

Veoneer Update

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This report contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements contained in this report other than statements of historical fact, including without limitation, statements regarding management's examination of historical operating trends and data, estimates of future sales (including estimates related to order intake), RD&E spend, operating margin, cash flow, taxes or other future operating performance or financial results, are 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. We have based these forward-looking statements on our current expectations and assumptions and/or data available from third parties about future events and trends that we believe may affect our financial condition, results of operations, business strategy, short-term and long-term business operations and objectives and financial needs.

New risks and uncertainties arise from time to time, and it is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. Factors that could cause actual results to differ materially from these forward-looking statements include, without limitation, the following: general economic conditions; the cyclical nature of automotive sales and production; changes in general industry and market conditions or regional growth or decline; further decreases in light vehicle production; impact of COVID-19 on our customers and their production and product launch schedules; impact of COVID-19 on the Company's financial condition, business operations and liquidity; our ability to divest VBS, which is subject to the negotiation and documentation of definitive agreements and closing; our ability to achieve the intended benefits from our separation from our former parent; our ability to be awarded new business or loss of business from increased competition; higher than anticipated costs and use of resources related to developing new technologies; higher raw material, energy and commodity costs; component shortages; changes in customer and consumer preferences for end products; market acceptance of our new products; dependence on and relationships with customers and suppliers; our ability to share RD&E costs with our customers; unfavorable fluctuations in currencies or interest rates among the various jurisdictions in which we operate; costs or difficulties related to the integration of any new or acquired businesses and technologies; successful integration of acquisitions and operations of joint ventures; successful implementation of strategic partnerships and collaborations; product liability, warranty and recall claims and investigations and other litigation and customer reactions thereto; higher expenses for our pension and other post-retirement benefits, including higher funding needs for our pension plans; work stoppages or other labor issues; possible adverse results of future litigation, regulatory actions or investigations or infringement claims; our ability to protect our intellectual property rights; tax assessments by governmental authorities and changes in our tax rate; dependence on key personnel; legislative or regulatory changes impacting or limiting our business; political conditions; and other risks and uncertainties contained in the Company's quarterly reports and Annual Report on Form 10-K.

For any forward-looking statements contained in this report 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 revise or publicly release the results of any revision to these forward-looking statements, except as required by law. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements.

Business Highlights – 2nd Quarter 2020

Macro environment remains challenging as a result of COVID-19

Factors affecting our Market Outlook

- COVID-19 continues to create unprecedented challenges to the auto industry
- OEMs in China and Rest of Asia gradually recovered during the quarter, still below pre-crisis volumes
- OEMs in Europe and North America were essentially shut-down through May, gradual recovery in June
- Some optimism in the 3rd quarter call-offs, however we remain cautious about a H2'20 recovery

Market Adjustment Initiatives program

- MAI actions are expected to off-set the lower contribution effects from the lower sales

Cash Flow / Liquidity

- Maintaining strong cash position, \$851 million as of June 30, 2020.
- MAI actions delivering results, on track to significantly improve our cash flow vs. 2019 and liquidity position, despite the effects caused by the pandemic
- Continue to reduce capital expenditures, some temporary timing effects impacted working capital during the quarter ~\$30 million

New program launches / Order Intake

- Continue to see some launch delays during an unprecedented upcoming launch period

¹ Light duty program, ² MAI integration completed, continue to make progress on the VBS divestiture

¹ Order intake for H1'20 was >\$600 million, while LTM is >\$600 million



2020 Outlook Update – From July 27, 2020

Remains mainly unchanged from the previous quarter

- FY'20 Organic Sales¹

- We continue to see some new program customer launch delays during H2'20
- Market Adjustment Initiatives are estimated to offset the COVID-19 impact from lower organic sales on our operating results and cash flow
- Organic sales are expected to outperform the global LVP³, assuming no further launch delays
- Currency translation net effect on Sales of (1)%

- FY'20 Outlook² Indication

- RD&E, net is expected to improve more than \$100 million from FY'19, on a comparable basis,
- Operating loss is expected to improve from FY'19, on a comparable basis
- Capital expenditures are expected to be less than \$125 million
- Cash flow before financing activities¹ is expected to be ~ \$(200) million during H2'20

¹ Non U.S. GAAP measure, ² Full Year 2020 Outlook is based on the change from 2019 (on a comparable basis excluding the VNBS-Asia JV and excluding VBS US operations), ³ Light Vehicle Production (LVP).

