AUTOLIV SUSTAINBLE SOURCING REQUIREMENTS

Direct Material Suppliers

At Autoliv and across our supply chain, our priorities are aligned with our Sustainability Framework. Sustainability performance is a key deciding factor in Autoliv's sourcing strategy. This is reinforced through our Supplier Code of Conduct ("Supplier Code") which sets the expectations and commitment from all suppliers of Autoliv. The Supplier Code applies to all suppliers and their employees, agents, suppliers, and subcontractors who do business with or for Autoliv.

The Supplier Code and these Sustainable Sourcing Requirements for Direct material suppliers draw upon relevant frameworks such as:

- The United Nations Global Compact principles
- The United Nations Universal Declaration of Human Rights
- The International Labor Organization's Declaration on Fundamental Principles & Rights at Work
- The OECD Guidelines for Multinational Enterprises
- Drive Sustainability Global Automotive Sustainability Guiding Principles

To the extent not replicated in their own supplier contracts, all suppliers must ensure that their suppliers and subcontractors comply with applicable laws, regulations, the principles expressed in the Autoliv Supplier Code and these Sustainable Sourcing Requirements.

All suppliers are expected to, at all times, carry out appropriate due diligence on their suppliers in relation to any business conducted with Autoliv.

The Supplier Code and the Sustainable Sourcing Requirements draw upon the Autoliv Code of Conduct, the standard that we use to ensure our employees and stakeholders working with us and on our behalf comply with the values and ideals that we consider most important.

By complying with these documents and thereby following the standards that Autoliv expects, business partners will lay the foundation for successful and sustainable business relationships.

Within Autoliv's sustainability framework, our life-saving products and services are at the heart of everything we do, supported by our commitments for **Saving More Lives**, ensuring **Responsible Business** practices**, A Safe and Inclusive Workplace**, and engaging in **Climate and Environmental Action**.

To meet Autoliv's ambition of net-zero green-house gas (GHG) emissions across our supply chain by 2040, it is necessary that we conduct business with suppliers willing to transform the way they conduct business.

These Sustainable Sourcing Requirements include both requirements and expectations regarding sustainability. Already today, Autoliv has issued certain shall requirements on suppliers and partners - these are non-negotiable and a minimum requirement for doing long-term business with Autoliv. These are here marked as "Existing Requirement". We have also added further "New Requirements" including the respective timeline from which year on these shall requirements will be implemented.

Going forward, Autoliv intends to increase the scope of shall requirements to cover more areas. As this process is ongoing, we have also included a set of expectations - these expectations are likely to become shall requirements in the future. We will inform suppliers about such updates.

The climate ambitions announced in June 2021 put Autoliv at the forefront of the automotive, in line with the most ambitious OEMs and well ahead of many other industries and competitors. Our climate ambitions include:

- Carbon neutral in our own operations by 2030[1]
- Net-zero emissions across its supply chain by 2040 - in line with the Paris Agreement on climate and the Business Ambition for 1.5°C[2]
- Adopt Science Based Targets[3]

[1] Carbon-neutral in own operations - no net CO_2e-emissions (scopes 1 and 2) to the atmosphere. In practice, this means that we will shift as much as possible of our energy use in our operations to low-carbon sources, focus on energy efficiency, and balance any residual CO_2e-emissions with carbon offsetting or removal/neutralization.

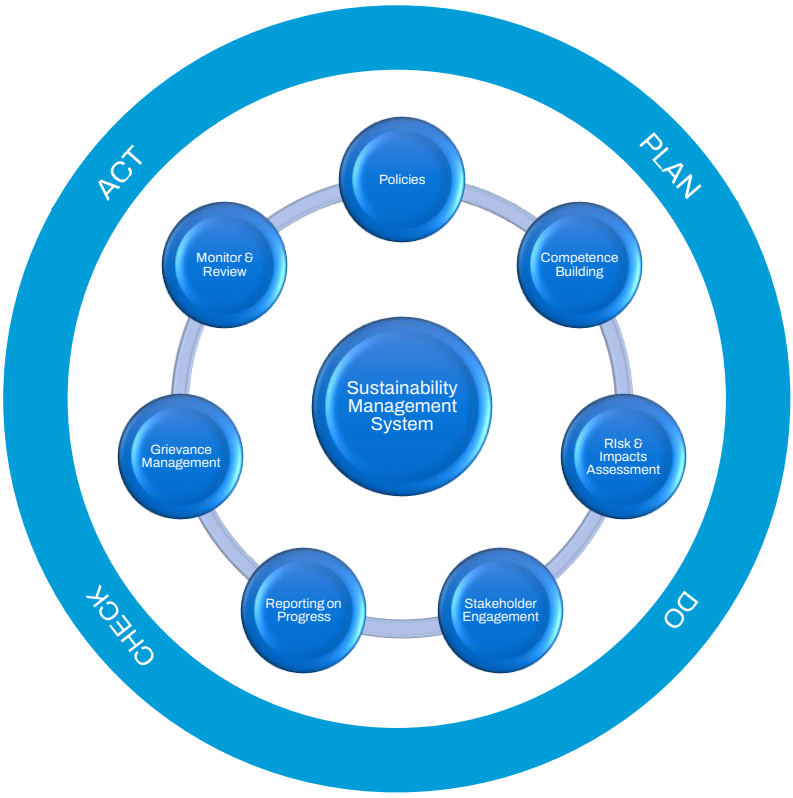
[2] Net-zero emissions across the supply chain - no additional GHGs are released to the atmosphere related to our supply chain. Potential residual emissions that cannot be removed will be balanced with carbon removal/neutralization

[3] The Science Based Targets initiative (SBTi) provides guidelines for companies to set GHG emissions reduction targets in line with what climate science deems necessary to meet the goals of the Paris Agreement – limiting global warming to well-below 2°C above pre-industrial levels and pursuing efforts to limit warming to 1.5°C, to avoid the worst climate impacts and irreversible damage to our societies, economies, and ecosystems.

A sustainability management system is a framework used to assess an organization's practices and performance on various sustainability and ethical issues. In order to achieve transformative, sustainable change in automotive supply chains, organizations must make a commitment to develop and manage the material elements of their business into a comprehensive sustainability strategy.

