2024
ANNUAL REPORT SUMMARY

LEONARDO
TECHNOLOGY FOR A SAFER FUTURE

contents

2024 ANNUAL REPORT SUMMARY

LETTER TO STAKEHOLDERS

STEFANO PONTECORVO
Chairman

ROBERTO CINGOLANI
CEO and General Manager

Dear Stakeholders,
2024 was an important and active year that confirmed the growth path of the Company. We initiated a significant reorganization of the company, focusing on the core businesses and rationalising our product portfolio, focused on those that offer the greatest growth prospects and invested in the future of the Company. The current scenario, characterized by multiple conflicts around the world, presents us with a geopolitical and industrial paradigm shift: from the traditional concept of Defense we are moving towards an approach oriented towards Global Security. A commitment that must be undertaken at a European level, with community-wide investments that make it possible to overcome the fragmentation of the system through collaborations and joint ventures.

In parallel, we have also worked to improve our customer proximity in the international network.

In March 2024 we presented the Industrial Plan for the years 2024-2028. The pillars of the plan are: Consolidate the core businesses, in particular Aircraft, Helicopters and Electronics; Prepare for the future by strengthening the activities of the Cyber Division; and Creating the new Space Division.

The company's growth is now based on three directions: organic growth, which means rationalizing the portfolio, investing in technologies and promoting massive digitalisation with the introduction of Digital Twins for all platforms, predictive maintenance, use of Artificial Intelligence to add functionality to our products and digitalisation of operations, including across in administrative functions: the launch of the high-performance High Performance Cloud Computing Center and the new Leonardo Lab for Artificial Intelligence represent the enablers of this transformation: increase in efficiency, focusing the company on an unprecedented savings plan that involves the entire company with a target of approximately 1.8 billion euros in 5 years; and inorganic growth based on the creation of JVs with primary international partners and opportunities for mergers and acquisitions.

A fundamental action for the implementation of the plan is a rigorous capital allocation: we managed to double dividends for shareholders, reduce debt substantially and allocate resources to the growth of the group. Furthermore, the divestment of non-core businesses such as Industria Italiana Autobus and the solar-powered drone company SkyDweller, together with the sale of some businesses such as the underwater UAS activities, demonstrate management's commitment to a disciplined allocation strategy and careful management of company resources.

It is in this context that Leonardo has maintained a solid growth path, with particularly important results both from a commercial and economic-financial point of view and with a particularly positive trend in terms of cash generation.

2024 saw an increase in order volumes (+12% vs 2023), confirming the validity of the Group's commercial offering thanks to the diversification and quality of integrated products and solutions and the widespread geographical distribution of the commercial organisation. The Order Backlog exceeded the €44 billion threshold, with a book-to-bill of 1.2x, strengthening growth forecasts for the coming years and offering long-term visibility.

This growth was accompanied by the increase in Revenues (+11% vs 2023) and EBITA (+13% vs 2023), driven mainly by the Defense and Security segment, in particular Electronics, and by the acceleration of the saving plan, which more

than compensated for the effect of some negative external factors on both the performance of the Aerostructures and the Space manufacturing segment.

These results were supported by solid cash generation, with a marked improvement in FOCF (+27% vs 2023), thanks to the effect of initiatives to strengthen operational performance, a careful

investment policy in a period of business growth with stringent priorities, and an efficient financial strategy.

The performance was also positive in terms of reduction in net debt, down 23% compared to 2023, thanks to the strengthening of the Group's cash generation.

These results allowed us to maintain the Investment Grade status by the three main rating agencies (S&P, Moody's and Fitch), with a further improvement on the outlook by two of these agencies (S&P and Fitch). A result that we are committed to maintaining for the future.

In fact, during 2024, the decarbonisation process continued with the reduction of Scope 1 and 2 (market-based) CO2 emissions in line with the commitment to the Science-Based Targets Initiative. The further reduction of 4.4% was achieved, despite the increase in business volumes, mainly thanks to the progressive replacement of SF6 gas with a gas with a lower environmental impact, energy efficiency initiatives and the increase in the share of energy from renewable sources purchased by the network.

We have continued to work to promote a work environment that values gender diversity, a commitment demonstrated by the increase in both female managers and the hiring of women with STEM degrees compared to 2023.

Looking at innovation as the cornerstone of our strategy, we have invested in internal developments and external collaborations, including with customers, increasing R&D expenses by approximately 13% compared to 2023, with the aim of fueling the product portfolio and improving competitiveness. As evidence of how the digitalisation process is increasingly integrated into business and daily activities, we have strengthened our digital infrastructure, thus generating an increase in computing power and storage capacity per capita +12% and +49% respectively.

Our actions with respect to environmental, social and good governance issues have been recognized by the assessments expressed by the ESG rating agencies which confirmed our role as a leader in sustainability in the sector also for 2024. Among the main recognitions obtained, the inclusion for the fifteenth consecutive year in the Dow Jones Sustainability Index, maintaining the highest score in the Aerospace and Defense sector for the sixth consecutive year.

The implementation of the Plan relating to inorganic growth with the creation of JVs with primary international partners in the future European Defense context is also fundamental. It is essential for our future to think and act on an international scale by creating strong industrial alliances on new cutting-edge programs and platforms.

Among the main collaborations: the JV Leonardo Rheinmetall Military Vehicles (LRMV), which opens new opportunities in the global land defense market with new generation infantry vehicles and tank systems and the GCAP JV for the 6th generation fighter established together with BAE Systems in the United Kingdom and Mitsubishi HI in Japan.

In this context we also mention the ongoing work with the Space Alliance between Leonardo and Thales to update the vision and programs in light of the new perspectives of the Space Market as well as the continuous efforts to upgrade the Eurofighter carried out by our Aircraft Division within the international Eurofighter consortium and the international collaborations of the Helicopters Division in Europe (NMH90).

But we are also paving the way for an integrated vision of Leonardo as a Hi-Tech company in which we will bring together our capabilities in cybersecurity data processing with the hardware capacity to create all platforms with a view to multi-domain interoperability, the main challenge of all defense companies in the world. The goal is to transform a company that works across domains into one that works in a multi-domain, within a digital continuum. In fact, Leonardo covers the entire value chain in terms of multi-domain platforms, enabling technologies and system and integration capabilities,

with the resulting possibility of synergistically exploiting its technological solutions in all operational domains.

The driving force behind this technological capacity is digitalisation, which allows interoperability between operations in the various domains. Big data analysis, high performance computing, cloud, artificial intelligence, digital twin, ultra-broadband connections are the strategic enablers that allow the company to better manage the new global security scenarios. Added to this are specific skills in cybersecurity, which are fundamental for protecting information, systems and platforms according to a secure-by-design approach, whereby any product or process must "be born secure", that is, have intrinsic cyber security characteristics right from the design phase, to build a safe and resilient cyberspace.

The combination of the digital continuum along the entire value chain, with an advanced network of space infrastructures and within a robust cyber security shield, are therefore the enablers to decline the concept of multi-domain in the industrial sector, with solutions that "orchestrate" and "make interact" the activities of all the technologies used in the different fields (land, air, maritime, space and cyber), making the latter fully interconnected. Some of these solutions are already operational, others in the pipeline, some being studied by designers and technicians.

All this makes Leonardo stronger and more competitive and this new approach has also been appreciated by the financial market and recognized in the Company's stock market capitalisation.

The results achieved and those we aim to pursue cannot ignore the constant commitment of the management and all the people at Leonardo, to whom our thanks go.

PROFILE

A TECHNOLOGICAL AND INDUSTRIAL LEADER IN AEROSPACE, DEFENCE & SECURITY

Leonardo is a global industrial group that builds technological capabilities in Aerospace, Defence & Security. The company plays a leading role in major international strategic programmes and is a trusted technological partner of governments, defence agencies, institutions and businesses.

