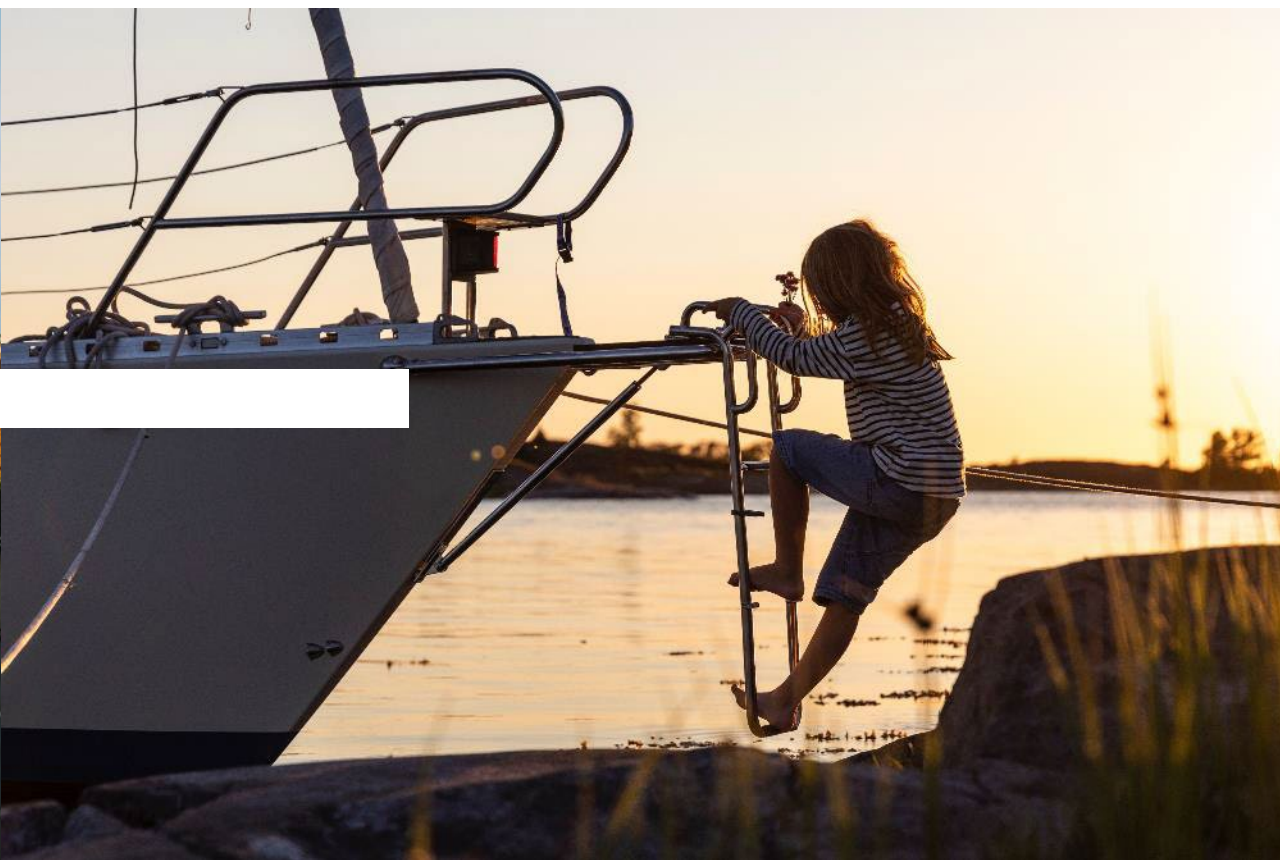




# Autoliv Capital Markets Day 2025



June 4<sup>th</sup>, 2025

# Welcome to Autoliv's CMD 2025



## Today's Agenda

13:00 – 14:30	<b>Welcome</b>	Anders Trapp/ Henrik Kaar
	<b>Leading the Way: Charting Our Path Forward</b>	Mikael Bratt
	<b>Driving and Creating growth in a Dynamic Market</b>	Megan Fisher/Sng Yih
	<b>Driving Growth Through Innovation in a Dynamic Market</b>	Fabien Dumont/ Cecilia Sunnevang
14:30 – 14:45	<b>Break</b>	
14:45 – 16:10	<b>Driving Profitability Through End-to-End Operational Excellence</b>	Staffan Olsson/ Jesse Crookston
	<b>Transforming Growth into Sustainable Margins and Shareholder Returns</b>	Fredrik Westin
	<b>Q&amp;A</b>	All
	<b>Conclusions</b>	Mikael Bratt

# Safe Harbor Statement\*

This report 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 inflation; changes in light vehicle production; fluctuation in vehicle production schedules for which the Company is a supplier; global supply chain crisis, including port, transportation and distribution delays or interruptions; supply chain disruptions and component shortages specific to the automotive industry or the Company; geopolitical instability, including the ongoing war between Russia and Ukraine and the hostilities in the Middle East; changes in general industry and market conditions or regional growth or decline; changes in and the successful execution of our capacity alignment, restructuring, cost reduction and efficiency initiatives and the market reaction thereto; loss of business from increased competition; higher raw material, fuel and energy, and other 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; 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, civil judgments or financial penalties 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, including changes in trade policy and tariffs; our ability to meet our sustainability targets, goals and commitments; political conditions; dependence on and relationships with customers and suppliers; the conditions necessary to hit our financial targets; 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](http://www.sec.gov) or [www.autoliv.com](http://www.autoliv.com)

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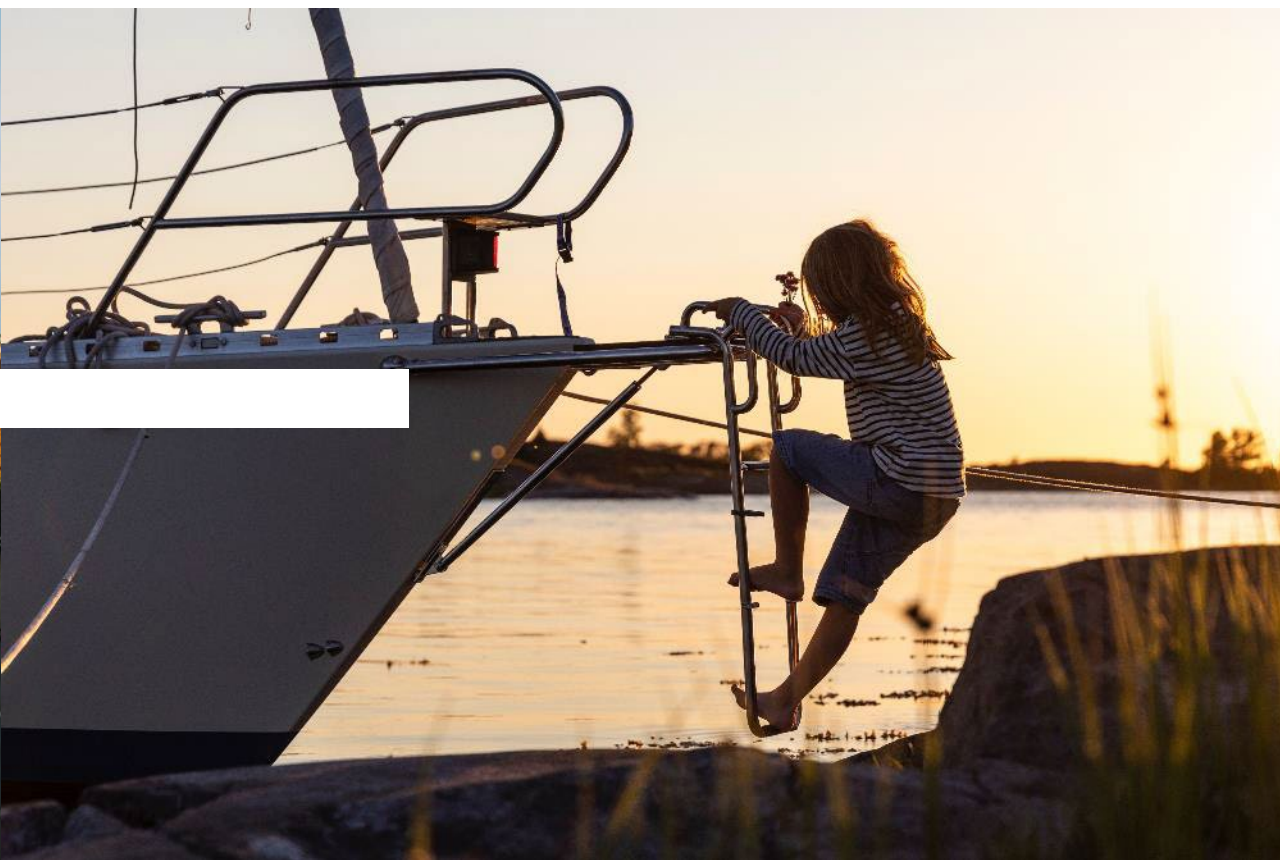
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# Autoliv Capital Markets Day 2025



## Leading the Way: Charting Our Path Forward

Mikael Bratt

President & CEO

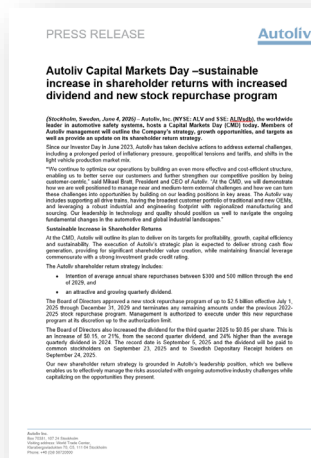




# Welcome to Capital Markets Day 2025

## Main Topics

- Sustainable increase in shareholder returns
  - Ambition of average annual share repurchases between \$300 and 500 million through the end of 2029
  - Attractive and growing quarterly dividend
  - New stock repurchase program of up to \$2.5 billion effective through end of 2029
- Reiterates 2025 Guidance
- Reiterates targets





**Autoliv's Products Save  
37,000 Lives per Year**


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**37,000**  
**More Life Lived**  
(illustrated by Copilot)





# Leading the Way



## Aspiration

Safety for Mobility  
& Society  
Market Transformer  
System Integration  
One Team  
Carbon Neutral in  
Own Operations

## 2022

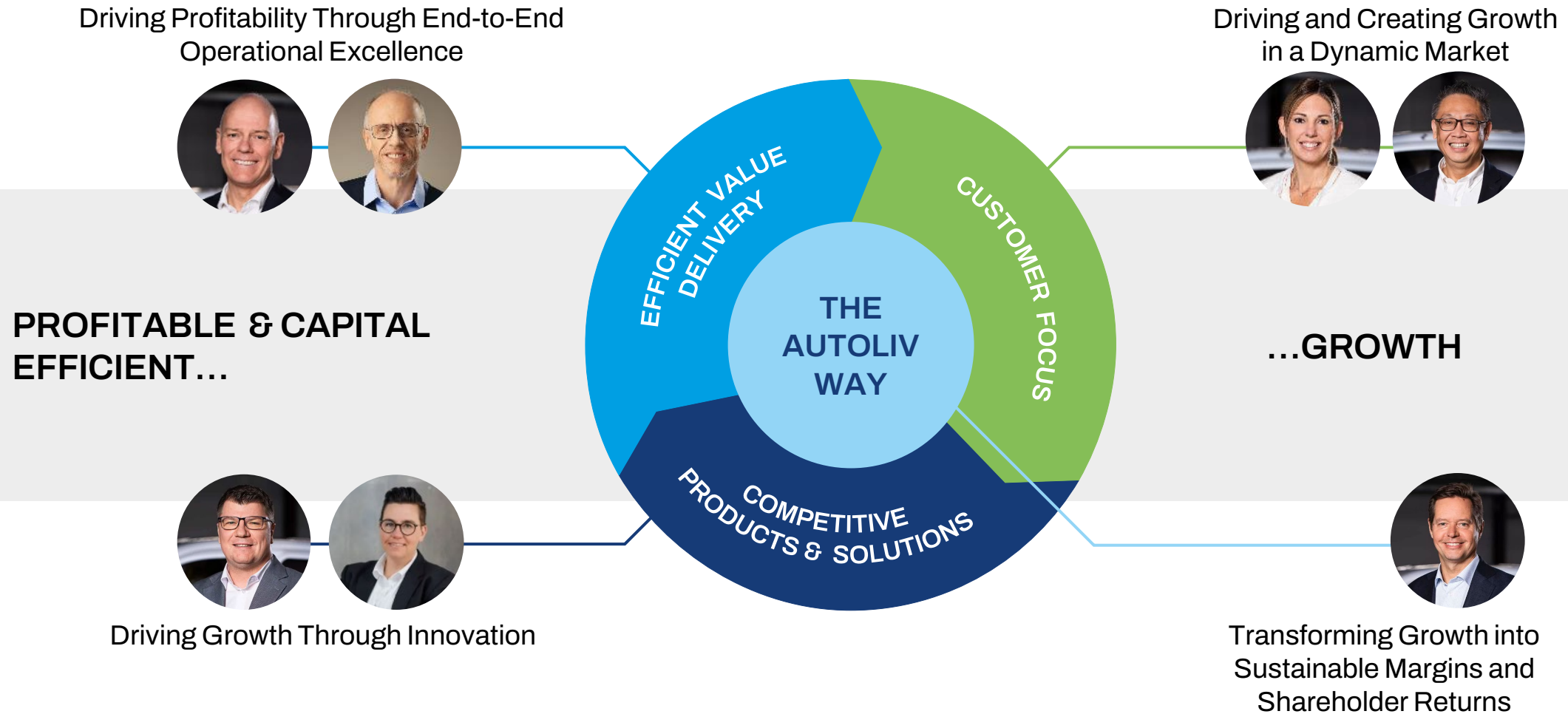
Light Vehicle Safety  
Market Leader  
Mechanical Components  
Functional & Divisional  
Execution  
Energy Efficient

## 2025

- ✓ Light & Commercial Vehicle Safety
- ✓ Market & Commercial Influencer
- ✓ Electronics & Mechatronics Systems
- ✓ End-to-End Way of Working
- ✓ Low-Carbon Energy User

# Our Strategy for Change

Enables us to Adapt to a Continuously Evolving Automotive Industry






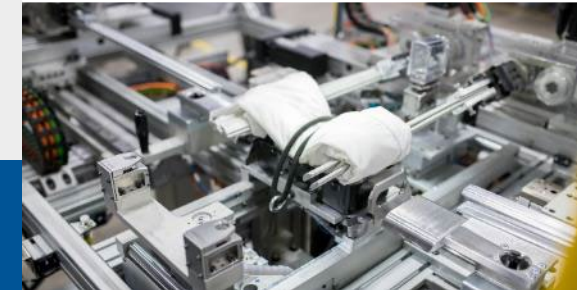
# Significant Progress Since 2023 Investor Day – Despite Market Challenges



# What have we achieved since last Investor Day?

- Implemented Strategic Initiatives and Optimized Footprint
- Achieved Cost saving through Automation & Digitalization
- Successfully Negotiated Cost Compensations
- Executed on the Capital Efficiency Program

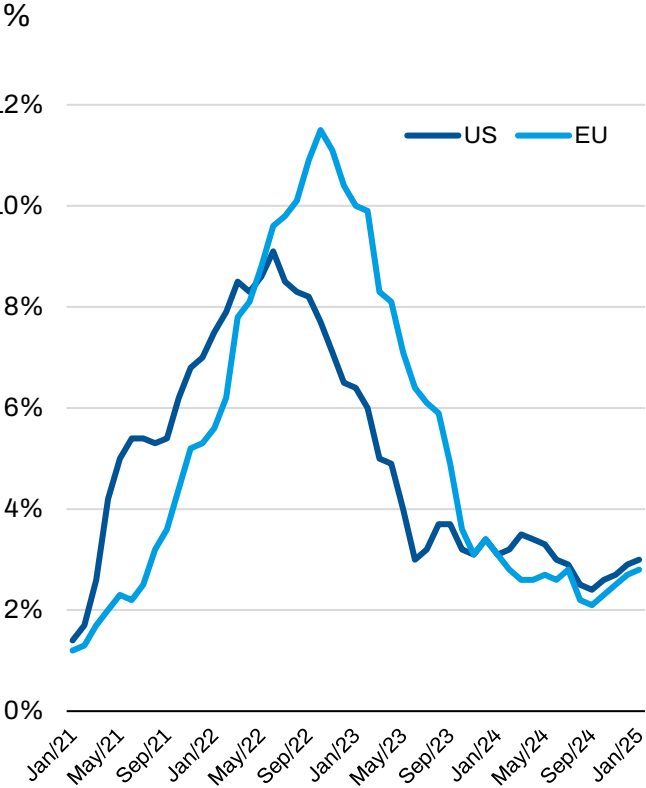
- 
- Grown topline by 18%, outperforming LVP by 9 percentage points
  - Expanded Adj. Operating Margin with over 2.9 percentage points
  - Increased Return on Capital Employed (RoCE) to 25%, an improvement by 7.5 percentage points
  - Returned over \$1.5 billion to shareholders





# Headwinds since prior Capital Market Days

## Inflation

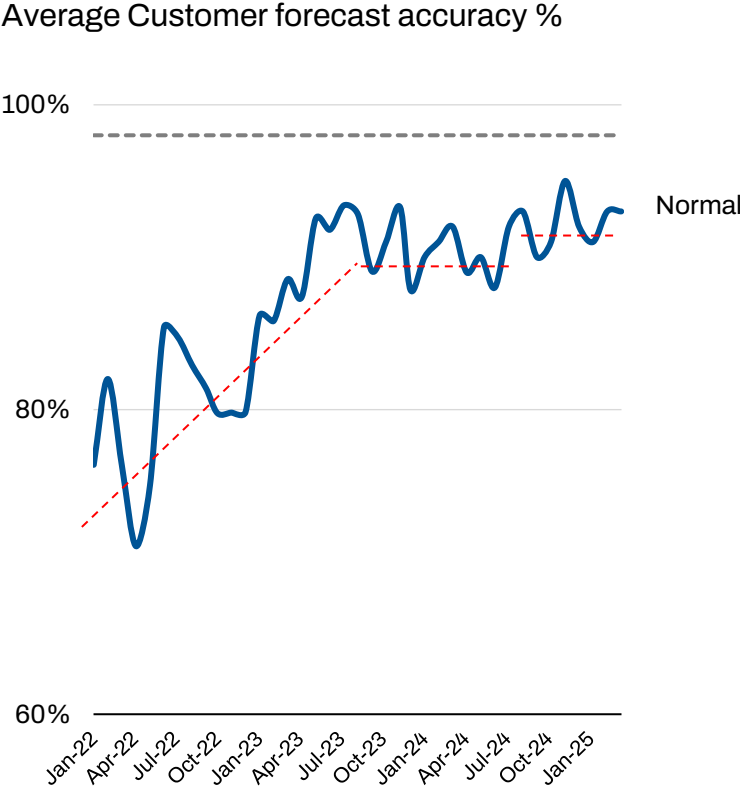


Source: US (LSEG), EU (Eurostat)

## Dilution from Inflation

- Meaningful impact from no margins on compensations for cost inflation
- This was partly offset by structural cost reduction initiatives and other cost reduction activities

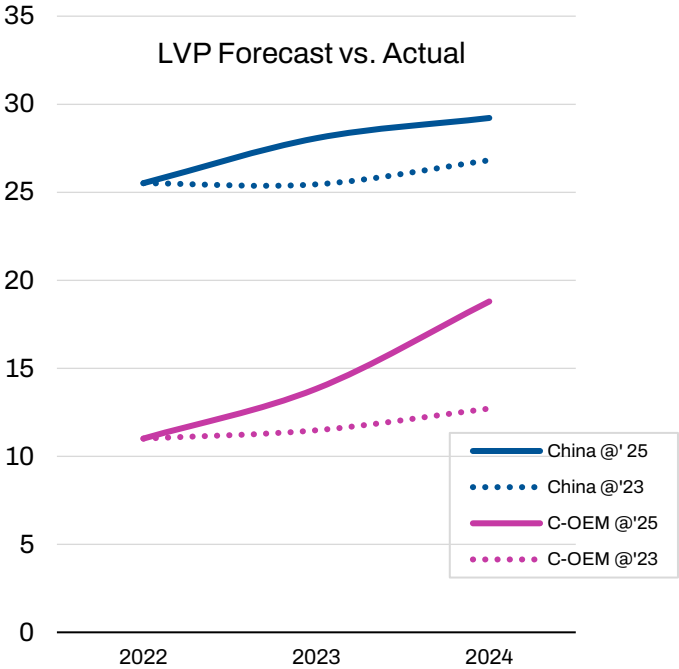
## Volatility



Source: Company estimates

## LVP Market Mix in China

Stronger than expected Growth for Lower CPV Vehicles

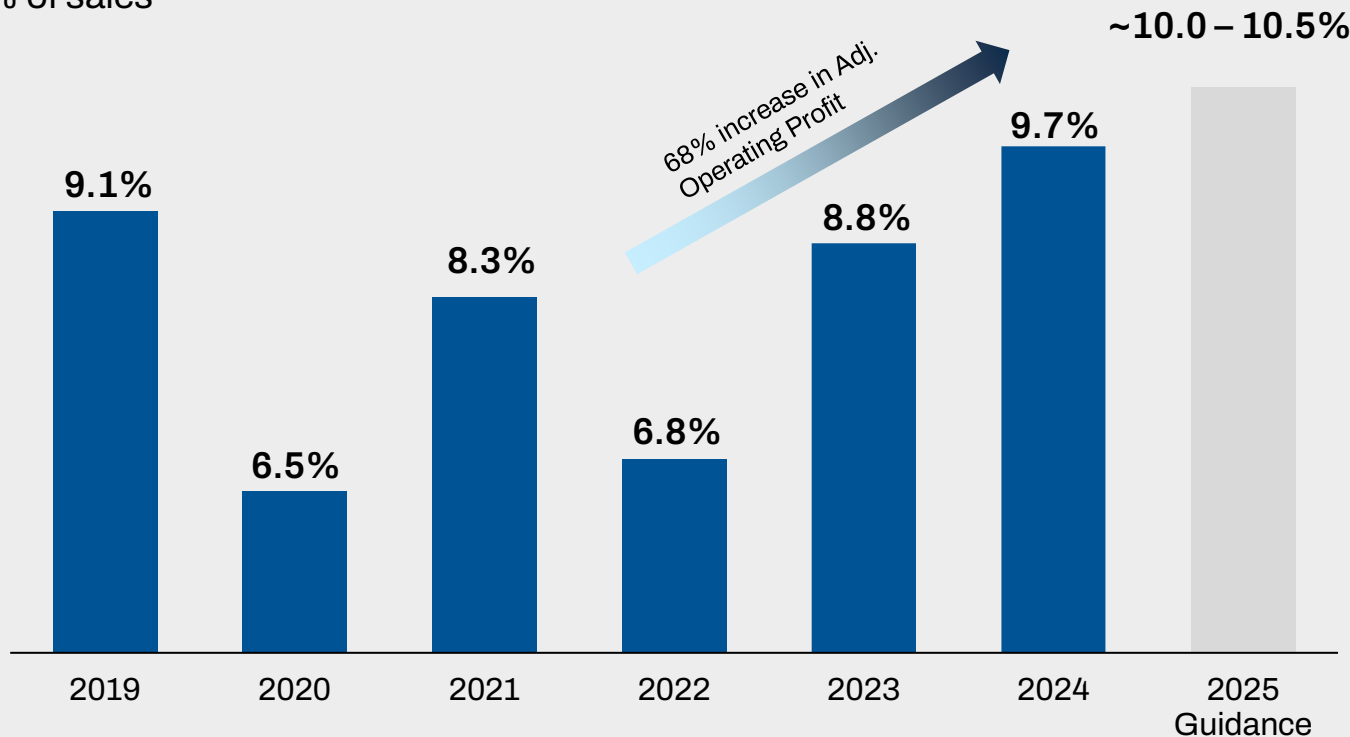


Source: S&P Global, @ May 2023 and @ May 2025

# Despite This We Have Made Substantial Progress since Last CMD

## Adj. Operating Margin Development\*

% of sales



- Improved Productivity through headcount reduction & automation
- Indirect workforce efficiency
- Automation & Digitalization
- Inflation compensation

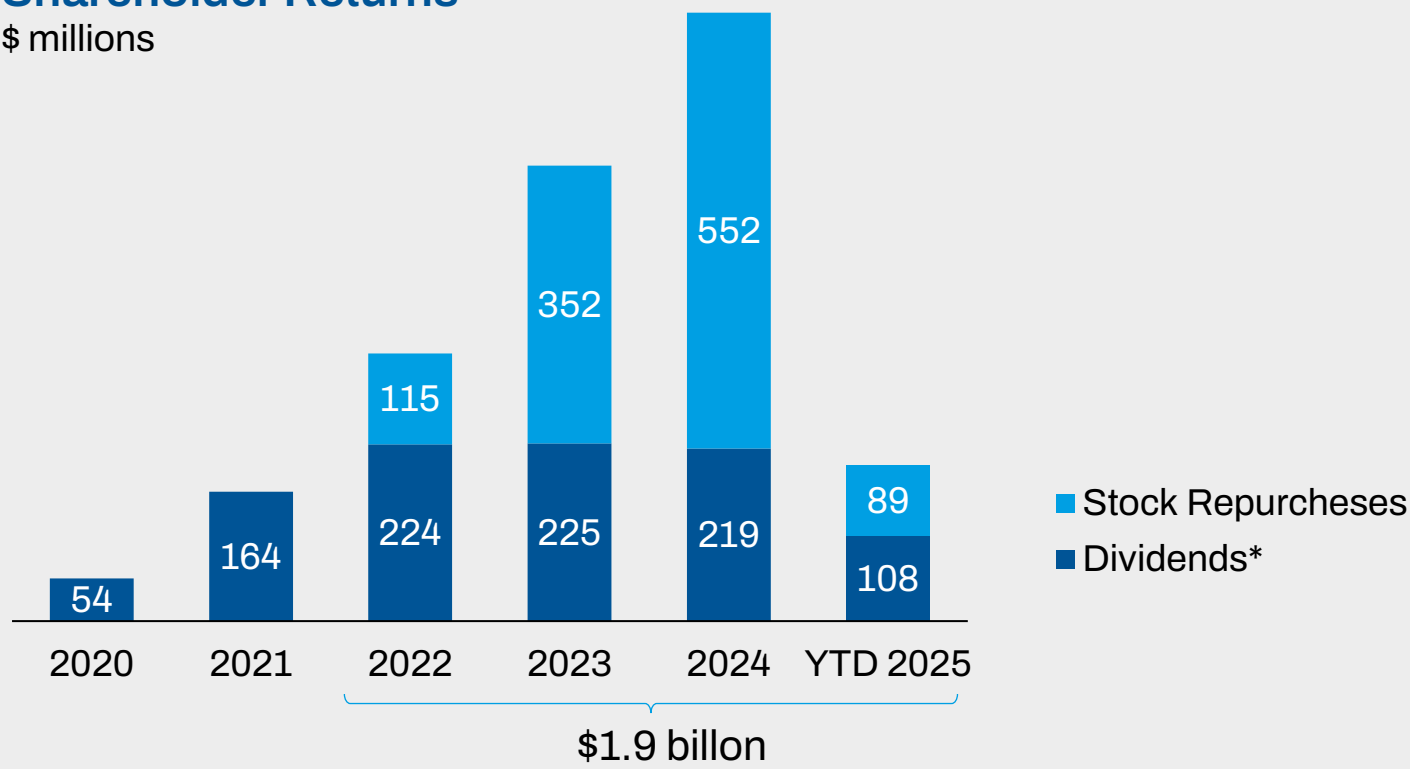
\* Non-US GAAP excluding effects from capacity alignment and antitrust related matters



# Substantial Shareholder Returns

Repurchased 11 million shares corresponding to 13% of outstanding shares

Shareholder Returns  
\$ millions



(\*) Includes dividends paid including Q2'25 and stock repurchases up to May 30, 2025

# Market Transformation & Light Vehicle Market Outlook

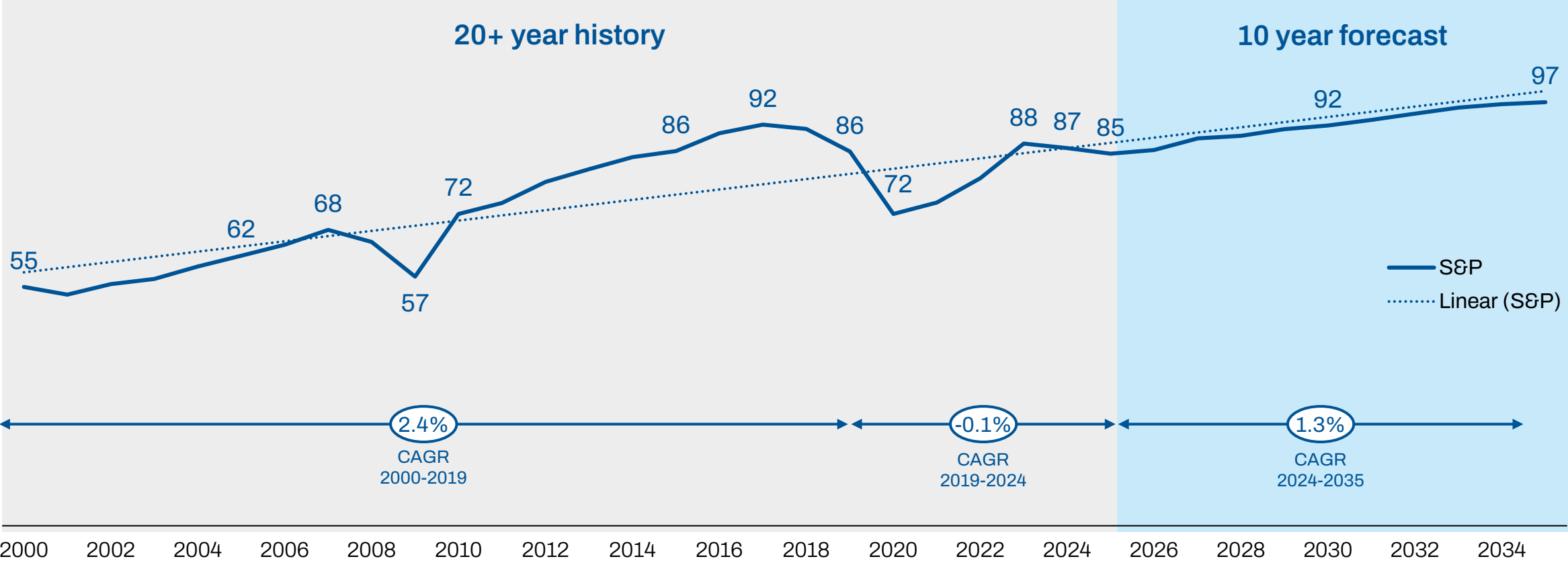




# Automotive Market – LVP Volumes Growth back to Long-term Trend

## Global Light Vehicle volumes historic & forecast\*

(Units m)



(\*) Light Vehicle Production (LVP up to 3.5 tons) according to S&P Global @ May 2025

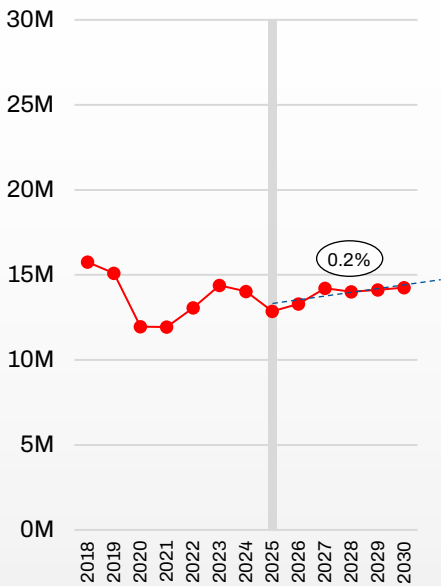
# Shifting Market Landscape

## – LVP Growth Driven by China OEMs & South Asia

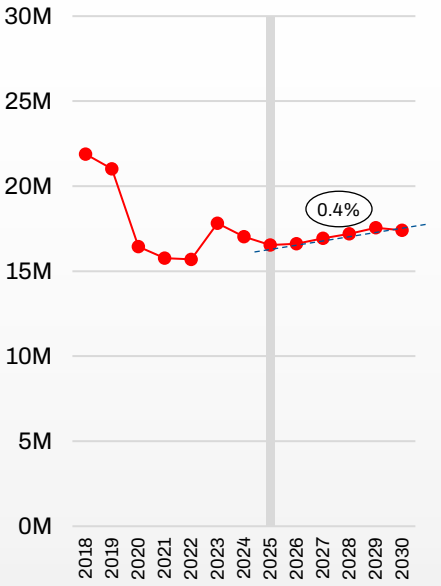


### Global Light Vehicle Production – by Region

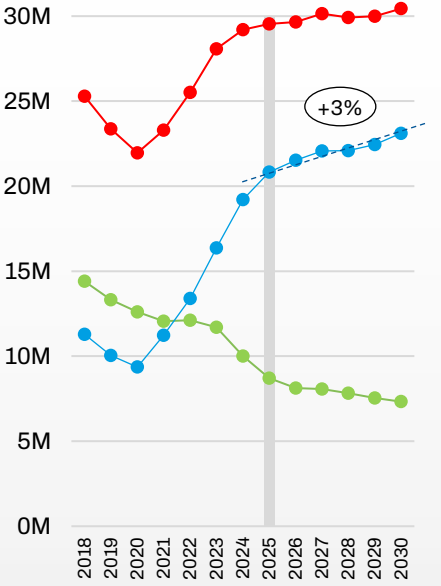
#### North America



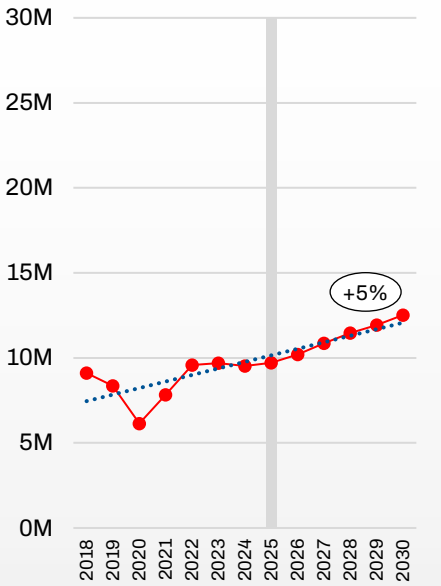
#### Europe



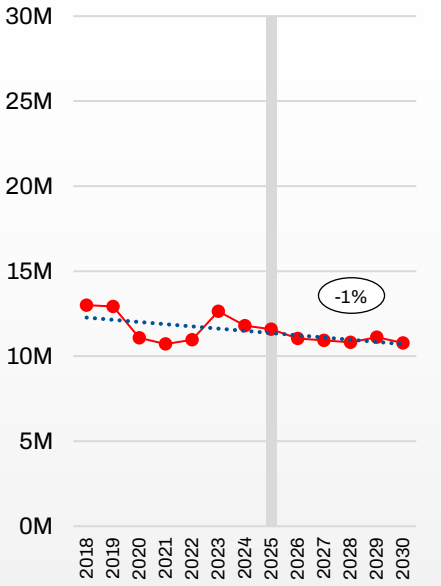
#### China



#### South Asia



#### Japan/Korea



● Total<sup>1</sup> ● COEMs<sup>2</sup> ● Global OEMs<sup>2</sup> (X%) CAGR 2024 to 2030

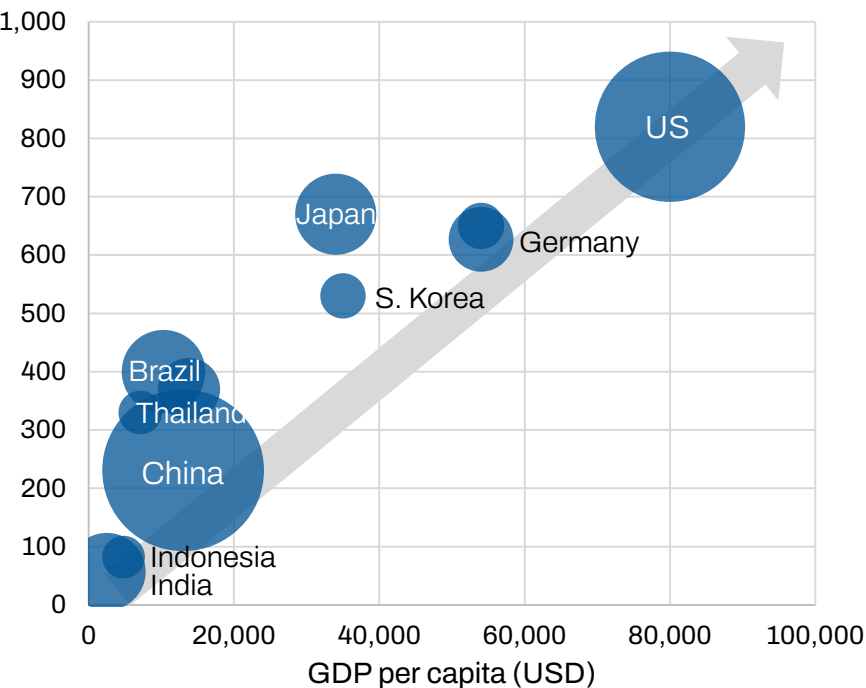
(1) Light Vehicle Production (LVP up to 3.5 tons) according to S&P Global @ May 2025  
(2) COEMs: Chinese OEMs excluding Volvo and Polestar ; GOEMs: other vehicle manufactures operating in China



# Automotive Market Fueled by Economic Growth, Replacement Demand, and Electrification

## Increased standard of living leads to more cars per capita<sup>1</sup>

Cars per 1k people



Source 1: IMF data for 2024

Source 2: US (S&P Global 2024), Europe (ACEA)

