BASE PROSPECTUS

LEONARDO – SOCIETÀ PER AZIONI

(incorporated as a società per azioni under the laws of the Republic of Italy)

EUR 4,000,000,000 Euro Medium Term Note Programme

Under the EUR 4,000,000,000 Euro Medium Term Note Programme (the "**Programme**") described in this base prospectus (the "**Base Prospectus**"), Leonardo S.p.A. ("**Leonardo**" or the "**Issuer**") may from time to time issue notes (the "**Notes**") denominated in any currency agreed between the Issuer and the relevant Dealer(s) (as defined below), subject to a minimum denomination of EUR 100,000 (or its equivalent in another currency). The maximum aggregate principal amount of Notes which may be outstanding at any one time under the Programme may be increased from time to time, subject to compliance with the relevant provisions of the Dealer Agreement. The Notes issued by Leonardo will constitute "*obbligazioni*" pursuant to Article 2410 *et seq.* of the Italian Civil Code, which relate to the issuance of "*obbligazioni*" by joint stock companies (*società per azioni*) in the Republic of Italy.

This Base Prospectus has been approved as a base prospectus by the *Commissione Nazionale per le Società e la Borsa* ("**CONSOB"**), as competent Italian authority under Regulation (EU) 2017/1129, as amended (the "**Prospectus Regulation"**), as a base prospectus issued in compliance with Article 8 of the Prospectus Regulation for the purpose of giving information with regard to the issue of notes ("**Notes**") issued under the Programme during the period of twelve months after the date hereof. CONSOB assumes no responsibility for the economic and financial soundness of the transactions contemplated by this Base Prospectus or the quality or solvency of the Issuer. This Base Prospectus has been published on 12 June 2025 following the notice of approval no. 0059187/25 issued by CONSOB on 12 June 2025. CONSOB only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval by CONSOB should not be considered as an endorsement of the Issuer nor as an endorsement of the quality of the Notes that are the subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes. This Base Prospectus (as supplemented as at the relevant time, if applicable) is valid for 12 months from its date in relation to Notes which are to be admitted to trading on a regulated market in the European Economic Area (the "EEA"). This Base Prospectus will expire on 12 June 2026. The Issuer shall have no obligation to supplement this Base Prospectus in the event of significant new factors, material mistakes or material inaccuracies after the end of its 12-month validity period.

Application has been made to Borsa Italiana S.p.A. for Notes issued under the Programme to be admitted to listing and to trading on the electronic bond market ("**MOT"**) of Borsa Italiana S.p.A.. Borsa Italiana S.p.A. has issued the declaration of admissibility to listing of the Notes issued under the Programme on the MOT, with provision no. 5/2025 of 4 June 2025. However Notes may be issued pursuant to the Programme which will not be admitted to listing and to trading on the electronic bond market ("**MOT"**) of Borsa Italiana S.p.A. but admitted to listing, trading and/or quotation by any other competent authority, stock exchange and/or quotation system of the European Union as the Issuer and the relevant Dealer(s) may agree, in accordance with applicable laws and regulations.

References in this Base Prospectus to Notes being **listed** (and all related references) shall mean that such Notes have been admitted to listing and to trading on the MOT. The MOT is a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2014/65/EU) as amended ("**MiFID II**").

CONSOB may, at the request of the Issuer, send to the competent authority of another European Economic Area Member State (i) a copy of this Base Prospectus; and (ii) a certificate of approval pursuant to Article 25 of the Prospectus Regulation attesting that this Base Prospectus has been drawn up in accordance with the Prospectus Regulation (a "**Certificate of Approval**").

This Base Prospectus is available on the Issuer's website at https://www.leonardo.com/en/investors/debt-and-credit-rating/bond.

