A MESSAGE FROM THE CEO

We are proud to share our first Corporate Responsibility Report which comes at an important time in our strategic journey.

Our culture of engagement is based on an unwavering commitment to customers, innovation and communities, and aimed at delivering value for our shareholders.

The first phase of Cooper Standard’s strategic journey began in 2013 when we set a clear vision for achieving profitable growth with a mission to become a Top 30 automotive supplier in sales and Top 5 in ROIC (return on invested capital). This original strategy not only included the development of a set of strategic initiatives focused on creating world-class operations, but also a set of values which formed the foundation of our culture.

In 2016, the leadership team refined the Vision: Driving Value Through Culture, Innovation and Results <pg. 6> to more closely represent the evolution of the Company’s culture and represents how far the Company has come in creating value for all stakeholders.

In conjunction with the new vision, we also refined our values to provide a sharper focus for our employees. These values are the foundation of the Company: diverse talent; integrity; community partner; total safety culture; quality; and continuous improvement.

I am proud of our employees’ engagement around our values. In fact, throughout this report you will see many examples of how our employees bring our values to life on a daily basis as they execute our strategy.

Jeffrey Edwards
Chairman and Chief Executive Officer

Pictured are representatives from Cooper Standard’s affinity groups. See page 41 to learn more.
Cooper Standard* is pleased to share with you “Our Commitment - Corporate Responsibility,” our first corporate responsibility report. The report describes how we:

- Identify and manage our material topics;
- Provide an understanding of how the top material topics fit into our strategic vision;
- Listen to the Voice of the Customer;
- Produce Superior Products;
- Drive sustained excellence in our World-Class Operations; and
- Engage our employees around innovation and community involvement.

We are committed to continuously improving every aspect of our business. By sharing our progress with you, our stakeholders, we invite you to be partners in our progress.

Our current report covers calendar year 2016. This report contains Standard Disclosures from the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines, which can be found in our GRI Content Index <pg. 47>. This report has not been externally assured.

If you have any questions or comments about this report, please contact Rich Hanlon, Vice President – Healthy, Safety & Environment, at corporateresponsibility@cooperstandard.com.

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**TOPICS COVERED**

Materiality & Stakeholder Engagement

**SUGGESTED LINKS**

GRI Index <pg. 47>

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* Cooper Standard is also referenced as “the Company,” “we,” “our” and “us” in this report.
MATERIALITY & STAKEHOLDER ENGAGEMENT

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

**TOPIC IDENTIFICATION**

G4-18, G4-25

We manage and report on corporate responsibility topics which are material to our internal and external stakeholders. As a part of this process, we identified an initial set of topics through a review of peer and customer reports, and industry sources, such as the Automobile Industry Action Group (AIAG) material topic list, the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB) Auto Parts Sector Report and supplier questionnaires.

A cross-functional team of Cooper Standard leaders met for an impact mapping session to review topics and determine their boundaries by product, region and stakeholder groups both inside and outside the organization. We also identified and prioritized the stakeholder groups we impact, as well as the stakeholder groups that impact us.

**STAKEHOLDER ENGAGEMENT**

G4-24, G4-26

We continually engage a variety of stakeholder groups to ensure that we focus where it matters most. We engage with stakeholders through a variety of mechanisms, including, but not limited to, direct conversation, forums, surveys and community events. Each engagement helps us strengthen relationships and drive toward our mission of becoming one of the Top 30 global automotive suppliers in terms of sales and Top 5 in ROIC.

We conducted interviews as part of our 2016 materiality assessment with eight stakeholder groups, internal and external, to consider the Company’s activities, impacts and opportunities, and to identify issues of the greatest priority for Cooper Standard and our stakeholders. We supplemented interview findings with additional research relevant to each stakeholder group.

We prioritized our most material topics from stakeholder feedback - assigning a score to each topic based on interviews and research. We then weighted scores by each stakeholder’s impact and influence. This report is structured around the nine topics that were identified as tier one issues and opportunities. We will review and validate our material topics no less than every three years or upon significant changes within Cooper Standard or the automotive industry.

**2016 Materiality Assessment Engaged Stakeholders**

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

- Investors
- Industry Associations
- Media
- Communities
While all of the topics we reviewed are important, when weighted by internal and external stakeholder feedback, nine topics were determined to be priorities for managing and reporting. At Cooper Standard, we know that our impacts reach beyond the walls of our operations and work to manage key issues across our value chain.

The remainder of this report will focus on our nine tier one material topics and our approach to managing them. Information security was identified as an emerging topic, so it is covered as well.
Our profitable growth journey began in 2013, when we set a clear vision for achieving profitable growth with a mission to become a Top 30 automotive supplier in sales and Top 5 in ROIC. This original strategy not only included the development of a set of strategic initiatives focused on creating world-class operations, but also a set of values which formed the foundation of our culture.

ABOUT COOPER STANDARD

TOPICS COVERED

- Our Strategy
- Organizational & Business Structure
- Global Footprint
- Key Historic Dates
- Products, Brands & Services
- 2016 Performance Highlights
- Governance, Ethics & Compliance
- Awards & Appointments

SUGGESTED LINKS

- Locations <L.1>
- Superior Products <pg. 19>
- Industrial & Specialty Group <L.2>
- Governance Guidelines & Committee Charters <L.3>
- Global Leadership Team <L.4>
- Enterprise Risk Management Committee <pg. 36>
- Global Commercial Council <pg. 17>
- Global Ethics and Compliance Committee <pg. 12>
- Global Product Safety Committee <pg. 22>
- Global Manufacturing Council <pg. 29>
- Global Technology Council <pg. 25>
- Philanthropic Committee <pg. 42>
- Code of Conduct <L.5>
- Ethics Reporting Response Policy <L.6>
- Supplier Code of Conduct <L.7>
- Supply Chain Sustainability <pg. 35>
- Our Values <L.8>

OUR STRATEGY

When our Global Leadership Team (GLT) transformed the Company’s vision in 2016, it reshaped our strategic pillars to align with the progress of the Company.

These pillars are:

VOICE OF THE CUSTOMER

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

SUPERIOR PRODUCTS

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

ENGAGED EMPLOYEES

Cooper Standard employees are the heart and soul of the Company and the key driver in our success. Committed to excellence and driven to succeed, Cooper Standard employees never lose sight of the Company’s overall vision and strategy.

WORLD-CLASS OPERATIONS

We’re committed to sustained excellence through the Cooper Standard Operating System, the Company’s playbook of procedures, systems and best practice tools designed for optimization that drive Cooper Standard’s global success.

OUR COMPETITIVE STRENGTHS

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

• Leading market positions in all product lines;
• Organic growth opportunities via increasing content per vehicle and new business wins on high volume global platforms;
• Technology solutions from a dedicated innovation process and team;
• Advantageous global manufacturing footprint that provides operating efficiencies and low cost structure;
• Experienced management team focused on value creation; and
• Strong financial profile with focus on cash flow generation and margin improvement.
Cooper Standard Holdings Inc. (NYSE: CPS) is a global automotive parts manufacturer headquartered in Novi, Michigan. The Company is organized with a regional structure with three regional presidents for North America, Europe/South America and Asia Pacific having profit and loss responsibility for their respective regions.

During 2016, the Company opened four new manufacturing facilities located in Chongqing, China, Huai'an, China, Tarazona, Spain and Juarez, Mexico. The locations of the new facilities were selected based on proximity to our customers and anticipated growth. A detailed location list <L.1> is available on our website.
KEY HISTORIC DATES

1960
Cooper Tire Established Automotive Division

1999
Acquired Standard Products Company

2000
Established Automotive Division

2004
Cooper Standard Holdings Inc. purchases business from Cooper Tire

2005
Acquired Siebe Automotive

2006
Acquired Gates Corp. Automotive Hose

2007
Acquired Gates Corp. Automotive Hose

2009
Established CS France

2010
Established CS France

2011
Acquired USi Inc

2012
Acquired EDC Sigit

2013
Acquired Jyco Sealing, NA/China

2014
Acquired AMI Industries’ Fuel and Brake Business

2015
Acquired Huayu-Cooper Standard, China

2016
Refined Strategy: Driving Value Through Culture, Innovation and Results

ABOUT COOPER STANDARD
OUR APPROACH
Cooper Standard is dedicated to developing quality components for the passenger car and light truck market. As a result of our focused approach, Cooper Standard holds a leadership position in each of our four core product lines: sealing; fuel and brake delivery; fluid transfer; and anti-vibration systems. See Superior Products <pg. 19> section for more details.

INDUSTRIAL AND SPECIALTY GROUP
In addition to the global team focused on light vehicles, Cooper Standard has established dedicated teams in North America and Europe to leverage core product technology into adjacent markets - commercial vehicle (on-highway and off-highway), specialty markets and technical rubber - to profitably grow the Company.

Our Industrial and Specialty Group (ISG) <L.2> serves customers in power sports, aviation, marine, agriculture, construction, commercial and recreation vehicles, and more.

Sealing Systems
Fuel and Brake Delivery Systems
Fluid Transfer Systems
Anti-Vibrations Systems
Cooper Standard continues to deliver strong financial performance while outpacing industry growth. In fact, 2016 was our best year of financial results in Company history. We set new all-time highs in sales, gross profit margin, adjusted EBITDA and free cash flow, while dramatically improving workplace safety, product quality and customer satisfaction.