Important Technology Launches in 2020

Our delivery of new technologies to multiple new vehicle platforms is progressing well



Mono-Vision Gen4

- 2nd Gen. Object Det., Lane Det., Road Boundary, Free Space
- Traffic Light Det., Support Object Enhanced Map
- EU NCAP 2020
- Lead launch: Polestar 2



Z1 Software (Zenuity)

- EU NCAP 2020
- Traffic Jam Assist
- Lead launch: Polestar 2

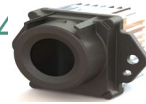
L2/L2+ Smart ECU Gen2

- Highly scalable SoC solution to support object fusion up to L2+ Feature content
- Confirmed 3 OEMs
- Lead launch: Volvo



Thermal Sensing Gen4 (NiVi)

- 12µm FIR sensor, VGA resol. (640x512), 32° Hor. Fov (24°, 50° or 70°), ~25% size red.
- Lead launch: US based Premium brands



Stereo Vision Gen4

- 2nd Gen. 3D Object Det., Parking Assist, Small Object Det.
- EU NCAP 2020
- Lead launch: EU based Premium Brand



Stereo Vision

- Custom Solution
- Lead launch: Asian based OEM



Driver Monitoring System

- Drowsiness, Distraction, Attention Zones, Identification, Precise Eye Gaze
- Lead launch: US based OEM



SW Features (Zenuity) (standalone)

- Lane Keeping
- Lead launch: EU based Premium Brand

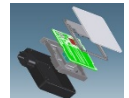
Map Host & Precise Positioning Module

- Mapping hosting
- Precise GEO Positioning with Correction Services
- Lead launch: US based Premium brands



Radar 77Ghz Gen1.3

- Cost and performance optimized
- Lead launch: Japan based Premium brand



Safe Stop Module (SSM) ECU

- Standalone Ecu including Zenuity software
- Lead launch: Robo-taxi



Products – MV4 (Gen4 Mono Vision), SV4 (Gen4 Stereo Vision), 77Ghz & 24Ghz Radar, NiVi4 (Gen4 Thermal Sensing Night Vision), ADAS ecu (Advanced Driver Assist System electronic control unit), ADAS SW (ADAS Software), DMS (Driver Monitoring System), Z1S (Zenuity Software).

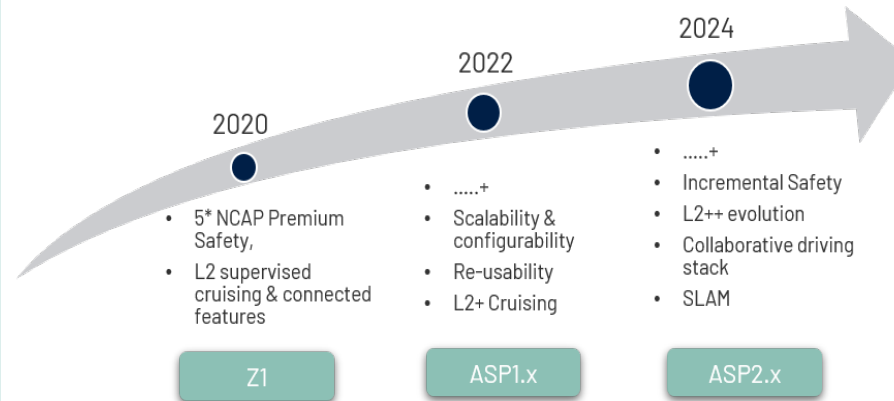
Software and Systems Strategy for Collaborative Driving

Designed for the commercial opportunities of the next decade

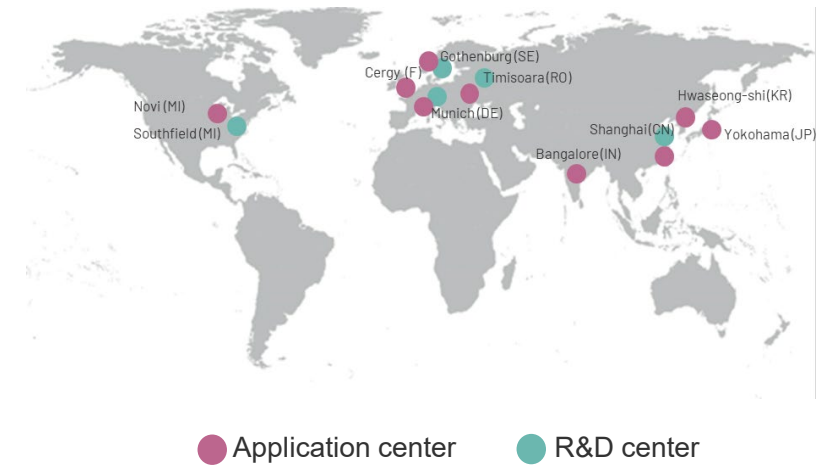
In-house competence

- 450 + associates
- Perception/Sensor fusion
- Localization
- Vehicle control
- HMI & UX
- Drive Policy
 - Safety/NCAP & connected feature stack
 - Collaborative driving (incl. hands-off) feature stack
- Integration & System Engineering
- V&V and Data Collection

