

ZWANG V. AUTOLIV, INC., ET AL
CIVIL ACTION NO. 9359

GOVERNANCE REFORMS

Legal Compliance and Oversight System Objectives

Autoliv will adopt and/or maintain policies, procedures and standards to ensure the effective implementation of its antitrust compliance programs, procedures, employee training, and data management systems. Such systems shall include the maintenance or creation of compliance oversight positions and/or departments as needed, including the maintenance of a Legal Compliance Group with roles and responsibilities for antitrust compliance based upon recommendations of the Compliance Committee.

The Legal Compliance Group shall assist the Vice President of Compliance with the design, implementation, and enforcement of a compliance and ethics program directed to antitrust and competition issues, as is deemed appropriate and necessary under the circumstances. As reflected in the amended charter for the Compliance Committee discussed below, the Vice President of Compliance shall, on at least an annual basis, provide a written report to the Compliance Committee outlining the Legal Compliance Group's activities regarding antitrust and competition issues, and any other items that the Compliance Committee may request. The Legal Compliance Group shall assist the Compliance Committee with any credible or material reports of any antitrust or competition issue received by the Company.

As further set forth in the amended charter for the Compliance Committee, to monitor compliance, the Compliance Committee shall oversee an audit program sufficient to review and consider the effectiveness of the Company's antitrust compliance policies and procedures. The results of this audit program shall be provided to the Compliance Committee, Vice President of Compliance, and Legal Compliance Group, and may be provided to Autoliv's external auditors and Audit Committee as appropriate.

Compliance Committee Supervision and Oversight

To effectuate the above compliance objectives, the Compliance Committee of the Board shall operate pursuant to the amended charter attached hereto as Exhibit 1, which shall be published on the Company's website. The Board shall maintain the existence of the Compliance Committee and these changes to its charter for a minimum two years.

Audit Committee Oversight of Disclosure Controls

To further effectuate the above compliance objectives, the Audit Committee shall adopt the amended Audit Committee charter attached hereto as Exhibit 2, which shall be published on the Company's website. The Board shall maintain the existence of these changes to the Audit Committee charter for a minimum of two years.