Earnings Call Presentation

3rd Quarter 2022

October 21, 2022

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 and inflation ; the impacts of the coronavirus (COVID-19) pandemic on the Company's financial condition, business operations, operating costs 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 and other 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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Q3'22 Key Highlights

The Q3 performance is an important step towards our medium-term targets

- Record sales for a third quarter
  - Executing on our strong order book
  - Outperforming LVP in all major regions
- Strong profit recovery Y-o-Y and sequentially
  - Margins supported by our own actions especially price increases and cost saving activities as well as higher volumes
- Updating our FY2022 adjusted operating margin indication to the upper end of the range
  - Strong profitability momentum in H2 driven by price increases, higher volumes and improved operational efficiency
- Our balance sheet and positive cash flow trend will allow for higher shareholder returns
  - Continued stock repurchases
  - Dividend of $0.64 per share paid

(*) Non-US GAAP measures

Photo Credit Xpeng

Price Negotiations

Adapting to new business conditions

- Prices must reflect the changed cost environment
- Renegotiating terms for both new and running contracts
- Preserving our ability to seek further adjustments in the future as needed

Current status

- We have reached agreements in more than 90% of the raw material related price adjustment discussions
- Price compensation discussions for cost increases in labor, logistics and utilities progressing
- Implementing greater pricing flexibility into contracts to account for changing costs
  - ~50% of contract portfolio (up from ~20%) now with raw material clauses
  - Should provide more stable and predictable earnings

Cost control measures

Build an even stronger position despite the challenging macro environment

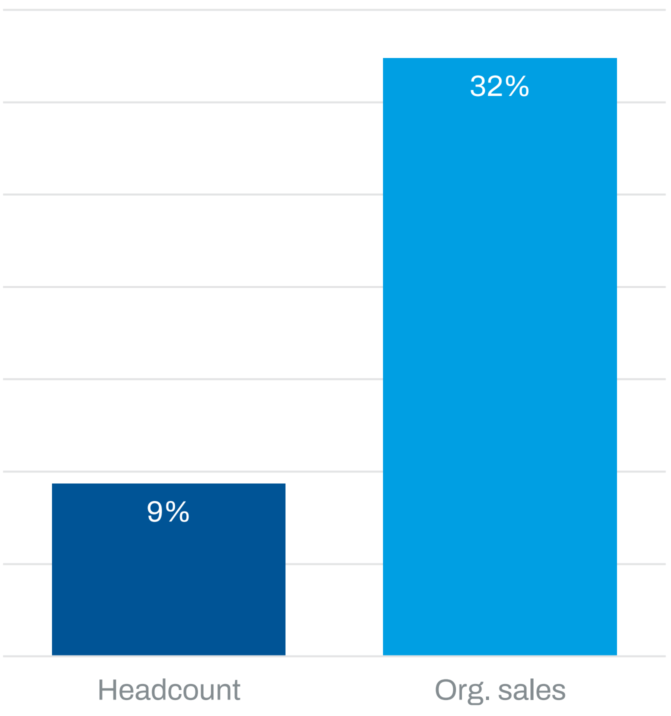
Margin Focus

- Headcount
  - Y-o-Y headcount has increased by 9% while sales increased organically by 32%
- Cost saving and footprint initiatives going according to strategic plan
  - Capacity alignment and footprint optimization activities ongoing in Europe, Asia and North America
  - Digitalization and automation projects deliver improvements
- Supply Chain Management
  - Value Engineering, Value Analysis (VEVA) continuous improvement process
  - Supplier localization optimization
  - Supply risk management

Capital Management

- Cash optimization
- Capital expenditure efficiency
- Executing on the Capital Efficiency Program

Y-o-Y Development Headcount and Organic sales



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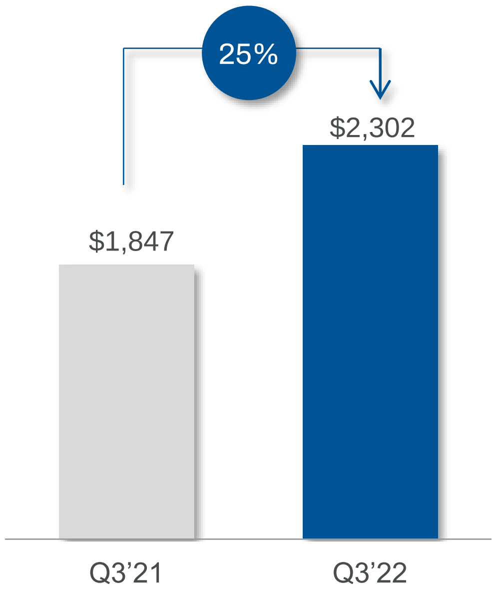
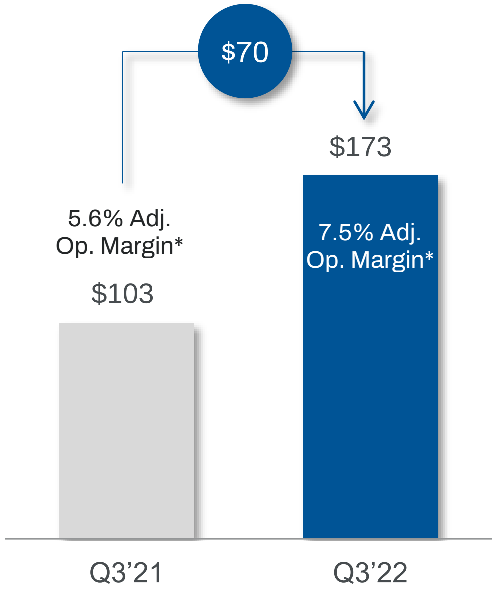
Q3'22 Financial Overview