60,468
PEOPLE WORLDWIDE

129
SITES GLOBALLY

11,000
SUPPLIERS WORLDWIDE

150
COUNTRIES WITH A COMMERCIAL PRESENCE

€ 17.8 BN
REVENUES 2024

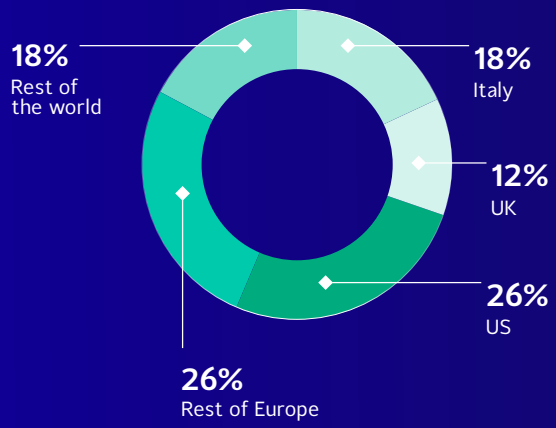
€ 20.9 BN
ORDERS 2024

€ 44.2 BN
ORDER BOOK 2024

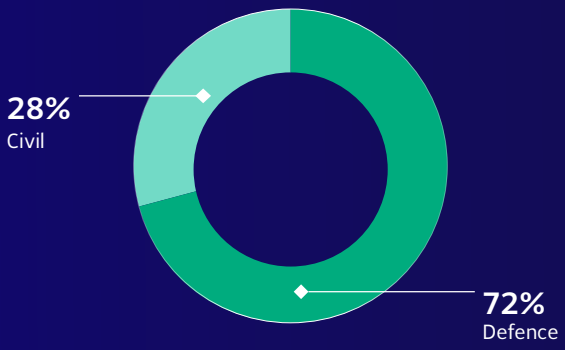
€ 1,525 MLN
EBITA 2024

€ 2.5 BN
INVESTED IN R&D

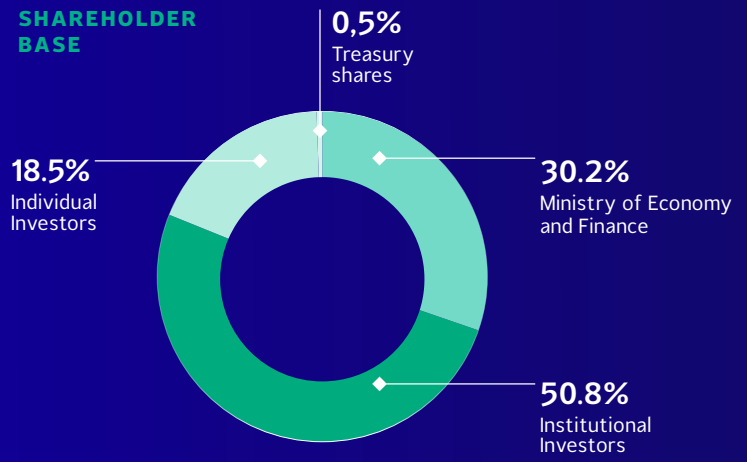
2024 REVENUES BY GEOGRAPHICAL AREA

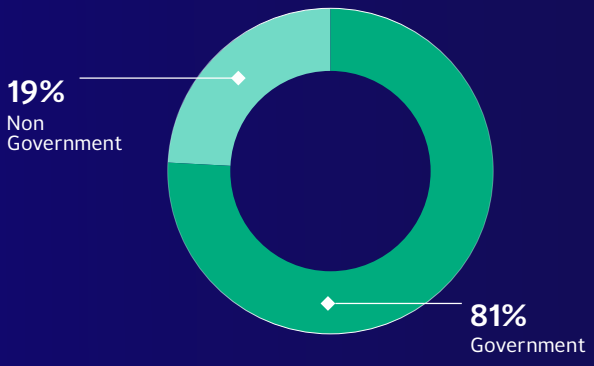


2024 REVENUES BY MARKET



SHAREHOLDER BASE



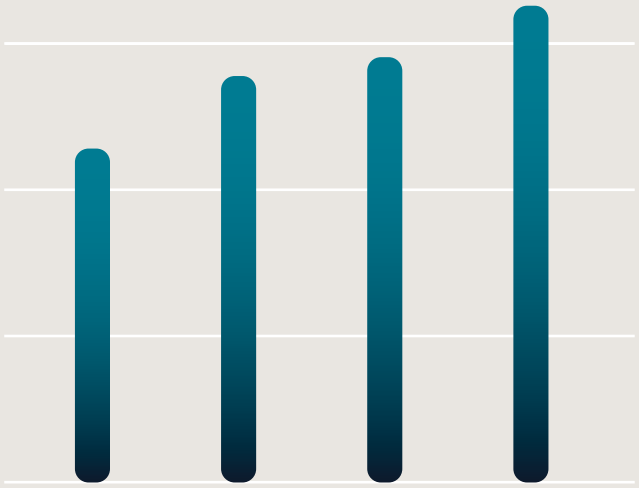


2024 PRINCIPAL FIGURES ON COMMERCIAL PERFORMANCE

- Order for an additional 20 AW139 helicopters by The Helicopter Company for medical assistance, search and rescue missions in Saudi Arabia.
- Integration of HITFACT turrets; and command, control, and communication systems for 28 Centauro II armoured vehicles of the Italian Army.
- Launch of the Block 20 programme to enhance the capabilities of the M-346 aircraft.
- Contract to develop new capabilities for NH90 helicopters within the NATO Helicopter Management Agency (Nahema) Software Release 3 (SWR3) programme.
- Launch of the BriteStorm electronic protection system for remotely piloted aircraft and effectors.
- Development of the new Rubidium POP atomic clock in collaboration with ESA.
- Delivery of the 100th TH-73A helicopter to the US Navy.
- Contract for two new FREMM EVO frigates for the Italian Navy through the Orizzonte Sistemi Navali joint venture.
- Order to develop the Joint Operation Center (JOC) of the Italian Defence Joint Operational Command (COVI).
- First batch of Eurofighter aircraft for the Italian Air Force from the NATO Eurofighter and Tornado Management Agency (NETMA).

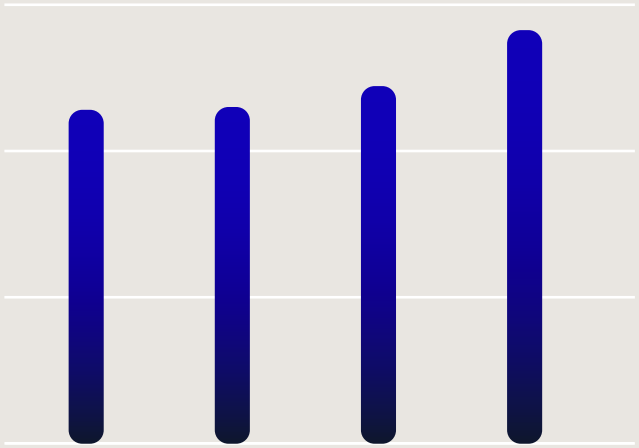
FINANCIAL PERFORMANCE

ORDERS (€ BN)



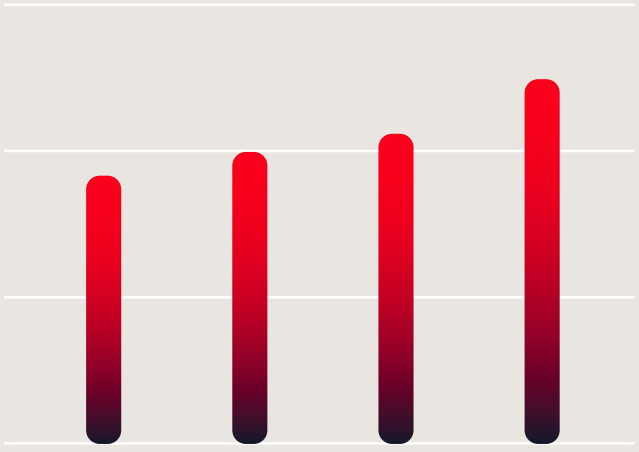
14.3	17.3	17.9	20.9
2021	2022	2023	2024

REVENUES (€ BN)



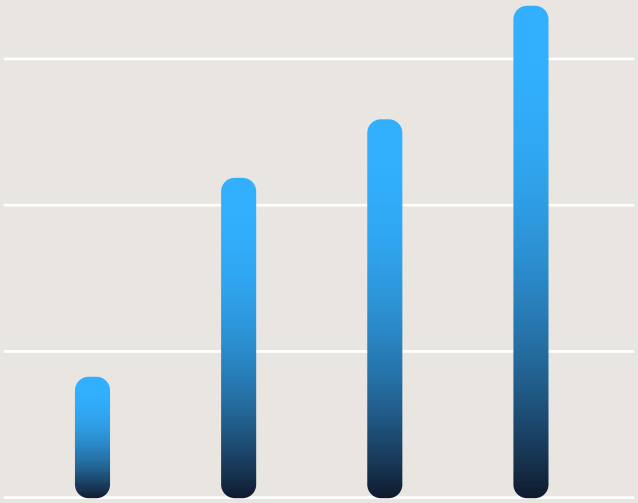
14.1	14.7	15.3	17.8
2021	2022	2023	2024

EBITA (€ MLN)



1,123	1,218	1,317	1,525
2021	2022	2023	2024*

FOCF (€ MLN)



209	539	635	826
2021	2022	2023	2024

*determined on the basis of the new calculation method, no longer includes any non-recurring, extraordinary or non-routine items in the income statement; in line with Leonardo's policies and the approach already applied to companies consolidated on a line-by-line basis

FINANCIAL STRENGHT

In 2024, Leonardo's outlook was upgraded by two leading rating agencies, Standard & Poor's and Fitch, reflecting the Group's strong financial performance, solid financial position, and growth prospects.
The improved ratings were also supported by favourable industry conditions and the company's ability to achieve its targets in cash generation and debt reduction, despite doubling its dividend payout.

RATING AGENCIES

MOODY'S	S&P	FITCH
Baa3 / Stable Outlook	BBB- / Positive Outlook	BBB- / Positive Outlook
May 2023	**August 2024**	**November 2024**

Date of last revision

SHAREHOLDINGS AND JOINT VENTURES

ELECTRONICS

LEONARDO DRS
Defence electronics
71.59%

HENSOLDT
Defence electronics
22.8%

ELETTRONICA
Defence electronics
31.33%

LARIMART
Defence electronics
60%

GEM ELETTRONICA
Defence electronics
65%

MBDA
Defence systems
25%

ORIZZONTE SISTEMI NAVALI
49%

ELECTRONICS + HELICOPTERS

LEONARDO UK
Defence electronics and Helicopters

PZL-ŚWIDNIK
Helicopters

KOPTER
Helicopters

AGUSTAWESTLAND PHILADELPHIA
Helicopters

SPACE

TELESPAZIO
Satellite services
67%

THALES ALENIA SPACE
Satellite production
33%

AVIO
Space propulsion
29.63%

AIRCRAFT

ATR
Regional turboprop aircraft
50%

Eurofighter Typhoon

COLLABORATIONS AND INTERNATIONAL PARTNERSHIPS

EUROFIGHTER

Multirole fighter

The most important European aeronautical programme developed by Eurofighter GmbH, with the participation of the defence industries of Italy, the United Kingdom, Germany and Spain. Leonardo has a 36% share in the programme, playing a key role in production of aeronautical and electronic components.

JOINT STRIKE FIGHTER

Multirole fighter

The JSF industrial programme stems from international cooperation between the United States, Italy and seven other nations (United Kingdom, Netherlands, Norway, Denmark, Australia, Turkey and Canada). Italy, as a second-level partner, is responsible for the production of wing assemblies, specific avionic systems, and final assembly and testing of the F-35A and F-35B variants for the Italian and Dutch fleets.

NH90

Multirole helicopter

Europe's most important helicopter programme, developed by the NHIndustries consortium, in which Leonardo has 32% of programme value. Leonardo's Tessera (Venice) site is the Italian assembly and maintenance hub of the NFH variant (Naval Frigate Helicopter).

ATR

Turboprop aircraft

The ATR consortium, a joint venture owned equally by Leonardo and Airbus, is the world's leading manufacturer of turboprop aircraft for regional transport. The ATR 42 and 72 are the bestselling aircraft in the market segment for 90+ seats. For all aircraft Leonardo produces the entire fuselage, and the vertical and horizontal tail stabilisers, which are made of composite material.

EURODRONE

Uncrewed system

The first uncrewed aircraft system designed for flight in unsegregated airspace. Developed by France, Italy, Spain and Germany.

