

CONFIDENTIAL

Coupang, Inc.

# Cyberattack Impact Report

November 2025 Insider Data Incident — Summary, Timeline & Financial Impact

Report Date: May 05, 2026 | Ticker: CPNG | NYSE

*This report summarizes the timeline, operational impact, financial consequences, legal proceedings, and regulatory exposure related to the cybersecurity incident experienced by Coupang, Inc. commencing November 18, 2025.*

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## 1. Executive Summary

**Incident Status: ACTIVE | Ongoing Regulatory Investigations | Litigation Pending**

INCIDENT DATE	ACCOUNTS ACCESSED	DATA ACTUALLY SAVED	CUSTOMER COMP.	OPERATIONS DISRUPTED	FINANCIAL DATA TAKEN
<b>Nov 18, 2025</b>	<b>~33M</b>	<b>~3,000</b>	<b>\$1.2B</b>	<b>No</b>	<b>None</b>
Discovery date	Customer accounts	Accounts — data deleted	Voucher program announced	No material disruption	No payment or banking data

On November 18, 2025, Coupang Corp., a wholly-owned Korean subsidiary of Coupang, Inc. (NYSE: CPNG), became aware of a cybersecurity incident involving unauthorized access to customer accounts by a former employee. The incident represents one of the largest insider-threat data events disclosed by a Fortune 500 company in recent years — affecting access to approximately 33 million customer accounts, though investigative findings subsequently confirmed that the former employee actually saved data from only approximately 3,000 accounts, and that data has since been deleted without having been shared externally.

While Coupang's operations were not materially disrupted, the incident triggered a \$1.2 billion customer voucher compensation program, active regulatory investigations by Korean authorities, class-action litigation in the United States, and adverse impacts to Q4 2025 revenue growth, active customers, and WOW membership. No financial data, payment card information, login credentials, or government-issued IDs were compromised.

**Key Finding:** Third-party forensic experts Mandiant and Palo Alto Networks have confirmed that the data accessed was limited to basic contact and order information. The perpetrator has been identified, cooperated with investigators, and turned over all devices. The saved customer data has been deleted with no confirmed instances of exploitation or secondary harm to customers.

## 2. Company Profile

<b>Company Name</b>	Coupage, Inc.	<b>Ticker / Exchange</b>	CPNG / NYSE
<b>Industry</b>	Internet Services and Retail	<b>Founded</b>	2010
<b>Annual Revenue</b>	\$33.7 Billion	<b>Employees</b>	~95,000
<b>Headquarters</b>	Seattle, Washington	<b>Primary Markets</b>	South Korea, Global
<b>Business</b>	Internet Services & Retailing	<b>Key Brands</b>	Coupage, Rocket Now, Eats

### 3. Incident Timeline

Date	Event	Details
Nov 18, 2025	<b>Incident Discovered</b>	Coupang Corp. becomes aware of unauthorized access to customer accounts by a former employee. Incident response plan immediately activated.
Nov 18, 2025	<b>Immediate Response</b>	Coupang disables the former employee's unauthorized access method, reports the incident to Korean regulatory authorities and law enforcement, and warns customers whose data may have been accessed.
Late Nov 2025	<b>Customer Notification</b>	Customers whose accounts were identified as potentially accessed are notified of the incident. Full Board of Directors is notified.
Dec 15, 2025	<b>SEC Form 8-K Filing</b>	Coupang, Inc. files an 8-K with the U.S. Securities and Exchange Commission publicly disclosing the incident. Approximately 33 million customer accounts were accessed. No financial data, payment cards, or login credentials compromised.
Dec 24, 2025	<b>Investigation Update #1</b>	Coupang Corp. issues update: the perpetrator has been identified, is cooperating with investigators, and has turned over all devices used in the incident.
Dec 28, 2025	<b>Investigation Update #2</b>	Further update confirms that while ~33M accounts were accessed, the former employee only saved limited data from ~3,000 accounts. That data has been deleted without being shared with any third party.
Dec 29, 2025	<b>SEC Form 8-K Update Filed</b>	Coupang files an 8-K update with the SEC consolidating the December 24 and 28 updates. Customer compensation voucher program announced: approximately 1.685 trillion won (~\$1.2B) in vouchers starting January 15, 2026.
Jan 15, 2026	<b>Voucher Program Launched</b>	Coupang Corp. begins issuing ~\$1.2 billion in vouchers to affected customers. Vouchers applied towards future purchases; reflected as reductions to selling price and revenue recognized at redemption.
Feb 26, 2026	<b>Q4 2025 Earnings Update</b>	Coupang discloses the incident adversely impacted Q4 2025 revenue growth rates, active customers, and WOW membership beginning in December 2025. Mandiant and Palo Alto Networks confirm data accessed was limited to basic contact and order information. Recovery in growth rates beginning in Q1 2026.
Ongoing	<b>Regulatory &amp; Legal</b>	Korean regulators continue investigations. Class-action securities lawsuits and a stockholder derivative action filed in the United States. Financial penalties from Korean regulators expected; amounts not yet determinable. Additional inquiries and enforcement actions anticipated.

