Earnings Call Presentation

1st Quarter 2022

April 22, 2022

Autoliv

Safe Harbor Statement*

This presentation 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 Autoliv, Inc. 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, general economic conditions, including changes in light vehicle production; the impacts of the coronavirus (COVID-19) pandemic on the Company’s financial condition, business operations and liquidity and the global economy; disruptions and impact relating to the ongoing conflict between Russia and Ukraine; fluctuation in vehicle production schedules for which the Company is a supplier; global supply chain disruptions including port, transportation and distribution delays or interruptions; supply chain disruptions and component shortages specific to the automotive industry or the Company; 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 and efficiency 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 and the availability of insurance with respect to such matters; 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; our ability to meet our sustainability targets, goals and commitments; dependence on and relationships with customers and suppliers; and other risks and uncertainties identified under the headings “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our Annual Reports and Quarterly Reports on Forms 10-K and 10-Q and any amendments thereto. 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.

(*) Non-US GAAP reconciliations are disclosed in our regulatory filings available at www.sec.gov or www.autoliv.com

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Q1´22 Cost Inflation and LVP Setback

- Strong sales outperformance vs. global LVP despite negative regional mix
- A distressed global supply chain aggravated by the war in Ukraine and lockdowns in China
  - Customer demand visibility has decreased while production volatility has increased
  - The war in Ukraine is significantly impacting LVP in Europe as well as global commodi prices
  - COVID-19 lockdowns in China impacting LVP and component supply
- Operating income impacted by raw material costs, volatility, lower-than-expect LVP and logistics bottlenecks
- Additional mitigation measures
  - Capacity alignment actions including closing one plant in South Korea
  - Stepping up cost compensation claims
- Cash flow and balance sheet remained strong
  - Property sale in Japan
  - Debt leverage ratio* within our target range at 1.4x
- Initiated share repurchases
- Dividend of $0.64 per share paid

(*) Non-US GAAP measures

Direct Effects of the War in Ukraine

Ukraine Supply Base

- We have no operations in Ukraine
- Four sub-suppliers in Ukraine
  - Wire harnesses
  - Heat mats for steering wheels
  - Subassemblies for steering wheel switches
- Two of our Ukrainian sub-suppliers are directed by customers
- Production transfer ongoing
  - New locations: China, North Macedonia, Hungary, Germany, Mexico

Autoliv Ukraine Supplier Locations

Operations in Russia

- We have one plant in Russia with around 200 employees
- Mainly serving global OEMs
- In 2021, our sales in Russia reflected less than 1% of our global net sales

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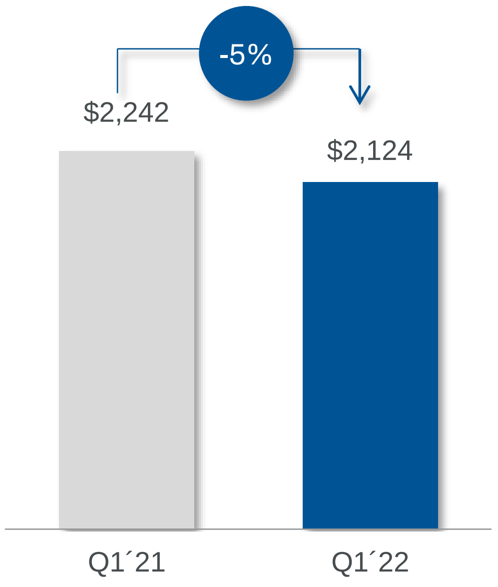
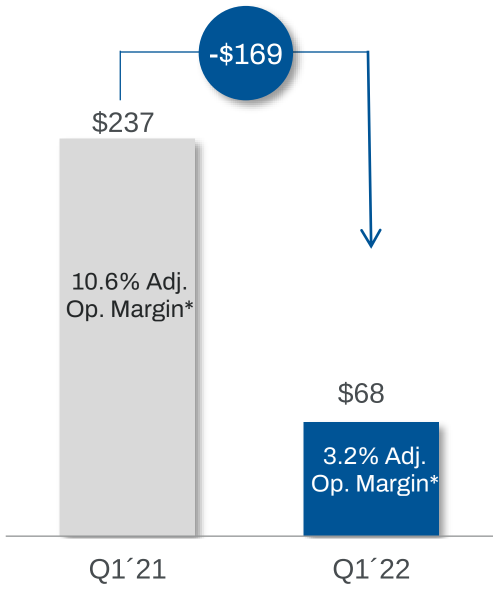
Q1´22 Financial Overview

Impacted by raw material cost increases, a lower than expected LVP and global supply chain disruptions