Strong sales increase and profit recovery

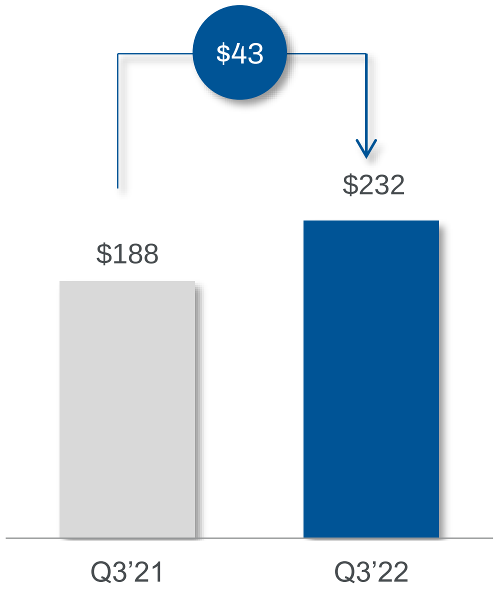
Consolidated Sales
US$ (Millions)



Adjusted Operating Income*
US$ (Millions)



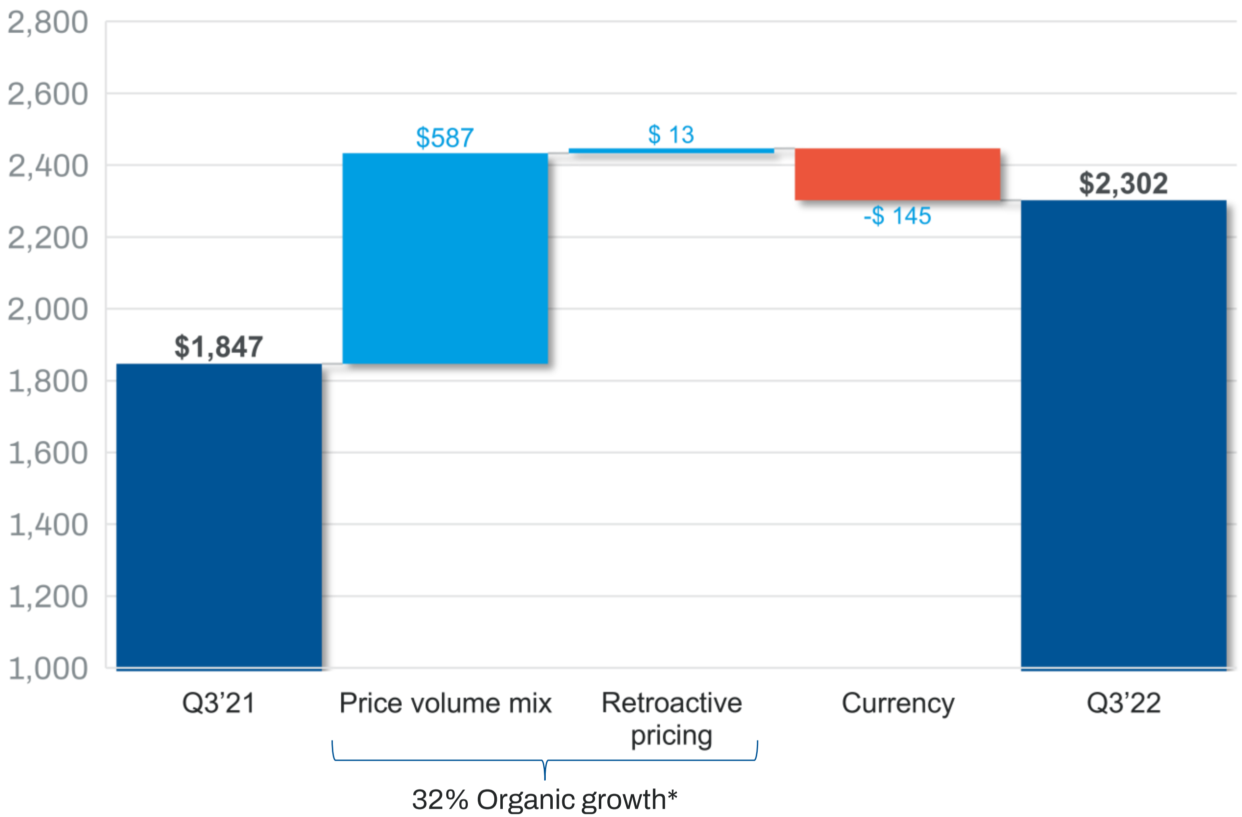
Operating Cash Flow
US$ (Millions)



