OUR WORLD-CLASS COMMITMENT

Corporate Responsibility
2017

CooperStandard

Driving Value Through Culture, Innovation and Results

V. 3717

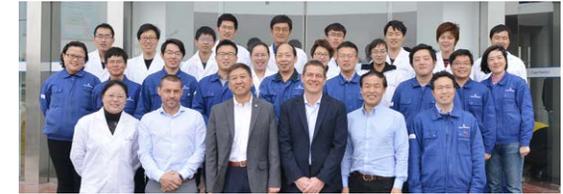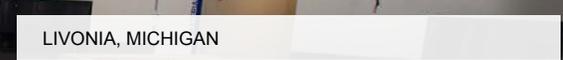# A MESSAGE FROM OUR CHAIRMAN AND CEO

GRI 102-14

VITRÉ, FRANCE

SHANGHAI, CHINA

LIVONIA, MICHIGAN

In 2017, our global team further demonstrated its ability to drive value through culture, innovation and results. We are innovating across our entire business by installing systems and processes to further leverage our global scale, and create the consistency and efficiencies required of a world-class manufacturing company.

Most notably, our culture of innovation is delivering game-changing advancements in material science to produce green product solutions that reduce weight, lower emissions, enhance design and improve performance for our customers.

The launch of our *Global Technology Center in 2017 <L.1>* in Livonia, Michigan is further accelerating our material science breakthroughs with the latest in testing and analytical capabilities, including machine learning to expedite development of new materials and improve our manufacturing processes.

This year's report highlights our engagement around innovation, as we continue our journey to world-class, including our global commitment to improving the communities where we work and live.

Jeffrey Edwards
Chairman and CEO

ABOUT THIS REPORT

Cooper Standard is committed to continuously improving and innovating to become world-class in every aspect of our business and we are happy to share our progress with you.

Our second annual corporate responsibility report, "Our World-Class Commitment," covers calendar year 2017. This report contains Standard Disclosures from the Global Reporting Initiative (GRI) Sustainability Reporting Standards, which can be found in our *GRI Content Index <pg.52>*. This report has not been externally assured.

For more information, contact Rich Hanlon, Vice President — Health Safety and Environment, at *corporateresponsibility@cooperstandard.com*.

TOPICS COVERED
Materiality & Stakeholder Engagement

SUGGESTED LINKS
GRI Index <pg. 52>
2016 Corporate Responsibility Report <L.2>

* Cooper Standard is also referenced as "the Company," "we," "our" and "us" in this report.

MATERIALITY & STAKEHOLDER ENGAGEMENT

Our stakeholders have told us that they are interested in hearing about our corporate responsibility priorities beyond what we report in our quarterly financial results. We acted on this feedback by committing to report on our corporate responsibility priorities. As a first step, we conducted a materiality assessment to identify and incorporate feedback from our stakeholders.

MATERIALITY AND STAKEHOLDER ENGAGEMENT

GRI 102-40, 102-42, 102-43

We manage and report on corporate responsibility topics that are material to our stakeholders, with whom we continually engage through such means as conversation, forums, surveys and community events. In 2016, we conducted a materiality assessment with internal and external stakeholders, which shaped our 2016 and 2017 reporting cycles. For a robust description of our process see our *2016 Corporate Responsibility Report <L.2>*. There have been no significant changes within Cooper Standard or the automotive industry, which would change our materiality assessment.
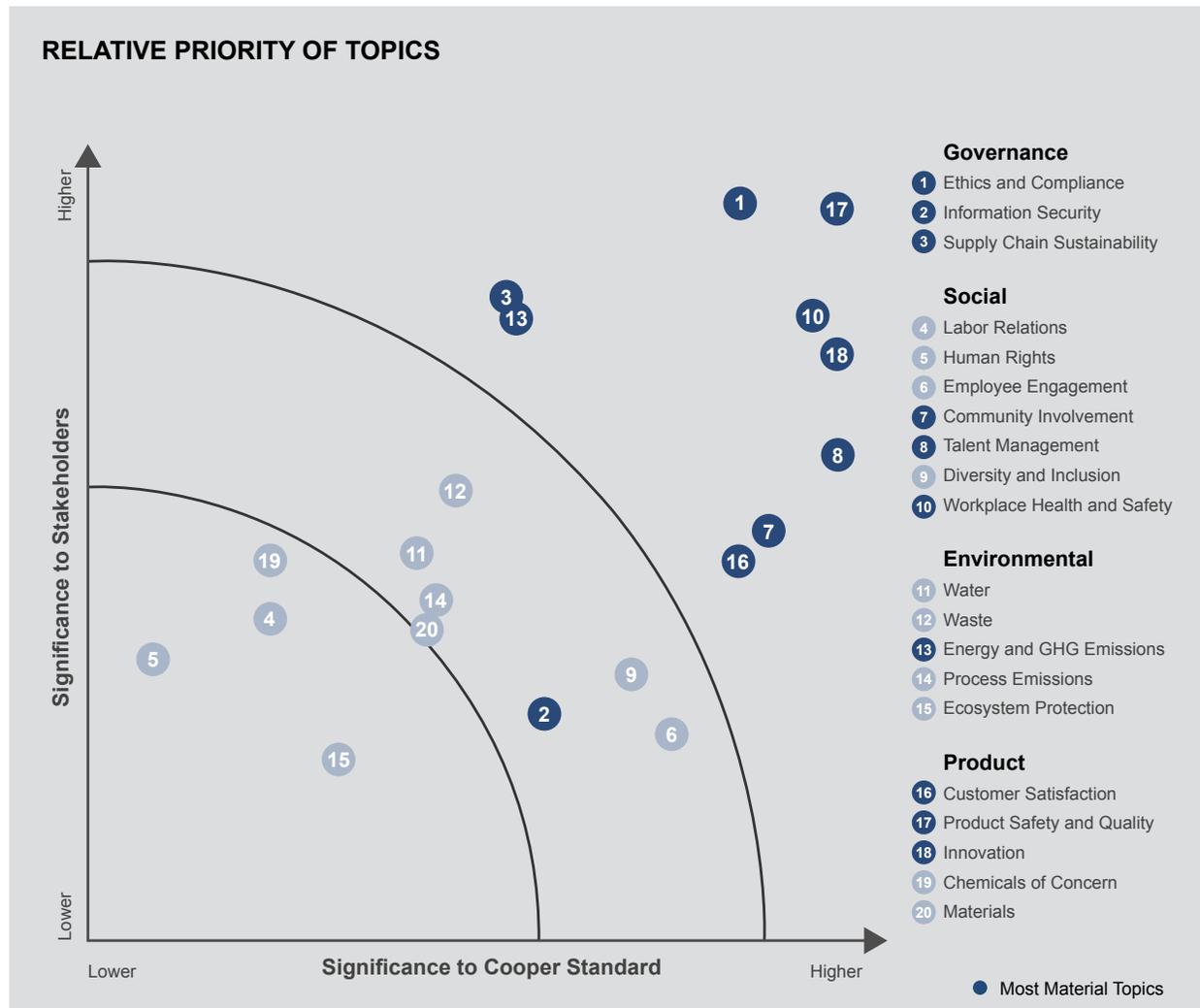
Materiality Assessment Engaged Stakeholders

- Cooper Standard Leadership
- Board of Directors
- Customers
- Suppliers

- Investors
- Industry Associations
- Media
- Communities

RELATIVE PRIORITY OF TOPICS

While all the topics that we identified and reviewed are important, 10 topics were identified by our stakeholders as the highest priority for managing and reporting. This report reflects those 10 topics.

RELATIVE PRIORITY OF TOPICS

Governance
1. Ethics and Compliance
2. Information Security
3. Supply Chain Sustainability

Social
4. Labor Relations
5. Human Rights
6. Employee Engagement
7. Community Involvement
8. Talent Management
9. Diversity and Inclusion
10. Workplace Health and Safety

Environmental
11. Water
12. Waste
13. Energy and GHG Emissions
14. Process Emissions
15. Ecosystem Protection

Product
16. Customer Satisfaction
17. Product Safety and Quality
18. Innovation
19. Chemicals of Concern
20. Materials

● Most Material Topics

MATERIAL TOPICS & BOUNDARIES

Our 10 highest priority material topics and their relative impact on our value chain are shown in the table below. The remainder of this report will focus on these high-priority material topics and our approach to manage them. We included information security because of its critical importance to our business.

Value Chain				Priority Topics	Page
●		●		Customer Satisfaction	*18*
●			●	Community Involvement	*47*
●	●	●		Energy Use & GHG Emissions	*37*
●				Governance, Ethics & Compliance	*13*
●	●	●	●	Information Security	*42*
●	●	●		Innovation	*26*
●		●		Product Safety	*23*
	●	●		Supply Chain Sustainability	*40*
●				Talent Management	*44*
●				Workplace Safety	*32*

● Internal
● Suppliers
● Customers
● Communities

ABOUT COOPER STANDARD

Our strategy is built on a sustainable foundation of strong values and a focus on four strategic pillars: World-Class Operations; Superior Products; Voice of the Customer; and Engaged Employees. While the execution of our strategy has enabled us to achieve record results, we have just begun. We are very enthusiastic about the opportunities ahead, especially with recent breakthroughs in material science that have been the catalyst for several new product innovations. Furthermore, our material science expertise is opening doors in *adjacent markets <pg. 11>*, which we anticipate will drive additional shareholder value in the coming years.

TOPICS COVERED

Our Strategy

Organizational & Business Structure

Global Footprint

Key Historic Dates

Brands, Products & Services

2017 Performance Highlights

Governance, Ethics & Compliance

Awards & Appointments

SUGGESTED LINKS

Adjacent Markets <pg.11>

Locations <L.3>

Superior Products <pg.20>

President Jeffrey DeBest <L.4>

Industrial & Specialty Group<L.5>

2017 Highlights <L.6>

Governance Guidelines & Committee Charters <L.7>

Global Leadership Team <L.8>

Global Commercial Council <pg.18>

Global Ethics and Compliance Committee <pg.14>

Global Product Safety Committee <pg.23>

Global Manufacturing Council <pg.30>

Global Technology Council <pg.26>

Cooper Standard Foundation Board of Trustees <pg.47>

Code of Conduct <L.9>

Supplier Code of Conduct <L.10>

Ethics Reporting Response Policy <L.11>

OUR STRATEGY

Our Vision, "Driving Value Through Culture, Innovation and Results," is built on these four strategic pillars.

VOICE OF THE CUSTOMER <PG.17>
We design and develop our products to meet the current and future needs of our customers. We listen intently and adjust to customer feedback to ensure we are consistently providing customer-focused products, while meeting their evolving needs. Cooper Standard is dedicated to serving its global customers and the automotive industry as a whole.

SUPERIOR PRODUCTS <PG.20>
With a focus on our core products, we provide customers market-leading solutions with predictable quality that meet or exceed expectations in sealing, fuel and brake delivery, fluid transfer and anti-vibration systems.

ENGAGED EMPLOYEES <PG.43>
Cooper Standard employees are the heart and soul of the Company and the key driver in our success. Committed to excellence and driven to succeed, Cooper Standard employees never lose sight of the Company's overall vision and strategy.

WORLD-CLASS OPERATIONS <PG.29>
We're committed to sustained excellence through global standardization of our manufacturing processes, as well as a highly trained workforce.

OUR COMPETITIVE STRENGTHS

Cooper Standard's global alignment around our strategic pillars continues to drive further value. The Company's competitive strengths include:

- Leading market positions in all product lines;
- Organic growth opportunities via increasing content per vehicle and new business wins through innovative product offerings;
- Advantaged global manufacturing footprint that provides operating efficiencies and coverage in every major customer market;
- Experienced management team focused on value creation; and
- Strong financial profile with focus on cash flow generation and margin improvement.

VISION

DRIVING VALUE THROUGH
CULTURE, INNOVATION AND RESULTS

Voice of the Customer · Superior Products

TOP 30+ TOP 5

Diverse Talent · Total Safety Culture
Integrity · Quality
Community Partner · Continuous Improvement

Engaged Employees · World-Class Operations

CooperStandard

Our DNA: *Collaborate. Innovate. Accelerate.*

*Top 30 automotive supplier for sales, Top 5% ROIC

ORGANIZATIONAL & BUSINESS STRUCTURE

GRI 102-1, 102-3, 102-5

Cooper Standard Holdings Inc. (NYSE: CPS) is a global automotive and industrial parts manufacturer headquartered in Novi, Michigan. The Company is organized with a regional structure with regional presidents for North America, Europe/South America and Asia Pacific, and a fourth president focused on our newly established Advanced Technology Group.

GLOBAL FOOTPRINT

GRI 102-4, 102-7, 102-10

TOTAL SALES BY REGION

52%	3%	29%	16%
North America	South America	Europe	Asia Pacific

○ New 2017 Facilities
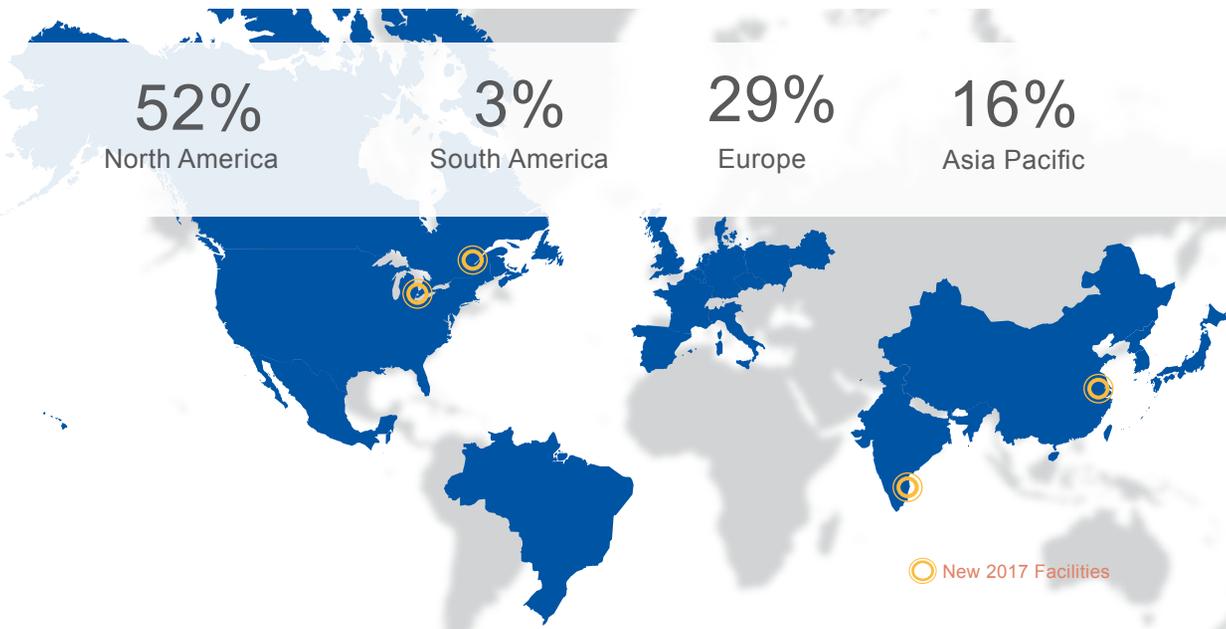
During 2017, the Company opened four new locations in Sherbrooke, Canada, Shanghai Qingpu, China, Chennai, India, and Livonia, Michigan; two of which, Shanghai Qingpu, China and Livonia, Michigan, are technical locations. The locations of the new facilities were selected based on proximity to our customers and anticipated growth. A detailed *location list <L.3>* is available on our website.

