



**E2OPEN**<sup>®</sup>  
Demand. Supply. Delivered.<sup>™</sup>

# E2open ESG Report

FY2021



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# A Message from E2open's CEO

Welcome to E2open's first environmental, social and governance (ESG) report.

Ever since we embarked on the mission to orchestrate complex global supply chains using our integrated mission-critical platform, we have known that what we do, at its core, supports the concept of sustainability. Our tools allow clients to optimize their supply chains, which in turn helps decrease the cost of everyday items for the world's population. With the E2open platform, our clients can reduce their carbon footprint by using the lowest-impact modes of transportation and decreasing the amount of inventory needed to meet demand. Put simply, we help companies accelerate growth, reduce costs, increase visibility, improve agility and resiliency and use less resources — more sustainably.

Now we are sharing with you the first chapter of this story — a chapter that starts with what we are doing within E2open.

While our own company's environmental impact is negligible, we are still invested in ensuring that we operate in a manner that is consistent with our aspirations in regard to sustainability. This allows us to focus on reducing the environmental impact of the products our clients produce and distribute. We are committed to offering a diverse and inclusive workplace where everyone feels valued, welcome and safe. We pledge to always conduct ourselves in an ethical, just and responsible manner. Our clients expect that of their business partners, and we demand it of ourselves.

Last year was unique in many ways. The global pandemic presented us with operational challenges that we met head on. We quickly adapted to the new model of working remotely and leveraging video conferencing. For the necessary onsite operations that are required on an ongoing basis, we did and continue to do so in a thoughtful and deliberate manner that ensures the safety and wellbeing of our team. When the focus on social justice swept the country in the summer of 2020, we took the time to look inwards and make sure we were doing all that we could to promote diversity and inclusion in our teams.

Knowing that we have more work to do, we look forward to learning more about ourselves and how we can make improvements in the future.

We are excited about what the next year holds for E2open. We partner with some of the largest, most dynamic companies in the world, and our platform plays a significant role in helping them become more sustainable. Their success is our success, and we find it rewarding to play our part in helping the global economy operate more smoothly, more efficiently and more sustainably.

We look forward to your feedback and engagement.



## **Michael Farlekas**

President & Chief Executive Officer  
E2open Parent Holdings, Inc.



# About This Report

In this inaugural E2open ESG report, we have embraced transparency and accountability not only to understand our impacts across all relevant ESG aspects, but also to communicate this understanding to our stakeholders.

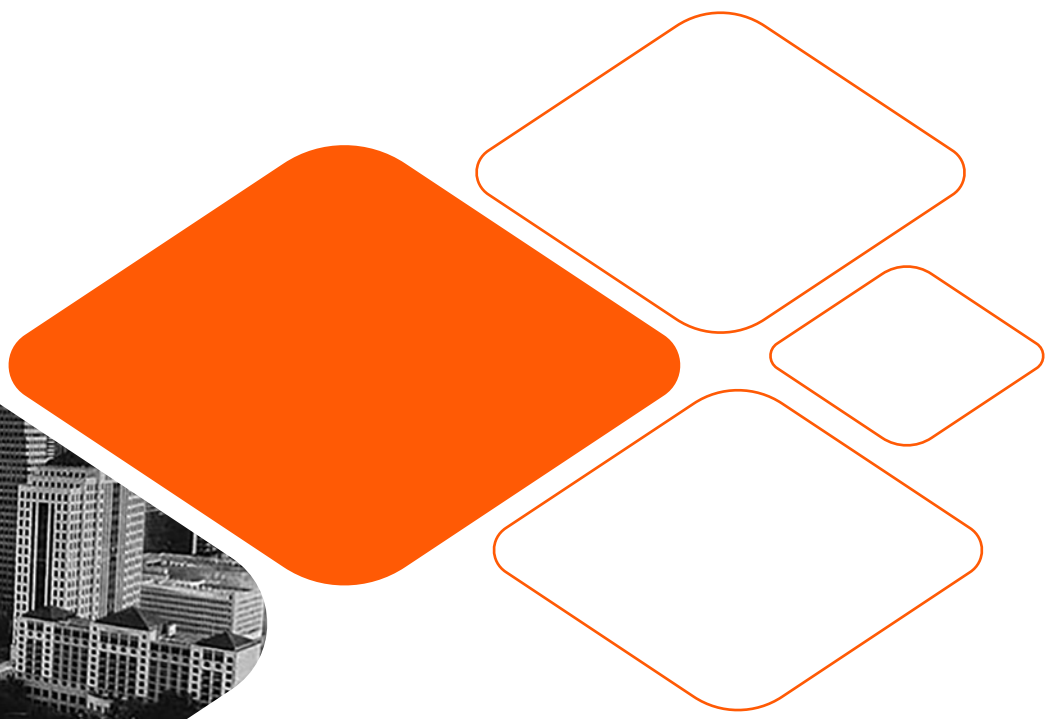
As a newly-public company, we are in the beginning stages of formalizing our ESG programs. While the core concepts of environment, sustainability and governance are not new to E2open, establishing programs and reporting around ESG represents a new opportunity for us. Throughout the process of creating our report, ESG programs have been implemented, key metrics have been identified and prepared for ongoing progress monitoring, and our teams have taken responsibility for moving the needle on ESG at E2open. We acknowledge that we are at the starting line of ESG, and we are eager to continue to embed ESG principles in our daily lives and to seek ways to help our clients use our products and services in their own sustainability journeys.

## Alignment with the SASB Reporting Standard

We prepared this report in alignment with the Sustainable Accounting Standards Board (SASB) Software & Information Technology (IT) Services industry standard, addressing material aspects throughout the document. Please refer to the appendix for the SASB index.

