

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended **March 31, 2019**
OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____.
Commission file number: **001-38110**

DELPHI TECHNOLOGIES PLC

(Exact name of registrant as specified in its charter)

Jersey
(State or other jurisdiction of
incorporation or organization)

98-1367514
(I.R.S. Employer
Identification No.)

**One Angel Court
10th Floor
London, EC2R 7HJ
United Kingdom**

(Address of principal executive offices)

011-44-020-305-74300

(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes . No .

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes . No .

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. .

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes . No .

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading symbol(s)</u>	<u>Name of each exchange on which registered</u>
Ordinary shares, \$0.01 par value per share	DLPH	New York Stock Exchange

The number of the registrant's ordinary shares outstanding as of April 26, 2019, was 87,957,223 .

DELPHI TECHNOLOGIES PLC
INDEX

	<u>Page</u>
Part I - Financial Information	
Item 1.	Financial Statements
	Consolidated Statements of Operations for the Three Months Ended March 31, 2019 and 2018 (Unaudited) 3
	Consolidated Statements of Comprehensive Income for the Three Months Ended March 31, 2019 and 2018 (Unaudited) 4
	Consolidated Balance Sheets as of March 31, 2019 (Unaudited) and December 31, 2018 5
	Consolidated Statements of Cash Flows for the Three Months Ended March 31, 2019 and 2018 (Unaudited) 6
	Consolidated Statements of Shareholders' Equity for the Three Months Ended March 31, 2019 and 2018 (Unaudited) 7
	Notes to Consolidated Financial Statements (Unaudited) 8
	Cautionary Statement Regarding Forward Looking Information 34
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations 36
Item 3.	Quantitative and Qualitative Disclosures About Market Risk 46
Item 4.	Controls and Procedures 47
Part II - Other Information	
Item 1.	Legal Proceedings 48
Item 1A.	Risk Factors 48
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds 48
Item 6.	Exhibits 49
	Signatures 50
Exhibits	

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

DELPHI TECHNOLOGIES PLC
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended March 31,	
	2019	2018
	(in millions, except per share amounts)	
Net sales	\$ 1,151	\$ 1,296
Operating expenses:		
Cost of sales	983	1,046
Selling, general and administrative	104	97
Amortization	6	4
Restructuring (Note 8)	3	11
Total operating expenses	1,096	1,158
Operating income	55	138
Interest expense	(18)	(20)
Other (expense) income, net (Note 18)	(12)	6
Income before income taxes and equity income	25	124
Income tax expense	(8)	(22)
Income before equity income	17	102
Equity income, net of tax	2	3
Net income	19	105
Net income attributable to noncontrolling interest	3	7
Net income attributable to Delphi Technologies	\$ 16	\$ 98
Net income per share attributable to Delphi Technologies:		
Basic	\$ 0.18	\$ 1.10
Diluted	\$ 0.18	\$ 1.10
Weighted average ordinary shares outstanding:		
Basic	88.45	88.71
Diluted	88.55	88.92
Cash dividends declared per share	\$ —	\$ 0.17

See notes to consolidated financial statements.

DELPHI TECHNOLOGIES PLC
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited)

	Three Months Ended March 31,	
	2019	2018
	(in millions)	
Net income	\$ 19	\$ 105
Other comprehensive income:		
Currency translation adjustments	9	31
Net change in unrecognized gain on derivative instruments, net of tax (Note 16)	16	(1)
Employee benefit plans adjustment, net of tax	34	(8)
Other comprehensive income	59	22
Comprehensive income	78	127
Comprehensive income attributable to noncontrolling interests	4	9
Comprehensive income attributable to Delphi Technologies	\$ 74	\$ 118

See notes to consolidated financial statements.

**DELPHI TECHNOLOGIES PLC
CONSOLIDATED BALANCE SHEETS**

	March 31, 2019 (Unaudited)	December 31, 2018
(in millions)		
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 217	\$ 359
Restricted cash	1	1
Accounts receivable, net	914	878
Inventories, net (Note 3)	549	521
Other current assets (Note 4)	182	172
Total current assets	1,863	1,931
Long-term assets:		
Property, net	1,469	1,445
Investments in affiliates	45	44
Intangible assets and goodwill, net (Note 2)	71	76
Other long-term assets (Note 4)	509	397
Total long-term assets	2,094	1,962
Total assets	\$ 3,957	\$ 3,893
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Short-term debt (Note 9)	\$ 44	\$ 43
Accounts payable	840	906
Accrued liabilities (Note 5)	442	428
Total current liabilities	1,326	1,377
Long-term liabilities:		
Long-term debt (Note 9)	1,479	1,488
Pension and other postretirement benefit obligations (Note 10)	437	467
Other long-term liabilities (Note 5)	219	123
Total long-term liabilities	2,135	2,078
Total liabilities	3,461	3,455
Commitments and contingencies (Note 11)		
Shareholders' equity:		
Preferred shares, \$0.01 par value per share, 50,000,000 shares authorized, none issued and outstanding	—	—
Ordinary shares, \$0.01 par value per share, 1,200,000,000 shares authorized, 87,985,653 and 88,491,963 issued and outstanding as of March 31, 2019 and December 31, 2018, respectively	1	1
Additional paid-in-capital	406	407
Retained earnings	301	296
Accumulated other comprehensive loss (Note 15)	(354)	(412)
Total Delphi Technologies shareholders' equity	354	292
Noncontrolling interest	142	146
Total shareholders' equity	496	438
Total liabilities and shareholders' equity	\$ 3,957	\$ 3,893

See notes to consolidated financial statements.

DELPHI TECHNOLOGIES PLC
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Three Months Ended March 31,	
	2019	2018
	(in millions)	
Cash flows from operating activities:		
Net income	\$ 19	\$ 105
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	47	46
Amortization	6	4
Amortization of deferred debt issuance costs	1	1
Restructuring expense, net of cash paid	(6)	(7)
Deferred income taxes	(3)	2
Pension and other postretirement benefit expenses	21	11
Income from equity method investments, net of dividends received	(2)	(3)
Share-based compensation	4	5
Changes in operating assets and liabilities:		
Accounts receivable, net	(36)	(23)
Inventories	(28)	(1)
Other assets	6	(9)
Accounts payable	(6)	(74)
Accrued and other long-term liabilities	1	24
Other, net	11	5
Pension contributions	(14)	(11)
Net cash provided by operating activities	21	75
Cash flows from investing activities:		
Capital expenditures	(131)	(66)
Proceeds from sale of property	2	1
Cost of technology investments	—	(7)
Settlement of undesignated derivatives	(2)	—
Net cash used in investing activities	(131)	(72)
Cash flows from financing activities:		
Net repayments under short-term debt agreements	—	(1)
Repayments under long-term debt agreements	(9)	(5)
Dividend payments of consolidated affiliates to minority shareholders	(8)	(10)
Distribution of cash dividends	—	(15)
Taxes withheld and paid on employees' restricted share awards	(1)	(2)
Repurchase of ordinary shares	(14)	—
Net cash used in financing activities	(32)	(33)
Effect of exchange rate fluctuations on cash, cash equivalents and restricted cash	—	8
Decrease in cash, cash equivalents and restricted cash	(142)	(22)
Cash, cash equivalents and restricted cash at beginning of the period	360	339
Cash, cash equivalents and restricted cash at end of the period	\$ 218	\$ 317

See notes to consolidated financial statements.

DELPHI TECHNOLOGIES PLC
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(Unaudited)

	Ordinary Shares		Additional Paid in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Delphi Technologies Shareholders' Equity	Noncontrolling Interest	Total Shareholders' Equity
	Number of Shares	Amount						
(in millions)								
Balance at December 31, 2018	89	\$ 1	\$ 407	\$ 296	\$ (412)	\$ 292	\$ 146	\$ 438
Net income	—	—	—	16	—	16	3	19
Other comprehensive income	—	—	—	—	58	58	1	59
Dividend payments of consolidated affiliates to minority shareholders	—	—	—	—	—	—	(8)	(8)
Repurchase of ordinary shares	(1)	—	(4)	(11)	—	(15)	—	(15)
Share-based compensation	—	—	4	—	—	4	—	4
Taxes withheld on employees' restricted share award vestings	—	—	(1)	—	—	(1)	—	(1)
Balance at March 31, 2019	88	\$ 1	\$ 406	\$ 301	\$ (354)	\$ 354	\$ 142	\$ 496

	Ordinary Shares		Additional Paid in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Delphi Technologies Shareholders' Equity	Noncontrolling Interest	Total Shareholders' Equity
	Number of Shares	Amount						
(in millions)								
Balance at December 31, 2017	89	\$ 1	\$ 431	\$ 7	\$ (371)	\$ 68	\$ 164	\$ 232
Net income	—	—	—	98	—	98	7	105
Other comprehensive income	—	—	—	—	20	20	2	22
Dividends on ordinary shares	—	—	—	(15)	—	(15)	—	(15)
Dividend payments of consolidated affiliates to minority shareholders	—	—	—	—	—	—	(10)	(10)
Separation related adjustments	—	—	(32)	—	—	(32)	—	(32)
Share-based compensation	—	—	5	—	—	5	—	5
Taxes withheld on employees' restricted share award vestings	—	—	(5)	—	—	(5)	—	(5)
Balance as of March 31, 2018	89	\$ 1	\$ 399	\$ 90	\$ (351)	\$ 139	\$ 163	\$ 302

See notes to consolidated financial statements.

DELPHI TECHNOLOGIES PLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

1. GENERAL

On December 4, 2017, Delphi Technologies PLC became an independent publicly-traded company, formed under the laws of Jersey, as a result of the separation of the Powertrain Systems segment, which included the aftermarket operations, from Aptiv PLC, formerly known as Delphi Automotive PLC (the “Former Parent”). The separation was completed in the form of a pro-rata distribution to the Former Parent’s shareholders of 100% of the outstanding ordinary shares of Delphi Technologies PLC (the “Separation”). References hereinafter to “Delphi Technologies,” “we,” “us,” “our” or the “Company” refer to Delphi Technologies PLC and include the results of the Former Parent’s Powertrain Systems segment.

Nature of Operations

Delphi Technologies is a leader in the development, design and manufacture of integrated powertrain technologies that optimize engine performance, increase vehicle efficiency, reduce emissions, improve driving performance, and support increasing electrification of vehicles. The Company is a global supplier to original equipment manufacturers (“OEMs”) seeking to manufacture vehicles that meet and exceed increasingly stringent global regulatory requirements and satisfy consumer demands for an enhanced user experience. We provide advanced fuel injection systems, actuators, valvetrain products, sensors, electronic control modules and power electronics technologies. Additionally, the Company offers a full spectrum of aftermarket products serving a global customer base.

Our comprehensive portfolio of advanced technologies and solutions for all propulsion systems are sold to global OEMs of both light vehicles (passenger cars, trucks, vans and sport-utility vehicles) and commercial vehicles (light-duty, medium-duty and heavy-duty trucks, commercial vans, buses and off-highway vehicles). The Aftermarket segment also remanufactures and sells our products to leading aftermarket companies, including independent retailers and wholesale distributors. We supply a wide range of aftermarket products and services covering the fuel injection, electronics and engine management, maintenance, and test equipment and vehicle diagnostics categories. We also add aftermarket know-how in category management, logistics, training, marketing and other dedicated services to provide a full range of aftermarket solutions throughout vehicles’ lives.

Basis of Presentation

The unaudited consolidated financial statements included herein have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by U.S. GAAP for complete annual financial statements. All adjustments, consisting of normal recurring items, which are necessary for a fair presentation, have been included. The unaudited consolidated financial statements and notes thereto included in this report should be read in conjunction with Delphi Technologies 2018 Annual Report on Form 10-K.

2. SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation —The consolidated financial statements as of and for the three months ended March 31, 2019 include the accounts of Delphi Technologies’ subsidiaries in which the Company holds a controlling financial or management interest and variable interest entities of which Delphi Technologies has determined that it is the primary beneficiary. All significant intercompany transactions and balances between consolidated Delphi Technologies businesses have been eliminated.

Delphi Technologies’ share of the earnings or losses of Delphi-TVS Diesel Systems Ltd (of which Delphi Technologies owns approximately 50%), a non-controlled affiliate located in India over which the Company exercises significant influence, is included in the consolidated operating results of Delphi Technologies using the equity method of accounting.

Delphi Technologies holds a \$21 million investment in Tula Technology, Inc. (“Tula”), an engine control software company, over which the Company does not exert significant influence.

During the three months ended March 31, 2018, Delphi Technologies made a \$7 million investment in PolyCharge America, Inc. (“PolyCharge”), a start-up established to commercialize a new capacitor technology, over which the Company does not exert significant influence.

Tula and PolyCharge are privately-held companies that do not have readily determinable fair values and therefore are measured at cost less impairments, adjusted for observable price changes in orderly transactions for the identical or similar investment of the same issuer. There were no impairments or upward adjustments recorded during the three months ended March 31, 2019 or 2018. These investments are classified within other long-term assets in the consolidated balance sheets.

The Company monitors its equity investments, including those measured at fair value and those that do not have readily determinable fair values, for indicators of impairments or upward adjustments, on an ongoing basis. If the Company determines that such an indicator is present, an adjustment is recorded, which is measured as the difference between carrying value and estimated fair value. Estimated fair value is generally determined using an income approach based on discounted cash flows or negotiated transaction values.

Use of estimates—Preparation of consolidated financial statements in conformity with U.S. GAAP requires the use of estimates and assumptions that affect amounts reported therein. Generally, matters subject to estimation and judgment include amounts related to accounts receivable realization, inventory obsolescence, asset impairments, useful lives of intangible and fixed assets, deferred tax asset valuation allowances, income taxes, pension benefit plan assumptions, accruals related to litigation, warranty costs, environmental remediation costs, worker’s compensation accruals and healthcare accruals. Due to the inherent uncertainty involved in making estimates, actual results reported in future periods may be based upon amounts that differ from those estimates.

Revenue recognition—The Company recognizes revenue in accordance with Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 606, *Revenue from Contracts with Customers* (“ASC 606”). Revenue is recognized when obligations under the terms of a contract with our customer are satisfied; generally this occurs with the transfer of control of our production parts or aftermarket parts. Revenue is measured as the amount of consideration the Company expects to receive in exchange for transferring goods. Sales incentives and allowances (including returns) are recognized as a reduction to revenue at the time of the related sale. The Company estimates the allowances based on an analysis of historical experience. Taxes assessed by a governmental authority collected by the Company concurrent with a specific revenue-producing transaction are excluded from net sales. Shipping and handling fees billed to customers are included in net sales, while costs of shipping and handling are included in cost of sales.

The Aftermarket segment provides certain customers with a right of return. The Company recognizes an estimated return asset (and adjusts for cost of sales) for the right to recover the products returned by the customer. ASC 606 requires that return assets be presented separately from inventory. As of March 31, 2019 and December 31, 2018, the Company had return assets of \$6 million and \$7 million, respectively, included in other current assets. Refer to Note 12. Revenue and Note 4. Assets for additional information.

Net income per share—Basic net income per share is computed by dividing net income attributable to Delphi Technologies by the weighted-average number of ordinary shares outstanding during the period. Diluted net income per share reflects the weighted average dilutive impact of all potentially dilutive securities from the date of issuance and is computed using the treasury stock method by dividing net income attributable to Delphi Technologies by the diluted weighted-average number of ordinary shares outstanding. Refer to Note 14. Shareholders’ Equity and Net Income Per Share for additional information including the calculation of basic and diluted net income per share.

Rebates—The Company accrues for rebates pursuant to specific arrangements primarily with certain aftermarket customers. Rebates generally provide for price reductions based upon purchase volumes and are recorded as a reduction of sales as earned by such customers.

Cash and cash equivalents—Cash and cash equivalents are defined as short-term, highly liquid investments with original maturities of three months or less.

Accounts receivable—Accounts receivable are recorded at the invoiced amount and do not bear interest. The Company generally does not require collateral for its trade receivables.

Sales of receivables are accounted for in accordance with the FASB ASC Topic 860, *Transfers and Servicing* (“ASC 860”). Agreements which result in true sales of the transferred receivables, as defined in ASC 860, which occur when receivables are transferred to a third party without recourse to the Company, are excluded from amounts reported in the consolidated balance sheets. Cash proceeds received from such sales are included in operating cash flows. The expenses associated with receivables factoring are recorded in the consolidated statements of operations within interest expense.

Leases—The Company accounts for leases in accordance with FASB ASC Topic 842, *Leases* (“ASC 842”), which requires lessees to recognize a lease liability and a right-of-use asset on the balance sheet for all leases, with the exception of short-term leases. The lease liability and right-of-use asset are recognized at the lease commencement date based on the estimated present value of lease payments over the lease term. For leases that meet the definition of a short-term lease, the Company has elected to apply the short-term lease exemption, and accordingly, they are not recorded on the balance sheet. The Company has elected the practical expedients in ASC 842 related to not separating lease and nonlease components of contracts, both when the Company is a lessee and lessor.

The Company uses an estimated incremental borrowing rate, which is derived from information available at lease commencement, in determining the present value of lease payments. When calculating the incremental borrowing rates, the Company gives consideration to the applicable margin based on our corporate credit ratings, as defined by the Credit

Agreement, as well as publicly available data by country for instruments with similar characteristics. Refer to Note. 6 Leases for additional information.

Intangible assets —Intangible assets were \$64 million and \$69 million as of March 31, 2019 and December 31, 2018 , respectively. The Company has definite-lived intangible assets related to patents and developed technology, customer relationships and trade names. The Company amortizes definite-lived intangible assets over their estimated useful lives. The Company also has intangible assets related to acquired trade names that are classified as indefinite-lived when there are no foreseeable limits on the periods of time over which they are expected to contribute cash flows. These indefinite-lived trade name assets are tested for impairment annually, or more frequently when indicators of potential impairment exist. Costs to renew or extend the term of acquired intangible assets are recognized as expense as incurred. Amortization expense was \$7 million and \$5 million for the three months ended March 31, 2019 and 2018 , respectively, of which \$1 million and \$1 million were recorded as a reduction to sales, respectively. During the three months ended March 31, 2019 , amortization expense included \$3 million of impairment.

Goodwill —Goodwill is the excess of the purchase price over the estimated fair value of identifiable net assets acquired in business combinations. The Company tests goodwill for impairment annually in the fourth quarter, or more frequently when indications of potential impairment exist. The Company monitors the existence of potential impairment indicators throughout the fiscal year. The Company tests for goodwill impairment at the reporting unit level. Our reporting units are the components of operating segments which constitute businesses for which discrete financial information is available and is regularly reviewed by segment management.

There were no indicators of potential goodwill impairment during the three months ended March 31, 2019 . Goodwill was \$7 million and \$7 million as of March 31, 2019 and December 31, 2018 , respectively.

Warranty and product recalls —Expected warranty costs for products sold are recognized at the time of sale of the product based on an estimate of the amount that eventually will be required to settle such obligations. These accruals are based on factors such as past experience, production changes, industry developments and various other considerations. Costs of product recalls, which may include the cost of the product being replaced as well as the customer’s cost of the recall, including labor to remove and replace the recalled part, are accrued as part of our warranty accrual at the time an obligation becomes probable and can be reasonably estimated. These estimates are adjusted from time to time based on facts and circumstances that impact the status of existing claims. Refer to Note 7. Warranty Obligations for additional information.

Income taxes —Deferred tax assets and liabilities reflect temporary differences between the amount of assets and liabilities for financial and tax reporting purposes. Such amounts are adjusted, as appropriate, to reflect changes in tax rates expected to be in effect when the temporary differences reverse. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in earnings in the period that includes the enactment date. A valuation allowance is recorded to reduce deferred tax assets to the amount that is more likely than not to be realized. In the event the Company determines it is more likely than not that the deferred tax assets will not be realized in the future, the valuation allowance adjustment to the deferred tax assets will be charged to earnings in the period in which the Company makes such a determination. In determining the provision for income taxes for financial statement purposes, the Company makes certain estimates and judgments which affect its evaluation of the carrying value of its deferred tax assets, as well as its calculation of certain tax liabilities. Refer to Note 13. Income Taxes for additional information.

Restructuring —Delphi Technologies continually evaluates alternatives to align the business with the changing needs of its customers and to lower operating costs. This includes the realignment of its existing manufacturing capacity, facility closures, or similar actions, either in the normal course of business or pursuant to significant restructuring programs. These actions may result in employees receiving voluntary or involuntary employee termination benefits, which are mainly pursuant to union or other contractual agreements. Voluntary termination benefits are accrued when an employee accepts the related offer. Involuntary termination benefits are accrued upon the commitment to a termination plan and when the benefit arrangement is communicated to affected employees, or when liabilities are determined to be probable and estimable, depending on the existence of a substantive plan for severance or termination. Contract termination costs are recorded when contracts are terminated or when Delphi Technologies no longer derives economic benefit from a contract or ceases to use a leased facility. All other exit costs are expensed as incurred. Refer to Note 8. Restructuring for additional information.

Derivative financial instruments —All derivative instruments are required to be reported on the balance sheet at fair value unless the transactions qualify and are designated as normal purchases or sales. Changes in fair value are reported currently through earnings unless they meet hedge accounting criteria.

Exposure to fluctuations in currency exchange rates and interest rates are managed by entering into a variety of forward contracts and swaps with various counterparties. Such financial exposures are managed in accordance with the policies and procedures of Delphi Technologies. The Company does not enter into derivative transactions for speculative or trading purposes. As part of the hedging program approval process, the Company identifies the specific financial risk which the derivative transaction will minimize, the appropriate hedging instrument to be used to reduce the risk and the correlation

between the financial risk and the hedging instrument. Purchase orders, sales contracts, letters of intent, capital planning forecasts and historical data are used as the basis for determining the anticipated values of the transactions to be hedged. The Company does not enter into derivative transactions that do not have a high correlation with the underlying financial risk. Hedge positions, as well as the correlation between the transaction risks and the hedging instruments, are reviewed on an ongoing basis.

Foreign exchange forward contracts are accounted for as hedges of firm or forecasted foreign currency commitments to the extent they are designated and assessed as highly effective. All foreign exchange contracts are marked to market on a current basis. Refer to Note 16. Derivatives and Hedging Activities and Note 17. Fair Value of Financial Instruments for additional information.

Recently adopted accounting pronouncements —Delphi Technologies adopted Accounting Standards Update (“ASU”) 2016-02, *Leases (Topic 842)*, in the first quarter of 2019 using the optional modified retrospective transition method and did not recast the comparative periods. This ASU requires lessees to recognize a lease liability and a right-of-use asset on the balance sheet for all leases, with the exception of short-term leases. Delphi Technologies elected the package of practical expedients, related to existing leases at the time of adoption, that allowed the Company to carry forward the accounting assessments for: i) whether contracts are or contain leases, ii) the lease classification and iii) the initial direct costs. Delphi Technologies also elected the practical expedient related to existing land easements, that allowed the Company to carry forward the accounting treatment for land easements in existing agreements.

The adoption of this guidance resulted in the recognition of operating lease right-of-use assets and operating lease liabilities of approximately \$118 million and \$120 million, respectively, on the Company’s consolidated balance sheet as of March 31, 2019. The adoption did not have a material impact on its consolidated statements of operations or cash flows. Refer to Note 6. Leases for additional information.

Delphi Technologies adopted ASU 2018-07, *Compensation-Stock Compensation (Topic 718): Improvements to Nonemployee Share-Based Payment Accounting* in the first quarter of 2019. This guidance expands the scope of ASC Topic 718, which currently only includes share-based payments to employees, to include share-based payments issued to nonemployees for goods or services. Consequently, the accounting for share-based payments to nonemployees and employees will be substantially aligned. The adoption of this guidance did not have a material impact on the Company’s consolidated financial statements.

Recently issued accounting pronouncements not yet adopted —In June 2016, the FASB issued ASU 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. This guidance requires the measurement of all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions and reasonable and supportable forecasts. This guidance also requires enhanced disclosures regarding significant estimates and judgments used in estimating credit losses. The new guidance is effective for fiscal years beginning after December 15, 2019. Early adoption is permitted for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2018. The Company is currently evaluating the impact that the adoption of this guidance will have on its consolidated financial statements.

In January 2017, the FASB issued ASU 2017-04, *Intangibles - Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment*. This guidance simplifies how an entity is required to test goodwill for impairment by eliminating step two from the goodwill impairment test, which measures a goodwill impairment loss by comparing the implied fair value of a reporting unit’s goodwill with the carrying amount. Under the new guidance, if a reporting unit’s carrying amount exceeds its fair value, an entity will record an impairment charge based on that difference. The impairment charge will be limited to the amount of goodwill allocated to that reporting unit. The standard will be applied prospectively and is effective for annual and interim impairment tests performed in periods beginning after December 15, 2019. Early adoption is permitted. The Company is currently evaluating the impact of adopting this standard on its financial statements, but does not anticipate a significant impact.

In August 2018, the FASB issued ASU 2018-13, *Fair Value Measurement (Topic 820): Disclosure Framework-Changes to the Disclosure Requirements for Fair Value Measurement*. This guidance amends ASC 820 to add, remove and clarify certain disclosure requirements related to fair value measures. The new guidance is effective for fiscal years beginning after December 15, 2019, including interim periods within that fiscal year. Early adoption is permitted. The adoption of this guidance is not expected to have a material impact on the Company’s financial statements.

In August 2018, the FASB issued ASU 2018-14, *Compensation-Retirement Benefits-Defined Benefit Plans-General (Subtopic 715-20): Disclosure Framework-Changes to the Disclosure Requirements for Defined Benefit Plans*. This guidance amends ASC 715 to add, remove and clarify certain disclosure requirements related to defined benefit pension and other postretirement plans. The new guidance is effective for fiscal years ending after December 31, 2020. Early adoption is permitted. The adoption of this guidance is not expected to have a material impact on the Company’s financial statements.

3. INVENTORIES, NET

Inventories, net are stated at the lower of cost, determined on a first-in, first-out basis, or net realizable value, including direct material costs and direct and indirect manufacturing costs. A summary of inventories is shown below:

	March 31, 2019	December 31, 2018
	(in millions)	
Productive material	\$ 246	\$ 250
Work-in-process	46	36
Finished goods	257	235
Total	<u>\$ 549</u>	<u>\$ 521</u>

4. ASSETS

Other current assets consisted of the following:

	March 31, 2019	December 31, 2018
	(in millions)	
Value added tax receivable	\$ 101	\$ 98
Reimbursable engineering costs	26	17
Income and other taxes receivable	16	16
Prepaid insurance and other expenses	14	14
Notes receivable	13	15
Return assets (Note 2)	6	7
Derivative financial instruments (Note 16)	4	4
Other	2	1
Total	<u>\$ 182</u>	<u>\$ 172</u>

Other long-term assets consisted of the following:

	March 31, 2019	December 31, 2018
	(in millions)	
Deferred income taxes, net	\$ 275	\$ 280
Operating lease assets (Note 6)	118	—
Income and other taxes receivable	36	53
Investment in Tula (Note 2)	21	21
Derivative financial instruments (Note 16)	10	—
Investment in PolyCharge (Note 2)	7	7
Debt issuance costs	3	3
Reimbursable engineering costs	2	—
Other	37	33
Total	<u>\$ 509</u>	<u>\$ 397</u>

5. LIABILITIES

Accrued liabilities consisted of the following:

	March 31, 2019	December 31, 2018
	(in millions)	
Income and other taxes payable	\$ 61	\$ 63
Warranty obligations (Note 7)	59	68
Payroll-related obligations	51	45
Restructuring (Note 8)	40	46
Deferred reimbursable engineering	32	31
Accrued rebates	30	29
Freight	22	20
Accrued interest	21	12
Operating lease liabilities (Note 6)	19	—
Outside services	14	13
Employee benefits	12	16
Deferred cost reimbursement	7	5
Customer deposits	5	5
Other	69	75
Total	<u>\$ 442</u>	<u>\$ 428</u>

Other long-term liabilities consisted of the following:

	March 31, 2019	December 31, 2018
	(in millions)	
Operating lease liabilities (Note 6)	\$ 101	\$ —
Accrued income taxes	46	46
Warranty obligations (Note 7)	32	28
Restructuring (Note 8)	20	19
Deferred income taxes, net	13	14
Derivative financial instruments (Note 16)	—	6
Environmental (Note 11)	2	2
Other	5	8
Total	<u>\$ 219</u>	<u>\$ 123</u>

6. LEASES

On January 1, 2019, Delphi Technologies adopted ASC Topic 842, *Leases*, which requires lessees to recognize a lease liability and a right-of-use asset on the balance sheet for leases, with the exception of short-term leases. The Company leases real estate (including manufacturing sites and technical centers), office equipment, automobiles, forklifts and certain other equipment under finance and operating leases. As of March 31, 2019, the remaining lease terms range from 1 year to 10 years. Many of the Company's leases include rent escalation clauses, renewal options and/or termination options that are factored into the Company's determination of lease payments and lease term, as appropriate. During the three months ended March 31, 2019, the Company obtained \$2 million and less than \$1 million of lease assets in exchange for new operating and finance lease liabilities, respectively.

The Company is a lessor for certain owned real estate. Rental income for these leases is included within other income, net and was not material for the three months ended March 31, 2019.

The table below presents supplemental balance sheet information related to leases as of March 31, 2019 :

		March 31, 2019
		(in millions)
Assets	Balance Sheet Location	
Operating lease assets	Other long-term assets (Note 4)	\$ 118
Finance lease assets	Property, net	14
	Total lease assets	<u>\$ 132</u>
Liabilities		
Current		
Operating leases	Accrued liabilities (Note 5)	\$ 19
Finance leases	Short-term debt (Note 9)	2
Long-term		
Operating leases	Other long-term liabilities (Note 5)	101
Finance leases	Long-term debt (Note 9)	12
	Total lease liabilities	<u>\$ 134</u>

The table below presents the components of lease costs for the three months ended March 31, 2019:

	Three Months Ended March 31, 2019
	(in millions)
Finance lease cost - amortization of lease assets (1)	\$ 1
Operating lease cost (2)	8
Total lease cost	<u>\$ 9</u>

(1) Includes interest on finance lease liabilities, which was not material.

(2) Includes short-term leases and variable lease costs, which were not material.

The table below presents the weighted-average remaining lease term and discount rate as of March 31, 2019:

	March 31, 2019
Weighted-average remaining lease term:	
Operating leases	6.95
Finance leases	8.97
Weighted-average discount rate:	
Operating leases	6.58%
Finance leases	4.12%

The table below presents supplemental cash flow information related to leases during the three months ended March 31, 2019:

	Three Months Ended March 31, 2019
	(in millions)
Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash flows for operating leases (1)	\$ 7

(1) Operating and financing cash flows for finance leases were not material for the three months ended March 31, 2019.

The table below reconciles the undiscounted future minimum lease payments to the lease liabilities recorded on the balance sheet as of March 31, 2019:

	Operating Leases	Finance Leases	Total
	(in millions)		
Remainder of 2019	\$ 19	\$ 2	\$ 21
2020	25	2	27
2021	23	2	25
2022	19	2	21
2023	14	1	15
Thereafter	51	9	60
Total future minimum lease payments	151	18	169
Less: amount of lease payments representing interest	(31)	(4)	(35)
Total lease liabilities	\$ 120	\$ 14	\$ 134

As of March 31, 2019, the Company has additional leases that have not yet commenced totaling \$17 million of undiscounted future minimum lease payments. These leases will commence in 2019 with lease terms of 1 year to 11 years .

