

# ESG vendor profiles of Coupa, GEP, Ivalua, Jaggaer, SAP Ariba: How S2P suite solutions address sustainability efforts

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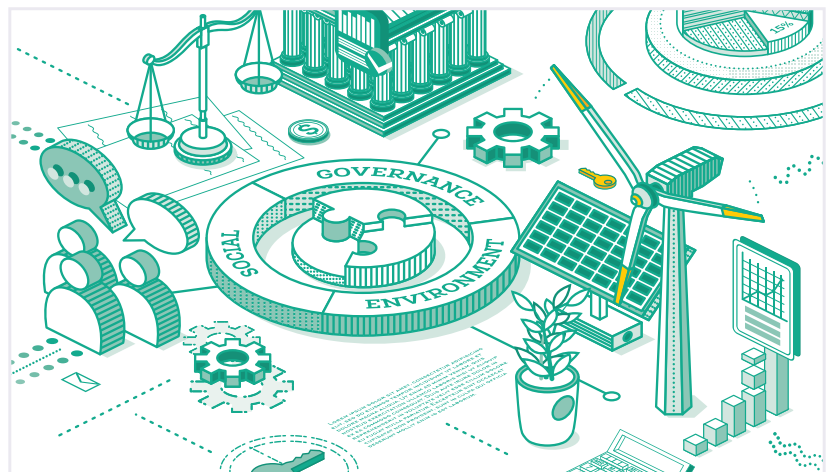
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As a whole, source-to-pay suite solutions serve as a common “hub” for all procurement-related activity.

These S2P suites are particularly important with respect to the success of ESG policies via the solutions’ extensive capabilities for supplier profiles, supplier networks, KPI tracking/benchmarking, sourcing optimization, bill of materials management and API frameworks for third-party data integrations, among other capabilities.

ESG requirements can overlap each of the aforementioned components. In practice, S2P suites address sustainability much like other kinds of risks. Supplier profiles can be extended to track data such as sustainability scores, and third-party ratings can be integrated into performance tracking, but often this is done as a service, requiring the customer to configure profiles, KPIs and third-party data sources to their unique ESG requirements.

S2P suites’ ESG challenges extend from their positioning as process hubs. First, S2P suites are rarely the collector of primary data on ESG areas. Instead, they integrate with third-parties that reactively monitor relevant risks. The challenge is that the suites themselves do not control the data. Second, the scope of S2P suites encompasses internal stakeholders and tier 1 suppliers. Suites rarely, if ever, enable multi-tier visibility, and even the scenarios that do include tier 2 or tier 3 suppliers only occur by invitation from tier 1 suppliers.



Because understanding a full ESG performance picture requires a deep visibility of the supply chain, the suite gap in this area makes organizations reliant on other specialists to solve this challenge.

To help subscribers understand the relative strengths and weaknesses of S2P suites in addressing sustainability and ESG requirements, this Spend Matters PRO article looks at five major providers — Coupa, GEP, Ivalua, Jaggaer and SAP Ariba — and assesses each for ESG data sources and integrations; extent of current coverage; and specific ability to address ESG areas (e.g., human rights, modern slavery).

## Coupa

- ✓ **Founded:** 2006
- ✓ **HQ:** San Mateo, California
- ✓ **Employees:** 3,000+
- ✓ **Customers:** 2,000+
- ✓ **Regions served:** All
- ✓ **Industries served:** Manufacturing, Financial Services, Retail, Healthcare, High Technology, Insurance, Real Estate, Higher Education, Hospitality, Media and Mining/Oil & Gas
- ✓ **Website:** [www.coupa.com](http://www.coupa.com)

### ESG Data Sources and Integrations

- Coupa incorporates various sustainability data sources such as US Environmental Protection Agency and UK Department for Environment, Food & Rural Affairs emission factors for supply chain modeling and design.
- Coupa has native social responsibility data sources covering suppliers in global regions like the US, UK, South Africa, Australia and more. The company uses a community-based supplier network model that aggregates supplier behaviors and data, applies to AI/ML to the resulting data set and delivers supplier data insights to customers.
- Coupa also offers prebuilt connectors to numerous third-party data providers that specialize in niche ESG areas, including Refinitiv, Dow Jones Risk & Compliance, EcoVadis, CSRhub and others.
- Access to additional data providers is supported by the CoupaLink partner program, which has an open API for other solutions to integrate to Coupa; examples for ESG include SupplyShift, IntegrityNext, FRDM and more.

