What matters: Acting responsibly. DELPHI 2013 Corporate Social Responsibility Report Innovation for the Real World



Making a difference, every day

Responsible, sustainable action at Delphi begins with **people**—how we sustain a safe, inclusive workplace that values diverse voices, while helping our communities thrive. It's about **product**—delivering solutions that enable more energy-efficient vehicles and a safer, more connected driving experience. And it's about our **planet**—dedicating ourselves to using less water and energy, creating less waste and lowering greenhouse gas emissions. This is how we apply our ingenuity, expertise and passion to make real change in the world.





From Our CEO

Acting with responsibility and integrity has always been at the heart of our culture.

Welcome to our first report on Corporate Social Responsibility (CSR). I'm pleased to share with you how the people of Delphi continue to make a difference in our business and in communities around the world.

Delphi is focused on what matters. As a business we execute industry leading solutions for customers, while creating real value for shareholders through our portfolio of safe, green and connected technologies. As individuals, our employees make a difference every day in the global markets in which they work, by investing in their communities and using their passion and talents to make the world a better place. The two are inextricably connected. People come to Delphi to work for a company where doing well and doing good go hand-in-hand, and where the idea of always trying to do better motivates us all.

While this is our first report, the idea of CSR is not new to the company. Acting with responsibility and integrity has always been at the heart of our culture.

The 2013 CSR Report is a milestone that signals a new phase in our journey. With this first report, Delphi is taking an important step in a reporting process that will evolve over time. Guided by Global Reporting Initiative principles, our commitment to sustainability and rich heritage of social and environmental action will be a foundation for how we grow our business around the world.

I invite you to follow our progress and engage with us as we continue on the path toward creating a sustainable market leader that serves all of our many stakeholders well.

Rodney O'Neal

Chief Executive Officer and President

Our Business at a Glance

Delphi by the numbers

25

Supplying the top 25 vehicle makers in the world

32

Operating in 32 countries, with 15 major technical centers and 126 manufacturing facilities

\$1.7 Billion

Investing nearly \$1.7 billion a year in engineering and development

19,000

Scientists, engineers and technicians

160,000

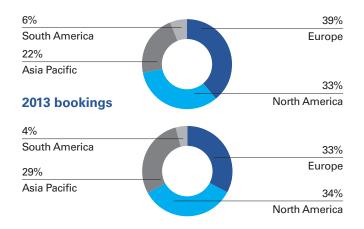
People globally

99.9998%

60 million parts per day at 2 PPM or 99.9998% quality

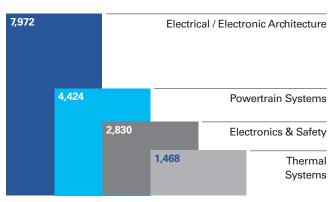
Diversification by region

2013 sales



2013 revenue by segment (US\$ Millions)1

\$16.5 billion in revenue



1 Amounts include intercompany sales, which are eliminated in consolidation

Our Focus: Safe, Green, Connected

We work at the forefront of safe, green and connected technologies, delivering practical solutions that change how people drive.

Safe

Helping stop traffic accidents before they happen, with practical innovations that integrate active safety into the driving experience.

Green

Meeting intensifying demands on environmental standards, while finding ways to boost performance with highly efficient, greener technologies.

Connected

Delivering on the promise of distraction-free, seamless connectivity with integrated navigation and safety systems and cloud-connected infotainment.

From Our CSR Champion

I'm inspired by the commitment and passion of our people.



At Delphi, social responsibility is a process, not a destination. It goes hand-in-hand with our commitment to innovation for the real world. It's part of who we are—not an initiative but something that lives within us. It comes to life in our designs, technologies and products, and in how we operate our facilities. It comes to life in how we make our communities better places to live and Delphi a better place to work. It comes to life in our expectations of the people who work at Delphi and of those who work with us.

Social responsibility gives us the framework to address challenges facing our world, one person and one solution at a time. I see it every day, in every part of our company. I'm inspired by the commitment and passion of our people. And I'm extremely proud that our people are making a difference, whether it's delivering an emissions-reducing system to a customer or finding fresh ways to raise awareness and generate support for those in need.

This, our inaugural CSR Report, is a snapshot of one year in our journey, with a look toward the future. It documents the many ways we are making a positive impact around the world.