7. WARRANTY OBLIGATIONS

Expected warranty costs for products sold are recognized principally at the time of sale of the product based on an estimate of the amount that will eventually be required to settle such obligations. These accruals are based on factors such as past experience, production changes, industry developments and various other considerations. The estimated costs related to product recalls based on a formal campaign soliciting return of that product are accrued at the time an obligation becomes probable and can be reasonably estimated. These estimates and the related warranty reserves are adjusted from time to time based on facts and circumstances that impact the status of existing claims. Delphi Technologies has recognized its best estimate for its total aggregate warranty reserves, including product recall costs, across all of its operating segments as of March 31, 2019 . The Company estimates the reasonably possible amount to ultimately resolve all matters in excess of the recorded reserves as of March 31, 2019 to be \$0 million to \$10 million .

The table below summarizes the activity in the product warranty liability for the three months ended March 31, 2019 :

	Warranty Obligations
	(in millions)
Accrual balance at beginning of period	\$ 96
Provision for estimated warranties incurred during the period	9
Changes in estimate for pre-existing warranties	1
Settlements made during the period (in cash or in kind)	(15)
Foreign currency translation and other	—
Accrual balance at end of period	\$ 91

8. RESTRUCTURING

The Company's restructuring activities are undertaken as necessary to implement management's strategy, streamline operations, take advantage of available capacity and resources, and ultimately achieve net cost reductions. These activities generally relate to the realignment of existing manufacturing capacity and closure of facilities and other exit or disposal activities, as it relates to executing Delphi Technologies' strategy, either in the normal course of business or pursuant to significant restructuring programs.

As part of the Company's continued efforts to optimize its cost structure, it has undertaken several restructuring programs which include workforce reductions as well as plant closures. These programs are primarily focused on the continued rotation of our manufacturing footprint to best-cost locations in Europe and on reducing global overhead costs. The Company recorded employee-related and other restructuring charges related to these programs totaling approximately \$3 million during the three

months ended March 31, 2019 . The Company recorded employee-related and other restructuring charges related to these programs totaling approximately \$11 million during the three months ended March 31, 2018 , of which \$8 million was recognized for programs focused on the continued rotation of our manufacturing footprint to best cost locations in Europe and \$1 million was recognized for programs implemented to reduce global overhead costs.

Restructuring charges for employee separation and termination benefits are paid either over the severance period or in a lump sum in accordance with either statutory requirements or individual agreements. Delphi Technologies incurred cash expenditures related to its restructuring programs of approximately \$9 million and \$18 million in the three months ended March 31, 2019 and 2018 , respectively.

The following table summarizes the restructuring charges recorded for the three months ended March 31, 2019 and 2018 by operating segment:

	Three Months Ended March 31,	
	2019	2018
	(in millions)	
Powertrain Systems	\$ 3	\$ 11
Aftermarket	—	—
Total	\$ 3	\$ 11

The table below summarizes the activity in the restructuring liability for the three months ended March 31, 2019 :

	Employee Termination Benefits Liability	Other Exit Costs Liability	Total
	(in millions)		
Accrual balance at December 31, 2018	\$ 64	\$ 1	\$ 65
Provision for estimated expenses incurred during the period	3	—	3
Payments made during the period	(9)	—	(9)
Foreign currency and other	1	—	1
Accrual balance at March 31, 2019	\$ 59	\$ 1	\$ 60

9. DEBT

The following is a summary of debt outstanding, net of unamortized issuance costs and discounts, as of March 31, 2019 and December 31, 2018 , respectively:

	March 31, 2019	December 31, 2018
	(in millions)	
\$750 million Term Loan A Facility, due 2022 (net of \$4 and \$4 unamortized issuance costs)	\$ 718	\$ 727
\$800 million Senior Notes at 5.00%, due 2025 (net of \$11 and \$12 unamortized issuance costs and \$3 and \$3 discount, respectively)	786	785
Finance lease liabilities and other	19	19
Total debt	1,523	1,531
Less: current portion	(44)	(43)
Long-term debt	\$ 1,479	\$ 1,488

Credit Agreement

On September 7, 2017 , Delphi Technologies and its wholly-owned subsidiary Delphi Powertrain Corporation entered into a credit agreement (the “Credit Agreement”) with JPMorgan Chase Bank, N.A., as administrative agent (the “Administrative Agent”), with respect to \$1.25 billion in senior secured credit facilities. The Credit Agreement consists of a senior secured five-year \$750 million term loan facility (the “Term Loan A Facility”) and a \$500 million five-year senior secured revolving credit facility (the “Revolving Credit Facility”) (collectively, the “Credit Facilities”) with the lenders party thereto and JPMorgan

Chase Bank, N.A. We incurred \$9 million of issuance costs in connection with the Credit Agreement. As of March 31, 2019, there were no amounts drawn on the Revolving Credit Facility.

The Credit Facilities are subject to an interest rate, at our option, of either (a) the Administrative Agent’s Alternate Base Rate (“ABR” as defined in the Credit Agreement) or (b) the London Interbank Offered Rate (the “Adjusted LIBOR Rate” as defined in the Credit Agreement) (“LIBOR”), in each case, plus an applicable margin that is based on our corporate credit ratings, as more particularly described below (the “Applicable Rate”). In addition, the Credit Agreement requires payment of additional interest on certain overdue obligations on terms and conditions customary for financings of this type. The interest rate period with respect to LIBOR interest rate options can be set at one-, two-, three-, or six-months as selected by us in accordance with the terms of the Credit Agreement (or other period as may be agreed by the applicable lenders), but payable no less than quarterly. We may elect to change the selected interest rate over the term of the Credit Facilities in accordance with the provisions of the Credit Agreement. The Applicable Rates under the Credit Agreement on the specified date are set forth below:

	March 31, 2019		December 31, 2018	
	LIBOR plus	ABR plus	LIBOR plus	ABR plus
Revolving Credit Facility	1.45%	0.45%	1.45%	0.45%
Term Loan A Facility	1.75%	0.75%	1.75%	0.75%

The applicable interest rate margins for the Term Loan A Facility will increase or decrease from time to time between 1.50% and 2.00% per annum (for LIBOR loans) and between 0.50% and 1.00% per annum (for ABR loans), in each case based upon changes to our corporate credit ratings. The applicable interest rate margins for the Revolving Credit Facility will increase or decrease from time to time between 1.30% and 1.55% per annum (for LIBOR loans) and between 0.30% and 0.55% per annum (for ABR loans), in each case based upon changes to our corporate credit ratings. Accordingly, the Applicable Rates for the Credit Facilities will fluctuate during the term of the Credit Agreement based on changes in the ABR, LIBOR or future changes in our corporate credit ratings. The Credit Agreement also requires that we pay certain facility fees on the aggregate commitments under the Revolving Credit Facility and certain letter of credit issuance and fronting fees. Amounts outstanding and the rate effective as of March 31, 2019, are detailed below:

	Applicable Rate	Borrowings as of	Rate effective as of
		March 31, 2019 (in millions)	
Term Loan A Facility	LIBOR plus 1.75%	\$ 722	4.25%

In December 2018, the Company entered into interest rate swap agreements, designated as cash flow hedges, with a combined notional amount of \$400 million where the variable rates under the Term Loan A Facility have been exchanged for a fixed rate. These interest rate swap agreements mature in September 2022 and convert the nature of \$400 million of the loan from LIBOR floating-rate debt to fixed-rate debt. In addition to these agreements, as a means of managing foreign currency risk related to our significant operations in Europe, in December 2018 and March 2019, the Company executed fixed-for-fixed cross currency swaps, in which the Company will pay Euros and receive U.S. dollars with a combined notional amount of \$600 million. These agreements are designated as net investment hedges and will have a maturity date of September 2022. See Note 16. Derivatives and Hedging Activities for additional information on our interest rate swaps.

Letters of credit are available for issuance under the Credit Agreement on terms and conditions customary for financings of this type, which issuances reduce availability under the Revolving Credit Facility. No such letters of credit were outstanding as of March 31, 2019.

We are obligated to make quarterly principal payments throughout the term of the Term Loan A Facility according to the amortization provisions in the Credit Agreement. Such payments may be reduced from time to time in accordance with the terms of the Credit Agreement as a result of the application of loan prepayments made by us, if any, prior to the scheduled date of payment thereof.

Borrowings under the Credit Agreement are prepayable at our option without premium or penalty. We may request that all or a portion of the Credit Facilities be converted to extend the scheduled maturity date(s) with respect to all or a portion of any principal amount of such Credit Facilities under certain conditions customary for financings of this type. The Credit Agreement also contains certain mandatory prepayment provisions in the event that we receive net cash proceeds from certain non-ordinary course asset sales, casualty events and debt offerings, in each case subject to terms and conditions customary for financings of this type.

The Credit Agreement contains certain affirmative and negative covenants customary for financings of this type that, among other things, limit our and our subsidiaries’ ability to incur additional indebtedness or liens, to dispose of assets, to make certain

fundamental changes, to designate subsidiaries as unrestricted, to make certain investments, to prepay certain indebtedness and to pay dividends, or to make other distributions or redemptions/repurchases, with respect to our and our subsidiaries' equity interests. In addition, the Credit Agreement requires that we maintain a consolidated net leverage ratio (the ratio of Consolidated Total Indebtedness to Consolidated Adjusted EBITDA, each as defined in the Credit Agreement) of not greater than 3.5 to 1.0. The Credit Agreement also contains events of default customary for financings of this type, including certain customary change of control events. The Company was in compliance with the Credit Agreement covenants as of March 31, 2019.

The borrowers under the Credit Agreement comprise Delphi Technologies and its wholly-owned Delaware-organized subsidiary, Delphi Powertrain Corporation. Additional subsidiaries of Delphi Technologies may be added as co-borrowers or guarantors under the Credit Agreement from time to time on the terms and conditions set forth in the Credit Agreement. The obligations of each borrower under the Credit Agreement will be jointly and severally guaranteed by each other borrower and by certain of our existing and future direct and indirect subsidiaries, subject to certain exceptions customary for financings of this type. All obligations of the borrowers and the guarantors are secured by certain assets of such borrowers and guarantors, including a perfected first-priority pledge of all of the capital stock in Delphi Powertrain Corporation.

In addition, the Credit Agreement contains provisions pursuant to which, based upon our achievement of certain corporate credit ratings, certain covenants and/or our obligation to provide collateral to secure the Credit Facilities, will be suspended.

Senior Notes

On September 28, 2017, Delphi Technologies PLC issued \$800 million in aggregate principal amount of 5.00% senior unsecured notes due 2025 in a transaction exempt from registration under the Securities Act (the "Senior Notes"). The Senior Notes were priced at 99.5% of par, resulting in a yield to maturity of 5.077%. Approximately \$14 million of issuance costs were incurred in connection with the Senior Notes offering. Interest is payable semi-annually on April 1 and October 1 of each year to holders of record at the close of business on March 15 or September 15 immediately preceding the interest payment date. The proceeds received from the Senior Notes offering were deposited into escrow and subsequently released to Delphi Technologies PLC upon satisfaction of certain conditions, including completion of the Separation, in December 2017. From the date of the satisfaction of the escrow conditions, the notes are guaranteed, jointly and severally, on an unsecured basis, by each of our current and future domestic subsidiaries that guarantee our Credit Facilities, as described above. The proceeds from the Senior Notes, together with the proceeds from the borrowings under the Credit Agreement, were used to fund a dividend to the Former Parent, fund operating cash and pay taxes and related fees and expenses.

The Senior Notes indenture contains certain restrictive covenants, including with respect to Delphi Technologies' (and subsidiaries) ability to incur liens, enter into sale and leaseback transactions and merge with or into other entities. The Company was in compliance with the Senior Notes covenants as of March 31, 2019.

Other Financing

Receivable factoring —The Company entered into arrangements with various financial institutions to sell eligible trade receivables from certain Aftermarket customers in North America and Europe. These arrangements can be terminated at any time subject to prior written notice. The receivables under these arrangements are sold to a third party without recourse to the Company and are therefore accounted for as true sales. During the three months ended March 31, 2019 and 2018, \$31 million and \$20 million of receivables were sold under these arrangements, and expenses of \$1 million and \$1 million were recognized within interest expense, respectively.

In addition, during the three months ended March 31, 2019, one of the Company's European subsidiaries factored, without recourse, receivables related to certain foreign research credits to a financial institution. These transactions were accounted for as true sales of the receivables, and the Company therefore derecognized approximately \$21 million from other long-term assets in the consolidated balance sheet as of March 31, 2019, as a result of these transactions. During the three months ended March 31, 2019, less than \$1 million of expenses were recognized within interest expense related to this transaction.

Finance leases —There were approximately \$14 million and \$14 million of finance lease obligations outstanding as of March 31, 2019 and December 31, 2018, respectively.

Interest —Cash paid for interest related to debt outstanding totaled \$8 million and \$9 million, for the three months ended March 31, 2019 and 2018, respectively.

10. PENSION BENEFITS

The Company sponsors defined benefit pension plans for certain employees and retirees outside of the U.S. Using appropriate actuarial methods and assumptions, the Company's defined benefit pension plans are accounted for in accordance with FASB ASC Topic 715, Compensation—Retirement Benefits. The Company's primary non-U.S. plans are located in the United Kingdom ("U.K."), France and Mexico. The U.K. and certain Mexican plans are funded. In addition, the Company has defined benefit plans in South Korea, Turkey and Italy for which amounts are payable to employees immediately upon separation. The obligations for these plans are recorded over the requisite service period. Delphi Technologies does not have any U.S. pension assets or liabilities.

Effective March 31, 2019, the Company has frozen future accruals for nearly all U.K. based employees under the related defined benefit plans, replacing them with contributions under defined contribution plans effective April 1, 2019, including additional contributions and other payments to impacted employees over a two-year transition period. As a result of this change, the Company realized a one-time reduction to its pension obligation of \$33 million, along with a one-time charge of \$ 15 million in the three months ended March 31, 2019, related to curtailing the defined benefit pension plans in the U.K. The Company also recognized a charge of \$7 million in the three months ended March 31, 2019, related to transitional payments to impacted employees. The Company excluded these charges, and expects to exclude related future charges, from our calculation of Adjusted Operating Income.

The amounts shown below reflect the non-U.S. plans' defined benefit pension expense for the three months ended March 31, 2019 and 2018 :

	Three Months Ended March 31,	
	2019	2018
	(in millions)	
Service cost	\$ 7	\$ 10
Interest cost	9	9
Expected return on plan assets	(14)	(14)
Curtailment loss	15	—
Amortization of actuarial losses	4	6
Net periodic benefit cost	\$ 21	\$ 11

Other postretirement benefit obligations were \$1 million and \$1 million at March 31, 2019 and December 31, 2018, respectively.

11. COMMITMENTS AND CONTINGENCIES

Ordinary Business Litigation

Delphi Technologies is from time to time subject to various legal actions, claims, governmental investigations and proceedings incidental to its business, including those arising out of alleged defects, alleged breaches of contracts, product warranties, intellectual property matters, and employment-related matters. We also from time to time receive subpoenas and other inquiries or requests for information from agencies or other representatives of U.S. federal, state and foreign governments on a variety of issues. While the final outcome of these matters cannot be predicted with certainty, considering, among other things, the legal defenses available and liabilities that have been recorded, it is the opinion of management that the outcome of these matters will not have a material adverse impact on the Company's financial position, results of operations, or cash flows. An unexpected adverse resolution of one or more of these items, however, could have a material adverse impact on the Company's financial position, results of operations, or cash flows.

In addition to the specific matters discussed below, the Company estimates the reasonably possible loss in excess of the amounts accrued related to ordinary business claims to be approximately \$0 million to \$10 million. With respect to warranty matters, although Delphi Technologies cannot ensure that the future costs of warranty claims by customers will not be material, Delphi Technologies believes its established reserves are adequate to cover potential warranty settlements. Refer to Note 7. Warranty Obligations for additional information.

Brazil Matters

Delphi Technologies conducts business operations in Brazil that are subject to the Brazilian federal labor, social security, environmental, tax and customs laws, as well as a variety of state and local laws. These laws are complex, subject to varying interpretations, and the Company is often engaged in litigation regarding the application of these laws to particular circumstances. As of March 31, 2019, the majority of claims asserted against Delphi Technologies in Brazil relate to such litigation. The remaining claims in Brazil relate to commercial and labor litigation with private parties. As of March 31, 2019, claims totaling approximately \$14 million (using March 31, 2019 foreign currency rates) have been asserted against Delphi Technologies in Brazil. As of March 31, 2019, the Company maintains accruals for these asserted claims of \$3 million (using March 31, 2019 foreign currency rates). The amounts accrued represent claims that are deemed probable of loss and are reasonably estimable based on the Company's analyses and assessment of the asserted claims and prior experience with similar matters. While the Company believes its accruals are adequate, the final amounts required to resolve these matters could differ materially from the Company's recorded estimates and Delphi Technologies' results of operations could be materially affected. The Company estimates the reasonably possible loss in excess of the amounts accrued related to these claims to be zero to \$11 million.

Environmental Matters

Delphi Technologies is subject to the requirements of U.S. federal, state, local and non-U.S. environmental and safety and health laws and regulations. As of March 31, 2019 and December 31, 2018, the undiscounted reserve for environmental investigation and remediation was approximately \$3 million (of which \$1 million was recorded in accrued liabilities and \$2 million was recorded in other long-term liabilities) and \$3 million (of which \$1 million was recorded in accrued liabilities and \$2 million was recorded in other long-term liabilities), respectively. Delphi Technologies cannot assure that environmental requirements will not change or become more stringent over time or that its eventual environmental remediation costs and liabilities will not exceed the amount of its current reserves. In the event that such liabilities were to significantly exceed the amounts recorded, Delphi Technologies' results of operations could be materially affected. At March 31, 2019, the difference between the recorded liabilities and the reasonably possible range of potential loss was not material.

12. REVENUE

On January 1, 2018, Delphi Technologies adopted ASC Topic 606, *Revenue from Contracts with Customers*, using the modified retrospective method. The standard requires recognition of revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company generally recognizes revenue when it satisfies a performance obligation by transferring control over a product to a customer. From time to time, we enter into pricing agreements with our customers that provide for price reductions, some of which are conditional upon achieving certain criteria. In these instances, revenue is recognized based on the agreed-upon price at the time of shipment.

Nature of Goods

The majority of our revenue is recorded at a point in time as defined by ASC 606 as the customers obtain control of the product upon title transfer and not as the product is manufactured or developed. For certain customers, based on specific terms and conditions pertaining to termination for convenience, Delphi Technologies concluded that it had an enforceable right to payment for performance completed to date and the products have no alternative use to the Company, which requires the recognition of revenue over time as defined by ASC 606. The impact on both revenue and operating income from recognizing revenue over time instead of point in time is not significant.

The major product groups within the Powertrain Systems operating segment include internal combustion engine products and electronics & electrification products. The major sales channels within the Aftermarket operating segment include aftermarket products sold to independent aftermarket customers and original equipment service customers. The amount of revenue recognized for these products is based on the purchase order price and adjusted for revenue allocated to variable consideration (i.e. estimated rebates and price discounts), as applicable. Our payment terms are based on customary business practices and vary by customer type and products offered. The term between invoicing and when payment is due is not significant.

Disaggregation of Revenue

In the following table, net sales to outside customers, based on the manufacturing location, is disaggregated by primary geographical market:

	Three Months Ended March 31,	
	2019	2018
	(in millions)	
North America	\$ 338	\$ 356
Europe	542	566
Asia Pacific	236	339
South America	35	35
Total	\$ 1,151	\$ 1,296

In the following table, net sales is disaggregated by major product group and sales channels:

	Three Months Ended March 31,	
	2019	2018
	(in millions)	
Internal Combustion Engine Products	\$ 721	\$ 795
Electronics & Electrification	237	284
Independent Aftermarket	141	155
Original Equipment Service	52	62
Total	\$ 1,151	\$ 1,296

Contract Balances

As discussed above, certain customers have contracts with specific terms and conditions which require recognition of revenue over time as defined by ASC 606. As of March 31, 2019, the recognition of revenue over time resulted in approximately \$1 million of unbilled accounts receivable, which is included in accounts receivable, net. There were no other contract assets or liabilities as of March 31, 2019, as defined by ASC 606.

Practical Expedients and Exemptions

For our Powertrain Systems segment, we define the contract with the customer as the combination of a current purchase order and a current production schedule issued by the customer. For our Aftermarket segment, we define the contract with the customer as the combination of a current purchase order and a master agreement with the customer. Although there are instances where the master agreements may extend beyond one year, there are generally no purchase orders with an expected duration beyond a year.

There are generally no performance obligations outstanding beyond a year. The Company generally does not enter into fixed long-term supply agreements. The Company applies the exemption in ASC 606 and does not disclose information about remaining performance obligations that have original expected durations of one year or less.

In addition, the Company applies the practical expedient in ASC 340 and immediately expenses contract acquisition costs when incurred, including sales commissions, because the amortization period would be one year or less.

13. INCOME TAXES

At the end of each interim period, the Company makes its best estimate of the annual expected effective income tax rate and applies that rate to its ordinary year-to-date earnings or loss. The income tax provision or benefit related to unusual or infrequent items, if applicable, that will be separately reported or reported net of their related tax effects are individually computed and recognized in the interim period in which those items occur. In addition, the effect of changes in enacted tax laws or rates, tax status, judgment on the realizability of a beginning-of-the-year deferred tax asset in future years or income tax contingencies is recognized in the interim period in which the change occurs.

The computation of the annual expected effective income tax rate at each interim period requires certain estimates and assumptions including, but not limited to, the expected pre-tax income (or loss) for the year, projections of the proportion of income (and/or loss) earned and taxed in respective jurisdictions, permanent and temporary differences, and the likelihood of

the realizability of deferred tax assets generated in the current year. Jurisdictions with a projected loss for the year or a year-to-date loss for which no tax benefit or expense can be recognized due to a valuation allowance are excluded from the estimated annual effective tax rate. The impact of such an exclusion could result in a higher or lower effective tax rate during a particular quarter, based upon the composition and timing of actual earnings compared to annual projections. The estimates used to compute the provision or benefit for income taxes may change as new events occur, additional information is obtained or as our tax environment changes. To the extent that the expected annual effective income tax rate changes, the effect of the change on prior interim periods is included in the income tax provision in the period in which the change in estimate occurs.

The Company's income tax expense and effective tax rate for the three months ended March 31, 2019 and 2018 were as follows:

	Three Months Ended March 31,	
	2019	2018
	(dollars in millions)	
Income tax expense	\$ 8	\$ 22
Effective tax rate	32%	18%

The Company's tax rate is affected by the fact that Delphi Technologies PLC, its parent entity, is a U.K. resident taxpayer, the tax rates in the other jurisdictions in which the Company operates, the relative amount of income earned by jurisdiction and the relative amount of losses or income for which no tax benefit or expense was recognized due to a valuation allowance.

The Company's effective tax rate for the three months ended March 31, 2019 was impacted by unfavorable changes in geographic income mix in 2019 as compared to 2018. The Company's effective tax rate for the three months ended March 31, 2019 includes net discrete tax benefit of \$1 million. The effective tax rate for the three months ended March 31, 2018 was impacted by favorable changes in geographic income mix in 2018 as compared to 2017.

Delphi Technologies PLC is a U.K. resident taxpayer and as such is generally not subject to U.K. tax on remitted foreign earnings.

Cash paid or withheld for income taxes was \$12 million and \$21 million for the three months ended March 31, 2019 and 2018 respectively.

14. SHAREHOLDERS' EQUITY AND NET INCOME PER SHARE

Net Income Per Share

Basic net income per share is computed by dividing net income attributable to Delphi Technologies by the weighted average number of ordinary shares outstanding during the period. Diluted net income per share reflects the weighted average dilutive impact of all potentially dilutive securities from the date of issuance and is computed using the treasury stock method by dividing net income attributable to Delphi Technologies by the diluted weighted average number of ordinary shares outstanding. For all periods presented the calculation of net income per share contemplates the dilutive impacts, if any, of the Company's share-based compensation plans. Refer to Note 19. Share-Based Compensation for additional information.

Weighted Average Shares

The following table illustrates net income per share attributable to Delphi Technologies and the weighted average shares outstanding used in calculating basic and diluted income per share:

	Three Months Ended March 31,	
	2019	2018
	<i>(in millions, except per share data)</i>	
Numerator:		
Net income attributable to Delphi Technologies	\$ 16	\$ 98
Denominator:		
Weighted average ordinary shares outstanding, basic	88.45	88.71
Dilutive shares related to restricted stock units (“RSUs”)	0.10	0.21
Weighted average ordinary shares outstanding, including dilutive shares	88.55	88.92
Net income per share attributable to Delphi Technologies:		
Basic	\$ 0.18	\$ 1.10
Diluted	\$ 0.18	\$ 1.10
Anti-dilutive securities share impact	—	—

Share Repurchases

In July 2018, the Board of Directors approved a \$100 million share repurchase authorization, which commenced in September 2018. This authorization was replaced by a new \$200 million share repurchase program in January 2019 which was approved by the Board of Directors. Repurchases will be made at management’s discretion from time to time on the open market or through privately negotiated transactions. The repurchase program may be suspended for periods or discontinued at any time. Repurchases under this program will be funded from one or a combination of future free cash flow and existing cash balances. The program is expected to be completed by December 31, 2021.

A summary of the ordinary shares repurchased during the three months ended March 31, 2019 and 2018 is as follows:

	Three Months Ended March 31,	
	2019	2018
Total number of shares repurchased	737,917	—
Average price paid per share	\$ 20.33	\$ —
Total (in millions)	\$ 15	\$ —

All repurchased shares were retired and returned to authorized but unissued shares. The repurchased shares are reflected as a reduction of ordinary share capital for the par value of the shares, with the excess applied as reductions to additional paid-in-capital and retained earnings.

15. CHANGES IN ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

The changes in accumulated other comprehensive income (loss) attributable to Delphi Technologies (net of tax) for the three months ended March 31, 2019 and 2018 are shown below.

	Three Months Ended March 31,	
	2019	2018
	(in millions)	
Foreign currency translation adjustments:		
Balance at beginning of period	\$ (165)	\$ (85)
Aggregate adjustment for the period (1)	8	29
Balance at end of period	(157)	(56)
Gains (losses) on derivatives:		
Balance at beginning of period	(2)	—
Other comprehensive income before reclassifications (net tax effect of \$0 and \$0)	18	(1)
Reclassification to income (net tax effect of \$0 and \$0)	(2)	—
Balance at end of period	14	(1)
Pension and postretirement plans:		
Balance at beginning of period	(245)	(286)
Other comprehensive income before reclassifications (net tax effect of \$2 and \$2)	19	(13)
Reclassification to income (net tax effect of \$4 and \$1)	15	5
Balance at end of period	(211)	(294)
Accumulated other comprehensive loss, end of period	\$ (354)	\$ (351)

(1) Includes a loss of \$3 million and a gain of \$7 million, for the three months ended March 31, 2019, and 2018, respectively, related to the foreign currency impact of intra-entity loans that are of a long-term investment nature. Also included are gains of \$4 million and losses of less than \$1 million for the three months ended March 31, 2019, and 2018, respectively, related to non-derivative net investment hedges. Refer to Note 16. Derivatives and Hedging Activities for further description of these hedges.

Reclassifications from accumulated other comprehensive income (loss) to income for the three months ended March 31, 2019 and 2018 were as follows:

Reclassification Out of Accumulated Other Comprehensive Income (Loss)			
Details About Accumulated Other Comprehensive Income Components	Three Months Ended March 31,		Affected Line Item in the Statement of Operations
	2019	2018	
(in millions)			
Pension and postretirement plans:			
Actuarial losses	\$ (4)	\$ (6)	Other (expense) income, net (1)
Curtailment	(15)	—	Other (expense) income, net (1)
	(19)	(6)	Income before income taxes
	4	1	Income tax expense
	(15)	(5)	Net income
	—	—	Net income attributable to noncontrolling interest
	<u>\$ (15)</u>	<u>\$ (5)</u>	Net income attributable to Delphi Technologies
Total reclassifications for the period	<u>\$ (15)</u>	<u>\$ (5)</u>	

(1) These accumulated other comprehensive loss components are included in the computation of net periodic pension cost (see Note 10. Pension Benefits for additional details).

16. DERIVATIVES AND HEDGING ACTIVITIES

Cash Flow Hedges

Delphi Technologies is exposed to market risk, such as fluctuations in foreign currency exchange rates, commodity prices and changes in interest rates, which may result in cash flow risks. To manage the volatility relating to these exposures, Delphi Technologies aggregates the exposures on a consolidated basis to take advantage of natural offsets. For exposures that are not offset within its operations, Delphi Technologies enters into various derivative transactions pursuant to its risk management policies, which prohibit holding or issuing derivative financial instruments for speculative purposes, and designation of derivative instruments is performed on a transaction basis to support hedge accounting. The changes in fair value of these hedging instruments are offset in part or in whole by corresponding changes in the fair value or cash flows of the underlying exposures being hedged. Delphi Technologies assesses the initial and ongoing effectiveness of its hedging relationships in accordance with its documented policy.

In December 2018, the Company entered into interest rate swap agreements, designated as cash flow hedges, with a combined notional amount of \$400 million where the variable rates under the Term Loan A Facility have been exchanged for a fixed rate. These interest rate swap agreements mature in September 2022 and convert the nature of \$400 million of the loan from LIBOR floating-rate debt to fixed-rate debt.

As of March 31, 2019, the Company had the following outstanding notional amounts related to foreign currency forward contracts designated as cash flow hedges that were entered into to hedge forecasted exposures:

Foreign Currency	Quantity Hedged	Unit of Measure	Notional Amount (USD Equivalent)
(in millions)			
Euro	140	EUR \$	160
Chinese Yuan Renminbi	839	RMB	120
Mexican Peso	860	MXN	40
Singapore Dollar	45	SGD	30
Turkish Lira	118	TRY	20
Polish Zloty	57	PLN	10

As of March 31, 2019, Delphi Technologies has entered into derivative instruments to hedge cash flows extending out to September 2022.

Gains and losses on derivatives qualifying as cash flow hedges are recorded in accumulated other comprehensive income (“OCI”), to the extent that hedges are effective, until the underlying transactions are recognized in earnings. Unrealized amounts in accumulated OCI will fluctuate based on changes in the fair value of hedge derivative contracts at each reporting period. Net gains on cash flow hedges included in accumulated OCI as of March 31, 2019 were approximately \$1 million (approximately \$1 million, net of tax). Of this total, approximately \$3 million of gains are expected to be included in cost of sales and interest expense within the next 12 months and \$2 million of losses are expected to be included in cost of sales and interest expense in subsequent periods. Cash flow hedges are discontinued when Delphi Technologies determines it is no longer probable that the originally forecasted transactions will occur. Cash flows from derivatives used to manage foreign exchange and interest rate risks are classified as operating activities within the consolidated statement of cash flows.

