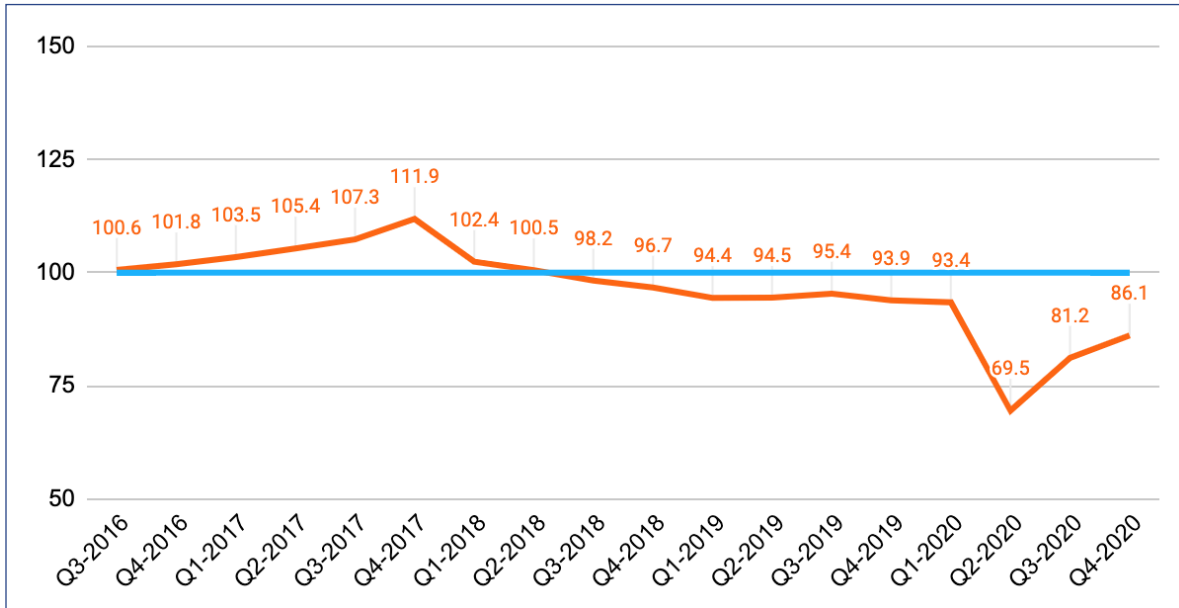


THE COUPA BUSINESS SPEND INDEX, Q4 2020 OUTLOOK

The Coupa Business Spend Index (BSI) is an early indicator of businesses' confidence in the economy based on the current business spending decisions of hundreds of companies. The Coupa BSI, Q4 2020 Outlook revealed an overall index value of 86.1, a slight improvement from last quarter, as businesses continue to adjust to the new normal and begin to return to pre-COVID spending levels.

The Coupa BSI, a 100% behavior-based index, analyzes billions of dollars of aggregated and anonymized spend data in the Coupa BSM Platform, which has cumulatively processed nearly \$2 trillion of business spending, to measure confidence around economic health at an aggregate level, as well as an industry level within financial services, health and life sciences, high tech, manufacturing, and retail.

Business Overall

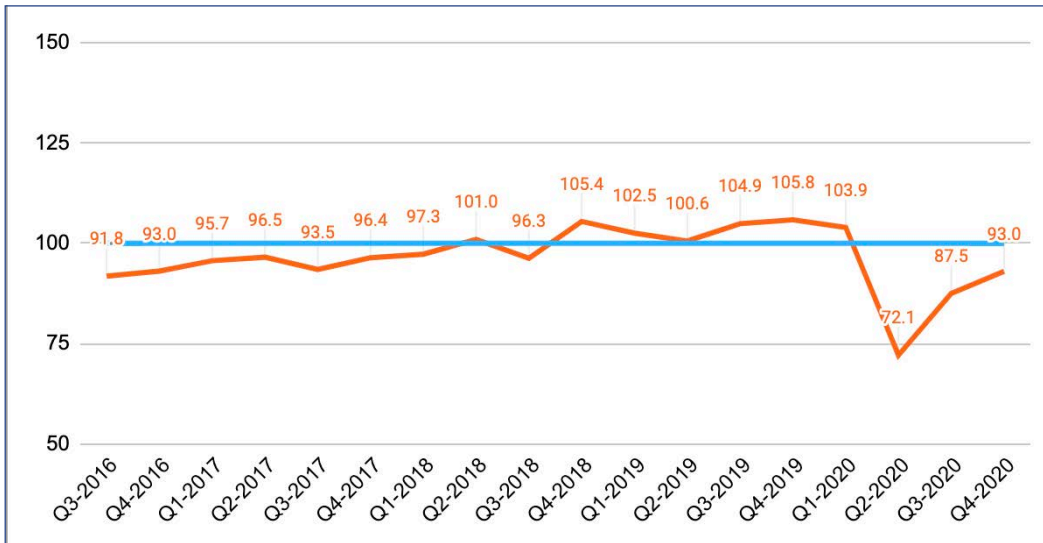


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Industry-Specific Insights:

