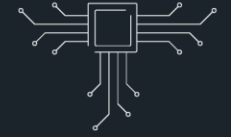




SUSTAINABILITY PLAN 2024-2028



Electronics



Helicopters



Aircraft



Cyber &
Security



Space



Aerostructures

Security-Sustainability nexus as the basis to create shared value

Security is a **primary need** to allow sustainable development: **peace must be defended** to guarantee sound societies and institutions. **New security needs and increasing focus on sustainability** require new actions for AD&S companies.



GEOPOLITICAL CONTEXT

- New concept of defense with **growing Cyber & Space**
- Evolving towards **global security**, with **EU** pushing for **partnerships**



MARKET AND REGULATION

- **Customers'** demands on ESG performance
- New **market opportunities** related to sustainability
- Stricter **sustainability requirements**



LEONARDO'S IMPACTS

- **Main material impacts on** security of communities, infrastructures and climate, and innovation

OUR PURPOSE:

Contribute to the world's progress and security by delivering meaningful and innovative technological solutions.

In line with the purpose, the Group will strengthen **leadership on security and technologies driving sustainability and climate action**




Integrating sustainability into Group strategy

INTEGRATED STRATEGIC BUSINESS PLAN


Sustainability as enabling factor: businesses set their sustainability strategy, leveraging on people, products, innovation, efficiency and partnerships to **enhance** the Group sustainability **competitiveness**




HELICOPTERS
Innovation & digital transformation as a core development path



AEROSTRUCTURES
Sustainability to **strengthen business & competitiveness**



AIRCRAFT
Evolution of the aircraft **ecosystem** towards sustainability to increase **competitiveness**



ELECTRONICS
Multidomain **cybersecure** environment, maximizing sustainability impacts



TELESPAZIO
Promote **satellite assets as enablers** of services contributing to sustainability of Earth & Space



CYBER & SECURITY SOLUTIONS
Sustainable-by-design approach and enhance strategic asset resilience

MATERIAL IMPACTS



- Climate change
- Natural resource and biodiversity
- Material use and circularity



- Citizens' security
- Cyber security
- Solutions' quality & safety
- Sustainable supply chain
- Digital transformation
- Relationship with communities
- R&D, innovation & technologies



- Diversity, equity & inclusion
- Skills, attraction & wellbeing
- Health & safety



- Business integrity & anticorruption
- Protection of human rights

2024-2028 SP CLUSTERS

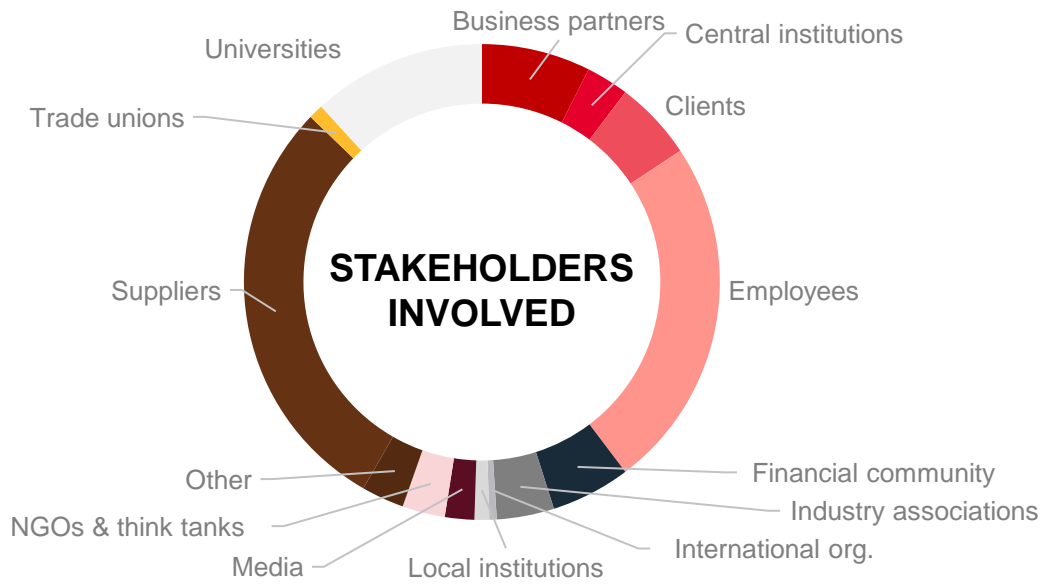
- Environmental protection
- Circular economy & digital factory
- R&I & Sustainable products by design
- Sustainable solutions, cyber security & digital
- Space, climate & emergency solutions
- Sustainable supply chain
- Social impact
- Business ethics & human rights

