

OUR COMMITMENT TO SUSTAINABILITY



COOPER | MACHINERY SERVICES

LEGENDS DON'T QUIT. WE MAKE SURE OF IT.™

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ENVIRONMENTAL
GHG Emissions Reduction

Environmental protection is core to our business. Our products are specifically designed to improve energy efficiency, reduce emissions, and reduce waste through technological innovations. For decades our continuous improvement efforts have provided our customers the confidence that our equipment provides superior environmental protection.

Our Focus:

- Environmental Protection
- Elimination of Hazardous Processes
- Waste Reduction



SOCIAL
Four Years Injury Free

Cooper wins with its people. Our people are at the center of all we do. Our culture values diversity, inclusion, and equality of opportunity. We are committed to strengthening our communities through philanthropic and volunteer efforts. Our training and Zero-Injury culture is designed to ensure every person goes home to their loved ones safely at the end of each day.

Our Focus:

- Safety
- Core Values
- Commitment to Diversity & Inclusion



GOVERNANCE
Be the Voice of Integrity

Cooper is a complex global business, serving a variety of industries with a supplier base located on five continents. We conduct ourselves with integrity, and we hold our partners to that same standard. Our sustainable business practices are based on accountability, fairness, transparency, responsibility, and compliance with the laws and regulations in the nations we do business.

Our Focus:

- Regulatory Excellence
- Ethics & Compliance
- Cyber, Information & Privacy Security
- Supply Chain

MESSAGE FROM THE CEO



As a global company, Cooper takes its responsibility to be a good corporate citizen enthusiastically. I'm very proud of the way our people consistently and ethically operate with high standards in safety, quality, social responsibility, compliance, and environmental impact. It starts on the inside. We promote a culture of always finding ways to make incremental improvements, like eliminating hazardous processes or doing more in our communities.

This report summarizes our collective efforts to build a world class Sustainability program that promotes Environmental, Social, and Governance ("ESG") best practices. Put simply, "how we do the most good for the most people". **I am very proud that our sustainability journey is helping our customers along their own journey.** It's something we take very seriously, and we're not ashamed to say that we're really good at it. Through innovative products and services, we are making major contributions to reducing our industry's environmental impact.

To each and every one of our employees, customers, and investors; Thank You for your tireless commitment to Cooper's sustainability efforts.

John B Sargent

John B. Sargent
Chief Executive Officer

ABOUT COOPER

Cooper Machinery Services (Cooper) has been producing world-class industrial equipment and serving customers since 1833. From steam engines to warship propulsion, to the world's best-known engine and compressor brands, Cooper has been a mainstay of industry for nearly 200 years. Cooper provides technological upgrades, parts, field service, and shop repairs for a portfolio of legendary engine and compressor brands, serving the global gas compression and power generation markets with the finest after-sale support in the industry.

Today we utilize sustainable manufacturing processes and operations to build new, as well as upgrade existing engines and compressors for significant reductions in greenhouse gas (GHG) emissions and improvements in overall efficiencies. These services, and the continued parts and maintenance support, allow Cooper's customers to continue to satisfy societal energy demands reliably and consistently with minimal environmental impact.

OUR COMMITMENT TO SUSTAINABILITY, ESG, & INNOVATION

The cornerstone of Cooper’s Sustainability and ESG program is our ability to offer the products and services necessary to upgrade, maintain, and overhaul large industrial engines and compressors to perform in an efficient and environmentally friendly manner. Cooper was reformed in 2019 but has a history of more than 185 years of integrity culture and ethical behavior while operating as a socially responsible business with best-in-class health, safety, and labor standards. Our goal is to operate with integrity and transparency, actively caring for our people, our communities, and our partners, and making sure our environmental impact is always positive.



Jordan Smith, VP of Sustainability & Emerging Technologies

THE PRINCIPLES OF BEST PRACTICE ESG ARE EMBEDDED INTO EVERYTHING WE DO, FROM OUR PRODUCTS, OUR BUSINESS PROCESSES, TO HOW WE ENGAGE WITH STAKEHOLDERS. THIS ALSO INCLUDES INTEGRATION EFFORTS WITH NEW BRAND AND COMPANY ACQUISITIONS.

We believe technological innovations in gas engines and compressors are key to improving energy efficiency. Our products and services help make access to reliable energy more affordable and with minimal environmental impact. By doing so, we improve the standard of living for all, stimulate economic growth, improve health, and create employment opportunities.

