



Delivering Sustained Value for
All Our Stakeholders

Corporate Responsibility 2019

OUR FOCUS



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Cooper Standard's* 2019 corporate responsibility report, "Delivering Sustained Value for All Our Stakeholders," covers calendar year 2019. This report contains Standard Disclosures from the Global Reporting Initiative (GRI) Sustainability Reporting Standards, and Sector Standards from the Sustainability Accounting Standards Board, both of which can be found in our index. This report has not been externally assured. For more information, contact corporateresponsibility@cooperstandard.com.

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

102-14

The true strength of a company becomes even more evident during challenging times. In 2019, Cooper Standard demonstrated our resilience through the implementation of infrastructure, appropriate rightsizing initiatives and an organizational structure that allows us to navigate changing market conditions and drive sustained value for all our stakeholders.

Above all else, our world-class culture serves as a solid foundation for future growth. We are honored to be one of the 2020 World's Most Ethical Companies[®], as named by the Ethisphere[®] Institute. This recognition is a testament to our values, culture and employees who are dedicated to conducting responsible business at all levels of the Company.

As with other companies, the COVID-19 pandemic has had a significant impact on our business. I'm proud of how our team has managed these challenges to help protect the health and safety of our employees and preserve customer relationships, while maintaining the health of the Company.

As we look to the future, our strategic focus includes progressing our diversification strategy, building intentional relationships with our supply partners, improving return on invested capital, and retaining and attracting the talent needed to support our strategy and deliver for our customers.

This year's report covers our progress towards world-class performance in all areas of our business and our actions to elevate value for all our stakeholders. This report will also share new long-term goals supporting key environmental, social and governance material topics.

JEFFREY EDWARDS
Chairman and CEO



MESSAGE FROM THE CEO



ABOUT COOPER STANDARD

102-1, 102-5

Cooper Standard (NYSE: CPS) is a global automotive and industrial parts manufacturer with a workforce of approximately 28,000 in more than 140 facilities across 21 countries.

At Cooper Standard, we are committed to driving value through culture, innovation and results. Our highly engaged workforce pursues breakthrough technology innovations and implements cutting-edge manufacturing and business processes to deliver the highest quality and most robust solutions to meet the evolving needs of our customers and the global industries we serve. Throughout this report, we share with our stakeholders how we are prepared to meet the challenges of the future, while staying true to our core values.

[Our Vision](#)

[Brands, Products & Services](#)

[Global Organization](#)

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SUGGESTED LINKS

[Liveline Technologies](#)

[Supplier Code of Conduct](#)

[Human Rights <p.56>](#)

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[2019 10-K](#)

[Location List](#)

OUR VISION

DRIVING VALUE THROUGH CULTURE INNOVATION AND RESULTS

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 solutions, especially to meet the rapidly changing industries we serve.

SUPERIOR PRODUCTS

We provide customers with market-leading solutions with predictable quality that meet or exceed expectations in sealing, fuel and brake delivery, fluid transfer systems, materials sales and licensing, and converted materials for diverse transportation and industrial markets.

ENGAGED EMPLOYEES

It is our employees who sustain our culture of engagement, ensure that our core values guide our daily work, facilitate innovation across all areas of our business, and partner with the communities where we work and live.

WORLD-CLASS OPERATIONS

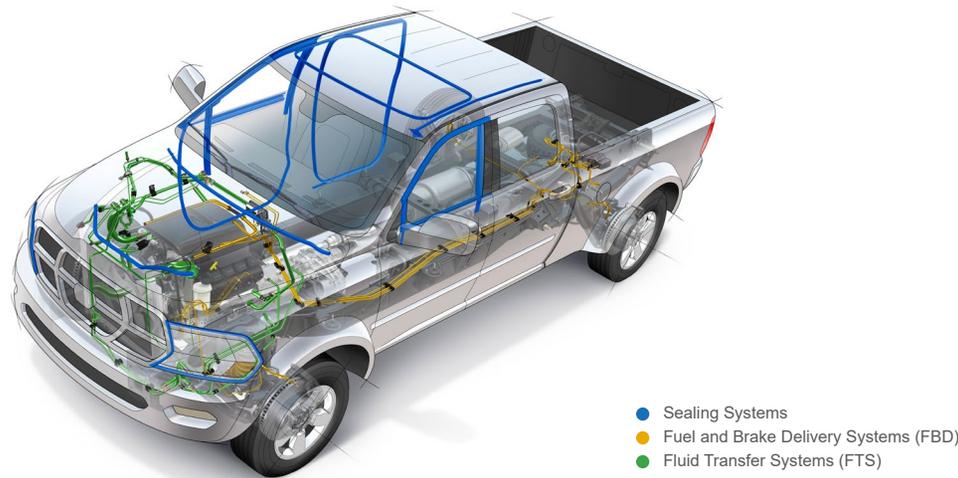
We are committed to sustained excellence through global standardization of our manufacturing processes, as well as a highly trained workforce. Our Plant Manager Institute within Cooper Standard University provides comprehensive training to ensure operational consistency across our global footprint.



BRANDS, PRODUCTS & SERVICES

102-2, 102-6

Cooper Standard is dedicated to developing quality components for the passenger car and light truck market, as well as advancing materials science solutions to meet the needs of our automotive and diverse industrial customers. As a result of our focused approach, Cooper Standard holds a leadership position in each of our core automotive product lines: sealing; fuel and brake delivery; and fluid transfer systems. Cooper Standard's comprehensive expertise and proven thought leadership continues to differentiate the Company among competition. Our Advanced Technology Group maximizes the value stream of the Company's materials science innovations and converted materials in a wide range of markets, including sportswear, wire and cable, building and construction, and consumer goods.



2020 COVID-19 RESPONSE

Like most companies around the world, the effects of the COVID-19 pandemic have had a significant impact on our business. Cooper Standard mobilized an Emergency Response Team immediately when the virus first surfaced in China. We also assembled an Executive Emergency Response Team, along with additional Regional Emergency Teams, to mitigate risk and proactively manage challenges around the world. With the support of these teams, Cooper Standard continues to work diligently to manage the dynamic situation, protect employees and meet business commitments, while maintaining the health of the Company.

The Company prepared a detailed guide to help facilities implement safety guidelines, which ensure proper social distancing and sanitization. We have consistently implemented personal protective measures at all our global locations. Other preventative measures include limiting all business-related travel, restricting visitors to Cooper Standard facilities and encouraging work from home opportunities wherever possible.

Our teams also had the opportunity to give back alongside customers to support the production of personal protective equipment for our healthcare workers. The strength of the Cooper Standard team, our innovative spirit and the efficiencies of our globalized organization truly shine during this challenging time. We are confident that these advantages will help us recover and continue to drive sustained value for all our stakeholders.

GLOBAL ORGANIZATION

Cooper Standard is proud of our efforts to streamline the organization and globalize our automotive business and Advanced Technology Group (ATG). Beginning with a reorganization in 2018, we are confident in our new global organization and are seeing signs that it is delivering sustained value. ATG includes the Industrial and Specialty Group and Applied Materials Science. Together, these teams focus on custom materials applications and licensing, and industrial and consumer goods for a wide range of markets.

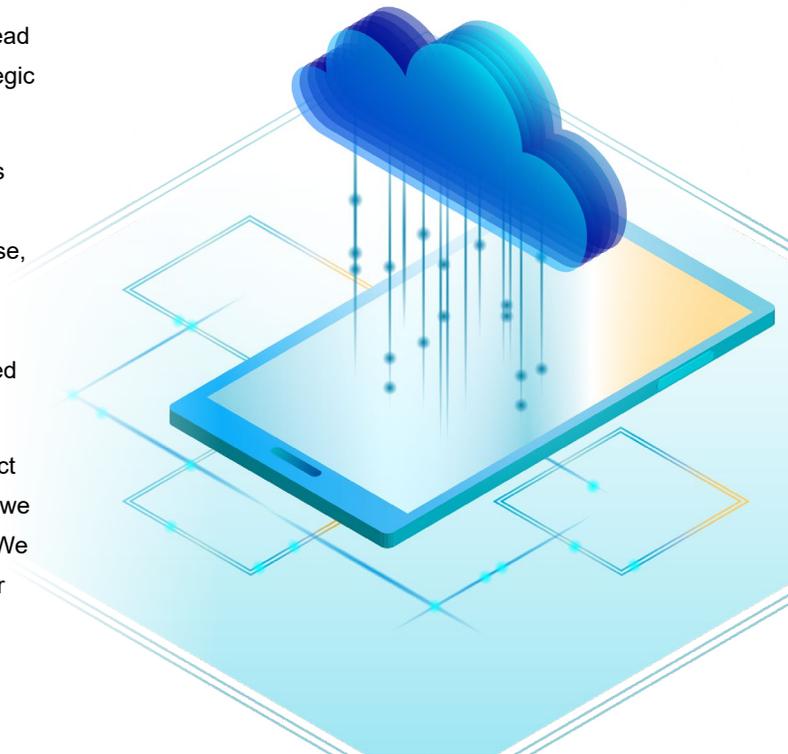
We support both the automotive and ATG businesses with a suite of eight Global Functions: Engineering; Manufacturing (which includes operational areas such as quality, supplier development, supply chain management, health, safety and environmental management); Innovation; Finance; Human Resources; Legal; Purchasing; and Information Technology. Cooper Standard has many cross-functional initiatives, investments and teams that accelerate standardization and enhance collaboration across the globe. These activities are fundamental to enabling our strategic approach to Environmental, Social and Governance (ESG) issues and business value.

BUSINESS DIGITIZATION AND MOBILITY

As the industry moves quickly into new eras of technology and capability, Cooper Standard is innovating to stay ahead during these changing times. Digitizing our global business and moving to the cloud means more efficient and strategic use of our data and infrastructure.

The technical ecosystem in Cooper Standard is highly robust and complete with single global cloud-based platforms for ERP (Enterprise Resource Planning), Human Resources, Purchasing, Financial Planning, Product Lifecycle Management, Incident Management, Chemical Compliance and Manufacturing. Leveraging this connected enterprise, our global organization has been able to standardize best practices and processes in an efficient manner. Our customers, vendors and entire supply chain depend on this backbone to work together in a secure framework. The integration of our technical platforms, with an industry leading integration hub, has improved productivity and enabled us to share capabilities across the business.

In 2019, part number standardization enabled touchless integration from program quoting to engineering and product delivery, reducing complexity within the Company. In 2020, with over 88% of our business already on a single ERP, we migrated to an intelligent Cloud ERP with cross-industry support and built-in analytics and enhanced performance. We developed a global self-service analytics framework to enable delivery of rich information through mobile devices for faster decision making.





CONNECTED FACTORY & ARTIFICIAL INTELLIGENCE (A.I.)-ENABLED PROCESS CONTROLS

Information Technology (IT) has enabled significant innovation on the factory floor. One key initiative, Project Pulse, automates the capture of real-time production scrap and downtime. Data is pulled from machines using a secure framework based on standards for Industrial Internet of Things and Industry 4.0. Using this data, Cooper Standard's IT team created a mobile application that enables employees to access manufacturing metrics from their mobile devices. Project Pulse has been rolled out to collect data from manufacturing equipment across Cooper Standard operations including more than 70% of our extrusion and milling lines. Leveraging this technology, we also automated the part-labeling solutions in our plants by connecting them with our global ERP system. This helps prevent entry of incorrect data and mislabeling of products.

Building on the backbone of digital data streams from our manufacturing operations, we are redefining the boundaries of manufacturing performance by developing advanced process controls using artificial intelligence (A.I.). Through this initiative, we have already demonstrated improvement in product quality and operational efficiency and are realizing scrap reduction potential. To accelerate the maturation and global rollout of this technology, we established [Liveline Technologies](http://www.liveline.tech), a wholly-owned Cooper Standard startup, in February 2020 (see www.liveline.tech for more information).

Liveline's software can absorb process data and quickly develop an optimal control policy using advanced A.I. techniques, similar to self-driving cars. These control policies are deployed to plants where they make constant adjustments to machine parameters in real time, resulting in a significant quality improvement. Superior quality also means less scrap, reduced consumption of raw materials and less wasted energy, thereby reducing our environmental footprint.



SUPPLY CHAIN TRANSFORMATION

102-9, 102-10

Cooper Standard's supply chain transformation is a strategic initiative aimed at significantly improving our direct material cost and minimizing risk. The goal of our program, Project PLUM, is to reduce the complexity of our product design, consolidate sourcing into targeted suppliers and align to best-in-class manufacturing models. The PLUM initiative is jointly owned by the Purchasing, Engineering and Manufacturing functions within Cooper Standard. PLUM is organized into four global commodity teams - Rubber, Plastics, Metals and Specialty Mechanical & Electronic - covering 34 commodity families.

Cooper Standard's prior regional structure unintentionally led to a proliferation of unique part numbers and suppliers. Eliminating this unnecessary complexity is a core part of Project PLUM's mission. Engineering is re-evaluating product characteristics in an effort to consolidate part numbers, leverage economies of scale and reduce costs through VA/VE (Value Analysis/Value Engineering). We are developing global commodity strategies to utilize data analytics to model current and "should be" product costs, material markets and understand "make versus buy" opportunities. We set aggressive targets to improve our supply chain performance in each commodity. Cooper Standard plans to consolidate our supply base into a reduced set of strategic partners who are aligned to our PLUM goals and willing to invest in a deeper, long-term relationship that supports our technology and product innovation roadmap.

Strategic suppliers must provide more than cost benefit. We evaluate our suppliers using the Cooper Standard Supplier Performance Rating System, which provides useful partnership and sourcing information to our purchasing organization. The scorecard looks across the following categories:

- Quality (e.g., part and service);
- Delivery (e.g., expedited freight, on-time shipments);
- Certifications and audits (e.g., ISO, IATF 16949); and
- Safety (e.g., total incident rate).

We also request that our top suppliers complete a Self-Assessment Questionnaire (SAQ) on sustainability through the platform provided by NQC, Inc. Many of our automotive industry peers also use the NQC to collect supply chain sustainability data, so it is familiar to our partners.

We incorporate this supplier screening into new business awards in our purchasing decisions. We expect our suppliers to engage in responsible supply chain practices and these requirements are set forth in our [Supplier Code of Conduct](#). The Supplier Code addresses topics such as anti-corruption and anti-bribery, conflict minerals, human rights (e.g., forced labor, child labor, freedom of association and anti-discrimination), health, safety, environment and chemical compliance. You can read more about our social procurement practices in our [Human Rights <p.56>](#) section.

LAUNCHING LONG-TERM ESG GOALS

Following our 2019 ESG materiality assessment, Cooper Standard engaged our Global Leadership Team to set ambitious targets for each of our most significant topic areas, in line with our strategic business objectives. These long-term targets address both management and performance across environmental, social, governance and product-related activities.

In many cases, our strategic business objectives naturally align with the targets we outlined in response to materiality. Strong ESG programs and practices have always been critical to attracting the best talent, maintaining a robust supply base and developing innovative, cost-effective solutions that meet our customers' evolving needs. We proudly commit to focusing on these drivers of long-term value creation for the health of our business and the benefit of all our stakeholders.

These goals will allow us to be transparent and measure our progress in our most material ESG topic areas. The goal setting process ensures we provide information to our stakeholders in a way that is comparable and informs key decisions for our business.



TALENT STRATEGY

World-class performance in talent strategy



WORKPLACE HEALTH & SAFETY

World-class safety culture



COMMUNITY INVOLVEMENT

Giving back to our communities



INNOVATION, MATERIALS & PRODUCT LIFECYCLE

Embedding sustainability throughout our daily business activities



PRODUCT QUALITY & SAFETY

Driving our efforts to be proactive



CUSTOMER SATISFACTION

Listening to the Voice of the Customer



INFORMATION & DATA SECURITY

Strengthening and improving security



ETHICS & COMPLIANCE

Honest, ethical and responsible business



HUMAN RIGHTS

Screening efforts with our GROW suppliers



ENERGY, EMISSIONS & WASTE

Reducing our impact on the environment



GOVERNANCE STRUCTURE

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

As of December 31, 2019, the Board of Directors consisted of nine directors, seven of whom were determined to be independent by the Board of Directors (the “Board”) in the annual independence assessment conducted in March 2019. One of the non-independent directors was subsequently determined to be independent by the Board in March 2020. This director’s brother was a partner at EY, the Company’s independent public accounting firm prior to his retirement, which allowed for his reclassification to independent under NYSE’s independence rules. 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 can be found on our website.

In its recruitment process, the Nominating and Corporate Governance Committee, and Board ensure that the potential pool of candidates reflects diversity in gender, race, ethnic background, country of citizenship and professional experience. In 2019, two of nine board members or 22% were female.

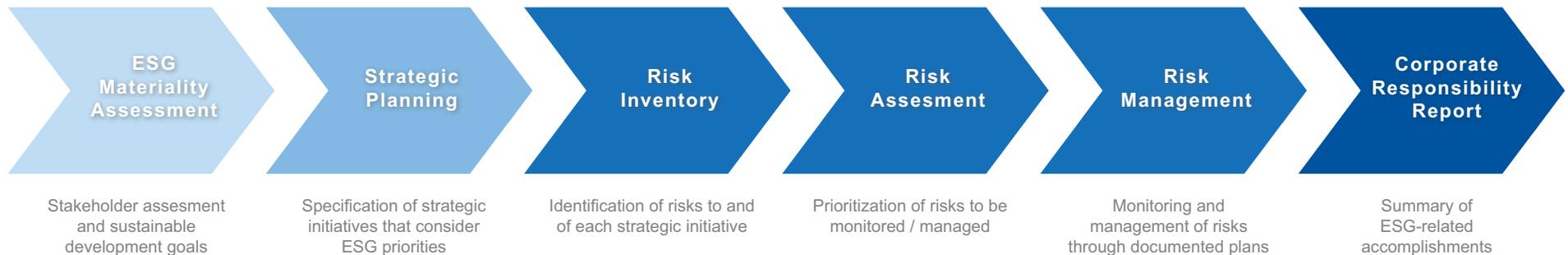
The full Board receives regular updates on key environmental, sustainability and governance topics according to a standard Board calendar. Updates on governance, ethics and compliance occur every quarter to the Audit Committee, two times a year to the Nominating and Corporate Governance Committee and 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
- Enterprise Risk Management Committee
- Global Customer Council
- Global Ethics and Compliance Committee
- Global Manufacturing Council
- Global Pricing Committee
- Global Product Safety Council
- Global Technology Council
- Cooper Standard Foundation Board of Trustees

ENTERPRISE RISK MANAGEMENT

Our enterprise risk management (ERM) approach is designed to inform the strategic and business planning processes through identification, detection, prevention and mitigation of risks that could impede the achievement of the Company's strategic objectives and business goals. A priority in our updated approach is to connect the ERM process with strategic planning and corporate responsibility initiatives to ensure the sustainability of the enterprise.