SESAR

ATM system

Research programme for the modernisation of Air Traffic Management (ATM) and Air Navigation Services (ANS) in Europe. SESAR is led by the public-private partnership SESARJU, which includes the European Union, Eurocontrol and Leonardo along with more than 50 organisations.

NEXT GENERATION CIVIL TILTROTOR

Tiltrotor

NGCTR is a research project promoted under the EU's Clean Sky 2 programme to develop a new generation tiltrotor with an architecture and technological systems capable of cutting CO_2 emissions and noise footprint, while maximising speed and efficiency.

FREMM

European multi-mission frigate

Europe's most significant military naval programme, the result of a partnership between the Italian and French defence industries. Leonardo is responsible for integration of combat systems and supply of advanced equipment.

GLOBAL COMBAT AIR PROGRAMME (GCAP)

The Global Combat Air Programme is a strategic partnership involving the governments and leading defence industries of Italy, the United Kingdom, and Japan to design, develop, and deliver a next-generation combat aircraft, set to enter service in 2035.

2022	2023	2024	2035	2070+
GCAP LAUNCH	AGREEMENT SIGNED	JOINT VENTURE ESTABLISHED	ENTRY INTO SERVICE	LIFESPAN

The programme aims to develop one of the world's most advanced defence systems in terms of interoperability, adaptability, and connectivity. This 'system of systems' will operate across five domains, with the next-generation fighter serving as the core platform, seamlessly connected to other crewed and uncrewed peripheral systems.

The aircraft will feature an intelligent weapon system, an interactive software-driven cockpit, integrated sensors, and a next-generation radar capable of processing 10,000 times more data than current systems.

GCAP will drive technological innovation and advancements, delivering economic, employment, and industrial benefits across all three partner nations.

Leonardo is a strategic partner alongside the UK's BAE Systems and Japan's Japan Aircraft Industrial Enhancement Co. (JAIEC).

Within the joint venture, each company will hold an equal 33.3% stake, combining their expertise to strengthen the global aerospace and defence industry.

Global Combat Air Programme

Panther KF51 © Rheinmetall

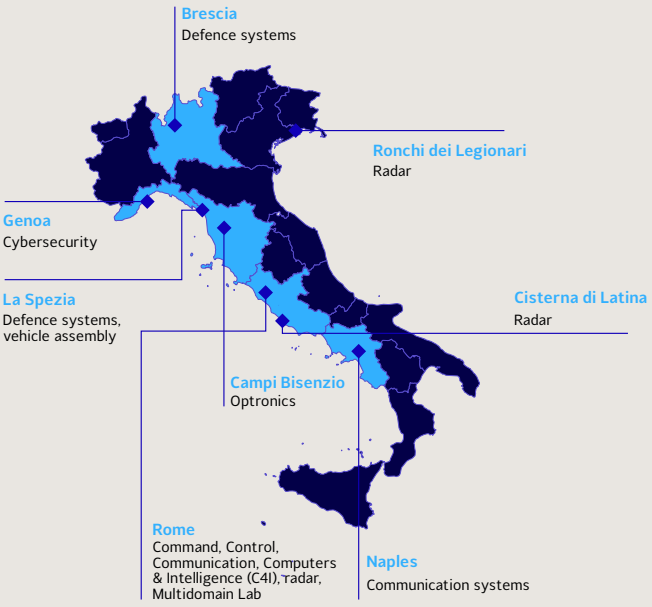
LEONARDO RHEINMETALL MILITARY VEHICLES (LRMV)

Leonardo and Rheinmetall have established a 50/50 joint venture (LRMV) to develop the next generation of land defence systems. This collaboration has been established to form a new European nucleus for the development and production of military combat vehicles in Europe. LRMV's primary objective is the industrial development and subsequent marketing of the new Italian Main Battle Tank (MBT) and the new Lynx platform for the Armoured Infantry Combat System (AICS) programme as part of the Italian Army's renewal programme for land systems. The venture also plans to develop and manufacture other MBT vehicles, such as recovery, engineer and bridge-laying vehicles.

The jointly developed products will offer significant export opportunities in international markets.

The Panther KF51 main battle developed by Rheinmetall will form the basis for the new MBT that will accompany the Ariete in the Italian army. In the AICS programme, all models will have a modular design and the Rheinmetall Lynx infantry fighting vehicle will be the technological base for the hull. In addition to the classic infantry combat vehicle (combat versions), there will be anti-aircraft (Skyranger), reconnaissance and anti-tank versions. The Italian AICS programme envisages the future acquisition of over 1,000 armoured combat systems in 16 variants in the future.

INDUSTRIAL SITES AND CAPABILITIES



At the industrial level, 60% of the company's production activities—headquartered in Rome with an operational site in La Spezia—will take place in Italy, generating a significant impact across multiple Leonardo production facilities involved in developing onboard electronic systems.

2024-2028 INDUSTRIAL PLAN

In March 2024, Leonardo unveiled its 2024-2028 Industrial Plan, outlining a strategy to unlock business growth potential and drive a strong improvement in key economic and financial indicators. The plan aims for double-digit profitability by 2026 and a doubling of Free Operating Cash Flow (FOCF) by the end of the period.

In an international landscape marked by growing geopolitical uncertainty and an increasingly challenging competitive environment due to industrial shifts and technological disruption, Leonardo aims to transform through a dual strategic approach:

Strengthening the core business by adopting greater strategic selectivity, optimising the product portfolio, and driving innovation through extensive digitalisation. This will position the company as a key player in the evolving European defence industry, including through the formation of new alliances and agreements.

Preparing for the future by investing in the Cyber Security and Space sectors, while refining the business and product portfolio to ensure a more efficient capital allocation.

THE 2024-2028 INDUSTRIAL PLAN INCLUDES THREE KEY GROWTH LEVERS:

Driving organic growth and innovation through R&D projects, extensive digitalisation of solutions and operations, and a stronger customer-centric approach focused on service excellence.

Enhancing operational efficiency by rationalising and streamlining the business and product portfolio, optimising engineering and manufacturing processes, and reducing costs.

Supporting growth through M&A and international alliances to achieve strategic scale and technological autonomy in emerging sectors and markets.

GLOBAL SECURITY

The Industrial Plan addresses an international landscape marked by growing geopolitical uncertainty, variations in economic competitiveness driven by the new industrial and technological revolution, and the effects of climate change.

In this context, Aerospace, Defence & Security (AD&S) companies must evolve from a Defence-centric model to one based around Global Security. This transformation spans multiple domains, including energy, food security, critical infrastructure, and cybersecurity, pushing companies to develop and deliver increasingly integrated, multi-domain solutions with positive environmental and social impacts.

Digital technologies are at the core of this transformation, ensuring seamless interoperability across domains through a continuous digital ecosystem. The main strategic enablers to better serve the new security scenario include Big Data & High-Performance Computing, Cloud Computing & Artificial Intelligence, Digital Twin Technologies, Ultra-Broadband Connectivity, and Cybersecurity.

SUSTAINABLE BUSINESS MODEL

CAPITALS

PEOPLE AND SKILLS

60,468 employees

17,000 people in R&D and engineering

FINANCIAL RESOURCES

€ 11.6 billion in purchase of goods and services

€ 5.1 billion personnel cost

€ 11.8 billion of net invested capital

TECHNOLOGIES AND INTELLECTUAL PROPERTY

8.2 petaflop of computing power

52.3 petabyte of storage capacity

INDUSTRIAL ASSETS

129 sites and main plants

€ 561 million of investments in tangible assets

RELATIONSHIPS AND COLLABORATIONS

More than 90 universities and research centres

More than 11,000 suppliers

ENERGY AND NATURAL RESOURCES

86% of electricity from renewable sources

57% of waste recovered

IMPACT

PEOPLE

7,434 new hires, **42.5%** hold a STEM degree, **50.5%** under **30** and **24%** women

1.4 million hours of training provided to employees

1,281 training opportunities including internship, apprenticeship, traineeship and school-to-work rotation programmes

16.5% reduction in the injury rate compared to 2023

PLANET

18.3% intensity of scope **1** and **2** CO_{2e} emissions (LB) (*)

17.7% reduction in scope 1 and 2 CO_{2e} emissions (Market Based) (*)

4.4% scope 1 and 2 CO_{2e} emissions reduction (Market Based)

9.1% intensity of electricity withdrawn from the grid reduction (*)

5.7% of water withdrawals reduction

1.5% of waste produced reduction

(*) Calculated on revenues and vs 2023

PROSPERITY

64% of sources of financing linked to ESG parameters

83% of purchases related to domestic markets

33% of investors are signatories to PRI (**)

Solutions for security and progress in **150** countries

(**) Linked only to Leonardo's institutional investors

DOUBLE MATERIALITY

Double materiality combines the analysis of the relevant impacts generated by Leonardo on the environment, society and governance topics (impact materiality, with an inside-out perspective) and the main ESG risks and opportunities impacting Group financial results (financial materiality, with an outside-in perspective). Leonardo conducted its double materiality analysis with inputs from internal and external stakeholders.

The integration of impact and financial materiality led to a final list of 15 key topics, representing strategic priorities for the Group, with skills development, global security and climate change emerging as the most significant ones. Other priorities include the environmental impact of material use, circularity, cybersecurity, and data protection and resilience.

PRIORITY	TOPIC	PILLAR
HIGH	Cyber security & resilience and data protection	Prosperity
	Global security	Prosperity
	Research and development, innovation and advanced technologies	Prosperity
	Skills development, talent attraction and employee wellbeing	People
	Climate change	Planet
	Environmental impact of material use and circularity	Planet
	Natural resource management and biodiversity	Planet
MEDIUM – HIGH	ESG-related competitiveness and market risks	Prosperity
	Sustainable supply chain	Prosperity
	Value creation for the society	Prosperity
	Diversity, equity and inclusion	People
	Health and safety	People
	Protection of human rights	Governance
MEDIUM	Solutions' quality, safety and performance	Prosperity
	Business integrity, compliance and anticorruption	Governance

Within each priority range, topics are grouped by pillar and not ranked by materiality scores.