Net Investment Hedges

The Company is also exposed to the risk that adverse changes in foreign currency exchange rates could impact its net investment in non-U.S. subsidiaries. To manage this risk, the Company designated a qualifying non-derivative instrument, foreign currency-denominated debt, as a net investment hedge of certain non-U.S. subsidiaries. The gains or losses on instruments designated as net investment hedges are recognized within OCI to offset changes in the value of the net investment in these foreign currency-denominated operations. Gains and losses reported in accumulated other comprehensive income (loss) are reclassified to earnings only when the related currency translation adjustments are required to be reclassified, usually upon sale or liquidation of the investment.

In December 2018 and March 2019, as a means of managing foreign currency risk related to our significant operations in Europe, the Company executed fixed-for-fixed cross currency swaps, in which the Company will pay Euros and receive U.S. dollars with a combined notional amount of \$600 million. These agreements are designated as net investment hedges and have a maturity date of September 2022.

Derivatives Not Designated as Hedges

On certain occasions the Company enters into certain foreign currency contracts that are not designated as hedges. When hedge accounting is not applied to derivative contracts, gains and losses are recorded to other income (expense), net and cost of sales in the consolidated statement of operations.

Fair Value of Derivative Instruments in the Balance Sheet

The following table includes the fair value of derivative instruments recorded in the consolidated balance sheets as of March 31, 2019 and December 31, 2018 :

		Asset Derivatives		Liability Derivatives		Net Amounts of Assets and (Liabilities) Presented in the Balance Sheet		
		Balance Sheet Location*	March 31, 2019	Balance Sheet Location*	March 31, 2019			
(in millions)								
Designated as cash flow hedges:								
Foreign currency derivatives	Other current assets	\$	5	Other current assets	\$	1	\$	4
Foreign currency derivatives	Other long-term assets		1	Other long-term assets		1		—
Interest rate swaps	Other long-term assets		—	Other long-term assets		3		(3)
Designated as net investment hedges:								
Cross-currency swaps	Other long-term assets		13	Other long-term assets		—		13
Total designated as hedges			<u>\$ 19</u>			<u>\$ 5</u>		
Derivatives not designated as hedges:								
Foreign currency derivatives	Other current assets	\$	—	Other current assets	\$	—		—
Total not designated as hedges			<u>\$ —</u>			<u>\$ —</u>		

		Asset Derivatives		Liability Derivatives		Net Amounts of Assets and (Liabilities) Presented in the Balance Sheet
		December 31, 2018		December 31, 2018		December 31, 2018
Balance Sheet Location*			Balance Sheet Location*			
(in millions)						
Designated as cash flow hedges:						
Foreign currency derivatives	Other current assets	\$ 5	Other current assets	\$ 1	\$	4
Interest rate swaps	Other long-term liabilities	—	Other long-term liabilities	3		(3)
Designated as net investment hedges:						
Cross-currency swaps	Other long-term liabilities	—	Other long-term liabilities	3		(3)
Total designated as hedges		<u>\$ 5</u>		<u>\$ 7</u>		
Derivatives not designated as hedges:						
Foreign currency derivatives	Other current assets	\$ —	Other current assets	\$ —		—
Total not designated as hedges		<u>\$ —</u>		<u>\$ —</u>		

* Derivative instruments are subject to master netting arrangements and are presented on a net basis in the consolidated balance sheets in accordance with accounting guidance related to the offsetting of amounts related to certain contracts.

The fair value of Delphi Technologies' derivative financial instruments was in a net asset position as of March 31, 2019 and December 31, 2018 .

Effect of Derivatives on the Statement of Operations and Statement of Comprehensive Income

The pre-tax effect of the derivative financial instruments in the consolidated statement of operations and consolidated statement of comprehensive income for the three months ended March 31, 2019 and 2018 is as follows:

<u>Three Months Ended March 31, 2019</u>	<u>Gain Recognized in OCI</u>	<u>Gain Reclassified from OCI into Income</u>
	(in millions)	
Derivatives designated as cash flow hedges:		
Foreign currency derivatives	\$ 2	\$ 2
Derivatives designated as net investment hedges:		
Cross-currency swaps	16	—
Total	<u>\$ 18</u>	<u>\$ 2</u>

	<u>Loss Recognized in Income</u>
	(in millions)
Derivatives not designated	\$ (2)
Total	<u>\$ (2)</u>

<u>Three Months Ended March 31, 2018</u>	<u>Loss Recognized in OCI</u>	<u>Gain (Loss) Reclassified from OCI into Income</u>
	(in millions)	
Derivatives designated as cash flow hedges:		
Foreign currency derivatives	\$ (1)	\$ —
Total	<u>\$ (1)</u>	<u>\$ —</u>

	<u>Loss Recognized in Income</u>
	(in millions)
Derivatives not designated	\$ (4)
Total	<u>\$ (4)</u>

The gain or loss recognized into income of designated and not designated derivative instruments were recorded to other income, net and cost of sales in the consolidated statements of operations for the three months ended March 31, 2019 and 2018.

17. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair Value Measurements on a Recurring Basis

Derivative instruments —All derivative instruments are required to be reported on the balance sheet at fair value unless the transactions qualify and are designated as normal purchases or sales. Changes in fair value are reported currently through earnings unless they meet hedge accounting criteria. Delphi Technologies' derivative exposures are with counterparties with long-term investment grade credit ratings. Delphi Technologies estimates the fair value of its derivative contracts using an income approach based on valuation techniques to convert future amounts to a single, discounted amount. Estimates of the fair value of foreign currency derivative instruments, interest rate swaps and cross-currency swaps are determined using exchange traded prices and rates. Delphi Technologies also considers the risk of non-performance in the estimation of fair value, and includes an adjustment for non-performance risk in the measure of fair value of derivative instruments. The non-performance risk adjustment reflects the credit default spread ("CDS") applied to the foreign currency exposures by counterparty. When Delphi Technologies is in a net derivative asset position, the counterparty CDS rates are applied to the net derivative asset position. When Delphi Technologies is in a net derivative liability position, estimates of peer companies' CDS rates are applied to the net derivative liability position.

In certain instances where market data is not available, Delphi Technologies uses management judgment to develop assumptions that are used to determine fair value. This could include situations of market illiquidity for a particular currency or commodity or where observable market data may be limited. In those situations, Delphi Technologies generally surveys investment banks and/or brokers and utilizes the surveyed prices and rates in estimating fair value.

As of March 31, 2019 Delphi Technologies was in a net derivative asset position of \$14 million . As of December 31, 2018 Delphi Technologies was in a net derivative liability position of \$2 million . No significant adjustments were recorded for nonperformance risk based on the application of peer companies' CDS rates, evaluation of our own nonperformance risk and because Delphi Technologies' exposures were to counterparties with investment grade credit ratings. Refer to Note 16. Derivatives and Hedging Activities for further information regarding derivatives.

As of March 31, 2019 and December 31, 2018 Delphi Technologies had the following derivative assets measured at fair value on a recurring basis:

	Total	Quoted Prices in Active Markets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3
(in millions)				
As of March 31, 2019:				
Foreign currency derivatives	\$ 4	\$ —	\$ 4	\$ —
Interest rate swaps*	(3)	—	(3)	—
Cross-currency swaps*	13	—	13	—
Total	<u>\$ 14</u>	<u>\$ —</u>	<u>\$ 14</u>	<u>\$ —</u>
As of December 31, 2018:				
Foreign currency derivatives	\$ 4	\$ —	\$ 4	\$ —
Total	<u>\$ 4</u>	<u>\$ —</u>	<u>\$ 4</u>	<u>\$ —</u>

* Derivative instruments are subject to master netting arrangements and are presented on a net basis in the consolidated balance sheets in accordance with accounting guidance related to the offsetting of amounts related to certain contracts.

As of December 31, 2018 Delphi Technologies had the following derivative liabilities measured at fair value on a recurring basis (there were no derivative liabilities as of March 31, 2019):

	Total	Quoted Prices in Active Markets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3
(in millions)				
As of December 31, 2018:				
Interest rate swaps*	\$ 3	\$ —	\$ 3	\$ —
Cross-currency swaps*	3	—	3	—
Total	<u>\$ 6</u>	<u>\$ —</u>	<u>\$ 6</u>	<u>\$ —</u>

* Derivative instruments are subject to master netting arrangements and are presented on a net basis in the consolidated balance sheets in accordance with accounting guidance related to the offsetting of amounts related to certain contracts.

Non-derivative financial instruments —Delphi Technologies’ non-derivative financial instruments include cash and cash equivalents, accounts and notes receivable, accounts payable, as well as debt, which consists of finance lease liabilities, the Senior Notes, the Term Loan A Facility and other debt issued by Delphi Technologies’ non-U.S. subsidiaries. The fair value of debt is based on quoted market prices for instruments with public market data or significant other observable inputs for instruments without a quoted public market price (Level 2). As of March 31, 2019 and December 31, 2018, total debt was recorded at \$1,523 million and \$1,531 million, respectively, and had estimated fair values of \$1,443 million and \$1,415 million, respectively. For all other financial instruments recorded at March 31, 2019 and December 31, 2018, fair value approximates book value.

Fair Value Measurements on a Nonrecurring Basis

In addition to items that are measured at fair value on a recurring basis, Delphi Technologies also has items in its balance sheet that are measured at fair value on a nonrecurring basis. As these items are not measured at fair value on a recurring basis, they are not included in the tables above. Nonfinancial assets and liabilities that are measured at fair value on a nonrecurring basis include certain long-lived assets, equity method investments, other equity investments, intangible assets, asset retirement obligations, share-based compensation and liabilities for exit or disposal activities measured at fair value upon initial recognition. During the three months ended March 31, 2019 and 2018, Delphi Technologies recorded non-cash asset impairment charges totaling \$3 million and less than \$1 million, respectively, within cost of sales related to declines in the fair values of certain intangible assets and fixed assets. Fair value of long-lived assets is determined primarily using the anticipated cash flows discounted at a rate commensurate with the risk involved and a review of appraisals. As such, Delphi Technologies has determined that the fair value measurements of long-lived assets fall in Level 3 of the fair value hierarchy.

18. OTHER INCOME, NET

Other (expense) income, net included:

	Three Months Ended March 31,	
	2019	2018
	(in millions)	
Interest income	\$ 2	\$ 1
Components of net periodic benefit cost other than service cost (Note 10)	(14)	(1)
Other, net	—	6
Other (expense) income, net	<u>\$ (12)</u>	<u>\$ 6</u>

19. SHARE-BASED COMPENSATION

Long Term Incentive Plan

The Delphi Technologies PLC Long-Term Incentive Plan (the “PLC LTIP”) allows for the grant of share-based awards (up to 7,500,000 ordinary shares) for long-term compensation to the employees, directors, consultants and advisors of the Company. The awards can be in the form of shares, options, stock appreciation rights, restricted stock, restricted stock units (“RSUs”), performance awards, and other share-based awards. The Company has awarded annual long-term grants of RSUs under the PLC LTIP in order to align management compensation with Delphi Technologies’ overall business strategy. The Company has competitive and market-appropriate ownership requirements. All of the RSUs granted under the PLC LTIP are eligible to receive dividend equivalents for any dividend paid from the grant date through the vesting date. Dividend equivalents are generally paid out in ordinary shares upon vesting of the underlying RSUs.

The Company had no share-based compensation plans prior to the Separation; however certain of our employees participated in the Former Parent’s share-based compensation arrangement. In connection with the Separation, outstanding equity awards to executives and non-employee directors under the Former Parent Plan were adjusted and converted into Delphi Technologies equity awards using a formula designed to maintain the economic value of the awards immediately before and after the Separation. Accordingly, the number of RSUs underlying each unvested award outstanding as of the date of the Separation was multiplied by a factor of 2.02, which resulted in no increase in the intrinsic value of awards outstanding. The RSUs continue to vest in accordance with their original vesting period. These adjustments to the Company’s share-based compensation awards did not result in additional compensation expense.

Board of Director Awards

On April 26, 2018, Delphi Technologies granted 34,756 RSUs to the Board of Directors at a grant date fair value of approximately \$2 million . The grant date fair value was determined based on the closing price of the Company's ordinary shares on April 26, 2018. The RSUs vested on April 24, 2019, and 33,944 ordinary shares, which included shares issued in connection with dividend equivalents, were issued to members of the Board of Directors at a fair value of approximately \$1 million .

On April 25, 2019, Delphi Technologies granted 70,924 RSUs to the Board of Directors at a grant date fair value of approximately \$2 million . The grant date fair value was determined based on the closing price of the Company's ordinary shares on April 25, 2019. The RSUs will vest on April 22, 2020, the day before the 2020 annual meeting of shareholders.

Executive Awards

The executive RSU awards include a time-based vesting portion and a performance-based vesting portion, as well as continuity awards in certain years. The time-based RSUs, which make up 33% of the awards for the Company's senior management and 50% for other executives, vest ratably over three years beginning on the first anniversary of the grant date. The performance-based RSUs, which make up 67% of the awards for the Company's senior management and 50% for other executives, vest at the completion of a three-year performance period if certain targets are met. Each executive will receive between 0% and 200% of his or her target performance-based award based on the Company's performance against established company-wide performance metrics, which are:

Metric	2019 Grant	2018 Grant	2016 - 2017 Former Parent Grants
Average return on invested capital (1)	50%	N/A	N/A
Average return on net assets (2)	N/A	50%	50%
Cumulative net income	N/A	25%	25%
Relative total shareholder return (3)	50%	25%	25%

- (1) Average return on invested capital is measured by the Company's tax-affected operating income divided by average net pension liabilities plus average debt plus average total equity (excluding noncontrolling interest) minus average cash and cash equivalents for each calendar year during the respective performance period.
- (2) Average return on net assets is measured by the Company's tax-affected operating income divided by average net working capital plus average net property, plant and equipment for each calendar year during the respective performance period.
- (3) Relative total shareholder return is measured by comparing the average closing price per share of the Company's ordinary shares for the defined period at the end of the performance period to the average closing price per share of the Company's ordinary shares for the defined period at the beginning of the performance period, including dividends, and assessed against a comparable measure of competitor and peer group companies.

The details of the executive grant are as follows:

Grant Date	RSUs Granted	Grant Date Fair Value	Time-Based Award Vesting Dates	Performance-Based Award Vesting Date
	(in millions)			
February 2019	1.0	\$27	Annually on the anniversary grant date, 2020-2022	December 31, 2021
February 2018	0.3	\$16	Annually on the anniversary grant date, 2019-2021	December 31, 2020

Any new executives hired after the annual executive RSU grant date may be eligible to participate in the PLC LTIP. Any off cycle grants made for new hires are valued at their grant date fair value based on the closing price of the Company's ordinary shares on the date of such grant. The Company has competitive and market-appropriate ownership requirements. All of the RSUs granted under the PLC LTIP are eligible to receive dividend equivalents for any dividend paid from the grant date through the vesting date.

The grant date fair value of the RSUs is determined based on the target number of awards issued, the closing price of the Company's ordinary shares on the date of the grant of the award, including an estimate for forfeitures, and a contemporaneous valuation performed by an independent valuation specialist with respect to the relative total shareholder return awards.

A summary RSU of activity, including award grants, vesting and forfeitures for Delphi Technologies employees is provided below. All prior period award amounts disclosed within the following table were converted in accordance with the factor related to the conversion of the awards following the Separation as described above.

	RSUs	Weighted Average Grant Date Fair Value
	(in thousands)	
Nonvested, January 1, 2019	679	\$ 42.70
Granted	1,063	25.15
Vested	(137)	41.96
Forfeited	(4)	44.09
Nonvested, March 31, 2019	<u>1,601</u>	<u>36.90</u>

During the three months ended March 31, 2019, the Company entered into an individual one-time award of non-qualified stock options to purchase ordinary shares of the Company, which options had a grant date fair value of \$3 million based on a contemporaneous valuation performed by an independent valuation specialist. The options become exercisable in equal parts annually over a 5-year period commencing on the first anniversary of the grant. The options will be exercisable, subject to vesting, for a period of 10 years after the grant date.

Share-based compensation expense recorded within the consolidated statement of operations was \$4 million (\$4 million , net of tax) and \$5 million (\$5 million , net of tax) based on the Company's best estimate of ultimate performance against the respective targets during the three months ended March 31, 2019 and 2018, respectively.

The Company will continue to recognize compensation expense, based on the grant date fair value of the awards applied to the Company's best estimate of ultimate performance against the respective targets, over the requisite vesting periods of the awards. Based on the grant date fair value of the awards and the Company's best estimate of ultimate performance against the respective targets as of March 31, 2019 , unrecognized compensation expense on a pretax basis of approximately \$37 million is anticipated to be recognized over a weighted average period of approximately 2 years.

20. SEGMENT REPORTING

Delphi Technologies operates its core business along the following operating segments, which are grouped on the basis of similar product, market and operating factors:

- Powertrain Systems, which manufactures fuel injection systems as well as various other powertrain products including valvetrain, fuel delivery modules, ignition coils, canisters, sensors, valves and actuators. This segment also offers electronic control modules and corresponding software, algorithms and calibration that provide centralized and reliable management of various powertrain components. Additionally, we provide power electronics solutions that include supervisory controllers and software, along with DC/DC converters and inverters.
- Aftermarket, which sells aftermarket products to independent aftermarket and original equipment service customers. This segment also supplies a wide range of aftermarket products and services covering the fuel injection, electronics and engine management, maintenance, and test equipment and vehicle diagnostics categories.
- Eliminations and Other, which includes the elimination of inter-segment transactions.

The accounting policies of the segments are the same as those described in Note 2. Significant Accounting Policies, except that the disaggregated financial results for the segments have been prepared using a management approach, which is consistent with the basis and manner in which management internally disaggregates financial information for which Delphi Technologies' chief operating decision maker regularly reviews financial results to assess performance of, and make internal operating decisions about allocating resources to the segments.

Generally, Delphi Technologies evaluates segment performance based on stand-alone segment net income before interest expense, other income (expense), net, income tax expense, equity income, net of tax, restructuring, separation costs, asset impairments and pension charges ("Adjusted Operating Income") and accounts for inter-segment sales and transfers as if the sales or transfers were to third parties, at current market prices. Delphi Technologies' management utilizes Adjusted Operating Income as the key performance measure of segment income or loss to evaluate segment performance, and for planning and forecasting purposes to allocate resources to the segments, as management believes this measure is most reflective of the operational profitability or loss of Delphi Technologies' operating segments. Consolidated Adjusted Operating Income should not be considered a substitute for results prepared in accordance with U.S. GAAP and should not be considered an alternative to net income attributable to Delphi Technologies, which is the most directly comparable financial measure to Adjusted

Operating Income that is prepared in accordance with U.S. GAAP. Adjusted Operating Income, as determined and measured by Delphi Technologies, should also not be compared to similarly titled measures reported by other companies.

Included below are sales and operating data for the Company's segments for the three months ended March 31, 2019 and 2018 .

	<u>Powertrain Systems</u>	<u>Aftermarket</u>	<u>Eliminations and Other (1)</u>	<u>Total</u>
(in millions)				
For the Three Months Ended March 31, 2019:				
Net sales	\$ 1,020	\$ 193	\$ (62)	\$ 1,151
Depreciation & amortization	\$ 52	\$ 1	\$ —	\$ 53
Adjusted operating income	\$ 76	\$ 11	\$ —	\$ 87
Operating income	\$ 47	\$ 8	\$ —	\$ 55
Equity income, net of tax	\$ 2	\$ —	\$ —	\$ 2
Net income attributable to noncontrolling interest	\$ 3	\$ —	\$ —	\$ 3

	<u>Powertrain Systems</u>	<u>Aftermarket</u>	<u>Eliminations and Other (1)</u>	<u>Total</u>
(in millions)				
For the Three Months Ended March 31, 2018:				
Net sales	\$ 1,153	\$ 217	\$ (74)	\$ 1,296
Depreciation & amortization	\$ 49	\$ 1	\$ —	\$ 50
Adjusted operating income	\$ 142	\$ 17	\$ —	\$ 159
Operating income	\$ 123	\$ 15	\$ —	\$ 138
Equity income, net of tax	\$ 3	\$ —	\$ —	\$ 3
Net income attributable to noncontrolling interest	\$ 7	\$ —	\$ —	\$ 7

(1) Eliminations and Other includes the elimination of inter-segment transactions.

The reconciliation of Adjusted Operating Income to Operating Income includes, as applicable, restructuring, separation costs, and asset impairments. The reconciliation of Adjusted Operating Income to net income attributable to Delphi Technologies for the three months ended March 31, 2019 and 2018 are as follows:

	<u>Powertrain Systems</u>	<u>Aftermarket</u>	<u>Eliminations and Other</u>	<u>Total</u>
(in millions)				
For the Three Months Ended March 31, 2019:				
Adjusted operating income	\$ 76	\$ 11	\$ —	\$ 87
Restructuring	(3)	—	—	(3)
Separation costs (1)	(16)	(2)	—	(18)
Asset impairments	(3)	—	—	(3)
Pension charges (2)	(7)	(1)	—	(8)
Operating income	<u>\$ 47</u>	<u>\$ 8</u>	<u>\$ —</u>	<u>55</u>
Interest expense				(18)
Other expense, net				(12)
Income before income taxes and equity income				25
Income tax expense				(8)
Equity income, net of tax				2
Net income				19
Net income attributable to noncontrolling interest				3
Net income attributable to Delphi Technologies				<u>\$ 16</u>

	<u>Powertrain Systems</u>	<u>Aftermarket</u>	<u>Eliminations and Other</u>	<u>Total</u>
(in millions)				
For the Three Months Ended March 31, 2018:				
Adjusted operating income	\$ 142	\$ 17	\$ —	\$ 159
Restructuring	(11)	—	—	(11)
Separation costs (1)	(8)	(2)	—	(10)
Operating income	<u>\$ 123</u>	<u>\$ 15</u>	<u>\$ —</u>	<u>138</u>
Interest expense				(20)
Other income, net				6
Income before income taxes and equity income				124
Income tax expense				(22)
Equity income, net of tax				3
Net income				105
Net income attributable to noncontrolling interest				7
Net income attributable to Delphi Technologies				<u>\$ 98</u>

(1) Separation costs include one-time incremental expenses associated with becoming a stand-alone publicly-traded company.

(2) Pension charges include additional contributions to defined contribution plans, other payments to impacted employees and other related expenses resulting from the freeze of future accruals for nearly all U.K. defined benefit pension plans.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This Quarterly Report on Form 10-Q, including the exhibits being filed as part of this report, as well as other statements made by the Company, contain forward-looking statements that reflect, when made, the Company's current views with respect to future events and financial performance. Such forward-looking statements are subject to many risks, uncertainties and factors relating to the Company's operations and business environment, which may cause the actual results of the Company to be materially different from any future results, express or implied by such forward-looking statements. All statements that address future operating, financial or business performance or the Company's strategies or expectations are forward-looking statements. In some cases, you can identify these statements by forward-looking words such as "may," "will," "should," "expects," "anticipates," "believes," "estimates," "potential," or "continue," the negatives thereof and other comparable terminology. Factors that could cause actual results to differ materially from these forward-looking statements include, but are not limited to, the following:

- global and regional economic conditions, including conditions affecting the credit market and those resulting from the United Kingdom referendum held on June 23, 2016 in which voters approved an exit from the European Union, commonly referred to as "Brexit";
- risks inherent in operating as a global company, such as, fluctuations in interest rates and foreign currency exchange rates and economic, political and trade conditions around the world;
- the cyclical nature of automotive sales and production;
- the potential disruptions in the supply of and changes in the competitive environment for raw material integral to the Company's products;
- the Company's ability to maintain contracts that are critical to its operations;
- potential changes to beneficial free trade laws and regulations such as the North American Free Trade Agreement;
- the ability of the Company to achieve the intended benefits from its separation from its former parent or from acquisitions the Company may make;
- the ability of the Company to attract, motivate and/or retain key executives;
- the ability of the Company to avoid or continue to operate during a strike, or partial work stoppage or slow down by any of its unionized employees or those of its principal customers or suppliers;
- the ability of the Company to attract and retain customers;
- new technologies that displace demand for our products and our ability to develop and commercialize new products to meet our customers' needs;
- changes in customer preferences and requirements, including any resultant inability to realize the sales represented by our bookings;
- changes in the costs of raw materials;
- the Company's indebtedness, including the amount thereof and capital availability and cost;
- the cost and outcome of any claims, legal proceedings or investigations;
- the failure or breach of information technology systems;
- severe weather conditions and natural disasters and any resultant disruptions on the supply or production of goods or services or customer demands;
- acts of war and/or terrorism, as well as the impact of actions taken by governments as a result of further acts or threats of terrorism; and
- the timing and occurrence (or non-occurrence) of other events or circumstances that may be beyond our control.

Additional factors are discussed under the captions "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Company's filings with the Securities and Exchange Commission, including those set forth in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2018. New risks and uncertainties arise from time to time, and it is impossible for us to predict these events or how they may affect the Company. It should be remembered that the price of the ordinary shares and any income from them can go down as well as up. Delphi Technologies disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events and/or otherwise, except as may be required by law.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following management's discussion and analysis of financial condition and results of operations ("MD&A") is intended to help you understand the business operations and financial condition of the Company for the three months ended March 31, 2019. This discussion should be read in conjunction with Item 1. Financial Statements.

Within this MD&A, "Delphi Technologies," the "Company," "we," "us" and "our" refer to Delphi Technologies PLC and its subsidiaries.

Separation from Delphi Automotive PLC

On December 4, 2017, Delphi Technologies became an independent publicly-traded company as a result of the distribution by Delphi Automotive PLC (the "Former Parent") of 100% of the ordinary shares of Delphi Technologies PLC to the Former Parent's shareholders (the "Separation"). In connection with the Separation, substantially all of the assets and liabilities related to the businesses and operations of the Former Parent's Powertrain Systems segment were transferred to us or one of our subsidiaries. Assets related to the original equipment service business conducted by the Former Parent's Powertrain Systems segment prior to the Separation, to the extent related to the sale of products of other segments of the Former Parent to vehicle original equipment manufacturers or their affiliates, were retained by or transferred to the Former Parent or one of its subsidiaries, and all of the Former Parent's other assets and liabilities were retained by or transferred to the Former Parent or one of its subsidiaries.

As part of the Separation, we entered into a number of agreements with the Former Parent to govern the Separation and our continuing relationship with the Former Parent. These agreements provided for the allocation between Delphi Technologies' and the Former Parent's assets, employees, liabilities and obligations attributable to periods prior to, at and after the Separation and govern certain continuing relationships between Delphi Technologies and the Former Parent. Refer to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2018 for descriptions of the Separation and Distribution Agreement, Transition Services Agreement, Contract Manufacturing Services Agreements, Tax Matters Agreement and Employee Matters Agreement that were entered into in connection with the Separation.

Executive Overview

Our Business

Delphi Technologies is a leader in the development, design and manufacture of vehicle propulsion systems that optimize engine performance, increase vehicle efficiency, reduce emissions, improve driving performance and support increasing electrification of vehicles. The Company is a global supplier to original equipment manufacturers ("OEMs") of both light vehicles (passenger cars, trucks, vans and sport-utility vehicles) and commercial vehicles (light-duty, medium-duty and heavy-duty trucks; commercial vans; buses and off-highway vehicles). In addition, we manufacture and sell our products and provide value added services to leading aftermarket companies, including independent retailers and wholesales distributors.

Our product portfolio includes advanced gasoline and diesel fuel injection systems, actuators, valvetrain products, sensors, electronic control modules and power electronics technologies. We believe our product portfolio enables our customers to meet regulatory requirements for reduced emissions and improved fuel economy and provide additional power for more in-vehicle functionality.

Our total net sales during the three months ended March 31, 2019 were \$1.2 billion, a decrease of 11% compared to the same period of 2018.

Business Strategy

Our strategy is to continue to accelerate the development of market-relevant technologies that solve our customers' increasingly complex challenges and leverage our lean, flexible cost structure to deliver margin expansion and revenue, earnings and cash flow growth over the long-term. We seek to grow our business through the execution of the following strategies, among others:

- *Expand Leadership in Technologies that Solve Our Customers' Most Complex Propulsion Challenges.* We are focused on providing technologies and solutions that solve some of our customers' biggest propulsion-related challenges, including helping our customers meet increasingly stringent global regulatory requirements while also enhancing vehicle performance. We believe we have strong positions in fuel injectors, fuel pumps, and complete fuel-injection systems, including software and controls. Additionally, we provide leading technology solutions in the areas of electronics and electrification, including engine control modules and power electronics, where we see growth over the long-term driven by increasing levels of electrification. Our power electronics technologies include products such as high-voltage inverters, DC/DC converters and on-board chargers that convert electricity to enable

hybrid and electric vehicle propulsion systems. Our comprehensive portfolio of powertrain products combined with our proprietary software and controls, enables industry-leading propulsion systems for internal combustion engines, hybrids and electric vehicles.

- *Focused Regional Strategies To Best Serve Our Customers' Needs.* The combination of our global operating capabilities and our portfolio of advanced technologies help us serve our global customers' local needs. We have a presence in all major global regions and have positioned ourselves as a leading supplier of advanced vehicle propulsion technologies, including electrification, that are tailored to satisfy our customers' needs in each region. We believe our focus on providing customer solutions to meet increasingly stringent emissions and fuel efficiency regulations will collectively drive greater demand for our products and enable us to experience growth over the long-term.
- *Continue to Enhance Aftermarket Position.* Globally we plan to expand margins over the long-term by focusing on higher value product lines such as electronics and services, which include diagnostics and remanufacturing. We expect that demand for these product lines will grow faster than the overall aftermarket industry as the electronics content of new vehicles continues to increase, providing a strong foundation to gain scale profitability in the future. In addition, we expect to benefit from Aftermarket growth in key regions around the world, especially China, as the average age of vehicles increases and expands the need for replacement products.
- *Leverage Our Lean and Flexible Cost Structure to Deliver Strong Earnings and Cash Flow Growth .* We recognize the importance of maintaining a lean and flexible business model in order to deliver earnings and cash flow growth. We intend to improve our cost competitiveness by leveraging our enterprise operating system, continuously increasing operational efficiency, maximizing manufacturing output and manufacturing product lines in best-cost countries. We have ongoing processes and resources dedicated to further improvement of our operations, and we expect to use our cash flow to reinvest in our business to drive growth.

Trends, Uncertainties and Opportunities

Economic conditions . Our business is directly related to automotive sales and automotive light and commercial vehicle production by our customers. Automotive sales depend on a number of factors, including global and regional economic conditions. Although global automotive vehicle production (including light and commercial vehicles) decreased 1% from 2017 to 2018 , economic conditions and the resultant levels of automotive vehicle production were uneven from a regional perspective. Compared to 2017 , vehicle production in 2018 decreased by 4% in China and 1% in Europe, consistent production in North America and increased by 4% in South America. Overall global vehicle production decreased by 7% for the three months that ended March 31, 2019 and is expected to decline 2% from 2018 levels for the full year 2019. Compared to 2018, vehicle production in 2019 is expected to decrease 8% in China, 2% in Europe and 1% in North America, while increasing by 7% in South America.