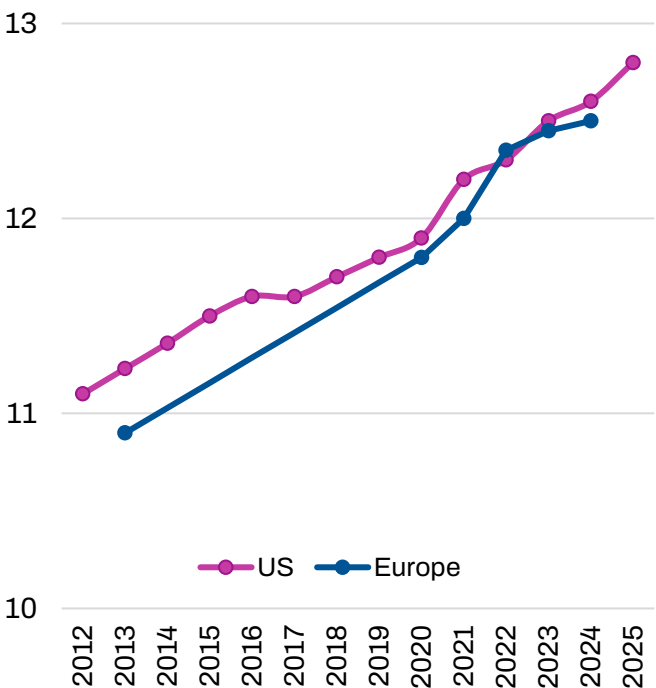
Source 3: S&P Global May 2025

June 4, 2025

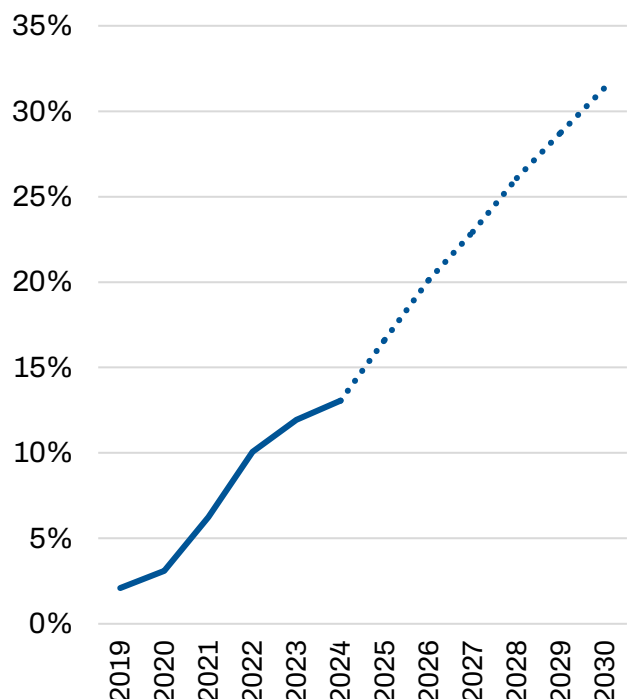
2025 Capital Markets Day

## Average age of vehicles hits new record<sup>2</sup>

Example: U.S & Europe Vehicle Average Age in years



## BEVs share of Global LVP<sup>3</sup>



# Adapting to an Evolving Automotive Industry

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# Our Strategy for Change

Enables us to Adapt to  
a Continuously Evolving  
Automotive Industry

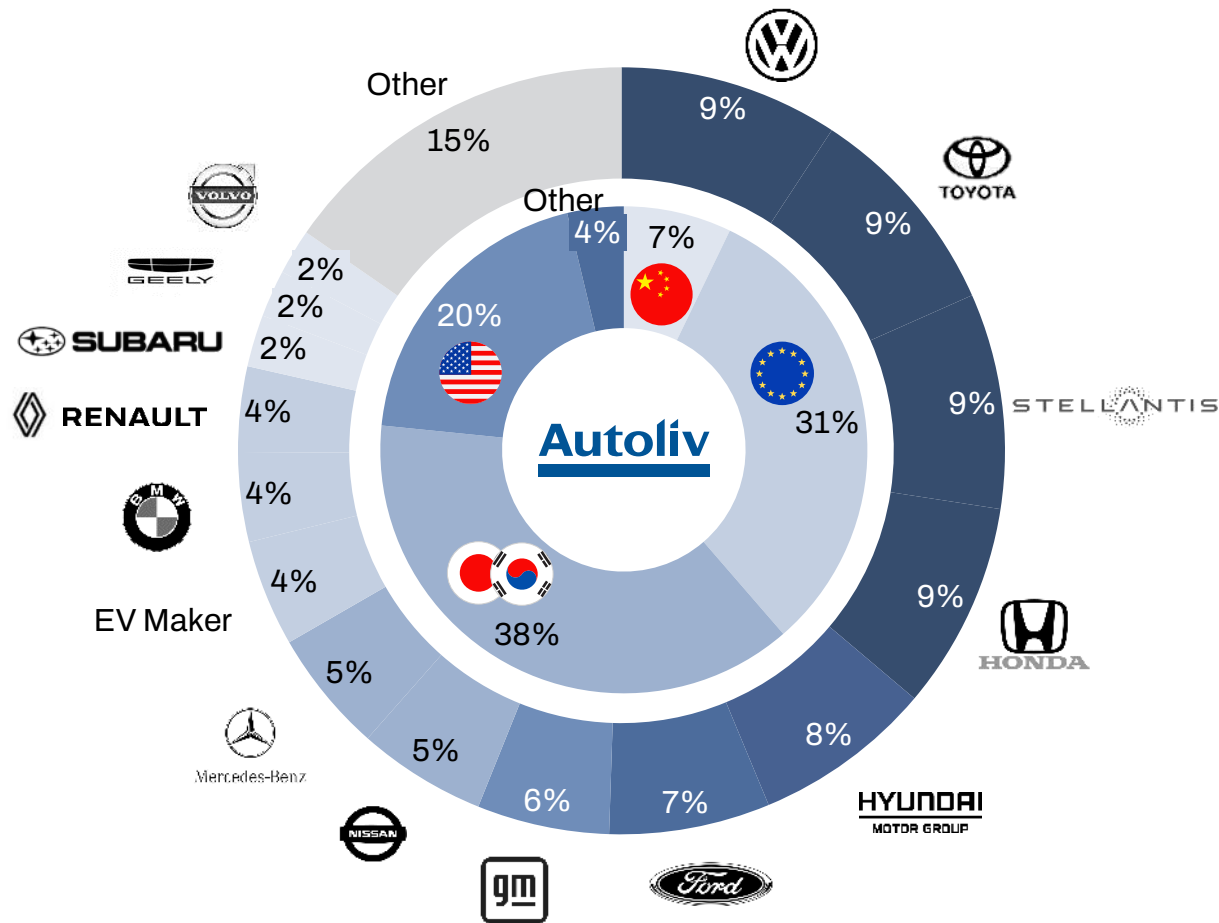




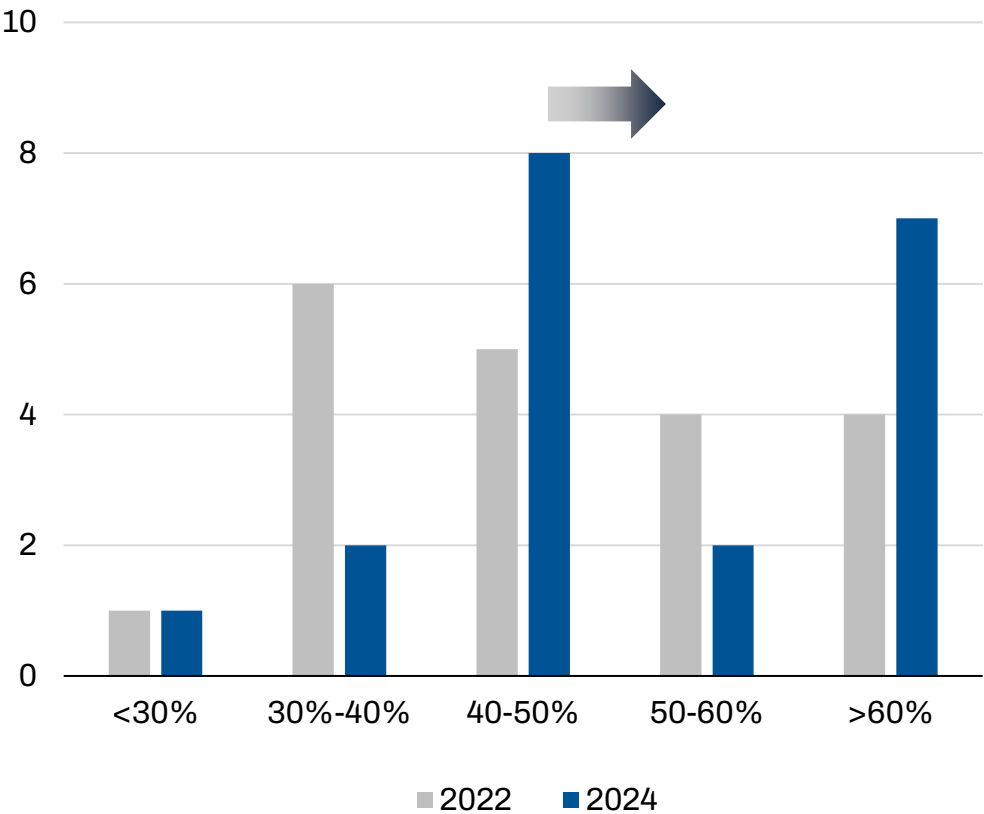
# Customer mix – One of the Most Diversified in the Industry

A Very Diversified Customer Portfolio

Autoliv Sales by OEM & OEM Origin<sup>1</sup>



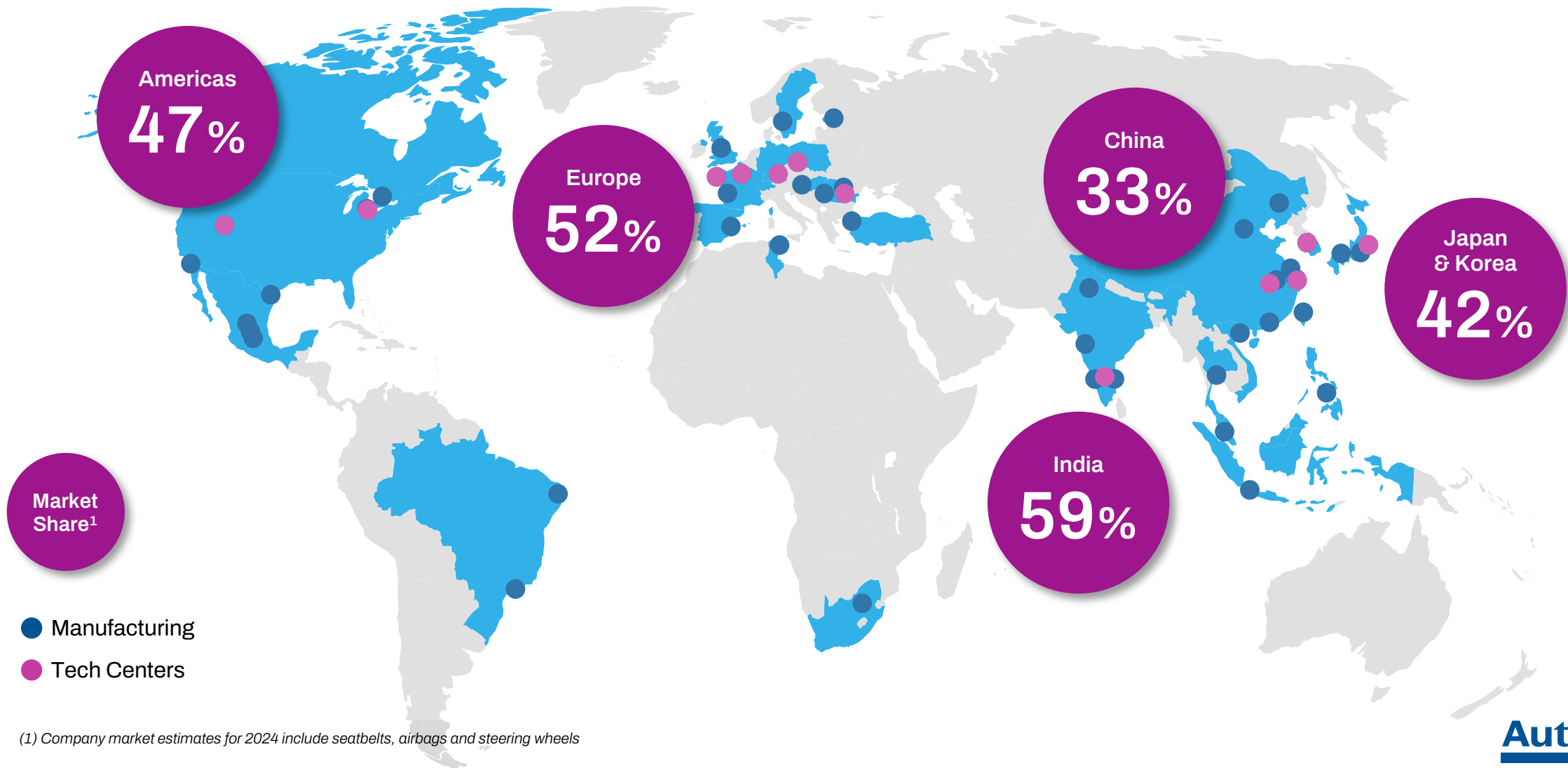
Market share development with our top-20 Customers<sup>2</sup>



(1) COEMs: Chinese OEMs excluding Volvo and Polestar  
(2) Company market estimates include seatbelts, airbags and steering wheels, These 20 OEMs are estimated to account for more than 85% of the global safety market. Including 3 Chinese OEMs and 7 other Asian OEMs

# Leading global footprint with #1 position in all regions

Market  
Leader in  
all  
Regions



# Optimizing our Global Footprint & Capacity to a Changing Market

Leading  
Engineering &  
Manufacturing  
Footprint

Cost  
Leadership

## Americas

- Reduced POH and SG&A headcount
- Transferred functions from USA to Mexico
- Increased level of automation in the U.S.

## Europe

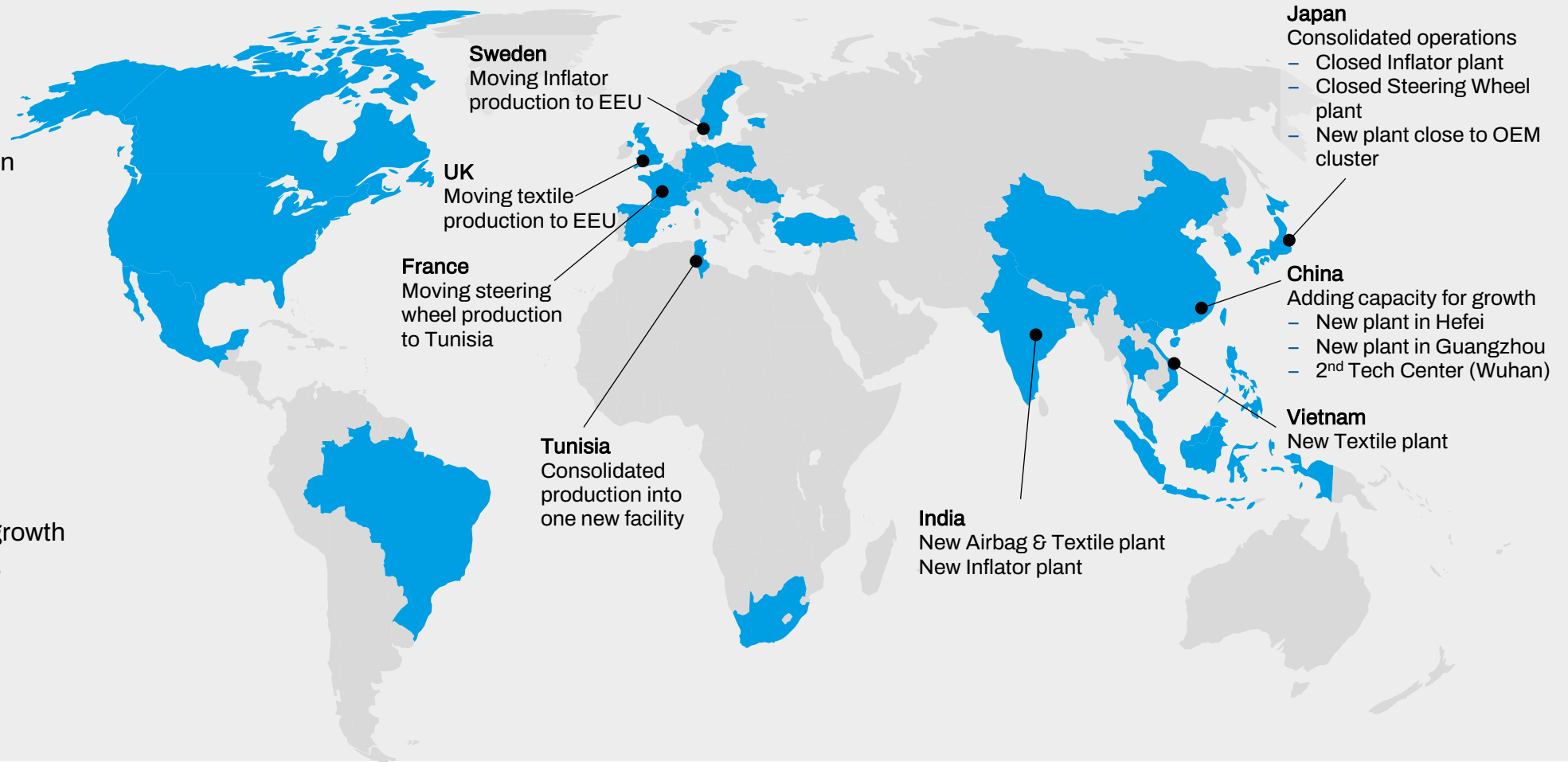
- Consolidated our footprint
- Reduced POH and SG&A headcount
- Transferred functions from WEU to EEU

## China

- Reduced headcount
- Adding capacity to support growth
- Increased focus on C-OEMs

## Asia

- Reduced headcount
- Adding inflator and textile production capacity





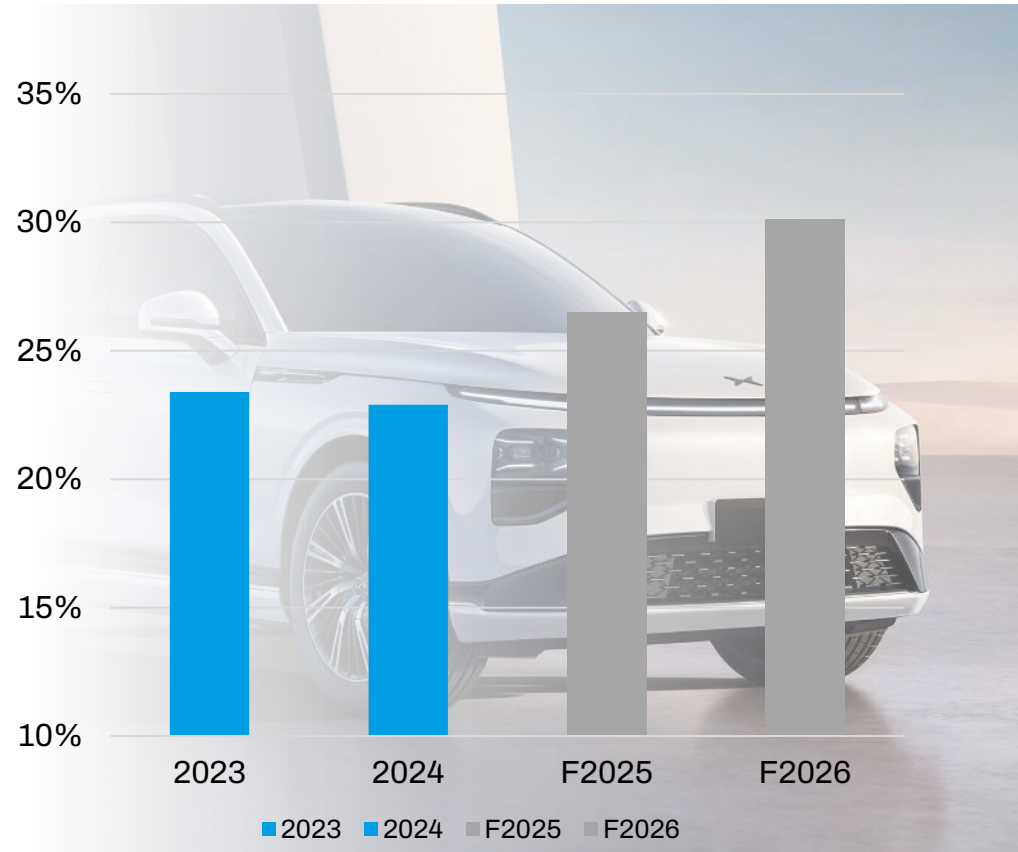
# Focus on C-OEMs and growing segments to ensure strong sales in a market transition

Drivetrain  
Agnostic

A Very  
Diversified  
Customer  
Portfolio

## Market Share with C-OEMs<sup>1</sup>

%



## Drivetrain Agnostic

### Example:

BMW 550 (ICE)



BMW i5 (EV)



No Change to Safety Content

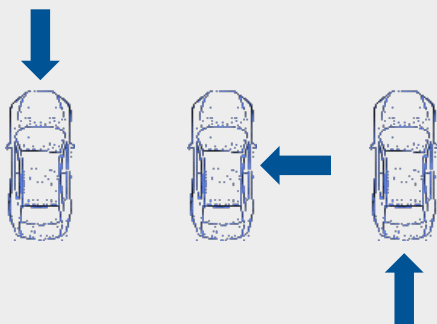
(1) Company estimates

# Regulations are driving Real-Life Safety opportunities and the need for new safety innovations



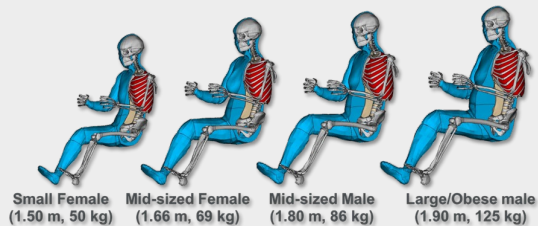
## Today

Simple approach with few evaluation points



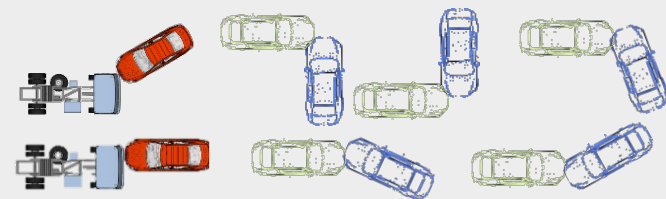
## Transition

NCAP Vision 2030 introduces more evaluation points

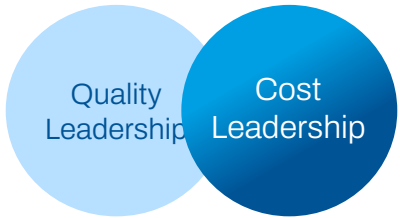


## Real-World Adaptive System

Restraints systems optimized for the greater variability of scenarios in the real world

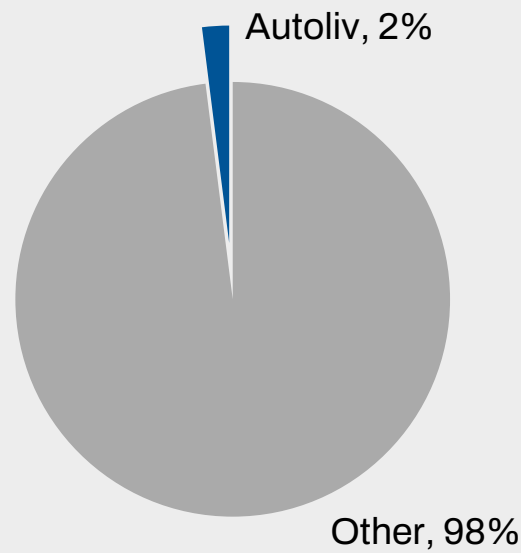


# Driving Profitability & Growth Through Quality and Productivity

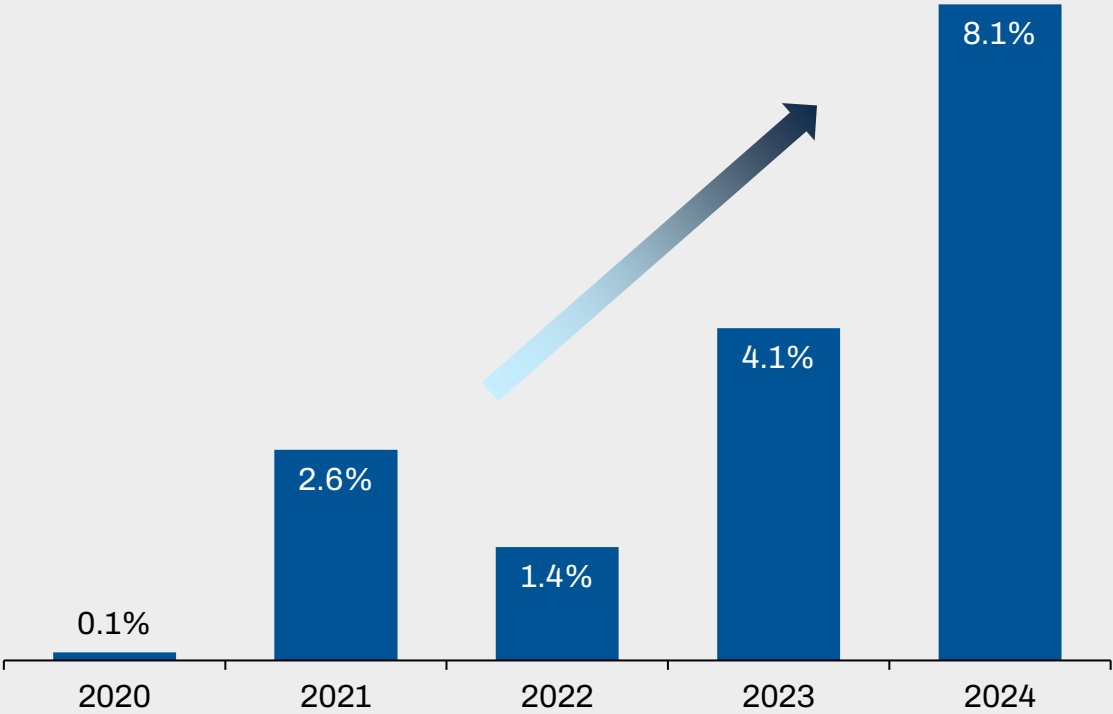


## Quality Focus

Autoliv has been involved in around 2% of passive safety recalls over the last ten years



## Productivity Improvement\*



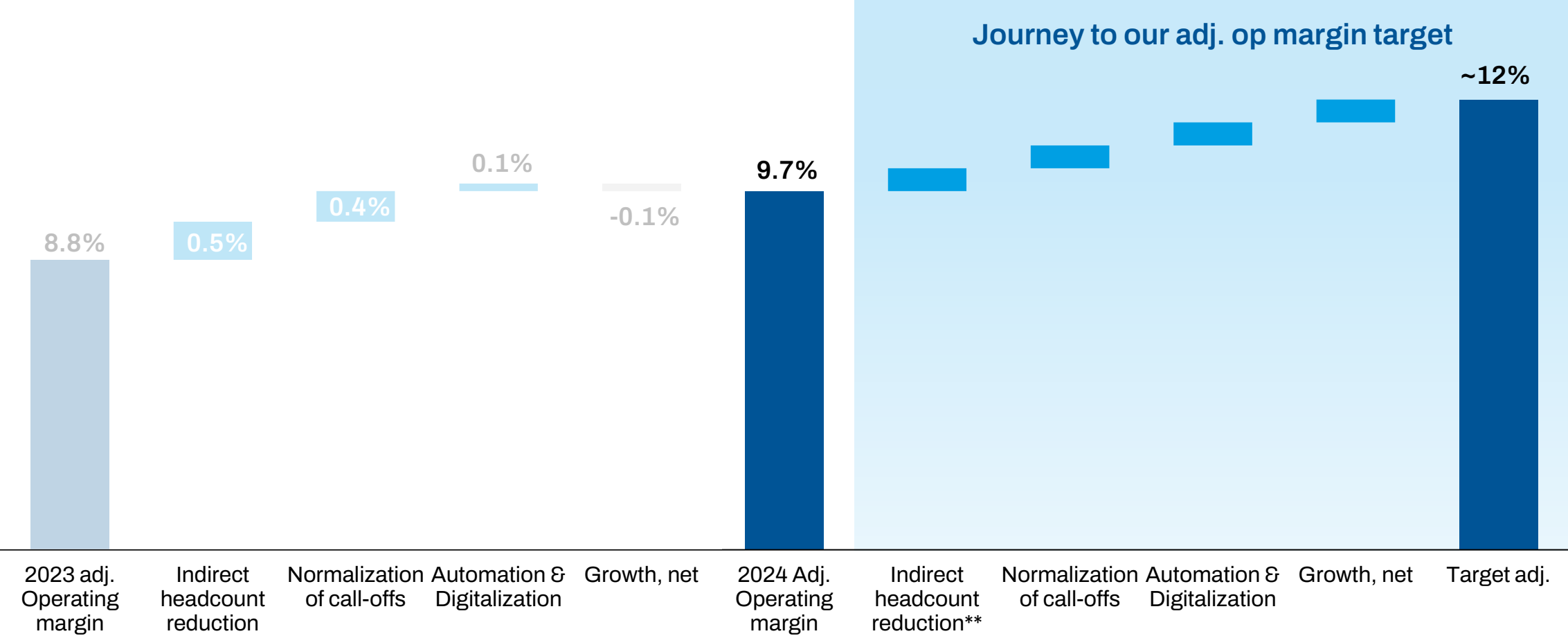
\* Company estimates



# Shareholder Value Creation



# Towards our targeted Adj. Operating Margin\* of ~12%



(\*) Non-US GAAP measure. Excluding costs for capacity alignments.

(\*\*) Already announced in 2023

# Reiterating our Financial Targets

Average Annual  
Organic Growth

**4-6%**

**Drivers**

- CPV
  - Rating & Regulations
  - Industry Trends
- LVP
- MSS contribution mainly beyond 2030

Adjusted  
Operating Margin<sup>1</sup>

**~12%**

**Drivers**

- Operational leverage
- Price
- Structural Initiatives
- Strategic Roadmap including automation & digitalization

**Conditions**

- Stable global LVP of at least 85 million units
- Successful compensation for inflation and tariffs

Cash Conversion  
over time<sup>2</sup>

**≥80%**

- Profit Growth
- Capital Efficiency
- Capex less than 5% of sales

Leverage Ratio  
over time<sup>3</sup>

**≤1.5x**

- Continued Prudent leverage policy
- Shareholder return strategy with increasing dividend
- New Stock Repurchase Program

(1) Non-US GAAP measure. Excluding costs for capacity alignments & Antitrust.

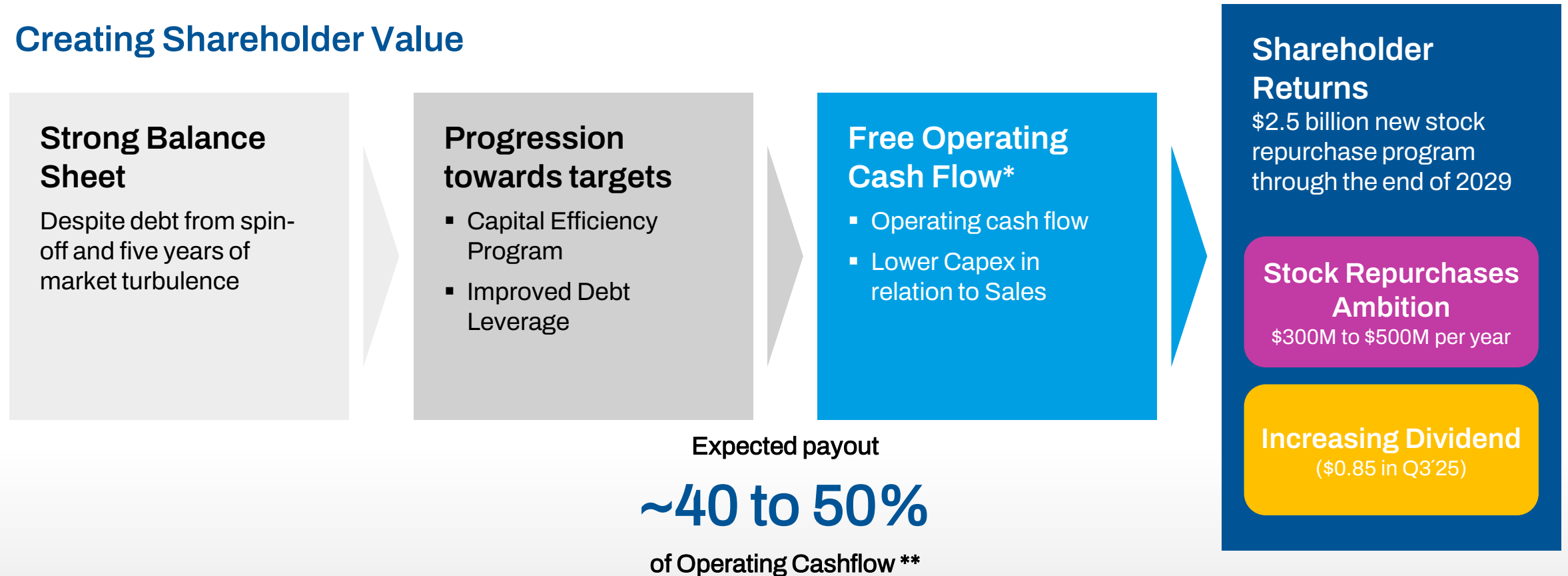
(2) Non-US GAAP measure. Defined as operating cash flow less capital expenditure, net in relation to net income

(3) Non-US GAAP measure, Leverage Ratio and Net Debt includes Pension Liability



# Sustainable High Level of Shareholder Returns

## Creating Shareholder Value

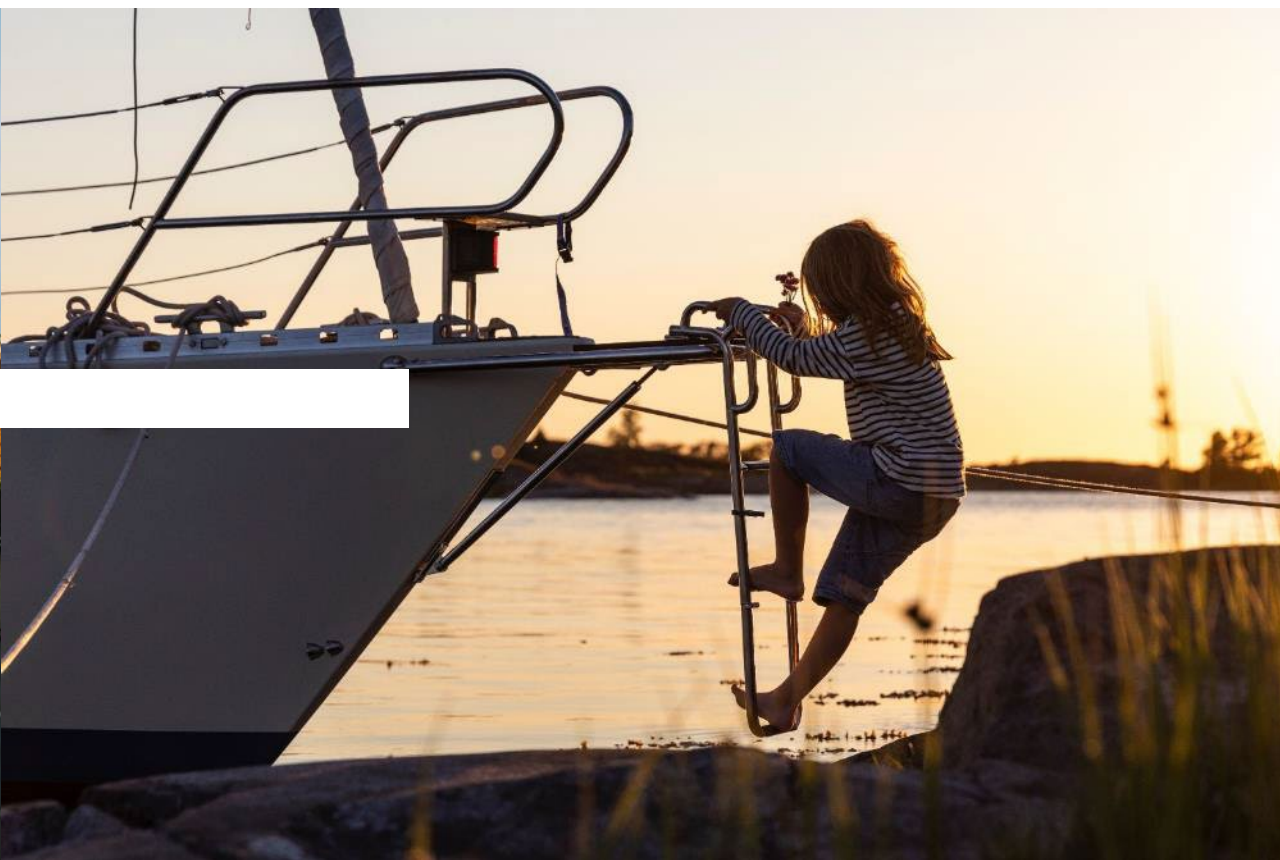


(\*) Non-US GAAP measure, . Operating cash flow less Capital expenditures, net. Non U.S. GAAP measure.

(\*\*) The payout ratio, which refers to shareholder payouts as a share of cash flow from operations\* .