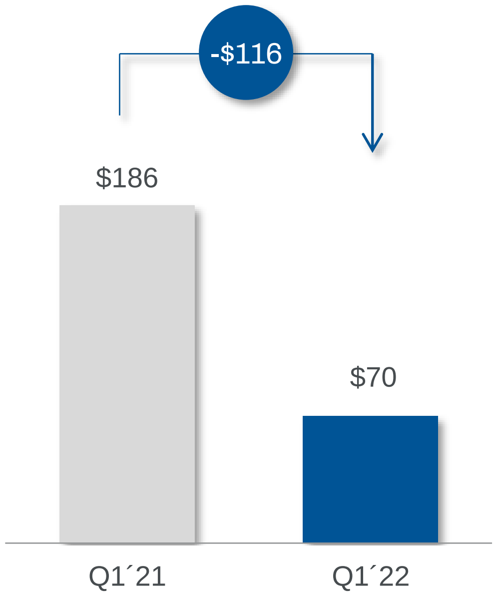
Consolidated Sales
US$ (Millions)



Adjusted Operating Income*
US$ (Millions)



Operating Cash Flow
US$ (Millions)

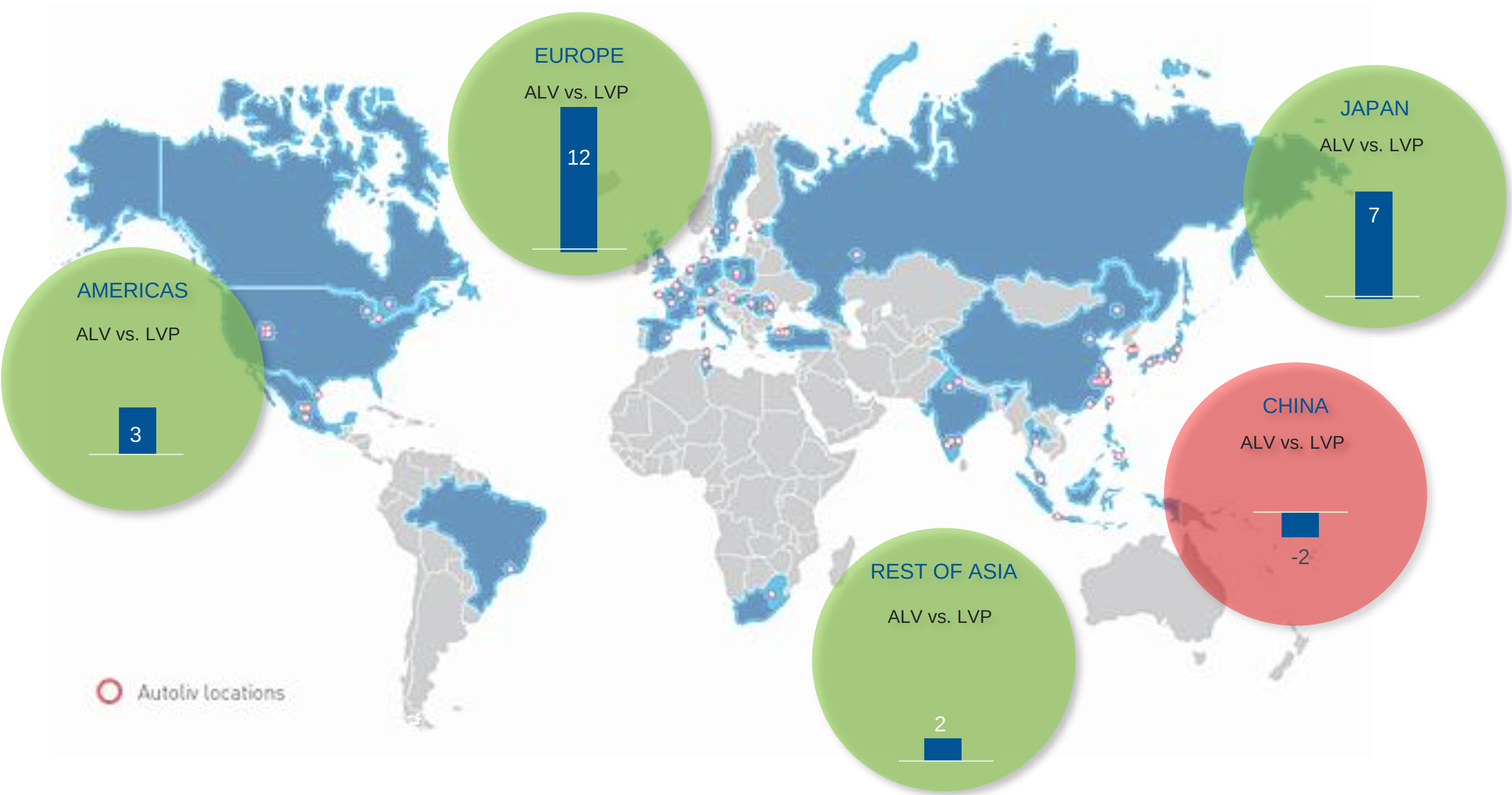


(*) Non-US GAAP measures exclude costs for capacity alignments

Q1'22 Sales Growth

Outperforming global LVP with 3pp

Organic Growth* vs. LVP**
(percentage points)



(*) Non-US GAAP measure
(**) Light Vehicle Production (LVP) according to IHS Markit @ April 2022