“We continue to focus on the profitable and sustainable growth of the Company. Our record performance reflects the engagement of our global team and their commitment to creating increasing value for all our stakeholders.”

Matthew Hardt
EVP, Chief Financial Officer

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

* See appendix for reconciliation to U.S. GAAP
GOVERNANCE, ETHICS & COMPLIANCE

GOVERNANCE STRUCTURE

As of December 31, 2016, the Board of Directors consisted of nine directors, seven of whom are independent directors. The three standing committees of the Board are: Governance; Compensation; and Audit. Descriptions of the Board's corporate governance guidelines and committee charters can be found on our website.

There is no committee of the Board responsible for our Corporate Responsibility agenda. Rather, the full Board receives regular updates on key topics according to a standard board calendar. Updates on governance, ethics and compliance occur every quarter with the Audit and Governance Committees and two times a year with the full Board. In addition to reporting on our progress to the Board, 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 Commercial Council
- Global Engineering Council
- Global Ethics and Compliance Committee
- Global Manufacturing Council
- Global Pricing Committee
- Global Product Safety Committee
- Global Technology Council
- Internal Controls Committee
- Philanthropic Committee
- Total Cost Management Priorities Team

We believe in living our Company’s values by acting with integrity and making the right decisions while maintaining our commitment to sustainable growth.

Jonathan Banas
VP, Corporate Controller and Chief Accounting Officer

“We believe in living our Company’s values by acting with integrity and making the right decisions while maintaining our commitment to sustainable growth.”

Aleksandra Miziolek
SVP, General Counsel, Chief Compliance Officer and Secretary

“All Cooper Standard employees, regardless of their background or where they reside, are held to the same high standard of ethical behavior.”

ABOUT COOPER STANDARD

CODE OF CONDUCT

We have adopted a Code of Conduct <L.5> to provide guidance in recognizing and dealing with ethical issues and to help us maintain a culture of integrity and accountability. The Code applies to all levels of the Company at all of our locations. It is the responsibility of all employees and covered individuals to understand the Code. Violations that may be subject to disciplinary action, including termination of employment, include:

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

We expect all employees and covered individuals to report known or suspected violations of the Code in a timely manner to their supervisor, a representative of our Human Resources group, the Legal Department, or a member of the Global Ethics and Compliance Committee (GECC). We also maintain a toll-free hot-line managed by an independent, third-party vendor through which known or suspected violations of the Code or applicable laws or policies can be reported anonymously. All reports are investigated following the procedure outlined in our Ethics Reporting Response Policy <L.6>.

In addition, we have designated a core team of corporate officers and representatives who together form the GECC. The GECC assists the Board in its responsibilities related to reviewing the Company’s operational compliance with applicable legal requirements and sound ethical standards. We regularly review data from our ethics reporting with both the GECC and Board to identify opportunities to improve our compliance training and communications.

We have also recently introduced a comprehensive Supplier Code of Conduct <L.7>. Read more about our Supply Chain management on pg. 35.

## COMPLIANCE TRAINING

G4-57, G4-58, G4-S04

All direct-hire and salaried employees at Cooper Standard are required to complete compliance training annually. Employees complete these courses online through a third-party vendor, which has improved our ability to track and deliver training consistently across our worldwide operations. In 2016-2017, our core curriculum includes four major modules:

- Code of Conduct;
- Respect in the Workplace;
- Anti-Corruption; and
- Anti-Trust.

While our core curriculum is the same across the enterprise, we supplement the online content with live training based on trends observed from our compliance and ethics reporting hotline, input from our Human Resources, Internal Audit and Legal Departments, and changes to applicable laws. In addition to our mandatory online and live training sessions, we work to share ethics and compliance information across the enterprise through our Company’s quarterly newsletter and digital signage within our facilities. We also work to make ethics and compliance resources readily available both on our corporate intranet and external website. Our core values <L.8> are the foundation of Cooper Standard’s culture and integrity is at the forefront.
AWARDS & APPOINTMENTS

2016 COMPANY AWARDS

Society for Plastics Engineers:
Auto Innovation Award

Jointly won by Cooper Standard, General Motors Co. and DSM
The team won SPE’s “Most Innovative Use of Plastics” award in the
“materials” category for Cooper Standard’s High Performance Vacuum
Brake Tubes used on the Chevrolet Silverado and GMC Sierra
light trucks.

Corp! Diversity Focused Company Award
Overall winner in the Diversity Focused Company category for Cooper
Standard’s diversity and inclusion efforts.

Profiles in Diversity Journal: Award of Excellence
For the Company’s alignment of diversity and inclusion with business
goals in the workplace and marketplace.

25 Most Innovative Companies Eureka Award
Crain’s Detroit Business ranking of the 25 most innovative companies in
southeast Michigan.

State of Michigan Silver Award for
Veteran-Friendly Employer
Recognized by the state of Michigan as an employer committed to
United States military veteran recruiting, training and retention.

Stratford, Ontario, Canada
“Save on Energy” Award
Our Stratford, Ontario, Canada plant was recognized by Festival Hydro,
the local electricity provider, for its significant energy retrofit initiatives.
This award recognizes facilities that are taking steps to save energy,
 improve efficiency and increase productivity.

2016 INDIVIDUAL AWARDS & APPOINTMENTS

Jeffrey Edwards
Chairman and CEO
Reappointed to the National Association of Manufacturers’ Executive
Committee and appointed to Manufacturing Institute Advisory Board

Aleksandra Miziolek
SVP, General Counsel, Chief Compliance Officer and Secretary
NACD’s General Counsel Steering Committee, Chair of Citizen’s
Research Council and a board member of Inforum of Michigan

Larry Ott
SVP, Chief Human Resources Officer
American Cancer Society’s annual Cattle Baron’s Ball in Detroit chairman
of the sponsorship committee, a reappointed member of the Board of
Trustees of the Michigan Colleges Alliance and an elected member of the
board for Jack’s Place for Autism

Bill Pumphrey
SVP, President North America
Appointed to Business Leaders of Michigan and Gilda’s Club of Metro
Detroit Board

Christine Krathwohl
VP, Global Supply Chain
Named one of the 2016 Women Worth Watching from Profiles in Diversity
Journal for her professional and community service achievements,
including her active involvement in enrichment programs for Detroit-area
school children and support in founding the Lace-Up-Detroit charity

Sharon Wenzl
SVP, Corporate Communications and Community Affairs
Recognized as 2016 Best of MichBusiness Community Leader for her
leadership and engagement in the community on behalf of
Cooper Standard

Paul Wheeler
Senior Manager, Product Strategy and Analysis
Earned the Crain’s Detroit Business 40 Under 40 Distinction for his
efforts leading the Society of Automotive Analysts and his role in actively
encouraging career development of younger members of the community
through mentoring and networking

RECOGNIZING DIVERSITY

Cooper Standard is made up of employees with
diverse backgrounds and experience. We value
a diverse talent pool that not only represents our
society, but also provides diversity of thought.
Our culture of diversity and engagement was
recognized throughout 2016 including Corp!
Diversity Focused Company Award and Profiles
in Diversity Journal’s Award of Excellence

Dawn Poteau (left), senior director, talent management, accepts Corp!
Diversity award from Jennifer Kluge, president and CEO, National
Association for Business Resources on behalf of Cooper Standard

Cooper Standard military veterans at the Careers for Veterans
200 in the United States
### CUSTOMER RECOGNITION HIGHLIGHTS AWARDED IN 2016