# Autoliv Capital Markets Day 2025



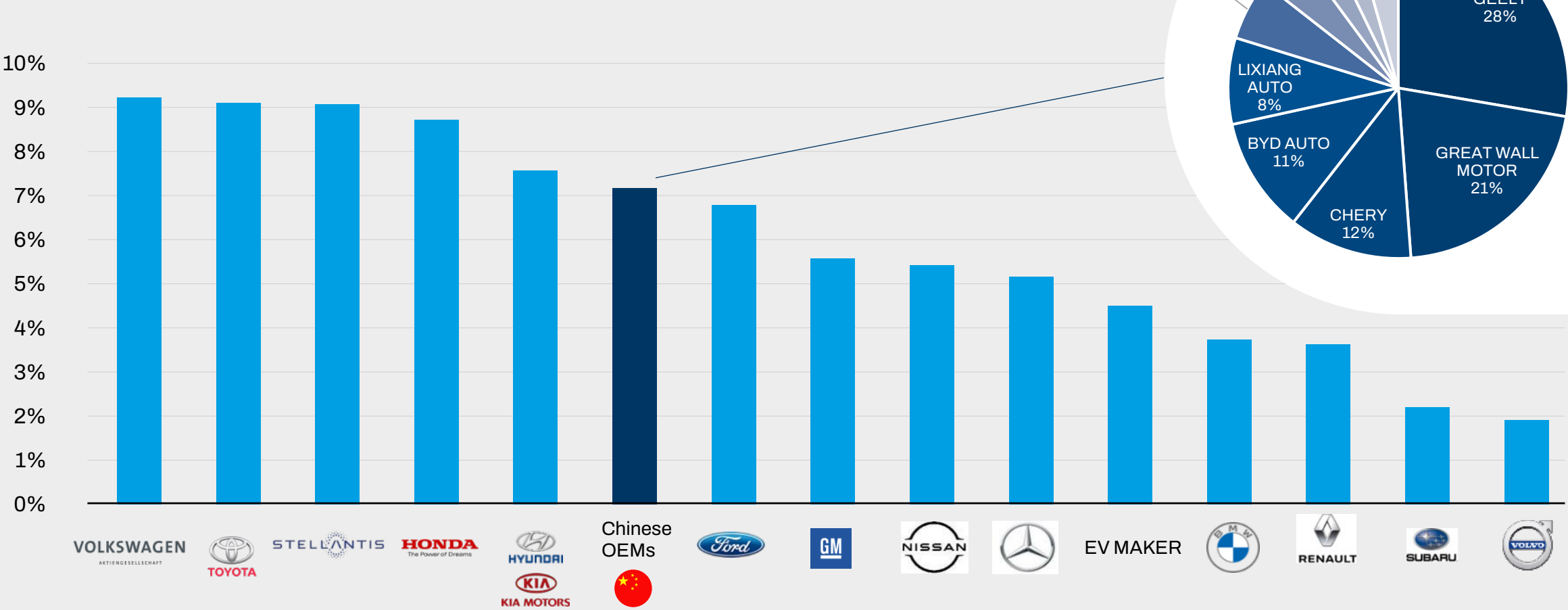
## Driving & Creating Growth in a Dynamic Market

Megan Fisher, Senior Vice President Sales / Sng Yih, President Autoliv China

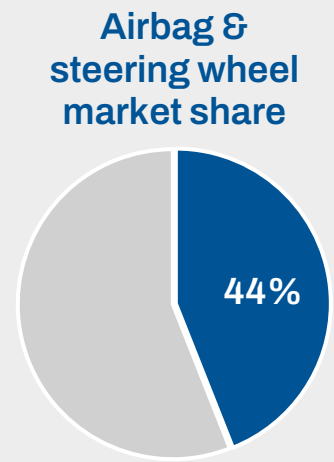
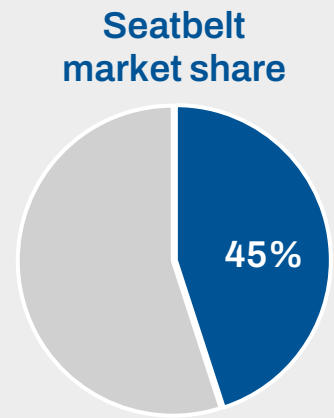
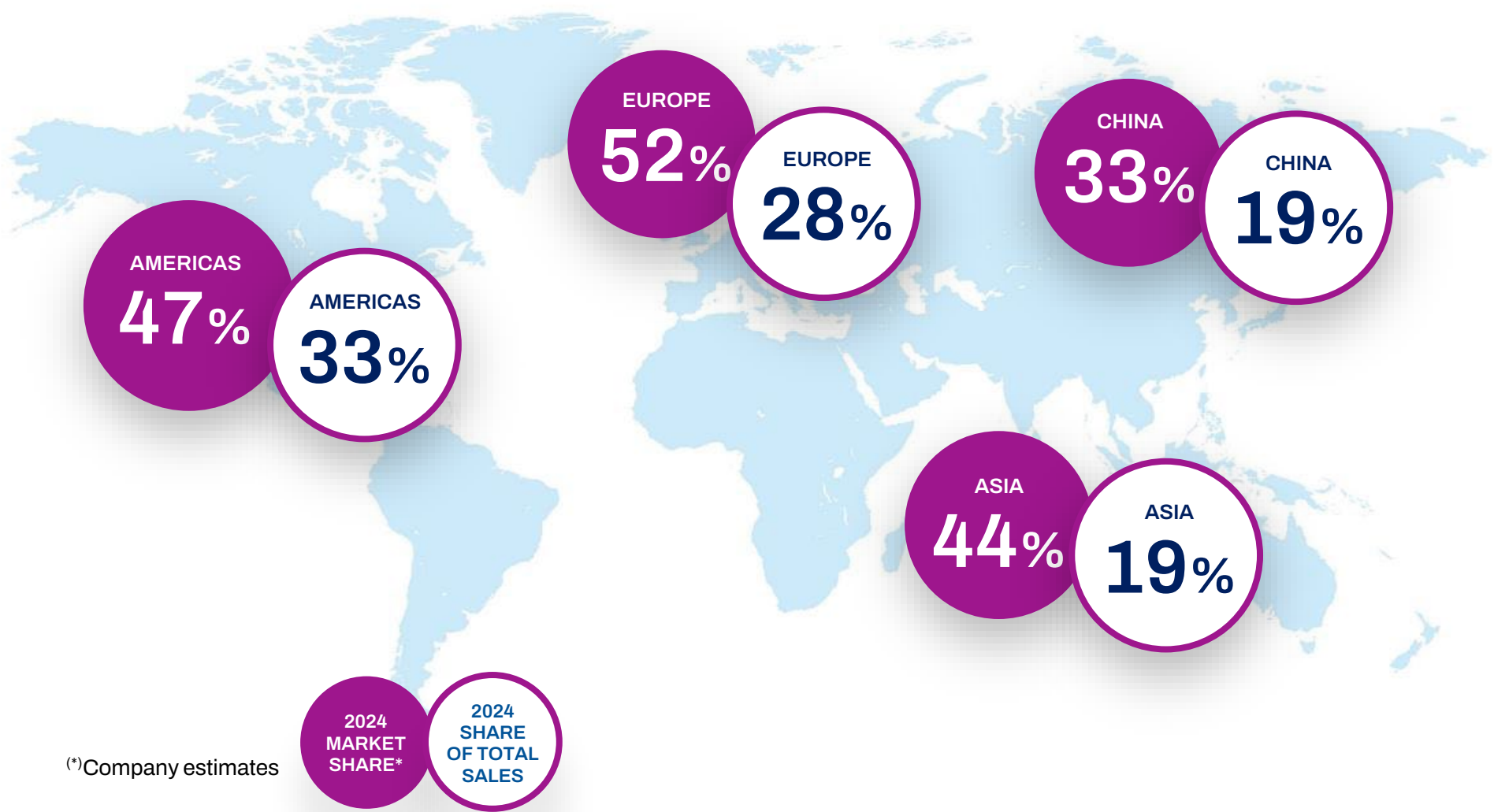


# Well diversified customer mix

Serving All Major OEMs (2024)

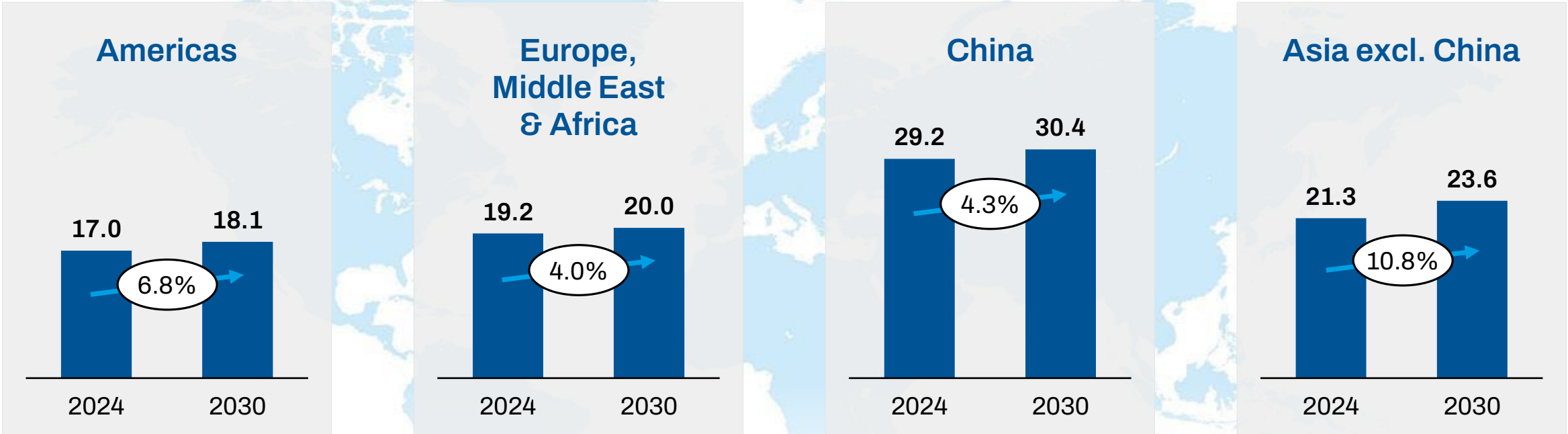


# Market leadership in all regions and across product segments





# Global Light Vehicle Production is expected to grow at around 1.3% per year from 2024 through 2030



Source: S&P Global May 2025

June 4, 2025

2025 Capital Markets Day

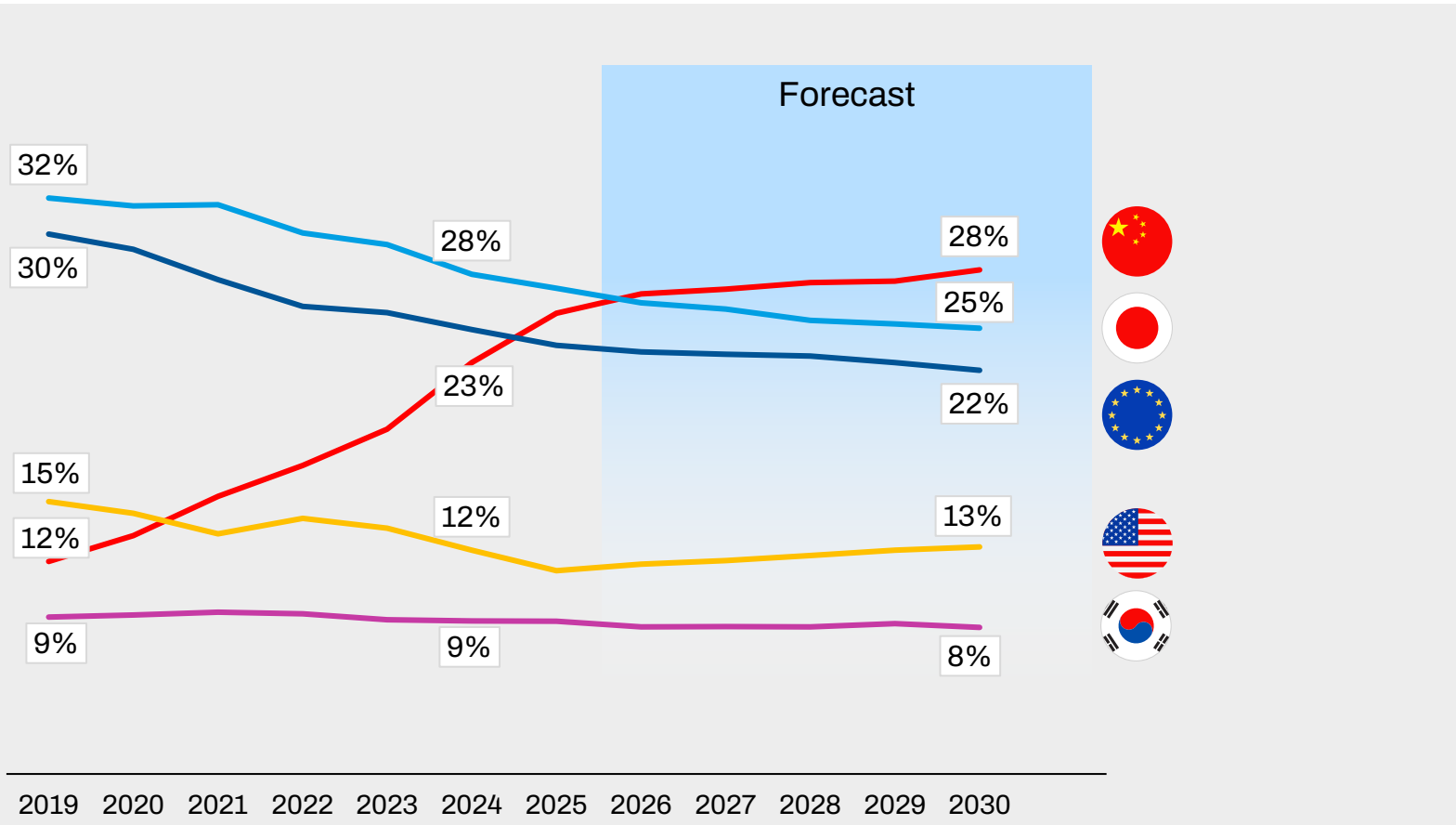
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Public



# The past years the Light Vehicle market experienced a shift in OEM mix

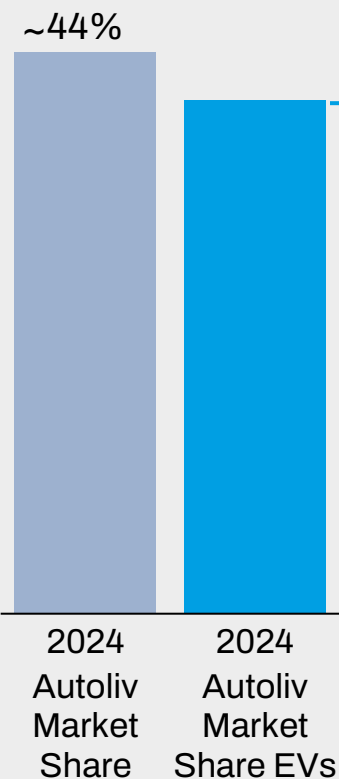
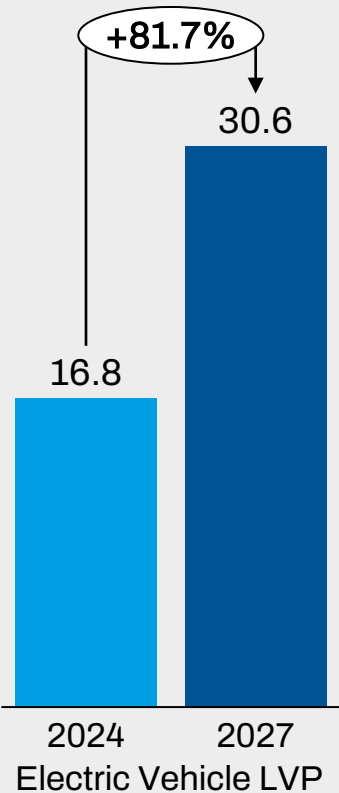
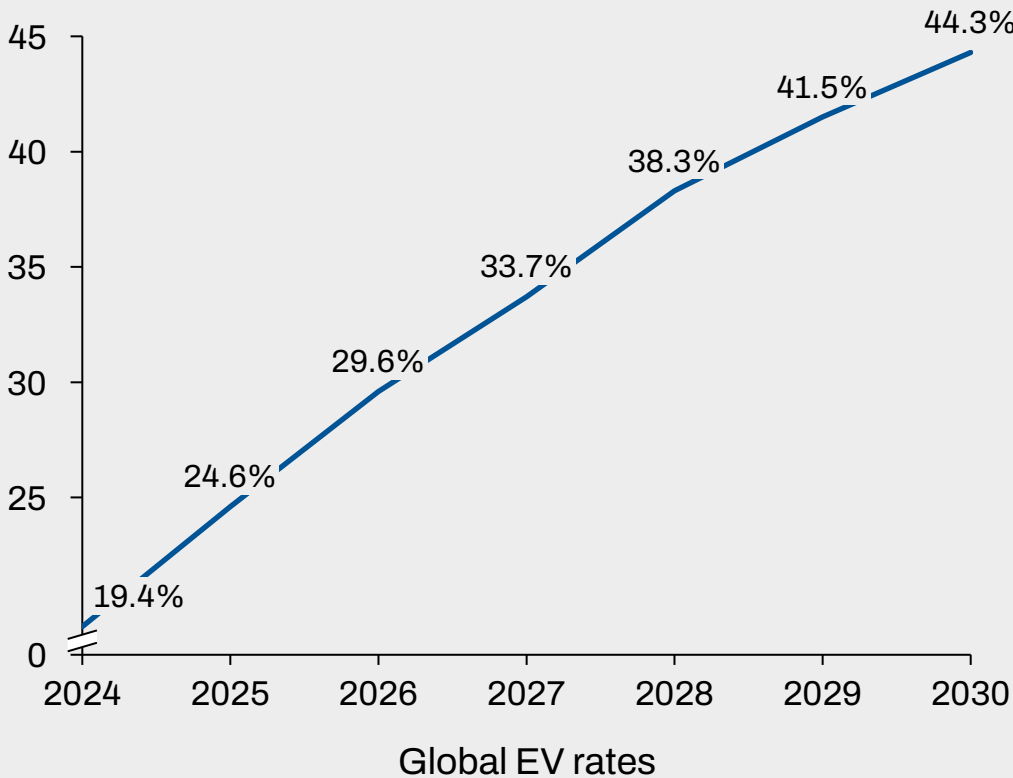
## OEM market share development – Global



Chinese OEMs are expanding their market shares both domestically and internationally

Source: S&P Global May 2025, Jaguar Land Rover, Volvo are considered E-OEMs. NA brands of Stellantis are considered to be NA-OEMs

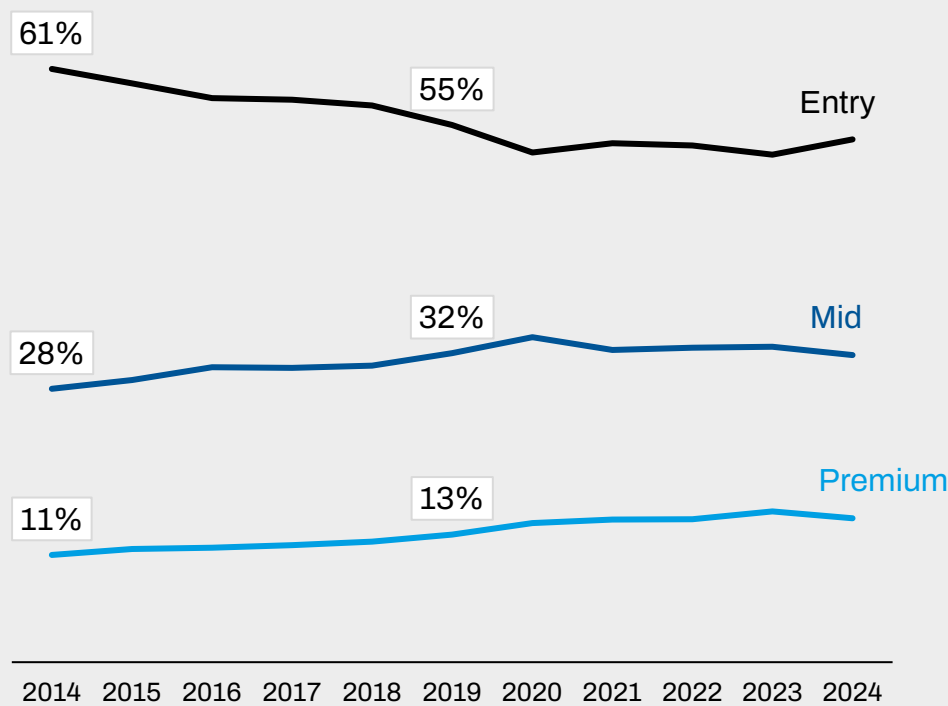
# EV volatility – Our strategy is to maintain a balance amongst propulsion systems



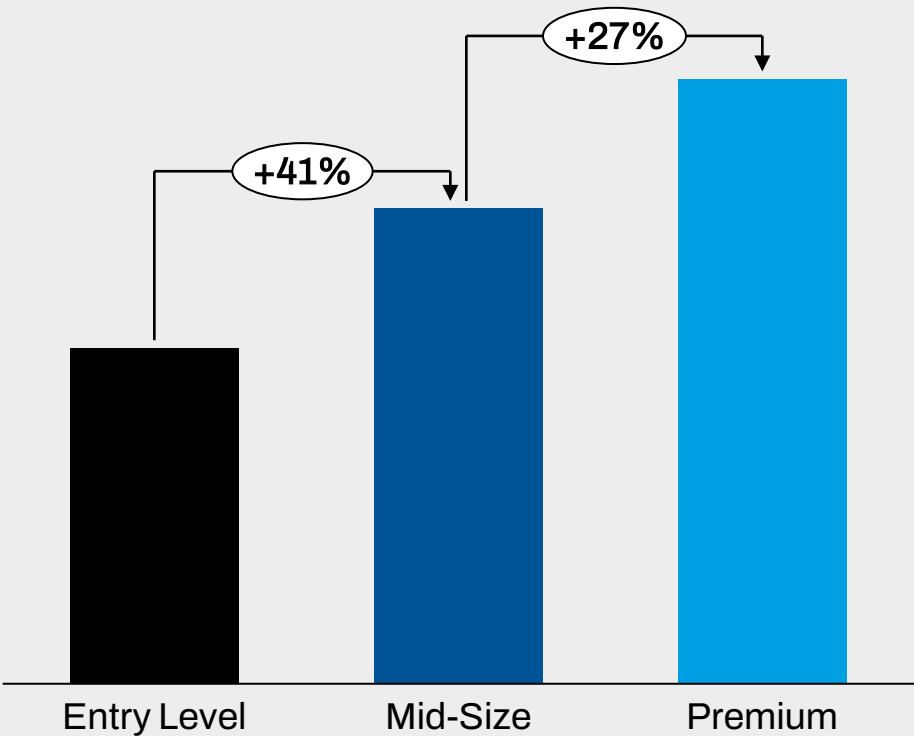
EV = BEV, FCEV & PHEV only

# The rise in premium and mid-segment vehicles has a positive impact on safety content per vehicle (CPV)

Price segment Development as share of Global LVP



Passive Safety Content per Vehicle

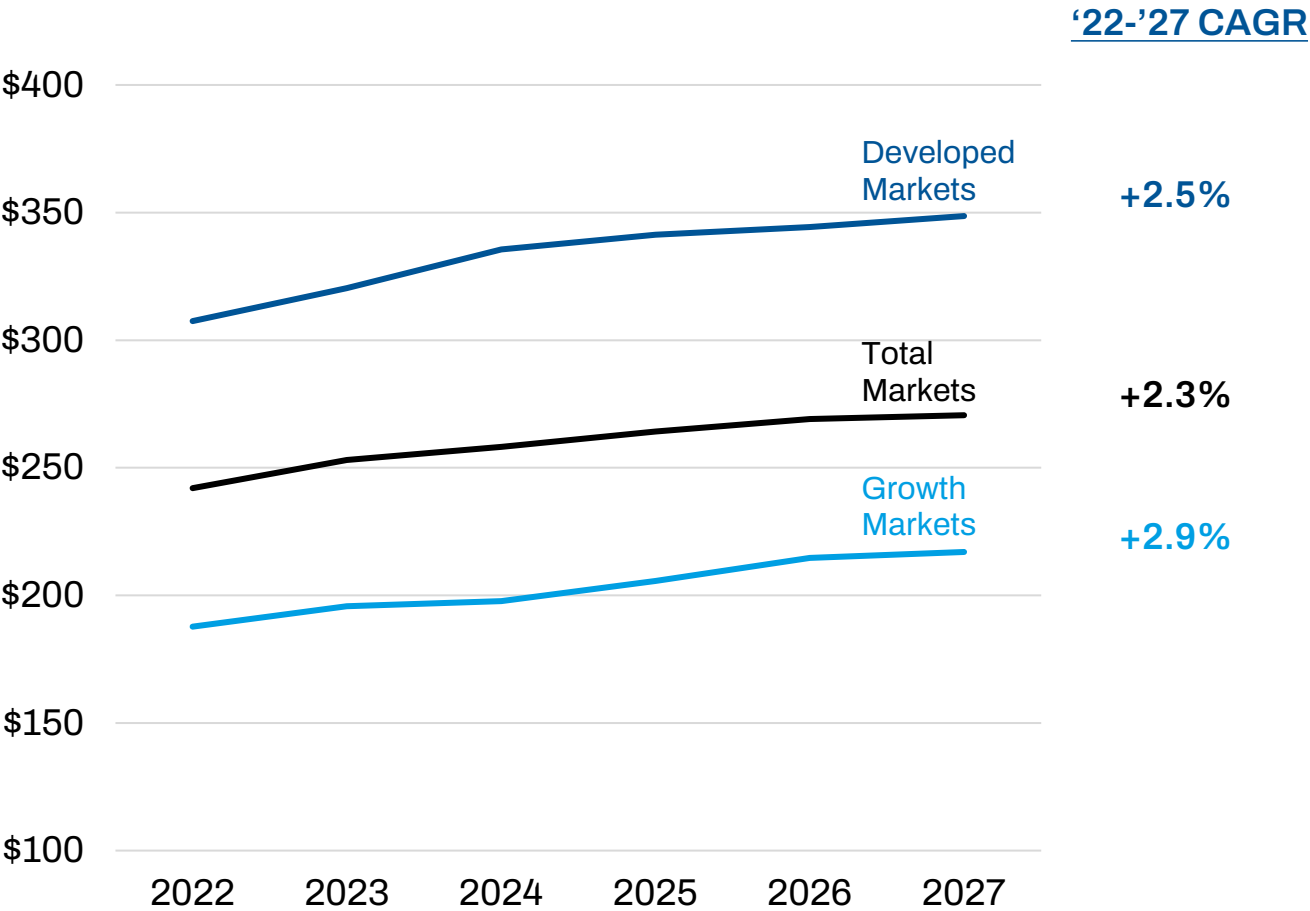


Source: S&P Global May 2025



Safety Content per Vehicle is increasing across all regions, although the growth rates varies

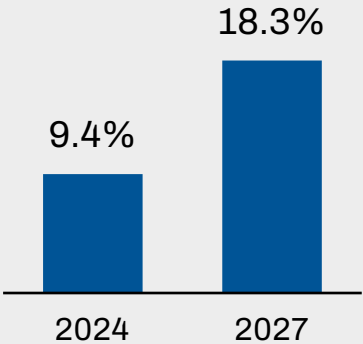
Safety Content per Vehicle (CPV)



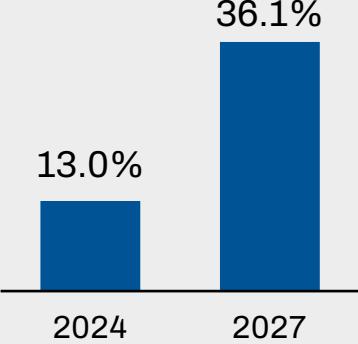
# Ratings and Regulation changes around the world continue to increase our content per vehicle



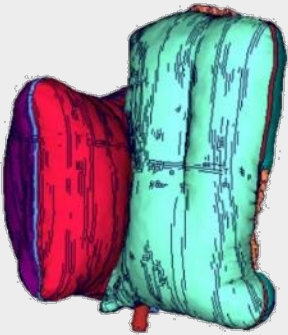
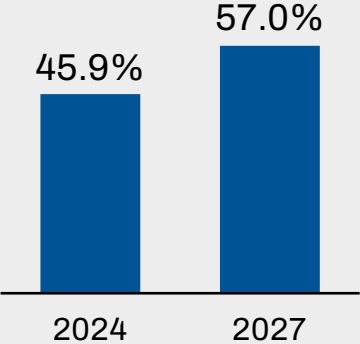
High Content SW  
– Global



Center Airbag  
– China



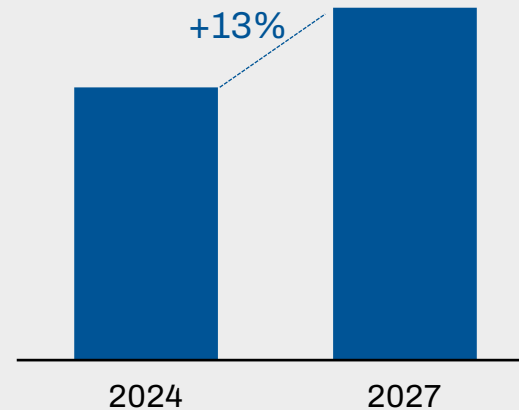
Rear Pretensioning  
– N. America



# Our Customers aim to provide improved user experiences which will drive safety content per vehicle over time

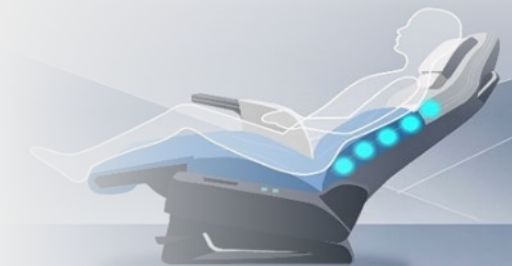
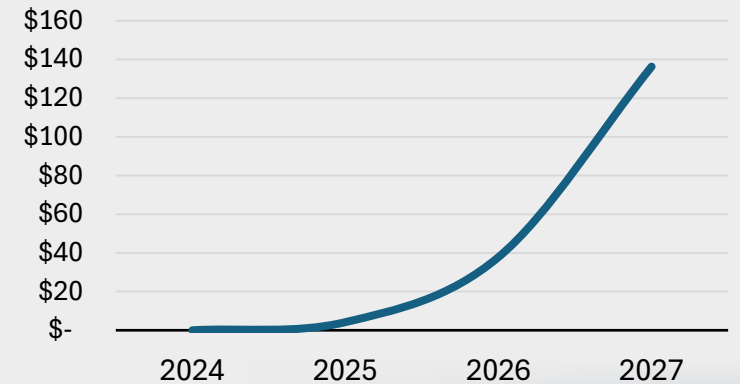


## Steering Wheel CPV



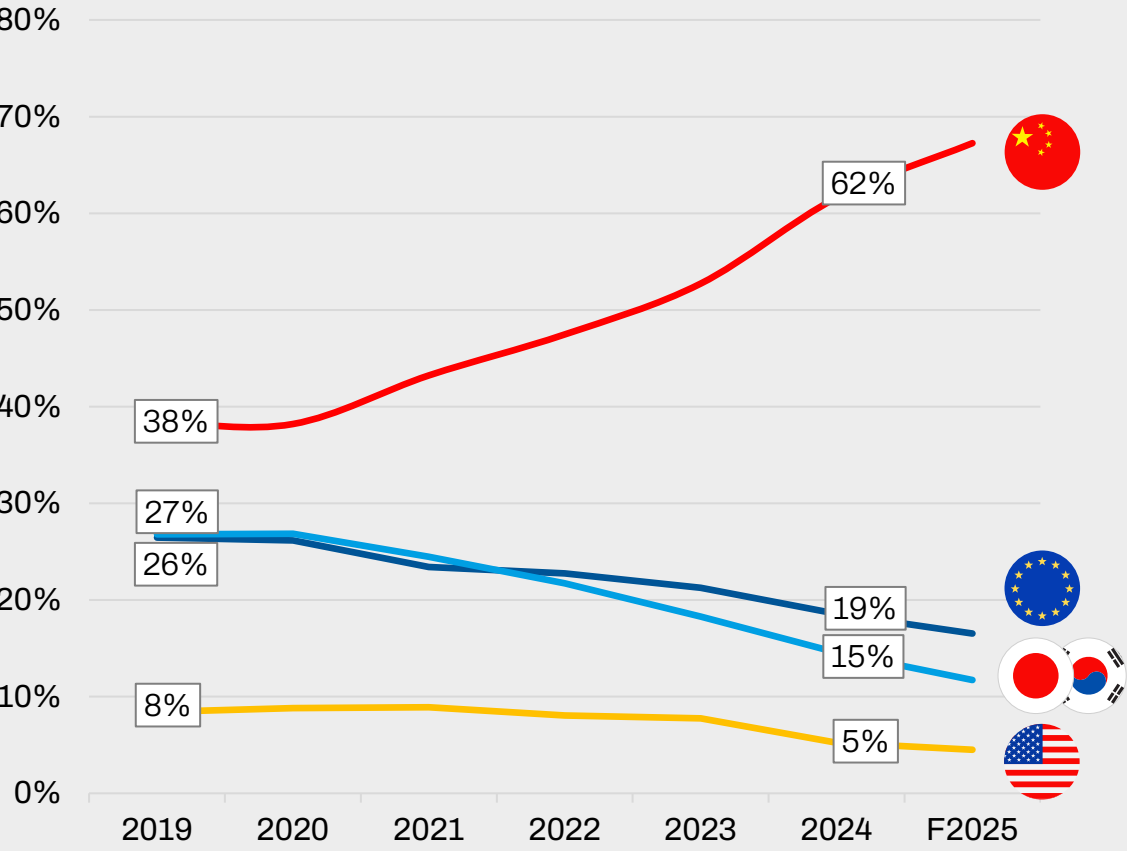
## Zero Gravity Seat Safety Content

Estimated Market value (million \$)

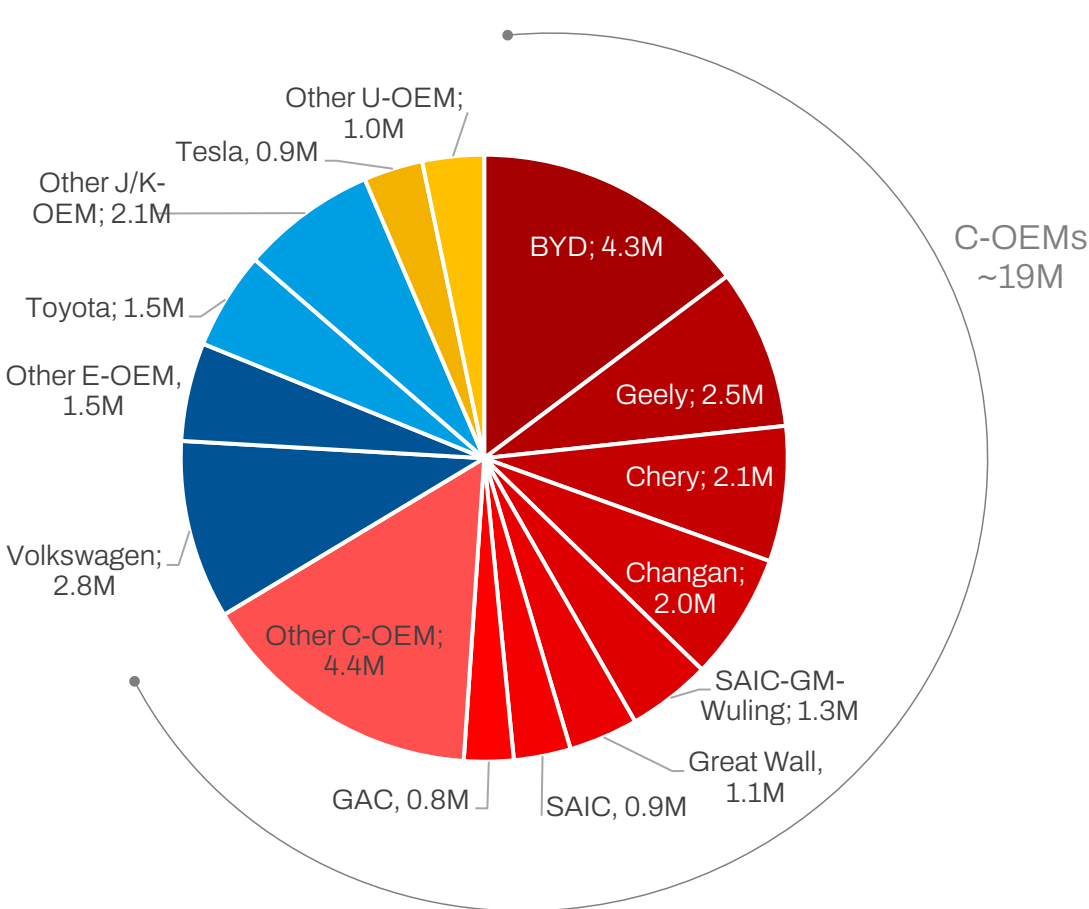


# China Market\* - Significant Acceleration of the C-OEMs Market Share

Market share development by OEMs groups

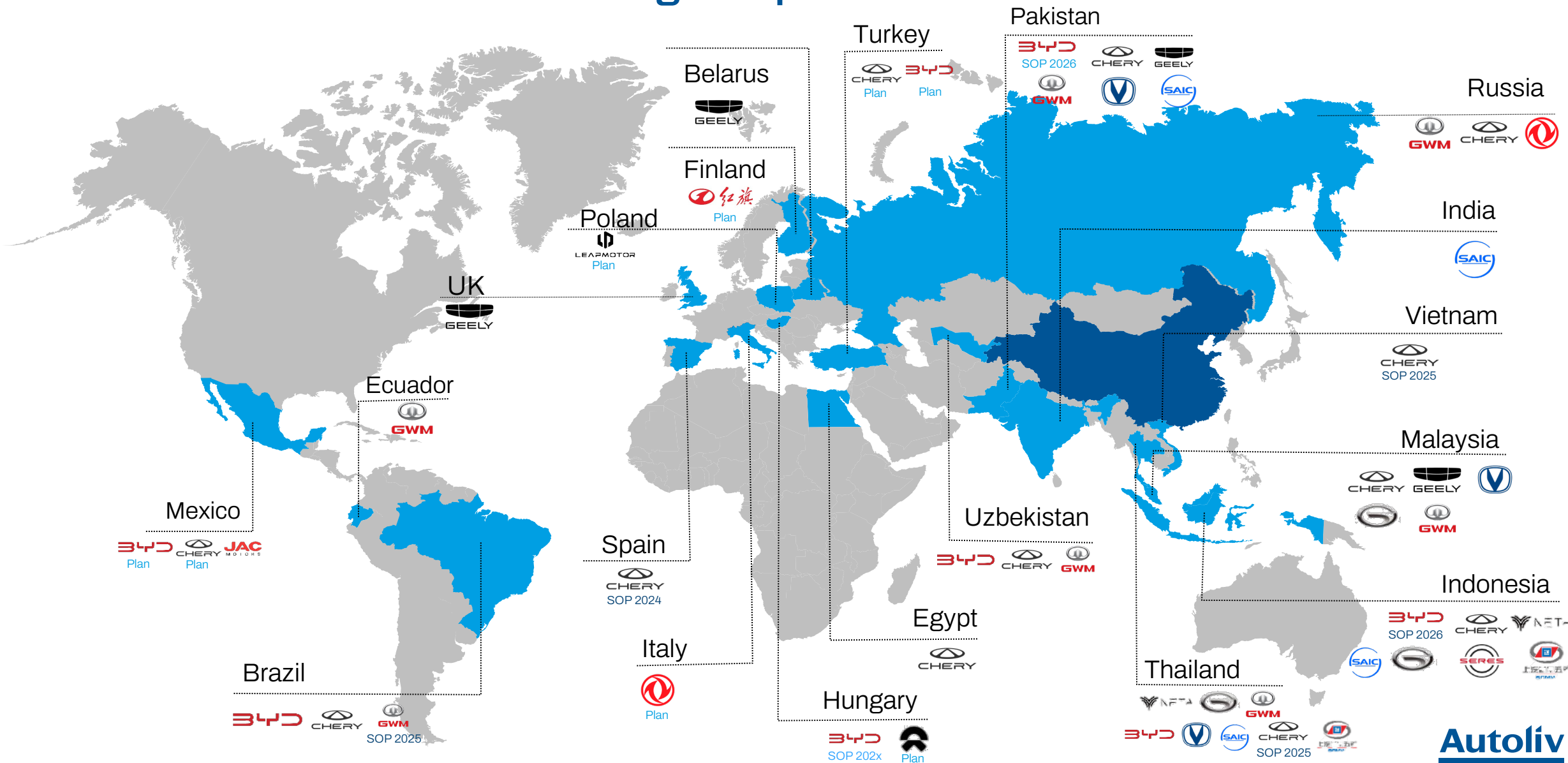


2024 LVP by OEMs\*\*



(\*) Source: S&P Global May 2025, Jaguar Land Rover, Volvo, Polestar are considered E-OEMs. NA brands of Stellantis are considered to be U-OEMs  
(\*\*) E-OEMs= European OEMs; U-OEMs= U.S. OEMs; J/K-OEMs = Japanese and Korean OEMs

