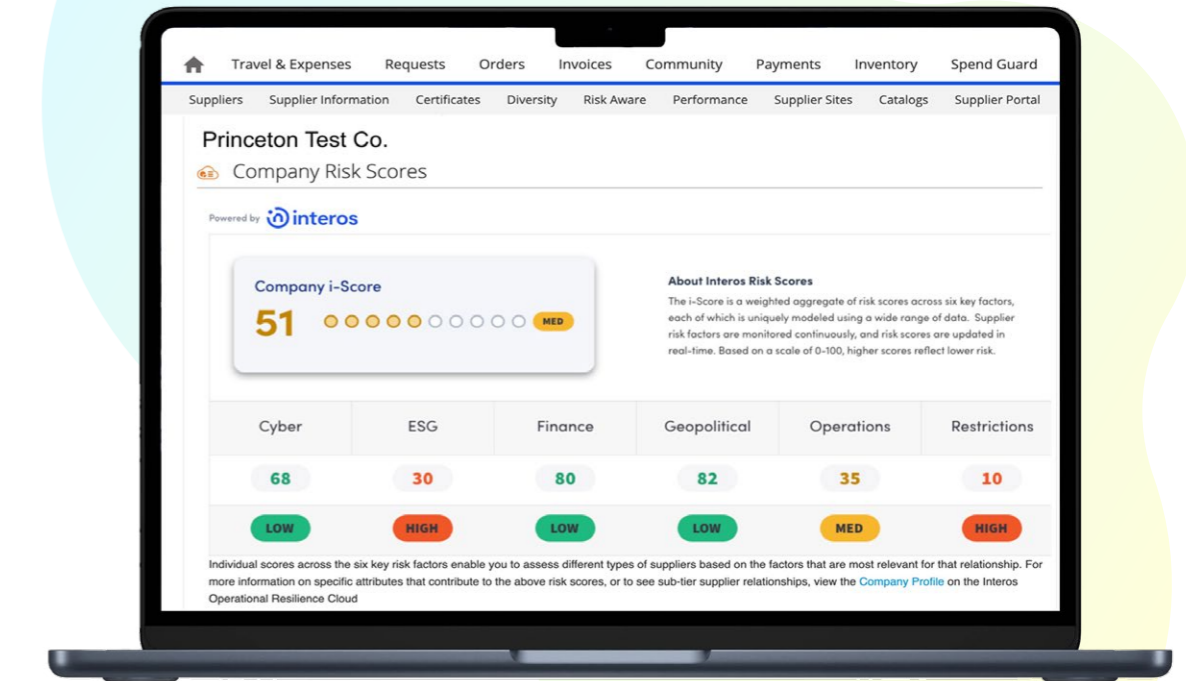
ESG Data & the App Marketplace

Data is key to operationalizing sustainability across business spend and supplier decisions. Coupa provides some of this data natively in the form of risk scores and supplier diversity ownership data. Our BSM platform is open and allows customer and third-party data sources to be easily integrated. One of the major ways we allow customers to leverage external data and unlock additional value is via our App Marketplace, launched in August 2021.

The Coupa App Marketplace allows customers to extend Coupa BSM with third-party applications and data sources. The ESG category of partners and applications is an area of growth for Coupa. Existing ESG partners include EcoVadis, Interos, SupplyShift, IntegrityNext, Supply Chain Partner, and Avetta.

A great example of extending Coupa BSM comes from one of our partners, Interos. The Interos team has one of the largest global supply chain and risk datasets in the world. Coupa customers can now leverage pre-built Interos plugins for supplier information and supplemental ESG and risk scores, and use this data in sourcing and procurement decisions.

On June 11, 2021, the German Parliament adopted the **Act on Corporate Due Diligence Obligations in Supply Chains** (“German Supply Chain Act”). This Act impacts enterprises with headquarters or branches in Germany and requires them to set up adequate processes to identify, assess, prevent, and remedy environmental or social risks in their supply chain. The move is groundbreaking because it creates new legally



binding human rights and environmental due diligence obligations for companies and introduces significant financial penalties if they are not met. In response to this Act, Coupa’s product compliance team is currently analyzing the German Supply Chain Act to support Coupa Risk customers in creating a questionnaire and associated report to ensure compliance with the new legislation.



To gain an ESG advantage, companies should go beyond compliance, combining data with technology to operationalize strategies to tell a compelling ESG story. KPMG’s Powered Procurement, enabled by Coupa’s BSM tools, embodies this mindset by empowering procurement teams with the necessary insights to make responsible, data-driven business decisions to turn ESG aspirations into action.”

Rob Fischer, IMPACT and ESG Leader, KPMG U.S.

Global Health & Development

Coupa’s Supply Chain Value Services team has a proud history of bringing our modeling and analytics capabilities to support global public health and other nonprofits with their supply chain challenges. Examples from 2021 include:

- Building and deploying the OptiDx application on the Coupa Supply Chain App Studio for use in designing more efficient laboratory diagnostic networks in the developing world. Fast Company recognized OptiDx as a finalist for its 2022 World Changing Ideas Awards.¹

- Custom machine-learning and optimization algorithms to support Eversight in their mission to restore sight through cornea transplantation.
- Network design research to scale and deploy cutting-edge supply chain technologies such as aerial drones and extended range vaccine transport coolers, both of which enable immunization in remote areas.
- Worked with the Houston Food Bank to deliver a new app to identify which areas in Houston have the greatest food insecurity, helping the organization to reach more people across 18 counties with more efficient, effective services.
- Partnered with Top Box Foods on a transportation routing app enabling the nonprofit to save time in planning healthy food deliveries to 3,000 households in Chicago.

¹OptiDx was developed through a partnership between Coupa; FIND, the global alliance for diagnostics; and the USAID Global Health Supply Chain Program - Procurement and Supply Management (GHSC-PSM) project. Funding is provided through a grant from the Bill & Melinda Gates Foundation. Hosting and maintenance is supported by the U.S. President’s Emergency Plan for AIDS Relief (PEPFAR) via the USAID GHSC-PSM project.



Environmental

At Coupa, we work to make our business more environmentally sustainable, while also leveraging our BSM platform to help customers minimize their own environmental footprints.

In this section:

- [Energy & Emissions](#) →
- [Sustainable Procurement](#) →
- [Waste](#) →

Key Highlights:

NET ZERO GOAL

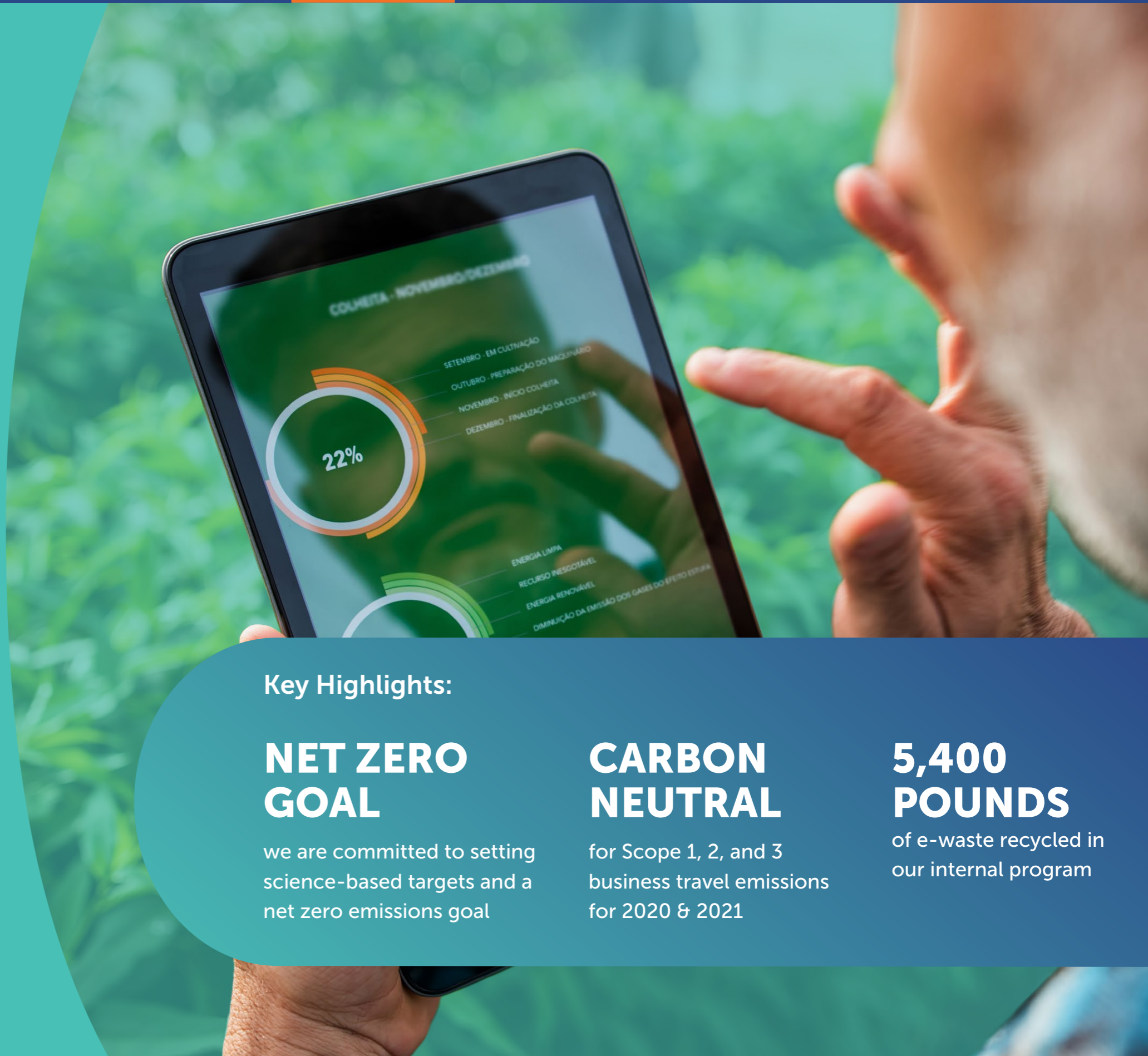
we are committed to setting science-based targets and a net zero emissions goal