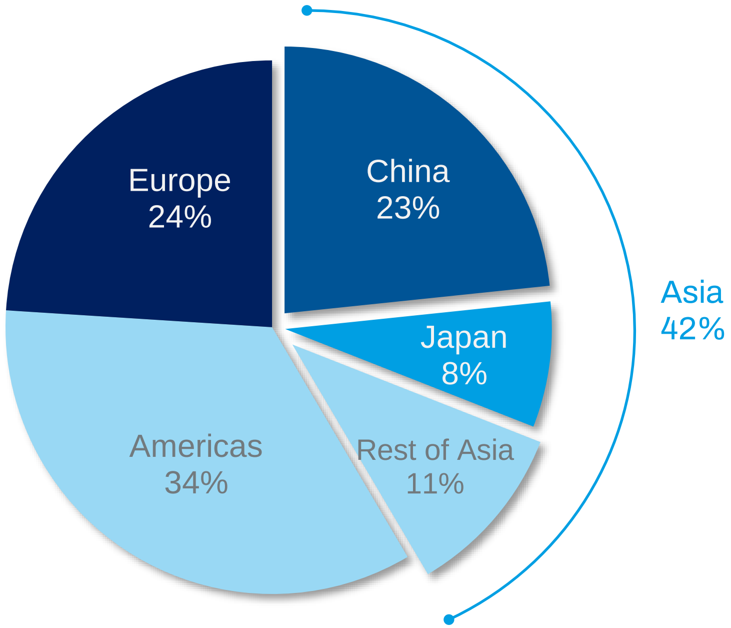
(*) Non-US GAAP measures exclude costs for capacity alignments

Q3'22 Sales Growth and Regional sales split

Sales Bridge
US$ (Millions)



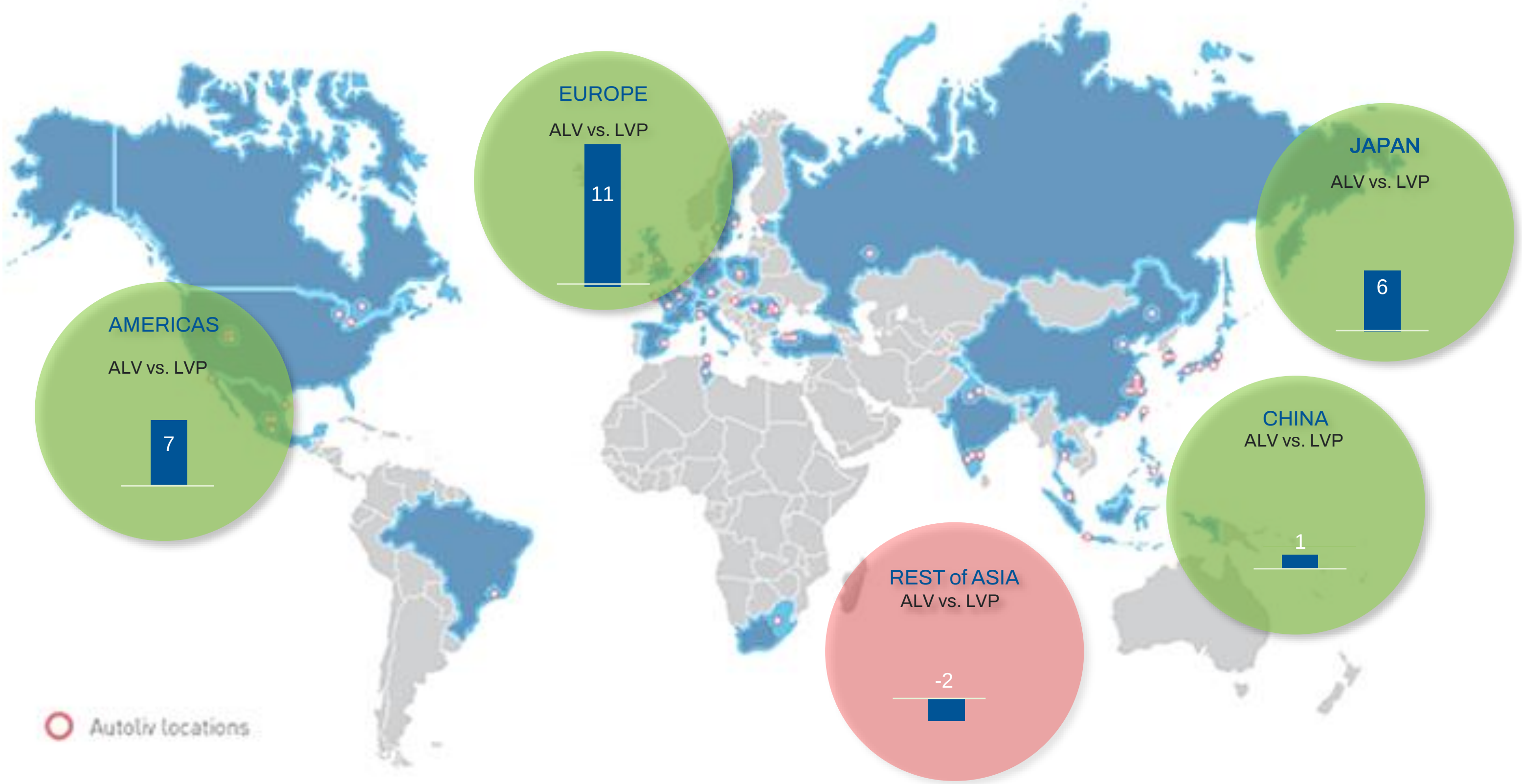
Sales by region Q3´22
%



(*) Non-US GAAP measure.