## Scope and Boundaries

To align with the E2open fiscal year 2021, this report covers March 1, 2020, through February 28, 2021, E2open's most recent full fiscal year of data. Our FY21 report spans all E2open sites worldwide, including data centers, presenting all relevant information as available. For areas in which data was not available, modeling methodologies were used.



# About E2open

E2open Parent Holdings, Inc. (NYSE: ETWO), is a leading network-based provider of 100% cloud-based, mission-critical, end-to-end supply chain management software. We help clients optimize their supply chains by solving challenges that hinder rapid growth, providing cost-saving opportunities, improving enterprise- and network-wide visibility and increasing agility and resilience to prepare against market changes and future disruptions.

Given the essential nature of our solutions, we maintain long-term relationships with our clients that can be seen in our client retention and average client tenure rates. Across our operations, we serve more than 1,200 clients in over 180 countries.

## Our Story

Since our founding in 2000, we have been in the business of creating a more modern, connected and collaborative supply chain. Our goal is to become the leading global supply chain solutions provider.

The broad spectrum of intelligent applications we offer is powered by the world's largest direct business network with a single view encompassing clients' demand, supply, logistics and global trade ecosystems. We equip clients with tools to make the best decisions for their businesses, the environment and society with the power of real-time data captured from within their operations and across multi-tier channels. As a trusted partner with a wide selection of customizable solutions, we offer ongoing opportunities for our clients to succeed along the journey to business transformation, add value and optimize their positive impacts.

## Mission and Purpose

Our mission is to build the most comprehensive and capable end-to-end global supply chain software ecosystem combining networks, data and artificial intelligence (AI)-enabled applications to deliver long-term client value. By leveraging our solutions, clients can achieve their goals, identify new opportunities for efficiency and growth and anticipate risks before they become crises. Our central purpose is to improve quality of life by enabling the most cost-effective and environmentally sound production and distribution of goods and services. Through constant collaboration with our clients and a commitment to excellence and innovation, we are living our purpose every day.

Our core operating principles and values form the foundation of our success. Our principles help us stay on track:

- Be Prepared
- Build Relationships on Trust and Respect
- Be Direct and Transparent
- Learn and Operate with Intensity
- Make and Meet Commitments Reliably
- Always Add Value
- Own the Results

Our values provide inspiration to forge ahead:

- **Empathy:** To effectively collaborate, we must understand our clients' views and perspectives.
- **Integrity:** Our products and services are deeply intertwined with our clients' businesses, and as such, we must always be a trustworthy partner.
- **Inclusion:** By embracing diverse peoples and perspectives, we can create the best solutions for our clients.
- **Collaboration:** Not only do we believe working together can yield great results, but we also believe it is the best way to create great solutions.
- **Decisiveness:** We value people's abilities to make clear and timely decisions after seeking the appropriate information.
- **Aspiration:** We are never satisfied with the status quo, and we always strive to improve.
- **Innovation:** Just as important as our ability to provide solutions for today's problems is our ability to anticipate and solve future problems.

**Our central purpose is to improve quality of life by enabling the most cost-effective and environmentally sound production and distribution of goods and services.**

# Improving Supply Chains with E2open

At E2open, we are constantly improving supply chains through innovative thought leadership, the skill of seasoned experts and advanced technology. Our collaborative cloud-based, multi-enterprise solutions help our clients efficiently bring goods to market, avoid and minimize disruptions, and gain valuable insight into their partners' performance. Many of these advantages also have inherent sustainability benefits.

## Impacts of Our Solutions

We work tirelessly to provide our clients with the best supply chain solutions. With our wide selection of applications and commitment to client satisfaction, we are confident our products can add value to any organization. By providing real-time data from an extensive global network, we enhance agility, resiliency and efficiency for strategic decision-making and execution.

In addition to the bottom-line contributions of our solutions, they also hold great potential to improve ESG performance via increased transparency and ESG goal tracking. Below are examples of our solutions' impacts across the three essential ESG factors.

ESG Factor	Impacts
Environmental	<ul style="list-style-type: none"><li>• Identification of optimized shipping modes and routes to reduce the carbon footprint associated with the ways our clients transport their products</li><li>• Demand forecasting that allows clients to initiate innovative order and warehouse management, reducing waste and excess storage costs</li></ul>
Social	<ul style="list-style-type: none"><li>• Compliance monitoring to ensure there are no human rights violations among suppliers and other partners</li><li>• Supplier social screens to evaluate each supplier's community impact, non-profit partnerships and philanthropic commitments</li></ul>
Governance	<ul style="list-style-type: none"><li>• Streamlined logistics capabilities that support effective supply chain operations management</li><li>• Automation of administrative tasks, facilitating the simultaneous creation of an audit paper trail for imported goods or for meeting other regulatory requirements</li><li>• Certification that suppliers are in compliance with their customers' vendor codes of conduct</li></ul>

**Table 1:** Examples of E2open's Significant ESG Impacts

In FY21, we had 1,293 solution instances. With 95% of them hosted via our data centers and cloud-based systems and the remaining 5% client-hosted by choice, we adhered to our service offering of 100% offsite hosting for clients.

## Product Quality

To achieve our goal of becoming the leading supply chain solutions provider, we must offer solutions and services that are both valuable and reliable. We are proud to report that in FY21, our clients experienced an average service uptime of 99.96%. In our operations, any disruption affects our clients and can vary from upload difficulties to power failures. We track any service disruptions and outages and immediately work to resolve the root cause. E2open makes Service Level Agreement (SLA) commitments and issues subscription credits when we miss our SLA commitment. In FY21, we issued zero SLA credits.

We also proactively seek ways to improve product quality by constantly testing the robustness and accuracy of our applications in our performance, stability and reliability (PSR) testing environments. These environments simulate full-scale client operations and give valuable insight into how E2open's applications can serve the client, as well as how we can improve this service. In FY21, our Global Support Customer Success Engineering Team expanded its scope to not only diagnose and report on existing issues, but also code and deploy the necessary changes in many cases.