CARBON NEUTRAL

for Scope 1, 2, and 3 business travel emissions for 2020 & 2021

5,400 POUNDS

of e-waste recycled in our internal program



Environmental



We recognize the need and urgency to respond to climate change and protect the health of the environment. With that, we have committed to reducing our own environmental footprint as a company. Beyond our own walls, our company is uniquely positioned to empower our customers to reduce their environmental impact by creating process efficiencies and including environmental considerations in their spend decisions.

Our approach to environmental sustainability within our business operations focuses on three areas: energy and emissions; sustainable procurement; and waste.

In 2021, we developed an internal Environmental Policy, made strides toward becoming carbon neutral, and began reporting on our energy and emissions footprint. Looking ahead, we aim to be more ambitious with our climate efforts and engage our key stakeholders to help us take collective action to reduce environmental impact.

Energy and Emissions

As a rapidly growing company, we have a responsibility to expand our operations sustainably and help our partners do the same.

Our materiality assessment identified the reduction of energy usage and emissions as key areas for us to contribute to the fight against climate change. In this year's report, we begin to incorporate the Task Force for Climate-Related Financial Disclosures (TCFD) framework to inform our climate reporting. As we advance in our climate program and ESG disclosures, we will continue to improve our approach.

Strategy

Coupa emphasizes responsible environmental stewardship at every level of the company. Because our office space is leased, we collaborate with building managers and owners to gather data on energy usage. This year, we are partnering with Watershed, a climate software platform, to track our emissions and help us develop and implement a climate strategy, including reduction targets.

Our data centers are primarily operated by Amazon Web Services (AWS), which is working toward a path to power their operations with renewable energy by 2025. Our strategy is not to operate our own data centers, and when we acquire companies that use physical data centers, we aim to quickly move these operations to the cloud to improve energy efficiency. For example, we are nearing the shutdown of three acquired data facilities at our Germany and Sweden offices and transitioning resources to AWS. We are also continuing to reduce and consolidate our AWS server footprint and drive down resource utilization.

Coupa also encourages sustainable practices among employees through solar-powered electric vehicle charging stations at our headquarters, recycling and compost options at our offices, and purchasing environmentally friendly IT equipment (with certifications such as Energy Star and EPEAT). While the COVID-19 pandemic continued to limit our time in the workplace, we allowed employees to return to the office in the second quarter of 2021 on a voluntary basis. As employees return to the office and business travel picks up, we anticipate an increase in our energy and emissions footprint in 2022, but will continue to look for opportunities to reduce.

Q&A

Looking ahead, where do you think Coupa can make the biggest environmental impact?



With climate change being one of the most pressing issues of our time, I'm most excited about Coupa enabling collective corporate action to reduce greenhouse gas emissions through the power of spend.

Sandy Eapen
Senior Director, ESG & Sustainability

Governance

The ESG team, reporting to our Chief Legal officer, manages our climate-related efforts. Additionally, our ESG Working Group has team members across Procurement and Workplace that help drive our initiatives with guidance from our Executive Steering Committee where needed. We have Board oversight of our ESG program, including our efforts around energy and emissions.

Risk Management

We understand climate change can impact our business and discuss climate change risk in our fiscal year 2022 10-K. While we seek to mitigate our business risks associated with climate change (such as drought, wildfires, hurricanes, increased storm severity, and sea level rise), we recognize that there are inherent climate-related risks wherever business is conducted. The frequency and impact of climate-related events have the potential to disrupt our business and that of our customers and third-party suppliers, and may increase our costs or cause us to experience losses in order to operate the business. Additionally, we may be subject to increased regulations, reporting requirements, standards, or expectations regarding the environmental impacts of our business, including with respect to greenhouse gas emissions.

This year, we plan to integrate ESG considerations, including climate, into our refreshed Enterprise Risk Management framework. We also stay on top of any regulatory and other climate-related risks through various channels and conversations with key ESG organizations we are a member of. While our current risk profile may be lower given our office footprint and cloud strategy, we realize the importance of integrating climate risk, and plan to better understand this issue as it relates to impacts to our business.

Metrics & Targets

In 2021, we began to report on our electricity and emissions footprint in our first ESG report. We also communicated goals to achieve carbon neutrality across our offices and business travel, as well as 100% renewable energy for our global office energy consumption. We achieved this for our 2020-2021 footprint through investing in carbon offsets and renewable energy credits (RECs).

Coupa has partnered with 3Degrees to invest in projects to address our emissions from our operations and business travel for 2020 and 2021. The carbon offset projects we've chosen support renewable energy in developing countries and protect forests within the U.S. We've purchased RECs in North America, Europe, and Asia to cover 100% of our global electricity consumption for 2020 and 2021 through renewable energy. While we feel these actions help drive actual impact, we also believe these are just initial steps toward taking more meaningful climate action as we grow our program.

In purchasing carbon offsets, we consider key quality criteria to produce impactful, measurable, and permanent results, including:

- **Additionality:** emissions reductions would not have been achieved without funding from offsets
- **Quantification:** evidence of emission reduction
- **Verification:** accredited by third-party
- **Permanence:** emissions reductions are permanent and cannot be reversed
- **Enforceable:** emissions reductions backed by legal instrument or contract



