



Ordinary Shareholders' Meeting 8 and 9 May 2023
(I and II call)

Explanatory reports pursuant to Art. 125-ter of Legislative Decree No. 58/98

1. Financial Statements as at 31 December 2022 and related reports of the Board of Directors, the Board of Statutory Auditors and the Independent Auditors. Related and consequent resolutions. Presentation of the Consolidated Financial Statements as at 31 December 2022.
2. Determination of the number of members of the Board of Directors.
3. Determination of the term of office of the Board of Directors.
4. Appointment of the members of the Board of Directors.
5. Appointment of the Chairman of the Board of Directors.
6. Determination of the remuneration of the Board of Directors.
7. Report on the policy regarding remuneration and fees paid: binding resolution on the first section pursuant to Art. 123-ter, paragraph 3-ter, of Legislative Decree No. 58/98.
8. Report on the policy regarding remuneration and fees paid: non-binding resolution on the second section pursuant to Art. 123-ter, paragraph 6, of Legislative Decree No. 58/98.

Disclaimer

These Explanatory Reports have been translated into English solely for the convenience of the international reader. In the event of conflict or inconsistency between the terms used in the Italian version of the Explanatory Reports and the English version, the Italian version shall prevail, as the Italian version constitutes the official document.

Explanatory Report of the Board of Directors on item 1 on the Agenda

Financial Statements as at 31 December 2022 and related reports of the Board of Directors, the Board of Statutory Auditors and the Independent Auditors. Related and consequent resolutions. Presentation of the Consolidated Financial Statements as at 31 December 2022.

Dear Shareholders,

The 2022 financial statements, which we submit for your approval, close with a net profit of Euro 1,700,507,630.03.

In light of the foregoing, we submit the following proposed resolution for your approval:

“The Ordinary Shareholders’ Meeting of Leonardo - Società per azioni:

- considering the Report of the Board of Directors;*
- considering the Report of the Board of Statutory Auditors;*
- having examined the financial statements as at 31 December 2022;*
- having acknowledged the report of EY S.p.A.*

resolves

- to approve the Directors’ Report on operations and the financial statements as at 31 December 2022;*
- to approve the proposal posed by the Board of Directors of allocating the profit Euro 1,700,507,630.03 for the 2022 financial year as follows:*
 - as to Euro 85,025,381.50, equal to 5% of the profit, to legal reserve;*
 - as to Euro 0.14, on account of dividend, by paying it, including any withholding prescribed by law, as from 24 May 2023, with "detachment date" of coupon no. 13 falling on 22 May 2023 and "record date" (i.e., date on which the dividend is payable, pursuant to Art.83-terdecies of Legislative Decree no. 58 of 24 February 1998 and Art. 2.6.6, paragraph 2, of the Regulations for the Markets organized and managed by Borsa Italiana S.p.A.) falling on 23 May 2023; the above provisions refer to each ordinary share that will be outstanding at the detachment date of the coupon, excluding treasury shares in portfolio at that date, without prejudice to the regime of those that will be actually awarded, under the current incentive plans, during the current financial year;*
 - with regard to the remaining amount, to retained earnings."*

The financial statements documents are made available to the public at the Company's registered office in Rome, Piazza Monte Grappa no. 4 - 00195, at Borsa Italiana S.p.A., on the Company's website www.leonardo.com (Section "2023 Shareholders' Meeting") and on the website of the authorized storage mechanism "eMarket Storage" (www.emarketstorage.com) in accordance with the law.

Explanatory Report of the Board of Directors on item 2 on the Agenda

Determination of the number of members of the Board of Directors.

Dear Shareholders,

With the approval of the financial statements for the 2022 financial year, the three-year mandate granted to the Board of Directors by the Shareholders' Meeting of 20 May 2020 expires.

In order to proceed with the appointment of the new Board of Directors, it is necessary to preliminarily determine the number of its members.

In this regard, it is recalled that, in accordance with the provisions of Art. 18.1 of the Articles of Association, the Board of Directors must consist of a number of members no less than eight and no more than twelve, it being the duty of the Shareholders' Meeting to determine the number within these limits.

