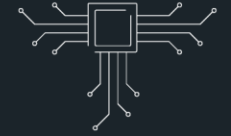


Sustainability Plan 2025-2029

March 2025



Electronics



Helicopters



Aircraft



Cyber &
Security



Space



Aerostructures

Security and sustainability are interconnected and require further global effort

- 2025 World Economic Forum Global Risks Report ranked **security-related, social and climate risks** top 10 short-term risks
- In 10 years, **environmental and climate crises, information and AI risks, and societal inequalities** become the priorities



GEOPOLITICAL CONTEXT

In 2024

- **56** armed conflicts active worldwide
- **63** multilateral peacekeeping operations
- **> US\$ 2.4 T** (2023) military expenditure worldwide (+6.8% vs 2022)

- **Technological disruption** in the AD&S sector, especially through AI and unmanned systems, with higher competition from new high-tech small players
- Focus on **global security**, with need of multi-domain and integrated technologies
- Growing role of **Cyber & Space** in security
- **Energy security** pivotal need as digital transition boosts
- Policymakers need to be "open to the possibility that **what is considered to be ethically acceptable may change as the world again becomes marked by military rearmament and growing tensions** between countries", as stated by Norway's central bank chief in an address to the Supervisory Council of Norges Bank in February 2025



POLITICS AND REGULATION

In 2024

- **70** countries held elections
- **~2 B** voters (25% of world's population)
- **>2,400** ESG regulations active worldwide

- Trump administration has been already **cancelling US** international and national **commitments on decarbonization and DE&I**
- Despite a possible review in 2025, **EU** companies must comply with strict and **growing sustainability regulations**
- EU is working on integrating **decarbonization policies** with industrial, competition, economic and trade policies as a driver of growth
- With the Competitiveness Compass, the EU aims to **simplify the regulatory environment**, reducing burden and favoring speed and flexibility, a direction already undergone through the **Omnibus regulation**

Sources: ACLED Conflict Index Results 2024; Stockholm International Peace Research Institute; Deutsche Bank – European A&D – 2025 outlook; International Foundation for Electoral Systems; A Competitiveness Compass for EU (2025); Norges Bank, "Address by Governor Ida Wolden Bache to the Supervisory Council of Norges Bank and invited guests" (February 2025)



Sustainability is an enabling factor of Group Strategic Plan

- Leonardo set its strategy for a sustainable growth in all its business areas, leveraging on people, products, innovation, efficiency and partnerships to enhance the Group sustainability competitiveness
- All the strategic priorities identified are closely connected with the most material topics (see next slide)

STRATEGIC PILLARS



Strengthen core business

- Rationalization of product portfolio
- Efficiency Plan
- Digitalization across all our business



Pave the way to the broader security challenge

- Inorganic growth, new technologies and emerging markets
- Creation of global alliances
- Boosting Cyber Security, AI and Space technologies integration

People strategy as a key asset to deliver on Group strategic plan

SUSTAINABILITY IMPACTS *(aligned with materiality analysis outcomes)*

New business opportunities thanks to:

- Higher competitiveness on markets/clients requiring ESG
- Growing markets related to sustainability applications of our solution

Optimization of operations, new materials and technologies to decouple business growth from environmental impacts

Digital processes, products and services to increase competitiveness, enhance customer experience, improve efficiency while reducing environmental footprint of operations

Solutions contributing to protect societies and the planet in multiple domains such as:

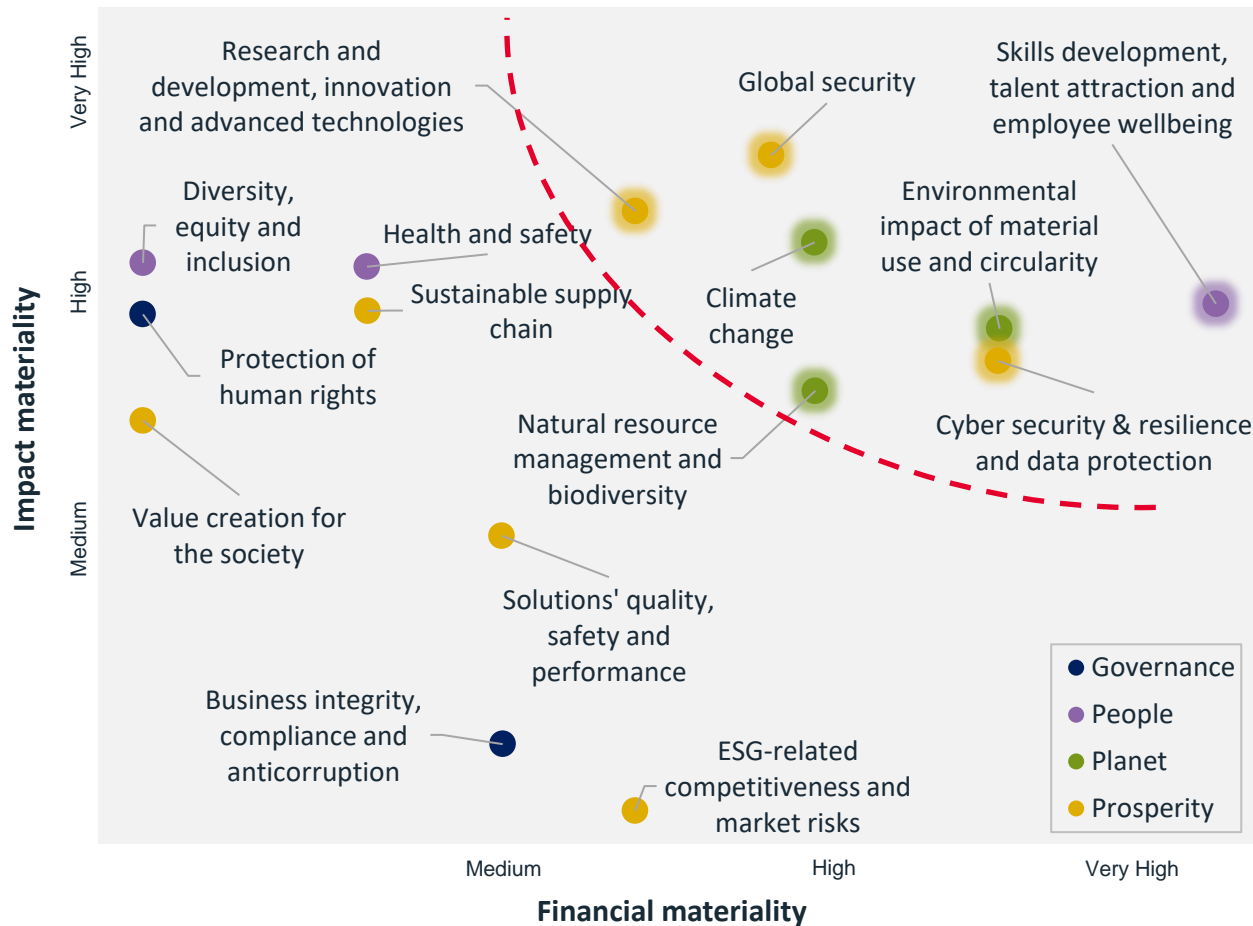
- Emergency response
- Territory surveillance and law enforcement
- Critical infrastructure monitoring, including Space assets protection
- Natural assets and climate observation, monitoring and analysis

