

QUALCOMM Incorporated
5775 Morehouse Drive
San Diego, CA 92121

August 5, 2021

Board of Directors
Veoneer, Inc.
Klarabergsviadukten 70, Section C, 6th Floor SE-111 64
Box 13089, SE-101302
Stockholm, Sweden

Attn: Jan Carlson
Chairman of the Board

Members of the Board:

On behalf of QUALCOMM Incorporated and its subsidiary, QCAS, Inc., (collectively, “Qualcomm”), I am pleased to submit to you our proposal to acquire 100% of the common shares of Veoneer, Inc. (“Veoneer”) for \$37.00 per share in cash, on the terms and conditions described below (the “Transaction”). The Transaction represents a compelling opportunity for Veoneer and its shareholders both on a stand-alone basis and as compared to your merger agreement with Magna International Inc. (“Magna”), and we look forward to moving forward together to swiftly sign and close the Transaction.

Strategic Rationale and Vision for Transaction

Qualcomm has long admired your company, employees, and, in particular, Arriver. The combination of Arriver’s differentiated Computer Vision, Drive Policy and other Driver Assistance assets, along with Qualcomm’s leading Snapdragon Ride platform, broad technology portfolio and automotive customer traction will enable us to transform the ADAS segment, creating open and competitive platforms for automakers and Tier-1s.

Leadership in ADAS will require leading edge thinking, a track record of innovation and the capability to create and deliver complex semiconductor and software solutions – all of which are Qualcomm’s core strengths.

We believe that together we are uniquely positioned to accelerate competition and create choice for the automotive ecosystem.

Building upon our successful partnership to date and based upon strong customer support for our strategy, we are fully committed to completing this transaction, and together with Arriver, powering the future of autonomous driving.

Qualcomm is excited to welcome Veoneer's management and employees to our team. We have a large and growing presence in Europe (~4,000 employees), including sites in Sweden, Germany, and France. We look forward to growing our capabilities in the region with this acquisition.

Key Terms of the Transaction

We are pleased to outline the details of the Transaction below:

1. Purchase Price. Qualcomm will acquire 100% of the common shares of Veoneer for \$37.00 per share in cash, representing a total equity value of \$4.6 billion based on an estimated 123 million fully-diluted shares outstanding.
2. Valuation. The Transaction delivers an immediate, premium valuation to Veoneer's shareholders, representing:
 - an 18.4% premium to the \$31.25 per share for Veoneer offered by Magna; and
 - an 85.6% premium to Veoneer's share price as of market close on July 22, 2021, the last trading day prior to the announcement of the Magna offer.
3. Due Diligence. We are prepared to immediately commence a focused diligence process, which we anticipate being able to complete in short order. We are prepared to move forward on the basis of our existing confidentiality agreement, but we are also happy to enter into a new agreement if you prefer.
4. No Financing Condition. The Transaction will have no direct or indirect financing condition or contingency.
5. Merger Agreement. The terms of the merger agreement for the Transaction will be substantially similar to the Magna merger agreement, although it will provide for substantially greater value for Veoneer shareholders and substantially greater transaction certainty. We expect to finalize the Transaction merger agreement with you concurrently with our focused due diligence process.
6. Regulatory Approvals. We do not believe there are material regulatory clearance concerns with respect to the Transaction—as opposed to potential issues with the Magna proposal in which the parties have overlap in active safety. We will agree to the same regulatory-related provisions that Magna agreed to in the Magna merger agreement, and we expect that following a focused diligence effort we will be in a position to provide even greater regulatory-related closing protection to Veoneer for inclusion in the final Transaction agreement. During the diligence period we will also work with Veoneer and its advisors to explore ways to minimize the timetable associated

with regulatory filings and to limit the number of worldwide filings that will be required for the Transaction.

7. Other Transaction Certainty Considerations. Our proposal has been unanimously approved by the Qualcomm board of directors and requires no approval by our shareholders. As you know, our interest in Veoneer is driven by Arriver, and while we plan to explore a divestment of the non-Arriver assets to parties who are better positioned to grow these strong and stable businesses, neither the separation nor sale of the non-Arriver assets is a condition of our proposal, and neither will be required to be completed prior to closing of the Transaction.
8. Advisors. We have engaged Evercore Group L.L.C. and Centerview Partners LLC as our financial advisors and Paul, Weiss, Rifkind, Wharton & Garrison LLP as our legal advisors in connection with the Transaction. They are prepared to begin work immediately to assist us in completing our confirmatory due diligence review and finalizing the Transaction with you.

Next Steps

We are confident you will conclude that the Transaction constitutes a Superior Proposal under the terms of the Magna merger agreement. Completing the Transaction with Veoneer is Qualcomm's highest priority, and accordingly, we and our advisors are ready to meet with you and your management team and advisors to answer any questions you may have and to develop a work plan for moving forward. We will separately send you contact information for Qualcomm and our advisors so that you can reach out to us directly.

Please note that this letter is not meant to, and does not, create or constitute any legally-binding obligation, liability or commitment by either party concerning the proposed transaction, and, other than any confidentiality agreement we may enter into with you, there will be no legally-binding agreement between us regarding the proposed transaction unless and until we finalize the terms of, and enter into, a definitive merger agreement with you.

Sincerely,



Cristiano R. Amon

President and CEO
QUALCOMM Incorporated