Updated Approach: Integrated, Strategic Workflow

The ERM committee is comprised of senior-level leaders from each of the functional areas of the company working in concert with our Global Leadership Team and Board. The ERM committee is charged with pursuing a holistic, consolidated risk management approach for all risk classes, including strategic, operational, financial

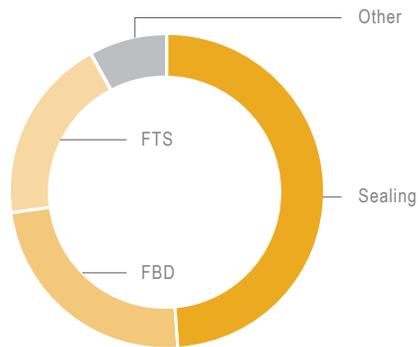
and compliance. The ERM committee has adopted a common risk management language, process, and metrics that are designed to inventory, assess and rank unmitigated and mitigated risks so that the leadership team can determine the appropriate response and mitigation strategies in alignment with the Company's risk

appetite. This comprehensive risk management process allows for effective risk management and efficient capital allocation, and fosters a risk-aware culture embedded into daily operations across the organization at all levels.

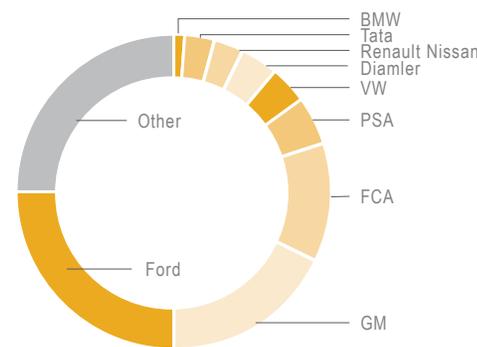
PERFORMANCE HIGHLIGHTS

From the foundation of our World-Class Culture, Cooper Standard remains focused on executing our diversification and innovation strategy, improving operating efficiency, increasing returns on invested capital and prudent industry consolidation. Strong net new business awards and a record number of new program launches in 2019, both in our automotive and diverse industrial customers, support our positive long-term outlook for profitable growth. Reference the Company's full financial report in the [2019 10-K](#) filed with the U.S. Securities and Exchange Commission.

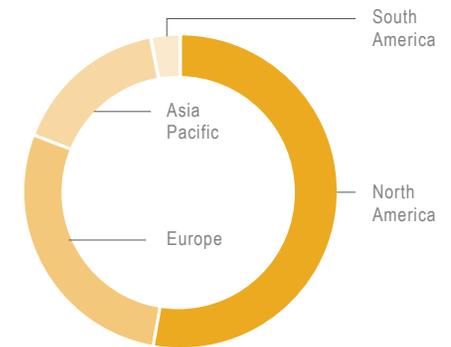
2019 SALES BY PRODUCT



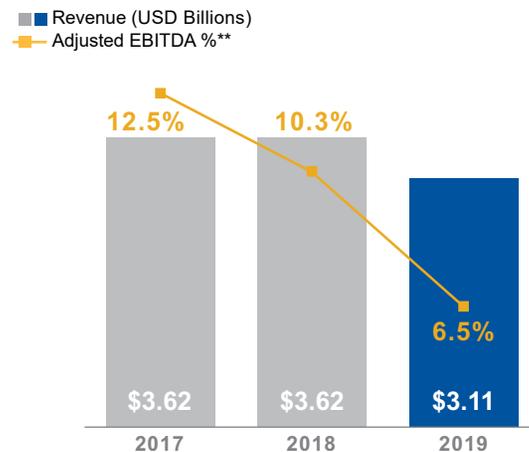
2019 SALES BY CUSTOMER



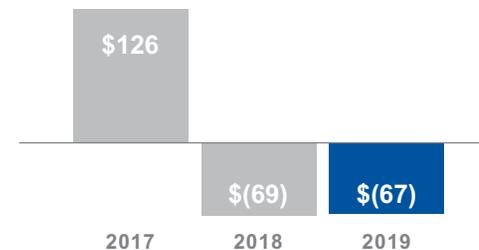
2019 SALES BY REGION



ANNUAL PERFORMANCE



FREE CASH FLOW**
(USD Millions)



** See appendix for reconciliation to U.S. GAAP

GLOBAL FOOTPRINT

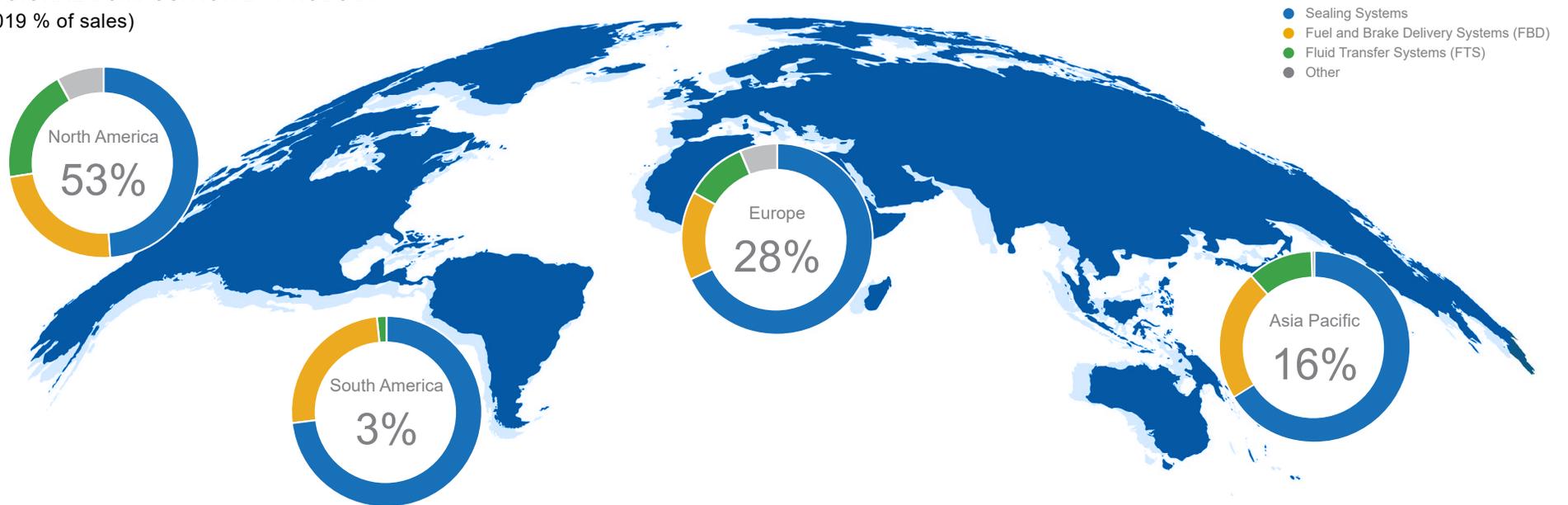
102-4, 102-7, 102-8

A key component of our profit improvement plan is to fix or exit unprofitable operations. During 2019, the Company announced the planned closure of 10 facilities.

A detailed [location list](#) is available on our website.

REGIONAL COMPOSITION BY PRODUCT

(2019 % of sales)



COMPANY STATISTICS

102-8

~28,000

Team of employees
Includes ~11% contingent workers

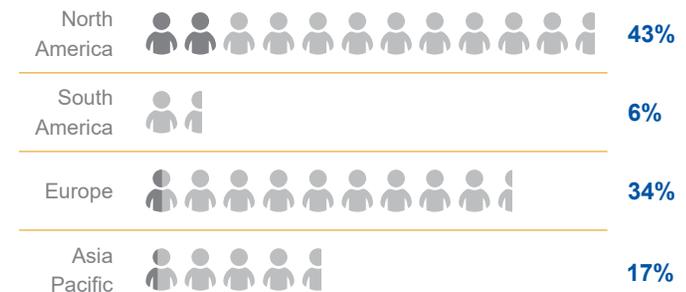
21

Countries

140+

Facilities

EMPLOYEES BY REGION



Contingent Employees

COMMUNITY AND CUSTOMER RECOGNITION RECEIVED IN 2019



ASIA PACIFIC

2019 Energy & Environment Foundation Global Safety Award: Ghaziabad, India

2019 GM Supplier Quality Excellence: Gumi, Korea; Seocheon, China; Dangjin, Korea; Kunshan 2, China

Ford Q1 Gold: Bawal, India

GAC Toyota The Best Quality Performance & Cooperation in 2019: Guangzhou, China

Great Suzhou Best Employer: Kunshan 1, China

National Safety Award: Sanad, Pune, Manesar, Bawal and Ghaziabad (runner up), India

SAIC GM “Top 10 Supplier”: Kunshan 1, China

SAIC GM “Excellent Supplier”: Qingpu, China

SGM 2019 Supplier Quality Excellence: Kunshan 2, China

SGM Aftermarket Parts 2019 “Top 10 Suppliers”: Kunshan 1, China

SGM Aftermarket Parts 2019 “Excellent Suppliers”: Qingpu, China

SGM Beisheng 2019 Quality Excellence: Shenyang, China

SGM Dongyue 2018 “Lean Production Excellence”: Shenyang, China

SGM Dongyue “Standardized Pacesetter”: Yantai, China

SGM Dongyue 2019 “Excellent Supplier”: Yantai, China

SGMW Surpassing 100K Project Contribution: Chongqing, China

Shanghai Harmonious Labor Relations Standard Enterprises: Qingpu, China

Suzhou Safe Enterprise: Kunshan 2, China

Toyota Kirloskar Zero PPM Award: Manesar, India



EUROPE

Silver Supplier Status: Myślenice, Poland

VQE Volvo Cars Quality Excellence Award: Myślenice, Poland; Dzierżonów, Poland



NORTH AND LATIN AMERICA

2019 GM Supplier Quality Excellence: Varginha, Brazil; Guaymas, Mexico; Oscoda, Michigan; Sherbrooke, Quebec; Georgetown, Ontario; Glencoe, Illinois; Saltillo, Mexico; Cartago, Costa Rica; New Lexington, Ohio

Energy Star Challenge for Industry: East Tawas, Michigan

Ford Q1: Juarez, Mexico

GM Sustainability Award: São Bento do Sul and Varginha, Brazil

Ohio Bureau of Workers’ Compensation: Bowling Green, Ohio

Susan F. Reid Valued Partner Award: Surgoinsville, Tennessee

AWARDS & RECOGNITION



ONE OF THE WORLD'S MOST ETHICAL COMPANIES® BY ETHISPHERE®

One of four honorees in the automotive industry to be recognized for taking the long-term view with a purpose-based strategy and striving to create positive change throughout the global community



NEWSWEEK'S AMERICA'S MOST RESPONSIBLE COMPANIES

Listed among U.S. companies recognized for efforts in environmental, social and corporate governance (ESG) concerns



FORD WORLD EXCELLENCE AWARD

In recognition of exceeding expectations and achieving the highest levels of excellence in quality, cost, performance and delivery



2019 AUTOMOTIVE NEWS PACE AWARD FINALIST

Our Artificial Intelligence software was named an award finalist for what is often referred to as the "Academy Award for Innovation" in the automotive industry.



2018 GM SUPPLIER OF THE YEAR

Honored for the second consecutive year with the award that recognizes companies who consistently exceed GM's expectations, create outstanding value or introduce innovations to the company

MEMBERSHIPS & ASSOCIATIONS

102-13

- Automotive Industry Action Group
- Business Ethics Leadership Alliance, Ethisphere®
- Business Leaders of Michigan
- Manufacturers Alliance for Productivity and Innovation
- Motor and Equipment Manufacturers Association
- National Association of Manufacturers
- Original Equipment Suppliers Association

MATERIALITY & STAKEHOLDER ENGAGEMENT

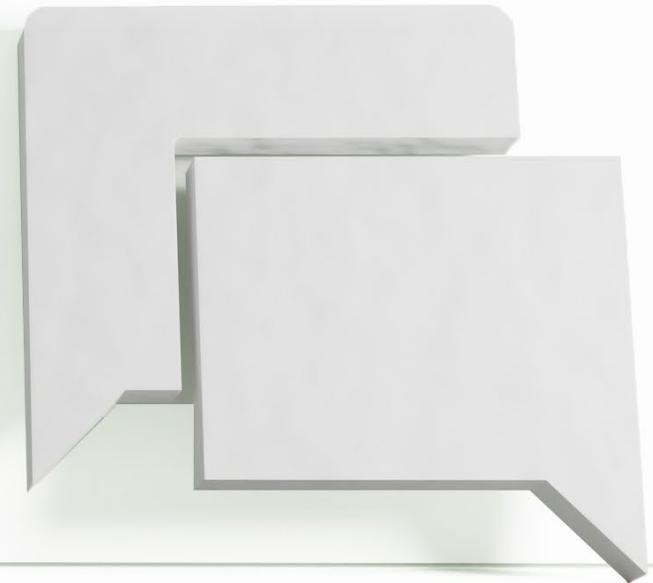
102-40, 102-42, 102-43, 102-44

Our corporate responsibility efforts are the most impactful when we focus on the issues that matter most to our business and stakeholders. We refine our approach and set our future trajectory by regularly engaging with a variety of internal and external stakeholder groups. To do this, we use a variety of engagement methods including conversations, forums, surveys and community outreach. We also conduct regular materiality assessments to serve as formal checkpoints for our corporate responsibility reporting and internal strategy.

We conducted our first materiality assessment in 2016 and the findings shaped both our 2016 and 2017 corporate responsibility reporting cycles. In early 2019, we completed an updated materiality assessment, updating the results to further inform our reporting and corporate responsibility strategy going forward.

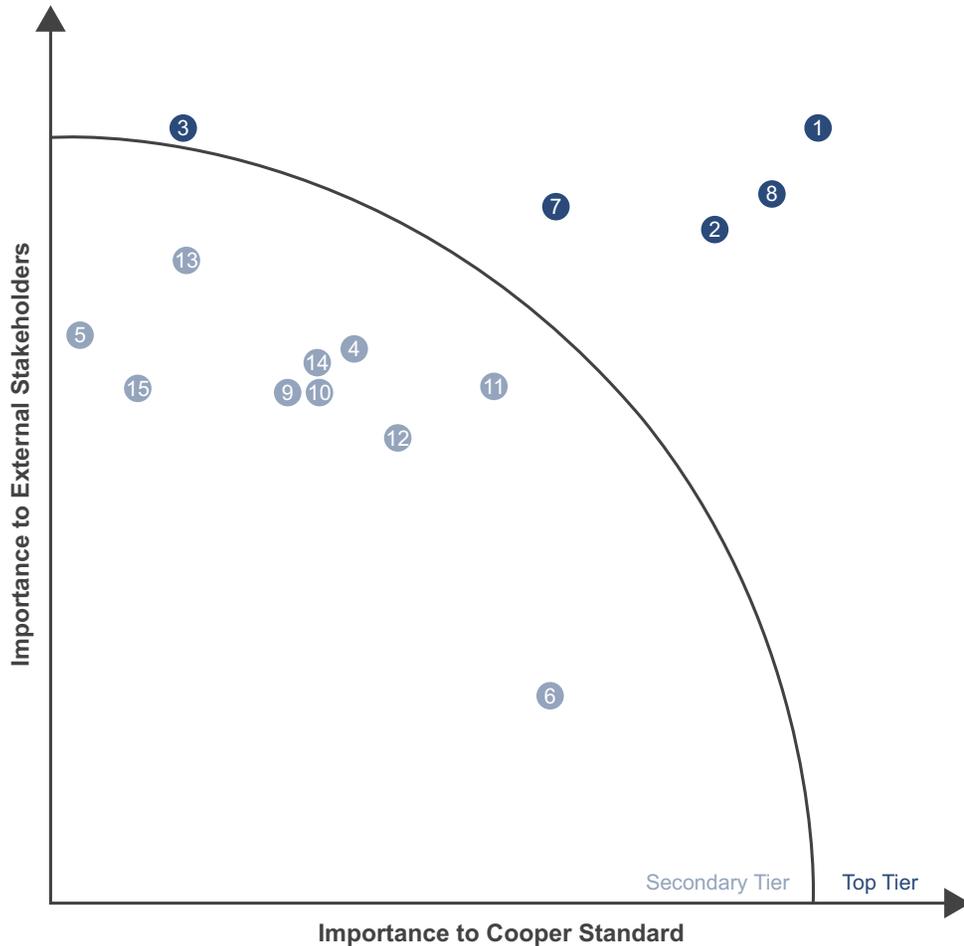
Cooper Standard engaged a robust cross-section of our stakeholders during the materiality assessment process.

Industry Associations Senior Leadership
Shareholders *Customers*
Senior Leadership Board of Directors
Suppliers Industry Associations Suppliers
Global Leadership Team Customers Global Leadership Team



RELATIVE PRIORITY OF TOPICS

102-46, 102-47



Boundary	Material Topics	Page
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	Product	
● ●	7. Product Quality & Safety	42
● ●	8. Innovation	37
● ●	9. Product Lifecycle	37
● ●	10. Customer Satisfaction	46
	Governance	
●	11. Ethics & Compliance	53
● ●	12. Information & Data Security	50
	Environmental	
● ● ●	13. Conflict Minerals	57
●	14. Energy & Emissions	59
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● Communities ● Suppliers ● Customers ● Internal

The results of our most recent materiality assessment identify five clear priorities for Cooper Standard and external stakeholders: Talent Management; Innovation; Workplace Safety; Product Safety and Quality; and Diversity and Inclusion. This report addresses those top issues, as well as items identified in our secondary tier, across environmental, social, governance and product-related topics.

During the materiality and goal setting process, we grouped some of these topics together based on stakeholder input and management approach. This report reflects those groupings.