Talent attraction and retention, promotion of DE&I and STEM skills to sustain Group's business growth and generate shared value



2024 materiality analysis confirms global security and skills as top priorities

- Leonardo first Double Materiality defines the material topics connected to Leonardo's main sustainability impacts on the outside society and environment, and financial risks and opportunities along the entire value chain, with the engagement of relevant internal and external stakeholders
- Material topics are aligned with the top Group priorities, as confirmed by 2024 results



MAIN FINDINGS

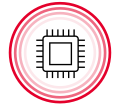
- **Global security** is confirmed among the top priorities, both in terms of **positive impacts on society** – namely protection of people, infrastructures, territories and natural assets – and financial risks and opportunities
- **Skills development and talent attraction**, including retention, is the top financial topic as the **enabler of Leonardo Strategic Plan** – it represents the importance of acquiring the necessary skills and reinforcing internal know how to face new challenges and achieve business targets
- Other urgent sustainability matters – both for impact and financial materiality – are **Climate Change** and **Environmental impact of material use and circularity** (as for Planet), while **Cyber security & resilience and data protection** for the Prosperity pillar



The data-driven digitalized sustainability planning



- Five-years **ESG KPIs Budget Plan** aimed at yearly **control** the **progress towards** the **Group's Sustainability Targets**
- **Sustainability Plan KPIs** and economics aimed at half-yearly **control** effectiveness and **progress** of the **Sustainability Plan projects**



- The **digital ecosystem**, ruled by a dedicated **operational instruction**, **evolves continuously** increasing management efficiency, reinforcing the **data accountability** and the **control of Group's Sustainability** performance, **directly connecting all sustainability Group's structures**

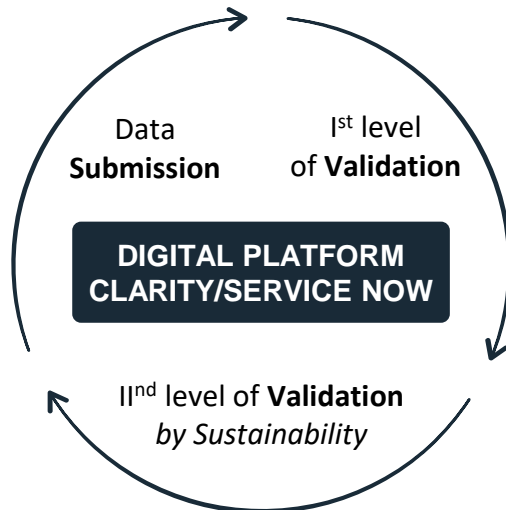
DATA INPUT and MULTI LEVEL APPROVAL PROCESS

Data owners fully **accountable**

Bottom-up process
data provided by:

- Divisions
- Companies
- OUs
- Sustainability Managers
- Finance Referents
- Project Managers

INTEGRATED DIGITAL SYSTEM
assuring data accountability



DATA ANALYTICS and VISUALIZATION

Managed by **Sustainability**

Analysis results shared with all **relevant stakeholders** and internally used to **support decision-making**

OUTPUT

- Management control reports
- Dashboards

Top Management

Qlik Q (Libar)

Group's Non-Financials performance and **progress vs Group's Targets** comparable with **Financials**

Professional Family

clarity

Sustainability Plan's projects performance, **progress, contribution to Plan's and Group's Targets**