<table>
<thead>
<tr>
<th>Geographical Region</th>
<th>Location</th>
<th>Awards and Recognitions</th>
</tr>
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<tbody>
<tr>
<td><strong>Asia Pacific</strong></td>
<td></td>
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<tr>
<td>Ghaziabad, India</td>
<td>TATA</td>
<td>“Energy Champion Award”</td>
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<tr>
<td>Kunshan 1, China</td>
<td>SAIC GM</td>
<td>“Supplier Excellence Award”</td>
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<tr>
<td>Kunshan 2, China</td>
<td>GM</td>
<td>“QSB”</td>
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<td></td>
<td>GM</td>
<td>“BIQS”</td>
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<td></td>
<td>CJLR</td>
<td>“X260L Excellent Launch Award”</td>
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<td></td>
<td>CJLR</td>
<td>“JLRQ Award”</td>
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<tr>
<td>Manesar, India</td>
<td>Maruti Suzuki</td>
<td>“Supplier Quality Excellence Award”</td>
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<tr>
<td>Sanand (Fluid), India</td>
<td>TATA</td>
<td>“Best Kaizen Award”</td>
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<tr>
<td>Sanand (Sealing), India</td>
<td>TATA</td>
<td>“Best Problem Resolution Award”</td>
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<tr>
<td>Shenyang, China</td>
<td>GM</td>
<td>“QSB”</td>
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<tr>
<td><strong>Europe / South America</strong></td>
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<tr>
<td>Bielsko-Biala, Poland</td>
<td>Volvo</td>
<td>“V54X Launch Award 2016”</td>
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<tr>
<td>Camiçari, Brazil</td>
<td>Ford</td>
<td>“Q1 Award”</td>
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<td></td>
<td>GM</td>
<td>“Supplier Quality Excellence Award”</td>
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<tr>
<td>Coventry, United Kingdom</td>
<td>JLR</td>
<td>“Supplier Excellence Gold Award”</td>
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<tr>
<td>Craiova, Romania</td>
<td>Ford</td>
<td>“Q1 Award”</td>
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<tr>
<td>Częcstochowa, Poland</td>
<td>PSA</td>
<td>“QSB+”</td>
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<td>JLR</td>
<td>“QSB+”</td>
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<tr>
<td>Myślenice, Poland</td>
<td>Ford</td>
<td>“Q1 Award”</td>
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<td>GM</td>
<td>“QSB+”</td>
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<td></td>
<td>PSA</td>
<td>“QSB+”</td>
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<tr>
<td>Zdar, Czech Republic</td>
<td>GM</td>
<td>“Supplier Quality Excellence Award”</td>
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<tr>
<td></td>
<td>JLR</td>
<td>“Supplier Excellence Gold Award”</td>
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<tr>
<td><strong>North America</strong></td>
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<tr>
<td>Auburn, United States</td>
<td>FCA</td>
<td>“Quality Excellence for FCA Suppliers”</td>
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<td>GM</td>
<td>“Quality Excellence Award”</td>
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<td>Glencoe, Canada</td>
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<td>“Quality Excellence Award”</td>
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<td>Guaymas, Mexico</td>
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<td>“Quality Excellence Award”</td>
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<tr>
<td>Laredo, United States</td>
<td>GM</td>
<td>“Silver Supplier Status”</td>
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<tr>
<td>Mitchell, Canada</td>
<td>GM</td>
<td>“Quality Excellence Award”</td>
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<td></td>
<td>GM</td>
<td>“Customer Care and After Sales Certificate of Gold Excellence Award”</td>
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<tr>
<td>Mt. Sterling, United States</td>
<td>GM</td>
<td>“Quality Excellence Award”</td>
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<tr>
<td>New Lexington, United States</td>
<td>GM</td>
<td>“Quality Excellence Award”</td>
</tr>
<tr>
<td>Saltillo, Mexico</td>
<td>FCA</td>
<td>“Quality Excellence for FCA Suppliers”</td>
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<tr>
<td></td>
<td>FCA</td>
<td>“Outstanding Quality Award”</td>
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<tr>
<td></td>
<td>GM</td>
<td>“Quality Excellence Award”</td>
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</tbody>
</table>

### MEMBERSHIPS AND ASSOCIATIONS

- Manufacturers Alliance for Productivity & Innovation
- Motor & Equipment Manufacturers Association
- National Associations of Manufacturers
- Original Equipment Suppliers Association
Kunshan, China, one of the first plants to receive Cooper Standard's Diamond Plant Status. Fifteen plants received this operational excellence award in 2016.
VOICE OF THE CUSTOMER

We have a responsibility to our stakeholders - including customers, suppliers, investors, employees and our communities - to know what great looks like, so we can perform and win in any business climate. We push to know our customers’ businesses inside and out so we can anticipate their needs and deliver.

When we recognize an opportunity for a customer, we act. When we recognize an idea is unsuccessful, we act. Either way, we are always moving forward to exceed expectations and win.

We invest in our customers’ businesses and partner with them to support the causes and charities that are important to them. It’s part of our commitment to knowing their business and culture.

TOPICS COVERED

Customer Satisfaction
As a global automotive supplier, we recognize that the satisfaction of each of our customers is of critical importance. We believe that a high-degree of collaboration with our customers is essential to developing solutions that not only meet, but exceed their expectations.

**OUR APPROACH**

At the heart of each customer relationship is a commercial team that is structured to cater to a customer’s specific needs. Each customer-dedicated commercial team is lead by a commercial director. Program teams, which include employees from sales, engineering, quality, manufacturing and finance, are then formed and lead by a program manager.

For customers who work with Cooper Standard on global platforms, the commercial team is lead by a global lead, typically located in the region in which the OEM is headquartered, with the support of regional leads in other geographic markets.

Our commercial team structure facilitates the long-term partnerships we enjoy with our customers, allows us to be an extension of our customers’ team and helps us act quickly when we see an opportunity.

To ensure we collaborate effectively on behalf of our customers, we have established a Global Commercial Council to optimize global platform strategy, drive profitable growth, develop and sell innovations, and meet content per vehicle targets.

Cooper Standard takes many opportunities throughout the year to highlight some of our new technologies. In addition to regional tech shows, we invite customers to our annual Global Technology Conference hosted at our Lindau, Germany location, one of our 21 research and development facilities around the world. Each year, the conference highlights topics supporting current industry trends.

In 2016, the conference focused on environmentally conscious solutions and the many products that Cooper Standard produces to help reduce a vehicle’s carbon footprint via weight reduction and improved fuel economy.
CUSTOMER PRIORITIES

The parts that we manufacture use our expertise to combine advanced design with a deep understanding of material science to enhance vehicle performance. Our reputation for successful solutions is why our customers involve Cooper Standard as early as five years before the launch of a new vehicle.

As programs move from concept to production, we follow our structured launch process, CLauS (Cooper Launch System), which contains a series of seven “gates” for various product development deliverables that must be satisfied before the product advances to the next stage. The CLauS process covers product development from concept through production and post-production. A cross-functional team of process engineers, program managers, sales, account managers and center of competence (advanced process engineering) representatives collaborate on timelines, tooling decisions and the fabrication of parts. They work through the prototype process that includes customer and Company needs, which contributes to our track record of successful program launches. The CLauS process is yet another example of how our precise blueprint for product development, design and manufacturing helps deliver world-class results for our clients.

Starting at the top with our regional presidents, we hold ourselves accountable for delivering on our customers’ expectations. Measuring and monitoring performance is a constant focus at Cooper Standard. Monthly, we review a performance scorecard with each of our customers. The scorecards drive continuous improvement in our systems, enabling us to take corrective action if we recognize an issue within our operations. We respond immediately with feedback on a continuous basis.
SUPERIOR PRODUCTS

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

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

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

TOPICS COVERED

Core Products
Product Safety & Quality
Innovation

SUGGESTED LINKS

Cooper Standard Launch System <pg. 18>
Fortrex™ and Other Key Innovations <pg. 20>
“Most Innovative Use of Plastics” Press Release <L.9>
SEALING SYSTEMS

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

Key Products

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

FORTREX™

Fortrex™ is a next generation thermoset elastomer that enables the ability to design both the lightest weight and best performing static weather seal solution for our customers. Finished systems made with Fortrex™ exhibit superior performance versus both EPDM and/or TPV in the areas of custom black color match capability, gloss retention, sealing performance, weathering and UV stability. With a 30 percent mass reduction versus EPDM and 10 percent versus TPV, Fortrex™ also allows our customers to design the lightest weight solution available in the market. A recent lifecycle assessment study sponsored by Cooper Standard and conducted by a third party concluded that Fortrex™ is 53 percent favorable on a kg-equivalent of CO$_2$ versus EPDM rubber, and is 18 percent favorable versus TPV thermoplastic, using cradle-to-gate boundaries. The study has been independently reviewed and verified.

FUEL AND BRAKE DELIVERY SYSTEMS

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

Key Products

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

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

Key Products
- Powertrain mount systems
- Suspension mounts

FLUID TRANSFER SYSTEMS

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

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

ARMORHOSE™

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

G4-DMA

Product safety and quality is a priority in the automotive industry. At Cooper Standard, product safety is a key part of our culture. Through the quality pillar of the Cooper Standard Operating System (CSOS), the Company’s playbook of procedures, systems and best practices, we make sure our production is consistently executed to our customers’ specifications to produce the quality products our customers have come to expect.

OUR APPROACH

In early 2016, we conducted a thorough review of industry best practices for managing product safety programs. Based on this review, we implemented several enhancements to our product safety and quality processes to more proactively identify potential risks within our product lines, in particular, our fuel and brake delivery systems and fluid transfer systems products. Our documented product safety procedures cover all aspects of:

- Prevention of safety issues from design through production;
- Investigation of all Potential Product Safety Issues (PPSI); and
- Sharing and acting on lessons learned throughout our global operations.

We established a Global Product Safety Committee (GPSC) that is responsible for identifying and mitigating product safety issues. This committee, led by the product safety officer, consists of the leaders of operations, engineering and quality in each region, as well as functional experts from finance, legal and purchasing. Each region also has a product safety manager who, with the regional engineering team, is responsible for managing the product safety program within their regional operations.
QUALITY AND PRODUCT SAFETY PRIORITIES

Our priority is to create and deliver quality products that exceed the expectations of our customers. Preventing product safety issues from occurring begins with careful engineering at the design phase and continues through production. We are standardizing key interface designs and Failure Modes and Effects Analysis (FMEA) processes and control plans, all of which are or will be available globally through CSOS. By assessing for risks preemptively, we can focus on prevention rather than response to an issue. Each of our new programs incorporates these prevention efforts, and as a Company, we will continue to see improvements as each new program comes online.

When PPSI are identified, we thoroughly investigate each case and work with our manufacturing, engineering and quality teams, as well as our customers, to remedy any concerns. The investigation of each PPSI is overseen by the Regional Product Safety Managers (RPSM). They work with the regional and global teams to assure that the investigations meet the requirements of the global process and are appropriately documented. The RPSM is responsible to report the findings and recommendations of the investigation to the GPSC for closure. The GPSC also manages lines of communication with our customers and government agencies when necessary.

Finally, we take time to learn from any incident and identify where we can improve controls across our global operations, including other similar products and processes, for prevention through a Global Read Across to plants, processes and designs. Through this lessons learned approach, we share critical information that affects all regions and drives improvement of our systems and products.

