



**COOPER  
TIRES**

2020 ANNUAL REPORT

March 25, 2021



## To our stockholders:

### 2020: A Year of Challenge and Response

The past year was one of challenge and response. The first half of 2020 was extremely challenging as the global pandemic significantly impacted our production due to plant shutdowns, and consumer demand from stay at home orders. During the second half of the year, our plants ramped back up in response to a surprisingly rapid recovery in consumer demand for tires. At Cooper, we are proud of the way our teams responded throughout the year to both the challenges and the opportunities while remaining fully engaged with our strategic plan.

Despite these conditions of the last year, Cooper generated improved financial results in 2020 compared with 2019. Operating profit for 2020 improved by over 32 percent compared to 2019, and the full year 2020 operating profit margin of 9.2 percent approached the bottom end of our stated 10 to 14 percent range. This was driven by strength within our Americas segment, as well as improved results internationally. Additionally, our strong performance and the decisive actions we took during the early stages of the pandemic to reduce working capital, capital expenditures and discretionary spending resulted in significant free cash flow for 2020, helping us end the year with more than \$625 million of cash and over \$1 billion of available liquidity.

The Cooper value proposition of providing high quality tires at an affordable price proved to be compelling for consumers, especially in the economic environment of 2020. Our continued commitment to traditional customers and growth from our retail expansion strategy fueled a balanced transformation that helped us deliver these results.

We also continue to make progress on our people strategy, including our diversity, equity, and inclusion efforts. Cooper received a perfect score of 100 on the Human Rights Campaign Foundation's 2021 Corporate Equality Index (CEI), designating our company as a Best Place to Work for LGBTQ Equality for a second consecutive year. In addition, we were recognized by Forbes as one of the World's Best Employers in 2020, ranking highly in the automotive industry and placing second among six tire companies that were included in the top 750 companies recognized.

### Proposed Acquisition: Cooper's Next Chapter

On February 22, 2021, Cooper and The Goodyear Tire & Rubber Company announced a definitive transaction agreement under which Goodyear will acquire Cooper in a cash-and-stock transaction. Under the terms of the transaction, Cooper shareholders will receive \$41.75 per share in cash and a fixed exchange ratio of 0.907 shares of Goodyear common stock per Cooper share.

Cooper has transformed into a dynamic consumer-driven organization that has balanced traditional and emerging channels to increase demand for our products while updating and effectively leveraging our global manufacturing footprint. This transaction will mark the start of a new chapter for Cooper, which we are entering from a position of strength. We look forward to the opportunity to combine Cooper's considerable talents and assets with Goodyear's and be part of a bigger, stronger organization that will be well-positioned to win in the global tire industry.

We look forward to working closely with Goodyear to close the transaction, which we expect to occur in the second half of 2021.

We are very proud of how far the company has come in its 100+ year history. Thank you to all of our employees for their unwavering dedication, which has helped us reach this point, and to our customers, partners and stockholders for their continued trust, loyalty, and 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 "John J. Holland".

**John J. Holland**  
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	coopertire.com

## Annual Meeting

The 2021 Annual Meeting of Stockholders of Cooper Tire & Rubber Company will be held on Friday, May 7, 2021 at 10:00 a.m. Eastern Daylight Time. The 2021 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)  
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, 2020, filed with the Securities and Exchange Commission. On May 14, 2020, 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

Steven M. Chapman<sup>1, 3</sup>  
Former Group Vice President,  
China and Russia Cummins, Inc.

Susan F. Davis<sup>3</sup>  
Former Executive Vice President,  
Asia-Pacific Region Johnson Controls

Kathryn P. Dickson<sup>2</sup>  
Former President, Manitoba Harvest,  
a subsidiary of Tilray, Inc.

John J. Holland<sup>2</sup>  
Non-Executive Chairman of the Board,  
President, Greentree Advisors LLC

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

Tyrone M. Jordan  
Former President & Chief Operating  
Officer DURA Automotive Systems

Tracey I. Joubert<sup>2</sup>  
Chief Financial Officer  
Molson Coors Beverage Company

Gary S. Michel<sup>1, 2</sup>  
President and Chief Executive Officer  
JELD-WEN Holding, Inc.

Brian C. Walker<sup>1, 3</sup>  
Former President and Chief Executive  
Officer Herman Miller, Inc.

Robert D. Welding<sup>3</sup>  
Former Non-Executive Chairman Public  
Safety Equipment (Int'l) Limited

## Executive Officers

Bradley E. Hughes  
President & Chief Executive Officer

Gerald C. Bialek  
Vice President, Treasurer &  
Interim Chief Financial Officer

Paula S. Whitesell  
Senior Vice President &  
Chief Human Resources Officer

Stephen Zamansky  
Senior Vice President,  
General Counsel & Secretary

## Other Corporate Officers

Christopher O. Ball  
Senior Vice President

Philip F. Kortokrax  
Senior Vice President

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

Mark A. Young  
Vice President & Chief  
Accounting Officer

<sup>1</sup> Member of the Nominating and  
Governance Committee

<sup>2</sup> Member of the Audit Committee

<sup>3</sup> Member of the Compensation Committee



**COOPER TIRE & RUBBER COMPANY**

701 Lima Avenue, Findlay, Ohio 45840  
[coopertire.com](http://coopertire.com)