A sustainability management system is more than just establishing guidelines or requirements for tracking. The following elements form the core of an effective sustainability management system:

1. **Policies:** Suppliers should define their commitments and express them in relevant policy documents.
2. **Competence & Capacity Building:** Suppliers should assign responsibilities and allocate resources for implementing the management system and train personnel at all levels to develop the right knowledge, skills, and attitudes necessary to reach the policy objectives.
3. **Risks & Impacts Assessment:** Suppliers should identify and measure their sustainability risks and impacts to prioritize actions for adressing them.
4. **Stakeholder Engagement:** Suppliers should identify their main stakeholders and systematically engage with them in meaningful dialog.
5. **Reporting on Progress:** Suppliers should report internally and externally on arising risks and issues, and how they are addressed.
6. **Grievance Management:** Suppliers should provide communication channels through which stakeholders can raise their concerns and seek remediation.
7. **Monitor & Review:** Suppliers should monitor, evaluate, and track performance of the sustainability management system and regularly revise it to integrate key learnings from the previous assessment period.



The following pages include an overview and descriptions of the sustainable sourcing requirements that Autoliv expects all direct material suppliers to comply with.

Please note that we have listed the items as either **“Requirements”** or **“Expectation”**, and have also stated a year next to the requirement/expectation when these was or will be implemented.

For **“Requirements”**, there are both existing and new requirements specified. The existing requirements are already implemented at our supply base, and for the new requirements we expect suppliers to be able to comply with these shall requirements by the year stated.

“**Expectation**” means that we expect suppliers to address the topic to ensure compliance in the future. These expectations are likely to become shall requirements in the future, and we will inform suppliers about such updates.

For questions on the requirements and expectations we advise you to turn to the responsible Lead-buyer in Autoliv, that also is supported by the Autoliv Sustainability team to provide answers and guidance.

Fulfilment of the requirements and expectations is reflected in Autoliv’s Climate & Environment status, Conflict minerals status and Social responsibility status, which are considered in Autoliv sourcing process. The status information is transparent to the supplier in Autoliv Partner portal.

Overview of Requirements & Expectations

No	Category	Requirement /Expectation	Requirement Description	Year Required
			CLIMATE & CIRCULARITY	
1	Environmental impact	Requirement	Completed Autoliv Annual Climate Survey	2023
2	Environmental impact	Expectation	Product life cycle assessment (LCA) aligned with ISO 14040 and ISO 14044	2025
3	Environmental impact	Requirement	Product carbon footprint calculation and reporting (PCF) aligned with ISO 14067	2025
4	Circularity	Requirement	Completed IMDS requirements & Circular materials data	2023
5	GHG Emission	Expectation	Approved Science Based Targets	2028
6	GHG Emission	Expectation	Achieved Net zero Emissions by 2040	2024
7	GHG Emission	Expectation	Reduction targets for GHG emissions of minimum 30% absolute reduction by 2030	2024
8	GHG Emission	Requirement	Tracking and reporting of GHG emissions	2025
9	GHG Emission	Expectation	Road map for at least a 35% reduction of GHG emissions by 2030 - Steel	2024
10	GHG Emission	Expectation	Road map for at least 75% recycled content by 2030 - Aluminum	2024
11	GHG Emission	Expectation	Road map for at least 40% recycled content by 2025 - Magnesium	2024
12	GHG Emission	Expectation	Road map for at least 35% reduction of GHG emissions by 2030 - Resin	2024
13	GHG Emission	Expectation	Road map for at least 35% reduction of GHG emissions by 2030 - Textiles	2024
14	GHG Emission	Expectation	Road map for GHG emissions reduction in transportation	2024
15	GHG Emission	Expectation	Road map for recycled/reusable content or low carbon material in packaging	2024
16	Renewable Electricity	Requirement	Reporting of certified Renewable Electricity share	2023
17	Renewable Electricity	Expectation	Minimum 30% Renewable Electricity in own operations	2025
18	Renewable Electricity	Expectation	Minimum 60% Renewable Electricity in own operations	2027
19	Renewable Electricity	Requirement	100% Renewable Electricity in own operations	2030
20	Renewable Electricity	Expectation	100% Renewable Electricity in Supply chain	2030
21	Deforestation	Requirement	Deforestation free products as per local regulations	2025
			RESPONSIBLE BUSINESS	
22	Conflict minerals	Requirement	Annual reporting of Conflict Minerals Reporting (CMRT)	2023
23	Conflict minerals	Requirement	No sanctioned or high risk smelters in the supply chain (CMRT)	2023
24	Extended minerals	Requirement	Annual reporting of Extended Minerals Reporting (EMRT)	2023
25	Extended minerals	Requirement	No sanctioned or high risk smelters in the supply chain (EMRT)	2023
26	Raw materials & minerals	Requirement	Annual reporting of Critical Raw Materials	2023
27	Raw materials & minerals	Requirement	Implement OECD Due Diligence Guidance	2023
			SAFE AND INCLUSIVE WORKPLACE	
28	Health and Safety	Requirement	Policy for Health and Safety in place	2023
29	Non- Retaliation	Requirement	Grievance mechanism available	2024
			SAVING MORE LIVES	
30	Road Safety	Requirement	Policy for Road Safety in place	2024
31	Road Safety	Expectation	Reporting of Traffic incidents in place	2024
32	Road Safety	Expectation	Safe Heavy goods vehicles	2024
			SUSTAINABILITY FRAMEWORK	
33	Sustainability mgmt.	Requirement	Appointed Senior Management Ownership of Sustainability	2024
34	Sustainability mgmt.	Requirement	Cascading of Autoliv Sustainability Requirements	2024
35	Inspection Rights	Expectation	Supply Chain Traceability by part number	2025
36	Inspection Rights	Requirement	Annual Supplier Self-Assessment	2023
37	Inspection Rights	Requirement	Autoliv on-site audit	2023