Committed to deliver a sustainable business value proposition

2025-2029 SUSTAINABILITY PLAN KEY FIGURES

~ **280 M€** cumulated CapEx and OpEx

20
>85% top projects account for
of total CapEx and OpEx planned

~ **140 M€** revenues from Space & Cyber
sustainable solutions in the Plan


~ **90%** of total CapEx + OpEx planned from
divisions and legal entities

**Reinforced HPC capabilities to enable advanced
solutions**

Impact on global security through measurable KPI

**Shared value to maximise social impact with
higher focus on attraction, retention and STEM
promotion**

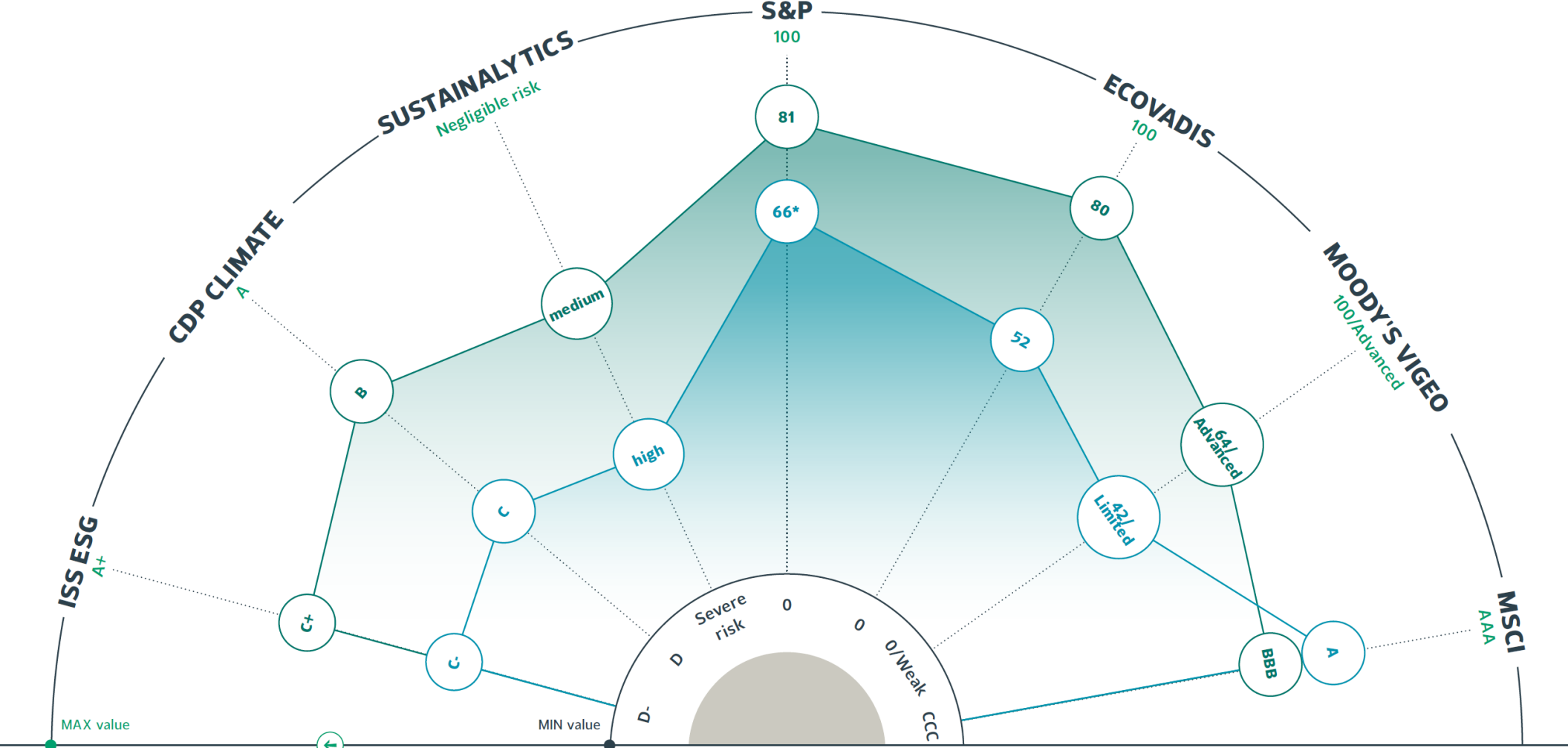
SUSTAINABILITY TARGETS

		2024
Sustainable supply chain	<ul style="list-style-type: none"> >70% of major tenders including ESG criteria by 2028 ≥ 500 key suppliers trained on strategic sustainability topics by 2027 	20% 198
Digitalization	<ul style="list-style-type: none"> +40% computing power per capita in 2025 (vs 2020) +40% storage capacity per capita in 2025 (vs 2020) 	+12% +63%
Decarbonization (SBTi)	<ul style="list-style-type: none"> -53% Scope I and II emissions by 2030 (vs 2020) -52% emissions / flight hour equivalent from our solutions in 2030 (vs 2020) 58% suppliers by emissions with science-based targets by 2028 	-43% -36% 12%
Environmental protection	<ul style="list-style-type: none"> -25% water withdrawals by 2030 (vs 2019) -15% waste produced by 2030 (vs 2019) 	-21% -15%
Diversity, equity & inclusion	<ul style="list-style-type: none"> 32% women on total hires in 2025 30% women on total hires with STEM background in 2025 20% female representation at managerial levels in 2025 20% women in total employees in 2025 27% women in the succession planning in 2025 	24.1% 23.2% 17.7% 20.3% 30%
Business integrity	<ul style="list-style-type: none"> Re-certification and annual maintenance of Audit "Anti-bribery management systems" 	



Sector leadership acknowledged by the main ESG ratings

Leonardo's sustainability position



○ Leonardo
○ Sector average

*Average A&D members of DJSI World Index
As of 28 February 2025



Sustainability Plan framework impacts on prosperity, people, planet and governance

