Autoliv
SEB Large Cap Seminar

August 2021

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

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Q2´21 Highlights
Solid growth despite global LVP affected by semi-conductor shortages

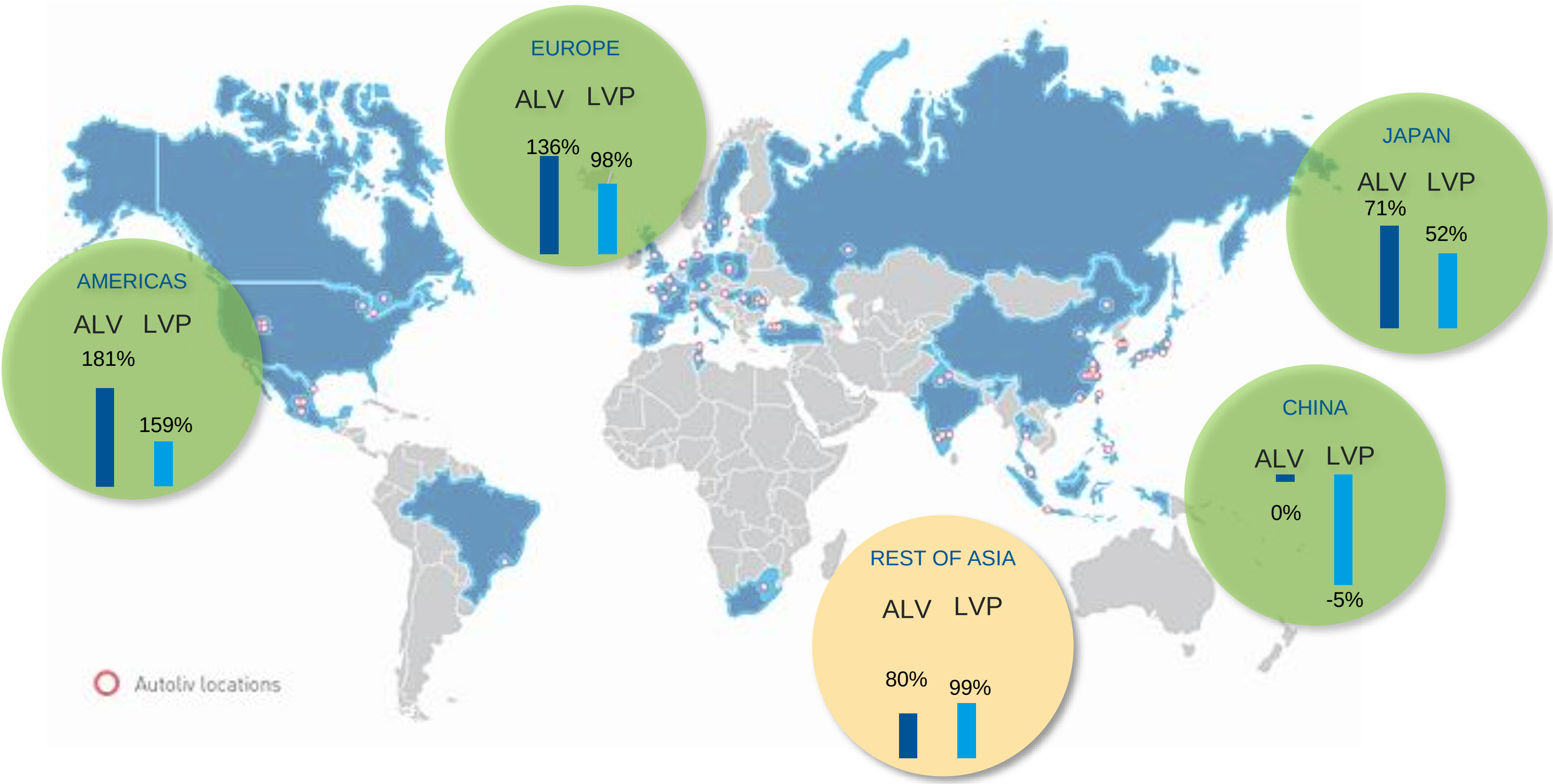
- **Market developments**
  - Resource bottlenecks in global supply chains hamper industry growth more than expected
  - Volatile LVP creating operational challenges and inefficiencies
- **Strong organic sales growth**
  - Strong sales development with positive geographic mix
- **Major operating income improvement**
  - Structural efficiency programs and other cost reduction actions continue to yield positive results
  - Operating income sequential declining on lower sales and increasing cost for raw materials
- **Cash flow**
  - Toyota recall issue from 2016 resolved, affecting WC
  - Our debt leverage ratio* improved substantially
- **Reinstated quarterly dividend at $0.62**
- **Setting ambitious climate targets**