**E2open makes Service Level Agreement (SLA) commitments and issues subscription credits when we miss our SLA commitment. In FY21, we issued zero SLA credits.**



**In FY21, our clients experienced an average service uptime of 99.96%.**

## Innovation through Collaboration

A single, unified platform combines our applications, global business network and cohesive user interface to enable us to meet our clients' needs. We do this by partnering with each client to understand the business problem and work together to customize an innovative solution that effectively addresses the core issues while establishing a framework for future growth as the client's company matures. This type of collaborative partnership helps clients gain the confidence required for effective supply chain orchestration.

### Quarterly Updates

Industry-leading software must be strategically designed, critically evaluated and routinely updated for its specific purpose. By listening to our clients and understanding current critical issues in the industry, we are able to perfect our applications through quarterly technology updates that enable us to better address our clients' needs.

### E2opennovation

To further foster innovation under our own roof, each year we launch the E2opennovation contest. Through this competition, we encourage employees to form teams and develop innovative, useful, cost-saving and cutting-edge solutions and concepts that will benefit clients, the company or other employees. This global competition not only allows our employees to showcase work done in the past that exemplifies innovation, but also can result in new ideas that create value for our clients.



# Delivering Solutions

The way we deliver our services and applications and manage our clients' sensitive information is just as important as the solutions themselves. Providing consistent support is critical to our success because our products are at the heart of our clients' businesses. Due to the integrated nature of our applications, any disruption in our service is a disruption to the client's business. Therefore, we constantly work to preserve our reliability by preventing or rapidly addressing disruptions, maintaining data security best practices and safeguarding customer data.

## Network Risk Management

As we continue to grow toward becoming the leading supply chain management software provider, we must proactively identify and manage potential disruptions to our operations. Security breaches and loss of data could compromise sensitive information related to our business or clients' operations and also prevent us from accessing critical information. In addition, disruptions to power supplies at our data centers could interrupt service and jeopardize client data. To help mitigate these risks, we adopt security best practices and vigilantly monitor our network for third-party intrusions while creating system backups in case data loss occurs.



## Client Privacy

Protecting the privacy of our users, the entities they represent and visitors who only interact with us online is always a high priority. We conduct annual privacy training for all our employees and maintain ongoing compliance with the General Data Protection Regulation (GDPR). Our [Privacy Policy](#) describes how we collect, use, share and secure the personal information users provide when accessing our websites and services. We do not perform any behavioral advertising, and personal user data is not sold or datamined for secondary purposes. However, we do utilize publicly available information to email prospective clients.

We fully comply with the EU-U.S. and Swiss-U.S. Privacy Shield Frameworks set forth by the U.S. Department of Commerce regarding the collection, use and retention of personal information transferred from the European Union (EU), Switzerland and the United Kingdom to the United States. E2open has certified to the Department of Commerce that the company adheres to the Privacy Shield Principles and maintains a commitment to resolving all complaints about the collection or use of personal information in a timely manner. In FY21, E2open did not incur any monetary losses as a result of legal proceedings associated with user privacy.

E2open is subject to the investigatory and enforcement powers of the U.S. Federal Trade Commission, and in certain situations we may be required to disclose personal data in response to lawful requests by public authorities. However, in FY21 there were no law enforcement requests for user information. In addition, there were no instances of product censorship due to government-required monitoring.





## Data Security

E2open and our third-party providers have implemented extensive security measures to help protect against the risk of loss, misuse and alteration of any information under our control. These measures include using encryption, limiting employee access, conducting company-wide cybersecurity training and implementing industry-standard controls such as firewalls and secure environments for personally identifiable information (PII). Our Information Security Incident response process is certified to the International Organization for Standardization (ISO) 27001 standard and undergoes SSAE-18 SOC 1/SOC 2 audit reviews. In FY21, there were no data breaches at E2open.

We stand behind our Corporate Security Policy, which protects all proprietary and confidential information belonging to our clients. This policy addresses information classification, information security procedures (electronic and hardcopy), limited disclosure procedures, physical facility access, and general security awareness and enforcement. We have developed and continue to follow strict security policies and guidelines with all our third-party data hosting facility providers. In addition, we have deployed industry-standard client authentication and user verification procedures to limit access to client information to only those who are authorized.

**Our Information Security Incident response process is certified to the ISO 27001 standard and undergoes SSAE-18 SOC 1/SOC 2 audit reviews. In FY21, there were no data breaches at E2open.**

# Meeting the People Behind the Technology

Our team is made up of talented individuals who are instrumental to our success. Operating from 27 offices spanning North America; Europe, the Middle East and Africa (EMEA); and Asia-Pacific (APAC), each member of our global team performs an integral role within the organization that helps us to successfully manage our operations and serve our clients. We value our people and embrace the diversity that comes with our identity as an international business. We strive to elevate every associate and work together to identify and accomplish their personal career goals by providing relevant training and advancement opportunities and competitive compensation packages. To continue supporting our team, we know that we must always seek improvement in all aspects of employee wellbeing, and we intend to strategically build our people programs to do just that.

## Talent Recruitment

We seek candidates who align with our company values and culture and have a desire to work with cutting-edge technology. We value individuals who enjoy the innovation process and feel energized by their work. Our passion is so genuine and apparent that many of our new hires come from employee referrals.

## Opportunities

Our comprehensive solution set presents an enticing opportunity to candidates interested in working at E2open. Knowing they can be part of a growing company with expanding application suites and network connections is an attractive element as well. Candidates might also be drawn by our significant promotion opportunities.