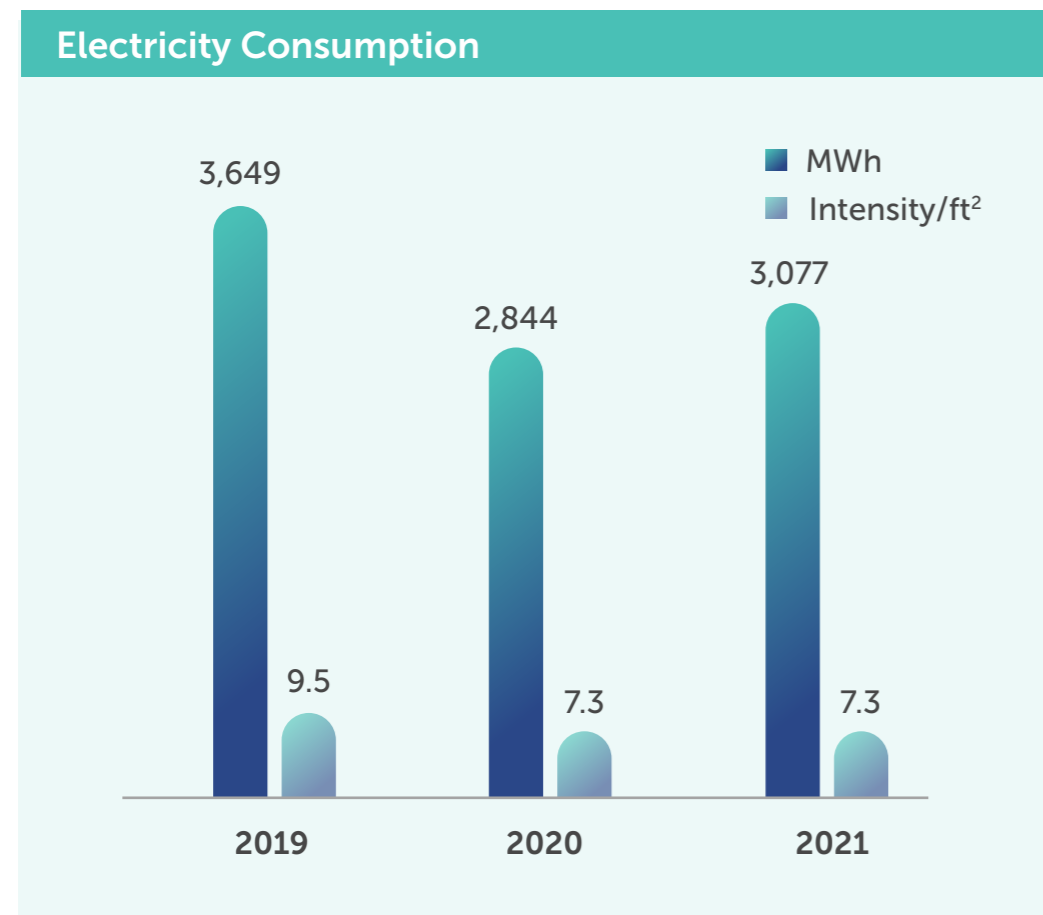
100%

renewable energy for our 2020-2021 global office energy consumption

In 2021, we worked with a third-party partner, Watershed, to calculate our energy and emissions footprint. Our office electricity consumption was slightly lower in 2021 due to offices being closed or used at limited capacity due to COVID-19 restrictions. While travel was limited in the first half of the year, there was more activity in the second half as restrictions began lifting.

Net Zero Emissions Ambition

As we embark on the next phase of our climate journey, our ambition is to set near- and long-term emissions reductions goals in line with the Science-Based Targets Initiative (SBTi) and to achieve net zero emissions. We will focus on developing plans and taking action in line with the latest science to keep global warming to



1.5 degrees Celsius above pre-industrial levels. We know that by pledging to meet these goals, we will need to take action, including investing and engaging with our suppliers, employees, and other key stakeholders. We're also learning from others and leveraging resources to gain knowledge of best practices. For example, Coupa is participating in the UN Global Compact's Climate Ambition Accelerator this year, which aims to scale-up climate action across companies.

Partnering for Impact

Key to our efforts in making an increased positive environmental impact is supporting nonprofits addressing climate change. For example, we recently joined with The Nature Conservancy to support their Plant a Billion Trees campaign. This year, we are partnering with Earthwatch Institute on a climate justice project to mitigate the impacts of unhealthy air on vulnerable minority

populations. We're educating and engaging our employees on environmental issues and dedicating the expertise of our senior executives in problem-solving as part of this project.

Sustainable Procurement

As we influence and help our customers make their own procurement and supply chain processes more sustainable and inclusive, we also aim to do the same ourselves (through our own sustainable business spend management). At a time when the global economy has never been more interconnected, all companies have a responsibility to ensure that their procurement processes are aligned with their values. For Coupa, this means finding suppliers and other partners who share our commitment to protecting the environment and increasing supplier diversity.

Emissions	2019*	2020**	2021**
	tCO ₂ e	tCO ₂ e	tCO ₂ e
Scope 1 (Leased Offices)	74	80	98
Scope 2 - Location-Based (Leased Offices)	1,661	1,275	1,135
Scope 2 - Market-Based (Leased Offices) with RECs (Renewable Energy Credits)*	1,662	1,271	237
Scope 3 (Air and Hotel)	9,522	1,219	1,697
Total Scope 1, 2 (Location-Based), and 3***	11,258	2,574	2,930
Total Scope 1, 2 (Market-Based), and 3	11,258	2,570	2,032

* Coupa purchased RECs to cover energy usage in 2020 and 2021. However, Coupa is only factoring in these REC purchases for 2021 due to constraints on accounting for RECs in the Greenhouse Gas Protocol methodology.

** The Company's fiscal year ends January 31. Data for 2021 is for the fiscal year ending January 31, 2022. 2020 data is for the fiscal year ending January 31, 2021, and so forth. Total values may not sum up perfectly due to rounding.

*** Only Scope 3 business travel included.

Strong B2B relationships are built on a foundation of shared values, which is why we have a formal Supplier Code of Conduct (updated in April 2022) to set clear expectations for our partners. Our Supplier Code of Conduct calls upon partners to be conscious of the environment and conduct business with integrity, ethics, and in a legal and socially responsible manner. In addition, Coupa partners with organizations such as the Sustainable Purchasing Leadership Council, which advocates and helps provide guidance for responsible procurement.

Coupa has spent the past year engaging with its top 200 strategic suppliers on ESG issues; over three-quarters of these suppliers have agreed to our Supplier Code of Conduct or provided a similar commitment. We are collecting EcoVadis sustainability ratings of our top 200 suppliers to get a holistic view and identify opportunities to improve ESG performance in our strategic supplier base. We have also included ESG questionnaires in our sourcing events to gather data on how the suppliers invited are addressing ESG within their own businesses. Our sourcing event scorecards include a weighted section for ESG criteria to give credit to suppliers who have made efforts toward developing an ESG program. We will make sustainability and supplier diversity core factors in our evaluation of new vendors and offices as we continue to grow.

Company-Branded Items

We have identified several sustainable procurement categories where we are focusing some of our efforts to have a meaningful impact on the environment: company branded items, office supplies, and IT equipment. One initiative we've focused on this year is more eco-friendly company branded items offered to employees. We have worked to get the majority of the items offered on our swag store made from either recycled materials and/or from

Forest Stewardship Council (FSC) certified materials. We currently have 70% of the items offered under these eco-friendly categories, and our goal is to reach 80%. We will also look for opportunities to minimize our environmental footprint with company-branded items offered externally.

Supplier Diversity

We believe spending with small businesses and diverse suppliers can help drive economic development in local communities. Diversity in our supplier portfolio also allows for additional perspectives and innovations while simultaneously supporting different types of companies. Diverse businesses include key categories, such as minority-owned, women-owned, veteran-owned, LGBTQ+-owned, disability-owned, and others. 75% of RFXs sent in 2021 included one or more diverse suppliers. We are also leveraging our own BSM platform and newly launched Supplier Diversity Dashboard to track increased diversity among our suppliers.

In 2021, we focused on supplier diversity in North America, excluding small businesses, and included what we consider our addressable and non-addressable spend. There is a significant portion of our spend with cloud-hosting that we consider non-addressable. In recognizing this, we've adjusted our 2022 supplier diversity goals accordingly. We also feel it's important to track and understand small businesses, as reflected in the progress shared in this report.

Our 2022 supplier diversity goals are 8% diverse spend and 5% diverse suppliers across our addressable spend, excluding small businesses. We aim to make progress against these goals through focusing on key categories, ensuring diverse suppliers are included in RFXs, engaging with key internal teams, leveraging best practices, and measuring our progress. As we continue to get enhanced reporting globally, we will also determine the need to update our targets.



2021 Coupa Supplier Diversity Metrics	Global*
% Small Business and Diverse Supplier Spend	4.0%
% Small Business and Diverse Suppliers	5.8%
% Diverse Supplier Spend	2.9%
% Diverse Suppliers	3.2%

*Figures are estimates, based on analysis conducted on June 22, 2022, and subject to change as data and calculation methodology continue to evolve.

Waste

With increased remote work due to the COVID-19 pandemic, we have been more focused on managing electronic waste (e-waste) than ever before. In 2021, Coupa IT and Coupa Green, our sustainability-focused employee resource group, partnered to launch an initiative to reduce our e-waste. While we've done some ad hoc e-waste recycling initiatives in the past, we wanted to find a more strategic partner to support us. This is why Coupa partnered with Revivn, a certified B-Corp which repurposes tech to help underserved communities. In 2021, our repurposed items helped support several nonprofit organizations.

In early 2021, our Dublin office also donated laptops to local schools and charities. This year, we plan to expand our e-waste collection capabilities to more offices and identify additional partners to support in key regions.

