Saving More Lives

Autoliv Proxy Statement 2021

Autoliv

Autoliv

March 24, 2021

Dear Stockholder,

It is my pleasure to invite you to the 2021 Annual Stockholders Meeting of Autoliv, Inc. to be held on Wednesday, May 12, 2021 at 11:00 a.m. Eastern Time.

Due to the continuing public health concerns of the coronavirus outbreak (COVID-19), potential travel restrictions, guidance from governmental health authorities, and to support the health and well-being of our employees, stockholders, and our community, our board of directors has decided that the 2021 Annual Stockholders Meeting will be held as a virtual-only meeting via webcast. You will not be able to physically attend the Annual Meeting this year, but we currently intend to return to in-person meetings in the future.

Information regarding the matters to be voted upon at this year's Annual Meeting is included in the Notice of Annual Meeting of Stockholders and the Proxy Statement.

It is important that your shares are represented at the Annual Meeting. Therefore, please provide your proxy by following the instructions provided in the Proxy Statement and in the Notice of Internet Availability of Proxy Materials. This way, your shares will be voted as you direct even if you cannot attend the Annual Meeting.

A public news release announcing voting results will be published after the Annual Meeting.

The Autoliv, Inc. Annual Report for the fiscal year ended December 31, 2020 is being made available to stockholders with this Proxy Statement. These documents are available at www.autoliv.com.

On behalf of the entire Board of Directors, we hope you will participate in our Annual Meeting.

Sincerely,

Jan Carlson
Chairman of the
Autoliv, Inc. Board of Directors

AUTOLIV, INC.

Box 70381 SE-107 24
Stockholm, Sweden

NOTICE OF ANNUAL STOCKHOLDERS MEETING
TO BE HELD ON MAY 12, 2021

TO THE STOCKHOLDERS OF AUTOLIV, INC.,

NOTICE IS HEREBY GIVEN that the 2021 Annual Stockholders Meeting of Autoliv, Inc. ("Autoliv" or the "Company") will be held on Wednesday, May 12, 2021 virtually via webcast commencing at 11:00 a.m. Eastern Time to consider and vote upon:

1. Election of eleven (11) directors to the Board of Directors of Autoliv for terms of office expiring on the date of the Annual Stockholders Meeting in 2022 (see page 16 of the accompanying Proxy Statement).
2. An advisory resolution to approve the compensation of the Company's named executive officers (see page 69 of the accompanying Proxy Statement).
3. Ratification of the appointment of Ernst & Young AB as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2021 (see page 70 of the accompanying Proxy Statement).
4. Any other business that may properly come before the Annual Meeting or any continuation, postponement, or adjournment thereof.

The Board of Directors has fixed the close of business on March 15, 2021 as the record date for the Annual Meeting. All stockholders of record as of the close of business on that date are entitled to notice of, and to be present and vote at, the Annual Meeting and at any continuation thereof.

Due to the continuing public health concerns of the coronavirus outbreak (COVID-19), potential travel restrictions, guidance from governmental health authorities, and to support the health and well-being of our employees, stockholders, and our community, our board of directors has decided that the 2021 Annual Stockholders Meeting will be held as a virtual-only meeting via webcast. Stockholders of record as of the close of business on March 15, 2021, the record date, can attend the Annual Meeting, ask questions, vote and view Autoliv's list of stockholders at www.meetingcenter.io/225830469 by using the password ALV2021 and the stockholder's assigned control number.

The meeting will be conducted pursuant to the Company's Third Restated By-Laws and rules of order prescribed by the Chairman of the Annual Meeting.

By order of the Board of Directors of Autoliv, Inc.:

Anthony Nellis
Executive Vice President, Legal Affairs;
General Counsel; and Secretary

Date & Time
Wednesday, May 12, 2021
11:00 a.m. Eastern Time

Your Vote is Important!
You can submit your vote by:

Record Date: Stockholders as of the close of business on March 15, 2021 are entitled to vote.
Admission: Please see the instructions on page 14 of this Proxy Statement.

Virtual Meeting
http://www.meetingcenter.io/225830469

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2021 PROXY STATEMENT AT A GLANCE

The following executive summary is intended to provide a broad overview of the items that you will find elsewhere in this Proxy Statement. As this is only a summary, we encourage you to read the entire Proxy Statement for more information about these topics prior to voting at the Annual Meeting.

Annual Meeting of Stockholders

Time and Date:	Wednesday, May 12, 2021; 11:00 a.m. Eastern Time
Location:	www.meetingcenter.io/225830469 by using the password "ALV2021" and the stockholder's assigned control number.
Record Date:	Stockholders as of the close of business on March 15, 2021 are entitled to vote.
Admission:	Please see the instructions on page 14 of this Proxy Statement.

Meeting Agenda and Voting Matters

Proposal	Board's Voting Recommendation	Page Reference
1. Election of Directors	FOR EACH NOMINEE	16
2. Advisory Vote to Approve Executive Compensation	FOR	69
3. Ratification of Independent Registered Public Accounting Firm Appointment	FOR	70

PROPOSAL 1 – Director Nominees for Election

Mikael Bratt, 54
Director Since: 2018
Independent: No
Committees:
Other Current Public Co. Boards: 0

Laurie Brlas, 63
Director Since: 2020
Independent: Yes
Committees: AC, NCGC
Other Current Public Co. Boards: 3

Ted Senko, 65
Director Since: 2018
Independent: Yes
Committees: AC (Chair), NCGC
Other Current Public Co. Boards: 1

Jan Carlson, 60
Director Since: 2007
Independent: No
Committees:
Other Current Public Co. Boards: 2

Martin Lundstedt, 54
Director Since:
Independent: Yes
Committees:
Other Current Public Co. Boards: 1

Hasse Johansson, 71
Director Since: 2018
Independent: Yes
Committees: AC, NCGC
Other Current Public Co. Boards: 2

Xiaozhi Liu, 65
Director Since: 2011
Independent: Yes
Committees: LDCC, RCC
Other Current Public Co. Boards: 2

Leif Johansson, 69
Director Since: 2016
Independent: Yes
Committees: LDCC, NCGC (Chair)
Other Current Public Co. Boards: 1

Min Liu, 41
Director Since: 2019
Independent: Yes
Committees: AC, LDCC
Other Current Public Co. Boards: 0

Frédéric Lissalde, 53
Director Since: 2020
Independent: Yes
Committees: LDCC
Other Current Public Co. Boards: 1

Franz-Josef Kortüm, 70
Director Since: 2014
Independent: Yes
Committees: NCGC, RCC
Other Current Public Co. Boards: 1

AC: Audit Committee
NCGC: Nominating and Corporate Governance Committee
LDCC: Leadership Development and Compensation Committee
RCC: Risk and Compliance Committee

Attendance:	Each director nominee attended at least 80% of the aggregate applicable Board and Committee meetings in 2020.
Governance Highlights:	• 9 of the 11 Director Nominees are independent directors • Lead Independent Director of the Board • Board committees composed entirely of independent directors • Directors elected for one-year terms • Average tenure of the nominated Board is 4.1 years, with seven new directors in the last three years • Diverse director backgrounds, professional experiences, and skills • Annual Board and committee self-evaluations • Non-management directors meet in executive session at least four times a year • Stock Ownership Guidelines for Directors and Executive Officers • Compliance, operational, and cybersecurity risk oversight by full Board and Committees • Company policy against hedging, short-selling, and pledging by Executive Officers and Directors
Social, Environmental and Sustainability Highlights:	• More than 30,000 lives saved by our products • Focused on employee health and safety in response to the COVID-19 pandemic including the development of the Autoliv Smart Start Playbook while also meeting customer needs • Continued participation in several collaborations in traffic safety, with a special focus on vulnerable road user protection and countries with a high number of traffic-related deaths • Positive trend in Health and Safety KPIs • Completion of water risk assessment and introduction of several energy saving initiatives • Implementation of an in-house Life Cycle Assessment tool to evaluate the environmental footprint of our products • Further integrated sustainability into our supply chain management with, for example, 100% response rate on our 2019 conflict mineral survey by direct material suppliers as reported in May 2020

PROPOSAL 2 – Advisory Vote to Approve Executive Compensation

We are requesting that our stockholders approve, on an advisory basis, the compensation of our Named Executive Officers as disclosed in this Proxy Statement. This proposal was supported by approximately 81.1%, 83.9%, and 83.5% of the votes cast in each of 2020, 2019, and 2018, respectively. Please see the Compensation Discussion and Analysis, Summary Compensation Table, and other tables and disclosures beginning on page 43 of this Proxy Statement for a full discussion of our executive compensation program. The table below highlights the 2020 total direct compensation for each Named Executive Officer.

Named Executive Officer	Salary ($)[1]	Annual Bonus ($)[1]	Stock Awards ($)
Mikael Bratt	1,193,122	610,605	663,616
Fredrik Westin	526,138	373,996[2]	628,629
Brad Murray[3]	403,118	191,031	199,928
Jordi Lombarte	441,196	162,766	199,928
Frithjof Oldorff	620,544	293,937	199,928
Christian Hanke[4]	127,423	0	0

(1) For currency exchange rates used, see footnote 1 to the Summary Compensation Table on page 57 of this Proxy Statement.
(2) Includes sign-on bonus and annual short-term incentive bonus.
(3) Not an executive officer as of January 1, 2021.
(4) Not an executive officer as of March 2, 2020.

Compensation Governance Highlights

- The Leadership Development and Compensation Committee is composed entirely of independent directors.
- We have stock ownership guidelines for our executive officers, including the named executive officers, and our non-employee directors.
- The Leadership Development and Compensation Committee reviews total compensation calculations when making compensation decisions.
- We have used performance stock units (“PSUs”) as part of our compensation program since 2019. PSUs are 75% of the value of long-term equity incentive grants to executives. In 2021, the CEO will receive 100% of his long-term incentive awards in the form of PSUs.
- Our equity plan prohibits the repricing of stock options without stockholder approval.
- The Non-Employee Directors adopted a 20% reduction to the cash annual director retainer fee for Q2 2020 due to the COVID-19 pandemic and in-line with the 20% voluntary reduction in salaries taken by members of the Executive Management Team for Q2 2020.
- We have a compensation recoupment policy under which our Board may recoup certain incentive compensation that is subsequently determined not to have been earned by current and former executives.
- The exercise price of options historically granted under our equity plan is never less than the fair market value (as defined in our equity plan) of our stock on the date of grant.
- All equity granted in 2019 and onwards include double-trigger acceleration of unvested equity in the event of a qualifying termination following a change in control in which outstanding awards are assumed by a publicly-traded surviving entity, instead of the previous single-trigger acceleration.
- No U.S. tax code §280G excise tax “gross ups.”
- The change in control definition contained in our equity plan is not a “liberal” definition that would be activated on only stockholder approval of a transaction.

PROPOSAL 3 – Ratification of Independent Registered Public Accounting Firm Appointment

We are requesting that our stockholders ratify the appointment of Ernst & Young AB as our independent registered public accounting firm for the fiscal year ending December 31, 2021. Fees paid to our independent registered public accounting firm over the past two years were as follows:

Type of Fees (Dollars in millions)	2020	2019
Audit Fees	$ 6.891	$ 8.263
Audit-Related Fees	$0.245	$ 0.179
Tax Fees	$ 0.169	$0.203
All Other Fees	$ 0.015	$0.008
Total	**$7.320**	**$8.653**

AUTOLIV, INC.

Box 70381 SE-107 24
Stockholm, Sweden

PROXY STATEMENT

Information Concerning Voting and Solicitation

Availability of Proxy Materials on the Internet

Our Board of Directors (the “Board”) made this Proxy Statement and the Company’s Annual Report for the fiscal year ended December 31, 2020 available to you on the Internet or, upon your request, has delivered printed versions of these materials to you by mail, in connection with the Board’s solicitation of proxies for use at our Annual Meeting of Stockholders, to be held virtually via webcast on Wednesday, May 12, 2021 commencing at 11:00 a.m. Eastern Time and at any adjournment thereof (the “2021 Annual Meeting” or the “Annual Meeting”).

General

The date of this Proxy Statement is March 24, 2021, the approximate date on which this Proxy Statement and proxy card are first being mailed and made available on the Internet to stockholders entitled to vote at the Annual Meeting. The Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2020 was publicly filed with the U.S. Securities and Exchange Commission (the “SEC”) on February 19, 2021.

Who Can Vote

You are entitled to vote at the Annual Meeting if you were a stockholder of record of our common stock as of the close of business on March 15, 2021 (the “Record Date”). Each stockholder is entitled to one vote for each share of our common stock held on the Record Date. Our stockholders do not have cumulative voting rights.

Shares Outstanding and Quorum

At the close of business on the Record Date, 87,422,092 shares of our common stock were outstanding and entitled to vote and no shares of our preferred stock were outstanding. A majority of our common stock outstanding on the Record Date, virtually present electronically or represented by proxy, will constitute a quorum at the Annual Meeting.

How to Vote

If you are a stockholder of record, you may vote by proxy on the Internet or by telephone by following the instructions provided in the Notice of Internet Availability of Proxy Materials sent to you. If you requested printed copies of the proxy materials by mail, or have a printed proxy card, you may also vote by filling out the proxy card and returning it in the envelope provided. You may also vote electronically at the Annual Meeting.

If you are a beneficial owner of shares held in “street name,” please refer to the instructions provided by your bank, broker, or other nominee for voting your shares. If you wish to vote electronically at the Annual Meeting, you must obtain a valid proxy from the organization that holds your shares and have proof of ownership of shares of our common stock as of the Record Date.

How Your Shares Will Be Voted

If you properly complete your proxy card and send it to the Company prior to the vote at the Annual Meeting, or submit your proxy electronically by Internet or by telephone before voting closes, your proxy (one of the individuals named in the proxy card) will vote your shares as you have directed. If you sign the proxy card but do not make specific choices, your proxy will vote your shares as recommended by the Board: (i) to elect the director nominees listed in "Election of Directors," (ii) to approve the compensation of the Company's named executive officers, and (iii) for the ratification of the appointment of Ernst & Young AB as the Company's independent registered public accounting firm for the 2021 fiscal year.

Voting on Matters Not in Proxy Statement

The deadlines have passed for stockholders to (i) nominate directors for election to the Board and (ii) for other stockholder proposals to be brought before the Annual Meeting. Thus, only the Company may (i) substitute director nominees or (ii) bring other business before the Annual Meeting. The Company does not plan to substitute any director nominee, and the Company does not intend to raise any matter other than those described in this Proxy Statement at the Annual Meeting.

However, administrative and similar matters can arise at any annual meeting. To address such unforeseen matters, your proxy may exercise his or her discretion and authority to vote on such matters incidental to the conduct of the Annual Meeting only. Note that this authority is limited by applicable law, the proxy rules of the SEC, and the listing rules of the New York Stock Exchange (the "NYSE").

Revoking Proxies or Changing Your Vote

You may revoke your proxy and change your vote before the taking of the vote at the Annual Meeting. Prior to the applicable cutoff time, you may change your vote on a later date via the Internet or by telephone (in which case only your latest Internet or telephone proxy submitted prior to the Annual Meeting will be counted), by signing and returning a new proxy card with a later date, or by attending the Annual Meeting virtually and voting in person electronically. However, your virtual attendance at the Annual Meeting will not automatically revoke your proxy unless you properly vote at the Annual Meeting or specifically request that your prior proxy be revoked by delivering a written notice of revocation to Autoliv at its mailing address prior to the Annual Meeting.

Voting Rights of Holders of SDRs

Holders of Autoliv's Swedish Depository Receipts ("SDRs") are entitled to vote the shares of common stock of the Company underlying their SDRs at the 2021 Annual Meeting as if they directly held the common stock of the Company. Therefore, each holder of SDRs is entitled to one vote for each share of common stock underlying each SDR held on the Record Date. To have their votes counted at the 2021 Annual Meeting, SDR holders must give instructions as to the exercise of their voting rights by proxy or virtually attend and represent their shares of common stock of the Company underlying the SDRs at the Annual Meeting.

Non-Voting Shares, Abstentions and Broker "Non-Votes"

Shares held by persons attending the Annual Meeting but not voting, shares represented by proxies that reflect abstentions to a proposal, and broker "non-votes" will be counted as present for purposes of determining a quorum. A broker "non-vote" occurs when a nominee holding shares for a beneficial owner has not received voting instructions from the beneficial owner and does not have discretionary authority to vote the shares. Brokers do not have discretionary authority to vote on Proposals 1 and 2 set forth below. Brokers generally have discretionary authority to vote on Proposal 3 set forth below.

Vote Required to Approve Each Proposal at the Annual Meeting

The following summary describes the vote required to approve each of the proposals at the Annual Meeting.

Proposal 1	Directors will be elected by a plurality of the votes of the shares present or represented by proxy at the Annual Meeting and entitled to vote thereat. However, pursuant to the Autoliv, Inc. Corporate Governance Guidelines, if a director nominee in an uncontested election fails to receive the approval of a majority of the votes cast on his or her election by the stockholders, the nominee shall promptly offer his or her resignation to the Board for consideration. A committee consisting of the Board's independent directors (which will exclude any director who is required to offer his or her resignation) shall consider all relevant factors and decide on behalf of the Board the action to be taken with respect to such offered resignation and will determine whether to accept or reject the resignation. The Company will publicly disclose the Board's decision regarding any resignation offered under these circumstances with an explanation of how the decision was reached, including, if applicable, the reasons for rejecting the offered resignation. Abstentions and broker non-votes will have no effect on the election of directors.
Proposal 2	The non-binding resolution to approve the compensation of the Company's named executive officers as disclosed in this Proxy Statement requires the affirmative vote of a majority of the shares present or represented by proxy at the Annual Meeting and entitled to vote thereat. Abstentions will have the same effect as a vote against the proposal. Broker non-votes will have no effect in determining the outcome of the proposal.
Proposal 3	The ratification of the selection of Ernst & Young AB as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2021 requires the affirmative vote of a majority of the shares present or represented by proxy at the Annual Meeting and entitled to vote thereat. Abstentions will have the same effect as a vote against the ratification. Although brokers have discretionary authority to vote on the ratification, if a broker submits a non-vote, it will not be counted for purposes of the ratification but will be counted for the purposes of establishing a quorum.

Any other proposal brought before the Annual Meeting (if any) will be decided by a majority of the shares present or represented by proxy at the Annual Meeting and entitled to vote on the matter. Consequently, abstentions will have the same effect as a vote against the matter and broker non-votes will have no effect on the outcome of the matter.

Attending the Annual Meeting

Attendance at the Annual Meeting or any adjournment or postponement thereof will be limited to stockholders of the Company as of the close of business on the record date and guests of the Company. You will not be able to attend the Annual Meeting in person at a physical location. To attend the virtual meeting, please follow these instructions:

Registered Holders

Stockholders that hold shares registered directly with Autoliv's transfer agent, Computershare, should log in to the virtual Annual Meeting site using the 15-digit control number included on the Notice of Internet Availability of Proxy Materials, on your proxy card (if you requested printed materials), or on the instructions that accompanied your proxy materials.

Beneficial Holders

If you hold your shares in “street name” through an intermediary, such as a bank, broker, or other nominee, you will need to register in advance to attend the Annual Meeting. To register you should:

(i) obtain a proof of proxy power, or “legal proxy”, from the holder of record of your shares (the intermediary, bank, broker, or other nominee); and

(ii) submit proof of such legal proxy (along with along with your name and email address) by forwarding the email from such intermediary, bank, broker, or other nominee, or attaching an image of your legal proxy, to legalproxy@computershare.com. Requests for registration should have a subject line of “Autoliv Legal Proxy” and be received no later than 5:00 P.M., Eastern Time, on May 9, 2021.

Upon completion of this process you will receive a confirmation email from Computershare of your assigned 15-digit control number and registration for the Annual Meeting.

Holders of Swedish Depository Receipts (SDRs)

SDR holders registered on an account directly at Euroclear or with a Swedish nominee as of the Record Date, will need to register in advance to attend the Annual Meeting.

To register you should send a request for a legal proxy and control number to info@computershare.se. Requests should have a subject line of “Autoliv Legal Proxy” and reference your shareholder ID and the code written on your proxy card, and be received no later than 17:00, Central European Time, on April 30, 2021.

Upon completion of this process you will receive a confirmation email from Computershare of your assigned control number and registration for the Annual Meeting no later than 23:00. Central European Time, on May 11, 2021.

Asking Questions at the Annual Meeting

Questions may be submitted during the Annual Meeting through the Virtual Annual meeting site after logging in with the control number. We encourage stockholders to submit questions in advance of the Annual Meeting, preferably by 23:00 Central European Time on May 11, 2021.

We will endeavor to answer as many stockholder-submitted questions as time permits that comply with the meeting rules of conduct.

Principal Executive Offices

The Company’s mailing address is Box 70381, SE-107 24 Stockholm, Sweden, and its principal executive offices are located at Klarabergsviadukten 70, Section B, 7th floor, Stockholm, Sweden SE-111 64. The Company’s telephone number is +46 8 587 20 600.

Solicitation of Proxies

The Company, on behalf of the Board, is soliciting the proxies and will bear the cost of the solicitation of proxies. In addition to solicitation over the Internet and by mail, the Company will reimburse banks, brokers and other custodians, nominees and fiduciaries for reasonable expenses incurred in forwarding proxy materials to beneficial owners of our stock and obtaining their proxies. Certain directors, officers, and other employees of the Company, not specifically employed for this purpose, may solicit proxies, without additional remuneration, by personal interview, mail, telephone, facsimile or electronic mail. The Company has retained Georgeson LLC to assist in the solicitation of proxies for a fee of $15,500 plus expenses and Computershare AB for a fee of SEK 105,000, or approximately $13,000, plus expenses.

PROPOSAL 1

ELECTION OF DIRECTORS

The Company's Third Restated By-Laws (the "By-Laws") provide that the size of the Board shall be fixed from time to time exclusively by the Board. The Board has currently fixed the size of the Board at twelve members.

Mikael Bratt, Laurie Brlas, Jan Carlson, Hasse Johansson, Leif Johansson, Franz-Josef Kortüm, Frédéric Lissalde, Min Liu, Xiaozhi Liu, and Ted Senko, whose present terms will expire at the time of the Annual Meeting, are nominees for election at the 2021 Annual Meeting. Ms. Min Liu has been nominated by the Board to be re-elected at the 2021 Annual Meeting pursuant to the terms of a Cooperation Agreement between the Company and Cevian Capital II GP Limited ("Cevian"), and its affiliates (the "Cooperation Agreement"). Pursuant to the terms of the Cooperation Agreement, Ms. Liu will offer her resignation from the Board if Cevian no longer owns at least 8% of the then-outstanding shares of common stock of the Company. The Cooperation Agreement is described in further detail in the section entitled "Agreements with Stockholders - Cooperation Agreement with Cevian Capital II GP Limited" below.

Mr. Lundstedt has also been nominated by the Board to be elected at the 2021 Annual Meeting.

Mr. James Ringler, a current director, has reached the mandatory retirement age set forth in the Company's Corporate Governance Guidelines and is not eligible to stand for re-election to the Board at the Annual Meeting. Mr. Ringler's service as a director will end at the Annual Meeting. Additionally, Mr. David Kepler has elected to not stand for re-election and retire from the Board. Mr. Kepler's service will end at the Annual Meeting. Effective immediately following the closing of the polls for the election of directors at the Annual Meeting, the Board will reduce its size to eleven members.

If elected, the above nominees would serve until the 2022 annual meeting of stockholders and until his or her successor is elected and qualified, or until his or her earlier retirement, resignation, disqualification, removal, or death. If any director nominee should become unavailable for election prior to the Annual Meeting, an event that currently is not anticipated by the Board, either the proxies will be voted in favor of the election of a substitute nominee or nominees proposed by the Board or the number of directors may be reduced accordingly. Each nominee has agreed to serve if elected, and the Board has no reason to believe that any nominee will be unable to serve.