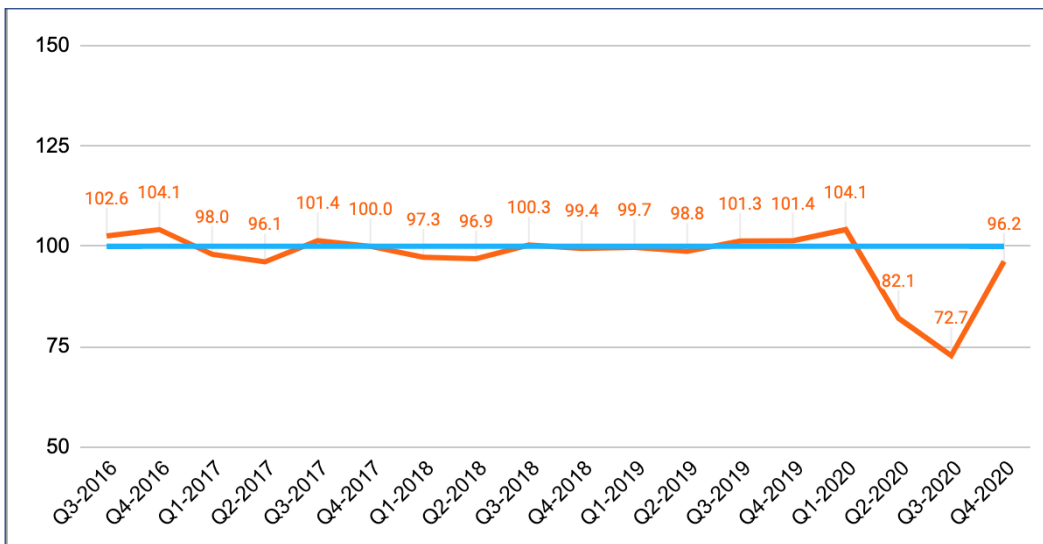
Financial Services: Business spend sentiment for financial services has increased again this quarter to 93.0. This increase was due to a reduction in average time to approve spend decisions (-14.6%).

The Coupa BSI - Financial Services



Health and Life Sciences: Business spend sentiment for health and life sciences increased to 96.2, but is still just below the trend line. The increase was a result of a reduction in average time to approve spend decisions (-15.4%).

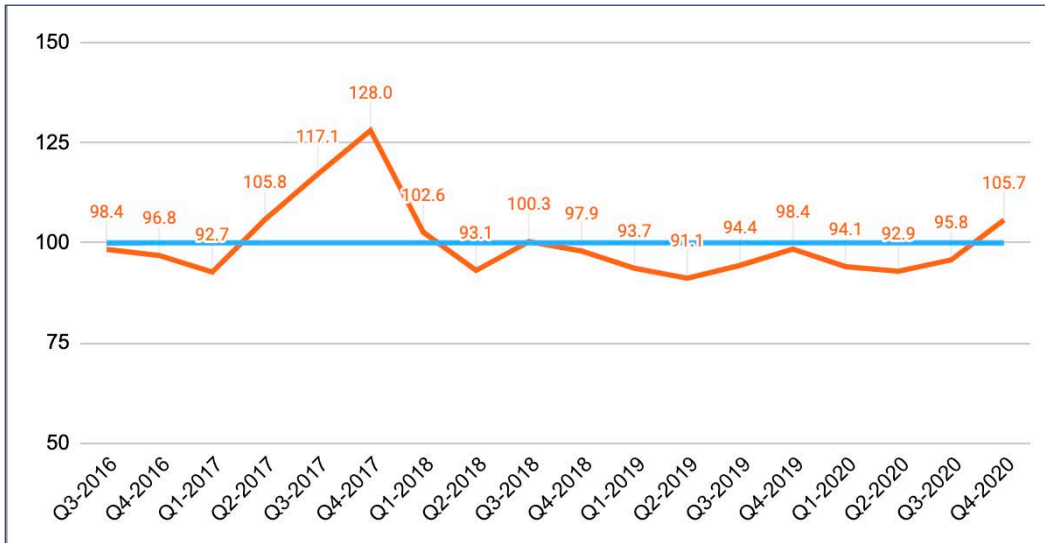
The Coupa BSI - Health and Life Sciences



