



Sidney Johnson  
Vice President, Global Supply Management

August 8, 2008

Dear Supplier:

We are pleased to announce the selection criteria for Delphi's 2009 Pinnacle Award for Supplier Excellence, our highest supplier recognition.

Last year, awards were presented in four categories: Quality, Above & Beyond, Cost & Value, and Technology.

For 2009, based on 2008 performance data, Delphi will present one major award – The Pinnacle Award – to recognize a premier group of Delphi suppliers for their commitment to and achievement of Quality, Value, and Cost performance. Delphi also will present two secondary awards designed to recognize supplier contributions in two specific and unique categories: the Technology Award and the Above and Beyond Award.

You may self nominate your company only for the Technology Award and the Above and Beyond Award by completing the appropriate nomination forms attached to this bulletin. Delphi Global Supply Management leadership will select The Pinnacle Award recipients.

#### **The Pinnacle Award**

All Direct Material, Indirect Material (including M&E and IT), and Logistics suppliers are eligible to be selected for The Pinnacle Award if they comply with the criteria listed below:

#### **Criteria for Direct Material (production) Suppliers:**

- Supplier for at least one year
- Green 12 month average quality score on the Delphi Supplier Scorecard;
- Zero Major Disruptions, zero Repeat Problems, and single digit PPM;
- Zero Customer Impacts for quality;
- Zero parts on Controlled Shipping;
- Green indicator for ISO/TS16949 certification on the compliance section of the Delphi Supplier Scorecard;
- Registered for the Problem Solver system and have an active supplier receiver;
- Greater than five parts or greater than US \$500K Annual Purchase Value;
- Meets category savings objectives; no commercial issues
- Meets requirements as identified in the Delphi customer specific requirements;
- Supports Delphi position on social responsibility;
- Acceptable warranty performance;
- Acceptable delivery performance and no ship threats;
- No current quality / contract issues.

#### **Criteria for Indirect (non-production), Machinery & Equipment, and Information Technology Suppliers:**

- Supplier for at least one year
- Delivery expectations
- Quality expectations
- Lean initiatives and technology
- Competitive cost levels
- Service level metrics
- Superior management performance
- Helps Delphi lower cost
- Supports Delphi position on social responsibility

# DELPHI

## Criteria for Logistics Suppliers:

- Supplier for at least one year
- On-time performance
- Zero plant disruptions
- Document accuracy & timeliness
- Corrective action reporting and closure
- Timely response to RFQ's
- Provider of quality service
- Above and beyond participation
- Supports Delphi position on social responsibility.

Direct Material suppliers may monitor their eligibility for The Pinnacle Award by reviewing the Delphi Supplier Scorecard each month at [www.delphi.com](http://www.delphi.com) and clicking on the supplier link. This tool tracks quality performance by manufacturing site.

For assistance accessing the Delphi Supplier Scorecard on the Delphi Supplier Portal, you may contact the Delphi Help Desk for your region by clicking on [Delphi Portal Applications Help Desk Information](#).

## Technology Award

This award recognizes a select group of Delphi suppliers for their ability to view problems as opportunities, focus their creative resources on innovation, and successfully bring new ideas to market, providing Delphi with significant competitive advantage, “game-changing” technology, and excellent customer satisfaction. Suppliers are encouraged to use the Technology self nomination form attached in this bulletin and submit it to the Pinnacle Awards mailbox for consideration.

## Criteria for Technology Award:

- Suppliers eligible 90 days after production begins
- Quality and Capability
  - All Quality and Capability metrics, as applicable, must be green
- Technology Development
  - Resolves significant Delphi design and manufacturing problems.
  - Provides technical assistance and leadership in co-development activities with Delphi
  - Enables Delphi to sustain a significant value proposition.
- Innovation
  - Provides innovative alternatives to Delphi Engineering teams
  - Provides Delphi with “game-changing” technology
  - Enables First to Market Success for Delphi
  - Co-sponsors research and patents with Delphi
- Commercialization
  - Drives groundbreaking technology to products at an accelerated pace through ADP, product development, validation, and production.
  - Provides license-free technology sharing with Delphi
  - Participates in Delphi's open innovation model
- Exceeds Delphi Expectations
  - Provides specific and quantifiable financial, quality, performance, and/or operational improvements allowing Delphi to meet or exceed program metrics and exceed Delphi's customer expectations.

# DELPHI

## **Above & Beyond Award**

The 2009 selection criterion recognizes suppliers primarily for exceptional service to Delphi that goes beyond contractual obligation during the 2008 calendar year. Suppliers are encouraged to use the Above & Beyond self nomination form attached in this bulletin and submit it to the Pinnacle Awards mailbox for consideration.

In January 2009, Delphi team members will review all eligible suppliers / nominations and announcements will be sent to the winners. To submit a self nomination for the Technology Award or the Above & Beyond Award, please send the appropriate nomination form to [Troy.DelphiA.Suppliernominations@delphi.com](mailto:Troy.DelphiA.Suppliernominations@delphi.com)

**Note: The Technology and Above & Beyond nomination forms are posted in this bulletin.**

During the second quarter of 2009, Delphi plans to recognize all award recipients. More information on plans to recognize award recipients will follow early next year. We hope that your team continues to strive to be a winner of Delphi's 2009 Pinnacle Award, the Technology Award, and/or the Above & Beyond Award.

Best regards,

A handwritten signature in black ink, appearing to read 'Sidney Johnson', with a long horizontal line extending to the right.

Sidney Johnson