WINNING IN THE WORKPLACE

Our people are the driving force behind our success at Cooper Standard. We value our employees' talent and expertise, and recognize the importance of retaining, developing and attracting more of those skills. Our commitment to fostering a vibrant employee culture, where people want to invest their time and talents, means we focus on offering opportunities for growth and learning, and cultivating a more diverse and inclusive workplace. We live our Total Safety Culture, relentlessly working toward zero safety incidents and are setting goals along our journey. We also understand our role in our communities and continue to give back to the places where we live and work. Our community activity provides engagement opportunities for our employees and positively impacts their relationships with each other, the community and the Company.

[Talent Strategy](#)

[Workplace Health & Safety](#)

[Community Involvement](#)

SUGGESTED LINKS

[Manufacturing Day](#)

[Veteran-Friendly Employer](#)

[Diversity & Inclusion <p.25>](#)

[Quality <p.42>](#)

[Cooper Standard Foundation](#)

[Inforum's Next4Vets](#)

[Manufacturing Institute](#)

TALENT STRATEGY

At Cooper Standard, we are committed to creating an environment that attracts, retains and develops diverse talent. Talent is attracted and retained by highly regarded companies that offer career growth opportunities. It is essential that we provide our employees with development opportunities and ensure qualified candidates rise to high-impact positions. We continue to implement initiatives in talent acquisition, engagement, learning and development, and inclusion. Our organizational structure is designed to effectively manage our talent strategy and ensure our success.

We value the contributions of every employee and are committed to an inclusive workplace. Our employees are engaged through a positive work environment and culture, which fosters increased involvement, productivity and alignment toward our overall vision and strategy.

OUR PRIORITIES

103-3

Cooper Standard strives to be the workplace of choice for employees that can help us achieve our business objectives. In 2019, we set strategic external goals to advance towards world-class performance in talent strategy. We will measure our progress against these goals and we commit to providing regular updates to our stakeholders. Cooper Standard is currently in the process of identifying metrics to track the candidate and manager experience, and will have selected key performance indicators by 2022.



WORLD-CLASS PERFORMANCE IN TALENT STRATEGY

We will continue to meet or exceed world-class level of internal fill (68.2%) for our director level leaders and above.

2019 PROGRESS **70.3%**

We are committed to expanding our Manufacturing and HR Colleges, launching additional colleges in Product Development and Leadership, and further enhancing our overall learning and development opportunities by 2022.

2019 BASELINE **On track**



OUR APPROACH

103-1, 103-2

Our Senior Vice President and Chief Human Resources Officer manages Cooper Standard's talent strategy. The Global Leadership Team (GLT), led by our Chairman and CEO, reviews, approves and prioritizes the strategies and initiatives that are developed by our Human Resources (HR) organization. The Board of Directors reviews our talent strategy at least once a year; this includes succession plans for GLT members and talent development initiatives and strategic direction for the broader organization.

In early 2019, we restructured the HR team to support Cooper Standard's transition to a global organization. We also aligned our Center of Excellence (CoE) resources to report directly to the appropriate CoE lead. Our new structure aligns global resources and focuses on functional and regional priorities.

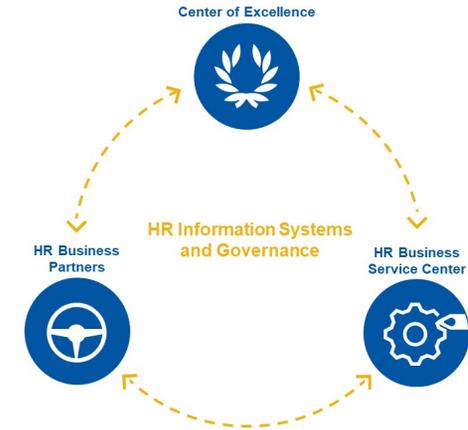
Our key objectives and action plans are broken up into the five groups on the right. Through these objectives, we are able to advance our Vision and drive towards world-class performance and employee engagement.

1. **HR Service Delivery Model** including HR Business Partners, HR Business Services and CoE, is the foundation for how effective HR services are provided throughout the organization.
2. **Talent Acquisition** focuses on employment branding, our recruiting culture, the Global Framework and Governance, process and technology optimization, candidate pipelines and onboarding process.
3. **Talent Development** focuses on competency modeling, leadership development, workforce analytics and planning, talent identification and succession planning, and mentoring employee and leadership development through Cooper Standard University.
4. **Performance Management** focuses on capability models and performance goals, provides performance intervention tools and processes, promotes a culture of feedback, and as necessary, optimizes our organizational design to meet evolving business needs.
5. **Diversity and Inclusion** implements engagement and inclusion activities, creates and supports employee affinity groups, provides diversity and awareness training, and develops and implements recognition programs, community involvement opportunities and total rewards programs.

HR Service Delivery Model

Our service delivery model is focused on three distinct roles within the HR organization:

- The HR Business Services Centers: designs and delivers agile, scalable, efficient and automated HR processes;
- Centers of Excellence (CoE): provides regional and global strategies and management tools, and training in areas such as Talent (acquisition, development, retention), Total Rewards and HR Information Systems; and
- HR Business Partners: consults with and strategically advises business partners on Human Capital Management (recruitment and staffing, development, engagement and inclusion, retention, performance, etc.) in support of our Values, Vision, Mission and business objectives.



Talent Acquisition

In an increasingly competitive job market, it is essential that Cooper Standard effectively competes against our peers and leading companies from the manufacturing and materials science sectors. We link our Talent Acquisition (TA) and business strategies to enable desired business results. In order to ensure a pipeline of talent for the future, we work to create relationships with potential applicants whether or not they are currently active in the job market.

Cooper Standard participates in a number of initiatives that support and promote the future global manufacturing workforce, including:

- Hosting annual [Manufacturing Day](#) events at our facilities each October to open our doors to students and community partners to showcase high tech, modern manufacturing and inspire the next-generation workforce to pursue manufacturing-related careers, and
- Supporting STEM (Science, Technology, Engineering and Math) education through our six regional STEM Affinity Groups that leverage employee-led volunteer programs to inspire student achievement and interest in STEM careers.

For talented students and those just entering the workforce, we offer a number of programs designed to appeal to those early in their career which are detailed on the right.

We also acknowledge that there are many paths to a career at Cooper Standard and we want to tailor opportunities to unique talent pools such as through our Careers for Veterans Program. The program was established to provide career opportunities for military veterans and those who are transitioning from active service. In 2019, Cooper Standard was named a [Veteran-Friendly Employer](#) by the Michigan Veterans Affairs Agency (MVAA), earning silver status. You can read more about our efforts to build and foster a diverse workforce under [Diversity and Inclusion <p.25>](#).

Early Career Programs

INTERNSHIP OPPORTUNITIES to provide exposure to the organization and potential careers during summer school breaks

CO-OP OPPORTUNITIES with select universities to supplement students' academic curriculum by developing their abilities to learn new processes, troubleshoot and resolve issues in an "on-the-job" setting

COLLEGE GRADUATE OPPORTUNITIES where we offer entry-level positions and Accelerated Development Program positions within Cooper Standard in areas such as Human Resources, Manufacturing and Engineering



Talent Engagement

Cooper Standard recognizes that purposeful work attracts top talent and translates into increased engagement, innovation, effort and productivity. We strive to create a positive work environment to drive long-term success by creating a place where employees feel valued and are inspired to do their best work.

Our objective is to create an engaging workplace, built on our core values and capabilities. Our leaders conduct “You Talk, We Listen” sessions at all levels of the organization to listen and respond to what is on our employees’ minds. Our GLT also holds regular global webcasts for our employees where they share the direction of the Company and communicate priorities to ensure global alignment. In addition, leadership responds to submitted and live questions through panel discussions.

Talent Development & Performance Management

Offering learning opportunities and pathways to growth is a critical element of our engagement and retention strategy. Formal performance management, talent identification, succession planning, and learning and development tools help us develop our workforce.

In 2018, we launched a new performance management process aimed at maximizing productivity and innovation by supporting employees’ efforts to reach their full potential. We designed the new process to enable employees to align their efforts in a manner that contributes most to the organization’s goals. We equip employees to track progress toward their goals and adjust in real time, as well as help identify and remove barriers to performance. Our process supports frequent, high-quality performance and developmental discussions, while preparing and holding managers and individuals accountable for these discussions.

Additionally, we continue to develop more efficient processes for delivering training to global front line employees. Cooper Standard teams are using our competency modeling and gap analysis process to identify and address learning opportunities (experiential and training).

Our Talent Management strategy relies on successful talent identification and succession planning. Our performance management tools help identify and recognize high-potential and high-performing employees and ensure all our employees are compensated appropriately relative to market data.

In addition to succession planning for leadership positions, we prioritize succession planning for our GLT. This includes identifying ideal experiences, critical leadership capabilities and key rotations for each candidate to prepare them for a GLT role.



Cooper Standard University

In 2018, Cooper Standard University (CSU) was established to further the development of our employees with targeted learning opportunities. The University's mission is to provide access to high quality, diverse learning opportunities to promote and support employee development and organizational effectiveness. CSU currently provides specific trainings and workshops in the core areas of product development, HR, manufacturing, leadership and general studies. In 2019, we delivered the three sessions of Plant Manager Institute, within the Manufacturing College.

HIGHLIGHT STORY

PLANT MANAGER INSTITUTE

Plant Manager Institute aims to enhance key skills, competencies and abilities required for our global plant managers success. In its inaugural session, we held three-day regional training sessions with curriculum covering Company Vision and Values, ethics and compliance expectations, leadership, coaching, understanding and applying emotional intelligence, quality problem-solving and developing a strong safety culture. Building on the success of this initial session, we held two additional sessions in 2019.

Session Two occurred in June 2019 and included curriculum from our Material Planning and Logistics, and Finance teams, as well as training on executing strategy at the front line, delegating with purpose and more. A special part of this session was the community partner and team building projects carried out in each region. In North and South America, plant managers, along with our Southeast Michigan summer intern class, re-purposed vacant lots in Detroit, Michigan, into a community park and picnic area. In Asia Pacific, participants worked on team building while making traditional dumplings. The Europe team volunteered at Treffpunkt Zech e. V., a nonprofit community house in Lindau, Germany, working to build outdoor furniture.

Our global team's engagement was at an all-time high during Plant Manager Institute Session Three, held throughout each region in November. Session Three included curriculum from Continuous Improvement, Program Management, and Communications as well as training in driving change and embracing strategic thinking. This session also included a discussion of the new standards for all employee communications meetings, beginning in 2020. The expectations include monthly 30-minute meetings across all shifts, targeting close to month-end results, attendance by a plant manager for all meetings with other leaders included as appropriate, informational and motivational material, and the use of a standard global presentation template.

Diversity & Inclusion

103-1, 103-2, 103-3

Studies find that companies that are demographically diverse are more likely to outperform their more homogeneous peers, which is why diversity and inclusion are critical to meeting our business objectives. Our ability to attract and retain talented individuals from varied backgrounds and experiences depends on an inclusive culture that welcomes and celebrates a diverse workforce.

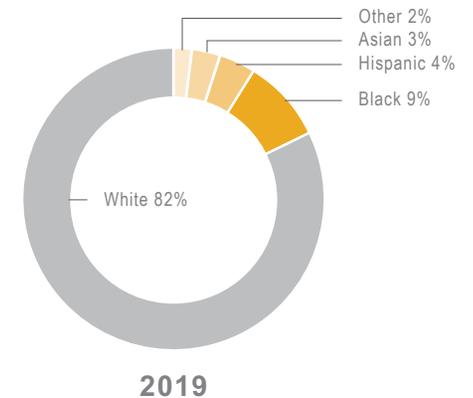
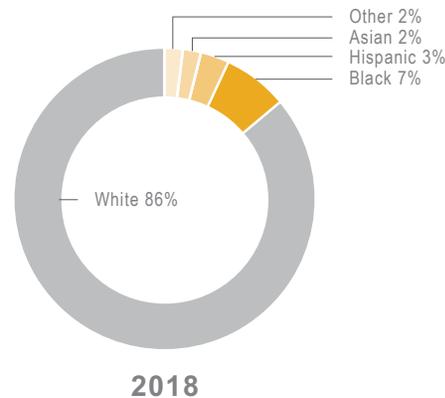
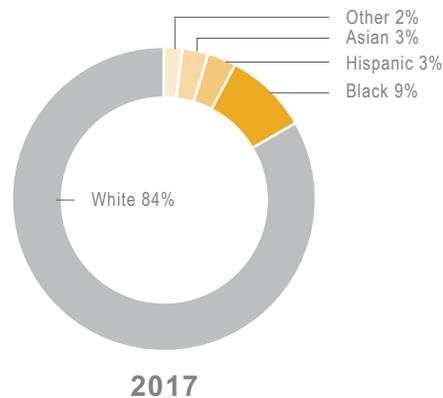
Our 2020 diversity and inclusion priorities are threefold: recruiting culture; awareness; and development of women at Cooper Standard. To improve our recruiting culture, we have certified diversity recruiters focused on diverse candidate slates, and will implement interviewing and assessment best practices. For raising awareness, we are implementing a global diversity calendar and will conduct unconscious bias training. To create opportunities for women at Cooper Standard, we will create development programs for high-potential women and will partner with our internal Women Inspire Support Enrich (WISE) Affinity Group to create local chapters around the world. We are defining roles and identifying a global team to execute this plan.

We are a strong advocate for gender equity in the workplace, with women in 24% of our top management positions – while we acknowledge additional room to improve, this is double the representation of five years ago. Our Board is comprised of 22% women and our GLT is comprised of 17% women.

OUR PERFORMANCE

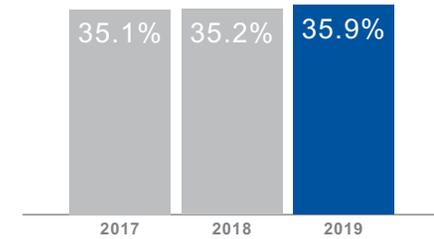
WORKFORCE DEMOGRAPHICS*

(U.S. employees only)



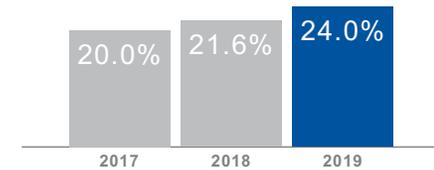
405-1

WOMEN IN THE ENTERPRISE*



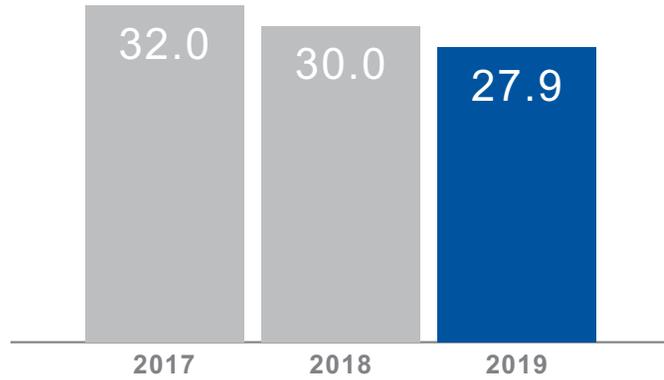
WOMEN IN LEADERSHIP*

(vice president & above)

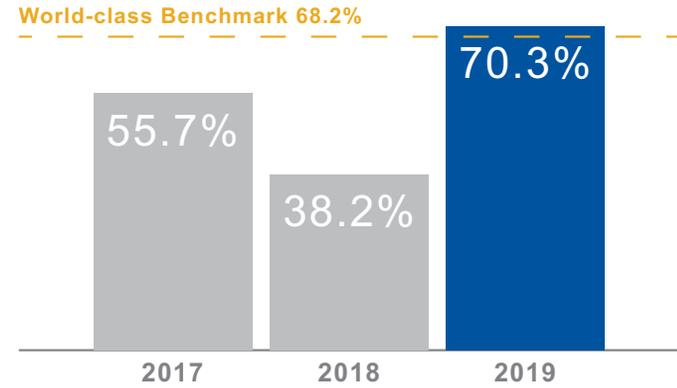


*Excludes contingent employees

TOTAL EMPLOYEE HEADCOUNT
(thousands)



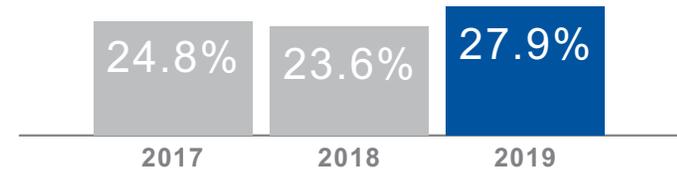
INTERNAL FILL RATE*
(Director level and above including plant managers)



EMPLOYEE VOLUNTARY TURNOVER*



TOTAL EMPLOYEE TURNOVER*



*Excludes contingent employees

WORKPLACE HEALTH & SAFETY

At Cooper Standard, Total Safety Culture is one of our core values. It is our responsibility to provide all employees with safety education, health resources and safe working conditions. Our safety program spans our global operations and we continue to protect all of our stakeholders by investing in our Total Safety Culture. We strive to exceed world-class benchmarks for safety by achieving zero incidents across all our operations. In fact, 23 of our plants achieved zero incidents in 2019, many achieving this impressive performance for several years.

OUR PRIORITIES

103-3

In 2019, we developed a set of external goals to measure and assess our progress. We will report annually on these goals moving forward to hold ourselves accountable to achieving a world-class safety culture.

OUR APPROACH

103-1, 103-2

Cooper Standard's global manufacturing organization, led by the Senior Vice President and Chief Manufacturing Officer, oversees safety performance. Our Vice President, Global Health, Safety and Environment and BTO (Building a Talented Organization, our plant operations training initiative) is responsible for our Total Safety Culture programming. We report safety updates to the Global Leadership Team monthly and, in 2019, we sent our board a report on safety trends.

Cooper Standard made significant progress in our safety program by implementing our 2018 pilot Safety Balanced Scorecard (SBS) across all applicable global facilities in 2019.

The SBS system rates each facility's performance across six elements:

- Safety Culture Maturity Model Survey;
- Safety engagement;
- Job Hazard and Risk Assessment risk management;
- Critical safety event evaluation;
- Incident Statistics (Total Incident Rate and Lost Day Severity Rate); and
- Validated critical safety event investigation.