SUSTAINABILITY LEADERSHIP

- **Sustainability Leader** in the **Dow Jones Sustainability Indices** of **S&P Global** for 15 years, with the highest score in the Aerospace and Defence industry for the fifth year in a row[1].
- Included in the **MIB ESG INDEX** on the Italian Stock Exchange (Euronext), Italy's leading blue chip indicator for the 40 best companies in terms of ESG performance[2].
- Confirmed among the **leaders** in the **fight against climate change by CDP** (an international non-profit organisation), one of the best rated companies in the Aerospace and Defence sector.
- Ranked in **Band A** of the **Defence Companies Index on Anti-Corruption and Corporate Transparency (DCI)** of Transparency International.
- Upgraded to **Prime Status** by **ISS ESG**, with a **C+ rating**.
- Confirmed with the **'Platinum medal'** by **Ecovadis** for ESG performance. Ranked in the **top 1%** of companies assessed globally.

1. Assessment based on S&P Global's Corporate Sustainability Assessment (CSA), updated as of December 16, 2024.
2. December 2024 review

PEOPLE WORLDWIDE

WORKFORCE EVOLUTION

53,566
2023

60,468
2024

TOTAL VARIATION
+6,902

TOTAL NEW HIRES
+7,434

ITALY	UK	US	POLAND
+2,000 approx.	+700 approx.	+460 approx.	+390 approx.

Employees under 30

from 13% to 15% (+2%)

Hiring rate of under-30s

from 48.7% to 50.5% (+1.8%)

Women in executive roles

from 15.1% to 17.7% (+2.6%)

(variation 2023-2024 of total employees)

Women hired with STEM degrees

from 22.4% to 23.2% (+0.8%)

(variation 2023-2024 of total employees)

M-346 assembly line - Venegono (VA)

Italy **61%**

36,704

UK **15%**

8,957

US **13%**

7,782

Poland **5%**

3,300

Rest of the world **6%**

3,725

EMPLOYESS BY AGE

	2023	2024
Under 30	13% **6,941**	15% **9,058**
Aged 30 - 50	52% **27,940**	51% **30,928**
Over 50	35% **18,685**	34% **20,482**

EMPLOYEES BY GENDER

80% Men	20% Women

ENHACING AND DEVELOPING SKILLS

The industrial strategy aims to attract and manage the profiles and skills needed to meet new market challenges. Managing and promoting skills development supports people throughout their journey in the company, stimulating continuous training and lifelong learning, while enabling the process of upskilling and reskilling.

The initiatives use innovative technology tools that aim to align resource skills with future needs, define training activities, and reduce outsourcing and reliance on the external market, leveraging a digital approach that integrates data mining, artificial intelligence, and Massive Open Online Courses (MOOC) training platforms.

61.5%
of employees hold a STEM qualification

42.5%
of new hires hold a STEM qualification

~1.4 MLN
hours of training delivered

1,281
training pathways activated with the education system

OGR Tech – Turin

DIVERSITY, EQUITY AND INCLUSION

Leonardo adopts an approach to Diversity, Equity, and Inclusion (DE&I) based on the fundamental principles of respecting Human Rights and promoting equal opportunities. Valuing each individual, attracting talent, developing human capital, and fostering innovation are key elements to ensuring the Group's sustainable growth.

SPRINGBOARD

A programme dedicated to the personal and professional development of women, aimed at strengthening self-awareness, assertiveness, positive thinking, and goal achievement. Over 250 women from different nationalities within the Group participated in the four editions completed in 2024.

LIFEED

Digital programmes for parents with children aged 0 to 18 and caregivers, designed to transform skills developed in family contexts into professional assets, following the life-based learning approach.

EMPLOYEE RESOURCE GROUP (ERG)

DE&I-focused groups that promote inclusion within the company. In 2024, the first two ERGs on gender equality and disability were launched in Italy, in addition to the seven already active in the UK.

INCLUDED IN THE GENDER-EQUALITY INDEX FOR THREE CONSECUTIVE YEARS, BLOOMBERG'S STOCK INDEX FOR GENDER EQUITY.

EMPLOYER BRANDING AND TALENT ATTRACTION

With the aim of attracting top talent in the job market and securing key skills for various business areas, initiatives have been implemented to support Employer Branding and Recruiting, also by enhancing growth opportunities and promoting well-being, flexibility, and work-life balance.

Programmes dedicated to top recent graduates or students, created in collaboration with universities. These include training paths designed for entry into the company (HR Graduate Programme, Future Loading, Sustainability Excellence Programme), thesis projects carried out at Leonardo offices (DeepDive), scholarships provided by specialized universities (Girls@Polimi), and partnerships to make the high-tech world more attractive to women. A referral program is also in place, allowing employees to recommend professionals.

VALUE FOR COMMUNITIES AND SOCIAL IMPACT

Over 5.2 MLN

people reached through online Outreach initiatives.

More than 430 children

(48% girls) hosted at 6 Leonardo sites for the Costellazione Leonardo project.

Over 1,600 schools

more than 2,300 teachers, and 80,000 students involved in the STEMLab project.

More than 4,400 students

have completed the PCTO “In volo con Leonardo” programme.

Around 2,200 hours

of teaching and active collaborations (teaching, internships, etc.) with 10 ITS.

Fondazione Leonardo ETS

pursues, on a non-profit basis, civic, solidarity, and social utility goals, with the aim of promoting the cultural growth of civil society regarding science, technology, and industry.

Ansaldo - Leonardo Group Foundation

has been operating for over 20 years in the recovery, protection, conservation, and enhancement of historical and cultural heritage, particularly that of companies that operated in the Liguria region.

Med-or Foundation

promotes cultural activities, scientific research and training, to strengthen ties, exchanges, and international relations between Italy and the countries of the extended Mediterranean area.

NEMESI project operation line – Pomigliano d'Arco (NA)

BUSINESS CHANGE MANAGEMENT MODELS

LEONARDO PRODUCTION SYSTEM (LPS)

A production system designed to optimise efficiency and productivity across Leonardo's industrial sites through a continuous improvement approach in process and programme management. LPS is built on developing employees' skills and digital transformation. At its core, LPS is based on World Class Manufacturing (WCM), a structured and integrated production methodology aimed at continuously enhancing all manufacturing performance indicators. This ensures high product quality and meets customer expectations. LPS is managed through a governance and control system, utilising standardised evaluation criteria for each technical pillar, as defined by the WCM Association at an international level.

About 6,500

people involved at **18 manufacturing plants** (+10% vs. 2023)

Around 22,000

continuous improvement projects (8,100 developed in 2024)

Over 90%

reduction in injuries and **30% productivity increase** in areas where LPS has been implemented

Quality

in 2024, recorded an **additional 12%** improvement in internal issue resolution

LEONARDO TRAINING ACADEMIES

A comprehensive network of Training Academies, characterised by the use of digital platforms, simulation systems and Live, Virtual and Constructive (LVC) learning environments, making use of proprietary methods, augmented reality, artificial intelligence and deep learning. These centres of excellence offer internationally recognised training programmes for professionals connected with the company's fields of business and provide continuous updating of in-house expertise, with the emphasis on 'employability' and 'lifelong learning'.

INTERNATIONAL FLIGHT TRAINING SCHOOL

A school of excellence for advanced military pilot training, established in Decimomannu (Cagliari) through a collaboration between the Italian Air Force and Leonardo. The IFTS has become a global benchmark for training pilots operating next-generation fighter aircraft.

22
M-346 aircraft

7
flight simulators including 2 Unit Level Training Devices (ULTD), 3 Part Task Trainers (PTT), 2 Full Mission Simulators (FMS)

Over 80
Lead-In Fighter Training (LIFT) **courses** annually

~6,000
flight sorties performed with an equal number of simulated sorties

40
instructors

12
partner Air Forces, alongside the Italian Air Force

LVC
Live, Virtual, and Constructive training capabilities

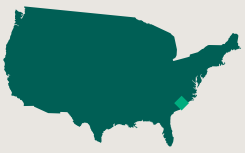
Maintenance
facilities for aircraft and equipment, with dedicated hangars and workshops

130,000
square meters of campus space for students and personnel

HELICOPTER TRAINING ACADEMIES

Sesto Calende

Yeovil



Philadelphia

Świdnik

Kuala Lumpur

49,000
hours of training in simulation environment

15,100
pilots and technicians trained

4,400
hours of live helicopter training

5
training academies and 7 training centres

International Flight Training School – Decimomannu (CA)

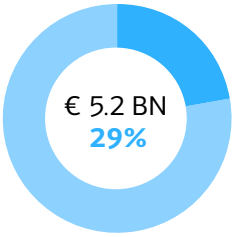
BUSINESS AREAS

HELICOPTERS

Research, design, development and production of helicopters for civil and defence applications. Leonardo's helicopters, from 1.8-tonne single-engine to 16-tonne three-engine models, fulfil missions ranging from public utility, law enforcement, offshore, search and rescue, helicopter rescue and defence missions on land and at sea.

To respond to the needs of future vertical mobility, Leonardo is committed to researching innovative technologies and platforms, such as the tiltrotor and remotely piloted helicopter, and developing a new generation of light helicopters with hybrid/electric propulsion.

REVENUES OUT OF LEONARDO TOTAL



€ 5.9 BN
Orders 2024

15.1 BN
Order book 2024

€ 52 BN
Civil market 2024-2033

+3.1%
CAGR civil 2024-2033

132 BN
Defence market 2024-2033

+2.9%
CAGR Defence 2024-2033

OVER 4,500
Helicopters in service across 135 countries, operated by 1,250 customers

~800
Helicopters deployed globally for Search & Rescue (SAR) and Public Services

MORE THAN 15,000
Pilots and technicians trained in 2024

OVER 49,000
Hours of simulation-based training in 2024

DEVELOPMENT OF INTEGRATION
Of advanced avionics and systems

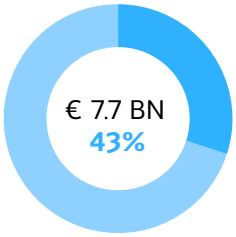
INDUSTRY LEADER
In transmission design and manufacturing

Digital Simulation Lab - Cascina Costa (VA)

DEFENCE ELECTRONICS

Multi-domain technological solutions for surveillance, security and protection of critical infrastructure. Sensors, C4ISTAR (Command, Control, Communication, Computers, Intelligence, Surveillance, Target Acquisition, Reconnaissance) systems, and self-protection equipment, guaranteeing the effective operation of complete systems in every context, thanks to complete awareness of the operational scenario and information superiority. Technologies and services for the safe management of drone air traffic (UTM – Uncrewed Traffic Management) and countering hostile drones (C-UAS).