Clusters and actions of the SP are aligned with **ESG Ratings** requests to promptly respond to our investors, clients and suppliers



2023 materiality analysis results: impact as a compass for sustainability strategy

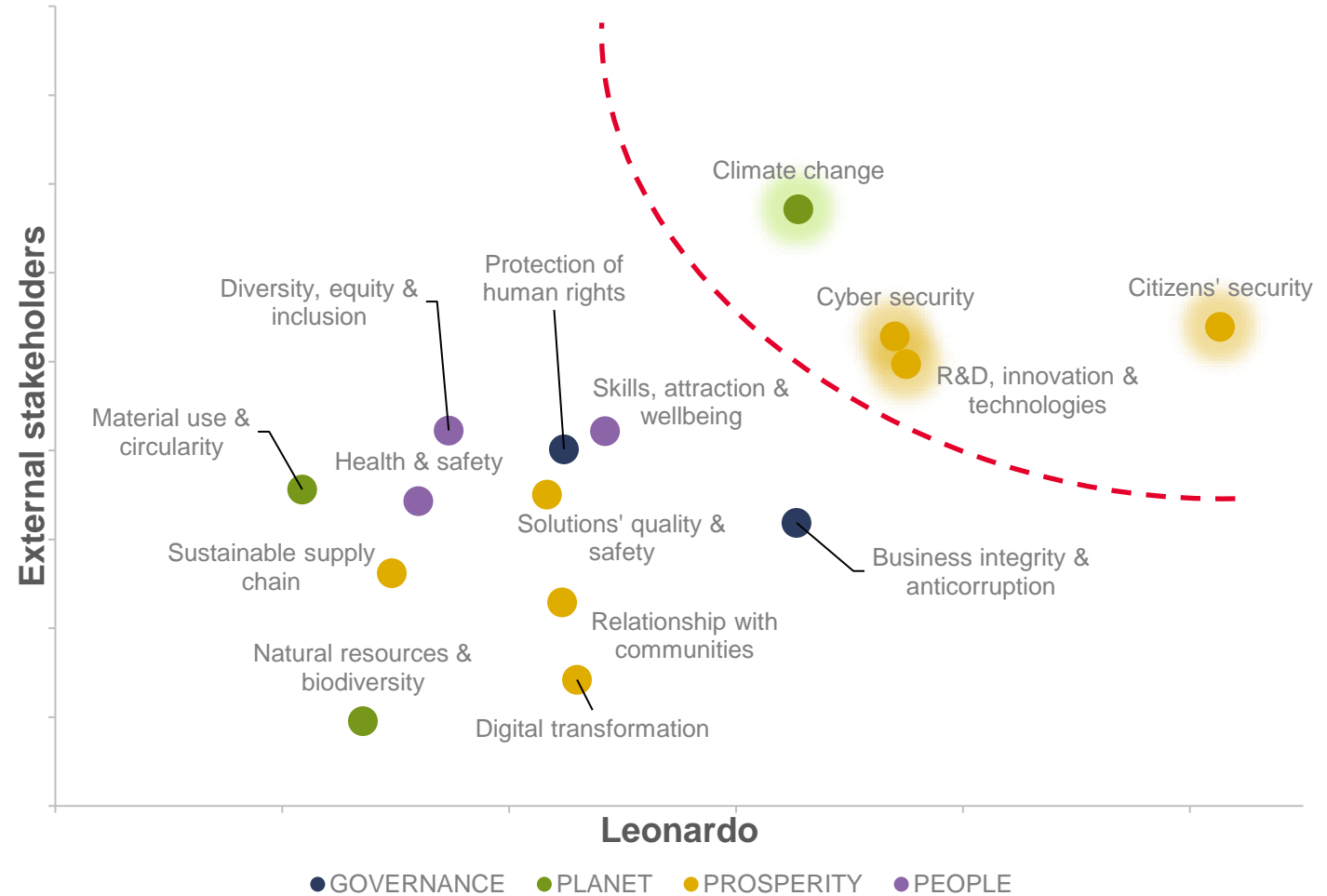
Our main **impacts** – as identified by relevant stakeholders and top management – are **strongly related to Group purpose** and focus on security, innovation and sustainable solutions.