SOCIETAL PROSPERITY

- Strengthen **attraction** and **retention**
- Generate **shared value for society** through scientific education, skilled insourcing and volunteering activities
- Foster **sustainability** and **DE&I culture**

RESPONSIBLE GOVERNANCE

- Improve **trade control** and control over **human rights**
- Reinforce **anti-corruption**
- Foster responsible development and use of **AI technologies**

GLOBAL SECURITY FOR PROSPERITY

- Protect **people and territories** through emergency management (e.g. C-27J FF, Copernicus)
- Protect **critical infrastructures** in land, sea and space
- Monitor **land and resources** through space-based solutions, supporting key economic sectors (e.g. agriculture)
- **Global monitoring** for surveillance and law enforcement
- **Cyber resilience** of critical infrastructures and services
- Secure and efficient **mobility** (e.g. air, urban)
- **Digital** solutions for customers (e.g. simulated training)
- Provide new products with **lower environmental impact**

GENERATING PROSPERITY THROUGH INNOVATION

- Develop **new technologies and processes** for digitalization, industrial efficiency, advanced mobility
 - **Transfer skills** to universities, SMEs, institutions through collaborations

PROTECTING PLANET

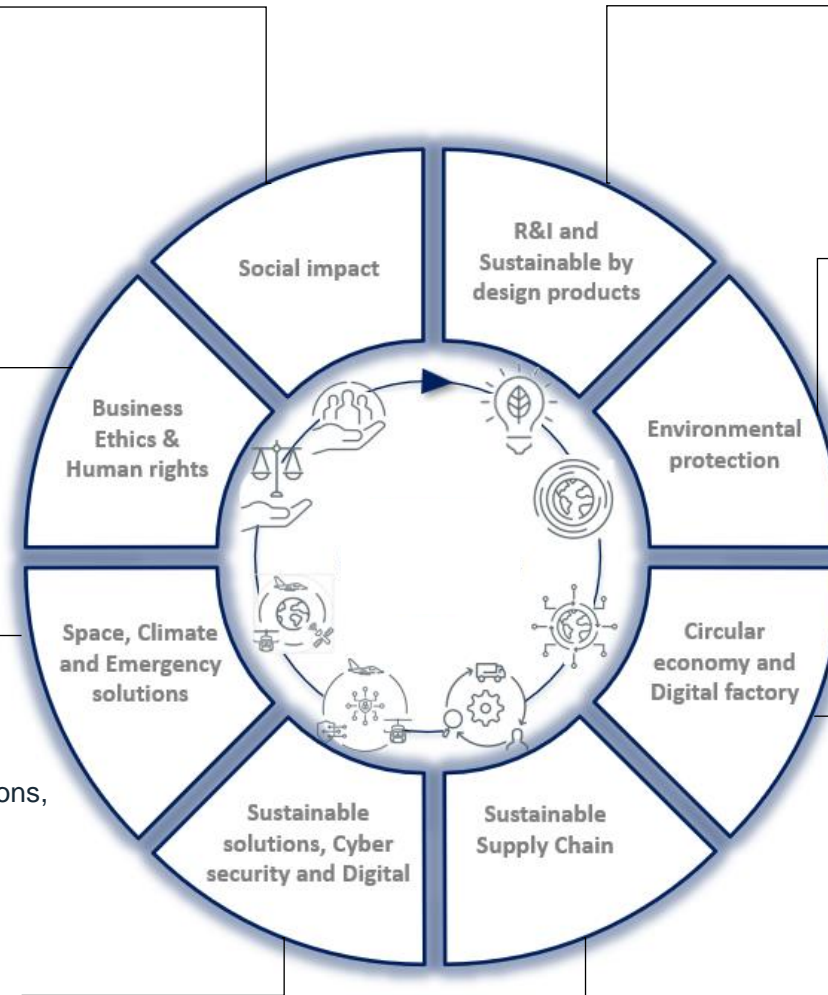
- Reduce **emissions in line with SBTs**
- Improve **energy efficiency and renewable energy use**
- Reduce **water withdrawals** and improve water efficiency
 - Reduce **waste** and use of **hazardous substances**
 - Protect **biodiversity and ecosystems**

TRANSFORMING PRODUCTION MODELS


- Enhance industrial efficiency through **digitalization**
- Improve **circularity** of material flow (collaborative recycling value chains, reuse of parts, end of life)
 - Reduce dependence on **critical raw materials**
 - **Servitization**


SUPPORTING THE GROWTH OF OUR SUPPLIERS


- Support the **growth of suppliers**, especially SMEs, through technical support, training on digital transition, support to access credit
 - Promote **decarbonization** also in line with **SBTs**
 - Promote **human rights** along the supply chain
- Address **recycled input content in products, critical raw materials and conflict minerals responsible procurement**





2025-2029 flagship projects underpin competitiveness of business portfolio


-  Gender Equality Strategic Plan (UNI/PdR 125:2022)


-  Attraction & Retention Welfare & Wellbeing Costellazione Leonardo NEW


-  Aerotech Campus


-  Anti-bribery Certification (ISO 37001)