Q1'22 - Key Model Launches
Strengthening our position in Asia

Opel Astra

Subaru WRX

Toyota Aygo X

Mazda CX-50

Alfa Romeo Tonale

Renault Megane E-Tech

Suzuki Glanza/Baleno

Nio ET7

Lexus LX

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Q1´22 Financial Overview

(US$ Millions unless specified)	Q1’22		Q1’21	
Sales	$2,124		$2,242	
Gross Profit	$288	13.6%	$458	20.4%
Adj. Operating Income[1]	$68	3.2%	$237	10.6%
EPS (assuming dilution)	$0.94		$1.79	
Adj. RoCE[1,2]	7.4%		26%	
Adj. RoE[1,2]	6.1%		25%	
Operating cash flow	$70		$186	
Dividend paid per share	$0.64		-	
Share repurchases	$18		-	
Global LVP[3] (annual rate)	~76M		~79M	

(1) *Non-US GAAP measures exclude costs for capacity alignments*
(2) *Return on Capital Employed (RoCE) and Return on Equity (RoE)*
(3) *Light Vehicle Production (LVP) according to IHS Markit @ April 2022*

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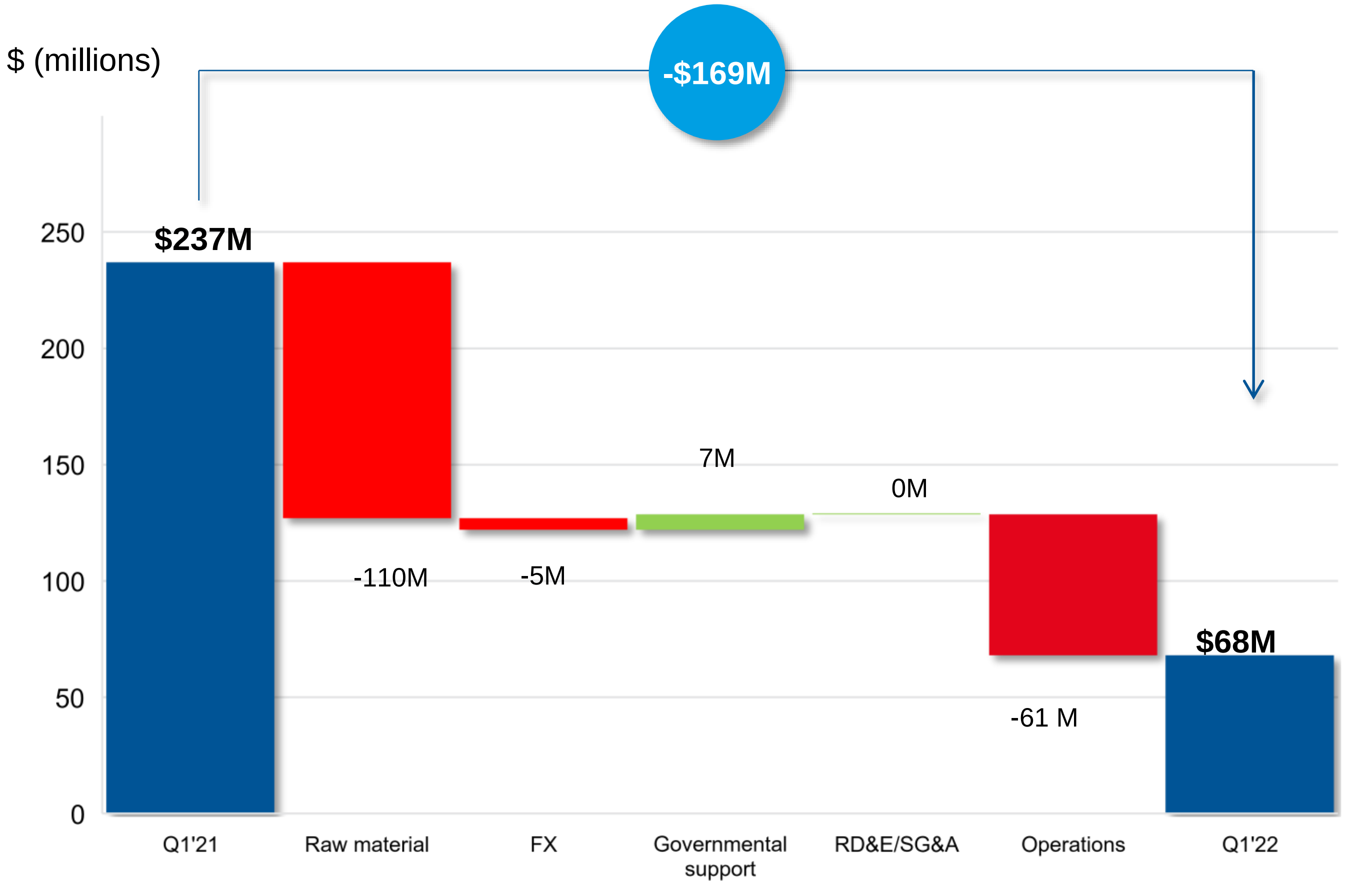
Q1´22 Adj. Operating Income* Bridge

vs. Prior Year



Positive effect from operational efficiency activities was more than offset by higher cost for premium freight, call-off volatility and cost inflation related to logistics and utilities etc.