Q3'22 Organic Sales* Growth - Outperforming global LVP by 4pp

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



(*) Non-US GAAP measure
(**) Light Vehicle Production (LVP) according to S&P Global @ October 2022

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Q3'22 Key Model Launches

Toyota Sequoia

BMW 7-series/ i7

Haval A08

Xpeng G9

Ford Lightning

Nio ET5

Hyundai IONIQ 6

Hyundai Stargazer

Honda CR-V

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Q3'22 Financial Overview

(US$ Millions unless specified)	Q3'22		Q3'21	
Sales	$2,302		$1,847	
Gross Profit	$383	16.7%	$301	16.3%
Adj. Operating Income[1]	$173	7.5%	$103	5.6%
EPS (assuming dilution)	$1.21		$0.68	
Adj. RoCE[1,2]	18%		11%	
Adj. RoE[1,2]	17%		10%	
Operating cash flow	$232		$188	
Dividend paid per share	$0.64		$0.62	
Stock repurchases	$20		-	
Global LVP[3] (annual rate)	~82M		~64M	

(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 S&P Global @ October 2022

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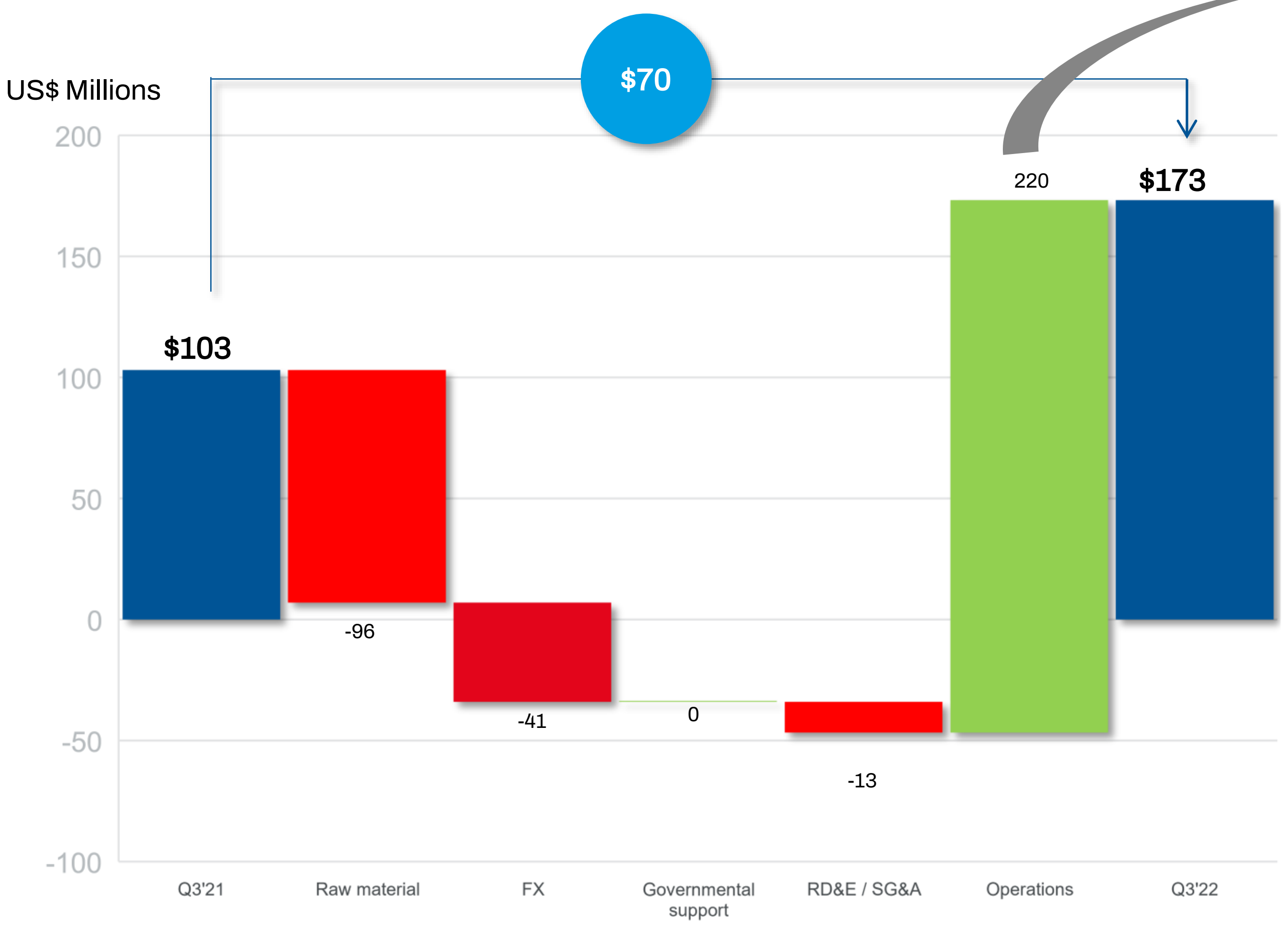
Q3'22 Adj. Operating Income* Bridge

Vs. prior year



A result of our actions including price increases and cost saving activities as well as higher volumes. This was partly offset by inflationary pressure and cost for call-off volatility.