The expiring Board of Directors refrains from making specific proposals on this item on the agenda (as well as with regard to subsequent issues related to the appointment of the Board of Directors and the determination of its fees) and therefore requests the Shareholders to make proposal to determine the number of members of the Board of Directors, in the manner and within the time limits indicated in the notice of call.

Shareholders are therefore invited to read the document "Guidelines of the Board of Directors of Leonardo S.p.a. to the Shareholders on the optimal qualitative and quantitative composition of the Board of Directors" attached to these Reports, prepared by the Board of Directors, in the light of the recommendations of the current Corporate Governance Code to which Leonardo adheres, on the basis of the indications expressed by the Nomination and Governance Committee and taking into account the results of the self-assessment process carried out.

Explanatory Report of the Board of Directors on item 3 on the Agenda

Determination of the term of office of the Board of Directors.

Dear Shareholders,

Art. 18.2 of the Articles of Association provides that the Board of Directors shall be appointed for a period not exceeding three financial years and that the Directors may be re-elected pursuant to Art. 2383 of the Italian Civil Code.

In relation to the foregoing, the Shareholders are requested to make proposals to determine the term of office of the Board of Directors in the manner and within the time limits indicated in the notice of call.

Shareholders are invited to read the document "Guidelines of the Board of Directors of Leonardo S.p.a. to the Shareholders on the optimal qualitative and quantitative composition of the Board of Directors" attached to these Reports, prepared by the Board of Directors.

Explanatory Report of the Board of Directors on item 4 on the Agenda

Appointment of the members of the Board of Directors.

Dear Shareholders,

You are called to proceed with the appointment of the new Board of Directors, as the mandate conferred on the current Board of Directors expires with the Shareholders' Meeting convened to approve the financial statements for the 2022 financial year.

It should be noted that the members of the Board of Directors are appointed by the Shareholders' Meeting – pursuant to Art. 18.3 of the Articles of Association – according to the list voting mechanism and therefore on the basis of lists submitted by the Shareholders and the outgoing Board of Directors, in which the candidates must be numbered in progressive order. In this regard, the outgoing Board of Directors decided to abstain from submitting its own list of candidates.

With regard to the procedures for the presentation, filing and publication of the lists prepared by the Shareholders, please refer to the provisions of Art. 18.3 of the Articles of Association and the notice of call of the Ordinary Shareholders' Meeting.

In particular, the following should be noted.

The right to submit lists is held exclusively by those Shareholders who, alone or together with other Shareholders, represent at least 1% of the shares having voting rights in the Ordinary Shareholders' Meeting.

Each Shareholder may present or contribute to the presentation of only one list and each candidate may appear on only one list under penalty of ineligibility.

The Company Articles of Association provide that at least two Directors must meet the independence requirements established for Statutory Auditors in accordance with the law (Art. 148, paragraph 3, Legislative Decree No. 58/98).

It should be noted that all candidates must also meet the requirements of integrity prescribed by current legislation.

In addition, lists with three or more candidates must include candidates of different gender in order to ensure the gender balance required by current legislation. In particular, for the next term of office, pursuant to paragraph 1-ter of Art. 147-ter of Legislative Decree No. 58/98, at least two-fifth of the Directors must be elected from among those of the less represented gender; in the event that, in consideration of the total number of members of the Board of Directors established by the Shareholders' Meeting, the number of members of the less represented gender to be elected results in a fractional number, the latter shall be rounded up to the higher unit.

In view of the fact that the number of members of the Board of Directors may be determined by the Shareholders' Meeting up to a maximum of twelve and that, in the event of early termination of the Directors' term of office, the special replacement system provided for in Art. 18.4 of the Articles of Association shall be applied (which provides in advance for the replacement of unelected candidates taken from the same list as the Directors who have ceased to hold office), it should be noted that Shareholders should include an adequate number of candidates on the lists.