## Benefits

As a company, we strive to attract, retain, motivate and reward the best possible people. To accomplish this, we offer benefits consistent with best practices in the areas where we operate. For example, in the U.S., our competitive Total Rewards and Health Benefits Program includes the following:

- Fixed base pay
- Unlimited paid time off
- Incentive variable bonus plan
- Retirement plan match
- Gym reimbursement
- Training and career development
- Health benefits
  - Medical
  - Dental
  - Vision
  - Health Savings Account (HSA)
  - Long- and short-term disability



## Onboarding, Training and Education

We recognize and value the important role of employee training in our long-term growth. We strive to be the best in the industry, which demands the best from each employee. With our revamped onboarding program, E2immersion, training starts on day one to help streamline the transition. This program is designed to provide tools and training for our applications and compliance procedures. After the initial training, new hires go through HR and management checkpoints before attending education forums with senior leaders to learn about key matters of the organization. In addition, each new employee is introduced to the global community on the E2open intranet via a one-page slide highlighting the individual and his or her new role and personal interests.

When the need and opportunity arises, we also provide additional training to employees through E2open University, our training portal. Every year we require mandatory employee training on information security, compliance and harassment prevention. Other training topics offered via E2open University include sales, leadership and management skills, application deployments, business planning, and more.

## COVID Response

We worked to support our team throughout the challenges of the past fiscal year. We supported our employees, both onsite and remote teams, via flexible work environments, extensive Human Resources (HR) and IT support, and regular all-hands information sharing.

In India, for example, we provide support, education, assistance and care. We have been and continue to be committed to ensuring that our team has the resources needed to get through the crisis.

Our efforts in India include the following:

- COVID Awareness Kit
- COVID leave
- India COVID Response Team
- Stay-at-Home Assistance Program
- COVID assistance sessions
- On-call physicians
- Community financial support



## Employee Engagement

Employee engagement is integral to our success because engagement drives performance. As part of our efforts to measure and improve engagement, we launched a global engagement survey in January 2021. This survey followed the Gallup Q12 model and showed a positive trend in responses ranging from 70 to 90%. Our performance management system, E2-Connect, enables us to address specific areas needing attention. For example, employees expressed a desire for additional professional development and more involvement with managers. E2-Connect facilitates regular dialog between employees and their managers so they can set and measure goals throughout the year and define a career development path that aligns with employee career aspirations and company goals. The system is flexible and agile, which matches up with the dynamic environment of E2open. Currently, we have about 80% global participation in our performance program.

To further support engagement, we established the Field Leadership Council (FLC), a select group of E2open leaders representing all functions, geographies and acquired companies. FLC members serve as ambassadors for our values and operating principles and take direct responsibility for ensuring that all employees understand and participate in internal initiatives such as training, performance management and development planning. The FLC identifies areas for improvement in key company processes and initiatives and serves as an upward link to the executive team for communicating issues and solutions relevant to our success and culture.

In addition, we are also taking steps to develop our global community. We want our global operations to feel like one unified team as opposed to segmented divisions. To accomplish this, we launched our Global Culture & Events Committee, which serves to embrace and share our global culture while generating programs and social activities throughout the year. FY21 required a shift to providing only virtual events to ensure the safety and wellbeing of all our employees. As its first virtual event, the Global Culture & Events Committee hosted a virtual Outrageous Holiday Apparel Contest where employees dressed up in their silliest and most ridiculous winter holiday attire. This event promoted lighthearted bonding and helped to create a universal feeling of belonging at E2open.



## Diversity and Inclusion

Employee diversity and inclusive business practices are central to our corporate identity and ingrained in everything we do. As shown in Tables 2 and 3, we recognize that we have work to do to support diverse representation across our entire organization. Especially given our role within the technology space, we understand that we have a responsibility to progress in all aspects of diversity. We plan to build upon our Valuing Diversity Training and Women’s Forum to do just that.

		Gender Diversity		
		Male	Female	Total Count
All Offices Worldwide	Headcount	1,607	837	<b>2,444</b>
	Percentage of Employees	66%	34%	
People Managers	Headcount	329	126	<b>455</b>
	Percentage of Employees	72%	28%	
Individual Contributors	Headcount	1,278	711	<b>1,989</b>
	Percentage of Employees	64%	36%	

**Table 2:** E2open Global Diversity by Gender

		U.S. Employee Diversity							Total Count
		American Indian/Alaskan Native	Asian	Black or African American	Hispanic or Latino	Native Hawaiian or Other Pacific Islander	Two or More Races	White	
All U.S. Employees	Headcount	2	191	21	34	17	11	367	<b>643</b>
	Percentage of Employees	0%	30%	3%	5%	3%	2%	57%	
People Managers	Headcount	0	45	4	4	6	4	100	<b>163</b>
	Percentage of Employees*	0%	28%	2%	2%	4%	2%	61%	
Individual Contributors	Headcount	2	146	17	30	11	7	267	<b>480</b>
	Percentage of Employees*	0%	30%	4%	6%	2%	1%	56%	

**Table 3:** E2open Diversity in the U.S. by Race

\*Percentages do not total 100% due to rounding.

## “Valuing Diversity” Training

At E2open, embracing diversity worldwide is integral to finding the best people, not a box to check or standard to meet. This perspective is adopted throughout the company and reinforced in the U.S. through our annual Valuing Diversity training.

## E2open’s Women’s Forum

As part of our efforts to create a supportive ecosystem that inspires and develops our female employees, we launched a Women’s Forum within India, our largest employee segment. The Women’s Forum aims to build an active platform for promoting and sharing inclusive initiatives, providing support for professional development, and offering programs that support women’s wellbeing. Initially, we focused on mentorship programs, webinars and employee wellbeing. Our new mentorship program, E2 Inspire Her, is a specifically curated mentoring program that aims to provide guidance and inspiration to female employees with aspirations of professional growth into the next level of managerial and leadership roles. The program is currently being piloted at our India site with the intention of developing chapters across all our operations.