(*) Non-US GAAP measures

Q2'21 Sales Growth

Outperforming global LVP by more than 30 percentage points

Regional Organic Growth* vs. LVP**



(*) Non-US GAAP measure
(**) Light Vehicle Production (LVP) according to IHS Markit @ June 2021

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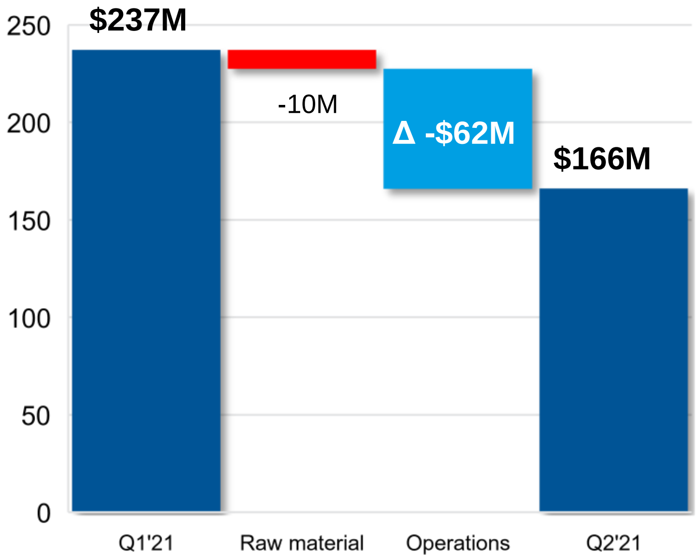
Operational Leverage ~28% vs. prior Quarter

Adjusted Operating income*

$ (millions)



Headwinds & Tailwinds

- Neg

- ~8% lower LVP
- Volatile LVP

+ Pos

- Productivity in labor
- Headcount reduction >2,000

Operational Leverage

Δ Sales : -$220 M

➡ **~28% decremental margin excl. RM**

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

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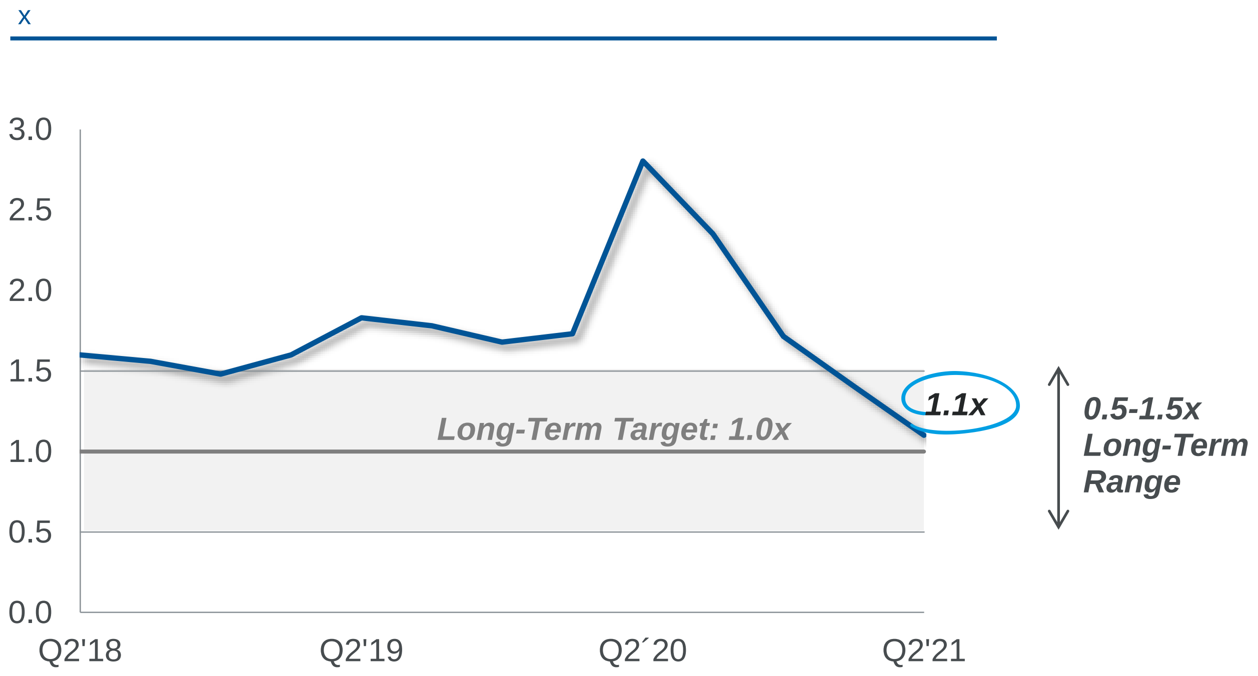
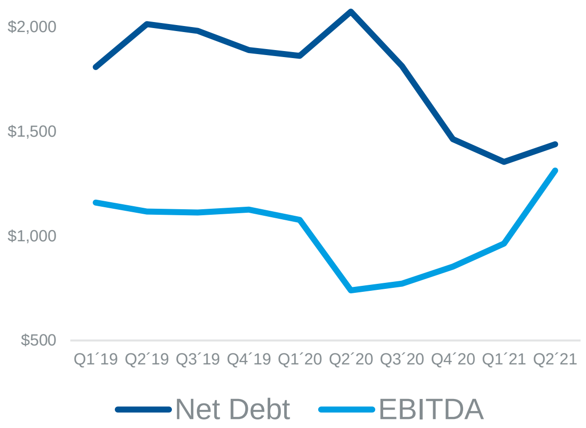
Leverage Ratio
In line with long-term target