Nominees for Directors at the 2021 Annual Meeting

Mikael Bratt, age 54, has been a director of Autoliv since September 2018 and has served as Autoliv's President and Chief Executive Officer since June 29, 2018. Mr. Bratt previously served as President, Passive Safety from May 2016 until his promotion. In September 2020, Mr. Bratt joined the board of directors of Höganäs AB, a private Swedish metal powders company. Prior to joining Autoliv, Mr. Bratt spent approximately 30 years with the Volvo Group, a Swedish multinational automotive manufacturing company, including most recently as EVP Group Trucks Operations, part of the group executive management team since 2008, in which role he managed a team of 35,000 people, 50 factories, 60 distribution centers and an annual turnover of approximately $18 billion. Prior to this, he served as Chief Financial Officer of the Volvo Group. Mr. Bratt studied business administration at the University of Gothenburg, Sweden.

The Board believes Mr. Bratt's years of experience with Autoliv and the automotive industry, including his current role as President and Chief Executive Officer, and his extensive knowledge of the Company, its operations, business, and industry support his re-election to the Board.

Laurie Brlas, 63, joined the Company's Board on August 1, 2020. In December 2016, Ms. Brlas retired from Newmont Mining Corporation ("Newmont"), a mining industry leader in value creation and sustainability. Ms. Brlas joined Newmont in 2013 and served as Executive Vice President and Chief Financial Officer until October 2016. From 2006 through 2013, Ms. Brlas held various positions of increasing responsibility with Cliffs Natural Resources, most recently she served as Chief Financial Officer and then as Executive Vice President and President, Global Operations. Prior to that, Ms. Brlas served as Senior Vice President and Chief Financial Officer of STERIS Corporation from 2000 through 2006 and from 1995 through 2000, Ms. Brlas held various positions of increasing responsibility with Office Max, Inc. Most recently Ms. Brlas served as Senior Vice President and Corporate Controller. Ms. Brlas currently serves on the Board of Directors of Albemarle Corporation, a specialty chemical company, Exelon Corporation, a Fortune 100 power company, and Graphic Packaging Holding Company, a global packaging solutions company. In the prior five years, Ms. Brlas previously served on the Board of Directors of Perrigo Company PLC, a global healthcare company, from 2003 until May 2019 and Calpine Corp., an energy company, from 2016 until 2018.

The Board believes Ms. Brlas's financial expertise and extensive experience with public company management support her election to the Board.

Jan Carlson, age 60, has been a director of Autoliv since May 2007 following his appointment as President and Chief Executive Officer of Autoliv on April 1, 2007 after serving in various executive positions with the company beginning in 1999. He has been Chairman of the Board since May 2014. Mr. Carlson served as President and Chief Executive Officer until resigning upon the completion of the spin-off of Veoneer, Inc. from the Company on June 29, 2018, at which time he became President and Chief Executive of Veoneer, Inc. Since the completion of the spin-off, Mr. Carlson has also served as Chairman of the Board of Directors of Veoneer, Inc. Mr. Carlson has served as a member of the Board of Telefonaktiebolaget LM Ericsson since February 2017. Mr. Carlson served on the board of directors of BorgWarner Inc., a product leader in highly engineered components and systems for vehicle powertrain applications worldwide, from July 2010 until May 2020. In addition, Mr. Carlson served on the board of Trelleborg AB from 2013 through 2017. Prior to joining Autoliv, Mr. Carlson was President of Saab Combitech, a division within the Saab aircraft group specializing in commercializing military technologies. Mr. Carlson has a Master of Science degree in Physics and Electrical Engineering from the University of Linköping in Sweden.

The Board believes that through his many years of experience with Autoliv, including his former role as President and Chief Executive Officer, and the automotive industry in general Mr. Carlson brings extensive knowledge of the Company, its operations, business, and industry to the Board, which support his re-election to the Board.

Hasse Johansson, age 71, has been a director of Autoliv since March 2018 and is a member of the Audit Committee and Nominating and Corporate Governance Committee. Since 2010, Mr. Johansson has been managing director of Johansson Teknik & Form AB, a technology consulting company which he founded. From 2001 to 2009, Mr. Johansson was the Executive Vice President of Research & Development at Scania, a major automotive industry manufacturer of heavy trucks, buses, and other commercial vehicles. Prior to his time at Scania, Mr. Johansson worked for nearly 20 years at Mecel AB, an automotive software and systems development company he co-founded and in 1994 became a wholly-owned subsidiary of Delphi Corporation. Mr. Johansson currently serves as a member of the boards of directors of DevPort AB and Swedish Electromagnet Investment AB, which are both Swedish public companies. Mr. Johansson previously served as a member of the boards of directors of Electrolux AB (2008- April 2020) and PowerCell AB (2018- April 2020). Additionally, Mr. Johansson is a member of the Business Executives Council of the Royal Swedish Academy of Engineering Sciences. Mr. Johansson holds a Master of Science in Electrical Engineering from Chalmers University of Technology in Gothenburg, Sweden and holds more than 20 patents in combustion engine control and automotive electronics.

The Board believes Mr. Johansson's prolific technical background in automotive and other industries, combined with his extensive board experience, support his re-election to the Board.

Leif Johansson, age 69, has been a director of Autoliv since February 2016, and is a member of the Leadership Development and Compensation Committee and Chair of the Nominating and Corporate Governance Committee. From 1997 to 2011, Mr. Johansson served as President and Chief Executive Officer of the Volvo Group. Before joining Volvo, Mr. Johansson held various positions at AB Electrolux, and served as its President and Chief Executive Officer from 1994 to 1997. Mr. Johansson is the Chairman of the Board of AstraZeneca PLC, a position he has held since June 2012, and he previously served as Chairman of the Board of Telefonaktiebolaget LM Ericsson between 2011 and March 2018 and on the Board of SCA AB, a Swedish public company from 2010-2016. In addition to his service on public company boards, Mr. Johansson is a board member of Ecolean AB (a private corporation), a member of the Royal Swedish Academy of Engineering Science, a board member of the European Round Table of Industrialists, a Delegate of the China Development Forum, and a member of the Council of Advisors of the Boao Forum for Asia. Mr. Johansson holds a Master of Science in Engineering from Chalmers University of Technology in Gothenburg, Sweden.

The Board believes that Mr. Johansson's extensive executive and directorial experience on several international companies in the automotive, manufacturing and technology industries, combined with the knowledge gained through his service on various industry, economic and advocacy organizations, support his re-election to the Board.

Franz-Josef Kortüm, age 70, has been a director of Autoliv since March 2014 and is a member of the Nominating and Corporate Governance Committee and the Risk and Compliance Committee. Prior to joining Autoliv, Mr. Kortüm was Chief Executive Officer of Webasto SE, a producer of automobile roof systems and climate control systems for automobiles, boats, and other vehicles, from 1998 to 2012, after joining the company in 1994. Mr. Kortüm was Chief Executive Officer of Audi AG from 1993 to 1994 and, prior to joining Audi, had a 16-year career with what is today Daimler AG in a variety of positions. In addition to his extensive management experience, Mr. Kortüm served as Vice Chairman of the Supervisory Board of Webasto SE since 2013 and as its Chairman since 2018 until August 2020, as a Member of the Advisory Board of Brose Fahrzeugteile GmbH & Co. KG since 2005 and as its Chairman since 2013, as a Member of the Supervisory Board of Wacker Chemie AG, a German public company, and Chair of its Audit Committee since 2003, and as a Member of the Supervisory Board of Schaeffler AG from 2010 to March 2014. From 2004 to 2012, Mr. Kortüm was a Member of the Managing Board of the VDA (German Association of the Automotive Industry). Mr. Kortüm has an MBA-equivalent degree in Business Administration from the University of Regensburg in Germany.

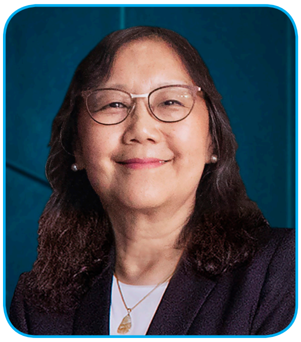
The Board believes that Mr. Kortüm brings a breadth of knowledge and skills related to the automotive industry to the Board. In addition, his corporate governance experience gained through his service on other boards support his re-election to the Board.

Frédéric Lissalde, age 53, has been a director of Autoliv since December 2020 and is a member of the Leadership Development and Compensation Committee. Mr. Lissalde is President, Chief Executive Officer, and a member of the board of directors of BorgWarner Inc. since August 2018. Mr. Lissalde has held positions of increasingly significant responsibility during his career with BorgWarner since he joined in 1999. He previously served as Executive Vice President and Chief Operating Officer and before that, President and General Manager of BorgWarner Turbo Systems. Prior to joining BorgWarner, Mr. Lissalde held positions at Valeo and ZF in several functional areas in the United Kingdom, Japan, and France. Mr. Lissalde holds a Master's of Engineering degree from ENSAM - Ecole Nationale Supérieure des Arts et Métiers - Paris, and an MBA from HEC Paris. He is also a graduate of executive courses at INSEAD, Harvard, and MIT.

The Board believes that Mr. Lissalde's deep experience in the automotive industry as well as his experience with companies and institutions around the globe support his election to the Board.

Min Liu, age 41, has been a director of Autoliv since May 2020 and is a member of the Audit Committee and the Leadership Development and Compensation Committee. She is a Vice President of Cevian Capital AG, an affiliate of Cevian Capital II GP Limited ("Cevian") and has been nominated to the Board pursuant to the Cooperation Agreement between Cevian and the Company. Since September 2015, Ms. Liu has been responsible for fundamental research on a variety of European companies in her role at Cevian. Prior to this role, Ms. Liu held several positions of increasing responsibility with The Boston Consulting Group, a global management consulting firm, in Germany between September 2004 and July 2015. Last serving as Principal, she led multiple projects in a broad set of industries, including the automotive sector. Ms. Liu has an MBA from Stanford University in addition to bachelor's and master's degrees in business information technology from Goettingen University. Because of Ms. Liu's relationship with Cevian, Cevian may be deemed to be an affiliate of the Company.

The Board believes that Ms. Liu's financial expertise and exposure to a wide variety of large, global industrial companies through her investment research and management experience support her re-election to the Board.



Xiaozhi Liu, age 65, has been a director of Autoliv since November 2011 and is a member of the Leadership Development and Compensation Committee and the Risk and Compliance Committee. In April 2019, Dr. Liu joined the boards of directors of Anheuser-Busch InBev SA/NV and Johnson Matthey PLC. She previously served as an independent director of Fuyao Glass Industry Group, a public company listed in Shanghai and Hong Kong, from October 2013 until October 2020. Dr. Liu began her career in the automotive industry in General Motor's ("GM") Delphi operations and has since worked in various executive positions in Germany, China and the U.S., where she rose to the position of Director of Electronics, Controls & Software for GM in Detroit, Chief Engineer and Chief Technology Officer of GM in China and Chairman and Chief Executive Officer of GM Taiwan. Between 2005 and 2006, she was the Chief Executive Officer and Vice Chairman of Fuyao Glass Industry Group Co. Ltd. In 2007, she became the President and Chief Executive Officer of NeoTek China, a supplier of automotive chassis and transmission parts, and served as Chairman of the company's board of directors from 2008 through 2011. In 2009, she founded, and is the Chief Executive Officer of, her own company, ASL Automobile Science & Technology (Shanghai) Co., Ltd., which introduces and implements globally advanced technologies to Chinese companies. She has a Ph.D. and master's degree in Chemical Engineering and Electrical Engineering, respectively, from Friedrich-Alexander University in Erlangen-Nuremburg, Germany and a bachelor's degree in Electrical Engineering from the Jiaotong University in Xian, China.

The Board believes that Dr. Liu brings a unique and valuable set of skills to the Board, based on a combination of her global experience in engineering and technology in Asia, North America, and Europe with her extensive management experience in the automotive industry. Dr. Liu's knowledge and experience supports her re-election to the Board.

Martin Lundstedt, age 54, has served as President of AB Volvo, Chief Executive Officer of the Volvo Group, and a member of the Group Executive Board since October 2015. Before joining Volvo, Mr. Lundstedt held various positions at Scania since 1992, and served as its President and Chief Executive Officer from 2012 to 2015. Mr. Lundstedt is a member of the Board of Directors of Concentric AB, a public Swedish company that is a leading global pump manufacturer. He is not standing for re-election and is expected to conclude his service in April 2021. Mr. Lundstedt is the Chairman of the Board of Permobil AB, a private Swedish company focused on developing advanced medical technology. In addition to his service on public and private company boards, he is also a member of the Board of the European Automobile Manufacturers Association (ACEA) and is a Member of the Royal Swedish Academy of Engineering Sciences (IVA). He was also Co-Chairman of the UN Secretary-General's High-Level Advisory Group on Sustainable Transport from 2015-2016. Mr. Lundstedt holds a Master of Science degree from Chalmers University of Technology in Gothenburg, Sweden.

The Board believes that Mr. Lundstedt's deep experience in the automotive industry as well as his experience with companies and institutions around the globe support his election to the Board.

Thaddeus J. "Ted" Senko, age 65, has been a director of Autoliv since March 2018 and is the Chair of the Audit Committee and a member of the Nominating and Corporate Governance Committee. Prior to joining the Autoliv Board of Directors, Mr. Senko had an extensive career at KPMG LLP, a multinational professional services and accounting firm, from 1978 to 2017, providing enterprise risk management, compliance, and audit services to various public companies. At KPMG, he served as Audit Partner and SEC Reviewing Partner for eight years, Chief Audit Executive for four years, Global and National Partner in Charge of Internal Audit, Risk & Compliance Services for eight years, Global Engagement Partner and Client Services Partner for seven years, and was the initial leader of KPMG's ESG practice for two years. Mr. Senko has agreed to join the board of directors of Lightning eMotors Inc. and serve as the Audit Committee Chairman upon that company becoming a US public company in Q2 2021. Mr. Senko served on the Board of Duquesne University, a private university with approximately 10,000 students, from 2007 to 2016, chairing the Audit and Finance Committee and serving on the Executive and University Advancement Committee. Mr. Senko continues to serve on the university's Business Advisory Council. Mr. Senko received a bachelor's degree in business administration from Duquesne University.

The Board believes Mr. Senko's financial, regulatory and risk expertise, experience in various auditing leadership roles and exposure to a wide variety of large audit clients within the global business community support his re-election to the Board.

THE BOARD RECOMMENDS A VOTE "FOR" EACH NOMINEE.

CORPORATE GOVERNANCE

Stockholder Engagement Efforts

The Company engages with the Company's stockholders throughout the year to ensure that management and the Board understand and consider the issues that matter most to them, to solicit their views and feedback on various matters, and to provide perspective on the Company's policies and practices. During 2020, members of the Company's management met with certain of the Company's stockholders to listen to their concerns and discuss a variety of topics, including performance, strategy, capital allocation, corporate governance, compensation, environmental and sustainability efforts, and other matters.

Sustainability Program

Autoliv's business is guided by our vision of Saving More Lives. Our products save over 30,000 lives a year and prevent ten times as many severe injuries. Our goal is to increase the number of lives saved to 100,000 a year by 2030. Our vision directly supports the UN Sustainable Development Goal #3: Good health and well-being, and its target of halving global deaths and injuries from road traffic accidents by 2030. In addition, the Company is committed to sound and ethical business practices that align with the goals and needs of our employees and the communities in which we operate, including limiting our environmental impact particularly by reducing energy and water consumption, waste, and emissions.

Our top strategic sustainability priorities include:

- Continuing to deliver on our commitment to saving more lives.
- Focusing on the health and safety of our employees and contractors, with the ultimate goal of zero accidents.
- Focusing on increasing resource efficiency and reducing our carbon footprint.
- Ensuring that no corruption or anti-competitive behavior takes place in our business.
- Managing the sustainability risks in our supply chain.

We have established action plans and targets for each of these priorities and we regularly monitor the progress achieved. Our response to the COVID-19 pandemic and its impact on our key initiatives and performance is a cross-cutting theme throughout this year's sustainability report described below.

Sustainability is about ensuring that our business will continue to thrive in the long-term by systematically considering all dimensions of our business in society. Autoliv's sustainability commitment is founded on four pillars:

Innovate Life-Saving Products

By staying at the forefront of technology, innovating and manufacturing high quality products, we save more lives in real-life traffic.

Commit to our Employees

We are committed to respecting human rights, diversity, and health & safety for our employees.

Limit our Impact on the Environment

Our commitment is to limit our environmental impact, particularly through reducing energy and water consumption, waste and emissions.

Act Ethically & Commit to Society

We believe in sound business practices and our actions are based on observance of ethical standards and engagement with communities where we operate. We expect our suppliers and business partners to act with the same level of integrity.

Innovate Life-Saving Products. Our innovation activities are guided by industry trends such as advanced driver assistance systems, autonomous driving, connectivity, and electrification, adaptivity to the size and age of occupants as well as vulnerable road user protection. To enable more lives to be saved, Autoliv is an active research organization. We participate in the development of in-depth, real-life data concerning traffic accidents and injuries as well as numerous crash tests, user clinics, simulations, and field operational tests each year. This research informs our product development. Our product portfolio spans airbags, seatbelts, steering wheels, and pedestrian protection. We also provide additional safety features such as pyro safety switches for electrical vehicles, automatic bolt releases, integrated child booster seats, and digital services.

Limit our Impact on the Environment. Our environmental targets support our ambitions to increase resource efficiency and to reduce our carbon footprint. Climate-related issues and their mitigation are integrated into the company's enterprise risk management program. Autoliv has identified climate-related opportunities in the areas of resource efficiency and climate impact of products and services. In 2021, Autoliv intends to focus on updating its climate strategy and will continue to develop our climate risk assessment and reporting according to the FSB Task Force on Climate-Related Financial Disclosures (TCFD) recommendations. Autoliv's environmental management system (EMS) emphasizes continuous improvement and learning aligned with ISO 14001:2015 requirements. The EMS applies to all our manufacturing sites, offices, logistic centers, and technical centers. The percentage of our production facilities externally certified in accordance with ISO 14001 increased in 2020 to 88% with the remaining 12% following the principles of our EMS standard. Autoliv's divisions and facilities conduct energy audits to find opportunities to improve energy efficiency and in 2019-2020 Autoliv conducted detailed water risk assessments of its facilities. Scope 1 and Scope 2 location-based CO2 emissions from Autoliv's operations in 2020 decreased year-over-year and total waste decreased by 5% year-over-year.

Commitment to our Employees. Employee health and safety, diversity, and respect for labor rights are the priorities of our employee-related sustainability agenda. In 2020, our activities focused on maintaining a safe working environment for all our employees. We fulfilled our incident and severity rate interim targets and made progress towards our ultimate goal of zero accidents. In 2020, many of our strategic health and safety initiatives planned for the year were disrupted by the outbreak of the COVID-19 pandemic. We focused our attention on keeping our employees, customers, and suppliers safe while working at our sites and adopted a broad-spectrum approach with clear and continuous communication to all our employees as the topic focus. Guiding that work, was our "Smart Start Playbook" that included best practices based on guidelines from the World Health Organization and Centers for Disease Control and Prevention. We made that document readily available to our employees and pro-actively shared it with our supplier base. Meanwhile, during the early phases of the pandemic, we used our global manufacturing capabilities to supply all our employees with fabric face masks. We also implemented disinfection and prevention protocols and provided pandemic-specific equipment for all our employees daily. We managed to keep a very low spread of infection within Autoliv's own operations and facilities, for which we have been acknowledged by our employees and various authorities. Every Autoliv facility has implemented the Autoliv health and safety management system (HSMS) which is aligned with ISO 45001 requirements. Our sites undergo external health and safety audits. In 2020, we increased the percentage of facilities that are externally certified in accordance with OHSAS 18001 or ISO 45001 despite the disruptions of the pandemic. We will continue this progress in 2021. Our workforce reflects the diversity of the countries and cultures in which we operate. At the end of 2020, we made incremental improvements in the percentage of women in our workforce and in senior management positions year-over-year.

Act Ethically & Commit to Society. How we do business is as important as the business we do. Acting ethically and ensuring no corrupt, anti-competitive or other illegal behavior takes place in our business are key priorities for us. We also contribute to local communities through our business operations and engage in locally relevant community activities. The Code of Conduct is the foundation for business ethics and integrity. A critical aspect of our compliance program is education. The training activities that were rolled out during 2020 included both classroom training and e-learning, and covered for example, the Code of Conduct, antitrust, respect in the workplace, conflicts of interests, and whistleblowing among others.

As a reflection of the importance of these matters, we assign oversight responsibility for sustainability to the Nominating and Corporate Governance Committee. The Company also publishes an annual report describing its sustainability goals, practices, and performance, in the areas of life-saving innovations, environment, health and safety of our employees, business ethics and supply chain.

Autoliv is committed to providing world-class life-saving solutions and improving safety for mobility and society. Delivering on that commitment in a sustainable way is a continuous journey and we are dedicated to continually strengthening our sustainability work and improving our performance. We encourage you to learn more about our activities and progress during 2020 by reading the Autoliv Sustainability Report 2020. Our annual sustainability reports are publicly available on our website at https://www.autoliv.com/sustainability/sustainability-report.

Board Independence

The Board believes that generally it should have no fewer than seven and no more than eleven directors absent special circumstances. The Board currently consists of twelve members but will be reduced to eleven members upon the retirement of Mr. Ringler and conclusion of Mr. Kepler's current term.

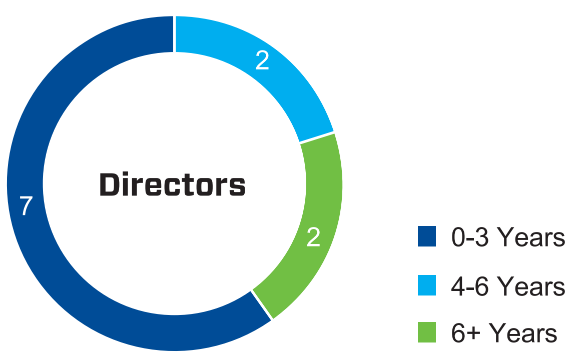
The Board has determined that all the director nominees, except Messrs. Bratt and Carlson, are independent directors under the applicable rules of the NYSE, the Sarbanes-Oxley Act of 2002, as amended, and the rules and regulations promulgated by the SEC. In making its independence determinations, the Board reviewed (i) information regarding relevant relationships, arrangements or transactions between the Company and each director or parties affiliated with such director, (ii) Company records and (iii) publicly available information. Mr. Bratt is not independent because he is a current officer of the Company, and Mr. Carlson is not independent because he served as an officer of the Company in the last three years.

The Board has also determined that none of the independent directors has a relationship with the Company other than as a director and/or a stockholder of the Company.

Retirement Age Policy and Director Tenure

It is the general policy of the Company that a director who has attained the age of 75 years during his or her term will not stand for re-election at the next annual meeting of stockholders.

For each director nomination recommendation, the Nominating and Corporate Governance Committee considers the issue of continuing director tenure and takes steps as may be appropriate to ensure that the Board maintains an openness to new ideas and a willingness to critically re-examine the status quo. An individual director's repeated nomination is dependent upon such director's performance evaluation, as well as a suitability review, each to be conducted by the Nominating and Corporate Governance Committee regarding each director nomination recommendation. The average tenure of the directors nominated for election at the Annual Meeting is 4.1 years and the median tenure is 3 years, with seven (7) new directors within the last three years.



Board Leadership Structure and Risk Oversight

Board Leadership

The Board is responsible for selecting the Company's Chairman of the Board (the "Chairman") and Chief Executive Officer (the "CEO"). The Corporate Governance Guidelines permit the Board to determine the most appropriate leadership structure for the Company at any given time and give the Board the ability to choose a Chairman that it deems best for the Company. The Board periodically evaluates the Company's leadership structure to determine what structure is in the best interests of the Company and its stockholders based on the current circumstances and needs of the Company.

The Board currently has a non-independent, non-CEO Chairman and a Lead Independent Director. The CEO and Chairman roles have been separated since June 2018 when Mr. Carlson stepped down as CEO of Autoliv to become the CEO of Veoneer. The Board determined in 2018 that a separate Chairman and CEO and a lead independent director, with Mr. Carlson as the Chairman, was the appropriate leadership structure for the Company. The Board continues to believe it is in the Company's best interests for Mr. Carlson to serve as Chairman because his familiarity with the Company's business enables him to effectively lead the Board in its discussion, consideration, and execution of the Company's strategy.