We encourage your feedback and support as we strive to be a force for responsible, sustainable business wherever we work and live.

David M. Sherbin

DaitySheli

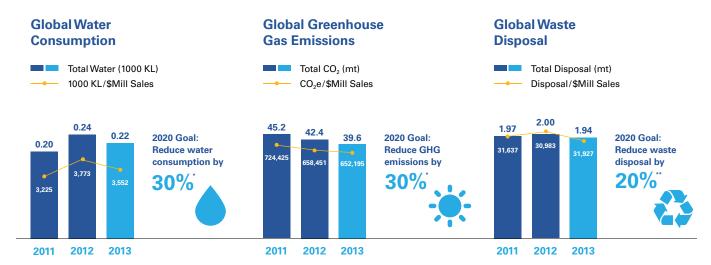
Senior Vice President, General Counsel, Secretary and Chief Compliance Officer

Our Key Performance Indicators



Product Strategic Suppliers Supplier Code of Conduct Certified by ISO 14001 95% 85% Goal met: Goal: **74**% 100% 100% **54**% certified; signatories; required for all required for all new suppliers new suppliers 2012 2013 2014 YTD 2012 2013 **2014 YTD**

Planet



North America

- Supplier matchmaker program boosting diversity in supply chain
- Sponsoring FIRST® high school science competitions
- Member of the SmartWay® Transport Partnership
- · "Purple Line" wastewater recycling program
- Free employee cancer screening and education programs in Mexico

Making a difference around the world

Delphi's responsible actions are felt in communities around the globe, driven by an ethic of service that runs deep in our business culture and is embodied by our people. The following is a sampling of the initiatives and accomplishments the people of Delphi are bringing to the world.

- Indicates landfill-free facility
- ▲ Indicates Delphi sites receiving the National Safety
 Council 2014 Occupational Excellence Achievement Awards

For more information on these and related activities, please see *delphi.com/responsibility*.

South America

- Through community-based learning, helping more than 100,000 students
- Formare program helping underprivileged youth acquire job skills
- Annual Environmental Week for community
- Cooking oil for fuel program supporting environmental education

Europe, Middle East and Africa

- Biking to work initiative
- Partnership with Habitat for Humanity to renovate school
- Climate Change Toolbox program reduces CO₂ emissions worldwide
- 41 manufacturing sites in Europe reduced energy consumption by 5% on average versus prior year