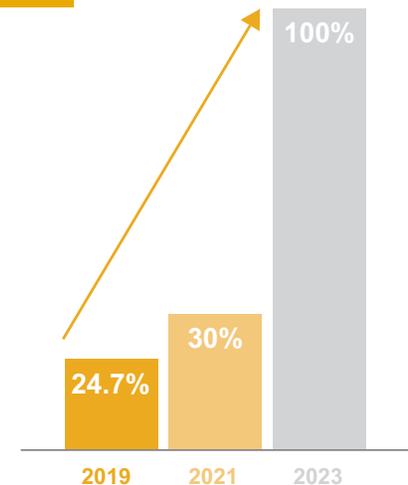
ACHIEVING A WORLD-CLASS SAFETY CULTURE

By 2023, each facility will have improved their safety balanced scorecard score by 15% from a 2019 baseline.

2019 PROGRESS 3% improvement on average

We will achieve 30% of facilities certified to ISO 45001 by year-end 2021, and 100% by 2023.*

2019 BASELINE 24.7%



*Data includes those plants certified to OHSAS 18001. Facilities that are new as of 2020 or beyond will have 3 years to achieve ISO 45001 certification.



Safety Week in Aguascalientes, Mexico

The SBS elements are significant for Cooper Standard and our industry because they go far beyond legal requirements to push our facilities to achieve truly world-class performance. For example, the scorecard contains elements that are leading, rather than lagging, indicators. These leading indicators help us proactively prevent safety issues, rather than simply measuring incidents after they happen.

We found calibrating the scoring across facilities and regions to be the most challenging piece of implementation. We are working with plants in relevant regions to score each element accurately and consistently. We expect this scoring to standardize as the process becomes more familiar.

We are also in the process of globally implementing a pilot we discussed in last year's report, the health

and safety Fast Response process. First piloted in North America, and inspired by our [Quality <p.42>](#) organization, which uses this approach to quickly solve quality challenges, the Fast Response process helps facilitate the rapid resolution of safety issues. The process involves a daily meeting of the plant management team on the factory floor where they assign issue owners who report-out on resolution progress. We will globally implement Fast Response in 2020.

In 2019, we also converted our in-house health and safety database to a third-party, cloud-based system, which was implemented globally. This new system allows for increased accessibility, capability and quality assurance for recording, analyzing and reporting incident information. The new system reports work-related injuries, illnesses and first aid cases; we hope to be able to add near misses to the reported data in 2021.

Finally, we also revised our Health, Safety and Environmental Policy in early 2020. One key change in the update was the addition of a simple statement that captures the essence that Total Safety Culture is the responsibility of everyone in the Company everyday:

Living a Total Safety Culture, Striving for Zero Incidents

Training & Plant Culture

403-5

In order to achieve our targets, leaders and workers at every plant location must prioritize health and safety. On the plant floor, managers highlight a weekly safety topic and use materials found on our enterprise portal to implement trainings at their location. Managers have the ability to elaborate on these topics and tailor them to their respective facilities.

Our Plant Manager Institute sessions, under Cooper Standard University, include a four-hour Total Safety Culture curriculum.

We have a number of programs centered on health and safety in 2020, including global Safety Month and Manufacturing Day, as well as various regional safety programs.

In 2019, we also completed a series of Ergonomic Improvement workshops that involved cross-functional teams from plants in the United States, Canada and Mexico.

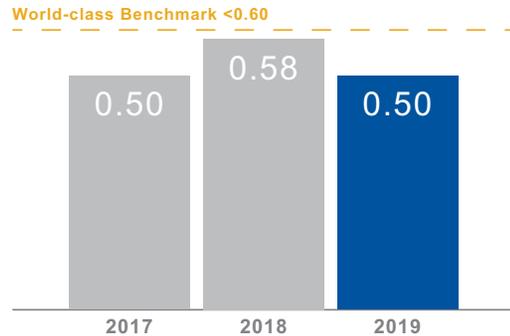


OUR PERFORMANCE

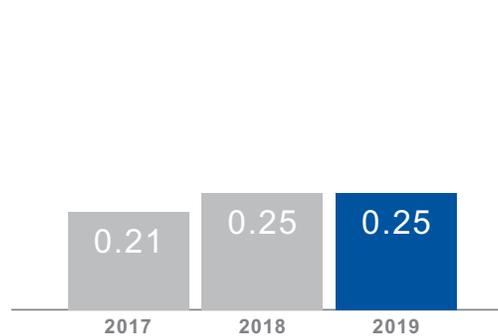
403-2

In 2019, Cooper Standard improved our safety performance and again exceeded the world-class benchmark. Each year we benchmark leading manufacturing companies for their safety performance in order to establish our world-class benchmark. We finished with a Total Recordable Incident Rate (TRIR)* of 0.50, compared to 0.58 in 2018. Cooper Standard did not experience any fatal accidents in 2019 and has not since 2010.

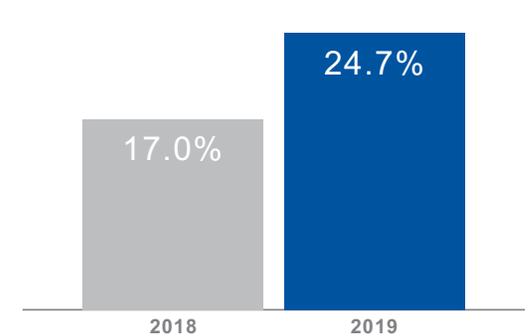
TOTAL RECORDABLE INCIDENT RATE



LOST TIME INCIDENT RATE



FACILITIES ISO 45001 CERTIFIED*



*Data includes those plants certified to OHSAS 18001

HIGHLIGHT STORY

CELEBRATING OUTSTANDING PLANT PERFORMANCE



JUAREZ, MEXICO

Our sealing plant in Juarez, Mexico, sets an example for Cooper Standard facilities in its outstanding 2019 safety performance. The plant has not had a recordable incident since 2017. They scored highly on both the Safety Balanced Scorecard (94%) and Safety Culture Maturity Survey (91%), including a 100% score on the Engagement portion of the Safety Balanced Scorecard. They successfully completed more than 1,000 Job and Hazard Risk Assessments, and a Surveillance Audit in accordance with ISO 14001:2015. The plant also received certifications from the Clean Industry Certification Program and from U.S. Customs and Border Protection (Customs Trade Partnership against Terrorism).



GAYLORD, UNITED STATES

In 2019, our Gaylord, Michigan, plant also demonstrated significant improvement in its safety performance. The plant had only one recordable incident in 2019, which is a 90% improvement on their TRIR from their 2018 performance. This facility was able to implement the Safety Balanced Scorecard on time and with a 13% improvement since their second quarter 2019 implementation. The plant demonstrated cross-functional leadership activities from HR, Quality, Continuous Improvement and Engineering/Maintenance that drove the positive shift in Total Safety Culture. The site has engagement activities, such as Safety Boot Camp and Safety Week, a behavior-based safety process called FOCUS, Top 20's with hourly team members and engagement walks with an emphasis on the Critical Safety Program. We are proud to celebrate their commitment to continuous improvement and Total Safety Culture.

COMMUNITY INVOLVEMENT

Cooper Standard employees engage in many community involvement initiatives throughout the year and continue to find new ways to give back to the communities where they work and live. With the tremendous engagement and dedication of our employees, the [Cooper Standard Foundation](#) has shifted a greater allocation of funds from direct donations to matching contributions and volunteerism of employees. These contributions have great impact on our local communities and on our employees' relationships with each other and with the Company.

OUR PRIORITIES

103-3

We know the work of the Cooper Standard Foundation provides a wonderful opportunity for Cooper Standard employees and their loved ones to give back in the communities where they live and work. Employees who participate in these experiences characterize them as incredibly valuable to the community and to their own feelings of engagement, so when we developed a strategic target for our community involvement, we focused on increasing rates of participation, which in turn increases our reach with partner organizations.

OUR APPROACH

103-1, 103-2

Since the establishment of the Cooper Standard Foundation 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, health and wellness, and community revitalization. The Foundation is a 501(c)(3) organization with oversight by the Cooper Standard Foundation Board of Trustees.

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



GIVING BACK TO OUR COMMUNITIES

We will annually engage employees and their families equivalent to 50% of our workforce.

2019 PROGRESS **50%**

COMMUNITY INVOLVEMENT SINCE 2013

18

Participating Countries

\$13.5m

Total Contributions (\$1.5m in 2019)

Includes employee fundraising, contributions and volunteerism

35k+

Volunteer Engagements

120+

Charities Supported

STEM & MANUFACTURING EDUCATION

As a global manufacturing leader, Cooper Standard is passionate about inspiring and cultivating the next generation manufacturing workforce, especially through Science, Technology, Engineering and Math (STEM)-related careers.

Our STEM Affinity Group continues its momentum to driving interest in manufacturing and STEM careers. The Affinity Group is fueled by approximately 275 volunteer “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 2019, our STEM initiatives included:

Inspiration

Inspiration Program: Volunteers visited Michigan middle schools monthly to deliver hands-on STEM workshops to multiple groups of 20 students who've been nominated by school administrators.



National Manufacturing Day: In 2019, we expanded our Manufacturing Day activities globally with 33 Cooper Standard facilities hosting activities for local students.



Regional Events: Our STEM Affinity Group of trained employee volunteers hosted several events for local students and employee's children throughout North and Latin America, and Asia Pacific.

4,500+
children positively impacted



FIRST® (For Inspiration and Recognition of Science and Technology) Robotics support:

- FIRST® Robotics Sponsorships across four Metro Detroit school districts, who along with our STEM Accelerators, participate in demonstrations at Vista Maria (a residential program for vulnerable youth) and Junior Achievement of Southeastern Michigan.
- FIRST® Robotics, Lego League and Tech Team programs at S.A.Y. Detroit Play Center.
- Center for Automotive Research (CAR): Sponsored FIRST® Robotics Teams and our STEM Accelerators helped facilitate STEM activities for students aged 8-15 as part of the Family Connection program at CAR's Management Briefing Seminars in Traverse City, Michigan.



COMMITMENT TO OUR VETERANS

Cooper Standard is devoted to honoring and supporting our military heroes through several initiatives focused on helping military veterans integrate back to civilian life through education and ultimately employment. In 2014, Cooper Standard started its Careers for Veterans program to help military heroes transition from active military service to careers in manufacturing. This program has helped many veterans gain employment by helping them attend community colleges through assistance with transportation, computers, books and transition training. Continuing Cooper Standard's commitment, we co-developed and funded scholarships for Inforum's* Next4Vets™ program specifically developed for women veterans navigating the business environment. We also support the Manufacturing Institute's** "Heroes Make America", which is a 10-week career skills program located at military bases to train exiting military personnel for careers in manufacturing. Our support continues today with the hiring of veterans wherever possible in our business. To sustain and further support veterans joining Cooper Standard, the Company formed the Cooper Standard Salutes affinity networking group. Salutes places a high value on supporting veteran hiring, retention, advancement and representation at all levels of the organization.

* Inforum combines strategic connections, proven professional development programs, a respected forum for new ideas, and original research to accelerate careers for women and boost talent initiatives for companies. For more information, please visit www.inforummichigan.org.

** The Manufacturing Institute is the education and workforce partner of the National Association of Manufacturers. It drives programs and research to promote modern manufacturing and jumpstart new approaches to growing manufacturing talent. For more information, please visit www.themanufacturinginstitute.org.

HIGHLIGHT STORY

FOLDS OF HONOR

Cooper Standard is extremely proud to support Folds of Honor as they give back to the families of fallen and wounded heroes with the lifelong gift of education by granting scholarships to the children and spouses of these heroes. To make an even greater impact, Cooper Standard created a partnership between Folds of Honor and the Michigan Colleges Alliance (MCA), a collection of 14 private colleges and universities in Michigan. Together with the MCA, we provide unique opportunities for scholarships to MCA schools for children of heroes with special circumstances. The CS Foundation awarded \$50,000 to deserving students in 2019. Our 2019 Cooper Standard Foundation Charity Golf Outing also raised \$70,000 for the Folds of Honor organization.



HEALTH & WELLNESS

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



Charity Races: Employees from Vitré, France, participated in the Trail Muco race to raise awareness for cystic fibrosis and Tout Rennes Court to support the fight against breast cancer.



Elderly Care: A group of employees visited the elderly residents of Casa Hogar in Aguascalientes, Mexico, to deliver a meal and donations to residents.



Water Scarcity Project: After a water shortage in Chennai, India, employees were quick to mobilize and distribute 48,000 liters of water to the village of Athur.



Heart Walk®: Teams of employees from Michigan facilities helped raise over \$15,000 for the American Heart Association's® Heart Walk® in Detroit, Michigan.



Brazil Social Action Run: The Atibaia team held a race to promote wellness and give back to the community. Over 1000kg of food was donated to the Social Solidarity Fund thanks to the generosity of more than 700 participants.



Treffpunkt Zech e. V. Outdoor Beautification in Lindau, Germany

COMMUNITY 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: Our North and Latin America Plant Managers worked alongside our 2020 Southeast Michigan intern class to further transform vacant lots in the MorningSide neighborhood of Detroit, Michigan, into a beautiful park with a picnic shelter for the community.

World Earth Day Celebrations in India: Cooper Standard facilities across India promoted energy conservation, planted over 200 trees and conducted environment talks about pollution prevention.

Sremska Mitrovica, Serbia Recreational Area Improvement: Employees spent a day revitalizing a local park and school yard by removing waste and clearing brush.

El Jarudo, Mexico Landscape Project: In coordination with the Ciudad Juarez Parks and Gardens Department, employees and their families volunteered to clean up the landscape outside the plant.

Treffpunkt Zech e. V. Outdoor Beautification: In coordination with Plant Manager Institute Session Two, Cooper Standard Europe Plant Managers built outdoor furniture for the community house in Lindau, Germany.



ENHANCING PRODUCT VALUE

Cooper Standard's commitment to understanding and responding to our customers' needs with our unique expertise sets us apart as a supplier of choice. Cooper Standard is committed to engaging customers in our aim for high-quality, safe and sustainable products. When we asked our stakeholders what comprised Cooper Standard's reputation for manufacturing excellence, our safety performance and our reliable delivery of high-quality products were leading attributes. We also see the opportunity to address global sustainability challenges through our business' strengths. With innovation, the materials we use and consideration of our products' lifecycles, we can reduce the environmental impact of our products and differentiate ourselves in the global market.

Innovation, Materials &
Product Lifecycle

Product Safety & Quality

Customer Satisfaction

SUGGESTED LINKS

[CS Open Innovation](#)

[Workplace Health & Safety <p.27>](#)

[Project PLUM <p.9>](#)

[Safety Recall Report](#)

[Customer Awards <p.15>](#)

INNOVATION, MATERIALS & PRODUCT LIFECYCLE

From our customers, consumers and thought leaders, we hear a growing expectation that businesses should address sustainability. We have a significant opportunity to impact the sustainability of our products. We purposefully apply sustainable principles in the design and production of our products, reducing the environmental impact of our products from sourcing through end-of-life, and enable our customers to do the same.

When obtaining or innovating materials for our products, we do our best to sustainably source raw materials, increase the use of recycled content or recyclable material where feasible, decrease our use of hazardous chemicals where possible and properly disclose restricted materials to customers and regulators.

We feel our culture of innovation is a key differentiator, allowing us to compete and succeed within our dynamic global markets.

OUR PRIORITIES

103-3

In 2019, we set strategic external goals for the topic of innovation, materials and lifecycle management. These goals will allow us to measure our progress toward our business objectives and embed sustainability throughout our daily business activities.

OUR APPROACH

103-1, 103-2

At Cooper Standard, the Global Technology Council (GTC), a cross-functional governance body chaired by our Senior Vice President and Chief Technology Officer, leads innovation. The GTC oversees research and development in all business and product groups including materials science, product design, manufacturing process technology, analytics and artificial intelligence. This includes innovation within our global automotive business as well as within the Advanced Technology Group (ATG). Cooper Standard's ATG focuses on serving diverse consumer and industrial markets by leveraging our products and materials innovations.



EMBEDDING SUSTAINABILITY THROUGHOUT OUR DAILY BUSINESS ACTIVITIES

We commit that 75% of our new innovations will be linked to improved sustainability outcomes in the production, use or end-of-life phases.

2019 BASELINE **64%**

By 2023, we will see our innovative materials on half of all battery electric vehicles on the road.

2019 BASELINE **42.1%**

By 2023, 100% of our direct materials suppliers will be active responders to our direct GROW supplier scorecard.

2019 BASELINE **0%**



Our Senior Vice President and Chief Technology Officer also leads the Company's i³ Innovation Process, from idea inception to commercialization. The process enables us to imagine, initiate and innovate (i³) areas of the automobile by harnessing our employees' valuable insights and ideas. The Company's i³ Process, established in 2013, continues to be a vibrant source for innovative ideas. This process enables our employees from all levels of the Company, to propose ideas for breakthrough materials, products, processes and digital efficiencies through a central portal. In 2020, the launch of [CS Open Innovation](#) expanded this process which enables suppliers, universities and startups to partner with Cooper Standard for innovation. We screen and prioritize ideas for development using a defined stage gate or agile processes. These processes have specific milestones which must be passed before proceeding toward commercialization. On average, the team reviews

roughly 30 submissions each quarter. We continue to have an active portfolio of projects at various stages in our i³ Process, focused on a balance of near and long term market impact.

The new global engineering function is continuing the work originally initiated by the Global Engineering Council and combines the former product and engineering disciplines to create a new product focused engineering team. This team focuses on achieving market-leading positions for our products, while meeting customers' current and future needs.

The product engineering team is responsible for Total Lifecycle Management, or the lifecycle of a product from inception to end-of-life. While there are many technological and economic limitations to the sustainability of materials we can design or reuse, we consider sustainable design principles through each stage

of sourcing, innovating and manufacturing new materials or products. We share our stakeholders' vision of reducing the environmental impact of our products and hope that our technological and materials science advancements make such objectives more feasible over time.

Cooper Standard has a number of innovations within our core automotive product lines that continue to drive increasing sales, including our Fortrex[®] chemistry platform, FlushSeal[™] moveable glass sealing system, MagAlloy[™] next-generation metal coating process, Gen III Posi-Lock[™] quick connector, LightHose thermal management, Easy-Lock[™] push-to-lock quick connector and PlastiCool[™] PC2000 lightweight multi-layer tube for glycol applications. We also apply innovation to manufacturing and engineering processes, such as the development of our artificial intelligence (A.I.) tool for rapid discovery of material formulations.