REVENUES OUT OF LEONARDO TOTAL



€ 10.3 BN
Orders 2024

€ 18.3 BN
Order book 2024

+3.2%
CAGR 2024-2033

€ 2,057 BN
Defence market 2024-2033

1,000
Air defence and surveillance radars in 58 countries

1,000
Platforms in 70 navies equipped with Leonardo's defence systems

3,000
Optronic systems on board land vehicles

3,000 IFF
(Identification Friend or Foe) devices delivered

1,000
Optronic systems on board defence aircraft

120
Airports on five continents using Leonardo systems for air traffic control

Integrated Circuits foundry – Rome

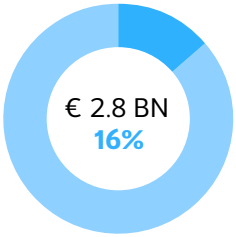
BUSINESS AREAS

AIRCRAFT

Design, development and production of latest-generation aircraft that meet the needs of the most complex operational scenarios: from basic training to complex defence; from tactical transport to humanitarian and firefighting support; from command and control to intelligence, surveillance and reconnaissance.

Leonardo aircraft, characterised by advanced performance, innovative systems and sensors, and reduced maintenance requirements, also feature advanced digital simulation environments in order to constantly improve training systems.

REVENUES OUT OF LEONARDO TOTAL



€ 2.9 BN
Orders 2024

€ 8.0 BN
Order book 2024

+9%
CAGR defence 2024-2033

€ 945 BN
Defence market 2024-2033

20,000
Pilots trained

2,000
Training aircraft sold in more than 40 countries

1,200
Aircraft managed at around 50 sites/bases

825
Uncrewed systems and 700 target drones delivered

OVER 70
Remotely piloted systems from the Falco family deployed worldwide

30,000
Aircraft produced, delivered, and supported globally

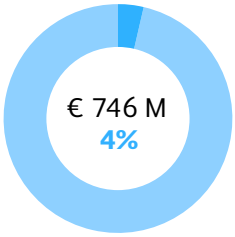
GBTS Lab – Venegono (VA)

AEROSTRUCTURES

As a partner of the world's leading commercial aircraft manufacturers, Leonardo is involved and specialises in the production and assembly of major structural components made from composite materials and conventional metal for commercial and military aircraft, helicopters and uncrewed platforms.

Leonardo participates in the most important programmes in the sector, such as the Boeing 787 Dreamliner, the Airbus A220 and A321, and the ATR series of best-selling regional turboprops.

REVENUES OUT OF LEONARDO TOTAL



€ 692 M
Orders 2024

€ 1.0 BN
Order book 2024

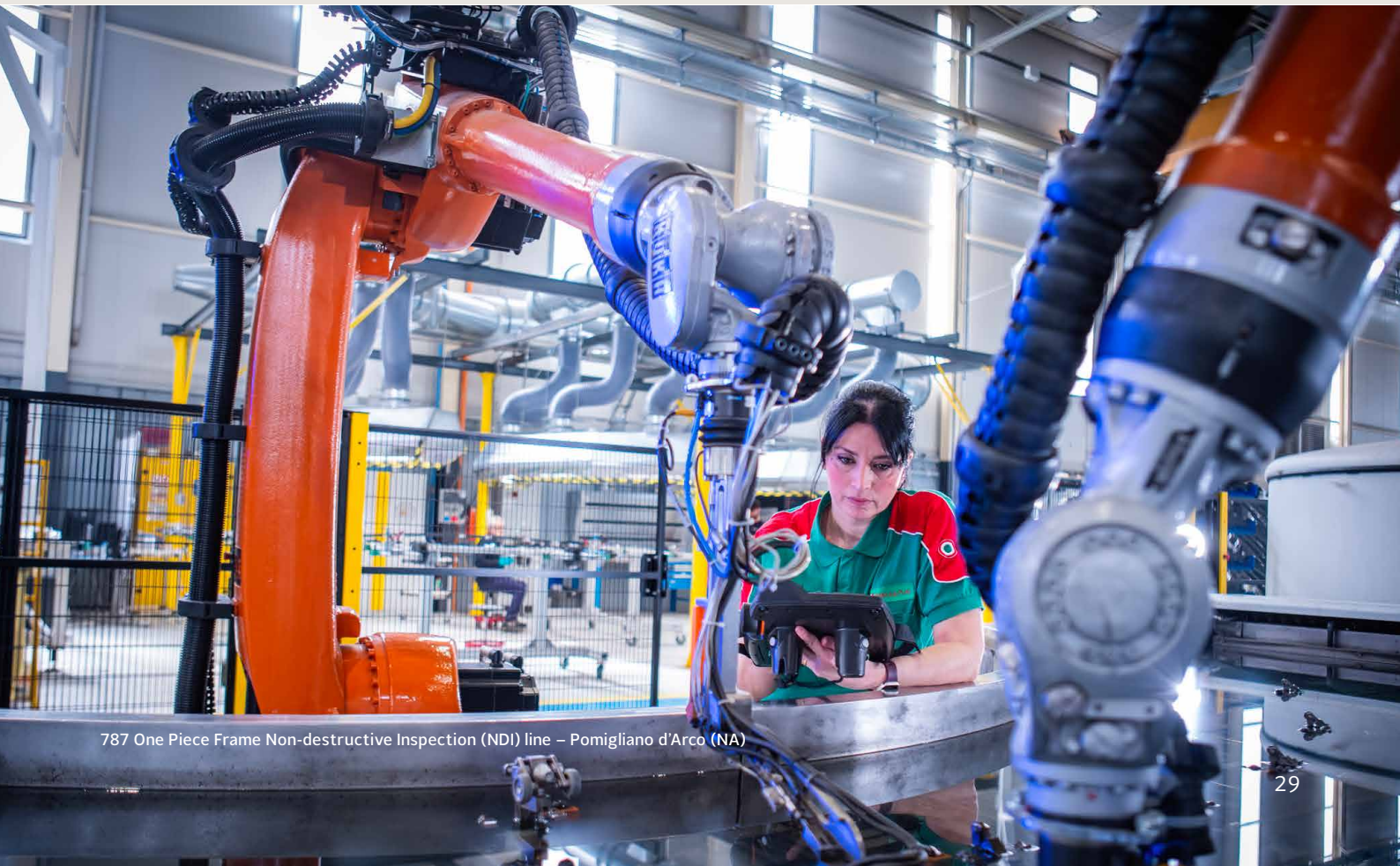
+7%
CAGR defence 2024-2033

€ 2,675 BN
Civil market 2024-2033

1,845
ATR aircraft sold to about 200 airlines in 100 countries

Over 2,500
Fuselage sections produced for the Airbus A321

Over 1,250
Fuselages delivered for the Boeing 787 programme



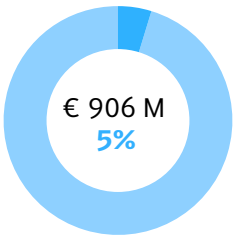
787 One Piece Frame Non-destructive Inspection (NDI) line – Pomigliano d'Arco (NA)

BUSINESS AREAS

SPACE

Leveraging cutting-edge digital technologies, including AI, cloud computing, HPC, and cybersecurity, to develop space assets and satellite services. As a key player in the space industry, Leonardo operates through its Space Division and strategic joint ventures Telespazio and Thales Alenia Space, as well as its participation in Avio. Leonardo offers a comprehensive global portfolio of integrated space solutions, ranging from manufacturing to services and space access. The company focuses its capabilities on high growth areas, including: earth observation & geoinformation, defence & intelligence solutions, space domain awareness, secure satellite communications, and low earth orbit (LEO) / lunar economy services.

REVENUES OUT OF LEONARDO TOTAL



€ 957 M
Orders 2024

€ 1.7 BN
Order book 2024

+5.4%
CAGR 2024-2033

€ 1,697 BN
Market 2024-2033

2.4 MLN
Radar images acquired by the COSMO-SkyMed constellation developed by ASI in co-operation with the Italian Ministry of Defence

50
Atomic clocks on board the European Galileo constellation for navigation and positioning

~1,000
Sensors that determine the orientation and attitude of satellites and probes in Space

~80%
Estimated pressurised volume to be built by Thales Alenia Space for the future Lunar Gateway Space Station

170
Antennas operational at Telespazio's Fucino Space Centre, the world's most important teleport for civil use

2
Metres – depth reached by the ExoMars drill, developed for ESA, in the search for signs of life beneath Mars' surface

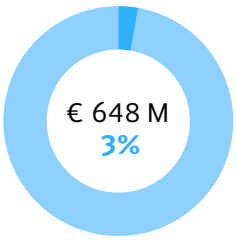
+200
Monochromatic images per scene captured by the IRIDE hyperspectral instruments, used to analyse the chemical and physical composition of Earth's surface

IRIDE - Campi Bisenzio (FI)

CYBER & SECURITY

Creation of proprietary solutions anchored in transformative technologies (artificial intelligence, cyber, data platform) with a focus on the Defence, Space and Strategic Organisation sectors, thanks to a product-based approach and experience gained at an international level in Cyber & Resilience, Secure Digital & Cloud and Mission Critical Communications.

REVENUES OUT OF LEONARDO TOTAL



€ 833 M
Orders 2024

€ 1.1 BN
Order book 2024

+11.7%
CAGR civil and defence 2024-2033

€ 1,920 BN
Civil and defence market

29,100
Security offences managed annually

9,100
Personalised intelligence reports generated each year

200
Control rooms and 50,000 terminals operated to provide secure communications for Italian police forces

50
Countries worldwide using Leonardo's critical communication systems

Global Cybersec Center - Chieti

2024 MILESTONES

FEBRUARY 5

Signing of a Memorandum of Understanding between Leonardo, the Ministry of Investment (MISA), and the General Authority for Military Industries (GAMI) of Saudi Arabia to develop investments and strengthen collaboration in aerospace and defence.

FEBRUARY 19

Launch of the first space cloud system for defence, the Military Space Cloud Architecture (MILSCA), to provide high-performance computing and storage capabilities directly in space for government entities and national Armed Forces.