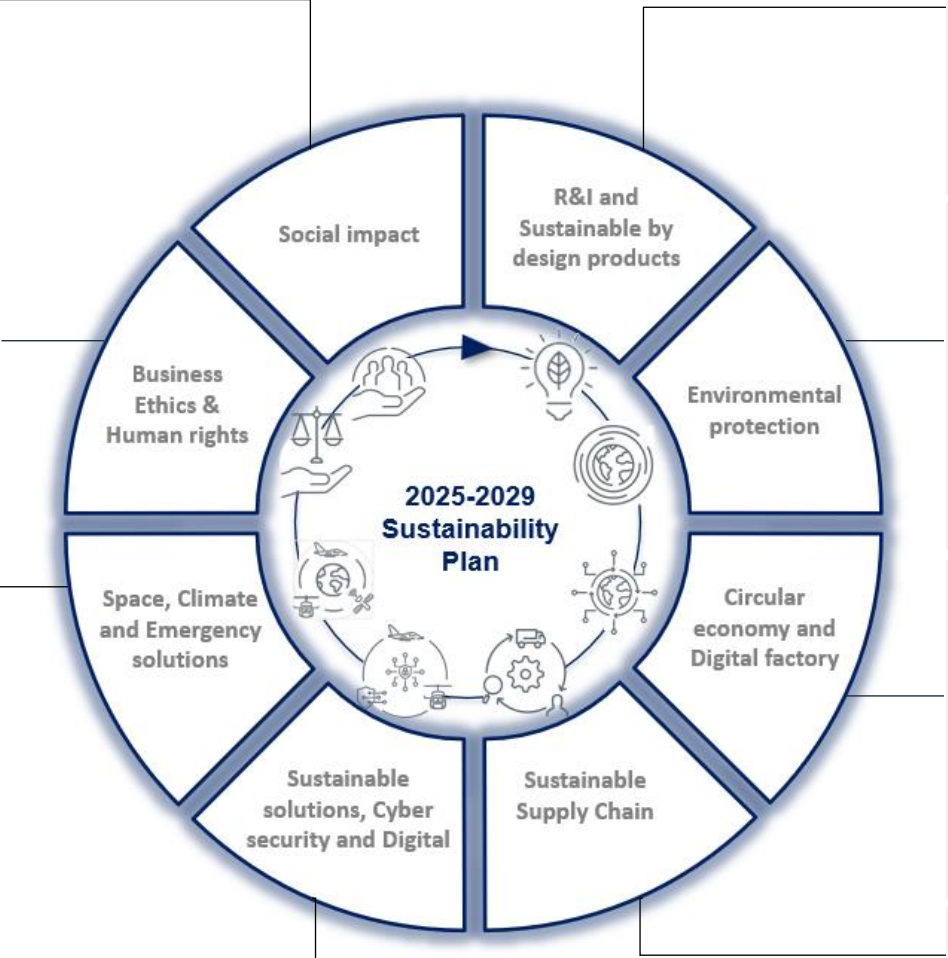
-  C-27J Fire Fighting

-  Copernicus Emergency Management Services IRIDE projects
Space Situational Awareness
Earth Monitoring Services


-  Smart city and security solutions for Genova, Milano, Roma NEW


-  Simulation training solutions (e.g. IFTS) & Customer Support Digital Services NEW


-  Flight simulators NEW





90+ projects with impact on business distributed across the entire value chain


-  Rotorcraft digital twin Next Generation Civil Tiltrotor (NGCTR)


- NEW  Clean Aviation Aircraft Innovation Center (Città dell'Aerospazio)


-  EU programme SESAR for the Single European Sky ATM


-  Decarbonization and energy efficiency (Science Based Targets initiative)


-  Smart water (15 sites covered)


-  Chrome VI phase out


- NEW  Liquid industrial waste reduction in La Spezia


-  Factory of the future (digital factory)

-  NEMESI (smart factory)

- NEW  Reuse and recycle of by-products (CFRP*, aluminium, steel)

- NEW  Marketplace for spare parts Life Cycle Assessment

-  Supplier engagement for training, partnerships and support for digital and sustainable transition

- NEW  Digital Hub for AutoMotive and AeroSpace



* Carbon Fibre-Reinforced Polymer

Recap of the Sustainability Plan: Implementation – FY2024A

PROJECTS PERFORMANCE AND PROGRESS ARE MONITORED BY >200 DEDICATED KPIS REPORTED ON DIGITAL PLATFORM.

FACTS AND FIGURES



PLANET



23 GWh (-4% vs 2023 Group) of electric energy from the grid saved, mainly related to **LED substitution**



>3 ktons (-1% vs 2023 Group) of CO_{2e} scope I + II MB emissions saved, mainly related to **energy efficiency initiatives**



>130 ML (-3% vs 2023 Group) of water withdrawals saved, mainly related to **Smart Water project**



~400 tons (-1% vs 2023 Group) of waste produced saved, mainly related to **waste efficiency project**



PEOPLE



>430 children and **~200** employees involved in **Costellazione LDO**



3k people joined **Wellhub**

>770 people joined **Apertamente**

>470 children in **LDO Summer Camp**



>14k people participated to **DE&I survey**, of which **25%** women



>200k of food portions donated for **385k€** of economic value



~500 new users enrolled in **STEMLab** and **~2,5k** of PCTO** completed



PROSPERITY



+3 p.p. of suppliers by emissions covering **Scope III category 1 & 2** with **science-based targets**



13% of **reworks** reduction and **5%** of **scraps** reduction by **NEMESI** optimization activities



~5M of km² of the analyzed area for **Land Cover & Tropical Forest Mapping and Monitoring service**



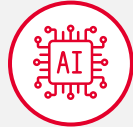
>15k of **training hours** and **>9k** of employees trained on **Trade Compliance**





Focus on clusters: R&I and Sustainable by design products


- Digital transition enables ecological transition, optimizing processes, mobility and the decisions of policy makers
- The **Research and Innovation and sustainable by design products cluster** underpins Leonardo's **impacts on all the value chain**


MAIN ADVANCED TECHNOLOGIES ENABLING SUSTAINABLE SOLUTIONS

 **AI** Enhance efficiency, optimization and simulation of systems; support connected mobility and optimization of traffic (air, land, sea)

 **Digital Twin** Facilitate innovation, testing and design of more sustainable solutions, with impacts on efficiency and cost reduction, longer life cycles

 **Cloud and HPC** Enable our solutions and maximize the use of the vast amount of data collected by our technologies

 **Quantum computing** Higher computing capabilities with impacts on analysis, interpretation and understanding/forecasting/simulation of phenomena

 **New materials & electrified systems** Strengthen operational effectiveness of solutions while reducing their environmental impacts



Focus on clusters: Environmental protection – Decarbonization and energy efficiency

Within 2025-2029 SP, Science Based Targets initiatives (SBTi) projects aim to design Leonardo Decarbonization path on Scope I, II and III in line with our Climate Strategy while continuing the pursuit of innovation and business excellence.