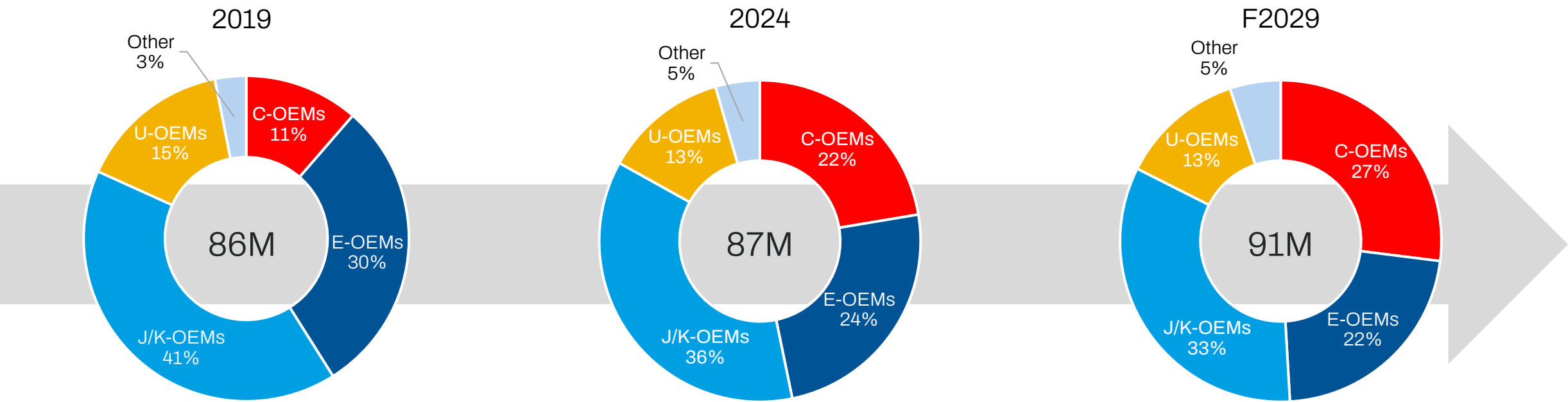
# C-OEMs Oversea Manufacturing Footprint Plans





# Shifting Market Landscape – C-OEMs Gaining Shares

Global Light Vehicle Production<sup>1</sup> – Split by OEM Origin<sup>2</sup>



<sup>(1)</sup> Light Vehicle Production (LVP up to 3.5 tons) according to S&P Global @ May 2025

<sup>(2)</sup> C-OEMs = Chinese OEMs excluding Volvo and Polestar; E-OEMs= European OEMs; U-OEMs= U.S. OEMs; J/K-OEMs = Japanese and Korean OEMs

# Autoliv China – The Leading Automotive Safety Supplier in China

Vertical integrated operations with full system development capabilities

## Technology

Autoliv China has structured ourselves to stay ahead of competition with strong local RD&E capabilities, with Fabien Dumont, CTO, located in China

## Influence with Industry authorities and rating agencies

Our expert position with the rating agencies allow us to influence future rating updates

## Global Leadership Position

Our position as the global leader resonates with Chinese OEMs, especially the start-ups

## China Speed

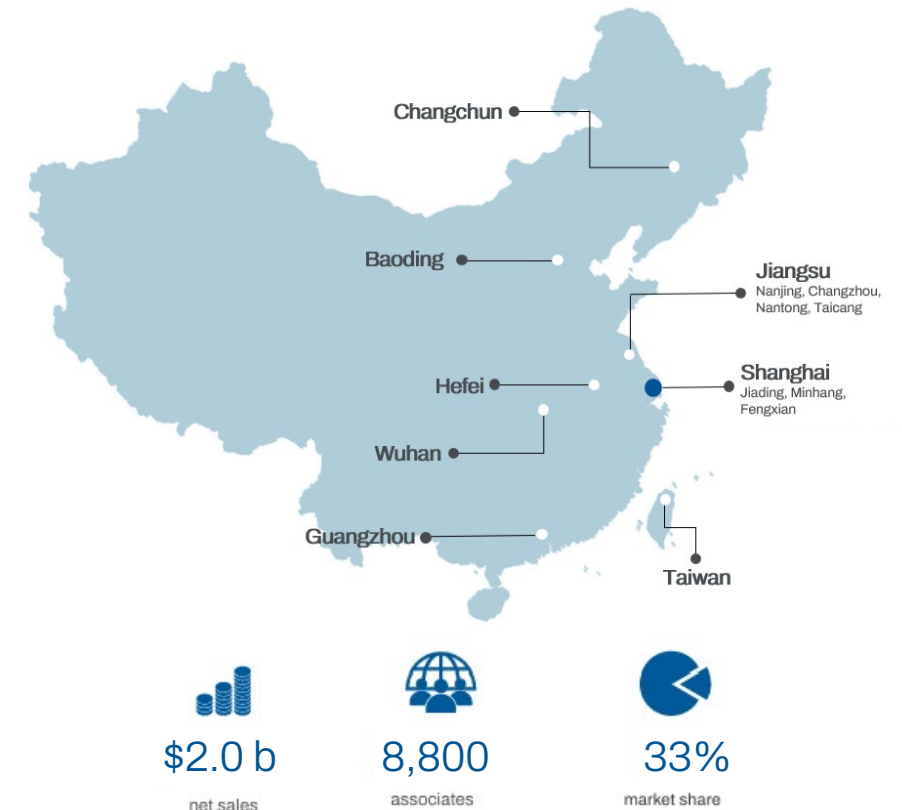
We develop and launch at China speed, whilst maintaining our global process and quality standards

## Competitiveness

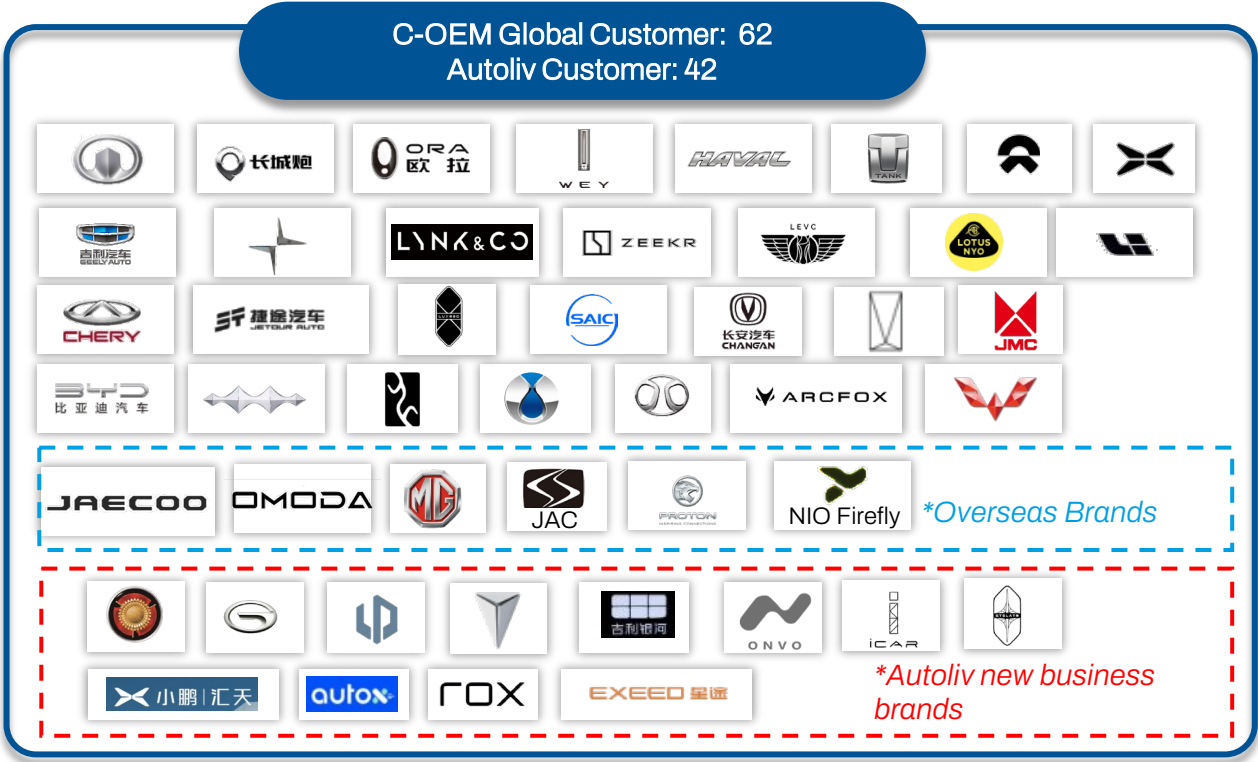
Commonization, Digitalization, AI, Automation

## Autoliv China Footprint

1 Technical Center & 15 Plants



# Autoliv China – Serving 69 Customers (@ 2 June, 2025)



# Autoliv China - Achieved Significant Progress in Customer Relationships

## New Business Cooperations

October 2022



Strategic cooperation with Geely

March 2023



Strategic cooperation with Chery

May 2023



Strategic cooperation with NIO

June 2023



Technology co-creation with LEVC

December 2024



Strategic cooperation with JMC

April 2025



Strategic cooperation with Goodbaby

September 2023



Strategic cooperation with GWM

June 2024



Strategic cooperation with Xpeng Aeroht

## Customer Awards

<b>Li Auto</b>	Excellence Quality Award
<b>GWM</b>	Sincere Partner Award, Global Pioneer ward and Excellent Quality Award
<b>XPENG</b>	"Together with XPeng" and "QCC PengYi Cup Gold Award"
<b>NIO</b>	NIO Quality Premium Partner and the Blue sky award
<b>Nissan</b>	Best Supply Chain Partner
<b>Changan-Deepal</b>	Quality Contribution Award
<b>Mazda</b>	Excellent Quality supplier & CMA Model of the Times Award
<b>JMC</b>	Excellent Supplier Award
<b>Chery</b>	Excellent development and innovation award
<b>Ford</b>	Outstanding supplier
<b>Geely Zeeker Plant and Xiangtan Plant</b>	Excellent Supplier Award
<b>Geely Yuyao plant</b>	Excellent Supplier Award
<b>GAC Honda</b>	Excellent Quality Award
<b>Dongfeng Honda</b>	Excellent Supplier for Quality Management
<b>Adient</b>	Best Cooperation award
<b>SGM</b>	Supplier of the Year

# Sustainable Growth – Breakthroughs with C-OEMs & Supporting G-OEMs in their new Strategy

## C-OEMs



2023 Businesses breakthroughs with Changan and Chery, have developed very well:

Sales growth %  

Sales Growth %	2023 AC	2024 AC	2025 Forecast*
Chery Sales Revenue	55,841	89,800	159,811
Chery Sales Growth %	114%	61%	78%
Changan Sales Revenue	11,616	33,092	63,932
Changan Sales Growth %	302%	185%	93%

## New breakthroughs since 2024

- GAC
- Ceer
- AutoX

(\*) Company estimates

## G-OEMs in China



New journey to support the their strategy:

*“In China, for China & Global”*



Volkswagen at the 2025 Shanghai Auto Show



# Retaining Our Market Leading Position

Autoliv has held on to its leading position in China, despite that vertically integrated C-OEMs have gained significant market shares at the expense of our traditional customers.

## Traditional customers volume drop %

(Combined total of Top Five GOEMs)

LVP YoY %	2023	2024	2025 Forecast
Top 5 GOEM customers	-8.4%	-20.5%	-15.4%

## Chinese OEMs volume increase %

LVP YoY %	2023	2024	2025 Forecast
COEMs Total	22.3%	17.5%	7.3%

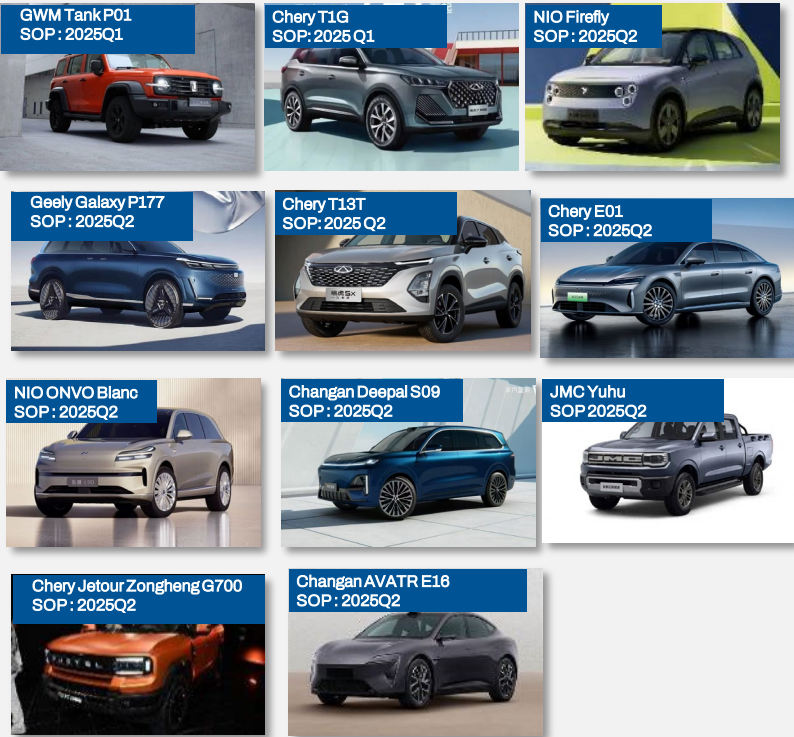
## BYD volume increase %

LVP YoY %	2023	2024	2025 Forecast
BYD	61.4%	41.4%	4% (S&P) 28.7% BYD public announced target (YTD +56%)

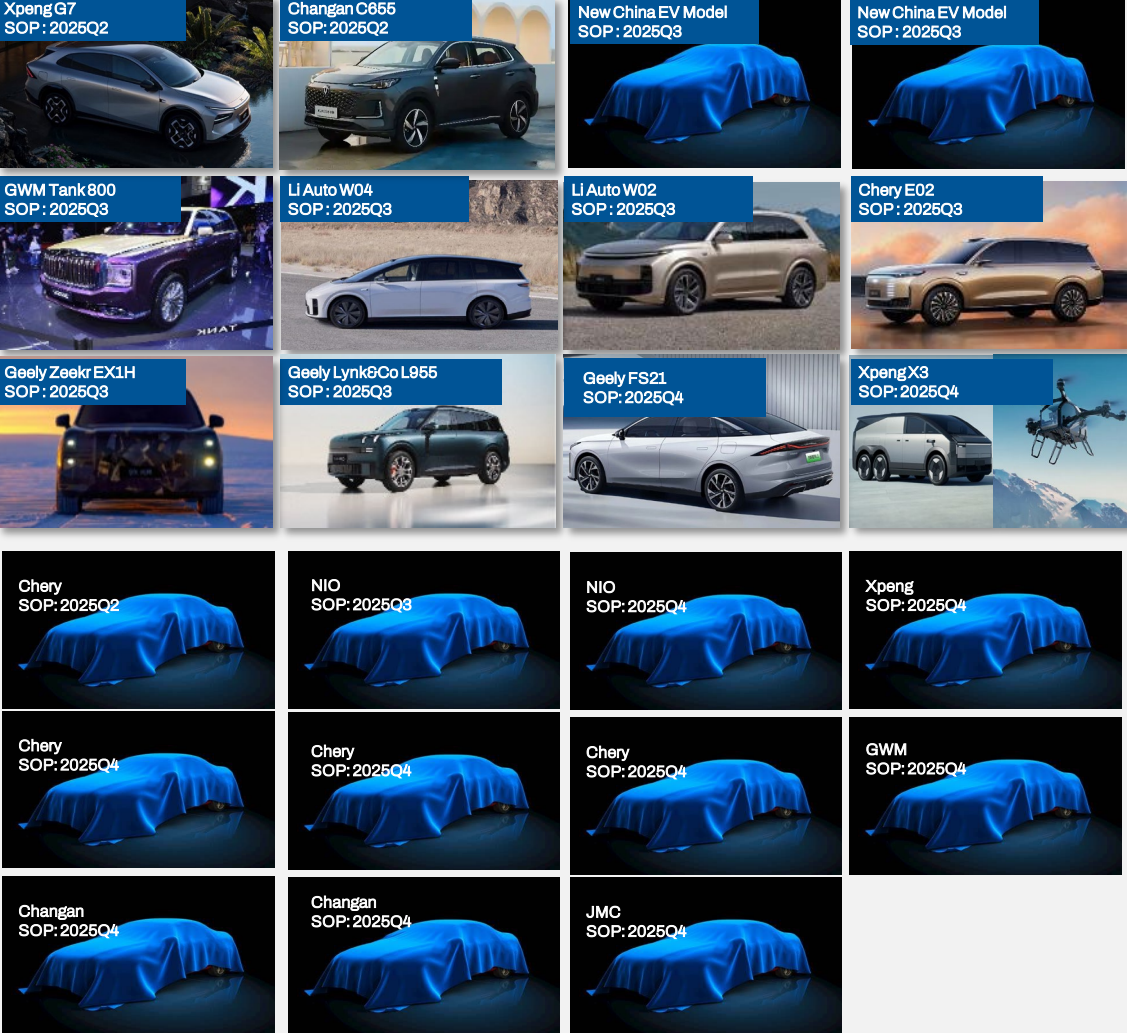
\* Source: S&P Global May, 2025

# Autoliv China – Record Number of New Launches in 2025

## Already launched in 2025

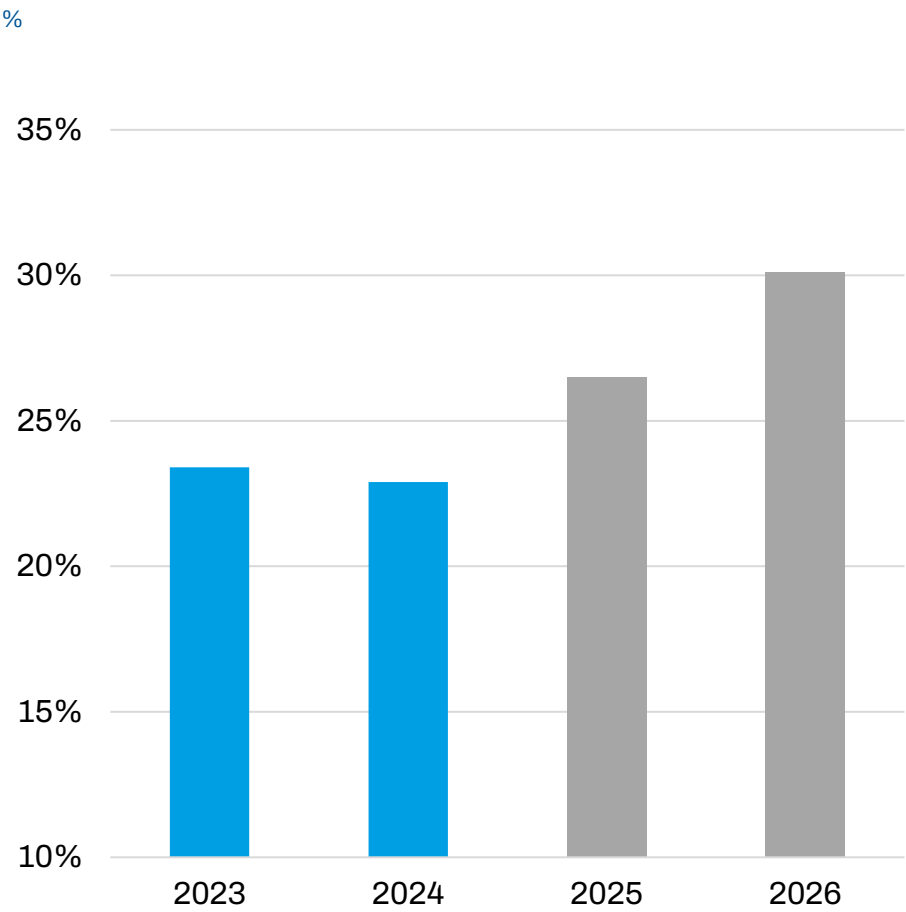


## Coming launches in 2025



# Our Focus on C-OEMs Ensures Strong Sales in the Market Transition

Market Share with C-OEMs\*



Xpeng G9

(\*) Company estimates

# Driving & creating growth in a dynamic market

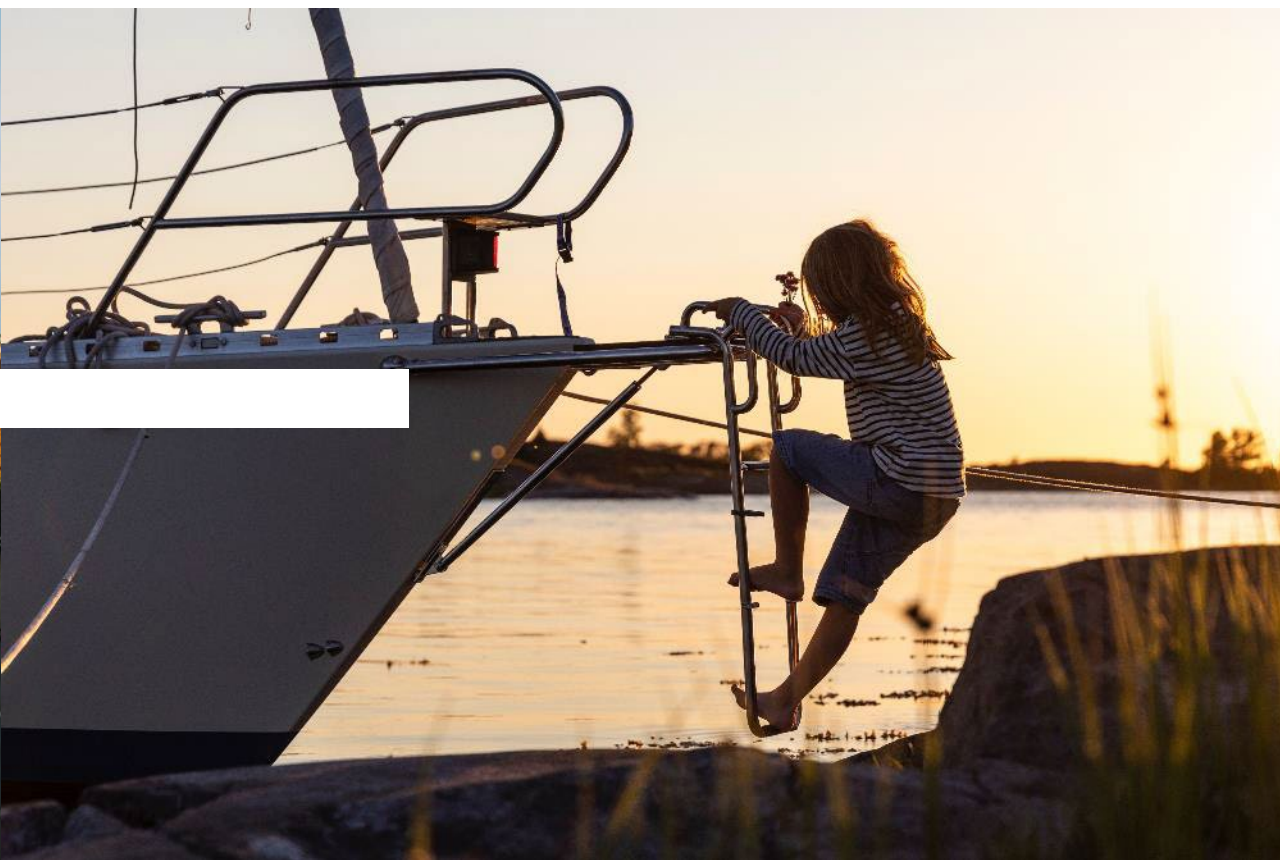


- Autoliv has a strong leadership position with global and Chinese based OEMs
- Light vehicle market growth and content per vehicle growth are expected to continue through 2030
- Our growth strategy is rooted in building and maintaining strong partnerships with customers through quality excellence, commercial excellence and technical leadership





# Autoliv Capital Markets Day 2025



## Driving Growth Through Innovation in a Dynamic Market

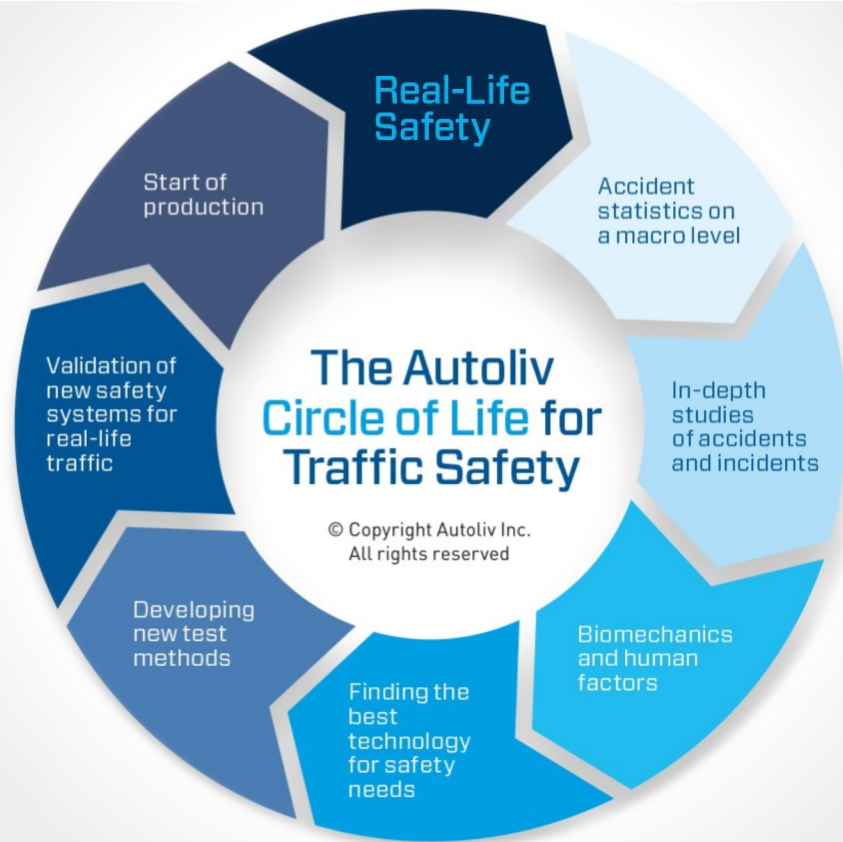
Fabien Dumont, Executive Vice President & Chief Technology Officer

Cecilia Sunnevång, Vice President Research and Early Innovation





# Autoliv takes a holistic, real-life perspective on traffic safety










































































- In depth understanding of biomechanics and accident data
- Go beyond standardized test scenarios
- Focus on real-life situations and benefits
- Enabler of future mobility solutions
- Saving More Lives

# New vehicle technologies & end-customer preferences are driving near-term demand for novel interior solutions

- End-customer demand for new interior configurations & functionalities, especially seating solutions
- OEMs looking for support to deliver these new functionalities – safely



# Regulations & ratings continue to drive more comprehensive safety measures through wider coverage of test cases

		2026	2027	2028	2029	2030	2030+	
United Nations (UN)							  	 Decided  Anticipated
Europe		   		 	   		  	
Americas	 		  		   			
China		   	   	 	   	 	  	
India		  	  				  	
Southeast Asia			 					

-  Occupant Protection
  ADAS / AD
  Commercial Vehicles
  Motorcycle Safety
-  Electrification
  Virtual Testing
  Pedestrian Safety

# The changes in the rating landscape are creating significant opportunities in virtual engineering and adaptive safety



## Virtual Engineering

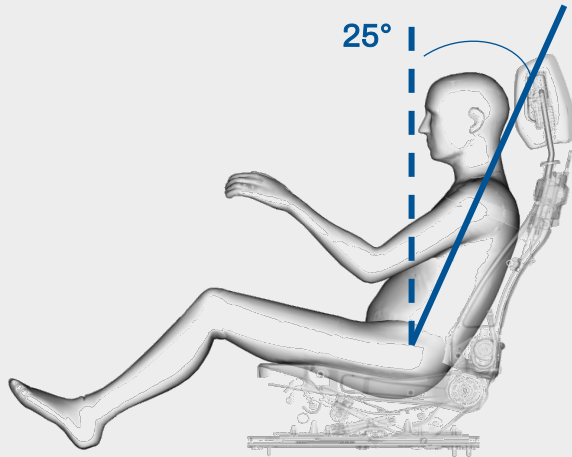
- Monitoring period starting 2026/2027 – requires Human Body Model usage
- EU & China ratings agencies launching virtual testing protocols in 2029/2030 timeframe

## Adaptive Safety

- Basic occupant size variation 2026/2027
- Greater variance in occupant size, age and seating positions, and crash configuration in 2029 and beyond

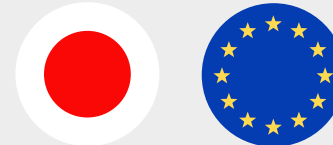
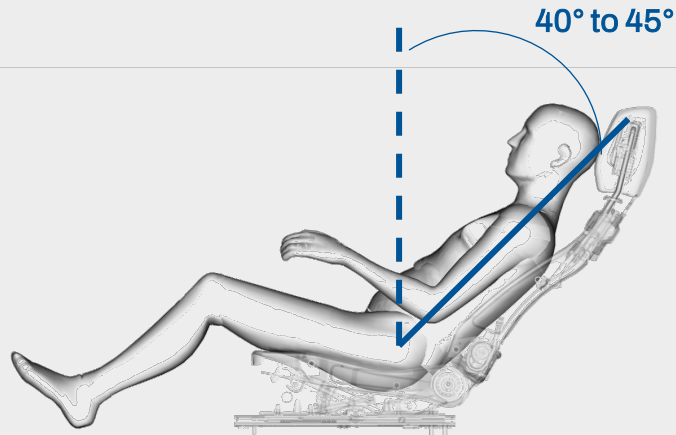
# Driven by end-customer demand, OEMs are exploring increased seatback recline angles

## Historic Standard: 25°



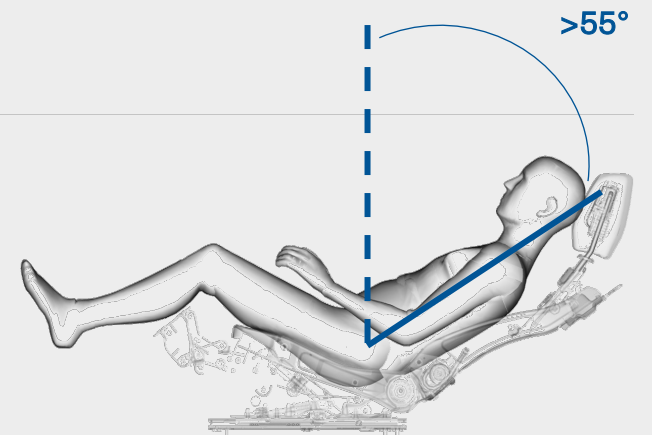
1

## Recline: 40° to 45°



2

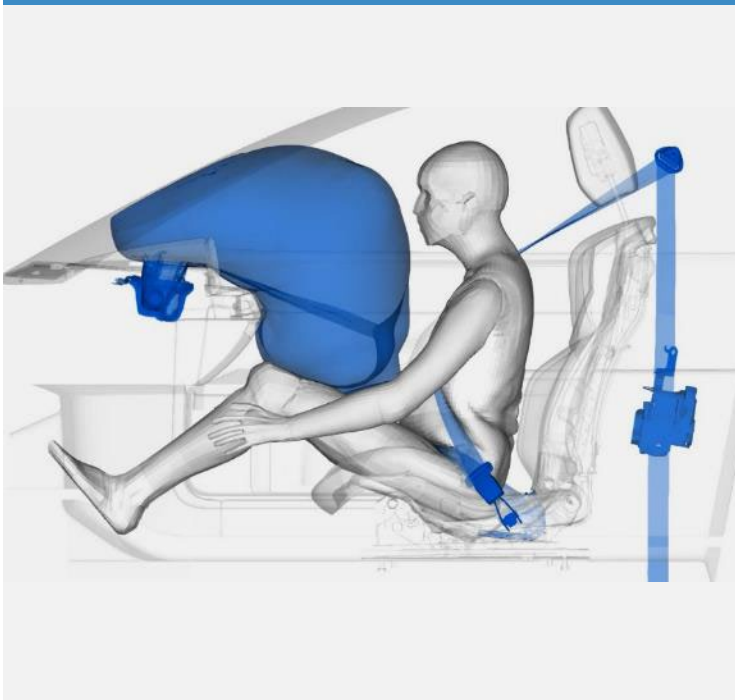
## Zero Gravity: >55°



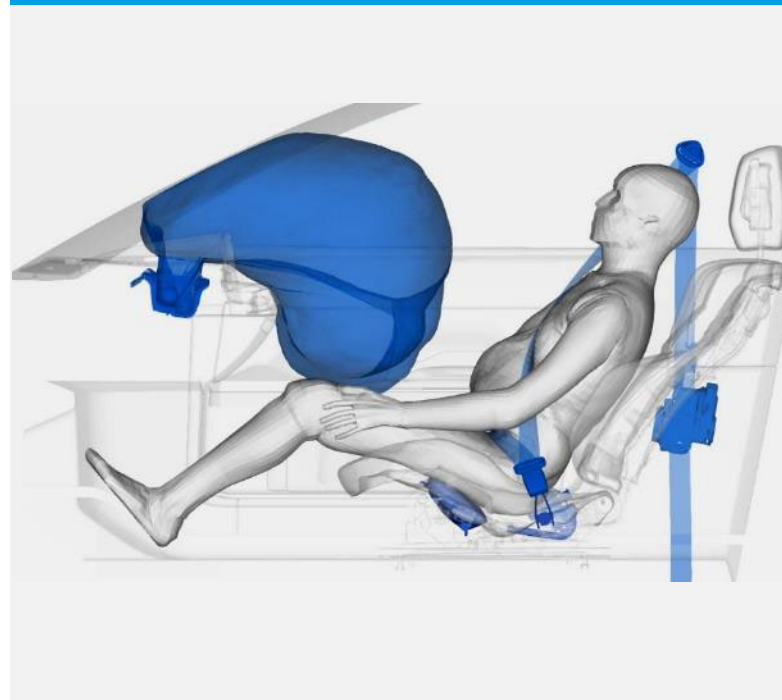


# With increased seatback recline angles, the occupant moves further from the interior surfaces – New solutions for occupant protection are required

Current standard: 25° angle



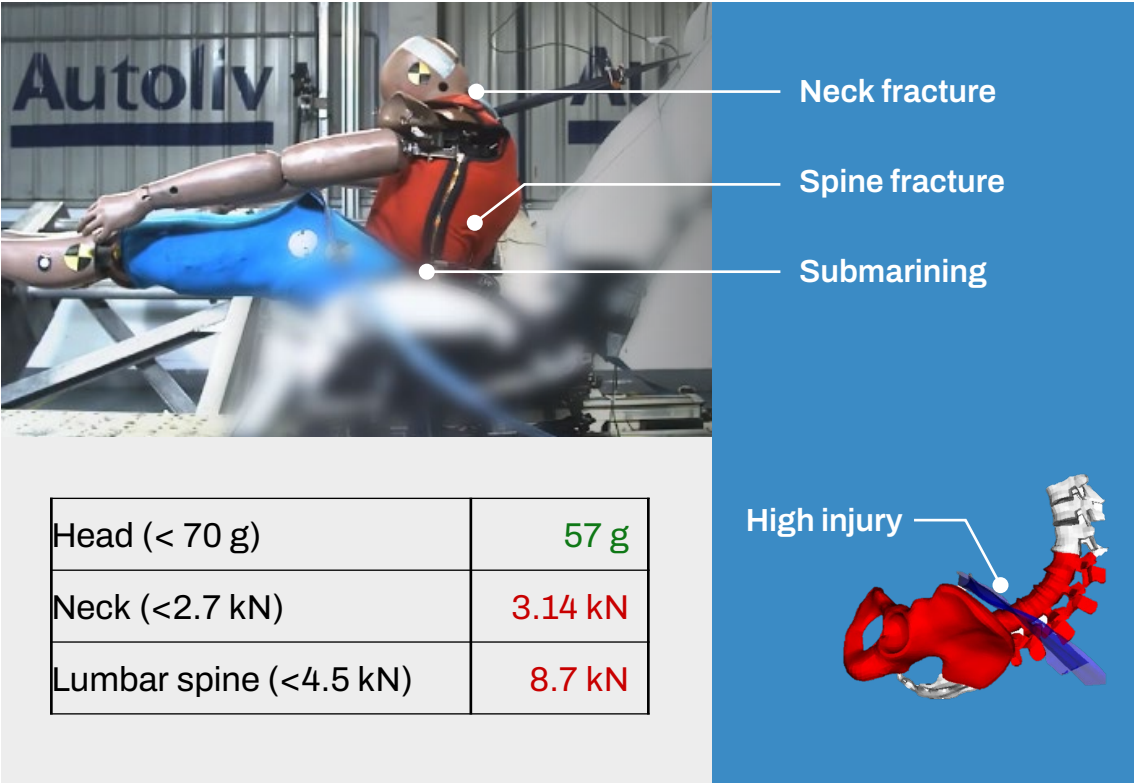
Seatback recline angle > 40°



- Traditional restraints solutions ineffective in seating positions with greater than 40° seatback recline angle
- New innovative solutions are a must to maintain sufficient safety levels

# Without new solutions, greater seatback recline angles may result in "submarining" with the potential for severe injury

56° recline:  
Standard restraint package – **Test Fail**



Source: Autoliv

# Our approach is to be the best at what we do and partner with others that are leaders in their respective fields – example Safe 45 Seat



## Autoliv and FORVIA have joined forces to create the Safe 45 Seat

- Maximizes occupant protection in the event of a crash, even when the seatback is reclined to 45°
- Cost-efficient – works with a standard belt-in-pillar seatbelt setup
- Targets worldwide market

**Autoliv**

**FORVIA**  
faurecia

**Autoliv**

**Our approach is to be best at what we do and partner with others that are leaders in their respective fields – example Omni Safety™**



## **Autoliv & Adient have joined forces to create Omni Safety™**

- First proven solution for seatback recline angles greater than 55°
- Belt-in-seat solution
- Initial focus on China market


**Autoliv**

**ADIENT**

**Autoliv**

# Autoliv's new solutions provide full safety protection & meet the most advanced regulations & ratings specifications known today