FEBRUARY 29

Strengthening of collaboration with Bell Textron in tiltrotor technologies, with an initial commitment to the NATO Next Generation Rotorcraft Capability (NGRC) study.

MARCH 12

Leonardo's Board of Directors unanimously approves the 2024-2028 Industrial Plan, defining the strategy to unlock business growth potential.

APRIL 4

Acceleration of Leonardo's decarbonisation roadmap and climate action, with new targets aligned with the Industrial Plan and approved by the Science Based Targets initiative (SBTi).

MAY 9

Signing of a binding agreement for the sale of the Underwater Armaments & Systems (UAS) business line to Fincantieri. The divestment is part of the portfolio rationalisation plan and aims to enhance cooperation between the two companies.

JUNE 17

Leonardo confirms its leadership in European Defence Fund (EDF) projects, ranking as the second-largest European player with 13 projects won out of 54. It will lead two major initiatives in the space and air defence categories.

JUNE 18

Presentation of the next-generation AW249 'Fenice' reconnaissance and escort helicopter, the only newly designed Western combat helicopter, developed in close collaboration with the Italian Ministry of Defence.

JUNE 19

Agreement reached for the sale of Leonardo's stake in Industria Italiana Autobus to Seri Industrial, in line with the Industrial Plan's focus on core-business activities.

AW609 Tiltrotor

JUNE 24 – JULY 24

Expansion of strategic activities at the Grottaglie plant, with a site diversification plan.

JULY 3 – OCTOBER 15

Signing of a MoU with Rheinmetall to develop a European industrial and technological approach for land defence systems. The LRMV joint venture will produce the new Main Battle Tank (MBT) and the Lynx platform for the Armoured Infantry Combat System (AICS) programme of the Italian Army.

JULY 24

Launch of the M-346 Block 20 programme, aimed at enhancing the integrated training system with new avionics, navigation and identification capabilities, mission equipment, and ground-based training.

SEPTEMBER 23

Completion of the GEM Elettronica acquisition, with Leonardo securing a 65% stake, reinforcing its offering in systems for naval and coastal applications.

NOVEMBER 29

Signing of a Memorandum of Understanding between Leonardo and BF SpA to effectively and jointly address global challenges in the agri-industrial sector and climate change mitigation.

DECEMBER 13

Agreement reached between industrial partners (Leonardo, BAE Systems, and Japan Aircraft Industrial Enhancement Co.) for the establishment of a new joint venture to develop the Global Combat Air Programme (GCAP).

DECEMBER 17

Leonardo recognised as a sustainability leader for the 15th consecutive year, securing its position in the Dow Jones Sustainability Indices (DJSI World and DJSI Europe) after the annual evaluation by S&P Global.

TECHNOLOGICAL INNOVATION

Digital technologies are an essential element of Leonardo's innovation, across all business areas and the entire value chain, from research laboratories to market delivery. The objective is to improve the competitiveness of the Group's products and services, with a view to long-term sustainability, by leveraging an innovation ecosystem capable of capturing new technological solutions and orientated towards continuous synergy between the various business sectors. Innovation is nurtured by a constant dialogue with key territories and communities, together with other tools. These include open innovation, with its various channels for listening and discussion, innovation contests on the most topical issues, networking with universities and research centres, communities and internal working groups to accelerate the culture of innovation by sharing good practices and skill, and the Intellectual Property (IP) Office for the management of the patent/trademark portfolio.

+5.7% patents

in 2024 compared to 2020

Collaborations

with over **90 universities and research centres** in Italy and worldwide

Over 170 funded

or co-funded PhD scholarships currently active in Italy and the UK

17,000 people

dedicated to R&D activities

8.2 petaflops

of computing power and **52.4 petabytes** of storage capacity

VxR flight simulator - Sesto Calende (VA)

LEONARDO INNOVATION LABS

Technology incubators that support the Group in long-term research and development of the most innovative technologies, in particular digital technologies and interconnected competencies across the company's business areas. The Laboratories work on research projects, both fundamental and pre-industrial, which are agreed upon and planned in coordination with various business areas. In 2024, the technological roadmaps of the facilities were updated to fully align with the development directions outlined in the Group's 2024-2028 Industrial Plan.

PILLARS

- Artificial Intelligence
- Digital Twin
- Quantum Computing
- Deep Digital Technologies
  (Big Data, High-Performance Computing, and Cloud)

RESEARCH AREAS

Quantum Technologies

Optoelectronics

Materials

Autonomous and Robotic Systems

Advanced Power & Energy Systems

An integrated approach to innovation underpinned by synergy between various research areas and business units, in which the davinci-1 supercomputer represents the central architecture to ensure digital direction and to accelerate technological transformation towards the digitalisation of industry.

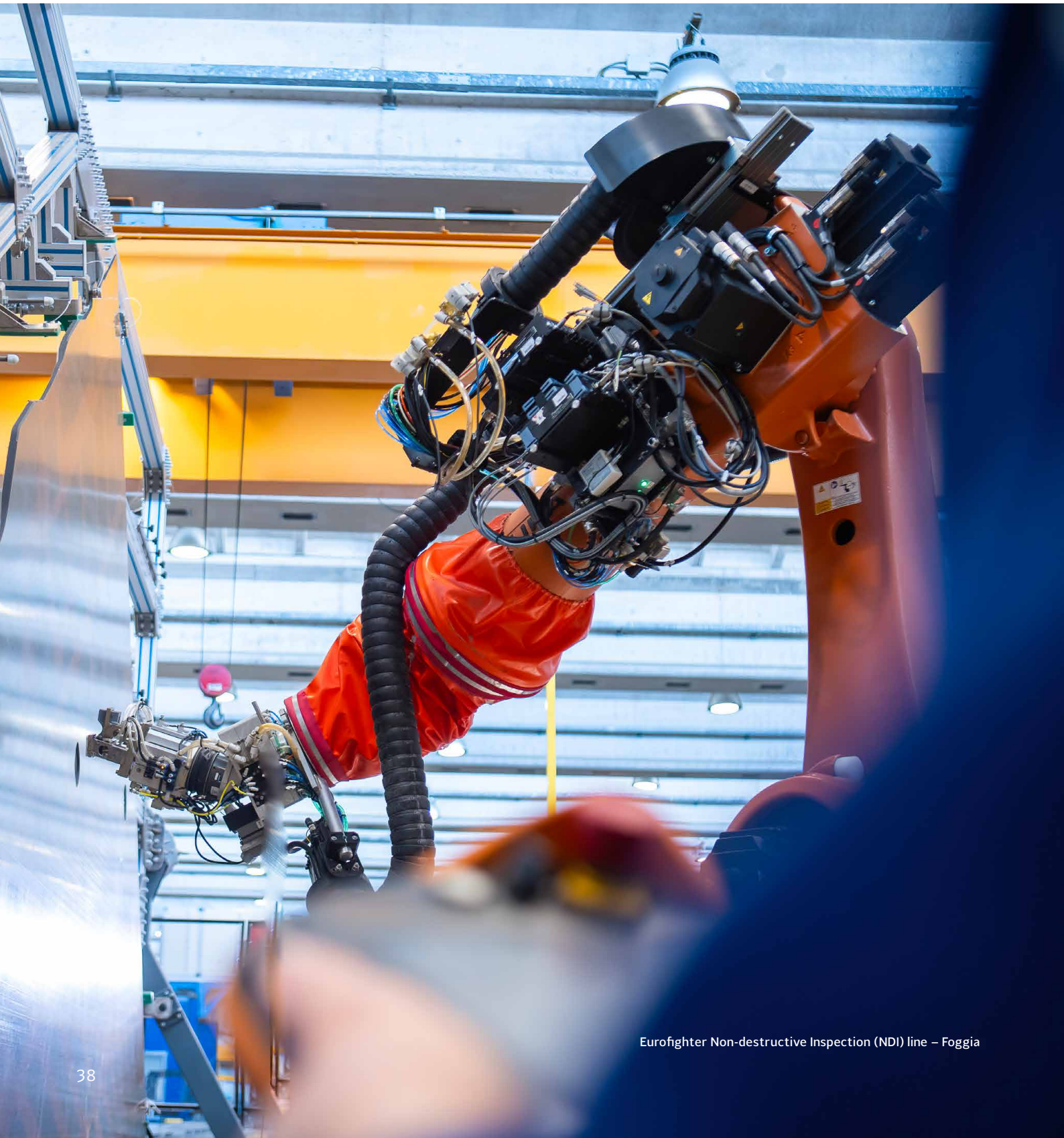
DAVINCI-1

One of the most powerful HPCs in the AD&S sector globally, davinci-1 is an integrated supercomputing and cloud computing platform that combines flexibility and computing power, enabling the use of algorithms (from deep learning to artificial intelligence), customisation by technology platform and the calculation of the countless interactions between the data generated (data analysis and big data).

davinci-1 HPC

LEONARDO SUPPLY CHAIN

Leonardo's supply chain is made up of 11,000 companies from across the world that contribute daily to the competitiveness of the business, ensuring compliance with quality and safety requirements for supplies and actively collaborating in contract management and open innovation processes. The supply chain is made up of international players in the Aerospace, Defence and Security sectors, and highly specialised small and medium-sized enterprises (SMEs).



Eurofighter Non-destructive Inspection (NDI) line – Foggia

LEAP

Through the LEAP (Leonardo Empowering Advanced Partnerships) development and growth programme, Leonardo aims to optimise its relationship with its supply chain to accelerate and support the growth of SMEs in the Aerospace, Defence & Security sector. The goal is to strengthen these companies, enabling them to invest, collaborate on high-value initiatives, and compete on an international level. The programme integrates innovation and sustainability into the development process, raising the ambitions of the supply chain toward digital transformation, cybersecurity, and the green transition.

Sustainability Assessment

Over 1,700 Italian and international suppliers, representing nearly 70% of Leonardo's total procurement, have undergone a comprehensive sustainability evaluation over the past two years.

Main promoter

in the AD&S sector of **the IAEG initiative** for the evaluation of ESG performance.

