



2019 ANNUAL REPORT

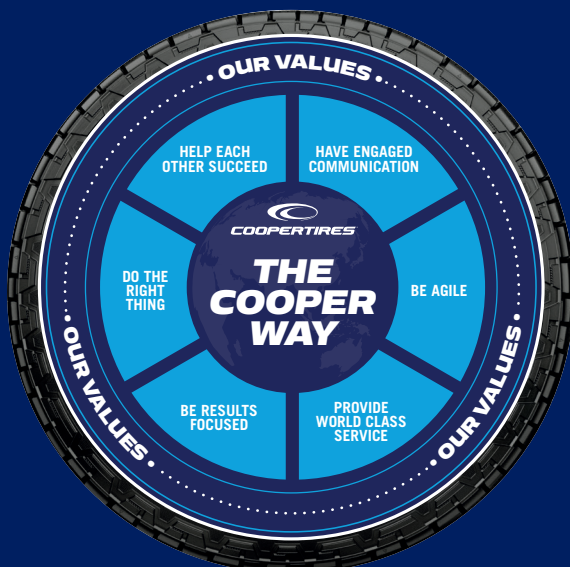


OUR PURPOSE

Everyone deserves to travel through life's journeys with confidence, and Cooper is there at every turn.

OUR MISSION

**AS A GLOBAL COMPANY,
WE BRING GREAT PEOPLE
AND OUTSTANDING PARTNERS
TOGETHER TO DELIVER
WINNING PRODUCTS TO EVERY MARKET
WHERE WE COMPETE, CREATING VALUE
FOR ALL OUR STAKEHOLDERS.**



OUR VALUES – THE COOPER WAY

- Help each other succeed
- Have engaged communication
- Be agile
- Provide world class service
- Be results focused
- Do the right thing



March 26, 2020

To our stockholders:

At Cooper, every day we make an impact. Because every day, we make great tires that take off-road excursions, trips to school, long-haul shipping runs and family vacations. Tires that connect the whole world. That's why we recently introduced our Purpose statement. It's a simple way to think about the impact we have every day. It's our reason for being.

Our Mission helps us achieve that Purpose. And what surrounds them both? It's our Values: The Cooper Way.

Our Purpose. Our Mission. And the Cooper Way. They are enduring and directly connected to our business strategy, which helps Cooper compete in the global tire industry, continuing to make an impact on our business and the world.

2019: A Year of Progress

Cooper responded well to challenging conditions, delivering improved operating profit, operating profit margin and operating cash flows in 2019. Operating profit was \$174 million, or 6.3 percent of sales, with operating profit margin improving throughout the year from 4.3 percent in the first quarter to 8.5 percent in the fourth quarter. Additionally, operating cash flow improved by \$33 million, which helped fund our strategic initiatives. All of this was achieved despite headwinds from net new tariffs and restructuring costs.

Even more importantly, we continued to make significant progress on the strategic initiatives we outlined in May 2018 at our Investor Day including:

Expanding our retail presence: The goal of this key initiative is to make Cooper products available at a greater number of retail points where consumers want to shop for tires. This effort is progressing extremely well. In the U.S., we have added thousands of additional points of sale over the last 18 months, and we will continue to find ways to provide consumers with easier access to our brands and products. We have added or expanded business with key national and independent retailers. In fact, Cooper tires are now available in the top five tire retailers in the U.S. In addition, we have also seen strong growth on e-commerce platforms.

Improving mix: In our reported results for full year 2019, mix significantly contributed to our profit improvement, supported by the continued consumer transition to larger rim diameter tires. Cooper has enhanced our capabilities to deliver these high value-add products.

Securing strategic Original Equipment (OE) fitments: We talked at our Investor Day about selectively pursuing strategic OE tire fitments, and have since announced multiple fitments with luxury auto brand, Mercedes-Benz.

Expanding our Truck and Bus Radial (TBR) tire business: Another key strategy reviewed at our Investor Day was the expansion of our TBR tire business driven by the planned introduction of a Cooper TBR tire lineup to augment our Roadmaster brand. This Cooper brand launched and immediately got off to a strong start. In fact, today Cooper brand TBR tires are standard original equipment on Blue Bird school buses, which transport children to and from school every day across North America.

Strengthening our global manufacturing footprint: In 2018, we described how Cooper was evaluating and enhancing our global manufacturing footprint to have the right technology and capabilities, with the right production capacity in the right locations, while also enhancing the competitiveness of our cost structure. Following this evaluation, we ceased light vehicle tire production at our high-cost Melksham, England plant and transitioned production of these tires to other, lower-cost facilities in our network. In Asia, we launched a joint venture TBR tire plant in Vietnam. Finally, in Latin America, we recently bought out our joint venture partner in Mexico to take full ownership to better leverage that low-cost facility.

Accelerating the cadence of compelling new product launches: At our Investor Day, we noted that Cooper planned to increase the pace of new product introductions to assure that we continually have fresh, compelling new products hitting the market, especially in key segments. We've been delivering on this promise with new product launches such as the Discoverer AT3, Starfire Solarus, and Discoverer EnduraMax.

Improving cost competitiveness and cash management: Through the strong work of our team, we have achieved significant working capital improvements. Cooper also

refinanced our 2019 senior notes, providing further financial flexibility as well as interest rate savings that we will begin to see in 2020.

