Triodos Investment Management

DELPHI AUTOMOTIVE PLC

MEETING DATE	Thu, 28 Apr 2016 9:00 am	TYPE	AGM	ISSUE DATE	Thu, 21 Apr 2016
MEETING LOCATION	Four Seasons Hotel London at Park Lane, Hamilton Place, Park Lane London, England W1J 7DR				
CURRENT INDICES	S&P500				
SECTOR	Motor vehicle parts and accessories				

	PROPOSALS	ADVICE
1	**Elect Joseph S. Cantie** Independent Non-Executive Director.	**For**
2	**Elect Kevin P. Clark** President and Chief Executive Officer.	**For**
3	**Elect Gary L. Cowger** Independent Non-Executive Director.	**For**
4	**Elect Nicholas M. Donofrio** Independent Non-Executive Director.	**For**
5	**Elect Mark P. Frissora** Independent Non-Executive Director.	**For**
6	**Elect Rajiv L. Gupta** Independent Non-Executive Chairman. He is chair of the Nomination committee and less than 20% of the Board are women which does not meet Triodos guidelines.	**Oppose**
7	**Elect J. Randall MacDonald** Independent Non-Executive Director.	**For**
8	**Elect Sean O. Mahoney** Independent Non-Executive Director.	**For**
9	**Elect Timothy M. Manganello** Independent Non-Executive Director.	**For**
10	**Elect Bethany J. Mayer** Independent Non-Executive Director.	**For**
11	**Elect Thomas W. Sidlik** Independent Non-Executive Director.	**For**
12	**Elect Bernd Wiedemann** Independent Non-Executive Director.	**For**
13	**Elect Lawrence A. Zimmerman** Independent Non-Executive Director.	**For**
14	**Appoint the Auditors** Ernst & Young LLP proposed. Non-audit fees represented 31.75% of audit fees during the year under review and 32% on a three-year aggregate basis. This level of non-audit fees raises concerns about the independence of the statutory auditors. The current auditor has been in place for less than five years. Triodos opposes this resolution.	**Oppose**

15 Advisory vote on executive compensation **Oppose**

The Company has submitted a proposal for shareholder ratification of its executive compensation policy and practices. The voting outcome for this resolution reflects the balance of opinion on the adequacy of disclosure, the balance of performance and reward and the terms of executive employment. The compensation rating is: CDB.

The CEO's Long-Term Incentive Plan target annual award was 690% of his base salary and the time-based RSUs have no performance conditions which is contrary to best practice and vest ratably over three years. Based on these concerns, Triodos opposes this resolution.

SUPPORTING INFORMATION FOR RESOLUTIONS

Proposal 15 - Advisory vote on executive compensation

The Company has achieved: an average level of disclosure; a poor balance for rewards; and a market best practice approach to contracts with executives.

Disclosure: C- Annual cash incentives are based on Corporate performance measures (Net Income (NI) (Corporate) or Operating Income (OI) (Division); Cash Flow Before Financing (CFBF) (Corporate) and Simplified Operating Cash Flow (SOCF) (Division); Revenue Growth (Bookings)). In addition, discretionary adjustments can be applied based on qualitative factors and considerations. The Company has disclosed the financial targets for its short-term incentives but has not provided information with respect to individual performance factors. The Company awarded long-term incentives in the form of performance-based (75%) and time-based Restricted Stock Units (RSUs) (25%). The performance-based RSUs, are based on Average Return on Net Assets (RONA), Cumulative Earnings Per Share (EPS) and Relative Total Shareholder Return (TSR). There is no disclosure of the targets for the performance-based RSUs granted in 2015. The Company provides disclosure of pension entitlements for each NEO.

Balance: D- Payouts are subject to individual performance adjustments. This is not welcomed and allows for awards to be made using discretion as opposed to actual quantifiable performance. The CEO's Long-Term Incentive Plan target annual award was 690% of his base salary. With respect to 2013-2015 Performance-Based RSUs, the TSR vesting scale is insufficiently broad to ensure superior award reflect superior performance as executives may receive 100% payout for median performance. The time-based RSUs have no performance conditions which is contrary to best practice and vest ratably over three years, beginning on the first anniversary of the grant date.

Contract: B- The Company has 'double-trigger' vesting provisions for equity awards upon a change in control.

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