COMPANY STATISTICS

GRI 102-8

Team of approximately
32,000

North America

Asia Pacific

Europe

South America

20 Countries

120+ Facilities
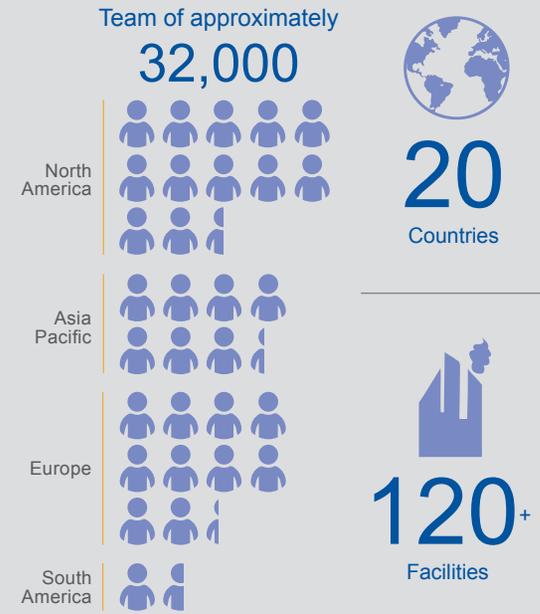
REGIONAL COMPOSITION BY PRODUCT
Percent of Sales

North America

Asia Pacific

South America

Europe
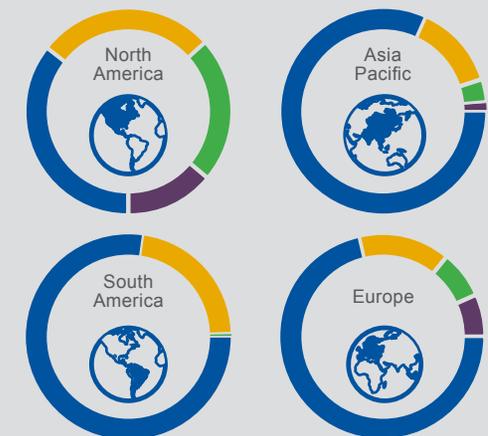
● Sealing Systems
● Fuel and Brake Delivery Systems (FBD)
● Fluid Transfer Systems (FTS)
● Anti-Vibration Systems (AVS)

KEY HISTORIC DATES

1960 — Cooper Tire Established Automotive Division

1999 — Acquired Standard Products Company

2000 — Acquired Siebe Automotive

2004 — Cooper Standard Holdings Inc. Purchases Business from Cooper Tire

2005 — Acquired Gates Corp. Automotive Hose

2006 — Acquired ITT Fluid Handling Systems

2007 — Acquired ACH-Fuel Rail; Acquired Metzeler Automotive Profiles

2010 — Emerged from Reorganization

2011 — Established CS France; Formed Sujan JV; Expanded Nishikawa Partnership; Acquired USi Inc

2012 — Acquired EDC Sigit

2013 — Acquired Jyco Sealing, NA/China; **Listed on NYSE: CPS**; Launched Profitable Growth Strategy

2014 — Divested Thermal & Emissions Product Line; Formed INOAC JV; Acquired Remaining Interest in CS France JV

2015 — Acquired Huayu-Cooper Standard, China; Acquired MAPS India JV; Formed Polyrub JV, India; Divested Trim Product Line

2016 — Acquired AMI Industries' Fuel and Brake Business

2017 — Advanced Technology Group Established; Dedicated Facility Opened in Sherbrooke, Canada Supporting Our Industrial and Specialty Group

**2018** — Acquired Remaining Interest in INOAC JV

BRANDS, PRODUCTS & SERVICES

GRI 102-2, 102-6

OUR APPROACH

Cooper Standard is dedicated to developing quality components for the passenger car and light truck market. As a result of our focused approach, Cooper Standard holds a leadership position in each of our four core product lines: sealing; fuel and brake delivery; fluid transfer; and anti-vibration systems. See *Superior Products <pg. 20>* section for more details.
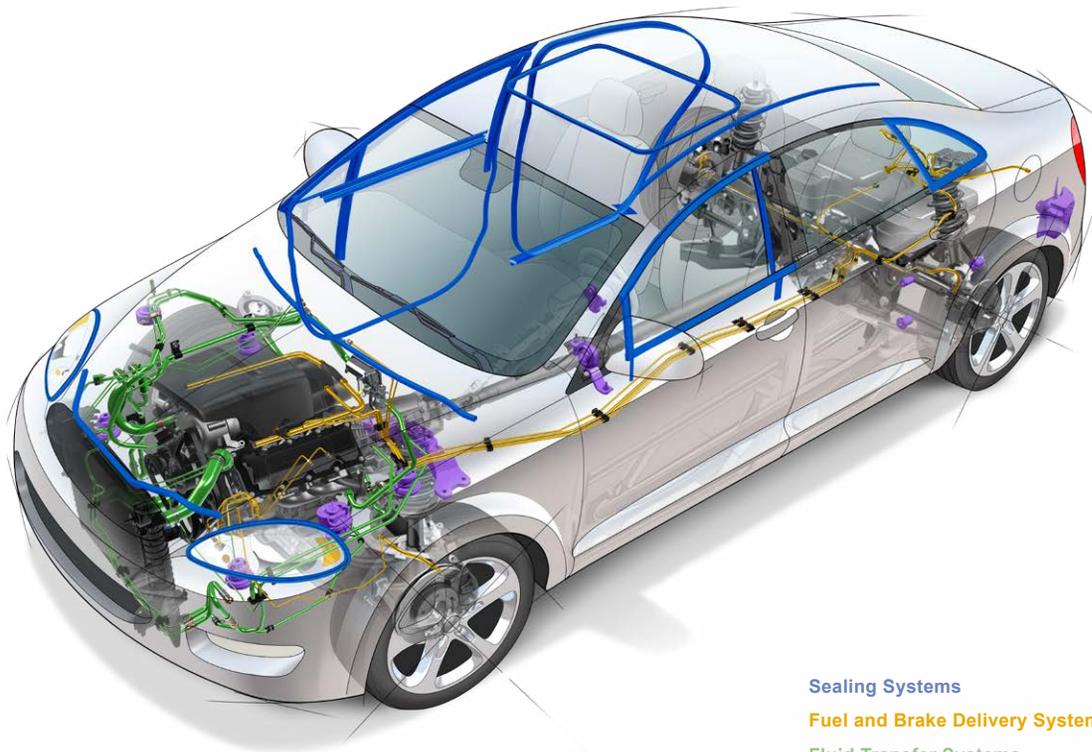
Sealing Systems
Fuel and Brake Delivery Systems
Fluid Transfer Systems
Anti-Vibration Systems

ADJACENT MARKET BUSINESS

Cooper Standard has two groups dedicated to meeting the needs of our non-automotive customers.

- In 2017, Cooper Standard announced the formation of an Advanced Technology Group, under the leadership of a *newly appointed president <L.4>*, to maximize the value stream of the Company's material science innovations in the non-automotive market.
- Our *Industrial and Specialty Group (ISG) <L.5>* continues to serve customers in power sports, marine, agriculture, construction, commercial vehicle and recreation vehicle markets. In 2017, Cooper Standard opened a new facility in Sherbrooke, Canada dedicated to these customers.
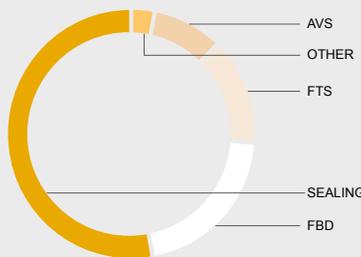
PERFORMANCE HIGHLIGHTS

Cooper Standard continues to deliver strong financial performance. 2017 was a record in terms of employee safety, sales, adjusted EBITDA and adjusted EBITDA margin. In addition, our progress in material science and product innovation, and the establishment of our Advanced Technology Group are creating new and exciting opportunities for the future.
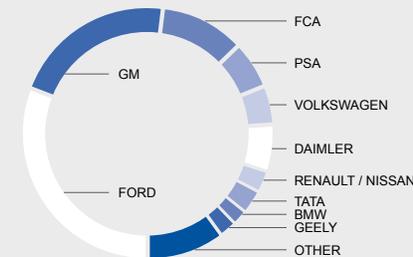
2017 HIGHLIGHTS <L.6>

- Sales increased 4.2 percent to a record $3.62 billion

- Strong net income of $135.3 million or $7.21 per fully diluted share

- Adjusted net income totaled $208 million or $11.08 per fully diluted share

- Adjusted EBITDA totaled $452 million, up 8.5 percent year-over-year

- Cash flow from operations totaled $313.5 million; free cash flow generated was $126.7 million
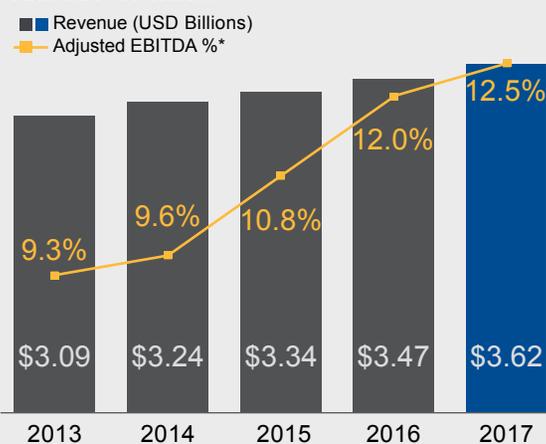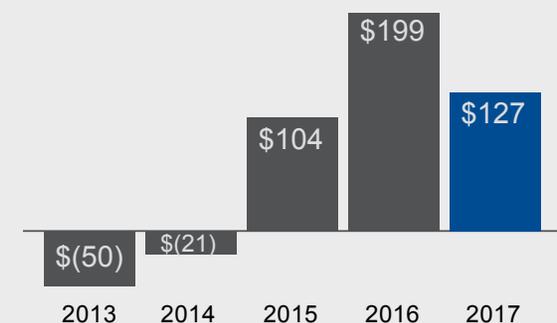
2017 SALES BY PRODUCT

- AVS
- OTHER
- FTS
- SEALING
- FBD

2017 SALES BY CUSTOMER

- FCA
- PSA
- VOLKSWAGEN
- DAIMLER
- RENAULT / NISSAN
- TATA
- BMW
- GEELY
- OTHER
- GM
- FORD

2017 SALES BY REGION

- NORTH AMERICA
- SOUTH AMERICA
- ASIA PACIFIC
- EUROPE

Annual Performance

- ■ Revenue (USD Billions)
- □ Adjusted EBITDA %*

Year	Revenue	Adjusted EBITDA %
2013	$3.09	9.3%
2014	$3.24	9.6%
2015	$3.34	10.8%
2016	$3.47	12.0%
2017	$3.62	12.5%

Free Cash Flow*
(USD Millions)

Year	Free Cash Flow
2013	$(50)
2014	$(21)
2015	$104
2016	$199
2017	$127

Free cash flow is defined as cash provided by operating activities less capital expenditures

* See appendix for reconciliation to U.S. GAAP

GOVERNANCE, ETHICS & COMPLIANCE

GRI 103-1

Our commitment to excellence starts with holding ourselves to a high standard of ethics in all our business dealings. This begins at the top, as our leaders exhibit integrity through their actions and decisions on how the Company operates, including our customer, employee, supplier and community interactions.

GOVERNANCE STRUCTURE

GRI 102-18, 102-19, 102-20, 102-22

As of December 31, 2017, the Board of Directors consisted of nine directors, seven of whom are independent. The three standing committees of the Board are: Nominating and Corporate Governance; Compensation; and Audit. Descriptions of the Board's corporate *governance guidelines and committee charters <L.7>* can be found on our website.

Although no committee of the Board holds direct responsibility for our Corporate Responsibility agenda, the full Board receives regular updates on key topics according to a standard Board calendar. Updates on governance, ethics and compliance occur every quarter to the Audit Committee, two times a year to the Nominating and Corporate Governance Committee, and annually to the full Board. In addition to reporting on our progress, we regularly invite expert speakers to Board meetings to report on emerging trends in our evolving global landscape.

At Cooper Standard, we have numerous management committees that provide cross-functional oversight to our strategic priorities. These include:

- *Global Leadership Team <L.8>*
- Enterprise Risk Management Committee
- *Global Commercial Council <pg. 18>*
- Global Engineering Council
- *Global Ethics and Compliance Committee <pg.14>*
- *Global Manufacturing Council <pg. 30>*
- Global Pricing Committee
- *Global Product Safety Council <pg.23>*
- *Global Technology Council <pg. 26>*
- Internal Controls Committee
- *Cooper Standard Foundation Board of Trustees <pg.47>*

CODE OF CONDUCT

GRI 102-16, 103-2

Our *Code of Conduct <L.9>* provides guidance about our Company's policies and is designed to help all stakeholders recognize and address ethical issues, enabling us to maintain our culture of integrity and accountability. The Code applies to all levels of the Company at all our locations. It is the responsibility of all employees and covered individuals to understand the Code and ask questions when more guidance is needed. Violations that may be subject to disciplinary action, including termination of employment, include:

- Actions that violate the Code;
- Requesting others to violate the Code;
- Failure to promptly raise a known or suspected violation of the Code;
- Failure to cooperate in investigations of possible violations of the Code; and
- Retaliation against another employee for reporting a possible violation of the Code.

In 2017, we introduced a comprehensive *Supplier Code of Conduct <L.10>*. Read more about our *Supply Chain management <pg. 40>*.

> Our core values are the foundation of Cooper Standard's culture, and integrity is at the forefront.

REPORTING CONCERNS AND SEEKING GUIDANCE: OUR ETHICS REPORTING RESOURCES

GRI 102-17, 103-3

We expect all employees and covered individuals to speak up and report known or suspected violations of the Code in a timely manner to one of our ethics reporting resources, which include:

- Supervisors;
- Representatives of the Human Resources team;
- Members of the Legal Department; and
- Members of the Global Ethics and Compliance Committee.

The Global Ethics and Compliance Committee is comprised of a team of corporate officers and representatives from the Company who review the Company's operational compliance with applicable legal requirements and sound ethical standards. This committee also regularly reviews data from our ethics reporting resources to identify opportunities to improve our compliance training and communications.

THE ETHICSPOINT™ HELPLINE

We recognize there may be reluctance in speaking with individuals inside the Company. For this reason, we maintain a toll-free helpline managed by an independent, third-party vendor through which known or suspected violations of the Code, applicable laws or policies can be reported anonymously when allowed by local law. We investigate all reports made following our *Ethics Reporting Response Policy <L.11>*.

NON-RETALIATION POLICY

We do not tolerate acts of retaliation against anyone who in good faith raises a concern, reports misconduct or participates in an investigation. Making a report in "good faith" means that the information provided is complete and accurate, and the reporter believes it to be true. Individuals who are responsible for, or who participate in, retaliation could be subject to disciplinary action up to and including termination. Employees who believe they have experienced retaliation are encouraged to report it to one of our ethics reporting resources immediately. Anyone making a report not in good faith could also be subject to disciplinary action.

ETHICS AND COMPLIANCE TRAINING

GRI 205-2

As part of our efforts to ensure employees understand how to comply with our Code, we require all direct-hire and salaried employees at Cooper Standard to complete compliance training annually. Courses are assigned online through a learning management system that enables us to track and deliver training consistently across our worldwide operations. Our training curriculum addresses topics such as: Code of Conduct; respect in the workplace; and compliance with global anti-bribery, anti-corruption and competition laws.