In 2017, we will implement a Product Safety Line Certification to our ClauS Process as a requirement to exit gate five. This audit process will be executed at our manufacturing plants to ensure adherence to all product safety requirements identified and documented during the design process. The three RPSM are responsible for leading the certification process in their respective regions.

OUR GOALS AND PERFORMANCE

G4-PR1

To support our standards, we have identified an approach to tracking our product safety data consistently across our global operations. All PPSIs will be completed and loaded into our safe, secure and controlled Product Lifecycle Management system, along with our engineering records. In 2017, we will focus on creating a baseline and trend analysis of the PPSI results to further guide our systemic improvements.

“Our customers have a right to expect safe, reliable and high-quality products. The enhanced product safety processes that we are implementing have been benchmarked against the best in the business.”

Chuck Russell
Product Safety Officer and Sr. Director, Global Supplier Development

SUPERIOR PRODUCTS
INNOVATION

G4-DMA

The automotive industry relies on innovation to produce solutions and components that reduce weight, help lower emissions, enhance design and improve vehicle performance. At Cooper Standard, our culture of collaboration drives innovation in all aspects of our Company and operations. We harness the creative energy of our global workforce to identify game-changing advancements, especially in material science, that meet or exceed our customers’ current and future needs. Our dedicated innovation team is innovating in areas of the vehicle that in some cases have not been changed in decades.

OUR APPROACH

Our i3 (Imagine, Initiate, Innovate) approach enables any employee in our Company to bring forward innovation ideas for developing breakthrough product and process innovations. Our Innovation Team drives the i3 Innovation Process under the governance of the Global Technology Council. The Council includes Cooper Standard leaders from engineering, materials science, business development, manufacturing and legal.

The Global Technology Council’s charter is to drive return on invested capital expansion and innovation sales by introducing new products and process technologies by:

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

Additionally, we have a dedicated team of technical and engineering resources in each region, as well as at certain customers’ facilities. We utilize Design for Six Sigma and other methodologies that emphasize manufacturability and quality. Our development teams work closely with our customers to design and deliver innovative solutions.

At the heart of the i3 Process is our Company culture and the creativity of our employees. The i3 Innovation Process encourages employees and supply partners to submit ideas and play an active role in the innovation process.

“We have installed a dedicated innovation team to develop breakthrough innovations in our core product lines. We listen intently to our customers’ feedback to meet their current and future needs.”

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

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

One of our key competitive advantages is our ability to translate customer needs and our game-changing ideas into innovative solutions through the development of intellectual property. We hold a significant number of patents and trademarks worldwide, and also develop significant technologies as trade secrets.
INNOVATION PRIORITIES

Through our innovations, we have changed the fundamental chemistry of materials. The result is lighter, more durable and more reliable products for our customers.

Vehicle light-weighting is critical to help our customers meet stringent emissions and fuel economy regulations around the world. This is why innovations like Fortrex™ are transforming the automotive sealing space by providing a 30% weight reduction, while offering superior performance, compared to traditional EPDM rubber solutions. See highlight story to learn more about the benefits of Fortrex™ and other key innovations <pg. 20>.

This and other product innovations have helped improve the quality and durability of our products. Significant increases in the durability of parts is an important consideration as the industry moves closer to autonomous vehicles that will have a much longer lifespan. Other innovations simply improve the performance or even enhance the aesthetics of our products so that our customers can continue to delight consumers.

OUR GOALS AND PERFORMANCE

Of all submissions received and reviewed since the inception of i³ Innovation Process, more than 30 projects have been assigned to the Global Innovation Team for development. Seven of these innovation products have cleared all four gates of our development cycle and are ready for market. As of December 2016, we secured $244 million* in annual booked business from innovations. This business will roll out over the next several years.

Aside from the business momentum that innovation fuels, we are proud to have been recognized within the industry with two awards on innovation in 2016. In addition to being added to the “Eureka Index” by Crain’s Detroit Business, in November 2016, we were honored with a Society of Plastics Engineers’ Automotive Innovation Award for “Most Innovative Use of Plastics” for our High Performance Vacuum Brake Tubes <L.7>.

The future of our Company is limitless with our i³ Innovation Process and flow of innovative ideas. We are dedicated to improving the automotive industry through our superior products that meet and exceed our customers’ expectations.

*Includes new and replacement business
DRIVING VALUE THROUGH CULTURE, **INNOVATION** AND **RESULTS**

- **GEN III POSI-LOCK**
- **Introducing Latest Innovations in China**
- **Innovation in Material Science**
- **ARMORHOSE™ TPV**
WORLD-CLASS OPERATIONS

At Cooper Standard, we have an unwavering commitment to our strategic vision for driving value through culture, innovation and results. We have established an advantaged global footprint to serve our customers in all major regions of the world. We know what we do well and we focus intently on doing it better than anyone else.

We’ve created a precise blueprint for product development, design and manufacturing. We have standardized practices across the organization to ensure safety, quality, reliability and sustained excellence year-after-year in every area of the business.

TOPICS COVERED
- Cooper Standard Operating System
- Workplace Health & Safety
- Environmental Management
- Supply Chain Sustainability
- Information Security

SUGGESTED LINKS
- Global Footprint
- Health, Safety and Environment Policy, Standards & Procedures
- Superior Products Section
- Code of Conduct
- Supplier Code of Conduct

Each of our regions is successfully executing our profitable growth strategy by implementing the Cooper Standard Operating System, our playbook of procedures, systems and best practices which is optimizing global performance and driving operating efficiencies. We are data driven, using information, metrics and key performance indicators (KPIs) to identify best performers across our plants and businesses. We are able to quickly transfer lessons learned into global best practices. Our efforts are laser focused around our safety and quality initiatives, and we are increasingly using these hard-earned lessons to refine our approach, moving safety performance beyond compliance.

This effort is being led by our Global Manufacturing Council, a strong and experienced manufacturing leadership team.

IMPROVING PERFORMANCE THROUGH BEST BUSINESS PRACTICES (BBP)

The BBP tool establishes an equivalent unit of measure across different manufacturing locations, which enables us to rank plants and identify best performers. These rankings help establish baseline benchmarks and plants are expected to reduce the gap to the established baseline by 30% each year. Over time, the benchmark is reset fostering continuous improvement and consistency across the business. Cooper Standard’s BBP tool also provides opportunities to quickly integrate acquisitions into the business to realize synergies.

“Cooper Standard’s BBP tool is helping us improve the way we run every aspect of our business by identifying best business practices to replicate at other locations. This process allows us to continuously improve our operations, drive out cost and increase efficiencies.”

Keith Stephenson
EVP, Chief Operating Officer
Safety is one of our core values and we believe that providing Cooper Standard employees with a Total Safety Culture, including safety training, health resources and safe working conditions, is essential to our vision. As we drive toward establishing world-class operations, our top focus is ensuring the safety of every employee at every facility. The social and financial implications of our safety performance extend beyond our operations and can impact the greater communities in which we work. We recognize that exceptional workplace safety is indicative of strong management and that poor safety performance is unacceptable for our employees and our stakeholders.

In late 2013, we launched our Total Safety Culture long-term business initiative with the goal of reaching zero incidents. Total Safety Culture involves every employee and actively manages safety performance to drive operational excellence through:

- Instilling safety as a core value;
- Developing and introducing global, standardized tools and processes;
- Leveraging management leadership and commitment at all levels of the Company;
- Encouraging employee engagement and participation in safety improvement; and
- Implementing programs tailored to the cultures and norms of each region.

We have seen significant success with our Total Safety Culture at Cooper Standard and will continue to build upon this success with existing and improved programs and processes in order to strive towards zero incidents.

In 2013, we adopted United States Occupational Safety and Health Administration (OSHA) requirements for global workplace injury and illness record keeping, and for 2016, we are publicly disclosing our safety performance and targets for the first time. We also track safety performance leading indicators in terms of: Layered Process Audit completion rates and repeat open issues; and Job Hazard and Risk Assessment completion rates. In 2016, we launched new training programs targeted at shop floor employees and first-level supervisors.

Moving forward, we will continue to mature our safety performance to world-class levels by continually improving our processes and tools. Additionally, we will continue to focus on our two most prevalent injury types: hand injuries and musculoskeletal disorder injuries.
OUR APPROACH

Every employee has the responsibility to work safely, as well as the right to a safe, respectful and healthy working environment. Working with the Global Manufacturing Council, Cooper Standard’s vice president of Health, Safety and Environment has the functional responsibility to set policy, standards and procedures, and manage and develop health and safety program elements for the continued development of a Total Safety Culture across the Company. Each of the three regional presidents, along with their respective manufacturing leaders, are responsible for safety performance within their region. Corporate, regional and plant staff meet monthly as part of our World-Class Operations team, where safety performance, as well as other key performance metrics for manufacturing are reviewed. Safety management and performance are also key discussion topics in bi-monthly meetings of the Global Manufacturing Council, which is comprised of leaders of regional manufacturing, product strategy and key corporate functions. Personal safety goals factor into our performance management process for salaried employees and we hold managers accountable for their operation’s safety performance through the goal-setting process.

Key aspects of our standardized processes and tools include:

Safety Culture Maturity
An annual safety culture survey given to a cross-section of employees. Based on their responses to people-related and systems-related questions, the scores are used to develop goals and improvement processes.