Economic volatility or weakness in North America, Europe, China or South America could result in a significant reduction in automotive sales and production by our customers, which would have an adverse effect on our business, results of operations and financial condition. There is also potential that geopolitical factors could adversely impact the U.S. and other economies, and specifically the automotive sector. In particular, changes to international trade agreements or other political pressures could affect the operations of our OEM customers, resulting in reduced automotive production in certain regions or shifts in the mix of production to higher cost regions. Increases in interest rates could also negatively impact automotive production as a result of increased consumer borrowing costs or reduced credit availability. Additionally, economic weakness may result in shifts in the mix of future automotive sales (from vehicles with more content such as luxury vehicles, trucks and sport utility vehicles toward smaller passenger cars) or reductions in industrial production and the corresponding level of freight tonnage being transported. While our diversified customer and geographic revenue base, along with our flexible cost structure, allows us to be positioned to withstand the impact of industry downturns and benefit from industry upturns, shifts in the mix of global automotive production to higher cost regions or to vehicles with less content could adversely impact our profitability.

There have also been periods of increased market volatility and currency exchange rate fluctuations, both globally and most specifically within the United Kingdom ("U.K.") and Europe, as a result of the U.K. referendum held on June 23, 2016 in which voters approved an exit from the European Union ("E.U."), commonly referred to as "Brexit." As a result of the referendum, the British government formally initiated the process for withdrawal in March 2017. The terms of any withdrawal are subject to a negotiation period that could last at least two years from the initiation date. Nevertheless, the proposed withdrawal has created significant uncertainty about the future relationship between the U.K. and the E.U. These developments, or the perception that any of them could occur, may adversely affect European and worldwide economic and market conditions, significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets and could contribute to instability in global financial and foreign exchange markets, including increased volatility in interest rates and foreign exchange rates. Although our net exposure to transactions denominated in British pounds is relatively neutral, we are actively monitoring the ongoing potential impacts of Brexit and will seek to minimize its impact on our business, any of these effects of Brexit, among others, could adversely affect our business. For the three months ended

March 31, 2019 , approximately 20% of our net sales were generated in the U.K., and approximately 10% were denominated in British pounds.

Key growth regions . We believe our strong global presence and presence in key growth regions, especially in China, has positioned us to experience growth over the long-term. There have been periods of increased volatility and moderations in the level of economic growth in China, which resulted in periods of lower automotive production growth rates in China than those previously experienced. Despite these recent moderations in the level of economic growth, rising income levels in China and other key growth regions have resulted in, and are expected to continue to result in stronger growth rates in these regions over the long-term. We have a strong local presence in China, including a major manufacturing base and well-established customer relationships, which we believe has positioned us to continue being a leading supplier of advanced engine technologies in this market. Our business in China is sensitive to economic and other conditions that impact automotive sales volumes and growth and it may be affected if the pace of growth slows as the automotive industry in China matures or if there are reductions in vehicle demand. However, we continue to believe there is long-term growth potential in this country based on increasing long-term automotive and vehicle content demand.

We continue to expand our established presence in all key growth areas, positioning us to benefit from the expected long-term growth opportunities in these regions. We believe that increasing regulation in these areas related to emissions control and fuel efficiency will increase demand for our products focused on meeting these regulations and enable us to experience growth over the long-term. We are capitalizing on our long-standing relationships with the global OEMs and further enhancing our positions with the OEMs in key growth regions to continue increasing our presence in these areas. We believe that our presence in best-cost countries is aligned with the expected shift in automotive production towards the key growth markets.

Engineering, design & development . Our history and culture of innovation have enabled us to develop significant intellectual property and design and development expertise to provide high-quality, technologically-advanced products that meet and exceed our customers' demands for safety, durability and performance. In 2018, approximately \$600 million was invested in research and development, including engineering (of which approximately \$140 million was co-investment by customers and government agencies and approximately \$460 million was invested by us) to maintain our portfolio of innovative products and solutions. We have a strong track record of developing technologies focused on addressing consumer demands and industry trends, including GDi, powertrain domain controllers, electrification and engine control algorithms. We benefit from the ability to provide the latest commercially available technologies to increase fuel economy, reduce emissions and improve engine performance. We also leverage our OEM product engineering capabilities across our aftermarket product lines to capture value over the lifetime of a vehicle.

In the past, suppliers often incurred the initial cost of engineering, designing and developing automotive component parts, and recovered their investments over time by including a cost recovery component in the price of each part based on expected volumes. Recently, we and many other suppliers have negotiated for cost recovery payments independent of volumes.

Pricing . Cost-cutting initiatives adopted by our customers result in increased downward pressure on pricing. Our customer supply agreements generally require step-downs in component pricing over the periods of production, and OEMs have historically possessed significant leverage over their outside suppliers because the automotive component supply industry is fragmented and serves a limited number of automotive OEMs. Our profitability depends in part on our ability to generate sufficient cost savings in the future to offset price reductions.

We maintain a low fixed cost structure, which provides us with the flexibility to invest in new growth opportunities and seek to remain profitable throughout the traditional vehicle industry production cycle. Today, approximately 85% of our hourly workforce is located in best-cost countries. Furthermore, we have operational flexibility by leveraging a workforce of contract workers, which represented approximately 15% of the hourly workforce as of March 31, 2019 . However, we will continue to adjust our cost structure and optimize our manufacturing footprint in response to changes in the global and regional automotive markets. This will allow us to increase investment in advanced technologies and engineering. As we continue to operate in a cyclical industry that is impacted by movements in the global and regional economies, we continually evaluate opportunities to further refine our cost structure.

OEM product recalls . In recent years, the number of vehicles recalled globally by OEMs has increased above historical levels. These recalls can either be initiated by the OEMs or influenced by regulatory agencies. Although there are differing rules and regulations across countries governing recalls for safety issues, the overall transition towards global vehicle platforms may also contribute to increased recalls outside of the U.S., as automotive components are increasingly standardized across regions. Given the sensitivity to safety issues in the automotive industry, including increased focus from regulators and consumers, we anticipate the number of automotive recalls may remain above historical levels in the near future. Although we engage in extensive product quality programs and processes and have not experienced any significant impacts to date as a result of the recalls that have been initiated, it is possible that we may be adversely affected in the future if the pace of these recalls continues.

Consolidated Results of Operations

Delphi Technologies typically experiences fluctuations in revenue due to changes in OEM production schedules, vehicle sales mix and the net of new and lost business (which we refer to collectively as volume), fluctuations in foreign currency exchange rates (which we refer to as FX), and contractual changes to the sales price (which we refer to as contractual price changes). Changes in sales mix can have either favorable or unfavorable impacts on revenue. Such changes can be the result of shifts in regional growth, shifts in OEM sales demand, as well as shifts in consumer demand related to vehicle segment purchases and content penetration. For instance, a shift in sales demand favoring a particular OEM's vehicle model for which we do not have a supply contract may negatively impact our revenue. A shift in regional sales demand toward certain markets could favorably impact the sales of those of our customers that have a large market share in those regions, which in turn would be expected to have a favorable impact on our revenue.

We typically experience (as described below) fluctuations in operating income due to:

- Volume—changes in volume and changes in mix;
- Contractual price changes—adjustments in price (which are typically reductions ranging from 1% to 3% of net sales);
- Operational performance—changes to costs for materials and commodities or manufacturing variances; and
- Other—including restructuring costs and any remaining variances not included in Volume, net of contractual price changes or Operational performance.

The automotive component supply industry is traditionally subject to inflationary pressures with respect to raw materials and labor which may place operational and profitability burdens on the entire supply chain. We will continue to work with our customers and suppliers to mitigate the impact of these inflationary pressures in the future. In addition, we expect commodity cost volatility to have a continual impact on future earnings and/or operating cash flows. As such, we continually seek to mitigate both inflationary pressures and our material-related cost exposures using a number of approaches, including combining purchase requirements with customers and/or other suppliers, using alternate suppliers or product designs and negotiating cost reductions and/or commodity cost contract escalation clauses into our vehicle manufacturer supply contracts.

Three Months Ended March 31, 2019 versus Three Months Ended March 31, 2018

The results of operations for the three months ended March 31, 2019 and 2018 were as follows:

	Three Months Ended March 31,		
	2019	2018	Favorable/(unfavorable)
	(dollars in millions)		
Net sales	\$ 1,151	\$ 1,296	\$ (145)
Cost of sales	983	1,046	63
Gross margin	168 14.6%	250 19.3%	(82)
Selling, general and administrative	104	97	(7)
Amortization	6	4	(2)
Restructuring	3	11	8
Operating income	55	138	(83)
Interest expense	(18)	(20)	2
Other (expense) income, net	(12)	6	(18)
Income before income taxes and equity income	25	124	(99)
Income tax expense	(8)	(22)	14
Income before equity income	17	102	(85)
Equity income, net of tax	2	3	(1)
Net income	19	105	(86)
Net income attributable to noncontrolling interest	3	7	(4)
Net income attributable to Delphi Technologies	\$ 16	\$ 98	\$ (82)

Total Net Sales

Below is a summary of our total net sales for the three months ended March 31, 2019 versus March 31, 2018 .

	Three Months Ended March 31,			Variance Due To:				
	2019	2018	Favorable/(unfavorable)	Volume	Contractual price changes	FX	Other	Total
	(in millions)			(in millions)				
Total net sales	\$ 1,151	\$ 1,296	\$ (145)	\$ (75)	\$ (9)	\$ (61)	\$ —	\$ (145)

Total net sales for the three months ended March 31, 2019 decreased 11% compared to the three months ended March 31, 2018 . We experienced a decrease in volume primarily in Asia Pacific and North America. In addition, the unfavorable variance in net sales was impacted by currency changes, primarily related to the Euro and Chinese Yuan Renminbi.

Cost of Sales and Gross Margin

Cost of sales is primarily comprised of material, labor, manufacturing overhead, freight, product engineering, design and development expenses, depreciation and amortization, warranty costs and other operating expenses. Gross margin is revenue less cost of sales and gross margin percentage is gross margin as a percentage of net sales.

Cost of sales decreased \$63 million for the three months ended March 31, 2019 compared to the three months ended March 31, 2018 , as summarized below. The Company's cost of material was approximately 50% of net sales in both the three months ended March 31, 2019 and 2018 .

	Three Months Ended March 31,			Variance Due To:					
	2019	2018	Favorable/(unfavorable)	Volume	Contractual price changes	FX	Operational performance	Other	Total
	(dollars in millions)			(in millions)					
Cost of sales	\$ 983	\$ 1,046	\$ 63	\$ (2)	\$ —	\$ 46	\$ 18	\$ 1	\$ 63
Gross margin (\$)	\$ 168	\$ 250	\$ (82)	\$ (77)	\$ (9)	\$ (15)	\$ 18	\$ 1	\$ (82)
Gross margin (%)	14.6%	19.3%							

The change in cost of sales primarily reflects the impacts from currency exchange, improved operational performance and the timing of cost recoveries. The unfavorable change in gross margin is primarily due to volume including product portfolio and regional mix impacts. The change related to product portfolio is principally related to a shift in customer demand from diesel fuel systems and the continued investments in GDI fuel systems and power electronics, which we have identified as key growth products.

Selling, General and Administrative Expense

	Three Months Ended March 31,		
	2019	2018	Favorable/(unfavorable)
	(dollars in millions)		
Selling, general and administrative expense	\$ 104	\$ 97	\$ (7)

Selling, general and administrative expense ("SG&A") includes administrative expenses, information technology costs and incentive compensation related costs. SG&A increased as a percentage of sales for the three months ended March 31, 2019 as compared to the three months ended March 31, 2018 . This is primarily due to an increase in one-time incremental expenses associated with becoming a stand-alone publicly-traded company.

Amortization

	Three Months Ended March 31,		
	2019	2018	Favorable/ (unfavorable)
	(in millions)		
Amortization	\$ 6	\$ 4	\$ (2)

Amortization expense reflects the non-cash charge related to definite-lived intangible assets. The increase in amortization during the three months ended March 31, 2019 compared to 2018 reflects impairment of \$3 million of certain intellectual property.

Restructuring

	Three Months Ended March 31,		
	2019	2018	Favorable/ (unfavorable)
	(dollars in millions)		
Restructuring	\$ 3	\$ 11	\$ 8

Restructuring charges during the three months ended March 31, 2019 related to programs focused on the continued rotation of our manufacturing footprint and reduction of global overhead costs.

The restructuring charges during the three months ended March 31, 2018 included \$8 million for programs focused on the continued rotation of our manufacturing footprint to best cost locations in Europe and \$1 million for programs implemented to reduce global overhead costs.

As we continue to operate in a cyclical industry that is impacted by movements in the global and regional economies, we continually evaluate opportunities to further adjust our cost structure and optimize our manufacturing footprint. We may incur restructuring expenses to align manufacturing capacity and other costs with prevailing regional automotive production levels and locations, to improve the efficiency and utilization of other locations and in order to increase investment in advanced technologies and engineering. Such future restructuring actions are dependent on market conditions, customer actions and other factors.

Refer to Note 8. Restructuring to the unaudited consolidated financial statements included herein for additional information.

Interest Expense

	Three Months Ended March 31,		
	2019	2018	Favorable/ (unfavorable)
	(in millions)		
Interest expense	\$ 18	\$ 20	\$ 2

Refer to Note 9. Debt to the unaudited consolidated financial statements included herein for additional information.

Other (Expense) Income, Net

	Three Months Ended March 31,		
	2019	2018	Favorable/ (unfavorable)
	(in millions)		
Other (expense) income, net	\$ (12)	\$ 6	\$ (18)

The increase in other expense for the three months ended March 31, 2019 as compared to the three months ended March 31, 2018 is primarily due to:

- An increase of \$13 million in the components of net periodic benefit cost other than service costs related to the Company's defined benefit pension plans (primarily due to the \$15 million curtailment loss associated with the closure of the defined benefit plans in the U.K. to future accruals); and
- A decrease to income of \$5 million related to remeasurement of cross currency intercompany loans.

Refer to Note 18. Other Income, net to the unaudited consolidated financial statements included herein for additional information.

Income Taxes

	Three Months Ended March 31,		
	2019	2018	Favorable/ (unfavorable)
	(in millions)		
Income tax expense	\$ 8	\$ 22	\$ 14

The Company's tax rate is affected by the fact that it is a U.K. resident taxpayer, the tax rates in the U.K. and other jurisdictions in which the Company operates, the relative amount of income earned by jurisdiction and the relative amount of losses or income for which no tax benefit or expense was recognized due to a valuation allowance.

The Company's effective tax rate for the three months ended March 31, 2019 was impacted by unfavorable changes in geographic income mix in 2019 as compared to 2018. The Company's effective tax rate for the three months ended March 31, 2019 includes net discrete tax benefit of \$1 million. The effective tax rate for the three months ended March 31, 2018 was impacted by favorable changes in geographic income mix in 2018 as compared to 2017.

Results of Operations by Segment

We operate our core business along the following operating segments, which are grouped on the basis of similar product, market and operating factors:

- Powertrain Systems, which manufactures fuel injection systems as well as various other powertrain products including valvetrain, fuel delivery modules, ignition coils, canisters, sensors, valves and actuators. This segment also offers electronic control modules and corresponding software, algorithms and calibration that provide centralized and reliable management of various powertrain components. Additionally, we provide power electronics solutions that include supervisory controllers and software, along with the DC/DC converters and inverters and on-board chargers that convert electricity to enable hybrid and electric vehicle propulsion systems.
- Aftermarket, which sells aftermarket products to independent aftermarket and original equipment service customers. This segment also supplies a wide range of aftermarket products and services covering the fuel injection, electronics and engine management, maintenance, and test equipment and vehicle diagnostics categories.
- Eliminations and Other, which includes the elimination of inter-segment transactions.

Our management utilizes Adjusted Operating Income by segment as the key performance measure of segment income or loss and for planning and forecasting purposes, as management believes this measure is most reflective of the operational profitability or loss of our operating segments. Consolidated Adjusted Operating Income should not be considered a substitute for results prepared in accordance with U.S. GAAP and should not be considered an alternative to net income attributable to Delphi Technologies, which is the most directly comparable financial measure to Adjusted Operating Income that is prepared in accordance with U.S. GAAP. Adjusted Operating Income, as determined and measured by Delphi Technologies, should also not be compared to similarly titled measures reported by other companies.

The reconciliation of Adjusted Operating Income to Operating Income includes, as applicable, restructuring, separation costs, and asset impairments. The reconciliations of Adjusted Operating Income to net income attributable to Delphi Technologies for the three months ended March 31, 2019 and 2018 are as follows:

	Powertrain Systems	Aftermarket	Eliminations and Other	Total
(in millions)				
For the Three Months Ended March 31, 2019:				
Adjusted operating income	\$ 76	\$ 11	\$ —	\$ 87
Restructuring	(3)	—	—	(3)
Separation costs (1)	(16)	(2)	—	(18)
Asset impairments	(3)	—	—	(3)
Pension charges (2)	(7)	(1)	—	(8)
Operating income	<u>\$ 47</u>	<u>\$ 8</u>	<u>\$ —</u>	<u>55</u>
Interest expense				(18)
Other expense, net				(12)
Income before income taxes and equity income				25
Income tax expense				(8)
Equity income, net of tax				2
Net income				19
Net income attributable to noncontrolling interest				3
Net income attributable to Delphi Technologies				<u>\$ 16</u>

	Powertrain Systems	Aftermarket	Eliminations and Other	Total
(in millions)				
For the Three Months Ended March 31, 2018:				
Adjusted operating income	\$ 142	\$ 17	\$ —	\$ 159
Restructuring	(11)	—	—	(11)
Separation costs (1)	(8)	(2)	—	(10)
Operating income	<u>\$ 123</u>	<u>\$ 15</u>	<u>\$ —</u>	<u>138</u>
Interest expense				(20)
Other income, net				6
Income before income taxes and equity income				124
Income tax expense				(22)
Equity income, net of tax				3
Net income				105
Net income attributable to noncontrolling interest				7
Net income attributable to Delphi Technologies				<u>\$ 98</u>

(1) Separation costs include one-time incremental expenses associated with becoming a stand-alone publicly-traded company.

(2) Pension charges include additional contributions to defined contribution plans, other payments to impacted employees and other related expenses resulting from the freeze of future accruals for nearly all U.K. defined benefit pension plans.

Net sales, gross margin as a percentage of net sales and Adjusted Operating Income by segment for the three months ended March 31, 2019 and 2018 are as follows:

Net Sales by Segment

	Three Months Ended March 31,			Variance Due To:			
	2019	2018	Favorable/ (unfavorable)	Volume, net of contractual price changes	FX	Other	Total
	(in millions)			(in millions)			
Powertrain Systems	\$ 1,020	\$ 1,153	\$ (133)	\$ (78)	\$ (55)	\$ —	\$ (133)
Aftermarket	193	217	(24)	(14)	(10)	—	(24)
Eliminations and Other	(62)	(74)	12	8	4	—	12
Total	\$ 1,151	\$ 1,296	\$ (145)	\$ (84)	\$ (61)	\$ —	\$ (145)

Gross Margin Percentage by Segment

	Three Months Ended March 31,	
	2019	2018
Powertrain Systems	12.6%	17.5%
Aftermarket	20.2%	22.1%
Total	14.6%	19.3%

Adjusted Operating Income by Segment

	Three Months Ended March 31,			Variance Due To:				
	2019	2018	Favorable/ (unfavorable)	Volume, net of contractual price changes	FX	Operational performance	Other	Total
	(in millions)			(in millions)				
Powertrain Systems	\$ 76	\$ 142	\$ (66)	\$ (80)	\$ (8)	\$ 18	\$ 4	\$ (66)
Aftermarket	11	17	(6)	(4)	(4)	—	2	(6)
Total	\$ 87	\$ 159	\$ (72)	\$ (84)	\$ (12)	\$ 18	\$ 6	\$ (72)

As noted in the table above, Adjusted Operating Income for the three months ended March 31, 2019 as compared to the three months ended March 31, 2018 was impacted by volume and contractual price changes, including product mix, operational performance improvements and the timing of cost recoveries. The change related to product mix is principally related to a shift in customer demand from diesel fuel systems and the continued investments in GDi fuel systems and power electronics, which we have identified as key growth products. Adjusted operating income was also impacted by the following items in Other above:

- \$3 million of decreased warranty costs during the three months ended March 31, 2019; and
- The absence of \$3 million of costs incurred during the three months ended March 31, 2018 related to commercial settlements.

Liquidity and Capital Resources

Overview of Capital Structure

The Company's liquidity requirements are primarily to fund our business operations, including capital expenditures and working capital requirements, operational restructuring activities, separation activities, to meet debt service requirements, fund our pension obligations and return to capital shareholders. The Company concluded a consultation process with its U.K. workforce in January 2019 with regard to future pension provision. Effective March 31, 2019, the Company has frozen future accruals for nearly all U.K. based employees under the related defined benefit plans, replacing them with contributions under defined contribution plans effective April 1, 2019, including additional contributions and other payments to impacted employees over a two-year transition period.

Our primary sources of liquidity are cash flows from operations, our existing cash balance, and as necessary, borrowings under available credit facilities and the issuance of long-term debt. To the extent we generate discretionary cash flow we may consider using this additional cash flow for optional prepayments of indebtedness, to undertake new capital investment projects, make acquisitions, to return capital to shareholders and/or for general corporate purposes.

As of March 31, 2019, we had cash and cash equivalents of \$217 million. During 2017 we entered into the Credit Agreement and completed the offering of the Senior Notes, as defined below. As of March 31, 2019, we had a total outstanding amount of debt, net of unamortized issuance costs and discounts, of approximately \$1,523 million, primarily consisting of \$722 million principal outstanding under the \$750 million five-year term loan pursuant to the Credit Agreement and \$800 million principal outstanding under the \$800 million senior unsecured notes due 2025. As of March 31, 2019, there were no amounts drawn on the Revolving Credit Facility, resulting in availability of \$500 million. Refer to Note 9. Debt to the unaudited consolidated financial statements included herein for additional information.

We expect available liquidity to continue to be sufficient to fund our global activities (including restructuring payments, any repurchases of outstanding ordinary shares pursuant to our approved share repurchase program as described below, any mandatory payments required under the Credit Agreement as described below, dividends on ordinary shares, capital expenditures and funding of potential acquisitions, as applicable).

We also continue to expect to be able to move funds between different countries to manage our global liquidity needs without material adverse tax implications, subject to current monetary policies and to the terms of the Credit Agreement. We utilize a combination of strategies, including dividends, cash pooling arrangements, intercompany loan repayments and other distributions and advances to provide the funds necessary to meet our global liquidity needs. There are no significant restrictions on the ability of our subsidiaries to pay dividends or make other distributions to Delphi Technologies.

Based on these factors, we believe we possess sufficient liquidity to fund our global operations and capital investments in 2019 and beyond.

Share Repurchases

In July 2018, the Board of Directors approved a \$100 million share repurchase authorization, which commenced in September 2018. This authorization was replaced by a new \$200 million share repurchase program in January 2019 which was approved by the Board of Directors. Repurchases will be made at management's discretion from time to time on the open market or through privately negotiated transactions. The repurchase program may be suspended for periods or discontinued at any time. Repurchases under this program will be funded from one or a combination of future free cash flow and existing cash balances. The program is expected to be completed by December 31, 2021.

A summary of the ordinary shares repurchased during the three months ended March 31, 2019 and 2018 is as follows:

	Three Months Ended March 31,	
	2019	2018
Total number of shares repurchased	737,917	—
Average price paid per share	\$ 20.33	\$ —
Total (in millions)	\$ 15	\$ —

All repurchased shares were retired and returned to authorized but unissued shares. The repurchased shares are reflected as a reduction of ordinary share capital for the par value of the shares, with the excess applied as reductions to additional paid-in-capital and retained earnings.

Cash Flows

Intra-month cash flow cycles vary by region, but in general we are users of cash through the first half of a typical month and we generate cash during the latter half of a typical month. Due to this cycle of cash flows, we may utilize short-term financing, including our Revolving Credit Facility, to manage our intra-month working capital needs. Our cash balance typically peaks at month end.

We utilize a combination of strategies, including dividends, cash pooling arrangements, intercompany loan structures and other distributions and advances to provide the funds necessary to meet our global liquidity needs. We utilize a global cash pooling arrangement to consolidate and manage our global cash balances, which enables us to efficiently move cash into and out of a number of the countries in which we operate.

Operating activities —Net cash provided by operating activities totaled \$21 million and \$75 million for the three months ended March 31, 2019 and 2018, respectively. Cash flow from operating activities for the three months ended March 31, 2019 consisted primarily of net earnings of \$19 million increased by \$75 million for non-cash charges for depreciation, amortization and pension costs, partially offset by \$72 million related to changes in operating assets and liabilities, net of restructuring and pension contributions. Cash flow from operating activities for the three months ended March 31, 2018 consisted primarily of net earnings of \$105 million increased by \$62 million for non-cash charges for depreciation, amortization, and pension costs, partially offset by \$96 million related to changes in operating assets and liabilities, net of restructuring and pension contributions.

Investing activities —Net cash used in investing activities totaled \$131 million for the three months ended March 31, 2019, as compared to \$72 million for the three months ended March 31, 2018. The increase in usage is primarily attributable to \$65 million of increased capital expenditures during the three months ended March 31, 2019 as compared to the three months ended March 31, 2018.

Financing activities —Net cash used in financing activities totaled \$32 million and \$33 million for the three months ended March 31, 2019 and 2018, respectively. Cash flows used in financing activities for the three months ended March 31, 2019 primarily included \$9 million long-term debt repayments, \$14 million paid to repurchase ordinary shares and \$8 million of dividend payments of consolidated affiliates to minority shareholders. Cash flows used in financing activities for the three months ended March 31, 2018, primarily included \$10 million of dividend payments of consolidated affiliates to minority shareholders and \$15 million of dividend payments on ordinary shares.

Off-Balance Sheet Arrangements

We do not engage in any off-balance sheet financial arrangements that have or are reasonably likely to have a material current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

Contingencies and Environmental Matters

For a description of contingencies, including environmental contingencies and the amount currently held in reserve for environmental matters, see Note 11. Commitments and Contingencies to the unaudited consolidated financial statements included herein.

Recently Issued Accounting Pronouncements

The information concerning recently issued accounting pronouncements see Note 2. Significant Accounting Policies to the unaudited consolidated financial statements included herein.

Critical Accounting Estimates

There have been no significant changes in our critical accounting estimates during the three months ended March 31, 2019.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There have been no material changes to the information concerning our exposures to market risk as stated in the Company's Annual Report on Form 10-K for the year ended December 31, 2018.

ITEM 4. CONTROLS AND PROCEDURES

A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected.

Disclosure Controls and Procedures

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rules 13a-15(f) and 15d-15(f) under the U.S. Securities Exchange Act of 1934. The Company maintains disclosure controls and procedures that are designed to provide reasonable assurance of achieving their objectives.

As of March 31, 2019, the Company's management, with the participation of the Chief Executive Officer and the Chief Financial Officer, has evaluated, for disclosure purposes, the effectiveness of the Company's disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as of the end of the period covered by this report. Based on that evaluation, the Chief Executive Officer and the Chief Financial Officer concluded that the Company's disclosure controls and procedures were effective to provide reasonable assurance that the desired control objectives were achieved as of March 31, 2019.

Changes in Internal Control over Financial Reporting

There were no material changes in the Company's internal controls over financial reporting during the three months ended March 31, 2019 that have materially affected, or are reasonably likely to materially affect, the Company's internal controls over financial reporting.

PART II. OTHER INFORMATION**ITEM 1. LEGAL PROCEEDINGS**

We are from time to time subject to various actions, claims, suits, government investigations, and other proceedings incidental to our business, including those arising out of alleged defects, breach of contracts, competition and antitrust matters, product warranties, intellectual property matters, personal injury claims and employment-related matters. For a description of risks related to various legal proceedings and claims, see Part I, “Item 1A. Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2018. For a description of our outstanding material legal proceedings, see Note 11. Commitments and Contingencies to the unaudited consolidated financial statements included herein.

ITEM 1A. RISK FACTORS

There have been no material changes to the risk factors as previously described in Part I, “Item 1A. Risk Factors” in the Company’s Annual Report on Form 10-K for the year ended December 31, 2018.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

A summary of our ordinary shares repurchased during the three months ended March 31, 2019, is shown below:

Period	Total Number of Shares Purchased (1)	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet be Purchased Under the Plans or Program (in millions) (2)
January 1, 2019 to January 31, 2019	—	\$ —	—	\$ 200
February 1, 2019 to February 28, 2019	107,900	\$ 22.21	107,900	\$ 198
March 1, 2019 to March 31, 2019	630,017	\$ 20.08	630,017	\$ 185
Total	737,917	\$ 20.33	737,917	

- (1) The total number of shares purchased under the plan approved by the Board of Directors are described below.
- (2) In January 2019, the Board of Directors approved a \$200 million share repurchase program, which commenced in February 2019. Repurchases will be made at management’s discretion from time to time on the open market or through privately negotiated transactions. The program is expected to be completed by December 31, 2021.

ITEM 6. EXHIBITS

<u>Exhibit Number</u>	<u>Description</u>
*10.1	Form of Time-Based RSU Award for annual grants pursuant to the Delphi Technologies PLC Long-Term Incentive Plan
*10.2	Form of Performance-Based RSU Award for annual grants pursuant to the Delphi Technologies PLC Long-Term Incentive Plan
*10.3	Nonqualified Stock Option Inducement Award between Delphi Technologies PLC and Richard F. Dauch dated January 7, 2019
*31.1	Rule 13a-14(a)/15d-14(a) Certification of Principal Executive Officer
*31.2	Rule 13a-14(a)/15d-14(a) Certification of Principal Financial Officer
*32.1	Certification by Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
*32.2	Certification by Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
*101.INS	XBRL Instance Document - The instance document does not appear in the interactive data file because its XBRL tags are embedded within the Inline XBRL document.
*101.SCH	XBRL Taxonomy Extension Schema Document
*101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
*101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
*101.LAB	XBRL Taxonomy Extension Label Linkbase Document
*101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

* Filed herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

DELPHI TECHNOLOGIES PLC

/s/ Vivid Sehgal

By: Vivid Sehgal

Chief Financial Officer

Dated: May 2, 2019

**DELPHI TECHNOLOGIES PLC
LONG-TERM INCENTIVE PLAN**

NOTICE OF AWARD – TIME-BASED RSUS

(2019 Annual Grant)

Subject to the terms and conditions of (1) Delphi Technologies PLC Long-Term Incentive Plan (the “ **Plan** ”), (2) this Notice of Award - Time-Based RSUs (the “ **Award Notice** ”), (3) the Time-Based RSU Award Agreement (the “ **Agreement** ”) and (4) the Confidentiality and Noninterference Agreement provided to you in connection with this Award or, if no such agreement is provided with this Award, the Confidentiality and Noninterference Agreement previously executed by you and on file with the Company (as applicable, the “CNA”), the Company has granted you (the “ **Participant** ”) an award of time-based RSUs (“ **Time-Based RSUs** ”) as reflected below (the “ **Award** ”). Each Time-Based RSU represents the opportunity to receive one (1) Share upon satisfaction of the terms and conditions as set forth in this Award Notice, the Agreement and the CNA, subject to the terms of the Plan. For the sake of clarity, if a CNA is provided to you in connection with this Award, the Award is conditioned upon (and will not become effective unless and until) you have executed and returned the CNA to your local HR business partner. A CNA previously executed by the Participant and on file with the Company will continue to be effective unless and until a new CNA is executed and returned to the Company. Capitalized terms used herein but not defined in this Award Notice or the Agreement shall have the meaning specified in the Plan. In the event of a conflict among the provisions of the Award Notice, the Agreement, the Plan and the CNA, the provisions of the Plan will prevail.