While our core curriculum is the same across the enterprise, we supplement online content with live-training based on trends observed from our ethics reporting resources, input from our Human Resources, Internal Audit and Legal Departments, and changes to applicable laws.

In addition to our mandatory online and live training sessions, we work to share ethics and compliance information across the enterprise. We make ethics and compliance resources readily available on both our corporate intranet and external website.

AWARDS & APPOINTMENTS

COMPANY AWARDS

Best of MichBusiness Award for STEM Achievements
Honored for our work to inspire student achievement and interest in STEM (science, technology, engineering and math) careers.

Corp! Michigan Economic Bright Spot
Awarded for our economic growth, expansion and commitment to hiring Michigan's talent.

2018 *Automotive News* PACE Award Finalist
Our Fortrex™ lightweight elastomeric material was named an award finalist in what is often referred to as the "Academy Award for Innovation" in the automotive industry.

New Lexington, Ohio Presidential Award
Recognized for our commitment and growth in the New Lexington community.

INDIVIDUAL AWARDS

Brigit Anthony
VP, Technology
Earned a 2017 STEP Ahead Award and a 2017 Women Worth Watching in STEM® Award for her excellence and leadership within the manufacturing industry.

Antoine Primel
Chemist, Product Development
Named a 2017 New Faces in Engineering award winner by Discover E for his rubber development accomplishments.

Corey Knight
Senior Director, Product Development
Named a 2017 *Automotive News* Rising Star honoring young U.S. executives who are entrepreneurial-minded.

Susan Kampe
SVP, Chief Information Officer
Named a 2018 *Crain's Detroit Business'* Notable Women in Manufacturing for her transformation of the Company's IT function.

Jon Banas
EVP, Chief Financial Officer
Named the Real Men Wear Pink Detroit winner for his effort to promote breast cancer awareness.

Norma Medina
Senior Manager, Quality Control
Named a 2018 STEP Ahead Award honoree for her successful implementation of a world-class global quality process and involvement in Cooper Standard's STEM activities.

BEST OF MICHBUSINESS FOR COMMUNITY STEM PROGRAM

Cooper Standard's STEM Affinity Group was recognized in 2017 by Best of MichBusiness for its work to inspire student achievement and interest in STEM careers.

Larry Ott, SVP and chief human resources officer, 2016 winner of "Real Men Wear Pink" Southeast Michigan and Jon Banas, EVP and chief financial officer, 2017 new winner of the trophy; raising over $39,000

CUSTOMER RECOGNITION HIGHLIGHTS AWARDED IN 2017

Asia Pacific
SAIC GM "Supplier of the Year - Gold Award" (China)

Maruti Suzuki "Best Overall Performance Award" (India)

Chennai, India
Ford "Q1 Award"

Chongqing, China
Chang'an Ford "Quality Excellence Award," "Q1 Award" and MMOG Certification

Fengxian, China
GM China "Excellent Quality Award"

SAIC GM "Vehicle Exterior Trim Function Group Outstanding Quality Award"

Guangzhou, China
GAC FCA "Excellent Quality Improvement Supplier Award"

Kunshan 1, China
GM China "Best Supplier Award"

SAIC GM "Excellent Supplier Award," "Excellent Customer Service Supplier Award," "Best Support Award" and "Quick Response Award"

Kunshan 2, China
CJLR "JLRQ Award"

GM "Excellent Supplier"

BBAC "Excellent Supplier"

Chang'an Ford MMOG Certification

YAPP Great Quality Thanks Letter

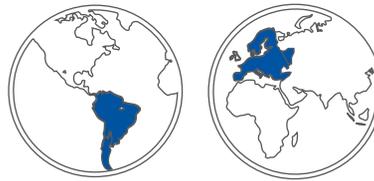### Sanand, India
Ford "Q1 Award"

Seocheon, Korea
GM "Supplier Quality Excellence Award"

Shenyang, China
SGM "Progressive Award"

Wuhu, China
CJLR X760 LWB Excellent Launch Improvement

Europe / South America
PSA "Best Suppliers for the CMP Project" (Brazil)

Atibaia, Brazil
Kanjiko "Zero Defects Award"

Toyota "Supplier Award"

Lindau, Germany
Ford "Q1 Recovery Award"

Myślenice, Poland
Honda "Green Excellence Award"

Varginha, Brazil
Ford "Q1 Award"

Kanjiko "Zero Defects Award"

Toyota "Supplier Award"

North America
GM "Supplier of the Year for Hoses and Lines Award"

Atlacomulco, Mexico
GM "Supplier Excellence Quality Award"

Fairview (Mio), United States
P552 "Perfect Launch Award"

New Lexington, United States
GM "Supplier Quality Excellence Award"

Oscoda, United States
GM "Silver Quality Award"

GM "Supplier Excellence Quality Award"

GM C1YX "Launch Award"

Dana D2UC "Launch Award"

Saltillo, Mexico
GM "Supplier Quality Award"

FCA "Supplier Quality Award"

MEMBERSHIPS AND ASSOCIATIONS
GRI 102-13

- Automotive Industry Action Group
- Corporate Executive Board (CEB)
- Manufacturers Alliance for Productivity & Innovation
- Motor & Equipment Manufacturers Association
- National Associations of Manufacturers
- Original Equipment Suppliers Association

VOICE OF THE CUSTOMER

We design and develop our products to meet the current and future needs of our customers. We listen intently and adjust to customer feedback to ensure we are consistently providing customer-focused products to meet their evolving needs.

We also partner with our customers to support causes and charities important to them. It's part of our commitment to improve the broader community where we work and live.

TOPICS COVERED

Customer Satisfaction

CUSTOMER SATISFACTION

GRI 103-1

Customer satisfaction is a key focus in all our business activities. We recognize the importance of delighting the customer in the solutions we develop, the products we supply and the innovations we create. Customer satisfaction is the result of collaboration, understanding and listening to our customers daily.

OUR APPROACH

GRI 103-2

Our commercial teams are structured to support specific customers and their unique needs. A commercial director leads commercial activity and assures satisfaction for specific customers or groups of customers.

Program teams consisting of engineering, quality, manufacturing, finance and sales personnel support the commercial teams and are led by a program manager responsible for delivering customer commitments on time and within budget. The program manager oversees new programs under development and change management of ongoing programs. This approach applies to our automotive original equipment manufacturer (OEM) customers, as well as our Tier 1 automotive systems customers.

OUR PROCESS

Upon award of new business (a "program"), the program manager will initiate the Cooper Launch System (CLauS) process to manage internal and external deliverables for a successful product launch. The CLauS process provides a structured global approach to program management from initial design through post-launch. There are seven checkpoints at which management confirms progress and highlights risks and challenges for the successful development of the program. We continuously relay lessons learned from previous program launches to improve the checkpoints and reduce duplication of risks.

Several of our new programs involve production in multiple geographic regions. For these global platforms, we assign a global lead program manager who facilitates the coordination between regional product launches to deliver consistent performance for our customers.

In 2017, the Global Commercial Council (GCC) created a Customer Satisfaction Index that is reviewed monthly by the GCC to monitor our overall performance. The index identifies critical issues impacting our ability to grow business with a specific customer and highlights the resources needed to take responsive action. Our Customer Satisfaction Index considers performance on customer scorecards, customer business plans, quality and product launch experience.

GLOBAL COMMERCIAL COUNCIL RECONSTITUTED

In 2017, we reconstituted our GCC to support our global platforms by providing a forum for our key commercial leaders to align on critical success factors during pursuit of the targeted global vehicles. The GCC's leadership has effected changes to:

- Improve timeliness of decision making;
- Simplify systems and procedures;
- Align the global organization and standardize practices;
- Confirm the value proposition of our innovations; and
- Resolve regional differences with our global customers to support the overall improvement of our customer satisfaction performance.

Unique customer scorecards provide insight into their needs and concerns, allowing commercial teams and leadership to continue to adjust focus and resources to areas of need. Our engineering and commercial teams participate in forums with our customers to align our innovation roadmap and investment decisions with their expectations. This alignment ensures a viable market for new materials, products and processes, and supports our overall customer growth targets.

Cooper Standard's regional presidents (from left to right), Fernando de Miguel, Europe & South America; Bill Pumphrey, North America; Song Min Lee, Asia Pacific; and Jeffrey DeBest, Advanced Technology Group

METRICS AND PERFORMANCE

GRI 103-3

CLauS is our process for managing product development and manufacturing launch programs. The process uses a gated decision-making approach from customer quote through post-production launch. At each gate, deliverables (such as product drawings) and metrics (such as financial assumptions and timelines) are required. Product launches that have flawless safety, quality, on-time delivery and are within budget are recognized as a perfect launch. This internal measure is a significant aspect of achieving customer satisfaction.

Cooper Standard launched 42 customer programs in 2017 and new business awards totaled $453 million, up 13.8 percent compared to 2016.

FUTURE FOCUS

As we continue to ramp-up launches to support the Company's growth, we will continue to evaluate and monitor our internal systems to become an even more effective and high performing supplier on behalf of our customers.

All our systems and initiatives focus on driving a better customer experience with Cooper Standard. Our honest, consistent and continuously-striving-to-improve approach supports the desire to achieve high customer satisfaction in all that we do globally.

SUPERIOR PRODUCTS

Cooper Standard drives value by continuing to provide our customers with superior products that exceed their expectations. We are confident in the ability of our world-class operations and engaged employees to deliver because:

- We listen intently and adjust to customer feedback to ensure we are consistently providing customer-focused products, while meeting their current and future needs;
- Our blueprint for product development, design and manufacturing has standardized best business practices across the organization to ensure safety, quality, reliability and sustained excellence in every area of the business; and
- Our culture of innovation, especially in the areas of material science, enables Cooper Standard to innovate in areas of the automobile that haven't been touched in decades.

At Cooper Standard, we are always getting better and finding ways to turn ideas into reality.
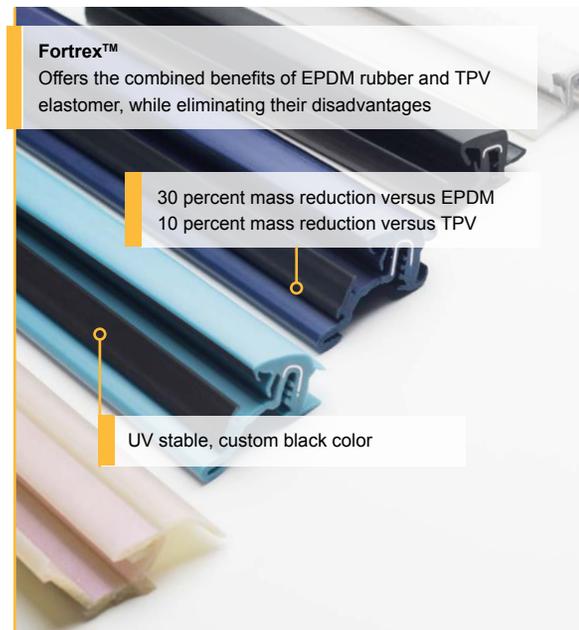
TOPICS COVERED

Core Products

Product Safety

Chemical Compliance

Innovation

SUGGESTED LINKS

Fortrex™ <L.12>

PACE Award <L.13>

Innovation Highlight <pg. 27>

MagAlloy™ <L.14>

ArmorHose™ <L.15>

Conflict Minerals Reporting <L.16>

i³ Innovation Process <L.17>

Global Technology Center <L.1>

Fortrex™ and Other Key Innovations <pg. 21>

CORE PRODUCTS

Fortrex™
Offers the combined benefits of EPDM rubber and TPV elastomer, while eliminating their disadvantages

30 percent mass reduction versus EPDM
10 percent mass reduction versus TPV

UV stable, custom black color

SEALING SYSTEMS

As the global leader in vehicle sealing, no other company in the world designs and sells as many solutions to improve comfort for vehicle occupants. Cooper Standard is the global leader for a reason. Our sealing technologies reduce weight, while improving safety, cabin acoustics, passenger comfort and aerodynamics.

Key Products

- Dynamic seals and static seals
- Encapsulated glass
- Flush glass systems
- Variable extrusion
- Specialty sealing products
- Stainless steel trim

FORTREX™ <L.12>
Fortrex™, a *2018 PACE Award winner <L.13>*, is a patented, revolutionary material platform that offers both the lightest weight and best performing static weatherseal solution for our customers. See complete *highlight on <pg. 27>*.

MagAlloy™
Offers enhanced corrosion protection through an improved intermediate layer

Improved top layer adhesion
Improved Galfan® layer thickness control

Improved base tube corrosion protection

FUEL AND BRAKE DELIVERY SYSTEMS

As the second largest global supplier of automotive fuel and brake delivery systems, Cooper Standard provides products for the traditional fuel and brake market, while at the same time driving new innovations to meet emerging needs and technologies. Cooper Standard is uniquely advantaged in our ability to produce double-walled tubing, which adds superior strength and reliability to products.

Key Products

- Chassis and tank fuel lines and bundles (fuel lines, vapor lines and bundles)
- Metallic brake lines and bundles
- Direct injection and port fuel rails (fuel rails and fuel charging assemblies)
- Quick connectors

MAGALLOY™ <L.14>
MagAlloy™ is a next-generation metal coating process that improves longevity of automotive tubing applications. Products created with MagAlloy™ contain an improved intermediate layer within the overall tube construction, providing enhanced corrosion protection.

ArmorHose™
Provides end-to-end abrasion protection, eliminating all associated engineering change costs

30 percent weight reduction versus EPDM

Eliminates all abrasion sleeves
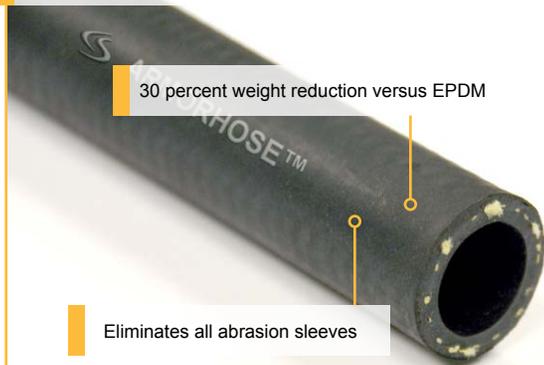
FLUID TRANSFER SYSTEMS

As the third largest provider of fluid transfer systems in the world, Cooper Standard's products control, sense and deliver fluids and vapors for optimal powertrain, heating, ventilation and air conditioning operation. Our portfolio of fluid transfer products addresses the full spectrum of temperature requirements, while offering game-changing weight reduction, abrasion resistance, corrosion protection and finished assembly aesthetics.
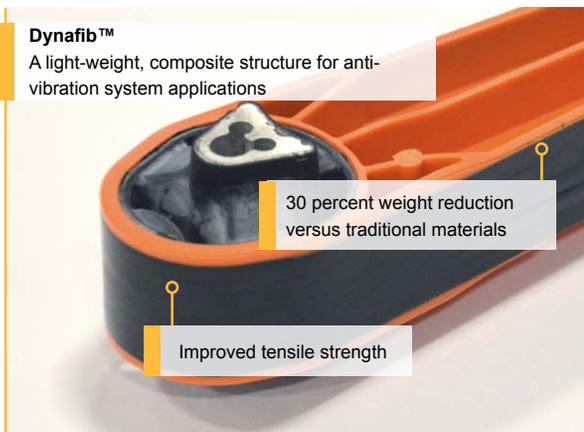
Key Products

- Heater/coolant hoses
- Turbo charger hoses
- Quick connects
- Diesel particulate filters and selective catalytic reduction emission lines
- Degas tanks
- Air intake and charge
- Transmission oil cooling hoses
- Secondary air hoses
- Brake and clutch hoses

ARMORHOSE™ <L.15>
ArmorHose™ technology represents a cost competitive alternative to the traditional hose plus sleeve designs. By incorporating an abrasion resistant outer layer, ArmorHose™ solutions offer end-to-end protection for our product designs and eliminate the time, effort and costs associated with secondary abrasion sleeve additions that occur with traditional product development processes.