56° recline:  
Standard restraint package – **Test Fail**



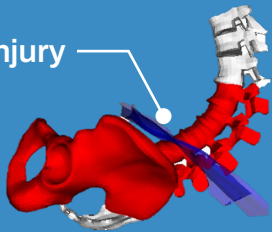
Neck fracture

Spine fracture

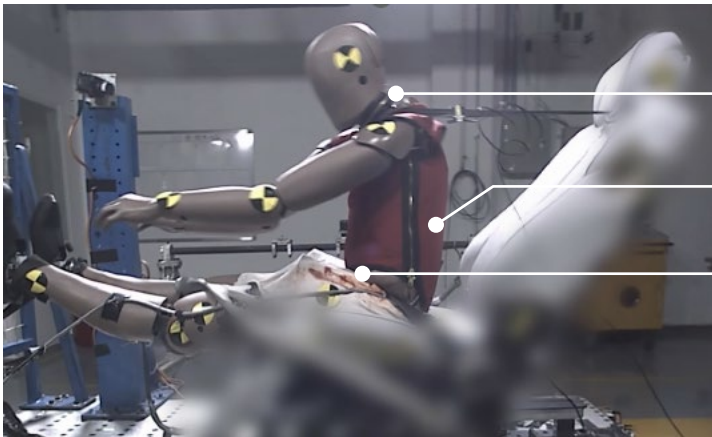
Submarining

Head (< 70 g)	57 g
Neck (<2.7 kN)	3.14 kN
Lumbar spine (<4.5 kN)	8.7 kN

High injury



56° recline:  
Autoliv Omni Safety™ – **Test Pass**



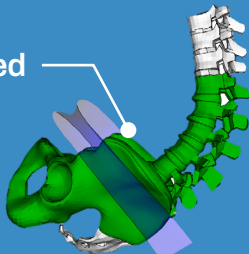
Neck OK

Spine OK

No submarining

Head (< 70 g)	37.5 g
Neck (<2.7 kN)	1.66 kN
Lumbar spine (<4.5 kN)	2.63 kN

Protected



Source: Autoliv



# Our aim is to deliver customized solutions through modular development rather than individual development

## Normal performance

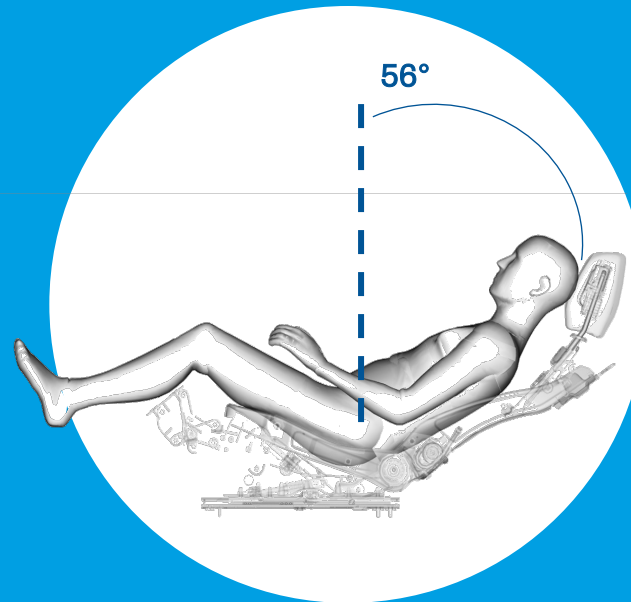
2026 – CIASI

50 km/h

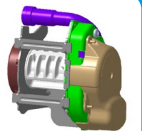
Belt slipping control



Seat Airbag



Retractor



Standard Pelvis restraint



Seat structure adaptivity



# Our aim is to deliver customized solutions through modular development rather than individual development

## Medium performance

Standard NCAP  
56km/h

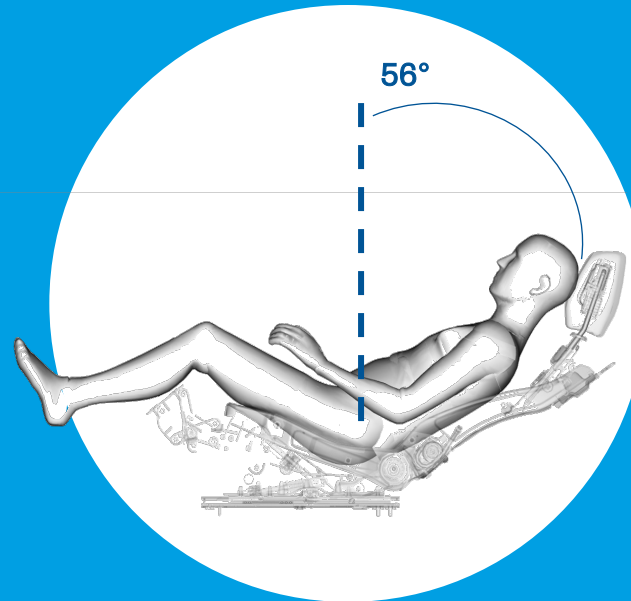
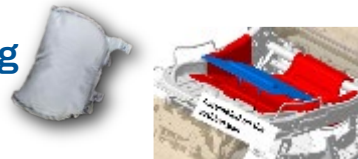
Improved belt  
slippage control



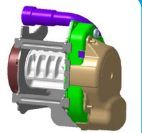
Bi-lateral pelvis  
Restraint  
control



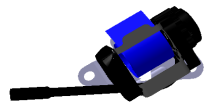
Seat  
Airbag



Retractor



Bi-lateral pelv  
Restraint  
control



Seat structure  
adaptivity



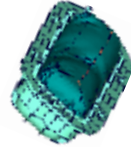
# Our aim is to deliver customized solutions through modular development rather than individual development

## High performance

Standard NCAP

56km/h

Interior impact protection



Improved belt slippage control



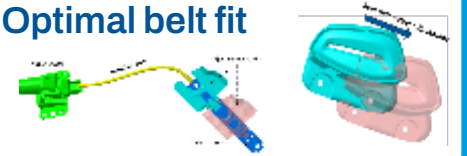
Bi-lateral pelvis Restraint control



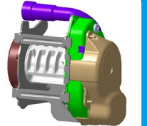
Seat Airbag



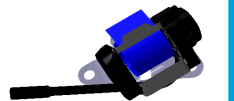
Optimal belt fit



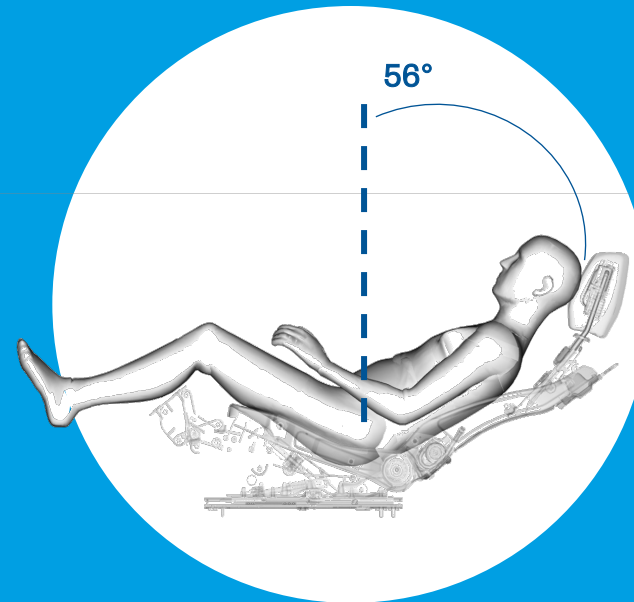
Retractor



Bi-lateral pelvis Restraint control



Seat structure adaptivity



# The automotive industry has moved from physical to virtual testing

Now taking the next step to utilize Human Body Models – this is driving flexibility, scalability & efficiency

## Evolution from physical to virtual testing

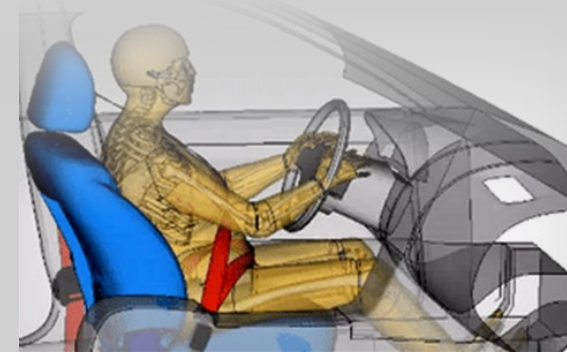
Standard Dummy



Virtual Dummy



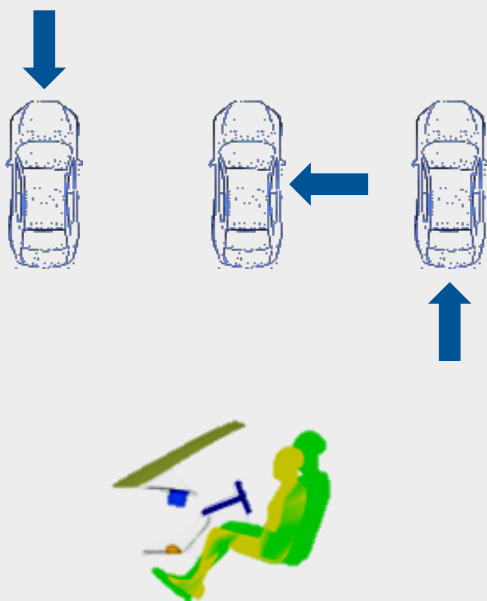
Human Body Model



# Increase in virtual testing is driving more Real-Life Safety opportunities and the need for new safety innovations

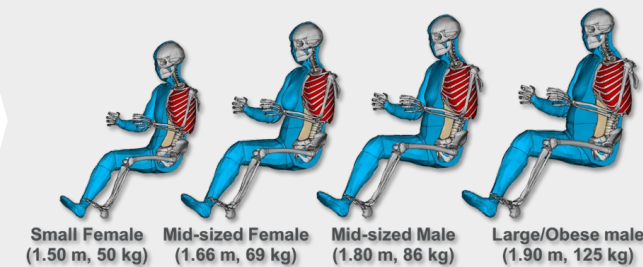
## Today

2025: Simplified approach with few evaluation points



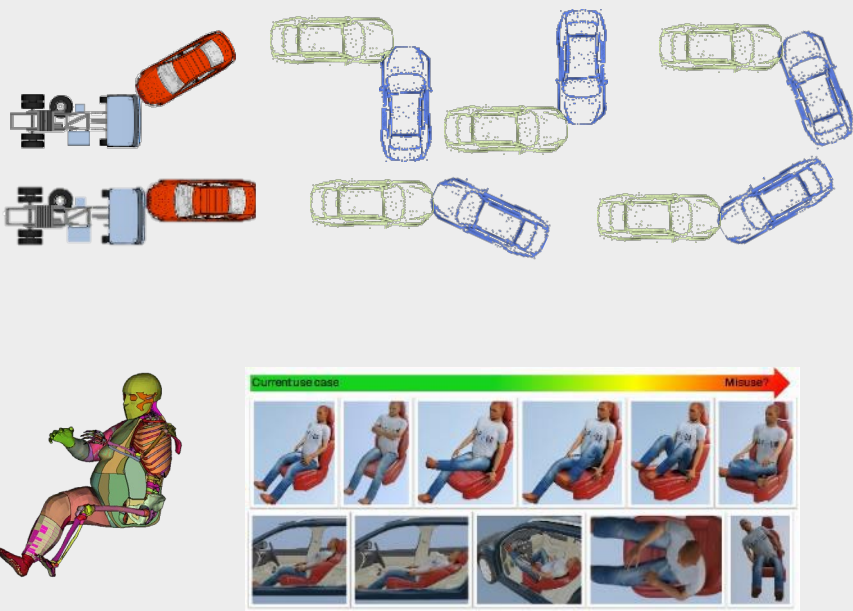
## Transition

2026-2029: NCAP Road Map 2030 introduces more evaluation points



## Real-Life Adaptive System

2029+: Restraints systems optimized for the greater variability of scenarios in the real world





# Real-life adaptive safety systems leverage situational information to deliver a tailored solution for the occupant

## Real-life adaptive safety system



Virtual human data



Car and traffic data

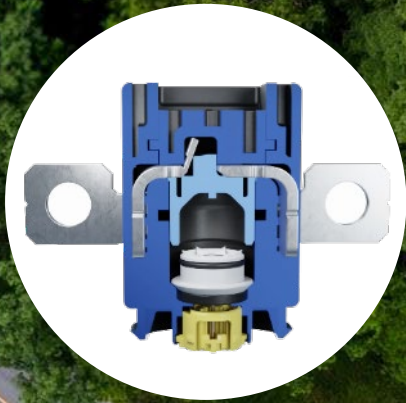


Smart activation



Situational safety solutions

# We are expanding our research & technology into new mobility & stationary applications





# Motorcycle & bike safety solutions is a large potential market with low, but increasing, safety awareness

- 62 m motorcycles sold / year (2024)
- >1 bn motorcycles on the road
- ~350 k MC-related fatalities / year

## Motorcycle & Bike Safety Solutions

Component



On-rider



On-vehicle



# Electrification of society is driving the need for innovative electrical safety solutions



Electrical safety solutions  
for mobility applications:  
on- & off-road

Electrical safety solutions  
for stationary applications:  
energy transmission & storage

# We are leveraging Autoliv's validated pyrotechnic capabilities to protect electric circuits and by extension, mobility users as well as critical stationary equipment

## Mobility Electrical Safety Solution – Example



- Solutions can break a circuit or bypass a cell in a stationary application
- Robust & reliable
- Protection in milliseconds
- Low resistance
- Can be triggered on demand



A background image of a Formula 1 pit stop, showing several crew members in red and white uniforms working on a red race car. The image is overlaid with a blue gradient.

## R&D Speed & Efficiency

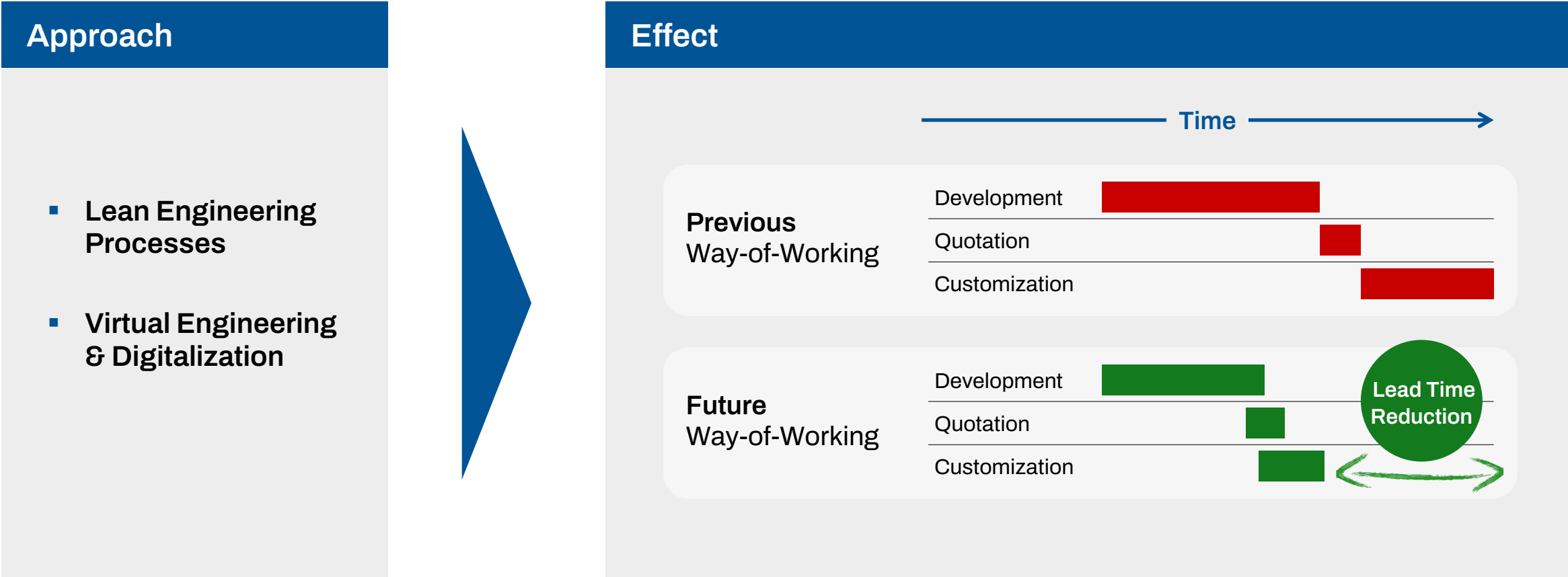
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### Focus areas:

- 1 Benchmarking & Best Practice Sharing
- 2 Engineering Efficiencies
- 3 Lead Time Reduction

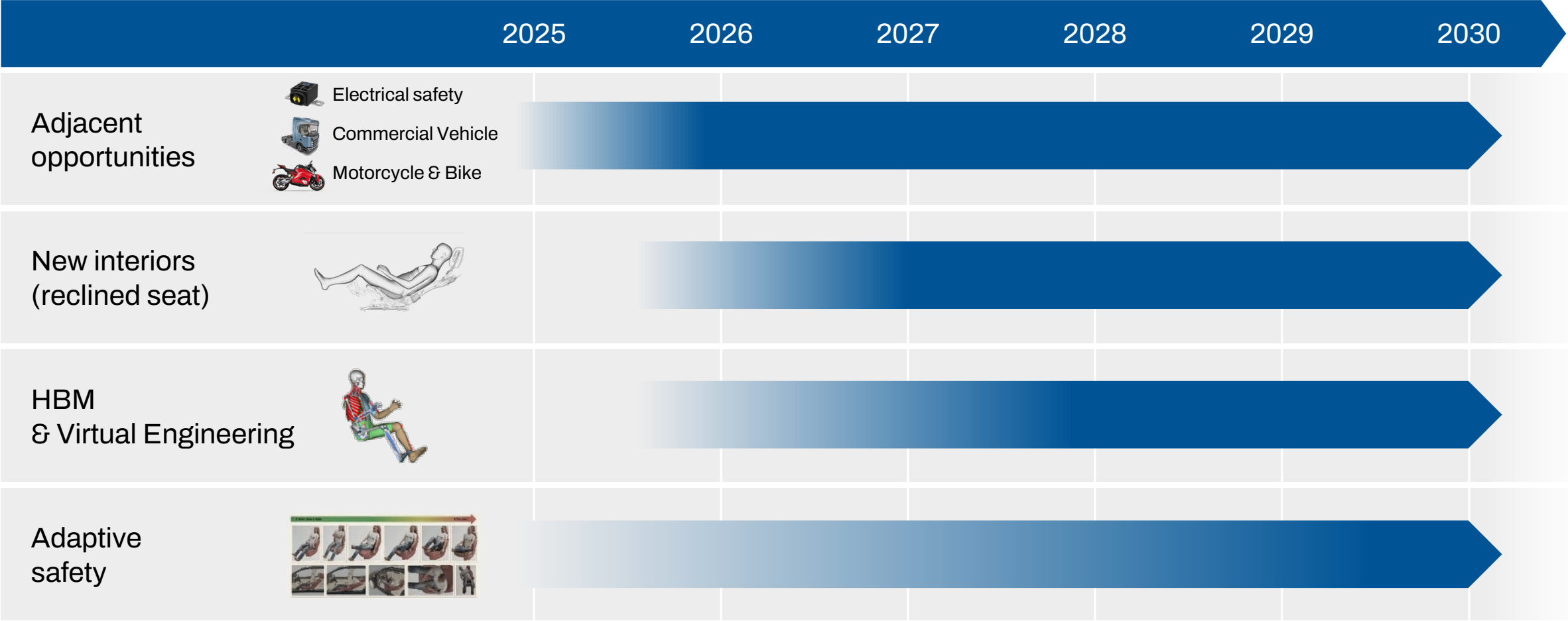
- 
- Free up resources to drive innovation
  - Secure profitable growth

# By employing lean engineering processes & using virtual techniques we aim to reduce lead times by 50% by 2027 and improve overall efficiencies



# We are already generating revenues in adjacencies and see strong growth in new functionalities from 2027 onwards

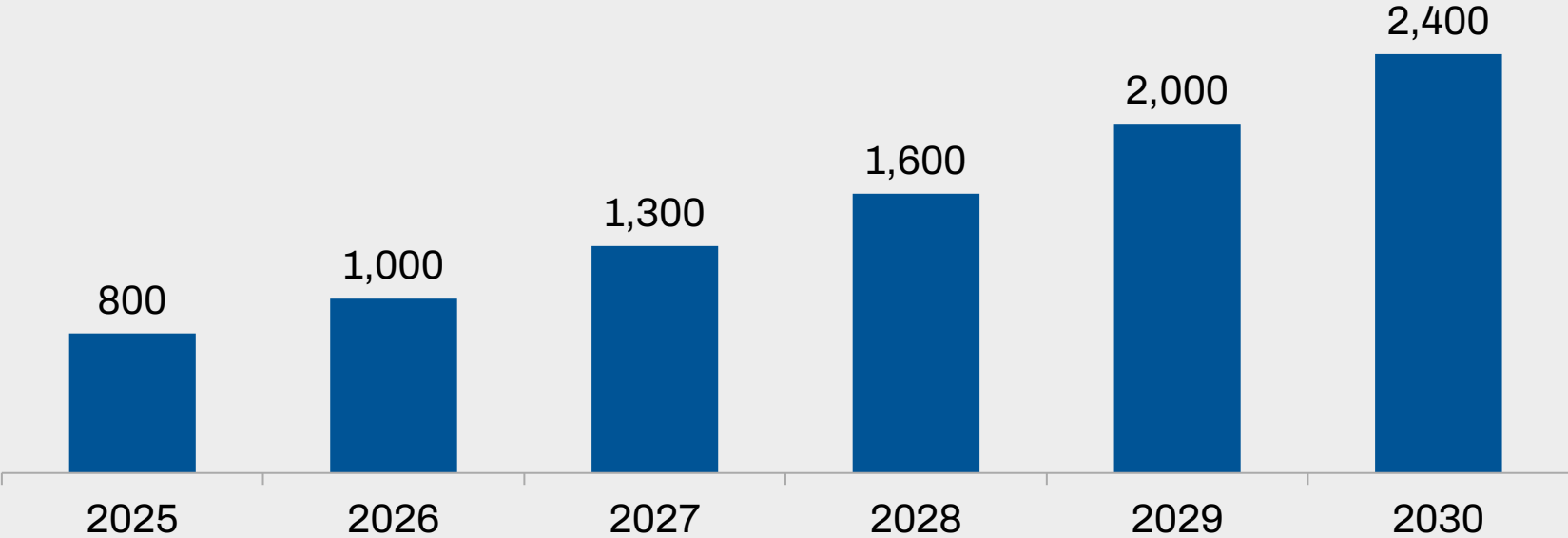
Illustrative & non-exhaustive



# The markets for the identified growth opportunities are expected to grow to close to USD 2.4bn by 2030

## Markets for identified growth opportunities

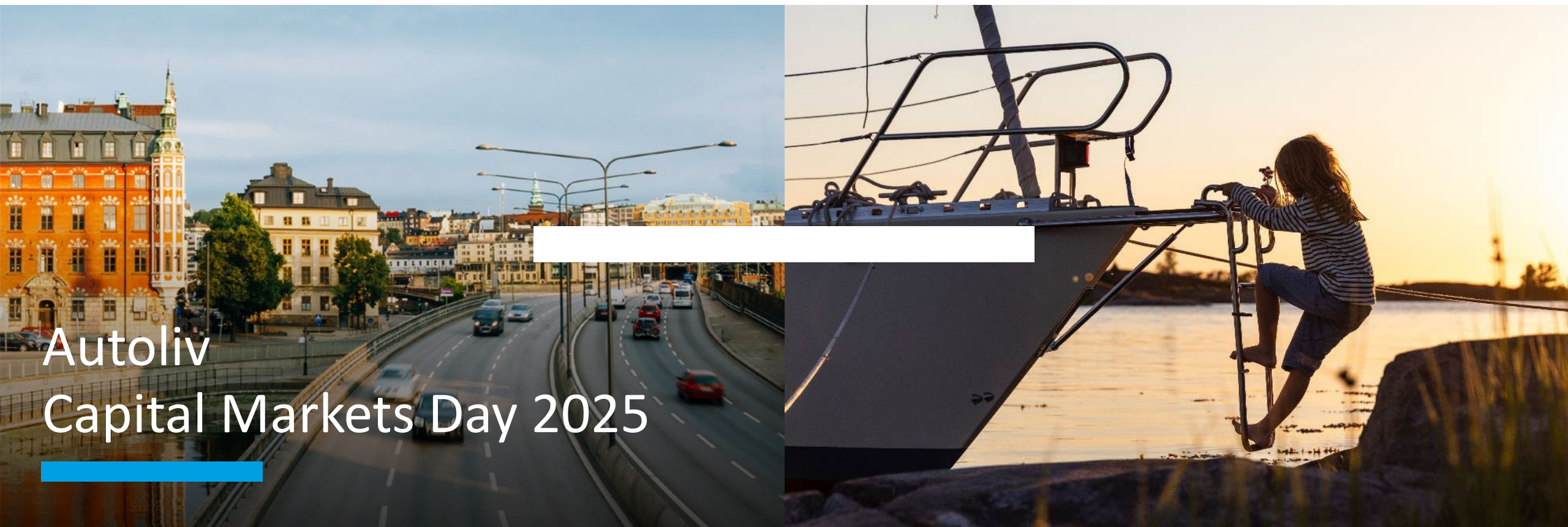
(million USD)



- Electrical Safety
- Commercial Vehicle
- Motorcycle & Bike
- New Interiors (Deep Recline Seating)
- Human Body Model / Virtual Engineering Tools

Adaptive Safety and roomy interior represent further upside potential

Note: Autoliv Scope  
Source: Autoliv estimate



# Autoliv Capital Markets Day 2025

## Driving profitability Through E-2-E Operational Excellence/ Quality – Embracing Future Tools

Staffan Olsson, Executive Vice President, Operations  
Jesse Crookston, Vice President Special Project China





# Our Strategy for Change – Efficient Value Delivery

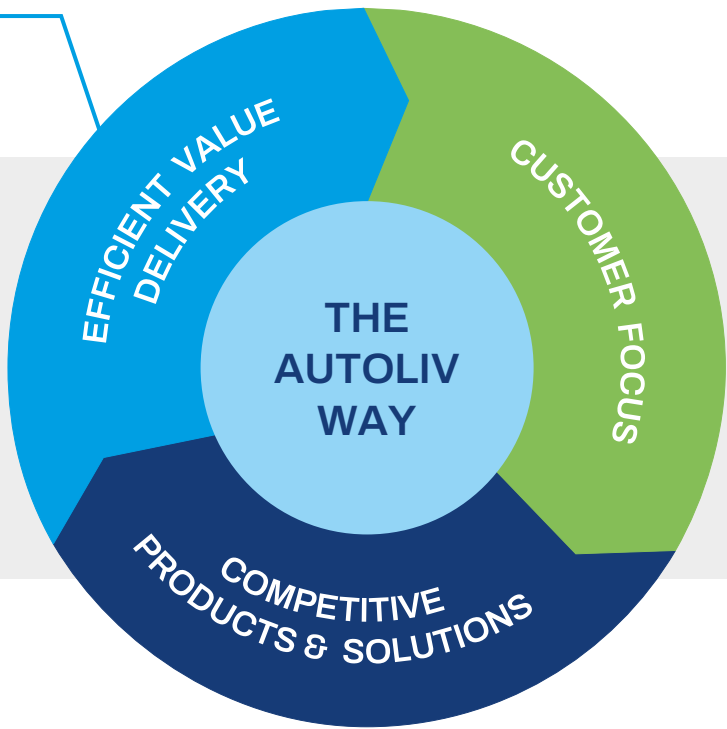


Driving Profitability Through End-to-End Operational Excellence



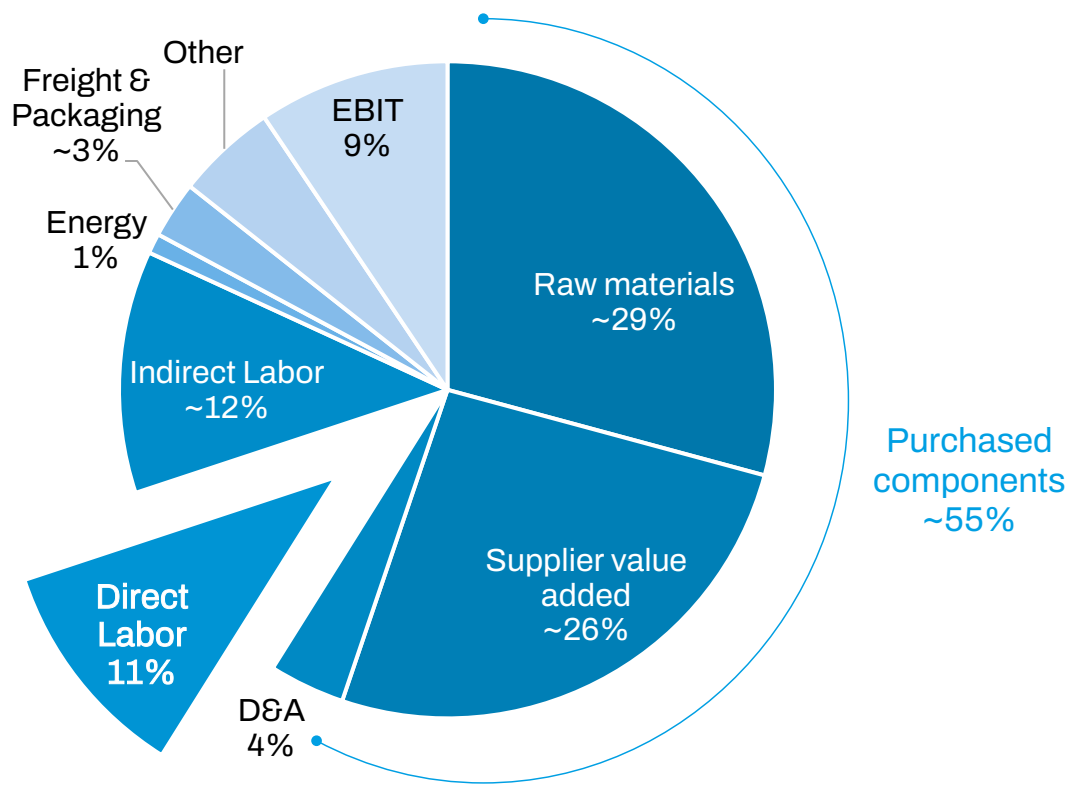
Quality – Embracing Future Tools

**PROFITABLE & CAPITAL  
EFFICIENT...**



# Driving profitability – Targeting 8% Direct Labor Productivity per Year

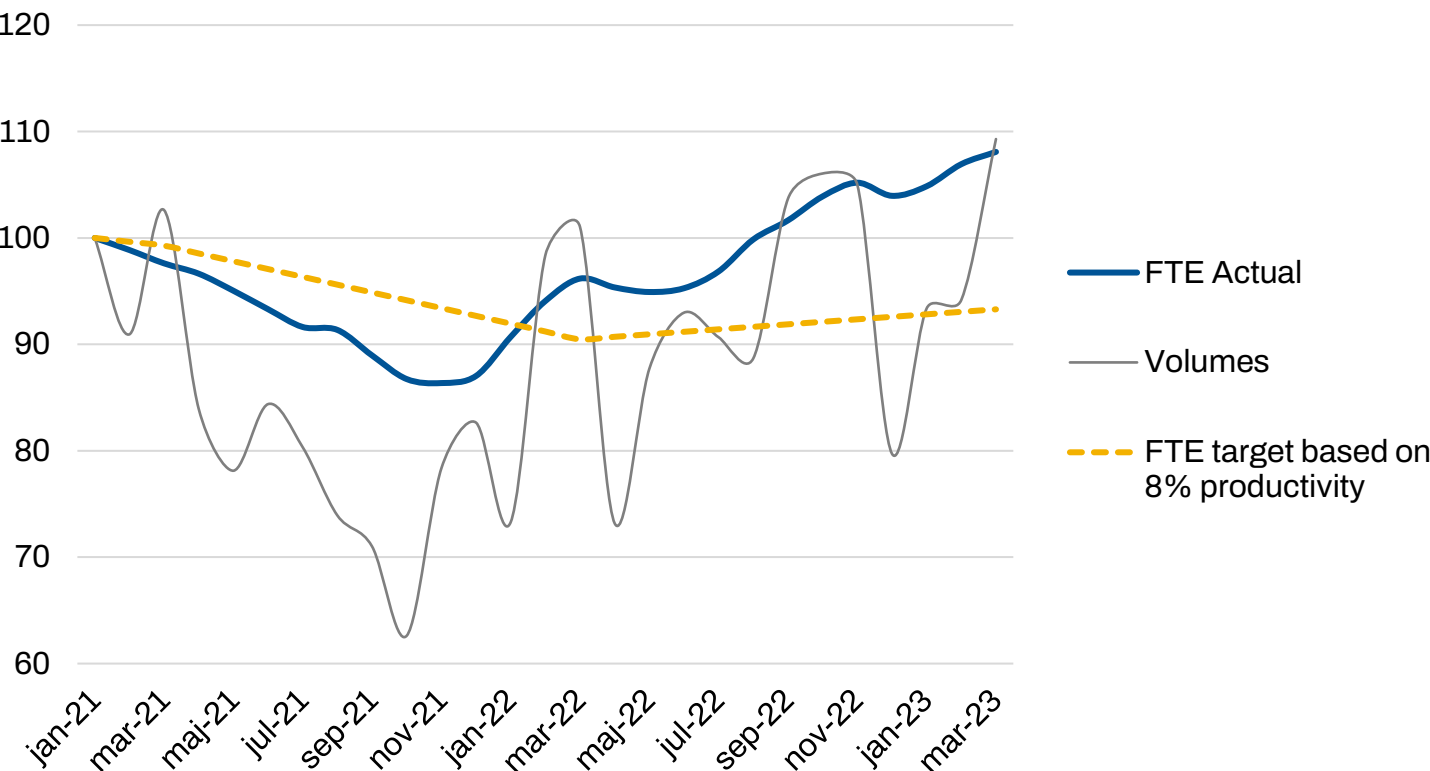
## Cost items in relation to sales 2024



# Productivity Momentum Lost During the Pandemic & Supply Chain Disruptions

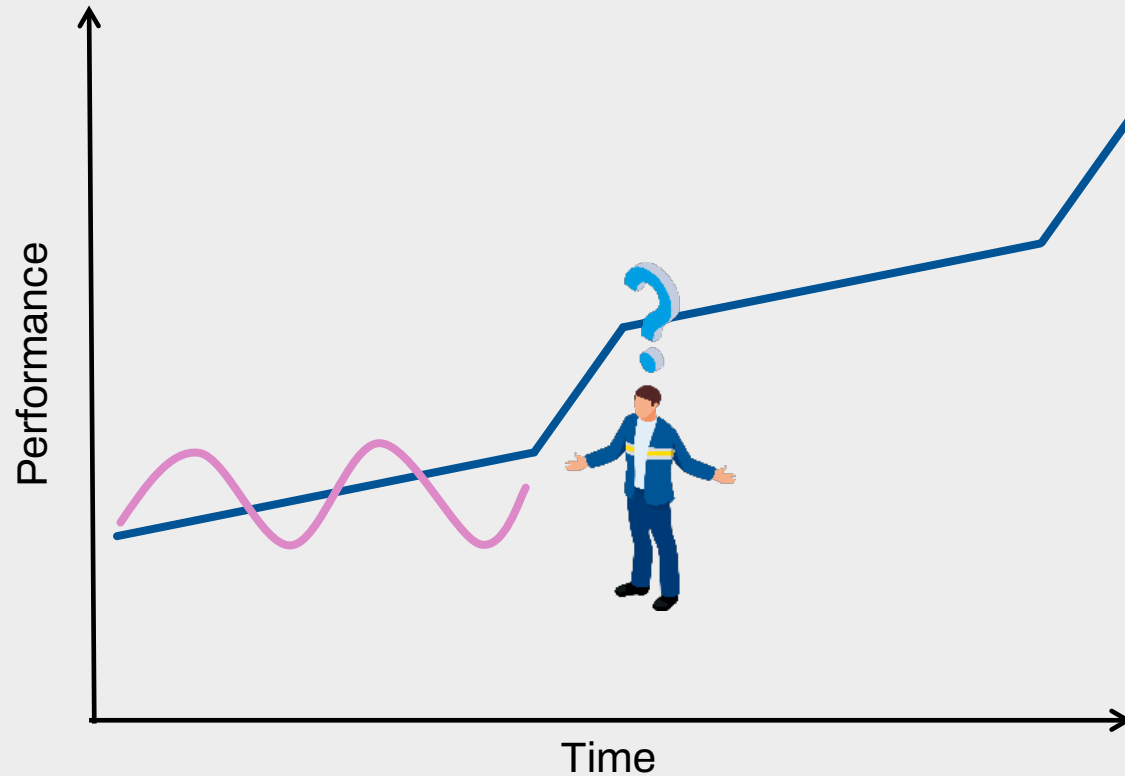
## Full Time Equivalent (FTE) Index Development

Index (Jan 2021 =100)



Back to Basics:

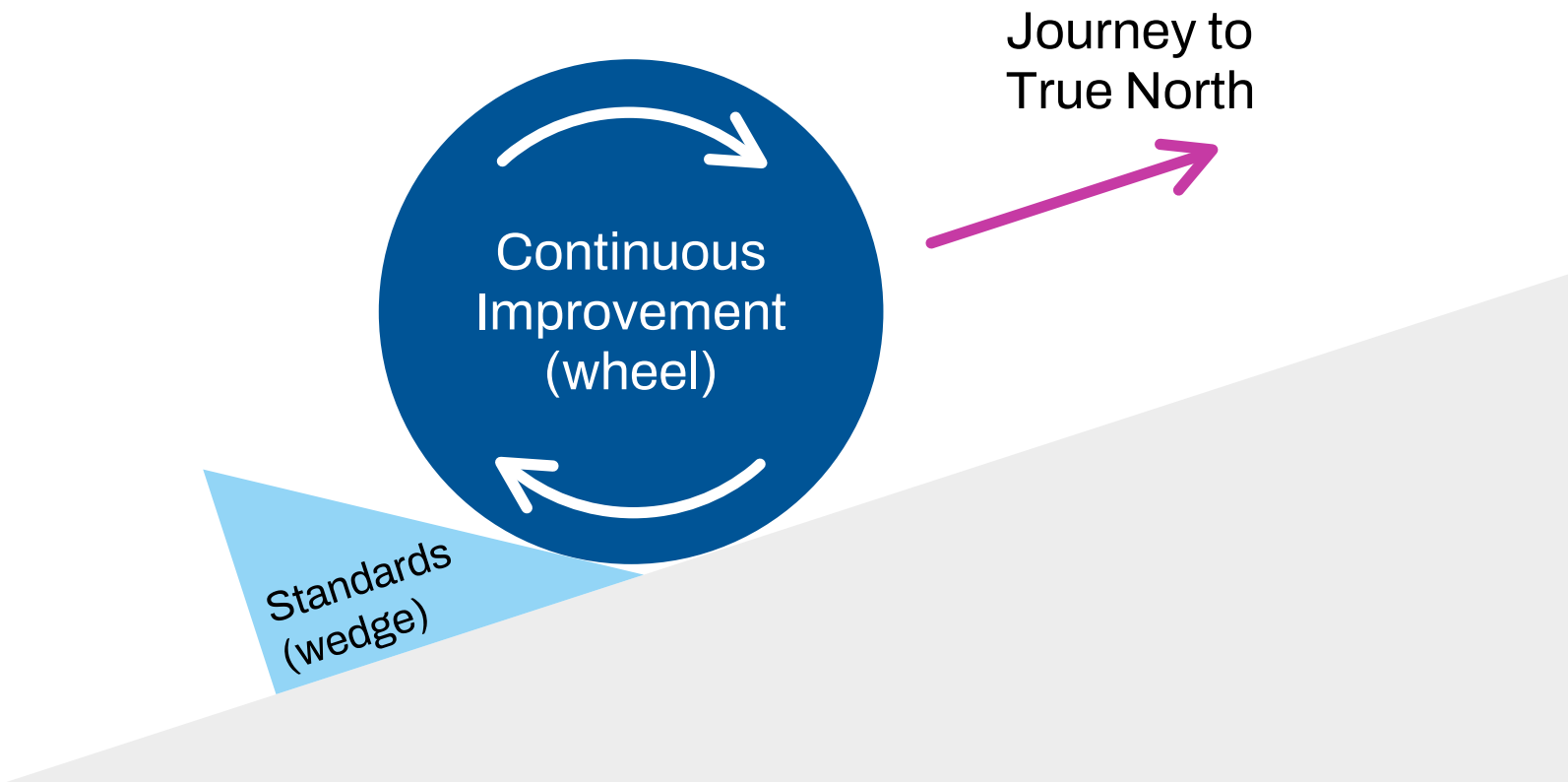
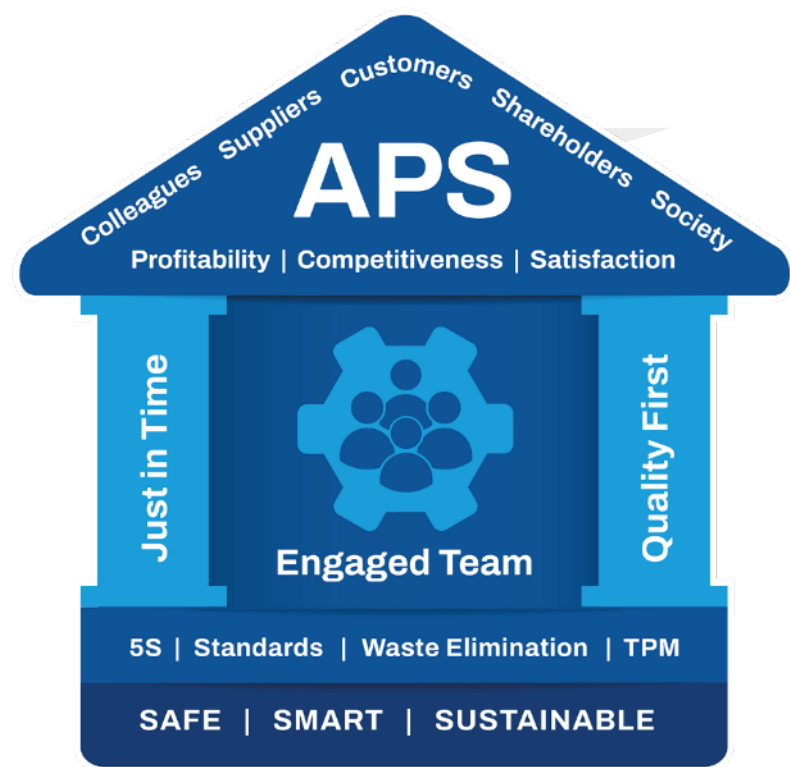
## We Took control over Variation Through Standardized Work