## Community Support

We want our employees to feel empowered and to take pride in E2open by supporting efforts to give back to the communities where we live and work.

We recognize the weight of the social, economic and environmental challenges faced by our communities, and we are committed to helping solve them through a long-term contribution of our time, skills and resources.

### North America

We continued our efforts to support local foodbanks during our North America Virtual Holiday Food Drive. Each E2open office partnered with a local food bank to raise money, resulting in over 142,000 meals being provided in the communities in which we operate.

### EMEA and APAC

In our EMEA and APAC offices, we assisted in various ways that include donations to charities, employee volunteering, food banks, education and more.



### Assistance for Malaysia, China and Hong Kong

In Malaysia, we supported the Suriana Welfare Society, an active advocate for the rights of children, the protection of women and children, and food aid in urban poor communities. We also provided assistance for The Salvation Army, which helps with not only Malaysia emergency relief in time of crisis, but also residential homes for children and the elderly, family support services, day care centers, and tuition centers. We supported the Maria Chin Abdullah PJ MP Organization's efforts to eradicate poverty in Malaysia and champion women's rights and the eradication of domestic violence against women.

Of the Chinese charities we supported, the Shanghai Charity Foundation conducts outreach to elderly nursing homes to purchase and distribute food to senior citizen residents, and the Shenzhen Charity Foundation provides essential resources and supplies to children and the elderly.

Our volunteer and donation efforts in Hong Kong provided support for Food Angel, a food rescue and food assistance program distributing hot meals to serve underprivileged communities, and the Pentecostal Church of Hong Kong, which distributes hot food packs to the elderly as a COVID-19 effort and works with volunteers and community partners to collect and redistribute food for the needy. We also donated to Mission to New Arrivals, which serves new arrivals, poor and grassroots families, helps marginalized groups to integrate into society and actively promotes life education and environmental and cultural conservation.

## Contributions in India

Our corporate social responsibility (CSR) program contributions in India span volunteer efforts, event support and donations.

We volunteered at the Prathiba 2020 event, which was held to benefit an organization supporting mentally challenged children from poor families. We also provided assistance for the Maverick Association for Novelty, Transformation, and Radical Augmentation (MANTRA) Social Services science event. MANTRA works towards the vision of a holistic development of society through quality and equity in education.

Our donations in India supported the following organizations:

- Rashtrottana Parishat Trust COVID-19 by Goonj & Surabhi COVID Relief Work
- Surabhi Foundation Trust, which enables access to mainstream education, self-help groups and employment opportunities for women and children in rural areas
- Aman Vedika Non-Profit Service Society, an organization focusing on welfare and the protection of children, women and shelterless people
- Borabanda School, which gives education opportunities to low-income and impoverished children via government funding
- Nayi Disha Information Resource for Intellectual & Development Disabilities, an organization that helps families of individuals with intellectual and development disabilities connect with services and other families for support

We also assisted the Friends of Tribals Society with school sponsorship. This organization brings education to every child by running a network of one-teacher schools throughout India's most remote rural and tribal villages. In addition, we helped with home visits and goods collections for Desire Society, a non-profit that supports the health, development and wellbeing of children living with HIV/AIDS.





# Minimizing Our Environmental Impacts



As a global supply chain software provider, understanding our environmental impacts goes beyond our four walls. Therefore, we operate with the purpose of enabling the most cost-effective and environmentally sound production and distribution of goods and services. In this inaugural ESG report, we have laid the groundwork to quantify and communicate not only our own immediate impacts, but also those that ripple throughout our clients' supply chains and have a positive influence on their ESG goals.

By developing programs to establish baseline environmental impacts for our data centers and offices, we are committing to doing our part in environmental responsibility.

## Energy and Emissions

Our energy and emissions sources consist of data centers, the cloud and our offices. For FY21, we strove to ask the key questions around greenhouse gas (GHG) and climate impacts from each of these sources. Responsible parties were identified, data collection processes were established and internal education around energy and emissions were embraced, all for the purposes of putting the required systems in place to establish a baseline when we return to a more consistent in-office environment.

### Data Centers

We utilize a combination of data centers and cloud-based systems to host our software. In an effort to strategically approach the reduction of data center environmental impacts, we implemented new methodologies for identifying underutilized data clusters.

This new approach has given us increased service capacity without expanding into new data center systems, thus reducing our future environmental impacts from data center use.

In preparation for reporting FY21 data center usage, we enhanced communications with all providers and engaged cross-functionally, leading to a greater understanding of our impacts and paths to improvement. During this process, we established ongoing requests for related information to ensure that we have better transparency into our data center energy use and impacts moving forward.

In FY21, our data centers used just over 4.5 million kWh or 16,396 GJ of electricity, emitting 365 mtCO<sub>2</sub>e. We also utilize AWS and Azure cloud services, but utilization data is not available for these at this time. Our largest data center provider, Equinix, represents over 80% of our data center power utilization — over 3.7 million kWh — 100% of which is renewable.

### Offices

While the energy and emissions from our global offices are not significant, we still recognize our responsibility to first understand, then work to minimize, these impacts. We are developing processes to track energy usage reliably and consistently at our office spaces so we can present a true baseline metric of office emissions. This has not, however, stopped us from calculating this aspect of ESG. We have evaluated all available data and modeled emissions for offices for which we do not yet have access to energy usage information. We are actively building relationships with building owners to better track these metrics going forward and are exploring options to build this data need into drafted leases. In this way, we can confidently put reduction programs in place and track our progress.

**In FY21, our data centers used just over 4.5 million kWh or 16,396 GJ of electricity, emitting 365 mtCO<sub>2</sub>e. We also utilize AWS and Azure cloud services, but utilization data is not available for these at this time. Our largest data center provider, Equinix, represents over 80% of our data center power utilization — over 3.7 million kWh — 100% of which is renewable.**

We are proud to share that our San Jose, California, office is 100% carbon neutral as a result of energy efficiency measures, Renewable Energy Credits and verified emissions reduction credits to offset emissions from natural gas consumption.