CLIMATE & ENVIRONMENTAL ACTION – Environmental impact

1. Autoliv Annual Climate Survey

Requirement	*Answer all questions in the Autoliv Climate Survey*	*2023*
Defined as:	All questions in the annual Autoliv Climate Survey must be fully completed.	
System requirements	*Climate Survey in Autoliv Partner Portal*	
Frequency of Reporting	*Annually for the previous calendar year.*	
Links to Tools:	Autoliv Partner Portal	

2. Product life cycle assessment (LCA)

Expectation	*Product Life Cycle Assessments (LCA) aligned with ISO 14040 and ISO 14044*	*2025*
Defined as:	Suppliers should systematically analyze the environmental impacts of the products, raw materials delivered to Autoliv. For Raw Material suppliers, multi-indicator LCA is required to assess other environmental impacts & verify low GHG solutions are not introducing other environmental issues (no pollution transfer allowed) using EF 3.1 methodology.	
System requirements	*.csv file*	
Frequency of Reporting	*As requested by Autoliv*	
Links to Tools:	*https://ghgprotocol.org/sites/default/files/standards/Product-Life-Cycle-Accounting-Reporting-Standard_041613.pdf*	

3. Product carbon footprint calculation and reporting (PCF)

New Requirement	*Calculate and report a Product Carbon Footprint (PCF) for the material or component supplied to Autoliv, aligned with ISO 14067, GHG Protocol, and Catena-X Carbon Product Rulebook*	*2025*
Defined as:	Suppliers shall calculate or model the total GHG emissions generated by a product or material, from extraction of raw materials to Autoliv gate. Aligned with ISO 14067, GHG Protocol, and Catena-X Carbon Product Rulebook. When requested, supplier shall report the PCF aligned with ISO 14067 and Catena-X Rulebook. Reporting will be requested in ALV GHG emission declaration, CBAM declaration and IMDS. Additional PCF declarations may be requested on an ad-hoc basis by Autoliv stakeholders.	
System requirements	*GHG emission declaration (Excel template), IMDS, CBAM declaration*	
Frequency of Reporting	*As requested by Autoliv*	
Links to Tools:	*https://www.iso.org/obp/ui/#iso:std:iso:14067:ed-1:v1:en* *https://catenax-ev.github.io/assets/files/CX-NFR-PCF-Rulebook_v.3.0-04874a80a6d27511df06e07ae3049278.pdf*	

CLIMATE & ENVIRONMENTAL ACTION – Circularity

4. IMDS requirements and Circular materials data

Requirement	*Ensure completion of new International Material Data System (IMDS) requirements for circularity and recycling content.*	*2023*
Defined as:	Data in IMDS labeled *"source of materials, including circular materials"* must be fully and accurately completed in the IMDS for all materials.	
System requirements	*IMDS*	
Frequency of Reporting	*As and when updates are made to IMDS*	
Links to Tools:	*https://public.mdsystem.com/en/web/imds-public-pages/search?q=circularity+and+recyclates*	

CLIMATE & ENVIRONMENTAL ACTION – GHG Emissions

5. Approved Science Based Targets

Expectation	*Approved Science Based Targets*	*2028*
Defined as:	GHG emission targets should be approved by Science Based Targets Initiative (SBTi). Expectation by 2028, except if requested sooner, e.g., acceleration of requirements for Global Roadmap Suppliers & selected Strategic Suppliers.	
System requirements	*Autoliv Partner Portal – attach to Supplier visible document list*	
Frequency of Reporting	*Initial approved SBTi target document and annual update on performance against targets.*	
Links to Tools:	*https://sciencebasedtargets.org/*	

6. Achieved Net-zero GHG Emissions

Expectation	*Net-zero GHG Emissions in supply chain*	*2040*
Defined as:	Autoliv suppliers should commit to net-zero GHG emissions within their entire supply chain. This expectation applies to parts/products supplied to Autoliv.	
System requirements	*Climate Survey in Autoliv Partner Portal*	
Frequency of Reporting	*Annual basis for the previous calendar year.*	
Links to Tools:	*https://sciencebasedtargets.org/resources/files/Net-Zero-Standard.pdf*	

7. Set Reduction targets of GHG Emissions

Expectation	*Set supplier GHG Emissions Reduction Targets – of minimum 30% absolute reduction by 2030 (All Scopes)*	*2024*
Defined as:	Autoliv suppliers should set annual GHG emissions reduction targets to meet a minimum of 30% absolute reduction by 2030, compared to year 2018 or as revised by SBTi requirements.	
System requirements	*N/A*	
Frequency of Reporting	*As requested by Autoliv*	
Links to Tools:	*https://sciencebasedtargets.org/* *https://ghgprotocol.org/sites/default/files/standards/ghg-protocol-revised.pdf (Chapter 11)*	

8. Tracking and reporting of GHG Emissions

Requirement	*Supplier tracking and reporting of GHG Emissions (All Scopes)*	*2024*
Defined as:	Autoliv suppliers must track the GHG Emissions (Scopes 1, 2, & 3 upstream, see resource section) according to the GHG Protocol. Considering 2024 data and onwards.	
System requirements	*Climate Survey in Autoliv Partner Portal*	
Frequency of Reporting	*Annually for the previous calendar year.*	
Links to Tools:	*https://ghgprotocol.org/sites/default/files/standards/ghg-protocol-revised.pdf*	

9. Road map for Low GHG Emissions – Steel

Expectation	*Develop a Roadmap for at least a 35% reduction of GHG emissions of steel by 2030*	*2024*
Defined as:	Suppliers must develop a roadmap to ensure annual decrease of the GHG emissions of steel, with at least 35 % reduction by 2030 compared to year 2018, or as revised by SBTi requirements. Suppliers shall use IMDS entry to record the recycled share. Expectation by 2024, except if requested sooner, e.g., acceleration of requirements for Global Roadmap Suppliers & selected Strategic Suppliers.	
System requirements	*Climate survey in Autoliv Partner Portal. IMDS (recycled content), emission certificate for low emissions steel*	
Frequency of Reporting	*As requested by Autoliv*	
Links to Tools:	*Autoliv Material Standard (AMS 003)* *"General Requirement for low emissions steel)*	