The Board believes that having Mr. Carlson serve as a non-independent Chairman is appropriately balanced by the designation of a Lead Independent Director. In May 2020, the Board appointed James M. Ringler as Lead Independent Director to serve as the principal liaison between the Chairman and the other independent directors and to provide independent leadership of the Board's affairs on behalf of the Company's stockholders. Mr. Ringler presides over the executive sessions of the independent directors. At the conclusion of Mr. Ringler's term at the Annual Meeting, the Board intends to select a new Lead Independent Director from among the Independent Board members. The duties of the Lead Independent Director include, but are not necessarily limited to, the following:

- Presides at all meetings of the Board at which the Chairman is not present, including chairing executive sessions of the independent directors;
- Serves as liaison between the independent and non-management directors and the Chairman;
- Has the authority to call meetings of the independent and non-management directors;
- Approves meeting agendas of the full Board after they are prepared by the Chairman, assures that there is sufficient time for discussion of all agenda items, and facilitates approval of the number and frequency of Board meetings;
- Is regularly apprised of inquiries from stockholders and involved in correspondence responding to these inquiries when appropriate, and if requested by stockholders, ensures that he or she is available, when appropriate, for consultation and direct communication;
- Assists the Nominating and Corporate Governance Committee in its annual evaluation of the Chairman's effectiveness, including an annual evaluation of his or her interactions with the directors and ability to provide leadership and direction to the full Board; and
- Approves information sent to the Board, including the quality and timeliness of such information.

Risk Oversight

The Board is responsible for the oversight of risk management of the Company with various aspects of risk oversight delegated to its committees. The Audit Committee is responsible for monitoring financial risk and discussing risk oversight and management as part of its obligations under the NYSE's listing standards. The Audit Committee is also responsible for reviewing the Company's disclosure controls and procedures, including those related to internally and externally disclosing cybersecurity risks and incidents. The Risk and Compliance Committee is responsible for monitoring legal and regulatory risks and other compliance risks, including those related to ethics practices and information technology and security. The Risk and Compliance Committee periodically receives reports from and reviews with management the Company's risk management program. The Leadership Development and Compensation Committee oversees the Company's succession planning programs and policies related to recruiting, retaining, and developing management. The Risk and Compliance Committee is responsible for coordinating with the Audit Committee and other Board committees to discuss matters pertaining to risk oversight. In its meetings, the Board receives reports from various Board committees and management, including the CEO, the CFO, and General Counsel regarding the main strategic, operational, and financial risks the Company is facing and the steps that management is taking to address and mitigate such risks. Additionally, the Board will receive periodic risk-related updates from other members of management as necessary.

The Leadership Development and Compensation Committee has reviewed with management the design and operation of our incentive compensation arrangements for senior management, including executive officers, to determine whether such programs might encourage inappropriate risk-taking that could have a material adverse effect on the Company. The Leadership Development and Compensation Committee considered, among other things, the features of the Company's compensation program that are designed to mitigate compensation-related risk, such as the performance objectives and target levels for incentive awards (which are based on overall Company performance), and the Company's compensation recoupment policy. The Leadership Development and Compensation Committee concluded that any risks arising from the Company's compensation plans, policies and practices are not reasonably likely to have a material adverse effect on the Company. For additional information regarding compensation risk, see page 51 of this Proxy Statement.

Board Meetings

The Board met five times during the year ended December 31, 2020. The Board also acted by written consent four times during the year. All directors serving during 2020 participated in at least 80% of the total number of meetings of the Board and committees on which they served. Following each of the meetings of the full Board, the independent directors met in executive session without management participating, for a total of five times in 2020.

Board Compensation

Directors who are employees of the Company or any of its subsidiaries do not receive separate compensation for service on the Board or its committees. Non-employee directors receive an annual board retainer and the non-employee Chairman of the Board also receives a supplemental annual retainer as described below. The committee chairs and the Lead Independent Director receive compensation in addition to the standard non-employee director retainer.

Effective beginning with 2017 service, the Board amended the Director Compensation Policy primarily to (i) provide for payments in advance, rather than in arrears, for a service year that runs from annual meeting to annual meeting, and (ii) provide that one-half of the annual retainer will be paid in the form of restricted stock units (RSUs), rather than fully-vested shares of stock, which RSUs will be granted on the date of the annual meeting and will vest on the earlier of (a) date of the next annual meeting, or (b) the one-year anniversary of the grant date. In addition, the Board revised the non-employee director stock ownership policy to require each non-employee director to acquire and hold shares of the Company's common stock in an amount equivalent to five times the cash component of the annual Board retainer (as opposed to three times the annual base retainer as a whole), with five years for the existing directors to reach the new ownership requirements.

In 2020, the Board amended the Director Compensation Policy to increase the annual base retainer for non-employee directors elected and appointed for the 2020-2021 service year to a total of $260,000 with $120,000 paid in cash and $140,000 to be paid in the form of RSUs.

Additionally, in 2020, considering the COVID-19 global pandemic, the Board voluntarily elected to reduce its cash annual base retainer by 20% in Q2 2020 in line with the 20% reduction in salaries taken by members of the Executive Management Team.

Compensation levels for the non-employee directors elected in 2020 is as follows:

Annual Base Retainer	Cash	Restricted Stock Units (Grant Date Value)
All Non-Employee Directors	$120,000	$140,000
Annual Supplemental Retainers		
Non-Employee Chairman	$ 75,000	$ 75,000
Lead Independent Director	$ 40,000	—
Audit Committee Chair	$ 30,000	—
Leadership Development and Compensation Committee Chair	$ 20,000	—
Nominating and Corporate Governance Committee Chair	$ 20,000	—
Risk and Compliance Committee Chair	$ 20,000	—

Non-employee directors can elect to defer payment of a pre-determined percentage of their equity compensation under the Autoliv, Inc. 2004 Non-Employee Director Stock-Related Compensation Plan. In 2020, none of the directors elected to defer any of his or her equity compensation.

The following table sets forth the compensation that our non-employee directors earned during the year ended December 31, 2020 for services rendered as members of the Board.

2020 Non-Employee Director Compensation

Name	Fees Earned or Paid in Cash ($)(1)	Stock Awards ($)(2)(3)	Total ($)(1)(2)
Jan Carlson	189,000	215,000	404,000
Laurie Brlas	50,000	105,000	155,000
Hasse Johansson	114,000	140,000	254,000
Leif Johansson	134,000	140,000	274,000
David Kepler	134,000	140,000	274,000
Franz-Josef Kortüm	114,000	140,000	254,000
Frédéric Lissalde	0	46,667	46,667
Min Liu	114,000	140,000	254,000
Xiaozhi Liu	114,000	140,000	254,000
James M. Ringler	174,000	140,000	314,000
Ted Senko	144,000	140,000	284,000

(1) The cash portion of director compensation is set in USD and converted to each director's local currency, as applicable, at the then-current exchange rate on the quarterly date of payment. Reflects compensation earned for the calendar year. Fees reflect the 20% annual base retainer fee reduction for Q2 2020 due to the COVID-19 pandemic taken by the Board, except for Ms. Brlas and Mr. Lissalde who were appointed later, in line with members of the Executive Management Team.

(2) Reflects the grant date fair value calculated in accordance with FASB Topic 718 for restricted stock units which will vest in one installment on May 7, 2021 (which is the earlier of the one year anniversary of the grant date or the 2021 annual meeting of stockholders), subject to the non-employee director's continued service on the vesting date, subject to certain exceptions.

(3) As of December 31, 2020, each of our non-employee independent directors elected at the 2020 AGM held 2,415 unvested RSUs. Ms. Brlas and Mr. Lissalde, who were appointed after the 2020 AGM, hold 1,615 and 503 respectively.

Corporate Governance Guidelines and Codes of Conduct and Ethics

The Board has adopted:

- Corporate Governance Guidelines to guide the Board in the exercise of its responsibilities.
- Standards of Business Conduct and Ethics that apply to all employees of the Company and to members of the Board (the "Code").

The Company has also adopted a written policy regarding related person transactions (the "Related Person Transactions Policy"), which is part of the Code. The Company's Corporate Governance Guidelines, the Codes the Related Person Transactions Policy, and any amendments or waivers related thereto, are posted on the Company's website at www.autoliv.com – About Us – Governance – Ethics and Policies, and can also be obtained from the Company in print by request using the contact information below.

Policy on Attending the Annual Meeting

Under the Company's Corporate Governance Guidelines, the Company's policy is for all directors to attend the Annual Meeting. All directors elected at the 2020 annual meeting of stockholders participated in the 2020 annual meeting of stockholders.

Related Person Transactions

As a general matter, the Company prefers to avoid related person transactions (as defined below). The Company recognizes, however, that certain related person transactions may not be inconsistent with the best interests of the Company and its stockholders. The Company's policy is that all related person transactions must be reviewed and approved or ratified by the Audit Committee or, in certain circumstances, the Audit Committee Chair. As provided in the Related Person Transactions Policy, a "Related Person Transaction" is a transaction, arrangement or relationship (or any series of similar transactions, arrangements or relationships) in which the Company (including any of its subsidiaries) was, is or will be a participant and in which any "Related Person" (as defined in the Related Person Transactions Policy) had, has or will have a direct or indirect interest. In determining whether to approve a related person transaction, the Audit Committee considers all of the known relevant facts and circumstances, including the benefit of the transaction to the Company, the terms of the agreement with the Related Person, the possible impact on a director's independence, the availability of other sources for goods or services comparable to those provided by the Related Person, and any other information regarding the transaction or the Related Person that may be material.

Mr. Franz-Josef Kortüm, who is nominated for election by the stockholders at the Annual Meeting, is a member of the Supervisory Board of Wacker Chemie AG, a German chemical manufacturer, and Autoliv is a customer of Wacker Chemie. The amounts paid to Wacker Chemie by Autoliv did not exceed the greater of $1 million or 2% of the reported annual revenues of Wacker Chemie in each of the last three fiscal years. The Board has determined that Mr. Kortüm is "independent" under the applicable rules of the NYSE, the Sarbanes-Oxley Act of 2022, as amended, and the rules and regulations promulgated by the SEC. Pursuant to the Company's Related Person Transaction Policy, while Mr. Kortüm is both a director of Autoliv and Wacker Chemie, the Audit Committee has and will review and evaluate any transactions between Autoliv and Wacker Chemie.

Transactions with Veoneer relating to the Spin-Off

On June 29, 2018, Autoliv completed the spin-off of its former Electronics business, Veoneer, Inc. ("Veoneer") to the Company's stockholders, resulting in Autoliv and Veoneer being two independent, publicly-traded companies. As discussed above, Mr. Carlson, who was the CEO of Autoliv prior to the spin-off, is now a non-employee director and the Chairman of the Board of the Company and is also the Chief Executive Officer and Chairman of the Board of Directors of Veoneer. Since Mr. Carlson is a related person of the Company, certain transactions between the Company and Veoneer are considered related person transactions that were approved by the Audit Committee and require disclosure pursuant to Section 404(a) of Regulation S-K.

Relating to the spin-off and the internal reorganization of Autoliv that was completed in advance of the spin-off to transfer the Electronics business to Veoneer, the Company entered into several agreements with Veoneer that were approved or ratified by the Audit Committee. When reviewing these transactions, in addition to considering Mr. Carlson's positions with Autoliv and Veoneer, the Audit Committee also considered (i) the amounts involved, to the extent quantifiable, (ii) the benefits to Autoliv of the transactions (iii) the lack of availability of other sources of comparable products or services, and (iv) that, due to the nature of the spin-off, the transactions are not comparable to the terms available to unaffiliated entities or persons.

Distribution Agreement: Relating to the internal reorganization, Autoliv and Veoneer entered into a Master Transfer Agreement, which was amended and restated effective as of the spin-off (the “Distribution Agreement”). The Distribution Agreement governs certain transfers of assets and assumptions of liabilities by each of Veoneer and Autoliv and the settlement or extinguishment of certain liabilities and other obligations among the companies. Substantially all the assets and liabilities associated with the separated Electronics business were retained by or transferred to Veoneer or its subsidiaries and all other assets and liabilities were retained by or transferred to Autoliv or its subsidiaries. The Distribution Agreement also provided the principal corporate transactions required to effect the spin-off, certain conditions to the spin-off and provisions governing the relationship between us and Autoliv with respect to and resulting from the completion of the spin-off. The Distribution Agreement also provides for indemnification obligations designed to make the Company financially responsible for substantially all liabilities that may exist relating to its business activities, whether incurred prior to or after the completion of the internal reorganization, as well as those obligations of Autoliv assumed by us pursuant to the Master Transfer Agreement; provided, however, certain warranty, recall and product liabilities for Electronics products manufactured prior to the completion of the internal reorganization were retained by Autoliv and Autoliv will indemnify Veoneer for any losses associated with such warranty, recall, or product liabilities. At December 31, 2020, Autoliv’s indemnification liabilities under the Distribution Agreement are approximately $10 million.

Employee Matters Agreement: The Employee Matters Agreement governs Autoliv’s and Veoneer’s compensation and employee benefit obligations with respect to the current and former employees and non-employee directors of each company. Autoliv will be responsible for liabilities associated with Autoliv allocated employees and liabilities associated with former employees and Veoneer will be responsible for liabilities associated with Veoneer allocated employees, but Autoliv will retain and continue to be responsible for certain post-retirement liabilities relating to plans sponsored by Autoliv. The Employee Matters Agreement provided for the conversion of the outstanding awards granted under the Autoliv equity compensation programs into adjusted awards relating to both shares of Autoliv and Veoneer common stock.

Tax Matters Agreement: The Tax Matters Agreement governs the respective rights, responsibilities and obligations of Autoliv and Veoneer with respect to tax liabilities and benefits, tax attributes, tax contests and other tax sharing regarding U.S. federal, state, local and foreign income taxes, other tax matters and related tax returns. The agreement also specifies the portion, if any, of this tax liability for which Veoneer will bear responsibility and provides for certain indemnification provisions with respect to amounts for which they are not responsible. In addition, under the agreement, each party is expected to be responsible for any taxes imposed on Autoliv that arise from the failure of the Spin-offs and certain related transactions to qualify as a tax-free transaction for U.S. federal income tax purposes.

Transition Agreements: Autoliv and Veoneer entered into multiple agreements to provide each other with certain ongoing services for a limited amount of time following the completion of the spin-off. The Amended and Restated Transition Services Agreement (the “TSA”) provides that certain finance, information technology, human resources, facilities, and other services would be provided between Autoliv and Veoneer for a limited time to help ensure an orderly transition following the spin-off. Each party will pay the other for any such services utilized at agreed amounts as set forth in the agreement. Autoliv and Veoneer also entered into several Reseller Agreements to facilitate Veoneer’s ongoing use of critical assets such as leased facilities and intellectual property and transition the supply of products to customers who require involved processes to change suppliers. In 2020, Veoneer charged Autoliv an aggregate of $0.2 million for services provided under the Amended and Restated Transition Services Agreement and Autoliv charged Veoneer an aggregate of $0.4 million for services provided under the Amended and Restated Transition Services Agreements and the reseller agreements. Autoliv and Veoneer also entered into software sublicenses, a transitional trademark license and multiple lease guarantees to facilitate the transition following the completion of the spin-off. The TSA expired by its terms on March 31, 2020 and was extended by mutual consent for one month. Upon expiration of the TSA, Veoneer and Autoliv finalized ongoing agreements to extend a very limited set of services to facilitate ongoing business. These services are being provided at market rate and relate to continuing guarantees for property leases, transitional trademark usage, resale arrangements for customers who had not yet completed supply system transition to Veoneer, and some limited IT services. All extended resale arrangements terminated by the end of 2020.

Supply/Service Agreements: We entered into certain direct purchase and applications engineering agreements with Veoneer after the spin-off. In 2020, Veoneer charged Autoliv an aggregate of approximately $0.1 million for engineering services and $69.5 million for products (not including products sold through reseller agreements referenced above), and Autoliv charged Veoneer an aggregate of approximately $1.7 million for engineering services, under these commercial agreements.

Sublease Agreement: A subsidiary of Veoneer has subleased office space from a Company subsidiary under an agreement approved by the Company’s Audit Committee. The estimated value of this sublease to the Company is approximately $169,000 over the duration of the term based on year-end 2020 exchange rates between the US Dollar and the Swedish krona.

Agreements with Stockholders

Cooperation Agreement with Cevian

On March 1, 2019, the Company entered into a Cooperation Agreement (the “Cooperation Agreement”) with Cevian Capital II GP Limited (“Cevian”), pursuant to which the Company agreed to nominate Ms. Liu for election to the Board at the 2019 annual meeting of stockholders. The Company agreed to nominate Ms. Liu or a replacement designee of Cevian at future annual meetings of Autoliv to elect directors, subject to the terms and conditions of the Cooperation Agreement.

The nomination of Ms. Liu for election at the 2021 annual meeting of stockholders and her inclusion on future slates of directors during the Standstill Period (defined below) is conditioned upon Cevian owning at least 8% of the outstanding shares of common stock of the Company. Ms. Liu will offer her resignation from the Board if Cevian no longer owns at least 8% of the then-outstanding shares of common stock of Autoliv.

Under the terms of the Cooperation Agreement, Cevian agreed to certain standstill restrictions including restrictions on Cevian (i) acquiring more than 19.9% of the common stock of Company, (ii) soliciting or granting proxies to vote shares of the Company’s common stock, (iii) initiating stockholder proposals for consideration by the Company’s stockholders, (iv) nominating directors for election to the Board, (v) making public announcements or communications regarding a plan or proposal to the Board, including its management plans, and (vi) submitting proposals for or offers of certain extraordinary transactions involving the Company, in each case, subject to certain qualifications or exceptions.

The foregoing standstill restrictions began upon Ms. Liu’s election to the Board and terminate automatically upon the earliest of (i) 30 days following the time Ms. Liu (or her replacement, as applicable) no longer serves on the Company’s Board, (ii) the fifth business day after Cevian delivers written notice the Company of a material breach of the Cooperation Agreement by the Company if such breach is not cured within the notice period, (iii) the announcement by the Company of a definitive agreement with respect to certain transactions that would result in the acquisition by any person or group of more than 50% of the outstanding shares of the Company’s common stock, or (iv) the commencement of certain tender or exchange offers which if consummated would result in the acquisition by any person or group of more than 50% of the outstanding shares of the Company’s common stock (the “Standstill Period”). The Cooperation Agreement will terminate upon the expiration of the Standstill Period or any other date established by mutual written agreement of the parties.

The Cooperation Agreement contains mutual non-disparagement provisions and requires Cevian to keep confidential any non-public information it receives by reason of Ms. Liu’s role as a director and to abstain from trading in securities in violation of applicable law while in possession of confidential or material non-public information. The Cooperation Agreement is governed by Delaware law. The parties agree that any legal action related to the Cooperation Agreement will be brought in the federal or state courts located in Wilmington, Delaware.

Communicating with the Board

Any stockholder or other interested party who desires to communicate with the Board, the lead independent director, or the independent directors regarding the Company can do so by writing to such person(s) at the following address:

> Board/Independent Directors c/o Executive Vice President Legal, Affairs; General Counsel; and Secretary
> Autoliv, Inc., Box 70381
> SE-107 24 Stockholm, Sweden
> Fax: +46 8 587 20633
> E-mail: legalaffairs@autoliv.com

Communications with the Board or the independent directors may be sent anonymously and are not screened. Such communications will be distributed to the specific director(s) requested by the stockholder or interested party, to the Board or to sessions of independent directors as a group.

Committees of the Board

There are four standing committees of the Board: the (i) Audit Committee, (ii) Leadership Development and Compensation Committee, (iii) Nominating and Corporate Governance Committee, and (iv) Risk and Compliance Committee. The Board has determined that all members of the Board's standing committees qualify as independent directors under the applicable rules of the NYSE, the Sarbanes-Oxley Act of 2002, as amended, and the rules and regulations promulgated by the SEC. While no formal policy exists regarding the attendance of the CEO and the Chairman at committee meetings, the practice of the Board is that the CEO and the Chairman are routinely invited to attend committee meetings and excuse them when matters relating to them are discussed or when the committees go into executive session. The Lead Independent Director is also invited to attend all committee meetings. The following table shows the composition of the committees of the Board:

	Audit Committee	Leadership Development and Compensation Committee	Nominating and Corporate Governance Committee	Risk and Compliance Committee
January 1, 2020 – May 7, 2020				
Ted Senko	● Chair			●
Hasse Johansson	●			●
David E. Kepler	●			● Chair
Min Liu	●	●		
James M. Ringler		● Chair	●	
Leif Johansson		●	● Chair	
Xiaozhi Liu		●	●	
Franz-Josef Kortüm			●	
May 7, 2020 – Present				
Ted Senko	● Chair		●	
Laurie Brlas*	●		●	
Hasse Johansson	●		●	
David E. Kepler	●			● Chair
Min Liu	●	●		
James M. Ringler		● Chair		●
Leif Johansson		●	● Chair	
Frédéric Lissalde*		●		
Xiaozhi Liu		●		●
Franz-Josef Kortüm			●	●

● Member   Chair

(*) Appointed to the Board of Directors and its committees after the May 7, 2020 annual meeting of stockholders.

The **Audit Committee** appoints, subject to stockholder ratification, the Company's independent registered public accounting firm and is responsible for the compensation, retention and oversight of the work of the independent registered public accounting firm and for any special assignments given to such auditors. The Audit Committee reviews the independence of the independent registered public accounting firm and considers whether there should be a regular rotation of the independent registered public accounting firm. The Audit Committee also evaluates the selection of the lead audit partner, including their qualifications and performance. The Audit Committee also (i) reviews the annual audit and its scope, including the independent registered public accounting firm ’ letter of comments and management’s responses thereto; (ii) reviews the performance of the independent registered public accounting firm, including the lead audit partner; (iii) approves any non-audit services provided to the Company by its independent registered public accounting firm; (iv) reviews possible violations of the Company’s business ethics and conflicts of interest policies; (v) reviews any major accounting changes made or contemplated; (vi) reviews the effectiveness and efficiency of the Company’s internal audit staff; and (vii) monitors financial risk and discusses risk oversight and management as part of its obligations under the NYSE’s listing standards. The Audit Committee also oversees cybersecurity, receiving regular cybersecurity updates from Autoliv’s management team. In addition, the Audit Committee confirms that no restrictions have been imposed by Company personnel on the scope of the independent registered public accounting firm’s examinations. The Audit Committee is also responsible for the review and approval of related person transactions. Members of this committee are Messrs. Senko (Chair), H. Johansson, and Kepler and Mss. Brlas and M. Liu. The Audit Committee met eight times in 2020.

The **Leadership Development and Compensation Committee** advises the Board with respect to the compensation to be paid to the directors and executive officers of the Company and is responsible for approving the terms of contracts for the senior executives of the Company. The committee also administers the Company’s cash and stock incentive plans and reviews and discusses with management the Company’s Compensation Discussion and Analysis (“CD&A”) included in this Proxy Statement. The Leadership Development and Compensation Committee assists the Board in developing principles and policies related to management succession and the recruiting, motivation, education, diversity, retention, and ongoing development of senior management. Members of this committee are Messrs. Ringler (Chair), L. Johansson, and Lissalde, Ms. M. Liu, and Dr. X. Liu. The Leadership Development and Compensation Committee met three times in 2020.

The **Nominating and Corporate Governance Committee** identifies and recommends individuals qualified to serve as members of the Board and assists the Board by reviewing the composition of the Board and its committees, monitoring a process to assess Board effectiveness, and developing and implementing the Company’s Corporate Governance Guidelines. The committee also reviews sustainability, social, ethical, and environmental activities of the Company. The Nominating and Corporate Governance Committee will consider stockholder nominees for election to the Board if timely advance written notice of such nominees is received by the Secretary of the Company at its principal executive offices in accordance with the By-Laws, a copy of which may be obtained by written request to the Company’s Secretary or on the Company’s website at www.autoliv.com – About Us – Governance – Certificate and Bylaws. Members of this committee are Messrs. L. Johansson (Chair), H. Johansson, Kortüm, and Senko and Ms. Brlas. The Nominating and Corporate Governance Committee met four times in 2020.