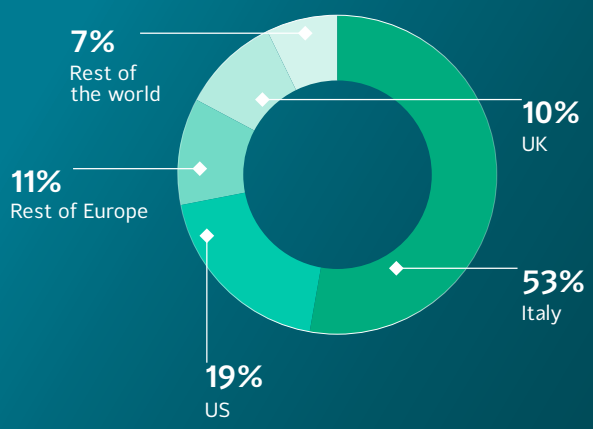
SUPPLY CHAIN IN NUMBERS

€ 11.6 BN
purchase value of goods and services

83%
of purchases related to domestic markets, with a supply chain of around 7,000 SMEs

65%
impact of purchases on revenues

PURCHASES BY COUNTRY



LOCAL SUPPLY CHAINS: SMEs AS A PERCENTAGE OF TOTAL

Italy **85%**

Poland **82%**

UK **74%**

US **63%**

CUSTOMER CENTRICITY

Customised solutions and innovative, value-added after-sales support services: from integrated service offerings to continuous system upgrades to ensure customers' operational availability and extended performance over time, training programmes in complex, multi-domain operational scenarios, and training in both skills and competencies.

25% of turnover from Customer Support, Services and Training

Customer Satisfaction

Over 100 customers from the civil, military, and government markets in approximately 50 countries worldwide have been involved in measuring Customer Satisfaction using the Net Promoter System (NPS) methodology

Digital Initiatives

Advanced Customer Relationship Management and e-commerce platforms for managing customer requests, providing a single access point (Leonardo Customer Portal) for all after-sales services, including training activities

Leonardo Logistic Network

A project aimed at strengthening the international logistics network by optimizing operational models and establishing significant technical and industrial capabilities in key customer markets

---

55,000

hours of training delivered using flight simulators

Over 15,000

helicopter and fixed-wing pilots and operators trained

1st

for the sixth year running in the ProPilot ranking of helicopter companies by quality of after-sales service

MITHOS - Sesto Calende (VA)

LEONARDO FLAGSHIP

HELICOPTERS

AW139

Multi-role helicopter capable of carrying out any type of mission: search and rescue, security, offshore, firefighting, private and executive transport

AW149

The most modern helicopter in its category for defence applications, equipped with state-of-the-art avionics systems

AW169

Latest generation helicopter characterised by high mission versatility for transport, rescue and government missions

AW119

Multi-role single-engine helicopter with performance and navigation capabilities comparable with higher category models

AW189

Modern helicopter that combines high load capacity and range with low operating costs for offshore transport, firefighting, rescue and transport missions

AW101

The most advanced and powerful multi-role helicopter available on the market today. Equipped with sophisticated avionics and mission systems, it guarantees maximum operational efficiency, also thanks to its high degree of autonomy

AW609

The first tiltrotor for civil and government applications. It combines the benefits of helicopters with those of fixed-wing aircraft

AW09

Versatile and light single-engine helicopter for a wide range of missions: from passenger transport to public utility missions, from emergency medical transport (EMS) to public safety

AW249

The latest-generation combat helicopter designed to operate in modern and constantly evolving battle scenarios

PROTEUS

A collaborative programme to develop a remotely piloted rotary-wing technology demonstrator

AW139

ELECTRONICS

ATOS

Modular avionics suite for the management of surveillance missions that can be integrated on any type of aerial platform, including uncrewed aircraft. The system allows collection and integration of data from the various on-board sensors for a complete tactical picture

KRONOS

Family of multi-function and multi-mission radars, dedicated to surveillance and air, land and maritime defence

ATHENA MK2

Combat management system capable of integrating and coordinating all information from various sensors in real time, guaranteeing complete situational awareness for surface and underwater naval assets

TMMR (TACTICAL MULTI-MISSION RADAR)

A C-band AESA radar developed to detect, classify, and track small, agile targets. Designed for complex missions such as Counter-UAS and C-RAM (Counter-Rocket, Artillery & Mortar)

SOFTWARE DEFINED RADIO

Radio for strategic, tactical, platform applications, providing secure communications, based on broadband SDR technology, with functions and characteristics modifiable via software

OTO 76/62 SR

Naval weapon system capable of providing air defence, anti-surface and anti-missile capabilities

AIRBORNE RADARS

Advanced avionics radar systems for surveillance and fire control applications, including state-of-the-art AESA radar technology

Kronos Grand Mobile High Power

LEONARDO FLAGSHIP

CYBER & SECURITY

SICOTE

Territorial control system supplied to the Italian Carabinieri Police Forces, with threat prevention and analysis functions

JOC-COVI

An ecosystem designed to enhance the operational capabilities of the Joint Operation Centre, consisting of platforms based on innovative and adaptive technologies, a multi-domain and multi-classification workstation

CYBER & RESILIENCE

Services, platforms, and solutions to manage the threat lifecycle and ensure the cyber resilience of strategic IT/OT infrastructures

SECURE DIGITAL PLATFORMS

Data valorization, data intelligence, and cloud orchestration platforms for the creation of digital services and the protection of cities, territories, and environmental assets

ARTIFICIAL INTELLIGENCE

Development of Trustworthy AI capabilities to capitalize on data and apply functional models to improve decision-making

MISSION CRITICAL COMMUNICATIONS

Solutions for mission-critical services, enabling technological evolution towards broadband and supporting next-generation operations

Joint Operation Centre COVI

AIRCRAFT

ATR 72 MPA/MM

Derived from the world's best-selling turboprop aircraft produced by ATR, this multi-mission platform is designed for surveillance, intelligence, reconnaissance, maritime patrol, and anti-submarine warfare

C-27J SPARTAN NEXT GENERATION

A global benchmark in the category of next-generation medium-sized, multi-role, and tactical transport turboprop aircraft

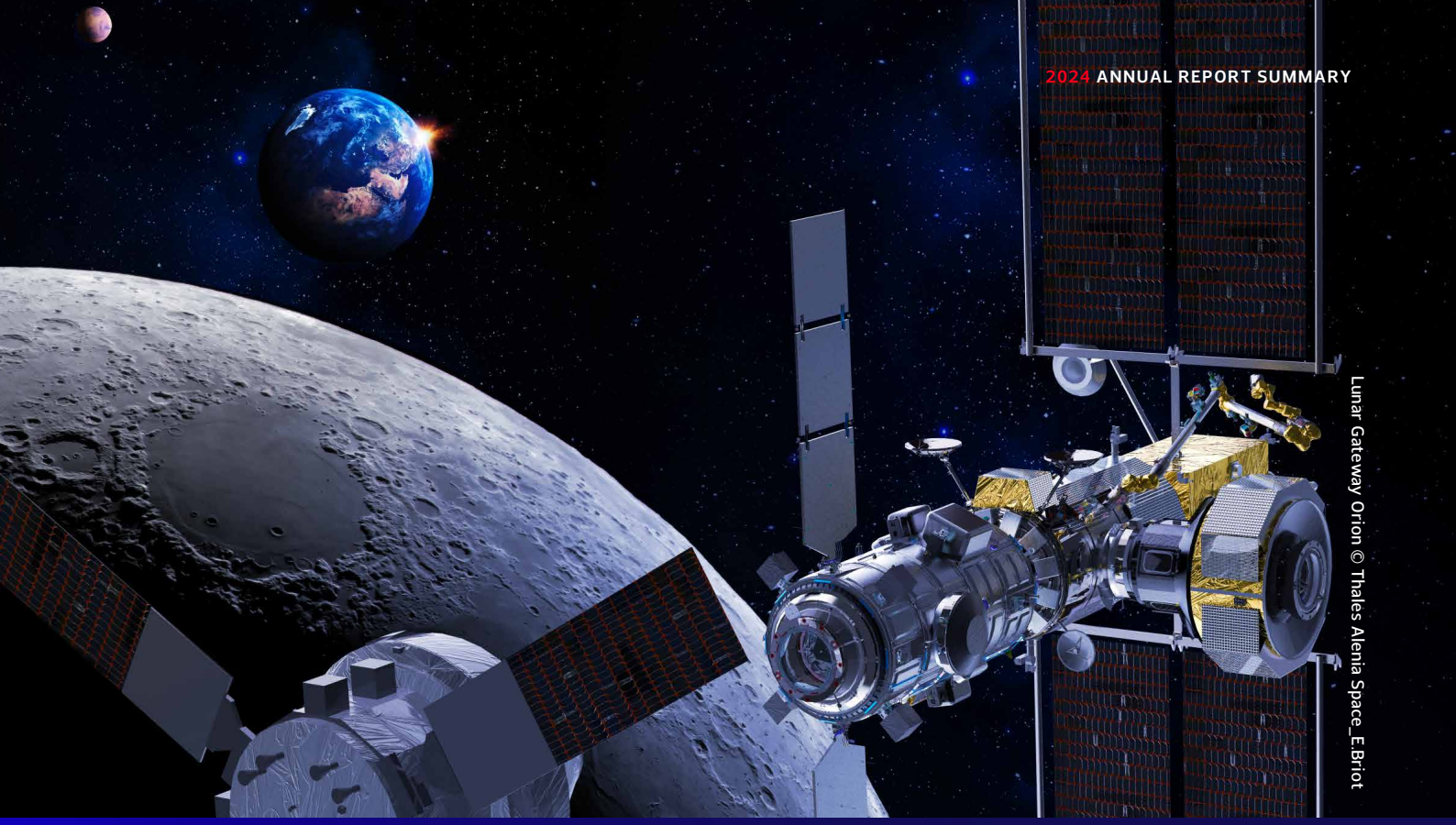
FALCO EVO

A versatile Tactical MALE (Medium Altitude Long Endurance) system for multi-mission surveillance, featuring satellite connectivity and capable of flying for over 18 consecutive hours while carrying payloads exceeding 200 kg

M-346 T/F BLOCK 20

One of the most advanced jet trainers for military pilots, now in the new Block 20 configuration, featuring state-of-the-art avionics, sensors, and training systems. Also available in an armed multi-role version, the M-346 ensures excellent training and operational performance at reduced costs

C-27J Spartan Next Generation



Lunar Gateway Orion © Thales Alenia Space_E.Briot

SPACE

COSMO-SKYMED SECOND GENERATION

Italian Earth observation satellite system, equipped with synthetic aperture radar sensors, ensuring global coverage of the planet under all weather conditions

SICRAL 3

Italian satellite system for military communications, guaranteeing interoperability between defence, public safety and civil protection networks

COPERNICUS

European satellite programme to monitor Earth, the marine and atmospheric environments, and climate change

GALILEO

The European Union's strategic Global Navigation Satellite System (GNSS)

PRISMA

Second Generation - Italian mission for Earth observation equipped with a hyperspectral sensor to collect data and information on the health of the planet, for the benefit of institutions, the scientific community and citizens

METEOSAT THIRD GENERATION (MTG)

Programme equipped with Leonardo's lightning imager capable of capturing and analysing images of lightning in the atmosphere both day and night

IRIDE

Earth observation satellite constellation currently under development as part of an initiative by the Italian Government, funded through the National Recovery and Resilience Plan (PNRR). Managed by the European Space Agency (ESA) with support from the Italian Space Agency (ASI), IRIDE is set for completion by 2026

ARTEMIS

Programme led by NASA in collaboration with the European Space Agency (ESA) and other international space agencies, to land the next astronauts and to establish a human community on the Moon. Leonardo contributes to the programme with technologies and services

SUSTAINABILITY PLAN

The 2024-2028 Sustainability Plan embodies the Group's sustainability vision and goals through measurable projects and initiatives in the short, medium, and long term, according to a data-driven approach that measures performance through specific ESG KPIs that are also monitored to achieve the Sustainability Goals.