Standardized work is the cornerstone of a consistent, efficient, and high-quality process

# Autoliv Production System (APS) – Back to Basics

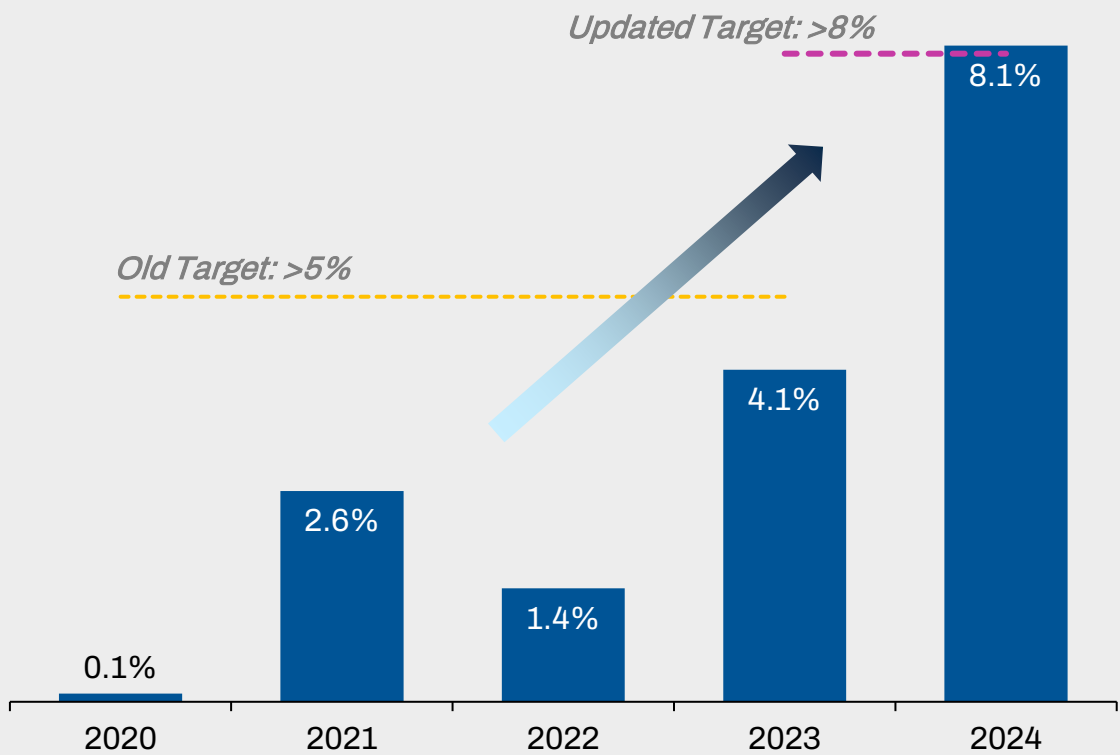
“Without standards, there can be no improvement”





# Result of Back to Basics – Direct Labor Efficiency Improvement

## Direct Labor Productivity Improvement\*



With Strong Focus on Basics, we are making significant progress towards our direct headcount reduction intention announced in June 2023

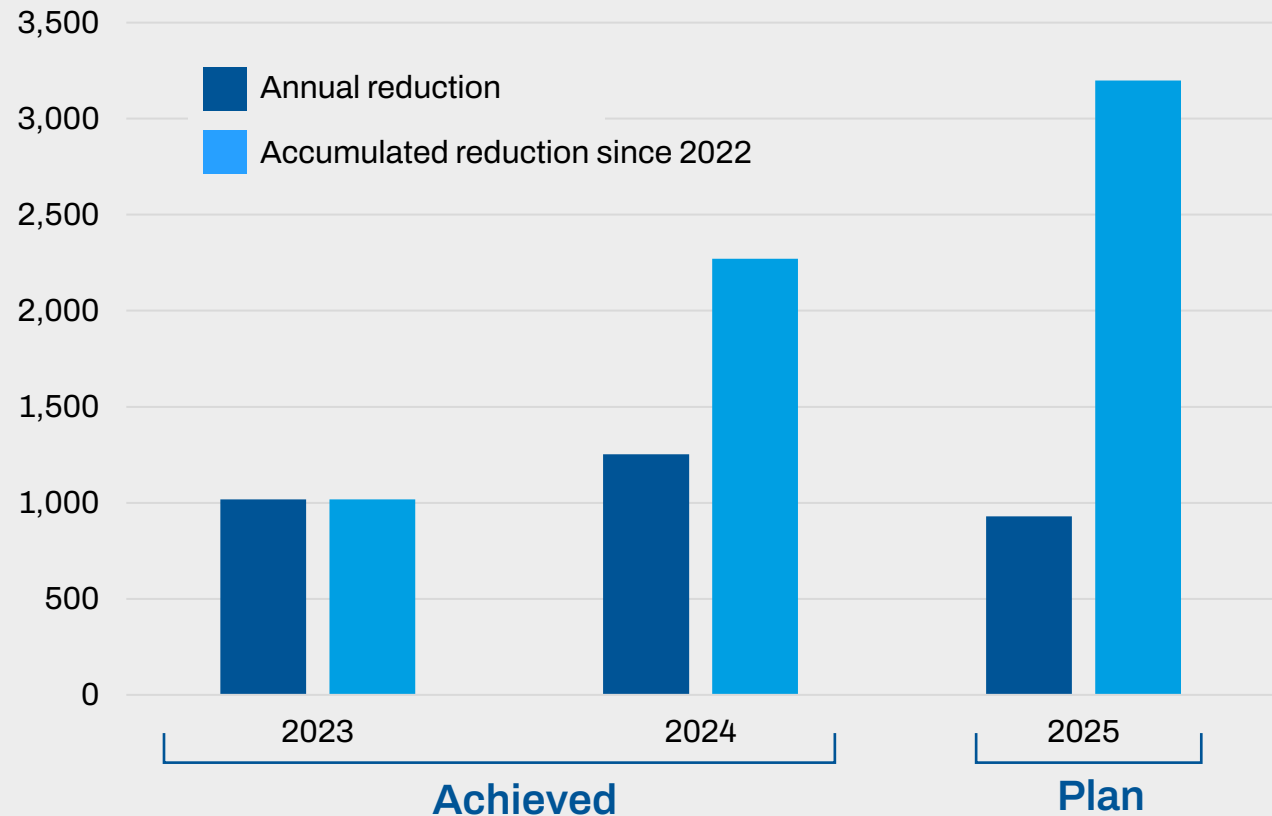
\* Company estimates

# To Maintain 8% Productivity per Year Automation is Essential

Historical automation has increased productivity by ~2pp.

To sustain 8% productivity, automation **needs a step change**, aiming for ~4pp.

FTE Reduction through Automation

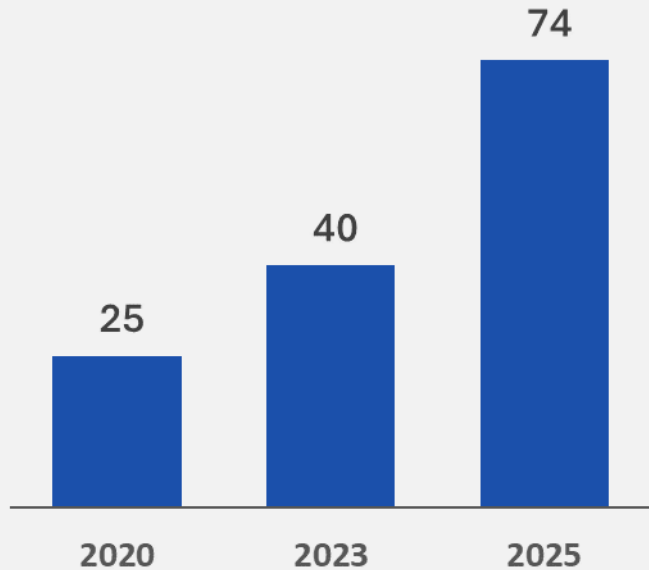


# Automation is a Top Priority – Increasing Level with New Line Launches

The ratio of automation levels in new equipment has increased significantly

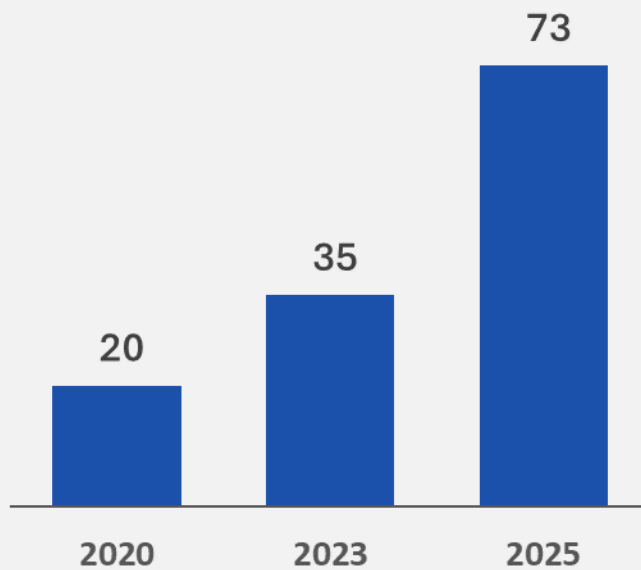
## Airbags

% of new lines installed



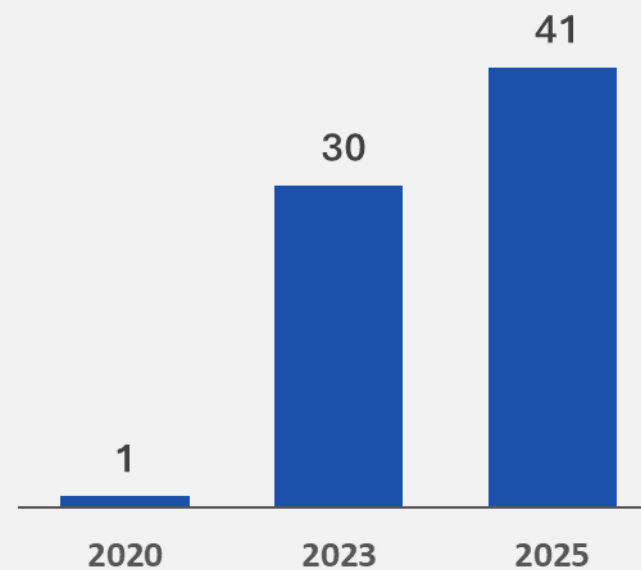
## Seatbelts

% of new lines installed



## Steering Wheels

% of new lines installed



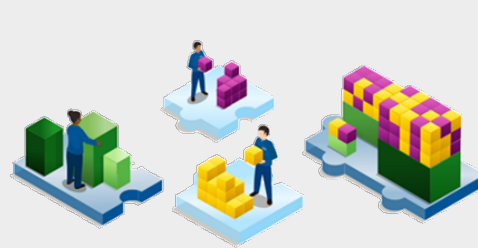
# Historical Challenges with Automation

- Inefficient value stream
- Product complexity
- Flexibility and utilization rate
- Inefficient scaling



# Driving Design for Automation

- **Teamwork product & process development** – leading production sites close to tech centers
- Keeping our **product design within the process window through modularization**
- **Clearly defined targets** of product design optimizing **total product cost**
- **Tools & methods** – shorten development time through CAE



**Modularization:**  
Many options for customers  
– minimal number of  
components for us.



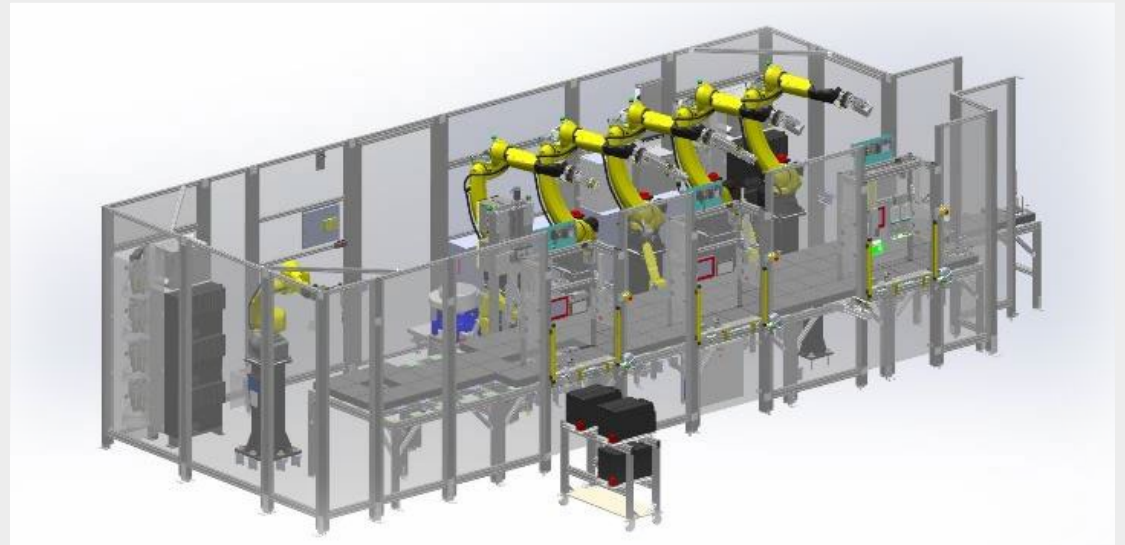
# Modular Design Enables Flexible Automation

## Passenger Airbag Manual Line



<b>Production</b>	270k units/year
<b>HC</b>	44 FTE / 1 M annual units
<b>Size</b>	326 sqm / 1 M annual units

## Passenger Airbag AutoFlex Line



<b>Production</b>	~650k units/year
<b>HC</b>	16 FTE / 1 M annual units
<b>Size</b>	166 sqm / 1 M annual units

# Accelerate scaling through partnership

- Global partner with local presence
- Product knowledge
- State of the art competence
- Economy of scale through global deployment

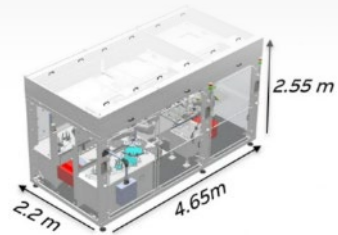
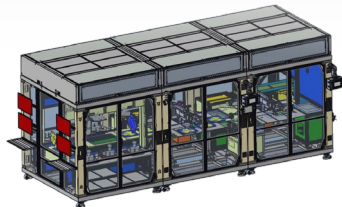
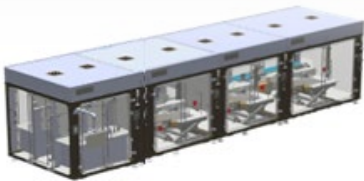
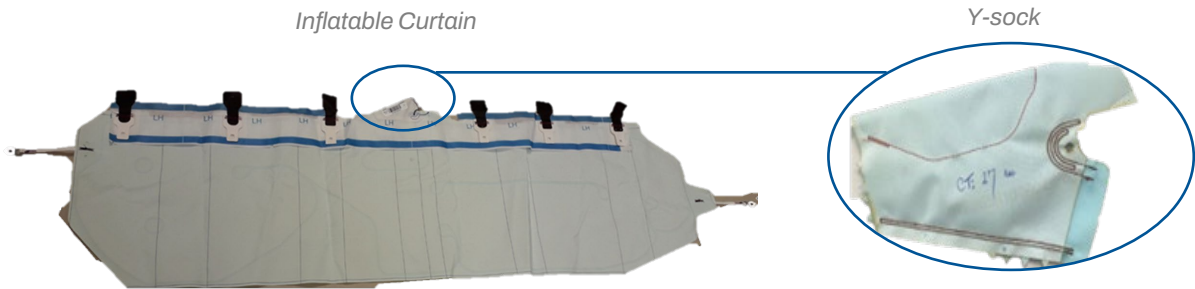
## Inflatable Curtain Main Line



## Y-Sock



# Inflatable curtain airbag evolution – Y-sock line

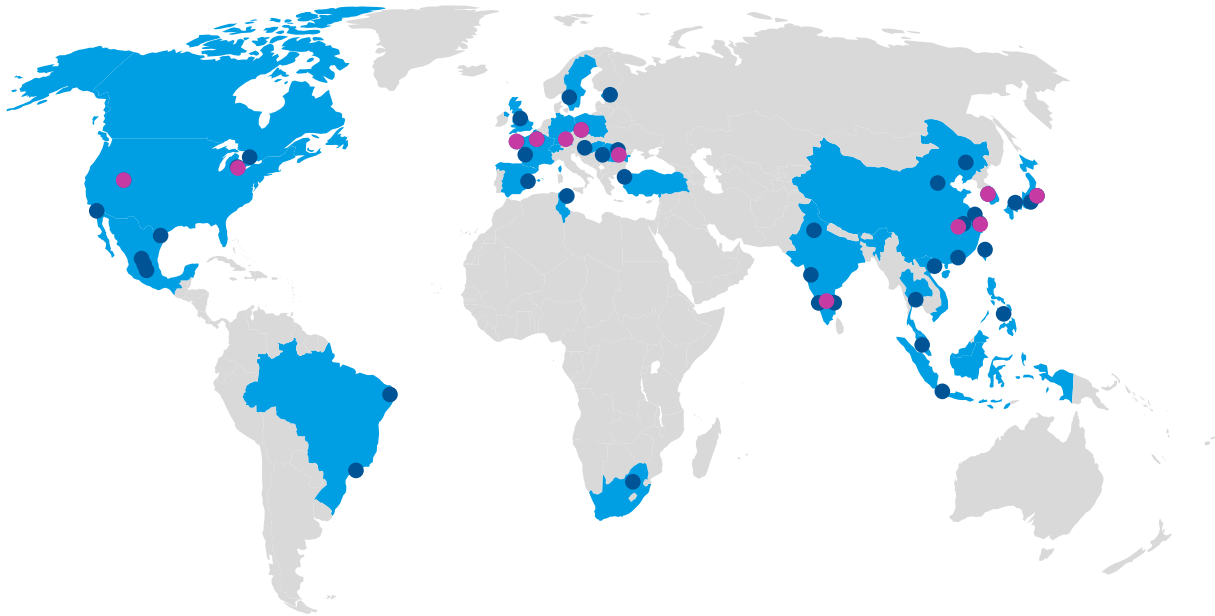


	POC Y-sock line 4 cell	Y-sock line improved 2.0 3 cell	ALV Y-sock line 3.0 3 cell	ALV Y-sock 4.0 design 1 cell
Cost	100%	86%	63%	47%
Footprint	100%	71%	57%	47%
FTE saving	7	7	7	8
SOP	2021	2022	2023	2024

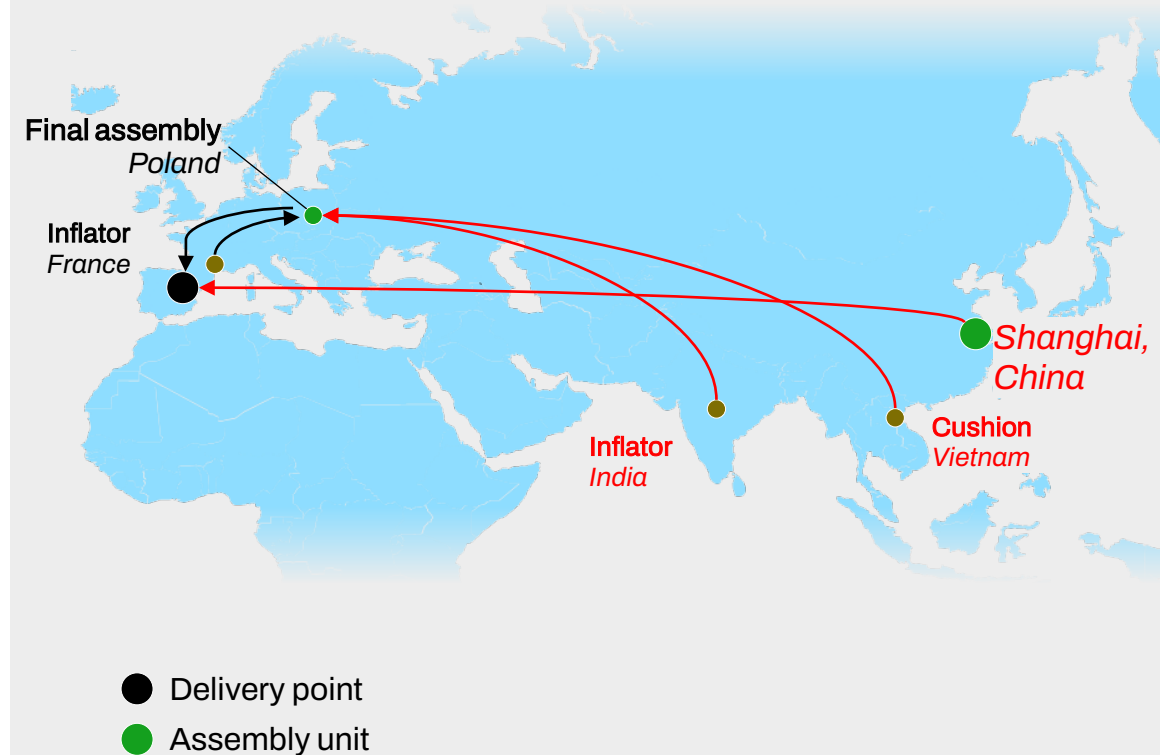
POC = Proof of Concept

# Impact of Inflation and Tariffs on Global Manufacturing

- OEM are increasingly willing to source outside their traditional regions driving globalization of manufacturing and sourcing.
- Our global industrial set-up is a competitive advantage and will give us flexibility to be regional and global.

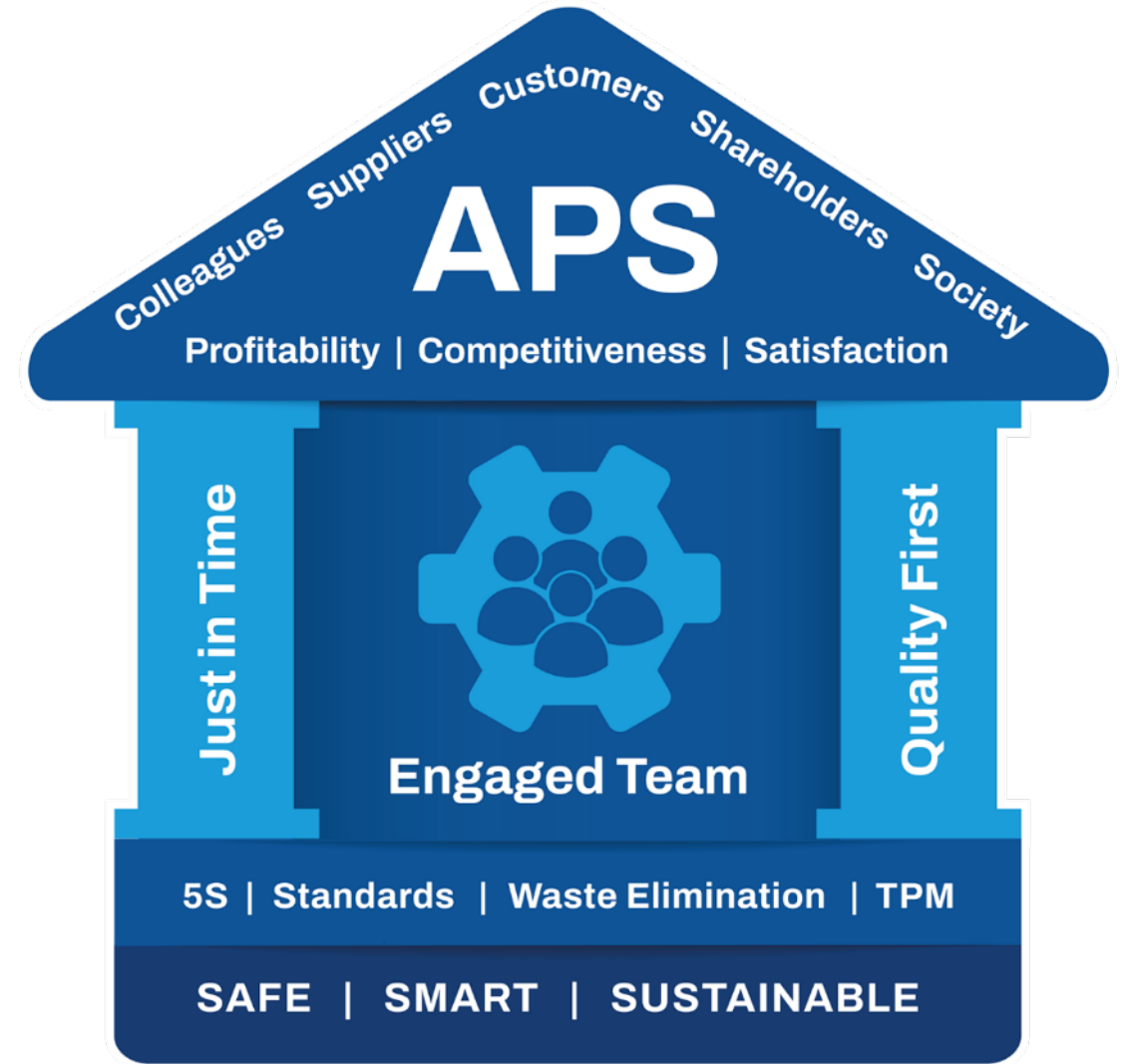


## Example of alternative supply



# Digitalization is now fully built into Autoliv Production System

This is supported by competence development, governance and technical prerequisites for scaling





# Quality is Central to Everything We Do at Autoliv

## Our Vision

Saving More Lives

## Our Mission

Providing World-Class Life-Saving Solutions for Mobility and Society

### Our products save lives

Our products never get a second chance when used in real life

### Our customers demand Zero Defects

They need to always trust the robustness of our products

### Zero Defect drives profitability & growth

Quality is instrumental in driving the company to our required position

More Lives Saved

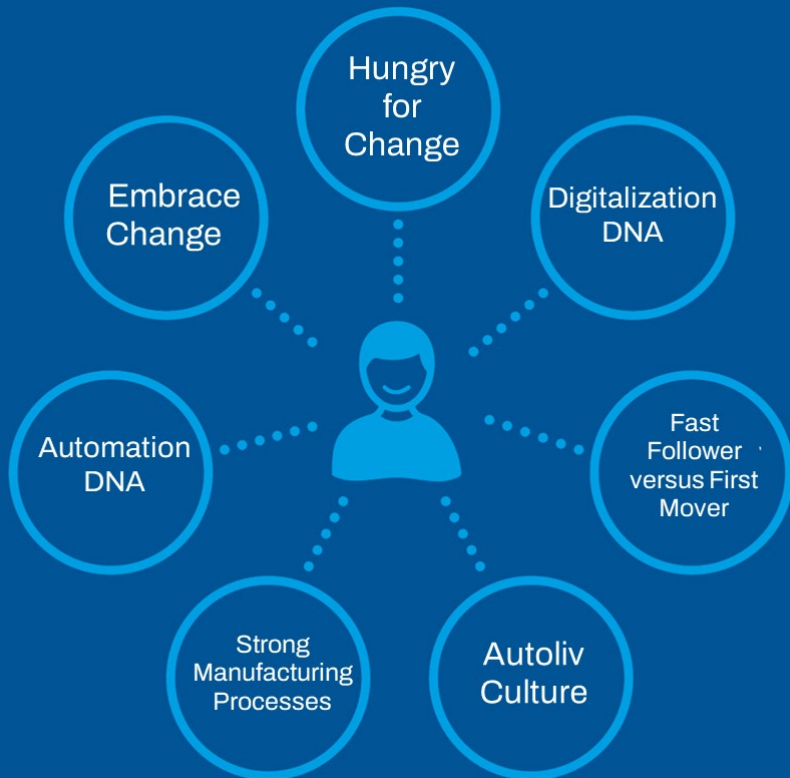


More Life Lived

# “Our products never get a Second Chance”

## – Our people feel ownership and are committed

World Class  
Quality Leadership



### Quality Mindset:

- Starts with our people
- Continues into our processes
- Finishes in our products

# Q5 – Quality in all Dimensions – The Cornerstone of our Quality Commitment



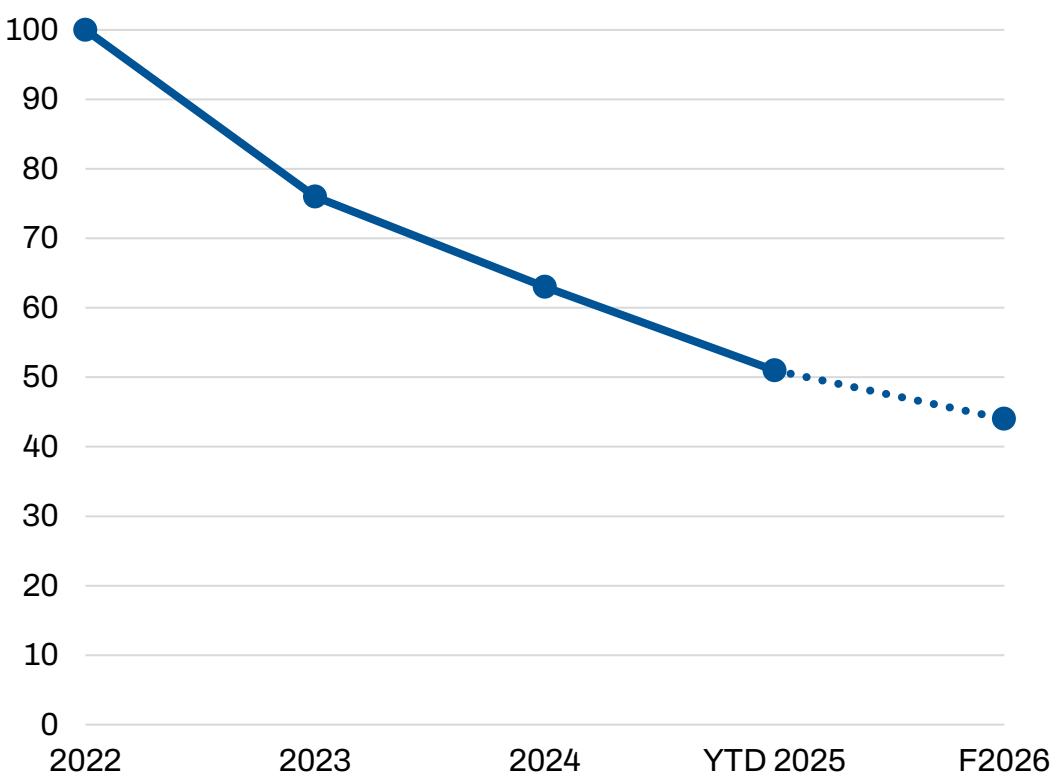
We are determined to increase the lead in Quality performance towards Zero defects

# Superior Quality Results

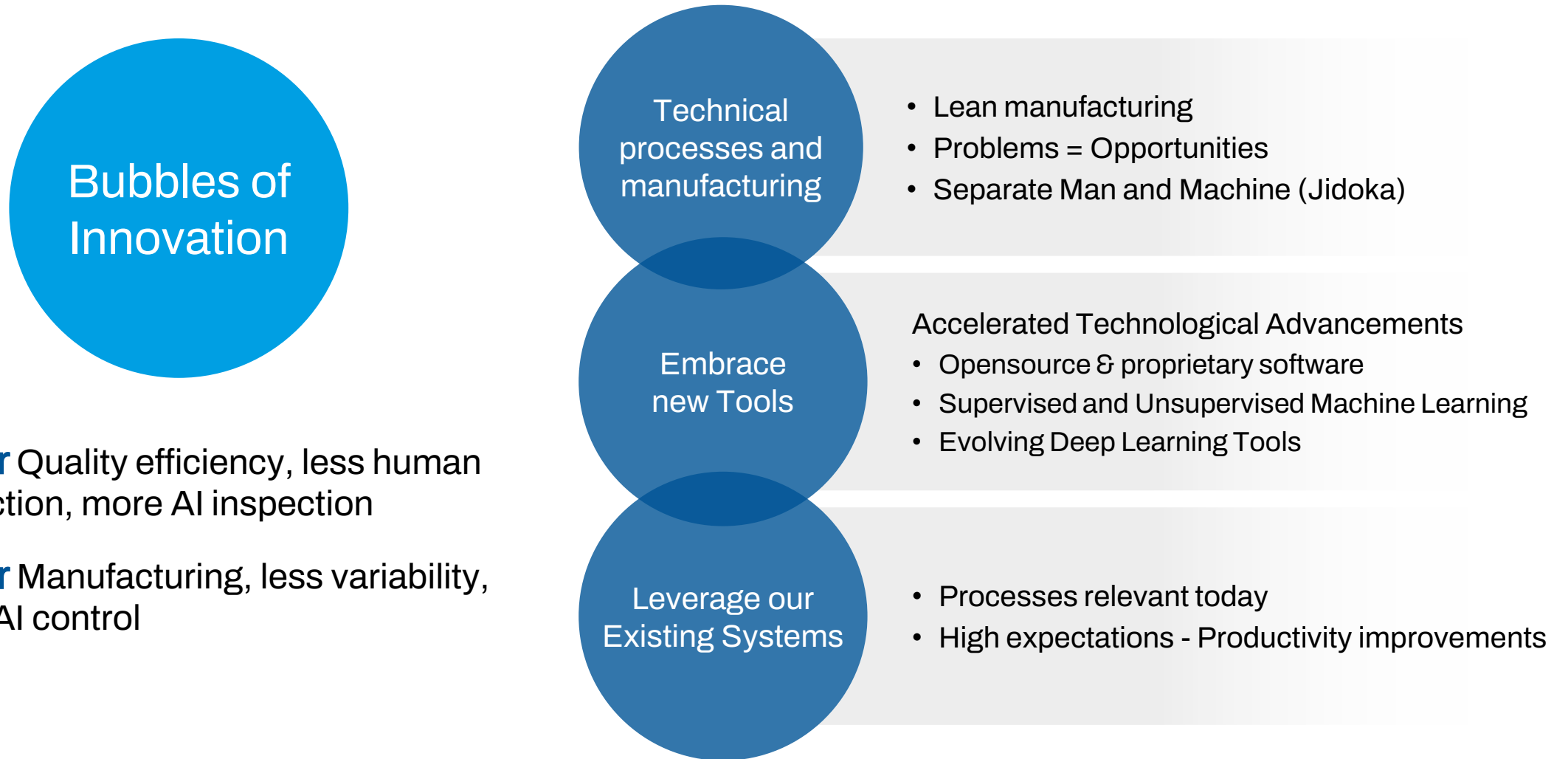
Internal Quality Cost Progression

## Quality Cost in relation to Sales

Index 2022 = 100



# Where are we Going: Digitalization/Machine Learning/AI

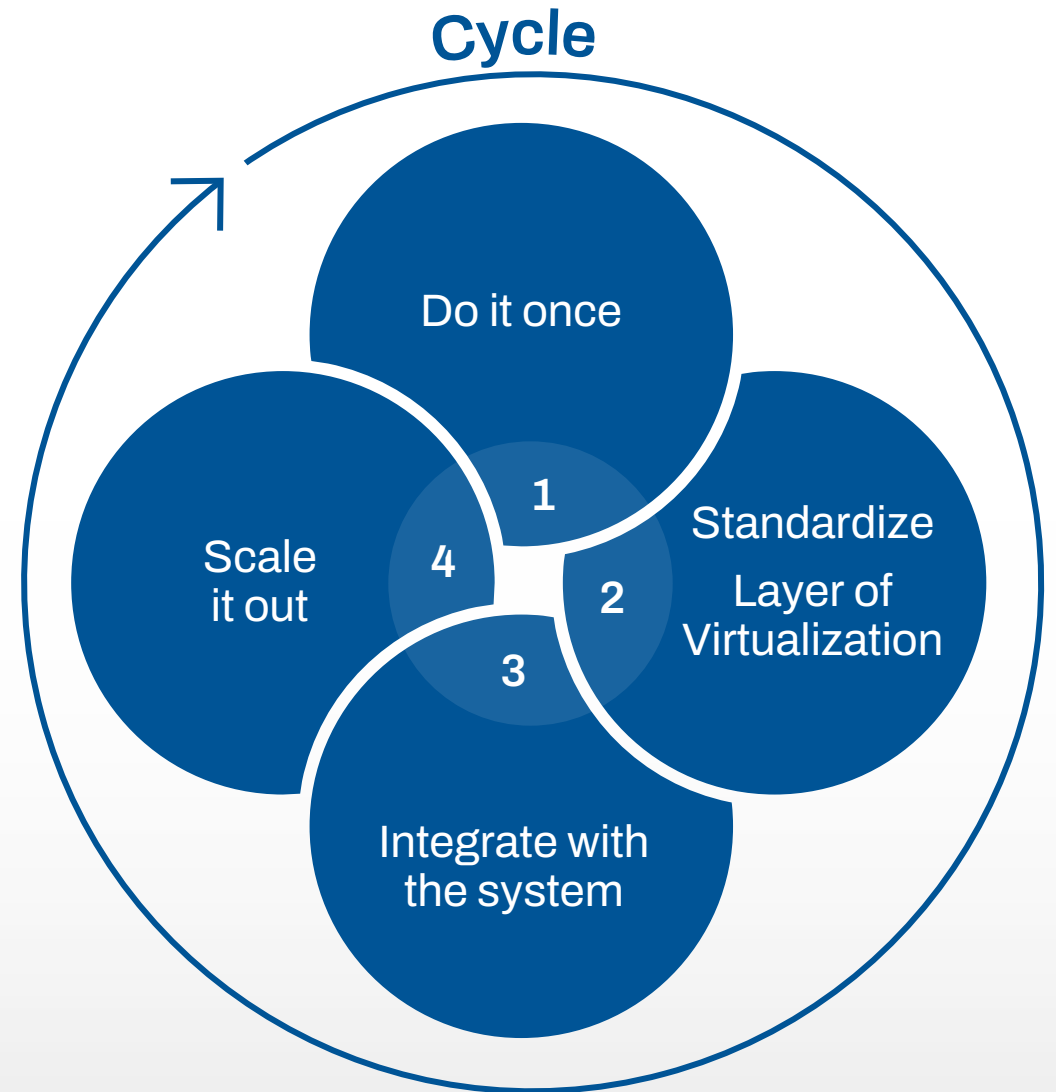




# Scaling Up

## Deploying Across the Network of Autoliv Sites

Program for Scalable AI within Quality Inspections to address these new opportunities