527 people involved
13 stakeholder categories
39 C-level and BoD members invited

49% total response rate
60+ impacts mapped
53% of material impacts are positive

MATERIALITY MATRIX



Confirmed Sustainability Targets on Planet & People




ESG PILLAR	DESCRIPTION	VALUE	YEAR	PROGRESS	MAIN SDGS	
 <p>PLANET</p>	<ul style="list-style-type: none"> Reduce electricity consumption withdrawn from external grid (Int.) Reduce CO_{2e} emissions Scope I+II Market Based Reduce water withdrawals Reduce waste produced 	<p>-10%⁽¹⁾</p> <p>-50%⁽²⁾</p> <p>-25%⁽³⁾</p> <p>-15%⁽³⁾</p>	<p>2025</p> <p>2030</p> <p>2030</p> <p>2030</p>			
	 <p>PEOPLE</p>	<ul style="list-style-type: none"> % of women hires % of female representation at managerial levels ★ % of women hires with STEM background % of women in total employees % of women in the succession planning 	<p>32% of hires</p> <p>20% of managers</p> <p>30% of hires STEM</p> <p>20% of women</p> <p>27% of women</p>	<p>2025</p> <p>2025</p> <p>2025</p> <p>2025</p> <p>2025</p>		

★ % of women with STEM background hires (calculated as 3-year average) included also in the Long-Term Incentive (LTI).

Notes: (1) Calculated in relation to revenues - 2019 yr baseline; (2) Absolute value - 2020 yr baseline; (3) Absolute value - 2019 yr baseline



Sustainability Targets on Governance







ESG PILLAR	DESCRIPTION	VALUE	YEAR	PROGRESS	MAIN SDGS
 <p>GOVERNANCE</p>	<ul style="list-style-type: none"> Renew/maintain “Anti-Bribery Management System” cert. standard 	ON/OFF	2023		
	<ul style="list-style-type: none"> Re-certification and annual maintenance of Audit "Anti-bribery management systems" <p><i>In 2018, Leonardo S.p.A. was the first company among the top ten global players in the AD&S sector to obtain ISO 37001:2016 "Anti bribery management systems" certification</i></p>	ON/OFF	2024 (re-certification)		
			2025-2026 (maintenance)		



Sustainability Targets contributing to Prosperity

How does Leonardo impact on Prosperity?

- Contributing to countries' **economic growth through its ecosystem** (workforce, suppliers, local communities)
- Favouring **progress through technological innovation**
- Creating **shared prosperity** and equitable growth **by guaranteeing security** of citizens, infrastructures & planet

ESG PILLAR	DESCRIPTION	VALUE	YEAR	PROGRESS	MAIN SDGS
 PROSPERITY	<ul style="list-style-type: none"> • Implement Supply Chain development programs for SMEs 	ON/OFF	2023	✓	    
	<ul style="list-style-type: none"> • Training programs on SDGs to key suppliers 	> 80% (> 500)	2023	✓	
	<ul style="list-style-type: none"> • LEAP partners with set targets and plans on green energy, CO₂ emission reduction, waste recycling, water consumption 	100%	2023	✓	
	<ul style="list-style-type: none"> • Increase computing power per capita 	+40% ⁽⁴⁾	2025	📷	
	<ul style="list-style-type: none"> • Increase storage capacity per capita 	+40% ⁽⁴⁾	2025	📷	
	<ul style="list-style-type: none"> • Training to key suppliers on supply chain sustainability topics <i>Digital and classroom training initiatives coherently with the SBTi plan, with focus on reporting/CSRD and Decarbonization</i> 	≥ 500	2027	+	
	<ul style="list-style-type: none"> • Include ESG criteria /requirements in major tenders <i>Extend ESG assessment to all major suppliers through acknowledged platforms and implement mapping and monitoring of tenders assigned with ESG criteria</i> 	> 70% in value of new major tenders assigned ⁽⁵⁾	2028	+	

Notes: (4) Calculated as n. of Flops (Floating Point Operations Per Second) & bytes in relation to employees in Italy - 2020 yr baseline (5) Tenders with value > 1M€ managed in Leonardo tender portal (excl. DRS, LEDUK, local purchases of foreign subsidiaries)



2021-2023 Sustainability Plan results: addressing planet and prosperity targets and contributing to people development