The **Risk and Compliance Committee** was formed as a special committee of the Board in June 2011, and was made a standing committee in December 2018, to assist the Board in overseeing the Company’s compliance program with respect to (i) compliance with the laws and regulations applicable to the Company’s business and (ii) compliance with the Company’s Standards of Business Conduct and Ethics and related policies by employees, officers, directors and other agents and associates of the Company that are designed to support lawful and ethical business conduct by the Company and its employees and promote a culture of compliance. The Risk and Compliance committee reviews with and receives reports from management on the Company’s risk framework. The Risk and Compliance Committee also oversees risks relevant to our information technology environment and the investigation of any alleged noncompliance with law or the Company’s compliance programs policies or procedures that is reported to the Risk and Compliance Committee (except any relating to financial compliance, which are overseen by the Audit Committee). Members of this committee are Messrs. Kepler (Chair), Kortüm, and Ringler and Dr. Liu. The Risk and Compliance Committee works closely with the other committees of the Board. The Risk and Compliance Committee met three times in 2020.

The Board may establish such other committees as it deems appropriate, in accordance with the Company’s By-laws. In 2019, the Board formed the Funding Committee, which is not a standing committee but a special committee that meets only as needed. The sole purpose is to act on behalf of the Board with respect to renewals and issuances under the Company’s European Medium Term Note Programme. The members of the Funding Committee are Messrs. Bratt, L. Johansson, and Senko. No compensation is paid for service on this special committee. The Funding Committee acted by written consent once in 2020.

Audit Committee Report

The Audit Committee of the Board is responsible for providing independent, objective oversight of the Company's accounting functions and internal controls.

The Audit Committee acts pursuant to a written charter. The committee's current charter is posted on the Company's website at www.autoliv.com – About Us – Governance – Board of Directors – Committees and can also be obtained free of charge in print by request from the Company using the contact information below. Each member of the Audit Committee is "independent" as defined in, and is qualified to serve on the committee pursuant to, the rules of the NYSE, the Sarbanes-Oxley Act of 2002, as amended, and the rules and regulations promulgated by the SEC. Each member is financially literate and possesses accounting or related financial management expertise, and Mr. Senko and Ms. Brlas have each been determined by the Board to qualify as an "audit committee financial expert" as defined by the SEC. Pursuant to the charter of the Audit Committee, no member of the Audit Committee may serve on the audit committee of more than two other public companies unless the Board determines that such simultaneous service would not impair the ability of such Audit Committee member to effectively serve on the Audit Committee. The Audit Committee reviews the Company's financial reporting process on behalf of the Board. In fulfilling its responsibilities, the Audit Committee has reviewed and discussed the audited financial statements contained in the Annual Report on Form 10-K for the fiscal year ended December 31, 2020 with the Company's management and independent registered public accounting firm. The Company's management is responsible for the financial statements and the reporting process, including the system of internal controls. The independent registered public accounting firm is responsible for expressing an opinion on the conformity of those audited financial statements with accounting principles generally accepted in the U.S.

The Audit Committee is responsible for reviewing with management the Company's cybersecurity risk and risk management practices as well as disclosure controls and procedures for the internally reporting and processing information related to cybersecurity risks and incidents to ensure that such information is reported to the appropriate personnel to enable senior management to make timely and appropriate disclosure decisions with respect to such information. In implementing its oversight, the Audit Committee, in addition to the Board and the Risk and Compliance Committee, receives regular updates from senior management.

Meeting agendas are established by the Audit Committee Chair. In 2020, the Audit Committee held separate private sessions with the Independent Auditors, Vice President of Internal Audit, and the Chief Financial Officer, at which candid discussions regarding financial management, legal, accounting, auditing, and internal control issues took place.

The Audit Committee discussed with the independent registered public accounting firm the matters required to be discussed under the applicable auditing standards of the Public Company Accounting Oversight Board ("PCAOB"). In addition, the Company's independent registered public accounting firm provided to the Audit Committee the written disclosures required by the PCAOB's applicable requirements regarding the independent registered public accounting firm's communications with the Audit Committee concerning independence. The Audit Committee has discussed with the independent registered public accounting firm the independent registered public accounting firm's independence. The Audit Committee reviews and oversees the independence of the independent registered public accounting firm and has concluded that the independent registered public accounting firm's provision of non-audit services to the Company is compatible with the independent registered public accounting firm's independence. The Audit Committee evaluates the performance of the independent registered accounting firm and is satisfied with its performance. In reliance on the reviews and discussions referred to above, the Audit Committee recommended to the Board (and the Board approved) that the audited financial statements be included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2020, for filing with the SEC.

The Audit Committee can be contacted regarding accounting, internal accounting controls, or auditing matters as follows:

The Audit Committee
c/o Executive Vice President, Legal Affairs; General Counsel; and Secretary
Autoliv, Inc., Box 70381
SE-107 24 Stockholm, Sweden
Fax: +46 8 587 20 633
E-mail: legalaffairs@autoliv.com

Communications with the committee are not screened and can be made anonymously. The Chair of the committee will receive all such communications after it has been determined that the contents represent a message to the committee.

Ted Senko, Chair
Laurie Brlas
Hasse Johansson
David E. Kepler
Min Liu

Nominating and Corporate Governance Committee Report

The Nominating and Corporate Governance Committee of the Board is responsible for identifying and recommending to the Board individuals who are qualified to serve as directors and contribute as Board committee members. The Nominating and Corporate Governance Committee further advises the Board on composition and procedures of committees and is responsible for maintaining the Company's Corporate Governance Guidelines and overseeing the evaluation of the Board and its committees and members of the Company's management.

The Nominating and Corporate Governance Committee acts pursuant to a written charter. A copy of the committee's charter is available on the Company's website at www.autoliv.com – About Us – Governance – Board of Directors – Committees and can also be obtained free of charge in print by request from the Company using the contact information below. Each of the members of the committee is "independent" as defined in, and is qualified to serve on the committee pursuant to, the applicable rules of the NYSE, the Sarbanes-Oxley Act of 2002, as amended, and the rules and regulations promulgated by the SEC.

The Nominating and Corporate Governance Committee considered and recommended that Mr. Mikael Bratt, Ms. Laurie Brlas, Mr. Jan Carlson, Mr. Hasse Johansson, Mr. Leif Johansson, Mr. Franz-Josef Kortüm, Mr. Frédéric Lissalde, Ms. Min Liu, Dr. Xiaozhi Liu, Mr. Lundstedt, and Mr. Ted Senko be nominated for election by the stockholders at the Annual Meeting. Ms. Brlas, Dr. Liu, Ms. Liu and Messrs. H. Johansson, L. Johansson, Kortüm, Lissalde, Lundstedt, and Senko are each "independent" as defined in the applicable rules of the NYSE, the Sarbanes-Oxley Act of 2002, as amended, and the rules and regulations promulgated by the SEC.

The Nominating and Corporate Governance Committee will consider a director candidate nominated by a stockholder provided such nomination is submitted to the committee within the period set forth in Article II, Section 6 of the By-Laws. In considering candidates submitted by stockholders, the Nominating and Corporate Governance Committee will take into consideration the needs of the Board and the candidate's qualifications.

The Nominating and Corporate Governance Committee seeks a Board of Directors of individuals with a diverse range of experiences, views, and backgrounds. When considering possible candidates for election as a director, the committee evaluates whether a candidate has (i) attained a position of leadership in the candidate's area of expertise, (ii) business and financial experience relevant to the Company, (iii) demonstrated sound business judgment, (iv) expertise relevant to the Company's lines of business, (v) independence from management, (vi) the ability to serve on standing committees, and (vii) the ability to serve the interests of all stockholders. The committee also considers attributes such as diversity of race, ethnicity, gender, age, and cultural background when selecting director nominees and seeks director nominees that reflect the global operations of the Company. The current Board consists of directors who are citizens of, or reside in, multiple countries including the China, France, Germany, Sweden, Switzerland and the U.S. and include directors with a diverse range of backgrounds, perspectives, and management, operating, finance and engineering skills and experiences. The Nominating and Corporate Governance Committee continues to look for opportunities to further progress its diversity initiatives.

The Nominating and Corporate Governance Committee periodically engages firms that specialize in identifying director candidates. The Nominating and Corporate Governance Committee also, from time to time, identifies potential director nominees by asking current directors and executive officers to notify the committee if they become aware of persons meeting the criteria described above. As described above, the Nominating and Corporate Governance Committee will also consider candidates recommended by stockholders. Once a person has been identified by the Nominating and Corporate Governance Committee as a potential candidate, the committee collects and reviews publicly available information regarding the person to determine whether further consideration should be given to the person's candidacy. If the Nominating and Corporate Governance Committee determines that the candidate warrants further consideration, the Chair of the committee or another member of the committee will contact such person. Generally, if the person expresses a willingness to be considered to serve on the Board, the Nominating and Corporate Governance Committee will request information from the candidate, review the candidate's accomplishments and qualifications in light of the qualifications of any individuals the committee might be considering, and conduct one or more interviews with the candidate. In certain instances, committee members may contact one or more references provided by the candidate or may contact other members of the business community or other persons that may have first-hand knowledge of the candidate's accomplishments. The Nominating and Corporate Governance Committee's evaluation process does not vary when a candidate is recommended by a stockholder. The Nominating and Corporate Governance Committee can be contacted as follows:

> The Nominating and Corporate Governance Committee
> c/o Executive Vice President, Legal Affairs; General Counsel; and Secretary
> Autoliv, Inc., Box 70381
> SE-107 24 Stockholm, Sweden
> Fax: +46 8 587 20 633
> E-mail: legalaffairs@autoliv.com

Communications with the committee are not screened and can be made anonymously. The Chair of the committee receives all such communications after it has been determined that the content represents a message to the committee.

Leif Johansson, Chair
Laurie Brlas
Hasse Johansson
Franz-Josef Kortüm
Ted Senko

Leadership Development and Compensation Committee Duties, Procedures and Policies

The Leadership Development and Compensation Committee acts pursuant to a written charter. The charter is posted on the Company's website at www.autoliv.com – About Us – Governance – Board of Directors – Committees, and can also be obtained free of charge in print by request from the Company using the contact information below. Each member of the Leadership Development and Compensation Committee has been determined by the Board to be "independent" as defined in, and is qualified to serve on the committee pursuant to, the rules of the NYSE, the Sarbanes-Oxley Act of 2002, and the rules and regulations promulgated by the SEC.

The Leadership Development and Compensation Committee is responsible for (i) reviewing annually the Company's executive compensation plans in light of the Company's goals and objectives of such plans; (ii) evaluating annually the performance of the Chief Executive Officer in light of the goals and objectives of the Company's executive compensation plans and, together with the other independent directors, determining, and approving the Chief Executive Officer's compensation level based on this evaluation; (iii) evaluating annually the performance of the other executive officers of the Company in light of the goals and objectives of the Company's executive compensation plans, and setting the compensation of such other executive officers based on this evaluation; (iv) evaluating annually the appropriate level of compensation for Board and committee service by non-employee directors; (v) reviewing and approving any severance or termination arrangements to be made with any executive officer of the Company; (vi) reviewing perquisites or other personal benefits to the Company's executive officers and directors and recommending any changes to the Board; (vii) developing the Company's plans for management succession and recruiting, retaining, and developing management; (viii) reviewing and discussing with management the CD&A, beginning on page 43 of this Proxy Statement, and based on that review and discussion, recommending to the Board that the CD&A be included in the Company's annual proxy statement or annual report on Form 10-K; (ix) preparing the Leadership Development and Compensation Committee Report for inclusion in the annual proxy statement or annual report on Form 10-K; (x) reviewing the description of the Leadership Development and Compensation Committee's process and procedures for the consideration and determination of executive officer and director compensation to be included in the Company's annual proxy statement or annual report on Form 10-K; (xi) reviewing the results of the most recent stockholder advisory vote on executive compensation and recommending to the Board the frequency of such vote; and (xii) performing such duties and responsibilities as may be assigned by the Board under the terms of the Company's general compensation plans and other employee benefit plans, including oversight of pay equality on behalf of the Board.

The Leadership Development and Compensation Committee from time to time uses independent compensation consultants to provide advice and ongoing recommendations regarding executive compensation. In 2020, the Leadership Development and Compensation Committee engaged Frederic W. Cook & Co., Inc. ("FW Cook") as its independent advisor. FW Cook reported directly to the Leadership Development and Compensation Committee with respect to executive compensation matters. In 2020, the Company also engaged Willis Towers Watson Consulting AB ("Towers Watson") as a compensation consultant. For additional information regarding the role of each of these compensation consultants and the scope of their engagement, see page 52 of this Proxy Statement.

The Leadership Development and Compensation Committee considered the independence of Towers Watson and FW Cook under the SEC rules and NYSE listing standards. The Leadership Development and Compensation Committee also received a letter from each of Towers Watson and FW Cook addressing their independence. The Leadership Development and Compensation Committee considered the following factors in determining the independence of the compensation consultants: (i) other services provided to the Company by each of Towers Watson and FW Cook; (ii) fees paid by the Company as a percentage of each consultant's total revenue; (iii) policies or procedures maintained by Towers Watson and FW Cook that are designed to prevent a conflict of interest; (iv) any business or personal relationships between the individual consultants involved in the engagement and any member of the Leadership Development and Compensation Committee; (v) any Company stock owned by the individual consultants involved in the engagement; and (vi) any business or personal relationships between the Company's executive officers and Towers Watson or FW Cook or the individual consultants involved in the engagement. The Leadership Development and Compensation Committee discussed these independence factors and concluded that the work of Towers Watson and FW Cook did not raise any conflicts of interest.

The Leadership Development and Compensation Committee may form subcommittees for any purpose it deems appropriate and may delegate to any subcommittee such power and authority as it deems appropriate provided that no subcommittee shall consist of fewer than two members and that the Leadership Development and Compensation Committee shall not delegate any power or authority required by any law, regulation or listing standard to be exercised by the Leadership

Development and Compensation Committee as a whole. Under the Company's 1997 Stock Incentive Plan, as amended and restated (the "1997 Plan"), the Leadership Development and Compensation Committee may, to the extent that any such action will not prevent the 1997 Plan from complying with applicable rules and regulations, delegate any of its authority thereunder to such persons as it deems appropriate. In addition, the Leadership Development and Compensation Committee has delegated to the CEO the authority to determine certain grants under the Company's long-term incentive plan, subject to established grant limits. The Leadership Development and Compensation Committee reviews the compensation levels set by the CEO under the long-term incentive program.

The Leadership Development and Compensation Committee can be contacted as follows:

The Leadership Development and Compensation Committee
c/o Executive Vice President, Legal Affairs; General Counsel; and Secretary
Autoliv, Inc., Box 70381
SE-107 24 Stockholm, Sweden
Fax: +46 8 587 20 633
E-mail: legalaffairs@autoliv.com

Communications with the committee are not screened and can be made anonymously. The Chair of the committee receives all such communications after it has been determined that the content represents a message to the committee.

Leadership Development and Compensation Committee Interlocks and Insider Participation

The Leadership Development and Compensation Committee is comprised exclusively of directors who have never been employed by the Company and who are "independent" as defined in the applicable rules of the NYSE, the Sarbanes-Oxley Act of 2002, as amended, and the rules and regulations promulgated by the SEC. No executive officer of the Company served as a member of the compensation committee of another entity, one of whose executive officers served on the Company's Leadership Development and Compensation Committee. No executive officer of the Company served as a director of another entity, one of whose executive officers either served on the compensation committee of such entity or served as a director of the Company (i.e. no interlocks exist).

Leadership Development and Compensation Committee Report[1]

The Leadership Development and Compensation Committee has reviewed and discussed with management the Company's Compensation Discussion and Analysis and, based on such review and discussions, has recommended to the Board that the Compensation Discussion and Analysis be included in this Proxy Statement and incorporated by reference into the Company's 2020 Annual Report on Form 10-K.

James M. Ringler, Chair
Leif Johansson
Frédéric Lissalde
Min Liu
Xiaozhi Liu

The Swedish Corporate Governance Code

Swedish companies with shares admitted to trading on a regulated market in Sweden, including the Nasdaq Stockholm, are subject to the Swedish Corporate Governance Code (the "Swedish Code"). This is a codification of best practices for Swedish listed companies based on Swedish practices and circumstances. The Swedish Code follows a "comply or disclose" approach; its recommendations are not binding on companies but if its recommendations are not complied with, the deviation must be explained. A non-Swedish company listed in Sweden can elect to either apply the Swedish Code or the corresponding local rules and codes where the company's shares have their primary listing or where the company is headquartered. As a Delaware corporation with its primary listing on the NYSE, the Company has elected to apply U.S. corporate governance rules and standards. This section and other parts of this Proxy Statement provide detailed information on various subjects covered by the Swedish Code.

[1] The material in this report is not soliciting material, is not deemed filed with the SEC and is not incorporated by reference in any filing of the Company under the Securities Act of 1933, as amended, whether made on, before, or after the date of this Proxy Statement and irrespective of any general incorporation language in such filing.

In addition to, and consistent with, these statutory laws and regulations, Autoliv is governed by its own charter documents and internal standards and policies through its Restated Certificate of Incorporation, Third Restated By-Laws, Corporate Governance Guidelines, and Standards of Business Conduct and Ethics. These charter documents and internal standards and policies guide and assist the Board in the exercise of its responsibilities and reflect the Board's commitment to fostering a culture of integrity and monitoring the effectiveness of policy and decision-making, both at the Board and management level. The Board views corporate governance as an integral part of the basic operations of the Company and a necessary element for long-term, sustainable growth in stockholder value.

Forward-Looking Statements

This Proxy Statement contains statements that are not historical facts but rather forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements include those that address activities, events, or developments that the Company or its management believes or anticipates may occur in the future. All forward-looking statements are based upon our current expectations, various assumptions and/or data available from third parties. Our expectations and assumptions are expressed in good faith and we believe there is a reasonable basis for them. However, there can be no assurance that such forward-looking statements will materialize or prove to be correct as forward-looking statements are inherently subject to known and unknown risks, uncertainties and other factors which may cause actual future results, performance or achievements to differ materially from the future results, performance or achievements expressed in or implied by such forward-looking statements.

In some cases, you can identify these statements by forward-looking words such as "estimates," "expects," "anticipates," "projects," "plans," "intends," "believes," "may," "likely," "might," "would," "should," "could," or the negative of these terms and other comparable terminology, although not all forward-looking statements contain such words.

Because these forward-looking statements involve risks and uncertainties, the outcome could differ materially from those set out in the forward-looking statements for a variety of reasons, including without limitation: changes in light vehicle production; fluctuation in vehicle production schedules for which the Company is a supplier; changes in general industry and market conditions or regional growth or decline; changes in and the successful execution of our capacity alignment, restructuring and cost reduction initiatives and the market reaction thereto; loss of business from increased competition; higher raw material, fuel and energy costs; changes in consumer and customer preferences for end products; customer losses; changes in regulatory conditions; customer bankruptcies; consolidations or restructuring or divestiture of customer brands; unfavorable fluctuations in currencies or interest rates among the various jurisdictions in which we operate; component shortages; market acceptance of our new products; costs or difficulties related to the integration of any new or acquired businesses and technologies; continued uncertainty in pricing negotiations with customers; successful integration of acquisitions and operations of joint ventures; successful implementation of strategic partnerships and collaborations; our ability to be awarded new business; product liability, warranty and recall claims and investigations and other litigation and customer reactions thereto; higher expenses for our pension and other postretirement benefits including higher funding needs for our pension plans; work stoppages or other labor issues; possible adverse results of pending or future litigation or infringement claims; our ability to protect our intellectual property rights; negative impacts of antitrust investigations or other governmental investigations and associated litigation relating to the conduct of our business; tax assessments by governmental authorities and changes in our effective tax rate; dependence on key personnel; legislative or regulatory changes impacting or limiting our business; political conditions; dependence on and relationships with customers and suppliers; and other risks and uncertainties identified in Item 1A "Risk Factors" in our Annual Report for the fiscal year ended December 31, 2020 and in the "Management's Discussion and Analysis of Financial Condition and Results of Operations" section of our Annual Report for the fiscal year ended December 31, 2020.

For any forward-looking statements contained in this or any other document, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995, and we assume no obligation to update publicly or revise any forward-looking statements in light of new information or future events, except as required by law.

Information About Our Executive Officers

Set forth below is information regarding the current executive officers of the Company who are not also directors (information about Mr. Mikael Bratt, President and Chief Executive Officer, can be found on page 17 of this Proxy Statement):

Fredrik Westin, age 48, Chief Financial Officer and Executive Vice President, Finance since May 2, 2020. From 2015 through 2020, Mr. Westin served as Chief Financial Officer at Sandvik Mining and Rock Technology, The Netherlands. Mr. Westin served as Chief Financial Officer and Vice President of Finance, Information Technology, Integration & Change Office for Johnson Controls' Global Automotive Interiors business from 2014 to 2015, based in Japan. Prior to that, Mr. Westin held roles with Johnson Controls in Germany, China, and Japan from 2006 to 2014. Mr. Westin began his career with Volkswagen in 1998 and served in various leadership roles with WestLB from 2002 through 2006. Mr. Westin holds an MBA from Insead, France, and an MSc in Mechanical Engineering from RWTH Aachen, Germany.

Anthony Nellis, age 53, Executive Vice President, Legal Affairs, General Counsel, and Secretary since June 2018. From 2002 until his appointment to his current position, Mr. Nellis served in several positions in the Autoliv Legal Department with increasing responsibilities. Most recently, he served as Vice President Legal, Autoliv Passive Safety, a segment of Autoliv, between July 2014 until June 2018. He served as Vice President, Legal for Autoliv Asia from May 2010 until July 2014. Overlapping with that role, he served as the Interim Vice President, General Counsel, and Secretary from January 2014 to December 2014. Prior to joining Autoliv, Mr. Nellis was a commercial litigator with Kitch Drutchas from 1996 to 2002. Mr. Nellis has a B.A. from Alma College and a J.D. from the University of Detroit.

Per Ericson, age 57, Executive Vice President, Human Resources and Sustainability since July 2020. Mr. Ericson previously served as Senior Vice President and a member of the management team of Husqvarna Group from October 2011 until joining Autoliv in July 2020. During his employment at Husqvarna, Mr. Ericson oversaw several functions including business development, communications, brand & marketing, and people & organization. Between April 2006 and July 2011, he was an Executive Vice President and member of the executive committee of Haldex Group and served as Chairman of the Board of Directors of Persona Brands AB from 2012-2018. He is a member of the Board of Directors of the Blue Institute AB, a Swedish non-profit that promotes research and knowledge development for entrepreneurs and organizations. Mr. Ericson holds a degree from the Swedish University of Agricultural Sciences in Sweden.

Jordi Lombarte, age 53, Chief Technology Officer since April 2018. Mr. Lombarte first joined Autoliv in 1992. During a twenty-eight year career with Autoliv, he has held numerous positions of increasing responsibility. Prior to his current role, Mr. Lombarte served as Vice President Engineering of Autoliv Passive Safety, a segment of Autoliv, between April 2017 and April 2018. Prior to that, he served as Vice President Engineering, Autoliv Americas, a division, from August 2013 to April 2017 after serving as Global Senior Director of Seatbelt Development between September 2008 and August 2013. Mr. Lombarte has a Master's Degree in Mechanical Engineering from Escola Tecnica Superior d'Enginyers Industrials de Terrasa.

Svante Mogefors, age 66, Executive Vice President Quality from April 2005 to June 2018, and has since served as Executive Vice President, Quality. Mr. Mogefors additionally served as the acting Vice President, Operations following the departure of Mr. Carpenter in September 2018 until August 2019. In March 2009, Mr. Mogefors took the additional role of Vice President Manufacturing. Mr. Mogefors initially joined Autoliv in 1985 and has experience in several roles within the Company, including in the areas of product development, process implementations, and quality control. Between 1990 and 1996, Mr. Mogefors was for a period President of Lesjöfors Herrljunga AB and for another period President of Moelven E-Modul AB. Mr. Mogefors holds a Master of Science degree from the Chalmers University of Technology in Gothenburg, Sweden.