## Water Use

We recognize that water usage and sourcing is an important aspect of corporate responsibility. Because our office spaces do not have an impact beyond daily consumption, this aspect is not significantly material. However, we have still completed the exercise of understanding modeled consumption for each of our sites and regions. With this information, we can work with our building partners to reduce impacts.

## Environmental Metrics for Offices

As we faced the challenges of the global pandemic over FY21, all our offices in North America and India were closed. Therefore, the data obtained for sites at which it was available may not be representative of a standard baseline operating fiscal year.

For those offices lacking in environmental data, we have employed a reliable modeling approach based upon industry benchmarks (see Tables 4 and 5). Due to the pandemic-related anomalies, we plan to establish a baseline year of emissions data when we return to a more consistent in-office environment to accurately account for reduction activities moving forward. We also plan to track mtCO<sub>2</sub>e/sq. ft. and m<sup>3</sup> water/sq.ft. to better understand our energy and water intensities by site.

**Our San Jose, California, office is 100% carbon neutral as a result of energy efficiency measures, Renewable Energy Credits and verified emissions reduction credits to offset missions from natural gas consumption.**

### Energy Emissions

Region	Total Square Footage	FY21 mtCO <sub>2</sub> e (includes Scope 1 and Scope 2 emissions)	Total Gigajoules
North America	137,179	525	5,411
EMEA	33,294	80	1,113
APAC	151,719	854	4,205
<b>Global Total</b>	<b>322,192</b>	<b>1,459</b>	<b>10,729</b>

Table 4: E2open Office Energy Emissions Worldwide

### Water Use

Region	Total Square Footage	FY21 m <sup>3</sup>
North America	137,179	7,539
EMEA	33,294	654
APAC	151,719	7,221
<b>Global Total</b>	<b>322,192</b>	<b>15,414</b>

Table 5: E2open Office Water Use Worldwide

## Green Buildings

Many of our office buildings meet various green building standards, helping us to “live green” in daily operations. A combination of best-in-class operational efficiency, Leadership in Energy and Environmental Design (LEED) certifications, Energy Star ratings, Building Owners and Managers Association (BOMA) designations and more help us to mitigate our footprint significantly. The following is a sampling of our green buildings.



**The Towers at Greenhill, Addison, Texas:**  
BOMA 360 designation



**2000 Corporate Ridge Road, McLean, Virginia:**  
LEED Energy Star



**Wyndham Building, Parsippany, New Jersey:**  
LEED certified



**1515 East Woodfield Road, Schaumburg, Illinois:**

- Energy Star
- LEED certified - Gold
- WiredScore Gold
- BOMA 360 designation



**Brigade Opus, Hebbal, Bengaluru:**  
Indian Green Building Council (IGBC) Green New Buildings Rating System - Platinum

## Helping Reduce Clients' Impacts

In addition to reducing our own environmental impacts, we want to enable our clients to address theirs as well. A key component of this objective is engaging with clients to help them reduce their environmental impacts and meet their ESG goals. As our clients' end-to-end supply chain software partner, we hold a great deal of insight that can open the door to innovation and efficiency. Our E2open applications help clients add value along their supply chains and share with their stakeholders the key ESG aspects in which they are moving the needle.

### Applications

This past year, we embarked on a comprehensive assessment of all E2open software applications to better understand where the most significant environmental impacts can be mitigated and quantify the role of these applications in our clients' supply chain operations. Our strategic approach involves assessing each application alone and in conjunction with others to identify new opportunities and existing environmental benefits. Over this coming year, we plan to build this new knowledge into not only our own everyday operations, but also those of our clients.

Consisting of nine applications, the E2open Transportation and Logistics intelligent application suite is a prime example of the opportunity that awaits.

Heavy-duty trucks account for the dominant share of all logistics-related greenhouse gas emissions. By reducing the number of empty container moves with E2open, transporters can decrease emissions significantly. Consolidating pallets and cartons during the process of planning domestic shipments can reduce miles driven, carbon emissions and fuel consumption while improving resource utilization. With the level of detail and transparency available to clients, modeling and scenario assessments can provide key decision-making insights related to ESG.

Several applications in E2open's Business Planning, Demand Sensing and Supply Management suites have also become established as E2open offerings with great ESG benefit potential.

### Value-Add

Our clients share our values and operating principles around transparency and environmental responsibility. We recognize the positive effect we can have on our clients' operations simply by working together to quantify and assess the greatest opportunities for both efficiency and minimized environmental impacts. By helping our clients articulate these messages to their stakeholders, we build stronger relationships and create space for even better collaboration, innovation and results.



# Promoting Culture and Governance

We are committed to taking on the unique responsibilities that come with operating in the global supply chain management software space. We aim to act with integrity and work to identify and implement sound governance practices. We develop policies that promote fair and ethical behavior while simultaneously strengthening our company by building trust with our employees, clients and stakeholders.

Company-wide policies include our Foreign Corrupt Practices Act Compliance Policy, Anti-Discrimination and Anti-Harassment policies, Insider Trading Policy, and more. E2open employees are required to complete training courses on many of our policies on a regular basis in addition to taking a Cybersecurity Awareness course.