Coupa is an extensive S2P suite provider with capabilities that include finance and treasury support, supply chain design and planning, procurement, sourcing, contracts, community intelligence and more — totaling a larger category that the provider defines as “business spend management (BSM).”

Coupa supports customer ESG programs with more than 50 configuration options available across its BSM platform for areas such as supply chain sustainability, supplier diversity and supplier inclusion. The company also uses its platform to support nonprofit and NGO programs. In July 2021, Coupa released its [inaugural ESG report](#) that details specific efforts the company has made to create ESG impact using a corporate sustainability strategy framework focused on 10 ESG priorities, determined through a materiality assessment conducted in mid-2020.

Beyond native development related to sustainability features — the vendor spent approximately \$135 million in 2020 on R&D — Coupa has invested in a series of strategic acquisitions to drive ESG impact. Key ESG-related acquisitions include Riskyop for supplier risk data connectors,

ConnXus for supplier diversity data and Hiperos for n-tier third-party risk management.

Coupa's distinctive ESG capabilities center around its ability to detect potential indicators of internal fraud (internally instigated corruption) and its ability to surface ESG violations, risks and benchmarks (e.g., percent of diverse/non-diverse PO spend internally compared with community average) through community intelligence.

In addition, Coupa enables use cases around CO2 emission reduction, optimization of production, distribution and inventory processes reducing miles traveled, inventory obsolescence and burden on natural resources. Coupa also supports the ability to design electric vehicle networks, including placement of charging stations and distance between charging stations based on the equipment type and miles traveled.

The company is in the process of launching a first-of-its-kind synergy between supply chain design and sourcing optimization to accelerate the speed that companies can take sustainable network designs into sourcing execution and implementation. Coupa is also being leveraged by a number of nonprofits and NGOs to make healthcare accessible to

remote parts of the world. Coupa is helping to design health diagnostic networks and to dispense locations to make medications accessible in underserved communities, like sub-Saharan African countries and remote parts of Asia.

While Coupa's ESG data is largely gathered and aggregated from third-parties — aside from diversity and inclusion, where it has an extensive database and accompanying expertise to validate and track supplier diversity requirements — the breadth of its ESG capacities are nonetheless a strength. Distinct sustainability strengths for which Coupa is notable include:

- Extensive S2P platform with integrated supply chain modeling and financial planning & monitoring capability
- Centralized data model to power AI-based fraud detection and ESG KPIs across customer community
- Open API for third-party feed integration into custom risk models
- Extensive supplier diversity data integrated into supplier, catalog search
- Network optimization for supply chain environmental and energy impact reduction

Coupa provides support across the following ESG areas:

ANTI-CORRUPTION/AML	HUMAN RIGHTS	DIVERSITY & INCLUSION	SUSTAINABLE SCF
Supports pre-built connectors with Refinitiv World-Check One, and Dow Jones Risk & Compliance. Screening includes OFAC, Sanctions, PEPs, State Ownership, and Watchlists.	Uses third-party data from providers such as FRDM, EcoVadis, SupplyShift, and IntegrityNext to calculate labor and human rights scores in supplier records. Designing supply chains to make healthcare accessible to underserved communities.	Coupa diversity database includes more than 500,000 unique diverse supplier records (not including SMBs) and more than 1 million supplier certification records, across 28 classifications, and global support	Partners with financial institutions to create awareness of SMB-designed financial programs. Coupa Pay allows suppliers to receive multiple types of payments, such as bank transfers, digital checks and virtual cards; lets suppliers set up card acceptance via Stripe.

CARBON FOOTPRINT	ENVIRONMENTAL IMPACT	WASTE MGMT.	OTHER
Coupa Supply Chain app optimizes transport networks based on carbon footprint, savings, performance; supports digital twins to optimize supply chain emissions and energy consumption.	Calculates impact of digitization of spend transactions to calculate ESG impact (trees, water, fuel and CO2 saved) based on the avoidance input materials, energy and transport impact; efficiently designing and planning supply chains to reduce the burden on natural resources	Supply chain network optimization to reduce burden on natural resources (inclusive of circular economy aspects to reduce waste); supports forward auctions for asset reuse	Community Supplier Behavior Insights across more than 7 million suppliers, including ESG KPIs; InfoSec control frameworks (ISO, NIST, FFIEC) BYOF (bring your own feed) capabilities