Participant	[•]
Grant Date	[•]
Number of Time-Based RSUs	[•]

Vesting Schedule	
Vesting Date	Percentage of RSUs Vesting
[•]	33 1/3%
[•]	33 1/3%
[•]	33 1/3%
One-third of the Time-Based RSUs will vest on each of the first three anniversaries of the Grant Date (each a “ Time-Based Vesting Date ”), except as otherwise provided in the vesting schedule.	

**DELPHI TECHNOLOGIES PLC
LONG-TERM INCENTIVE PLAN**

TIME-BASED RSU AWARD AGREEMENT

The Time-Based RSUs with respect to Shares granted to you effective as of the Grant Date are subject to (1) the Notice of Award - Time-Based RSUs (the “ **Award Notice** ”), (2) this Time-Based RSU Award Agreement (the “ **Agreement** ”) and (3) the Confidentiality and Noninterference Agreement (the “ **CNA** ”), along with all of the terms and conditions of Delphi Technologies PLC Long-Term Incentive Plan (the “ **Plan** ”), which are incorporated herein by reference. For the sake of clarity, the Award is conditioned upon (and will not become effective unless and until) the Participant's execution and return of the CNA to your local HR business partner. Capitalized terms used herein but not defined in the Award Notice or this Agreement shall have the meaning specified in the Plan. In the event of a conflict among the provisions of the Award Notice, this Agreement, the Plan or the CNA, the provisions of the Plan will prevail. For purposes of this Agreement, “Employer” means the Company or any Affiliate that employs you on the applicable date.

Section 1. *Grant of Award.* The Company has granted the Award to the Participant effective as of the Grant Date and subject to the vesting provisions as set forth in the Award Notice.

Section 2. *Vesting.* Subject to Sections -3 and -4 of the Agreement, one-third of the Time-Based RSUs shall vest on each of the Time-Based Vesting Dates.

Section 3. *Termination of Service .*

(a) *Death; Disability; Termination Without Cause; Resignation for Good Reason .* If the Participant experiences a Termination of Service after the first Time-Based Vesting Date and prior to the final Time-Based Vesting Date due to (i) death, (ii) Disability, (iii) termination by the Employer without Cause, or (iv) resignation for Good Reason (each such circumstance being a “ **Qualifying Termination** ”), the Participant shall become vested in the number of Time-Based RSUs equal to (A) the number of unvested Time-Based RSUs as of such termination, multiplied by (B) a fraction, the numerator of which shall be the number of full months between the Time-Based Vesting Date that immediately precedes such termination and the termination date and the denominator of which shall be the number of full months between the Time-Based Vesting Date that immediately precedes such termination and the final Time-Based Vesting Date; *provided, however* , that, in the event of the Participant’s Termination of Service due to the Participant’s death, subject to Section 18 of the Plan, the Company may elect to vest this Award effective on the date of the Participant's death, in which case the Time-Based RSUs shall be settled in Shares delivered to the Participant's estate or legal representative in accordance with Section 5 of this Agreement.

(b) *Any Other Termination of Service.* In the event of the Participant’s Termination of Service (i) prior to the first Time-Based Vesting Date for any reason or (ii) on or after the first Time-Based Vesting Date and prior to the final Time-Based Vesting Date for any reason other than as described in Section -3(a) above, the Participant immediately shall forfeit the unvested portion of Time-Based RSUs without any payment to the Participant.

(c) *Effective Date of Termination of Service* . Notwithstanding anything to the contrary in the Plan or the Agreement, and for purposes of clarity, if the Participant is employed outside of the United States, any Termination of Service shall be effective as of the date the Participant's active employment with the Employer ceases and shall not be extended by any statutory or common law notice of termination period.

Section 4. *Change in Control* .

(a) *Conditional Vesting* . Upon a Change in Control prior to the final Time-Based Vesting Date, except to the extent that another award meeting the requirements of Section 4(b) (a "**Replacement Award**") is provided to the Participant to replace this Award (the "**Replaced Award**"), any unvested Time-Based RSUs shall vest in full and be delivered to the Participant on the effective date of such Change in Control. If a Replacement Award is provided, notwithstanding anything in this Agreement to the contrary, any outstanding Time-Based RSUs covered by this Agreement, which at the time of the Change in Control are not subject to a "substantial risk of forfeiture" (within the meaning of Section 409A of the Code), will be deemed to be vested at the time of such Change in Control and shall be delivered to the Participant on the effective date of such Change in Control subject to the provisions of Section 409A of the Code, if applicable.

(b) *Replacement Awards* . An award shall meet the conditions of this Section 4(b) (and thereby qualify as a Replacement Award) if the following conditions are met:

- (i) The award has a value at least equal to the value of the Replaced Award;
- (ii) The award relates to publicly-traded equity securities of the Company or its successor following the Change in Control or another entity that is affiliated with the Company or its successor following the Change in Control; and
- (iii) The other terms and conditions of the award are not less favorable to the Participant than the terms and conditions of the Replaced Award (including the provisions that would apply in the event of a subsequent Change in Control and the provisions of Section 4(c)).

Without limiting the generality of the foregoing, a Replacement Award may take the form of a continuation of a Replaced Award if the requirements of the preceding sentence are satisfied. The determination of whether the conditions of this Section 4(b) are satisfied shall be made by the Committee, as constituted immediately before the Change in Control, in its sole discretion.

(c) *Qualifying Termination following a Change in Control* . If the Participant experiences a Qualifying Termination (for purposes of which the Company will include a successor of the Company following the Change in Control or another entity that is affiliated with the Company or its successor following the Change in Control), in connection with or during a period of two (2) years after the Change in Control, any Replacement Award that replaces this Award, to the extent not vested as of such Termination of Service, shall vest in full. Any such vested Replacement Award (including any portion previously vested but not yet delivered) shall be delivered to the Participant within thirty (30) days following the date of such Qualifying Termination, provided that if the Qualifying Termination does not occur within two (2) years of a Change in Control that qualifies

as a permissible date of distribution under Section 409A(a)(2)(A) of the Code, and the regulations thereunder, and where Section 409A of the Code applies to such distribution, the vested Replacement Award (and any previously vested but undelivered portion) will be delivered to the Participant at the times specified in Section 5(a) of this Agreement as though the Participant had continued employment through each Time-Based Vesting Date.

Section 5. *Settlement of Time-Based RSUs.*

(a) *Delivery of Shares* . Subject to Sections -3 and -4 of the Agreement, any vested Time-Based RSUs shall be settled in the form of Shares delivered to the Participant as soon as practicable following the Time-Based Vesting Date but in no event later than 30 days following the Time-Based Vesting Date.

(b) *Alternative Form of Settlement*. Pursuant to Section 7(f) of the Plan and notwithstanding any provision in the Agreement to the contrary, the Company may, in its sole discretion, settle any Time-Based RSUs in the form of (i) a cash payment to the extent settlement in Shares (1) is prohibited under local law, (2) would require the Participant, the Company or the Employer to obtain the approval of any governmental and/or regulatory body in the Participant's country of residence (or country of employment, if different), (3) would result in adverse tax consequences for the Participant, the Company or the Employer, or (4) is administratively burdensome; or (ii) Shares, but require the Participant to sell such Shares immediately or within a specified period following the Participant's Termination of Service (in which case, the Participant hereby expressly authorizes the Company to issue sales instructions in relation to such Shares on the Participant's behalf).

Section 6. *Dividend Equivalents* . If a dividend is paid on Shares underlying Time-Based RSUs with respect to the period commencing on the Grant Date and ending on the date on which the Shares in settlement of the Time-Based RSUs are delivered to the Participant, the Participant shall be eligible to receive an amount equal to the amount of the dividend that the Participant would have received had the Shares attributable to Time-Based RSUs been held by the Participant during the period with respect to which the dividend was paid, which amount shall be calculated and reinvested in additional Time-Based RSUs as of the time at which such dividend is paid. No such amount shall be payable with respect to any portion of this Award that is forfeited pursuant to Section -3 of the Agreement. Such amount shall be paid to the Participant in the form of additional Shares on the date on which the Shares attributable to the related original Time-Based RSUs are delivered to the Participant; *provided that* the Committee retains the discretion to pay such amount in cash rather than Time-Based RSUs in the event that an insufficient number of Shares are authorized and available for issuance under the Plan. Any Shares attributable to Time-Based RSUs that the Participant is eligible to receive pursuant to this Section -6 are referred to herein as “ **Dividend Shares** ”.

Section 7. *Withholding of Tax-Related Items.*

(a) *Responsibility for Taxes* . The Participant acknowledges that, regardless of any action taken by the Company or the Employer, the ultimate liability for the all income tax, social insurance, payroll tax, fringe benefits tax, payment on account other tax-related items related to the Participant's participation in the Plan (“ **Tax-Related Items** ”), is and remains the Participant's responsibility and

may exceed the amount actually withheld by the Company or the Employer. The Participant further acknowledges that the Company and the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of this Award, including, but not limited to, the grant, vesting or settlement of this Award, the subsequent sale of Shares attributable to Time-Based RSUs (including, if applicable, any Dividend Shares) acquired pursuant to such and the receipt of any dividends or dividend equivalents, and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of this Award to reduce or eliminate the Participant's responsibility for Tax-Related Items or achieve any particular tax result. Further, if the Participant is subject to Tax-Related Items in more than one jurisdiction between the Grant Date and the date of any relevant taxable or tax withholding event, as applicable, the Participant acknowledges that the Company and the Employer may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

(b) *Tax Withholding*. Prior to any relevant taxable or tax withholding event, as applicable, the Participant agrees to make adequate arrangements satisfactory to the Company and the Employer to satisfy all Tax-Related Items. In this regard, the Participant authorizes the Company, the Employer or an agent of the Company or the Employer to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following:

(i) The Company may withhold a portion of the Shares otherwise issuable in settlement of this Award (or, in the case of Awards settled in cash, a portion of the cash proceeds) that have an aggregate fair market value sufficient to pay the Tax-Related Items required to be withheld (as determined by the Company in good faith and in its sole discretion) with respect to this Award. For purposes of the foregoing, no fractional Shares will be withheld or issued pursuant to the vesting of this Award and the issuance of Shares or cash thereunder.

(ii) The Company or the Employer may withhold a portion of the sales proceeds from the sale of Shares acquired pursuant to this Award either through a voluntary sale or through a mandatory sale arranged by the Company or the Employer (on the Participant's behalf pursuant to this authorization without further consent).

(iii) The Company or the Employer may withhold any amount necessary to pay the Tax-Related Items from the Participant's salary or other amounts payable to the Participant.

(iv) The Company or Employer may require or permit the Participant to submit a cash payment equivalent to the Tax-Related Items required to be withheld with respect to this Award.

(v) The Company or the Employer may satisfy the Tax-Related Items by such other methods or combinations of methods as the Company or the Employer may make available from time to time.

Depending on the withholding method, the Company or the Employer may withhold or account for Tax-Related Items by considering applicable withholding rates (as determined by the Company in good faith and its sole discretion), including maximum applicable tax rates. If the obligation for

Tax-Related Items is satisfied by withholding from the Shares to be delivered upon settlement of this Award, for tax purposes, the Participant is deemed to have been issued the full number of Shares notwithstanding that a number of Shares are held back for the purpose of paying Tax-Related Items. In the event the withholding requirements are not satisfied, no Shares or cash will be issued to the Participant (or the Participant's estate) in settlement of this Award unless and until satisfactory arrangements (as determined by the Company in its sole discretion) have been made by the Participant with respect to the payment of any such Tax-Related Items. By accepting the grant of this Award, the Participant expressly consents to the methods of withholding of Tax-Related Items as provided hereunder. All other Tax-Related Items related to this Award and any Shares or cash delivered in settlement thereof are the Participant's sole responsibility.

(c) *Tax Withholding for Section 16 Officers* . If the Participant is a Section 16 officer of the Company under the U.S. Securities Exchange Act of 1934, as amended, the Company will withhold Shares upon the settlement of Time-Based RSUs to cover any withholding obligations for Tax-Related Items unless the use of such withholding method is prohibited or problematic under applicable laws or otherwise may trigger adverse consequences to the Company or the Employer (in each case, as determined by the Committee) or unless the Committee agrees to permit the Participant to satisfy the withholding requirements in accordance with the provisions of Section 7(b)(iv), in which case the obligation to withhold Tax-Related Items shall be satisfied by the Participant submitting a payment to the Company equal to the amount of the Tax-Related Items required to be withheld.

Section 8. *Additional Terms and Conditions* .

(a) *Issuance of Shares* . Upon delivery of Shares in settlement of the Time-Based RSUs (including, if applicable, any Dividend Shares), such Shares shall be evidenced by book-entry registration; *provided, however* , that the Committee may determine that such Shares shall be evidenced in such other manner as it deems appropriate, including the issuance of a share certificate or certificates. Any such fractional Shares shall be rounded up to the nearest whole Share.

(b) *Voting Rights* . The Participant shall not have voting rights with respect to the Shares underlying the Time-Based RSUs (including, if applicable, any Dividend Shares) unless and until such Shares are delivered to the Participant.

Section 9. *Data Privacy* . Pursuant to applicable personal data protection laws, the Company hereby notifies the Participant of the following in relation to the Participant's personally identifiable data (" **Personal Data** ") and the collection, processing and transfer of such data in relation to the Company's grant of this Award and participation in the Plan. The collection, processing and transfer of Personal Data is necessary for the Company's administration of the Plan and the Participant's participation in the Plan, and although the Participant has the right to deny or object to the collection, processing and transfer of Personal Data, the Participant's denial and/or objection to the collection, processing and transfer of Personal Data may affect the Participant's participation in the Plan. As such, the Participant voluntarily acknowledges and consents (where required under applicable law) to the collection, use, processing and transfer of Personal Data as described herein:

The Company and the Employer hold certain Personal Data about the Participant, including (but not limited to) the Participant's name, home address and telephone number, date of birth, social security number (resident registration number or tax identification number) or other employee identification number, e-mail address, salary, nationality, job title, any shares or directorships held in the Company, details of all entitlements to shares (or cash) awarded, canceled, purchased, vested, unvested or outstanding in the Participant's favor, for the purpose of managing and administering the Plan. The Personal Data may be provided by the Participant or collected, where lawful, from the Company, its Affiliates and/or third parties, and the Company and the Employer will process the Personal Data in this context for the exclusive purpose of implementing, administering and managing the Participant's participation in the Plan. The Personal Data processing will take place through electronic and non-electronic means correlated to the purposes for which Personal Data are collected and with confidentiality and security provisions as set forth by applicable laws and regulations in the Participant's country of residence (or country of employment, if different). Personal Data will be accessible within the organization only by those persons requiring access for purposes of the implementation, administration and operation of the Plan and for the participation in the Plan.

The Company and the Employer will transfer Personal Data internally as necessary for the purpose of implementation, administration and management of the Participant's participation in the Plan, and the Company and the Employer may further transfer Personal Data to any third parties assisting the Company in the implementation, administration and management of the Plan. The third party recipients of Personal Data may be any Affiliate of the Company or a broker/administrator that the Company may engage to assist with the implementation, administration and management of the Plan from time to time, and any third party vendors with whom the broker/administrator has contracted to provide services under the Plan. These recipients may be located in the European Economic Area, or in other countries, such as the United States, which may not be considered to provide the same level of privacy protection to Personal Data as that provided by the Participant's country of residence (or country of employment, if different). The Participant hereby authorizes (where required under applicable law) such processing and transfer of Personal Data.

The Participant may, at any time, exercise the Participant's rights provided under applicable personal data protection laws, which may include the right to (i) obtain confirmation as to the existence of the Personal Data, (ii) verify the content, origin and accuracy of the Personal Data, (iii) request the integration, update, amendment, deletion or blockage (for breach of applicable laws) of the Personal Data, (iv) oppose, for legal reasons, the collection, processing or transfer of the Personal Data which is not necessary or required for the implementation, administration and/or operation of the Plan and the Participant's participation in the Plan, and (v) withdraw consent to the collection, processing or transfer of Personal Data as provided hereunder (in which case, this Award will become null and void). The Participant may seek to exercise these rights by contacting the Employer's HR department.

Section 10. *Miscellaneous Provisions* .

(a) *Notices* . All notices, requests and other communications under this Agreement shall be in writing and shall be delivered in person (by courier or otherwise), mailed by certified or registered mail, return receipt requested, or sent by facsimile transmission, as follows:

if to the Company, to:

Delphi Technologies PLC
One Angel Court, 10th Floor
London EC2R 7HJ, UK
Attention: Chief Human Resources Officer

if to the Participant, to the address that the Participant most recently provided to the Company,

or to such other address as such party may hereafter specify for the purpose by notice to the other parties hereto. All such notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. on a business day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed received on the next succeeding business day in the place of receipt.

(b) *Entire Agreement* . This Agreement, the Plan and any other agreements referred to herein and therein and any attachments referred to herein or therein, constitute the entire agreement and understanding between the parties in respect of the subject matter hereof and supersede all prior and contemporaneous arrangements, agreements and understandings, both oral and written, whether in term sheets, presentations or otherwise, between the parties with respect to the subject matter hereof.

(c) *Amendment; Waiver* . No amendment or modification of any provision of this Agreement shall be effective unless signed in writing by or on behalf of the Company and the Participant, except that the Committee may amend or modify this Agreement without the Participant's consent in accordance with the provisions of the Plan or as otherwise set forth in this Agreement. No waiver of any breach or condition of this Agreement shall be deemed to be a waiver of any other or subsequent breach or condition, whether of like or different nature. Any amendment or modification of or to any provision of this Agreement, or any waiver of any provision of this Agreement, shall be effective only in the specific instance and for the specific purpose for which made or given.

(d) *Severability* . This Agreement shall be enforceable to the fullest extent allowed by law. In the event that any provision of this Agreement is determined to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, then that provision shall be reduced, modified or otherwise conformed to the relevant law, judgment or determination to the degree necessary to render it valid and enforceable without affecting the validity, legality or enforceability of any other provision of this Agreement or the validity, legality or enforceability of such provision in any other jurisdiction. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be deemed severable from the remainder of this Agreement, and the remaining provisions contained in this Agreement shall be construed to preserve to the maximum permissible extent the intent and purposes of this Agreement.

(e) *Assignment* . Neither this Agreement nor any right, remedy, obligation or liability arising hereunder or by reason hereof shall be assignable by the Participant.

(f) *Successors and Assigns; No Third Party Beneficiaries* . This Agreement shall inure to the benefit of and be binding upon the Company and the Participant and their respective heirs, successors, legal representatives and permitted assigns. Nothing in this Agreement, expressed or implied, is intended to confer on anyone other than the Company and the Participant, and their respective heirs, successors, legal representatives and permitted assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

(g) *Counterparts* . This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

(h) *Acknowledgement of Discretionary Nature of the Plan; No Vested Rights* . The Participant acknowledges and agrees that the Plan is established voluntarily by the Company, is discretionary in nature and limited in duration, and may be amended, cancelled, or terminated by the Company, in its sole discretion, at any time. The grant of this Award under the Plan is a one-time benefit and does not create any contractual or other right to receive an award or benefits in lieu of an award in the future. Future awards, if any, will be at the sole discretion of the Company, including, but not limited to, the form and timing of the award, the number of Time-Based RSUs subject to the award, and the vesting provisions applicable to the award.

(i) *Extraordinary Item of Compensation* . The Participant's participation in the Plan is voluntary. The value of this Award under the Plan is an extraordinary item of compensation outside the scope of the Participant's employment (and the Participant's employment contract, if any). As such, this Award under the Plan is not part of normal or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension, or retirement benefits or similar payments. The grant of this Award does not create a right to employment and shall not be interpreted as forming an employment or service contract with the Company or the Employer and shall not interfere with the ability of the Employer to terminate the Participant's employment or service relationship.

(j) *Participant Undertaking* . By accepting this Award, the Participant acknowledges that the Participant has executed a CNA and agrees to take whatever additional action and execute whatever additional documents the Company may deem necessary or advisable to carry out or give effect to any of the obligations or restrictions imposed on the Participant pursuant to the provisions of this Agreement.

(k) *Compliance with Law* . As a condition to the Company's grant of this Award, the Participant agrees to repatriate all payments attributable to the Shares and cash acquired under the Plan in accordance with local foreign exchange rules and regulations in the Participant's country of residence (and country of employment, if different). In addition, the Participant also agrees to take any and all actions, and consent to any and all actions taken by the Company and its Affiliates, as may be required to allow the Company and its Affiliates to comply with local laws, rules and regulations in the Participant's country of residence (and country of employment, if different). Finally, the Participant agrees to take any and all actions as may be required to comply with the Participant's personal legal, regulatory and tax obligations under local laws, rules and regulations in the Participant's country of residence (and country of employment, if different).

(l) *Electronic Delivery* . The Company may, in its sole discretion, elect to deliver any documents related to this Award granted to the Participant by electronic means. By accepting this Award, the Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

(m) *EU Age Discrimination Rules* . If the Participant is a local national of and employed in a country that is a member of the European Union, the grant of the Award and the terms and conditions governing the Award are intended to comply with the age discrimination provisions of the EU Equal Treatment Framework Directive, as implemented into local law (the “ **Age Discrimination Rules** ”). To the extent that a court or tribunal of competent jurisdiction determines that any provision of this Agreement is invalid or unenforceable, in whole or in part, under the Age Discrimination Rules, the Company, in its sole discretion, shall have the power and authority to revise or strike such provision to the minimum extent necessary to make it valid and enforceable to the full extent permitted under local law.

(n) *Insider Trading and Market Abuse Laws* . Depending on the Participant’s country of residence (or country of employment, if different), the Participant may be subject to insider trading restrictions and/or market abuse laws, which may affect the Participant’s ability to acquire or sell Shares under the Plan during such times as the Participant is considered to have “inside information” regarding the Company (as defined by the laws of the Participant’s country of residence or employment, as applicable). Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. The Participant acknowledges that it is the Participant's responsibility to comply with any applicable restrictions and that the Participant should consult with the Participant's personal advisor on this matter.

(o) *English Language* . If the Participant is a resident or employed outside of the United States, the Participant acknowledges and agrees that by accepting this Award, it is the Participant’s express intent that this Agreement, the Award Notice, the CNA, the Plan and all other documents, notices and legal proceedings entered into, given or instituted pursuant to this Award, be drawn up in English. If the Participant has received this Agreement, the Award Notice, the CNA, the Plan or any other documents related to this Award translated into a language other than English, and if the meaning of the translated version is different than the English version, the English version will control.

(p) *Plan*. The Participant acknowledges and understands that material definitions and provisions concerning this Award and the Participant’s rights and obligations with respect thereto are set forth in the Plan. The Participant has read carefully, and understands, the provisions of the Plan.

(q) *Addendum* . Notwithstanding any provisions of this Agreement to the contrary, this Award shall be subject to any special terms and conditions for the Participant’s country of residence (or country of employment, if different), as are set forth in the applicable addendum to this Agreement (“ **Addendum** ”). Further, if the Participant transfers residence and/or employment to another country reflected in an Addendum to this Agreement, the special terms and conditions for such country shall apply to the Participant to the extent the Company determines, in its sole discretion,

that the application of such terms and conditions is necessary or advisable in order to comply with local law or to facilitate the operation and administration of this Award and the Plan (or the Company may establish alternative terms or conditions as may be necessary or advisable to accommodate the Participant's transfer). Any applicable Addendum shall constitute part of this Agreement.

(r) *Additional Requirements* . The Company reserves the right to impose other requirements on this Award, any Shares acquired pursuant to this Award and the Participant's participation in the Plan to the extent the Company determines, in its sole discretion, that such other requirements are necessary or advisable in order to comply with local law or to facilitate the operation and administration of this Award and the Plan. Such requirements may include (but are not limited to) requiring the Participant to sign any agreements or undertakings that may be necessary to accomplish the foregoing.

(s) *Risk Statement* . The Participant acknowledges and accepts that the future value of the Shares is unknown and cannot be predicted with certainty and that the value of this Award at the time when Shares are delivered in settlement of this Award may be less than the value of this Award on the Grant Date. The Participant understands that if the Participant is in any doubt as to whether the Participant should accept this Award, the Participant should obtain independent advice.

(t) *No Advice Regarding Grant* . No employee of the Company or the Employer is permitted to advise the Participant regarding the Participant's participation in the Plan or the acquisition or sale of the Shares underlying this Award. The Participant is hereby advised to consult with the Participant's personal tax, legal and financial advisors prior to taking any action related to the Plan.

(u) *Private Placement* . Outside of the United States, the grant of this Award is not intended to be a public offering of securities in the Participant's country of residence (or country of employment, if different) but instead is intended to be a private placement. As a private placement, the Company has not submitted any registration statement, prospectus or other filings with the local securities authorities (unless otherwise required under local law) at the time of grant, and the grant of this Award is not subject to the supervision of the local securities authorities.

(v) *Governing Law* . This Agreement shall be governed by the laws of the State of New York, without application of the conflicts of law principles thereof.

(w) *No Right to Continued Service* . The granting of the Award evidenced hereby and this Agreement shall impose no obligation on the Company or any Affiliate to continue the service of the Participant and shall not lessen or affect the right that the Company or any Affiliate may have to terminate the service of such Participant (as may otherwise be permitted under local law).

(x) *WAIVER OF JURY TRIAL*. EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first written above.

DELPHI TECHNOLOGIES PLC

By:

Name: **James D. Harrington**

Title: **Senior Vice President
& General Counsel**

PARTICIPANT

Name:

**DELPHI TECHNOLOGIES PLC
LONG-TERM INCENTIVE PLAN**

**ADDENDUM TO
TIME-BASED RSU AWARD AGREEMENT**

In addition to the terms of the Award Notice, the Agreement, the CNA and the Plan, the Performance-Based RSUs are subject to the following additional terms and conditions (the “ **Addendum** ”). All capitalized terms as contained in this Addendum shall have the same meaning as set forth in the Award Notice, the Agreement and the Plan. Pursuant to Section 10(q) of the Agreement, if the Participant transfers the Participant's residence and/or employment to another country reflected in the Addendum at the time of transfer, the special terms and conditions for such country will apply to the Participant to the extent the Company determines, in its sole discretion, that the application of such terms and conditions is necessary or advisable in order to comply with local law, rules and regulations, or to facilitate the operation and administration of the Award and the Plan (or the Company may establish alternative terms and conditions as may be necessary or advisable to accommodate your transfer).

***** PARTICIPANTS IN FRANCE, MEXICO AND SPAIN *****

BY SIGNING BELOW, THE PARTICIPANT ACKNOWLEDGES, UNDERSTANDS AND AGREES TO THE PROVISIONS OF THE AGREEMENT, INCLUDING THE ADDENDUM AND THE PLAN.

PLEASE SIGN AND RETURN THE ADDENDUM VIA EMAIL NO LATER THAN MARCH 31, 2019 TO YOUR LOCAL HR BUSINESS PARTNER.

Participant Signature Participant Name (Printed)

Date

ARGENTINA

1. *Securities Law Information* . The Award and the underlying Shares are not publicly offered or listed on any stock exchange in Argentina. The offer is private and not subject to the supervision of any Argentine governmental authority.
2. *Labor Law Acknowledgement* . By accepting the Award, the Participant acknowledges and agrees, for all legal purposes, that the grant of the Award is made by the Company

(and not by the Employer) in its sole discretion and that the value of the Award or any Shares acquired under the Plan shall not constitute salary or wages for any purpose under Argentine labor law, including, but not limited to, the calculation of (a) any labor benefits including, but not limited to, vacation pay, thirteenth salary, compensation in lieu of notice, annual bonus, disability, and leave of absence payments, etc., or (b) any termination or severance indemnities or similar payments.

AUSTRIA

None.

BELGIUM

None.

BRAZIL

1. *Securities Law Information* . The Award and the underlying Shares have not been, and will not be, publicly issued, placed, distributed, offered or negotiated in the Brazilian capital markets and, as a result, will not be registered with the Brazilian Securities Commission (*Comissão de Valores Mobiliários* , the CVM). Therefore, the Award and the underlying Shares may not be offered or sold in Brazil, except in circumstances which do not constitute a public offering, placement, distribution or negotiation under the Brazilian capital markets regulation.

2. *Compliance with Law* . By accepting the Award, the Participant agrees to comply with all applicable Brazilian laws and pay any and all applicable taxes associated with the vesting of the Award and the sale of Shares acquired under the Plan.

3. *Labor Law Acknowledgment*. By accepting this Award, the Participant acknowledges and agrees, for all legal purposes, that (a) the benefits provided under the Agreement and the Plan are the result of commercial transactions unrelated to the Participant's employment; (b) the Agreement and the Plan are not a part of the terms and conditions of the Participant's employment; and (c) the income from this Award, if any, is not part of the Participant's remuneration from employment.

CHINA

1. *Satisfaction of Regulatory Obligations*. If the Participant is a People's Republic of China (" **PRC** ") national, the grant of this Award is conditioned upon the Company securing all necessary approvals from the PRC State Administration of Foreign Exchange to permit the operation of the Plan and the participation of PRC nationals employed by the Employer, as determined by the Company in its sole discretion.

2. *Sale of Shares*. Notwithstanding anything to the contrary in the Plan, upon any termination of employment with the Employer, the Participant shall be required to sell all Shares acquired under the Plan within such time period as may be established by the PRC State Administration of Foreign Exchange, the Company and/or the Employer.

3. *Exchange Control Restrictions.* The Participant acknowledges and agrees that the Participant will be required to immediately repatriate to the PRC the proceeds from the sale of any Shares acquired under the Plan, as well as any other cash amounts attributable to the Shares acquired under the Plan (collectively, “ **Cash Proceeds** ”). Further, the Participant acknowledges and agrees that the repatriation of the Cash Proceeds must be effected through a special bank account established by the Employer, the Company or one of its Affiliates, and the Participant hereby consents and agrees that the Cash Proceeds may be transferred to such account by the Company on the Participant’s behalf prior to being delivered to the Participant. The Cash Proceeds may be paid to the Participant in U.S. dollars or local currency at the Company’s discretion. If the Cash Proceeds are paid to the Participant in U.S. dollars, the Participant understands that a U.S. dollar bank account must be established and maintained in China by the Participant so that the proceeds may be deposited into such account. If the Cash Proceeds are paid to the Participant in local currency, the Participant acknowledges and agrees that the Company is under no obligation to secure any particular exchange conversion rate and that the Company may face delays in converting the Cash Proceeds to local currency due to exchange control restrictions. The Participant agrees to bear any currency fluctuation risk between the time the Earned Performance-Based RSUs or Dividend Shares are sold and the Cash Proceeds are converted into local currency and distributed to the Participant. The Participant further agrees to comply with any other requirements that may be imposed by the Employer, the Company and its Affiliates in the future in order to facilitate compliance with exchange control requirements in the PRC.

4. *Cancellation of Award; Mandatory Sale of Shares Following Termination Date .* Due to Chinese exchange control restrictions, to the extent that the Award has not been settled and unless otherwise determined by the Company in its sole discretion, the Award shall be cancelled six months following the date of the Participant’s Termination of Service (or such earlier date as may be required by the SAFE). Further, the Participant shall be required to sell all Shares acquired upon settlement of the Award no later than six months following the date of the Participant’s Termination of Service (or such earlier date as may be required by the SAFE), in which case, this Addendum shall give the Company the authority to issue sales instructions on the Participant’s behalf to any third party broker/administrator engaged by the Company to administer the Time-Based RSUs and the Plan. If any Shares remain outstanding six months following the date of the Participant’s Termination of Service (or such earlier date as may be required by SAFE), the Participant hereby directs, instructs and authorizes the Company to issue sale instructions on the Participant’s behalf.