**We develop policies that promote fair and ethical behavior while simultaneously strengthening our company by building trust with our employees, clients and stakeholders.**

## Integrity and Ethical Operations

With the sensitive information we handle every day, it is imperative that we operate ethically and transparently to earn the trust necessary to successfully serve our clients. Ethical management of E2open starts from the top with our board of directors, with behavior expectations outlined in our [Corporate Governance Guidelines](#) policy that are specifically applicable to all board members. We are in the process of rolling out an updated comprehensive [Code of Ethics](#) to set baseline expectations for all employees. All directors, officers and employees are required to understand the code and comply with its terms, which include the following:

- Honest and ethical conduct
- Full, fair, accurate, timely and understandable disclosures in reports and documents we file
- Total compliance with all applicable government laws, rules and regulations
- Accountability for adherence to the code
- Prompt reporting of code violations, either directly to appropriate authorities or as outlined in our [Whistleblower Policy](#)



## Compliance

Our operations span the globe, so it is crucial that we stay abreast of the various evolving legal compliance requirements throughout our operations. To ensure compliance requirements are met across the company, our Audit Committee assists in the oversight of the following:

- Integrity and accuracy of E2open's financial statements
- Compliance with all legal and regulatory requirements
- Third-party auditor qualifications and independence
- Third-party and internal audit performance

To fulfill these responsibilities, the Audit Committee is tasked with maintaining free and open communication between itself and the third-party auditor, internal auditor and E2open C-suite and determining that all parties are aware of their responsibilities. Management is responsible for preparing financial statements and determining that they are complete, accurate and in accordance with generally accepted accounting principles, as well as for establishing satisfactory disclosure controls and internal control over financial reporting. The independent auditor is responsible for auditing E2open's financial statements and the effectiveness of the company's internal control over financial reporting. Members of our internal and outside counsel are responsible for assuring compliance with laws and regulations and the company's corporate governance policies. To learn more, please see our [Audit Committee Charter](#).



# Building Sustainability for a Brighter Future

As we continue to pursue our goal of becoming the top global supply chain solutions provider, we make our critical ESG responsibilities a top priority. We understand that our role involves helping clients drive not only organizational success, but also their own ESG journeys. It is our privilege to use our expertise in support of our clients, consumers, communities and the planet.



# Appendix

The following table highlights E2open's responses to the metrics outlined in the SASB Index for the Software & Information Technology (IT) Services industry standard.

## SASB IT Services and Software Standard

### Environmental Footprint of Operations

Accounting Metric(s)	Code	Unit	Response or Location in Report						
(1) Total energy consumed (2) Percentage grid electricity (3) Percentage renewable	TC-SI-130a.1	Gigajoules (GJ), Percentage (%)	<p>1) Total energy consumed: 27,125 GJ</p> <table border="1"> <tr> <td>Offices</td> <td>10,729 GJ</td> </tr> <tr> <td>Data Centers</td> <td>16,396 GJ*</td> </tr> <tr> <td><b>Total</b></td> <td><b>27,125 GJ</b></td> </tr> </table> <p>2) Percentage grid electricity: 49.8% 3) Percentage renewable: 50.2%</p> <p>*Data center GJ total does not include energy usage from Azure and AWS data centers as it is not available at this time.</p> <p>See Minimizing Our Environmental Impacts &gt; Energy and Emissions &gt; Data Centers (page 17). See Minimizing Our Environmental Impacts &gt; Environmental Metrics for Offices (page 18).</p>	Offices	10,729 GJ	Data Centers	16,396 GJ*	<b>Total</b>	<b>27,125 GJ</b>
Offices	10,729 GJ								
Data Centers	16,396 GJ*								
<b>Total</b>	<b>27,125 GJ</b>								
(1) Total water withdrawn, (2) Total water consumed Percentage of each in regions with high or extremely high baseline water stress	TC-SI-130a.2	Thousands of cubic meters	<p>1 and 2) Total water withdrawn, consumed: 15 thousands of cubic meters*</p> <p>Water % of each in regions with high or extremely high baseline water stress is not available at this time.</p> <p>*Modeling was employed for sites without available data.</p> <p>See Minimizing Our Environmental Impacts &gt; Water Use (page 17). See Minimizing Our Environmental Impacts &gt; Environmental Metrics for Offices (page 18).</p>						
Discussion of the integration of environmental considerations into strategic planning for data center needs	TC-SI-130a.3	Discussion and analysis	See Minimizing Our Environmental Impacts > Energy and Emissions > Data Centers (page 17).						

### Data Privacy and Freedom of Expression

Accounting Metric(s)	Code	Unit	Response or Location in Report
Description of policies and practices relating to behavioral advertising and user privacy	TC-SI-220a.1	Discussion and analysis	See Delivering Solutions > Client Privacy (page 8).



Number of users whose information is used for secondary purposes	TC-SI-220a.2	Quantitative	See Delivering Solutions > Client Privacy (page 8).
Total amount of monetary losses as a result of legal proceedings associated with user privacy	TC-SI-220a.3	Quantitative	See Delivering Solutions > Client Privacy (page 8).
(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	Quantitative	See Delivering Solutions > Client Privacy (page 8).
List of countries where core products or services are subject to government-required monitoring, blocking, content filtering or censoring	TC-SI-220a.5	Discussion and analysis	See Delivering Solutions > Client Privacy (page 8).

## Data Security

Accounting Metric(s)	Code	Unit	Response or Location in Report
(1) Number of data breaches (2) Percentage involving personally identifiable information (PII) (3) Number of users affected	TC-SI-230a.1	Quantitative	See Delivering Solutions > Data Security (page 9).
Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	TC-SI-230a.2	Discussion and analysis	See Delivering Solutions > Data Security (page 9).

## Recruiting and Managing a Global, Diverse and Skilled Workforce

Accounting Metric(s)	Code	Unit	Response or Location in Report
Percentage of employees that are (1) foreign nationals and (2) located offshore	TC-SI-330a.1	Quantitative	1) 12%* 2) Data is not available at this time. *U.S.-based data
Employee engagement as a percentage	TC-SI-330a.2	Quantitative	See Meeting the People Behind the Technology > Employee Engagement (page 12).
Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff and (3) all other employees	TC-SI-330a.3	Quantitative	See Meeting the People Behind the Technology > Diversity and Inclusion (page 13).

