Making it Possible:
Supply Chain Management.
Welcome to Delphi Supply Chain Management
Accelerating innovation, collaboration and excellence.

At Delphi, we’re always innovating, whether it’s a breakthrough technology or proprietary process. We continually strive for excellence in everything we do. And we foster a culture of collaboration to create the best solutions for our customers. This is what our company makes possible.

In the following pages, I’d like to share the complex and fulfilling world of Delphi’s Supply Chain Management (SCM) team and what we help make possible.

In the spirit of continuous improvement and recognizing the need for a synchronous, more integrated operating system, SCM now encompasses procurement and supply chain. By leveraging our collective strengths in these respective areas, we are strategically connected to every facet of Delphi’s operations.

As a company that purchases more than $10 billion of goods and services annually, we identify opportunities that maximize the value of Delphi’s supply chain by broadening our reach – from procurement of raw material to delivery of finished goods – anywhere in the world.

We understand industry leading performance is driven by exceeding customers’ expectations and maintaining effective collaborative relationships with our suppliers. We are committed to working with our customers and suppliers to deliver technology solutions that drive productivity and growth.

Our operating model makes SCM a platform for innovation, collaboration and excellence. It’s the foundation that allows our team to build a sustainable, competitive advantage for Delphi and a greater benefit for our customers and suppliers.

It’s my hope that after reading this brochure, you will take a closer look at Delphi and consider making us your company of choice.

Sidney Johnson
Senior Vice President, Supply Chain Management
Delphi is a technology company driven by meaningful innovation.

Our business is built around the megatrends of Safe, Green, and Connected, and as these megatrends converge and become more integrated, Delphi is uniquely positioned to bring full-system solutions to our customers.

We continue to pioneer intelligent driving with advances like V2E™—our vehicle2everything™ technology which elevates active safety while integrating it with engine performance and the driver’s connected world.

These numbers tell an important story about Delphi’s scope, quality and complexity. Supply Chain Management plays a key part in this success – through our people, our processes and our supplier partners.

Kevin P. Clark
President and Chief Executive Officer

Delphi advantages

20 Billion
Lines of software code shipped daily

$15.2 Billion
2015 revenue

$1.5 Billion
Annual engineering investment

173,000
People

20,000
Engineers, scientists and technicians

44
Countries

1
Company

The global span and complexity of Delphi’s supply chain demands a strong and streamlined supply chain management organization.

We’ve created an award-winning end-to-end supply chain team integrated across the value chain, engaged with the enterprise in value creation and organized to understand and respond to the needs of the business and of the supply base.

Our influence extends beyond just the bottom line to include technology roadmaps, product planning and manufacturing footprint. In short, we help maximize return on investment across the value stream by delivering the right part, at the right time, in the right quantity, at the right cost, with perfect quality and short lead time. This is what SCM helps make possible.

*2015 numbers
Delphi international operations Luxembourg Sarl:
Setting global procurement strategy.

Creating a total value chain.

To serve Delphi’s global operations more effectively and fulfill our SCM commitments, SCM senior leadership and our global corporate office are centralized in Bertrange, Luxembourg. Our leaders of strategic sourcing as well as the majority of our corporate executive members reside there.

Delphi has had a strong presence in Luxembourg since the 1970s. It is an ideal central location within global time zones, allowing SCM leadership to serve our global operations more effectively.

From our Luxembourg office, we provide services to all Delphi facilities and suppliers around the globe. This centralization enables us to create, direct and approve all sourcing strategies – direct, indirect and logistics. Our strategies provide the roadmap that enables us to exceed customer expectations and achieve stringent business objectives.

One of our key imperatives has always been to have an organization that resembles the business that we support. This structure addresses today’s business realities and positions us well to help lead and manage Delphi’s product portfolio and future growth.

While SCM’s strategy is set and led from Luxembourg, our operations around the globe are important elements in our procurement factory.

Our team knows how significantly SCM’s performance impacts the enterprise and our customers. We combine business acumen and SCM expertise to create high performance teams focused on exceeding customers’ expectations. For Delphi to outperform, SCM absolutely must deliver.

Delphi is unique among companies in the automotive sector because it has linked procurement and supply chain, including scheduling, ordering, customs and logistics. In fact, Delphi was awarded the Procurement Leaders Supply Chain Initiative Award in 2015 for its innovative approach.

This bridge between procurement and supply chain enables significant improvements in design, planning, execution, control and monitoring of supply chain activities. This broader organization also opens up learning and career advancement opportunities for employees.

Delphi Supply Chain Management
Our Enterprise Operating System, through which Supply Chain Management connects with the entire enterprise, aligns processes and procedures through workflows that manage complexity, drive performance and deliver excellence every time. It is our business process that defines how we do work to meet requirements set by our stakeholders and how we achieve excellence in performance results.

We continue to strengthen our Enterprise Operating System around the world to ensure we maintain our leading technology and cost positions, while optimizing our operating footprint and improving the flexibility of our highly variable cost structure. Using this system, we are able to manage complexity and deliver results.