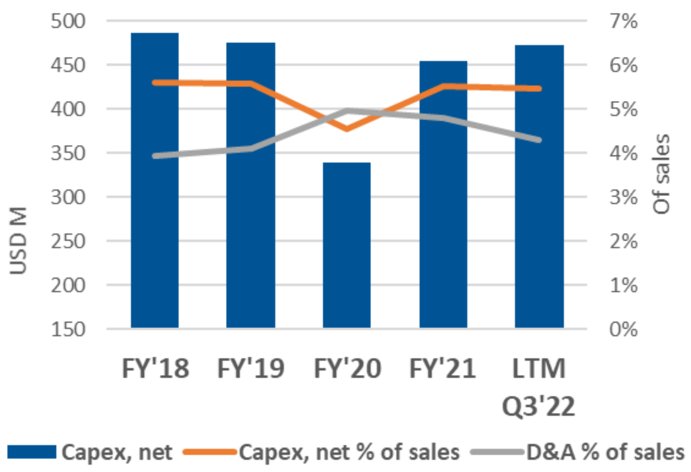
(*) Non-US GAAP measures exclude costs for capacity alignments

Cash Flow

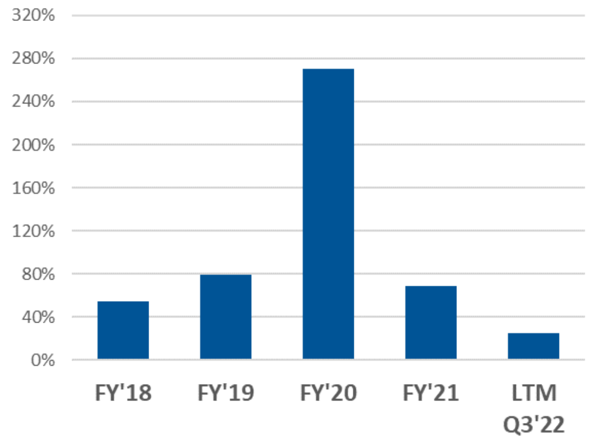
Reversing the negative effects on working capital from Q2

(US$ Millions unless specified)	Q3´22	Q3'21	LTM	2021	2020
Net Income	$106	$60	$384	$437	$188
Depreciation & Amortization	87	98	370	394	371
Other, net[3]	-51	-5	-135	-15	13
Change in operating WC	89	35	-52	-63	277
Operating cash flow	**232**	**188**	567	**754**	**849**
Capital Expenditures, net[3]	-164	-112	-473	-454	-340
Free cash flow[1]	**68**	**77**	**95**	**300**	**509**
Dividends paid	56	54	223	165	54
Stock repurchases	$20	-	$60	-	-

Capex and D&A



Cash Conversion[2]



(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 Q1 2022 of property in Japan

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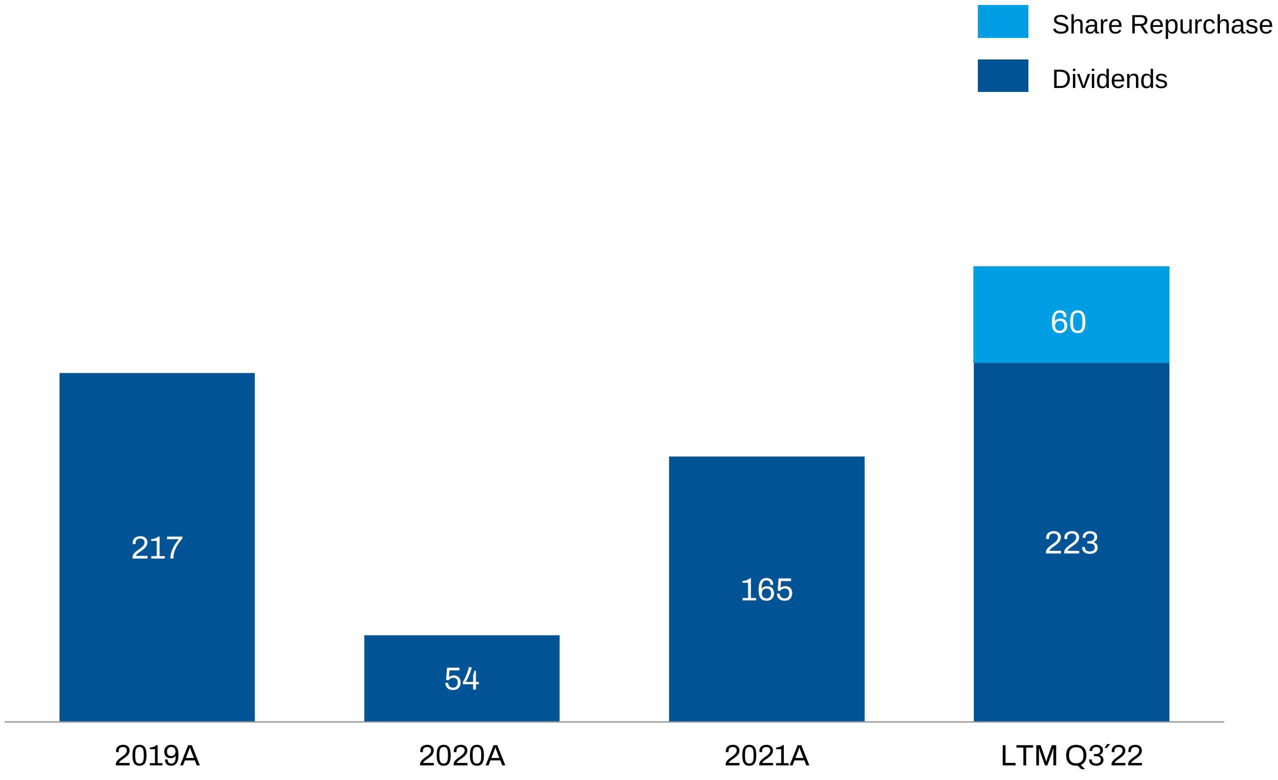
…Supporting Increasing Shareholder Returns