Scalable Architecture



Global Presence



Human Machine Interface (HMI), User Experience (UX), Verification and Validation (V&V), Simultaneous Localization and Mapping (SLAM), Active Safety Platform (ASP)

Veoneer is a Leading Challenger in Vision

2017 Mono Vision AEB (3rd Generation)

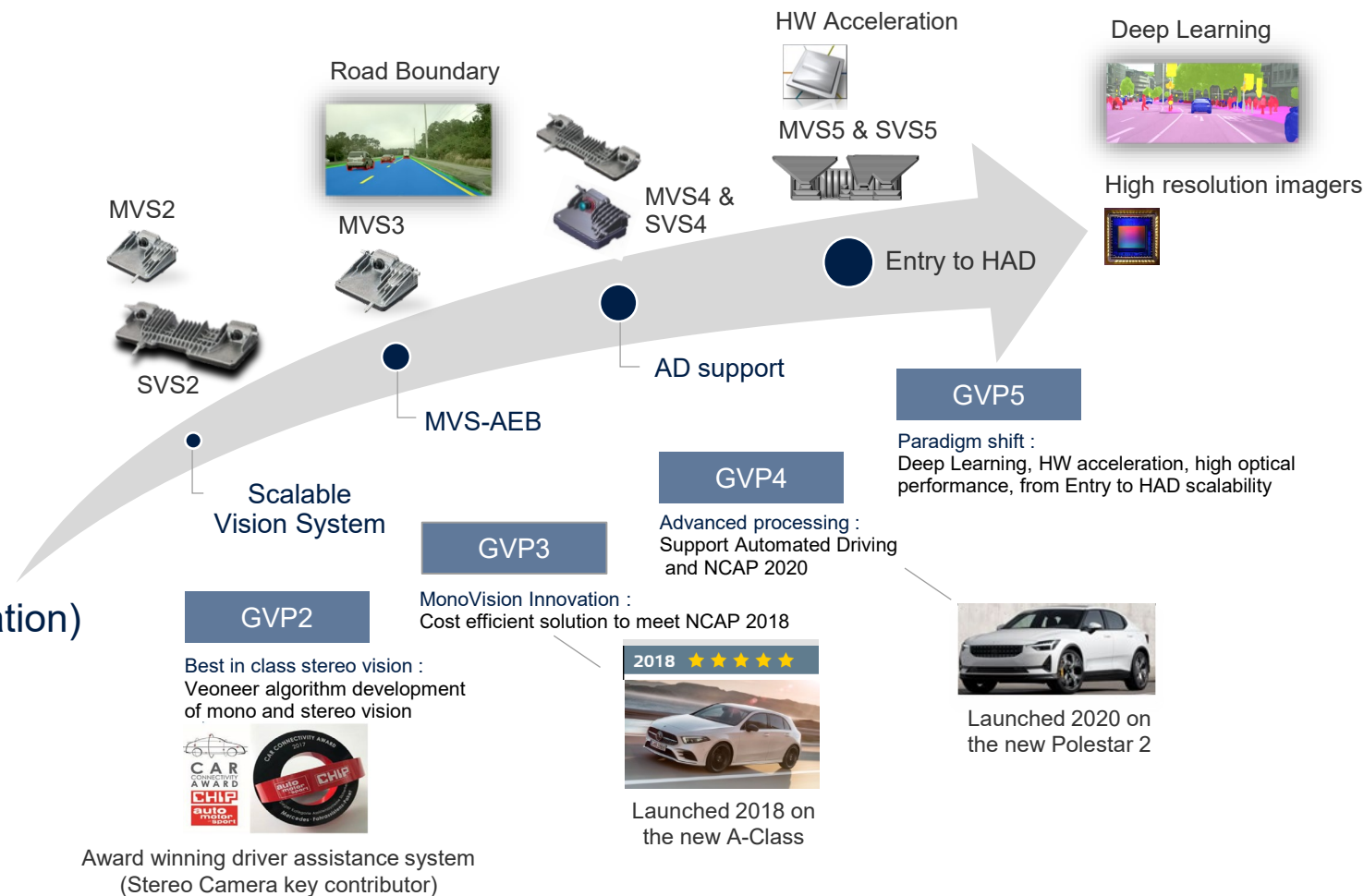
- Mono Camera with Vision only based AEB capabilities
- Cost effective solution to meet NCAP 2018 (Lane, AEB, TSR)
 - Launched on new A-Class, confirmed SOP with several OEMs

2019 Mono and Stereo Vision (4th Generation)

- Next generation Stereo and Mono cameras
- Support Automated Driving and NCAP 2020
 - Confirmed SOPs with 7 OEMs