Recycling E-Waste at San Mateo and Ann Arbor Offices

5,422

pounds of recycled items

706

total items repurposed



INSPIRE CONFERENCE

After a two-year hiatus with the global pandemic, we once again brought our Coupa Community of customers, partners, employees, and more for in-person events in Las Vegas (April 2022) and Berlin (May 2022). This year we integrated environmental sustainability throughout the conference, including:

- Minimizing waste by focusing on digital signage and an app, minimal swag, and partnering with the venues to ensure recycling
- Establishing partner sustainability criteria for expo hall booths
- Partnering with The Nature Conservancy's Plant a Billion Trees initiative
- Offsetting carbon impacts of the conference

MISSION



Coupa Green, a group of employees passionate about having a positive impact on the environment, launched during Earth Month in April 2021. The group also supports the company's environmental sustainability goals and focuses on impact areas of energy & emissions, waste, and sustainable lifestyle.

PILLARS

- Educate
- Activate
- Influence

2021 HIGHLIGHTS

- Volunteering in local environmental cleanups for Earth Month and during Coupa's annual Global Volunteer Day
- Planting trees with support from employee volunteers at Germany and UK offices
- Partnering with IT to launch e-waste initiative

Social

As we continue to grow, Coupa is dedicated to establishing strong relationships with community stakeholders and exponentially increasing our social impact in business and beyond.

In this section:

- [Talent & Culture](#) →
- [Diversity, Equity, & Inclusion](#) →
- [Volunteerism & Philanthropy](#) →
- [Employee Health, Safety, & Wellness](#) →
- [Human Rights](#) →



Key Highlights:

77,000 HOURS

spent completing in-person and virtual training by employees

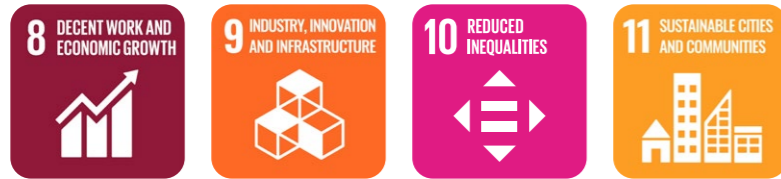
85% POSITIVE

employee engagement score achieved from Great Place to Work® survey

\$630K IN DONATIONS

provided from Coupa

Social



Without our employees who drive change, build our products, and guide us toward sustainability and growth, Coupa would not be the company it is today.

From our efforts to increase diversity and inclusion and employee engagement to our charitable work in communities around the world, we know that our employees can help us drive exponential impact in what we do every day.

In 2021, we focused on expanding our learning and development offerings, enhancing employee experience, tracking diversity metrics, and increasing employee giving and volunteering.

In a company-wide survey

93%

of employees believe we work hard to ensure customer success

94%

of employees say we are results-oriented

93%

of employees feel encouraged to strive for excellence every day

Talent & Culture

Our employees are the lifeblood of our organization so we take pride in our culture and the involvement and engagement of our employees. We have built a strong workforce because an overwhelming majority of our employees understand and align with the company's [Core Values](#). These principles are at the foundation of our culture. Our annual Employee Survey in 2021 was administered by Great Place to Work and showed that Coupa had an average score of 85% positive employee responses. In 2022, Coupa is supplementing this by adding another survey tool which will solicit feedback at a more granular level and allow the team to build on its strengths and address any identified gaps.

Talent Attraction & Retention

We are on a path of rapid growth. As of January 31, 2022, we had 3,076 employees around the world — an 18% increase from a year earlier. As we continue to expand our reach and global footprint, we are committed to a values-driven environment to meet the needs of our diverse stakeholders. This approach to business is in our DNA.

With such a strong, evolving culture, we continue to attract top-tier talent because we have earned a reputation as an exceptional place to work: in 2021, we were on *Fortune's* list of the Best Workplaces in Technology; *Inc. Magazine's* Best Workplaces and Best-Led Companies; Built In's 100 Best Large Companies to Work For. We were also named in *Fast Company's* Most Innovative Companies and *Fortune's* Future 50 list. See our full list of awards on our [highlights page](#).

VETERAN ONBOARDING PROGRAM

Many U.S. veterans have invaluable hands-on technical skills and knowledge, but they may not be equipped to deal with the business world of creating targeted resumes, applying for corporate roles, and interviewing. Coupa is excited to launch a new program in 2022 for veterans who are interested in technical roles at our company. We are working with veterans organizations to create a pipeline of applicants who can use their military occupational specialties (MOS) in the corporate world and be staffed on our work with U.S. government agencies. We aim to have roles across information technology, technical support, security operations, and others. Veterans will receive full on-the-job training, as well as certifications as needed.

Employee Awards & Recognition

A key element of engagement is recognizing and rewarding our employees. This is why we give out quarterly MVP awards to Coupa employees who demonstrate a commitment to our Core Values — awards for which everyone in the company is eligible. There are also biannual Leadership Awards, which celebrate outstanding leaders who cultivate the talent and potential of their colleagues. This is a way to improve our company culture, increase collaboration, and drive engagement across departments and teams. In 2022, we also launched a new program, Rising Stars, which aims to highlight 100 high potential employees and provide opportunities for additional exposure and leadership.

Pay Equity

We recognize the problem of gender pay inequality in the technology sector and across the economy. To ensure equitable remuneration, we conduct an annual pay equity analysis to identify and resolve pay disparities in the workplace related to gender and race. Statistically significant gaps in compensation among substantially similar groups of employees based on skill, effort, and accountability are identified and addressed as appropriate.

For Coupa, this is not a compliance task. It is about fairness at work and doing the right thing. As a result, this has provided Coupa with an analytical and data-driven process to ensure that our company's compensation philosophy and pay practices drive actual equitable pay outcomes.

EMPLOYEE EXPERIENCE

In 2021, we also created a new Employee Experience Team which partners across the organization with executives, Coupa leaders, ERGs, and employees to uplevel the employee experience and foster connection at Coupa by hosting events. At Coupa we strive to create a safe space for employees to be heard and to engage in meaningful dialogue. Nearly 80% of our employees joined us for one or more of these events this past year. We have undertaken initiatives to improve the employee experience by:

- Celebrating each other through life's milestones, such as new hires, promotions, transfers, and more
- Organizing events, such as our Village Connection tour to connect traveling executives and our People Team with regional offices — to engage employees in person
- Highlighting amazing employees through our Humans of Coupa series
- Gathering at Coupa Chats — a monthly call to connect our employees and share stories to promote psychological safety

Q&A

As Coupa considers the future of work, what's going to be important to attract and retain key talent?



It is critical to support our employees where they are, and to consider their full needs beyond work. This includes a more flexible, equitable, diverse, and sustainable environment.

— Ray Martinelli, Chief People Officer

Benefits

We take care of our employees with a competitive compensation package that includes comprehensive health and wellness benefits for employees and their families, retirement and company stock options, paid-time off, and more. Our benefits include:



Insurance: We provide employees with a variety of insurance options dedicated to the well being of themselves and their families. Insurance options include health, life, and pet insurance.



Family Support: We help families prepare for the changes in their lives. These benefits include preparing for the birth of a child, caring for elderly family members, transitioning back to work, and participation in Flexible Spending Accounts (FSAs).



Legal Assistance: We assist employees with finding firms who can counsel on life decisions, such as creating wills, transferring property, or buying a home.



Student Loan Assistance: We aid employees with support in furthering their education by teaming up with local providers and offering monthly stipends toward student loans.



Employee Assistance: We support employees with access to top-rated emotional support clinicians, work-life solutions, legal guidance, financial resources, and online support.



Discounts: We offer employees discounts on goods and services through partnerships, which includes reduced cost on gym memberships, food services, rental cars, telecom services, and more.

Learning & Development

Employee education is a major priority at Coupa, which is why employees spend tens of thousands of hours every year on learning and development. For example, we offer a broad range of learning opportunities through Coupa University, a platform which provides free online tutorials, instructor-led courses, and full certifications. We also provide an e-learning platform called Coupa Edge, as well as access to LinkedIn Learning, which we launched in 2021.

Our Manager Development Program improves competencies and consistency across the organization, while creating a sense of community among managers. Hundreds of managers take part in this program every year, while employees receive thousands of hours in executive coaching. Meanwhile, new employees learn about our fundamental values (and how they inform our relationships with customers and partners) with the Coupa Core training. New members of our team also take the Coupa Colors self-assessment to learn about their own communication and personal working styles and discover ways to better engage with their colleagues — as well as customers — more effectively.