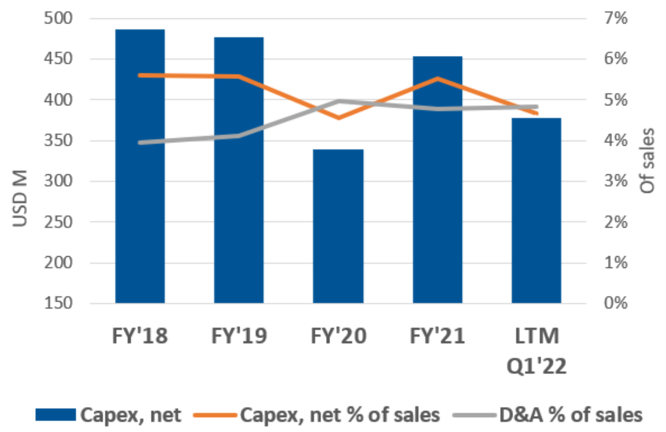
(*) Non-US GAAP measures exclude costs for capacity alignments

Cash Flow

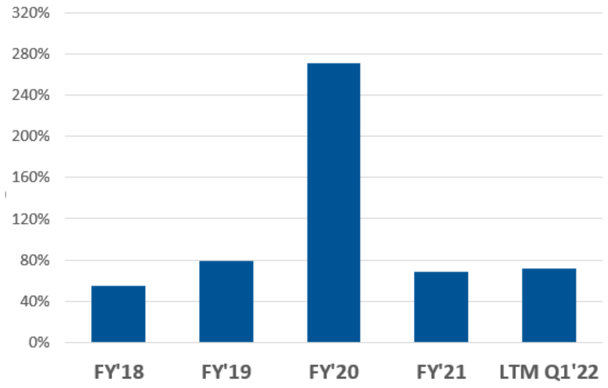
(US$ Millions unless specified)	Q1´22	Q1’21	2021	2020
Net Income	83	$157	$437	$188
Depreciation & Amortization	95	99	394	371
Other, net[3]	-91	19	-15	13
Change in operating WC	-18	-89	-63	277
Operating cash flow	**70**	186	**754**	**849**
Capital Expenditures, net[3]	-17	-93	-454	-340
Free cash flow[1]	**53**	**93**	**300**	**509**
Dividends paid	56	-	$165	$54
Share repurchases	18	-	-	-

(1) *Non-US GAAP measure, reconciliation is provided above*
(2) *Non-US GAAP measure, adjusted for EC antitrust accrual in 2018 and payment in 2019*
(3) *Includes income of $80 million from sale in 2022 of property in Japan*

Capex and D&A



Cash Conversion[2]



¤ Incl. Electronics prior to split in 2018

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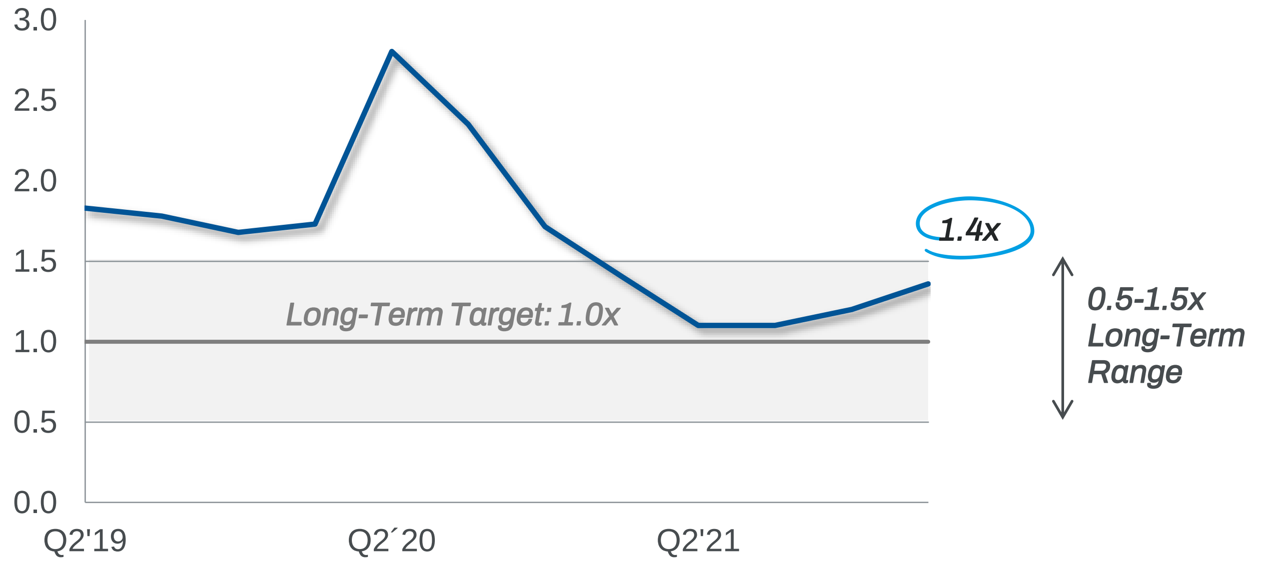
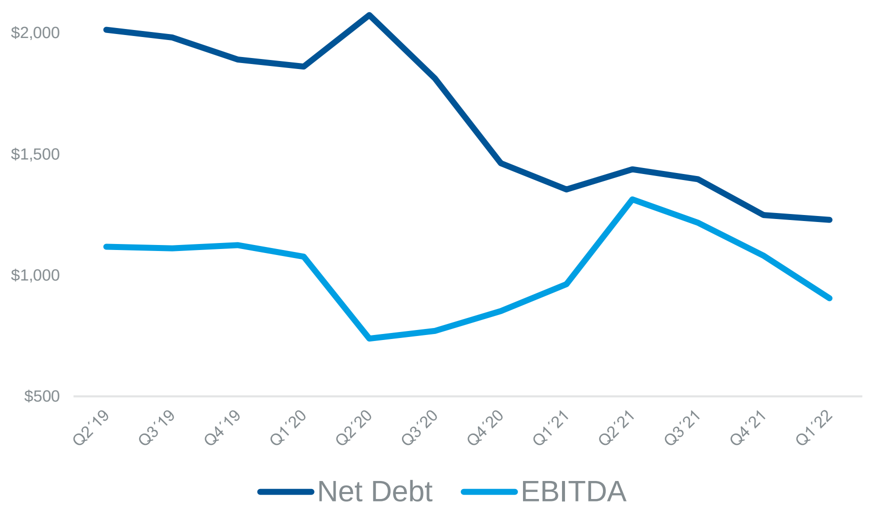
Debt Leverage Ratio*
Within target range