Value Creation Remains Core

Shareholder Returns Over L4Y

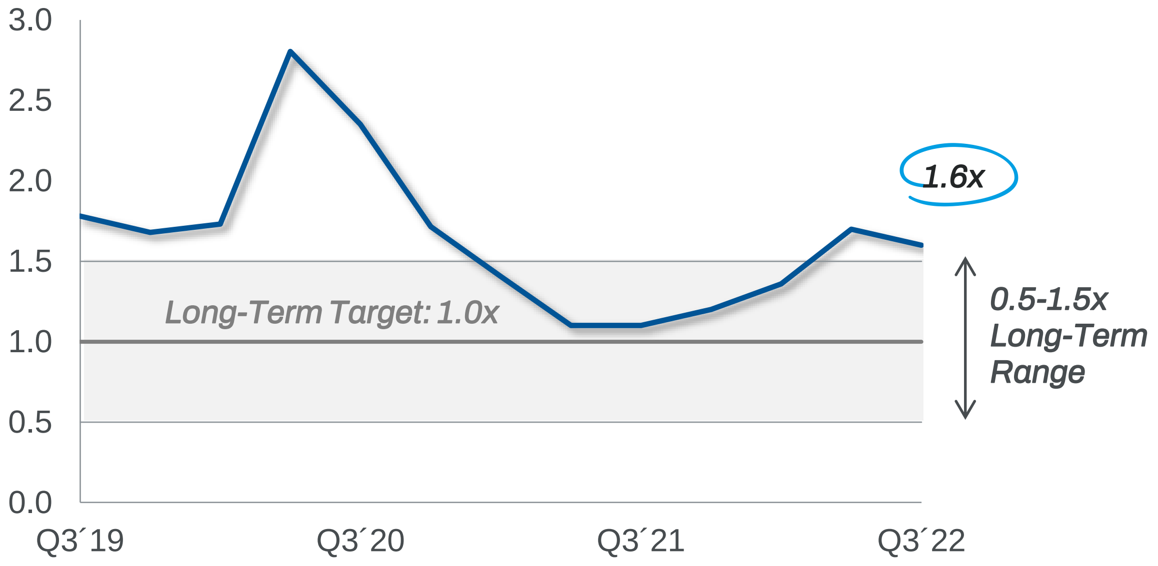
US$ Millions



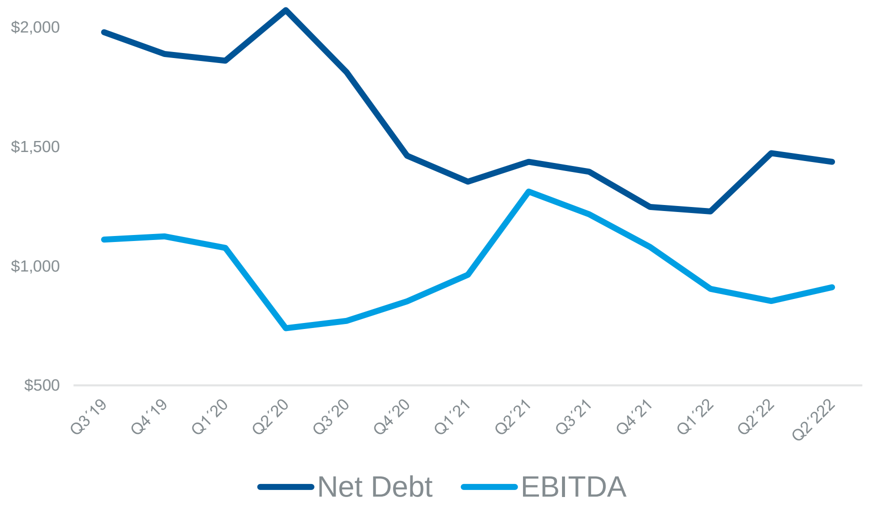
~$700 million in direct shareholder returns over the last 4 years

Debt Leverage Ratio*

Net Debt*/ EBITDA*
x



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



- Our **Net Debt*** decreased by **$36M** from Q2'22
- **EBITDA LTM** increased by **$58M** from Q2'22