10. Road map for Recycled content – Aluminum

Expectation	*Develop a Road map for at least 75% recycled content by 2030 - Aluminum*	*2024*
Defined as:	Suppliers must develop a roadmap to ensure annual decrease of the GHG emissions of aluminum, ensuring annual increase in recycled content with at least 75 % recycled content by 2030, or ensure an aluminum stewardship initiative approved source with an emission factor below 4kg CO2e/kg. Suppliers shall use IMDS entry to record the recycled share. Expectation by 2024, except if requested sooner, e.g., acceleration of requirements for Global Roadmap Suppliers & selected Strategic Suppliers.	
System requirements	*IMDS (recycling content), emission certificate for emission reduced aluminum*	
Frequency of Reporting	*As requested by Autoliv*	
Links to Tools:	*N/A*	

11. Roadmap for Recycled content – Magnesium

Expectation	*Develop a Road map for at least 40% recycled content by 2025 – Magnesium*	*2024*
Defined as:	Suppliers must develop a roadmap to ensure annual decrease of the GHG emissions of aluminum, ensuring annual increase in recycled content with at least 40% recycled content by 2025, or reduce the carbon footprint below the emission factor below 10 kg CO2e/kg. Suppliers shall use IMDS entry to record the recycled share. Expectation by 2024, except if requested sooner, e.g., acceleration of requirements for Global Roadmap Suppliers & selected Strategic Suppliers.	
System requirements	*IMDS (recycling content), emission certificate for emission reduced Mg*	
Frequency of Reporting	*As requested by Autoliv*	
Links to Tools:	*N/A*	

12. Roadmap for Low GHG Emissions – Resin

Expectation	*Develop a Road map for at least 35% reduction of GHG emissions by 2030 - Resin*	*2024*
Defined as:	Suppliers must develop a roadmap to ensure annual decrease of the GHG emissions of resin, with at least 35% reduction by 2030 compared to year 2018, or as revised by SBTi requirements. Suppliers shall use IMDS entry to record the recycled share. Expectation by 2024, except if requested sooner, e.g., acceleration of requirements for Global Roadmap Suppliers & selected Strategic Suppliers.	
System requirements	*Climate survey in Autoliv Partner Portal. IMDS (recycling content)*	
Frequency of Reporting	*As requested by Autoliv*	
Links to Tools:	*N/A*	

13. Roadmap for Low GHG Emissions – Textiles

Expectation	*Develop a Roadmap for at least 35% reduction of GHG emissions of textiles by 2030*	*2024*
Defined as:	Suppliers must develop a roadmap to ensure annual decrease of the GHG emissions of textiles, with at least 35% reduction by 2030 compared to year 2018, or as revised by SBTi requirements. Suppliers shall use IMDS entry to record the recycled share. Expectation by 2024, except if requested sooner, e.g., acceleration of requirements for Global Roadmap Suppliers & selected Strategic Suppliers.	
System requirements	*Climate survey in Autoliv Partner Portal. IMDS (recycling content)*	
Frequency of Reporting	*As requested by Autoliv*	
Links to Tools:	*N/A*	

14. Road map for GHG Emissions reductions in Transportation

Expectation	*Develop a Roadmap for GHG emissions reductions in Transportation*	*2024*
Defined as:	Year-over-year GHG emissions reduction from transportation of supplier delivered parts by adopting low-carbon alternatives.	
System requirements	*N/A*	
Frequency of Reporting	*As requested by Autoliv*	
Links to Tools:	*https://sciencebasedtargets.org/* *ISO 14083*	

15. Road map for Recycled or low carbon material in Packaging

Expectation	*Develop a Roadmap to increase amount of recycled/reusable content or low carbon material in packaging*	*2024*
Defined as:	Year-over-year increase in share of recycled content, reusable content, returnable packaging material, low-carbon material, and/or increase compostable or biodegradable materials in packaging	
System requirements	*N/A*	
Frequency of Reporting	*As requested by Autoliv*	
Links to Tools:	*https://sciencebasedtargets.org*	

CLIMATE & ENVIRONMENTAL ACTION – Renewable Electricity

16. Reporting of certified Renewable Electricity share

Requirement	*Track and report percentage of electricity consumption that is certified renewable*	*2023*
Defined as:	Autoliv's climate strategy requires that suppliers use renewable electricity. Suppliers must track and report percentage of electricity consumption that is from renewable sources. Renewable electricity is electricity generated by solar, wind, hydro, or geothermal sources. Nuclear energy is not being considered a renewable source. These percentages should be supported by valid documentation. Renewable electricity consumption must be supported by specific documentation from the electricity supplier. At a minimum, the documentation shall: - Be issued by the electricity provider in case of bundled energy attribute certificates (EACs) (i.e. "green tariff"), or the company from which the EACs were purchased in case of the use of Guarantees of Origin (e.g. EAC, REC, I-REC, GO), or the generator in case of a Power Purchase Agreement (PPA) - Clearly indicate that the EACs were retired for the calendar year covered by the survey - State the quantity (MWh/GWh), of purchased & retired renewable electricity - State the renewable energy source. Reporting the share of renewable and low carbon electricity in the average grid mix is not considered valid.	
System requirements	*Climate Survey in Autoliv Partner Portal*	
Frequency of Reporting	*Annually for the previous calendar year*	
Links to Tools:	*N/A*	

17. Achieved Renewable Electricity in Supply Chain

Expectation	*30% minimum of electricity comes from renewable sources*	*2025*
Defined as:	Autoliv's climate strategy requires that suppliers use renewable electricity. Renewable electricity is electricity generated by solar, wind, hydro, or geothermal sources. Renewable electricity consumption must be supported by specific documentation from the electricity supplier. Reporting the share of renewable electricity in the average grid mix is not considered valid. Suppliers should request all upstream suppliers through Tier N to commit to 30% renewable electricity no later than 2025. Expectation by 2025, except if requested sooner, e.g., acceleration of requirements for Global Roadmap Suppliers & selected Strategic Suppliers. Pending specific RFQs this expectation can be addressed earlier.	
System requirements	*Climate Survey in Autoliv Partner Portal*	
Frequency of Reporting	*Annually for the previous calendar year*	
Links to Tools:	*N/A*	