## SAP

- ✓ **Founded:** 1972 (acquired Ariba in 2012)
- ✓ **HQ:** Walldorf, Germany
- ✓ **Employees:** 103,876
- ✓ **Customers:** 400,000+
- ✓ **Regions served:** All
- ✓ **Industries served:** All
- ✓ **Websites:** [www.sap.com](http://www.sap.com) and [www.ariba.com](http://www.ariba.com)

### ESG Data Sources and Integrations

- Ariba Network offers buyers an extensive pool of partners for discovery tied to ESG criteria (e.g., diversity) for more than 5.3 million suppliers in more than 190 countries, 70 currencies and 24 languages.
- The Ariba ecosystem also includes numerous integration partners and integrated apps with deep ESG capabilities, such as IntegrityNext and Greentoken.

SAP Ariba is an S2P solution in the SAP ecosystem with deep and broad risk model coverage that includes many core ESG areas. It has the benefit of accessing Ariba Network, which is the first and largest supplier network among the S2P platforms.

This is supplemented from an ESG perspective by a deep risk insights platform that collects, integrates and models data from over 650+ feeds, including news and social media monitoring in nine languages. It's one of the most extensive risk solutions among all of the S2P players, which by extension also covers ESG concerns like human rights.

Stakeholder-focused ESG content is also a feature of SAP Ariba Guided Buying. In addition to facilitating search result guidance visually to distinguish diverse and sustainable suppliers, SAP Ariba supports the ability to construct marketplaces based on spot purchase capabilities from

social and diverse suppliers, enabled in Spot Buy. These can be rolled out to end users by the buying organization to influence buying decisions.

Today, SAP Ariba's ESG support is particularly focused on supplier risk and guided buying out of the box, and these areas where it does offer targeted, pre-built capabilities are quite valuable. In addition, SAP supports the UN Global Compact, and accordingly, SAP Ariba solutions will continue to expand into leveraging product carbon footprint, recycled products/materials and more as nascent developments start to expand further into adoptable capabilities.

Sustainability strengths for which SAP Ariba is notable include:

- Extensive supplier network with deep supplier data tied to ESG criteria, unlike other supplier networks with less rich ESG data
- Monitoring of over 650 data sources in nine languages, whereas partners rely more heavily on third-parties via integration
- AP automation and financial supply chain solution (via partners) for enhanced financial data and monitoring
- Supports the UN Global Compact

SAP Ariba provides support across the following ESG areas:

ANTI-CORRUPTION/AML	HUMAN RIGHTS	DIVERSITY & INCLUSION	SUSTAINABLE SCF
Risk monitoring capabilities above can be used to identify companies in non-compliance with related anti-corruption legislation or with potential human rights violations		Tracks diversity status across millions of suppliers via Ariba Network	Monitors data from Rapid Ratings, Bureau van Dijk, and D&B and integrates into a custom financial risk model

CARBON FOOTPRINT	ENVIRONMENTAL IMPACT	WASTE MGMT.	OTHER
SAP supports the UN Global compact and is committed to adding the ability to monitor for carbon compliance, environmental impact and responsible waste management			Extensive monitoring across global regulatory requirements, and strong ability to attract partner solutions to Ariba ecosystem to cover gaps

## Ivalua

- ✓ **Founded:** 2000
- ✓ **HQ:** Redwood City, California
- ✓ **Employees:** 700+
- ✓ **Customers:** 300+
- ✓ **Regions served:** Americas, Europe, Asia
- ✓ **Industries served:** Manufacturing, Financial Services, Public Sector, Healthcare, Oil, Gas & Energy, Construction & Engineering, Others
- ✓ **Website:** [www.ivalua.com](http://www.ivalua.com)

### ESG Data Sources and Integrations

- Ivalua takes a partnership approach to bringing sustainability data into the platform. Key partners include EcoVadis for labor and environmental factors (across 198 categories); riskmethods for news/media monitoring and public database crawls (e.g., corruption); GRMS for supplier risk screening on financial, regulatory and insurance risks; and Tealbook for discovery, diversity and supplier data enrichment.
- Open ecosystem approach allows clients to integrate additional feeds flexibly — a key value proposition,

as Ivalua clients strongly value the provider's ability to configure complex use cases around data, workflows and projects, with ESG concerns being a key use case.