At the heart of this system are the people of Delphi and their passion for excellence. We are unfazed by the complexities of geography, time or convention. We are always finding solutions, always looking to improve, always working as a team to deliver the highest standards. And we are always seeking the best and brightest to join us.

It is in this spirit that we build strong relationships with our suppliers and partner with them to attain the same exceptional results.

Supply base strategy
Building relationships, collaborating for success.

Our suppliers are a vital link to advancing the competitiveness of our business. Our success is highly dependent on their interaction and involvement with Delphi – not just on a cost basis but in technology and problem solving.

We concentrate business with the companies best-suited to meet our needs and succeed in the value chain. Building relationships with these key suppliers fosters a collaborative “go-to” environment that increases efficiency, improves product designs and drives business value for both parties.

Just as we challenge ourselves, we encourage all our suppliers - direct, indirect, customs and logistics - to demonstrate greater efficiency and sustainability in their operations. Beyond that, we look for suppliers who meet the high business standards we practice every day and who share our values of respecting human rights and working conditions, decreasing environmental impact and adhering to ethical business practices.

Delphi is committed to fostering and increasing business purchases from historically disadvantaged groups such as minority, women and veteran-owned businesses. Each year Delphi hosts an industry-leading Supplier Matchmaker Program that brings diverse suppliers together with our other suppliers, our business leaders and our customers. Our employees serve in leadership roles on the boards of various minority and women business councils and chambers of commerce. Minority related organizations and many of our customers have recognized Delphi’s commitment to supplier diversity.

Delphi’s Supplier Advisory Council offers a forum for candid and honest communication with key suppliers. The council includes 12-15 supplier members, each of whom is paired with an SCM and a Delphi business or engineering executive. Together, best practices are shared with a focus on continuous improvement and delivering sustainable value creation throughout the supply chain.
Commitment to excellence
Engaging talent, promoting deep learning.

SCM’s contributions to the organization and strong performance metrics would not be possible without engaging the best talent the industry has to offer.

Strong talent enables consistent performance
As a vital function of the enterprise, our SCM leadership has a well-developed talent progression and succession process, recognized by other Delphi functions as a benchmark. We often rotate talent through our team – legal professionals, business line executives and functional experts who broaden their experience in SCM and then proceed to lead other functions. Many “alumni” of SCM also have gone on to C-Suite positions. Our approach inspires, motivates, and develops individuals, teams, and our enterprise.

SCM leadership also fosters an environment where a fulfilling career path can lead to a professional SCM role. These team members are highly regarded, find satisfaction in their responsibilities and provide long-term stability for our organization.

We also have an exceptional global intern program that provides students with real-world projects that require measurable results.

Each year SCM’s Katherine A. Stando Memorial Award recognizes one team member who exemplifies “excellence” and who has delivered significant value to the enterprise.

A culture of deep learning
Delphi University, which offers courses in all aspects of Supply Chain Management, is a catalyst for knowledge creation and dissemination. A wide variety of courses are available to SCM employees globally, and it’s one way we instill a culture of deep learning and innovation in our teams.

Great place to contribute
Delphi has been recognized as one of the Top 50 Out Front Companies for Diversity Leadership and named a “Best Place to Work for Diverse and Women Managers” by Diversity MBA Magazine. In 2016, we are delighted to have been named the “World’s Most Ethical Companies” for the fourth year in a row, underlining our commitment to social and environmental practices.

Celebrating excellence.

Each year, Delphi earns numerous awards from customers and the industry for excellence in its products and technologies. We’ve received top accolades from our customers, such as General Motors’ inaugural Innovation Award and FCA’s Supplier of the Year. As of 2016, Delphi has won 18 Automotive News PACE awards – more than any other company.

But recognition of our company goes well beyond our innovative products. Delphi’s SCM award-winning team has earned recognition from leading industry organizations across the spectrum of SCM team contributions.

Delphi SCM team awards
- Value Creation Award, European Institute for Purchasing Management
- Hau Lee Award for Supply Chain Leadership, SCM World
- World Procurement Leaders™ awards, including
  - Procurement Excellence
  - Procurement Leader (Sidney Johnson)
  - Transformation
- Technology Category Award, Institute for Supply Management (ISM)
- Supply Chain Designer Award, Eurologistics
- Green Supply Chain Award, Asia Global Supply Chain Council

Delphi supplier awards
This level of excellence would not be possible without our suppliers, the best of whom we recognize annually with our Pinnacle Awards for Supplier Excellence. Our award categories include the following:

The Pinnacle Award is Delphi’s highest supplier recognition.

The Technology Award recognizes suppliers for providing Delphi with significant competitive advantage and “game changing” technology.

The Above & Beyond Award acknowledges supplier efforts that exceed required contractual obligations.

The Supply Chain Social Responsibility – Making a Difference Award recognizes suppliers who have implemented a unique corporate social responsibility program, project or initiative.

Summary
Delphi’s Supply Chain Management organization is an award-winning innovative team that contributes to every area of the business. We are always finding solutions, always looking to improve, always working to deliver the highest standards of excellence. It is in this spirit that we build strong relationships with our suppliers and partner with them to attain the same exceptional results. This is what SCM helps make possible. We thank you for taking a closer look at Delphi and considering us as your company of choice.