Net Debt*/ EBITDA*
x



Net Debt* and EBITDA* per the Policy
US$ (Millions)



- Our **Net Debt*** decreased by **$19M** from Q4'21
- **EBITDA LTM** decreased by **$176M** from Q4'21

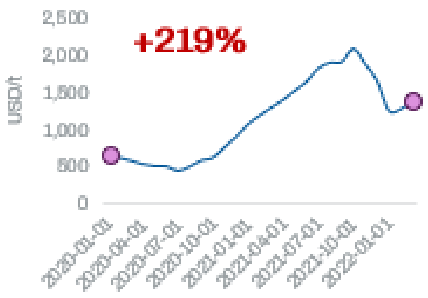
(*) Non-US GAAP measure, Leverage Ratio and Net Debt includes Pension Liability
EBITDA calculation redefined to exclude other non-operating items and income from equity method investments

Substantial Raw Material Cost Increases Across all Commodities

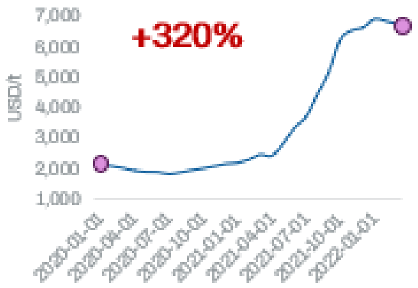
- Substantial full year 2022 operating margin headwind from raw materials
  - The additional uncertainty from the war in Ukraine has increased spot prices further
- In current price environment, raw material costs could be up to 6pp in operating margin headwind for 2022
  - With similar year-over-year effects in all quarters