18. Achieved Renewable Electricity in Supply Chain

Expectation	*60% minimum of electricity comes from renewable sources*	*2027*
Defined as:	Autoliv's climate strategy requires that suppliers use renewable electricity. Renewable electricity is electricity generated by solar, wind, hydro, or geothermal sources. Renewable electricity consumption must be supported by specific documentation from the electricity supplier. Reporting the share of renewable electricity in the average grid mix is not considered valid. Suppliers should request all upstream suppliers through Tier N to commit to 60% renewable electricity no later than 2027. Expectation by 2027, except if requested sooner, e.g., acceleration of requirements for Global Roadmap Suppliers & selected Strategic Suppliers. Pending specific RFQs this expectation can be addressed earlier.	
System requirements	*Climate Survey in Autoliv Partner Portal*	
Frequency of Reporting	*Annual basis for the previous calendar year*	
Links to Tools:	*N/A*	

19. Achieved Renewable Electricity in Supply Chain

Expectation	*100% Renewable Electricity in Supply chain*	*2030*
Defined as:	Autoliv's climate strategy requires that suppliers use renewable electricity. Renewable electricity is electricity generated by solar, wind, hydro, or geothermal sources. Renewable electricity consumption must be supported by specific documentation from the electricity supplier. Reporting the share of renewable electricity in the average grid mix is not considered valid. Suppliers should request all upstream suppliers through Tier N to commit to 100% renewable electricity no later than 2030. Expectation by 2030, except if requested sooner, e.g., acceleration of requirements for Global Roadmap Suppliers & selected Strategic Suppliers. Pending specific RFQs this expectation can be addressed earlier.	
System requirements	*Climate Survey in Autoliv Partner Portal*	
Frequency of Reporting	*Annual basis for the previous calendar year.*	
Links to Tools:	*N/A*	

20. Achieved Renewable Electricity in own operations

Requirement	*100% Renewable Electricity in own operations*	*2030*
Defined as:	Autoliv's climate strategy requires that suppliers use renewable electricity. Renewable electricity is electricity generated by solar, wind, hydro, or geothermal sources. Renewable electricity consumption must be supported by specific documentation from the electricity supplier. Reporting the share of renewable electricity in the average grid mix is not considered valid. Suppliers shall commit to 100% renewable electricity no later than 2030 in own operations. Requirement by 2030, except if requested sooner, e.g., acceleration of requirements for Global Roadmap Suppliers & selected Strategic Suppliers. Pending specific RFQs this expectation can be addressed earlier.	
System requirements	*Climate Survey in Autoliv Partner Portal*	
Frequency of Reporting	*Annual basis for the previous calendar year.*	
Links to Tools:	*N/A*	

21. Deforestation free products as per local regulations

***New** Requirement*	*Deforestation free products as per local regulations*	*2025*
Defined as:	Autoliv suppliers must ensure deforestation free products as per local regulations, such as EUDR in Europe.	
System requirements	*N/A*	
Frequency of Reporting	*As requested by Autoliv*	
Links to Tools:	*N/A*	

RESPONSIBLE BUSINESS – Conflict minerals

22. Reporting of Conflict Minerals

Requirement	*Submission of annual company-level Conflict Minerals Reporting Template (CMRT) with 100% response rate from upstream suppliers*	*2023*
Defined as:	Autoliv suppliers must submit an annual, company-level Conflict Mineral Reporting Template (CMRT). The CMRT includes the minerals gold, tantalum, tungsten and tin (3TG). Suppliers must achieve a 100% response rate from their upstream suppliers sourcing the concerned minerals. No suppliers are exempted from completing the CMRT.	
System requirements	*iPoint & CMRT 6.2*	
Frequency of Reporting	*Annual basis for the current calendar year.*	
Links to Tools:	*https://www.responsiblemineralsinitiative.org/reporting-templates/cmrt/*	

23. Conflict Minerals Management

Requirement	*No sanctioned smelters or high-risk smelters in Autoliv supply chain (CMRT)*	*2023*
Defined as:	Autoliv does not permit the sourcing of 3TG from sanctioned or high-risk smelters in the Autoliv supply chain. If a sanctioned or high-risk smelter is identified on a company-level CMRT, suppliers must be able to trace 3TG content in components or raw materials by part number from their facility back to the supplier sourcing from the identified smelter(s). If it is confirmed that a sanctioned or high-risk smelter is in the Autoliv supply chain, supplier must take immediate action to remove and replace the smelter from the supply chain to a compliant and safe source.	
System requirements	*iPoint & CMRT 6.2*	
Frequency of Reporting	*Annual basis for the current calendar year.*	
Links to Tools:	*https://www.responsiblemineralsinitiative.org/responsible-minerals-assurance-process/*	

RESPONSIBLE BUSINESS – Extended minerals

24. Reporting of Extended Minerals

Requirement	*Submission of annual company-level Extended Minerals Reporting Template (EMRT) with 100% response rate from upstream suppliers*	*2023*
Defined as:	Autoliv suppliers must submit an annual, company-level Extended Mineral Reporting Template (EMRT). The EMRT includes the minerals cobalt and mica. During 2025 the scope could also be extended to include any of the minerals lithium, nickel, copper and graphite, related to legal requirements, customer expectations and/or identified risk areas. Suppliers must achieve a 100% response rate from their upstream suppliers sourcing the concerned minerals. No suppliers are exempted from completing the EMRT.	
System requirements	*iPoint & EMRT*	
Frequency of Reporting	*Annual basis for the current calendar year.*	
Links to Tools:	*https://www.responsiblemineralsinitiative.org/reporting-templates/emrt/*	