Projects performance and progress are monitored by +200 dedicated KPIs reported on a digital platform with a multi-level formal validation⁽¹⁾

⁽¹⁾ By sustainability professional family members

FACTS AND FIGURES



PLANET

21.6
GWh

of electric energy saved/year thanks to LED Full Potential program

~ 180
ktons

of CO_{2e} scope I + II MB emissions saved thanks to SF₆ substitution vs 2020

~ 500
megaliters

of water withdrawals saved thanks to Smart Water program vs 2019



PEOPLE

> 18k
employees

attended the Sustainable Training course

> 2k users registered &
> 20k missions completed in SustainAble

~ 1.4k schools

~ 2k teachers involved in STEMLab

60k students



PROSPERITY

206
SMEs

involved in development programs

648
key suppliers

trained on SDGs

100%
of LEAP
partners

suppliers who have formalized targets, action plans & reporting system



New Sustainability Framework 2024-2028

Sustainability Plan: Clusters, Value chain and ESG Pillars



❖ **Timeframe extended to 5 years**

Shift from 3- to 5-year planning to fully integrate SP into Group Strategic Plan

❖ **KPI-based projects and data-driven approach**

SP projects were selected based on their measurable impact through a digitalized data reporting and analytics system

❖ **High-impact on sustainability targets**

SP projects were selected also for their contribution to one or more Group sustainability targets

❖ **Sustainability embedded into the entire value chain**

SP projects concern all the phases of the value chain aiming at integrating sustainability into the business

❖ **Mitigating risks**

SP projects help making business resilient to external stress, thus preventing and protecting from risks along the value chain (e.g. climate risks affecting operations; supplies' disruptions affecting business continuity; etc.)

SDGs



2024-2028 Sustainability Plan highlights



- **270 M€** for Sustainability Plan's projects in Group budget plan, concentrated in the first 3 years
- Top **10** projects accounting for over **80%** of total budget planned
- **55%** of budget planned focused on sustainable products and solutions

❖ Sustainable business proposals

SP includes solutions already in our portfolio and generating revenue, in line with the effort to strengthen our sustainable solutions' business

❖ Digitalization as a cross-cutting effort

Digitalizing processes and solutions – especially through smart factories – is a cross-divisional commitment to increase efficiency and reduce operations' environmental footprint

❖ Impactful collaboration with the supply chain

Development of the suppliers' ecosystem is among the projects with the highest budget planned and with an expected high impact



Digital sustainability approach based on ESG KPIs performed through two reporting campaigns



ESG KPI BUDGET PLAN

Five-years ESG KPIs Budget Plan aimed to **yearly** measure Group's performance towards the **Sustainability Targets**



SUSTAINABILITY PLAN

Projects' KPIs and economics reporting aimed to **half-yearly** monitor the **Sustainability Plan's** performance

SUSTAINABILITY PROFESSIONAL FAMILY

- Corporate
- Divisions
- Companies

>30
internal structures

REPORTING

Data owners fully accountable

Data Submission

1st level of Validation

DIGITAL PLATFORM

DATA ANALYSIS

~ **8,500** metrics analyzed
> **200** KPIs monitored

2nd level of Validation
by Sustainability and P&O

MANAGEMENT CONTROL REPORT

- Integrated Report
- ESG Ratings
- Internal Stakeholders
- Communication



Sustainability across the value chain: key projects



Focus on clusters: Sustainability - Innovation nexus

- Digital transition and sustainability are deeply linked, especially enabling ecological transition, optimizing processes, mobility and the decisions of policy makers.
- The **Research and Innovation by design products Cluster** underpins the sustainable development of Leonardo and **impacts all the value chain.**



MAIN TECHNOLOGIES FOR SUSTAINABILITY

Artificial intelligence

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

Deep digital technologies

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



Focus on clusters: Decarbonization and Climate action



- 2024-2028 SP aims to continue and expand our decarbonization path by further abating our **direct (Scope I)** and **indirect emission (Scope II)** (**251 ktonCO₂ in 2023** and **-41% vs 2020**) through operations efficiency
- In line with our **Climate Strategy**, we foster climate action beyond operations and along the entire **value chain** by promoting decarbonization of both our suppliers and customers, starting from the strong contribution of research and innovation on low carbon products

Scope II emissions reduction – Energy Self-Production Program



Installation of renewable energy generation plants across Leonardo sites. In 2023 a total installable **capacity of 35.3 MWp** and, with the addition of other contracts currently in analysis, the total estimate of **self-consumed photovoltaic energy from the plants** can reach a value of about **50GWh/year**




Climate action – Science Based Targets initiative



The **commitment to the Science Based Targets initiative** involves the whole Company beyond operations, from **R&I to Procurement**.