The lists submitted by the Shareholders must be sent to the Company, in the manner indicated in the Notice of Call of the Shareholders' Meeting, within 13 April 2023, accompanied by information on the Shareholders who submitted them, including an indication of the percentage of the total share capital held by them, and the following documentation:

- a) a statement in which the person concerned accepts the candidature and certifies, under his/her own responsibility, the non-existence of grounds of ineligibility, incompatibility and disqualification from holding the office of director adopted against him/her in a Member State of the European Union, that he or she holds the requirements prescribed by law and by the Articles of Association (including the independence requirements defined by Art. 18.3 of the Articles of Association and the integrity requirements prescribed for Directors of listed companies by Decree of the Ministry of Justice No. 162 dated 30 March 2000, pursuant to Art. 147-quinquies and 148 of Legislative Decree No. 58/98), and that he or she may be qualified as

"independent" pursuant to Art. 2, Recommendation 7, of the Corporate Governance Code adopted by Leonardo; Shareholders are requested to indicate also in the list of candidates those who meet the independence requirements prescribed by the Articles of Association and the Corporate Governance Code;

- b) a "curriculum vitae" containing detailed information on the personal and professional characteristics of the candidates; Shareholders are also requested to indicate for each candidate if the same holds the position of Director or Statutory Auditor in other companies listed on regulated markets (even abroad), in financial companies, banks, insurance companies or companies of considerably large size. On this point, it should be noted that Leonardo identifies companies of significant size as those with assets of more than EUR 6.5 billion or revenues of more than EUR 3 billion. For further information, please refer to the document "Guidelines of the Board of Directors on the maximum number of offices that can be held by the Directors of Leonardo S.p.a." (available on the Company website www.leonardo.com, Section Corporate Governance/Board of Directors/Guidelines and Criteria);
- c) a declaration by Shareholders other than those who even jointly hold a controlling or relative majority interest, attesting to the absence of any direct or indirect relationship with the latter, pursuant to the provisions of Art. 147-ter, paragraph 3, of Legislative Decree No. 58/98, and Art. 144-quinquies of the Consob Regulation No. 11971/99; with reference to the contents of this statement, Shareholders are reminded the recommendations set out in Consob Communication No. DEM/9017893 of 26 February 2009.

The minimum shareholding required to submit lists of candidates is determined by taking into account the shares which are registered in name of any Shareholder on the day on which the lists are filed with the Company. The Shareholders should send to the Company, in the manner provided for the transmission of the lists, the certification proving the ownership of the number of shares represented, even after the transmission of the list, provided that within the deadline provided for the publication of the lists by the Company (and therefore by 17 April 2023).

Shareholders are invited to read the document "Guidelines of the Board of Directors of Leonardo S.p.a. to the Shareholders on the optimal qualitative and quantitative composition of the Board of Directors" attached to these Reports, which contains guidelines and suggestions that the outgoing Board of Directors of Leonardo makes

available to Shareholders, with a view to helping them formulate proposals for the composition of the Company's Board of Directors.

It should be noted that, pursuant to Recommendation 23 of the Corporate Governance Code, anyone submitting a list that contains a number of candidates exceeding half of the members to be elected is required to provide adequate information, in the documentation submitted for the filing of the list, as to whether the list corresponds to the aforementioned Guidelines provided by the board of directors, also with reference to the diversity criteria reported therein, and to indicate their candidate for the office of chairman of the board of directors.

With regard to the mechanism for the appointment of Directors elected by list voting, reference should be made to the notice of call of the Shareholders' Meeting and Art. 18.3 of the Articles of Association, which provides in particular for the following:

- each person entitled to vote in the Shareholders' Meeting may vote for only one list;
- two-thirds of the Directors to be elected will be taken from the list that will have obtained the majority of the votes cast by the Shareholders, in the progressive order in which they are listed on the list itself (rounded down to the nearest whole number in the case of a fractional number);
- the remaining Directors shall be taken from the other lists in the manner prescribed by Art. 18.3 subparagraph b) and b-bis).