The Issuer has been rated "Baa3" with a "positive" outlook from Moody's Deutschland GmbH ("**Moody's**"), "BBB" with a "stable" outlook from S&P Global Ratings Europe Limited ("**Standard & Poor's**") and "BBB-" with a "positive" outlook from Fitch Ratings Ireland Limited ("**Fitch**"). Each of Moody's, Fitch and Standard & Poor's are established in the European Economic Area (the "**EEA**") and registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies (as amended) (the "**EU CRA Regulation**") and are included in the list of credit rating agencies published by the European Securities and Markets Authority ("**ESMA**") on its website in accordance with the EU CRA Regulation at https://www.esma.europa.eu/. Notes issued under this Programme may be rated or unrated. Where the Notes are to be rated, the credit rating will be assigned by Moody's and/or Fitch and/or Standard & Poor's. Where a Tranche of Notes is to be rated, such rating will not necessarily be the same as the rating assigned to Notes already issued or, if any, to the Issuer. Where a Tranche of Notes is rated, the applicable rating(s) will be specified in the relevant Final Terms. Whether or not a rating in relation to any Tranche of Notes will be treated as having been issued by a credit rating agency established in the European Union and registered under the EU CRA Regulation will be disclosed in the relevant Final Terms. **A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.**

The Notes have not been, and will not be, registered, *inter alia,* under the United States Securities Act of 1933, as amended (the "**Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States, and Notes in bearer form are subject to U.S. tax law requirements. The Notes may not be offered, sold or (in the case of Notes in bearer form) delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act ("**Regulation S**")) except in certain transactions exempt from the registration requirements of the Securities Act. For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of this Base Prospectus or any Final Terms and other offering material relating to the Notes, see "*Subscription and Sale*".

Investing in Notes issued under the Programme involves certain risks. The material risk factors that are specific to the Issuer and that may affect the abilities of the Issuer to fulfil its obligations under the Notes issued under the Programme and those that are specific to the Notes issued under the Programme and which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are discussed under "Risk Factors" below.

Arranger

BofA Securities

Dealers

Banca Akros S.p.A. - Gruppo Banco BPM
Barclays
BBVA
BNP PARIBAS
BofA Securities
BPER Corporate & Investment Banking
Citigroup
Commerzbank
Crédit Agricole CIB
Deutsche Bank
HSBC
IMI – Intesa Sanpaolo
Mediobanca
MUFG
NatWest
Santander Corporate & Investment Banking
SMBC
Société Générale Corporate & Investment Banking
UBS Investment Bank
UniCredit

12 June 2025

IMPORTANT NOTICES

The Issuer accepts responsibility for the information contained in this Base Prospectus. The Issuer declares that, to the best of its knowledge, the information contained in this Base Prospectus is in accordance with the facts and that the Base Prospectus makes no omission likely to affect its import.

Each Tranche (as defined herein) of Notes will be issued on the terms set out herein under "*Terms and Conditions of the Notes*" (the "**Conditions**"), completed by a document specific to such Tranche called final terms (the "**Final Terms**") or, to the extent that the information relating to that Tranche constitutes a significant new factor in relation to the information contained in this Base Prospectus, in a separate prospectus specific to such Tranche (the "**Drawdown Prospectus**") as described under "*Final Terms and Drawdown Prospectuses*" below.

This Base Prospectus should be read and construed together with any supplements hereto and with any other documents incorporated by reference herein (see "*Information Incorporated by Reference*" below) and, in relation to any Tranche (as defined herein) of Notes which is the subject of Final Terms, should be read and construed together with the relevant Final Terms. In the case of a Tranche of Notes which is the subject of a Drawdown Prospectus, each reference in this Base Prospectus to information being specified or identified in the relevant Final Terms shall be read and construed as a reference to such information being specified or identified in the relevant Drawdown Prospectus unless the context requires otherwise.

Other than in relation to the documents which are deemed to be incorporated by reference, the information on the websites to which this Base Prospectus refers does not form part of this Base Prospectus and has not been scrutinised or approved by CONSOB.

The Issuer has confirmed to the Dealers, named under "*Subscription and Sale*" below, that this Base Prospectus contains all necessary information which is (in the context of the Programme, the issue, listing and offering of the Notes) material to an investor for making an informed assessment of the assets and liabilities, profits and losses, financial position of the Issuer, together with the relevant Final Terms, the rights attaching the Notes and the reasons for the issuance and its impact on the Issuer; that such information is true and accurate in all material respects and is not misleading in any material respect; that any opinions, predictions or intentions expressed herein are honestly held or made and are not misleading in any material respect; that this Base Prospectus does not omit to state any material fact necessary to make such information, opinions, predictions or intentions (in the context of the Programme, the issue, offering and sale of the Notes) not misleading in any material respect; and that all proper enquiries have been made to verify the foregoing. None of the Dealers has independently verified the information contained in this Base Prospectus.