Dynafib™
A light-weight, composite structure for anti-vibration system applications

30 percent weight reduction versus traditional materials

Improved tensile strength

ANTI-VIBRATION SYSTEMS

As the North American leader in anti-vibration systems, Cooper Standard's portfolio offers a comprehensive suite of high-quality anti-vibration systems, technologies and products to help automotive OEMs mitigate vehicle NVH (noise, vibration & harshness) and enhance ride and handling.

Key Products

- Powertrain mount systems
- Suspension mounts

DYNAFIB™
Dynafib™ technology uses composite reinforcements made of UD (unidirectional) continuous fibers carefully positioned to ensure optimal performance. Overall, Dynafib offers a 30 percent weight reduction and better tensile strength compared to traditional materials.

PRODUCT SAFETY

We identified product safety as one of our most important focus area based on the results of our 2016 materiality assessment. As a result, Cooper Standard continued to evolve and develop processes to manage product safety in 2017, especially for our safety-sensitive products, such as fuel and brake lines.

Our product safety processes and systems focus on:

- Prevention;
- Reaction; and
- Lessons learned.

For this year's report, we expanded this section to include our regulatory and customer compliance activities related to product chemical compliance.

OUR APPROACH & PERFORMANCE

Our global product safety organization consists of a corporate product safety leader and three regional product safety managers. The product safety organization works closely with engineers for product, process, program, customer service and quality, purchasing, and operations to ensure documentation and processes are fully in place.

Our product safety leader chairs a Global Product Safety Committee, which consists of regional leads from operations, engineering and quality, plus corporate representatives from legal, purchasing and finance. This committee governs overall product safety processes, including: the establishment of new procedures and standards; the review and closure of all Potential Product

Safety Issues (PPSIs); global read across; and ensuring that the organization receives periodic training on our process for recognizing, communicating and investigating potential product safety issues.

We have continued to build our product safety process documentation, including the publication of a global product safety procedure and global work instructions for PPSIs and Product Safety Line Certification.

We implement Product Safety Line Certification for new product launches and for existing production with engineering changes prior to the start of production to ensure that all manufacturing

Global operator training program ensures quality knowledge and culture are established consistently in all regions
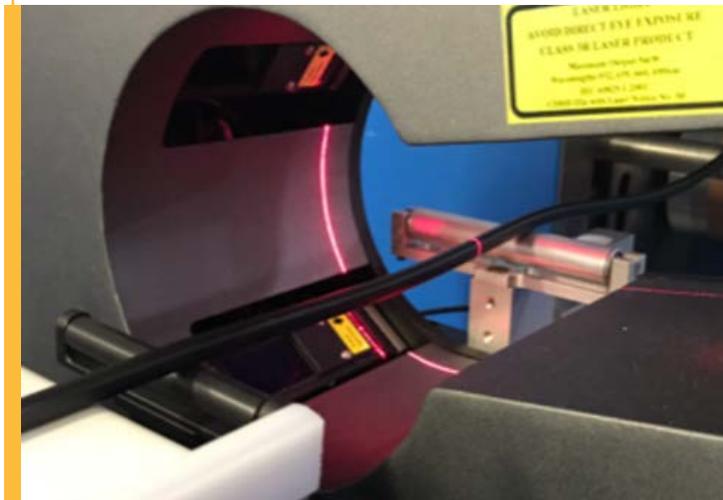
Integrated extrusion control allows 3D profile control and surface defect detection

conditions and requirements are satisfied. To receive Product Safety Line Certification, a team of engineers unrelated to the product launch or engineering change assesses the manufacturing process against customer requirements, Design Failure Mode Effects Analysis (DFMEA) and Process Failure Mode Effects Analysis (PFMEA) documents, control plan documents, equipment design standards and work instructions. To drive standardization on a global scale, we use standard DFMEAs for key product components and are developing standard PFMEAs for key global manufacturing processes.

Our global engineers for product design, process, program launch, customer service and quality are trained to recognize and respond to product safety issues quickly through our PPSI process. These issues may be related to customer specification alignment or a safety or regulatory condition. The regional product safety manager reviews submitted PPSIs with the corporate product safety leader to establish appropriate actions and communications, both internally and externally. The regional product safety manager also conducts a "where used" search so that any potentially impacted products, manufacturing sites or regions identified are investigated and receive corrective actions. Once

a PPSI investigation is completed, the Global Product Safety Committee must review and approve all closures and associated follow-up actions recommended by the regional product safety manager.

Our product safety process provides increased transparency and systemic improvement through the collection of metrics and sharing of experiences across the Company. Our PPSI metrics enable us to collect data for each product line, product type, region, plant, internal occurrence, external customer occurrence and type of action taken. Our metrics and periodic reporting also provide a vehicle for the communication of trends and observations to our leadership teams.

The Product Safety Line Certification process aids in identifying documentation and execution issues to sharpen our overall product launch process.

PRODUCT SAFETY FUTURE IMPROVEMENTS

In 2018, we plan to implement monthly reporting of standard PPSI metrics and will deploy our product safety processes to our key suppliers. The improvement of our product safety processes is embedded in our journey to continuously improve.

Custom developed testing protocol and equipment help insure quality integration in the product development stage

CHEMICAL COMPLIANCE

OUR APPROACH

Cooper Standard manages product chemical compliance through a center of excellence (CoE), led by a Senior Manager of Chemical Compliance and Sustainability, who reports to the global Vice President, Health, Safety and Environment. This function monitors compliance with product-related chemical regulation on a global basis, including:

- European directives for Registration, Evaluation and Authorization of Chemicals (REACH);
- Restriction of Hazardous Substances (RoHS);
- The automobile industry's International Material Data System (IMDS) requirements, based on the Global Automotive Declarable Substance List (GADSL); and
- The U.S. conflict mineral reporting requirements.

This center of excellence creates and updates customer-facing product Safety Data Sheets (SDS) to comply with laws related to the globally-harmonized system (GHS) of classification and labeling of chemicals.

OUR PERFORMANCE

In 2017, we upgraded our third-party chemical compliance management system (CCMS), from an internally hosted software version to a cloud-based, enhanced version. Our CCMS interfaces with our enterprise resource planning (ERP) systems to extract bill of material and transaction information to assess purchased materials and components along with their chemical constituents and quantities.

We use the IMDS to meet the obligations placed on automobile manufacturers without compromising national and international standards, laws and regulations. DXC Technology (formerly EDS) hosts the electronic IMDS system in which our suppliers and manufacturing sites load product chemical composition data for materials and components, enhancing disclosure for our automotive customers.

We use both our CCMS and IMDS databases to drive our reasonable-country-of-origin (RCOI) due diligence queries of our supply chain, which facilitates the production of our annual *Conflict Minerals Reporting Template <L.16>* for U.S. government and customer reporting.

Our CCMS provides data to assist us in investigating customer inquiries regarding substances of concern. Our chemical compliance manager works with supply chain, product development, manufacturing and legal to meet our chemical compliance obligations with governments and customers.

Through these efforts, we assure that our products meet the requirements of all jurisdictions where we develop, manufacture and sell.

CONFLICT MINERALS REASONABLE COUNTRY OF ORIGIN DILIGENCE

In 2017, we extended our efforts to track the supply chain for product components containing gold, tantalum, tin and tungsten, so-called conflict minerals. We are committed to full compliance with U.S. regulations aimed at identifying mines that source these metals and use forced labor to derive profits to fund civil war.

To assist in this effort, we subscribed to the Responsible Minerals Initiative (RMI), which is dedicated to helping companies make informed choices about responsibly sourced minerals in their supply chains.

Our membership in RMI in-turn helps fund its audits of mines and smelters globally.

Member Code - CSAI

INNOVATION

GRI 103-1

The automotive industry relies on innovation to produce solutions and components that reduce weight, help lower emissions, enhance design, and improve vehicle performance. At Cooper Standard, our culture of innovation permeates all aspects of our Company. We harness the creative energy of our global workforce to identify game-changing advancements, especially in material science, that meet or exceed our customers' current and future needs. Our dedicated Innovation Team vets these advancements and ultimately delivers new technologies for areas of the vehicle that, in some cases, have not been changed in decades.

OUR APPROACH

GRI 103-2, 103-3

Our *i³ (Imagine, Initiate, Innovate) <L.17>* approach enables any employee in our Company to bring forward innovative ideas for breakthrough products and processes via a global web portal. Ideas are screened by the Innovation Team and submitted to the Global Technology Council (GTC) for the ultimate decision on whether to pursue.

The GTC is comprised of Cooper Standard leaders around the world from engineering, materials science, business development, product strategy,

and legal functions. The Council's charter is to grow sales and to maximize return on invested capital by introducing new product and process technologies. Key steps in the GTC's governance process include:

- Reviewing ideas submitted through the i³ process;
- Approving the innovation pipeline and technology road maps;
- Reviewing progress of ongoing innovation projects versus milestones; and
- Developing intellectual property strategy.

Additionally, we have dedicated teams of technical and engineering resources in each major region worldwide, as well as within certain customers' facilities. We utilize Design for Six Sigma and other methodologies to ensure robust manufacturability and quality. Our development teams work closely with our customers to design and deliver innovative solutions with the highest reliability.

The i³ Innovation Process was established in 2013 and continues to serve as a foundation for our Company's culture of innovation. The GTC continues to receive a significant number of new ideas each month. This is a testament to the creativity of our employees and the strength of our culture.

GLOBAL TECHNOLOGY CENTER UNVEILED

Cooper Standard opened a new *Global Technology Center in Livonia, Michigan <L.1>* in August 2017 to help customers meet the demands of the evolving auto industry and non-automotive adjacent markets.

The launch of the new Global Technology Center is accelerating materials science breakthroughs with the latest in testing and analytical capabilities, including applications of machine learning for polymer compound development and manufacturing process control.

Greatly increasing the size and capacity of its former technical center in Farmington Hills, Michigan, the new facility consolidates various assets and provides the ability to go from basic materials science to validation of finished products under one roof.
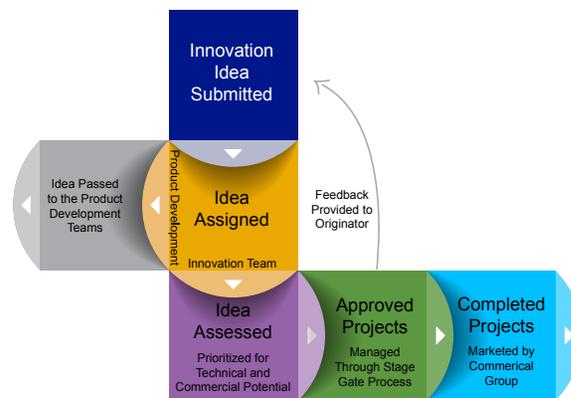
THE COOPER STANDARD I³ PROCESS

Our Global Technology Council reviews approximately 30 i³ submissions each quarter, screening them for ideas that are strong and impactful enough to move through the four stages of the innovation pipeline. Ideas that pass the initial screening are assigned to either a regional product development organization or our Global Innovation Team to manage through the process. The four gated steps of the innovation process are:

- Concept validation;
- Design validation;
- Production feasibility; and
- Market introduction planning.

One of our key competitive advantages is our ability to generate innovative solutions that not only satisfy customer needs, but also create meaningful intellectual property. We hold a significant number of patents and trademarks worldwide, and we maintain multiple technologies as trade secrets.
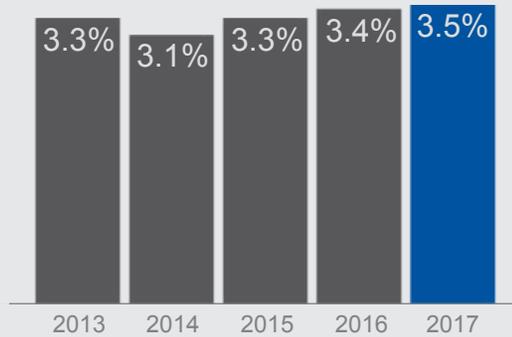
INNOVATION HIGHLIGHT: FORTREX™

Automotive sealing systems made with *Fortrex™ <L.12>* exhibit superior performance versus traditional EPDM and TPV. With a 30 percent mass reduction versus EPDM and 10 percent versus TPV, Fortrex™ allows our customers to design the lightest weight solutions available in the market.

Fortrex™ also offers superior capabilities for sealing performance and noise abatement, custom black color matching, gloss retention, and weathering and UV stability. Fortrex™ is non-conductive and offers a remarkably low carbon footprint across the entire material and production chain, with a total CO_2 footprint that's 22 percent lower than TPV and 53 percent lower than EPDM.

INNOVATION PROCESS FLOW CHART

i³
imagine
initiate
Innovate

Innovation Idea Submitted

Idea Passed to the Product Development Teams

Product Development

Idea Assigned

Innovation Team

Feedback Provided to Originator

Idea Assessed
Prioritized for Technical and Commercial Potential

Approved Projects
Managed Through Stage Gate Process

Completed Projects
Marketed by Commerical Group

RESEARCH AND DEVELOPMENT AS A PERCENT OF SALES

2013	2014	2015	2016	2017
3.3%	3.1%	3.3%	3.4%	3.5%

PERFORMANCE STATISTICS

$464M*
Year-end 2017 Booked Business
From Innovations
(Since 2013)

9
Major Innovations
Introduced to Market
(Since 2013)

63
Active
Innovation Projects
(As of March 2018)

INNOVATION PRIORITIES

Through our innovations, we have introduced fundamentally new materials into the automotive industry. The result is lighter, more durable and more reliable products for our customers.

Vehicle light-weighting continues to be a critical priority as our customers struggle to meet stringent regulations for emissions and fuel economy worldwide. Innovative materials like Fortrex™ are transforming the automotive sealing space. Our Fortrex™ material was named a 2018 PACE Award winner. The PACE (Premier Automotive Suppliers' Contribution to Excellence) Award – often referred to as the "Academy Award for Innovation" in the

automotive industry – was presented to Cooper Standard during the annual awards ceremony held on Monday, April 9 in Detroit. See highlight story to learn more about the *benefits of Fortrex™ and other key innovations <pg. 21>*.

This and other product innovations have helped to improve the quality and durability of our products. Durability is an important consideration as the industry moves closer to autonomous and ride sharing vehicles that may see significant increases in lifetime service hours. Other Cooper Standard innovations target increases in other aspects of performance, including enhancement of aesthetics so our customers can continue to delight consumers.

Since the inception of the i[3] Innovation Process, nine major innovations and multiple smaller innovations have cleared all four gates of our development cycle and are available in the market. As of March 2018, we have secured over $464 million* in annual booked business from these innovations. This business will launch over the next several years.

The future of our Company is limitless with our i[3] Innovation Process and our flow of innovative ideas. We are dedicated to improving the automotive industry through superior products that meet or exceed our customers' expectations.

*Includes new and replacement business

WORLD-CLASS OPERATIONS

As part of our unwavering commitment to our strategic vision for driving value through culture, innovation and results, we have established an advantaged *global footprint <pg. 9>* to serve our customers in all major regions of the world with a major focus on preparing for the rapid growth in China, where we have doubled our footprint since 2013.