Net Debt*/ EBITDA*



Net Debt* and EBITDA* per the Policy



- Our **Net Debt*** increased by **$85M** from Q1'21
- **EBITDA LTM** increased by **$350M** from Q1'21

(*) 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

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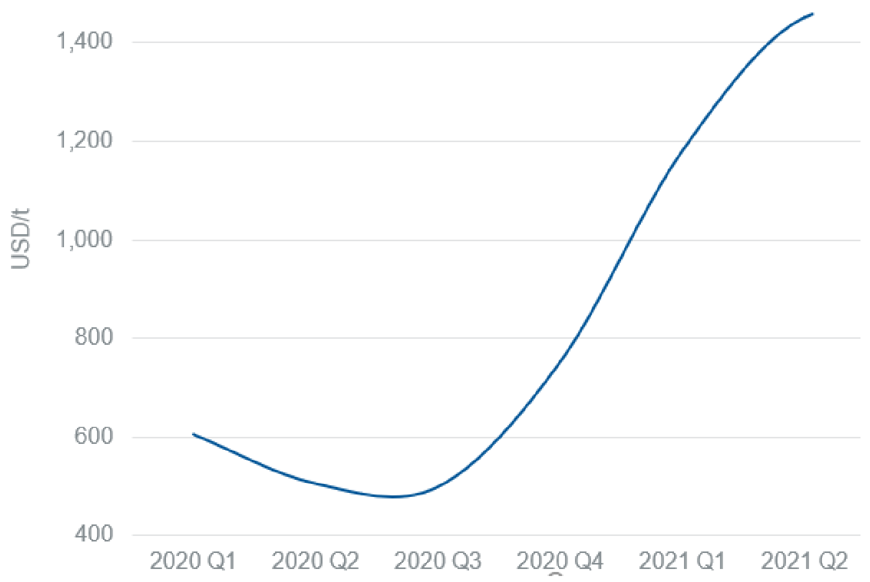
Headwinds from Raw Material

Several key raw material prices have continued to increase significantly in the quarter

- **Cost Mitigation**
  - Raw material prices impact on our cost base is mitigated through:
    - Negotiations with suppliers
    - Consolidation of supply base
    - Redesign of products
- **Commercial Recovery**
  - Some, but limited, contractual passthroughs to customers
  - Compensation negotiations with customers