The Participant agrees to sign any additional agreements, forms and/or consents that reasonably may be requested by the Company (or third party broker/administrator) to effectuate the sale of the Shares (including, without limitation, as to the transfer of the sale proceeds and other exchange control matters noted below) and shall otherwise cooperate with the Company with respect to such matters. The Participant acknowledges that neither the Company nor the designated third party broker/administrator is under any obligation to arrange for such sale of Shares at any particular price (it being understood that the sale will occur in the market) and that broker’s fees and similar expenses may be incurred in any such sale. In any event, when the Shares are sold, the sale proceeds, less any tax withholding, any third party broker/administrator’s fees or commissions, and any similar expenses of the sale will be remitted to the Participant in accordance with applicable exchange control laws and regulations.

5. *Administration*. Neither the Company nor any of its Affiliates shall be liable for any costs, fees, lost interest or dividends or other losses the Participant may incur or suffer resulting from the enforcement of the terms of this Addendum or otherwise from the Company's operation and enforcement of the Plan, the Agreement and the Award in accordance with Chinese law including, without limitation, any applicable SAFE rules, regulations and requirements.

CZECH REPUBLIC

None.

DENMARK

1. *Treatment of Units upon Termination*. Notwithstanding any provisions in the Agreement to the contrary, if the Participant is determined to be an "Employee," as defined in section 2 of the Danish Act on the Use of Rights to Purchase or Subscribe for Shares etc. in Employment Relationships (the "Stock Option Act"), the treatment of the Award upon Termination of Service shall be governed by Sections 4 and 5 of the Stock Option Act. However, if the provisions in the Agreement or the Plan governing the treatment of the Award upon a Termination of Service are more favorable, the provisions of the Agreement or the Plan will govern. In accepting the Award, the Participant acknowledges having received an "Employer Information Statement" in Danish as part of the grant materials distributed or otherwise made available to the Participant.

FINLAND

1. *Withholding of Tax-Related Items*. Notwithstanding anything in Section 7(b) of the Agreement to the contrary, if the Participant is a local national of Finland, any Tax-Related Items shall be withheld only in cash from the Participant's regular salary/wages or other amounts payable to the Participant in cash or such other withholding methods as may be permitted under the Plan and allowed under local law.

FRANCE

1. *Termination of Service*. The following provision shall supplement Section 3(c) of the Agreement:

In case of Termination of Service of the Participant triggering the payment of severance costs under applicable law, the Performance-Based RSUs shall not be taken into account in the calculation of such severance costs, to the extent permitted by applicable law.

2. *Use of English Language*. By accepting this Award, the Participant acknowledges and agrees that it is the Participant's wish that the Agreement, including the Addendum, as well as all other documents, notices and legal proceedings entered into, given or instituted pursuant to this Award, either directly or indirectly, be drawn up in English.

Langue anglaise. Langue anglaise. En acceptant cette Attribution, le Participant reconnaît et accepte que le Participant souhaite que le Contrat, y compris l'Addendum, ainsi que tous les autres documents, avis et procédures judiciaires entamés, donnés ou institués en vertu de l'Attribution, directement ou indirectement, soient rédigés en anglais.

GERMANY

1. *Termination of Service.* The following provision shall supplement Section 3(c) of the Agreement:

In case of Termination of Service of the Participant triggering the payment of severance costs under applicable law, the Performance-Based RSUs shall not be taken into account in the calculation of such severance costs, to the extent permitted by applicable law.

HUNGARY

None.

INDIA

None.

IRELAND

None.

ITALY

1. *Termination of Service.* The following provision shall supplement Section 3(c) of the Agreement:

In case of Termination of Service of the Participant triggering the payment of severance costs under applicable law, the Performance-Based RSUs shall not be taken into account in the calculation of such severance costs, to the extent permitted by applicable law.

2. *Data Privacy.* This following provision replaces Section 9 of the Agreement in its entirety:

The Participant understands that the Company and its Affiliates may hold certain personal information about the Participant, including, but not limited to, the Participant's name, home address and telephone number, date of birth, social security number (or any other social or national identification number), salary, nationality, job title, number of shares held and the details of any RSUs or any other entitlement to shares awarded, cancelled, exercised, vested, unvested or outstanding ("Data") for the purpose of implementing, administering and managing the Participant's participation in the Plan. The Participant is aware that providing the Company with the Participant's Data is necessary for the performance of the Agreement and that the Participant's refusal to provide such Data would make it impossible for the Company to perform its contractual obligations and may affect the Participant's ability to participate in the Plan.

The Controller of Personal Data processing is Delphi Technologies PLC, Queensway House, Hilgrove Street, St Heller, Jersey JE11ES. Delphi Powertrain Systems Operations Luxembourg S.a.r.l is the Company's Representative for privacy purposes pursuant to Legislative Decree no.

196/2003. The Participant understands that the Data may be transferred to the Company or its Affiliates, or to any third party assisting with the implementation, administration and management of the Plan, including any transfer required to the broker/administrator or any other third party with whom the Earned Performance-Based RSUs or cash from the sale of Earned Performance-Based RSUs acquired under the Plan may be deposited. Furthermore, the recipients that may receive, possess, use, retain and transfer such Data for the above mentioned purposes may be located in Italy or elsewhere, including outside of the European Union, and a recipient's country (e.g., the United States) may have different data privacy laws and protections from Italy. The processing activity, including the transfer of the Participant's Data abroad, outside of the European Union, as herein specified and pursuant to applicable Italian data privacy laws and regulations, does not require the Participant's consent thereto as the processing is necessary for the performance of contractual obligations related to the implementation, administration and management of the Plan. The Participant understands that Data processing relating to the purposes above specified shall take place under automated or non-automated conditions, anonymously when possible, that comply with the purposes for which Data is collected and with confidentiality and security provisions as set forth by applicable Italian data privacy laws and regulations, with specific reference to D.lgs. 196/2003.

The Participant understands that Data will be held only as long as is required by law or as necessary to implement, administer and manage the Participant's participation in the Plan. The Participant understands that pursuant to art.7 of D.lgs 196/2003, the Participant has the right, including but not limited to, access, delete, update, request the rectification of the Participant's Data and cease, for legitimate reasons, the Data processing. Furthermore, the Participant is aware that the Participant's Data will not be used for direct marketing purposes. In addition, the Data provided can be reviewed and questions or complaints can be addressed by contacting the Participant's local human resources representative.

3. *Plan Document Acknowledgement* . In accepting the Award, the Participant acknowledges that the Participant has received a copy of the Plan and the Agreement and has reviewed the Plan and the Agreement, including this Addendum, in their entirety and fully understands and accepts all provisions of the Plan and the Agreement, including this Addendum. The Participant further acknowledges that the Participant has read and specifically and expressly approves the following Sections of the Agreement: (a) Section 1 (Grant of the Award); (b) Section 2 (Vesting); (b) Section 3 (Termination of Service); (c) Section 5 (Settlement of Performance-Based RSUs); and (d) the terms and conditions of this Addendum.

JAPAN

None.

LUXEMBOURG

1. *Termination of Service*. The following provision shall supplement Section 3(c) of the Agreement:

In case of Termination of Service of the Participant triggering the payment of severance costs under applicable law, the Performance-Based RSUs shall not be taken into account in the calculation of such severance costs, to the extent permitted by applicable law.

MEXICO

1. *Commercial Relationship.* The Participant expressly recognizes that the Participant's participation in the Plan and the Company's grant of this Award do not constitute an employment relationship between the Participant and the Company. The Participant has been granted this Award as a consequence of the commercial relationship between the Company and the Participant's Employer, and such entity is the Participant's sole employer. Based on the foregoing, (a) the Participant expressly recognizes the Plan and the benefits the Participant may derive from the Participant's participation in the Plan does not establish any rights between the Participant and the Employer, (b) the Plan and the benefits the Participant may derive from the Participant's participation in the Plan are not part of the employment conditions and/or benefits provided by the Employer, and (c) any modification or amendment of the Plan by the Company, or a termination of the Plan by the Company, shall not constitute a change or impairment of the terms and conditions of the Participant's employment with the Employer.

2. *Extraordinary Item of Compensation.* The Participant expressly recognizes and acknowledges that the Participant's participation in the Plan is a result of the discretionary and unilateral decision of the Company, as well as the Participant's free and voluntary decision to participate in the Plan in accord with the terms and conditions of the Plan and the Agreement, including the Addendum. As such, the Participant acknowledges and agrees that the Company may, in its sole discretion, amend and/or discontinue the Participant's participation in the Plan at any time and without any liability. The value of this Award is an extraordinary item of compensation outside the scope of the Participant's employment contract, if any. This Award is not part of the Participant's regular or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension, retirement benefits, or any similar payments, which are the exclusive obligations of the Employer.

NETHERLANDS

1. *Waiver of Termination Rights.* As a condition to the grant of this Award, the Participant hereby waives any and all rights to compensation or damages as a result of the termination of the Participant's employment with the Employer for any reason whatsoever, insofar as those rights result or may result from (i) the loss or diminution in value of such rights or entitlements under the Plan, or (ii) the Participant ceasing to have rights under or ceasing to be entitled to any Award or awards under the Plan as a result of such termination.

NORWAY

None.

POLAND

1. *Termination of Service.* The following provision shall supplement Section 3(c) of the Agreement:

In case of Termination of Service of the Participant triggering the payment of severance costs under applicable law, the Performance-Based RSUs shall not be taken into account in the calculation of such severance costs, to the extent permitted by applicable law.

PORTUGAL

1. *Termination of Service.* The following provision shall supplement Section 3(c) of the Agreement:

In case of Termination of Service of the Participant triggering the payment of severance costs under applicable law, the Performance-Based RSUs shall not be taken into account in the calculation of such severance costs, to the extent permitted by applicable law.

2. *Language Consent.* Participant hereby expressly declares that the Participant has full knowledge of the English language and has read, understood and freely accepted and agreed with the terms and conditions established in the Plan and the Agreement.

Conhecimento da Língua. Pela presente, o Participante declara expressamente que tem pleno conhecimento da língua inglesa e que leu, compreendeu e livremente aceitou e concordou com os termos e condições estabelecidas no Plano e no Acordo.

ROMANIA

1. *Termination of Service.* The following provision shall supplement Section 3(c) of the Agreement:

In case of Termination of Service of the Participant triggering the payment of severance costs under applicable law, the Performance-Based RSUs shall not be taken into account in the calculation of such severance costs, to the extent permitted by applicable law.

SINGAPORE

1. *Qualifying Person Exemption.* The following provision shall replace Section 10(u) of the Agreement:

The grant of this Award under the Plan is being made pursuant to the “Qualifying Person” exemption” under section 273(1)(f) of the Securities and Futures Act (Chapter 289, 2011 Ed.) (“SFA”). The Plan has not been lodged or registered as a prospectus with the Monetary Authority of Singapore. The Participant should note that, as a result, this Award is subject to section 257 of the SFA and the Participant will not be able to make (a) any subsequent sale of the Earned Performance-Based Shares or Dividend Shares in Singapore or (ii) any offer of such subsequent sale of the Earned Performance-Based Shares or Dividend Shares subject to this Award in Singapore, unless such sale or offer is made pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the SFA (Chapter 289, 2011 Ed.).

2. *Director Notification.* If the Participant is a chief executive officer, director, associate director or shadow director of an Affiliate in Singapore, the Participant is subject to certain notification requirements under the Singapore Companies Act, regardless of whether the Participant
-

is a Singapore resident or employed in Singapore. Among these requirements is an obligation to notify the Affiliate in Singapore in writing of an interest (e.g. , the Award, Shares) in the Company or any Affiliate within two business days of (a) acquiring or disposing of such interest, (b) any change in a previously disclosed interest (e.g. , sale of Shares), or (c) becoming a chief executive officer, director, associate director or shadow director, if such interest exists at the time.

SOUTH AFRICA

1. *Securities Law Information and Deemed Acceptance of this Award.* Neither this Award nor the underlying Shares shall be publicly offered or listed on any stock exchange in South Africa. The offer is intended to be private pursuant to Section 96 of the Companies Act and is not subject to the supervision of any South African governmental authority. Pursuant to Section 96 of the Companies Act, this Award offer must be finalized on or before the 60th day following the grant date. If the Participant does not want to accept the grant of this Award, the Participant is required to decline this Award no later than the 60th day following the Grant Date. If the Participant does not reject the grant of this Award on or before the 60th day following the Grant Date, the Participant will be deemed to accept the grant of this Award.

SOUTH KOREA

1. *Data Privacy.* The following provision replaces Section 9 of the Agreement in its entirety:

Pursuant to applicable personal data protection laws, the Company and the Employer hereby notifies the Participant of the following in relation to the Participant's personal data and the collection, processing and transfer of such data in relation to the Company's grant of RSUs and the Participant's participation in the Plan. The collection, processing and transfer of the Participant's personal data is necessary for the Company's administration of the Plan and the Participant's participation in the Plan, and although the Participant has the right to deny or object to the collection, processing and transfer of personal data, the Participant's denial and/or objection to the collection, processing and transfer of personal data may affect the Participant's participation in the Plan. As such, the Participant voluntarily acknowledges and consents (where required under applicable law) to the collection, use, processing and transfer of personal data as described herein. The Company shall retain and use the Participant's personal data until the purpose of the collection and use of the personal data is accomplished and shall promptly destroy the personal data thereafter.

The Company and the Employer hold certain personal information about the Participant, including the Participant's name, home address, email address, and telephone number, date of birth, social security number (resident registration number), passport number, or other employee identification number, e-mail address, salary, nationality, job title, any Earned Performance-Based RSUs or directorships held in the Company, details of all Awards, options or any other entitlement to Earned Performance-Based RSUs awarded, canceled, purchased, vested, unvested or outstanding in the Participant's favor, for the purpose of managing and administering the Plan ("Data"). The Data may be provided by the Participant or collected, where lawful, from third parties, and the Company and the Employer will process the Data for the exclusive purpose of implementing, administering and managing the Participant's participation in the Plan. The Data processing will take place through

electronic and non-electronic means according to logics and procedures strictly correlated to the purposes for which Data are collected and with confidentiality and security provisions as set forth by applicable laws and regulations in the Participant's country of residence (and country of employment, if different). Data processing operations will be performed minimizing the use of personal and identification data when such operations are unnecessary for the processing purposes sought. Data will be accessible within the Company's organization only by those persons requiring access for purposes of the implementation, administration and operation of the Plan and for the Participant's participation in the Plan.

The Company and the Employer will transfer Data internally as necessary for the purpose of implementation, administration and management of the Participant's participation in the Plan, and the Company may further transfer Data to any third parties assisting the Company in the implementation, administration and management of the Plan. The third party recipients of Data may be any Affiliates or subsidiaries of the Company and / or the Company's broker/administrator or any successor or any other third party that the Company or the broker/administrator (or its successor) may engage to assist with the implementation, administration and management of the Plan from time to time. These recipients may be located in the European Economic Area, or elsewhere throughout the world, such as the United States. The Participant hereby authorizes (where required under applicable law) them to receive, possess, use, retain and transfer the Data, in electronic or other form, for purposes of implementing, administering and managing the Participant's participation in the Plan, including any requisite transfer of such Data as may be required for the administration of the Plan and/or the subsequent holding of Earned Performance-Based RSUs on the Participant's behalf to a broker/administrator or other third party with whom the Participant may elect to deposit any Earned Performance-Based RSUs acquired pursuant to the Plan. Such third parties to which the Company will transfer the Participant's personal data shall retain and use the Participant's personal data until the purpose of the collection and use of the personal data is accomplished and shall promptly destroy such personal data thereafter.

The Company and any third party recipient of the Data will use, process and store the Data only to the extent they are necessary for the purposes described above.

The Participant may, at any time, exercise the Participant's rights provided under applicable personal data protection laws, which may include the right to (a) obtain confirmation as to the existence of the Data, (b) verify the content, origin and accuracy of the Data, (c) request the integration, update, amendment, deletion, or blockage (for breach of applicable laws) of the Data, (d) to oppose, for legal reasons, the collection, processing or transfer of the Data which is not necessary or required for the implementation, administration and/or operation of the Plan and the Participant's participation in the Plan, and (e) withdraw the Participant's consent to the collection, processing or transfer of Data as provided hereunder (in which case, the Participant's Award will be null and void). The Participant may seek to exercise these rights by contacting the Participant's local human resources manager or the Company's human resources department.

BY SIGNING AND CHECKING THE BOXES BELOW, PARTICIPANT ACKNOWLEDGES, UNDERSTANDS AND AGREES TO THE PROVISIONS OF THE AGREEMENT, THE PLAN AND THIS ADDENDUM. FURTHER, PARTICIPANT

ACKNOWLEDGES, UNDERSTANDS AND AGREES TO (1) THE COLLECTION, USE, PROCESSING AND TRANSFER OF THE DATA AS DESCRIBED ABOVE AND (2) THE PROCESSING OF PARTICIPANT'S UNIQUE IDENTIFYING INFORMATION (RESIDENT REGISTRATION NUMBER) AS DESCRIBED ABOVE.

I agree to the collection and use of my Personal Data.

I agree to the provision of my Personal Data to a third party and transfer of my Personal Data overseas.

I agree to the processing of my unique identifying information (resident registration number).

Participant Signature

Participant Printed Name

Date

PLEASE SIGN AND RETURN THE ADDENDUM VIA EMAIL NO LATER THAN MARCH 31, 2019 TO YOUR LOCAL HR BUSINESS PARTNER.

SPAIN

1. *Termination of Service.* The following provision shall supplement Section 3(c) of the Agreement:

In case of Termination of Service of the Participant triggering the payment of severance costs under applicable law, the Performance-Based RSUs shall not be taken into account in the calculation of such severance costs, to the extent permitted by applicable law.

2. *Securities Law Information .* The Award and the Shares described in the Agreement and this Addendum do not qualify under Spanish regulations as securities. No “offer of securities to the public,” as defined under Spanish law, has taken place or will take place in the Spanish territory. The Agreement (including this Addendum) has not been nor will it be registered with the *Comisión Nacional del Mercado de Valores* , and does not constitute a public offering prospectus.

3. *Acknowledgement of Discretionary Nature of the Plan; No Vested Rights.* In accepting the grant of this Award, the Participant acknowledges that the Participant consents to participation in the Plan and has received a copy of the Plan. The Participant understands that the Company has unilaterally, gratuitously and in its sole discretion granted this Award under the Plan to individuals who may be employees of the Company or its Affiliates throughout the world. The decision is a limited decision that is entered into upon the express assumption and condition that any grant will not economically or otherwise bind the Company or any of its Affiliates on an ongoing

basis. Consequently, the Participant understands that this Award is granted on the assumption and condition that this Award and the Shares acquired upon vesting of this Award shall not become a part of any employment contract (either with the Company or any of its Affiliates) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation) or any other right whatsoever. In addition, the Participant understands that this grant would not be made to him or her but for the assumptions and conditions referenced above. Thus, the Participant acknowledges and freely accepts that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, the grant of this Award shall be null and void.

The Participant understands and agrees that, as a condition of the grant of this Award, any unvested portion of this Award as of the date you cease active employment will be forfeited without entitlement to the underlying Shares or to any amount of indemnification in the event of the termination of employment by reason of, but not limited to, (i) material modification of the terms of employment under Article 41 of the Workers' Statute or (ii) relocation under Article 40 of the Workers' Statute. The Participant acknowledges that the Participant has read and specifically accepts the conditions referred to in the Agreement regarding the impact of a termination of employment on this Award.

SWEDEN

1. *Termination of Service.* The following provision shall supplement Section 3(c) of the Agreement:

In case of Termination of Service of the Participant triggering the payment of severance costs under applicable law, the Performance-Based RSUs shall not be taken into account in the calculation of such severance costs, to the extent permitted by applicable law.

TURKEY

1. *Termination of Service.* The following provision shall supplement Section 3(c) of the Agreement:

In case of Termination of Service of the Participant triggering the payment of severance costs under applicable law, the Performance-Based RSUs shall not be taken into account in the calculation of such severance costs, to the extent permitted by applicable law.

UNITED KINGDOM

1. *Termination of Service.* The following provision shall supplement Section 3(c) of the Agreement:

In case of Termination of Service of the Participant triggering the payment of severance costs under applicable law, the Performance-Based RSUs shall not be taken into account in the calculation of such severance costs, to the extent permitted by applicable law.

2. *Taxes.* The following provision supplements Section 7 of the Agreement:

The Participant hereby agrees that the Participant is liable for all Tax-Related Items and hereby covenants to pay all such Tax-Related Items, as and when requested by the Company or (if different)

the Employer or by Her Majesty Revenue & Customs (“HMRC”) (or any other tax authority or any other relevant authority). The Participant also hereby agrees to indemnify and keep indemnified the Company and (if different) Employer against any Tax - Related Items that they are required to pay or withhold or have paid or will pay on the Participant’s behalf to HMRC (or any other tax authority or any other relevant authority).

3. *Exclusion of Claim* . The Participant acknowledges and agrees that the Participant will have no entitlement to compensation or damages insofar as such entitlement arises or may arise from the Participant ceasing to have rights under or to be entitled to the Award, whether or not as a result of termination of employment (whether the termination is in breach of contract or otherwise), or from the loss or diminution in value of the Award. Upon the grant of the Award, the Participant will be deemed to have waived irrevocably any such entitlement.

UNITED STATES

None.

**DELPHI TECHNOLOGIES PLC
LONG-TERM INCENTIVE PLAN**

NOTICE OF AWARD - PERFORMANCE-BASED RSUS

(2019 Annual Grant)

Subject to the terms and conditions of (1) Delphi Technologies PLC Long-Term Incentive Plan (the “ **Plan** ”), (2) this Notice of Award - Performance-Based RSUs (the “ **Award Notice** ”), (3) the Performance-Based RSU Award Agreement (the “ **Agreement** ”) and (4) the Confidentiality and Noninterference Agreement provided to you in connection with this Award or, if no such agreement is provided with this Award, the Confidentiality and Noninterference Agreement previously executed by you and on file with the Company (as applicable, the “ **CNA** ”), the Company has granted you (the “ **Participant** ”) an award of performance-based RSUs (“ **Performance-Based RSUs** ”) as reflected below (the “ **Award** ”). Each Performance-Based RSU represents the opportunity to receive one (1) Share upon satisfaction of the terms and conditions as set forth in this Award Notice, the Agreement and the CNA, subject to the terms of the Plan. For the sake of clarity, if a CNA is provided to you in connection with this Award, the Award is conditioned upon (and will not become effective unless and until) you have executed and returned the CNA to your local HR business partner. A CNA previously executed by the Participant and on file with the Company will continue to be effective unless and until a new CNA is executed and returned to the Company. Capitalized terms used herein but not defined in this Award Notice or the Agreement shall have the meaning specified in the Plan. In the event of a conflict among the provisions of the Award Notice, the Agreement, the Plan and the CNA, the provisions of the Plan will prevail.

Participant	[•]
Grant Date	[•]
Number of Performance-Based RSUs	[•]

Vesting Schedule	
Performance Period	[•] to [•] (the “ Performance Period ”)
Vesting Date	[•] (the “ Vesting Date ”)
<p>On the Vesting Date, 0% to 200% of the Performance-Based RSUs will vest (any vested Performance-Based RSUs, the “ Earned Performance-Based RSUs ”) based on the performance of certain metrics during the Performance Period in accordance with the provisions set forth in <u>Exhibit A</u>. Earned Performance-Based RSUs will be settled in the form of Shares as soon as practicable once the performance results are certified and approved by the Committee and in no event later than [•].</p>	

**DELPHI TECHNOLOGIES PLC
LONG-TERM INCENTIVE PLAN**

PERFORMANCE-BASED RSU AWARD AGREEMENT

The Performance-Based RSUs with respect to Shares granted to you effective as of the Grant Date are subject to (1) the Notice of Award - Performance-Based RSUs (the “**Award Notice**”), (2) this Performance-Based RSU Award Agreement (the “**Agreement**”) and (3) the Confidentiality and Noninterference Agreement (the “**CNA**”), along with all of the terms and conditions of Delphi Technologies PLC Long-Term Incentive Plan (the “**Plan**”), which are incorporated herein by reference. For the sake of clarity, the Award is conditioned upon (and will not become effective unless and until) the Participant's execution and return of the CNA to your local HR business partner. Capitalized terms used herein but not defined in the Award Notice or this Agreement shall have the meaning specified in the Plan. In the event of a conflict among the provisions of the Award Notice, this Agreement, the Plan or the CNA, the provisions of the Plan will prevail. For purposes of this Agreement, “Employer” means the Company or any Affiliate that employs you on the applicable date.

Section 1. *Grant of Award.* The Company has granted the Award to the Participant effective as of the Grant Date and subject to the vesting provisions as set forth in the Award Notice.

Section 2. *Vesting.* Subject to Sections -3 and -4 of the Agreement, the Performance-Based RSUs shall vest on the Vesting Date, and the number of Earned Performance-Based RSUs shall be determined based on the performance of certain metrics during the Performance Period (as determined by the Committee) in accordance with the provisions of Exhibit A.

Section 3. *Termination of Service* .

(a) *Death; Disability; Termination Without Cause; Resignation for Good Reason; Retirement* . If the Participant experiences a Termination of Service after the first anniversary of the Grant Date and prior to the Vesting Date due to (i) death, (ii) Disability, (iii) termination by the Employer without Cause, (iv) resignation for Good Reason (each such circumstance being a “**Qualifying Termination**”), or (v) voluntary termination following the attainment of age 55 with at least 10 years of service with the Company and its Affiliates or its predecessors, the Participant shall become vested in the number of Earned Performance-Based RSUs equal to (A) the number of Earned Performance-Based RSUs determined in accordance with the vesting provisions set forth in the Award Notice, multiplied by (B) a fraction, the numerator of which shall be the number of full months between the Grant Date and the termination date and the denominator of which shall be the number of full months between the Grant Date and the Vesting Date; *provided, however* , that, in the event of the Participant’s Termination of Service due to the Participant’s death, subject to Section 18 of the Plan, the Company may elect to vest this Award effective on the date of the Participant's death, in which case (i) the date of the Participant's death shall be deemed to be the Vesting Date, (ii) the number of Earned Performance-Based RSUs shall be determined based on

the attainment of the applicable performance metrics for the Performance Period, measured at the time of the Participant's death, and (iii) the Earned Performance-Based RSUs shall be settled in Shares delivered to the Participant's estate or legal representative as soon as practicable following the date of the Participant's death but in no event later than March 15 of the year following the year of the Participant's death.

(b) *Any Other Termination of Service.* In the event of the Participant's Termination of Service (i) prior to the first anniversary of the Grant Date for any reason or (ii) on or after the first anniversary of the Grant Date but prior to the Vesting Date for any reason other than as described in Section -3(a) above, the Participant immediately shall forfeit the Performance-Based RSUs in full without any payment to the Participant.

(c) *Effective Date of Termination of Service .* Notwithstanding anything to the contrary in the Plan or the Agreement, and for purposes of clarity, if the Participant is employed outside of the United States, any Termination of Service shall be effective as of the date the Participant's active employment with the Employer ceases and shall not be extended by any statutory or common law notice of termination period.

Section 4. *Change in Control .*

(a) *Conditional Vesting .* Upon a Change in Control prior to the Vesting Date, except to the extent that another award meeting the requirements of Section 4(b) (a “ **Replacement Award** ”) is provided to the Participant to replace this Award (the “ **Replaced Award** ”), the Participant shall become vested in the number of Earned Performance-Based RSUs equal to the greater of (i) the number of Earned Performance-Based RSUs that would vest if the effective date of the Change in Control were deemed to be the Vesting Date, or (ii) 100% of the Performance-Based RSUs granted, and such Earned Performance-Based RSUs shall be delivered to the Participant on the effective date of such Change in Control. For purposes of clause (i), the determination of performance shall be made by the Committee, as constituted immediately before the Change in Control, in its sole discretion.

(b) *Replacement Awards .* An award shall meet the conditions of this Section 4(b) (and thereby qualify as a Replacement Award) if the following conditions are met:

- (i) The award has a value at least equal to the value of the Replaced Award;
 - (ii) The award relates to publicly-traded equity securities of the Company or its successor following the Change in Control or another entity that is affiliated with the Company or its successor following the Change in Control; and
 - (iii) The other terms and conditions of the award are not less favorable to the Participant than the terms and conditions of the Replaced Award (including the provisions
-

that would apply in the event of a subsequent Change in Control and the provisions of Section 4(c)).

Without limiting the generality of the foregoing, a Replacement Award may take the form of a continuation of a Replaced Award if the requirements of the preceding sentence are satisfied. The determination of whether the conditions of this Section 4(b) are satisfied shall be made by the Committee, as constituted immediately before the Change in Control, in its sole discretion.

(c) *Qualifying Termination following a Change in Control* . If the Participant experiences a Qualifying Termination (for purposes of which the Company will include a successor of the Company following the Change in Control or another entity that is affiliated with the Company or its successor following the Change in Control), in connection with or during a period of two (2) years after the Change in Control, any Replacement Award that replaces this Award, to the extent not vested as of such Termination of Service, shall vest in full and the vested portion of the Replacement Award shall be delivered to the Participant (or the Participant's beneficiary) as soon as practicable and within thirty (30) days following the date of such Qualifying Termination. The portion of the Replacement Award delivered to the Participant pursuant to this Section 4(c) shall equal: (i) the greater of: (A) the portion of the Replacement Award that would vest if the effective date of the Change in Control were deemed to be the vesting date for the Replacement Award; or (B) 100% of the Replacement Award (i.e., if applicable, at the "target" level); minus (ii) the portion of the Replacement Award, if any, that was previously delivered to the Participant.

Section 5. *Settlement of Performance-Based RSUs.*

(a) *Delivery of Shares* . Subject to Sections -3 and -4 of the Agreement, any Earned Performance-Based RSUs shall be settled in the form of Shares delivered to the Participant as soon as practicable following the Vesting Date but in no event later than March 15, 2022.

(b) *Alternative Form of Settlement.* Pursuant to Section 7(f) of the Plan and notwithstanding any provision in the Agreement to the contrary, the Company may, in its sole discretion, settle any Earned Performance-Based RSUs in the form of (i) a cash payment to the extent settlement in Shares (1) is prohibited under local law, (2) would require the Participant, the Company or the Employer to obtain the approval of any governmental and/or regulatory body in the Participant's country of residence (or country of employment, if different), (3) would result in adverse tax consequences for the Participant, the Company or the Employer, or (4) is administratively burdensome; or (ii) Shares, but require the Participant to sell such Shares immediately or within a specified period following the Participant's Termination of Service (in which case, the Participant hereby expressly authorizes the Company to issue sales instructions in relation to such Shares on the Participant's behalf).