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other document entered into in relation to the Programme or any information supplied by the Issuer in any marketing material prepared in relation to each issue of Notes or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer or any Dealer. To the fullest extent permitted by law, none of the Dealers accepts any responsibility for the contents of this Base Prospectus or for any other statement made or purported to be made by a Dealer or on its behalf in connection with the Issuer or the issue, listing and offering of the Notes. Each Dealer accordingly disclaims all and any liability whether arising in tort or in contract (or otherwise) which it might otherwise have in respect of this Base Prospectus or any such statement.

None of the Dealers, nor any of their respective affiliates, have authorised the whole or any part of this Base Prospectus and none of them makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in this Base Prospectus or any responsibility for the acts or omissions of the Issuer or any other person (other than the relevant Dealer) in connection with the issue and offering of the Notes. Neither the delivery of this Base Prospectus or any Final Terms nor the issue, listing, offering, sale or delivery of any Note shall, in any circumstances, create any implication that the information contained in this Base Prospectus is true subsequent to the date hereof or the date upon which this Base

Prospectus has been most recently supplemented or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the condition (financial or otherwise) of the Issuer since the date thereof or, if later, the date upon which this Base Prospectus has been most recently supplemented or that any other information supplied in connection with the Programme is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

Neither this Base Prospectus nor any Final Terms nor any other information supplied in connection with the Programme or the issue of any Notes: (a) is intended to provide the basis of any credit or other evaluation, (b) constitutes an offer or an invitation to subscribe for or purchase any Notes or (c) should be considered as a recommendation by the Issuer, the Dealers or any of them that any recipient of this Base Prospectus or any Final Terms or any other information material should subscribe for or purchase any Notes.

Each recipient of this Base Prospectus or any Final Terms shall be taken to have made its own investigation and appraisal of the affairs, condition (financial or otherwise) and of the creditworthiness of the Issuer and the Leonardo Group (as defined below), determined for itself the relevance of the information contained in this Base Prospectus and its purchase of Notes based upon advice from such financial, legal and tax advisers as he has deemed necessary and determined the suitability of an investment in the Notes in light of its own circumstances, as the Notes may not be a suitable investment for all investors. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

(i) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;

(ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;

(iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the currency in which such investor's financial activities are principally denominated and/or from the potential investor's currency;

(iv) understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of financial markets;

(v) consider all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency; and

(vi) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The distribution of this Base Prospectus, any Final Terms and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. In particular, no action has been taken by any of the Issuer, the Arranger or the other Dealers which would permit a public offering of any Notes or distribution of this Base Prospectus or any related material in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any Final Terms nor any advertisement or other offering material may be distributed or published in any jurisdiction, except in circumstances that will result in compliance with any applicable laws and regulations, and the Dealers have represented that all offers and sales by them will be made on the same terms. Persons into whose possession this Base Prospectus or any Final Terms comes are required by the Issuer and the Dealers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of this Base

Prospectus or any Final Terms and other offering material relating to the Notes, see "*Subscription and Sale*" below.

In particular, Notes have not been and will not be registered under the Securities Act and are subject to U.S. tax law requirements. The Notes have not been approved or disapproved by the U.S. Securities and Exchange Commission, any State securities commission in the United States or any other U.S. regulatory authority nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Notes or the accuracy or the adequacy of this Base Prospectus. Any representation to the contrary is a criminal offence in the United States. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons.

In this Base Prospectus, unless otherwise specified, references to "**Member State**" are references to a Member State of the EEA, references to "**EUR**", "**€**" or "**euro**" are to the currency introduced at the start of the third stage of European economic and monetary union, and as defined in Article 2 of Council Regulation (EC) No 974/98 of 3 May 1998 on the introduction of the euro, as amended, references to "**U.S.$**", "**U.S. Dollar**", "**USD**" or "**$**" are to the lawful currency of the United States of America, and references to the "**Leonardo Group**" or the "**Group**" are to Leonardo and its subsidiaries.