An important part of what we do is help customers meet their sustainability goals through our proprietary products and services that reduce the environmental impact of hydrocarbon-intensive operations, reducing methane (CH₄), and other greenhouse gases.



To support our Sustainability efforts, Cooper actively supports the United Nation’s Sustainable Development Goals, a globally shared blueprint for peace and prosperity for the people of the planet.



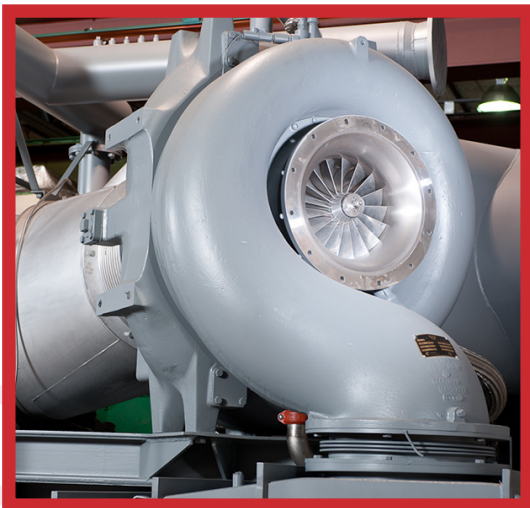
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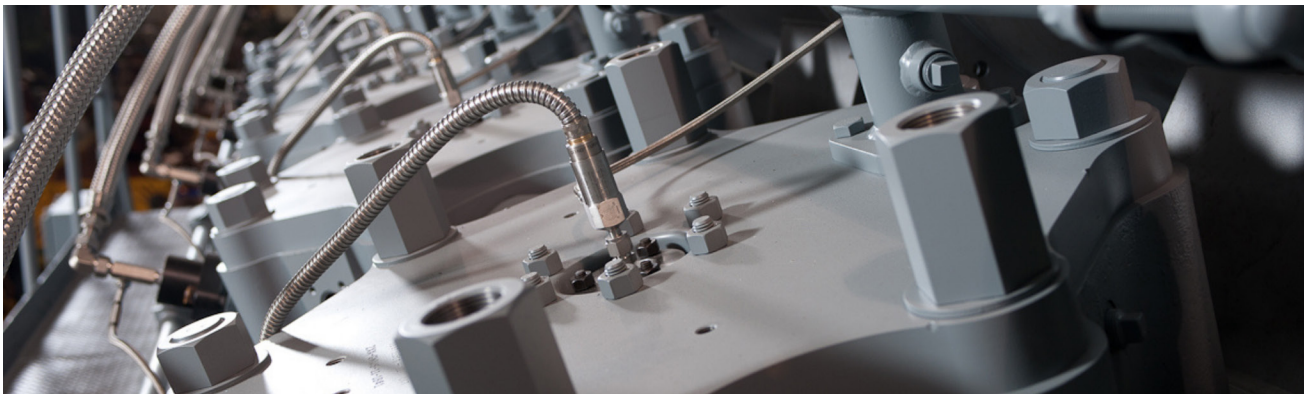
E OUR COMMITMENT TO THE ENVIRONMENT



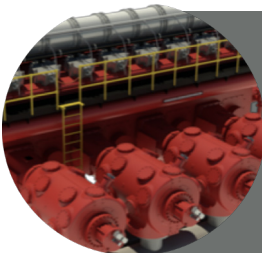
Environmental protection has always been at the core of how Cooper conducts its business. We have been active for decades in reducing emissions, improving energy efficiency, eliminating hazardous processes, and the remanufacturing of existing components to reduce the environmental impact of the equipment we service. We place environmental protection at the forefront of our thinking when we develop our products and services. Cooper is committed to helping our customers extend the life of their equipment and bringing environmentally sustainable solutions to the market.



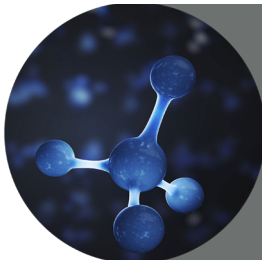
E REDUCING EMISSIONS & IMPROVING ENERGY EFFICIENCY



Cooper offers a range of equipment upgrade solutions to reduce engine emissions and enhance engine & compressor performance. Technological advancements in combustion components, air/fuel ratio control, and engine monitoring equipment allow for precise control of performance reducing emissions levels, improving reliability, safety, and driving fuel efficiencies. All contributing to the reduction of Scope 1 emissions.