IHS Markit: 2020 Jan vs. 2022 March

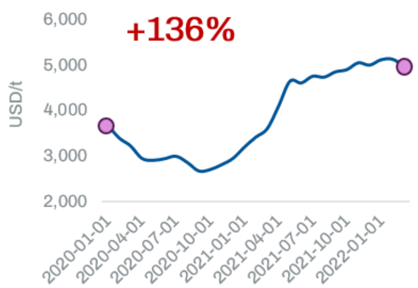
Steel



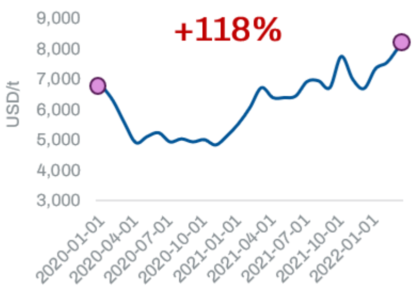
Magnesium



Nylon



Polyester



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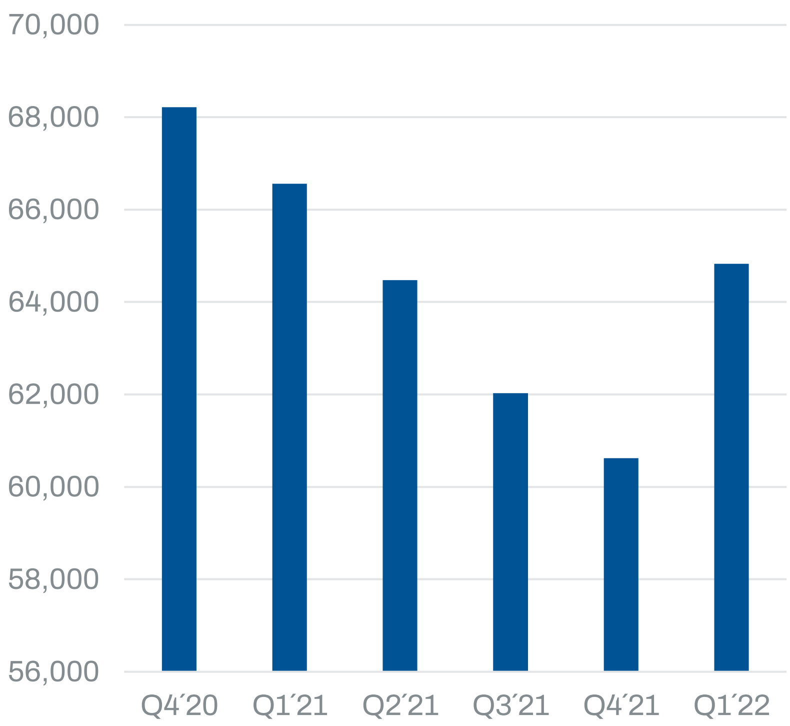
Cost Inflation Compensation Claims

- Compensation for cost increases in raw materials, labor, logistics and utilities
- On track to achieve previous expected recoveries
- The general cost inflation requires additional actions
  - Prices must reflect the changed cost environment
  - New and significantly higher recovery compensation claims
  - Focusing on substantial price increases from mid-year and onwards
- Implementing greater pricing flexibility into new contracts to account for changing costs

Mitigating the Consequences of the New Challenges
Additional cost control measures

- Task forces established
  - Secure supply and logistics
  - Safeguard employees' safety
  - Scenario analysis and planning
- Margin Focus
  - General hiring freeze implemented
    - Reduced headcount by over 1,700 YoY despite virtually unchanged sales
    - Direct Labor being adjusted to new LVP levels
  - Cost saving and footprint initiatives according to strategic plan
    - Capacity alignment and footprint optimization activities ongoing in N.America, Europe and Japan
    - Closure of seatbelt operations in S. Korea
    - Property sale in Japan of $80 million
    - Digitalization and automation projects deliver improvements
- Capital Management
  - Capital expenditure delays
  - Inventory management
  - Executing on the Capital Efficiency Program

Headcount development

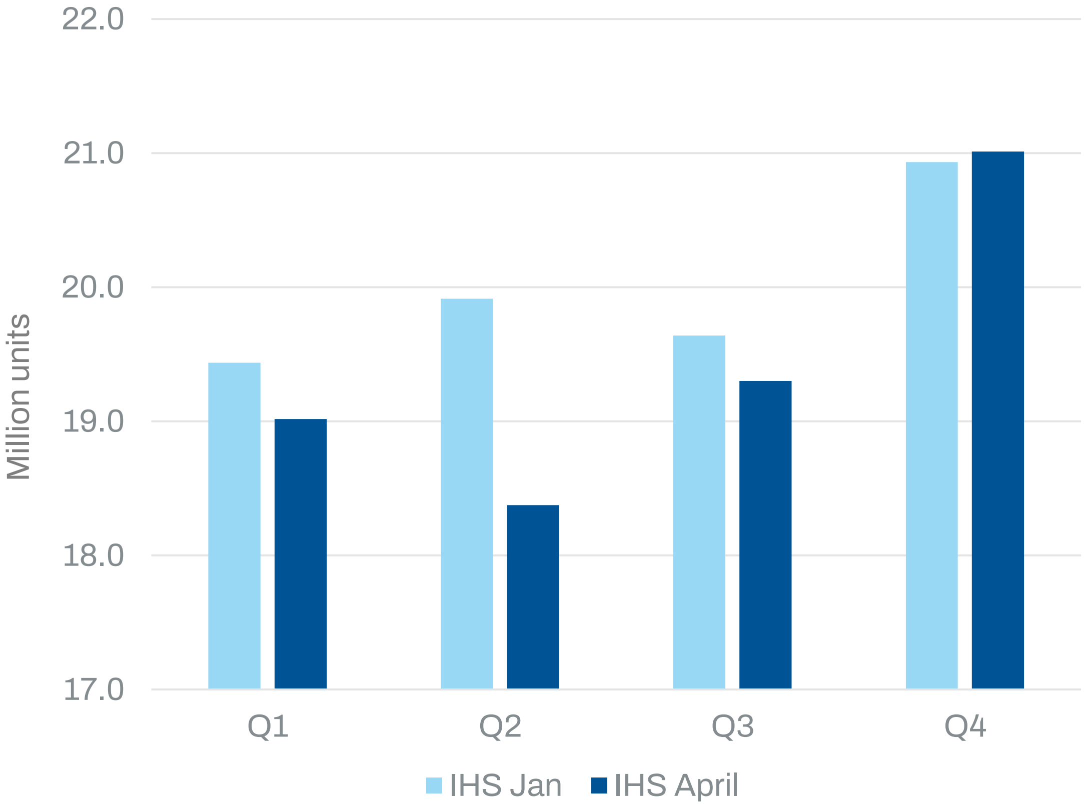


2022 GLVP Forecasts by IHS Markit*

January vs. April

- The war in Ukraine has materially altered the outlook for the Auto industry
- GLVP growth in 2022 reduced by 4pp to less than 5%, or by -2.2 million units vs. the January forecast
- With the largest reduction for Europe (-2 million units)
- Risk for additional impact on supply of semiconductors in the second half of 2022 due to the war in Ukraine