The language of this Base Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

Certain figures included in this Base Prospectus have been subject to rounding adjustments; accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Base Prospectus and its purchase of Notes should be based upon such investigation as it deems necessary, including without limitation advice from such financial, legal, tax and other professional advisers as it deems necessary.

None of the Dealers or the Arranger undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Base Prospectus nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers or the Arranger.

IMPORTANT – EEA RETAIL INVESTORS - The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97, as amended (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

IMPORTANT - UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended; or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the "FSMA") and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of

domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended. Consequently no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

MIFID II PRODUCT GOVERNANCE/PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET

A determination will be made in relation to each issue about whether, for the purpose of the relevant provisions of the EU Delegated Directive 2017/593, as amended (the "**MiFID II Product Governance Rules**"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the other Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MIFID II Product Governance Rules.

The Final Terms in respect of any Notes may include a legend entitled "**MiFID II Product Governance**" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

UK MiFIR PRODUCT GOVERNANCE/PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR product governance rules set out in the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the other Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

The Final Terms in respect of any Notes may include a legend entitled "UK MiFIR Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any distributor should take into consideration the target market assessment; however, a distributor subject to the UK MiFIR Product Governance Rules is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

RATINGS

Tranches of Notes issued under the Programme will be rated or unrated. Where a Tranche of Notes is rated, such rating will not necessarily be the same as the rating(s) described above, elsewhere in this Base Prospectus or the rating(s) assigned to Notes already issued. Where a Tranche of Notes is rated, the applicable rating(s) will be specified in the relevant Final Terms. Whether or not each credit rating applied for in relation to a relevant Tranche of Notes will be (1) issued or endorsed by a credit rating agency established in the EEA and registered under the EU CRA Regulation, or by a credit rating agency which is certified under the EU CRA Regulation and/or (2) issued or endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation or by a credit rating agency which is certified under the UK CRA Regulation will be disclosed in the Final Terms. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the EEA and registered under the EU CRA Regulation unless (1) the rating is provided by a credit rating agency not established in the EEA but is endorsed by a credit rating agency established in the EEA and registered under the EU CRA Regulation or (2) the rating is provided by a credit rating the EEA which is certified under the EU CRA Regulation. UK regulated investors are subject to similar restrictions under the UK CRA Regulation. As such, UK regulated

investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the UK and registered under the UK CRA Regulation or (1) the rating is provided by a credit rating agency not established in the UK but is endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation or (2) the rating is provided by a credit rating agency not established in the UK which is certified under the UK CRA Regulation. See also "*Risk Factors – Risks Relating to the Notes generally - Credit ratings assigned (if any) to the Issuer or any Notes may not reflect all the risks associated with an investment in those Notes".*

BENCHMARKS REGULATION

Interest and/or other amounts payable under the Notes may be calculated by reference to certain reference rates. Any such reference rate may constitute a benchmark for the purposes of Regulation (EU) 2016/1011, as amended (the "**Benchmarks Regulation**"). If any such reference rate does constitute such a benchmark, the Final Terms will indicate whether or not the benchmark is provided by an administrator included in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 (*Register of administrators and benchmarks*) of the Benchmarks Regulation. The registration status of any administrator under the Benchmarks Regulation is a matter of public record and, save where required by applicable law, the Issuer does not intend to update the Final Terms to reflect any change in the registration status of the administrator. See also "*Risk Factors – Risks related to the structure of a particular issue of Notes – Certain benchmark rates, including EURIBOR, may be discontinued or reformed in the future* ". At the date of this Base Prospectus, the administrator of EURIBOR is the European Money Markets Institute ("**EMMI**"). At the date of this Base Prospectus, EMMI appears on the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 (*Register of administrators and benchmarks*) of the Benchmarks Regulation.