Partnering with Universities

Coupa partners with universities around the world to give 3,000+ students an opportunity to use our software in their studies and research. We have strategic partnerships with five universities and provide access to software, licensing, and training materials. After taking five exams, students earn certifications that will help them secure supply chain jobs upon graduation. In 2021, we waived a total of \$1.5 million in training and certification fees for our academic partners.

WORKFORCE DEVELOPMENT INITIATIVES

Our approach to education encompasses many different stages of the employee journey: onboarding, role-based training, product training, cultural workshops, and leadership development. In 2021, employees completed approximately 77,000 hours of in-person and virtual training. Here is a summary of employee engagement with our workforce development initiatives in 2021.

Resilience and leadership training:

67 SENIOR LEADERS

Manager enablement workshops:

961 PARTICIPANTS

Professional development workshops:

564 PARTICIPANTS

Executive coaching:

1,200 HOURS

Six-month manager development program:

84 GRADUATES

Onboarding and continuing education enablement:

5,087 PARTICIPANTS

Company culture workshops:

1,761 PARTICIPANTS

Diversity, Equity, & Inclusion

Improving diversity, equity, and inclusion (DEI) is one of our most essential beliefs at Coupa. We know it is necessary to maintain a healthy company culture, attract the best talent, and ensure that we remain one of the most innovative and forward-looking companies in the industry. We have always made a conscious effort to foster DEI at Coupa, and this has made us a stronger, more dynamic, and more welcoming company.

Attract

Accountability is a critical part of any effort to increase diversity. This is why a team of Coupa employees conducts a monthly assessment of our hiring data to determine whether we are making progress toward our recruitment goals — a process that has allowed us to measure progress toward DEI priorities and increase representation across the company.

Our Talent Acquisition team also uses voluntary surveys to identify areas of improvement in our hiring process for women and candidates from underrepresented groups. Coupa recruits from historically Black colleges and universities (HBCUs), and we work with organizations such as Blacks in Tech, the National

Society of Black Engineers, the National Society of Hispanic MBAs (Prospanica), the National Black MBA Association, and the Professional Diversity Network.

Educate

DEI is integral to our training and professional development programs: all employees are encouraged to take unconscious bias training during the onboarding process, while our manager development program includes modules on diverse teams and avoiding bias in the interviewing process. A total of 92 leaders went through Cultural Intelligence training as part of our 2021 DEI efforts. We also reimbursed anyone who elected to complete a DEI in the Workplace Certificate program through University of South Florida. Our Employee Experience team has also been highlighting and promoting a curriculum about key annual events on DEI issues.

Advocate

Programs and policies on DEI are embedded in all business operations at Coupa, and we are proud that our employees have taken the initiative to embrace diversity from the bottom up. This is exactly what they have done with a series of employee resource groups (ERGs) created to make our company more inclusive and establish a culture based on equity and mutual respect.

We realize we have more work to do. That is why we are refining our current approach to develop a comprehensive DEI strategy. DEI is a critical part of the “S” in ESG, and as such, we are deepening our commitment with a new emphasis on DEI. This starts with dedicating a part of our ESG team to focus on advancing DEI by hiring a Director of DEI within the ESG team. We are also building our DEI roadmap for 2022 and beyond, which we will begin to implement in 2022.



Employee Resource Groups (ERGs) support employees in bringing their authentic self to work and speaking up on topics that enrich our culture. Our ERGs collaborate with one another on employee engagement initiatives. Our ERGs include:

MISSION

PILLARS

2021 HIGHLIGHTS



Empower's mission is to break down barriers to women's success by creating a community of individuals and organizations working together to unleash the impact of women in business.

- Discover
- Connect
- Impact

- Launched internal mentorship program to advance impact of women in business, with 60 participants
- Hosted a McKinsey Women in the Workforce Panel with 134 participants
- Launched quarterly Charity of Impact to support nonprofits to encourage employee giving in support of Free the Girls and Vital Voices



Illuminate's purpose is to support our LGBTQ+ community by inspiring connection, inclusiveness, and diversity.

- Outreach
- Unity
- Community

- Organized Pride Month events with over 300 participants
- Led LGBTQ+ 101 sessions to raise employee awareness
- Partnered with Out and Equal Summit to elevate diversity with 5,000 attendees and learn best practices



Engage stands to uplift and expand the underrepresented community at Coupa.

- Leadership Development
- Inclusion and Equity
- Community Enrichment

- Hosted 3 Pulse Sessions with 1,200+ attendees, providing a safe environment for our Coupa colleagues to speak their truth
- Supported charitable giving to six nonprofits and encouraged spend with Black-owned businesses
- Worked with Coupa Talent Acquisition to seek out diverse candidates to join the Coupa Village



DEI Metrics

Diversity, Equity, and Inclusion (DEI) are central to Coupa. We're at our best when we share diverse experiences and perspectives, when we engage with empathy and a desire to learn, and when we reflect the communities and companies we serve. As part of our commitment to improving our DEI practices, we are increasing our transparency.

With that, we have begun to establish measurement and reporting systems to track our progress in DEI initiatives. This is a key business imperative and we will continue to look for ways to improve our diversity, track more of our workforce diversity metrics, and examine other ways to make our culture even more inclusive and equitable. We also recognize that our data is limited when it comes to gender

Q&A

Why is Diversity, Equity, and Inclusion a strategic priority for Coupa?



DEI is not only a moral imperative but also a business one. Research shows that organizations that embrace DEI outperform organizations that don't. We aspire to boldly embrace the power of DEI to enrich the lives of our employees and strengthen our business performance, while advancing equity for all.

Zach Logan
 Director, Global Diversity, Equity, & Inclusion

identity. We know that gender is not binary and will be discussing how we can better reflect everyone. While our data may not be perfect, we felt it best to share our progress with information we currently have.

While we are in line with our industry, there is progress still to make. Looking ahead, we will track more of our workforce diversity metrics, and improve our data to be more inclusive.

Coupa Diversity Metrics	2020	2021
Global Workforce Gender		
Female	29%	31%
Male	71%	69%
Global Leadership Gender *Leaders defined as Director+		
Female	22%	21%
Male	78%	79%
U.S. Workforce Gender		
Female	31%	33%
Male	69%	67%
U.S. Race/Ethnicity Breakdown		
American Indian or Alaska Native	0.1%	0.3%
Asian	23.6%	22.2%
Black	2.2%	3.2%
Hispanic/Latinx	4.1%	4.9%
Native Hawaiian or Other Pacific Islander	0.2%	0.3%
Two or More Races	2.7%	3.1%
White	64.0%	63.8%
Did not disclose	3.0%	2.2%
% New Hires		
Female	30.5%	33.4%
Male	69.5%	66.6%



Volunteerism & Philanthropy

Coupa employees are committed to contributing time, talent, and expertise to address issues globally and drive exponential social impact. Giving back has long been core to our company's culture. Through our social impact program, Coupa Cares, employees have ample opportunities to support local communities and increase their collective impact on issues they care about. Coupa Cares is guided by three focus areas: **Serve, Give, Lead.**



coupa cares

Since launching Coupa Cares in 2016, Coupa has donated nearly \$2.8 million, supporting more than 1,100 nonprofit organizations.



Serve

Employees are encouraged to dedicate their time and talent to causes that matter to the community.

Employees have 40 hours annually for "Volunteer Time Off" (increased 150% this year).

Coupa continues to innovate with new pathways to volunteer service, such as our newly launched strategic pro bono service program, which allows employees to use their professional skills to help our nonprofit partners tackle complex challenges through longer, deeper engagements. Launched at this year's BSM community conference Inspire in Las Vegas, 32 Coupa employees worked with two nonprofit partners, Free the Girls and the National Minority Supplier Development Council (NMSDC), on problem statements designed to provide practical, custom solutions. Working in small teams, Rising Stars at Coupa competed in a challenge to develop the most innovative, feasible, and sustainable solutions to our partners' problem statements. This program is proving to serve as an instrumental tool in helping our employees grow their skills, while complementing Coupa's core business objectives. We are excited to grow this program in the years to come.

535 employees

engaged across 25 offices in person and virtually during the biggest Global Volunteer Day



Give

Coupa believes it is vital to invest in our communities by supporting effective organizations through a global giving strategy aligned with our ESG priorities.