Christian Swahn, age 50, Executive Vice President, Global Supply Chain Management since August 2019. His previously served as Senior Vice President of Purchasing for Volvo Bus Corporation from April 2016 until August 2019. From October 2013 to March 2016 he served as Purchasing Director of Industrial Market and Global Categories of SKF AB. Pervious roles also include positions with Volvo Penta and Finnveden. Mr. Swahn holds a Master of Science in Mechanical Engineering from the KTH Royal Institute of Technology in Stockholm, Sweden and an Executive MBA from the School of Business, Economics and Law in Gothenburg, Sweden.

Magnus Jarlegren, age 42, Executive Vice President, Operations since August 2019. From 2014 until August 2019, Mr. Jarlegren was employed by Sandvik Coromant and various affiliates, first as Vice President of Production and then as Vice President of Supply. Prior to that, Mr. Jarlegren began his work in consulting first with three years with Solving EFESO and then ten years with McKinsey & Co. Mr. Jarlegren studied Mechanical Engineering from Chalmers University of Technology in Gothenburg, Sweden.

Jennifer Cheng, age 55, President Autoliv China, a division since April 2018. Ms. Cheng previously served as PAS President TCH since April 2015 and PAS Vice President China Technical Center since November 2013. Before serving in those roles, she served as PAS Autoliv China Vice President for Seat Belts between 2010 and November 2013. She began her career with Autoliv as NHA General Manager in November 2006. Before joining Autoliv, Ms. Cheng served various roles of increasing responsibility with BorgWarner between 1998 and 2008. Ms. Cheng has a B.S. degree in Nuclear Power and Engineering from Shanghai Jiaotong University and an MBA from the joint program between Ningbo University and Canberra University.

Frithjof Oldorff, age 54, President Autoliv Europe since September 2019. From July 2013 until September 2019, he previously served as President of Gentherm, Inc.'s Automotive Business Unit with assignments first in Odelzhausen, Germany then in Northville, Michigan, USA. Preceding that, he held various positions with Faurecia, an operations role with Freudenberg, and was COO of W.E.T. Automotive Systems. Mr. Oldorff has a diploma in Industrial Engineering from the Technical University in Darmstadt, Germany.

Kevin Fox, age 53, President, Americas since June 2020. Mr. Fox previously served as Vice President Operations for Autoliv South America from September 2018 until June 2020. He previously served as Managing Director/Plant Manager for Autoliv Automotive Safety Products between May 2016 and August 2018 and Plant Manager of the ITO facility from April 2011 until May 2016. Mr. Fox holds an MBA degree from Utah State University and a Bachelor of Science in Manufacturing Engineering from Oregon State University.

Colin Naughton, age 53, President, Autoliv Asia since November 2020, Mr. Naughton first joined Autoliv in 1999 and has held several positions of increasing responsibility over that period. He most recently served as President, Japan/Asean since April 2020. Prior to that, he served as Vice President, Seatbelt Operations, Division Asia from May 2018 until April 2020 and as Vice President, Seatbelt Operations, Japan/Asean from January 2015 until May 2018. Mr. Naughton has also previously served as President, Japan/Asean and President, Thailand in the past and is very familiar with the Asia division's management team. Mr. Naughton holds a Bachelor of Technology degree from the National University of Ireland, Galway.

Mikael Hagstrom, age 54, Vice President, Corporate Control since September 2020. Mr. Hagström joined Autoliv in August 2020 after a lengthy career with a variety of businesses in the Volvo Group. He most recently served as the Chief Financial Officer of DongFeng Commercial Vehicles in China, a joint venture of DongFeng Group and AB Volvo, between July 2016 and December 2019. Prior to that, he served as the Senior Vice President, Head of Corporate Financial Reporting for the Volvo Group between October 2006 and March 2016. Mr. Hagström holds a B.Sc. in Business Administration from the Göteborg University Business School of Economics in Sweden.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth certain information regarding the beneficial ownership of our common stock as of December 31, 2020 for each person known by us to beneficially own more than 5% of our common stock, except where otherwise noted, and as of March 24, 2021 for (i) each of our directors and nominees; (ii) our named executive officers (as defined on page 42 of this Proxy Statement); and (iii) our directors, named executive officers and executive officers as a group.

	Common Stock Beneficially Owned[1][2]	
Name of Beneficial Owner	**Number of Shares**	**Percent of Total**
5% Stockholders		
Cevian Capital II GP Limited[3] 11-15 Seaton Place St. Helier, Jersey JE4 0QH, Channel Islands	8,376,924	9.6%
Alecta pensionsförsäkring, ömsesidigt[4] Regeringsgatan 107, SE-103 73 Stockholm, Sweden	6,442,200	7.4%
AMF Pensionsförsäkring AB[5] Klara Södra Kyrkogata 18 SE-113 88, Stockholm, Sweden	5,518,533	6.3%
Swedbank Robur Fonder AB (6) Vasagatan 11, 7th Floor, SE-111 20 Stockholm, Sweden	5,488,052	6.3%
Directors		
Jan Carlson	82,083	*
Laurie Brlas	-	*
Hasse Johansson	2,276	*
Leif Johansson	16,293	*
David E. Kepler	5,190	*
Franz-Josef Kortüm	5,400	*
Frédéric Lissalde	-	*
Min Liu	1,649	*
Xiaozhi Liu	6,939	*
James M. Ringler	8,333	*
Ted Senko	2,339	*

	Common Stock Beneficially Owned[1][2]	
Name of Beneficial Owner	**Number of Shares**	**Percent of Total**
Currently Employed Named Executive Officers		
Mikael Bratt	6,065	*
Fredrik Westin	1,040	*
Jordi Lombarte	2,272	*
Frithjof Oldorff	1,879	*
Formerly Employed Named Executive Officers		
Christian Hanke[7]	478	*
Brad Murray[8]	1,462	*
All directors, named executive officers, and executive officers as a group (26 individuals)[9]	170,880	*

* Less than 1%

(1) Based on 87,418,405 shares of the Company's common stock outstanding as of February 28, 2021 except as noted below. The figures in the table and notes thereto represent beneficial ownership and sole voting and investment power except where indicated.

(2) Includes restricted stock units that vested on February 13, 2021 and March 2, 2021 and shares which the following individuals have the right to acquire upon exercise of options exercisable within 60 days: Jan Carlson - 18,726 shares.

(3) The number of shares owned was provided by Cevian Capital II GP Limited ("Cevian") pursuant to Amendment No. 5 to its Schedule 13D filed with the SEC on March 1, 2019, indicating beneficial ownership as of March 1, 2019. Cevian reported sole power to vote and dispose of all such shares.

(4) The number of shares owned was provided by Alecta pensionsförsäkring, ömsesidigt pursuant to Amendment No. 7 to its Schedule 13G filed with the SEC on January 25, 2021, indicating beneficial ownership as of December 30, 2020. Alecta pensionsförsäkring, ömsesidigt reported sole power to vote and dispose of all such shares.

(5) The number of shares owned was provided by AMF Pensionsförsäkring AB, pursuant to Amendment No. 8 to its Schedule 13G filed with the SEC on January 29, 2021, indicating beneficial ownership as of December 31, 2020. AMF Pensionsförsäkring AB reported sole power to vote and dispose of 4,435,000 shares and shared power to vote and dispose of 1,083,533 shares.

(6) The number of shares owned was provided by Swedbank Robur Fonder AB, pursuant to Schedule 13G filed with the SEC on February 10, 2021, indicating beneficial ownership as of December 31, 2020. Swedbank Robur Fonder AB reported sole power to vote 4,792,051 shares and sole power to dispose of 5,488,052 shares.

(7) Resigned employment effective as of March 1, 2020.

(8) Employment ended on December 31, 2020.

(9) Includes 27,529 shares issuable upon exercise of options exercisable within 60 days and restricted stock units that vested on February 13, 2021 and March 2, 2021.

COMPENSATION DISCUSSION AND ANALYSIS

Introduction

This Compensation Discussion and Analysis ("CD&A") describes the material elements of compensation awarded to, earned by, or paid to each of the Company's "named executive officers" during the last completed fiscal year, and discusses the principles and decisions underlying our executive compensation policies and the most important factors relevant to an analysis of these decisions and policies.

Our Named Executive Officers in 2020

In accordance with the relevant rules and regulations promulgated by the SEC, our "named executive officers" include anyone who served as the CEO or CFO during 2020, and three other executive officers who had the highest total compensation during 2020. These named executive officers for 2020 are as follows:

- Mikael Bratt (President and CEO)
- Fredrik Westin (Executive Vice President, Finance and CFO)
- Christian Hanke (Former Interim CFO and VP, Corporate Control)[(1)]
- Brad Murray (Former President, Asia)[((2)]
- Frithjof Oldorff (President, Europe)
- Jordi Lombarte (Chief Technology Officer)

Executive Summary

COVID 19 Impact

- Due to the impact of COVID-19 pandemic, all named executive officers, except Christian Hanke who left the company during the first quarter of 2020, agreed to a 20% base salary reduction for their services in April, May, and June 2020.
- To minimize the negative impact of COVID-19 pandemic on its employees, and its business, Autoliv introduced and implemented several employment related processes, programs, and projects during 2020 across its divisions and countries.
- Autoliv focused its attention on keeping employees, customers, and suppliers safe while working at our sites, adopting a broad-spectrum approach with clear and continuous communication to all our employees as our top focus. All our activities and projects in 2020 emphasized maintaining a safe working environment for our employees.

Fiscal Year 2020 Compensation Program

The following is a brief overview of the fiscal year 2020 compensation program for our named executive officers:

- Total compensation for our named executive officers in 2020 generally consists of base salary, annual non-equity incentives, long-term equity incentives, retirement/pension related benefits, and other benefits.
- During 2020, the Leadership Development and Compensation Committee (the "Compensation Committee") approved a new long-term equity incentive (LTI) program to closely reflect market practice and align pay delivery with our financial

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(1) Mr. Hanke resigned from the Company effective March 2, 2020.

(2) Mr. Murray resigned as President, Asia effective November 1, 2020 and remained as an executive officer in a senior advisor role through December 31, 2020.

performance. For executive officers, seventy-five percent (75%) of the grant value consisted of performance stock units (PSUs) and twenty-five percent (25%) of the grant value consisted of restricted stock units (RSUs). PSUs granted in 2020 were based on the Company's Order Intake Ratio (30%) and EPS Growth in relation to Light Vehicle Production Growth (70%).

- The compensation of our named executive officers is significantly affected by our financial results. Our annual non-equity incentive awards for 2020 were based on Adjusted Operating Income (50%) and Adjusted Cash Conversion (50%). As a result of achievement of the performance goals, each executive officer earned 100% of the target payout.
- Starting in 2019, to mitigate potential compensation-related risk, the Company implemented a double-trigger acceleration feature for unvested equity in the event of a qualifying termination following a change in control in which outstanding awards are assumed by a publicly-traded surviving entity, instead of the previous single-trigger acceleration.
- Based on the 2020 compensation risk assessment, the Compensation Committee concluded that our compensation programs do not create risks that are reasonably likely to have a material adverse effect on Autoliv.

Management Transitions

- Mr. Fredrik Westin succeeded Mr. Christian Hanke as the Company's Chief Financial Officer and Executive Vice President, Finance on March 1, 2020. Mr. Hanke had resigned from his employment with the Company. A description of Mr. Hanke's employment conditions with the Company is set forth below under "Additional 2020 and 2021 Compensation Decisions".
- Mr. Murray resigned as President, Asia effective November 1, 2020 and remained as an executive officer in a senior advisor role through December 31, 2020. Mr. Colin Naughton succeeded Mr. Murray as President, Asia. Mr. Murray concluded his international assignment agreement and time-bound employment with the Company on December 31, 2020.

Compensation Philosophy

Our Compensation Philosophy for our executive management is set forth below.

Dimension	**Description**
Main Principles	The Company believes that to achieve its strategic and financial objectives, it is necessary to attract, motivate, and retain exceptional management talent. In addition, total compensation offered to our executive management should provide a shared responsibility for overall Company results which is aligned with the interests of the Company's stockholders. Our compensation strategy is therefore based on principles of performance, competitiveness and fairness.
Compensation Objectives	To meet our compensation philosophy, the compensation programs we provide have the following objectives: **Objective A:** Offer total compensation and benefits sufficient to attract, motivate, and retain the management talent necessary to ensure the Company's continued success. **Objective B:** Align the interests of the executives and the stockholders. **Objective C:** Reward performance in a given year and over a sustained period using straightforward programs to communicate our performance expectations. **Objective D:** Encourage company-wide cooperation among members of the executive, divisional, and functional management teams and throughout the Company.
Compensation Mix	The Company seeks a balanced distribution of fixed and variable incentive compensation elements over time by using several components of compensation. Total compensation for our named executive officers consists of base salary, annual non-equity incentives, long-term equity incentives, retirement/ pension, and other benefits. The Company believes that a balanced compensation structure focuses our executive officers on increasing long-term stockholder value while providing fewer incentives for undue risk in the short-term.
Component 1 Base Salary	**Supporting Objective A** **Purpose:** Provides a set level of pay warranted by position and sustained individual performance. A competitive base salary is important to attract and retain an appropriate caliber of talent for the position.

Dimension	Description
Component 2 Short-Term Incentive	**Supporting Objectives A, B, C, & D** **Purpose:** Recognizes short-term performance against established annual financial performance goals and creates focus and engagement in delivering results. Annual non-equity incentive awards are always capped and directly tied to the Company's and/or divisional performance.
Component 3 Stock Incentive	**Supporting Objectives A, B, C & D** **Purpose:** Provides our executive officers with incentives to build longer-term value for our stockholders while promoting retention of critical executives.
Component 4 Pension / Retirement and Other Benefits	**Supporting Objective A** **Purpose:** Provides additional value for our executives by competitive and market- aligned benefits. All newly hired or promoted senior executives participate in defined contribution plans rather than defined benefit plans (except certain senior executives that participate in location-specific defined benefits plans).
Market and Market Position	The Compensation Committee's objective is to consider and, where appropriate, approximate the market median for base salaries as well as total direct compensation of the relevant market data primarily linked to the country in which the named executive officer is located. The Committee also may take a relevant international peer group comparison into account as a secondary input to compensation setting process.
How to Use Market Data	We consider the competitive environment of our significant operations and market locations to provide a compensation package that optimizes value to the participant and cost to the Company. The Compensation Committee and management believe that it is their responsibility to use discretion and make informed judgments as to individual compensation packages or pay levels that may occasionally deviate above or below our target pay strategy based on such factors as: 1. Individual performance and potential relative to market. 2. Long-term succession planning and talent management. 3. Business conditions in our industry or the market overall as well as business or regulatory conditions in the executive's area of responsibility. 4. Cases where individuals are asked to step into new roles and responsibilities for specific projects or strategic initiatives.

Base Salaries

Initial base salaries are primarily a function of the Compensation Committee's assessment of (i) market compensation levels, (ii) the references made to base salary in our compensation philosophy for executive management, (iii) the compensation required to attract and retain the executive, and (iv) the Company's need to fill the position either internally or externally. Also, in deciding compensation levels during the compensation review at the beginning of 2020, one of the Compensation Committee's objectives was for base salaries and total direct compensation to approximate the market median of the relevant market data linked to the country in which the named executive officer is located. As part of the 2020 compensation review at the beginning of 2020, the Compensation Committee increased base salaries for our named executive officers between 1.5% to 5.8%, consistent with general market practice, but also considering adjustments necessary to reflect an individual's performance, responsibilities and retention needs. For more information, please refer to the "2020 Executive Compensation Decisions" section below.

As described earlier in this CD&A, due to the impact of the COVID-19 pandemic, all named executive officers, except Christian Hanke who left the Company during the first quarter of 2020, agreed to a voluntary 20% base salary reduction for their services in April, May and June 2020. All other compensation and benefit components (e.g. non-equity incentives for 2020, pensions, retirement plan contributions) are based on the unadjusted base salaries as previously approved by the Committee. The Committee determined to use unadjusted base salaries for these other components of compensation, in particular the non-equity incentive award for 2020, as an acknowledgement of the voluntary nature of the base salary reduction by the named executive officers.

Non-Equity Incentives

Members of our executive management team, including our named executive officers, are eligible to earn an annual non-equity incentive award based on achievement against pre-established performance criteria. Target payout amounts are reflected as a percentage of the executive's base salary, as set forth in the following table.

Annual Non-Equity Incentive Opportunity for Our Named Executive Officers in 2020

Named Executive Officer	Incentive as a % of Base Salary		
	Threshold	Target	Maximum
Mikael Bratt	0%	50%	100%
Fredrik Westin[(1)]	0%	45%	90%
Christian Hanke[(1)]	0%	25%	50%
Brad Murray	0%	45%	90%
Frithjof Oldorff	0%	45%	90%
Jordi Lombarte	0%	35%	70%

(1) Mr. Westin's non-equity incentive award for 2020 was pro-rated based on actual time of employment during the year. Mr. Hanke was not eligible for a non-equity incentive award for 2020 due to his resignation in March 2020.

Our annual non-equity incentive award program used a limited number of performance criteria for many years. The Company believes that using a limited number of established measures critical for the success of our business provides clear direction to our executives and promotes our goal of a "one Autoliv" approach through shared responsibility for overall results. In addition, the Company believes that a limited number of performance metrics enhances the transparency of our annual incentive program and provides easy-to-understand information to our investors. Finally, we believe that a limited number of metrics based on overall company performance rather than individual or local performance mitigates the risk of excessive risk-taking that could arise from individual performance-based incentives. We still believe this simple, transparent approach supports good corporate governance, a belief that is evidenced by the program operating with limited changes for several years.

The Company, however, recognizes that using a limited number of performance metrics has limitations. For instance, when the overall market for the Company's products is impacted by extraordinary economic circumstances, it may result in no annual non-equity incentive awards being attainable, even if the Company out-performs its competitors and the overall market generally. Similarly, extraordinary, non-recurring events may also impact whether annual non-equity incentive awards are attained or not, resulting in unintended incentives for management.

For the year 2020, the performance criteria for our annual non-equity incentive award program were as follows:

"Adjusted Operating Income" – Reported US GAAP EBIT adjusted for costs related to Antitrust matters and restructuring (capacity alignment). Fifty percent (50%) of the non-equity incentive award was based on Adjusted Operating Income.

Payments on Adjusted Operating Income achievement:

- No annual incentive payment if the 2020 Adjusted Operating Income was equal to or less than 70% of 2019 Adjusted Operating Income.
- If the 2020 Adjusted Operating Income was equal to or more than 130% of 2019 Adjusted Operating Income, the incentive payment would be equal to two times the target amount for the respective performance period, the maximum payout.
- If the 2020 Adjusted Operating Income was between 70% and 130% of 2019 Adjusted Operating Income, the incentive payment would be calculated through linear interpolation ("along a straight line") between said levels.

"Adjusted Cash Conversion" – Free Cash Flow (Operating Cash Flow minus Capex, net) in relation to Net Income expressed in % and adjusted for effects from antitrust related matters, capacity alignment and unusual tax items. Fifty percent (50%) of the non-equity incentive award was based on Adjusted Cash Conversion.

Payments on Adjusted Cash Conversion achievement:

- No annual incentive payment if the Adjusted Cash Conversion was equal to or less than 50%.
- If the Adjusted Cash Conversion was equal to or more than 90%, the incentive payment would be equal to two times the target amount for the respective performance period, the maximum payout.
- If the Adjusted Cash Conversion was between 50% and 90%, the incentive payment would be calculated through linear interpolation ("along a straight line") between said levels.

Actual Adjusted Operating Income for 2020 was $481.6 million and Actual Adjusted Cash Conversion for 2020 was 199%, resulting in an annual non-equity incentive award of 100% of the target opportunity.

For a reconciliation of these measures, see Annex A.

Actual Non-Equity Incentive Award Levels

Over the last several years, the amount of the non-equity incentive awards earned by our named executive officers has varied greatly, as reflected in the table below.

Year	Non-Equity Incentive Outcome
2020(1)	1.00 x target
2019(2)	0.75 x target
2018(3)	0.50 x target

(1) Mr. Hanke did not receive a non-equity incentive award for 2020 due to his resignation in March 2020.
(2) Mr. Westin did not receive a non-equity incentive award for 2019 because he was not an employee.
(3) Messrs. Westin and Oldorff did not receive non-equity incentive awards for 2018 because they were not employees.

The Compensation Committee may exercise its discretion, subject to the terms and conditions of the Company's compensation plans, to propose certain adjustments to performance metrics. The Compensation Committee did not exercise such discretion with respect to the non-equity incentive awards for 2020.

Changes to Non-Equity Incentive Program. For information regarding the changes we implemented to our Non-Equity Incentive Program in 2021, see "Material Changes to 2021 Compensation Program" later in this CD&A.

Equity Incentives

Long-term equity incentives (LTI) for our named executive officers and other key employees represents a significant part of their total direct compensation. In 2020, the LTI program had 298 participants, compared to 300 participants in 2019 and 401 participants in 2018. The number of LTI participants decreased significantly as a result of Veoneer's spin-off from Autoliv in 2018.

In 2016 and 2017, the approved target value of our named executive officers' LTI mix was comprised of PSUs (50%) and RSUs (50%). In connection with the spin-off of Veoneer, these awards were converted to Autoliv RSUs and Veoneer RSUs. There were no PSUs vesting in 2020 as all outstanding PSUs were converted to RSUs during the spin-off in 2018. A reconciliation of the performance conversions from PSUs to RSUs were provided as an annex to our proxy statement issued in March 2019.

For 2018, the Compensation Committee only granted RSUs (100%) due to the difficulty of setting performance targets during the year in which the spin-off was completed.

For our executive officers, equity incentives granted in 2019 and 2020 consist of both PSUs (75%) and RSUs (25%). The Compensation Committee determined 2020 grant levels by first reviewing competitive market pay levels and trends provided by its independent consultant, historical grant levels, and the recommendations of our CEO for grants to senior executives excluding himself (for more information, please refer to the "2020 Executive Compensation Decisions" section below). The Compensation Committee also considered the total direct compensation of our named executive officers relative to the median levels of total direct compensation of our peer groups, subject to any modifications the Compensation Committee believed appropriate based on individual performance, industry conditions, and other criteria as discussed in the "Compensation Philosophy" above. The Compensation Committee delegated to the CEO the authority for the determination and allocation of certain grants below our named executive officers, subject to established grant limits and the Compensation Committee's review.

Restricted Stock Units ("RSUs"). We believe that RSUs provide a powerful tool to retain valuable executives because:

- RSUs are easy to understand and communicate;
- Due to the three-year vesting schedule, RSUs encourage the executive to stay with the Company or forfeit significant accumulated value; and
- RSUs also mitigate excessive risk-taking by focusing management on long-term value creation and ownership accumulation that provides alignment with stockholders.

RSUs granted in 2020 cliff-vest on the third anniversary of the grant date, subject to the grantee's continued employment with the Company on such vesting date, subject to limited exceptions.

Performance Stock units ("PSUs"). We believe that PSUs focus and direct the efforts of our executives toward the attainment of critical multi-year corporate objectives as well as further encourage employment retention because:

- The performance metrics selected for the PSUs are reflected in our long-term value creation; and
- Due to the three-year performance period, PSUs parallel the RSUs in encouraging the executive to stay with the Company or forfeit potential significant accumulated value.

PSUs granted in 2020 may be earned based on the Company's achievement of performance goals related to Order Intake Ratio (30%) and EPS Growth in relation to Light Vehicle Production Growth (70%) following the conclusion of a 3-year performance period. The Committee believes these metrics are supportive of the Company's strategic objectives and support the creation of long-term shareholder value.

Treatment Upon Change in Control. The 1997 Plan provides that outstanding equity awards will become fully vested upon the occurrence of a change in control ("CiC"). However, the Compensation Committee approved "double-trigger" for LTI awards in 2019 and 2020, such that the awards assumed by the acquiring company in a CiC will become fully vested only upon the holder's subsequent qualifying termination. If the awards are not assumed by the acquiring entity, then they will become fully vested upon the CiC.

Dividend Equivalents. Commencing with the February 2017 grant, dividend equivalent rights were introduced for PSUs and RSUs. Any cash dividend paid with respect to our common stock for which the record date occurs on or after the grant date and the payment date occurs on or before the vesting date results in a credit of additional PSUs and RSUs, which additional PSUs and RSUs are subject to the same vesting schedule as the underlying PSUs and RSUs.