Ivalua is an S2P suite known for its single code base across its full source-to-pay offering, its direct materials support and its configurability to unique requirements, including ESG needs.

From an ESG perspective, Ivalua enables internal survey capability and third-party feeds for ESG data collection. This may be applied to a range of sustainability scenarios, although these must also be configured and managed to the client's needs, rather than accessed off the shelf. In practice,

this is accomplished both via standard connectors with ESG data providers and by adapting strong out-of-the-box capabilities — for example, around supplier collaboration and innovation plans, category management, performance evaluation and campaigns, etc. Multinational enterprise customers have configured Ivalua to drive supplier RFI collection on sustainability criteria and then drive comparison of composite sustainability and risk/performance scores across standard criteria like price, quality, product quality and on-time delivery to prioritize supplier development and or/ substitution planning.

While Ivalua does not have a supplier network, it provides an integrated discovery solution to support ESG programs through an integration with Tealbook's AI supplier discovery platform. Suppliers are discovered using a "new" supplier search or by leveraging existing profiles to search for "similar" suppliers. Within a search, advanced search criteria curate results across criteria like commodities, location, diversity, security, quality certifications and sustainability. Ivalua can search for suppliers meeting specific diversity classifications (e.g., MBE, MWBE, VBE, etc.) and capture

certifications or support self-certification. Country-specific certifications like Certified Aboriginal Business for Canada and Australia can also be used as a criteria. Relative to sustainability, Ivalua enables the discovery of suppliers across several sustainability measures, including certifications like ISO (14000, 500001, 26000, 20121) and other certifications, like Emission Reduction (SBTI), Forest Stewardship (FSC), Gender Equity (EDGE), and Animal Welfare (AAALAC).

Sustainability strengths for which Ivalua is notable include:

- Easily extensible and customizable, which means ESG data can theoretically be collected in a detailed manner.
- Deep BoM support allows for appropriate product-based risk assessments, quality and safety control down to the part level.
- Extensive do-it-yourself integration capability and do-it-yourself reporting allows for BYOF and custom risk modeling.

Ivalua provides support across the following ESG areas:

ANTI-CORRUPTION/ AML	HUMAN RIGHTS	DIVERSITY & INCLUSION	SUSTAINABLE SCF	CARBON FOOTPRINT	ENVIRONMENTAL IMPACT	WASTE MGMT.	OTHER
<p>Deep information on each of these ESG areas can be maintained, but data must come from internal surveys or third-party feeds.</p> <p>For internal surveys, the structure and specific requirements must be determined on a client-by-client basis. For carbon footprint, this could be tracked theoretically at the part level.</p> <p>Third-party integrations are supported with specialists in the ESG and risk management areas, most notably including partnerships with Tealbook, D&amp;B, Bureau Van Dijk, EcoVadis, riskmethods and GRMS.</p>							<p>Profiles can be extended to track any data the client wants.</p>

## GEP

- ✓ **Founded:** 1999
- ✓ **HQ:** Clark, New Jersey
- ✓ **Employees:** 5,000+
- ✓ **Customers:** 450+
- ✓ **Regions served:** All
- ✓ **Industries served:** Oil & Gas, Pharma & Life Sciences, BFSI, CPG & Retail, and Manufacturing
- ✓ **Website:** [www.gep.com](http://www.gep.com)

### ESG Data Sources and Integrations

- GEP takes a bespoke approach to supporting customers, which means it will work individually with clients to support any specific data source they would like to integrate.
- In practice, GEP heavily relies on third-parties for ESG, most notably partners EcoVadis and GRMS, which collects compliance data primarily around financial, regulatory and insurance risks, including KYC/AML monitoring (but not for sustainability concerns).

GEP Software is a platform that provides S2P, direct materials and supply chain support. It takes what could be called a risk-centric approach to ESG.

GEP SMART is one of the few S2P platforms on one code base with centralized in-platform MDM, customizable modeling and reporting, and the ability to integrate any external feeds that the organization wishes. The single code base allows users to access and use all data elements anywhere in the platform. GEP also offers its own supply chain planning and execution suite (GEP NEXXE), which, while nascent, could provide extension opportunities for ESG.

Beyond extensible data collection and the ability to create custom AI/ML models for risk prediction, GEP enables internal survey capability and data feeds from third-parties for risk information collection and assessment, which has focused GEP's applicability to ESG scenarios to date on a group of select, customer-driven criteria (described below).