We've created a precise blueprint for product development, design and manufacturing. We commit to global standardization through a set of best practices across the organization to ensure safety, quality, reliability and sustained excellence year-after-year in every area of the business. This is primarily accomplished through our *global councils <pg. 13>* that are focused on key disciplines to ensure alignment across all our locations worldwide.

TOPICS COVERED

Manufacturing Excellence

Workplace Safety

Environmental Management

Supply Chain Sustainability

Information Technology & Security

SUGGESTED LINKS

Global Footprint <pg.9>

Global Councils <pg.13>

Environmental Management <pg.36>

Building a Talented Organization <pg.46>

CLauS <pg.18>

Product Innovations <pg.26>

Fortrex™ <L.12>

Fortrex™ <pg.21>

Global Health, Safety and Environment Policy <L.18>

CDP <L.19>

Supplier Code of Conduct <L.10>

Code of Conduct <L.9>

Community Involvement <pg.47>

MANUFACTURING EXCELLENCE

Cooper Standard is committed to world-class manufacturing standards and we expect continual improvement every day in our manufacturing operations. While we still have work to do, we have achieved great progress. Our business advantage as a manufacturing company is to do it better and more efficiently than our competitors.

OUR APPROACH

Our manufacturing excellence efforts are led by our Global Manufacturing Council (GMC), consisting of regional vice presidents of manufacturing and various global functional heads, and sponsored by our Chief Operating Officer. The GMC is responsible for the strategy and tactics that drive standardization and advances for productivity, quality and safety.

Our Cooper Standard Operating System (CSOS) serves as our playbook of global procedures, standards and best practices for manufacturing and allied functions. As we further standardize our manufacturing processes, the CSOS documents our approach.

We use kaizen methodology to promote employee engagement and continuous improvement. These short-term events focus on improvements that can be made to the work process with simple changes in equipment, material handling and material flow. Work area "owners" and "operators," along with various support functions, such as engineering, maintenance, safety and logistics, work together to implement these changes.

The objective of Cooper Standard's Global Best Practice (GBP) process is to identify the most efficient manufacturing practices for each of our business areas and coordinate global implementation across relevant operations. GBPs can be related to equipment or materials, and can result in improved safety, quality or cost efficiency. Our systematic metric reporting helps to identify discrete operational performance improvements to include in the GBP process.

Our global advanced process engineering group creates and maintains critical equipment specifications which detail equipment requirements for purchasing, including safety requirements. These specifications inform our global purchases of equipment and are critical for global standardization.

We hold monthly World-Class Operations (WCO) manufacturing meetings with all plant management teams, regional manufacturing leaders, functional heads and executive management to review global, regional and plant continuous improvement metrics. Various operational metrics are reviewed on a global,

regional and plant basis, including overall equipment effectiveness, scrap, inventory, capital spending, 6S and safety. We utilize 6S (sort, set in order, shine, standardize, sustain and safety) as a workplace organization method to drive safety and productivity.

6S in practice at Stratford, Ontario, Canada

OUR PERFORMANCE

We recognize our plants for outstanding manufacturing performance through our annual Diamond Award system. The Diamond Award system consists of four levels of recognition: Diamond; Platinum; Gold and Silver. Plants are scored using a point system that evaluates our WCO metrics in nineteen operational categories. Plants must meet specified threshold criteria for eligibility at each competition level. Globally, 17 manufacturing sites achieved Diamond recognition in 2017.

Our manufacturing sites also compete annually for the "Kaizen of the Year" Award, which recognizes the plant with the most impactful kaizen. We judge the plant's impact by the quality of the improvement and global applicability. The 2017

regional nominees included: Varginha, Brazil; Goldsboro, North Carolina, U.S.; Vitré, France; and Pyeongtaek, S. Korea.

Our 2017 winner was our Goldsboro, North Carolina manufacturing site for a project that solved a compressed air capacity challenge while saving cost and energy consumption. See our *Environmental Management section <pg. 36>* for further details.

Glencoe, Ontario, Canada

CONTINUOUS IMPROVEMENT

SILVER

Green Customer Scorecard
TIR < 0.80
6s > 85%
Minimum of 500 points

GOLD

Green Customer Scorecard
TIR < 0.70
6s > 85%
Minimum of 650 points

PLATINUM

Green Customer Scorecard
TIR < 0.65
6s > 90%
Minimum of 750 points

DIAMOND

Green Customer Scorecard
TIR < 0.65
6s > 90%
Minimum of 900 points

2017 DIAMOND PLANTS

ASIA PACIFIC: Guangzhou, Kunshan 1, Kunshan 2, Shanghai Fengxian, Shanghai Qingpu, Shenyang and Wuhu, China

EUROPE: Craiova, Romania; Creutzwald and Lillibonne, France; and Bielsko Biala, Dzierżoniów and Piotrków Trybunalski, Poland

NORTH AMERICA: Glencoe, Ontario, Canada; East Tawas, Michigan, U.S.; Spartanburg, South Carolina, U.S.; and Saltillo, Mexico

WORKPLACE SAFETY

GRI 103-1

Cooper Standard continued to enhance workplace safety performance in 2017, achieving our fourth straight year of significant improvement as we executed our long-term Total Safety Culture business initiative. Safety is a Company core value and our most important global focus area – internally and for our stakeholders – as we strive for zero injuries.

We kicked off our Total Safety Culture initiative in 2013 and have since achieved an 81 percent improvement in Total Incident Rate (TIR) globally. We apply our safety metrics to all of our global operations, regardless of local country regulatory requirements, and we use U.S. Department of Labor – Occupational Safety and Health Administration (OSHA) definitions and rules to provide uniform guidance to our organization. Our safety performance includes contract and contingent employees, but excludes contractors who are not directly supervised. We also separately track safety performance of our suppliers.

OUR APPROACH

GRI 103-2, 103-3

The organization has been successful in the past four years by relentlessly focusing on four main areas required to drive our Total Safety Culture:

- Management leadership and commitment;
- Employee engagement;
- Hazard identification and risk management; and
- Training.

Our manufacturing organization has driven our success in partnership with our health, safety and environment (HSE) organization.

Our corporate center of excellence (CoE) staff, led by a Vice President — Health Safety and Environment, plus regional Directors of HSE, country HSE managers, HSE plant leaders and staff, manage safety at Cooper Standard together with the operations teams. The CoE staff and regional directors form the HSE Leadership Team, which meets throughout the year to discuss and review progress, and develop procedures, standards, strategies and tactics. In 2017, this group developed an Operating Model, which provides clarity and guidance on how the CoE and regional teams work together.

A THANK YOU FROM JEFF EDWARDS FOR 2017 SAFETY PERFORMANCE

Thank you to all employees for making 2017 a record year for safety performance at Cooper Standard!

I am so proud of how far we have come with our commitment to safety.

Our Total Safety Culture became a core value of the Company in 2013 as a part of our vision. This was essential as we recognized that our safety performance and Total Incident Rate was falling short of world-class levels – even one injury is too many.

In 2017, we achieved an 81 percent improvement over our base year of 2013. In fact, 2017 was our fourth year of significant improvement and the most impressive of all years as our Total Incident Rate achieved world-class levels.

Our long-term goal is zero injuries and we recognize that this requires a commitment to continuous improvement from all employees. In 2017, we had 25 manufacturing and technical centers achieve zero injuries, proving that it can be done.

Again, thank you to all employees for making 2017 our best year ever for safety. I look forward to continued progress to "zero" as part of our overall journey to world-class across all areas of the business.

Sincerely,
Jeff Edwards, Chairman & CEO
January 12, 2018

The VP HSE interfaces with the Global Manufacturing Council (GMC) to advance programs and processes for safety improvement. The GMC reviews and approves all new procedures and programs prior to global implementation.

Global plant managers and their teams, as well as senior leadership, review global safety performance during the monthly World-Class Operations meeting. Each of our plant managers owns safety performance for their organization. All procedures, standards and guidelines for safety are documented and updated in CSOS.

We also began the process of converting our internal safety and environmental data management systems to an integrated third-party platform in 2017. This multi-year project will continue in 2018 and beyond.

We use a standard set of global core tools and processes, coupled with regional and country-specific programs. Program adoption either begins at the CoE level and rolls out to the regions or begins as a regional initiative and is subsequently adopted company-wide. For example, globally, we require all plant managers and their direct reports to perform daily safety walks; this global program began as a regional program. Safety walks encourage interaction between factory-floor employees and their management team.

Our standardized job hazard and risk assessment (JHRA) tool was launched as a COE-led global process and is meant to ensure a consistently rigorous approach to identifying hazards,

understanding risk and developing appropriate controls or safeguards. The JHRA tool covers the assessment of six types of operational conditions and has been coupled with a disciplined process to breakdown jobs into tasks and develop clear, effective and safe work instructions, a process known as *Building a Talented Organization (BTO) <pg.46>*. BTO began as a regional program that has been adopted globally across the Company. BTO has grown to become the umbrella initiative to deploy effective training and development programs across our production operations.

WORLD-CLASS SAFETY PROGRESS

51
World-Class
Facilities

25 Facilities
With Zero Incidents
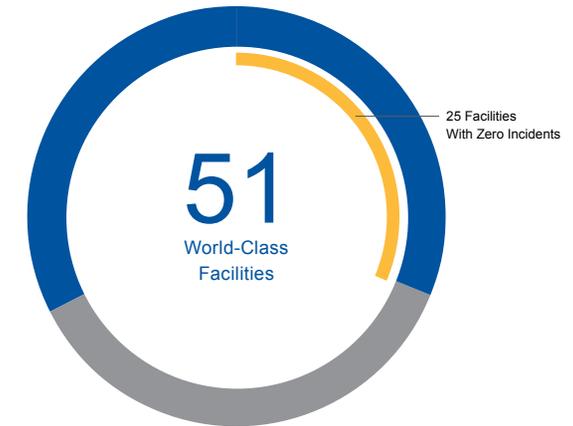
REGIONAL SAFETY PROGRAMS

Our North American and Asia Pacific organizations adopted a safety improvement process known as Safety Boot Camp. For Asia Pacific, this was a new program in 2017 following the success of the North American organization. The program educates all salaried and hourly plant employees on the principals of safety culture development, and brainstorms opportunities and action plans for improvement. Active follow-up by plant management to address issues and recommendations is a critical step.

Further, our Asia Pacific organization developed a self-assessment program in 2017 called Safety Serious Six, which assesses the effectiveness of critical safety programs, such as lockout/tagout, machine safeguarding, powered industrial vehicles, permit-to-work, fire safety and electrical safety. While all our operations have programs covering these technical safety areas, we are in the process of globalizing this approach.

In North America, we use Top 20 safety boards to display and roster safety issues raised by employees during safety walks, as well as through other suggestion processes. The Top 20 boards are displayed in common areas of the plant and report, by issue, the person or department responsible for corrective action, status and timing.

Our European team drives safety performance via plant Occupational Health & Safety Incident Prevention Plans (OHSIPP) and reviews these plans with operations monthly.
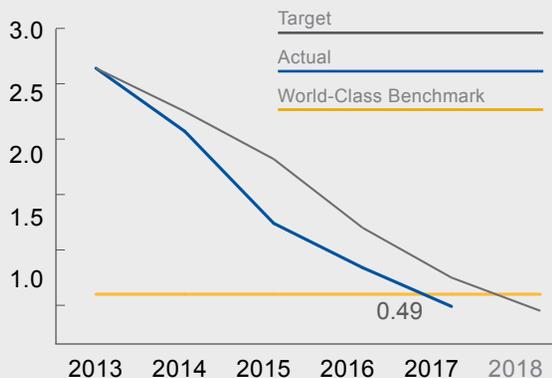
Total Incident Rate (TIR) = the rate of injuries per 100 employees, normalized to hours worked. TIR includes injuries with treatment beyond simple first aid, as well as injuries that result in restricted duty, job transfer or lost days at work.

Lost Day Incident Rate (LDIR) = the rate of injury cases involving lost work days per 100 employees, normalized to hours worked.
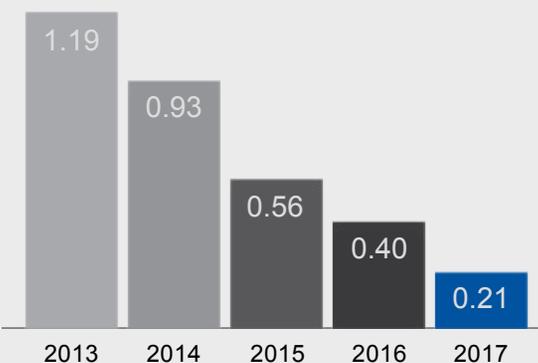
Lost Day Severity Rate (LDSR) = the rate of lost work days per 100 employees, normalized to hours worked.
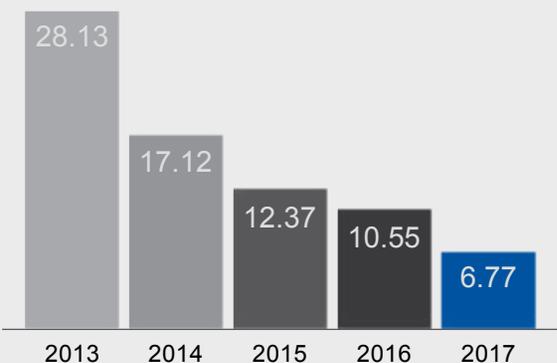
OUR PERFORMANCE
GRI 403-2

In 2017 we achieved 42 percent year-over-year improvement in TIR, from 0.84 in 2016 to 0.49 in 2017. Our 2017 performance represents our first year in world-class territory, according to our benchmarking of eight manufacturers* for safety excellence. While we are proud of this substantial improvement, we still have work to do to achieve our goal of zero injuries.

In 2017, we had 25 of 80 manufacturing and technical centers achieve zero injuries, an increase from 22 in 2016. The Chairman's Safety Award was established for sites with zero injuries during the calendar year and the first recipients are the 25 plants and technical centers that were injury-free in 2017. Another 26 manufacturing and technical centers achieved TIR better than 0.60, our world-class benchmark, an increase from 21 in 2016.

In addition to a significant reduction in TIR in 2017, we also greatly improved our rates for lost day cases by 48 percent and lost days by 36 percent.

*Note: World-class performance is set based on annual benchmarking of companies whose performance we believe exemplifies world-class (BMW, Bosch, Borg Warner, Caterpillar, Continental, Cummins, Eaton and Johnson Controls). Every year we review externally and consider our world-class benchmark for the manufacturing segment of industry.

INJURY METRICS AT COOPER STANDARD

TOTAL INCIDENT RATE SAFETY GLIDE PATH

Target
Actual
World-Class Benchmark

0.49

2013 2014 2015 2016 2017 2018

LOST DAY INCIDENT RATE

Year	Value
2013	1.19
2014	0.93
2015	0.56
2016	0.40
2017	0.21

LOST DAY SEVERITY RATE

Year	Value
2013	28.13
2014	17.12
2015	12.37
2016	10.55
2017	6.77

OUR PRIORITIES

GRI 403-1

We ask each of our global manufacturing sites to develop both strategic and tactical plans for safety improvement, and to update these plans annually, including targets and objectives. Our annual Company safety target is the result of a top-down and bottom-up approach.

In 2017, we enhanced the interfaces for safety in our *CLauS <pg.18>* product launch program. In collaboration with our HSE staff, our program and process engineers use a scalable HSE Engineering Checklist to ensure that proper safeguards are considered during design, purchase, layout and configuration of equipment to mitigate potential safety, environmental and ergonomic risks.