# Quality Assurance benefits from new AI inspection technologies



## AI Watches and Observes

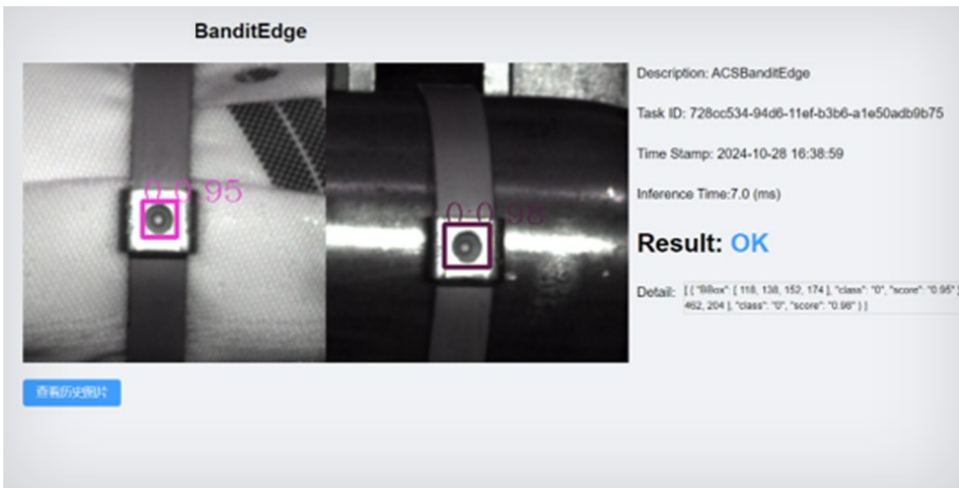
Feedback to the operator

- Folding correctly
- Content
- Accuracy
- Timeliness



## Lock the part down

First Line Leader engages to teach and mentor



## AI Watches and Observes

- Dimple existing
- Dimensions OK
- Tool working correctly



## Lock the part down

Engineers drop in to learn

# How are we going to get there?

## Culture of Learning

- New tools
- New applications
- Trying and fail fast
- Empowering our people to change themselves



## Driven Leadership

- Business driven decisions
- Build, Buy, Borrow
- Attack detection of problems
- Attack Occurrence of problems
- Continue leveraging the automation and the separation of man / machine



# Future is Here

## We are ready for change...





# Driving profitability Through End-to-End Operational Excellence

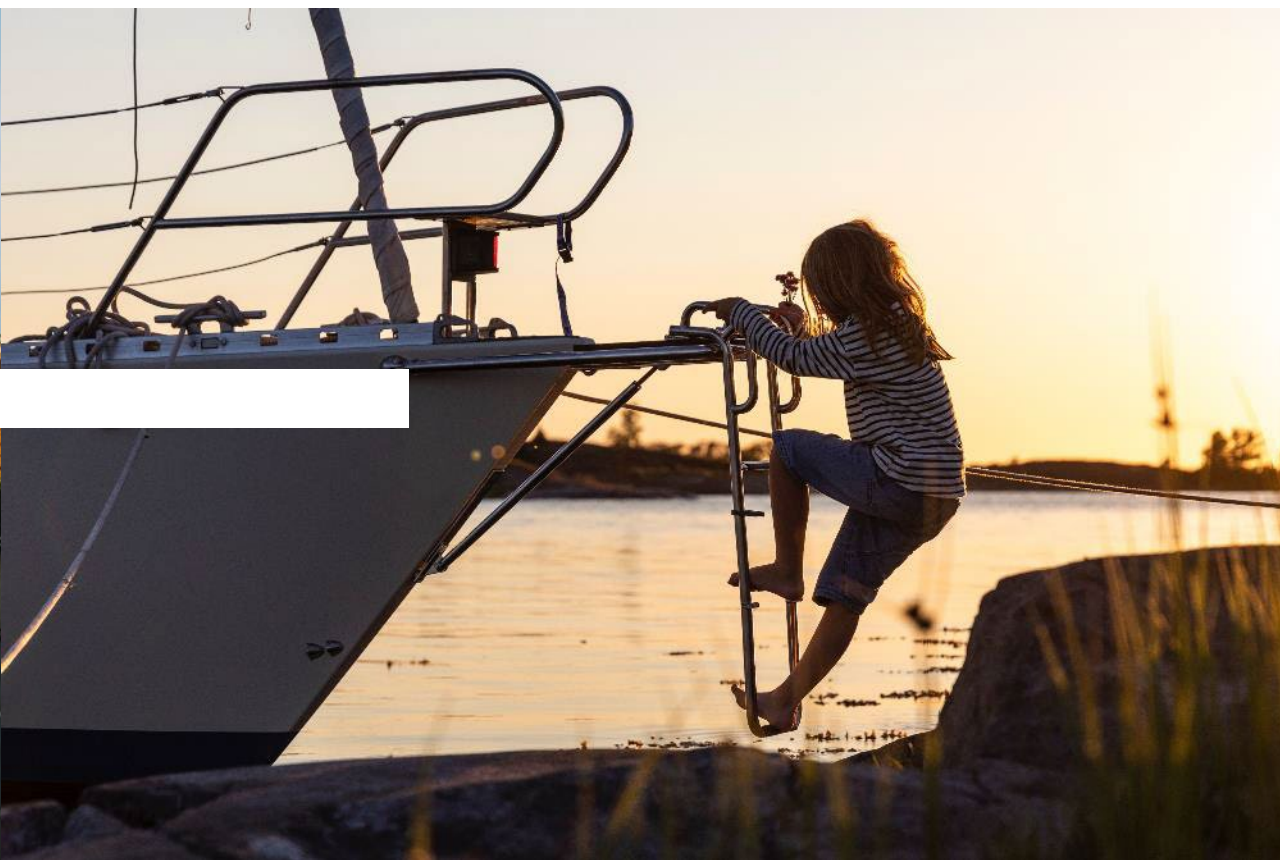


- Autoliv has re-gained momentum on productivity targeting > 8% per year
- Automation and digitalization will be even more important in the future
- Modularization an enabler for efficient process efficiency, standardization and scaling
- Autoliv global industrial set-up is a competitive advantage and gives us flexibility to be both regional and global





# Autoliv Capital Markets Day 2025




## Financials and Shareholder Value Creation

Fredrik Westin

Executive Vice President, Finance & Chief Financial Officer



# Since Investor Day 2023, Autoliv has significantly boosted profitability & outperformed its peers



# Our Journey from our last Investor Day in 2023

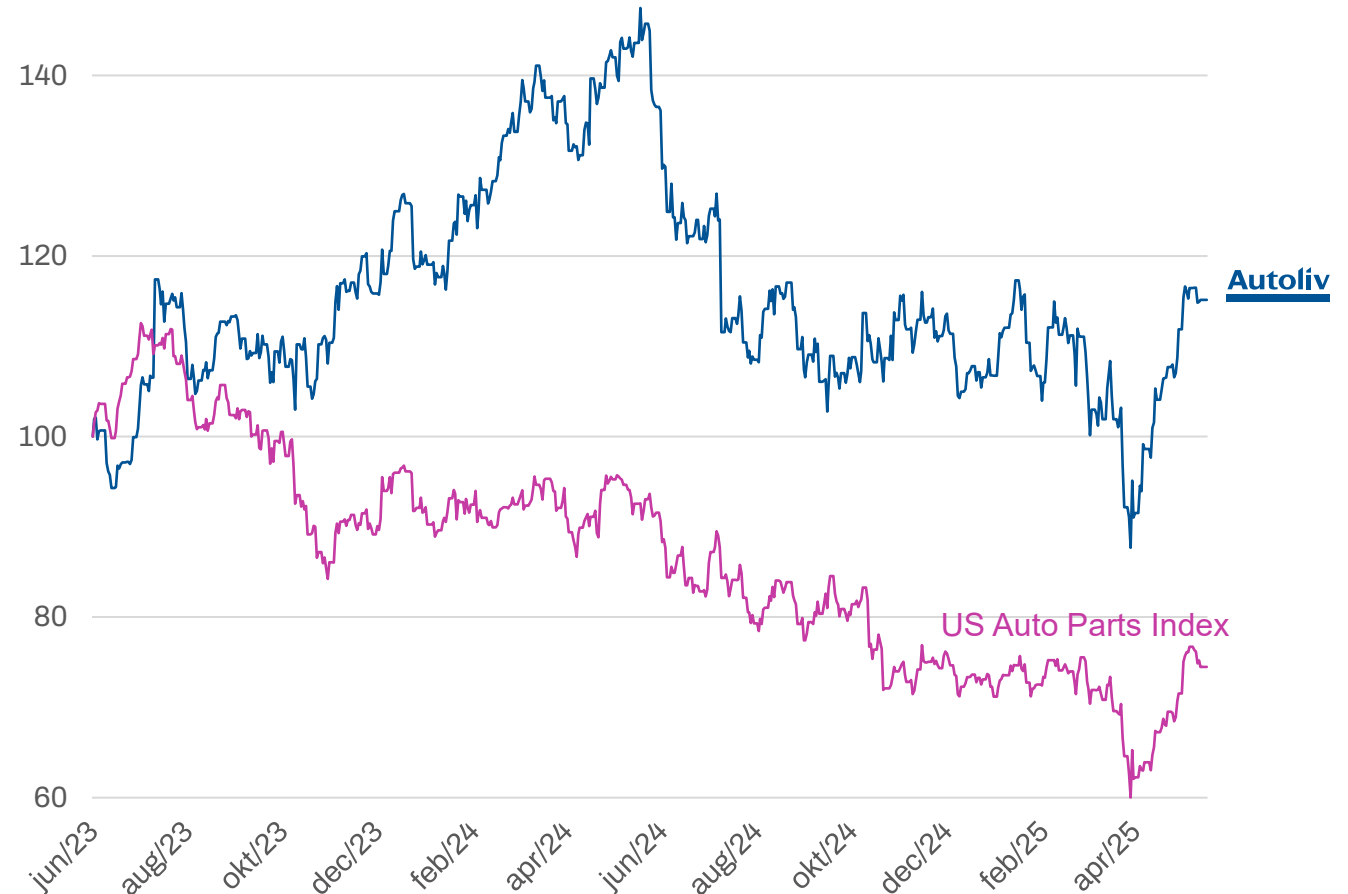


- ✓ Accelerated Structural Cost Reductions
- ✓ Increased productivity
- ✓ Increased level of Automation & Digitalization
- ✓ Executed on the Capital Efficiency Program
- ✓ Compensation for Inflation

- ➡ Outperformed LVP by >4pp per year
- ➡ Move towards our Adj. Operating target

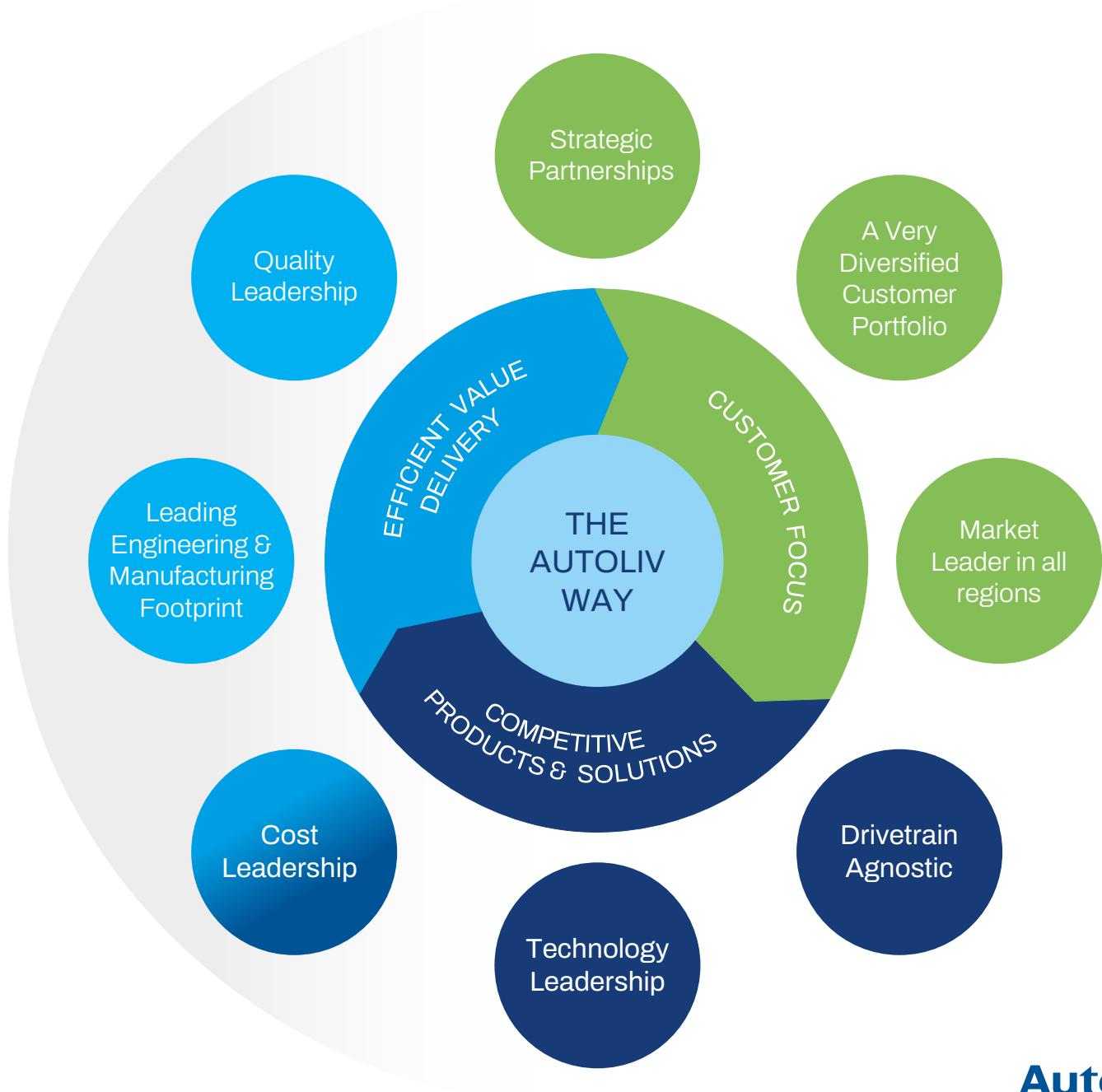
## Outperforming peers since Investor Day 2023

Share price performance since June 2023



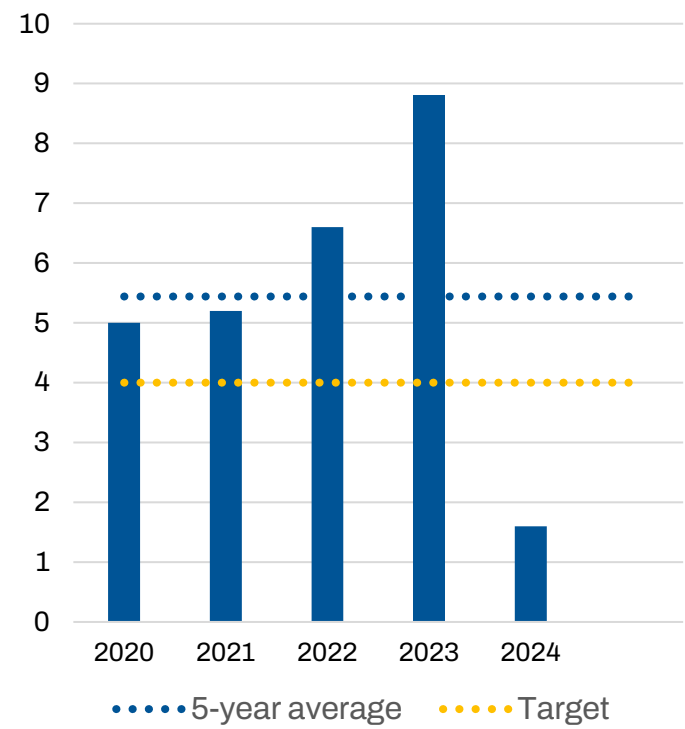
# Our Strategy for Change

Enables us to Adapt to  
a Continuously Evolving  
Automotive Industry

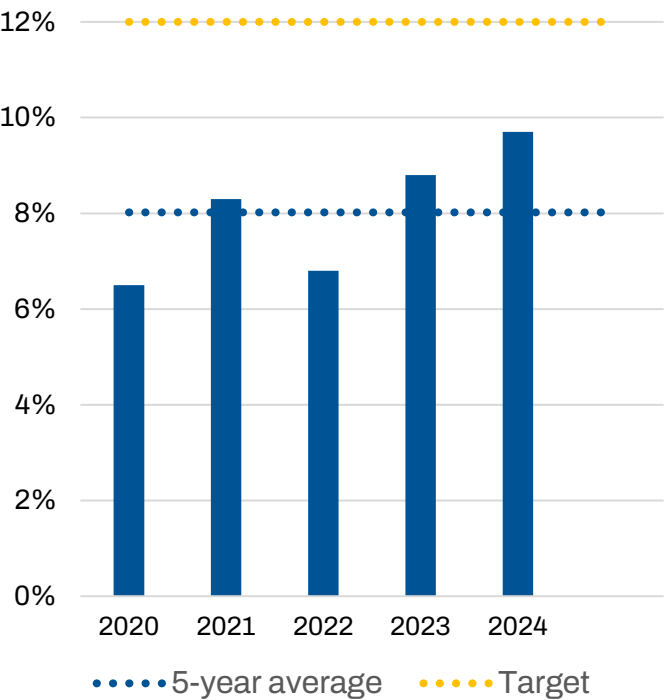


# Strong Financial Position

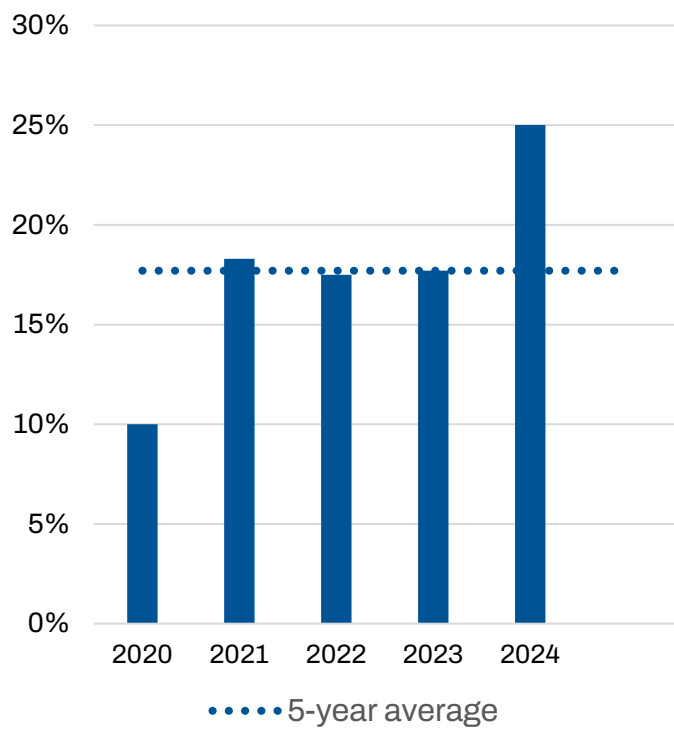
Organic sales<sup>1</sup> growth above LVP growth  
pp



Adjusted operating margin<sup>1</sup>  
%



Return on Capital Employed<sup>2</sup>  
%



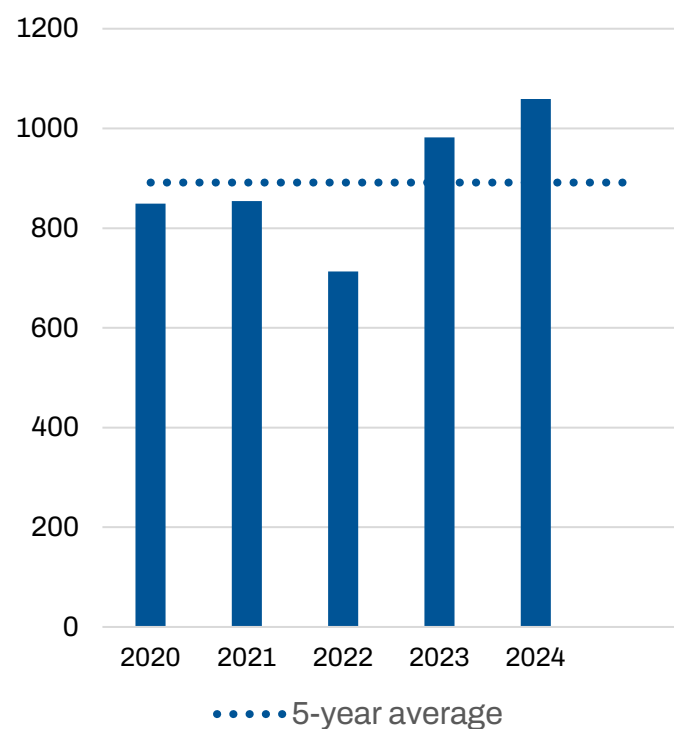
<sup>1)</sup> Non-US GAAP measures excluding effects from capacity alignment and antitrust related matters  
<sup>2)</sup> Annualized operating income and income from equity method investments, relative to average capital employed.



# Strong Financial Position

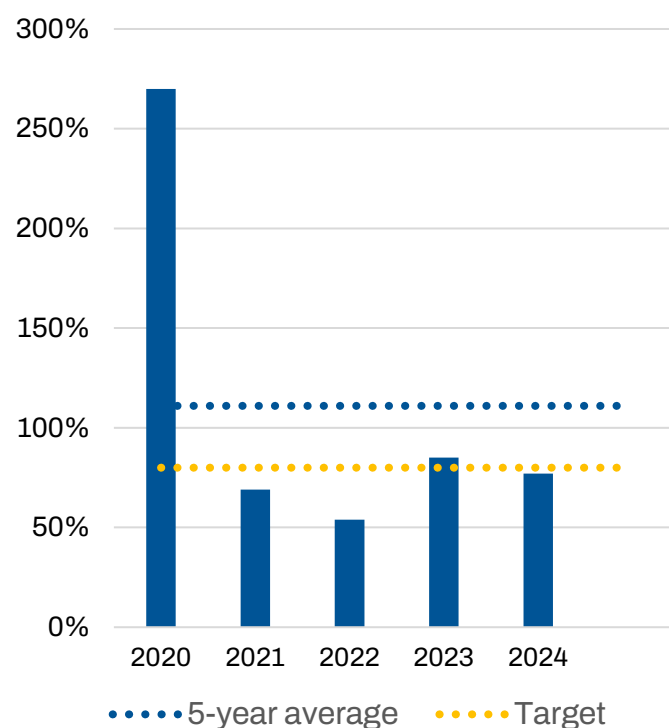
## Operating cash flow<sup>1</sup>

\$ million



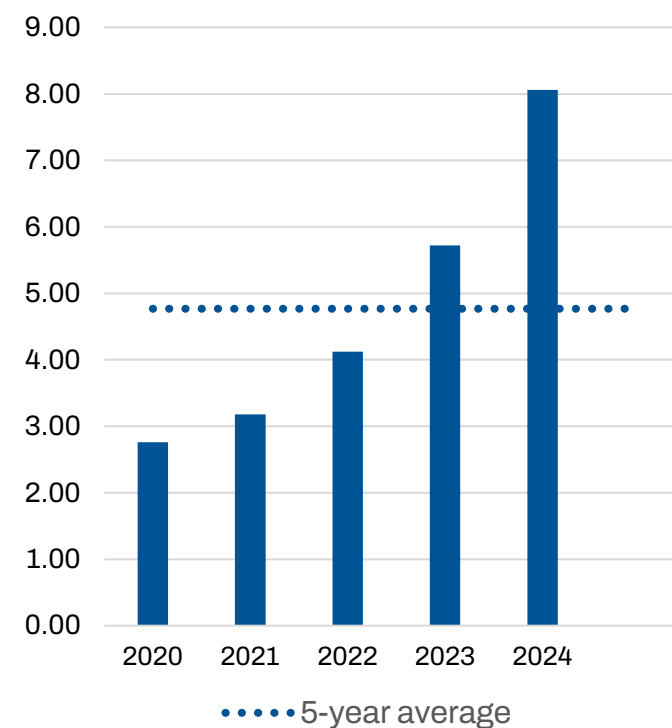
## Cash conversion<sup>2</sup>

%



## Earnings per Share

\$



<sup>1)</sup> Non-US GAAP measure.

<sup>2)</sup> Non-US GAAP measure. Defined as free cash flow in relation to net income.

# Reiterating our Financial Targets

Average Annual  
Organic Growth

**4-6%**

**Drivers**

- CPV
  - Rating & Regulations
  - Industry Trends
- LVP
- MSS contribution mainly beyond 2030

Adjusted  
Operating Margin<sup>1</sup>

**~12%**

**Drivers**

- Operational leverage
- Price
- Structural Initiatives
- Strategic Roadmap including automation & digitalization

**Conditions**

- Stable global LVP of at least 85 million units
- Successful compensation for inflation and tariffs

Cash Conversion  
over time<sup>2</sup>

**≥80%**

- Profit Growth
- Capital Efficiency
- Capex less than 5% of sales

Leverage Ratio  
over time<sup>3</sup>

**≤1.5x**

- Continued Prudent leverage policy
- Shareholder return strategy with increasing dividend
- New Stock Repurchase program

(1) Non-US GAAP measure. Excluding costs for capacity alignments & Antitrust.

(2) Non-US GAAP measure. Defined as operating cash flow less capital expenditure, net in relation to net income

(3) Non-US GAAP measure, Leverage Ratio and Net Debt includes Pension Liability

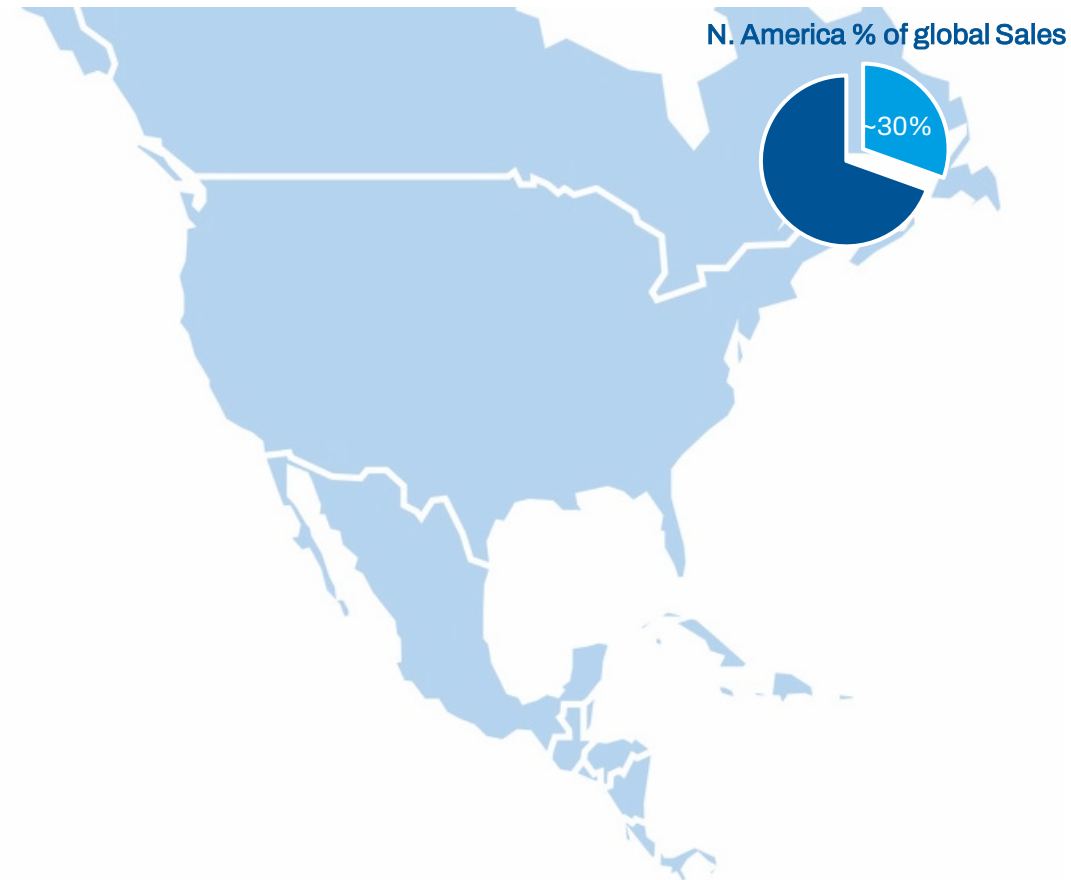
# Financial Outlook - 2025

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# U.S. Tariffs – We are well Positioned with Our Footprint and Broad Customer Portfolio

## Customs & Duties

- In 2024, Autoliv globally paid approximately \$100 million in customs & duties. This is included in commercial terms
- Currently, we estimate that the additional tariffs on **steel, aluminum, and non-USMCA compliant parts** could amount to ~\$100 million annually
- We are working closely with our customers and suppliers to minimize the impact of tariffs
- In Q1'25, we were successfully compensated for the new U.S. tariffs, and our ambition and expectation is that this will continue to be the case



# Reiterating 2025 Business Outlook & Guidance – Margin Expansion Expected

## Business Outlook Compared to 2024

- Lower Global LVP
- Headwinds from supplier cost inflation
- Additional cost savings from structural and strategic initiatives
- Higher cost for certain raw materials, mainly in the U.S.
- Contrary to the past three years we do not expect a gradual quarter-by-quarter adjusted operating margin increase due to a different inflationary environment. However, the fourth quarter is still anticipated to be the strongest of the year.

We successfully navigated tariffs in the first quarter, giving us confidence for the remainder of the year

Full Year 2025 Guidance <sup>1</sup>	
Organic sales increase <sup>2</sup>	Around 2%
Adjusted Operating margin <sup>2</sup>	Around 10 to 10.5%
Operating Cash flow <sup>3</sup>	Around \$1.2 billion
Capex, net % of sales	Around 5%

*(1) Our full year 2025 guidance is based on our customer call-offs, as well as the achievement of our targeted cost compensation adjustments with our customers including for the new tariffs, no further material changes to tariffs or trade restrictions that are in effect as of June 3, 2025, as well as no significant changes in the macro-economic environment, changes in customer call-off volatility or significant supply chain disruptions.*

*(2) Non-US GAAP excluding effects from capacity alignment and antitrust related matters (3) Excluding unusual items*



# Financial Outlook - Growth

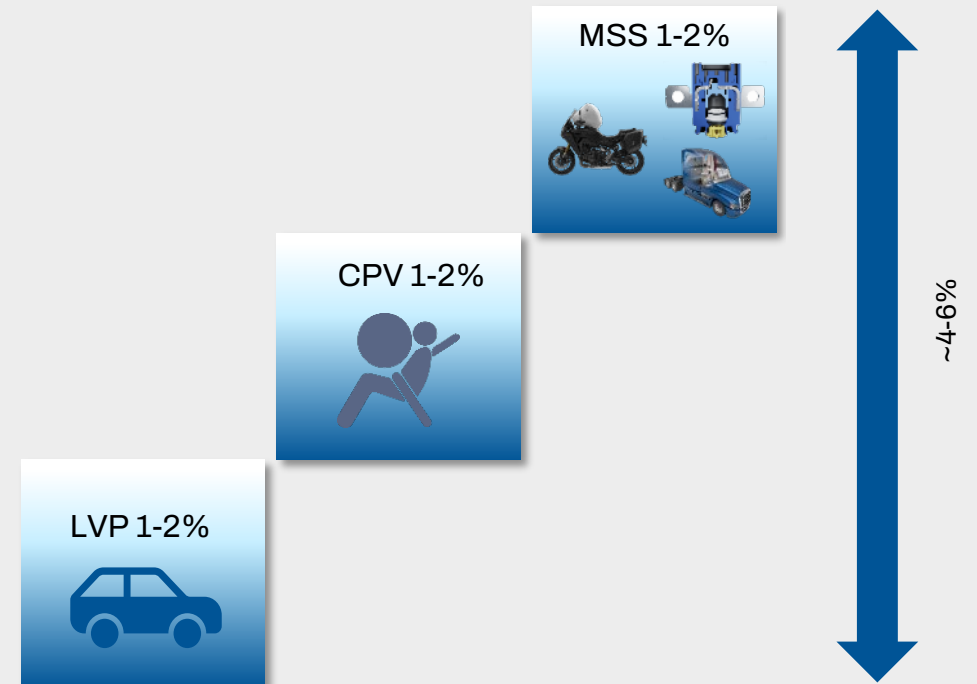
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# Organic Growth\* beyond 2025

## Growth Drivers

- LVP
  - S&P Global forecasts\*\* ~1.3% CAGR 2024-2030
- CPV
  - Continued updates of government regulations
  - Continued updates of crash test ratings
  - Changes to drive train, interior designs and increased vehicle intelligence opens up for new and more advanced products
- MSS
  - Limited contribution at first, gradually more
  - Motorcycles and Bikes, Commercial Vehicles, Pyro Safety Switches and Pedestrian Safety key focus areas

Organic Growth\* 4-6% per year on average, in a 10+ year period Growth Drivers



(\*) Non-US GAAP measure presents the increase or decrease in the overall U.S. dollar net sales on a comparable basis

(\*\*) S&P Global Light Vehicle Production Forecast May 2025

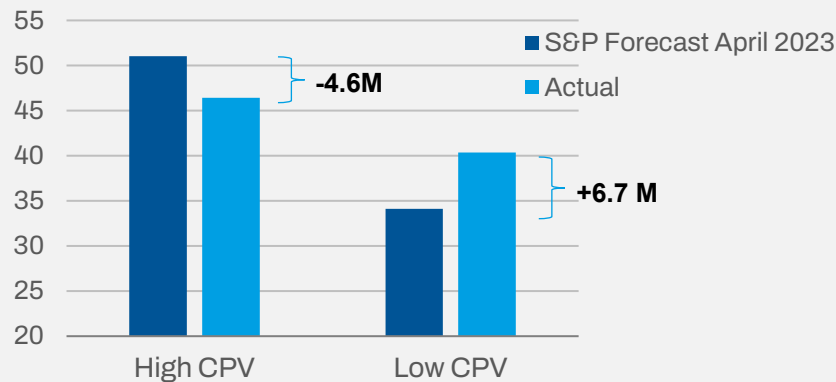
# Financial Outlook – Profitability

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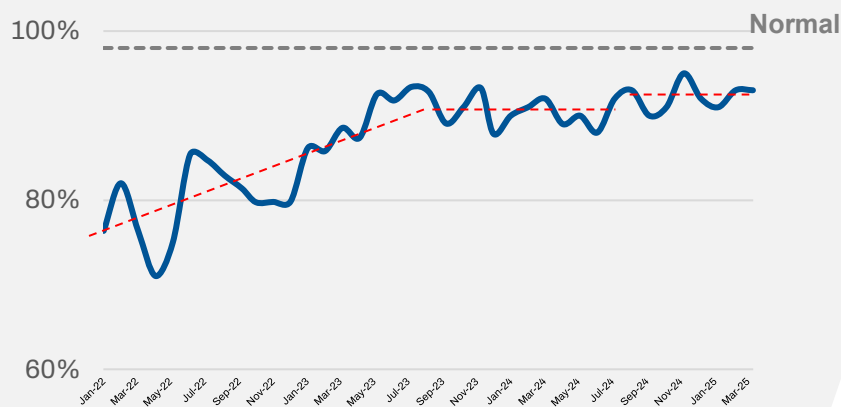
# Proactively Offsetting Market Headwinds

Market Headwinds

2024 Global LVP S&P Forecast 2023 vs. Actual<sup>1</sup>  
Million units

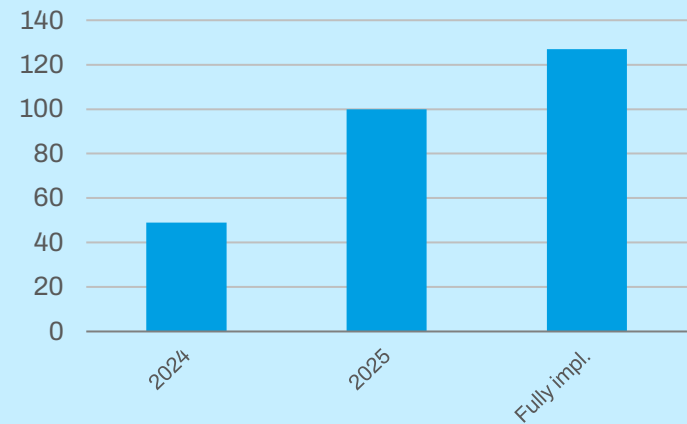


Customer Call-off Accuracy<sup>2</sup>  
%

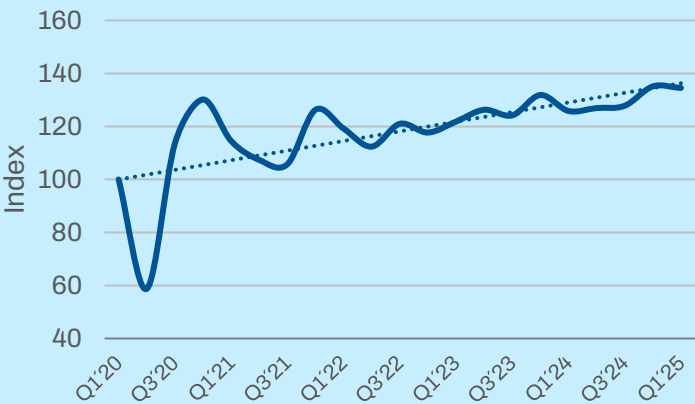


Our Responses

Structural Cost Reductions  
Savings US\$ (Millions)