In 2021, Coupa Cares awarded \$75,000 to 15 students who are studying in North America who are studying STEM disciplines – 80% of these recipients are female, while 55% are members of underrepresented groups. Meanwhile, 60 Coupa volunteers reviewed the applications, and 15 employees served as mentors to the scholarship recipients during their first semester in college. Since 2019, Coupa has awarded \$200,000 in scholarships.

The war in Ukraine is ongoing and devastating. In support of Ukrainian people, Coupa made one of our most significant donations to date – \$100,000 – to the International Committee of the Red Cross to support efforts to provide critical relief services in Ukraine. We’re also supporting organizations including UNICEF and International Medical Corps by matching employee donations to these organizations. Together with employees, we have contributed over \$125,000 as of May 2022, to support the people affected by the war in Ukraine.

In 2021

~\$700,000

was raised by Coupa Cares and Coupa employees for nonprofits around the world



Lead

Coupa employees are passionate about doing the most good they can do in our local communities and around the world, and they recognize that this means inspiring others to join them.

This past year, we sponsored our first ever Coupa Olympics and virtual Corporate Challenge by providing donations which matched employee participation, resulting in \$20,000 to select nonprofits.

INCREASING IMPACT OF EMPLOYEE GIVING

In 2021, we also launched a new employee donation matching and volunteer rewards program, which this year was doubled to \$500 a year per employee. In our first year, we engaged over 51% of our employees in some form of giving.

Specific Coupa Cares donation and giving events from last year included:

- Supporting India during a peak in the COVID-19 crisis last May by matching 2-for-1 any employee donation
- Launching our first Giving Tuesday event, matching employee donations 2-for-1
- Increased the impact of our Coupa Community by matching every dollar given by Coupa Advantage





Community Partnerships

In 2021, we began focusing on more strategic philanthropy — giving in areas of sustainable and diverse supply chains, impact sourcing, and education. We will continue to refine these areas and seek ways for partnerships to have more global impact.

Last year, we worked with MIT Solve to organize several opportunities for employees to virtually volunteer. We also forged new partnerships with [Women Who Code](#), and Earthwatch Institute.

We also launched a new partnership with the [Nature Conservancy](#), joining the Plant a Billion Trees campaign, which is a major forest restoration effort with the goal of planting a billion trees across the planet.



As members of the MIT Solve community, Coupa is proud to support initiatives that drive innovation to solve world challenges. During 2021, Coupa Cares hosted a volunteer event whereby our employees evaluated hundreds of applications from tech-based social entrepreneurs for Solve’s Global Challenge program, which targeted issues such as: digital inclusion, equitable classrooms, health security & pandemics, and resilient ecosystems. Several employees also served as pro bono advisors to finalist Solver teams. To date, Solver teams have collectively impacted over 120 million lives.



With Women Who Code, we’ve partnered to assist in inspiring women to excel in technology careers. Through our collaboration and \$50,000 grant, we’re working to support more than 290,000 technical professionals realize a world where women are proportionally represented in the technology profession at all levels. This donation was Coupa’s largest in 2021, helping scale our community impact and reach.



Employee Health, Safety, & Wellness

The health of our workforce will always be a top priority at Coupa, and we understand that this commitment encompasses everything from workplace safety to mental health.

Coupa complies with all relevant laws and regulations around workplace safety: we track injury and illness rates, use a global travel health program, and maintain comprehensive emergency and disaster recovery plans.

At the beginning of the COVID-19 pandemic, we immediately closed all our offices and shifted to remote work. Since the second half of 2021, we have invited employees to return to the office if they would like to, but we are still fully supportive of our remote workers, and a hybrid working environment. This means providing virtual wellness resources such as on-demand fitness programs and other educational content to help employees stay healthy at home. We transitioned to virtual events over the past two years, including our annual Inspire conference, which we called Smarter Together. In 2022, we returned to holding Inspire in-person, with safety precautions such as proof of vaccination.

Coupa also provided an online ergonomics program to all employees (with an 80% completion rate), which focused on self-education to avoid pain and injuries and how to adequately organize your home environment to address ergonomic issues. Live webinars were available, as well as individual virtual home assessments for employees who needed more in-depth evaluation.

Our commitment to education and development is directly connected to our support for employee wellness. Coupa offers a wide range of online training courses, which include mental health and wellness, safety and security, ergonomics, remote work, and resilience. New courses are continually added based on employee needs and requests. For example, at the onset of the COVID-19 pandemic, we immediately released a four-part series on remote work resilience.

Human Rights

Just as all Coupa employees are treated with respect, we expect the same standards to be applied at every link of our global supply chain. As part of our efforts to manage human rights in our supply chain and operations, in March Coupa voluntarily released our first annual [Modern Slavery Statement](#). It states that we will continually monitor and manage our supply chain and operations to avoid human trafficking and other potential abuses. We recently updated the statement, which also summarizes key actions taken.

Last year, we released a Modern Slavery e-learning course to raise awareness among employees on the issue. This year we plan to consider integrating any relevant risks in our Enterprise Risk Management program. In addition, supporting our customers to minimize human rights risk in their supply chain are key components of our supplier risk solutions.

Governance

Our work is always centered on driving exponential impact for our customers, partners, employees, and communities around the world; and strong corporate governance is what enables us to do so.

In this section:

- [Ethical Conduct](#)
- [Board Diversity](#)
- [Executive Compensation](#)
- [Data Privacy & Security](#)
- [Risk Management](#)
- [Intellectual Property Protection](#)



Key Highlights:

90% OF EMPLOYEES

compliant with annual Code of Conduct training

NEW POLICY

developed and published for anti-corruption and bribery

~30% FEMALE

Board Directors

Governance



Trust is at the foundation of everything we do at Coupa, from how we engage with customers and communities to how we protect sensitive data and intellectual property to our efforts to foster a secure and inclusive work environment.

To uphold that trust, we continuously review and enhance our strong corporate governance practices around ethical conduct, data security and privacy, risk management, and more.

Ethical Conduct

Coupa has a unique organizational structure, in which leadership starts with entry-level workers, and every leader supports employees rather than managing them. The entire company is bound by a set of common values, which underpin how we interact with customers and the culture we are striving to create. These values are formalized in our [Code of Conduct](#), Employee Handbook, and Global Anti-Corruption and Bribery Policy; and they live in the daily practices of our employees.

We also have robust enforcement mechanisms to ensure accountability — employees can confidentially submit complaints and concerns about questionable behavior, while all such submissions are reviewed impartially and with reference to an objective set of compliance standards. We have goals for employees to be 100% compliant on our code of conduct and 100% of in-scope employees trained on Anti-Corruption and Bribery.

In October 2021, we also published our Global Anti-Corruption and Bribery Policy. The Policy clearly documents that we do not tolerate bribery or corruption at Coupa. It applies to all of Coupa’s employees, including our officers, in addition to our board of directors and third parties working on Coupa’s behalf. As with our other policies, the Global Anti-Corruption and Bribery Policy provides an anonymous reporting hotline and a non-retaliation pledge for whistleblowers.

AI and Ethics

Coupa has established an artificial intelligence (AI) ethics working group with the 2022 objective to support a centralized governance, review, and decision-making process for Coupa AI and machine learning (ML) ethics policies, practices, communications, research, products, and services. Our AI working group’s goals include:

- Establishing Coupa principles for accountability, transparency, fairness, security to communicate, and increase customer trust
- Maturing guidelines for Coupa development and operation of trustworthy AI
- Establishing an AI Ethics Board to oversee governance, risk assessments, and mitigation strategies



Board Diversity

Our commitment to DEI encompasses more than hiring practices that bring people with different backgrounds and experiences into our workforce and the development of a diverse supplier ecosystem – it is integral to our company leadership at every level. Women comprise approximately 30% of our Board, which we strive to maintain and build upon, including this year when a new female Board member was elected to replace an outgoing Director.

When determining Board composition, there are many factors to consider including: range and diversity of expertise, perspective in areas relevant to our business, character, judgment, gender, diversity, age, professional experience, and length of service. Additionally, other commitments related to each individual Board member, as well as the Board as a whole, play a significant role in all decisions around Board membership. For our recent Board member nominee, we engaged an external recruiting agency.

Executive Compensation

The Compensation Committee of the Board of Directors oversees our compensation policies and programs. We also meet with our top stockholders to obtain perspectives on our executive compensation program, among other topics. We provide detailed information on director and executive officer compensation in our annual proxy statement available [here](#).