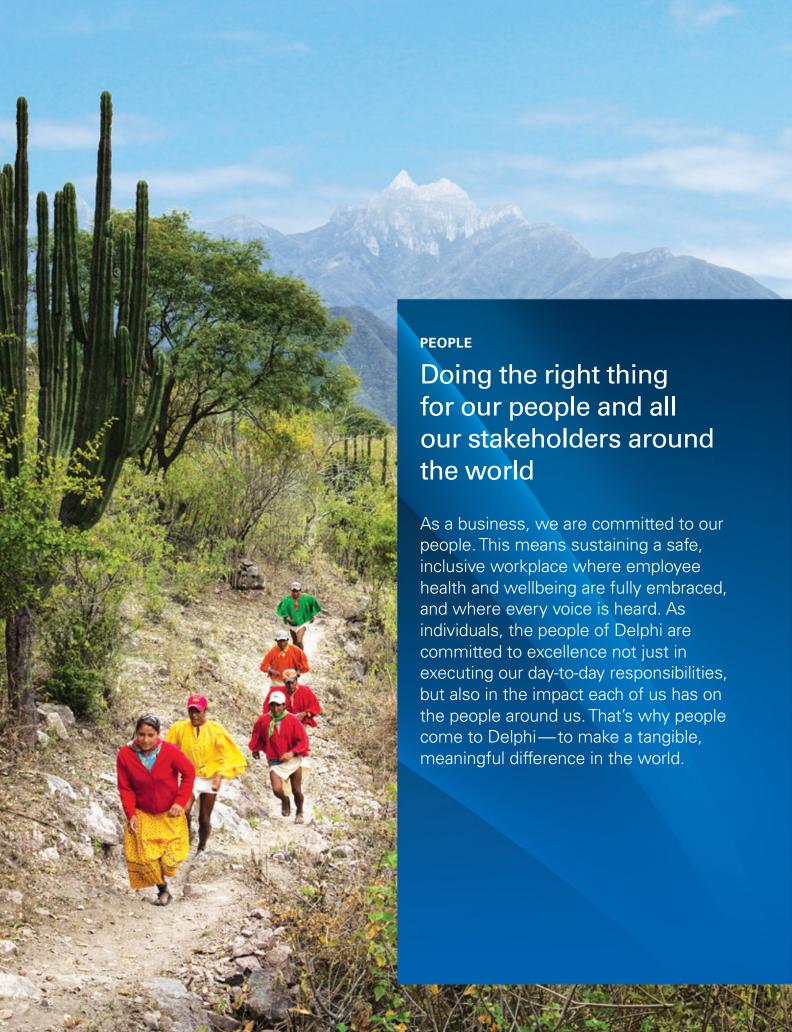


Global Initiatives

- Introducing cleaner, more energy-efficient manufacturing processes
- Working to achieve landfill-free status in facilities around the world
- Green Supply Team driving sustainability initiatives worldwide
- "Plan for Zero" program helping Delphi achieve top quartile safety performance
- · Upgrading to more energy efficient LED lights
- Injection technologies driving green high-performance
- Friction stir weld (PACE Award finalist) reducing manufacturing impact

Asia Pacific

- Volunteers lifting spirits of the elderly in nursing homes and students in school
- Eight Chinese government awards for Excellence in Safety
- Plant at Anting Yuanguo, China recognized as model for Health and Safety
- Safety Risk Assessment Pilot recognized by South Korean government
- Raised funds and donations for flood victims in Malaysia
- · Rainwater harvesting conserving groundwater in India
- Two plants in India considered "zero discharge" facilities





Contributing to our communities

Our concern for people extends to caring for and contributing to the vitality of the many communities in which we work and live. This includes the greater communities of all those who drive, as well as society at large, but we concentrate our actions locally. And all around us, we see people's lives changed for good.

SPOTLIGHT ON COMMUNITY INVOLVEMENT

Fondo Unido – helping to improve lives in Mexico

Delphi has partnered with *Fondo Unido* (The United Way) for 23 years, since the organization's early days in Mexico when Delphi provided an office in Juarez, a vehicle and an administrator to get things rolling. Today, nearly every employee contributes something, whether it's time or weekly donations. We also contribute greatly through recycling efforts. This helps to fund a variety of causes, including healthcare, infrastructure and education.

With our support and that of other companies, *Fondo Unido* has helped the Tarahumara indigenous tribe in the Sierra Madre Mountains construct dormitories, dining areas and bathrooms, so children who used to walk hours a day to and from school can spend that time with their studies. Projects in 2013 included donating a fully equipped ambulance to the Red Cross in Durango, supporting orphanages and nursing homes, and various projects to fight cancer. More than 500 Delphi employees volunteered thousands of hours on projects ranging from painting schools to rehabilitating parks.

\$1M+

in contributions from Delphi Mexico employees



Priority one — health and safety

Our number one, overriding priority is the health and safety of our employees. We are proud of ranking consistently in the upper quartile of industrial companies in this regard, and we are always striving to improve our performance. Our goal is to have every employee return to his or her home and family from work every day, ready for a new day.

SPOTLIGHT ON HEALTH AND SAFETY Plan for Zero — raising performance worldwide

Protecting our people and visitors is paramount. Each year, as part of our strategic planning process, senior leaders at Delphi sites complete a *Plan for Zero*—a strategic plan focused on the ultimate goal of zero incidents. Gap analyses identify current strengths and weaknesses, as each site's leadership evaluates systems, processes and organizational culture to develop their plan.

Plan for Zero is a mindset, an attitude and a companywide vision. Each site gains a clearer sense of what needs to be done and a sharper focus on what is vitally important to drive continuous improvement in our health and safety systems and processes for the improved health and wellbeing of our people.

Plans leverage the creativity of our employees, who continue to generate practical improvements. For example, in Izmir, Turkey an adaptable board adjusts to the employee's reach when assembling wire harnesses. In Chihuahua, Mexico tooling adjusts to the employee's height. A new radio assembly line in Rio Grande, Argentina simply relocated a label dispenser to improve workflow and ergonomics. When we find a good idea, we replicate it.