Science Based Targets initiative

The **flagship decarbonization project** involves the whole Company, in particular Sustainability, Procurement, Engineering, R&I and Operations.

Sustainable business value proposition on climate action

- **Decarbonization of Operations** through energy efficiency and renewable energy purchasing
- **Steer Suppliers to improve their own decarbonization strategy** (referring to Climate action on Scope 3 Cat 1&2 *Supply chain*)
- **Sustainable products and solutions for customers** cluster projects (referring to Climate action on Scope 3 Cat.11 *Product use*)

Driven by Sustainability

In 2024 Leonardo created a strong governance, involving Top Management, in an SBTi Steering Committee

MAIN PROJECTS

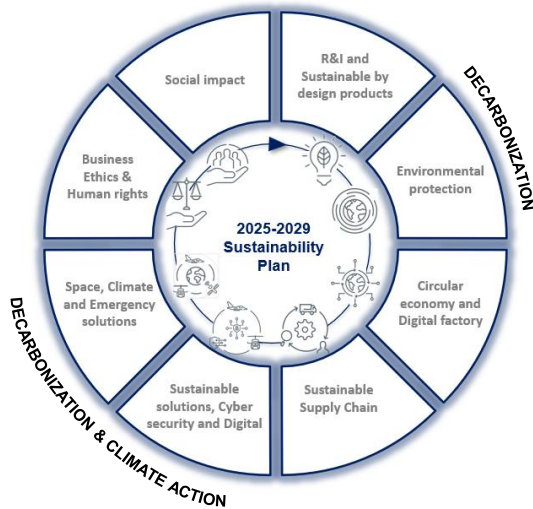
- Test on SAF in Aircraft
- Simulation and Training
- Full flight simulator
- Low Carbon Product (NGTR)
- Waste reduction projects

53%*

SCOPE III USE OF SOLD PRODUCTS (cat. 11)

TARGET SBTi

-52% of CO_{2e} emissions/flight hour equivalent vs. 2020



III.3



Fuel and energy related activities*

4%*

SCOPE I&II

TARGET SBTi

-53% of Scope I and II CO_{2e} emissions vs. 2020
(focus on slide 30)

40%*

SCOPE III SUPPLIERS (cat. 1, 2)

TARGET SBTi

58% of suppliers by emissions committed to SBTs
(focus in Sustainable supply chain cluster)

MAIN PROJECTS

- Energy Self Production
- Revamping/replacement thermal power plants
- Purchase of Guarantees of Origin
- Increasing % of SAF

MAIN PROJECTS

- **Supplier engagement activities** (Training to key suppliers on supply chain sustainability topics)

III.5



Waste generated in operations*

III.11



Use of sold products*

III.1



Purchased goods and services**

III.2



Capital Goods**

* Carbon footprint breakdown based on 2023 data - **Scope III categories addressed by Sustainability Plan initiatives



Focus on clusters: Environmental protection – Water, waste and biodiversity

Strategic drivers

- **Decoupling** between resources use and business growth
- **Addressing emerging Environmental topics:** critical raw materials and biodiversity. Following the requests aroused by ESG ratings (DJSI, CDP) and **regulation** like CSRD and Critical Raw Material Act. Natural materials for the production (i.e. Wood, rubber) shall require **due diligence** based on EU Deforestation-free Regulation (EUDR) and CS3D
- **Mindset change for management** of waste value chain
- Risk mitigation of business continuity in consideration of Environmental aspects
- **Scaling up** of pilot projects with positive environmental impacts

Main actions of environmental protection cluster

Water Reduction

- **Reuse of wastewater** (from evaporation towers, electroplating, HVAC, painting processes) improves both water withdrawal reduction and waste reduction. **Rainwater recycling**, wastewater chemical, physical and biological treatments. **Reduce Water Losses** with the LGS smart water project



Blue Water Strategy

Waste Reduction

- Valorization of **production scraps** starting from metals, through the conditioning and selling as by products. **Reconditioning and rental of standard packages** related to wood, plastic and paper



Waste as a Resource Strategy

Biodiversity

- Prioritization of the interdependence and impact of the industrial sites (based on IBAT, Encore and WWF Risk Filter Tool), promoting the **responsible use of land**. Strategic partnership with **National Biodiversity Future Center** (PNRR hub). Specific site **Assessment on Biodiversity** to evaluate local impacts



REACH

- Following the REACH strategy Reduce the use of hazardous substances and substitute them with new processes, reducing hazardous waste (Chrome VI phaseout). Reduce pollution from PFAS



Focus on clusters: Circular Economy and Digital Factory

Circularity is a **business opportunity that covers all Leonardo value chain**

- Adoption of Eco-design approach, digitalization of processes (Industry 5.0), product as a service.
- Management of products End of Life (**Buy-back of pre-owned helicopters** [Leonardo and Rotortrade extend collaboration | Rotortrade](#))

Life Cycle Assessment, is a consolidated methodology applicable to industrial processes and products for resources optimization and decarbonization control.