Layered Process Audits
These audits are a combined self-audit on safety, quality and continuous improvement used to drive culture change by ensuring that safety is prioritized and owned by our operations. Layered process audits are one of our engagement tools used to involve employees in safety ownership and also serve as a leading indicator.

Job Hazard and Risk Assessment
These assessments are a rigorous and structured hazard identification, risk assessment and workplace control tool.

Health, Safety and Environment (HSE) Engineering Checklist
A scalable checklist used by our program managers and process engineers to integrate safety, ergonomic and environmental considerations into our product launch process.

HSE Policy, Standards & Procedures <L.9>
Our policy speaks to prevention of hazards, continuous improvement of our health and safety management, and compliance with regulatory obligations. Global standards and procedures are continuously developed for machine and technical safety.

In addition to ensuring that our employees leave work in the same physical condition they arrive, we focus on the overall health and well-being of our employees at work and at home. This includes our ability to support and guide them to live a healthy lifestyle, and training to emphasize and foster mutual respect among all employees. Our employees are encouraged to have annual physical exams, which are covered at 100% through our medical insurance program in the United States, as well as for salaried employees in certain other countries. Employees are also encouraged to participate in other preventative medical programs such as flu shots, other vaccines and regular eye and dental checkups, many of which are covered at 100% in the United States.
Cooper Standard has shown significant improvement in health and safety over the past few years and we are committed to the goal of implementing a world-class safety culture with zero incidents. In 2014, we created a five-year target, our “glide path” to reach world-class safety performance. Since 2013, we have reduced our Total Incident Rate from 2.65 to 0.83, a 69% reduction. Since we greatly surpassed our initial goals, we revised our 2016, 2017 and 2018 global goals downward. Each region and plant has its own targets in support of our global targets.

For 2016, we are proud to report that 22 of our 80 manufacturing and technical sites achieved zero incidents and another 21 manufacturing and technical sites achieved Total Incident Rates better than 0.60, our world-class benchmark.

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

G4-DMA

To protect and sustain our natural resources, we monitor the environmental impact of our business and products. As a global Company, we comply with a wide variety of evolving regulations and we prioritize our environmental management as a means of driving and sustaining excellence. We manage our environmental impacts not only to help our bottom line, but because it is the right thing to do and is important to our customers, investors and the communities in which we operate.

In addition to striving to minimize our operational impacts on the environment, our customers rely on us to innovate solutions that reduce the environmental impacts of their vehicles. How our products impact fuel efficiency is essential to our success. Read more about our product innovations in the Superior Products section <pg. 19> of this report.

OUR APPROACH

Cooper Standard has a long track-record of environmental management in our facilities. We rolled out an ISO 14001 environmental management systems certification process in 2001 through which our facilities have been successfully managing their impacts within their operations. We are now in the process of moving our environmental programs forward with greater coordination and with a focus on global best practices – as we have done for safety and quality over the last several years.

Our Global Manufacturing Council, with the manufacturing leaders from each of our regions along with our Vice President of Health, Safety, and Environment, is responsible for driving environmental results throughout our global footprint. The Global Manufacturing Council meets every two months to set global priorities and to discuss and drive best practices across our footprint.

The majority of our facilities are ISO 14001 certified with third-party audits conducted annually to maintain certification. As of December 2016, 75 percent of our facilities are certified and another five newly constructed or acquired facilities are in the process of gaining certification with the goal of certification within one year of commencement of operation.

The environmental representative from each facility has access to our global database to report and monitor energy usage, waste production and water consumption. The database allows for data aggregation at the corporate level, as well as analysis and management regionally and locally.

BATTAPAGLIA, ITALY REDUCES EMISSIONS AND MATERIAL USAGE

The CONAI is the Italian “Consorzio Nazionale Imballaggi” (i.e. National Packaging Consortium), that institutes a yearly competition to reward companies that adopt best practices.

Cooper Standard’s manufacturing facility in Battipaglia, Italy participated in a national competition, named “Bando CONAI per la prevenzione - Valorizzare la sostenibilità ambientale degli imballaggi.” The plant was awarded for a project that achieved logistics flow optimization and reduced packaging weight, both resulting in reduced energy and greenhouse gas emissions, as well as reduced material use.
ENVIRONMENTAL PRIORITIES

Energy Use and GHG Emissions
As a manufacturer, energy and greenhouse gas (GHG) emissions represent our primary environmental focus and with an annual energy spend of $58 million, a significant cost to our business. Improving energy efficiency, sourcing renewable energy and decreasing direct and indirect energy usage and associated GHGs are integral to sustained excellence. To understand our global GHG footprint, we have been producing an emission inventory and responding annually to the CDP Supply Chain survey since 2011.

Our current Company goal is to reduce energy and GHG emissions by 2 percent year-over-year indexed to hours worked.

Waste
We have many opportunities to reduce waste, such as discovering innovative processes to eliminate waste streams from our production, reuse or recycle waste materials or identify new ways to divert waste from landfills. Our annual spend on waste disposal is approximately $8 million. In 2016, we have established our waste baseline and established a five-year goal to drive waste diversion from 80 percent to 90 percent.

Water
Our operations are not particularly water-intensive, and we are at an early stage of being able to track water usage globally. That said, we recognize water as an area of continuous improvement for Cooper Standard, particularly for facilities in regions facing water stress. Although we do not currently report to CDP Water, we are actively measuring our water baseline and ultimately plan to implement a strategy to reduce water use.

OUR ENVIRONMENTAL GOALS AND PERFORMANCE

G4-EN3, G4-EN4, G4-EN15, G4-EN16

In 2016, we focused on gathering a comprehensive, consistent baseline of environmental data. We mandated monthly data reporting to our global database, which was reviewed for completeness and performance trends by the Global Manufacturing Council. In 2016, our energy consumption for electricity and fossil fuels was 1.13 MMBTU/$1000 sales, resulting in greenhouse gas emissions of 0.13 tonnes GHG/$1000 sales.

For 2017, we have established environmental goals for energy and waste to landfill reduction and plan to begin development of long-term improvement goals around water.
SUPPLY CHAIN SUSTAINABILITY

Cooper Standard recognizes the importance of engaging with suppliers to create value for our customers and working together to improve our communities.

OUR APPROACH

Our global purchasing team lead by our vice president, supply chain and our regional operations are jointly responsible for the strategic management of our supply chain.

Just as we hold our employees to a high standard with an employee code of conduct <L.5>, we hold our suppliers accountable to a Supplier Code of Conduct <L.7>. This Code of Conduct covers corruption, bribery, reporting, human rights, safety, corporate responsibility, conflict materials and other chemical compliance programs. This allows us to reinforce with our suppliers that we expect all of our partners to live up to our values and standard of integrity.

SUPPLY CHAIN PRIORITIES

We continue to implement tools and standardized processes as a part of our CSOS to share best practices and achieve world-class performance globally.

Our Supplier Quality and Development Team tracks supplier performance metrics monthly. Some of these metrics are safety, delivery and quality. In addition, this team conducts ongoing supplier audits to ensure they meet our requirements. We notify our suppliers of quality, delivery, packaging and other issues via our Defective Material Notification process. Our global targets surrounding supply chain performance are incident reduction, on-time program launches, supplier development (percent excellent suppliers) and increased safety performance.

Ongoing engagement with key suppliers is important to our collaborations across our supply chain. We hold annual review meetings with our strategic suppliers both globally and regionally. These meetings are our opportunity to share our strategic priorities and learn from suppliers about their priorities. We also use this forum to share each supplier’s scorecard with them and ensure we have up-to-date information on their profile, safety data, quality data, ISO documentation and conflict minerals reporting. The top strategic suppliers who participate in this annual review account for 30 percent of our global spend. These are primarily raw material or component suppliers.

To reach another 75 to 100 suppliers, we hold an Annual Supplier Meeting in the second quarter of each year where we discuss Cooper Standard’s priorities, as well as invite speakers to address industry trends. During fall 2015, we also conducted a supplier meeting in China for regional suppliers.

“"We are committed to building strong relationships with our supply partners.”"
INFORMATION SECURITY

We rely upon our global information technology (IT) networks, systems and processes to manage and support our business. We have implemented a number of procedures and practices designed to protect against breaches or failures of our systems that could result in theft of our intellectual property, disruption to business or unauthorized access to customer or personal information.

OUR APPROACH

Cooper Standard’s vice president and chief information officer (CIO) is responsible for leading the transformation of the Company’s information technology function consistent with Cooper Standard’s mission to become a Top 30 global automotive supplier. An early step in this transformation included realigning the local and regional information technology organizations to report into the CIO to create a truly global IT organization working toward consistent global goals and standards.

As we develop and enhance our information security programs, we strive for alignment with international standard ISO/IEC 27001:2013(E), “Information Technology - Security Techniques - Information Security Management Systems - Requirements,” and we currently have 14 work streams mapped to this standard. Oversight of our IT program and priorities is a part of our overall Enterprise Risk Management process, which is chaired by the vice president, internal audit and includes representation from the CIO. This cross-functional committee assesses the risk of our various business processes, including IT, maintains Cooper Standard’s weighted and prioritized risk register and raises significant issues to our Global Leadership Team. Our CIO also reports IT and information security updates to our Board on a periodic basis. At a working level, within the IT department there is an operational security team, including senior IT managers, which meets monthly to identify, evaluate and address emerging IT risks.

Various policies and procedures are in place to govern our information security management programs. We have a broad IT policy and specific procedures which key off of the policy for elements such as anti-virus, cloud storage and software use.