Given the ongoing uncertainty, **Autoliv assumes a range for LVP growth for 2022 of 0-5%**



(*) Light Vehicle Production (LVP) according to IHS Markit @ April 2022 Year-over-Year (Y-o-Y)

Light Vehicle Production Outlook

For the coming quarter, global LVP expected to be affected by component shortages and lockdowns

North American. Sales of light vehicles are slowly improving on a quarter-to-quarter basis and should continue strengthening over the remainder of the year. However, due to low inventory levels, deliveries remain well below demand, and well below deliveries a year ago.

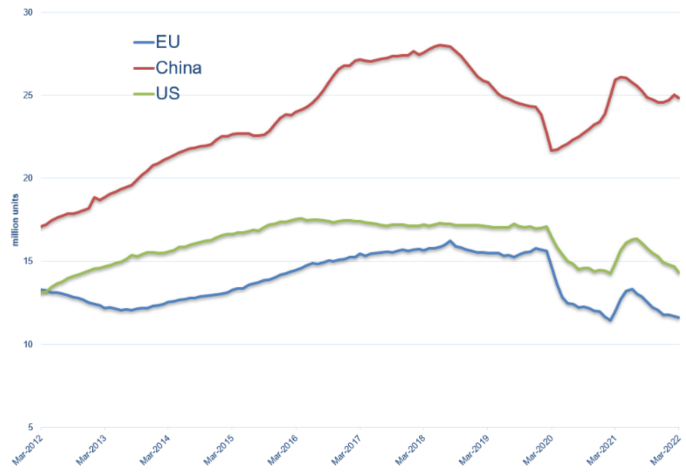
Europe. While most markets are affected in some way by the ongoing war, Europe is the most severely impacted. European production will remain challenged as weaker Q1 production is expected to carry forward into Q2 as the war in Ukraine continues to stress the supply chains.

China. Hit by strict COVID containment measures, light vehicle production and sales started to decline in March. Lockdowns are also interrupting auto production outside of China as export of components are affected.

In the near term, the outlook will be determined by the evolution of the situation around availability of components as well as the effects of lockdowns in China

Light Vehicle Sales LTM

(Million units)



IHS Markit: Light Vehicle Production*			
Region	Q2´22	FY´22	
	YoY Chg.	Million Units	Y-o-Y Chg.
China	-4.0%	23.3	-0.1%
Japan	4.0%	7.7	5.6%
Rest of Asia	7.5%	11.6	3.5%
North America	12.0%	13.6	13.7%
South America	-14.1%	2.8	9.9%
Europe	-3.9%	16.4	3.9%
Global	**2.2%**	**77.7**	**4.8%**

(*) Light Vehicle Production (LVP) according to IHS Markit @ April 2022 Year over Year (Y-o-Y)

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2022 Business Outlook

- Continued strong outperformance vs LV
  - Expect higher outperformance for the rest of th
- Sequential margins improvement antici
  - Gradually increasing cost compensations thro
  - Aligning direct labor to a lower demand level
  - Strict cost control
  - Improved LVP stability and visibility
  - Gradually improved supply chain stability
- Gradual profitability improvement
  - Based on our ongoing activities and current ma
    track towards our mid-term adjusted operating

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Full Year 2022 Indications

	Full year indication
LVP growth	0% to 5%
Organic sales increase[1]	**Around 12% to 17%**
FX	Around -3%
Adjusted Operating margin[1]	**Around 5.5% to 7.0%**
Tax rate[2]	Around 30%
Operating Cash flow[2]	**Around $750 to $850 million**
Capex, net % of sales	Around 5.5%

Exchange rates[3]	FY'22
EUR / US$	1.1191
US$ / JPY	115.48
US$ / KRW	1202.56
US$ / MXN	20.53
US$ / CNY	6.31

(1) Non-US GAAP measures. Adjusted Operating margin excludes costs for capacity alignments, antitrust related matters and other discrete items, (2) Excluding unusual items, (3) End-March 2022 exchange rates