Our validated Science Based Targets initiative targets⁽¹⁾ are

By 2028
 **58%**
 of suppliers by emissions committed to SBTs

By 2030
 **- 53%**
 of Scope I and II CO_{2e} emissions vs. 2020

By 2030
 **- 52%**
 of Scope III downstream CO_{2e} emissions / flight hour equivalent vs. 2020



SBTi approves Leonardo Near-Term decarbonization targets



Focus on clusters: Environmental footprint management



Leonardo Strategy is decoupling business growth and natural resources consumption (i.e. water, materials, energy)

New focus of the strategy is on **Biodiversity** and we are planning specific actions to **evaluate our impact, protect and restore** mitigating also the impacts in development and use of products.

MAIN ENVIRONMENTAL TOPICS

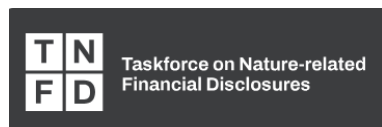
- **Water Efficiency:** reduction of water consumption and promote reuses

- **Waste Reduction:** waste Reduction, Recycle and Reuse

- **Biodiversity:** evaluate the impact of our business on biodiversity

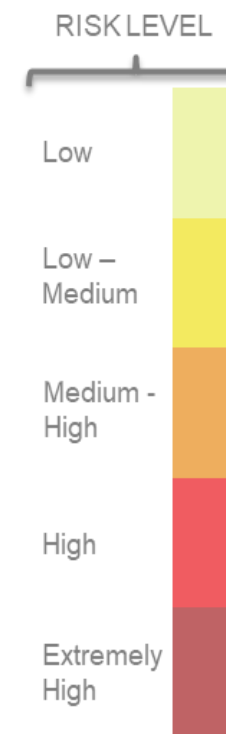
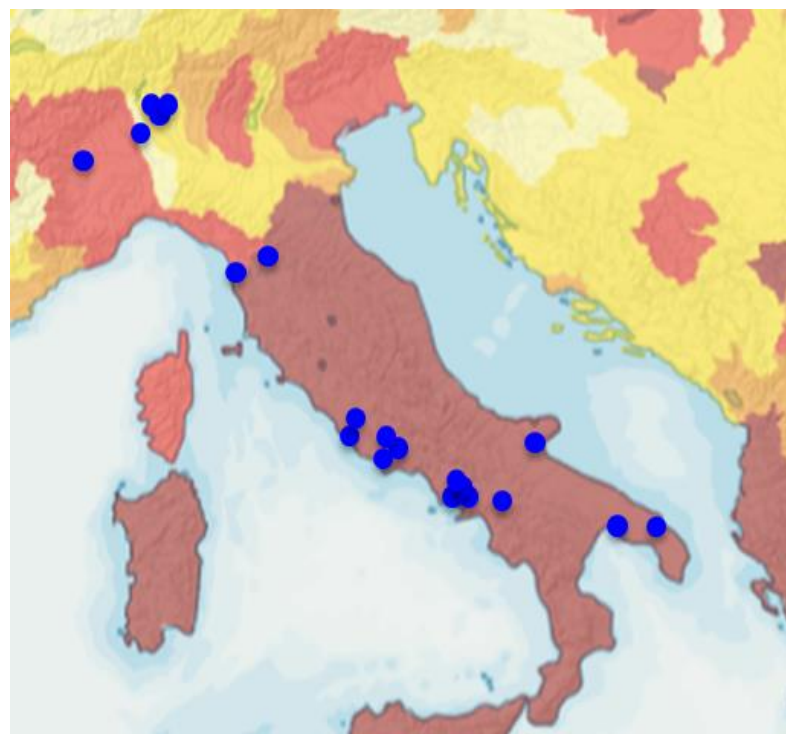
- **Sustainable Raw Materials:** evaluate Policy, Programme, Conflict Minerals

Emerging requirements on environmental topics will strongly affect the business*



WATER SITE RISK ANALYSIS

Water scarcity is an increasing risk factor for the **business continuity**.



Actions of water withdrawal reduction and **regenerative circular water sources** are required to avoid potential **revenue losses** before being levers towards Water Group Target and protection of biodiversity of local ecosystems.