Data Privacy & Security

From robust data management practices to sweeping cybersecurity protocols (such as employee training and risk monitoring), Coupa has built a data privacy and security architecture capable of keeping customers and the company safe. We also have mechanisms in place to proactively address threats, maintain technology continuity, and minimize the risk of disruptions, such as our Enterprise Risk Management (ERM) platform and a dedicated team for running it. All these components come together to maintain a data privacy and security platform that will protect customer data, thwart potential cyberattacks, and keep operations running smoothly.

Data Privacy

Coupa and its customers have a global footprint, and thus they are subject to the privacy laws of a number of jurisdictions. To help ensure regulatory compliance for both our customers and our own operations, Coupa has a global privacy program that is aligned with the following laws and regulations:

- EU General Data Protection Regulation (GDPR)
- California Consumer Privacy Act (CCPA)
- California Privacy Rights Act (CPRA)
- Health Insurance Portability and Accountability Act (HIPAA)
- Federal Risk and Authorization Management Program (FedRAMP)
- Canada Personal Information Protection and Electronic Documents Act (PIPEDA)
- Privacy laws in the United Kingdom, South Africa, India, China, Singapore, Japan, Australia, Mexico, and Brazil

Our privacy program provides the necessary information and metrics described by the SASB and GRI ESG reporting standards, and we have adopted the rigor of Sarbanes-Oxley Act to our privacy program.

Coupa's Privacy Policy is publicly available, and it is based on four key principles:

- We only collect information that is necessary to deliver products and services
- We establish safeguards to maintain the security and privacy of data
- We limit how sensitive information is shared
- We only retain information for as long as it is needed to carry out the tasks outlined above

Coupa's products undergo a formal design review before every major software release, and this includes a privacy review to ensure compliance with the principles of privacy by design and privacy by default.

Data Security

For Coupa, no mission is more important than protecting customer data. Customers trust Coupa to manage their financial transactions and sensitive data through a wide range of security controls, information security programs, and certification audits.



Safeguarding Data

As cyberattacks have increased in severity and velocity, consumers are increasingly aware of how their sensitive personal information and financial data are stored and used, and it has never been more important for companies to have robust data management policies. This is especially vital in an industry like ours, which is reliant on the collection and analysis of large quantities of data to provide actionable insights on procurement, payments, and supply chain management. Coupa follows industry best business practices and principles: data anonymization, de-identification of personal data, privacy and compliance by design, and data minimization.

Coupa uses Risk Assess, our own risk solution, to manage a rigorous security review process for third-party subprocessors. Each subprocessor completes an annual review and revalidation. Risk Assess is also used by the security and procurement teams to manage supply chain incident response processes and validate any possible third-party supply chain impacts across our vendor and supplier ecosystem.

Information Security Programs

Coupa's data privacy and security programs were established to protect the information entrusted to us, and processed on our BSM platform. The Coupa Information Security Management System (ISMS) and the Privacy Information Management System (PIMS) protect consumer and partner data, monitors and reports on risks, and provides customers and other stakeholders with information about our approach to data security and privacy. In 2021, we aligned our privacy program with customers in different geographies to support their compliance efforts in a fast-changing global regulatory environment, by adding privacy certifications and audits in the Americas, EU, and APAC regions.

We created a data protection program in 2021, where team members from multiple functional areas to enhance the prevention of unauthorized personnel from accessing customers' sensitive information. The program has three focus areas: least privilege, data protection, and monitoring controls. This program continues to grow, and it has a significant impact on the planning that takes place during each release cycle.

In 2022, Coupa will continue to expand its strong security program with additional investments in world-class tools and continue to grow our security organization. Coupa maintains a robust Security Awareness and Training Program and will increase employee understanding on emerging threats and maintain our high standard for compliance. It is a requirement that all Coupa employees must undergo information security training, and all third-party contractors must go through a rigorous security onboarding review process. The current Security Training Program is managed company-wide through an e-learning system, and we continue to launch initiatives such as monthly newsletters, internal blogs, and annual competitions during Cybersecurity Awareness Month (October).

Q&A

How are we continually evolving our data privacy strategy to meet ever-changing needs?



Our privacy program is built on continuous evolution taking changes in both the regulatory environment and in expectations of our key stakeholders into consideration. Our efforts are subject to both internal and external reviews to ensure it remains effective and efficient while maintaining compliance with the applicable laws, regulations, and standards.

Peter Gaspar, Senior Director, Global Data Protection

Certification Programs

We maintain a robust third-party audit program. In addition to the multiple third-party audits, Coupa has established an internal audit schedule for all Coupa products. Since 2015, Coupa has expanded the audit program from three annual audits on one product in 2015 to 33 across 10 product offerings in 2022. Our compliance program has increased visibility and trust in our products. In 2022, Coupa proudly announced the completion of the FedRAMP audit resulting in a full FedRAMP Moderate authorization. Coupa's investments in our federal compliance initiatives have continued to enhance our security controls across Coupa's platform. Compliance programs and audits supported by Coupa include:

- ISO27001
- SOC2
- PCI
- ISO27701
- HIPAA
- TISAX
- SOC1
- ITAR
- APEC PRP

In 2022, Coupa is evaluating the addition of several new compliance initiatives including:

- Australian Infosec Registered Assessor Program (IRAP) audit
- German Cloud Computing Compliance Criteria Catalog (C5)

These initiatives are intended to support more international customers and help with standardizing each country's mandatory baseline security controls for the cloud. We also take part in external certification programs, such as Cloud Security Alliance's (CSA) STAR self-assessment.

Secure Cloud Operations & Infrastructure

Coupa enforces tight operating system-level security by maintaining a minimal number of access points to all production servers. Operating systems are protected by disabling or removing unnecessary users, open ports, and processes. Coupa employees do not have direct access to production equipment, databases, or customer data, except where necessary for system management, maintenance, and backups. Access to Coupa networks and applications is controlled by authentication mechanisms, while access to information systems is controlled by multi-factor authentication. Access reviews are performed on a quarterly basis to provide for appropriate segregation of duties.

Coupa is responsible for the security of the BSM platform and we take that very seriously. Security of the BSM platform starts with identifying the right infrastructure providers. Coupa Infrastructure as a Service (IaaS) providers maintain compliance certification programs allowing Coupa to validate their security controls, including ISO27001, SOC1, SOC2, HIPAA, ITAR, SOX, PCI, and TISAX during the annual review process. Because IaaS providers are responsible for physical security, network security, and data at rest, ensuring we have the right suppliers is critical.

Secure Software Development & Coding Practices

Coupa engineers are required to complete annual awareness training along with application security training. These trainings focus on learning about security vulnerabilities and how to prevent them.

The Coupa Product Development Lifecycle (PDLC) ensures that Coupa customers enjoy the highest standard of quality, security, and innovation as they drive their finance and procurement organizations to the next level of success. Coupa's PDLC is fundamentally an agile software development model.

Coupa develops and delivers new features and bug fixes iteratively over a relatively short period of time. The rapid pace of development means that security must be a major focus during each step of the development process: design, develop, test, and release.

Our development team uses industry standards outlined in projects such as the Open Web Application Security Project (OWASP). For example, developers leverage both static and dynamic code analysis using a vulnerability scanner to review code in our software development pipeline. This tool statically analyzes application code during development to identify potential security issues.

In 2022, we will continue to grow our security and compliance programs, scale identity governance, increase in-product data protection, improve our internal audit capabilities, and implement robust data access controls.



Risk Management

Effectively managing various risks across our business is essential to uphold trust of our customers, partners, employees, and communities. Through our global Enterprise Risk Management (ERM) program, we identify, prioritize, manage, and monitor business risks. Our Audit Committee provides oversight and will review any significant risk exposures, as well as the management and monitoring processes in place. We have a designated ERM team that oversees our approach to risk management, which includes quarterly meetings with senior management to review threats and discuss disclosures, annual presentations to the Board of Directors, and quarterly meetings with the Audit Committee. To implement our ERM platform, we use internal and external risk assessments and ongoing risk monitoring.

Coupa recognizes that our risk management processes have to keep pace with the growth of the company, as well as external developments such as an increasingly complex regulatory environment and the ever-shifting landscape of cyberthreats. Companies have to be capable of managing risk across many different dimensions: cybersecurity, climate change, critical incidents, third-party vulnerabilities, and so on. Risk management is a central element of our Information Security Management System program.

This year, we are planning to integrate relevant ESG risks into our overall risk management structure, which extends across our legal, security, and privacy teams. Members of our ESG team participate in key ERM sub-committees, including Vendor and Supply Chain, Safety and People, and Legal and Privacy.