LEONARDO APPROACH

OPERATIONS

- Virtualization of processes*
- NEMESI @ AER*
- Water Circularity (WAREGA@LED)*
- Life Cycle Assessment
- Factory of the future (LED)*

R&I

- Eco-design (mobileTelemetry microlaunchers)*
- Additive manufacturing (digital technologies for design and production in LED)*
 - Product Digital twin project (Rotorcraft DT @LHD)*

SUPPLY CHAIN

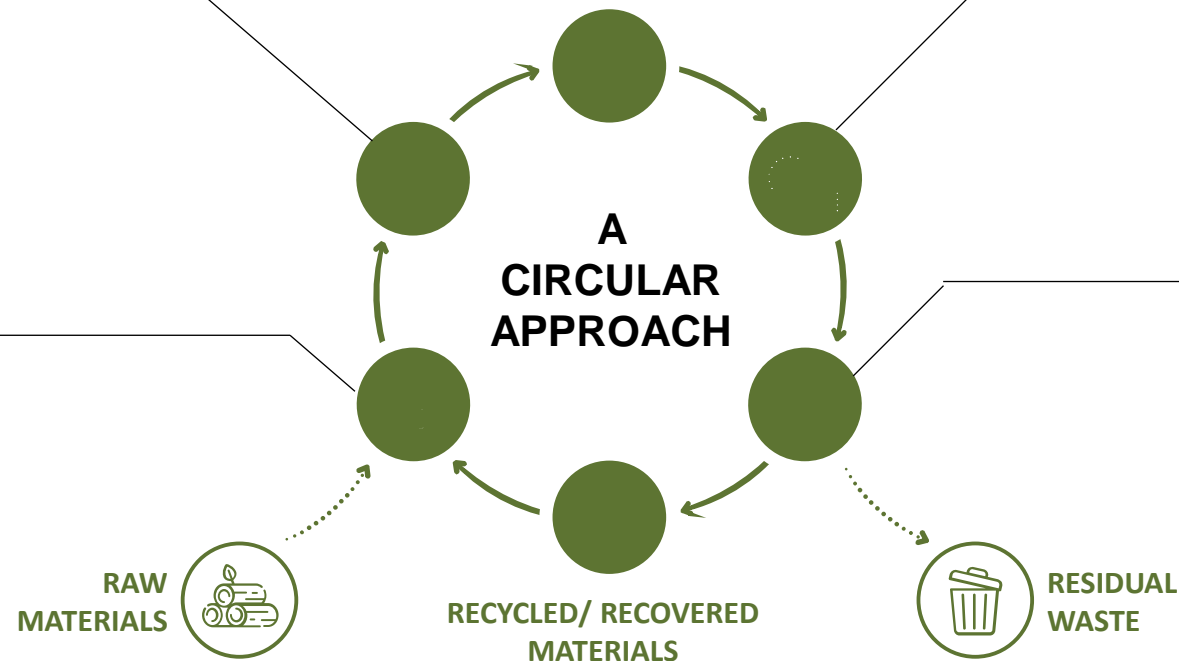
- Circular supply chain and recycled materials

PRODUCTS & SOLUTIONS

- Eco-design
- Product as a Service (IFTS @LAD)*
- Satellite life extension through In-Orbit Servicing
- Life Cycle Assessment (LHD)*
- Products Virtualization projects (LHD)*

RECYCLE, REUSE, LIFE EXTENSION, TAKE BACK

- Waste management
- Recycled Carbon fiber and FEP (AER)*
- Aluminium and steel scraps (LED)*
- Satellite life extension through In-Orbit Servicing
- EoL IT electronics recycle and reuse*
- Production packaging reuse
- Marketplace for spare parts (LHD)*



Focus on clusters: Sustainable supply chain

Increasing pressures from external stakeholders for supply chain responsible management, also as a tool to mitigate risks and maximize opportunities.

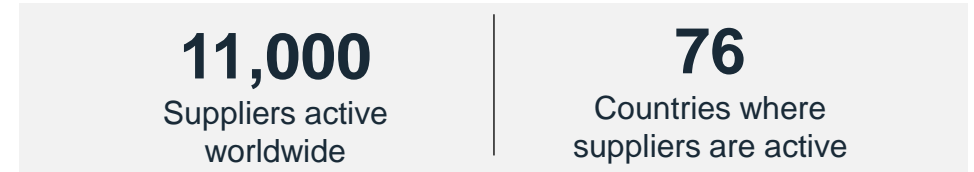
EXTERNAL GROWING INTEREST ON SUPPLIERS

- ESG ratings look upstream**

Impacts on key topics – such as decarbonization, biodiversity, human rights, DE&I and supply chain management – are assessed beyond direct operations of companies
- Regulation focuses on value chain**

Key current and upcoming EU regulations require monitoring, management and disclosure of impacts along the value chain, including suppliers

OUR GLOBAL SUPPLY CHAIN



GROUP TARGETS

1. Target	Target year	2. Target	Target year	3. Target	Target year
500 key suppliers trained on supply chain sustainability topics ⁽¹⁾	2027	>70% in value of the new major tenders assigned including ESG criteria/requirements ⁽²⁾	2028	58% of suppliers by emissions with science-based decarbonization targets	2028

⁽¹⁾ Focus on reporting/CSRD and Decarbonisation/SBTi

⁽²⁾ Tenders with value > 1M€ managed with Leonardo tender portal (excluding DRS, LEDUK, local purchases of foreign subsidiaries)



Focus on clusters: Creating sustainable business value through solutions

Consistently with the Group sustainability strategy, 2025-2029 Sustainability Plan has scaled up commitment to **solutions contributing to sustainability** in the frame of the new **global security** frame, leveraging on **Cyber and Space integrated solutions**.