If the Majority List does not contain a sufficient number of candidates to ensure that the number of directors to be elected pursuant to Art. 18.3, letter a), it will proceed to: i) draw from the List all the candidates listed therein, in the progressive order indicated in that List, ii) draw the other directors from the Minority Lists, for the number of positions equal to one third of the total, provided for such lists, iii) draw the remaining directors, for the positions not covered by the Majority List, from the Minority List that has obtained the highest number of votes among the Minority Lists (the "First Minority List") in relation to the capacity of that List; in the event of insufficient capacity, the remaining directors shall be drawn, in the same manner, from the following list or, where applicable, from the following lists, depending on the number of votes and the capacity of the Lists themselves. Finally, if the total number of candidates included in the Lists submitted, both Majority and Minority, is lower than the number of directors to be elected, the remaining directors shall be elected at the

Shareholders' Meeting by resolution passed pursuant to Art. 18.4 of the Articles of Association.

If, as a result of the application of the provisions of letters a), b) and b-bis) of the Art. 18.3 of the Articles of Association, the presence of at least two independent Directors pursuant to Art. 18.3 of the Articles of Association and at least two fifth of Directors of the gender less represented is not guaranteed on the Board of Directors, the letters c) and c-bis) of the said Art. 18.3 provide for a specific sliding mechanism within a single decreasing ranking list formed among the candidates on all the lists, which assigns vote quotients to each candidate by dividing the number of votes obtained by each slate by the sequential number of each of said candidates. If not even this mechanism is successful, the Shareholders' Meeting shall resolve with the majorities required by law in order to ensure the presence of the necessary number of Directors meeting the requirements of independence pursuant to Art. 18.3 of the Articles of Association, as well as compliance with current legislation on gender balance. In relation to the foregoing, Shareholders are requested to vote for one of the lists of candidates for the position of Director among the submitted, filed and published lists, in compliance with the above provisions.

Finally, it should be noted that for the appointment of Directors for any reason not elected by the procedures indicated above, the Shareholders' Meeting, pursuant to Art. 18.4 of the Articles of Association, resolves with the majorities required by law, so as to ensure compliance with the criteria mentioned above.

Explanatory Report of the Board of Directors on item 5 on the Agenda

Appointment of the Chairman of the Board of Directors.

Dear Shareholders,

The Shareholders' Meeting is vested with the power to appoint the Chairman of the Board of Directors; Art. 19.1 of the Articles of Association in fact provides that the Board of Directors appoints among its members the Chairman only if the Shareholders' Meeting has not resolved upon this matter.

Shareholders are therefore invited to make proposals to appoint the Chairman of the Board of Directors in the manner and within the time limits indicated in the notice of call.

Shareholders are invited to read the document "Guidelines of the Board of Directors of Leonardo S.p.a. to the Shareholders on the optimal qualitative and quantitative composition of the Board of Directors" attached to these Reports.

Explanatory Report of the Board of Directors on item 6 on the Agenda

Determination of the remuneration of the Board of Directors.

Dear Shareholders,

Art. 27.1 of the Articles of Association provides that the Chairman and the other members of the Board of Directors are entitled, in addition to the reimbursement of expenses incurred for reasons of their office, to a compensation determined by the Ordinary Shareholders' Meeting and that the related resolution remains valid for subsequent financial years until otherwise determined by the Shareholders' Meeting.

In this regard, it should be noted that the Ordinary Shareholders' Meeting of 20 May 2020 determined the remuneration of the Board of Directors, which has now expired, in the following terms: Euro 90,000.00 gross per year for the Chairman of the Board of Directors and Euro 80,000.00 gross per year for each of the other Directors.

In relation to the above, Shareholders are invited to make proposals to determine the remuneration due to the Chairman and the other members of the Board of Directors in the manner and within the time limits indicated in the notice of call.

Explanatory report of the Board of Directors on item 7 on the Agenda

Report on the policy regarding remuneration and fees paid: binding resolution on the first section pursuant to Art. 123-ter, paragraph 3-ter, of Legislative Decree No. 58/98.

Dear Shareholders,

pursuant to Art. 123-ter, paragraph 3-ter, of Legislative Decree No. 58/98 you are invited to cast your vote, with a binding resolution, on the first section of the Report on the policy regarding remuneration and fees paid pursuant to Art. 123-ter, paragraph 3, of Legislative Decree No. 58/98, which sets out the Company's policy for the 2023 year regarding the remuneration of the members of the Board of Directors, the General Manager and other Executives with Strategic Responsibilities and, without prejudice to the provisions of Art. 2402 of the Italian Civil Code, of the members of the Board of Statutory Auditors, as well as the procedures used for the adoption and implementation of this policy.