Below, we describe a few of the engineering processes enhancing our ability to deliver high quality products to our customers.

Design by Analysis

Computer analysis is a key focus for our development teams. We continue to create new pathways to success which challenge the traditional view of testing and prototyping, and shorten the product development cycle. Our engineers use advanced computer analytics, including predictive modeling to virtually test designs with digital tools to make needed adjustment prior to physical testing.

This process has greatly reduced our development cycle by 25% and has increased our reactivity and design quality. Using this approach, we are on path to reduce our lab costs by 50% by 2021.

In the last two years, we have enhanced our tools and developed methodologies to enable the functional

simulation of components and parts in real conditions, which will result in greater control of a design the first time through. Design by analysis will continue to be an important part of the development process, moving more and more to simulation of complex systems.

Knowledge Based Engineering (KBE)

KBE is the process of creating and using a database of information, drawings and standards to increase consistency and quality in product design. The use of KBE greatly reduces the time spent on routine tasks and the overall time spent on product design.

A.I.-enabled Materials Database

In 2018, we created a new digital tool to track and catalog our compound recipes. It's a web-based tool available in all mixing rooms and material technical centers.

This tool allows us to have a single ingredient database shared worldwide and updated daily. Our first step was to classify raw materials into one of three categories: standard; specialty; and “do not use”. We classified 31% of raw materials as “do not use”. Using this tool, our chemists can avoid duplication of recipes and optimize new ones. After adding testing results by compounds, chemists can use Cooper Standard’s proprietary A.I.-based compound development software to optimize recipes and decrease the number of ingredients.

Finally, we are continually updating material formulations to remove chemicals of concern; it is critical to our global strategy that we keep pace with or even stay ahead of advancing chemical regulation in the regions where we sell and operate. Our Global Manager of Chemical Compliance monitors the ever-changing legal landscape. Many jurisdictions have passed similar regulatory requirements to European Registration, Evaluation and Authorization of Chemicals, and specific Restrictions on Substances of Concern (RoHS, ELV, etc.).

This function communicates with our suppliers and our customers addressing these potential substances of concern and working to ensure we proactively prepare for changes and improvements. We author and update product Safety Data Sheets to comply with laws in the regions we market our materials. We create and keep up to date our Material Data Sheets in the automobile industry’s International Material Data System, based on the Global Automotive Declarable Substance List requirements.

HIGHLIGHT STORY

APPLIED MATERIALS SCIENCE GROUP

Cooper Standard's Advanced Technology Group is not only home to the Industrial Specialty Group, but it also oversees the Applied Materials Science (AMS) Unit, which has a keen focus on material development and licensing. Since 2018, the AMS unit's focal point has been to serve diverse industries with our materials innovations, such as Cooper Standard's dynamic Fortrex™ chemistry platform, which has been awarded six patents to date.

With innovation and diversification at the forefront, momentum of the AMS business is building. By accelerating and maximizing the value stream of Cooper Standard's manufacturing and materials science expertise, the team has a growing list of potential applications ranging from footwear to calendared membranes to wire and cable jacketing, hybrid material applications and more.

Through AMS licensing, we work with our diverse partners on developing and creating customized material solutions, efficient and diverse processing technologies, supplying the final materials, as well as providing dedicated, technical, manufacturing and program management support along the way. Existing partners, INOAC and PolyOne, are actively progressing towards initial production and commercialization with the use of Fortrex™ chemistry platform for several applications.

Furthermore, the AMS Group has secured multiple development agreements to support in the commercialization of custom blended grades of material for applications outside of the automotive industry. Notable agreements include clients in sportswear, wire and cable, building and construction, and consumer goods industries. With innovation and diversification at the forefront, the AMS Group is continuing its focus to advance current and future business partnerships with market leaders in different industries.



HIGHLIGHT STORY

GLOBAL TECHNOLOGY CENTER

Cooper Standard's Global Technology Center located in Livonia, Michigan, continues to be the hub for innovation projects by supporting regional technology centers strategically located throughout our global footprint. In addition to product innovation, the Company continues to invest in other cutting-edge innovations, such as our proprietary A.I.-based compound development software, named a 2019 *Automotive News* PACE award finalist. This is the second consecutive year we have received this great honor. Our A.I.-enhanced compound development process uses machine learning and advanced data analytics to allow our chemists to converge on new compound recipes 80% faster and deliver superior material properties our customers need. Our new A.I. tool has become a competitive advantage and a key part of our global material development process, allowing the Company to successfully solve advanced compound development challenges.

Automotive News

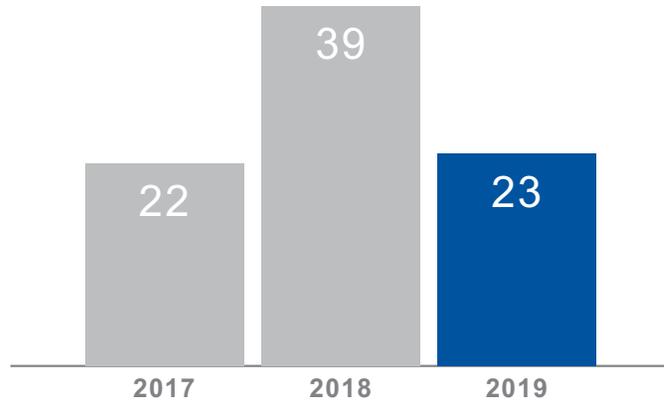
PACE
AWARD
25
YEARS

EXCLUSIVE LEAD SPONSOR: **APMA**
LEAD. REACH. CONNECT.

2019 FINALIST

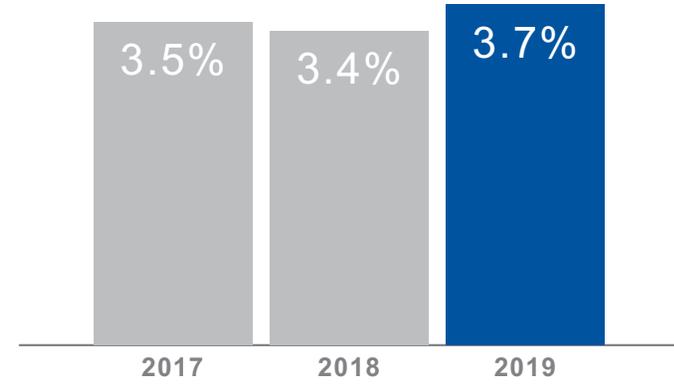
OUR PERFORMANCE

INNOVATION PATENTS



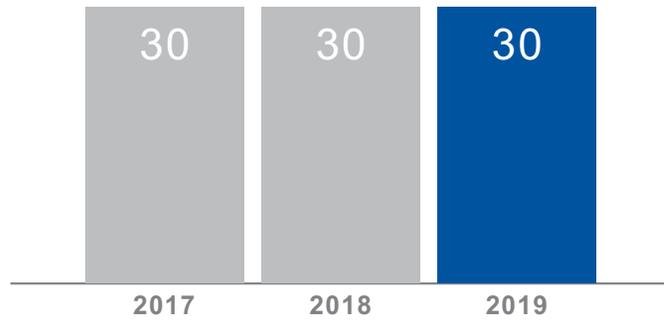
RESEARCH & DEVELOPMENT SPEND

(% of revenue)



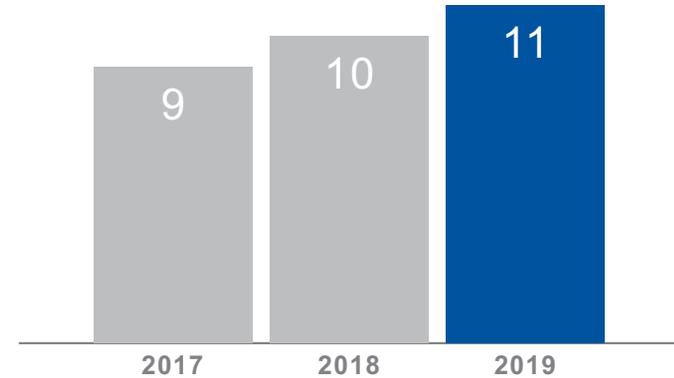
AVERAGE INNOVATION IDEA SUBMISSION

(each quarter)



TOTAL MAJOR INNOVATIONS INTRODUCED TO MARKET

since 2016



PRODUCT SAFETY & QUALITY

Quality issues on components can sometimes lead to significant safety concerns for our customers and consumers. Safety is our top priority and we maintain high expectations for the quality and safety of the products we deliver to our customers.

OUR PRIORITIES

103-3

In 2019, we developed a set of external goals regarding our safety critical issues and quality incidents. These goals both reflect and drive our efforts to be proactive, rather than reactive. We look forward to reporting our progress each year.

OUR APPROACH

103-1, 103-2

We strive for world-class quality in all we do at Cooper Standard. Our consistency allows us to uphold our reputation as a trusted supplier to our customers. We are committed to providing high-quality solutions that exceed expectations to minimize performance issues and recalls, increasing our customer's confidence in Cooper Standard as a partner of choice. We collaborate with organizations throughout our value chain to improve quality and safety performance, starting with our own operations.



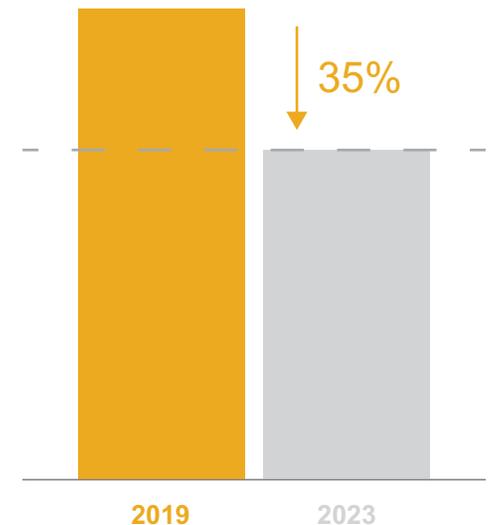
DRIVING OUR EFFORTS TO BE PROACTIVE

By 2023, we will reduce the percentage of potential safety critical issues reaching customers by 50%.

2019 BASELINE 0.9%

We will also reduce our quality incidents per billion by 35%.

2019 BASELINE 2692 IPB



Oversight and Processes

As part of the 2018 global reorganization, we repositioned responsibility for product safety from our purchasing organization into the global quality function. Regional leads for both quality and product safety now report to the Vice President, Global Quality and Supplier Development. This position also leads both Cooper Standard's Global Product Safety Committee and the Global Quality Council.

These groups are a means for global standardization and idea sharing across the enterprise. This change among safety and quality has made our global process more robust and consistent. The full council meets monthly to review significant challenges or issues and initiate a rapid response to oversee the resolution; smaller working groups also meet weekly to execute these tasks. This Fast Response approach is so successful, we implemented it in our management for [workplace health and safety](#) <p.27> as well.

As part of our proactive approach to managing product safety and quality, our engineers are trained to recognize potential product safety issues (PPSI) before they reach the customer. Examples of PPSIs might be something that affects our ability to meet customer specifications, the performance of our products or the consumer experience. They may be caused by factors such as purchased material defects, formula changes, flawed specifications, processing defects or equipment failure.

PPSIs occur on parts identified as safety critical – these issues could potentially cause harm to the end-user or to workers in our customers' operations. Our engineering team compiled a master list of safety critical parts in our global Product Lifecycle Management system. This allows us to more quickly identify if the part in question is safety critical and address the issue appropriately if there are concerns.

In 2019, as part of our Failure Mode and Effect Analysis, we invested in the deployment of a tool called Omnex to standardize our failure identification. This establishes the baseline for identifying safety risks.

Regardless of the issue or its root cause, identifying the problem early gives us a chance to resolve it before it reaches our customers. All PPSIs are verified by the Global Product Safety Committee for acceptance of closure actions. The Committee also reviews potential warranty issues for resolution.

In the rare case that a PPSI or quality issue does make it to the customer, we investigate to identify the cause and the responsible party. We use the data we collect to make improvements for future activities.

World-Class Quality in All We Do

Quality Policy

Quality is a core value of Cooper Standard. We are dedicated to establishing key quality objectives that are communicated and understood at all levels of the organization. In 2019, we launched our Quality Policy at all plants.

We are committed to:

- Achieving quality results for products, processes, designs and services, which exceed both external and internal customer expectations.
- Growing our culture of continual education and training.
- Building a roster of strategic supply partners that share our quality expectations.
- Ensuring a culture of defect prevention and defect escape to the next process.
- Compliance with statutory and regulatory requirements.
- Leveraging innovation, continuous improvement and quality management systems to assist in achieving our quality goals.



New Product Launches

In our product launch process, known as ClauS (Cooper Launch System), we require Product Safety Line Certification (PSLC) before the start of production. PSLC involves a multi-disciplinary team review on the plant floor that assesses the production and test conditions against customer requirements, and internal standards and procedures. Every time we launch a new product, we complete a safety assessment as part of the PSLC process.

In 2019, we added a requirement that the PSLC include a thorough Technical Design Review, which assesses and incorporates lessons learned from similar programs, part benchmarking and any available warranty data. The reviews are intended to help us operate more proactively and identify potential failures in the design or process before we begin full-scale production.

We see opportunities to build on this process going forward and to more deeply leverage our findings to mature our approach. Beginning in 2019 and moving into 2020, we are tying the PSLC process to equipment standards by developing additional check sheets via our Cooper Standard Operating System. These check sheets will help ensure our equipment and processes meet our documented best practices and prevent future issues. We are piloting the new process in a small number of plants on key launches, but hope to expand its implementation soon.

Suppliers

We work with our suppliers to identify possible issues early and expect them to be proactive about notifying us if they believe there may be an issue. We hold ourselves to the same standard about notifying our customers if we have concerns. Our regional Supplier Development

teams maintain a scorecard for each supplier that includes various performance metrics such as quality, delivery, packaging and personal safety performance.

Cooper Standard is investing in a major initiative, [Project PLUM <p.9>](#), which has beneficial cross-functional impact on our part standardization and simplification, as well as on our partnerships with key suppliers.

Measuring Quality Incidents

Cooper Standard has transitioned, in line with the industry, to measuring quality defects by incidents per billion (IpB). IpB is a measure of the number of quality defect occurrences among all product shipped and is viewed as a more meaningful measure of quality performance. We will report on progress toward our IpB goal annually.

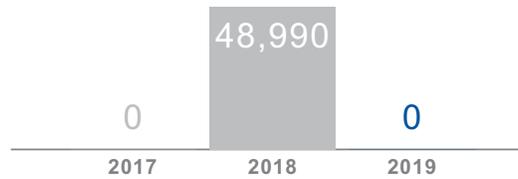
OUR PERFORMANCE

Cooper Standard has continued to be successful on delivering quality product to our customers. Over the last three years, we had [one recall reported](#) nationally. This instance catalyzed responses to review and update process and equipment standards, review and update design standards, and develop new projects to challenge our prevention and detection methods. These activities have proven to be successful and have changed our global design, equipment and process standards on the quality issues for our products.

RECALLS ISSUED



UNITS RECALLED



VOLUNTARY RECALLS



INVOLUNTARY RECALLS



FINES ASSOCIATED WITH FALSE MARKETING / ADVERTISING



VIOLATIONS FOR NON-CONFORMANCE (with labeling or marketing regulation)



CUSTOMER SATISFACTION

Listening to the Voice of the Customer is one of Cooper Standard's strategic pillars. The success of our business depends on our ability to design and develop products that meet customers' current and future needs. We collaborate with customers and adjust to their feedback to provide customer-focused solutions that address both product and business priorities – from cost to design to sustainable applications, our customer relationships foster innovation and inspire our world-class performance.

OUR PRIORITIES

103-3

To help ensure sustained excellence, Cooper Standard is dedicated to collecting customer feedback, analyzing customer scorecards and adjusting our approach to align with evolving customer needs. We set strategic external goals in 2019 to ensure world-class performance with our daily actions and decisions. We will report annually on our progress to hold ourselves accountable to our valued customers and partners.

OUR APPROACH

103-1, 103-2

We constantly monitor customer satisfaction to ensure we are aligned with their needs. Our response to customer expectations was one of the key drivers to our move from a regional to a global organizational structure. In 2018, Cooper Standard transitioned our organization to maintain and grow our position in the evolving automotive industry while further diversifying our business. Under our new structure, operational responsibilities transitioned to global Manufacturing, Product Engineering and Innovation organizations to further drive customer satisfaction through greater strategic coordination and acceleration of global best practice implementation. These areas have a significant impact on our ability to maintain or gain business. In 2020, our global organization was further enhanced through the establishment of Cooper Standard's Global Automotive Business and globalization of our Advanced Technology Group to leverage efficiencies of scale necessary to compete in the new global economy.

At the same time, our automotive sales function was also transitioned into a global organization reporting directly to the President of the Global Automotive Business.

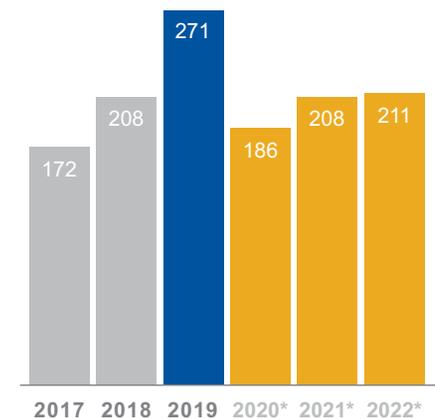


LISTENING TO THE VOICE OF THE CUSTOMER

By 2023, we will reach 98% of green or yellow customer scorecards, as determined by CPS's evaluation method.

2019 BASELINE 93%

PROGRAM LAUNCHES



*Based on expected customer SOP of awarded business



HKMC Tech Show, Korea

Our cross-functional Global Commercial Council (GCC) oversees all primary commercial discussions, including global customer issues and commercial opportunities. The GCC is now led by our Vice President Global Business Development and includes regional Business Development & Sales leads and representatives from global Quality, Program Management, Innovation, Engineering and Operations. We maintain and build major customer relationships through our global customer leads; they also provide key support to the GCC by serving as one voice to customers around the globe.