## Intellectual Property Protection and Competitive Behavior

Accounting Metric	Code	Unit	Response or Location in Report
Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	TC-SI-520a.1	Quantitative	There have been no such legal proceedings in the reporting period.

## Managing Systemic Risks from Technology Disruptions

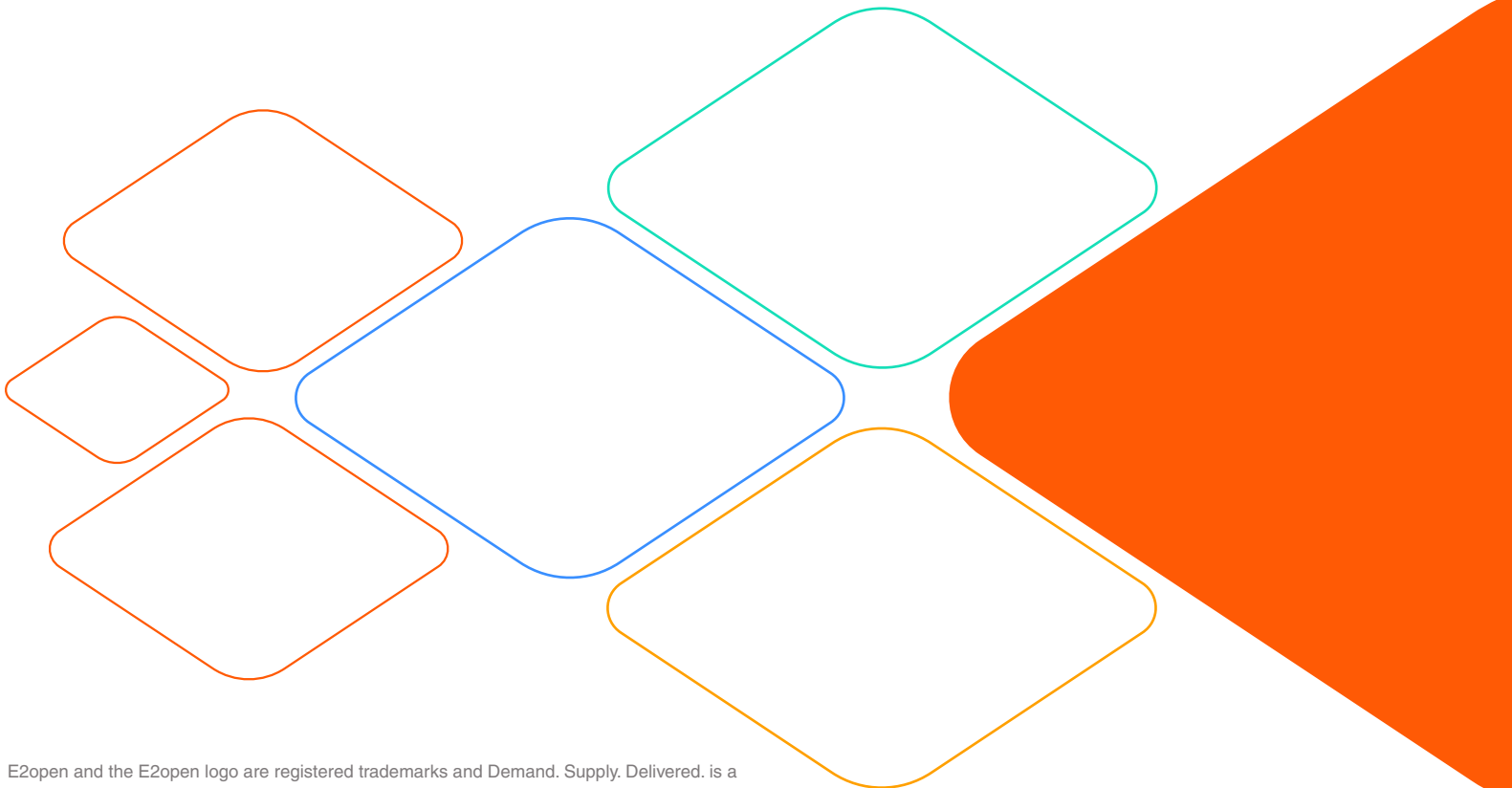
Accounting Metric(s)	Code	Unit	Response or Location in Report
Number of (1) performance issues, (2) service disruptions and (3) total customer downtime	TC-SI-550a.1	Quantitative	See Improving Supply Chains with E2open > Product Quality (page 7).
Description of business continuity risks related to disruptions of operations	TC-SI-550a.2	Discussion and analysis	See Improving Supply Chains with E2open > Product Quality (page 7). See Delivering Solutions > Network Risk Management (page 8).

## Activity Metrics

Accounting Metric(s)	Code	Unit	Response or Location in Report
(1) Number of licenses or subscriptions, (2) Percentage cloud-based	TC-SI-000.A	Quantitative	See Improving Supply Chains with E2open (page 6).
(1) Data processing capacity, (2) Percentage outsourced	TC-SI-000.B	Quantitative	Data processing capacity and percentage outsourced is not available at this time.
(1) Amount of data storage, (2) Percentage outsourced	TC-SI-000.C	Quantitative	Amount of data storage and percentage outsourced is not available at this time.

# About E2open

At E2open, we're creating a more connected, intelligent supply chain. It starts with sensing and responding to real-time demand, supply and delivery constraints. Bringing together data from customers, distribution channels, suppliers, contract manufacturers and logistics partners, our collaborative and agile supply chain platform enables companies to use data in real time, with artificial intelligence and machine learning to drive smarter decisions. All this complex information is delivered in a single view that encompasses your demand, supply, logistics and global trade ecosystems. E2open is changing everything. *Demand. Supply. Delivered.*™ Visit [www.e2open.com](http://www.e2open.com)



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