* Standard & Poors Corporate Sustainability Assessment



Focus on clusters: Circular economy and digital factory

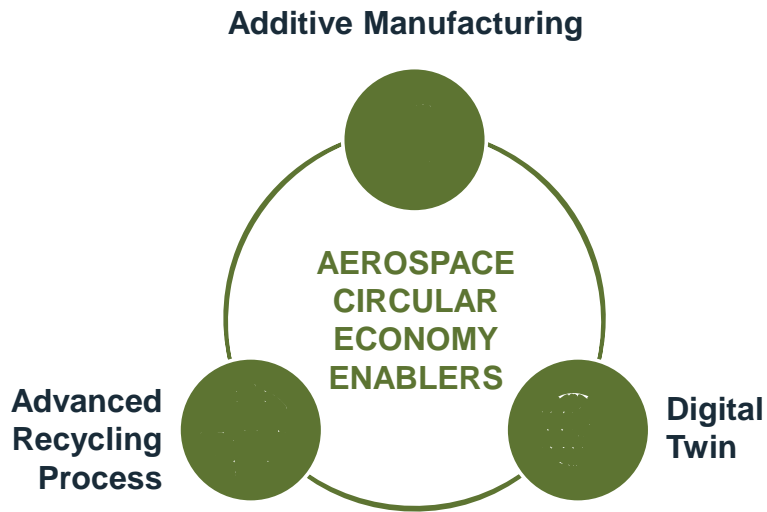


Circularity is a **business opportunity that covers all Leonardo value chain**

- Management of End of Life products (take back) for valorization implementing Extended Producer Responsibility
- Adoption of recycled materials and Eco-design approach

CIRCULAR ECONOMY ENABLERS FOR AEROSPACE

The main enablers of transition to a circular model in Aerospace domain are^[1]:



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

LEONARDO APPROACH

OPERATIONS

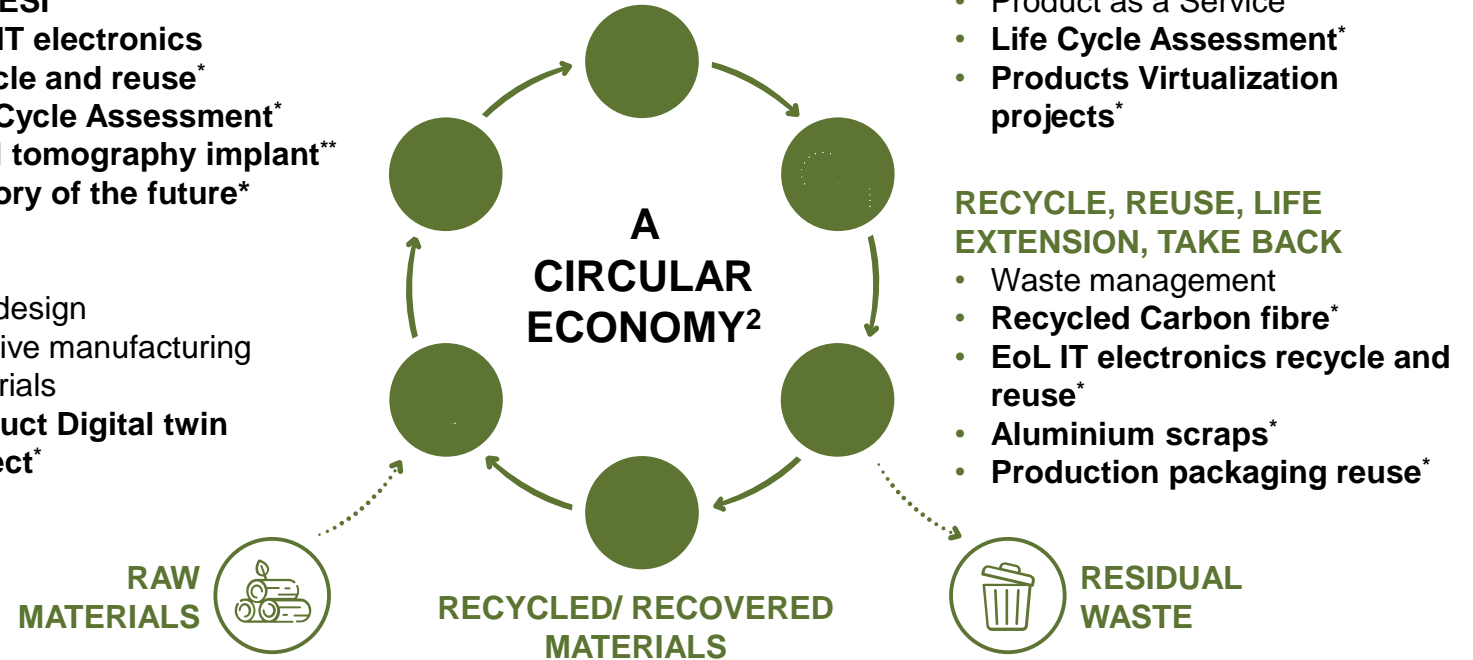
- Virtualization of processes
- **NEMESI***
- **EoL IT electronics recycle and reuse***
- **Life Cycle Assessment***
- **Axial tomography implant****
- **Factory of the future***