The GCC reflects customer focus beyond just commercial activity. The GCC incorporates program management and innovation as key aspects of customer satisfaction. For example, the GCC can discuss the effects of changes in other countries that may impact cost for both Cooper Standard and the customer. As of January 2020, we

established a global database to promote sharing of best practices, lessons learned and challenges.

At our world-class operations meeting every month, we review the performance of each region and each plant. We assess this by using a scorecard with key performance indicators for customer satisfaction. Every plant's rank is shown and we thoroughly discuss any challenges and celebrate successes. This Customer Satisfaction Index, organized by customer and region, allows us to address challenges at a local level and monitor trends worldwide.

Customer scorecards are the main mechanism through which customers provide feedback. However, there are also processes in place for customers to escalate an issue if necessary. For example, a customer can escalate an issue to the global customer lead, who will raise the issue with the appropriate person within the Company.

HIGHLIGHT STORY

ADDRESSING CUSTOMER CHALLENGES

In 2019, one of our major customers had an issue with water management on one of their programs. The customer reached out to Cooper Standard about our innovative Fortrex® chemistry platform. The Cooper Standard team was able to design a part that solved their water management issue. This was one of the first parts awarded of a Fortrex® seal from Cooper Standard to the customer, and since then, they have continued to request additional designs made from our Fortrex® chemistry platform. These designs are made to manage future vehicle issues caused by the elements. The anticipated launch of this new part is in Q3 of 2020.



We also maintain manufacturing operating systems, which are dashboards in every plant that display the plants' performance to employees and visitors, including customers. These allow visitors to witness metrics tracking the performance of each plant and if they have received awards, such as the Diamond Plant Award – our highest honor. Maintaining positive customer scorecards is part of the criteria for receiving those awards.

OUR PERFORMANCE

In addition to numerous customer quality awards the Company has received globally, in 2019, Cooper Standard was also recognized as one of General Motors' Supplier of the Year recipients for calendar year 2018. This is the second consecutive year Cooper Standard has received the award. The Company was also honored with a Smart Pillar World Excellence Award from Ford Motor Co., recognizing Cooper Standard as one of their top-performing global suppliers.

See [page 15](#) for a complete list of additional customer awards.



HIGHLIGHT STORY

DIAMOND PLANTS

Each year, the competition steadily increases for achieving Diamond Plant status, which recognizes our best manufacturing plants for performance against various operational KPIs. In 2019, our commitment to world-class manufacturing continued and we applaud the following Diamond Plant winners on their accomplishments:

Asia Pacific

- Guangzhou, China
- Kunshan 1, China*
- Kunshan 2, China
- Kunshan 3, China
- Manesar, India
- Pune, India
- Sanand, India (Fluid)
- Shanghai (Qingpu), China
- Shenyang, China*

Europe

- Bielsko-Biala, Poland*
- Craiova, Romania
- Creutzwald, France*
- Myślenice, Poland
- Piotrków Trybunalski, Poland
- Vitré, France

North America

- East Tawas, U.S.*
- Guaymas West, Mexico
- Juarez, Mexico*

* Plants who achieved consecutive awards in their category



RESPONSIBLE BUSINESS

Cooper Standard is committed to world-class operations and we know our focus to excellence through integrity, transparency and responsible business will get us there. The elements we discuss in this section are foundational to continuing to meet and exceed our own expectations of our business, as well as the expectations of all our stakeholders. Conducting business in alignment with our corporate responsibility values means demonstrating quality information security practices, upholding our robust practices around ethics and compliance, strongly communicating our expectations regarding human rights, and operating our facilities with respect for the environment and natural resources. By continuing to excel in responsible business practices, we are continually progressing toward our world-class goals.

[Information & Data Security](#)

[Ethics & Compliance](#)

[Human Rights](#)

[Energy, Emissions & Waste](#)

SUGGESTED LINKS

[Code of Conduct](#)

[Supplier Code of Conduct](#)

[Ethics Reporting Resources](#)

[Cooper Standard IntegrityLine](#)

[Plant Manager Institute <p.24>](#)

[One of the World's Most Ethical Companies®](#)

[Project PLUM <p. 9>](#)

[Conflict Minerals Report](#)

[Human Rights Policy](#)

[Innovation, Materials & Product Lifecycle <p.37>](#)

[Global Organization <p.7>](#)

INFORMATION & DATA SECURITY

Protecting Cooper Standard's digital assets is a critical priority for our organization. We continue to be diligent about information security and enhance the measures and actions we take to protect ourselves, our customers, our employees and our partners. Data security will increasingly be a key piece of our risk mitigation plan throughout our global operations. It is one of the many ways we protect and sustain value for all of our stakeholders.

OUR PRIORITIES

103-3

Cooper Standard strives to maintain the privacy and security of our enterprise, employee, customer and supplier and other partner information, including intellectual property. As part of our continued efforts to strengthen and improve security in 2019, we developed a set of external goals that direct our progress and focus on critical performance indicators. By prioritizing these specific actions, Cooper Standard will be able to drive security into the Company, measure change over time and maintain accountability.

OUR APPROACH

103-1, 103-2

As we have expanded our use of digitization and technology, information and data security has become increasingly important to both Cooper Standard and its stakeholders. Exponential growth of our digital assets and the increased value of data continues to increase our exposure to cyber risk. Therefore, Cooper Standard has and will continue to implement measures to strengthen our security and to prevent unauthorized access to data. To mitigate risks throughout our supply chain, we have also taken precautions to ensure security for third parties who partner with us.

To establish a baseline, in 2015, we partnered with a third-party to conduct a comprehensive, enterprise-wide risk assessment. The assessment evaluated Cooper Standard's information security program for alignment with ISO/IEC 27001 security principals. We chose to implement ISO/IEC 27001 because of its internationally recognized information security framework, which is appropriate for our global business. Based on the results of the assessment, we developed a roadmap for our cyber security program, focused on addressing the highest risk vulnerabilities first. As a result of the plan, we have established a strong foundation for the program and we have addressed gaps identified during the evaluation.



STRENGTHENING & IMPROVING SECURITY

Implement 114 controls aligned with ISO 27001 by end of 2021.

2019 BASELINE **66% of controls**

Train all new employees on information security during onboarding by end of 2020.

2019 BASELINE **0%** (to be implemented in 2020)

Provide annual training on our information and data security practices for 100% of Cooper Standard employees who work with our systems by end of 2021.

2019 BASELINE **0%** (to be implemented in 2021 or beyond)

Implement third-party cyber security assessments for all vendors who pose critical or high risk to Cooper Standard systems or information by end of 2021.

2019 BASELINE **28%**



The cyber security organization has been formally established and staffed within IT to ensure information security is addressed appropriately across technology platforms. Cooper Standard's IT organization governs the introduction and use of information technology assets through an Architectural Review Board (ARB), consisting of the Senior Vice President of Information Technology and the core IT leadership team. The ARB ensures IT initiatives align with our IT strategy and ultimately with Cooper Standard's business goals, strategies and objectives. Technical road maps and standards for all new investments must be reviewed by the ARB for consistency, fit and technical considerations for business processes, data, cyber security, hardware and applications. In addition to IT and ARB, information security is more broadly considered by the cross-functional Enterprise Risk Management Committee, which evaluates all types of risks to the Company.

As part of our roadmap, Cooper Standard established the appropriate governance for cyber security and developed the program on fundamental security controls. In addition to general protective measures, we have implemented awareness training, developed incident response procedures and have created controls to secure cloud technology initiatives. In 2019, we completed the implementation of our third-party cyber security program to better understand the risk third parties pose to our systems or information.

Fundamentals

Our cyber security program is built on a collection of fundamental security controls. Stringent security patching and anti-malware processes set the baseline to ensure our systems are properly protected. These are combined with other basic security practices, such as removal of administrative privileges and utilizing strong passwords,

to create strong starting point for our security efforts. Our continued focus on these fundamental security components have proven effective as we were not impacted by global threats like EternalBlue, WannaCry and NotPetya.

Adherence to good cyber security hygiene practices and implementation of more advanced protective controls have allowed us to extend protection beyond our network. End user devices have quickly become the new security perimeter of our network. Security patching, anti-malware, web application protection and other security controls travel with our systems, providing a high level of protection on the corporate network and when working remote. As a result, our users can work securely in cafés, hotels, their homes and other in environments outside of our control. This has proven to be a significant advantage in reaction to the COVID-19 crisis.

General Protective Measures

We continue to implement and improve measures to protect ourselves, our customers and our clients from unauthorized access or disclosure. Cooper Standard recently invested in an application that allows employees to report phishing emails within Outlook with one click, making it easier and quicker to mitigate issues. To date, we have deployed this capability to approximately 75 percent of users. In addition, Cooper Standard started to conduct phishing-attempt testing globally in late 2019 and early 2020. The test sent suspicious emails to employees; if employees did not correctly identify the risk, they were immediately offered a subsequent training for real-time learning.

Additionally, we utilize a web protection application which blocks viruses and malware while our users conduct business via the Internet. This unique solution provides protection while in the office and when employees are working remotely. On average, more than 750K threats are blocked each month and the solution enables us to extend security beyond our network.

Awareness Training

In order to prevent information security breaches before they occur, we proactively facilitate awareness training for employees. Cooper Standard conducts quarterly awareness campaigns with email announcements and communication through our intranet. We are in the process of finalizing cyber security training to be provided during onboarding for new employees. Our goal is to introduce the training into the onboarding process

and to expand similar training to all employees. People are vital to cyber security and training is necessary to ensure everyone understands the importance of security, and is equipped to recognize risks and take the proper steps to mitigate and report them.

Incident Response

We also created a targeted incident response procedure to implement prescriptive controls and to respond to incidents when and if they are reported. To maintain these response procedures and standards, we began conducting tabletop exercises with cross-functional leadership in 2018 to test and practice the process to help ensure our teams are ready to respond quickly, should an incident occur. These tabletop exercises are ongoing and future exercises will continue to include critical partners in Human Resources, Corporate Communication and Legal.

Cloud First Strategy

Cooper Standard has adopted a “cloud first” strategy and supports this with security controls created to specifically address cloud technology considerations. We recognize SaaS applications and services need to be approached thoughtfully and with cyber security in mind. Cloud based service providers are required to provide independently certified assurance of their security controls based on internationally recognized standards (e.g. ISEA 3402 SOC 2, SSAE16, SAS 70, etc.). The level of scrutiny used to protect traditional on premises applications has been, and will continue to be, extended to our cloud-based resources.

Third-Party Cyber Security

Additionally, aligned with our cloud strategy, Cooper Standard has recently focused on the cyber security of our third parties, ensuring we take appropriate precautions to mitigate risks associated with their lack of security. As vendors are considered, they are evaluated against criteria used to determine their level of criticality to our business and to validate their security posture meets our requirements. Third parties who have a higher level of potential impact are re-evaluated periodically to verify good security practices are being maintained.

Evaluation and Testing

To validate progress, Cooper Standard began to include the cyber security program in internal audit activities in 2019. This type of independent assessment enabled a more detailed review of our controls, policies, processes and systems and has provided a new perspective for consideration. This was an improvement from previous years where the information from the 2015 assessment was refreshed and helps confirm progress toward ISO/IEC 27001 compliance readiness. We also conduct penetration testing twice annually to validate technical security boundaries are configured securely and are able to defend against current threats.

ETHICS & COMPLIANCE

Our commitment to excellence includes 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. At Cooper Standard, our core value of integrity drives us to engage in honest, ethical and responsible business practices.

OUR PRIORITIES

103-3

Earning a world-class reputation for honest, ethical and responsible business practices is our priority. We believe the foundation for earning and sustaining this reputation begins with our employees. Accordingly, we have identified the goals on the right to ensure our employees understand how to apply our values in everyday business activities, know where to turn for support and are comfortable with the resolution process. To measure progress, we will conduct a periodic ethics culture survey. The baseline information provided reflects the results of the employee survey conducted in 2018.

OUR APPROACH

103-1, 103-2

Our core value of integrity is at the foundation of everything we do and influences the design of our ethics and compliance program. We are focused on maintaining the elements of an effective ethics and compliance program, including robust ethics reporting resources, training and educative initiatives, and risk mitigation and monitoring.

In 2019, we formally adopted earning a world-class reputation for honest, ethical and responsible business practices as a key strategic initiative in our top priorities and focused efforts on integrating our processes related to ethics and compliance, enterprise risk management and corporate social responsibility. Starting with a program assessment, we then developed a business plan to address known gaps in our processes as compared to world-class benchmarks, including the World's Most Ethical Companies® population as recognized by Ethisphere Institute.



HONEST, ETHICAL AND RESPONSIBLE BUSINESS

100% employees will report knowing where to find the Code of Ethics and Cooper Standard Ethics Policies by 2023.

2019 BASELINE 88%

100% employees will report feeling comfortable speaking up by 2023.

2019 BASELINE 82%

No employees will report pressure to compromise values by 2023.

2019 BASELINE 10%

Cooper Standard will experience 100% satisfaction with the reporting process by 2023.

2019 BASELINE 50%



Integrity Drives Us, Our Code of Conduct

102-16

Our [Code of Conduct](#) 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. Everyone who works at Cooper Standard is responsible for understanding and following our Code. We expect all employees and covered individuals to understand the Code, ask questions when more guidance is needed and speak up when something doesn't seem right.

We take integrity seriously. Behavior that falls below the standards set forth in our Code may result in disciplinary action, including up to and including termination of employment.

These situations 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.

We also expect our suppliers to comply with our Supplier Code of Conduct, which outlines our expectations for conducting business ethics and integrity and compliance with our policies and the law. Our [Supplier Code of Conduct](#) is available online.

SPEAK UP FOR INTEGRITY

Reporting Concerns and Seeking Guidance

We expect all stakeholders, including our employees, suppliers and customers to speak up, both to ask questions and raise concerns. We hope that ethical misconduct never happens at Cooper Standard, but if it does, we need to know about it so we can work to resolve it. We depend on all of our team members to recognize misconduct and expect them to report it to one of the ethics reporting resources. It is our belief that the sooner we learn about Code violations, the sooner we can end the behavior and work to resolve any issues.

Our [ethics reporting resources](#) are available to respond to questions and concerns. These include:

- Supervisors;
- Representatives of the Human Resources team;
- Members 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 Cooper Standard IntegrityLine

102-17

We are committed to maintaining an environment where open, honest communications are the expectation, not the exception. We want all stakeholders to feel comfortable approaching our supervisors or management team with questions and concerns. At the same time, we understand there may be situations in which our stakeholders may prefer another option. For this reason, we established the [Cooper Standard IntegrityLine](#). The Cooper Standard IntegrityLine is a toll-free telephonic and internet-based 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.

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 subjected 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

205-2

As part of our efforts to ensure employees understand how to comply with our Code, we require 100% of 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.

Our supervisors and managers are the primary ethics reporting resource for our team members. Accordingly, we recently introduced a Manager’s Guide to Responding to Employee Questions and Concerns About Business Conduct, which includes an online training course to assist manager’s in understanding their role as an ethics reporting resource. We also included a session about bringing our core values to life as part of our [Plant Manager Institute](#) curriculum, with a dedicated session about integrity.

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 both on our corporate intranet and external website.

2020 **WORLD’S MOST ETHICAL COMPANIES**™
WWW.ETHISHERE.COM



OUR PERFORMANCE

As a testament to the progress we have made, in 2020, we earned recognition by Ethisphere Institute as being among the [World’s Most Ethical \(WME\) Companies](#)®. Ethisphere® recognized 132 companies and Cooper Standard is proud to be among only four automotive sector companies named.

HUMAN RIGHTS

Cooper Standard is committed to ethical business and recognizes our opportunity to promote these practices within our supply chain. We prioritize transparency and accountability, which includes communicating our expectations and standards and disengaging with suppliers whose practices do not align with our values. At Cooper Standard, we promote fundamental human rights, including the prohibition of forced and child labor, and strive to ensure proper working conditions for all workers contributing to Cooper Standard products. By doing so, we place safety and integrity first and continue to protect stakeholders throughout our value chain.

OUR PRIORITIES

103-3

In 2019, in response to feedback we heard from stakeholders during our environmental, social and corporate governance materiality assessment, we set a strategic goal to measure the reach of our social supplier screening efforts with our direct materials suppliers in the GROW category – those with whom we have decided to strategically grow our business. Moving forward, we will report on this goal annually, to be transparent about our progress toward screening our supply chain for potential human rights concerns.

OUR APPROACH

103-1, 103-2

We expect our suppliers to engage in responsible supply chain practices and these requirements are set forth in our Supplier Code of Conduct. The Supplier Code addresses topics such as anti-corruption and anti-bribery, conflict minerals, human rights (e.g., forced labor, child labor, freedom of association and anti-discrimination), health, safety, environment and chemical compliance.

We use our Cooper Standard Supplier Performance Rating System's (SPRS) scorecard and questionnaire to evaluate our suppliers. We also request that our GROW suppliers complete a Self-Assessment Questionnaire (SAQ) on sustainability through the platform provided through NQC, Inc. GROW suppliers are those with whom we decided, through our strategic supply chain initiative, [Project PLUM <p. 9>](#), to strategically grow our business. We will increasingly use this system to inform new business award decisions as we advance. Many of our peers also use the NQC questionnaire to collect supply chain sustainability data, so it is familiar to our partners.



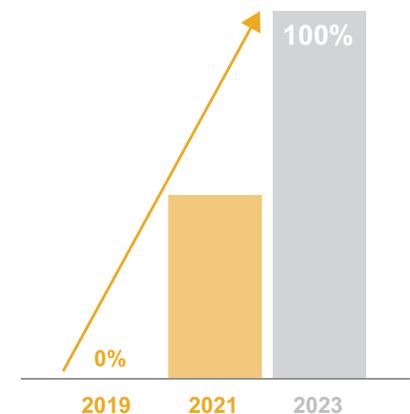
SCREENING EFFORTS WITH OUR GROW SUPPLIERS

We will reach 100% response rate on supplier SAQ from our direct materials GROW suppliers by 2023.

2019 BASELINE 0%

We will audit 100% of our GROW direct materials suppliers for compliance with our Human Rights Policy by 2023.

2019 BASELINE 0%



Global Human Rights



As is our practice to ensure compliance with our Supplier Code of Conduct and performance expectations for our key suppliers, we conduct onsite audits of a portion of key suppliers each year. Over the next three years, we will conduct onsite audits of 100 percent of our direct materials suppliers with the GROW designation. We plan to add an evaluation of their compliance with our Human Rights Policy to the onsite audits. While this process is in the early stages of implementation now – with 0 percent of our direct materials GROW suppliers audited in 2019 – we expect to audit about a third of these suppliers in 2020-2021, with subsequent thirds in 2022 and 2023. We look forward to reporting on this process, our challenges and our learnings in the future.