(*) 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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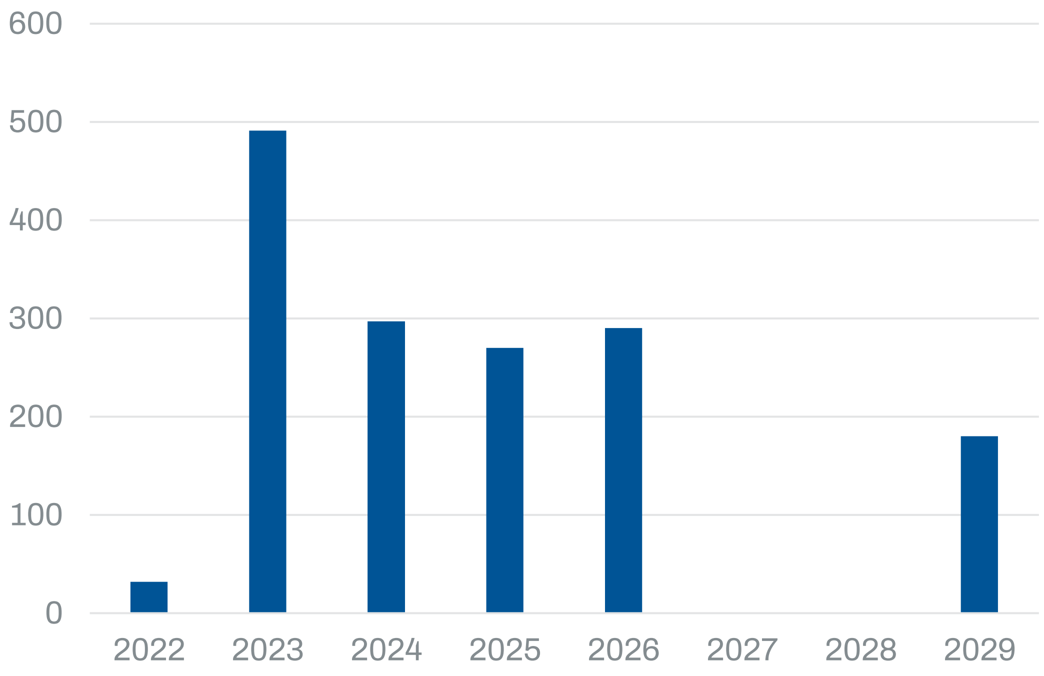
Strong liquidity position

- Significant liquidity cushion with **$1.6 billion** in cash and unutilized credit facilities as of September 30
- Average interest rate for debt portfolio of around 4%
- Credit rating from S&P Global: BBB (stable)
- Successful refinancing of the RCF in May 2022
- None of the credit facilities are subject to financial covenants

Debt Maturities end of Q3´22*

US$ Millions

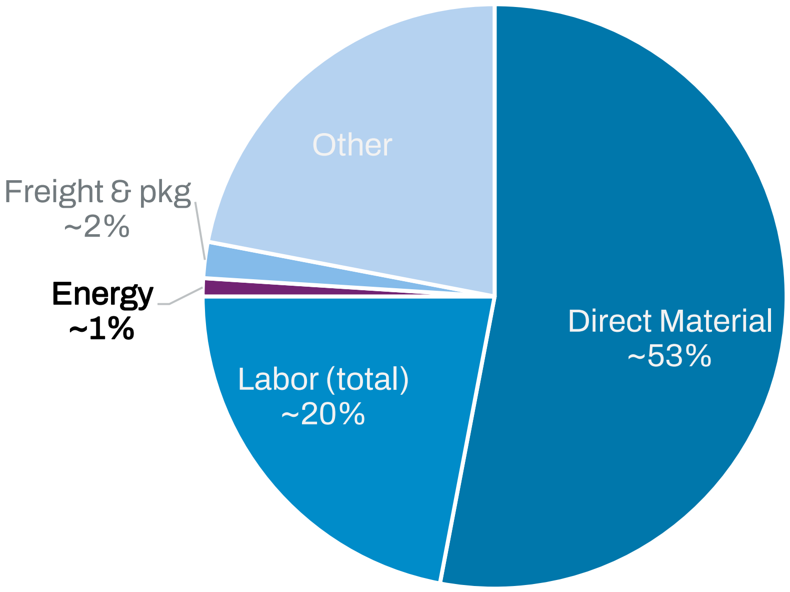


(*) None of the credit facilities are subject to financial covenants

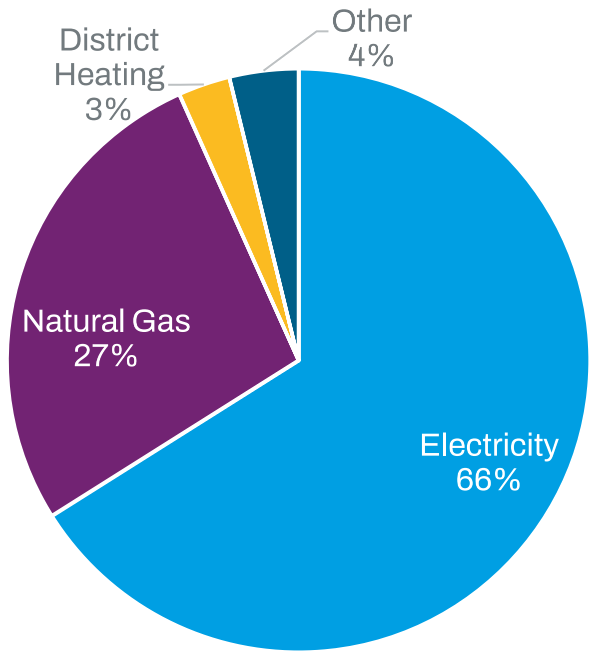
Our response to a potential shortage of energy

The total energy use in 2021 was 943 GWh

Cost items in relation to sales 2021



Share of energy use by source 2021



Light Vehicle Production Outlook

Near-term outlook is supported by continued strong performance in China and Rest of Asia