Focus on clusters: Business ethics and human rights

Our corporate governance is aimed at protecting and maximizing the long-term value of the Company for the pursuit of sustainable success

SUSTAINABILITY TARGETS

Progress towards Macro Targets

Macro Target 's description

Re-certification and annual maintenance of Audit "Anti-bribery management systems"

Year

2024 (re-certification)
2025-2026 (maintenance)

Progress



ANTI-CORRUPTION

Anti – Bribery management system

- In 2018, Leonardo Spa was the first company among the top ten global players in the Aerospace, Defense and Security sector to obtain ISO 37001:2016 "Anti bribery management systems" certification.
- The assessment evaluated the structure and adequacy of the Anti bribery-management system of Leonardo Spa and, in a second phase, its application in various operating areas of the company.
- In 2024, Leonardo renewed the certification to be confirmed as a leader in anti-corruption practices and the Anti-bribery management system will be audited over 2025 and 2026, according to the standard ISO 37001:2016 which provides for an annual surveillance audit of the system.

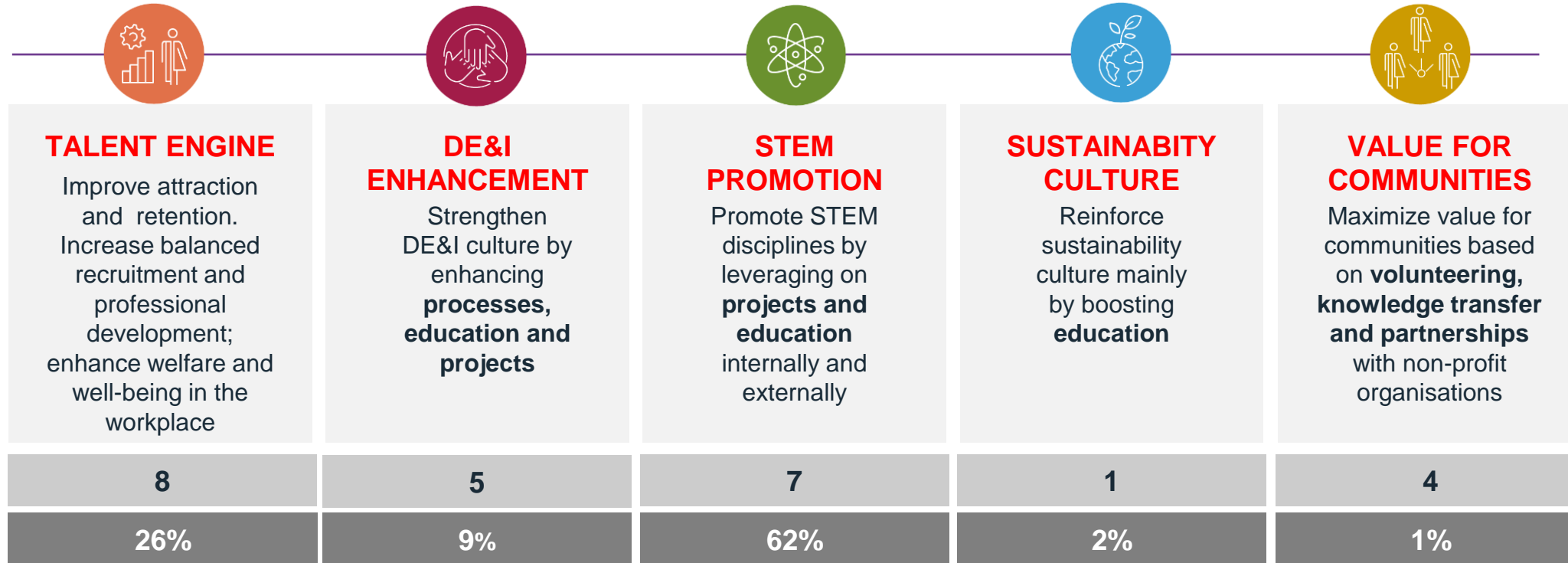


Focus on clusters: Social Impact and people-centered initiatives to maximise shared value

THE SOCIAL IMPACT CLUSTER:

- relies on projects **targeted to LDO people** – in line with the **People Strategy** – external **communities** and **territories**
- includes projects **selected** through an **assessment criteria*** with a view to **prioritisation and continuous improvement**, in line with the Sustainability Targets and Industrial Plan, also integrating the key actions **developed by the LDO IPT for Attraction & Retention**
- aims at **maximising LDO social value**, leveraging on 5 drivers:

■ N. PROJECTS ■ % OF 2025-29 BUDGET



The Gender Equality Strategic Plan (Leonardo S.p.A.) is part of the Social Impact Cluster

*The assessment is based on the following criteria: alignment with main actions of the Social Impact cluster, with the Sustainability Targets, the transformative Goals, and the ESG rating requirements. Scalability (Divisions/Companies/ OUs/ Geographies), Brand reputation (LDO recognizability, communicability), impact on communities and territories and relevance for LDO internal/external stakeholders



CONTACTS

Sustainability

Headquarter
Leonardo
Piazza Monte Grappa 4 – 00195 Rome – Italy
sustainability@leonardo.com
#SustainableLeonardo



THANK YOU

 |  |  | 
leonardo.com