IHS Markit: U.S. hot-rolled sheet steel



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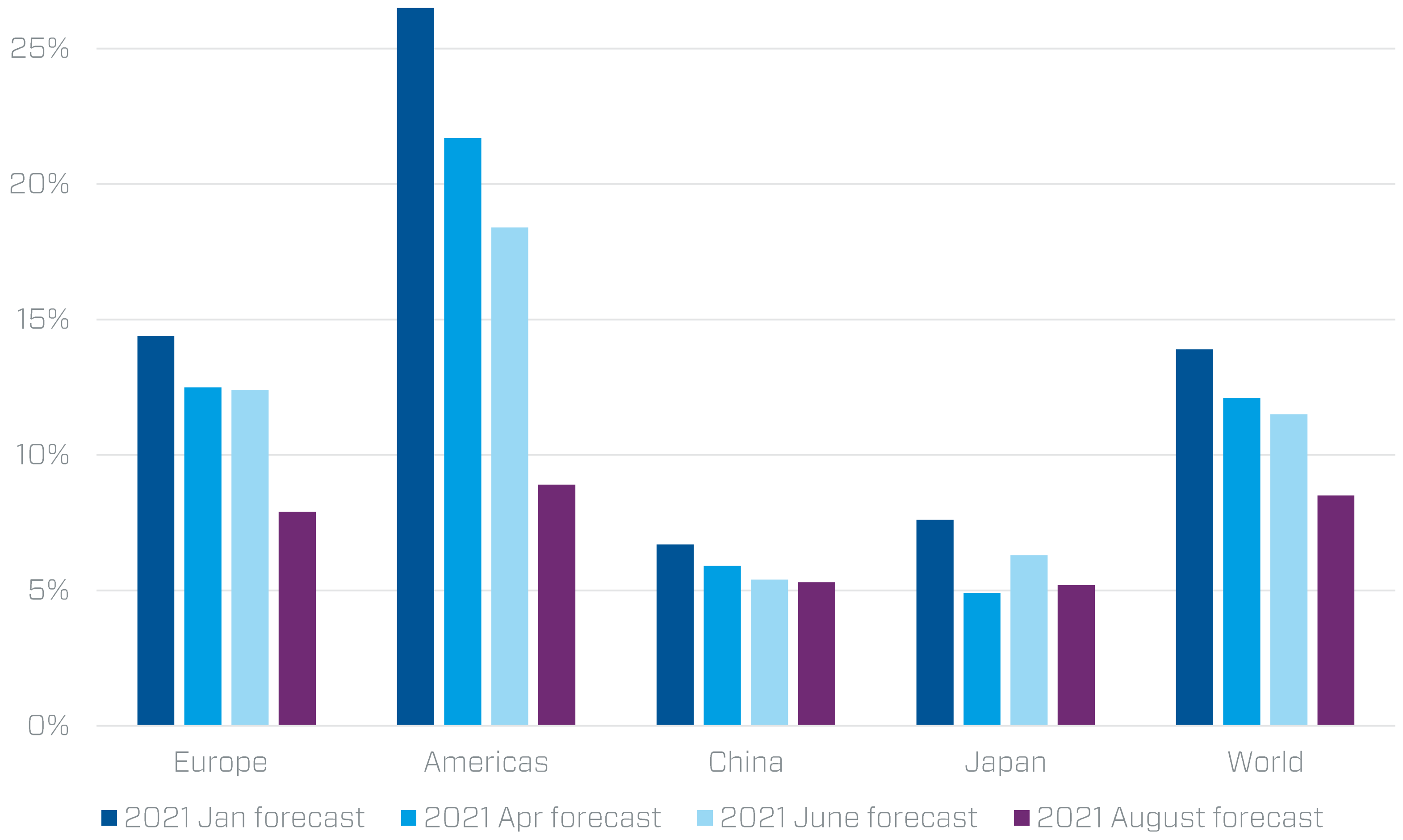
Light Vehicle Production Outlook FY 2021 by IHS

Impacted by semi-conductor shortages



(*) Light Vehicle Production (LVP) according to IHS Markit @ Jan, April, June and August 2021 Year over Year (Y-o-Y)

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Full year 2021 indications from July 16, 2021

	Full year indication
LVP growth	9% to 11%
Consolidated sales increase, net	**Around 20 to 22%**
Organic sales increase[1] Org. sales outperformance vs. LVP	Around 16 to 18% Around 7pp
FX	Around +4%
Adjusted Operating margin[1]	**Around 9% to 9.5%**
Tax rate[2]	Around 30%
Operating Cash flow[2]	Similar level as 2020
Capex, net % of sales	Below 6%
R,D&E, net % of sales	Around 4.5%

Exchange rates[3]	FY'21
EUR / US$	1.1960
US$ / JPY	108.94
US$ / KRW	1131
US$ / MXN	20.05
US$ / CNY	6.47

(1) Non-US GAAP measures. Adjusted Operating margin excludes costs for capacity alignments and antitrust related matters, (2) Excluding unusual items, (3) Mid-July 2021 exchange rates

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Autoliv Climate Targets

- Aims to become carbon neutral in its own operations by 2030
- Aims for net-zero emissions across its supply chain by 2040
- Is committing to the Science Based Targets initiative

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Virtual
Capital Markets Day 2021

November 16th, 2021

Medium term Targets

Organic Growth vs. LVP +4-5% per year	Adj. Operating Margin[1] ~12%
Cash Conversion[2] ≥80%	~1.0x Leverage Ratio[3] (0.5-1.5x Range)

1) Excludes costs to capacity alignments and antitrust matters.
2) Operating cash flow less capex, net in relation to net income excluding antitrust related costs and payments.
3) Net Debt including pension liabilities in relation to last twelve month EBITDA.

Each year, Autoliv's products save over 30,000 lives

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