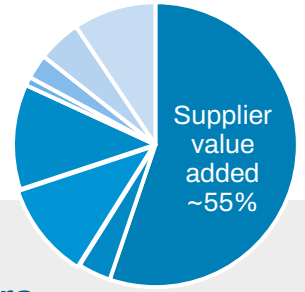


Direct Labor Productivity Index  
Sales in relations to Average Headcount

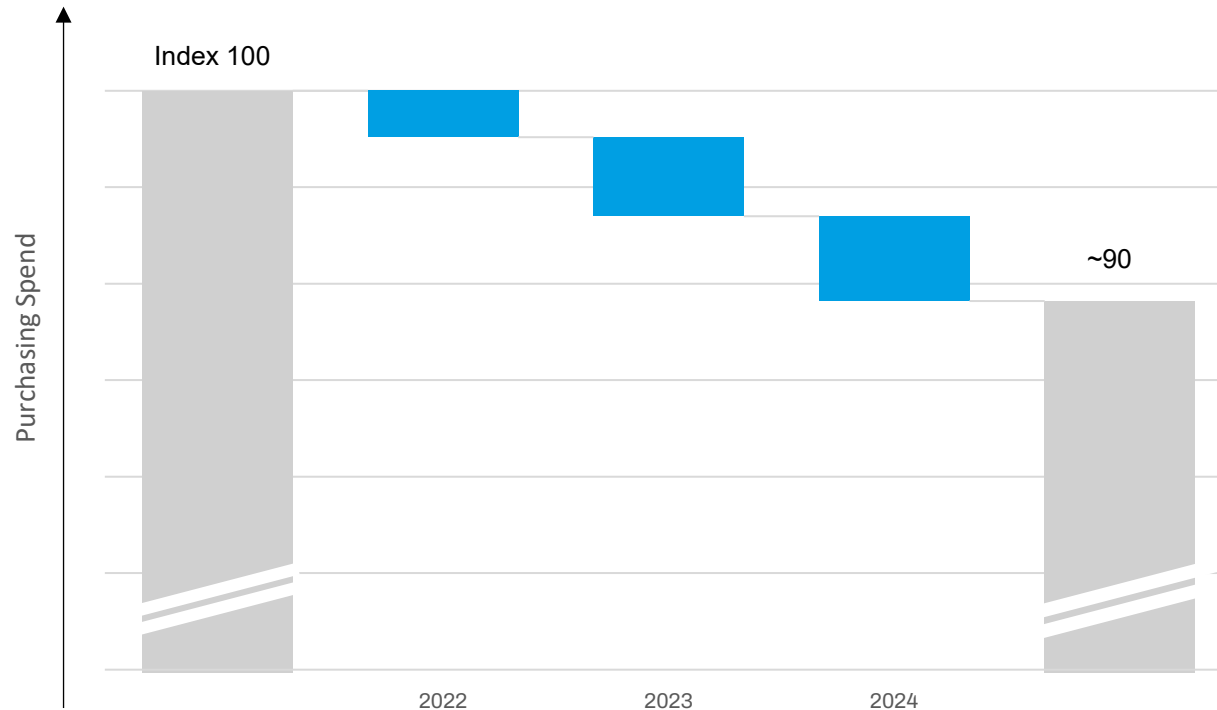


(1) Light Vehicle Production (LVP up to 3.5 tons) High CPV markets include: North America, W. Europe, Japan, S. Korea and G-OEMs in China  
(2) Company estimate

# Supply Chain Efficiency



## Direct Material and Indirect Purchasing Savings



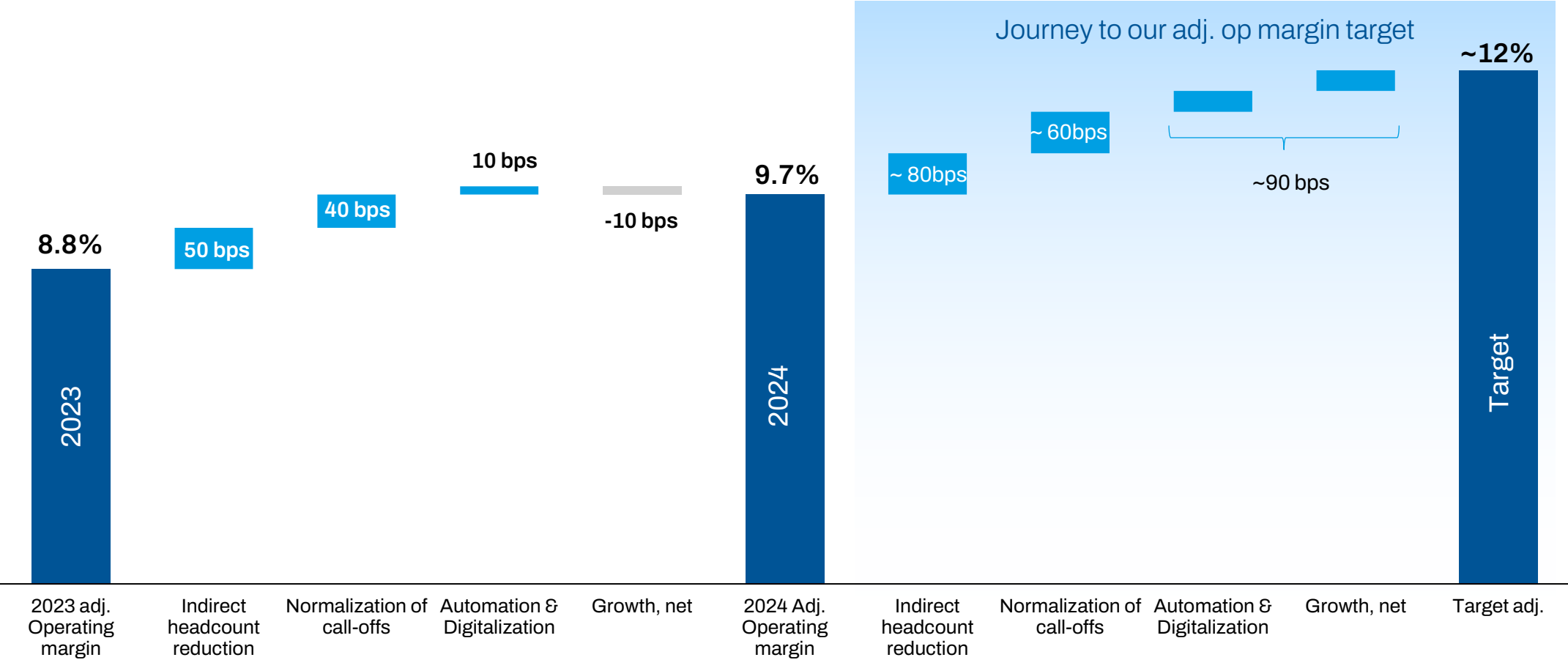
Numbers in graph are adjusted for volumes, inflation and raw material fluctuations

## Supplier Cost Reduction - Levers

- Supplier Cost Reduction Commitment
- Business Bundling
- Best Cost Country Sourcing
- Redesign for lower cost (VEVA)
- Focused Inflation and Raw Material Management
- Indirect Purchasing – None Production Material/Services:
  - Advanced Spend Analytics
  - Structured Sourcing Wave Approach



# Towards our targeted Adj. Operating Margin<sup>1</sup> of ~12%

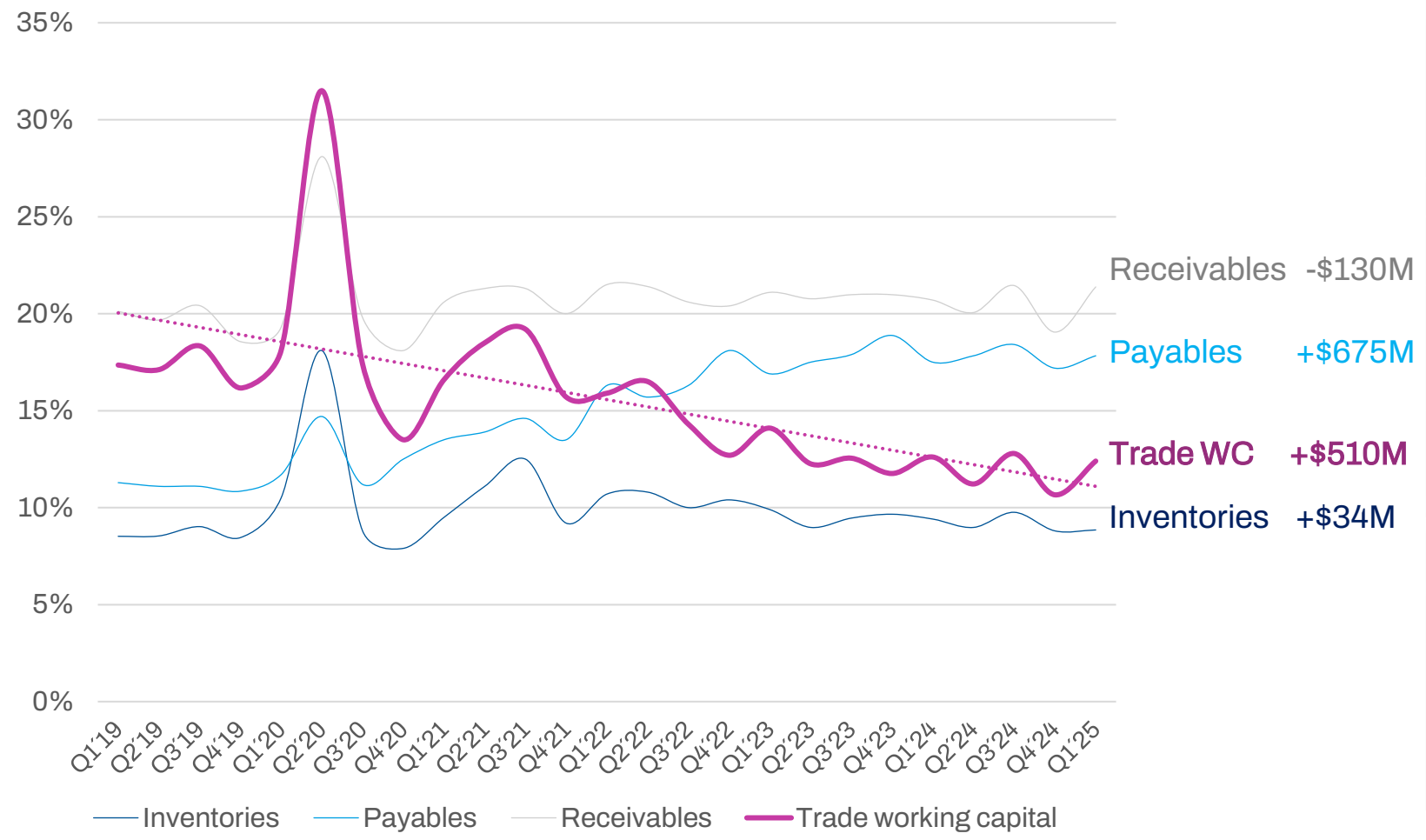


(1) Non-US GAAP measure. Excluding costs for capacity alignments.  
June 4, 2025 2025 Capital Markets Day

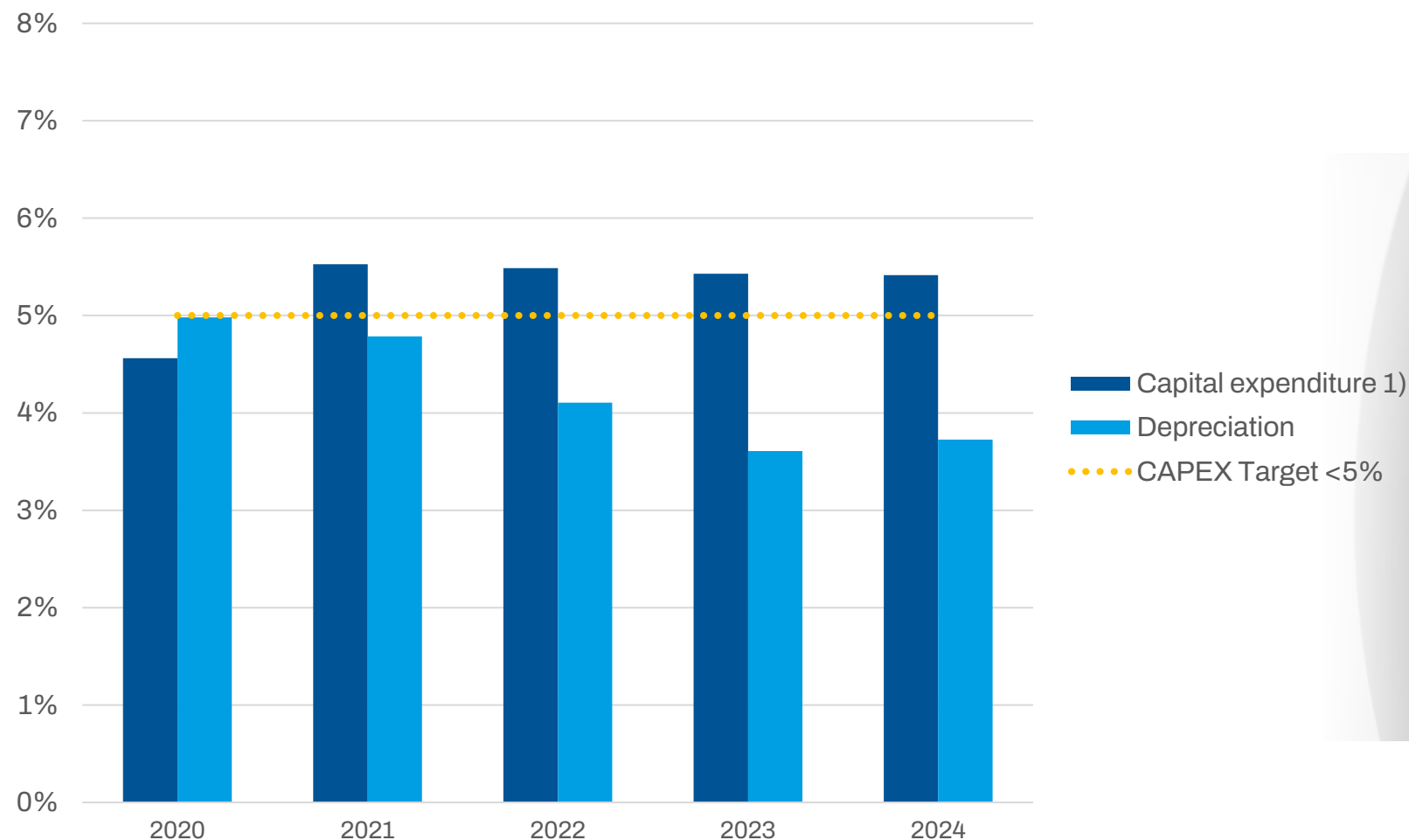
# Capital Management

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# Trade Working Capital in Relation to Sales



# Capex and Depreciation in Relation to Sales



1) Excluding income from sale of property in Japan in Q1 2022

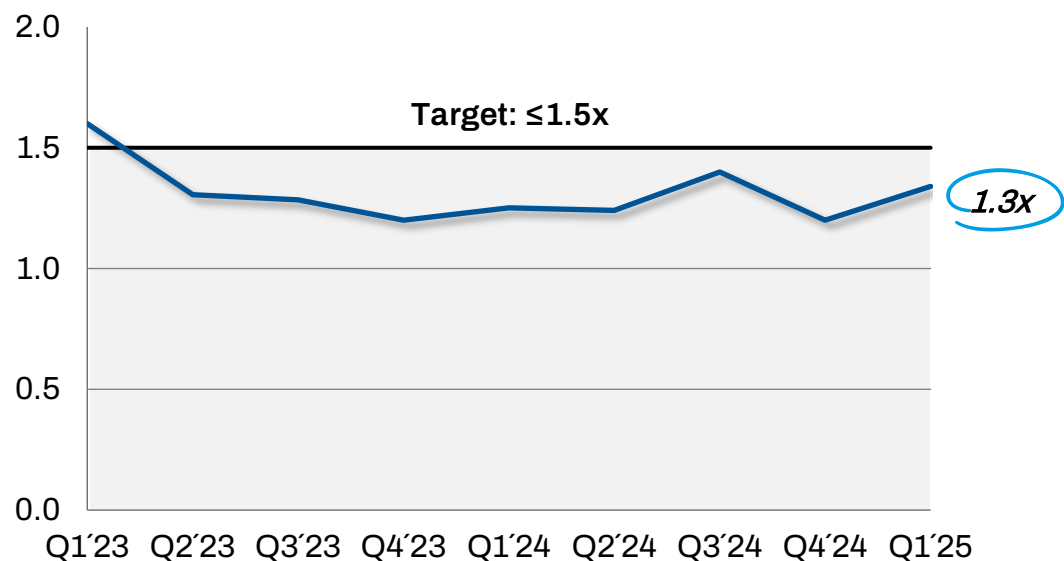
# Sustainable Shareholder Returns



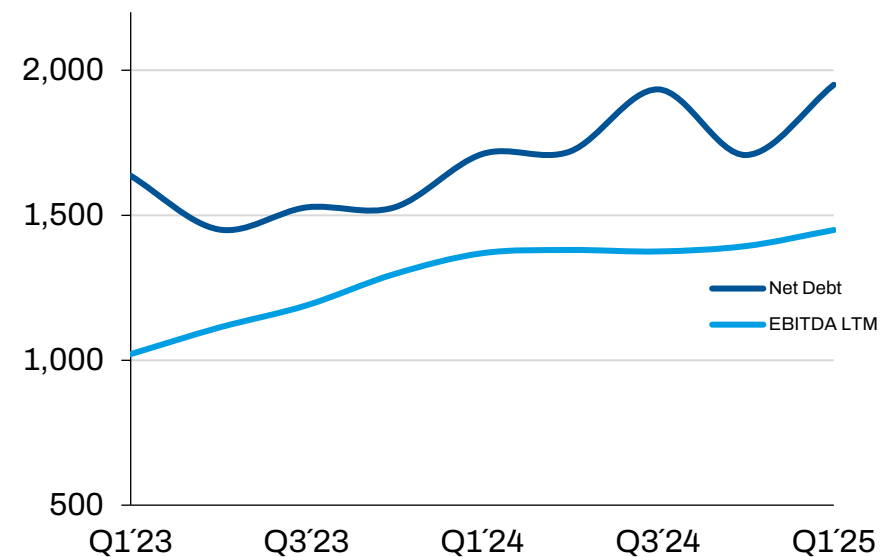


# Committed to a Strong Investment Grade Credit Rating

Net Debt<sup>1</sup> / EBITDA<sup>2</sup>  
Times



Net Debt\* and EBITDA<sup>2</sup> per the Policy  
US\$ Millions

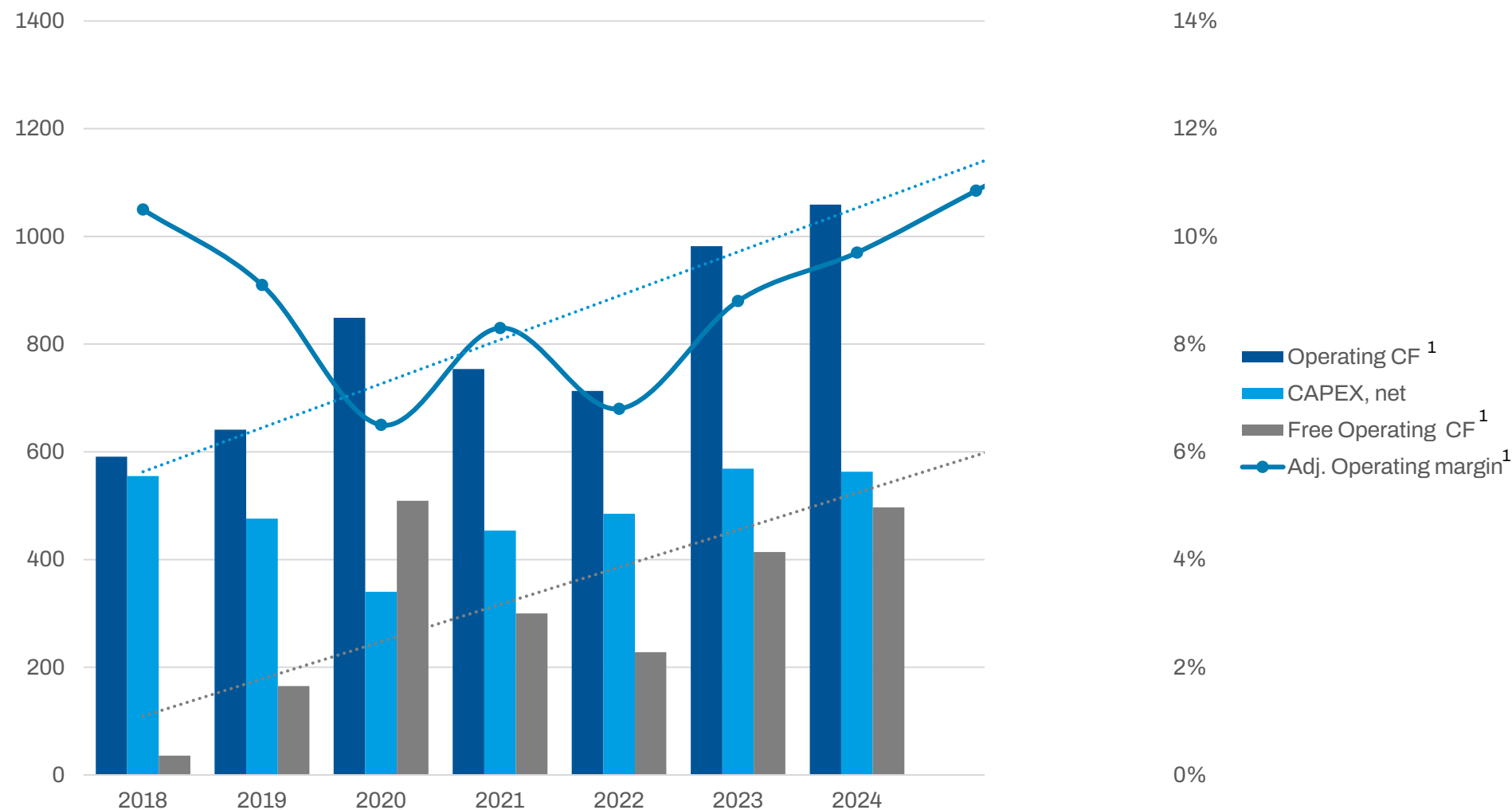


- Committed to maintaining the strong investment grade credit rating, that we currently have with Moody's and Fitch
- Target for the leverage ratio is  $\leq 1.5x$

(1) Non-US GAAP measure, Leverage Ratio and Net Debt includes Pension Liability

(2) EBITDA calculation redefined to exclude other non-operating items and income from equity method investments

# Positive Cashflow Trend Supports Increasing Shareholder Returns

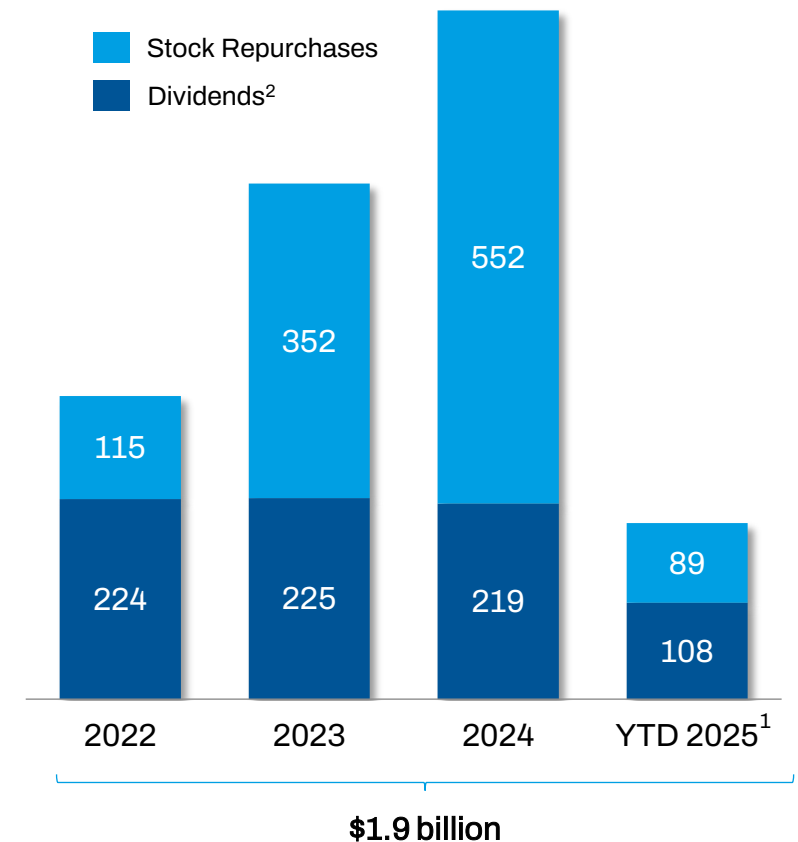


(1) Non-US GAAP measure

# Shareholder Returns

- The Autoliv shareholder return strategy includes:
  - I. ambition of average annual share repurchases between \$300 and 500 million through the end of 2029, and
  - II. providing an attractive and growing dividend
- Increased dividend for the third quarter of 2025 to \$0.85 per share, an increase of 21% from the second quarter of 2025
- Stock repurchase mandate of up to \$2.5 billion for the management's discretion to execute on before the end of 2029
- As we deliver on indications and targets
  - Increased capacity for repurchases and dividend growth

Direct shareholder returns  
\$ millions

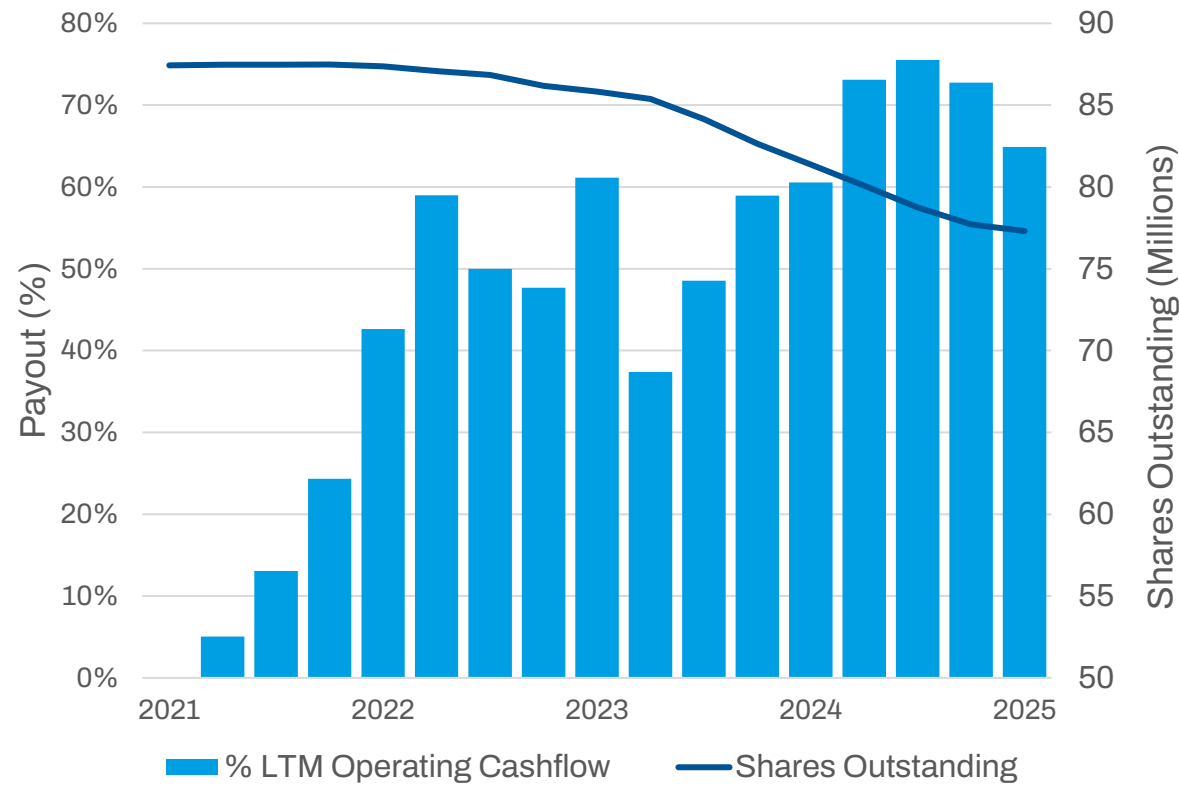


(1) Stock Repurchases up to May 30, 2025

(2) Includes dividends paid including Q2'25

# Autoliv Investment Case: Emphasizing Share Buybacks and Dividends

LTM Shareholder returns as % of LTM Operating Cashflow\*



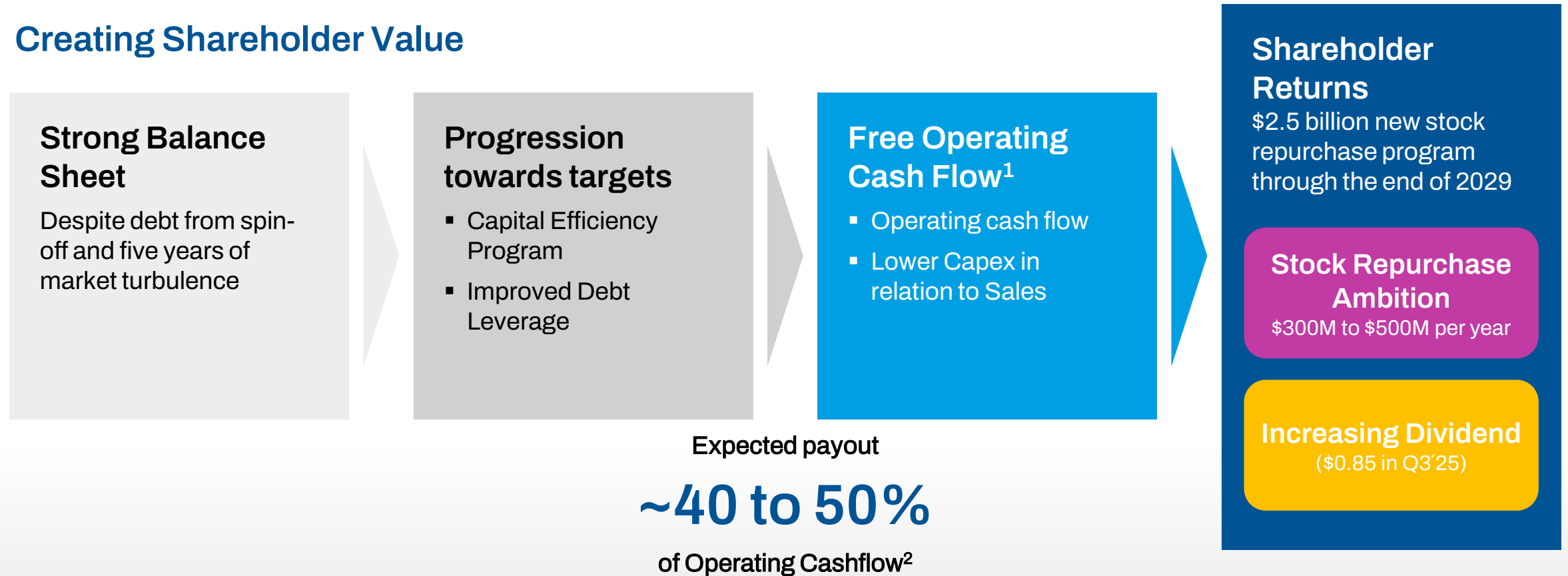
Giving our shareholders more ownership in our future through a high level of Stock Repurchases & Dividends

**13% of our shares repurchased since end of 2021**

(\*) The payout ratio, which refers to shareholder payouts as a share of cash flow from operations

# Sustainable High Level of Shareholder Returns

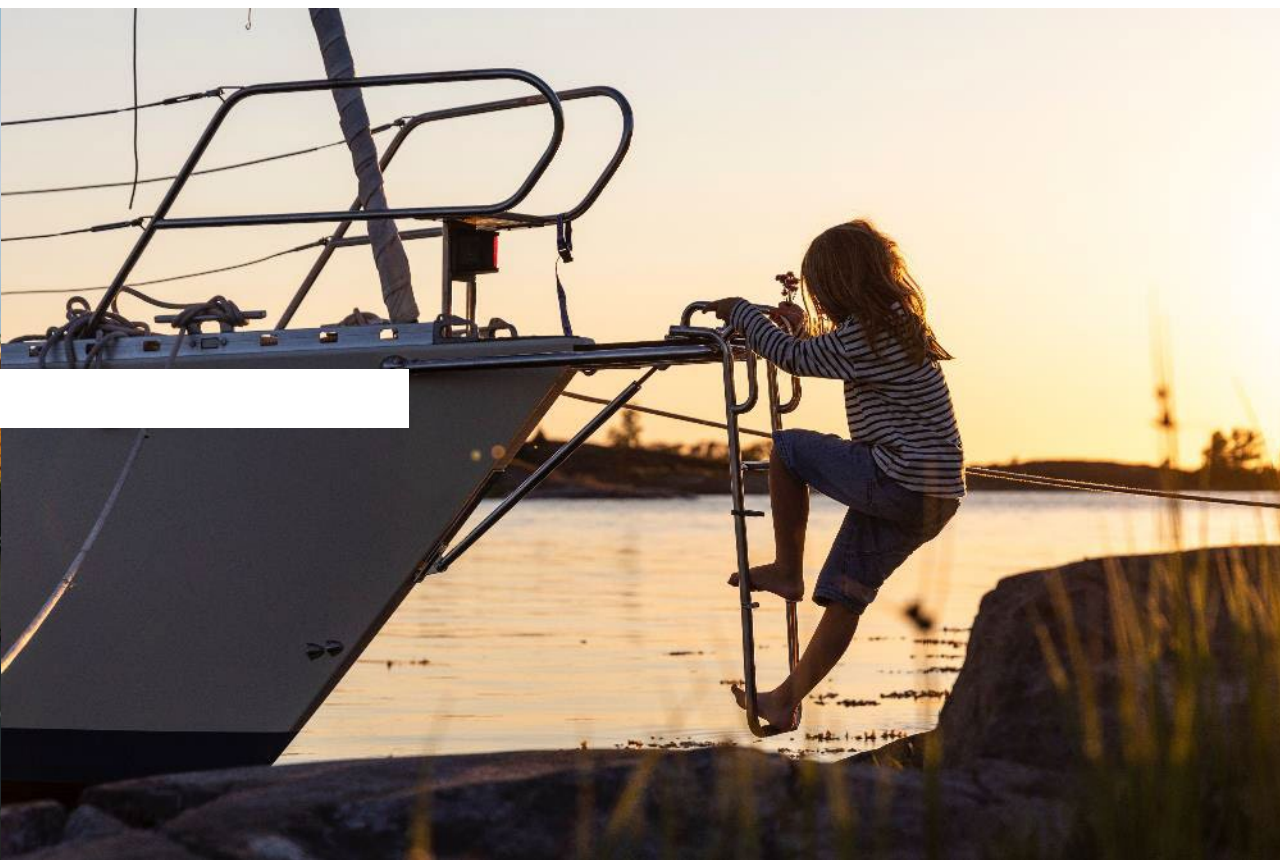
## Creating Shareholder Value



(1) Non-US GAAP measure, Operating cash flow less Capital expenditures, net. Non U.S. GAAP measure.

(2) The payout ratio, which refers to shareholder payouts as a share of cash flow from operations\*.





# Autoliv Capital Markets Day 2025

Mikael Bratt  
President & CEO



# Reiterating our Financial Targets

Average Annual  
Organic Growth

**4-6%**

Adjusted  
Operating Margin<sup>1</sup>

**~12%**

Cash Conversion  
over time<sup>2</sup>

**≥80%**

Leverage Ratio  
over time<sup>3</sup>

**≤1.5x**

## Reconfirming Full Year 2025 Guidance

Organic Growth  
**+2%**

Adj. Operating Margin<sup>1</sup>  
**~10-10.5%**

Operating Cash flow<sup>4</sup>  
**~\$1.2 Bn**

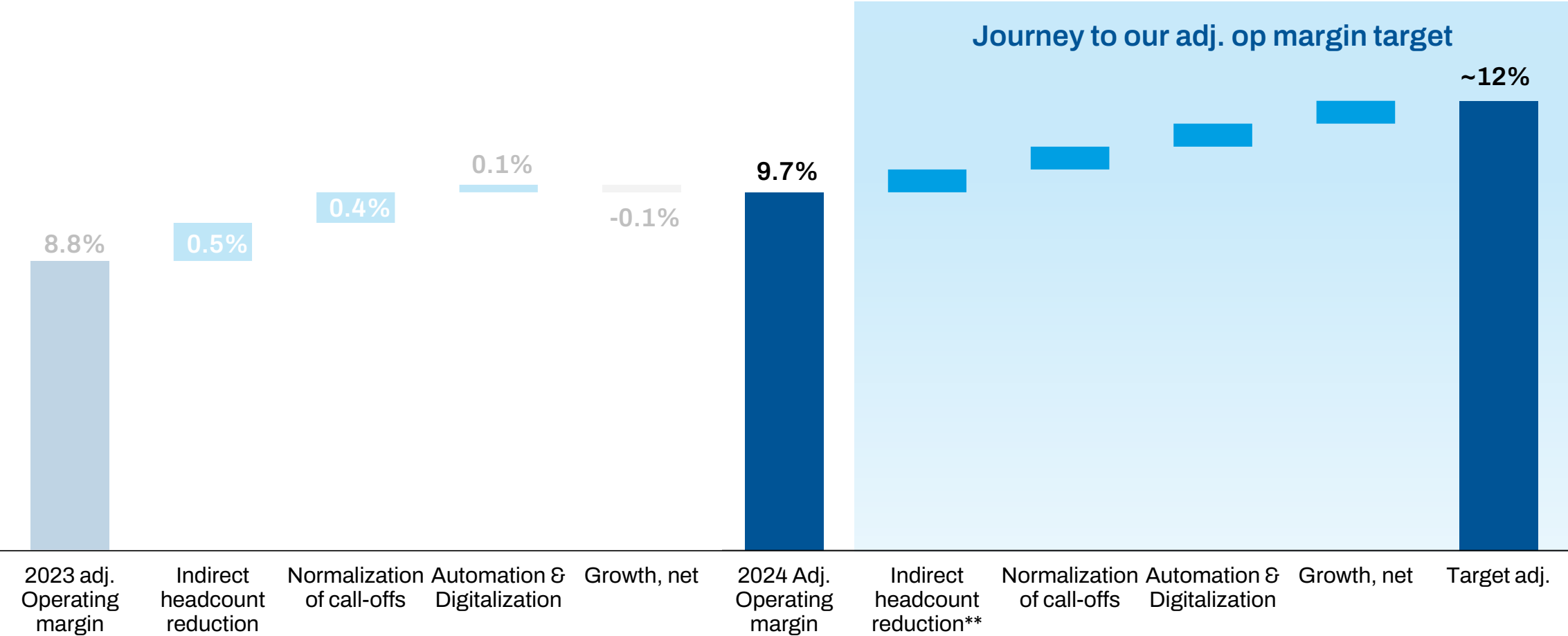
(1) Non-US GAAP measure. Excluding costs for capacity alignments & Antitrust.

(2) Non-US GAAP measure. Defined as operating cash flow less capital expenditure, net in relation to net income

(3) Non-US GAAP measure, Leverage Ratio and Net Debt includes Pension Liability

(4) Excluding unusual items

# Towards our targeted Adj. Operating Margin\* of ~12%



(\*) Non-US GAAP measure. Excluding costs for capacity alignments.

(\*\*) Already announced



# Conclusion

- Our strategic direction and roadmaps are supporting our customer commitments and financial targets
- We have a strong performance culture
  - Clear Key Behaviors to guide us
  - Clear Mandate and Expectations End-to-End
  - Continuous Improvement Mindset
  - Partnerships across the Value Chain, both with Customers and Suppliers



## Growth

- **Long-term Light Vehicle Production 1.3% CAGR**
  - GDP Development
  - Replacement Levels
  - New Driveline
- **Content Per Vehicle Growth**
  - Regulations
  - New Interiors
  - Expectations on Comfort

## Profitability

- **Well identified Key Levers E2E**
  - Productivity Improvement
  - Automation and Digitalization
  - Footprint Optimization
  - Commercial Excellence
- **Proven Deliveries in the Key Lever Areas**

## Shareholder Return

- **Strong Balance Sheet**
- **Progress towards targets**
- **Healthy Cash Conversion and Operating Cash Flow**
- **Stable and Increasing Dividend**
- **Committed to the Stock Repurchase Program**



# Saving More Lives