We continue to focus on improving our fire safety programs to protect our people and physical assets. We initiated or completed significant capital projects at several plants in both Europe and North America in 2017 regarding fire safety. We are continuously working with our external property risk management engineering consultants and insurers to understand and prioritize fire protection needs, especially for new and updated facilities.

We maintain a CoE audit program that assesses safety, health and environmental compliance with country, state and local legal requirements. A global third-party consultant conducts these audits, assisted by our internal audit manager responsible for the process. The auditors utilize third party audit protocols for the country jurisdiction available in English and local language.

In 2018, our focus will be to refresh and enhance our Total Safety Culture process to TSC 2.0, consisting of a revised top-level safety and environment policy, new technical safety procedures and standards, new safety culture maturity survey and new safety balanced scorecard. We will provide more details in our next report after we successfully develop and implement this new metric system.

ENHANCED GLOBAL ERGONOMICS PROGRAM

In 2017, we established an upgraded ergonomics program to train HSE staff, continuous improvement, program and process engineers; to employ enhanced core evaluation tools, and processes to design equipment, work cells and material flow for reduced ergonomic risk. We also use the kaizen process to eliminate ergonomic risk in existing production equipment. Our focus on ergonomics has resulted in a 70 percent decrease in musculoskeletal disorders from 2014 – 2017.

Examples of ergonomics via adjustable lifts for parts containers and machine safeguarding (Vitré, France)

Complex mold presses demand rigorous work instructions, including safety and ergonomic requirements (Myślenice, Poland)

Machine safe guarding example (Bowling Green, Ohio)

ENVIRONMENTAL MANAGEMENT

GRI 103-1

Cooper Standard is committed to monitoring and reducing our operational impact on the environment consistent with best practices and in compliance with the environmental laws, ordinances and requirements where we operate.

Our customers also rely on us to develop *product innovations <pg.26>* for improved environmental impact, such as product weight reduction, which contributes to improved vehicle fuel economy and reduced greenhouse gas emissions. One of our recent sealing product innovations, *Fortrex™ <L.12> <pg.21>*, does just that, with a substantially improved environmental footprint compared to conventional EPDM rubber and TPV elastomers.

OUR APPROACH

GRI 103-2, 103-3

Cooper Standard's *Global Health, Safety and Environment (HSE) Policy <L.18>* – which was updated in 2017 to reflect the Company's culture and goal to become a world-class leader – outlines our approach to promote health, safety and environmental excellence. The policy applies to all of our wholly-owned operations and majority-controlled joint ventures.

We manage the environmental impacts of our global business through both internal and external environmental management systems. Our external management system is ISO 14001 certified, requiring each of our participating sites to identify the environmental impacts of its operations and establish objectives to address risks and opportunities. Our internal management system is driven by regional procedures and standards, as well as global requirements within CSOS.

Currently, 61 of our 77 (80 percent) manufacturing sites are certified to ISO 14001 and nine newly constructed or acquired manufacturing sites are in the process of gaining certification.

Our Global Manufacturing Council (GMC), along with HSE leaders from each of our regions and our VP HSE, are responsible for setting our Company-wide environmental goals and priorities. We currently have annual energy reduction and greenhouse gas reduction goals, as well as a five-year target for waste diversion from landfills. Our GMC is responsible for evaluating potential best practices from individual manufacturing sites to apply to our global operations and annually awards the best kaizen improvement project, which includes nominations for environmental projects.

GLOBAL HEALTH, SAFETY & ENVIRONMENTAL POLICY

Cooper Standard is committed to conducting business in a responsible manner and in compliance with all health, safety and environmental laws and regulations. We will:

- Consider that the health and safety of our employees, contractors and visitors is of the highest importance, believing that all incidents, injuries and illnesses are preventable through risk management and control;
- Use sustainable business practices across our operations to minimize energy and water consumption, environmental emissions and waste generation;
- Establish objectives to achieve continuous improvement in our health, safety and environment performance with the goal of becoming a world-class leader;
- Partner with our customers, suppliers and contractors to promote health, safety and environmental excellence;
- Develop products that minimize our impact on the environment; and
- Respect and support the communities in which we operate.

We believe that everyone at Cooper Standard has a role and a responsibility to achieve our Total Safety Culture.

Our internal data management system tracks and reports our environmental metrics. We participate in customer reporting of data and management processes for energy and greenhouse gases through *CDP <L.19>*, which manages a global disclosure system for investors, companies, and other entities to manage their environmental impacts.
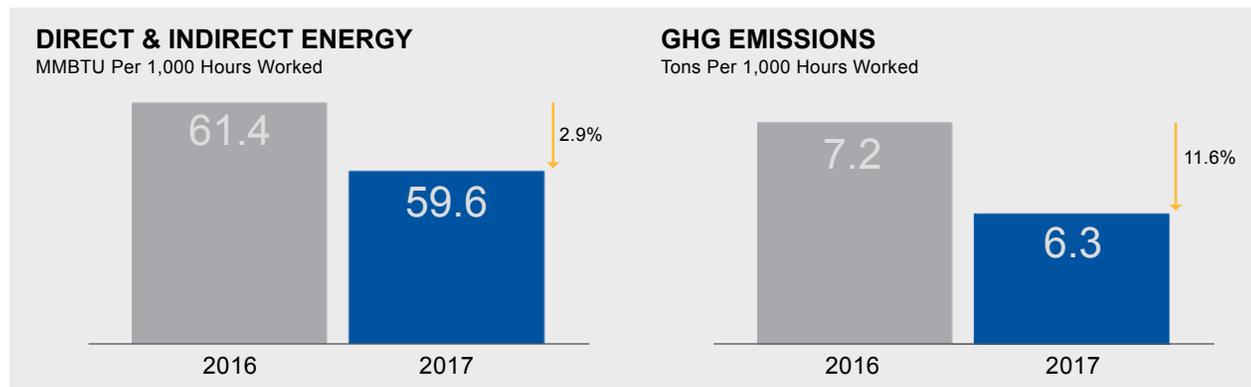
We also participate in customer sustainability questionnaire surveys and on-site verification audits for sustainability practices, including environmental management. The questionnaires, often from third parties which represent our customers, seek information on a broad range of topics, including detailed questions on environmental management. As part of our continuous improvement process, we strive for year-over-year improvement in our customer scores.

ENERGY AND GHG EMISSION PERFORMANCE

GRI 302-1, 302-2, 302-3, 302-4, 305-1, 305-2, 305-4, 305-5

Energy is a significant component of our operating expenses, exceeding $80 million annually. In 2017, we maintained our annual energy reduction target of 2 percent year-over-year indexed to hours worked. As indicated in the accompanying graphs, our energy consumption for fossil fuels (direct) and electricity (indirect) across our global operations decreased by 2.9 percent, resulting in a corresponding decrease in greenhouse gas (GHG) emissions of 11.6 percent. The energy decrease resulted from the many energy reduction projects completed in 2016 and 2017 across our global operations, as highlighted on these pages. The decrease in GHG emissions outpaced the energy decrease as result of changes to emissions factors in 2017 in many jurisdictions that now use cleaner energy.

Our energy reduction projects in 2017 primarily focused on efficient plant lighting and smart controls, as well as compressed air leak detection and upgraded systems and controls.

DIRECT & INDIRECT ENERGY
MMBTU Per 1,000 Hours Worked

2016	2017
61.4	59.6

2.9%

GHG EMISSIONS
Tons Per 1,000 Hours Worked

2016	2017
7.2	6.3

11.6%

GOLDSBORO ELECTRIC BLOW-OFF SOLUTION

Our Goldsboro, North Carolina, U.S. plant replaced its largest compressed air use, the blow-off drying of rubber extrusion after a chilled water bath, with electric dryers. This solution solved a plant-wide compressed air capacity problem, as well as reduced energy use by 2,000 MWh and cost by $178,000 per year. The project won the Company's annual kaizen competition for best continuous improvement and will serve as a global best practice for implementation at other similar plants.

New induction lighting (Myślenice, Poland)

Schelklingen, Germany plant is honored by the Minister for Environment of the state of Baden-Württemberg for their compressed air project's energy savings

LANDFILL DIVERSION

Nine facilities achieved landfill-free (100 percent diversion) status in 2017:
Stratford (Douro), Ontario, Canada; Livonia, Michigan, U.S.; Lillebonne, France; Dzierżoniów and Myślenice, Poland; Lindau and Mannheim, Germany; Camaçari, Brazil; Guangzhou, China.

Eighteen facilities achieved >90 percent but less than 100 percent diversion including:
New Lexington, Ohio and Spartanburg, South Carolina, U.S.; Atlacomulco, Aguascalientes, El Jarudo and Saltillo, Mexico; Mitchell and Stratford (Erie), Ontario, Canada; Bielsko Biala, Poland; Creutzwald, Rennes and Vitré, France; Zdar, Czech Republic; Sremska Mitrovica, Serbia; Cirie, Italy; Hockenheim, Germany; Varginha, Brazil; Seocheon, South Korea.

WATER CONSUMPTION REDUCTION

Our Goldsboro, North Carolina, U.S. facility replaced water cooled chillers with air cooled equipment for an annual savings of $39,000 and a reduction of water use of 40.6 million gallons per year.

ENERGY REDUCTION PROJECTS IN 2017

In 2017, efficient lighting upgrades with LED and induction technology achieved $703,000 in annual operating cost savings and 6,894 MWh reduction in energy use at manufacturing sites in: Auburn, Indiana and New Lexington, Ohio, U.S.; Mannheim, Schelklingen and Lindau, Germany; Lillebonne, France; Bielsko Biala, Myślenice and Piotrków Trybunalski, Poland; Cirié, Italy; Borja, Spain; Craiova, Romania; Varginha, Brazil; Wuhu, Huai'an, Chongqing and Shanghai Fengxian, China.

Compressed air equipment and control system upgrades, as well as leak management, achieved $561,000 in annual operating cost savings and 5,735 MWh reduction in energy use at manufacturing sites in: Schelklingen, Grüenberg, Mannheim and Lindau, Germany; Cirié, Italy; Varginha, Brazil; New Lexington, Ohio, U.S.; Shanghai Qingpu, China; Seocheon, South Korea.

Our Shanghai Qingpu, China and Varginha, Brazil sites optimized chiller efficiency for annual savings of $89,000 and 456 MWh.

Our new Rennes, France production building reduced energy consumption from 122 MWh/m^2 to 35 MWh/m^2 by employing energy efficient systems.

WASTE PERFORMANCE

Cooper Standard has a goal to have all sites at greater than 90 percent landfill diversion by 2021. Nine sites maintained landfill-free (100 percent diversion) for 2017 and 18 sites achieved greater than 90 percent diversion, based on 77 sites reporting. Our European operations lead our waste diversion efforts, where European Union waste legislation and country requirements strongly drive recycling, reuse and re-purposing material streams that might otherwise be considered waste. However, our waste diversion goal applies to our global facilities and we continue to make substantial progress across our operations.

In 2017, the GMC, together with the Global Leadership Team, drove initiatives to reduce or eliminate scrap. Scrap rubber is a significant part of our waste streams, and while much of it can be recycled, the goal is to eliminate rubber scrap altogether. The GMC's goal is to reduce scrap by 20 percent on a cost basis from 2016 to 2018. We achieved 3.8 percent reduction in 2017. Further reduction efforts in 2018 will be driven through the adoption of a series of global best practices, including total productive maintenance, extrusion startup, mold controls and tooling.

As part of our monthly World Class Operations review, which includes all plant managers, operations leaders and executive staff, regional plant scorecards are reviewed for trends for 12 operational metrics, one of which is scrap. This forum provides a periodic assessment of Company-wide progress.

WATER PERFORMANCE
GRI 303-1

Our efforts to track and reduce water consumption are still in the early stage and we have not yet set a global water reduction target. Efforts continue to be focused on establishing a reliable consumption baseline for our global operations. In 2017, our facilities reported using 3,190,935 cubic meters globally.

WASTE MANAGEMENT PRACTICES

Our Bowling Green, Ohio, U.S. facility changed waste vendors and upgraded waste management practices, resulting in:

- Reduced pickup and per ton charges, saving 34 and 51 percent respectively;
- Increased recycling by 8,600 pounds per month (69 percent); and
- Use of a "smart" compactor, which contacts the hauler when it is nearly full, reducing pickups by 50 percent.

Our Auburn, Indiana, U.S. facility replaced a salt bath used to clean coatings from spray booth fixtures and rework parts, resulting in:

- Reduced hazardous waste by 115 tons per year at $104,000;
- Reduced chemical use by $144,000 per year; and
- Reduced energy costs by $134,000 per year.

Recycling in Zdar, Czech Republic plant

SUPPLY CHAIN SUSTAINABILITY

GRI 103-1

Maintaining a vital and responsible supply chain is important to Cooper Standard as the success of our business and customer satisfaction ultimately depends on our ability to deliver quality products. We consider our suppliers as business partners and engage with them to ensure alignment to our strategy and expectations.

OUR APPROACH

GRI 102-9, 103-2

Supply chain management is centrally led with regional directors reporting to a Corporate Vice President, Global Supply Chain. The regional directors work with their respective Regional Business President and staff as an integral part of the regional business team to help ensure global alignment. The supply chain organization is further organized around direct material purchasing, which includes raw materials for use in manufacturing, and indirect material purchasing, including capital tooling for manufacturing and all non-manufacturing supplies. We hold our suppliers accountable to our *Supplier Code of Conduct <L.10>*, which aligns with our internal *Code of Conduct <L.9>* and includes topics such as corruption, bribery, reporting, human rights, safety, corporate responsibility, conflict minerals and chemical compliance.

Our Corporate Vice President, Global Supply Chain is an integral member of several cross-functional management committees that provide strategic direction to our businesses:

• Global Manufacturing Council;
• Global Engineering Council; and
• Global Technical Council.

Supply chain membership in these teams ensures that the function's perspectives, policies and procedures are incorporated into strategic and tactical considerations.

GLOBAL SUPPLIER MEETING

Entec worked cross-functionally with Cooper Standard to implement multiple Value Analysis and Value Engineering initiatives, while being aligned commercially and sharing our passion for community service. Accepting the award from Entec is Stan Moyer and Brian Ahrens.

For the second year in a row, Dow was awarded a Supplier Passion for Performance Award. Dow is a strategic global partner in the EPDM and chemicals commodities. Accepting the award from Dow is Jerry Pritchett, Denise Beachy and Rick Thomas.

OUR PERFORMANCE

GRI 103-3

In 2017, we implemented a world-class procure-to-pay solution for indirect purchasing in North America. This new system provides a single point for qualifying new vendors, issuing purchase requisitions for approval and purchase orders for procurement, as well as paying invoices. The goals of this process are to achieve greater compliance with Company purchasing requirements and increase transparency, cost savings and standardization of materials.

Weekly, regional and global Sourcing Boards review prospective direct, indirect and capital tooling purchases to ensure alignment to our business strategy, competitive bidding and soundness of justification, price and supplier fitness. The Sourcing Board global approval matrix defines approval requirements, including necessary approval steps and justification documentation. The Sourcing Boards enable coordination of purchases across regions and are vital for the supply of global product platforms.

We maintain a supplier scorecard system, managed by a dedicated Supplier Quality and Development team, which evaluates key performance metrics, such as supplier quality, on-time delivery and safety.

Annually, the supply chain team meets with our top 100 direct and indirect materials and capital tooling suppliers. These meetings ensure strategic alignment and communicate priorities and strategic initiatives to our suppliers.