Sustainability strengths for which GEP is notable include:

- Internally developed direct materials S2P solution with its own supply chain platform for detailed supplier, product and SC models
- Custom-built integration and analytics capability allows for native import of third-party data
- Ability to extend SIM to track whatever data and related news items the customer deems relevant (not always the case for S2P suites)

GEP provides support across the following ESG areas:

ANTI-CORRUPTION/ AML	HUMAN RIGHTS	DIVERSITY & INCLUSION	SUSTAINABLE SCF	CARBON FOOTPRINT	ENVIRONMENTAL IMPACT	WASTE MGMT.	OTHER
<p>GEP supports these ESG areas as dictated by customer requirements, rather than in specific, prebuilt capabilities or partner programs. Evaluation of various ESG criteria can come from integration with third-party solutions that capture or score these criteria or creation and distribution of qualification/compliance questionnaires to suppliers and third-parties.</p> <p>According to GEP, the greatest uptake and interest from its customer base to date has been in areas of financial risk and regulatory exposure. There is certainly an impetus to address broader concerns in the same programmatic fashion, but perhaps unsurprisingly, the greatest adoption so far has been in banking, financial services and insurance to address the immediate issues of financial risk.</p>							<p>Profiles can be extended to track any data the client wants.</p>

## Jaggaer

- ✓ **Founded:** 1995
- ✓ **HQ:** Morrisville, North Carolina
- ✓ **Employees:** 1,100+
- ✓ **Customers:** 1,800+
- ✓ **Regions served:** Americas, Europe, Asia-Pacific, Middle East, North Africa
- ✓ **Industries served:** All (especially Life Sciences, Higher Education, Government and Automotive)
- ✓ **Website:** [www.jaggaer.com](http://www.jaggaer.com)

### ESG Data Sources and Integrations

- Jaggaer relies heavily on riskmethods and EcoVadis for third-party risk and sustainability data, although it has integrated these solutions into its platform deeply to act as a native input to supplier profiles.
- Jaggaer has partnered with Tealbook to provide additional supplier data, including diversity and sustainability data.
- In addition, Jaggaer supports its own supplier network, where clients can discover more than 5 million suppliers, enabled with no transaction or access fees.

Jaggaer is an S2P provider that addresses direct materials purchasing and ESG support via data partners.

Jaggaer's centralized ONE platform has been built up by acquisition. It started with SciQuest, which then acquired AECsoft, Upside Software, SpendRadar and CombineNet to round out its S2C suite on top of its core P2P offering. Then, after additional funding, Jaggaer acquired Pool4Tool to give it capabilities in direct sourcing and procurement, and then BravoSolution to give it deep services knowledge and capability globally as well as additional sourcing and analytics capabilities dedicated to complex project-and-service based procurement.



None of these solutions had deep ESG capabilities independently, but collectively, the deep supplier profiles — when augmented with riskmethods, Tealbook and EcoVadis data — can be used to provide valuable insights with appropriate models. For the time being, however, Jaggaer relies heavily on riskmethods for deep risk-monitoring and management, which has a somewhat risk-centric ESG focus to date.

Beyond supplier profiling and its network, Jaggaer has made a unique effort to create a more inclusive experience on its platform via its Inclusive Language Project. The initiative identifies common terms used through enterprise software and updates them to more appropriate, neutral alternatives — such as “blacklist” to “blocked list,” “whitelist” to “safe list,” “master” to “main,” “redlining” to “ruling out,” etc.

Sustainability strengths for which Jaggaer is notable include:

- Multiple S2P offerings that can work off an intersecting data model
- Deep analytics offerings that can build customizable risk models with what-if capability
- Deep optimization capability that can incorporate ESG criteria into constraints for award decisions
- Heavy integration with riskmethods for risk monitoring

Jaggaer provides support across the following ESG areas:

ANTI-CORRUPTION/ AML	HUMAN RIGHTS	DIVERSITY & INCLUSION	SUSTAINABLE SCF	CARBON FOOTPRINT	ENVIRONMENTAL IMPACT	WASTE MGMT.	OTHER
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Limited to data provided by third-party partners, specifically riskmethods, Tealbook and EcoVadis.

For diversity and inclusion, Jaggaer has made a concerted effort to update and remove language from its platform (e.g., via menus) to make it more inclusive for all stakeholders.