Section 6. *Dividend Equivalents* . If a dividend is paid on Shares underlying Performance-Based RSUs with respect to the period commencing on the Grant Date and ending on the date on which the Shares in settlement of Earned Performance-Based RSUs are delivered to the Participant, the Participant shall be eligible to receive an amount equal to the amount of the dividend that the Participant would have received had the Shares attributable to Earned Performance-Based

RSUs been held by the Participant during the period with respect to which the dividend was paid, which amount shall be calculated and reinvested in additional Performance-Based RSUs as of the time at which such dividend is paid. No such amount shall be payable with respect to any portion of this Award that is forfeited pursuant to Section -3 of the Agreement. Such amount shall be paid to the Participant in the form of additional Shares on the date on which the Shares attributable to the related original Earned Performance-Based RSUs are delivered to the Participant; *provided that* the Committee retains the discretion to pay such amount in cash rather than Earned Performance-Based RSUs in the event that an insufficient number of Earned Performance-Based RSUs are authorized and available for issuance under the Plan. Any Shares attributable to Earned Performance-Based RSUs that the Participant is eligible to receive pursuant to this Section -6 are referred to herein as “ **Dividend Shares** ”.

Section 7. *Withholding of Tax-Related Items.*

(a) *Responsibility for Taxes* . The Participant acknowledges that, regardless of any action taken by the Company or the Employer, the ultimate liability for the all income tax, social insurance, payroll tax, fringe benefits tax, payment on account other tax-related items related to the Participant’s participation in the Plan (“ **Tax-Related Items** ”), is and remains the Participant’s responsibility and may exceed the amount actually withheld by the Company or the Employer. The Participant further acknowledges that the Company and the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of this Award, including, but not limited to, the grant, vesting or settlement of this Award, the subsequent sale of Shares attributable to Earned Performance-Based RSUs (including, if applicable, any Dividend Shares) acquired pursuant to such and the receipt of any dividends or dividend equivalents, and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of this Award to reduce or eliminate the Participant’s responsibility for Tax-Related Items or achieve any particular tax result. Further, if the Participant is subject to Tax-Related Items in more than one jurisdiction between the Grant Date and the date of any relevant taxable or tax withholding event, as applicable, the Participant acknowledges that the Company and the Employer may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

(b) *Tax Withholding* . Prior to any relevant taxable or tax withholding event, as applicable, the Participant agrees to make adequate arrangements satisfactory to the Company and the Employer to satisfy all Tax-Related Items. In this regard, the Participant authorizes the Company, the Employer or an agent of the Company or the Employer to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following:

(i) The Company may withhold a portion of the Shares otherwise issuable in settlement of this Award (or, in the case of Awards settled in cash, a portion of the cash proceeds) that have an aggregate fair market value sufficient to pay the Tax-Related Items required to be withheld (as determined by the Company in good faith and in its sole discretion) with respect to this Award. For purposes of the foregoing, no fractional Shares will be

withheld or issued pursuant to the vesting of this Award and the issuance of Shares or cash thereunder.

(ii) The Company or the Employer may withhold a portion of the sales proceeds from the sale of Shares acquired pursuant to this Award either through a voluntary sale or through a mandatory sale arranged by the Company or the Employer (on the Participant's behalf pursuant to this authorization without further consent).

(iii) The Company or the Employer may withhold any amount necessary to pay the Tax-Related Items from the Participant's salary or other amounts payable to the Participant.

(iv) The Company or Employer may require or permit the Participant to submit a cash payment equivalent to the Tax-Related Items required to be withheld with respect to this Award.

(v) The Company or the Employer may satisfy the Tax-Related Items by such other methods or combinations of methods as the Company or the Employer may make available from time to time.

Depending on the withholding method, the Company or the Employer may withhold or account for Tax-Related Items by considering applicable withholding rates (as determined by the Company in good faith and its sole discretion), including maximum applicable tax rates. If the obligation for Tax-Related Items is satisfied by withholding from the Shares to be delivered upon settlement of this Award, for tax purposes, the Participant is deemed to have been issued the full number of Shares notwithstanding that a number of Shares are held back for the purpose of paying Tax-Related Items. In the event the withholding requirements are not satisfied, no Shares or cash will be issued to the Participant (or the Participant's estate) in settlement of this Award unless and until satisfactory arrangements (as determined by the Company in its sole discretion) have been made by the Participant with respect to the payment of any such Tax-Related Items. By accepting the grant of this Award, the Participant expressly consents to the methods of withholding of Tax-Related Items as provided hereunder. All other Tax-Related Items related to this Award and any Shares or cash delivered in settlement thereof are the Participant's sole responsibility.

(c) *Tax Withholding for Section 16 Officers* . If the Participant is a Section 16 officer of the Company under the U.S. Securities Exchange Act of 1934, as amended, the Company will withhold Shares upon the settlement of Earned Performance-Based RSUs to cover any withholding obligations for Tax-Related Items unless the use of such withholding method is prohibited or problematic under applicable laws or otherwise may trigger adverse consequences to the Company or the Employer (in each case, as determined by the Committee) or unless the Committee agrees to permit the Participant to satisfy the withholding requirements in accordance with the provisions of Section 7(b)(iv), in which case the obligation to withhold Tax-Related Items shall be satisfied by the Participant submitting a payment to the Company equal to the amount of the Tax-Related Items required to be withheld.

Section 8. *Additional Terms and Conditions* .

(a) *Issuance of Shares* . Upon delivery of Shares in settlement of Earned Performance-Based RSUs (including, if applicable, any Dividend Shares), such Shares shall be evidenced by book-entry registration; *provided, however* , that the Committee may determine that such Shares shall be evidenced in such other manner as it deems appropriate, including the issuance of a share certificate or certificates. Any such fractional Shares shall be rounded up to the nearest whole Share.

(b) *Voting Rights* . The Participant shall not have voting rights with respect to the Shares underlying the Performance-Based RSUs or the Earned Performance-Based RSUs (including, if applicable, any Dividend Shares) unless and until such Shares are delivered to the Participant.

Section 9. *Data Privacy* . Pursuant to applicable personal data protection laws, the Company hereby notifies the Participant of the following in relation to the Participant's personally identifiable data (" **Personal Data** ") and the collection, processing and transfer of such data in relation to the Company's grant of this Award and participation in the Plan. The collection, processing and transfer of Personal Data is necessary for the Company's administration of the Plan and the Participant's participation in the Plan, and although the Participant has the right to deny or object to the collection, processing and transfer of Personal Data, the Participant's denial and/or objection to the collection, processing and transfer of Personal Data may affect the Participant's participation in the Plan. As such, the Participant voluntarily acknowledges and consents (where required under applicable law) to the collection, use, processing and transfer of Personal Data as described herein:

The Company and the Employer hold certain Personal Data about the Participant, including (but not limited to) the Participant's name, home address and telephone number, date of birth, social security number (resident registration number or tax identification number) or other employee identification number, e-mail address, salary, nationality, job title, any shares or directorships held in the Company, details of all entitlements to shares (or cash) awarded, canceled, purchased, vested, unvested or outstanding in the Participant's favor, for the purpose of managing and administering the Plan. The Personal Data may be provided by the Participant or collected, where lawful, from the Company, its Affiliates and/or third parties, and the Company and the Employer will process the Personal Data in this context for the exclusive purpose of implementing, administering and managing the Participant's participation in the Plan. The Personal Data processing will take place through electronic and non-electronic means correlated to the purposes for which Personal Data are collected and with confidentiality and security provisions as set forth by applicable laws and regulations in the Participant's country of residence (or country of employment, if different). Personal Data will be accessible within the organization only by those persons requiring access for purposes of the implementation, administration and operation of the Plan and for the participation in the Plan.

The Company and the Employer will transfer Personal Data internally as necessary for the purpose of implementation, administration and management of the Participant's participation in the Plan, and the Company and the Employer may further transfer Personal Data to any third parties assisting the Company in the implementation, administration and management of the Plan. The third party recipients of Personal Data may be any Affiliate of the Company or a broker/administrator that the

Company may engage to assist with the implementation, administration and management of the Plan from time to time, and any third party vendors with whom the broker/administrator has contracted to provide services under the Plan. These recipients may be located in the European Economic Area, or in in other countries, such as the United States, which may not be considered to provide the same level of privacy protection to Personal Data as that provided by the Participant's country of residence (or country of employment, if different). The Participant hereby authorizes (where required under applicable law) such processing and transfer of Personal Data.

The Participant may, at any time, exercise the Participant's rights provided under applicable personal data protection laws, which may include the right to (i) obtain confirmation as to the existence of the Personal Data, (ii) verify the content, origin and accuracy of the Personal Data, (iii) request the integration, update, amendment, deletion or blockage (for breach of applicable laws) of the Personal Data, (iv) oppose, for legal reasons, the collection, processing or transfer of the Personal Data which is not necessary or required for the implementation, administration and/or operation of the Plan and the Participant's participation in the Plan, and (v) withdraw consent to the collection, processing or transfer of Personal Data as provided hereunder (in which case, this Award will become null and void). The Participant may seek to exercise these rights by contacting the Employer's HR department.

Section 10. *Miscellaneous Provisions* .

(a) *Notices* . All notices, requests and other communications under this Agreement shall be in writing and shall be delivered in person (by courier or otherwise), mailed by certified or registered mail, return receipt requested, or sent by facsimile transmission, as follows:

if to the Company, to:

Delphi Technologies PLC
One Angel Court, 10th Floor

London EC2R 7HJ, UK

Attention: Chief Human Resources Officer

if to the Participant, to the address that the Participant most recently provided to the Company,

or to such other address as such party may hereafter specify for the purpose by notice to the other parties hereto. All such notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. on a business day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed received on the next succeeding business day in the place of receipt.

(b) *Entire Agreement* . This Agreement, the Plan and any other agreements referred to herein and therein and any attachments referred to herein or therein, constitute the entire agreement and understanding between the parties in respect of the subject matter hereof and supersede all prior and contemporaneous arrangements, agreements and understandings, both oral and written, whether

in term sheets, presentations or otherwise, between the parties with respect to the subject matter hereof.

(c) *Amendment; Waiver* . No amendment or modification of any provision of this Agreement shall be effective unless signed in writing by or on behalf of the Company and the Participant, except that the Committee may amend or modify this Agreement without the Participant's consent in accordance with the provisions of the Plan or as otherwise set forth in this Agreement. No waiver of any breach or condition of this Agreement shall be deemed to be a waiver of any other or subsequent breach or condition, whether of like or different nature. Any amendment or modification of or to any provision of this Agreement, or any waiver of any provision of this Agreement, shall be effective only in the specific instance and for the specific purpose for which made or given.

(d) *Severability* . This Agreement shall be enforceable to the fullest extent allowed by law. In the event that any provision of this Agreement is determined to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, then that provision shall be reduced, modified or otherwise conformed to the relevant law, judgment or determination to the degree necessary to render it valid and enforceable without affecting the validity, legality or enforceability of any other provision of this Agreement or the validity, legality or enforceability of such provision in any other jurisdiction. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be deemed severable from the remainder of this Agreement, and the remaining provisions contained in this Agreement shall be construed to preserve to the maximum permissible extent the intent and purposes of this Agreement.

(e) *Assignment* . Neither this Agreement nor any right, remedy, obligation or liability arising hereunder or by reason hereof shall be assignable by the Participant.

(f) *Successors and Assigns; No Third Party Beneficiaries* . This Agreement shall inure to the benefit of and be binding upon the Company and the Participant and their respective heirs, successors, legal representatives and permitted assigns. Nothing in this Agreement, expressed or implied, is intended to confer on anyone other than the Company and the Participant, and their respective heirs, successors, legal representatives and permitted assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

(g) *Counterparts* . This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

(h) *Acknowledgement of Discretionary Nature of the Plan; No Vested Rights* . The Participant acknowledges and agrees that the Plan is established voluntarily by the Company, is discretionary in nature and limited in duration, and may be amended, cancelled, or terminated by the Company, in its sole discretion, at any time. The grant of this Award under the Plan is a one-

time benefit and does not create any contractual or other right to receive an award or benefits in lieu of an award in the future. Future awards, if any, will be at the sole discretion of the Company, including, but not limited to, the form and timing of the award, the number of Performance-Based RSUs subject to the award, and the vesting provisions applicable to the award.

(i) *Extraordinary Item of Compensation* . The Participant's participation in the Plan is voluntary. The value of this Award under the Plan is an extraordinary item of compensation outside the scope of the Participant's employment (and the Participant's employment contract, if any). As such, this Award under the Plan is not part of normal or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension, or retirement benefits or similar payments. The grant of this Award does not create a right to employment and shall not be interpreted as forming an employment or service contract with the Company or the Employer and shall not interfere with the ability of the Employer to terminate the Participant's employment or service relationship.

(j) *Participant Undertaking* . By accepting this Award, the Participant acknowledges that the Participant has executed a CNA and agrees to take whatever additional action and execute whatever additional documents the Company may deem necessary or advisable to carry out or give effect to any of the obligations or restrictions imposed on the Participant pursuant to the provisions of this Agreement.

(k) *Compliance with Law* . As a condition to the Company's grant of this Award, the Participant agrees to repatriate all payments attributable to the Shares and cash acquired under the Plan in accordance with local foreign exchange rules and regulations in the Participant's country of residence (and country of employment, if different). In addition, the Participant also agrees to take any and all actions, and consent to any and all actions taken by the Company and its Affiliates, as may be required to allow the Company and its Affiliates to comply with local laws, rules and regulations in the Participant's country of residence (and country of employment, if different). Finally, the Participant agrees to take any and all actions as may be required to comply with the Participant's personal legal, regulatory and tax obligations under local laws, rules and regulations in the Participant's country of residence (and country of employment, if different).

(l) *Electronic Delivery* . The Company may, in its sole discretion, elect to deliver any documents related to this Award granted to the Participant by electronic means. By accepting this Award, the Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

(m) *EU Age Discrimination Rules* . If the Participant is a local national of and employed in a country that is a member of the European Union, the grant of the Award and the terms and conditions governing the Award are intended to comply with the age discrimination provisions of the EU Equal Treatment Framework Directive, as implemented into local law (the "Age

Discrimination Rules ”). To the extent that a court or tribunal of competent jurisdiction determines that any provision of this Agreement is invalid or unenforceable, in whole or in part, under the Age Discrimination Rules, the Company, in its sole discretion, shall have the power and authority to revise or strike such provision to the minimum extent necessary to make it valid and enforceable to the full extent permitted under local law.

(n) *Insider Trading and Market Abuse Laws* . Depending on the Participant’s country of residence (or country of employment, if different), the Participant may be subject to insider trading restrictions and/or market abuse laws, which may affect the Participant’s ability to acquire or sell Shares under the Plan during such times as the Participant is considered to have “inside information” regarding the Company (as defined by the laws of the Participant’s country of residence or employment, as applicable). Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. The Participant acknowledges that it is the Participant's responsibility to comply with any applicable restrictions and that the Participant should consult with the Participant's personal advisor on this matter.

(o) *English Language* . If the Participant is a resident or employed outside of the United States, the Participant acknowledges and agrees that by accepting this Award, it is the Participant’s express intent that this Agreement, the Award Notice, the CNA, the Plan and all other documents, notices and legal proceedings entered into, given or instituted pursuant to this Award, be drawn up in English. If the Participant has received this Agreement, the Award Notice, the CNA, the Plan or any other documents related to this Award translated into a language other than English, and if the meaning of the translated version is different than the English version, the English version will control.

(p) *Plan*. The Participant acknowledges and understands that material definitions and provisions concerning this Award and the Participant’s rights and obligations with respect thereto are set forth in the Plan. The Participant has read carefully, and understands, the provisions of the Plan.

(q) *Addendum* . Notwithstanding any provisions of this Agreement to the contrary, this Award shall be subject to any special terms and conditions for the Participant’s country of residence (or country of employment, if different), as are set forth in the applicable addendum to this Agreement (“ **Addendum** ”). Further, if the Participant transfers residence and/or employment to another country reflected in an Addendum to this Agreement, the special terms and conditions for such country shall apply to the Participant to the extent the Company determines, in its sole discretion, that the application of such terms and conditions is necessary or advisable in order to comply with local law or to facilitate the operation and administration of this Award and the Plan (or the Company may establish alternative terms or conditions as may be necessary or advisable to accommodate the Participant’s transfer). Any applicable Addendum shall constitute part of this Agreement.

(r) *Additional Requirements* . The Company reserves the right to impose other requirements on this Award, any Shares acquired pursuant to this Award and the Participant's participation in the Plan to the extent the Company determines, in its sole discretion, that such other requirements are necessary or advisable in order to comply with local law or to facilitate the operation and administration of this Award and the Plan. Such requirements may include (but are not limited to) requiring the Participant to sign any agreements or undertakings that may be necessary to accomplish the foregoing.

(s) *Risk Statement* . The Participant acknowledges and accepts that the future value of the Shares is unknown and cannot be predicted with certainty and that the value of this Award at the time when Shares are issued in settlement of Earned Performance-Based RSUs may be less than the value of this Award on the Grant Date. The Participant understands that if the Participant is in any doubt as to whether the Participant should accept this Award, the Participant should obtain independent advice.

(t) *No Advice Regarding Grant* . No employee of the Company or the Employer is permitted to advise the Participant regarding the Participant's participation in the Plan or the acquisition or sale of the Shares underlying this Award. The Participant is hereby advised to consult with the Participant's personal tax, legal and financial advisors prior to taking any action related to the Plan.

(u) *Private Placement* . Outside of the United States, the grant of this Award is not intended to be a public offering of securities in the Participant's country of residence (or country of employment, if different) but instead is intended to be a private placement. As a private placement, the Company has not submitted any registration statement, prospectus or other filings with the local securities authorities (unless otherwise required under local law) at the time of grant, and the grant of this Award is not subject to the supervision of the local securities authorities.

(v) *Governing Law* . This Agreement shall be governed by the laws of the State of New York, without application of the conflicts of law principles thereof.

(w) *No Right to Continued Service* . The granting of the Award evidenced hereby and this Agreement shall impose no obligation on the Company or any Affiliate to continue the service of the Participant and shall not lessen or affect the right that the Company or any Affiliate may have to terminate the service of such Participant (as may otherwise be permitted under local law).

(x) *Compensation Recovery* . Notwithstanding anything in this Agreement to the contrary, the Participant acknowledges and agrees that this Agreement and the Award described herein (and any settlement thereof) are subject to the terms and conditions of the Company's clawback policy (if any) as may be in effect from time to time specifically to implement Section 10D of the U.S. Securities Exchange Act of 1934, as amended, and any applicable rules or regulations promulgated thereunder (including applicable rules and regulations of any national securities

exchange on which the Shares may be traded) (the “ **Compensation Recovery Policy** ”), and that applicable provisions of this Agreement shall be deemed superseded by and subject to the terms and conditions of the Compensation Recovery Policy from and after the effective date thereof.

(y) *WAIVER OF JURY TRIAL.* EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first written above.

DELPHI TECHNOLOGIES PLC

Name: James D. Harrington

Title: Senior Vice President
and General Counsel

PARTICIPANT

Name:

**DELPHI TECHNOLOGIES PLC
LONG-TERM INCENTIVE PLAN**

**ADDENDUM TO
PERFORMANCE-BASED RSU AWARD AGREEMENT**

In addition to the terms of the Award Notice, the Agreement, the CNA and the Plan, the Performance-Based RSUs are subject to the following additional terms and conditions (the “ **Addendum** ”). All capitalized terms as contained in this Addendum shall have the same meaning as set forth in the Award Notice, the Agreement and the Plan. Pursuant to Section 10(q) of the Agreement, if the Participant transfers the Participant's residence and/or employment to another country reflected in the Addendum at the time of transfer, the special terms and conditions for such country will apply to the Participant to the extent the Company determines, in its sole discretion, that the application of such terms and conditions is necessary or advisable in order to comply with local law, rules and regulations, or to facilitate the operation and administration of the Award and the Plan (or the Company may establish alternative terms and conditions as may be necessary or advisable to accommodate your transfer).

***** PARTICIPANTS IN FRANCE, MEXICO AND SPAIN *****

BY SIGNING BELOW, THE PARTICIPANT ACKNOWLEDGES, UNDERSTANDS AND AGREES TO THE PROVISIONS OF THE AGREEMENT, INCLUDING THE ADDENDUM AND THE PLAN.

PLEASE SIGN AND RETURN THE ADDENDUM VIA EMAIL NO LATER THAN MARCH 31, 2019 TO YOUR LOCAL HR BUSINESS PARTNER.

Participant Signature Participant Name (Printed)

Date

ARGENTINA

1. *Securities Law Information* . The Award and the underlying Shares are not publicly offered or listed on any stock exchange in Argentina. The offer is private and not subject to the supervision of any Argentine governmental authority.

2. *Labor Law Acknowledgement* . By accepting the Award, the Participant acknowledges and agrees, for all legal purposes, that the grant of the Award is made by the Company (and not by the Employer) in its sole discretion and that the value of the Award or any Shares acquired under the Plan shall not constitute salary or wages for any purpose under Argentine labor law, including, but not limited to, the calculation of (a) any labor benefits including, but not limited to, vacation pay, thirteenth salary, compensation in lieu of notice, annual bonus, disability, and leave of absence payments, etc., or (b) any termination or severance indemnities or similar payments.

AUSTRIA

None.

BELGIUM

None.

BRAZIL

1. *Securities Law Information* . The Award and the underlying Shares have not been, and will not be, publicly issued, placed, distributed, offered or negotiated in the Brazilian capital markets and, as a result, will not be registered with the Brazilian Securities Commission (*Comissão de Valores Mobiliários* , the CVM). Therefore, the Award and the underlying Shares may not be offered or sold in Brazil, except in circumstances which do not constitute a public offering, placement, distribution or negotiation under the Brazilian capital markets regulation.

2. *Compliance with Law* . By accepting the Award, the Participant agrees to comply with all applicable Brazilian laws and pay any and all applicable taxes associated with the vesting of the Award and the sale of Shares acquired under the Plan.

3. *Labor Law Acknowledgement*. By accepting this Award, the Participant acknowledges and agrees, for all legal purposes, that (a) the benefits provided under the Agreement and the Plan are the result of commercial transactions unrelated to the Participant's employment; (b) the Agreement and the Plan are not a part of the terms and conditions of the Participant's employment; and (c) the income from this Award, if any, is not part of the Participant's remuneration from employment.

CHINA

1. *Satisfaction of Regulatory Obligations*. If the Participant is a People's Republic of China (" **PRC** ") national, the grant of this Award is conditioned upon the Company securing all necessary approvals from the PRC State Administration of Foreign Exchange to permit the operation of the Plan and the participation of PRC nationals employed by the Employer, as determined by the Company in its sole discretion.

2. *Sale of Shares*. Notwithstanding anything to the contrary in the Plan, upon any termination of employment with the Employer, the Participant shall be required to sell all Shares

acquired under the Plan within such time period as may be established by the PRC State Administration of Foreign Exchange, the Company and/or the Employer.

3. *Exchange Control Restrictions.* The Participant acknowledges and agrees that the Participant will be required to immediately repatriate to the PRC the proceeds from the sale of any Shares acquired under the Plan, as well as any other cash amounts attributable to the Shares acquired under the Plan (collectively, “**Cash Proceeds**”). Further, the Participant acknowledges and agrees that the repatriation of the Cash Proceeds must be effected through a special bank account established by the Employer, the Company or one of its Affiliates, and the Participant hereby consents and agrees that the Cash Proceeds may be transferred to such account by the Company on the Participant’s behalf prior to being delivered to the Participant. The Cash Proceeds may be paid to the Participant in U.S. dollars or local currency at the Company’s discretion. If the Cash Proceeds are paid to the Participant in U.S. dollars, the Participant understands that a U.S. dollar bank account must be established and maintained in China by the Participant so that the proceeds may be deposited into such account. If the Cash Proceeds are paid to the Participant in local currency, the Participant acknowledges and agrees that the Company is under no obligation to secure any particular exchange conversion rate and that the Company may face delays in converting the Cash Proceeds to local currency due to exchange control restrictions. The Participant agrees to bear any currency fluctuation risk between the time the Earned Performance-Based RSUs or Dividend Shares are sold and the Cash Proceeds are converted into local currency and distributed to the Participant. The Participant further agrees to comply with any other requirements that may be imposed by the Employer, the Company and its Affiliates in the future in order to facilitate compliance with exchange control requirements in the PRC.

4. *Cancellation of Award; Mandatory Sale of Shares Following Termination Date .* Due to Chinese exchange control restrictions, to the extent that the Award has not been settled and unless otherwise determined by the Company in its sole discretion, the Award shall be cancelled six months following the date of the Participant’s Termination of Service (or such earlier date as may be required by the SAFE). Further, the Participant shall be required to sell all Shares acquired upon settlement of the Award no later than six months following the date of the Participant’s Termination of Service (or such earlier date as may be required by the SAFE), in which case, this Addendum shall give the Company the authority to issue sales instructions on the Participant’s behalf to any third party broker/administrator engaged by the Company to administer the Time-Based RSUs and the Plan. If any Shares remain outstanding six months following the date of the Participant’s Termination of Service (or such earlier date as may be required by SAFE), the Participant hereby directs, instructs and authorizes the Company to issue sale instructions on the Participant’s behalf.

The Participant agrees to sign any additional agreements, forms and/or consents that reasonably may be requested by the Company (or third party broker/administrator) to effectuate the sale of the Shares (including, without limitation, as to the transfer of the sale proceeds and other exchange control matters noted below) and shall otherwise cooperate with the Company with respect to such matters. The Participant acknowledges that neither the Company nor the designated third party broker/administrator is under any obligation to arrange for such sale of Shares at any particular price (it being understood that the sale will occur in the market) and that broker’s fees and similar expenses may be incurred in any such sale. In any event, when the Shares are sold, the sale proceeds, less any tax withholding, any third party broker/administrator’s fees or commissions, and any similar

expenses of the sale will be remitted to the Participant in accordance with applicable exchange control laws and regulations.

5. *Administration* . Neither the Company nor any of its Affiliates shall be liable for any costs, fees, lost interest or dividends or other losses the Participant may incur or suffer resulting from the enforcement of the terms of this Addendum or otherwise from the Company's operation and enforcement of the Plan, the Agreement and the Award in accordance with Chinese law including, without limitation, any applicable SAFE rules, regulations and requirements.

CZECH REPUBLIC

None.

DENMARK

1. *Treatment of Units upon Termination*. Notwithstanding any provisions in the Agreement to the contrary, if the Participant is determined to be an "Employee," as defined in section 2 of the Danish Act on the Use of Rights to Purchase or Subscribe for Shares etc. in Employment Relationships (the "Stock Option Act"), the treatment of the Award upon Termination of Service shall be governed by Sections 4 and 5 of the Stock Option Act. However, if the provisions in the Agreement or the Plan governing the treatment of the Award upon a Termination of Service are more favorable, the provisions of the Agreement or the Plan will govern. In accepting the Award, the Participant acknowledges having received an "Employer Information Statement" in Danish as part of the grant materials distributed or otherwise made available to the Participant.

FINLAND

1. *Withholding of Tax-Related Items*. Notwithstanding anything in Section 7(b) of the Agreement to the contrary, if the Participant is a local national of Finland, any Tax-Related Items shall be withheld only in cash from the Participant's regular salary/wages or other amounts payable to the Participant in cash or such other withholding methods as may be permitted under the Plan and allowed under local law.

FRANCE

1. *Termination of Service*. The following provision shall supplement Section 3(c) of the Agreement:

In case of Termination of Service of the Participant triggering the payment of severance costs under applicable law, the Performance-Based RSUs shall not be taken into account in the calculation of such severance costs, to the extent permitted by applicable law.

2. *Use of English Language*. By accepting this Award, the Participant acknowledges and agrees that it is the Participant's wish that the Agreement, including the Addendum, as well as all other documents, notices and legal proceedings entered into, given or instituted pursuant to this Award, either directly or indirectly, be drawn up in English.

Langue anglaise. Langue anglaise. En acceptant cette Attribution, le Participant reconnaît et accepte que le Participant souhaite que le Contrat, y compris l'Addendum, ainsi que tous les autres documents, avis et procédures judiciaires entamés, donnés ou institués en vertu de l'Attribution, directement ou indirectement, soient rédigés en anglais.

GERMANY

1. *Termination of Service.* The following provision shall supplement Section 3(c) of the Agreement:

In case of Termination of Service of the Participant triggering the payment of severance costs under applicable law, the Performance-Based RSUs shall not be taken into account in the calculation of such severance costs, to the extent permitted by applicable law.

HUNGARY

None.

INDIA

None.

IRELAND

None.

ITALY

1. *Termination of Service.* The following provision shall supplement Section 3(c) of the Agreement:

In case of Termination of Service of the Participant triggering the payment of severance costs under applicable law, the Performance-Based RSUs shall not be taken into account in the calculation of such severance costs, to the extent permitted by applicable law.

2. *Data Privacy.* This following provision replaces Section 9 of the Agreement in its entirety:

The Participant understands that the Company and its Affiliates may hold certain personal information about the Participant, including, but not limited to, the Participant's name, home address and telephone number, date of birth, social security number (or any other social or national identification number), salary, nationality, job title, number of shares held and the details of any RSUs or any other entitlement to shares awarded, cancelled, exercised, vested, unvested or outstanding ("Data") for the purpose of implementing, administering and managing the Participant's participation in the Plan. The Participant is aware that providing the Company with the Participant's Data is necessary for the performance of the Agreement and that the Participant's refusal to provide

such Data would make it impossible for the Company to perform its contractual obligations and may affect the Participant's ability to participate in the Plan.

The Controller of Personal Data processing is Delphi Technologies PLC, Queensway House, Hilgrove Street, St Heller, Jersey JE11ES. Delphi Powertrain Systems Operations Luxembourg S.a.r.l is the Company's Representative for privacy purposes pursuant to Legislative Decree no. 196/2003. The Participant understands that the Data may be transferred to the Company or its Affiliates, or to any third party assisting with the implementation, administration and management of the Plan, including any transfer required to the broker/administrator or any other third party with whom the Earned Performance-Based RSUs or cash from the sale of Earned Performance-Based RSUs acquired under the Plan may be deposited. Furthermore, the recipients that may receive, possess, use, retain and transfer such Data for the above mentioned purposes may be located in Italy or elsewhere, including outside of the European Union, and a recipient's country (e.g., the United States) may have different data privacy laws and protections from Italy. The processing activity, including the transfer of the Participant's Data abroad, outside of the European Union, as herein specified and pursuant to applicable Italian data privacy laws and regulations, does not require the Participant's consent thereto as the processing is necessary for the performance of contractual obligations related to the implementation, administration and management of the Plan. The Participant understands that Data processing relating to the purposes above specified shall take place under automated or non-automated conditions, anonymously when possible, that comply with the purposes for which Data is collected and with confidentiality and security provisions as set forth by applicable Italian data privacy laws and regulations, with specific reference to D.lgs. 196/2003.

The Participant understands that Data will be held only as long as is required by law or as necessary to implement, administer and manage the Participant's participation in the Plan. The Participant understands that pursuant to art.7 of D.lgs 196/2003, the Participant has the right, including but not limited to, access, delete, update, request the rectification of the Participant's Data and cease, for legitimate reasons, the Data processing. Furthermore, the Participant is aware that the Participant's Data will not be used for direct marketing purposes. In addition, the Data provided can be reviewed and questions or complaints can be addressed by contacting the Participant's local human resources representative.