As our IT systems progress and evolve, we must continue to build employee awareness of information security risks and opportunities. Consistent with our theme of Engaged Employees, keeping the information networks and intellectual property of the Company safe involves every employee to drive operational excellence.

INFORMATION SECURITY PRIORITIES

In late 2015, we engaged a third party to conduct a comprehensive enterprise risk assessment following a comprehensive global framework to assess staffing, processes and IT systems. The results of this assessment established the priorities we have been addressing, including an updated incident response strategy and policies and strategies for protecting critical data at the source.

GOALS AND PERFORMANCE

We track a variety of operational metrics on an ongoing basis to identify continuous improvement opportunities in information security. These metrics include tracking and analysis of blocked emails, anti-virus statistics, web statistics and security incidents.

“We push ourselves and our IT infrastructure to proactively identify and mitigate risks and sustain world-class performance.”

Sue Kampe
VP, Chief Information Officer
DRIVING VALUE THROUGH CULTURE, INNOVATION AND RESULTS

- Environmental Day in Brazil
- STEM Activities in China
- Les Ptit Doudous Run in France
- Tree Program in Mexico
- Make-A-Wish® 300 mile bike ride in the United States

WORLD-CLASS OPERATIONS
ENGAGED EMPLOYEES

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

Our employees are the heart and soul of the Company and the key factor of our success. Committed to excellence and driven to succeed, Cooper Standard employees are focused on the Company’s overall vision and strategy. From the board room to the lunch room, employees live our core values and engage in community initiatives that go beyond just building car parts.

TOPICS COVERED
Talent Management
Community Involvement

SUGGESTED LINKS
Health, Safety and Environment <pg. 30>
The Foundation Mission <L.9>
Veteran Causes <pg. 44>

TALENT MANAGEMENT

G4-DMA

As a global leader in the automotive industry, Cooper Standard needs to attract and retain top talent. Having the right talent in place is critical to innovation and operational excellence. Competition for talent in the automotive industry is increasing and given Cooper Standard’s growth strategy, it is even more critical that we attract, develop and retain the best talent in the industry.

We embrace this challenge as a Company. It fuels our efforts to continually improve our processes to attract, retain and reward our employees. We have work to do, but we are pleased with the results we see. Our global team of over 30,000 people in 20 countries are living our values on a daily basis and exemplifying the excellence that we strive for in our service to our customers.

OUR APPROACH

Our senior vice president and chief human resources officer oversees Cooper Standard’s global approach to human resources. The corporate human resources (HR) function is organized into six Centers of Excellence: Talent Management; Talent Acquisition; Total Rewards; HR Business Services; Human Resources Information System (HRIS) and Health, Safety and Environment <pg. 30>. Additionally, the Compensation Committee of the Board has oversight for the compensation programs and the compensation of the Company’s executive officers.

Each region has a regional human resources vice president who reports to the respective regional president and is supported by plant HR managers, and where we have multiple plants, country HR directors.

One key measure of our progress is the result of our periodic employee engagement survey. We use this important continuous improvement tool to measure how well we are living our Cooper Standard values and to increase our competitive advantage through an engaged global workforce. Results on our survey increased significantly from a 62 percent engagement score in 2013 to 70 percent in 2016 with an 86 percent response rate globally. While this result is consistent with average benchmark scores within our survey partner’s database, it is still below the 81 percent engagement score that we strive for in our quest for world-class results.

“Our successes are the result of our engaged employees. I am proud of our employees around the world. They are the heart and soul of the Company. Their alignment to our strategy and dedication to our culture of innovation and operational excellence will continue to drive our results.”

Larry Ott
SVP, Chief Human Resources Officer
TALENT MANAGEMENT PRIORITIES

At Cooper Standard, we believe that all employees, regardless of role, are leaders through their thoughts and actions. Whether a manager or an individual contributor, we expect each employee to embrace the eight capabilities in our Capabilities Model. In return, we have the systems and support in place to develop employees throughout their careers at Cooper Standard.

World-class organizations have a strong focus on succession planning to increase the number of positions filled internally. In order to continue to build the depth of our talent pool, we annually conduct an extensive global succession planning process. The succession planning process is also used to identify top technical talent, top leadership talent and emerging leaders. Our Total Rewards Team uses the results of the performance management and succession planning processes to ensure that all employees are being compensated appropriately relative to market data.

Since 2014, Cooper Standard has been tracking the internal fill rate for the organization as a measure of how effective we are in developing world-class talent internally. We measure the number of openings filled by internal candidates within Cooper Standard globally.

We are committed to providing feedback to employees through our annual performance review process.

In 2016, the GLT launched a mentoring program to provide additional avenues for employees to receive one-on-one career guidance from the top leaders of the Company. In 2017, we plan to expand this program beyond the GLT to the Senior Leadership Team, which represents the next level in the organization.

We are currently working through a curriculum development process to understand how we can develop training modules to support our capabilities model and to take existing regional programs and globalize them in ways that are culturally relevant.
Attracting a world-class, diverse employee base means nurturing them to grow, develop and create rewarding careers. This requires us to develop a deep understanding of employee needs, discover and cultivate leadership potential and empower employees with processes, tools and resources to learn and grow their career with us.

Our talent management goals are ambitious because our employees and our culture are so important to our success. Our 2017 priorities include:

• Execute action plans to support Total Safety Culture, and environmental and sustainability initiatives;
• Build talent through robust talent acquisition, on-boarding, employee and leadership development;
• Measure top priority achievement through the Cooper Standard Performance Management Process;
• Live the Cooper Standard values, measure engagement and support implementation of action plans; and
• Increase strategic impact through design and delivery of agile, scalable HR services.

Getting the right mix of talent is very important to us. We offer many opportunities to attract and sustain world-class talent at every level in the organization. Some of our innovative programs include:

• Operations and engineering leadership development programs: these two-to-three year rotational programs offer future manufacturing and engineering leaders in both the United States and Europe the opportunity to learn multiple facets of our business.

• Cooper Standard Affinity Groups:
  WISE Group
  (Women ∙ Inspire ∙ Support ∙ Enrich)
  STEM Group
  (Science ∙ Technology ∙ Engineering ∙ Math)
  Salutes Veterans Group

For Cooper Standard, offering an equal opportunity to everyone regardless of sex, age, race, religion, ethnicity and physical ability is more than just the law—it’s our culture. We feel diversity is more than just a tactic for the Company; instead we approach diversity as a vital part of Cooper Standard’s culture and a great opportunity to create and foster a culture that is reflective of where we live and work. Diversity of thought is also a key component to how we continue to foster innovation.

Our talent management goals are ambitious because our employees and our culture are so important to our success. Our 2017 priorities include:

• Execute action plans to support Total Safety Culture, and environmental and sustainability initiatives;
• Build talent through robust talent acquisition, on-boarding, employee and leadership development;
• Measure top priority achievement through the Cooper Standard Performance Management Process;
• Live the Cooper Standard values, measure engagement and support implementation of action plans; and
• Increase strategic impact through design and delivery of agile, scalable HR services.
Cooper Standard employees have a long history of community involvement. The primary vehicle for community engagement is through the work of the Cooper Standard Foundation.

**OUR APPROACH**

Since the establishment of the Cooper Standard Foundation in 2013, its mission has been to strengthen the communities in which Cooper Standard employees work and live through the passionate support of children’s charities, education, community health and wellness, and community revitalization. The Foundation is a 501(c)(3) organization with oversight by our Philanthropic Committee and Board of Trustees.

**COMMUNITY Ppriorities**

The Foundation focuses on four areas:

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

What sets the Foundation apart is its employee engagement aspect. When four or more Cooper Standard employees gather to raise money or volunteer for a charity, the Company matches their efforts with a financial contribution to the charity they have engaged with.

“We are proud of our commitment to community involvement, which engages our employees and their families to improve communities throughout the world.”

Sharon Wenzl
SVP, Corporate Communications and Community Affairs

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**COMMUNITY INVOLVEMENT STATISTICS SINCE 2013**

- **100** Total Charities Supported
- **13** Total Countries
- **350** Total Scholarships
- **$8M** Total Contributions

**In 2016**

- **40**
- **11**
- **116**
- **$2M**

**VOLUNTEER ENGAGEMENT SINCE 2013**

- **10,000** Total Engagements
- **5,000** New Engagements in 2016

---

EDUCATION INITIATIVES

As a global manufacturing leader, Cooper Standard is passionate about accelerating manufacturing careers.

STEM (Science, Technology, Engineering and Math) Initiatives

We created our STEM Affinity Group to drive interest in manufacturing and STEM careers. 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 2016, our STEM initiatives included:

- **FIRST® (For Inspiration and Recognition of Science and Technology) Robotics support:**
  - Livonia Michigan United Schools FIRST® Robotics Sponsorship
  - FIRST® Robotics programs at S.A.Y. Detroit Play Center
- **S.A.Y. Play Center:** as part of our internal STEM Accelerator program, Cooper Standard helped fund the science programs. Our trained STEM Accelerators volunteer to tutor and provide science demonstrations to promote STEM related careers.
- **China RUN FOR LOVE:** fundraising support for The Cooper Standard “Dream Classroom” program, which works to decorate classrooms and provide STEM-related teaching materials for children in China.

“I can’t thank you enough for your support of the S.A.Y. Play Center at Lipke Park. Your investment in the future of so many deserving kids speaks volumes about your commitment to the community. I’m proud to be associated with Cooper Standard and grateful for your backing.”