"I'm very proud to work for a company that makes health and safety a top priority. This builds tremendous morale and forges stronger ties among employees. We are looking out for each other. We also know that a health and safety focus goes hand-in-hand with ensuring high quality and operational excellence. Safe plants tend to be well-run plants."

Aldo Gomez

EH&S MTT Leader / DfE H&S Engineer, Global Operations Recognized by the U.S. National Safety Council as a Rising Star of Safety



Acting on principle — DRIVE

At Delphi, we act on our principles. Welcoming diverse voices as an engine of innovation. Treating everyone with respect. Acting with responsibility and integrity at all times. Providing value to our stakeholders. Executing with uncommon, uncompromising excellence. We call this DRIVE, an imperative that stands for Diversity, Respect, Integrity, Value and Excellence—principles that guide our actions every day, everywhere we work around the world.



All our employees receive training on our Code of Ethical Business Conduct and related policies. The Delphi DRIVE Line is an outlet to bring to our attention, on an anonymous basis, any concerns regarding ethics and compliance.

SPOTLIGHT ON DIVERSITY

Supplier Matchmaker Program — boosting diversity in our supply chain

When different perspectives and new ideas come together, it sparks practical innovation. We see diversity as an essential advantage—both internally and in our supply chain.

We sponsor networking and matchmaking events that bring minorityand women-owned suppliers together with our other suppliers, our people and our customers, the world's leading automakers. Suppliers explore potential business opportunities while learning more about Delphi and our supplier diversity development initiatives. We have been a longstanding supporter of industry groups, such as The Women's Business Enterprise National Council. Delphi leaders serve on the boards or advisory councils of a number of these groups.

\$300M+

Delphi spend with minorityand women-owned suppliers

2X increase

in overall spend with minorityand women-owned suppliers





Greening our supply chain

We look to purchase environmentally preferable materials from an eco-friendly supply base. We source from suppliers whose core values are consistent with our own. We believe environmental performance and workplace ethics go hand-in-hand, and insist on working with suppliers who feel and act the same.

SPOTLIGHT ON THE SUPPLY CHAIN

Green Supply Team — driving sustainability initiatives worldwide

Our Green Supply Team was formed in 2010 to make Delphi's global supply chain more environmentally sustainable and socially responsible. Initial efforts concentrated on ensuring that all strategic suppliers: 1. became ISO 14001 certified; and 2. signed onto the Delphi Supplier Code of Conduct. In 2013, we substantially achieved these two goals.

Our global emissions measurements now encompass operations, freight transport and travel, and we participate fully in the Carbon Disclosure Project.

The team remains actively engaged in driving continual improvement and ensuring our supply chain lives up to our high standards. Current initiatives include fleet emissions reduction, paper reduction, and a new Conflict Minerals reporting process that impacts our entire supply chain.



The Green Supply Team was instrumental in achieving SmartWay Shipper Partner certification from the U.S. EPA and managing our participation in Mexico's Transporte Limpio carrier emissions reduction program.

95%

of strategic suppliers are ISO 14001 certified



Engineering solutions to deliver environmental benefits

At Delphi, we design and engineer solutions to deliver environmental benefits. Efficiency is a key driver. So is saving weight. Our diesel and gas engine management systems help burn fuel more completely and cleanly, maximizing the energy impact while minimizing emissions. Compact thermal systems, innovative wire harnesses and aluminum cabling, to name a few, all help to take weight out, with immediate benefits on reducing a vehicle's carbon footprint.

SPOTLIGHT ON INNOVATIVE TECHNOLOGY GDi Injection — system driving green high performance

Demand for gasoline direct injection (GDi) technology is increasing. Nearly half of all gasoline engines are expected to feature GDi technology worldwide in 2020. The turn-key engine management system integrates software, actuators and sensors in a single package that delivers on high performance, low emissions and on-board diagnostics compliance. GDi systems with improved fuel pressure capability are in development, supporting customer requirements to meet upcoming emissions regulations.

Our GDi system significantly reduces CO_2 emissions in downsized, turbocharged engines while offering an industry benchmark for low noise, which is a key consumer issue. It also delivers on another consumer demand: high performance. GDi keeps the fun in driving.



"It is a strong motivator for our R&D team to know that our work contributes to making the air cleaner and the cars safer and more enjoyable. This is why the work we are doing at Delphi is so much more than a job, it is a way to make a difference to our environment and to our quality of life."