2024 Next generation Vision systems (5th Generation)

- High resolution imagers
- Advanced algorithms and processing
- Multiple camera support
 - In RFQ/RFI with multiple OEMs



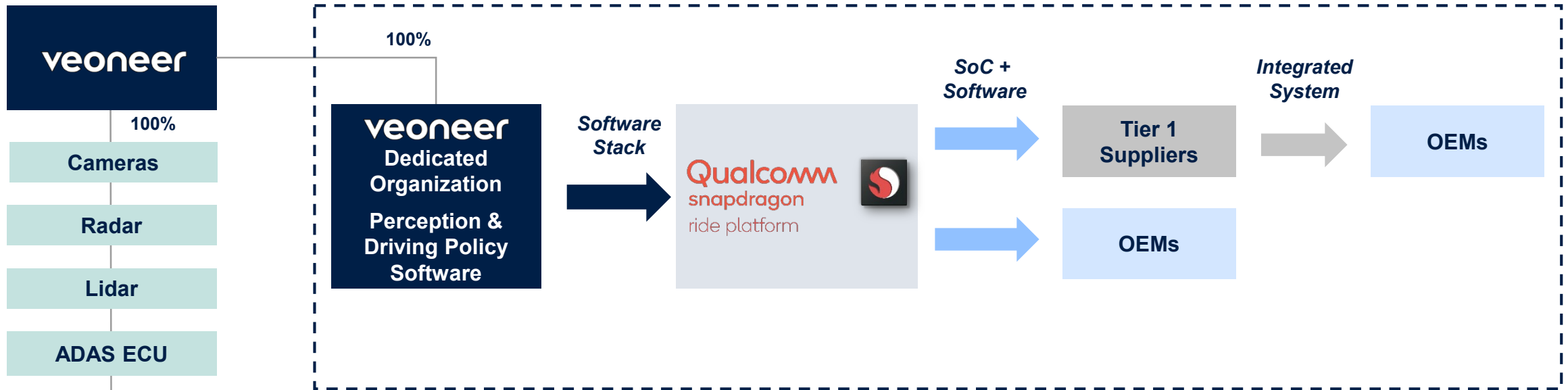
Veoneer and Qualcomm Collaboration Agreement



- To collaborate and deliver a full software stack and SoC platform for next generation ADAS, Collaborative and Autonomous Driving
 - An integrated solution builds on Veoneer's software stack for perception and driving policy and the next generation Qualcomm® Snapdragon Ride™ platform
 - Platform to be marketed and sold to automotive manufacturers and Tier-1 suppliers, targeting customer production launches during 2024
- Establishes a main challenger for the next generation automobiles, aiming for long-term market leadership

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Market Opportunity Expanded Through the Collaboration Agreement



Scope of Veoneer / Qualcomm Partnership

- Perception & Driving Policy Software (“Software Stack”) to be developed in a new, stand alone entity within Veoneer
- Qualcomm to sell System-on-Chip (“SoC”) and Software Stack directly to OEMs and Tier-1 Suppliers
- Veoneer to be a System integrator of the SoC and Software Stack, selling full systems to OEMs

Collaboration builds on existing customer relationships in both companies

- Qualcomm to have the go-to-market lead, addressing automotive suppliers and manufacturers for the next generation platform
- Veoneer to directly address its current customer base and will continue selling and launching its full line of ADAS and Collaborative Driving products and systems as a Tier 1 integrator, including integration of the new SoC
- Collaboration is expected to increase market potential for Veoneer and Qualcomm, estimated total addressable market ~\$45 billion in 2030

Veoneer to establish a dedicated organization to further develop the perception and driving policy software

- Veoneer's 5th generation vision software stack for perception, features and driving policy developed over one decade

Snapdragon Ride Automotive Platforms provides scalability from NCAP front camera requirements to L3 and above towards Autonomous Driving

- Leverages Snapdragon Automotive Platforms' unique ability to scale and being a power efficient architecture to offer OEMs and Tier-1s a scalable solution that supports all industry segments of Autonomous Systems, ranging from ADAS systems to fully Automated Driving
- Includes other domains which makes this unique: V2X(5G), infotainment and telematics

Open platform allows automakers and Tier-1s to have access to proven toolchains and programmability to add their differentiation and have full visibility into the system, instead of relying on a black box solution

Veoneer execute towards it's core strategy:

- Complete divestiture of Zenuity and integration of software competence to Veoneer
- Complete divestiture of non-core brake business
- Enters agreement with Qualcomm for next generation ADAS, Collaborative driving and later autonomous driving
- Continued sharp focus on cash and liquidity; Market Adjustment Initiatives and lower CAPEX
- Launch period started: new technology and customer launches



Creating Trust in Mobility

Flawless Delivery

Customer-Centric Collaboration

Human-Centric Innovation

Thank You!

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