25. Extended Minerals Management

Requirement	*No sanctioned smelters or high-risk smelters in Autoliv supply chain (EMRT)*	*2023*
Defined as:	Autoliv does not permit the sourcing of extended minerals from sanctioned or high-risk smelters in the Autoliv supply chain. If a sanctioned or high-risk smelter is identified on a company-level EMRT, suppliers must be able to trace the content in components or raw materials by part number from their facility back to the supplier sourcing from the identified smelters. If it is confirmed that a sanctioned or high-risk smelter is in the Autoliv supply chain, supplier must take immediate action to remove and replace the smelter from the supply chain to a compliant and safe source.	
System requirements	*iPoint & EMRT*	
Frequency of Reporting	*Annual basis for the current calendar year.*	
Links to Tools:	*https://www.responsiblemineralsinitiative.org/responsible-minerals-assurance-process/*	

RESPONSIBLE BUSINESS – Raw materials and minerals

26. Reporting of Critical Raw Materials

Requirement	*Annual reporting of Critical Raw materials at company level with 100% response rate*	*2023*
Defined as:	Critical Raw materials are raw materials considered economically and strategically important for the automotive industry and have a high risk associated with their supply chain. Suppliers must achieve a 100% response rate from their upstream suppliers (ability to trace on part number level) on critical raw materials impacted by a local or regional regulation. Suppliers shall follow the new arising regulations related to materials and minerals and support Autoliv once we are having related questions.	
System requirements	*iPoint & AMRT*	
Frequency of Reporting	*Annual basis for the current calendar year.*	
Links to Tools:	*Additional Minerals Reporting Template*	

27. OECD Due Diligence Guidance

Requirement	*Implement OECD Due Diligence Guidance*	*2023*
Defined as:	Suppliers shall responsibly source raw materials and minerals used in their products by developing a management system that promotes supply chain traceability and transparency, and by implementing due diligence measures in accordance with OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.	
System requirements	*N/A*	
Frequency of Reporting	*N/A*	
Links to Tools:	Home page – OECD	

SAFE AND INCLUSIVE WORKPLACE – Health and Safety

28. Policy for Health and Safety

Requirement	*Policies, procedures and training in place for employees and subcontractors. (Health & Safety Management System based on ISO 45001 preferred)*	*2023*
Defined as:	Supplier shall maintain a health and safety management system based on clear policy commitments. The policy must, at a minimum, contain: - Personal protective equipment - Machine safety - Emergency preparedness - Incident and accident management - Workplace ergonomics - Handling of chemical and/or biological substances - Fire protection - Training Policy should cover both company employees, subcontractors, and contracted personnel.	
System requirements	*N/A*	
Frequency of Reporting	*N/A*	
Links to Tools:	*N/A*	

SAFE AND INCLUSIVE WORKPLACE – Speak Up and Non-Retaliation

29. Grievance Mechanism (speak-up and non-retaliation)

Requirement	*Suppliers are required to maintain a grievance mechanism available to all employees and/or business partners*	*2024*
Defined as:	A grievance mechanism is a procedure that provides to the possibility to address complaints or compliance issues. It is typically an internal procedure for complaints followed by assessment, management response and corrective action if relevant. A grievance mechanism should include a non-retaliation policy where all the supplier's employees are protected from any form of retaliation should they raise a concern, problem, or question in good faith.	
System requirements	*N/A*	
Frequency of Reporting	*N/A*	
Links to Tools:	*N/A*	

SAVING MORE LIVES – Road Safety

30. Policy for Road Safety

Requirement	*Road Safety Policy in place*	*2024*
Defined as	Supplier must have a clear policy expressing their commitment towards reducing their negative impact on road safety within their sphere of influence. Such a policy should cover: • Training drivers for defensive driving and enforcing mandatory restraint system usage (driver and passenger seatbelts, helmets). • Prohibiting mobile use while driving and adherence to speed limits. • Implementing a zero alcohol and drug use policy when driving. The organization also plans to phase in alco-locks on all trucks and delivery vehicles. • Enforcing rest policy to ensure drivers do not drive fatigued. • Third party insurance and employee insurance so that all affected by an incident receive necessary support and rehabilitation. Policy should cover both own and contracted personnel.	
System requirements	*N/A*	
Frequency of Reporting	*Annual*	
Links to Tools:	*https://www.autoliv.com/saving-more-lives*	

31. Reporting of Traffic incidents

Expectation	*Traffic incident reporting in place*	*2024*
Defined as:	Transportation suppliers should be able to track and keep log of the total distance travelled, crashes, serious injuries, and fatalities in their road transport. This applies to suppliers that arrange the delivery to Autoliv plant. Reporting should cover both own and contracted personal. Third party affected should also be documented. Anonymized crash meta-data such as country where crash happened, traffic conditions, type of crash, short summary of crash, injury and fatalities of all parties, and age groups.	
System requirements	*N/A*	
Frequency of Reporting	*For each incident.*	
Links to Tools:	*N/A*	

32. Safe Heavy goods vehicles

Expectation	*Safe Heavy goods vehicles*	*2024*
Defined as:	Transportation suppliers should utilize heavy goods vehicles (HGVs) fulfilling a minimum safety standard of airbags, seatbelts and alco-lock. New HGVs procured should have the highest safety standards and ratings available in the respective markets based on relevant national/regional ratings. This applies to suppliers that arrange the delivery to Autoliv plant.	
System requirements	*Reporting should cover both own and contracted vehicles.*	
Frequency of Reporting	*TBD*	
Links to Tools:	*Safer Trucks – On the road to Vision Zero (euroncap.com)*	

SUSTAINABILITY FRAMEWORK – Sustainability Management

33. Senior Management Ownership of Sustainability Topics

Requirement	*For each company or supplier group, a senior member of management shall be appointed as responsible for oversight of Sustainability topics.*	2024
Defined as:	Companies must appoint a senior management representative who, irrespective of other responsibilities, serves as the person responsible for ensuring that the company meets its commitments related to social, compliance/business ethics, and environmental sustainability. Companies should also determine clear responsibilities of designated representatives to the respective function, with proper documentation (e.g. job description). Suppliers must maintain up-to-date information on contact name, telephone number, and email address of the person responsible for managing sustainability inquiries.	
System requirements	Self-assessment Questionnaire	
Frequency of Reporting	Annually	
Links to Tools:	*https://corpgov.law.harvard.edu/2022/02/03/best-practices-for-establishing-esg-disclosure-controls-and-oversight/*	