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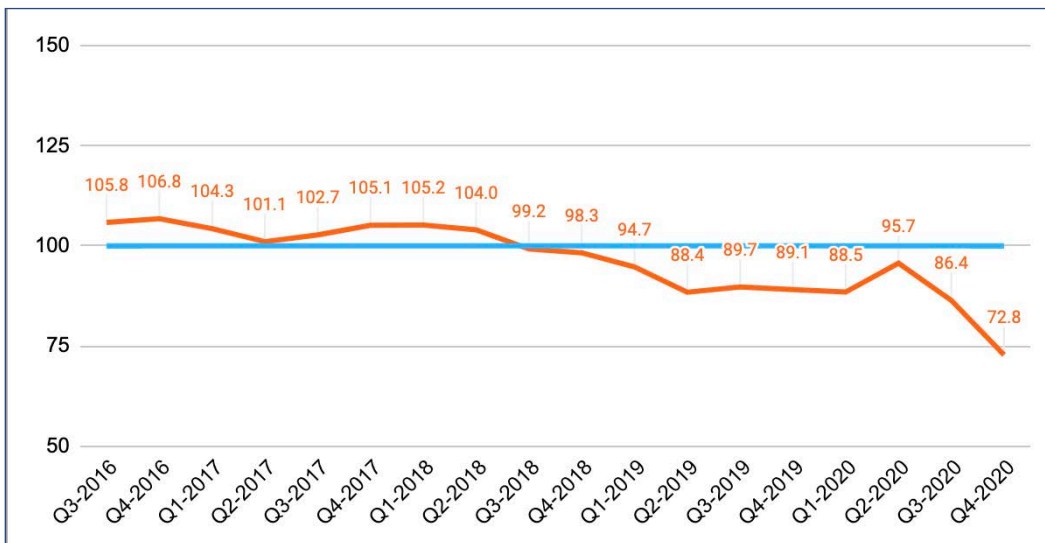
High Tech: Business spend sentiment for high tech increased to 105.7 and is now above the trend line. The increase was due to a decrease in average approval cycle time (-17.5%) and an increase in average approval rate (+0.6%).

The Coupa BSI - High Tech



Manufacturing: Business spend sentiment for manufacturing declined to 72.8. The drop was a result of a sharp decrease in average spend per person (-12.7%).

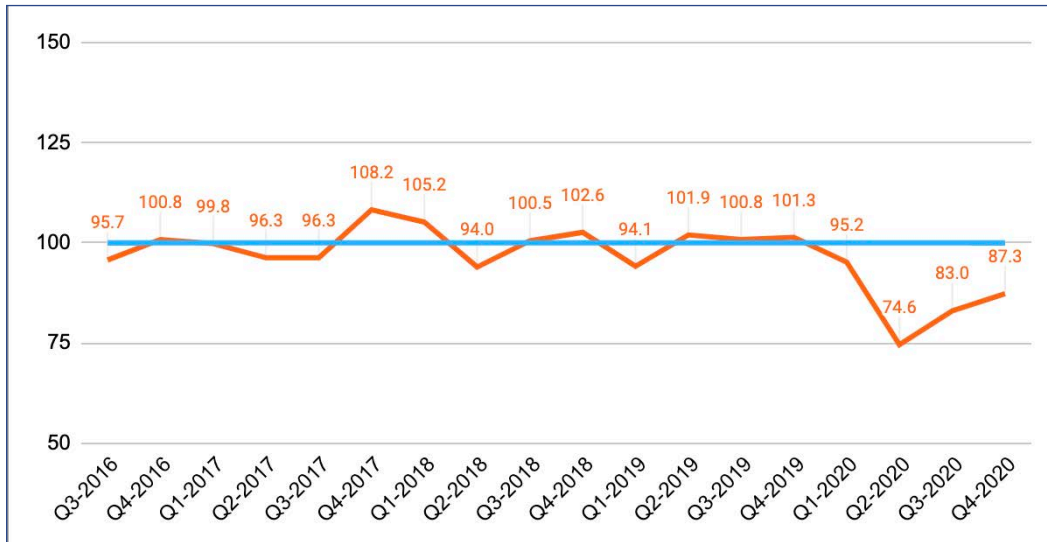
The Coupa BSI - Manufacturing



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Retail: Retail saw a modest improvement in business spend sentiment this quarter to 87.3; however, the sector is still below the trend line. The change was due to a decrease in average cycle time (-1.5%).

The Coupa BSI - Retail



The Coupa BSI Methodology

The Coupa BSI is an early indicator of potential economic growth based on current business spending decisions of hundreds of U.S. companies. It analyzes billions of dollars of anonymized transactions from the Coupa BSM Platform, which has cumulatively processed nearly \$2 trillion in business spend, to measure confidence around U.S. economic growth at an aggregate level, as well as an industry level within financial services, health and life sciences, high tech, manufacturing, and retail. The index is based on three key measurements related to business spend: (1) spend volume, (2) average time to approve spend decisions, and (3) average rate of spend approval/rejection.

The Coupa BSI is normalized to a baseline value of 100, which represents the weighted composite value of the three components in the baseline reference period (July 2016). The weighting methodology is periodically updated based on recalibration of the model. This was most recently done for Q4 2020.

About Coupa Community Intelligence

Coupa Community Intelligence is an AI-powered engine that objectively analyzes transactional spend data flowing through the Coupa BSM Platform and prescribes instant insights that help companies spend smarter, simpler, and safer. Built in the cloud, Coupa uniquely has access to transactional business data, which enables its Community Intelligence engine to leverage the latest in machine learning and AI to provide more accurate benchmarks and high-value insights.

About Coupa Software

Coupa empowers companies around the world with the visibility and control they need to spend smarter and safer. To learn more about how Coupa can help you spend smarter, visit Coupa.com. Read more on the [Coupa Blog](#) or follow [@Coupa](#) on Twitter.

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