Etienne Jacqué

European Chief Engineer for Powertrain Products

8-15%

reduction in CO₂ emissions while offering an industry benchmark for low noise



Reducing manufacturing impact and costs

Before our solutions hit the road, we step back to look at the entire product lifecycle. Each product undergoes stringent design and technology development. And we pay as much attention to the environmental impact and costs of how we make our products, as we do to their environmental impact in our customers' vehicles.

SPOTLIGHT ON MANUFACTURING INNOVATION Friction Stir Welding — changing the game in sealing automotive electronics

A PACE Award finalist, Delphi's Friction Stir Welding is an innovative perimeter seal technology for sealing enclosures and heat exchangers for automotive electronics. It significantly reduces manufacturing costs while delivering a more corrosion resistant seal and best-inclass environmental performance. The technology joins metal without melting, clamps or adhesives, using high RPMs and pressure to create a seamless, mixed bond that protects from water and salt spray intrusion in the under-hood environment.

We adapted and optimized the technology, used in aerospace assembly for joining decking and fuselage, for two types of high volume electronics manufacturing processes. The first integrates a liquid heat exchanger to the body of the electronic/electrical module, replacing adhesive bonded or clamped seals with robust, leak-free hermetic joints. The second welds aluminum covers to cast aluminum cases to enclose electronics for under-hood applications, replacing glue-and-screw processes. Doing away with curing ovens, fasteners, gaskets and other tooling reduces energy needs, material costs and waste.



18X

longer life in seal structural durability





Lessening our environmental impact

Our commitment to sustainable practices includes numerous initiatives to minimize the environmental impact of our operations. Our people continue to find ways to minimize or eliminate waste in our operations, to significantly reduce energy and water use, and to minimize the carbon emissions we generate.

Achieving landfill-free status in facilities around the world

We are well along in the process of transforming our operations around the globe into landfill-free facilities. In fact, over twenty Delphi facilities are now landfill-free sites and the momentum continues to build. We follow the definition of landfill-free used by many of the major automotive manufacturers: 95 percent of all waste does not go to landfill.

Working toward zero waste generates numerous benefits. It reduces operation costs and reinforces operational discipline. The entire production process is analyzed, looking for ways to operate smarter, faster and more efficiently.

We are continuously investigating recycling technologies, processing methods and market opportunities for our waste. For example, our landfill-free Troy, Michigan, USA campus reduced its volume of trash by 40 percent. More than half of the campus' paper, plastic, metal and cardboard waste is now recycled. Remaining trash is sent to a waste-to-energy facility and generates enough electricity to power two homes for a year. CO₂ emissions from trash have been reduced by 160 tons annually. Similar initiatives and accomplishments are happening everywhere we do business.



Our operations in Luxembourg are landfill-free.

20+

sites have achieved landfill-free status



Conserving water — delivering mutual benefits

As conservationists say, water is life—and a resource that will only become more precious over time. We continue to find ways to optimize our water use, even looking beyond our fence line to collaborate with others for solutions. We have achieved a 27 percent reduction in water consumption annually on a sales basis since 2009, and our goal going forward remains aggressive.

SPOTLIGHT ON WASTEWATER RECYCLING Purple Line — saving water in challenging environments

Many of our manufacturing facilities in northern Mexico are in arid lands, where drinking water is increasingly scarce and at a premium. In response, we have invested in wastewater recycling and water conservation efforts in our plants and surrounding communities.

In Juarez, the city created the Purple Line to supply non-potable water for non-drinking purposes such as restroom facilities and irrigation of gardens. We have integrated the Purple Line into our local operations and worked with the community to expand the line's positive impact. We were among the first to connect to the city's Purple Line project and are its top consumer of recycled water because of the number of plants that are connected.

Current reductions in water consumption across five local sites are equal to the usage of more than 100 families, and generate an annual savings of 19,000 m³ or \$110,000. For example, our Rio Bravo Electricos facility has substituted approximately 30 percent of its total water usage with water from the Purple Line.



The Purple Line is a municipal water line, easily identified by its bright purple piping.

1.15 years

to earn investment return



Reducing our carbon footprint

Many of our employees are organizing initiatives to reduce our energy consumption and greenhouse gas emissions. Bike-to-work, LED-lighting and solar power for heating and electrical generation are just a few of the actions in motion. Reducing greenhouse gas emissions has truly become part of the Delphi way—at home, at work and on the path in between.