How We Value Equity Awards. For accounting purposes and when internally assessing and communicating equity compensation, we use a model which assumes that the value of an RSU and a PS at target performance level is the closing price for a share of our common stock on the NYSE on the day of the grant.

Annual Grant Date. The annual grant date for our stock incentive program is in the first quarter of the fiscal year, following publication of our fourth quarter financial results. This is done to enhance corporate governance procedures and to avoid unintended burdens to participants because of routine "black-out periods."

Changes to LTI Program. For information regarding the changes we implemented to our Long-Term Incentive Program in 2021, see "Material Changes to 2021 Compensation Program" later in this CD&A.

Pension / Retirement and Other Post-Employment Benefits

Autoliv provides certain supplemental retirement/pension and other post-employment benefits, in addition to the mandatory programs required by applicable national statutes and maintains defined benefit or defined contribution plans for our named executive officers that are competitive with customary local practice. The programs' terms are as follows:

Defined Contribution Programs (individual retirement investment from Company contributions). Since 2007, all newly hired senior executives participate only in defined contribution plans rather than defined benefit plans (except for certain senior executives that participated in location-specific defined benefit plans, e.g. Mr. Murray and Mr. Hanke).

The Company contributes a percentage of each executive's annual base salary to the plan, as follows:

<table>
<tr><th colspan="2">Retirement - Defined Contribution Level</th></tr>
<tr><th>Name</th><th>Level of Contribution</th></tr>
<tr><td>Mikael Bratt</td><td>44% of base salary</td></tr>
<tr><td>Fredrik Westin</td><td>35% of base salary</td></tr>
<tr><td>Brad Murray[1]</td><td rowspan="2">See below description about 401(k) plan and "Nonqualified Deferred Compensation" table</td></tr>
<tr><td>Jordi Lombarte[1]</td></tr>
<tr><td>Frithjof Oldorff</td><td>10% of base salary</td></tr>
</table>

(1) Comprises contributions to both 401(k) and non-qualified contribution plans for Messrs. Murray and Lombarte.

Messrs. Murray and Lombarte participated in a 401(k) plan available to U.S.-based employees in 2020. Under this plan, the Company makes an employer matching contribution equal to 100% of the first 3%, and then equal to 50% of the next 2% of employee contributions (expressed as percentage of base pay), up to certain limits. Messrs. Murray and Lombarte also participated in a non-qualified defined contribution plan.

Defined Benefits Program. Mr. Murray participated in a U.S. tax-qualified defined benefit plan and an excess pension plan. Additional information regarding these plans is described later under "Pension Benefits". Mr. Hanke participated in a mandatory, multi-employer defined benefit plan (ITP 2) in Sweden. Other than Mr. Murray and Mr. Hanke, none of our named executive officers are parties to a defined benefit arrangement with the Company.

Retiree Medical Plan. Mr. Murray was eligible to participate in a retiree medical plan, available to all employees employed in the U.S. that were hired prior to January 1, 2004, at which time the plan was frozen to new participants. Effective from December 31, 2014, the retirement arrangement was adjusted so that eligible participants, including Mr. Murray, are covered by a Health Retirement Account ("HRA"), pursuant to which, upon attaining age 55 and a minimum of 15 years of service, the Company will provide an annual benefit of $3,000 to an HRA upon retirement prior to age 65 and an annual benefit of $875 to an HRA after age 65. This annual benefit will be reduced if the participant retires prior to age 60. This plan may be terminated at any time for both current employees and current retirees/participants with no obligation of benefit payout.

Termination / Severance Agreements. Except for Messrs. Murray and Hanke, each of our named executive officers has an employment agreement with the Company, pursuant to which they are entitled to certain severance benefits in the event of termination of employment. A detailed summary of the terms of these agreements is provided on page – 43 of this Proxy Statement. Mr. Murray had a time-bound international assignment agreement that provided certain terms of employment until the end of his employment on December 31, 2020. and he had a change-in-control ("CiC") severance agreement with the Company until January 2020, pursuant to which he was entitled to certain severance benefits in the event of his termination of employment in connection with a CiC.

In December 2010, the Board approved a policy limiting future CiC agreements to a "double-trigger" arrangement, which means that the severance benefit is not provided unless the participant incurs an involuntary termination or diminution of duties within a designated period following a CiC. In addition, in November 2011, the Board approved a policy providing that new hires will receive CiC severance benefits, if at all, in accordance with local market practice, as opposed to all officers receiving the same CiC severance benefits by reason of being an officer. The "change-in-control" definition contained in the 1997 Plan and Mr. Murray's now expired CiC severance arrangement are predicated on actual consummation of a corporate transaction, such as a merger, rather than upon stockholder approval of the transaction. This avoids an inadvertent "early trigger" of any CiC provisions should the transaction fail to close.

We do not provide tax gross-up protection for CiC excise taxes (i.e., U.S. taxes under Section 4999 of the United States Internal Revenue Code of 1986, as amended (the "U.S. Internal Revenue Code") applied to change-in-control payments that exceed certain amounts under Section 280G) to our named executive officers.

Executive Compensation Responsibilities

Role of the Compensation Committee

The Compensation Committee annually reviews our named executive officers' pay levels and target incentive opportunities versus the competitive market and considers information provided by (i) the consultants regarding trends, (ii) input from the Executive Vice President, Human Resources and Sustainability, (iii) the CEO's recommendations as to compensation for our named executive officers (other than himself), and (iv) other relevant factors as discussed above in the "Compensation Philosophy" section.

Role of the Independent Compensation Committee Consultant

The Compensation Committee regularly engages an independent advisor, who reports directly to the Compensation Committee. The independent advisor attends routine meetings of the Compensation Committee and provides independent perspective and advice to the Compensation Committee on various aspects of the Company's total compensation system and the market environment in which the Company operates. Additional information regarding the role of the Compensation Committee's advisor, FW Cook, is found later in this CD&A in the "2020 Executive Compensation Decisions" section.

Role of the Management Consultant

Management periodically solicits the advice of external compensation consultants to ensure that the Company's compensation program is competitive with compensation programs offered by the companies in its peer group and companies in the markets in which the named executive officers are located. In setting the compensation at the beginning of 2020, Towers Watson assisted management with reviewing the Company's compensation program for executives, as described in more detail below.

Role of the Chief Executive Officer

Our CEO regularly participates in the meetings of the Compensation Committee. The CEO and Executive Vice President, Human Resources and Sustainability work together to develop a recommendation to present to the Compensation Committee with respect to compensation packages for each of our named executive officers, other than the CEO. As a result, our CEO generally has a significant influence on the compensation paid to the other named executive officers. In addition, the Compensation Committee has delegated the authority for the determination of certain grants to employees other than executive officers under our long-term incentive plan to the CEO, subject to established grant limits. The Compensation Committee regularly holds executive sessions, excusing the CEO from the meeting, to discuss matters related to the CEO's compensation.

Policies and Practices that Govern Executive Compensation at Autoliv

Stock Ownership Guidelines. Effective January 1, 2013, and as amended and restated in December 2015, the Company adopted stock ownership guidelines for its executive officers. Pursuant to these guidelines, each executive officer is expected to accumulate and hold shares of Company common stock having a value at least equal to (i) 2x his annual base salary, in the case of the CEO, and (ii) 1x annual base salary, in the case of each executive other than the CEO. Executives are expected to make continuous progress toward their respective ownership requirements. Until the executive has satisfied the stock ownership guidelines, he or she will be required to retain 75% of the net shares received upon settlement of restricted stock units granted on or after January 1, 2013. For purposes of these stock ownership guidelines, "net shares" are those shares held by the executive after deducting any shares withheld by the Company or sold by the executive for the sole purpose of satisfying the executive's tax liabilities and related fees, if any, related to the settlement event.

Policy Against Hedging, Short-Selling and Pledging. Any employee or non-employee director holding Autoliv securities is prohibited from engaging in hedging, short-selling, or pledging.

Compensation Recoupment Policy. Our Board is authorized to recoup earned incentive compensation in the event of a material restatement of the Company's financial results due to fraud, intentional misconduct, negligence, or dereliction of duties by the executive officer. It is also authorized to recoup equity compensation in the event an executive is found acting in a manner that is harmful to the interests of the Company such as a violation of Company policy.

Compensation Risk Assessment

The Compensation Committee annually considers potential risks when reviewing and approving our compensation program. We have designed our compensation program, including our incentive compensation plans, with specific features to address potential risks while rewarding employees for achieving long-term financial and strategic objectives through prudent business judgment and appropriate risk taking. The following elements have been incorporated in our compensation program for executive officers:

A Balanced Mix of Compensation Components	The target compensation-mix for our executive officers is composed of base salary, annual cash incentives, long-term equity incentives and retirement/pension provisions, representing a mix that is not overly weighted toward short-term cash incentives.
Long-term Incentives	Our long-term incentives are equity-based and generally have a three-year vesting schedule to complement our annual cash-based incentives. In 2019, the Company increased the weight for PSUs to 75% and reduced the weight for RSUs to 25% for all executive and senior management roles. This practice continued in 2020.
Performance Factors	Our group-common incentive compensation plans normally use Company-wide goals. Annual cash incentives for participants in 2020 depended on Operating Income and Cash Conversion performance. PSUs for the program introduced in 2020 depended on the Company's Order Intake Ratio and EPS Growth (in relation to global light vehicle production growth)
Capped Incentive Awards	Annual incentive awards are capped at 200% of target.
Stock Ownership Guidelines	Our guidelines call for meaningful share ownership, which aligns the interests of our executive officers with the long-term interests of our stockholders.
Clawback Policy	Our Board is authorized to recoup earned incentive compensation in the event of a material restatement of the Company's financial results due to fraud, intentional misconduct, negligence, or dereliction of duties by the executive officer.

Additionally, the Compensation Committee annually considers an assessment of compensation-related risks including an inventory of incentive arrangements below the executive level. Based on this assessment, the Compensation Committee concluded that our compensation program does not create risks that are reasonably likely to have a material adverse effect on Autoliv. In making this determination, the Compensation Committee reviewed the key design elements of our compensation program in relation to industry "best practices" as presented by FW Cook, the Compensation Committee's independent compensation consultant, as well as the means by which any potential risks may be mitigated, such as through our internal controls and oversight by management and the Board of Directors.

Starting in 2019, to mitigate potential compensation-related risk, the Company began requiring double-trigger acceleration of unvested equity in the event of a qualified termination following a change in control in which outstanding awards are assumed by a publicly-traded surviving entity, instead of the previous single-trigger acceleration.

2020 Executive Compensation Decisions

The Process

The total compensation of our named executive officers is reviewed annually. The Compensation Committee considers changes in the compensation levels after it reviews the relevant peer group or local market data (per position). The Compensation Committee uses this information as one input in its decision-making process. In addition to market data, the Compensation Committee also reviews the Company's financial performance, the named executive officers' individual performance, input from the Executive Vice President, Human Resources, and the recommendations of the CEO with respect to the compensation packages for the named executive officers other than himself. The Compensation Committee reviews, provides feedback, and approves the final recommendations for the compensation of our named executive officers.

The Compensation Committee reviewed and decided on the 2020 compensation for our executives during its meetings held in November and December 2019. The review was supported by the comprehensive analysis and market review prepared by Towers Watson.

The Advisors

Throughout the decision-making process for 2020 compensation, which included the Compensation Committee's November and December 2019 meetings and all 2020 meetings, the Compensation Committee engaged FW Cook who reported directly to the Compensation Committee. During 2020, FW Cook attended most of the Compensation Committee's meetings and provided input for each meeting, including:

(i) independent perspective and advice to the Compensation Committee on various aspects of the Company's total compensation system;

(ii) information about the market environments in which the Company operates, including guidance regarding compensation trends, compensation levels and compensation mix within the market;

(iii) the regulatory developments in executive and director compensation;

(iv) recommendations regarding program design and structure; and

(v) recommendations regarding compensation levels and mix for our executive officers and Board members.

FW Cook did not provide any additional services to the Company other than those described herein.

In 2019, the Company engaged Willis Towers Watson Consulting AB ("Towers Watson") to assist in setting the compensation for 2020. At the direction of management, Towers Watson was assigned specific tasks related to the compensation of our senior executive officers, including: (i) review of peer group and pay changes in the 2019 employment market, (ii) compilation of peer groups for our named executive officers, and (iii) compensation analysis for the Compensation Committee. Certain Towers Watson affiliates also provided services unrelated to compensation advise; specifically: (i) risk and insurance advisory broking services, (ii) forensic accounting (iii) support for our Quality Culture System survey, and (iv) complex claims services. The fees for such additional services were approximately $422,000, and the fee for compensation-related services was $23,000.

The Peer Groups

In line with the principles of our compensation philosophy applicable as of December 2019 for the compensation review of our named executive officers, the Compensation Committee reviewed the most current compensation data available in selected markets, including market data from Sweden and the U.S. Towers Watson used its proprietary non-disclosed compensation database to assess local market compensation levels for executive roles operating within the general, automotive, and manufacturing industries. Such market assessments are based on our named executive officers' roles, characteristics, and responsibilities including job function, reporting level, and other organizational financial and organizational scope measures, including revenue responsibility, employees, and geographical responsibility. The market data contained information regarding the assessed level of base salary, total cash compensation, total direct compensation, and total compensation.

Swedish Peer Group

Mr. Bratt. In considering 2020 compensation for our named executive officers based in Sweden, the Compensation Committee reviewed, among other factors, market data (base salary, total target cash compensation, total direct compensation, and total compensation) from a peer group consisting of large-cap Swedish companies that have global industrial operations of substantial size in major manufacturing markets of North America, Europe, and Asia (the "Swedish Peer Group") headquartered in Sweden and with executives based in Sweden with Swedish employment conditions. The Swedish Peer Group used by the Compensation Committee in connection with its review of 2020 compensation consisted of the following companies:

AB Volvo	Alfa Laval	Assa Abloy	Atlas Copco	Electrolux	Ericsson
Sandvik	Scania	Skanska	SKF	SSAB	Stora Enso

The Swedish Peer Group for 2020 compensation review as compared to 2019 remained the same.

U.S. Peer Group

Mr. Murray, and Lombarte. In considering 2020 compensation for our named executive officers based in the U.S., the Compensation Committee reviewed, among other factors, market data (base salary, total target cash compensation, total direct compensation, and total compensation) from a peer group consisting of U.S. companies that were selected based on market capitalization, total revenue, and number of employees.

Our U.S. Peer Group was changed by the Committee significantly before the 2020 compensation review following a comprehensive review of companies based on data availability, relevancy, and size.(1)

The following is the U.S. Peer Group used by the Compensation Committee to review 2020 compensation.

BorgWarner Inc.	Continental AG	Cooper-Standard Holdings	Dana Incorporated	DENSO Corporation	**Adient Plc.**
ZF TRW Automotive Holdings Corporation	Johnson Controls International PLC	Lear Corporation	Oshkosh Corporation	Yazaki Corporation	**Faurecia**
Stanley Black & Decker, Inc.	SPX Corporation	Terex Corporation	The Timken Company	Trinity Industries, Inc.	**Navistar International Corporation**

(1) Companies in bold above are new additions to the U.S. Peer Group for 2020 as compared to 2019.
(2) The following six companies included in the U.S. Peer Group for 2019 were removed when creating the U.S. Peer Group for 2020 for the reasons noted above: Jabil Circuit Inc., The Good Year Tire & Rubber, Ingersoll Rand, Parker Hannifin Corporation, Snap-on Incorporated and Tenneco Inc.

Compensation Benchmarking for Divisional Presidents Not Based in Sweden or USA

In considering 2020 compensation for Mr. Oldorff, the Compensation Committee considered information provided by Towers Watson about German executive pay levels in relevant companies in general industry survey data.

Decisions for 2020 Compensation

The following section of this CD&A focuses on the decisions linked to compensation paid to our named executive officers for 2020, with the exception of Mr. Westin who was not employed with the Company at the time of the 2020 compensation review and Mr. Hanke who resigned from the Company prior to the 2020 compensation review.

The Compensation Committee reviews the compensation for the executives taking into consideration internal, external, and personal factors, including, but not limited to, the current market position of each respective named executive officer. Although the market analysis provides additional input for compensation decisions, the Company is aware that the limited number of peer companies in Sweden and potential changes to peer groups based on data availability may result in inconsistencies in a year-over-year analysis.

Mikael Bratt. As compared to 2019, Mr. Bratt's:

- base salary increased by 5.8% (in Swedish Kronor);
- target non-equity incentive level (as % of base salary) and the associated cap remained unchanged;
- approved grant value for stock incentive program participation was increased from $550,000 in 2019 to 65% of base salary in 2020; and
- retirement plan contribution level (as % of base salary) was increased from 40% to 44%.

Brad Murray. As compared to 2019, Mr. Murray's:

- base salary increased by 1.5% (in USD);
- target non-equity incentive level (as % of base salary) and the associated cap remained unchanged;
- approved grant value for stock incentive program participation remained unchanged (in USD); and
- retirement plan contributions and defined benefit plan components remained unchanged.

Mr. Murray signed a new international assignment agreement with the company on January 23, 2020. Further details about his new international assignment agreement are described under the section “Additional 2020 and 2021 Compensation Decisions”.

Frithjof Oldorff. As compared to 2019, Mr. Oldorff’s:

- base salary increased by 1.5% (in Euros);
- target non-equity incentive level (as % of base salary) and the associated cap remained unchanged;
- approved grant value for stock incentive program participation remained unchanged (in USD); and
- retirement plan contributions remained unchanged.

Jordi Lombarte. As compared to 2019, Mr. Lombarte’s:

- base salary increased by 5.0% (in USD);
- target non-equity incentive level (as % of base salary) and the associated cap remained unchanged;
- approved grant value for stock incentive program participation remained unchanged (in USD); and
- retirement plan contributions remained unchanged.

In addition to the annual compensation review described above, Mr. Lombarte signed an employment agreement amendment with the Company on July 1, 2020. Further details about his employment agreement amendment are described under the section “Additional 2020 and 2021 Compensation Decisions”.

2020 Additional Benefits

The Company’s executive compensation program also includes certain retirement / pension benefits (see page 48 of this Proxy Statement) and certain other items of compensation, such as a company car. The Compensation Committee believes these benefits are appropriate for each of our named executive officers.

Additional 2020 and 2021 Compensation Decisions

Mr. Hanke’s Employment Conditions upon his Resignation

At the termination of his employment with the Company following his resignation, Mr. Hanke was eligible for the non-equity incentive payment for the year 2019 and unused vacation days accumulated throughout his employment with the company. Mr. Hanke was not eligible for any other payment and all outstanding equity grants as of his last day of employment on March 2, 2020 were forfeited according the stock plan rules.

Mr. Murray’s International Assignment Agreement

On January 23, 2020, Mr. Murray signed a new international assignment agreement, pursuant to which he agreed to remain employed by the Company through December 31, 2020. The agreement included the following clauses to encourage the retention of Mr. Murray until the end of the assignment period:

- Mr. Murray would continue to be based in Japan until the end of the assignment.
- He would continue to be eligible for his base salary, international assignment allowance, short-term incentive for 2020, long-term incentive grant in 2020, his existing retirement and pension solutions, international assignment benefits and tax equalization according to the company’s international assignment policies.
- If Mr. Murray’s employment terminates for any reason other than for cause, then any RSUs and PSUs granted to him in February 2018 and February 2019 that remain outstanding as of the date of termination would be cancelled and he would receive: (i) a lump sum cash payment equivalent to the value of forfeited RSUs, calculated based on the Company’s share price on the date of termination (the “RSU Cash Payment”); and (ii) a lump sum cash payment equivalent to the value of the forfeited PSUs, if any, calculated based on the Company’s share price on the original vesting date and based on actual performance results. If Mr. Murray’s employment was terminated at the end of the assignment period, then any RSUs and PSUs granted to Mr. Murray in February 2020 that remain outstanding as of the date of termination would be forfeited and he would receive the RSU Cash Payment and PSU Cash Payment in respect thereof. In addition, for a period of 12 months following Mr. Murray’s termination of employment for any reason, the Company would subsidize Mr. Murray’s medical and dental benefits.

- Mr. Murray is prohibited from competing with the Company for a period of 12 months following his termination of employment for any reason other than a termination by the Company without cause. If the non-competition covenant becomes operative, then the Company will pay to Mr. Murray up to a maximum of 60% of his salary as consideration for such covenant.
- The Change-in-Control Severance Agreement dated August 15, 1999, as amended December 15, 2008, was terminated and became void.
- The agreement preserved Mr. Murray's previously-agreed upon retention payment of $800,000, pursuant to the original terms and conditions thereof.

Amendment to Mr. Murray's International Assignment Agreement

On October 1, 2020, Mr. Murray signed an amendment to his international assignment agreement according to which he stepped down from his role as President, Asia as of November 1, 2020 and continued as Senior Advisor to the President and CEO until the end of his employment on December 31, 2020. All other conditions of his international assignment agreement remained unchanged. Mr. Murray maintained his executive officer status until the end of his employment on December 31, 2020.

Mr. Westin's Employment Agreement

Mr. Westin entered into an employment agreement with the Company effective March 1, 2020, which provided for the following key compensation and benefits:

- annual base salary of 5,500,000 SEK (i.e. approx. $671,000);
- target non-equity incentive award equal to 45% of base salary, subject to achievement of applicable performance goals;
- participation in LTI program commencing in 2020, with an initial maximum grant date value of $208,333 (amount is pro-rated for actual employment time during the year based on an annual value of $250,000); and
- participation in the Swedish pension scheme and private health insurance program, provision of a company car, and certain other perquisite and benefit programs on the same basis as similarly situated senior executives.

Mr. Westin received a 1,000,000 SEK (i.e. approx. $122,000) sign-on cash award payable within one month following his commencement of employment. He also received, on his first day of employment, a sign-on award of RSUs ("Sign-on RSUs") having a grant date value of 4,000,000 SEK (i.e. approx. $420,000), which Sign-on RSUs will vest in three equal installments over the three-year period following the grant. The Sign-on RSUs were granted in addition to the annual LTI award described above.

In addition, upon a qualifying termination of Mr. Westin's employment (which includes an involuntary termination without cause or a resignation by him for good reason, as such terms are defined therein), he is entitled to receive a lump sum severance payment equal to 1.5 times his base salary, subject to Mr. Westin's entry into a settlement agreement, which shall include, for example, a general release of claims, non-competition provision, and other covenants.

Amendment to Mr. Lombarte's Employment Agreement

Mr. Lombarte signed an amendment to his employment agreement on July 1, 2020 according to which his principle workplace of employment would be Stockholm, Sweden, effective no later than December 31, 2021. His temporary housing allowance will continue to be paid until the earlier of the relocation to Sweden or February 28, 2021.

Results of Say-on-Pay

At our 2020 annual meeting of stockholders held on May 7, 2020, approximately 81.1% of the stockholders who voted on the "say-on-pay" proposal approved the compensation of our named executive officers, while approximately 18.2% voted against (with approximately 0.8% abstaining). In considering the results of this most recent advisory vote on executive compensation, the Compensation Committee concluded that the stockholder vote continues to reflect favorable stockholder support of the compensation paid to our named executive officers and the compensation philosophy and objectives of the Company.

At the annual meeting of stockholders on May 9, 2017, our stockholders expressed a preference that advisory votes on executive compensation occur every year. In accordance with the results of this vote, the Board determined to implement an advisory vote on executive compensation every year until the next required vote on the frequency of stockholder votes on the compensation of executives, which will occur at the 2023 annual meeting.

Material Changes to 2021 Compensation Program

- The performance criteria for the 2021 non-equity incentive award program for 2021 are Adjusted Operating Income (50%) and Adjusted Cash Conversion (50%).
- Mr. Bratt received 100% of his 2021 LTI grant in the form of PSUs. Similar to 2019 and 2020, named executive officers (other than the CEO) and certain other senior officers received 75% of their 2021 LTI grant value in PSUs and 25% in RSUs.
- The 2021 PSU award is comprised of three separate one-year performance periods for each of calendar years 2021, 2022 and 2023. All PSUs will vest following 2023, to the extent earned and subject to the officer's continued employment.
- 70% of the 2021 PSUs may be earned based on achievement of goals related to the Company's Earnings Per Share (EPS) in USD and 30% may be earned based on achievement of goals related to the Company's Order Intake Ratio (%).