Cooper's CleanBurn Plus™ upgrade package is a comprehensive solution that can **reduce methane output by up to 50%** in most of the industry's integral engine compressors. For a fleet of engines rated collectively at 100,000 HP, this level of CO2 reduction can equal 20,000 tons/year, equivalent to the elimination of 4,348 standard passenger cars.



Cooper installed the first CleanBurn™ unit in 1977. This was quickly followed by the first CleanBurn™ retrofit a year later. This technology quickly became the standard for all new units. Cooper has integrated the CleanBurn™ technology to other manufacturers' units over the past 40 years **eliminating more than 3.5 MM tons of NOx** while reducing total hydrocarbons.



Cooper has successfully tested our slow-speed integral test engine with up to **35% hydrogen gas fuel blending** to demonstrate the emissions benefits and safe operating range in large-bore internal combustion engines. The preliminary test results have indicated impressive improvements in methane, CO, and VOC emissions levels. In addition, Cooper is currently partnering with two major customers for the field testing of hydrogen fuel blends on installed integral engine/compressors which will further confirm compatibility with Cooper OEM equipment. This testing is scheduled for completion by the end of 2022.

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E SUSTAINABLE OPERATIONS & MANUFACTURING PROCESSES

Cooper is at the forefront of environmental protection in our industry and is committed to helping our customers extend the life of their equipment and bringing environmentally sustainable solutions to the market.

In addition, we repair parts and repurpose existing compressor packages to reduce the overall environmental impact of operating our equipment. In addition to the environmental impact, component repair and equipment refurbishment also provide our customers significant cost savings. We operate numerous strategically located service locations in the United States and worldwide, reducing the need for longer and more expensive supply chains.



UPGRADING EQUIPMENT VS. REPLACING WITH NEW CAN REDUCE OUR CUSTOMER'S COSTS BY AS MUCH AS 80%



To reduce overall environmental impact, repairing parts and repurposing of old compressor packages is the right choice. Cooper is committed to helping our customers extend the life of their equipment, reduce scope 3 emissions, and bringing environmentally sustainable solutions to the market.



Our O.E.M. certified refurbished packages carry the same warranties and guarantees as our new compressors and the lead times will be much shorter compared to a newly built package. Our customers consider the cost savings and environmental impact of refurbishing a new part or compressor in lieu of building new.



Cooper recently eliminated chrome and tin from our power cylinder & piston manufacturing process. Chrome plating is hazardous for the environment, uses toxic acid baths and produces hazardous byproducts, which may cause various health conditions and pollution risks. Hard iron plating is 99.9% pure electrodeposited iron with physical properties comparable to low carbon steel. If the chemicals in this process are neutralized and packaged correctly, these chemicals can be disposed of as a class III non-hazardous waste.



SOCIAL

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S SAFETY-FIRST: OUR ZERO INJURY CULTURE

Cooper's most valuable asset is our people. No aspect of our business is of greater importance than their personal safety. Cooper is committed to the health and safety of its employees with its safety-first, zero injury culture, as well as health and wellness programs at our facilities around the world. Our goal is to prevent injuries, accidents, illnesses, or harm. Cooper requires the active commitment to, and the accountability for health and safety from all employees and contractors.

Cooper's Houston, Texas manufacturing facility and corporate HQ recently celebrated a significant safety milestone marking 4 years without a lost time accident. This record of injury-free work is just one example of the company's strong safety culture. Since the launch of our safety reporting app, Cooper's employees have been exemplary in reporting safety observations and exercising "stop work" authority to improve safety site-wide.



All Cooper employees and contractors are extensively trained to work safely and are expected to adhere fully with all applicable safety laws and regulations.