Conflict Minerals

Ensuring our parts and products are free from conflict minerals contributing to armed conflict in the Democratic Republic of Congo is one of our fundamental human

rights and compliance-related activities. We use both our Chemical Compliance Management System and International Material Data System to drive our reasonable-country-of-origin (RCOI) due diligence queries of our supply chain. These facilitate the production of our annual [Conflict Minerals Report](#).

We are members of the Responsible Minerals Initiative (RMI), a resource group supporting more than 380 member companies in responsible minerals risk assessment, due diligence and reporting. RMI is dedicated to helping companies make informed choices about responsibly sourced minerals in their supply chains. Our membership in RMI in-turn helps fund RMI's audits of mines and smelters globally.

In our 2019 RCOI, we received responses from 100% of our in-scope suppliers. Our December 2019 roll-up of those responses showed 16 suppliers reporting smelters sourcing from mines in covered countries. Forty-four of

the 288 smelters reported required outreach. Our final Specialized Disclosure Report will reflect any updated reports since year-end.

Human Rights Policy

Cooper Standard published our [Human Rights Policy](#) in March 2018, which is also included in our Supplier Code of Conduct. Our Human Rights Policy sets forth our values, policies and practices regarding child labor, forced labor, human trafficking, modern slavery, diversity and inclusion, freedom of association, collective bargaining, safe work environment and wages and benefits. It is guided by the Universal Declaration of Human Rights and additional guidance contained within the International Bill of Rights and the International Labor Organization's 1998 Declaration on Fundamental Principles and Rights at Work.

All directors, officers and employees of Cooper Standard are responsible for ensuring compliance with our policy and applicable law. The Global Ethics and Compliance Committee, including but not limited to the Chief Legal Officer and Chief Human Resources Officer, is responsible for enforcing the Policy.

Cooper Standard's Human Rights Policy applies globally, including all of our worldwide subsidiaries, affiliates, partnerships, ventures and other business associations that Cooper Standard controls. All our directors, officers and employees, including part-time, temporary and other personnel working for or on behalf of Cooper Standard, are subject to the Policy. Our suppliers, contractors and other business partners with whom we do business, are expected to adhere to our standards, including, but not limited to, human rights and labor practices.

ENERGY, EMISSIONS & WASTE

Cooper Standard appreciates the importance of protecting our environment. We know that efficiency in our resource consumption and stewardship to our environment mean better business for us and a better planet for all. We work to reduce our energy consumption and increase efficiency across our global operations to achieve better outcomes for ourselves and our communities.

OUR PRIORITIES

103-3

To reduce our impact on the environment, Cooper Standard is committed to decreasing our direct and indirect energy usage associated with greenhouse gases in our supply chain through improving energy efficiency and sourcing renewable energy. In 2019, we developed additional strategic external goals to measure our progress towards world-class performance in our energy, emissions and waste impacts. We will annually report on our progress to hold ourselves accountable for our stakeholders.

OUR APPROACH

103-1, 103-2

Cooper Standard manages our Health, Safety and Environment programs within our Global Manufacturing Organization, overseen by the Senior Vice President and Chief Global Manufacturing Officer. As a direct report, the Vice President, Global Health, Safety and Environment and BTO (Building a Talented Organization), is directly responsible for our management of operational environmental impacts.

Cooper Standard maintains a Health, Safety and Environmental policy, which applies to all employees and directly supervised contract and contingent workers, as well as all company facilities, including joint ventures where we have majority ownership. Cooper Standard has a global environmental management system that parallels the requirements of ISO 14001. The Company's environmental management system applies to all company facilities, as well as all majority-owned joint ventures.

In addition to the global environmental management system, 84% of our manufacturing facilities are certified to ISO 14001.



REDUCING OUR IMPACT ON THE ENVIRONMENT

2025 Better Plants Goal: Reduce our operational energy intensity indexed to sales 25% by 2025, from a 2015 baseline.

2019 PROGRESS **9.3% increase**

We commit to reducing our operational energy consumption indexed to sales by 15% by 2023 from 2016 baseline.

2019 PROGRESS **6.5% increase**

We commit to reducing our Scope 1 and Scope 2 GHG emissions indexed to sales by 15% by 2023 from 2016 baseline.

2019 PROGRESS **8.6% reduction**

From a 2019 baseline, we will decrease our solid waste generated in the US/Canada by 2.5% per year, every year, until 2023.

2019 BASELINE **0%**

We will enhance data collection to ensure that 95% of our facilities worldwide are reporting credible waste data, by 2023.

2019 PROGRESS **82%**



Manufacturing Facility in Kunshan, China

Energy & Emissions

In 2017, Cooper Standard joined the US Department of Energy (DOE)'s Better Plants program as a Honda Supply Chain Cohort partner. The Better Plants Program is a voluntary partnership initiative intended to drive efficiency improvements across energy intensive industrial companies and organizations. Cooper Standard hosted a DOE Better Plants compressed air In-plant Training at the Bowling Green, Ohio, plant in 2019. More than \$24K annual energy cost savings with 0.3 yr payback opportunities were identified. Cooper Standard has also received energy assessments from DOE at seven other US facilities, identifying more than \$663K annual energy cost savings.

We made many investments like these in our ISO 50001 certified or pilot facilities in Europe in 2019, which contributed to an annual savings of nearly 2000 MWh – approximately the energy needed to power 1000 homes

for almost a month. In South Korea, we employ practices to control our electricity consumption through seasonal temperature shifts, such as operating manufacturing lines at night and implementing tighter controls for heating and cooling on the shop floor. We continue to identify opportunities for capital investments that will result in energy savings in 2020 and beyond.

While we generally use electricity and fuel to power our manufacturing operations, our most energy intensive manufacturing activity is the operation of our rubber curing ovens, which are powered by natural gas. This is our most significant source of Scope 1 GHG emissions. We have strategies in place to be as efficient as possible, including process controls on the ovens' temperature and time in use. We hope to be able to use more efficient processes or materials in the future.

As we advance our materials science innovation and diversify our business, we have the opportunity to improve the sustainability profile of the production of new materials. We saw an example of this in our breakthrough Fortrex® chemistry platform, which requires significantly less energy to produce. Our Fortrex® chemistry platform offers a remarkably low carbon footprint across the entire material and production chain, with a total CO₂ footprint that's 22% lower than TPV and 53% lower than EPDM. Please see our section on [Innovation, Materials and Product Lifecycle <p.37>](#) for more information about how our products can be part of the sustainability solution for Cooper Standard and our customers.



Waste

103-1, 103-2, 103-3

Cooper Standard's manufacturing operations generate various waste streams, primarily EPDM rubber scrap, plastic, cardboard packaging, wood pallets, and aluminum and steel scrap. Many of these primary waste streams are readily recyclable and we partner with vendors to ensure they are diverted to be recycled. However, EPDM rubber accounts for about 50% of our total process scrap and is not able to be truly recycled. Our plants send rubber waste to be beneficially reused.

Recyclers grind the rubber to create rubber crumb. The repurposed rubber crumb goes in to industrial and residential products such as artificial turf, landscape

mulch, sub-flooring and matting and rubberized asphalt. Rubber has high heating value, which makes it an ideal supplemental fuel source for waste-to-energy users such as cement kilns; providing another opportunity for beneficial reuse.

With regard to the limited diversion capabilities for EPDM rubber, we are pioneering methods to reduce EPDM scrap as much as possible. These process advancements are part of our digitization of manufacturing and the automation of our plant floor. Please read more in our [Global Organization <p.7>](#) section.

HIGHLIGHT STORY

HEAT RECOVERY AT DZIERŻONIÓW PLANT

At our Dzierżonów, Poland, facility we invested in a system that captures excess heat generated by compressors and uses it to heat water to sanitary levels. This enables us to turn off the gas boiler we would otherwise need to use to heat water and prevent the consumption of nearly 1120 kWh a day. The significant energy savings and resulting financial efficiency make the investment a clear value add for both Cooper Standard and the environment.



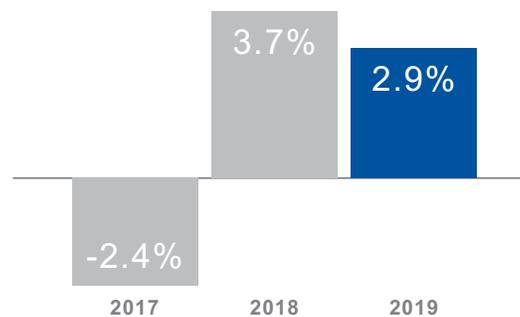
OUR PERFORMANCE

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

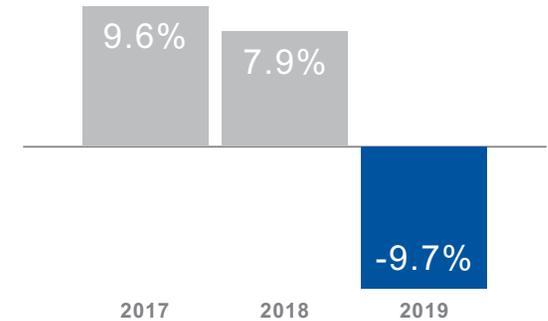
This year, based on requests from external stakeholders, we included absolute energy consumption and GHG emissions data in this report for the first time. We are encouraged to also be able to publish new data regarding our management of waste in our North American operations and hope to continue to expand disclosure on waste in the future.

We restated our energy and greenhouse gas emissions intensity metrics for 2019 – normalizing them by revenue rather than by hours worked, as we have in the past. With these additional metrics, we show that although our absolute energy consumption and absolute GHG emissions lessened year-over-year, our intensity worsened. We understand this is primarily due to a reduction in revenue from 2018 and an unusual number of facilities in transition during 2019. During 2019, 15% of our energy use (12% of our GHG emissions) was reported from plants either new to the Company or launching new processes (16 sites), or from plants decelerating and preparing for divestiture or closure (nine sites), in part from the 2019 sale of our anti-vibration systems business. In all these cases, inefficiencies in intensity may have occurred as resources were under-utilized and sales/production were not realized at the same rate as energy use. We recognize that our energy and emissions intensity targets require a renewed level of focus to get back on track over the next three to five years. As always, we will continue to communicate transparently about our challenges and progress.

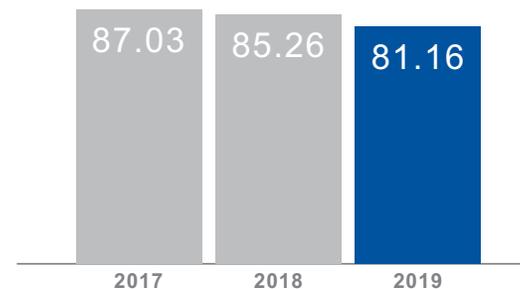
REDUCTION IN TOTAL ENERGY CONSUMPTION
(year over year)



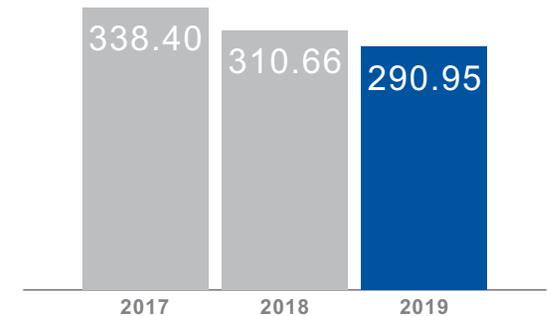
REDUCTION IN SCOPE 1 AND 2 EMISSIONS
(year over year /sales)



ABSOLUTE SCOPE 1 EMISSIONS
(thousand tonnes)

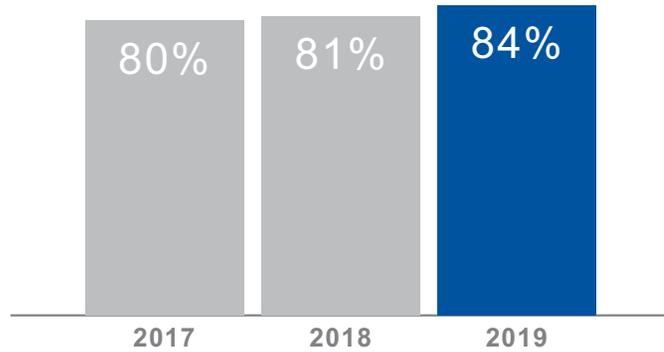


ABSOLUTE SCOPE 2 EMISSIONS
(thousand tonnes)



ISO 14001 CERTIFICATION

(% of facilities certified)



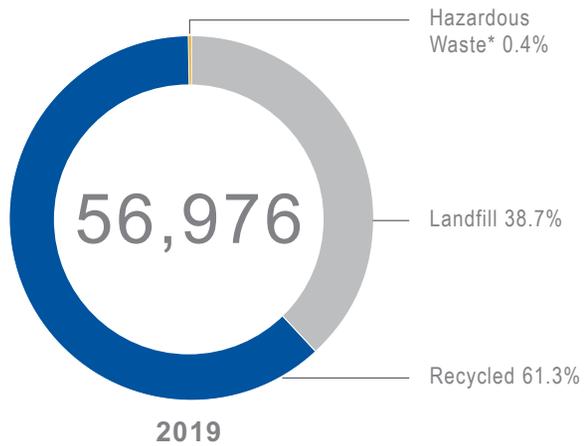
TOTAL ELECTRIC POWER

(TWh)

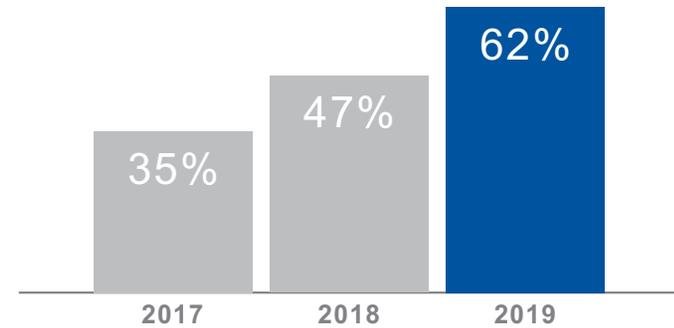


TOTAL MANUFACTURING WASTE GENERATED

(U.S. & Canada; tonnes)



PLANTS REPORTING DIVERSION RATE >90%



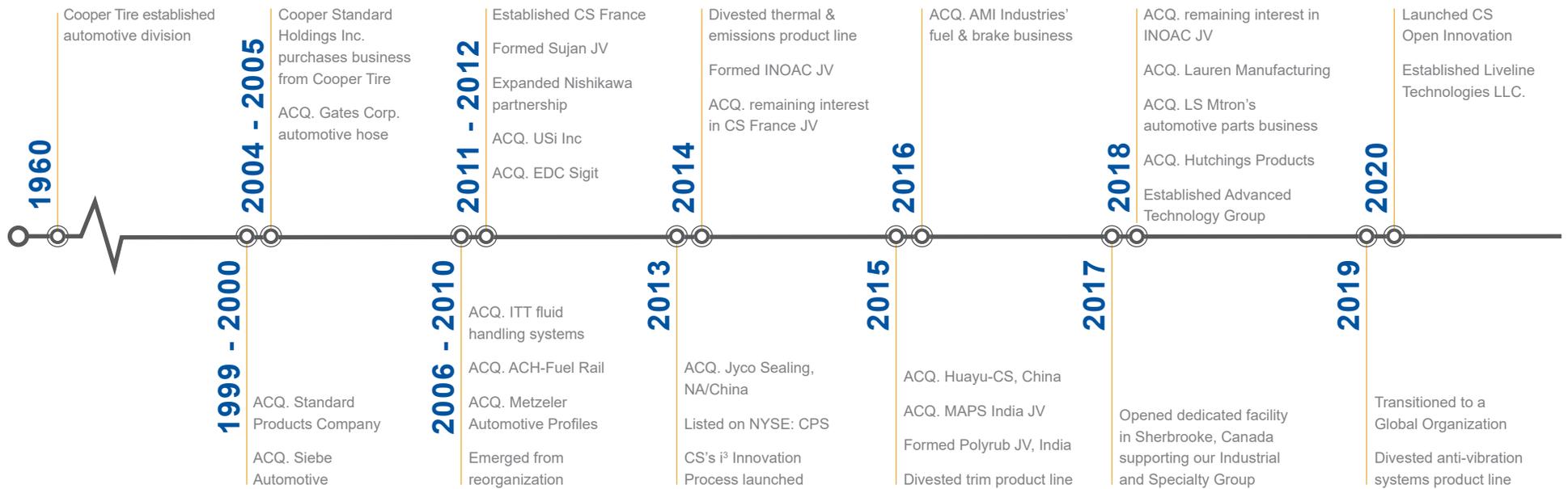
*Hazardous waste data included in the recycled waste

KEY METRICS

		2019	2018	2017
OVERVIEW				
Economic Performance	Revenue (USD Billions)	\$3.11	\$3.62	\$3.62
	Adjusted EBITDA %	6.5%	10.4%	12.5%
	Free cash flow (USD Millions)	\$360	\$265	\$127
Total Sales by Region	North America	53%	53%	52%
	South America	3%	3%	3%
	Europe	28%	28%	29%
	Asia Pacific	16%	16%	16%
Operations	Number of countries of operation	21	21	20
	Number of facilities	140+	150+	120+
Employees by Region (% Contingent)	North America	43% (7%)	-	-
	South America	6% (0%)	-	-
	Europe	34% (2%)	-	-
	Asia Pacific	17% (1%)	-	-
Innovation	New Customer Programs Launched	271	196	169
	Annual Net New Business (USD Millions)	\$451	\$441	\$453
WINNING IN THE WORKPLACE *Does not include contingent workers				
Employee Retention	Number of employees	27,968	~30,000	~32,000
	% Internal Fill Rate	70.3%	38.2%	55.7%
	% Voluntary employee turnover	14.7%	13.6%	16.7%
	% Total employee turnover	27.9%	23.6%	24.8%
Diversity and Inclusion	% Women in the enterprise (salaried & hourly)	35.9%	35.2%	35.1%
	% Women in leadership (vice president & above)	24%	21.6%	20%
Workforce Demographics (% U.S. Workforce by Ethnicity)	White	82%	86%	84%
	Black	9%	7%	9%
	Hispanic	4%	3%	3%
	Asian	3%	2%	3%
	Other	2%	2%	2%
Workforce Health & Safety	Total Recordable Incident Rate (TRIR) - Employees & Contractors/Workers	0.5	0.6	0.5
	Lost Time Incident Rate (LTIR) - Employees & Contractors/Workers	0.25	0.3	0.2
	% of facilities ISO 45001 certified	24.7%	17%	-
Community Involvement (Since 2013)	Number of charities supported (since 2013)	120+	100+	100+
	Number of countries participating in community engagement	18	18	16
	Annual contributions (millions, approximately half from employee engagement)	\$1.5	\$2	-
	Total contributions (millions, approximately half from employee engagement)	\$13.5	\$12	\$10