## 4. Incident Details

### Nature of the Incident

The incident was caused by a former employee — an insider threat — who obtained unauthorized access to Coupang customer account data. This distinguishes it from the majority of Fortune 500 cybersecurity disclosures, which typically involve external threat actors. The former employee was subsequently identified, cooperated fully with Coupang and law enforcement investigators, and turned over all devices used in the incident.

### Data Accessed vs. Data Saved

Data Element	Finding	Context
Accounts Accessed	~33 million	Former employee had access to account records at this scale
Accounts — Data Actually Saved	~3,000	Investigation confirmed only limited data retained from this subset
Data Deleted	Yes — Confirmed	Saved data deleted; not shared with any third party
Third-Party Sharing	None — Confirmed	No evidence of external distribution of accessed data
Public Disclosure by Perpetrator	None — Confirmed	To Coupang's knowledge, obtained data has not been publicly disclosed
Exploitation / Secondary Harm	None — Confirmed	No confirmed instances of customer data being exploited

### Data Compromised — and Not Compromised

DATA ACCESSED	DATA NOT COMPROMISED
● Customer names	● Banking or financial information
● Phone numbers	● Payment card data
● Delivery addresses	● Login credentials or passwords
● Email addresses	● Government-issued IDs
● Limited order histories (subset)	● Social security numbers
● Building lobby codes (2,609 KR accts)	● Account balances or payment history

**Third-Party Forensic Confirmation:** Independent cybersecurity experts Mandiant and Palo Alto Networks were engaged to investigate the incident. Both firms confirmed that the customer data accessed was limited to basic contact and order information. No financial data, no payment cards, no login credentials, and no government IDs were accessed.

## 5. Financial Impact

The incident has had a meaningful financial impact on Coupang, spanning a \$1.2 billion customer compensation program, adverse Q4 2025 operating results, and ongoing exposure to regulatory penalties and litigation costs. The following table summarizes known and estimated financial impacts.

Financial Element	Amount / Status	Detail
Customer Voucher Program	~\$1.2 Billion	1.685 trillion won in vouchers issued starting Jan 15, 2026 to notified customers; reflected as revenue reductions at redemption
Q4 2025 Revenue Impact	Adverse	Incident adversely impacted Q4 2025 revenue growth rates beginning in December 2025; specific dollar amount not separately quantified
Active Customer Impact	Adverse	Q4 2025 active customers and WOW membership adversely affected; impacts beginning to stabilize and recover in Q1 2026
Regulatory Fines	Pending	One or more Korean regulators expected to impose financial penalties; amount not yet determinable; could be significant
Litigation Costs	Pending	U.S. securities class action, consumer class action, and stockholder derivative lawsuit filed; costs not yet determinable
Remediation Expenses	Ongoing	Forensic investigation (Mandiant, Palo Alto Networks), legal counsel, regulatory cooperation, and security enhancement costs ongoing
Operational Disruption	None	Operations were not materially disrupted by the incident
Cyber Insurance Recovery	Unknown	Coupang maintains cyber insurance; coverage may not be sufficient to cover all losses or claim types arising from the incident

**Q1 2026 Recovery Signal:** Coupang disclosed in its February 2026 earnings update that the impacts on growth rates have subsequently stabilized and are beginning to recover in Q1 2026 — a positive indicator that the customer confidence impact, while real, may be contained and reversible.