Currencies for Executive Compensation

The Company generally sets cash-based compensation (including for all our named executive officers) in the local currency of the country of service with limited exceptions. Accordingly, the Company set compensation in Swedish kronor ("SEK") for Messrs. Bratt, Westin and Hanke, in U.S. dollars ("USD") for Messrs. Murray, and Lombarte, and in Euros for Mr. Oldorff, except for the annual target grant value of the LTI awards for which the compensation is set in USD for all our named executive officers. For historic numbers, we have converted the compensation paid in prior years by the same exchange rate we applied for 2020 compensation to facilitate comparison. While the historic amounts paid do not change, amounts reflecting historic figures in this Proxy Statement may differ significantly from disclosure in previous years due to fluctuations in exchange rates. We also note that the exchange rate prevailing at the time of the Compensation Committee's review of compensation may vary significantly from the exchange rates prevailing at the time this Proxy Statement is prepared. As a result, the year-to-year percentage changes in compensation reviewed and approved by the Compensation Committee may differ significantly from the percentage changes in compensation presented in this Proxy Statement due to fluctuations in exchange rates.

Summary Compensation Table[1]

The following table shows information concerning the annual compensation for services provided by our named executive officers in the fiscal years ended December 31 in the periods 2018, 2019 and 2020. The "Salary" column below reflects the actual salaries paid in each calendar year and, for 2020, reflects the voluntary pay reductions in Q2 2020.

Name and Principal Position	Year	Salary $	Bonus $	Stock Awards $[2]	Non-Equity Incentive Plan Compensation $	Change in Pension Value and Nonqualified Deferred Compensation Earnings $[3]	All Other Compensation $[4]	TOTAL ($)
Mikael Bratt President and CEO	2020	1,193,122[5]	—	663,616	610,605	—	571,046	3,038,388
	2019	1,185,203	—	550,035	432,766	—	486,013	2,654,017
	2018	959,653	—	371,289	176,602	—	381,828	1,889,371
Fredrik Westin[6] Executive Vice President and Chief Financial Officer	2020	526,138[5]	122,121	628,629	251,875	—	205,536	1,734,299
Christian Hanke[6] Former Interim CFO; VP Corporate Control	2020	127,423[5]	—	—	—	—	25,204	152,627
	2019	302,220	—	79,169	56,131	—	87,180	524,700
Brad Murray Former President, Asia	2020	403,118[5]	—	199,928	191,031	295,100	2,997,867	4,087,044
	2019	418,240	—	199,956	141,156	671,700	1,370,852	2,801,904
	2018	414,099	—	141,504	86,661	155,900	508,802	1,306,966
Frithjof Oldorff[6] President, Europe	2020	620,544[5]	—	199,928	293,937	—	77,271	1,191,680
Jordi Lombarte[6] Executive Vice President and Chief Technology Officer	2020	441,196[5]	—	199,928	162,766	—	174,255	978,145
	2019	442,900	—	199,956	116,261	—	180,745	939,862

(1) The amounts contained in the table were paid in SEK, USD, EUR, and JPY. All amounts have been converted to U.S. dollars using the following exchange rates: 1 USD = 8.1886 SEK = 0.8158 EUR = 103.3288 JPY. Amounts are rounded to the nearest whole number and, because of such rounding, the amounts reflected in the "Total" column may differ slightly from the sum of amounts set forth in each individual column.

(2) The numbers reflect the aggregate grant-date fair value of the RSUs granted in each respective year and the PSUs granted in 2019 and 2020, calculated in accordance with FASB Topic 718. The fair value of the RSUs granted in 2018, 2019 and 2020 and PSUs granted in 2019 and 2020 was calculated based on the closing price per share of stock on the grant date. The grant date fair value of the PSUs was computed by multiplying (i) the target number of PSUs awarded to each named executive officer, which was the assumed probable outcome as of the grant date, by (ii) the grant date fair value per share used for financial reporting purposes. Assuming, instead, that the highest level of performance conditions would be achieved, the grant date fair values of the RSU and PS awards would have been as follows: (i) 2019: Mr. Bratt, $962,542; Mr. Hanke, $138,545; Mr. Murray, $349,923; Mr. Lombarte, $349,923; and (ii) 2020: Mr. Bratt, $1,161,328; Mr. Westin, $784,860; Mr. Murray, $349,893; Mr. Oldorff, $349,893; Mr. Lombarte, $349,893.

(3) All amounts relate to Change in Pension Value as used for accounting purposes according to U.S. GAAP.

(4) The following table reflects the items that are included in the All Other Compensation column for 2020.

2020 All Other Compensation

Name	Perquisites $[(a)]	Company Contributions to Defined Contribution Plans $[(b)]	Tax Payment $[(c)]	Vacation Supplement $[(d)]	Other allowances / payments $[(e)]	Severance $[(f)]	TOTAL $
Mikael Bratt	20,821	532,332	0	12,892	0	0	571,046
Fredrik Westin	8,290	195,903	0	1,343	0	0	205,536
Christian Hanke	3,174	20,973	0	1,057	0	0	25,204
Brad Murray	245,001	33,250	793,016	0	222,119	1,704,481	2,997,867
Frithjof Oldorff	11,951	65,319	0	0	0	0	77,271
Jordi Lombarte	138,860	35,395	0	0	0	0	174,255

(a) For Mr. Bratt, reflects the value of a company car including running costs and company-paid healthcare benefits. For Mr. Westin, reflects the value of a company car including running costs and company-paid healthcare benefits. For Mr. Hanke, reflects the value of a company car including running costs. For Mr. Oldorff reflects the value of a company car including running costs. For Mr. Murray reflects the value of a company car including running costs, company-paid healthcare benefits, club membership fee, home leave, and company-paid housing and utilities of $186,415. For Mr. Lombarte, reflects an auto allowance of $25,200, company-provided housing of $85,578, home leave, fuel, and company-paid healthcare benefits. For all perquisites, the value reported reflects the aggregate incremental cost to the Company of providing the benefit. The Company determined the cost of the company car based on the value of the lease payment/ amortization or car allowance paid, as applicable.

(b) Reflects for Messrs. Bratt and Westin contributions to the named executive officer's defined contribution plans in Sweden. Reflects for Mr. Hanke contributions to his pension plan in Sweden. Reflects for Mr. Murray matching contributions to the U.S. 401(k) plan and $22,574.70 matching contributions to the Autoliv North America Non-Qualified Retirement Plan. Reflects for Mr. Lombarte matching contributions to the U.S. 401(k) plan and $24,707 in matching contributions to the Autoliv North America Non-Qualified Retirement Plan.

(c) Per the terms of his international assignment agreement, Mr. Murray is entitled to a benefit of tax equalization. The amount reported reflects Mr. Murray's tax gross-up payments on the 2020 benefits related to his international assignment to Japan ($14,014), and the final cost for tax equalization for income year 2019 ($779,002) (which amount which was not final nor paid at the time of the filing of the 2019 proxy statement). As of the date of this proxy statement, the tax equalization cost related to compensation earned in 2020 had not yet been finalized or paid. Accordingly, the Company is not able to include such amounts in this proxy statement.

(d) Reflects for Messrs. Bratt, Westin and Hanke the vacation supplement required by Swedish labor law.

(e) Reflects for Mr. Murray a net foreign service allowance.

(f) Reflects for Mr. Murray cash payment in lieu of outstanding 2018-2020 Autoliv and Veoneer stock awards assuming that the PSUs are paid out at target upon conclusion of the performance period ($592,627), retention bonus ($800,000), payment in lieu of unused vacation ($57,146), and non-competition payment ($254,708).

(5) Reflects each NEO's 20% base salary reduction for services in April, May, and June 2020. Includes payment in 2020 in lieu of unused vacation days for Mr. Bratt ($32,973) and Mr. Hanke ($72,856). For Mr. Hanke also includes his allowance as Interim EVP Finance and CFO described above.

(6) Messrs. Hanke and Lombarte were not named executive officers in 2018. Mr. Westin and Mr. Oldorff were not named executive officers in either 2018 or 2019.

2020 Grants of Plan-Based Awards Table[1]

The following table summarizes grants of plan-based awards to named executive officers made in the year ended December 31, 2020.

		Estimated Possible Payouts under Non-Equity Incentive Plan Awards			Estimated Possible Payouts under Equity Incentive Plan Awards				
	Grant Date	Threshold ($)	Target ($)	Maximum ($)	Threshold (#)	Target (#)	Maximum (#)	All Other Stock Awards: Number of Shares of Stock or Units (#)	Grant Date Fair Value of Stock Awards ($)
Mikael Bratt	02/19/2020	—	—	—	—	6,495	12,990	—	497,712
	02/19/2020	—	—	—	—	—	—	2,165	165,904
		—	610,605	1,221,210	—	—	—	—	—
Fredrik Westin	03/02/2020	—	—	—	—	2,319	4,368	—	156,231
	03/02/2020	—	—	—	—	—	—	7,012	472,398
			251,875	503,749	—	—	—	—	—
Christian Hanke	—	—	—	—	—	—	—	—	—
Brad Murray	02/19/2020	—	—	—	—	1,957	3,914	—	149,965
	02/19/2020	—	—	—	—	—	—	652	49,963
		—	191,031	382,063	—	—	—	—	—
Frithjof Oldorff	02/19/2020	—	—	—	—	1,957	3,914	—	149,965
	02/19/2020	—	—	—	—	—	—	652	49,963
		—	293,937	587,874	—	—	—	—	—
Jordi Lombarte	02/19/2020	—	—	—	—	1,957	3,914	—	149,965
	02/19/2020	—	—	—	—	—	—	652	49,963
		—	162,766	325,532	—	—	—	—	—

(1) The numbers reflect the aggregate grant date fair value of the RSUs calculated with the actual share price on the day of grant. Each of the named executive officers received his or her RSUs and PSUs in February 2020.

Outstanding Equity Awards at 2020 Fiscal Year-End

A summary of securities underlying outstanding plan awards for the named executive officers in the year ended December 31, 2020 is provided below.

			Option Awards[1]			Stock Awards[1]			
Name	**Grant Year**	**Awards linked to which company**	**Number of Securities Underlying Unexercised Options (#) Exercisable**	**Option Exercise Price ($)**	**Option Expiration Date ($)**	**Number of Shares or Units of Stock That Have Not Vested (#)[2]**	**Market Value of Shares or Units of Stock That Have Not Vested ($)[3]**	**Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)[2][4]**	**Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)[3]**
Mikael Bratt	2020	Autoliv	—	—	—	2,186	201,331	6,558	603,992
	2019	Autoliv	—	—	—	1,834	168,911	5,503	506,826
	2018	Autoliv	—	—	—	1,968	181,253	—	—
		Veoneer	—	—	—	4,363	92,932	—	—
Fredrik Westin	2020	Autoliv	—	—	—	7,012	645,805	2,319	213,580
Christian Hanke[5]	—	—	—	—	—	—	—	—	—
Brad Murray[6]	2015	Autoliv	1,319	80.40	02/16/25	—	—	—	—
		Veoneer	3,099	34.25	02/16/25	—	—	—	—
	2014	Autoliv	1,577	67.29	02/19/24	—	—	—	—
		Veoneer	3,703	28.67	02/19/24	—	—	—	—
	2013	Autoliv	2,219	49.07	02/19/23	—	—	—	—
		Veoneer	5,211	20.91	02/19/23	—	—	—	—
	2012	Autoliv	710	47.52	02/22/22	—	—	—	—
		Veoneer	1,668	20.25	02/22/22	—	—	—	—
Frithjof Oldorff	2020	Autoliv	—	—	—	658	60,602	1,976	181,990
	2019	Autoliv	—	—	—	3,966	365,269	—	—
Jordi Lombarte	2020	Autoliv	—	—	—	658	60,602	1,976	181,990
	2019	Autoliv	—	—	—	666	61,339	2,000	184,200
	2018	Autoliv	—	—	—	477	43,932	—	—
		Veoneer	—	—	—	1,057	22,514	—	—

(1) The above plan awards were granted on February 22, 2012, February 19, 2013, February 19, 2014, February 16, 2015, February 13, 2018, February 18, 2019, and February 19, 2020 respectively. All options granted are for 10-year terms with an exercise price equal to the fair market value (as defined in the 1997 Plan) per share on the date of grant and become exercisable after one year of continued employment following the grant date. RSUs and PSUs generally cliff vest after three years.

(2) For all RSU and PSU grants, the numbers reflect both the number of RSUs and PSUs originally granted and the additional RSUs and PSUs accrued through dividend equivalent rights through December 31, 2020.

(3) The closing price on the NYSE for our common stock on December 31, 2020, the last trading day of the year, was $92,10. The closing price on the NYSE for the Veoneer Inc. common stock on December 31, 2020 was $21.30.

(4) Reflects PSUs, assuming performance at the target performance level for the relevant metrics.

(5) Mr. Hanke forfeited his outstanding equity awards in connection with his resignation of employment on March 1, 2020. He did not hold any vested stock options as of December 31, 2020.

(6) Mr. Murray forfeited his unvested equity awards in connection with his termination of employment on December 31, 2020. His vested stock options expire on March 31, 2021.

Option Exercises and Stock Vested During 2020

The following table summarizes for each of our named executive officers the RSUs that vested during the year ended December 31, 2020. None of our named executive officers exercised any option awards during the year.

	Stock Awards		
Name		**Number of Shares Acquired on Vesting (#)**	**Value Realized on Vesting ($)**[1]
Mikael Bratt	Autoliv	2,243	171,881
	Veoneer	5,021	72,654
Fredrik Westin	—	—	—
Christian Hanke	Autoliv	478	36,629
	Veoneer	1,070	15,483
Brad Murray	Autoliv	853	65,365
	Veoneer	1,911	27,652
Frithjof Oldorff	Autoliv	2,974	233,400
Jordi Lombarte	Autoliv	542	41,533
	Veoneer	1,215	17,581

(1) The value realized on vesting of RSUs shown in the table above was calculated as the product of the closing price of a share of our common stock and the Veoneer Inc. common stock respectively, on the vesting date multiplied by the number of RSUs vested.

Pension Benefits

The following table summarizes the present value of the benefit (and other information) under the defined benefit plan of the Company for the named executive officer in the year ended December 31, 2020. Of our named executive officers, only Mr. Murray participated in a defined benefit plan.

Name	**Plan Name**	**Number of Years Credited Services (#)**	**Present Value of Accumulated Benefit ($)**	**Payments during Last Fiscal Year ($)**
Brad Murray	Autoliv ASP, Inc. Pension Plan Autoliv ASP, Inc. Excess Pension Plan	33 33	1,481,000[1] 1,817,500[1]	—

(1) The actuarial present value of the accumulated plan benefit is based on the accrued benefit in each plan as of December 31, 2020, using the plan's benefit formula and actual earnings and service through December 31, 2020. The calculation is based on the same assumptions used for financial reporting purposes under generally accepted accounting principles with the following exceptions: (a) Mr. Murray was assumed to retire on his normal retirement date of July 1, 2024, (b) Mr. Murray was assumed to elect a lump sum payment in both plans, payable on July 1, 2024 and (c) no pre-retirement decrements (withdrawal, retirement, disability, or death) were assumed.

Key assumptions used to calculate the defined benefit value as of December 31, 2020 are as follows: (i) discount rate of 2.37%, (ii) lump sum interest rates of 1.41% for the first five years, 3.40% for the next 15 years, and 3.44% thereafter, and (iii) solely for determination of the projected lump sum amounts, the assumed future applicable mortality table under U.S. Internal Revenue Code Section 417(e) rates based on RP2014 base table back-projected to 2006 and projected forward using MP-2019.

U.S. Pension Plan. During 2020, Mr. Murray participated in the Autoliv ASP, Inc. Pension Plan (which we refer to as the "Pension Plan"). The Pension Plan is a funded, defined benefit pension plan that provides benefits for the Company's U.S. employees hired prior to January 1, 2004, who meet minimum age and service eligibility requirements. Subject to certain limitations, the monthly retirement benefit under the Pension Plan (assuming attainment of age 65, the retirement age specified by the plan, and an election to receive payments in the form of a life annuity), is determined in accordance with a formula that takes into account the following factors: the highest average of any consecutive five calendar years of pensionable earnings during the last ten years of employment ("average final earnings"), and the number of years of benefit service. The retirement benefit for Mr. Murray under the Pension Plan is a monthly pension equal to 1/12th of the amount determined as follows:

- 1.0% of average final earnings times years of benefit service prior to 12/31/2005, plus
- 0.5% of average final earnings in excess of "Covered Compensation" times years of benefit service prior to 12/31/2005, plus
- 0.7% of average final earnings times years of benefit service on or after 1/1/2006, plus
- 0.5% of average final earnings in excess of "Covered Compensation" times years of benefit service on or after 1/1/2006.

For purposes of this formula, "earnings" in a given year means the participant's gross annual compensation, excluding amounts credited or paid under the key employees stock option and performance unit plan, long-term incentive plans, severance pay and reimbursement for employment-related expenses, but including bonuses and incentive pay which is not, and has not been, subject to deferred income taxation under the U.S. Internal Revenue Code. "Covered Compensation" means the average of the Social Security taxable wage bases during the 35-year period ending with the year in which the participant reaches the Social Security normal retirement age. Pension Plan benefits will begin when a participant reaches normal retirement age, defined as age 65. Benefits can commence immediately upon termination if the participant is vested after five years of vesting service, but if benefits are commenced prior to age 60, the benefit will be lower than at normal retirement age. Disability retirement is offered under the Pension Plan to participants who have at least 15 years of vesting service, are eligible to receive Social Security Disability benefits, become totally and permanently disabled while employed, and are not eligible to participate in long-term disability insurance.

Benefits under the Pension Plan are payable in the form of a lump sum or annuity, as selected by the participant. Participants in the Pension Plan will be 100% vested in their plan benefit after five years of vesting service or if they reach age 65 while employed by Autoliv. Mr. Murray is fully vested in his Pension Plan benefits.

Excess Pension Plan. Mr. Murray also participated in the Autoliv ASP, Inc. Excess Pension Plan (which we refer to as the "Excess Pension Plan"). The Excess Pension Plan is an unfunded, nonqualified defined benefit retirement plan, pursuant to which participating U.S. employees are eligible to receive a retirement benefit based on the benefit they would receive under the Pension Plan. Benefits payable under the Excess Pension Plan are calculated without regard to the limitations imposed by the U.S. Internal Revenue Code on the amount of compensation that may be considered under the Pension Plan. The purpose of the Excess Pension Plan is to supplement the benefits payable under the Pension Plan.

The benefit payable under the Excess Pension Plan is equal to the excess, if any, of (i) the monthly benefit that would be payable to the executive under the Pension Plan as of the later of age 65 or the executive's separation from service, computed without regard to applicable U.S. Internal Revenue Code limitations, and computed as if amounts deferred under a bonus or incentive compensation plan had been counted as "earnings" under the Pension Plan), over (ii) the amount of monthly benefit payable to the executive under the Pension Plan as of the later of age 65 or the executive's separation from service, as limited by the U.S. Internal Revenue Code and the terms of the Pension Plan. Benefits under the Excess Pension Plan will be payable in a single lump sum on the first day of the seventh month following the month in which the executive retires or otherwise separates from service. Mr. Murray is fully vested in his benefits in the Excess Pension Plan.

Nonqualified Deferred Compensation

The following table sets forth certain information with respect to the Autoliv North America Non-Qualified Retirement Plan (which we refer to as the Non-Qualified Retirement Plan). Messrs. Lombarte and Murray are the only named executive officers that participate in the Non-Qualified Retirement Plan.

Name	Executive Contributions in Last Fiscal Year ($)(1)	Registrant Contributions in Last Fiscal Year ($)(2)	Aggregate Earnings in Last Fiscal Year ($)(3)	Aggregate Withdrawals/ Distributions ($)	Aggregate Balance at Last Fiscal Year-End ($)(4)
Brad Murray	48,374.19	22,574.70	63,208.33	0.00	$542,466.63
Jordi Lombarte	30,883.70	24,706.91	20,410.45	0.00	$ 167,192.29

(1) Messrs. Murray's and Lombarte's contributions to the Non-Qualified Retirement Plan are included in the amount reported as "Salary" in the Summary Compensation table for fiscal year 2020.

(2) The Company's matching contributions to the Non-Qualified Retirement Plan are included in the "All Other Compensation" in the Summary Compensation table for Messrs. Murray and Lombarte for fiscal year 2020.

(3) Aggregate earnings are not includable in the Summary Compensation Table because such earnings are not above-market or preferential interest rates.

(4) Includes amounts previously reported in the Summary Compensation Table, in the previous years when earned if that executive officer's compensation was required to be disclosed in a previous year. Amounts previously reported in such years include previously earned, but deferred, salary and Company matching contributions.

Potential Payments Upon Termination or Change in Control

The Company has entered into agreements and maintains plans that may require the Company to make payments and/or provide benefits to our named executive officers in the event of termination of employment or a change in control. The paragraphs below summarize the material terms of such agreements with our named executive officers.

Employment Agreements. The Company is party to an employment agreement with each of Messrs. Bratt, Westin, Lombarte and Oldorff (the "employment agreements"). Mr. Murray had a time limited international assignment agreement (the "IA Agreement") that would have expired on March 31, 2020. Mr. Murray and the Company entered into a new international assignment agreement on January 23, 2020 to extend his employment with the Company until December 31, 2020.

The employment agreements obligate the Company to provide 12 (Mr. Bratt) or 6 (all others) months notice of termination of employment for each of the named executive officers (for Mr. Murray, 6 months or last day of the IA Agreement, whichever is earlier) unless the employment is terminated for "cause," in which case termination would be effective immediately. In addition to notice of termination, the named executive officers are eligible for certain severance payments or end-of-service benefits. Each of the named executive officers must provide the Company with 12 (Mr. Bratt) or 6 (all others) months' notice of resignation (for Mr. Murray, 6 months or last day of the IA Agreement, whichever is earlier).

Except as provided below, following the executive's termination of employment, each of the named executive officers are prohibited from competing with the Company for a period of 12 months. Such noncompetition covenant does not apply if the Company terminates the named executive officer's employment for any reason other than for "Cause", or the named executive officer resigns for "Good Reason". In consideration for such noncompetition covenant, the Company is obligated to make up to 12 monthly payments equal to the difference between the executive's monthly gross salary as of the date of his employment termination and any lower salary earned by the executive in any new employment, if any. The aggregate monthly payments are limited to a maximum of 60% of the gross salary earned as of the date of his employment termination, and the Company will cease making payments once such aggregate amount has been reached. The Company is not obligated to make such payments if the executive's employment terminates due to his retirement.

In addition to receiving full base salary and benefits during the requisite notice period, if the Company terminates the employment involuntarily other than for Cause or if the executive resigns for Good Reason, then the executive would be entitled to a lump sum severance payment equal to one and one-half times his then-current base salary, except for Mr. Murray who was eligible for a previously earned but deferred end-of-service payment of $800,000 following the end of employment with the Company (the "End-of-Service Payment"). Under the new IA Agreement with Mr. Murray, he was also eligible for a retention payment of the cash value of the unvested equity outstanding on the expiration date of the IA Agreement subject to certain requirements for continued employment.

As part of the IA Agreement signed between Mr. Murray and the Company on January 23, 2020, his change-in-control severance agreement (“CiC Severance Agreement”) with the Company terminated and became void. After the termination of this agreement, none of the named executive officers or other executives has an applicable CIC Severance Agreement with the Company.

Our named executive officers (except for Mr. Murray) may generally terminate their employment with Good Reason or without Good Reason. “Good Reason” shall generally mean; (1) the assignment of any duties inconsistent with the executives status as an executive officer of the Company or a substantial adverse alteration in the nature or status of responsibilities other than any such alteration primarily attributable to the fact that the Company may no longer be a public company; or (2) a reduction by the Company in the Executive’s annual base salary; or (3) the relocation of the Executive’s principal place of employment; or (4) the failure by the Company to pay to the Executive any portion of the Executive’s current compensation on a timely basis; or (5) the failure by the Company to continue in effect any compensation plan in which the Executive participates on the Effective Date which is material to the Executive’s total compensation; or (6) the failure by any successor to the business of the Company (whether direct or indirect, by purchase, merger, consolidation or otherwise) to expressly assume and agree to perform the employment agreement in the same manner.