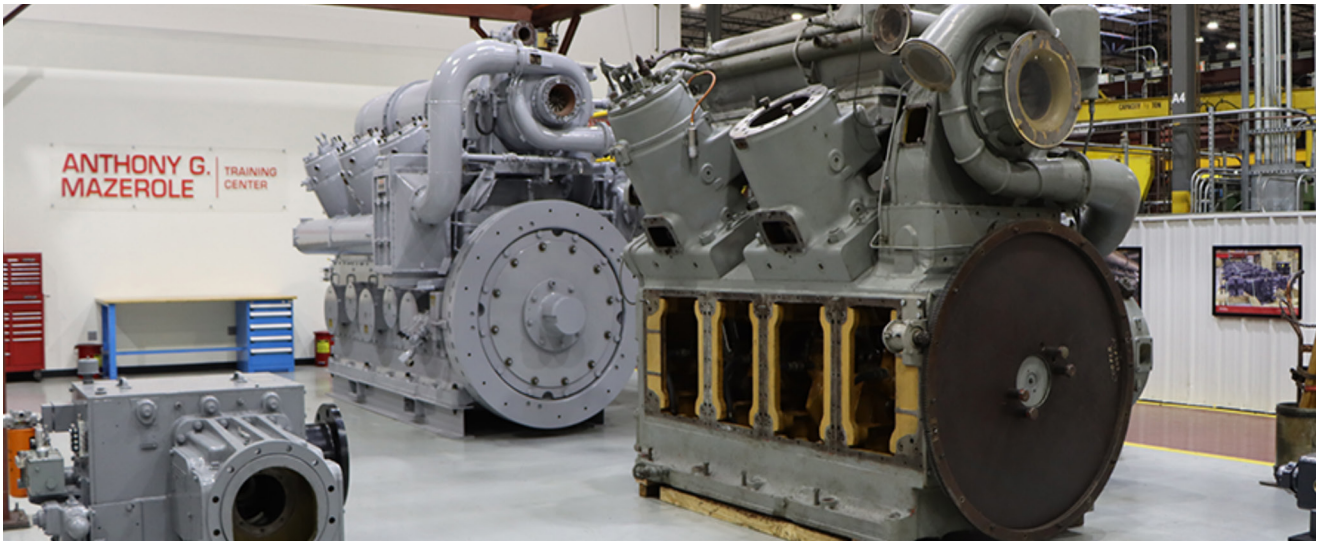
Cooper management is responsible for demonstrating safety leadership, promoting safety as a core value, ensuring that our employees are provided with a safe work environment, and establishing and maintaining a management system which includes effective policies, procedures, and work practices.



Cooper understands that all safety incidents are preventable, and that safety is an integral part of every job. Cooper evaluates and reports safety performance of all employees for continuous improvement in order to maintain safety as one of the key metrics inside our company.

OUR COMMITMENT TO TRAINING

Cooper has created the Mazerole Training Center, a dedicated training facility located in Houston, Texas designed to educate Cooper employees, customers, operators, and maintenance personnel in the specifications, safe operation, and routine servicing of their large-bore, integral and high-speed compression equipment. The combination of practical experience and a comprehensive theoretical understanding of the equipment enables our trainers to deliver complex ideas in a constructive, positive way. Training packages include lectures, discussions, hands-on material, student handouts, and a Certificate of Completion.



OUR COMMITMENT TO DIVERSITY, EQUITY, AND INCLUSION (DEI)

Cooper recognizes that diversity of thought, background, and experience is a business asset, and has implemented hiring practices to further enhance diversity, equity, and inclusion throughout the organization. We have taken steps such as:

- Mitigate potential bias in hiring practices, performance appraisals, and compensation decisions by implementing training in these areas for all employees.
- Hire, promote, and compensate based solely on skillset for the job and job performance.
- Foster behaviors that promote equality of opportunity through annual training for all.
- Increase our efforts to attract more diverse talent by partnering with community-based agencies, the US military, and a broader cross section of hiring agencies and universities.



S OUR COMMITMENT TO PHILANTHROPY

Cooper established a Social Committee who is dedicated to giving back to our employees and the local community. We hold events such as school supply drives, ice cream socials, food contests, blood drives, safety milestones, and emergency hurricane relief to name a few.

It is hard to imagine where our organization would be without the generous hearts and determined efforts of our loyal volunteers and how they supported our efforts over the years. The company continues to engage with local charitable organizations supporting communities where it operates.



Cooper employees participated in a bike-building project for the Boys and Girls Club of America where twenty-one (21) bikes and helmets were assembled at our Houston, Texas location.



For over a decade in the Houston area, Cooper has offered the spacious grounds at our Deer Park Superior-CAT-Waukesha engine center of excellence as a K9 training base for several local police departments.