## 6. Regulatory & Legal Exposure

The incident has triggered a broad and escalating regulatory and legal response across multiple jurisdictions. Coupang operates in one of the world's most stringent data privacy regulatory environments, and the scale of the incident — 33 million customer accounts — has drawn significant governmental attention in South Korea.

### Regulatory Actions

Body	Status	Detail
<b>Korean Regulators</b>	Active — Multiple	Multiple Korean regulators have initiated investigations. Coupang is fully cooperating. Financial penalties expected; amounts not yet determinable. Some regulators have reopened previously inactive investigations unrelated to the incident and expanded their scope.
<b>Korean National Assembly</b>	Active	Senior Coupang leadership required to appear before the National Assembly of Korea. Prosecution referrals made related to these appearances and alleged failure to appear.
<b>Korean Record Preservation</b>	Alleged Violation	Regulators in Korea have alleged that Coupang failed to preserve certain records related to the incident — a potentially serious compliance matter.
<b>PIPA Compliance (Korea)</b>	Under Review	Korea's Personal Information Protection Act requires 24-hour breach notification and imposes personal liability on responsible individuals. Coupang's compliance with PIPA notification requirements is under review.
<b>U.S. SEC</b>	Disclosed	Coupang filed Form 8-K on December 15, 2025 and an update on December 29, 2025, fulfilling SEC cybersecurity disclosure obligations.

### Legal Actions

Action	Status	Detail
<b>U.S. Securities Class Action</b>	Filed — Pending	Putative securities class action filed on behalf of persons who purchased or acquired Coupang Class A common stock
<b>U.S. Consumer Class Action</b>	Filed — Pending	Consumer class action complaint filed related to the data incident
<b>U.S. Stockholder Derivative</b>	Filed — Pending	Derivative lawsuit filed against Coupang's directors and certain officers related to the incident
<b>Additional Claims</b>	Anticipated	Coupang acknowledges additional government investigations, enforcement actions, or claims are possible and may arise in the future

## 7. Ongoing Risks & Considerations

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### Escalating Korean Government Scrutiny

Coupang explicitly states that it believes the incident has increased and will further increase the Korean government's focus on its business. This could result in additional inquiries, enforcement actions, and litigation beyond what has already been initiated — including in areas unrelated to the incident itself, as some regulators have already reopened dormant investigations.

### Undetermined Regulatory Penalty Exposure

Financial penalties from Korean regulators are expected but cannot yet be quantified. Given the scale of the incident — 33 million customer accounts — penalties could be significant under PIPA and other Korean data protection frameworks, which carry potential criminal liability for responsible individuals in addition to monetary penalties.

### Ongoing U.S. Litigation

Three separate U.S. legal actions are pending: a securities class action, a consumer class action, and a stockholder derivative lawsuit. These proceedings could result in substantial monetary damages, legal costs, management distraction, and reputational harm. Defense costs alone may be material.

### Revenue and Customer Recovery Trajectory

While early Q1 2026 signals show stabilization and recovery, Coupang's ability to fully restore Q4 2025 revenue growth rates, active customer counts, and WOW membership is not assured. A protracted reputational impact could have a longer-term effect on customer acquisition and retention.

### Cyber Insurance Coverage Uncertainty

Coupang maintains cyber insurance coverage but acknowledges it may not be sufficient to cover all potential losses or claim types arising from the incident. The \$1.2 billion voucher program alone exceeds the coverage limits of most cyber insurance policies.

### Insider Threat Control Gap

The incident was caused by a former employee — an insider — rather than an external attacker. This highlights potential gaps in data access governance, employee offboarding procedures, and data loss prevention controls, regardless of the strength of Coupang's external defenses. The company is expected to face scrutiny regarding the adequacy of its insider threat controls.

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*Disclaimer: This report has been prepared for internal informational purposes only and is based on disclosures made by Coupang, Inc. in its public SEC filings from December 2025 through February 2026. Financial figures are approximate and subject to revision. Regulatory and legal outcomes remain undetermined. This document does not constitute legal, financial, or investment advice.*