Mitch Albom
S.A.Y. Play Center Creator, Author and Cooper Standard Charity Partner
CREATING INTEREST IN MANUFACTURING CAREERS

Fifteen Cooper Standard facilities hosted Manufacturing Day events at their locations to celebrate modern manufacturing and inspire the next generation to consider opportunities in manufacturing-related careers. Manufacturing Day - produced by the National Association of Manufacturers, The Manufacturing Institute, Fabricators and Manufacturers Association International and Manufacturing Extension Partnership - is an annual event during which North American companies showcase modern manufacturing and foster interest in manufacturing careers. This year, more than 2,300 facilities in North America hosted events throughout October, which is coming to be known as Manufacturing Month.

Careers for Veterans Program

Cooper Standard is committed to supporting the men and women who served in the United States Military by helping them put their unique skill sets to work when they complete their service. Our formalized veterans’ support initiative, “Cooper Standard Careers for Veterans,” was created to provide career opportunities for military veterans and those who are transitioning from active service.

Careers for Veterans 200 NASCAR® Camping World Truck Series Race

Held the last three years, our sponsorship of the NASCAR® race event brought national attention to the importance and value of hiring veterans and raised more than $400,000 to support veteran education and support programs, including:

- Inforum’s Next4Vets™ program, jointly developed with Inforum, a professional women’s alliance, provides career transition training specifically designed for women veterans; and
- Macomb Community College: funding for veterans to pursue vocational training.

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

“A key part of CS Salutes is engaging within our communities. Events like military veterans’ job fairs are a perfect example of how we actively recruit talented veterans, as well as provide support for transitioning veterans in the United States.”

Scott Prygoski
Director, Information Technology and Salutes Affinity Group Lead

Manufacturing Day event with 8th graders in the United States
COMMUNITY HEALTH & WELLNESS INITIATIVES

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

- American Cancer Society® Relay for Life: supporter of this cause across the United States with six facilities and 91 employees and their families participating and contributing $60,038 in 2016.
- Gilda’s Club® Metro Detroit Burn the Mortgage Campaign: Cooper Standard joined forces with Gilda’s Club Metro Detroit to raise money to pay off the mortgage on their clubhouse where Gilda’s Club hosts their many free cancer support programs. This campaign kicked-off in May 2016 with a goal of raising funds to pay off the Charity’s $504,000 mortgage by May of 2017. It is anticipated that the pay-off will be ahead of schedule in March of 2017.
- Le Héros C’est Toi or You’re The Hero App: employees in France organized a fundraising go kart competition to enable a donation to Les P’tits Doudous charity, which has developed an app called “You’re the Hero” to help reduce children’s fear and anxiety while in the hospital.

REVITALIZATION

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

- Brazil Environmental Education: hosting events to educate high school students on safety and how to protect the environment, including topics on environmental responsibility, renewable energy, recycling and our natural resources.
- Serbia Sports Arena: support to reconstruct a multi-functional sports field for children to promote a healthy lifestyle for the local community.
- Working Homes / Working Families: employees and Cooper Standard leadership volunteer to help rebuild the Morningstar Neighborhood in Detroit, Michigan. To date, we have built a playground and refurbished nine homes that are donated to working homeless families.
HIGHLIGHTS OF OUR EVERY DAY COMMITMENT

Protecting the Environment
- Zdar, Czech Republic and Schelklingen, Germany locations upgraded their outdoor fueling areas.
- State-of-the-art waste storage facility installed in Piotrków Trybunalski, Poland.
- Schelklingen, Germany and Bielsko Biała, Poland locations installed best-in-class emission control devices minimizing air emissions and odors.

Inspiring Environmental Awareness
- Cooper Standard employees in Varginha, Brazil installed a sensory garden as a part of their environmental and health education program at local schools.
- Our Saltillo and Guaymas, Mexico locations sponsored tree programs to plant and care for trees.

Reducing Injuries and Improving Safety
- Regional workshop in Poland, Serbia and Romania for ergonomics training.
- Fire protection system upgrades have been implemented in Dzierżoniów and Częstochowa, Poland, Grünberg Germany and Bawal, Manesar and Ghaziabad, India.

“Our employees continue to be the drivers of our success. We look forward to sharing their many contributions in years to come.”

Jeffrey Edwards
Chairman and Chief Executive Officer
This quick-reference index includes disclosures from the GRI G4 Sustainability Reporting Guidelines referenced in this report.

### GENERAL STANDARD DISCLOSURES

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Description</th>
<th>Location Within Report</th>
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</tr>
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<tbody>
<tr>
<td>G4-1</td>
<td>Statement from the most senior decision-maker of the organization about relevance of sustainability to the organization and the organization’s strategy for addressing sustainability</td>
<td>Message from the CEO</td>
<td>1</td>
</tr>
<tr>
<td>G4-3</td>
<td>Name of the organization</td>
<td>About Cooper Standard</td>
<td>7</td>
</tr>
<tr>
<td>G4-4</td>
<td>Primary brands, products and services</td>
<td>Brands, Products &amp; Services, Core Products</td>
<td>9, 20</td>
</tr>
<tr>
<td>G4-5</td>
<td>Location of organization’s headquarters</td>
<td>Organizational and Business Structure</td>
<td>7</td>
</tr>
<tr>
<td>G4-6</td>
<td>Number of countries where the organization operates, and names of countries with significant operations or that are specifically relevant to the sustainability topics covered in the report</td>
<td>Global Footprint, Locations</td>
<td>7</td>
</tr>
<tr>
<td>G4-7</td>
<td>Nature of ownership and legal form</td>
<td>Organizational and Business Structure</td>
<td>7</td>
</tr>
<tr>
<td>G4-8</td>
<td>Markets served</td>
<td>Global Footprint, Brand, Product and Services</td>
<td>7, 9</td>
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<tr>
<td>G4-9</td>
<td>Scale of the reporting organization</td>
<td>Global Footprint, 2016 Performance Highlights</td>
<td>7, 10</td>
</tr>
<tr>
<td>G4-10</td>
<td>Total workforce by employment type, employment contract and region, broken down by gender</td>
<td>Organization and Business Structure, Talent Management</td>
<td>7, 39</td>
</tr>
<tr>
<td>G4-11</td>
<td>Percentage of total employees covered by collective bargaining agreements</td>
<td>Not Available</td>
<td></td>
</tr>
<tr>
<td>G4-12</td>
<td>Describe your Supply Chain</td>
<td>Supply Chain Sustainability</td>
<td>35</td>
</tr>
<tr>
<td>G4-13</td>
<td>Significant changes during the reporting period regarding size, structure, ownership or supply chain</td>
<td>None to report</td>
<td></td>
</tr>
<tr>
<td>G4-14</td>
<td>Precautionary approach</td>
<td>Cooper Standard manages risks and impacts of our products and operations but does not formally address the precautionary principal globally</td>
<td></td>
</tr>
<tr>
<td>G4-15</td>
<td>Externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or endorses</td>
<td>Cooper Standard does not currently endorse nor subscribe to any charters or principles</td>
<td></td>
</tr>
<tr>
<td>G4-16</td>
<td>Memberships in associations and/or national/international advocacy organizations</td>
<td>Awards &amp; Appointments: Memberships and Associations</td>
<td>14</td>
</tr>
<tr>
<td>G4-17</td>
<td>Entities included in the organization consolidated financial and nonfinancial reports</td>
<td>2016 10k &lt;L.11&gt;</td>
<td></td>
</tr>
<tr>
<td>G4-18</td>
<td>Process for defining report content</td>
<td>Materiality &amp; Stakeholder Engagement: Top Identification</td>
<td>3</td>
</tr>
<tr>
<td>G4-19</td>
<td>Material aspects identified in the process for defining report content</td>
<td>Materiality &amp; Stakeholder Engagement: Cooper Standard Material Topics</td>
<td>4</td>
</tr>
<tr>
<td>G4-20</td>
<td>Material aspect boundaries (inside the organization)</td>
<td>Materiality &amp; Stakeholder Engagement: Material Topics &amp; Boundaries</td>
<td>4</td>
</tr>
<tr>
<td>G4-21</td>
<td>Material aspect boundaries (outside the organization)</td>
<td>Materiality &amp; Stakeholder Engagement: Material Topics &amp; Boundaries</td>
<td>4</td>
</tr>
<tr>
<td>G4-22</td>
<td>Effect of restatements</td>
<td>Not Applicable; this is Cooper Standard’s inaugural report</td>
<td></td>
</tr>
<tr>
<td>G4-23</td>
<td>Significant changes since previous reporting period</td>
<td>Not Applicable; this is Cooper Standard’s inaugural report</td>
<td></td>
</tr>
<tr>
<td>G4-24</td>
<td>List of stakeholder groups engaged by the organization</td>
<td>Materiality &amp; Stakeholder Engagement: 2016 Materiality Assessment Engaged Stakeholders</td>
<td>3</td>
</tr>
</tbody>
</table>
The basis for identification and selection of stakeholders with whom to engage

Approach to stakeholder engagement

Key topics and concerns raised through stakeholder engagement

Reporting period

Date of most recent previous report

Reporting cycle

Contact point for questions regarding the report or its contents

GRI “in accordance” option; Content Index

Assurance

Governance structure

Values, principles, standard, and norms of behavior

Internal and external mechanisms for seeking advice on ethical and lawful behavior, such as helplines