The Company may generally terminate our named executive officers’ employment (except for Mr. Murray) with or without Cause. “Cause” for termination by the Company of the Executive’s employment shall mean; (1) willful and continued failure by the executive to substantially perform the duties; or (2) the willful engaging by the Executive in conduct which is demonstrably and materially injurious to the Company, monetarily or otherwise.

Equity Awards. Pursuant to the 1997 Plan and subsequent grant agreements until 2019, upon the occurrence of a change in control, any outstanding RSUs held by the executive would fully vest and the PSUs will vest at the target level. Pursuant to the agreements evidencing awards granted under the 1997 Plan, upon the executive’s death or retirement, any outstanding RSUs held by the executive would become fully vested and the PSUs will remain outstanding and may be earned, in whole, in part, or not at all, following the conclusion of the performance period to the extent that the performance objectives are attained. Upon an executive’s termination of employment, absent a change in control, any outstanding options, RSUs and PSUs that would vest during the applicable notice period, if any, would become fully vested. For awards granted in 2019 and 2020, a change of control acceleration only occurs if the surviving entity does not assume or otherwise equitably convert or substitute the unvested equity in connection with the change in control. If the surviving company does assume or otherwise equitably convert or substitute the unvested equity, then the awards become fully vested only if the executive’s employment is terminated without cause or he resigns for good reason within two years following the change in control event.

Estimated Payments to Named Executive Officers upon Termination of Employment under Various Circumstances or a Change in Control. The following tables set forth the estimated value of the payments and benefits described above to each of Messrs. Bratt, Westin, Oldorff, and Lombarte upon termination of employment under various circumstances or a change in control. The amounts shown assume that the triggering events occurred on December 31, 2020. For the calculations, the 2020 defined contribution payment for each named executive officer has been used. The amounts contained in the table would be paid in Swedish Kronor, Euros, or USD. All amounts have been converted to USD using the following exchange rate: 1 USD = 8.1886 SEK = 0.8158 EUR. In addition to the estimated payments and benefits in the tables, the Company would in each case reimburse the executive officer for accrued but unused vacation, if any, in accordance with the respectively applicable local legislation and Company policy.

MIKAEL BRATT

Estimated Potential Payment or Benefit	Resignation without Good Reason ($)	Termination without Cause or Resignation for Good Reason ($)	Termination for Cause ($)	Change in Control ($)	Change in Control and Termination ($)[8]	Death or Retirement ($)
Lump sum cash severance payment	—	1,831,815	—	—	1,831,815	—
Continuing salary/annual incentive payments during requisite notice period	1,221,210	1,221,210	—	—	1,221,210	—
Salary differential payments in consideration for noncompetition with the Company[1]	732,726	—	732,726	—	—	—
Continuing health, welfare, and retirement benefits[2]	539,362	539,362	—	—	539,362	—
Vesting of equity[3]	274,185[4]	274,185[5]	—	274,185[6]	1,755,245	1,755,245[7]
Company car[9]	18,791	18,791	—	—	18,791	—
Total	**2,786,274**	**3,885,363**	**732,726**	**274,185**	**5,366,423**	**1,755,245**

FREDRIK WESTIN

Estimated Potential Payment or Benefit	Resignation without Good Reason ($)	Termination without Cause or Resignation for Good Reason ($)	Termination for Cause ($)	Change in Control ($)	Change in Control and Termination ($)[8]	Death or Retirement ($)
Lump sum cash severance payment	—	1,007,498	—	—	1,007,498	—
Continuing salary/annual incentive payments during requisite notice period	335,833	335,833	—	—	335,833	—
Salary differential payments in consideration for noncompetition with the Company[1]	402,999	—	402,999	—	—	—
Continuing health, welfare, and retirement benefits[2]	117,884	117,884	—	—	117,884	—
Vesting of equity[3]	191,568[4]	191,568[5]	—	—	859,385	859,385[7]
Company car[9]	4,676	4,676	—	—	4,676	—
Total	**1,052,960**	**1,657,459**	**402,999**	**—**	**2,325,276**	**859,385**

FRITHJOF OLDORFF

Estimated Potential Payment or Benefit	Resignation without Good Reason ($)	Termination without Cause or Resignation for Good Reason ($)	Termination for Cause ($)	Change in Control ($)	Change in Control and Termination ($)[8]	Death or Retirement ($)
Lump sum cash severance payment	—	979,790	—	—	979,790	—
Continuing salary/annual incentive payments during requisite notice period	326,597	326,597	—	—	326,597	—
Salary differential payments in consideration for noncompetition with the Company[1]	391,916	—	391,916	—	—	—
Continuing health, welfare, and retirement benefits[2]	32,660	32,660	—	—	32,660	—
Vesting of equity[3]	—	—	—	—	607,860	607,860[7]
Company car[9]	5,976	5,976	—	—	5,976	—
Total	**757,148**	**1,345,022**	**391,916**	**—**	**1,952,882**	**607,860**

JORDI LOMBARTE

Estimated Potential Payment or Benefit	Resignation without Good Reason ($)	Termination without Cause or Resignation for Good Reason ($)	Termination for Cause ($)	Change in Control ($)	Change in Control and Termination ($)[8]	Death or Retirement ($)
Lump sum cash severance payment	—	697,568	—	—	697,568	—
Continuing salary/annual incentive payments during requisite notice period	232,523	232,523	—	—	232,523	—
Salary differential payments in consideration for noncompetition with the Company[1]	279,027	—	279,027	—	—	—
Continuing health, welfare, and retirement benefits[2]	73,495	73,495	—	—	73,495	—
Vesting of equity[3]	66,446[4]	66,446[5]	—	66,446[6]	554,576	554,576[7]
Company car[9]	13,633	13,633	—	—	13,633	—
Total	**665,123**	**1,083,663**	**279,027**	**66,446**	**1,571,793**	**554,576**

The following footnotes apply to each of the tables above:

(1) Reflects a monthly payment of 60% of the monthly gross salary earned as of the date of the executive's employment termination, multiplied by 12, which is the maximum amount available to the executive pursuant to the terms of his employment agreement.

(2) Reflects the value of the benefits disclosed in footnote (4) to the Summary Compensation table (except for amounts paid as vacation supplements or settlements) that the executive would be entitled to during the requisite notice period. The estimated values are determined based on the Company's cost of providing such benefits during 2020.

(3) Reflects the value of RSUs that vest (in whole or in part) upon the designated event, based on the closing prices for our common stock and the Veoneer, Inc. common stock on December 31, 2020 ($92.10 and $21.30 respectively), the last trading day of the year. None of the named executive officers held unvested options as of December 31, 2020.

(4) As discussed above, upon termination, the executive would be entitled to receive current compensation and benefits during the relevant notice period, as applicable, including any equity awards that would vest during such period. However, per the terms of the RSU and PSU agreements, the RSUs and PSUs will not continue to vest if the executive has given notice of termination. Accordingly, the value of the equity awards upon a voluntary termination reflects only the value RSUs granted in February 2018 that would otherwise vest in February 2021, which vesting date falls within the requisite notice period. For Mr. Westin reflects the 1/3 of his retention RSU award granted in March 2020 that will vest in March 2021.

(5) As discussed above, upon an involuntary termination, the executive would be entitled to receive his compensation and benefits during the relevant notice period, as applicable, including any equity awards that would vest during such period. The value of the equity awards upon an involuntary termination reflects the value of the RSUs that would vest during the notice period following December 31, 2020.

(6) Upon a change in control, all RSUs (Autoliv and Veoneer) from the 2018 programs vest in full. The value of the equity awards upon a change in control reflects the value of all RSUs from the 2018 program including such RSUs acquired through dividend equivalent rights rounded down to the nearest whole share on December 31, 2020. Starting in 2019, LTI awards include a double-trigger acceleration of unvested equity in the event of a qualifying termination following a change in control in which outstanding awards are assumed by a publicly-traded surviving entity, instead of the previous single-trigger acceleration. The value reflected in this table assumes that outstanding awards granted in 2019 and later are assumed by a publicly-traded surviving entity and, therefore, do not accelerate in connection with the change in control alone.

(7) The executive's unvested RSUs and PSUs will become fully vested upon termination of employment by reason of death or retirement.

(8) Qualifying termination after a change in control includes resignation for good reason, termination without cause or termination due to disability.

(9) Reflects the value of the company car and running costs during the requisite notice period. The estimated values are determined based on the Company's cost of providing such benefits during 2020.

CEO Pay Ratio

The following ratio compares the annual total compensation of our median-paid employee with the annual total compensation of our CEO. The pay ratio included below is calculated in a manner consistent with Item 402(u) of Regulation S-K. Given the different methodologies that various public companies use to determine an estimate of their pay ratio, the estimated ratio reported below should not be used as a basis for comparison between companies.

We determined a new median employee for the year 2018 based on our determination that there was a significant change in the Company's demographics following the spin-off of Veoneer. As permitted by the SEC rules, for the compensation years 2019 and 2020, we are using the same determination of the "median employee" as in 2018 as there were no significant changes that would have an impact on our employee population, demographics or compensation arrangements. However, there was a significant change to the compensation of the previously identified "median employee" resulting in 2020 compensation being significantly lower than in previous years due to the "median employee" being on a leave of absence in 2020. Accordingly, and as permitted by SEC rules, we have chosen the next median employee identified in the 2018 determination for the 2020 ratio whose compensation was substantially similar to that of the original median employee.

To capture the compensation paid to Mr. Bratt for his services as our CEO, we have used the annual total compensation as disclosed in Summary Compensation Table of this Proxy Statement for the year 2020.

For fiscal year 2020:

- The annual compensation of our median-paid employee (other than the CEO) was $33,070 and
- the annual total compensation of the CEO was $3,038,388.

Based on this information, the ratio of the annual total compensation of our CEO to the annual total compensation of our median-paid employee is 92 to 1.

The methodology, material assumptions, adjustments, and estimates that we used to identify the median of the annual total compensation of all our employees, as well as to determine the annual total compensation of our median employee were as follows:

1. Our median employee identification date was October 31, 2018, since we are using the same determination process to identify the median employee in 2020.
2. As of October 31, 2018, our total employee population consisted of 63,539 individuals working at our parent company and consolidated subsidiaries worldwide. Our employee population which we have used to identify our median employee, after taking into consideration the adjustments permitted by SEC rules, consisted of 63,539 individuals. All "Autoliv Employee" categories who were employed by Autoliv as of October 31, 2018, whose compensation were set by Autoliv and who were paid through Autoliv payroll, were included in the analysis (permanent, temporary, and part-time). We based our analysis on the entire employee population (other than our CEO), as opposed to statistical sampling.
3. Given the geographical distribution of our employee population and varying local requirements, we use a variety of pay elements that differ by country to structure the compensation arrangements of our employees. Consequently, for purposes of measuring compensation of our employees, we selected "Actual Gross Taxable Compensation Reported Through Payroll" (or "Actual Gross Taxable Compensation") as the measure of compensation to identify the median employee.

4. Given our multiple payroll systems, schedules and the differing fiscal years of our Company and its subsidiaries, we measured "Actual Gross Taxable Compensation" as the total of payment made during the 10-month period starting on January 1, 2018 and ending on October 31, 2018 (the "measurement period").
5. We did not annualize or calculate the full measurement period equivalent of "Actual Gross Taxable Compensation" compensation paid during the measurement period.
6. As permitted by Item 402(u), we made cost-of-living (COL) adjustments to the compensation of all our employees in jurisdictions other than the jurisdiction in which our CEO resides to identify the median employee and used the same COL adjustment to determine the median employee's annual total compensation. Because of the geographical distribution of our employee population, we believe that COL adjustments provide a more meaningful comparison of our CEO's compensation to the actual value of the median employee's compensation. In accordance with Item 402(u), we are providing the following additional disclosure related to the COL adjustments:
   - The median employee in 2020 resided in Hungary.
   - The COL adjustments were based on 2017 purchasing power parity conversation factors provided by the World Bank, International Comparison Program database. 2018 conversion factors were not available at the time of our analysis.
   - We also identified who our median employee would have been had we not used any COL adjustments. Had we not used any COL adjustments, our median employee would have been an employee residing in Romania with an annual total compensation of $13,402 for the compensation year 2020. For the purposes of this disclosure, this amount was converted from Romanian Leu to U.S. dollars using the exchange rate 1 USD = 3.9737 RON on December 31, 2020. The ratio of the annual total compensation of our President and Chief Executive Officer to the annual total compensation of our median employee identified without the effect of the COL adjustments would have been 227 to 1 using the 2020 compensation levels.
7. In calculating the CEO Pay Ratio, we then identified and calculated the elements of such employee's compensation for the fiscal year 2020 in accordance with the requirements of Item 402(c)(2)(x) of Regulation S-K, resulting in annual total compensation in the amount of $33,070. The December 31, 2020 exchange rate used for the conversion to U.S. dollars was 1 USD = 0.0033613 HUF.

	Year	Salary $	Stock Awards $	Non-Equity Incentive Plan Compensation $	All Other Compensation $	TOTAL ($)
CEO	2020	1,193,122	663,616	610,605	571,045	3,038,388
Median paid employee[1]	2020	30,678	—	—	2,392	33,070

[1] The total amount includes shift and overtime compensation

PROPOSAL 2

ADVISORY VOTE TO APPROVE NAMED EXECUTIVE OFFICER COMPENSATION

Pursuant to Section 14A of the Exchange Act, Autoliv stockholders are entitled to cast an advisory vote on the Company's executive compensation program. As discussed in the Compensation Discussion and Analysis beginning on page 43 of this Proxy Statement, our compensation system plays a significant role in the Company's ability to attract, retain, and motivate management talent, which the Board believes is necessary for the Company's long-term success. The Board believes that its current compensation program directly links executive compensation to performance, aligning the interests of the Company's executive officers with those of its stockholders.

The Board invites you to review carefully the Compensation Discussion and Analysis beginning on page 43 of this Proxy Statement and the tabular and other disclosures on compensation under 2020 Executive Compensation Decisions beginning on page 51 of this Proxy Statement, and cast a vote either to endorse or not endorse the Company's compensation of its named executive officers through the following resolution:

> "Resolved, that stockholders approve the compensation of the Company's named executive officers, including the Company's compensation practices and principles, as discussed and disclosed in the Compensation Discussion and Analysis, the executive compensation tables, and any narrative executive compensation disclosure contained in this Proxy Statement."

While the vote does not bind the Board to any particular action, the Board values the input of our stockholders and will consider the outcome of this vote in considering future compensation arrangements.

THE BOARD RECOMMENDS A VOTE "FOR" THE PROPOSAL.

PROPOSAL 3

RATIFICATION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM APPOINTMENT

The Audit Committee of the Board has appointed Ernst & Young AB ("EY") as the independent registered public accounting firm for the Company's fiscal year ending December 31, 2021. The committee has been advised that EY has no relationship with the Company or its subsidiaries other than that arising from the firm's employment as accountants.

In accordance with directions of the Audit Committee, this appointment is being presented to the stockholders for ratification at the Annual Meeting. While ratification by stockholders of this appointment is not required by law or the Company's Restated Certificate of Incorporation or the By-Laws, the Audit Committee and management believe that such ratification is desirable. In determining whether to reappoint EY as our independent registered public accounting firm, the Audit Committee considered a number of factors, including, among others, the firm's independence and objectivity, capability and expertise in handling the breadth and complexity of the Company's global operations, historical and recent performance, communication and interaction with the Audit Committee and management, and the reasonableness of its fees for audit and non-audit services.

In the event this appointment is not ratified by the affirmative vote of a majority of shares present or represented by proxy and entitled to vote on the appointment at the Annual Meeting, the Audit Committee will consider that fact when it selects its independent registered public accounting firm for the following year.

Ernst & Young AB has been the independent registered public accounting firm for the Company since May 1997. EY has been the independent registered public accounting firm for Autoliv AB since 1984. Audit services provided to the Company by EY during 2020 consisted of the audit of the consolidated financial statements of the Company and its subsidiaries for that year and the preparation of various reports based thereon.

The Company has been advised that a representative of EY will attend the Annual Meeting to respond to appropriate questions and will be afforded the opportunity to make a statement, if desired.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" THE PROPOSAL.

Fees of the Independent Registered Public Accounting Firm
(Dollars in millions)

Type of Fees	2020	2019
Audit Fees	$ 6.891	$ 8.263
Audit-Related Fees	$ 0.245	$ 0.179
Tax Fees	$ 0.169	$ 0.203
All Other Fees	$ 0.015	$ 0.008
Total	$ 7.320	$ 8.653
Percent of total that were Audit or Audit-Related	97.5%	97.6%

Calculated in accordance with Autoliv's average exchange rates for 2020 or 2019, as applicable.

Audit Fees

Audit fees for the fiscal years ended December 31, 2020 and 2019 relate to professional services provided by EY for the audit of the Company's annual financial statements for such years, including the audit of the Company's internal control over financial reporting, included in the Company's Annual Report on Form 10-K, and the reviews of the financial statements included in the Company's Quarterly Reports on Form 10-Q for those fiscal years. Audit fees also include fees associated with the statutory audits of various subsidiary financial statements and procedures related to comfort letters, consents and assistance with and review of documents filed with the SEC. Audit fees also include accounting and financial reporting consultations necessary to comply with the standards of the Public Company Accounting Oversight Board, including audit procedures related to acquisitions.

Audit-Related Fees

The Audit-Related Fees for the fiscal years ended December 31, 2020 and 2019 relate mainly to EY's audits of benefit plans and other attestation services other than the audit of the Company's consolidated financial statements and certain other accounting consultations.

Tax Fees

Tax Fees for the fiscal years ended December 31, 2020 and 2019 relate to professional services provided by EY for tax compliance and tax advice.

All Other Fees

All Other Fees for the fiscal years ended December 31, 2020 and 2019 mainly related to use of an EY online service and certain other permitted advisory services. EY billed no significant fees related to any other services for the fiscal years ended December 31, 2020 or 2019.

Audit Committee Pre-Approval Policies

The Audit Committee has adopted guidelines for the provision of audit and non-audit services by Ernst & Young AB, including requiring Audit Committee pre-approval of any such audit and non-audit services. In developing these guidelines, the Audit Committee took into consideration the need to ensure the independence of Ernst & Young AB while recognizing that Ernst & Young AB may possess the expertise on certain matters that best positions it to provide the most effective and efficient services on certain matters unrelated to accounting and auditing. On balance, the Audit Committee will only pre-approve the services that it believes enhance the Company's ability to manage or control risk. The Audit Committee was also mindful of the relationship between fees for audit and non-audit services in deciding whether to pre-approve any such services and may determine, for each fiscal year, the appropriate ratio between the total amount of fees for audit, audit-related and tax services, and the total amount of fees for permissible non-audit services (excluding tax services). The guidelines provide for the pre-approval by the Audit Committee of described services to be performed, such as audit, audit-related, tax and other permissible non-audit services. Approval of audit and permitted non-audit services may also be made by the Chair of the Committee, and the person granting such approval must report such approval to the Committee at the next scheduled meeting.

The Audit Committee has considered the audit, audit-related, tax, and all other services discussed above and additional information provided to the Company by Ernst & Young AB and determined that the provision of these services is compatible with the independence of Ernst & Young AB. The Audit Committee pre-approved all such services in 2020 and 2019.

DISCRETIONARY VOTING OF PROXIES ON OTHER MATTERS

For business to be properly brought by a stockholder before an annual meeting of stockholders, timely advance written notice thereof must be received by the Secretary of the Company at its principal executive offices in accordance with the By-Laws, a copy of which may be obtained by written request to the Company's Secretary or on the Company's website at www.autoliv.com – About Us – Governance – Certificate and By-Laws. No such notices were received for the 2021 Annual Meeting.

Should any other matter requiring a vote of the stockholders be properly brought before the Annual Meeting, the proxy card confers upon the person or persons entitled to vote the shares represented by such proxies discretionary authority to vote such shares in respect of any such matter in accordance with their best judgment, to the extent permitted by applicable law and the listing standards of the NYSE, see "How Your Shares Will Be Voted" on page 13 of this Proxy Statement.

OTHER MATTERS

Stockholder Proposals for 2022 Annual Meeting

Proposals Pursuant to Rule 14a-8. Under Rule 14a-8(e) of the Exchange Act, stockholder proposals intended to be presented at the 2022 annual stockholders meeting must be received by us on or before November 28, 2021 to be eligible for inclusion in our proxy statement and proxy card related to that meeting. Only proper proposals under Rule 14a-8 of the Exchange Act that are timely received will be included in the proxy statement and proxy card for the 2022 annual stockholders meeting.

Proposals Pursuant to the By-Laws. Under the By-Laws, to bring any business before the stockholders at the 2022 annual stockholders meeting, other than proposals that will be included in our proxy statement, you must comply with the procedures described below. In addition, you must notify us in writing, and such notice must be delivered to or mailed and received by our Secretary at our principal executive offices no earlier than the close of business on February 11, 2022 and no later than the close of business on March 13, 2022.

A stockholder's notice to the Secretary shall set forth as to each matter the stockholder proposes to bring before the annual meeting (a) a brief description of the business desired to be brought before the annual meeting, including the text of the proposed business and any resolutions proposed for consideration and any proposed amendment to the By-Laws and the reasons for conducting such business at the annual meeting, (b) a representation that the stockholder is a holder of record of the shares entitled to vote at the Annual Meeting of Stockholders and intends to appear in person or by proxy, (c) the name and record address of the stockholder proposing such business and the beneficial owner, if any, on whose behalf the proposal is submitted, (d) the class or series and number of shares of stock of the Company which are owned beneficially and of record by the stockholder and the beneficial owner, if any, on whose behalf the proposal is submitted, (e) any material interest of the stockholder in such business, and (f) a description of any agreement, arrangement or understanding with respect to such business between or among the stockholder any affiliates, associates or others acting in concert with the stockholder.

Nominations Pursuant to the By-Laws. Under the By-Laws, to nominate a director for election to the Board, stockholders must comply with the notice procedures and requirements found in Article II, Section 6 of the By-Laws, a copy of which may be obtained by written request to the Company's Secretary or on the Company's website at www.autoliv.com – About Us – Governance – Certificate and By-Laws.

By Order of the Board of Directors of Autoliv, Inc.:

Anthony Nellis
Executive Vice President, Legal Affairs;
General Counsel; and Secretary

March 24, 2021
Stockholm, Sweden

Autoliv, Inc.

Mailing address: Box 70381, SE-107 24 Stockholm, Sweden
Visiting address: Klarabergsviadukten 70, Section B7, Stockholm, Sweden
Tel: +46 8 587 206 00; Fax +46 8 24 44 93
Company website: www.autoliv.com
Investor relations: Sweden Tel: +46 8 587 206 27, U.S. Tel: +1 (248) 223 8107

ANNEX A

Reconciliation of Non-U.S. GAAP Measures

The reconciliations for the non-U.S. GAAP measures discussed in the Compensation Discussion & Analysis section of this Proxy Statement are included below.

2020 Non-Equity Incentive Program
Performance Period (January 1, 2020 – December 31, 2020)

Performance Criterion: Adjusted Operating Income ($)

2020 Operating Income – Reported	**A**	382.1
Adjustments to 2020 Operating Income to exclude the impact of costs related to capacity alignment and antitrust related matters	**B**	99.5
2020 Operating Income - Adjusted	**C = A+B**	481.6

Performance Criterion: Adjusted Cash Conversion (in %)

2020 Free Cash Flow (Operating Cash Flow minus Capex, net)	**A**	509.3
Adjustments to 2020 Free Cash Flow to exclude the impact of costs related to capacity alignment and antitrust related matters	**B**	38.4
2020 Free Cash Flow – adjusted	**C = A+B**	547.7
2020 Net Income - reported	**D**	186.9
Adjustments to 2020 Net income to exclude the impact of costs related to capacity alignment and antitrust related matters, net of tax	**E**	88.4
2020 Net Income - adjusted	**F = D+E**	275.3
2020 Cash Conversion - adjusted	**G = C/F**	199%