		2019	2018	2017
ENHANCING PRODUCT VALUE				
Innovation, Materials & Product Lifecycle	Innovation			
	Number of Patents	23	39	22
	% R&D	3.5%	3.4%	3.5%
	Major innovations introduced to market	11	10	9
	Product Lifecycle			
	% Revenue from products that provide resource efficiency benefits during their use phase	\$424M / \$14%	-	-
% of products with resource-use benefits for customers or consumers	5%	-	-	
Product Quality & Safety	Product Quality			
	Number of Recalls issued	0	1	0
	Number of Units recalled	0	48,990	0
	Number of Voluntary recalls	0	0	0
	Number of Involuntary recalls	0	1	0
	\$ Fines associated with false marketing/advertising	\$0	\$0	\$0
Number of Violations for non-conformance w/ labeling or marketing regulation	0	0	0	
Customer Satisfaction	Customer Scorecards			
	% Negative	7%	-	-
	% Positive	93%	-	-
RESPONSIBLE BUSINESS				
Board of Directors	Total Directors	10	9	9
	Number of Independent Directors	9	7	7
	% Independent Directors	90%	77.8%	77.8%
Energy, Emissions & Waste	ISO Certification			
	% of sites with ISO 14001 certification	84%	81%	80%
	Energy			
	% reduction in energy consumption	2.9%	3.7%	-2.4%
	Total Electric Power Use (MWh)	1,097,434	1,130,255	1,173,414
	Emissions			
	% reduction in Scope 1 and 2 emissions	-9.7%	7.9%	9.6%
	Absolute Scope 1 emissions (tonnes)	81,164	85,262	87,035
	Absolute Scope 2 emissions (tonnes)	290,951	310,662	338,400
	Waste			
	Total manufacturing waste to landfill (U.S./Canada) (Tonnes)	22,055	-	-
	% Hazardous waste (U.S./Canada)	0.4%	-	-
	% Waste recycled (U.S./Canada)	61.3%	-	-
	% of plants reporting >90% diversion rate	62%	47%	35%
Total Waste Generated – U.S./Canada (Tonnes)	56,976	-	-	
Total Waste to Landfill – U.S./Canada (Tonnes)	22,055	-	-	
Total Hazardous Waste – U.S./Canada (Tonnes)	242	-	-	

OUR HISTORY



GRI / SASB CONTENT INDEX

102-55

This quick-reference index contains disclosures from the GRI Standards and SASB Auto Parts Sector Standard. The disclosures referenced are at least partially fulfilled.

Disclosure	Disclosure Number	Description	Location Within Report	Page #
GENERAL DISCLOSURES				
ORGANIZATIONAL PROFILE				
GRI	102-1	Name of the organization	About Cooper Standard	4
	102-2	Activities, brands, products and services	Brands, Products & Services	6
	102-3	Location of headquarters	Northville, Michigan	N/A
	102-4	Location of operations	Global Footprint	14
	102-5	Ownership and legal form	About Cooper Standard	4
	102-6	Markets served	Brands, Products & Services	6
	102-7	Scale of the organization	Global Footprint	14
	102-8	Information on employees and other workers		
	102-9	Supply chain	Global Organization: Supply Chain Transformation	9
	102-10	Significant changes to the organization and its supply chain		
	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	N/A
	102-12	External initiatives	Cooper Standard does not currently endorse nor subscribe to any charters or principles	N/A
	102-13	Membership of associations	Awards & Recognition: Memberships & Associations	16
STRATEGY				
GRI	102-14	Statement from senior decision-maker	Message From the CEO	3
ETHICS AND INTEGRITY				
GRI	102-16	Values, principles, standards and norms of behavior	Ethics & Compliance: Integrity Drives Us: Our Code of Conduct	54
	102-17	Mechanisms for advice and concerns about ethics	Ethics & Compliance: The Cooper Standard IntegrityLine	55
GOVERNANCE				
GRI	102-18	Governance structure	Governance Structure	11
	102-19	Delegating authority		
	102-20	Executive-level responsibility for economic, environmental and social topics		
	102-22	Composition of the highest governance body and its committees		

STAKEHOLDER ENGAGEMENT				
GRI	102-40	List of stakeholder groups	Materiality & Stakeholder Engagement	17
	102-41	Collective bargaining agreements	Omitted; confidential	N/A
	102-42	Identifying and selecting stakeholders	Materiality & Stakeholder Engagement	17
	102-43	Approach to stakeholder engagement	Materiality & Stakeholder Engagement	17
	102-44	Key topics and concerns raised	Materiality & Stakeholder Engagement: Relative Priority of Topics	18
REPORTING PRACTICES				
GRI	102-45	Entities included in the consolidated financial statements	10K	N/A
	102-46	Defining report content and topic Boundaries	Materiality & Stakeholder Engagement: Material Topics & Boundaries, Relative Priority of Topics	18
	102-47	List of material topics	Materiality & Stakeholder Engagement: Material Topics & Boundaries	
	102-48	Restatements of information	We restated our energy and greenhouse gas emissions intensity metrics for 2019 – normalizing them by revenue rather than by hours worked, as we have in the past.	61
	102-49	Changes in reporting	None	N/A
	102-50	Reporting period	2019	2
	102-51	Date of most recent report	May 2019	N/A
	102-52	Reporting cycle	Annual	
	102-53	Contact point for questions regarding the report	Our Focus	2
	102-54	Claims of reporting in accordance with the GRI Standards	GRI / SASB Content Index	66-71
	102-55	GRI content index	GRI / SASB Content Index	66-71
	102-56	External assurance	This report has not been externally assured	N/A

Disclosure	Disclosure Number	Description	Location Within Report	Page #
MATERIAL TOPICS				
WINNING IN THE WORKPLACE				
TALENT STRATEGY				
GRI	103-1	Explanation of the material topic and its Boundary	Talent Strategy: Our Approach	21
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach	Talent Strategy: Our Priorities	20
	401-1	Total number of new employee hires during the reporting period	Talent Strategy: Our Performance	26
	404-2	Programs for upgrading employee skills and transition assistance programs	Talent Strategy: Employee Development	23-24
Goal Metric		Internal Fill Rate	Talent Strategy: Our Performance	26
KPI	Total employee turnover			
	Employee voluntary turnover			
	Total employee headcount		Talent Strategy: Our Approach	

DIVERSITY & INCLUSION					
GRI	103-1	Explanation of the material topic and its Boundary	Talent Strategy: Diversity and Inclusion	25	
	103-2	The management approach and its components			
	103-3	Evaluation of the management approach			
	405-1	Diversity of governance bodies and employees	Talent Strategy: Our Performance		
KPI	Workforce demographics	Talent Strategy: Diversity and Inclusion			
WORKPLACE HEALTH & SAFETY					
GRI	103-1	Explanation of the material topic and its Boundary	Workplace Health & Safety: Our Approach	27	
	103-2	The management approach and its components			
	103-3	Evaluation of the management approach			
	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Workplace Health & Safety: Our Performance		29
	403-5	Worker training on occupational health and safety	Workplace Health & Safety: Training & Plant Culture		
Goal Metric	Safety Balanced Scorecard results	Workplace Health & Safety: Our Priorities	27		
	Percent of facilities certified to ISO 45001				
KPI	Lost Time Incident Rate	Workplace Health & Safety: Our Performance	29		
	Total Recordable Incident Rate				
COMMUNITY INVOLVEMENT					
GRI	103-1	Explanation of the material topic and its Boundary	Community Involvement: Our Approach	31	
	103-2	The management approach and its components			
	103-3	Evaluation of the management approach			
	413-1	Operations with local community engagement, impacts assessments, and development programs	Community Involvement: Our Approach		32-35
Goal Metric	Percent of employees participating	Community Involvement: Our Priorities	31		
KPI	Total volunteer engagements	Employee Community Engagement			
	Total foundation contributions				
	Charities supported				
	Countries participating				
ENHANCING PRODUCT VALUE					
INNOVATION, MATERIALS & PRODUCT LIFECYCLE					
GRI	103-1	Explanation of the material topic and its Boundary	Innovation, Materials & Product Lifecycle: Our Approach	37	
	103-2	The management approach and its components			
	103-3	Evaluation of the management approach	Innovation, Materials & Product Lifecycle: Priorities		

SASB	TR-AP-440b.1	Percentage of products sold that are recyclable	In our 2019 materiality assessment, we heard growing interest from our stakeholders on the topic of Product Lifecycle. Product Lifecycle refers to improving the environmental footprint of our products, from the manufacturing process through products' end-of-life. This is an emerging topic for Cooper Standard, and we are monitoring it closely. We will continue to evolve our approach to managing our products' Lifecycles, in response to broad stakeholder feedback and customer interest. We are hopeful that future product innovations will continue to minimize the environmental impact of our products.	38
	TR-AP-440b.2	Percentage of input materials from recycled or remanufactured content		
	TR-AP-440a.1	Description of the management of risks associated with the use of critical materials	Human Rights: Conflict Minerals	57
	TR-AP-410a.1	Revenue from products designed to increase fuel efficiency and/or reduce emissions	\$424 million USD; 14% of revenue; Key Metrics at a Glance	N/A
Goal Metric		Percent of new innovations linked to improved sustainability outcomes in the production, use, or end-of-life phases	Innovation, Materials & Product Lifecycle: Our Priorities	37
		Percent of electric battery vehicles on the road with CPS innovative materials		
		Percent of direct materials GROW suppliers responding to supplier scorecard		
KPI		Percent of suppliers responding to reasonable country of origin inquiry (RCOI)	Conflict Minerals Report	N/A
		Number of suppliers sourcing from mines in countries covered by RCOI		
		Number of suppliers sourcing requiring outreach regarding RCOI		
		Research & Development spend as a percent of revenue	Innovation, Materials & Product Lifecycle: Our Performance	41
		Innovation patents		
		Average innovation idea submission		
		Major innovations introduced to market		
PRODUCT SAFETY & QUALITY				
GRI	103-1	Explanation of the material topic and its Boundary	Product Safety & Quality: Our Approach	42
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach		
SASB	TR-AP-250a.1	Number of recalls issued	Product Safety & Quality: Our Performance	45
	TR-AP-250a.1	Total units recalled		
Goal Metric		Percentage of potential safety critical issues reaching customers	Product Safety & Quality	42
		Quality Incidents per Billion		
KPI		Voluntary recalls	Product Safety & Quality: Our Performance	45
		Involuntary recalls		
		Fines associated with false marketing/advertising		
		Violations for non-conformance (with labeling or marketing regulation)		

CUSTOMER SATISFACTION				
GRI	103-1	Explanation of the material topic and its Boundary	Customer Satisfaction: Our Approach	46
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach		
Goal Metric		Percentage of favorable customer scorecards	Customer Satisfaction	
RESPONSIBLE BUSINESS				
INFORMATION & DATA SECURITY				
GRI	103-1	Explanation of the material topic and its Boundary	Information & Data Security: Our Approach	50
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach		
Goal Metric		Percent of ISO 270001-aligned controls implemented	Information & Data Security	
		Percent of new employees receiving information security training during onboarding		
		Percent of employees trained annually on information security practices		
		Percent of third-party vendors who pose critical or high risk to Cooper Standard systems or information assessed		
ETHICS & COMPLIANCE				
GRI	103-1	Explanation of the material topic and its Boundary	Ethics & Compliance: Our Approach	53
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach		
	205-2	Communication and training about anti-corruption policies and procedures	Ethics & Compliance: Ethics and Compliance Training	55
SASB	TR-AP-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	\$0; We did not have monetary losses as a result of legal proceedings relating to anticompetitive behavior regulations in 2019.	N/A
Goal Metric		Percent of employees who report knowing where to find the Code of Ethics and Cooper Standard Ethics Policies	Ethics & Compliance	53
		Percent of employees who report feeling comfortable speaking up		
		Percent of employees reporting pressure to compromise values		
		Satisfaction rate for Cooper Standard ethics reporting process		
HUMAN RIGHTS				
GRI	103-1	Explanation of the material topic and its Boundary	Human Rights: Our Approach	56
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach		
Goal Metric		Percent of direct materials GROW suppliers responding to supplier scorecard	Human Rights	
		Percent of GROW direct materials supplier audited for compliance with our Human Rights Policy		

ENERGY, EMISSIONS & WASTE				
GRI	103-1	Explanation of the material topic and its Boundary	Energy, Emissions & Waste: Our Approach	58, 59, 60
	103-2	The management approach and its components		58, 59, 61
	103-3	Evaluation of the management approach		
	302-4	Reduction of energy consumption	Energy, Emissions & Waste: Our Performance	61
	305-1	Direct (Scope 1) GHG emissions		
	305-2	Energy indirect (Scope 2) GHG emissions		
GRI & Goal Metric	305-5	Reduction of GHG emissions		
GRI & SASB	302-1	Energy consumption within the organization		
SASB	TR-AP-130a.1	Percent grid electricity	100%	N/A
		Percent renewable	Although CPS does source some renewable energy, mechanisms for tracking this as a percentage of total consumption are not yet in place. We hope to include further detail in the future.	N/A
	TR-AP-150a.1	Percent of generated waste that is hazardous	Energy, Emissions & Waste: Our Performance	62
		Percent of waste recycled		
SASB & Goal Metric		Total Manufacturing Waste generated		
Goal Metric		Energy intensity	Energy, Emissions & Waste	58
		Energy consumption		
		Reduction in Scope 1 & 2 GHG emissions		
		Percent of facilities worldwide reporting credible waste data		
KPI		Percent of facilities certified to ISO 14001	Energy, Emissions & Waste: Our Performance	62
		Total electric power		
		Percent of facilities reporting diversion rate >90%		

FINANCIAL STATEMENTS

FORWARD-LOOKING STATEMENTS

This press release 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,” “outlook,” “guidance,” “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: the impact, and expected continued impact, of the recent COVID-19 outbreak on our financial condition and results of operations; significant risks to our liquidity presented by the COVID-19 pandemic risk; 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; competitive threats and commercial risks associated with our diversification strategy through Advanced Technology Group; possible variability of our working capital requirements; risks associated with our international operations, including changes in laws, regulations, and policies governing the terms of foreign trade such as increased trade restrictions and tariffs; 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, data privacy concerns, other disruptions in, or the inability to implement upgrades to, our information technology systems; the possible volatility of our annual effective tax rate; changes in our assumptions as a result of IRS issuing guidance on the Tax Cuts and Jobs Act; the possibility of a failure to maintain effective controls and procedures; 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. Our forward-looking statements speak only as of the date of this press release, and 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 press release 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 net income, adjusted earnings per share, net debt 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 net income, adjusted earnings per share, net debt 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 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 divided by the weighted average number of basic and diluted shares, respectively, outstanding during the period. Net debt is defined as total debt minus cash and cash equivalents. 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 net income, adjusted earnings per share, net debt 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 net income, adjusted earnings per share, net debt 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 net income, adjusted earnings per share, net debt 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 in the below presentation. 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 Reconciliations

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 31		
	2019	2018	2017
	Dollar Amount in Thousands		
Net income attributable to Cooper-Standard Holdings Inc.	\$67,529	\$103,601	\$137,971
Income tax expense (benefit)	36,089	(29,400)	71,506
Interest expense, net of interest income	44,113	41,004	42,112
Depreciation and amortization	151,953	146,698	138,088
EBITDA	299,684	261,903	389,677
Gain on sale of business (1)	(191,571)	-	-
Restructuring charges (2)	51,102	29,722	35,137
Other impairment charges (3)	23,139	43,706	14,763
Pension settlement charges (4)	15,997	775	6,427
Project costs (5)	2,090	4,881	-
Lease termination costs (6)	1,167	-	-
Goodwill impairment charges (7)	-	39,818	-
Gain on sale of land (8)	-	(10,377)	-
Amortization of inventory write-up (9)	-	1,460	-
Loss on refinancing and extinguishment of debt (10)	-	770	1,020
Foreign tax amnesty program (11)	-	-	4,623
Adjusted EBITDA	\$201,608	\$372,658	\$451,647

- (1) Gain on sale of AVS product line.
- (2) Includes non-cash impairment charges related to restructuring.
- (3) Other non-cash impairment charges in 2019 and 2017 related to fixed assets of \$23,139 and \$14,763, respectively. Impairment charges in 2018 related to intangible assets of \$791 and fixed assets of \$42,915.
- (4) Non-cash pension settlement charges and administrative fees incurred related to certain of our U.S. and non-U.S. pension plans.
- (5) Project costs recorded in selling, administration and engineering expense related to acquisitions and divestiture.
- (6) Lease termination costs no longer recorded as Restructuring charges in accordance with ASC 842.
- (7) Non-cash goodwill impairment charges in 2018 related to impairments at our Europe and Asia Pacific reporting units, net of approximately \$5,463 attributable to our noncontrolling interests.
- (8) Gain on sale of land in Europe that was contemplated in conjunction with our restructuring plan.
- (9) Amortization of write-up of inventory to fair value for the 2018 acquisitions.
- (10) Loss on refinancing and extinguishment of debt relating to the March 2018 amendment and May 2017 amendment of the Term Loan Facility.
- (11) Relates to indirect taxes recorded in cost of products sold.

Free Cash Flow

	Year End December 31		
	2019	2018	2017
	Dollar Amount in Thousands		
Net cash provided by operating activities	\$97,697	\$149,388	\$313,106
Capital expenditures	(164,466)	(218,071)	(186,795)
Free cash flow	\$(66,769)	\$(68,683)	\$126,311



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