Cooper is a proud partner of the PTSD Foundation of America/Camp Hope, an organization providing a safe space and support for veterans returning from war with combat-related Post Traumatic Stress.



Cooper hosts an annual Back-2-School supply drive and delivered much needed notebooks, book bags, writing utensils, calculators, and other items to two schools in the Alief ISD district.



GOVERNANCE

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G OUR COMMITMENT AS LEADERS



Headquartered in Houston, Texas, and with 15 global locations and over 500 employees, Cooper maintains corporate and regional leadership teams that are comprised of engine and compressor experts who understand the market's need for a responsive and customer-centric original equipment manufacturer (O.E.M.). Our goals are simple and achievable. We aim to serve customer needs, have a long-term and common-sense vision for industry success, and earn customer business by providing quality products and on-time service.

Cooper's CEO, John Sargent along with the executive leadership team is responsible for setting the strategy and goals for business sustainability and the specific ESG principles of the company. The entire Cooper team supports this strategy and are committed to maintain the highest standards of practices, policies, and ethical behaviors to ensure proper compliance.

COOPER IS COMMITTED TO PROVIDING OUR CUSTOMERS THE SERVICE THEY DESERVE WITHOUT THE TRADITIONAL OEM ENTITLEMENT AND SHORT-TERM THINKING.

OUR GOALS ARE SIMPLE:

- **FULFILL OUR MISSION TO KEEP ENGINE FLYWHEELS TURNING**
- **LEAD OUR INDUSTRY BY PROVIDING WORLD CLASS PRODUCTS AND CUSTOMER SERVICE**
- **SERVE OUR MARKETS WITH INTEGRITY AND SAFE BUSINESS PRACTICES**
- **RESPECT OUR COOPER HERITAGE AND BUILD A BETTER COMPANY FOR EMPLOYEES AND STAKEHOLDERS**

COOPER'S MISSION

While the history of our company dates to 1833, Cooper laid down strong, new roots in 2019 with this mission in mind: Be the OEM customers deserve and keep the legendary engines and compressors in our industry running well into the future.

We understand that operators in our industry want a parts/service/technical support provider they can trust, one that delivers OEM quality parts and service and not a sense of entitlement. That is the goal of the new Cooper. By turning wrenches, empowering top industry experts, stocking the right parts when and where they are needed, and taking a commonsense approach to partnering with our customers, Cooper provides new equipment and the support necessary to keep the industry's high-speed and slow-speed reciprocating compression and power generation equipment running for the long-term.

The engine-compressor brands of our great and proud industry are legendary, and legends don't stop. We make sure of it.

G OUR COMMITMENT TO GOVERNANCE



REGULATORY EXCELLENCE

In every market Cooper operates, we must comply with an ever-expanding array of laws and regulations and help our customers meet and exceed these requirements. We maintain keen awareness of laws in every country where we and our partners operate to ensure 100% compliance with required standards.



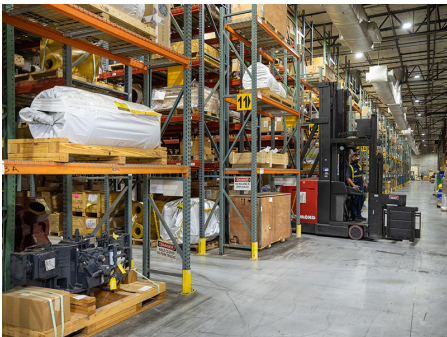
ETHICS & COMPLIANCE

It is our duty to operate our business with transparency, accountability, integrity, and common sense. We follow local, national, and international laws; we do not engage in bribery, corruption, money laundering or anti-competitive business practices. We respect intellectual property rights of others and aggressively defend our own.



CYBER, INFORMATION & PRIVACY SECURITY

Cooper respects individual privacy rights. We are committed to handling and protecting personal information responsibly, and in compliance with applicable privacy and information security laws and internal policies. We just accomplished CMMC 1.0 Level 1, 2, and 3 compliance and NIST 800-171 compliance, which now enables Cooper to do business with the DoD.



SUPPLY CHAIN

Our suppliers, vendors, and contractors, located around the world, are valued partners who play an integral role in the company's ability to serve our customers. Before a new supplier is selected by Cooper, they go through a stringent process that reviews product quality, safety practices, delivery performance, and ethical business protocols.



COOPER | MACHINERY SERVICES

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