3. *Plan Document Acknowledgement* . In accepting the Award, the Participant acknowledges that the Participant has received a copy of the Plan and the Agreement and has reviewed the Plan and the Agreement, including this Addendum, in their entirety and fully understands and accepts all provisions of the Plan and the Agreement, including this Addendum. The Participant further acknowledges that the Participant has read and specifically and expressly approves the following Sections of the Agreement: (a) Section 1 (Grant of the Award); (b) Section 2 (Vesting); (b) Section 3 (Termination of Service); (c) Section 5 (Settlement of Performance-Based RSUs); and (d) the terms and conditions of this Addendum.

JAPAN

None.

LUXEMBOURG

1. *Termination of Service.* The following provision shall supplement Section 3(c) of the Agreement:

In case of Termination of Service of the Participant triggering the payment of severance costs under applicable law, the Performance-Based RSUs shall not be taken into account in the calculation of such severance costs, to the extent permitted by applicable law.

MEXICO

1. *Commercial Relationship.* The Participant expressly recognizes that the Participant's participation in the Plan and the Company's grant of this Award do not constitute an employment relationship between the Participant and the Company. The Participant has been granted this Award as a consequence of the commercial relationship between the Company and the Participant's Employer, and such entity is the Participant's sole employer. Based on the foregoing, (a) the Participant expressly recognizes the Plan and the benefits the Participant may derive from the Participant's participation in the Plan does not establish any rights between the Participant and the Employer, (b) the Plan and the benefits the Participant may derive from the Participant's participation in the Plan are not part of the employment conditions and/or benefits provided by the Employer, and (c) any modification or amendment of the Plan by the Company, or a termination of the Plan by the Company, shall not constitute a change or impairment of the terms and conditions of the Participant's employment with the Employer.

2. *Extraordinary Item of Compensation.* The Participant expressly recognizes and acknowledges that the Participant's participation in the Plan is a result of the discretionary and unilateral decision of the Company, as well as the Participant's free and voluntary decision to participate in the Plan in accord with the terms and conditions of the Plan and the Agreement, including the Addendum. As such, the Participant acknowledges and agrees that the Company may, in its sole discretion, amend and/or discontinue the Participant's participation in the Plan at any time and without any liability. The value of this Award is an extraordinary item of compensation outside the scope of the Participant's employment contract, if any. This Award is not part of the Participant's regular or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension, retirement benefits, or any similar payments, which are the exclusive obligations of the Employer.

NETHERLANDS

1. *Waiver of Termination Rights.* As a condition to the grant of this Award, the Participant hereby waives any and all rights to compensation or damages as a result of the termination of the Participant's employment with the Employer for any reason whatsoever, insofar as those rights result or may result from (i) the loss or diminution in value of such rights or entitlements under the Plan, or (ii) the Participant ceasing to have rights under or ceasing to be entitled to any Award or awards under the Plan as a result of such termination.

NORWAY

None.

POLAND

1. *Termination of Service.* The following provision shall supplement Section 3(c) of the Agreement:

In case of Termination of Service of the Participant triggering the payment of severance costs under applicable law, the Performance-Based RSUs shall not be taken into account in the calculation of such severance costs, to the extent permitted by applicable law.

PORTUGAL

1. *Termination of Service.* The following provision shall supplement Section 3(c) of the Agreement:

In case of Termination of Service of the Participant triggering the payment of severance costs under applicable law, the Performance-Based RSUs shall not be taken into account in the calculation of such severance costs, to the extent permitted by applicable law.

2. *Language Consent.* Participant hereby expressly declares that the Participant has full knowledge of the English language and has read, understood and freely accepted and agreed with the terms and conditions established in the Plan and the Agreement.

Conhecimento da Língua. Pela presente, o Participante declara expressamente que tem pleno conhecimento da língua inglesa e que leu, compreendeu e livremente aceitou e concordou com os termos e condições estabelecidas no Plano e no Acordo.

ROMANIA

1. *Termination of Service.* The following provision shall supplement Section 3(c) of the Agreement:

In case of Termination of Service of the Participant triggering the payment of severance costs under applicable law, the Performance-Based RSUs shall not be taken into account in the calculation of such severance costs, to the extent permitted by applicable law.

SINGAPORE

1. *Qualifying Person Exemption.* The following provision shall replace Section 10(u) of the Agreement:

The grant of this Award under the Plan is being made pursuant to the “Qualifying Person” exemption” under section 273(1)(f) of the Securities and Futures Act (Chapter 289, 2011 Ed.) (“SFA”). The Plan has not been lodged or registered as a prospectus with the Monetary Authority of Singapore. The Participant should note that, as a result, this Award is subject to section 257 of the SFA and the Participant will not be able to make (a) any subsequent sale of the Earned Performance-Based Shares or Dividend Shares in Singapore or (ii) any offer of such subsequent sale of the Earned Performance-Based Shares or Dividend Shares subject to this Award in Singapore, unless such sale or offer is

made pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the SFA (Chapter 289, 2011 Ed.).

2. *Director Notification*. If the Participant is a chief executive officer, director, associate director or shadow director of an Affiliate in Singapore, the Participant is subject to certain notification requirements under the Singapore Companies Act, regardless of whether the Participant is a Singapore resident or employed in Singapore. Among these requirements is an obligation to notify the Affiliate in Singapore in writing of an interest (e.g. , the Award, Shares) in the Company or any Affiliate within two business days of (a) acquiring or disposing of such interest, (b) any change in a previously disclosed interest (e.g. , sale of Shares), or (c) becoming a chief executive officer, director, associate director or shadow director, if such interest exists at the time.

SOUTH AFRICA

1. *Securities Law Information and Deemed Acceptance of this Award*. Neither this Award nor the underlying Shares shall be publicly offered or listed on any stock exchange in South Africa. The offer is intended to be private pursuant to Section 96 of the Companies Act and is not subject to the supervision of any South African governmental authority. Pursuant to Section 96 of the Companies Act, this Award offer must be finalized on or before the 60th day following the grant date. If the Participant does not want to accept the grant of this Award, the Participant is required to decline this Award no later than the 60th day following the Grant Date. If the Participant does not reject the grant of this Award on or before the 60th day following the Grant Date, the Participant will be deemed to accept the grant of this Award.

SOUTH KOREA

1. *Data Privacy*. The following provision replaces Section 9 of the Agreement in its entirety:

Pursuant to applicable personal data protection laws, the Company and the Employer hereby notifies the Participant of the following in relation to the Participant's personal data and the collection, processing and transfer of such data in relation to the Company's grant of RSUs and the Participant's participation in the Plan. The collection, processing and transfer of the Participant's personal data is necessary for the Company's administration of the Plan and the Participant's participation in the Plan, and although the Participant has the right to deny or object to the collection, processing and transfer of personal data, the Participant's denial and/or objection to the collection, processing and transfer of personal data may affect the Participant's participation in the Plan. As such, the Participant voluntarily acknowledges and consents (where required under applicable law) to the collection, use, processing and transfer of personal data as described herein. The Company shall retain and use the Participant's personal data until the purpose of the collection and use of the personal data is accomplished and shall promptly destroy the personal data thereafter.

The Company and the Employer hold certain personal information about the Participant, including

the Participant's name, home address, email address, and telephone number, date of birth, social security number (resident registration number), passport number, or other employee identification number, e-mail address, salary, nationality, job title, any Earned Performance-Based RSUs or directorships held in the Company, details of all Awards, options or any other entitlement to Earned Performance-Based RSUs awarded, canceled, purchased, vested, unvested or outstanding in the Participant's favor, for the purpose of managing and administering the Plan ("Data"). The Data may be provided by the Participant or collected, where lawful, from third parties, and the Company and the Employer will process the Data for the exclusive purpose of implementing, administering and managing the Participant's participation in the Plan. The Data processing will take place through electronic and non-electronic means according to logics and procedures strictly correlated to the purposes for which Data are collected and with confidentiality and security provisions as set forth by applicable laws and regulations in the Participant's country of residence (and country of employment, if different). Data processing operations will be performed minimizing the use of personal and identification data when such operations are unnecessary for the processing purposes sought. Data will be accessible within the Company's organization only by those persons requiring access for purposes of the implementation, administration and operation of the Plan and for the Participant's participation in the Plan.

The Company and the Employer will transfer Data internally as necessary for the purpose of implementation, administration and management of the Participant's participation in the Plan, and the Company may further transfer Data to any third parties assisting the Company in the implementation, administration and management of the Plan. The third party recipients of Data may be any Affiliates or subsidiaries of the Company and / or the Company's broker/administrator or any successor or any other third party that the Company or the broker/administrator (or its successor) may engage to assist with the implementation, administration and management of the Plan from time to time. These recipients may be located in the European Economic Area, or elsewhere throughout the world, such as the United States. The Participant hereby authorizes (where required under applicable law) them to receive, possess, use, retain and transfer the Data, in electronic or other form, for purposes of implementing, administering and managing the Participant's participation in the Plan, including any requisite transfer of such Data as may be required for the administration of the Plan and/or the subsequent holding of Earned Performance-Based RSUs on the Participant's behalf to a broker/administrator or other third party with whom the Participant may elect to deposit any Earned Performance-Based RSUs acquired pursuant to the Plan. Such third parties to which the Company will transfer the Participant's personal data shall retain and use the Participant's personal data until the purpose of the collection and use of the personal data is accomplished and shall promptly destroy such personal data thereafter.

The Company and any third party recipient of the Data will use, process and store the Data only to the extent they are necessary for the purposes described above.

The Participant may, at any time, exercise the Participant's rights provided under applicable personal data protection laws, which may include the right to (a) obtain confirmation as to the existence of the Data, (b) verify the content, origin and accuracy of the Data, (c) request the integration, update, amendment, deletion, or blockage (for breach of applicable laws) of the Data, (d) to oppose, for legal reasons, the collection, processing or transfer of the Data which is not necessary or required

for the implementation, administration and/or operation of the Plan and the Participant's participation in the Plan, and (e) withdraw the Participant's consent to the collection, processing or transfer of Data as provided hereunder (in which case, the Participant's Award will be null and void). The Participant may seek to exercise these rights by contacting the Participant's local human resources manager or the Company's human resources department.

BY SIGNING AND CHECKING THE BOXES BELOW, PARTICIPANT ACKNOWLEDGES, UNDERSTANDS AND AGREES TO THE PROVISIONS OF THE AGREEMENT, THE PLAN AND THIS ADDENDUM. FURTHER, PARTICIPANT ACKNOWLEDGES, UNDERSTANDS AND AGREES TO (1) THE COLLECTION, USE, PROCESSING AND TRANSFER OF THE DATA AS DESCRIBED ABOVE AND (2) THE PROCESSING OF PARTICIPANT'S UNIQUE IDENTIFYING INFORMATION (RESIDENT REGISTRATION NUMBER) AS DESCRIBED ABOVE.

I agree to the collection and use of my Personal Data.

I agree to the provision of my Personal Data to a third party and transfer of my Personal Data overseas.

I agree to the processing of my unique identifying information (resident registration number).

Participant Signature

Participant Printed Name

Date

PLEASE SIGN AND RETURN THE ADDENDUM VIA EMAIL NO LATER THAN MARCH 31, 2019 TO YOUR LOCAL HR BUSINESS PARTNER.

SPAIN

1. *Termination of Service.* The following provision shall supplement Section 3(c) of the Agreement:

In case of Termination of Service of the Participant triggering the payment of severance costs under applicable law, the Performance-Based RSUs shall not be taken into account in the calculation of such severance costs, to the extent permitted by applicable law.

2. *Securities Law Information.* The Award and the Shares described in the Agreement and this Addendum do not qualify under Spanish regulations as securities. No "offer of securities to the public," as defined under Spanish law, has taken place or will take place in the Spanish
-

territory. The Agreement (including this Addendum) has not been nor will it be registered with the *Comisión Nacional del Mercado de Valores*, and does not constitute a public offering prospectus.

3. *Acknowledgement of Discretionary Nature of the Plan; No Vested Rights.* In accepting the grant of this Award, the Participant acknowledges that the Participant consents to participation in the Plan and has received a copy of the Plan. The Participant understands that the Company has unilaterally, gratuitously and in its sole discretion granted this Award under the Plan to individuals who may be employees of the Company or its Affiliates throughout the world. The decision is a limited decision that is entered into upon the express assumption and condition that any grant will not economically or otherwise bind the Company or any of its Affiliates on an ongoing basis. Consequently, the Participant understands that this Award is granted on the assumption and condition that this Award and the Shares acquired upon vesting of this Award shall not become a part of any employment contract (either with the Company or any of its Affiliates) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation) or any other right whatsoever. In addition, the Participant understands that this grant would not be made to him or her but for the assumptions and conditions referenced above. Thus, the Participant acknowledges and freely accepts that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, the grant of this Award shall be null and void.

The Participant understands and agrees that, as a condition of the grant of this Award, any unvested portion of this Award as of the date you cease active employment will be forfeited without entitlement to the underlying Shares or to any amount of indemnification in the event of the termination of employment by reason of, but not limited to, (i) material modification of the terms of employment under Article 41 of the Workers' Statute or (ii) relocation under Article 40 of the Workers' Statute. The Participant acknowledges that the Participant has read and specifically accepts the conditions referred to in the Agreement regarding the impact of a termination of employment of this Award.

SWEDEN

1. *Termination of Service.* The following provision shall supplement Section 3(c) of the Agreement:

In case of Termination of Service of the Participant triggering the payment of severance costs under applicable law, the Performance-Based RSUs shall not be taken into account in the calculation of such severance costs, to the extent permitted by applicable law.

TURKEY

1. *Termination of Service.* The following provision shall supplement Section 3(c) of the Agreement:

In case of Termination of Service of the Participant triggering the payment of severance costs under applicable law, the Performance-Based RSUs shall not be taken into account in the calculation of such severance costs, to the extent permitted by applicable law.

UNITED KINGDOM

1. *Termination of Service.* The following provision shall supplement Section 3(c) of the Agreement:

In case of Termination of Service of the Participant triggering the payment of severance costs under applicable law, the Performance-Based RSUs shall not be taken into account in the calculation of such severance costs, to the extent permitted by applicable law.

2. *Taxes.* The following provision supplements Section 7 of the Agreement:

The Participant hereby agrees that the Participant is liable for all Tax-Related Items and hereby covenants to pay all such Tax-Related Items, as and when requested by the Company or (if different) the Employer or by Her Majesty Revenue & Customs (“HMRC”) (or any other tax authority or any other relevant authority). The Participant also hereby agrees to indemnify and keep indemnified the Company and (if different) Employer against any Tax - Related Items that they are required to pay or withhold or have paid or will pay on the Participant’s behalf to HMRC (or any other tax authority or any other relevant authority).

3. *Exclusion of Claim .* The Participant acknowledges and agrees that the Participant will have no entitlement to compensation or damages insofar as such entitlement arises or may arise from the Participant ceasing to have rights under or to be entitled to the Award, whether or not as a result of termination of employment (whether the termination is in breach of contract or otherwise), or from the loss or diminution in value of the Award. Upon the grant of the Award, the Participant will be deemed to have waived irrevocably any such entitlement.

UNITED STATES

None.



EXHIBIT A**Performance Metric and Formula Used to Determine
the Number of Earned Performance-Based RSUs****Metric 1: Return on Invested Capital (“ROIC”)**

- Definition: Net Operating Profit After Tax (A), divided by sum of average net pension liabilities (B), plus average total debt (C), plus average total equity - less non-controlling interest (D), minus average cash and cash equivalents (E), measured each calendar year.

$$= (A)/(B+C+D-E)$$

Final performance will be based upon the three-year average of calendar year performance for 2019 - 2021.

- Weight: 50% of the performance-based payout formula
- ROIC Performance Parameters:

	<u>ROIC (% of BBP)</u>	<u>Payout %</u>
Min	85%	50%
Target	101%	100%
Max	110%	200%

- If the final ROIC is below the Min ROIC, no ROIC performance will be considered
- If the final ROIC is above the Max ROIC, the Max ROIC performance will be earned (200%)
- If the final 2019 - 2021 average ROIC is between the Min and Target levels or between the Target and Max levels, the percentage of the performance-based payout formula earned will be determined by linear interpolation between the relevant payout percentages identified above, rounded to the nearest whole percentage point.

Metric 2: Relative Total Shareholder Return (“TSR”)

- Definition: The stock price appreciation, expressed as a percentage with one decimal point, assuming dividends are reinvested in company stock on the dividend payment date during the Performance Period. To obtain relative TSR, the Company’s TSR is compared against the TSR for the entire performance period for the companies comprising the “Peer
-

Companies” as defined below. For this purpose, the “**Beginning Stock Price**” shall mean the average closing sales prices of each company’s common stock for all available trading days in December of 2018; and the “**Ending Stock Price**” shall mean the average closing sales prices of each company’s common stock for all available trading days in the December of 2021.

- Weight: 50% of performance-based payment formula
- TSR Performance Parameters
 - The following data points will be interpolated for purposes of measuring final performance and payout (rounded to the nearest whole percentage point):

<u>TSR as a percentile of the Peer Companies</u>	<u>Payout %</u>
30th percentile	50%
50th percentile	100%
80th percentile	200%

- If the final TSR is below the 30th percentile, no TSR performance will be considered
- If the final TSR is at or above the 80th percentile, the maximum TSR performance will be earned (200%)
- Fractional percentiles will be rounded using conventional rounding methods
- If the common stock of any of the Peer Companies is not publicly traded throughout the Performance Period, such company’s results will be excluded from the calculation of the Company’s relative performance (except as provided below)
- The “Peer Companies” means the following group of companies:

Adient plc	Gentex Corporation	Standard Motor Products Inc
American Axle	Gentherm Inc	Superior Industries International Inc
Aptic plc	LCI Industries	Tenneco Inc.
Autoliv, Inc.	Lear Corporation	TI Fluid Systems plc
BorgWarner Inc.	Modine Manufacturing Company	Tower International Inc
Cooper-Standard Holdings Inc.	Sensata Technologies	Veoneer Inc
Dana Incorporated	Shiloh Industries Inc	Visteon Corporation
Garrett Motion Inc.		

The Peer Companies may be changed as follows (notwithstanding any other provision of this Exhibit):

- In the event of a merger, acquisition or business combination transaction of a Peer Company with or by another Peer Company, the surviving entity shall be the Peer Company
- In the event of a merger of a Peer Company with an entity that is not a Peer Company, or the acquisition or business combination transaction by or with a Peer Company, or with an entity that is not a Peer Company, in each case where the Peer Company is the surviving entity and remains publicly traded, the surviving entity shall remain a Peer Company
- In the event of a merger or acquisition or business combination transaction of a Peer Company by or with an entity that is not a Peer Company or a “going private” transaction involving a Peer Company where the Peer Company is not the surviving entity or is otherwise no longer publicly traded, the company shall no longer be a Peer Company
- In the event of a bankruptcy, liquidation or delisting of a Peer Company, such company shall remain a Peer Company
- In the event of a stock distribution from a Peer Company consisting of the shares of a new publicly-traded company (a “spin-off”), the Peer Company shall remain a Peer Company and the stock distribution shall be treated as a dividend from the Peer Company based on the closing price of the shares of the spun-off company on its first day of trading. The performance of the shares of the spun-off company shall not thereafter be tracked for purpose of calculating TSR
- As determined in the sole discretion of the Committee

Each Peer Company’s “common stock” shall mean that series of common stock that is publicly traded on a registered U.S. exchange or, in the case of a non-U.S. company, an equivalent non-U.S. exchange. For purposes of calculating TSR, the value on any given trading day of any Peer Company shares traded on a foreign exchange will be converted into U.S. dollars.

Total Earned Performance-Based RSU Shares

The total performance payout percentage will be determined by:

- (1) Multiplying the weight of the performance factor by the calculated payout percentage
 - (a) 50% multiplied by the ROIC payout percentage, and



- (b) 50% multiplied by the TSR payout percentage;
- (2) Adding the three weighted components to derive the final combined payout percentage, rounding to the nearest whole percentage; and
- (3) Multiplying the final combined payout percentage by the number of target performance shares

NONQUALIFIED STOCK OPTION INDUCEMENT AGREEMENT

This Nonqualified Stock Option Inducement Agreement (the "Agreement") is made effective as of January 7, 2019 (the "Grant Date") by and between Delphi Technologies PLC (the "Company"), and Richard F. Dauch (the "Optionee").

WHEREAS, as an inducement for the Optionee to accept employment with the Company and its affiliates and to perform services for the Company as its Chief Executive Officer, the Company agreed to grant to the Optionee a nonqualified stock option and this Agreement sets forth the terms and conditions of such nonqualified stock option that is being granted as an inducement to the Optionee;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the Optionee hereby agree as follows :

1. **Administration/Interpretation of Agreement.** This Agreement and the Option evidenced hereby will be administered by the Compensation and Human Resources Committee (the "Committee") of the Board of Directors of the Company. Any interpretation of this Agreement by the Committee and any decision made by it with respect to the Option or this Agreement is final and binding on all persons.

2. **Grant of Option.** Subject to the terms and conditions of this Agreement, on the Grant Date, the Company hereby grants to the Optionee an option (the "Option") to purchase 1,006,077 ordinary shares of the Company (the "Option Shares"), at an "Exercise Price" of \$15.06, subject to any adjustments provided for in this Agreement. The Option shall constitute a nonqualified stock option and is not intended to be an incentive stock option subject to section 422 of the Internal Revenue Code of 1986, as amended (the "Code").

3. **Vesting/Exercisability.**

(a) Twenty percent (20%) of the Option Shares subject to the Option shall become vested upon each of the first, second, third, fourth and fifth anniversaries of the Grant Date (each such date a "Vesting Date"), subject to the Optionee's continued employment with the Company and its affiliates on the applicable Vesting Date.

(b) No portion of the Option shall vest after the date on which the Optionee's employment with the Company and its affiliates terminates (the "Employment Termination Date") and any unvested portion of the Option shall be forfeited effective as of the Employment Termination Date. Notwithstanding the foregoing, in the event that the Optionee's Employment Termination Date occurs by reason of death, Disability (as defined below), termination by the Company without cause, or termination by the Optionee for Good Reason (as defined below), the Option shall become fully vested upon

the Employment Termination Date. For purposes of this Agreement, the term “Disability” means (i) a permanent and total disability that entitles the Optionee to disability income payments under any long-term disability policy provided by the Company under which the Optionee is covered, as such plan or policy is then in effect or (ii) if the Optionee is not covered under a long-term disability plan or policy provided by the Company at such time for whatever reason, then a “permanent and total disability” as defined in Section 22(e)(3) of the Code and, in such case, the existence of any Disability will be certified by a physician acceptable to the Company. For purposes of this Agreement, the term “Good Reason” shall have the meaning specified in the Company’s Long-Term Incentive Plan as in effect on the Grant Date (the “Incentive Plan”).

(c) No portion of the Option may be exercised unless it is vested in accordance with the provisions of this Agreement. No portion of the Option may be exercised after the Expiration Date of the Option (as described in Section 4).

4. **Expiration.** To the extent vested, the Option may be exercised prior to the Expiration Date. For purposes of this Agreement, the “Expiration Date” shall be the earliest of the following dates:

(a) the tenth anniversary of the Grant Date;

(b) if the Optionee’s Termination Date occurs on account of death or Disability, the one year anniversary of the Termination Date;

(c) if the Optionee’s Termination Date occurs by reason of termination by the Company and its affiliates for Cause (as defined below), the Employment Termination Date; and

(d) if the Optionee’s Employment Termination Date occurs for any other reason, the three (3) month anniversary of the Employment Termination Date.

For purposes of this Agreement, the term “Cause” shall have the meaning set forth in the Incentive Plan.

5. **Manner of Exercise .**

(a) The Option may be exercised in respect of a whole number of Option Shares (and only in respect of a whole number) by written notice of exercise from the Optionee (or, in the event of his death, his estate or other beneficiary) to the Secretary of the Company at the Company’s principal executive offices, which notice must be received prior to the Option’s Expiration Date. Subject to the following provisions, the

full Exercise Price for Option Shares purchased upon the exercise of the Option shall be paid at the time of such exercise (except that, in the case of an exercise arrangement approved by the Company and described below, payment may be made as soon as practicable after the exercise).

(b) Payment of the Exercise Price for the Option Shares in respect of which the Option is exercised shall be satisfied through the surrender of ordinary shares of the Company (“Shares”) to which the Optionee is otherwise entitled upon exercise of the Option (net withholding) unless the Optionee (or other person entitled to exercise) elects to pay such Exercise Price in cash or by tendering, by either actual delivery of Shares or by attestation, Shares acceptable to the Committee and valued at fair market value as of the day of exercise, or in any combination thereof; provided, however, that Shares may not be used to pay any portion of the Exercise Price unless the holder thereof has good title, free and clear of all liens and encumbrances.

(c) The Optionee (or other person entitled to exercise) may also elect to pay the Exercise Price (and any applicable withholding taxes) upon the exercise of an Option by irrevocably authorizing a third party, approved by the Committee, to sell Shares (or a sufficient portion of the Shares) acquired upon exercise of the Option and remit to the Company a sufficient portion of the sale proceeds to pay the entire Exercise Price and any tax withholding resulting from such exercise.

Tax withholding obligations shall also be subject to Section 6 of this Agreement.

6. **Withholding.** This Option and all payments hereunder are subject to withholding of all applicable taxes. Any withholding obligations relating to this Option shall be satisfied through the surrender of Shares (or other amounts) to which the Optionee is otherwise entitled upon exercise of the Option (net withholding) unless the Optionee elects to satisfy such withholding as described in Section 4. Notwithstanding the foregoing, previously-owned Shares that have been held by the Optionee or Shares to which the Optionee is entitled under the Option may only be used to satisfy the minimum tax withholding required by applicable law (or other rates that will not have a negative accounting impact).

7. **Adjustments/Change in Control.**

(a) In the event that, as a result of any dividend or other distribution (whether in the form of cash, Shares or other securities), recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase or exchange of Shares or other securities of the Company, issuance of warrants or other rights to acquire Shares or other securities of the Company, issuance of Shares pursuant

to the anti-dilution provisions of securities of the Company, or other similar corporate transaction or event affecting the Shares, or of changes in applicable laws, regulations or accounting principles, an adjustment is necessary in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Option, then the Committee shall, subject to the requirements of Section 409A of the Code, adjust equitably (a) the number and type of Shares (or other securities) subject to the Option, (b) the Exercise Price (or, if deemed appropriate, make a cash payment to the Optionee with respect to the Option).

(b) Except as otherwise provided by the Committee, upon a Change in Control (as defined below), a merger or consolidation involving the Company or any other event with respect to which the Committee deems it appropriate, the Committee may cause the Option to be canceled in consideration of (i) the full acceleration of the Option and either (A) a period of at least ten (10) days prior to such Change in Control, merger, consolidation or other event to exercise the Option or (B) a payment in cash or other consideration to the Optionee in an amount equal to the Intrinsic Value (as defined below) of such Option (which may be equal to but not less than zero), which, if in excess of zero shall be payable upon the effective date of the Change in Control, merger, consolidation or other event, or (ii) a substitute award (which immediately upon grant shall have an Intrinsic Value equal to the Intrinsic Value of such Option and shall include terms and conditions not less favorable to the Optionee than the terms and conditions of the Option). For purposes of the foregoing, (A) the term "Change in Control" shall have the meaning as set forth in the Incentive Plan, and (B) the term "Intrinsic Value" shall mean (I) the excess, if any, of the price per Share or implied price per Share in the Change in Control over the Exercise Price, multiplied by (II) the number of Shares covered by the Option.

8. **Data Protection.** By receiving the grant of the Option, the Optionee consents to the holding and processing of personal information provided by the Optionee to the Company or any of its affiliates, trustee or third party service provider, for all purposes relating to the operation of the Option and this Agreement. These include, but are not limited to (a) administering and maintaining the Optionee's records, (b) providing information to the Company, its affiliates, trustees of any employee benefit trust, registrars, brokers or third party administrators with respect to the Option (or the Shares subject to the Option), (c) providing information to future purchasers or merger partners of the Company or any of its affiliates, or the business in which the Optionee works, or (d) transferring information about the Optionee to any country or territory that may not provide the same protection for the information as the Optionee's home country.

9. **Prohibition on Repricing.** Except as provided in Section 7 or except for reductions in the Exercise Price of the Option approved by the Company's shareholders, the Exercise Price for the Option may not be decreased after the Grant Date nor may the Option be surrendered to the Company as consideration for the grant of a replacement Option with a lower exercise price or another equity or equity-based award. Except as approved by the Company's shareholders in no event shall the Option be surrendered to the Company (or any of its affiliates) in consideration for a cash payment if, at the time of such surrender, the Exercise Price of the Option is greater than the then current Fair Market Value of a Share.

10. **Transferability.** The Option may not be transferred, assigned or pledged (whether by operation of law or otherwise) other than by the laws of descent and distribution. The Option shall not be subject to execution, attachment or similar process.

11. **No Employment Rights.** Nothing in this Agreement shall be considered to confer on the Optionee any right to continue in the employ of the Company or any affiliate or to limit the right of the Company or any affiliate to terminate the Optionee's employment.

12. **No Stockholder Rights.** The Optionee shall not have any rights as a stockholder of the Company in respect of any of the Option Shares unless and until Shares are issued to the Optionee following the exercise of the Option.

13. **Governing Law.** This Agreement shall be governed in accordance with the laws of the State of Michigan.

14. **Successors.** This Agreement shall, except as herein stated to the contrary, inure to the benefit of and bind the legal representatives, heirs, successors and assigns of the parties hereto.

15. **Binding Effect.** This Agreement shall be binding on the Company and the Optionee and on the Optionee's heirs, legatees and legal representatives.

16. **Amendment.** This Agreement may not be changed or terminated orally but only by an agreement in writing signed by the party against whom enforcement of any such change or termination is sought.

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered to be effective as of the Grant Date

DELPHI TECHNOLOGIES PLC

/s/ James D. Harrington

By: James D. Harrington

Its: Senior Vice President &
General Counsel

OPTIONEE

/s/ Richard F. Dauch

Richard F. Dauch

CERTIFICATIONS

Certification of Principal Executive Officer

I, Richard F. Dauch, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Delphi Technologies PLC;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 2, 2019

/s/ Richard F. Dauch

Richard F. Dauch

Chief Executive Officer

(Principal Executive Officer)

CERTIFICATIONS

Certification of Principal Financial Officer

I, Vivid Sehgal, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Delphi Technologies PLC;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 2, 2019

/s/ Vivid Sehgal

Vivid Sehgal

Chief Financial Officer

(Principal Financial Officer)

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the filing of this quarterly report on Form 10-Q of Delphi Technologies PLC (the “Company”) for the period ended March 31, 2019 , with the Securities and Exchange Commission on the date hereof (the “Report”), I, Richard F. Dauch, Chief Executive Officer, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 to the best of my knowledge, that:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 2, 2019

/s/ Richard F. Dauch

Richard F. Dauch

Chief Executive Officer

(Principal Executive Officer)

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the filing of this quarterly report on Form 10-Q of Delphi Technologies PLC (the “Company”) for the period ended March 31, 2019 , with the Securities and Exchange Commission on the date hereof (the “Report”), I, Vivid Sehgal, Chief Financial Officer, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 to the best of my knowledge, that:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 2, 2019

/s/ Vivid Sehgal

Vivid Sehgal

Chief Financial Officer

(Principal Financial Officer)

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.