34. Cascading of Autoliv Sustainability Requirements

Requirement	*Autoliv Tier 1 suppliers are required to cascade Autoliv Supplier Sustainability Requirements to upstream suppliers*	*2024*
Defined as:	Autoliv's Tier 1 suppliers are required to cascade all Autoliv Supplier Sustainability Requirements to upstream suppliers and validate that the Tier 2 suppliers have incorporated these guidelines. Tier 1 suppliers should then require Tier 2 suppliers to cascade to Tier 3 suppliers and so on.	
System requirements	*N/A*	
Frequency of Reporting	*N/A*	
Links to Tools:	*N/A*	

SUSTAINABILITY FRAMEWORK – Inspection Rights & Co-Operation

35. Supply Chain Traceability by Part number

Expectation	*Full Supply chain Traceability by Autoliv Part number*	*2025*
Defined as:	Suppliers are expected to develop traceability capabilities for entire upstream value chain and can trace to Tier N by Autoliv part number incl. raw materials. Suppliers are also expected to collaborate fully with any information requests from Autoliv regarding their upstream value chain.	
System requirements	*TBD*	
Frequency of Reporting	*As requested by Autoliv*	
Links to Tools:	*N/A*	

36. Annual Supplier Self-Assessment

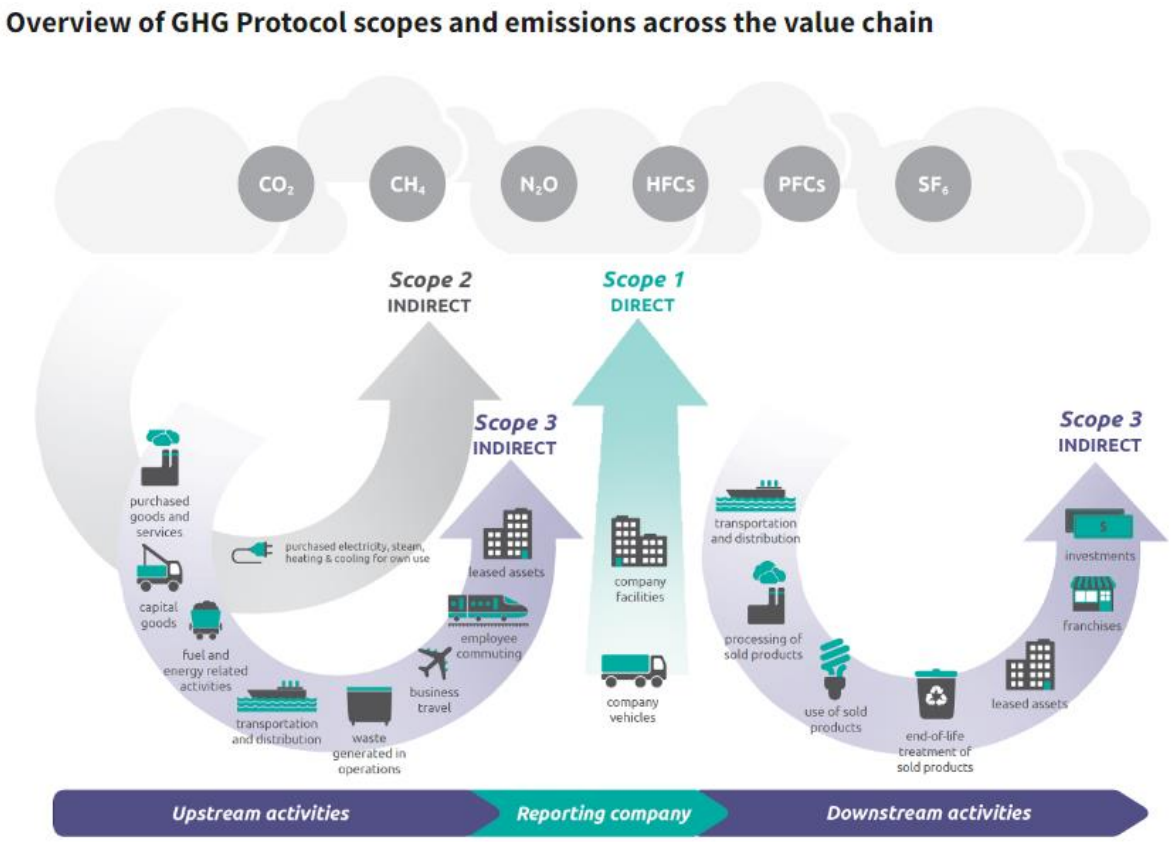
Requirement	*Supplier will complete the annual self-assessment questionnaire upon request from Autoliv with 100 % response rate*	*2023*
Defined as:	The self assessment questionnaire is a verification of a supplier's compliance to Sustainability Principles, supporting a systematic approach to manage risk and due diligence in the supply chain.	
System requirements	*TBD*	
Frequency of Reporting	*Annual completion unless system upgrade or supplier certificates expire*	
Links to Tools:	*https://supplierassurance.com/sa* *Guiding principles – Drive Sustainability*	

37. Autoliv on-site audit

Requirement	*Contribute to Autoliv on-site audit*	*2023*
Defined as:	Suppliers must be willing to undergo and support an Autoliv audit, including developing and implementing corrective actions.	
System requirements	*N/A*	
Frequency of Reporting	*Every 3 years or sooner based on risk identified*	
Links to Tools:	*N/A*	