Intellectual Property Protection

The protection of intellectual property (IP) is crucial for Coupa. We rely on patents, copyrights, trademarks, and contracts to secure our intellectual property. All employees, contractors, and other third parties must adhere to confidentiality and proprietary rights agreements, while we strictly control access to and the distribution of our software and data. We register domain names, trademarks, and service marks in jurisdictions around the world.

In partnership with the BSM Community, we are co-creating new and unique capabilities that empower our customers, partners, and suppliers with increased visibility, actionable insights, and solutions to manage their spend. In 2021, Coupa surpassed 100 issued and pending U.S. patents. This milestone substantiates the company's commitment to building the most innovative cloud platform to help businesses maximize the value of every dollar they spend with Business Spend Management.



Q&A

How does Coupa think about risk management?



Coupa integrates a risk-based approach into all aspects of the organization through the Governance, Risk and Compliance (GRC) program. We believe that developing a risk-based culture and decision process ensures we don't overlook substantial risk in a strictly compliance focused environment.

Ken Ricketts, Chief Information Security Officer

Appendix

In this section:

- [SASB Index](#) →
- [GRI Index](#) →
- [UNGC Framework](#) →



SASB Index

The Sustainability Accounting Standards Board (SASB) framework enables businesses to identify, manage, and communicate financially-material sustainability information to investors. The below index maps our current disclosures for key relevant ESG topics from the Software & IT Services industry standards. We have incorporated more disclosures and will continue to evaluate additional metrics as needed for future reporting.

TOPIC	ACCOUNTING METRIC	CODE	RESPONSE
Environmental Footprint of Hardware Infrastructure	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	TC-SI-130a.1	Page 24-25
	Discussion of the integration of environmental considerations into strategic planning for data center needs	TC-SI-130a.3	Page 23
Data Privacy & Freedom of Expression	Description of policies and practices relating to behavioral advertising and user privacy	TC-SI-220a.1	Page 41
	Number of users whose information is used for secondary purposes	TC-SI-220a.2	We do not use users' information for secondary purposes.
	Total amount of monetary losses as a result of legal proceedings associated with user privacy	TC-SI-220a.3	No legal proceedings associated with user privacy
	(1) Number of law enforcement requests for user information, (2) number of users whose information was requested, (3) percentage resulting in disclosure	TC-SI-220a.4	(1) 0; (2) n/a; (3) n/a
Data Security	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	TC-SI-230a.2	Page 41-43
Recruiting & Managing a Global, Diverse and Skilled Workforce	Employee engagement as a percentage	TC-SI-330a.2	Page 29
	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	TC-SI-330a.3	Page 34
Intellectual Property Protection & Competitive Behavior	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	TC-SI-520a.1	2022 Form 10-K (Page 11) Page 44
Managing Systemic Risks from Technology Disruptions	Number of (1) performance issues and (2) service disruptions; (3) total customer downtime	TC-SI-550a.1	Page 41 Uptime: 99.84% (2021 average)
	Description of business continuity risks related to disruptions of operations	TC-SI-550a.2	2022 Form 10-K (Page 16) Page 44

GRI Index

The Global Reporting Initiative (GRI) Standards represent a wide range of standard ESG disclosures to help companies report on their impacts. Similar to our first report, we mapped relevant GRI Standards disclosures based on our ESG priorities, which were determined by a materiality assessment. We will continue to evaluate and improve upon our disclosures in future reports.

INDICATOR	DESCRIPTION	RESPONSE
General Disclosures		
Organizational Profile		
102-1	Name of the organization	Coupa Software Incorporated
102-2	Activities, brands, products, and services	Page 6 Our Products
102-3	Location of headquarters	1855 S. Grant Street, San Mateo, CA 94402, USA
102-4	Location of operations	Page 8 Our Offices
102-5	Ownership and legal form	2022 Form 10-K
102-6	Markets served	Page 8
102-7	Scale of the organization	Page 5-6
102-8	Information on employees and other workers	Page 34
102-9	Supply chain	Page 25-27 Page 38
102-10	Significant changes to the organization and its supply chain	2022 Form 10-K
102-11	Precautionary Principle or approach	As members of UNGC, we are committed to the Precautionary Principle.
102-12	External initiatives	Page 14 Additional Information on Coupa.com
102-13	Membership of associations	Page 14 Additional Information on Coupa.com

GRI Index

INDICATOR	DESCRIPTION	RESPONSE
Strategy		
102-14	Statement from senior decision-maker	Page 3-4
102-15	Key impacts, risks, and opportunities	2022 Form 10-K (Page 14) Page 44 Page 12, 14
Ethics & Integrity		
102-16	Values, principles, standards, and norms of behavior	Page 7
102-17	Mechanisms for advice and concerns about ethics	Page 40
Governance		
102-18	Governance structure	Nominating and Corporate Governance Committee Charter Page 13
102-20	Executive-level responsibility for economic, environmental, and social topics	Page 13
102-21	Consulting stakeholders on economic, environmental, and social topics	Page 12, 14
102-22	Composition of the highest governance body and its committees	Page 41
102-23	Chair of the highest governance body	Page 13
102-24	Nominating and selecting the highest governance body	Page 41 2022 Proxy Statement
102-26	Role of highest governance body in setting purpose, values, and strategy	Page 13 Nominating and Corporate Governance Committee Charter
102-27	Collective knowledge of highest governance body	Page 13

GRI Index

INDICATOR	DESCRIPTION	RESPONSE
102-29	Identifying and managing economic, environmental, and social impacts	Page 13 Nominating and Corporate Governance Committee Charter
102-30	Effectiveness of risk management processes	Page 44
102-31	Review of economic, environmental, and social topics	Page 11-12
102-32	Highest governance body's role in sustainability reporting	Page 13
102-35	Remuneration policies	2022 Proxy Statement
Stakeholder Engagement		
102-40	List of stakeholder groups	Page 14
102-42	Identifying and selecting stakeholders	Page 12, 14
102-43	Approach to stakeholder engagement	Page 14
102-44	Key topics and concerns raised	Page 12, 14
Reporting Process		
102-45	Entities included in the consolidated financial statements	2022 Form 10-K
102-46	Defining report content and topic boundaries	Page 2
102-47	List of material topics	Page 12
102-48	Restatements of information	No restatements of information have been given in previous reports
102-49	Changes in reporting	No significant changes from previous reporting periods in the list of material topics and topic boundaries
102-50	Reporting period	January 1, 2021 to December 31, 2021. In certain instances, data is reported against the Company's fiscal year, February 1, 2021 to January 31, 2022. These instances are noted in the report.
102-51	Date of most recent report	July 15, 2021

GRI Index

INDICATOR	DESCRIPTION	RESPONSE
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	sustainability@coupa.com
102-54	Claims of reporting in accordance with the GRI Standards	Page 2
102-55	GRI content index	Page 47
102-56	External assurance	This 2021 report has not been externally assured, however, the Company is exploring it for future reporting
Management Approach		
103-1	Explanation of the material topic and its boundary	Page 11-12
103-2	The management approach and its components	Page 11-12
103-3	Evaluation of the management approach	Page 11-12
Economic Standards and Disclosures		
Economic Performance		
205-2	Communication and training about anti-corruption policies and procedures	Page 40 Code of Conduct
Environment Standards and Disclosures		
Energy		
302-1	Energy consumption within the organization	Page 25
302-3	Energy intensity	Page 23-25
302-4	Reduction of energy consumption	Page 23-25

GRI Index

INDICATOR	DESCRIPTION	RESPONSE
Emissions		
305-1	Direct (Scope 1) GHG emissions	Page 25
305-2	Energy indirect (Scope 2) GHG emissions	Page 25
305-3	Other indirect (Scope 3) GHG emissions	Page 25
305-4	GHG emissions intensity	Page 24-25
305-5	Reduction of GHG emissions	Page 24-25
Waste		
306-2	Management of significant waste-related impacts	Page 27
306-4	Waste diverted for disposal	Page 27
Supplier Environmental Assessment		
308-1	New suppliers that were screened using environmental criteria	Page 26
Social Standards and Disclosures		
Employment		
401-1	New employee hires and employee turnover	Page 34
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Page 31
Occupational Health and Safety		
403-1	Occupational health and safety management system	Page 38
403-5	Worker training on occupational health and safety	Page 38
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UNGC Framework

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