Building out a digital marketing capability and enhancing brand awareness: Cooper has developed a digital marketing capability with a dedicated team focused on leveraging digital to drive our business. In addition, we have continued to invest in consumer brand awareness efforts and launched a new campaign including television, digital and print advertising featuring our new Uncle Cooper spokesperson.

We are proud of our teams around the globe, who have aligned around our strategic plan and have worked extremely hard to make such substantial progress on our key initiatives even in the face of formidable challenges.

In addition to the efforts detailed above, we also made great strides on improving critical capabilities. For example, since our Investor Day in 2018, we strengthened our leadership team with multiple key management appointments including new leaders for our global technical and finance organizations as well as a new leader of our Asia operations. Cooper also made important additions to our board of directors to support the Board refreshment process.

It is important to note that Cooper also made headway on our diversity and inclusion efforts, earning a 100 percent score on the Corporate Equality Index and receiving recognition from two different organizations for the representation of females on our board of directors. We continue to focus on these efforts as well as sustainability initiatives and are proud to be one of the founding members of the Tire Industry Project and Global Platform for Sustainable Natural Rubber. These global initiatives, led by major global tire manufacturing companies, are focused on developing solutions for a sustainable tire industry.

This is an exciting time at Cooper as our strategic initiatives continue to lead a positive transformation of our company. We have positive momentum and will build upon what we have achieved in 2019 with the anticipation that our efforts will continue to impact on our financial results in 2020 and beyond.

Our people are at the center of Cooper's growth efforts and we value their hard work and contributions as well as the loyalty of our customers. We are excited about the future and thank you, our stockholders, for your support.



A handwritten signature in black ink that reads "Bradley E. Hughes".

Bradley E. Hughes
President & Chief Executive Officer



A handwritten signature in black ink that reads "TP Capo".

Thomas P. Capo
Chairman

STOCKHOLDER INFORMATION

Executive Offices

Cooper Tire & Rubber Company
701 Lima Avenue
Findlay, OH 45840
419-423-1321

For Information

Tire Products	800-854-6288
Investor Relations	419-424-4165
Website	www.coopertire.com

Annual Meeting

The 2020 Annual Meeting of Stockholders of Cooper Tire & Rubber Company will be held on Friday, May 8, 2020 at 10:00 a.m. Eastern Daylight Time. The 2020 Annual Meeting will be a “virtual” meeting. All stockholders are cordially invited to participate. Proxy material was sent or made available to stockholders.

Transfer Agent & Registrar

Computershare Inc.
PO Box 30170
College Station, TX 77842-3170

888-294-8217 (toll free)
24 hours automated or Mon. - Fri.
8:30 a.m. to 5:30 p.m. (Central Time)
www.computershare.com/investor
<https://www-us.computershare.com/investor/contact>

Stockholders requiring a change of name, address or ownership of shares, as well as information about stockholder records, lost or stolen certificates, dividend checks, dividend direct deposit and dividend reinvestment should contact our transfer agent by mail, by telephone or through its website.

Filing Certifications

The Company has filed the certification required by Section 302 of the Sarbanes-Oxley Act of 2002 as an exhibit to its Form 10-K for the fiscal year ending December 31, 2019, filed with the Securities and Exchange Commission. On May 16, 2019, the Company filed with the New York Stock Exchange its Annual CEO Certification.

Direct Investment Plan

Computershare Investor Services serves as Administrator for a direct investment plan for the purchase, sale and/or dividend reinvestment of Cooper Tire & Rubber Company common stock. For information, call Computershare Investor Services at 888-294-8217.

Board of Directors

Thomas P. Capo¹
Non-Executive Chairman of the Board,
Former Chairman of the Board
Dollar Thrifty Automotive Group, Inc.

Steven M. Chapman^{1, 3}
Group Vice President, China and Russia
Cummins, Inc.

Susan F. Davis³
Former Executive Vice President,
Asia-Pacific Region
Johnson Controls

Kathryn P. Dickson²
President, Manitoba Harvest,
a subsidiary of Tilray, Inc.

John J. Holland²
President
Greentree Advisors LLC

Bradley E. Hughes
President & Chief Executive Officer
Cooper Tire & Rubber Company

Tracey I. Joubert²
Chief Financial Officer
Molson Coors Brewing Company

Gary S. Michel^{1, 2}
President and Chief Executive Officer
JELD-WEN Holding, Inc.

Brian C. Walker^{1, 3}
Former President and
Chief Executive Officer
Herman Miller, Inc.

Robert D. Welding³
Former Non-Executive Chairman
Public Safety Equipment (Int'l) Limited

Executive Officers

Bradley E. Hughes
President & Chief Executive Officer

Christopher J. Eperjesy
Senior Vice President &
Chief Financial Officer

Stephen Zamansky
Senior Vice President,
General Counsel & Secretary

Other Corporate Officers

Gerald C. Bialek
Vice President & Treasurer

Philip F. Kortokrax
Senior Vice President

Jack J. McCracken
Vice President,
Assistant General Counsel
& Assistant Secretary

¹ Member of the Nominating and Governance Committee

² Member of the Audit Committee

³ Member of the Compensation Committee



COOPER TIRE & RUBBER COMPANY

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www.coopertire.com