GHG ACCOUNTING PROTOCOL

Links to Tool: https://ghgprotocol.org/corporate-standard



Additional Resources

ORGANIZATION	DESCRIPTION	LINK TO SOURCE
Paris Climate Agreement	Climate change is a global emergency that goes beyond national borders. It is an issue that requires international cooperation and coordinated solutions at all levels. To tackle climate change and its negative impacts, world leaders at the UN Climate Change Conference (COP21) in Paris reached a breakthrough on 12 December 2015: the historic Paris Agreement.	https://www.un.org/en/climatechange/paris-agreement
Science Based Targets Initiative	Science-based targets provide a clearly-defined pathway for companies to reduce greenhouse gas (GHG) emissions, helping prevent the worst impacts of climate change and future-proof business growth. Targets are considered 'science-based' if they are in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement – limiting global warming to well-below 2°C above pre-industrial levels and pursuing efforts to limit warming to 1.5°C.	https://sciencebasedtargets.org/
GHG Accounting Protocol	GHG Protocol establishes comprehensive global standardized frameworks to measure and manage greenhouse gas (GHG) emissions from private and public sector operations, value chains and mitigation actions.	https://ghgprotocol.org/
GHG Accounting Protocol (Product Standard)	The Product Standard can be used to understand the full life cycle emissions of a product and focus efforts on the greatest GHG reduction opportunities. This is the first step towards more sustainable products. Using the standard, companies can measure the greenhouse gases associated with the full life cycle of products including raw materials, manufacturing, transportation, storage, use and disposal. The results can create competitive advantage by enabling better product design, increasing efficiencies, reducing costs, and removing risks	https://ghgprotocol.org/sites/default/files/standards/Product-Life-Cycle-Accounting-Reporting-Standard_041613.pdf
GHG Accounting Protocol	Glossary of relevant sustainability terms	APP Help files/ E5767819

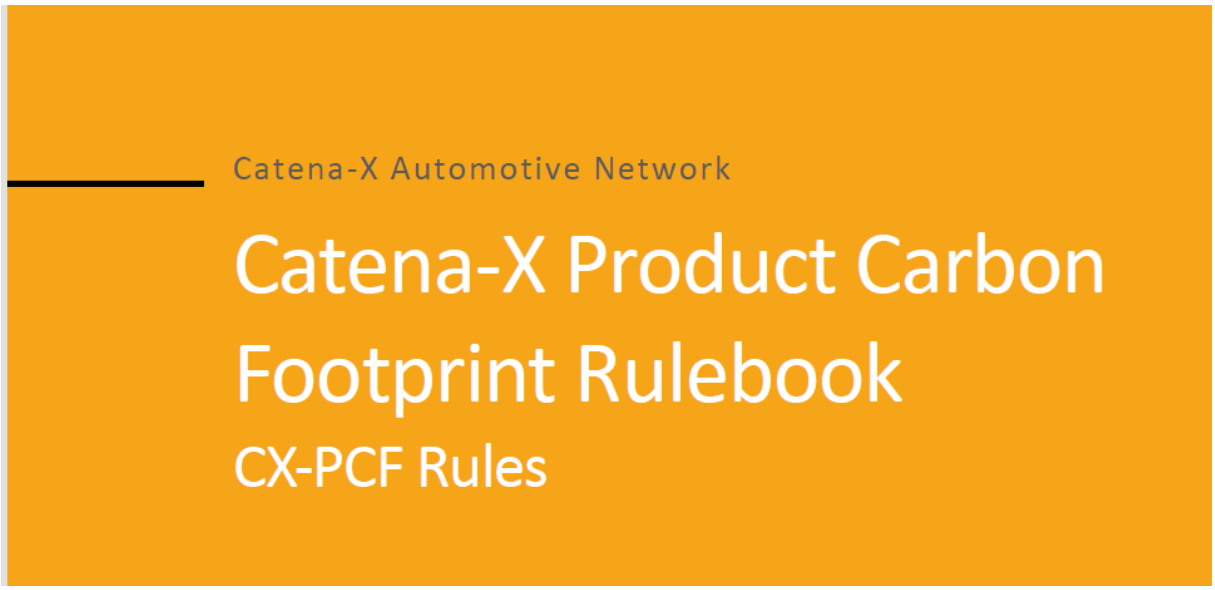
GLOSSARY OF TERMS

Climate/Sustainability Language Alignment

	forestry materials, as opposed to non-renewable materials, such as petroleum.
Carbon neutral	Carbon neutrality refers specifically to carbon emissions generated but then offset elsewhere to achieve a net-neutral outcome.
Circularity	a product is created with its own end-of-life taken into account. In a circular economy, once the user is finished with the product, it goes back into the supply chain instead of the landfill.
Climate Neutral	the idea of achieving net zero greenhouse gas emissions by balancing those emissions so they are equal (or less than) the emissions that get removed through the planet's natural absorption; in basic terms it means we reduce our emissions through climate action.
CO2 equivalent (CO2e)	The universal unit of measurement to indicate the global warming potential (GWP) of each greenhouse gas, expressed in terms of the GWP of one unit of carbon dioxide. It is used to evaluate releasing (or avoiding releasing) different greenhouse gases against a common basis.
Code of Conduct	A company's code of conduct is a policy that outlines principles and standards that all employees and third parties acting on behalf of the company must follow.
Cradle-to-gate	All emissions that occur in the life cycle of purchased products, up to the point of receipt by the reporting company (excluding emissions from sources that are owned or controlled by the reporting company).
Direct emissions	Emissions from sources that are owned or controlled by the reporting company.
Downstream emissions	Indirect GHG emissions from sold goods and services. Downstream emissions also include emissions from products that are distributed but not sold (i.e., without receiving payment).
Emission factor	A factor that converts activity data into GHG emissions data (e.g., kg CO2e emitted per liter of fuel consumed, kg CO2e emitted per kilometer traveled, etc.).
Energy Reduction Targets	targets set by entities to achieve energy reduction levels by a specified time
ESG	ESG stands for Environmental Social and Governance, and refers to the three key factors when measuring the sustainability and ethical impact of an investment in a business or company.
Fossil-fuel	a nonrenewable energy source whose extraction often damages the environment.

CATENA-X PRODUCT CARBON FOOTPRINT RULEBOOK

Links to Tool: https://catena-x.net/en/mehrwerte/



AUTOMOTIVE GUIDING PRINCIPLES

Links to Tool: https://www.drive.org/guiding-principles-4-0-translations/

ROADMAP TO DECARBONIZATION

Links to Tool: https://www.cleanenergytransition.org/projects/deep-decarbonization-pathways/meeting-the-challenge#:~:text=Deep%20Decarbonization%20Strategies,%2C%20electrification%2C%20and%20carbon%20capture.