The new strategic positioning increasingly involves Leonardo in the energy and digital transitions by developing products and solutions that ensure the security of communities, institutions, and infrastructure.
The Sustainability Plan is aligned with the strategic vision of the Group's Business Plan and brings together 100 projects with the greatest impact across the value chain, with a focus on specific priorities such as eco-design and digital twin, decarbonisation, environmental footprint management, circularity and Life Cycle Assessment, sustainable supply chain, sustainable products and solutions, and social impact.

GOVERNANCE PLANET PEOPLE PROSPERITY

AW169

SUSTAINABILITY TARGETS

CATEGORY	KPI	BASELINE		2024 RESULT	TARGET		SDG/ MATERIAL THEMES
		YEAR	VALUE		YEAR	VALUE	
GOVERNANCE	Annual renewal/ maintenance of the ISO 37001:2016 "Anti-Bribery Management System" certification	na	na	Renewed	2024	renewal	Integrity in business, compliance and anti-corruption Protection of human rights
					2025	maintenance	
					2026	maintenance	
PEOPLE	% of women in total hires	na	na	24.1%	2025	32%	Diversity, equity and inclusion Skills development, talent attraction and employee wellbeing
	% of women in total STEM area hires	na	na	23.2%	2025	30%	
	% of women in managerial positions	na	na	17.7%	2025	20%	
	% of women in total workforce	na	na	20.3%	2025	20%	
	% of women in succession plans[I]	na	na	30%	2025	27%	
PLANET	% reduction of electricity from external grid[I]	2019	0.050 kWh/€	0.038 kWh/€ (-23%	2025	-10%	Climate change Management of natural resources and biodiversity Environmental impact of materials use and circularity
	% reduction in Scope 1 + Scope 2 (Market-Based) CO_{2e} emissions [II]	2020	423 kton CO_{2e}	240 kton CO_{2e} (-43%)	2030	-53%	
	% reduction in water withdrawals [II]	2019	5,653 ML	4,492 ML (-21%)	2030	-25%	
	% reduction in waste generation [III]	2020	38,499 ton	32,555 ton (-15%)	2030	15%	
	% reduction in Scope 3 downstream CO_{2e} emissions per equivalent flight hour	2020	1.94 tCO_{2e}/ Fh_e	1.25 tCO_{2e}/ Fh_e (-36%)	2030	-52%	

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		YEAR	VALUE		YEAR	VALUE	
PROSPERITY	% of suppliers with science-based emission reduction targets	na	na	12%	2028	58%	Sustainable supply chain Value creation for the society Research and development, innovation and advanced technologies
	Number of key suppliers trained on sustainability issues	na	na	198	2027	≥ 500	
	% (in valore) delle principali nuove gare assegnate che includono criteri o richieste ESG[IV]	na	na	20%	2028	>70%	
	% increase of per capita computing power[V]	2020	198 Gflops/ Dip. ITA	222 Gflops/ Dip. ITA +12%	2025	+40%	
	% increase of per capita storage capacity[V]	2020	874 Gbyte/ Dip. ITA	1,425 Gbyte/ Dip. ITA+63%	2025	+40%	

I Calculated as a ratio to revenues.

II Reduction in absolute value.

III Reduction in absolute value of water withdrawals from aqueduct and wells.

IV Calculated on tenders > 1 M€ in value managed through Leonardo portal. It does not include DRS, the Electronics Division of Leonardo UK and local purchases by foreign subsidiaries.

V Calculated as the number of flops (Floating Point Operations Per Second) and bytes in relation to employees in Italy.

ESG LINKED

64% of the total funding sources available to the Group are linked to ESG parameters:

€ 1.8 BN
Revolving Credit Facility ESG

€ 600 M
ESG Linked Term Loan

€ 260 M
ESG financing by the European Investment Bank

All these sources are linked to specific KPIs, including reducing CO_2 emissions through eco-efficiency of industrial processes, promoting female employment with degrees in STEM disciplines, and increasing Leonardo's per capita computing power as a crucial element in enhancing research, numerical simulation, big data analytics, and artificial intelligence.

COMMITMENT TO THE PLANET

Leonardo is aware that activities at its production sites and of its entire value chain are closely connected to surrounding ecosystems and society. Responsible use of natural resources, monitoring and management of waste produced, containment of emissions and energy consumption, as well as protection of biodiversity, are the drivers of Leonardo's sustainable business strategy by leveraging the efficiency of its processes, products and services, digitalisation and new technologies. The Group pursues the decoupling between business growth and use of material resources and environmental footprint as a main strategic element.

CLIMATE CHANGE AND DECARBONISATION

Addressing climate change is a central element in the Group's strategy, which commits Leonardo to rethink its production processes with the aim of promoting the transition to a low-carbon economy. The commitment to the Science Based Targets initiative (SBTi) and the setting of three targets according to its guidelines consolidates Leonardo's efforts to reduce its direct and indirect emissions. The company has indeed adopted an integrated approach to address all emission through its entire value chain (Scope 1, 2, and 3): it focuses, on the one side, on improving operations, enhancing energy efficiency, transforming production processes through lower-impact solutions, and accelerating the adoption of renewable energy sources; on the other side Leonardo is also steering its supply chain to measure their emissions and to decarbonize, and creating products which have a lower carbon footprint.

Stevns Klint, Denmark. COSMO-SkyMed Image © ASI. Processed and distributed by e-GEOS

REDUCING EMISSIONS IN OPERATIONS

Energy efficiency

Full Potential lighting programme using LED technology to save approximately **27 GWh/year** or over **8,000 tonnes of CO_{2e}** per year

Optimisation of energy transformation plants and processes

Construction of a new thermal plant at the Vergiate (VA) facility will reduce gas consumption by approximately **900,000 m^3** per year and avoid around **1,800 tonnes of CO_{2e}** emissions.

Rebalancing the energy mix

Installation of photovoltaic systems at Leonardo's main sites, with a total installed capacity of approximately **43 MWp**. 86% of energy purchased by the Group in 2024 was covered by Guarantees of Origin that cerified the renewable source of the energy.

Use of alternative fuel and virtualisation

Adoption of fuel blends containing **up to 50% SAF** (Sustainable Aviation Fuel) for aircraft and helicopters. Simulators enables virtual pilot training, thus reducing the need for flights on real platforms.

DECARBONISATION TARGETS VALIDATED BY SBTI

As part of its climate strategy, Leonardo has set three Near-Term targets, validated by the Science Based Targets initiative in 2024

A 53% reduction

in direct and indirect emissions (Scope 1 and 2, market-based) from operations and energy consumption by 2030, compared to 2020.

Engagement of 58%

of suppliers (by emission) to develop and set science-based targets by 2028.

A 52% reduction

in Scope 3 emissions (Categories 3–8 and Category 11) in terms of CO_{2e} per equivalent flight hour by 2030, compared to 2020.

Leonardo UK has pledged to **achieve Net Zero** by 2050 across the entire value chain, including by achieving interim targets. Scope 1 and 2 emissions have decreased by 68% since 2018, primarily due to the procurement of renewable energy.

RESOURCES, CIRCULAR ECONOMY AND BIODIVERSITY

A design approach based on material circularity and the creation of circular supply chains reduces dependency on natural resource extraction, particularly critical raw materials. Leonardo promotes the transition to a circular economy, ensuring competitiveness by decoupling economic growth from resource consumption. Leonardo takes into consideration the protection of biodiversity and ecosystems as a main driver for its activities and has the ambition to reduce the environmental footprint in line with the interests of local communities and stakeholders.

Optimising the use and choice of materials

LIFE CYCLE ASSESSMENT (LCA)

This method optimises resource use and reduces the carbon footprint of products and processes. An LCA study quantified the environmental benefits of designing transmission components using additive manufacturing and composite wing structures as part of the development of the next-generation civil tiltrotor (NGCTR).

Dematerialisation and virtualisation

DIGITAL TWIN TECHNOLOGY

Using digital twins reduces resource consumption in prototyping, testing and training, enabling the rethinking of production cycles. Processing on the cloud further dematerialises the infrastructure for running software services.

NEMESI

The smart factory project at the Pomigliano d'Arco and Nola (NA) plants, reduces material use in prototyping ATR aircraft fuselages by leveraging digital twin technology, and minimises manufacturing waste through additive manufacturing and automation of aluminium aerostructure riveting.

Extending product lifespan

CUSTOMER SUPPORT & TRAINING ACTIVITIES

The Group enhances the value of used products through reuse and predictive maintenance, leveraging forecasting models and artificial intelligence.

Recycling and by-product sales

RECYCLING SUPPLY CHAIN FOR CARBON-FIBRE COMPOSITES

In collaboration with suppliers and technology partners such as Herambiente and Syensqo, Leonardo is scaling up an industrial circular process for recycling thermoset matrix composites.

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For more information:

leonardo.com