Given that Cooper Standard partners with suppliers that are culturally aligned, many of them engage with us in our community projects. Our Supply Chain team collaborates with key supplier business partners to co-sponsor various community engagements, such as S.A.Y. Detroit's Working Homes/Working Families, Jack's Place and Cooper Standard's Careers for Veteran's initiatives. You can find more details on our community engagement activities in the *Community Involvement <pg.47>* section of this report.

OUR PRIORITIES

GRI 308-1, 414-1

As part of our journey to world-class, we are creating new global commodity leaders reporting to the Vice President of Supply Chain in 2018. These leaders will be responsible for working cross-functionally to develop and execute best-in-class commodity strategies. We plan to implement sustainability programs into our supply chain in 2018, such as requesting key suppliers to join us in executing sustainability self-assessments and participate in AIAG sustainability awareness training. We will continue to optimize the supply chain, ensuring a competitive and healthy supply base that can support the global vision of Cooper Standard.

Suppliers partner with Cooper Standard to enhance the communities in which we work and live

INFORMATION TECHNOLOGY & SECURITY

GRI 103-1

Information technology and security are at the heart of everything we do at Cooper Standard, whether it relates to engineering, manufacturing, innovation or financial transactions. Our information systems and their integrity are critical to the success of our business and our relationships as evidenced by the increase in cyber security audits and self-assessment questionnaires we have received from our customers.

OUR APPROACH

GRI 103-2

Our information systems transition continued in 2017 under the leadership of our Senior Vice President, Information Technology and Chief Information Officer (CIO). As a member of our Global Leadership Team, our CIO ensures information technology is fully integrated into all aspects of our business to achieve world-class operations. Our CIO helps further drive innovation and security awareness by being an active member of our global councils for manufacturing, engineering and commercial activities.

Information technology leaders from each line of business and corporate function report to the CIO. The information technology business leaders are also part of regional business teams to help ensure global alignment.

In 2017, we continued to use an ISO/IEC 27001-aligned Information Security Management Systems framework as part of our information security efforts, which are associated in a broader Enterprise Risk Management program. As a part of this, the CIO reports on the status of our information systems and security to our Board of Directors twice per year.

OUR PERFORMANCE

GRI 103-3

In 2017, we improved compliance by automating key compliance processes for logical access controls, including timely access termination, segregation of duties and periodic access review. We developed enhanced access termination processes to ensure employees leaving the Company are removed from network and systems access expeditiously. We established timely access termination metrics for monthly review by leadership. The implementation of new control software enabled us to improve segregation of duties and periodic access review to ensure that financial systems are not misused or accessed by the wrong person. To achieve a higher level of protection for high-risk data and intellectual property with our Innovation Team, we implemented digital rights management technology in 2017. This technology protects information at the data or document level, regardless of the environment – internal or external – in which it is accessed.

We engaged a third-party to refresh the information gathered during our 2015 enterprise risk assessment, including evaluation of policies, processes and systems. This assessment refresh provided an independent view of our progress over the past two years and will guide development of further actions and plans going forward.

OUR PRIORITIES

In 2018 and beyond, we will develop robust security controls to support our Industry 4.0 IIoT (Industrial Internet of Things) initiatives for connecting machinery and equipment on the factory floor. We will continue to increase our employee awareness efforts, monitoring and filtering, timely patch management, access controls, change controls, penetration testing and table top exercises to test our incident response procedures. To ensure the security of our data that is housed in the cloud, we plan to further enforce our security policies for engaging with cloud-based service providers. Finally, we will continue on our roadmap toward ISO/IEC 27001 compliance readiness and achieving world-class systems for business performance and information security as part of our world-class commitment.

ENGAGED EMPLOYEES

Cooper Standard is fueled by a culture of engaged employees working toward a common vision. Built on global trust, standardized practices and an unwavering commitment to innovation, our culture enables us to compete and succeed in the global automotive environment.

Our employees are the heart and soul of the Company and the key factor of our success. Committed to excellence and driven to succeed, Cooper Standard employees are focused on the Company's overall vision and strategy. From the board room to the lunch room, our employees are driven by a desire and responsibility to contribute to the greater good, giving back to the communities where we work and live.

TOPICS COVERED

Talent Management

Community Involvement

SUGGESTED LINKS

The Foundation Mission <L.20>

TALENT MANAGEMENT

Cooper Standard's approach to Talent Management is deeply rooted in our Vision and Values. Talent Management is a unified strategy utilized by successful companies to make the best use of their current and future human capital to meet the organization's vision and mission. Our values-based culture, focus on innovation and emphasis on results inspire and motivate our employees. Our drive to be world-class means we need to attract, develop and retain the best talent in the industry.

In recent years, we have made significant advances toward this goal, recognizing opportunities in various areas, including tools, processes and systems, as well as team member and manager capabilities. In 2017, we continued to improve elements of our Talent Management strategy to further our journey of becoming a world-class talent organization as part of our competitive advantage in the marketplace.

OUR APPROACH

Our Senior Vice President and Chief Human Resources Officer is responsible for Cooper Standard's Talent Management strategy. The corporate human resources (HR) function is organized into the following Centers of Excellence (CoE):

- Talent Strategy and Management;
- Total Rewards;
- HR Business Services;
- Human Resources Information Systems (HRIS); and
- Health, Safety and Environment.

In late 2017, Talent Acquisition (TA) and Talent Management were combined into one CoE to better leverage the elements of a single end-to-end process, including identification of talent needs, recruiting, onboarding, learning and development, succession planning, talent identification and performance management.

The regional HR organizations are led by HR vice presidents who report to the respective regional presidents and are supported by country HR directors, plant HR managers, and representatives for each of the HR CoEs. These resources support specific regional needs, as well as contribute to the development and implementation of common, global elements for our HR strategy, in alignment with the corporate CoEs.

Cooper Standard has created standardized training facilities globally

OUR PERFORMANCE AND PRIORITIES

GRI 103-3

We made great strides in the areas of TA and Onboarding in 2017. The global TA liaison team continues to identify opportunities in: branding; recruiting; interviewing and selection tools and processes; and technology and analytics. We also developed new onboarding tools and templates focused on the role of the manager and the overall employee experience, aimed at improving new employee integration into the organization.

In late 2017, we convened a global group of HR professionals and business partners to review our current performance management process. The primary objectives were to ensure the process is simple and easy to use, aligns employee goals and behaviors with Company objectives and enables frequent feedback and dialogue for individual work, performance and employee development. We will launch a new process in early 2018.

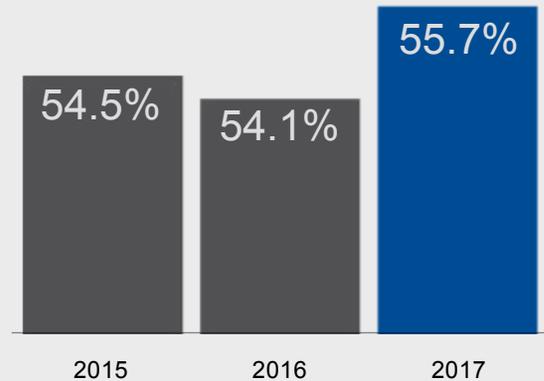We continued our focus on the Cooper Standard Capabilities Model, highlighting our expectations for all Cooper Standard employees, assessing their behaviors in these areas and providing support in their ongoing development.

Succession planning and talent identification processes remain important components to our Talent Management strategy. These enable us to continue to grow our talent pool, while ensuring appropriate levels of capability throughout the organization, and increase the number of positions filled internally, a metric we have tracked since 2014. Our goal is to fill approximately two-thirds of leadership positions with internal candidates, a target we have been improving towards and is in line with other benchmark companies.

We use both our performance management and succession planning processes to identify and recognize high-potential and high-performing employees, and to ensure all of our employees are compensated appropriately relative to market data.

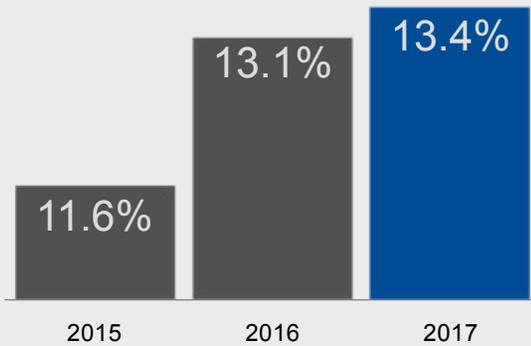### INTERNAL FILL
Director/Plant Manager & Above

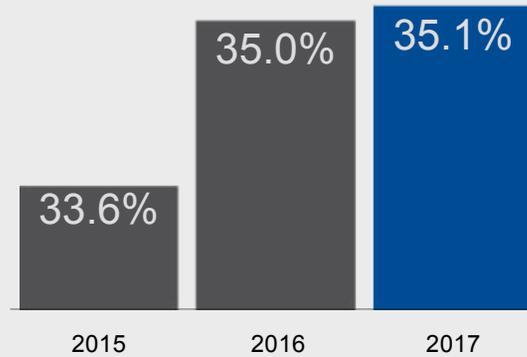| 2015	2016	2017
54.5%	54.1%	55.7%

CAPABILITIES MODEL

PEOPLE   RESULTS

Talent — Customer
Collaboration — Innovation
Inspiration — Transparency
Alignment — Achievement

VALUES

WOMEN IN LEADERSHIP
Director/Plant Manager & Above

- 2015: 11.6%
- 2016: 13.1%
- 2017: 13.4%

WOMEN IN THE ENTERPRISE
Salaried & Hourly

- 2015: 33.6%
- 2016: 35.0%
- 2017: 35.1%

HEADCOUNT BY COUNTRY

Approximately **32,000** Employees

BRAZIL
CANADA
UNITED STATES OF AMERICA
CHINA
CZECH REPUBLIC
FRANCE
GERMANY
INDIA
ITALY
REPUBLIC OF KOREA
MEXICO
SPAIN
SERBIA
ROMANIA
POLAND
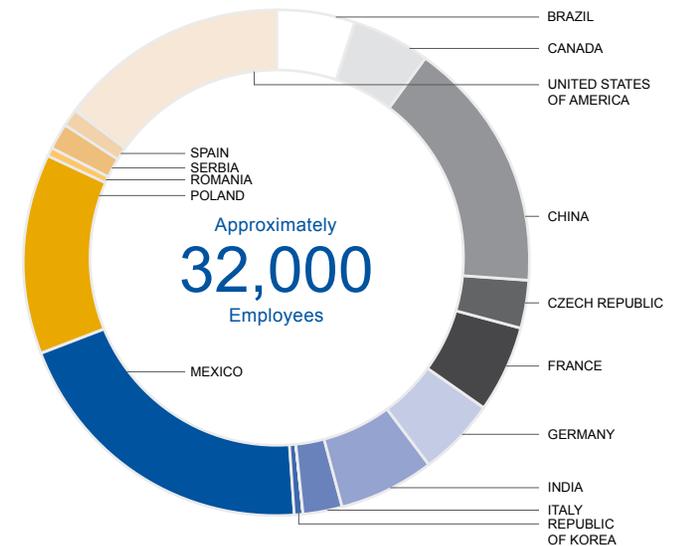
EMPLOYEE CULTURE

GRI 404-2, 405-1

2017 was a pivotal year for learning and development. We developed a competency modeling process to identify knowledge, skills and abilities required for specific functions and roles. We completed individual assessments and identified training gaps for global roles, including production supervisors, product engineers and designers, and plant managers. Development of formal learning paths and training content is underway for these positions and analyses of additional roles will follow. Training content and implementation in all these areas will continue in 2018 and beyond. We piloted a learning management system (LMS) in 2017, with full utilization to occur in 2018.

We also globalized a common approach to production operator training aimed at improving our safety, quality and productivity metrics. In each region, we identified master trainers to certify site trainers to a common process for production operator training, including development of common job breakdowns and work instructions. The trainer certification includes a test-out with a required minimum score and evaluation form. Master trainers are certified through a 40-hour course and must demonstrate capability with an existing master trainer. This approach, along with improvements in operations leadership capabilities, is part of our Building a Talented Organization (BTO) initiative, led by our Global Manufacturing Council and supported by global HR. We will continue implementation of our BTO initiative in 2018.

These initiatives and processes, along with engineering and operations leadership development programs, Cooper Standard Affinity Groups, and intern and cooperative student programs enable us to attract and retain diverse, world-class talent at every level of the organization. Our culture creates a work environment that acknowledges, values and leverages our differences and offers equal opportunities to all our employees. Our focus on a diverse workforce and our dedication to development make us a stronger, more innovative team, enabling us to meet our objectives as a global leader in the automotive industry. The commitment to diversity begins at the top. We have increased the percentage of women on our Global Leadership Team to 30 percent and our Board of Directors has two women out of nine directors.

COMMUNITY INVOLVEMENT

Our employees continue to fuel their desire to help those in need in our surrounding communities by participating in and initiating a number of community involvement activities throughout the year. The primary vehicle for community engagement is through the work of the Cooper Standard Foundation.

OUR APPROACH

Since the establishment of the *Cooper Standard Foundation <L.20>* in 2013, its mission has been to strengthen the communities where Cooper Standard employees work and live through the passionate support of children's charities, education, community health and wellness, and community revitalization. The Foundation is a 501(c)(3) organization with oversight by the Cooper Standard Foundation Board of Trustees.

COMMUNITY PRIORITIES

The Foundation focuses on four areas:

- Direct donations and grants to charitable organizations;
- Matching contributions for employee engagement activities;
- Scholarships for employees' children based on academic achievement and community involvement; and
- Global crisis funding.

What sets the Foundation apart is the employee engagement it fosters. When four or more Cooper Standard employees gather to raise money or volunteer for a charity, the Company matches their efforts with a financial contribution. This area has been a popular component of the Foundation and connects employees with our communities around the world.

IMPACTING COMMUNITIES THROUGH EMPLOYEE ENGAGEMENT

Cooper Standard employees continue to find new ways to give back to the communities where we work and live. This includes everything from joining local walks supporting health initiatives to coordinating clothing, shoe and food drives supporting local shelters.

With the tremendous engagement and dedication of our employees, the Foundation has shifted a greater allocation of funds for matching contributions to employee supported charity / community initiatives. The amount of donations as a result of employee engagement has grown more than double since the Foundation's establishment in 2013.

COMMUNITY INVOLVEMENT STATISTICS SINCE 2013

100+
Total Charities Supported

16
Total Countries

$10M
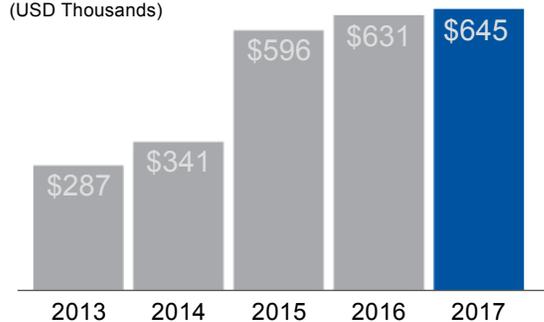($5M from Employee Engagement)
Total Contributions

20,000
Total Engagements

MATCHING CONTRIBUTIONS FOR EMPLOYEE ENGAGEMENT
(USD Thousands)

Year	Amount
2013	$287
2014	$341
2015	$596
2016	$631
2017	$645

COOPER STANDARD CONTRIBUTED TO OVER 70 CHARITIES IN 2017

Some of our key charitable partners

American Cancer Society®

American Heart Association®

American Red Cross

Focus:HOPE
Education • Opportunity • Community

FORGOTTEN HARVEST

GILDA'S CLUB METRO DETROIT

HAVEN

Junior Achievement®
of Southeastern Michigan

S.A.Y. Detroit
Super All Year

STARFISH FAMILY SERVICES

VISTA MARIA

United Way

EDUCATION INITIATIVES

As a global manufacturing leader, Cooper Standard is passionate about accelerating manufacturing careers, especially those that are STEM related.