R&I

- Eco-design
- Additive manufacturing
- Materials
- **Product Digital twin project***

SUPPLY CHAIN

- Circular supply chain and recycled materials



PRODUCTS & SOLUTIONS

- Eco-design
- Product as a Service
- **Life Cycle Assessment***
- **Products Virtualization projects***

RECYCLE, REUSE, LIFE EXTENSION, TAKE BACK

- Waste management
- **Recycled Carbon fibre***
- **EoL IT electronics recycle and reuse***
- **Aluminium scraps***
- **Production packaging reuse***

[1] A Circular Economy for Civil Aerospace By James Domone, Philippa Bliss and Matt Copus

* Sustainability Plan Projects

** -12 helicopters blades saved/yr



Focus on clusters: Supplier Engagement Roadmap to support new targets achievement



- Reinforced commitment on **suppliers' engagement** is needed to achieve new sustainability targets.
- Engagement of suppliers to encourage their sustainability commitment and decarbonization in line with SBTi

Supplier engagement

In order to meet the new Group sustainability on supplier engagement, a new Group level project has been designed, including:

- **Communities, training & events** (e-learning platform, workshops, webinars)
- **Services & partnerships** (partnerships for training programs or advisory services)
- **Tender requirements** to be tailored to progressively include decarbonization requirements
- **Financial support** (co-financing of enabling services, digital platform for early payment of invoices)



Focus on clusters: Creating sustainable business value through products and solutions

Consistently with the new Group sustainability strategy, 2024-2028 Sustainability Plan will strongly leverage on the contribution our solutions can give to sustainability in all its forms and across different domains.

Sustainability driver

Sustainability Plan actions



Prosperity

Sustainable products and solutions

- › Provide solutions for security and cybersecure by design products
- › Promote space solutions for climate and infrastructures
- › Develop solutions and platforms for global monitoring and emergency response



SUSTAINABILITY-DRIVEN BUSINESS OPPORTUNITIES

Leonardo address **security in several forms**: security of citizens, territories, seas and borders, infrastructures (both physical and digital) and environment

Citizens' security



- ✓ Emergency response solutions
- ✓ Global monitoring

Infrastructures' security



- ✓ Cyber protection
- ✓ Solutions for smart cities
- ✓ Space solutions

Climate and Earth monitoring



- ✓ Sustainable aviation
- ✓ Virtualization
- ✓ Climate & Earth monitoring



Solutions for citizens' security

Managing emergencies that impact on communities is an increasingly complex issue that require integrated management and deployment of state-of-the-art technological tools



Emergency response solutions

Emergency Mapping services

The service provides near **real time reference maps** over the area affected by **critical natural or man driven events**, allowing to assess their impact with respect to pre-event situation, as well as to monitor events evolution in time

Land Displacement Monitoring Services

Monitoring terrain displacements service, with special focus on inhabited areas, steep area, extraction sites. The project aims to identify situations that can potentially affect territory resilience and could create risk for land and population integrity



Solutions for fires

Leonardo's C-27J Next Generation Fire Fighter

Dealing with **environmental emergencies** is an increasingly complex challenge that requires the implementation of **multiple, strategic and technological tools** to protect people and the territory.

Leonardo's **C-27J Next Generation Fire Fighter** represents the state-of-the-art in airborne firefighting capabilities.

The Fire Fighter configuration is a flexible solution, ideal for enhancing the capabilities of the C-27J Next Generation multi-mission aircraft and has significantly lower purchasing and operating costs than a dedicated firefighting platform.