Internal and external mechanisms for reporting concerns about unethical or unlawful behavior, such as helplines

SPECIFIC STANDARD DISCLOSURES

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Description</th>
<th>Location Within Report</th>
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<tbody>
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<td>ENVIRONMENTAL</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>G4-DMA</td>
<td>Energy</td>
<td>Environmental Management</td>
<td>33-34</td>
</tr>
<tr>
<td>G4-EN3</td>
<td>Energy consumption within the organization</td>
<td>Environmental Management: Energy Use &amp; GHG Emissions</td>
<td>34</td>
</tr>
<tr>
<td>G4-EN4</td>
<td>Energy consumption outside of the organization</td>
<td>Not Available, Developing Baseline</td>
<td></td>
</tr>
<tr>
<td>G4-DMA</td>
<td>Water</td>
<td>Environmental Management</td>
<td>33-34</td>
</tr>
<tr>
<td>G4-EN8</td>
<td>Total water withdrawal by source</td>
<td>Not Available, Developing Baseline</td>
<td></td>
</tr>
<tr>
<td>G4-DMA</td>
<td>Emissions</td>
<td>Environmental Management</td>
<td>33-34</td>
</tr>
<tr>
<td>G4-EN15</td>
<td>Direct GHG emissions (Scope 1)</td>
<td>Environmental Management: Energy Use and GHG Emissions</td>
<td>34</td>
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<tr>
<td>G4-EN16</td>
<td>Energy indirect GHG emissions (Scope 2)</td>
<td>Environmental Management: Energy Use and GHG Emissions</td>
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<tr>
<td>G4-DMA</td>
<td>Waste</td>
<td>Environmental Management</td>
<td>33-34</td>
</tr>
<tr>
<td>G4-EN22</td>
<td>Total water discharge by quality and destination</td>
<td>Not Available, Developing Baseline</td>
<td></td>
</tr>
<tr>
<td>G4-EN23</td>
<td>Total weight of waste by type and disposal method</td>
<td>Not Available, Developing Baseline</td>
<td></td>
</tr>
<tr>
<td>SOCIAL</td>
<td>Indicator</td>
<td>Details</td>
<td>GRI INDEX</td>
</tr>
<tr>
<td>-----------------</td>
<td>---------------------------------------------------------------------------</td>
<td>---------------------------------------------------------------------------------------------------</td>
<td>-----------</td>
</tr>
<tr>
<td>G4-DMA</td>
<td>Occupational Health &amp; Safety</td>
<td>Workplace Health &amp; Safety</td>
<td>30</td>
</tr>
<tr>
<td>G4-LA6</td>
<td>Type and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities</td>
<td>Workplace Health &amp; Safety: Our Goals &amp; Performance. There were zero fatalities during the reporting period</td>
<td>32</td>
</tr>
<tr>
<td>G4-DMA</td>
<td>Talent Management</td>
<td>Talent Management</td>
<td>39</td>
</tr>
<tr>
<td>Indicator</td>
<td>Employee Engagement Score</td>
<td>Talent Management: Talent Management Priorities</td>
<td>40</td>
</tr>
<tr>
<td>Indicator</td>
<td>Internal Fill Rate</td>
<td>Talent Management: Talent Management Priorities</td>
<td>40</td>
</tr>
<tr>
<td>G4-DMA</td>
<td>Communities</td>
<td>Community Involvement</td>
<td>42</td>
</tr>
<tr>
<td>Indicator</td>
<td>Volunteer Engagements</td>
<td>Community Involvement</td>
<td>42</td>
</tr>
<tr>
<td>G4-DMA</td>
<td>Product Responsibility</td>
<td>Product Safety &amp; Quality</td>
<td>42</td>
</tr>
<tr>
<td>G4-PR1</td>
<td>Percentage of significant product and service categories for which health and safety impacts are assessed for improvement</td>
<td>Not Available</td>
<td>22</td>
</tr>
<tr>
<td>G4-DMA</td>
<td>Customer Satisfaction</td>
<td>Customer Satisfaction</td>
<td>17</td>
</tr>
<tr>
<td>Indicator</td>
<td>Completion of monthly client scorecard reviews</td>
<td>Customer Satisfaction</td>
<td>18</td>
</tr>
<tr>
<td>G4-DMA</td>
<td>Innovation</td>
<td>Innovation</td>
<td>24</td>
</tr>
<tr>
<td>Indicator</td>
<td>R&amp;D as a percent of sales</td>
<td>Innovation</td>
<td>26</td>
</tr>
<tr>
<td>Indicator</td>
<td>Annual booked business from innovations</td>
<td>Innovation</td>
<td>26</td>
</tr>
<tr>
<td>G4-DMA</td>
<td>Supply Chain</td>
<td>Supply Chain Sustainability</td>
<td>35</td>
</tr>
<tr>
<td>G4-LA14</td>
<td>Percentage of new suppliers that were screened using labor practices criteria</td>
<td>Not Available, developing baseline</td>
<td></td>
</tr>
<tr>
<td>G4-DMA</td>
<td>Ethics &amp; Compliance</td>
<td>Governance, Ethics &amp; Compliance</td>
<td>11</td>
</tr>
<tr>
<td>G4-SO4</td>
<td>Communication and training on anti-corruption policies and procedures</td>
<td>Governance, Ethics &amp; Compliance: Compliance Training</td>
<td>12</td>
</tr>
</tbody>
</table>
APPENDIX

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

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

Non-GAAP Financial Measures

EBITDA, adjusted EBITDA, adjusted net income, adjusted earnings per share and free cash flow are measures not recognized under U.S. GAAP and which exclude certain non-cash and special items that may obscure trends and operating performance not indicative of the Company’s core financial activities. Management considers EBITDA, adjusted EBITDA, adjusted net income, adjusted earnings per share and free cash flow to be key indicators of the Company’s operating performance and believes that these and similar measures are widely used by investors, securities analysts and other interested parties in evaluating the Company’s performance. In addition, similar measures are utilized in the calculation of the financial covenants and ratios contained in the Company’s financing arrangements and management uses these measures for developing internal budgets and forecasting purposes. EBITDA is defined as net income adjusted to reflect income tax expense (benefit), 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 earnings per share is defined as adjusted net income divided by the weighted average number of basic and diluted shares. 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 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 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 and free cash flow differently and therefore the Company’s results may not be comparable to other similarly titled measures of other companies. In addition, in evaluating adjusted EBITDA and adjusted net income, it should be noted that in the future the Company may incur expenses similar to or in excess of the adjustments. This presentation of adjusted EBITDA and adjusted net income should not be construed as an inference that the Company’s future results will be unaffected by special items. Reconciliations of EBITDA, adjusted EBITDA and free cash flow follow.
Non-GAAP Reconciliation

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

<table>
<thead>
<tr>
<th>Year End December 31st</th>
<th>2016</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net income attributable to Cooper-Standard Holdings Inc.</td>
<td>$138,988</td>
<td>$111,880</td>
<td>$42,779</td>
<td>$47,941</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>54,321</td>
<td>41,218</td>
<td>42,810</td>
<td>45,599</td>
</tr>
<tr>
<td>Interest expense, net of interest income</td>
<td>41,389</td>
<td>38,331</td>
<td>45,604</td>
<td>54,921</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>122,660</td>
<td>114,427</td>
<td>112,580</td>
<td>111,028</td>
</tr>
<tr>
<td>EBITDA</td>
<td>357,358</td>
<td>305,856</td>
<td>243,773</td>
<td>259,489</td>
</tr>
<tr>
<td>Gain on remeasurement of previously held equity interest (1)</td>
<td>-</td>
<td>(14,199)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Restructuring charges (2)</td>
<td>46,031</td>
<td>53,844</td>
<td>17,188</td>
<td>21,192</td>
</tr>
<tr>
<td>Impairment charges (3)</td>
<td>1,273</td>
<td>21,611</td>
<td>26,273</td>
<td>-</td>
</tr>
<tr>
<td>Gain on divestiture (4)</td>
<td>-</td>
<td>(8,033)</td>
<td>(14,568)</td>
<td>-</td>
</tr>
<tr>
<td>Loss on refinancing and extinguishment of debt (5)</td>
<td>5,104</td>
<td>-</td>
<td>30,488</td>
<td>-</td>
</tr>
<tr>
<td>Secondary offering underwriting fees and other expenses (6)</td>
<td>6,500</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Amortization of inventory write-up (7)</td>
<td>-</td>
<td>1,419</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Settlement charges (8)</td>
<td>281</td>
<td>-</td>
<td>3,637</td>
<td>-</td>
</tr>
<tr>
<td>Share-based compensation (9)</td>
<td>-</td>
<td>(71)</td>
<td>2,770</td>
<td>5,225</td>
</tr>
<tr>
<td>Acquisition costs</td>
<td>-</td>
<td>1,637</td>
<td>740</td>
<td>946</td>
</tr>
<tr>
<td>Other</td>
<td>155</td>
<td>301</td>
<td>1,236</td>
<td>515</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>$416,702</td>
<td>$362,365</td>
<td>$311,537</td>
<td>$287,367</td>
</tr>
</tbody>
</table>

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

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

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

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

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

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

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

(8) Settlement charges in 2016 related to the initiative to de-risk the U.K. pension plans. Settlement charges in 2014 related to the U.S. pension plans that were amended to offer a one-time voluntary lump sum window to certain terminated vested participants.

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