SPOTLIGHT ON REDUCING ENERGY USAGE High efficiency lighting — creating benefits worldwide

Around the world, Delphi sites are upgrading to more energy efficient LED lights and fluorescent ballast lighting, saving millions of kilowatt-hours annually. Such reductions in our energy consumption do more than save money. High efficiency lighting creates a better work environment that can foster improved employee morale, quality and productivity. And it delivers additional sustainability benefits such as reduced CO_2 emissions. This is good for business, and good for our planet.

Ninety percent of our greenhouse gas emissions originate from electrical consumption. In recent years we have made concerted efforts to transition our facilities to high efficiency lighting, resulting in an annual reduction of 25,400 metric tons of CO_2 .



"Delphi is committed to protecting human health, natural resources and the environment everywhere we live and operate. All across China and the Asia Pacific region, our employees work diligently and passionately to identify opportunities and execute projects that reduce, reuse and recycle."

Jane Zhao EHS Manager, Global Operations, Asia Pacific



Recognition

Ethics

- For the second consecutive year, recognized by Ethisphere as one of the World's Most Ethical Companies
 - One of only three automotive companies to earn this recognition





Health and Safety

- 28 Global Sites OHSAS 18001 Certified
- 13 Regional Safety Awards
- 109 National Safety Council Health and Safety Awards
 - Occupational Excellence, Safety Leader and Significant Work Hours

Sustainability

- 12 Energy/Environmental/CSR Awards
 - 3 Honda Green Factory Achievement Awards
- 89% improvement in our Dow Jones Sustainability Index Score from 2012 to 2013



"Being a Delphi supplier is about much more than making sure the right parts get to the right place at the right time. Delphi encourages the sharing of ideas and capabilities to deliver more sustainable products and services across the value chain. That's good for your business, that's good for our planet."

Alison Jones Global Director, Logistics

Innovation

- Delphi has earned more PACE® (Premier Automotive Suppliers' Contribution to Excellence) Awards than any other supplier — 17 and counting
 - Record four finalists for 2013, with one PACE Award
 - Three finalists for 2014, with one PACE Award
- Named as one of the Thomson Reuters Top 100 Global Innovators in 2012 and 2013

Corporate Information

Board of Directors

John A. Krol

Chairman of the Board, Former Chairman and Chief Executive Officer, E.I. du Pont de Nemours & Company

Gary L. Cowger

Former Group Vice President, Global Manufacturing and Labor Relations, General Motors

Nicholas M. Donofrio

Former Executive Vice President, Innovation and Technology, International Business Machines Corporation

Mark P. Frissora

Former Chairman and Chief Executive Officer, Hertz Global Holdings, Inc.

Rajiv L. Gupta

Former Chairman and Chief Executive Officer, Rohm and Haas Company

J. Randall MacDonald

Former Senior Vice President, Human Resources, International Business Machines Corporation

Sean O. Mahoney

Private Investor

Rodney O'Neal

Chief Executive Officer and President, Delphi Automotive PLC

Thomas W. Sidlik

Former Member, Board of Management, DaimlerChrysler AG

Bernd Wiedemann

Senior Advisor, IAV GmbH

Lawrence A. Zimmerman

Former Vice Chairman and Chief Financial Officer, Xerox Corporation

Senior Leadership

Rodney O'Neal

Chief Executive Officer and President

Kevin P. Clark

Chief Operating Officer

Mark J. Murphy

Chief Financial Officer and Executive Vice President

Jeffrey J. Owens

Chief Technology Officer and Executive Vice President

James A. Spencer

Executive Vice President, Operations and President, Latin America

Majdi B. Abulaban

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Kevin M. Butler

Senior Vice President, Human Resource Management and Global Business Services

Liam Butterworth

Senior Vice President and President, Powertrain Systems

Philippe Desnos

President, Product and Service Solutions

Michael Gassen

President, Europe and Vice President, Sales and Marketing, Powertrain Systems

Jessica L. Holscott

Vice President, Investor Relations

Sidney Johnson

Senior Vice President, Global Supply Management

J. Christopher Preuss

Senior Vice President, Corporate Communications

David M. Sherbin

Senior Vice President, General Counsel, Secretary and Chief Compliance Officer

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printed with hydro power

with solar power

printed with wind

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