Solutions for infrastructures' security

Protecting infrastructures has become increasingly crucial due to the current geopolitical scenario. Leonardo, with its solutions, aims to secure both digital and physical infrastructure from potential threats



Technologies for urban mobility

4 Assi di forza – Genova

Our technologies can be a key tool for transforming cities into smart cities, starting from mobility services. “4 Assi di forza” project aims to improve urban mobility with electric buses and trams, reserved lanes and interchange car parks in four areas of Genova.

Thanks to our technologies, it will be possible to provide Genova with a higher public transport service quality in terms of comfort, safety and less CO₂ emissions.



Satellites to monitor the safety of space from space

Space Situational Awareness

Space Situational Awareness services – under development together with NorthStar – aim to monitor all near-Earth orbit regimes and improve tracking of space objects capable of damaging satellites and interrupting the provision of critical services.

In Orbit Servicing

Leonardo will develop enabling technologies to make space more sustainable and safer, for example, refuelling satellites directly into space, repairing or replacing their components, moving them to other orbits or facilitating their smooth atmospheric re-entry.



Technology-driven climate action

Virtualization and R&D strongly contribute to accelerating our green transition, with a significant impact on sustainability and on the **reduction of environmental footprint**



Virtual training solutions

Virtualization of flight hours

Digital technologies (e.g. simulation or virtual and mixed reality), **enable to design new training systems**, push **servitization** and make possible to significantly **reduce the need for flights** on real platforms, with consequent reduction CO₂ emissions.

As for Aircraft, the **International Flight Training School** aims to establish an advanced flight training centre for military pilots based on M-346 Integrated Training System and part of a comprehensive effort on **Simulation and Training**.

Regarding Helicopters, the **MITHOS** simulators **train** operators involved in **rescue operations** and simulates any weather condition, **enabling a low-impact safe training**.



Earth monitoring solutions for climate

IRIDE

The program will create an end-to-end system consisting of constellations of LEO satellites, operational infrastructure on the ground and services designed to provide geospatial services to national and European level, both to the Public Administration and to private customers.

Land Cover & Tropical Forest Mapping and Monitoring service

The project aims to provide a high resolution (10m), dynamic global land cover service. LCFM will generate frequent, sub-annual land surface categorizations and land cover characteristics and consolidate these into global annual land cover maps and tropical forest



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	Year	Progress
Renew/maintain “ Anti-Bribery Management System ” cert. standard	2023	
NEW Re-certification and annual maintenance of Audit “ Anti-bribery management systems ”	2024 (re-certification) 2025-2026 (maintenance)	



Anti-corruption

Anti – Bribery management system

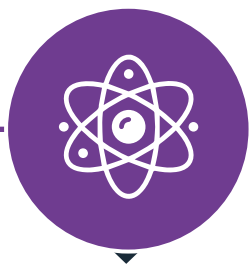
In 2018, Leonardo Spa was the first company among the top ten global players in the Aerospace, Defense and Security sector to obtain ISO 37001:2016 "Anti bribery management systems" certification. The assessment evaluated the structure and adequacy of the management systems of Leonardo Spa and, in a second phase, its application in various operating areas of the company. In 2024, Leonardo wants to renew the certification to be confirmed as a leader in anti-corruption practices and to maintain it over 2025 and 2026.



Focus on clusters: Social Impact – A New Lever to Enhance Value



- Social Impact projects are targeted to Leonardo people and the external communities and territories with the aim of maximizing the social value generated, leveraging on the following five drivers



TALENT ENGINE

Increase **balanced recruitment** and **professional development**; improve **attraction**; strengthen **retention** and **engagement**; enhance **welfare** and **well-being** in the workplace

SUSTAINABILITY CULTURE

Reinforce sustainability culture mainly by boosting **education**

STEM PROMOTION

Promote STEM disciplines by leveraging on **projects and education** internally and externally

DE&I ENHANCEMENT

Strengthen DE&I culture by enhancing **processes, education and projects**

VALUE FOR COMMUNITIES

Maximize value for communities based on **volunteering, knowledge transfer and partnerships** with non-profit organisations

A **Gender Equality Strategic Plan** (Leonardo S.p.A.) has been introduced as part of the **Sustainability Plan**; it is made up of **various people-driven projects**, aimed at supporting the progress towards the Group People Sustainability Targets



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#SustainableLeonardo



THANK YOU



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