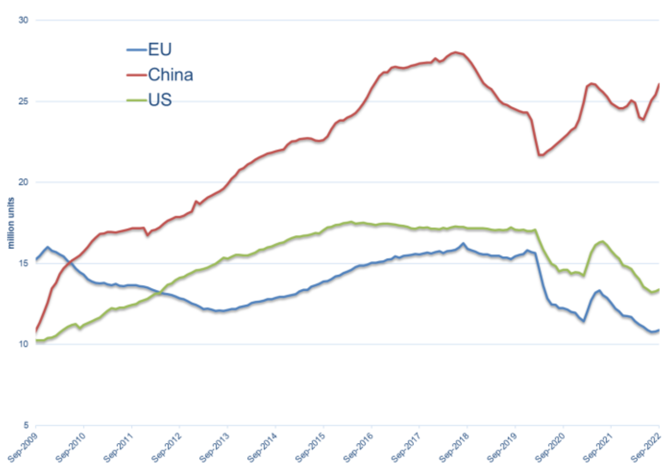
North America In the third quarter, unplanned downtime related to a broad array of supply chain issues curbed production. The near-term production forecast continues to be derived from automakers' ability to produce not from economic, demand and inventory conditions.

Europe The near-term outlook continues to be influenced by supply-side challenges, particularly with semiconductor supplies which are improving, although not as strongly as previously anticipated.

China Supported by robust EV sales and the ongoing effects tax reductions on certain new vehicles, the LVP forecast for Q4 has been upgraded. Full-year 2022 LVP forecast now stands at over 25 million units representing year-over-year growth of 8.7%.

Light Vehicle Sales LTM

(Million units)



S&P Global: Light Vehicle Production*

Region	Q4´22	FY´22	
	YoY Chg.	Million Units	Y-o-Y Chg.
China	-2.3%	25.3	8.7%
Japan	10.7%	7.3	0.2%
Rest of Asia	-0.1%	12.6	12.5%
North America	11.3%	13.2	11.0%
South America	-0.8%	2.8	7.0%
Europe	3.6%	15.5	-1.7%
Global	**2.8%**	**79.2**	**6.8%**

The short-term production forecast continues to be based on the ability to produce vehicles not on the macro sentiment

(*) Light Vehicle Production (LVP) according to S&P Global @ October 2022 Year over Year (Y-o-Y)

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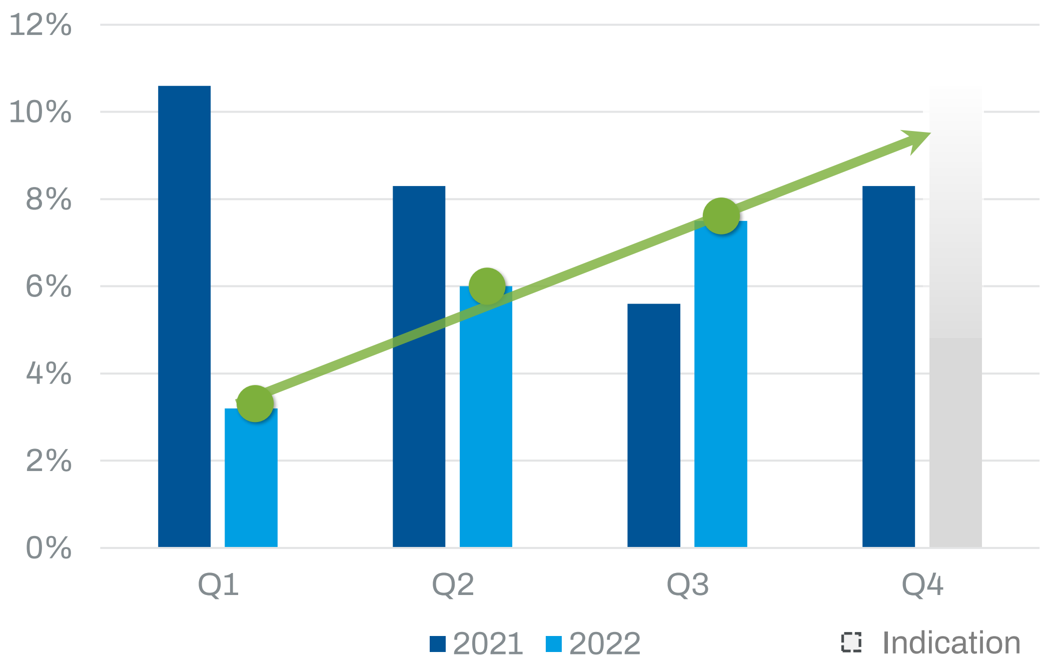
Business Outlook Q4'22

Operating Margin* Progression sequential improvement

- Expect Continued strong outperformance vs LVP
- Anticipate sequential margins improvement
  - LVP and engineering income seasonality
  - Price increases to offset inflationary pressure
  - Cost and headcount reduction activities
  - Slightly more stable LVP
- In the current price environment, raw material costs could be up to 5 pp in operating margin headwind for FY2022
- Higher investments to support growth and footprint optimization

Adjusted Operating Margin*

%



(*) Non-US GAAP measures exclude costs and gains from capacity alignments

Full Year 2022 Indications

	Full year indication
LVP growth	Around 6%
Organic sales increase[1]	**Around 15%**
FX	Around negative 6%
Adjusted Operating margin[1]	**Upper end of around 6.0% to 7.0%**
Tax rate[2]	Around 30%
Operating Cash flow[2]	**Around $700 to 750 million**
Capex, net % of sales	Around 5.5%

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


Saving More Lives

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