The resolution on the first section of the Report will have binding effect, as required by Art. 123-ter, paragraph 3-ter, of Legislative Decree No. 58/98.

In line with the provisions of Art. 123-ter, paragraph 3-bis, the 2023 policy is submitted to your attention.

The Report on the policy regarding remuneration and fees paid, which includes the first section, is made available to the public at the registered office, at Borsa Italiana S.p.A., on the Company's website www.leonardo.com (Section "2023 Shareholders' Meeting") and on the website of the authorized storage mechanism "eMarket Storage" (www.emarketstorage.com), in accordance with the law.

In view of the foregoing, we submit for your approval the following proposal of binding resolution on the seventh item on the agenda:

"The Ordinary Shareholders' Meeting of Leonardo - Società per azioni:

- *having regard to Art. 123-ter of Legislative Decree No. 58/98 and Art. 84-quater of Consob Regulation No. 11971/99,*

- *having examined the first section of the "Report on the policy regarding remuneration and fees paid", approved by the Board of Directors on 29 March 2023 pursuant to Art. 123-ter of Legislative Decree No. 58/98 and Art. 84-quater of Consob Regulation No. 11971/99 and published by the Company in accordance with the law,*
- *having considered the binding nature of this resolution, pursuant to Art. 123-ter, paragraph 3-ter, of Legislative Decree No. 58/98,*

resolves

to approve the first section of the "Report on the policy regarding remuneration and fees paid" of Leonardo S.p.a."

Explanatory report of the Board of Directors on item 8 on the Agenda

Report on the policy regarding remuneration and fees paid: non-binding resolution on the second section pursuant to Art. 123-ter, paragraph 6, of Legislative Decree No. 58/98.

Dear Shareholders,

pursuant to Art. 123-ter, paragraph 6, of Legislative Decree No. 58/98, you are invited to cast your vote, with a non-binding resolution, on the second section of the Report on the policy regarding remuneration and fees paid pursuant to Art. 123-ter, paragraph 4, of Legislative Decree No. 58/98 that:

- a) contains the representation of each of the items comprising the remuneration of the Members of the Board of Directors and of the Board of Statutory Auditors, of the General Manager and of the other Executives with Strategic Responsibilities;
- b) analytically illustrates the fees paid in 2022 to the subjects listed above for any title and in any form by the Company and by its subsidiaries or associates.

The resolution on the second section of the Report will have non-binding effect, as required by Art. 123-ter, paragraph 6, of Legislative Decree No. 58/98.

The Report on the policy regarding remuneration and fees paid, which includes the second section, is made available to the public at the registered office, at Borsa Italiana S.p.A., on the Company's website www.leonardo.com (Section "2023 Shareholders' Meeting") and on the website of the authorized storage mechanism "eMarket Storage" (www.emarketstorage.com), in accordance with the law.

In view of the foregoing, we submit for your approval the following proposal of non-binding resolution on the eighth item on the agenda:

"The Ordinary Shareholders' Meeting of Leonardo - Società per azioni:

- *having regard to Art. 123-ter of Legislative Decree No. 58/98 and Art. 84-quater of Consob Regulation No. 11971/99,*
- *having examined the second section of the "Report on the policy regarding remuneration and fees paid" approved by the Board of Directors on 29 March 2023*

- pursuant to Art. 123-ter of Legislative Decree No. 58/98 and Art. 84-quater of Consob Regulation No. 11971/99 and published by the Company in accordance with the law,*
- *having considered the non-binding nature of this resolution, pursuant to Art. 123-ter, paragraph 6, of Legislative Decree No. 58/98,*

resolves

in favour of the second section of the “Report on the policy regarding remuneration and fees paid” of Leonardo S.p.a.”

On behalf of the Board of Directors
The Chairman
(Luciano Carta)