

Autoliv Tax Strategy

Introduction

We are a Fortune 500 company and, through our operating subsidiaries, the world's largest automotive safety supplier with sales to all the leading car manufacturers in the world. Through our subsidiaries, we develop, manufacture and market protective systems such as airbags, seatbelts, steering wheels.

We also produce pedestrian protection systems. Autoliv's mission is to be the leading supplier of safety systems for the future car, well integrated with autonomous driving. Autoliv's vision of Saving More Lives is the guiding principle to more than **66,000 associates** in 27 countries. Each year, our products save over 30,000 lives and prevent ten times as many severe injuries.

Our Approach to Tax

In all jurisdictions in which a tax payment, filing or other obligation is required, we take this responsibility seriously by devoting necessary resources to meet such obligations timely. We believe that paying and collecting all requisite

taxes is our duty as a good corporate citizen. We also understand that regular tax audits are a part of doing business

for all companies and we approach such audits in an open and friendly manner with the tax authorities.

Additionally,

we require all Autoliv employees and advisors to act with integrity and maintain the highest ethical standards in all of its tax activities, and we will not engage in activities for the purpose of tax avoidance and/or tax evasion. In addition, we will not engage in activities which in our opinion are overly aggressive from a tax planning perspective

or which are artificial or contrived.

How We Manage Tax Risks

Despite our prudent approach to tax outlined above, tax risks do arise due to the differing of interpretation of tax laws between Autoliv and the relevant tax authorities. Our approach is to manage such tax risks consistent with applicable accounting and regulatory requirements and to timely communicate these risks to our internal stakeholders and external auditors. If required by the relevant accounting standards, we will accrue a tax reserve on our financial statements. In addition, we follow strict internal control policies that dictate clear lines of roles, responsibility and accountability with regards to the tax function.

Managing Relationships with Tax Authorities

Autoliv aims to be open and transparent with tax authorities about our tax affairs and to timely disclose relevant information to enable tax authorities to carry out their review and we seek to timely comply with all relevant legal disclosure requirements and information requests. Where disputes arise, we seek to work positively, pro-actively and transparently with tax authorities to minimise the extent of disputes, to achieve agreement on disputed issues when they arise, and to achieve certainty, wherever possible.

Our Attitude to Tax Planning

While the tax effects of various alternatives are considered and may impact decisions, we structure and plan our business based on our business needs and not based solely on tax considerations. Our attitude towards tax planning is governed by compliance with tax laws and preventing double taxation. Where changes are considered in our operating structure, in connection with acquisitions or divestitures, or otherwise, the tax impact of any such changes are clearly identified, communicated and considered as part of any such change