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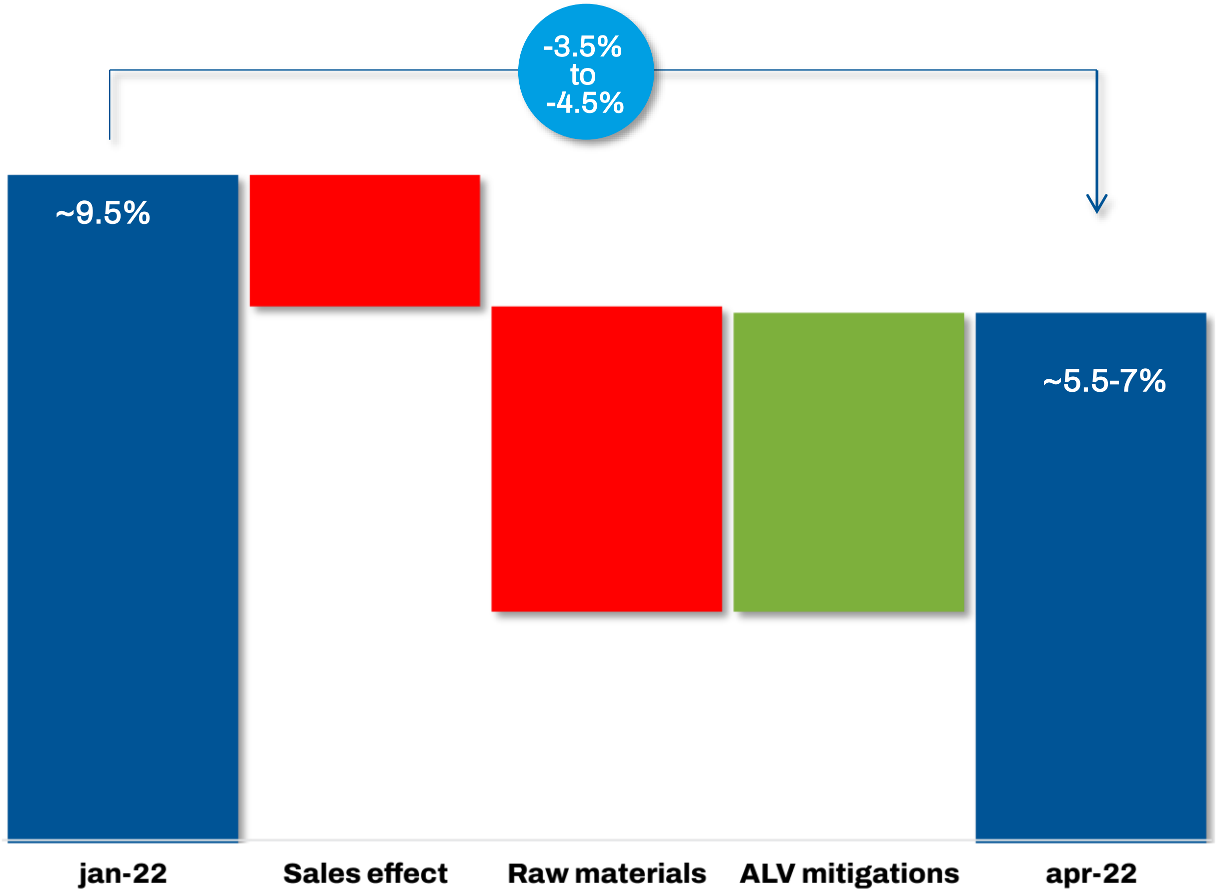
Changes to FY 2022 Adj. Operating Margin Indication
January vs. April



Autoliv mitigations:

- ➕ Price increases, strategic initiatives and other cost reduction activities
- ➖ Partly offset by cost inflation (labor, logistics, energy etc.) and more volatile LVP

(*) Non-US GAAP measures. Adjusted Operating margin excludes costs for capacity alignments, antitrust related matters and other discrete items

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Closing: 2022 Outlook Summary

- Continued strong outperformance vs LVP des ... ive regional mix
- Sequential margins improvement mainly throu ... ncreases and some level of market stabilization
- Expect to be back on track towards mid-term
- Balance sheet and cash flow allow for continu ... lder returns

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Saving More Lives

Q1´22 Product Volumes

Autoliv Quantities Delivered (Millions unless specified)	**Q1´22**	**vs. PY** (%)**
Seatbelts	**32.9**	**(6)%**
▪ Pretensioners (of which)	20.9	(0)%
▪ Active Seatbelts (of which)	1.2	(26)%
Frontal Airbags	**13.8**	**(5)%**
▪ Knee Airbags (of which)	1.7	(1)%
Side Airbags	**24.2**	**(4)%**
▪ Chest (Thorax)	12.8	(7)%
▪ Head (Curtain)	11.0	(3)%
Steering Wheels	**4.5**	**(11)%**
LVP* (Global)	**19.0**	**(4)%**

(*) Light Vehicle Production (LVP) according to IHS @ April 2022, (**) Prior Year (PY).

Definition of Symbols

- Driver and/or Passenger Airbags
- Seatbelts
- Side Airbags
- Head/Inflatable Curtain Airbags
- Knee Airbag
- Pyrotechnical Safety Switch
- Pedestrian Airbag
- Steering Wheel
- Front Center Airbag
- Bag-in-Belt
- EV / PHEV