STEM (Science, Technology, Engineering and Math) Initiatives

We created our STEM Affinity Group to drive interest in manufacturing and STEM careers. The Affinity Group has grown to include approximately 300 STEM Accelerators around the world. Our STEM Accelerators work to inspire student achievement and interest in STEM careers through volunteer programs in our communities that are built on the desire of our employees to give back and create a manufacturing workforce for years to come. In 2017, our STEM initiatives included:

- FIRST® (For Inspiration and Recognition of Science and Technology) Robotics support:
    - Livonia Michigan United Schools FIRST® Robotics Sponsorship
    - FIRST® Robotics programs at S.A.Y. Detroit Play Center
- S.A.Y. Play Center: as part of our internal STEM Accelerator program, Cooper Standard funds the science program and our trained STEM Accelerators volunteer to provide science demonstrations
- Kettering University: helped raise donations to sponsor high school students from underserved areas, including Detroit, Michigan, Jamaica and Mexico, to attend a pre-college summer program
- China RUN FOR LOVE: fundraising support for the Cooper Standard "Dream Classroom" program, which works to provide STEM-related teaching materials for children in China
- Junior Achievement: launched STEMworks! with Junior Achievement of Southeast Michigan to deliver STEM programing to an estimated 3,000 Detroit public schools annually

Detroit, Michigan

Traverse City, Michigan

Qingpu, China

Varginha, Brazil

CAREERS FOR VETERANS PROGRAM

Cooper Standard is committed to helping our military veterans by putting their unique skill sets to work when they complete their service. Our formalized veterans' support initiative, Cooper Standard Careers for Veterans, was created to provide career opportunities for military veterans and those who are transitioning from active service.

SUPPORTING OUR HEROES

Cooper Standard is devoted to honoring and supporting our military heroes through several initiatives focused on helping military veterans or their children integrate back to civilian life through education and ultimately employment. Whenever possible, Cooper Standard looks to employ heroes directly or in the manufacturing industry by helping them gain the necessary skills to enter the workforce, including:

- Inforum's Next4Vets™ program, jointly developed with Inforum, a professional women's alliance, provides career transition training specifically designed for women veterans;
- Support of the Manufacturing Institute's "Hero's Make America" initiative;
- Interview preparation workshops conducted by Cooper Standard's Salutes Affinity Group; and
- Folds of Honor scholarship program in cooperation with the Michigan Colleges Alliance.

To sustain and further support veterans joining Cooper Standard, the Company formed the Cooper Standard Salutes Affinity Group. Salutes places a high value on veteran hiring, retention, advancement and representation at all levels of the organization.

NEXT4VETS™

Cooper Standard has a strong partnership with Inforum's Center for Leadership. This partnership ensured the creation of a custom leadership program Next4Vets™ in 2015. The program focuses on women veterans who are transitioning from active military duty to the workplace. The Cooper Standard Foundation underwrote the establishment of the program and now provides scholarships for female veterans to participate. As of April 2018, approximately 43 military women veterans have completed the Next4Vets™ program.

COMMUNITY HEALTH & WELLNESS INITIATIVES

Our employees engage in activities around health and wellness to make a difference in the lives of our neighbors. Some examples of the varied activities in which our employees participate include:

- American Cancer Society® Relay for Life: nine U.S. facilities and over 200 employees and their families participated in 2017.
- Gilda's Club® Metro Detroit Burn the Mortgage Campaign: Cooper Standard joined forces with Gilda's Club® Metro Detroit to raise money to pay off the mortgage on their clubhouse in March 2017. Gilda's Club® hosts many free cancer support programs for patients and their families.
- "Real Men Wear Pink": Cooper Standard has participated in the "Real Men Wear Pink" campaign for the past two years. To help promote breast cancer awareness and raise money, executives wear pink for the entire month of October. This year, Jon Banas, EVP and Chief Financial Officer, won the Detroit campaign making it the second year a Cooper Standard employee has held the honor, following last year's winner, Larry Ott, SVP and Chief Human Resources Officer.
- 5K Races in Brazil: two facilities in Brazil hosted 5k races to promote social action, wellness and give back to their surrounding neighborhoods. Participants were asked to donate 1kg of nonperishable foods during registration; gathering over 900 kg (1,984 lbs.) for the community.
- Le Héros C'est Toi or You're The Hero App: employees in France organized a fundraising go kart competition to enable a donation to Les P'tits Doudous charity, which has developed an app called "You're the Hero" to help reduce children's, fear and anxiety while in the hospital.

REVITALIZATION

Our community revitalization efforts directly connect to the Cooper Standard Foundation's mission to improve the communities where we live and work. From refurbishing urban areas to educating our youth on how to take better care of their communities, our revitalization campaign incorporates a range of efforts, causes and locations, such as:

- Working Homes / Working Families: employees and Cooper Standard leadership helped rebuild the MorningSide neighborhood in Detroit, Michigan, U.S. To date, we have built three playgrounds, revitalized a community recreation building and refurbished nine homes donated to working homeless families.
- Brazil Community Outreach: employee volunteers revitalized a local orphanage with a fresh coat of paint and spent time playing with children.

Southeast Michigan employees participated in a 300 mile bike race and raised funds for Make-A-Wish Michigan

Over 120 employees from our North America Operations team and supporting functions helped build a park in Detroit, Michigan

5k run in Brazil

GRI INDEX

This quick-reference index contains disclosures from the GRI Standards. The disclosures referenced are addressed, at least partially.

GENERAL STANDARD DISCLOSURES

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102-2	Activities, brands, products and services	*Brands, Products & Services; Core Products*	11, 21
102-3	Location of headquarters	*Organizational & Business Structure*	9
102-4	Location of operations	*Global Footprint*	9
102-5	Ownership and legal form	*Organizational & Business Structure*	9
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102-7	Scale of the organization	*Global Footprint*	9-12
102-8	Information on employees and other workers	*Global Footprint: Company Statistics*	9
102-9	Supply chain	*Supply Chain Sustainability: Our Approach*	40
102-10	Significant changes to the organization and its supply chain	*Global Footprint*	9
102-11	Precautionary Principle or approach	Cooper Standard manages risks and impacts of our products and operations but does not formally address the precautionary principal globally	
102-12	External initiatives	Cooper Standard does not currently endorse nor subscribe to any charters or principles	
102-13	Membership of associations	*Awards & Appointments: Memberships & Associations*	16
STRATEGY			
102-14	Statement from senior decision-maker	*A Message From the CEO*	3
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102-48	Restatements of information	Lost Day Severity Rates and Lost Day Incident Rates (p. 34) from previous years have been restated to incorporate reclassification of injury types and changes in our plant footprint.	
102-49	Changes in reporting	No Changes	
102-50	Reporting period	*About This Report*	4
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APPENDIX

Forward-Looking Statements

This corporate responsibility report includes "forward-looking statements" within the meaning of U.S. federal securities laws, and we intend that such forward-looking statements be subject to the safe harbor created thereby. Our use of words "estimate," "expect," "anticipate," "project," "plan," "intend," "believe," "forecast," or future or conditional verbs, such as "will," "should," "could," "would," or "may," and variations of such words or similar expressions are intended to identify forward-looking statements. All forward-looking statements are based upon our current expectations and various assumptions. Our expectations, beliefs, and projections are expressed in good faith and we believe there is a reasonable basis for them. However, we cannot assure you that these expectations, beliefs, and projections will be achieved. Forward-looking statements are not guarantees of future performance and are subject to significant risks and uncertainties that may cause actual results or achievements to be materially different from the future results or achievements expressed or implied by the forward-looking statements. Among other items, such factors may include: prolonged or material contractions in automotive sales and production volumes; our inability to realize sales represented by awarded business; escalating pricing pressures; loss of large customers or significant platforms; our ability to successfully compete in the automotive parts industry; availability and increasing volatility in costs of manufactured components and raw materials; disruption in our supply base; entering new markets; possible variability of our working capital requirements; risks associated with our international operations; foreign currency exchange rate fluctuations; our ability to control the operations of our joint ventures for our sole benefit; our substantial amount of indebtedness; our ability to obtain adequate financing sources in the future; operating and financial restrictions imposed on us under our debt instruments; the underfunding of our pension plans; significant changes in discount rates and the actual return on pension assets; effectiveness of continuous improvement programs and other cost savings plans; manufacturing facility closings or consolidation; our ability to execute new program launches; our ability to meet customers' needs for new and improved products; the possibility that our acquisitions and divestitures may not be successful; product liability, warranty and recall claims brought against us; laws and regulations, including environmental, health and safety laws and regulations; legal proceedings, claims or investigations against us; work stoppages or other labor disruptions; the ability of our intellectual property to withstand legal challenges; cyber-attacks or other disruptions in our information technology systems; the possible volatility of our annual effective tax rate; changes in our assumptions used for evaluation of deemed repatriation tax and the remeasurement of our deferred tax assets and liabilities, including as a result of IRS issuing guidance on Tax Cuts and Jobs Act that may change our assumptions; the possibility of future impairment charges to our goodwill and long-lived assets; and our dependence on our subsidiaries for cash to satisfy our obligations.

You should not place undue reliance on these forward-looking statements. We undertake no obligation to publicly update or otherwise revise any forward-looking statement, whether as a result of new information, future events or otherwise, except where we are expressly required to do so by law.

This corporate responsibility report also contains estimates and other information that is based on industry publications, surveys and forecasts. This information involves a number of assumptions and limitations, and we have not independently verified the accuracy or completeness of the information.

Non-GAAP Financial Measures

EBITDA, adjusted EBITDA, adjusted EBITDA margin, adjusted net income, adjusted earnings per share and free cash flow are measures not recognized under U.S. GAAP and which exclude certain non-cash and special items that may obscure trends and operating performance not indicative of the Company's core financial activities. Management considers EBITDA, adjusted EBITDA, adjusted EBITDA margin, adjusted net income, adjusted earnings per share and free cash flow to be key indicators of the Company's operating performance and believes that these and similar measures are widely used by investors, securities analysts and other interested parties in evaluating the Company's performance. In addition, similar measures are utilized in the calculation of the financial covenants and ratios contained in the Company's financing arrangements and management uses these measures for developing internal budgets and forecasting purposes. EBITDA is defined as net income adjusted to reflect income tax expense, interest expense net of interest income, depreciation and amortization, and adjusted EBITDA is defined as EBITDA further adjusted to reflect certain items that management does not consider to be reflective of the Company's core operating performance. Adjusted EBITDA margin is defined as adjusted EBITDA divided by sales. Adjusted net income is defined as net income adjusted to reflect certain items that management does not consider to be reflective of the Company's core operating performance. Adjusted basic and diluted earnings per share is defined as adjusted net income and adjusted diluted net income, respectively, divided by the weighted average number of basic and diluted shares, respectively, outstanding during the period. Free cash flow is defined as net cash provided by operating activities minus capital expenditures and is useful to both management and investors in evaluating the Company's ability to service and repay its debt.

When analyzing the Company's operating performance, investors should use EBITDA, adjusted EBITDA, adjusted EBITDA margin, adjusted net income, adjusted earnings per share and free cash flow as supplements to, and not as alternatives for, net income, operating income, or any other performance measure derived in accordance with U.S. GAAP, and not as an alternative to cash flow from operating activities as a measure of the Company's liquidity. EBITDA, adjusted EBITDA, adjusted EBITDA margin, adjusted net income, adjusted earnings per share and free cash flow have limitations as analytical tools and should not be considered in isolation or as substitutes for analysis of the Company's results of operations as reported under U.S. GAAP. Other companies may report EBITDA, adjusted EBITDA, adjusted EBITDA margin, adjusted net income, adjusted earnings per share and free cash flow differently and therefore the Company's results may not be comparable to other similarly titled measures of other companies. In addition, in evaluating adjusted EBITDA and adjusted net income, it should be noted that in the future the Company may incur expenses similar to or in excess of the adjustments. This presentation of adjusted EBITDA and adjusted net income should not be construed as an inference that the Company's future results will be unaffected by special items. Reconciliations of EBITDA, adjusted EBITDA , adjusted net income, adjusted earnings per share and free cash flow follow.

Non-GAAP Reconciliation

The following table provides a reconciliation of EBITDA and Adjusted EBITDA from net income, which is the most comparable financial measure in accordance with U.S. GAAP:

	Year End December 31st			
	2017	2016	2015	2014
	Dollar Amount in Thousands			
Net income attributable to Cooper-Standard Holdings Inc.	$135,303	$138,988	$111,880	$42,779
Income tax expense	74,527	54,321	41,218	42,810
Interest expense, net of interest income	42,112	41,389	38,331	45,604
Depreciation and amortization	138,088	122,660	114,427	112,580
EBITDA	**390,030**	**357,358**	**305,856**	**243,773**
Restructuring charges (1)	35,137	46,031	53,844	17,188
Impairment charges (2)	14,763	1,273	21,611	26,273
Settlement charges (3)	6,427	281	-	3,637
Foreign tax amnesty program (4)	4,623	-	-	-
Loss on refinancing and extinguishment of debt (5)	1,020	5,104	-	30,488
Secondary offering underwriting fees and other expenses (6)	-	6,500	-	-
Gain on remeasurement of previously held equity interest (7)	-	-	(14,199)	-
Gain on divestiture (8)	-	-	(8,033)	(14,568)
Acquisition costs	-	-	1,637	740
Amortization of inventory write-up (9)	-	-	1,419	-
Share-based compensation expense (10)	-	-	(71)	2,770
Other	-	155	301	1,236
Adjusted EBITDA	**$452,000**	**$416,702**	**$362,365**	**$311,537**

(1) Includes non-cash impairment charges related to restructuring and is net of non-controlling interest.

(2) Impairment charges in 2017 and 2016 related to fixed assets of $14,763 and $1,273, respectively. Impairment charges in 2015 related to fixed assets of $13,630 and intangible assets of $7,981. Impairment charges in 2014 related to fixed assets of $24,573 and intangible assets of $1,700.

(3) Non-cash settlement charges in 2017 and 2016 incurred related to certain of our non-U.S. pension plans. Settlement charges in 2014 related to the U.S. pension plans that were amended to offer a one-time voluntary lump sum window to certain terminated vested participants.

(4) Relates to indirect taxes recorded in cost of products sold.

(5) Loss on refinancing and extinguishment of debt relating to the May 2017 amendment of the Term Loan Facility and the refinancing of our Term Loan Facility in 2016, and the repurchase of certain debt in 2014.

(6) Fees and other expenses associated with the March 2016 secondary offering.

(7) Gain on remeasurement of previously held equity interest in Shenya.

(8) Gain on sale of hard coat plastic exterior trim business in 2015 and thermal and emissions product line in 2014.

(9) Amortization of write-up of inventory to fair value for the Shenya acquisition.

(10) Non-cash stock amortization expense and non-cash stock option expense for grants issued at emergence from bankruptcy.

Free Cash Flow

	Year End December 31st			
	2017	2016	2015	2014
	Dollar Amount in Thousands			
Net cash provided by operating activities	$313,484	$363,697	$270,385	$171,049
Capital expenditures	(186,795)	(164,368)	(166,267)	(192,089)
Free cash flow	**$126,689**	**$199,329**	**$104,118**	**$(21,040)**

CooperStandard