PRODUCT CLASSIFICATION PURSUANT TO SECTION 309B OF THE SECURITIES AND FUTURES ACT 2001

The Final Terms in respect of any Notes may include a legend entitled "*Singapore Securities and Futures Act Product Classification*" which will state the product classification of the Notes pursuant to Section 309B(1) of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "**SFA**"). If applicable, the Issuer will make a determination and provide the appropriate written notification to "relevant persons" in relation to each issue about the classification of the Notes being offered for the purposes of Section 309B(1)(a) and Section 309B(1)(c) of the SFA.

STABILISATION

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) in the applicable Final Terms may over allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or person(s) acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

ALTERNATIVE PERFORMANCE MEASURES

This Base Prospectus and the documents incorporated by reference herein contain certain alternative performance measures ("**APMs**") which are different from the IFRS financial indicators obtained directly from the 2023 Integrated Annual Report, from the 2024 Integrated Annual Report (each as defined in section "*Information incorporated by reference*" below) and from the interim results of Leonardo at 31 March 2025.

On 3 December 2015, CONSOB ("*Commissione Nazionale per le Società e la Borsa*") issued Communication No. 92543/15, which gives effect to the guidelines issued on 5 October 2015 by the European Securities and Markets Authority ("**ESMA**") concerning the presentation of APMs disclosed in regulated information and prospectuses published as from 3 July 2016. These guidelines, which update the previous CESR ("Committee of European Securities Regulators") Recommendation (CESR/05-178b), are aimed at promoting the usefulness and transparency of APMs in order to improve their comparability, reliability and comprehensibility.

For a description of such APMs, see the section headed "*Leonardo and the Leonardo Group – Overview*" below, the sections of the 2023 Integrated Annual Report and of the 2024 Integrated Annual Report, both entitled *"Non-GAAP" alternative performance indicators*", the section of the interim results of Leonardo at 31 March 2025 entitled "*Annex 2: "Non-Gaap" performance indicators*" and the one described below:

- **ESG-linked funding sources**: this refers to sources of financing that are linked to ESG parameters. This is calculated as the ratio of ESG-linked funding sources to total committed funding sources available to the Group. The amount of the ESG-linked funding sources refers to: the ESG-linked Revolving Credit Facility, the ESG Term Loan and the first ESG-linked loan granted by the European Investment Bank.

FORWARD-LOOKING STATEMENTS

All statements (other than statements of historical fact) included in this Base Prospectus regarding the Group's business, financial condition, results of operations and certain of the Group's plans, objectives, assumptions, expectations or beliefs with respect to these matters and statements regarding other future events or prospects are forward-looking statements. These statements include, without limitation, those concerning: the Group's strategy and the Group's ability to achieve it; expectations regarding revenues, profitability and growth; plans for the launch of new services, businesses and activities; the Group's possible or assumed future results of operations; research and development, capital expenditure and investment plans; adequacy of capital; and financing plans. The words "aim", "may", "will", "expect", "anticipate", "believe", "future", "continue", "help", "estimate", "plan", "intend", "should", "could", "would", "shall" or the negative, or other variations thereof, as well as other statements regarding matters that are not historical fact, are or may constitute forward-looking statements. In addition, this Base Prospectus includes forward-looking statements relating to the Group's potential exposure to various types of market risks, such as foreign exchange rate risk, interest rate risks and other risks related to financial assets and liabilities.

These forward-looking statements have been based on the Group's management's current view with respect to future events and financial performance. These views reflect current estimates and assumptions that the Group's management makes to the best of its knowledge but involve a number of risks and uncertainties which could cause actual results to differ materially from those predicted in such forward-looking statements and from past results, performance or achievements. Although the Group believes that the estimates reflected in the forward-looking statements are reasonable, such estimates may prove to be incorrect. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements. Prospective investors are cautioned not to place undue reliance on these forward-looking statements, as a prediction of actual results or otherwise.

The Issuer does not intend to update or revise any forward-looking statements, whether as a result of new information, future events or circumstances or otherwise. In addition, all subsequent written or oral forward-looking statements attributable to the Issuer or persons acting on its behalf, are expressly qualified in their entirety by the cautionary statements contained throughout this Base Prospectus including any document incorporated by reference herein. Prospective purchasers are urged to review and consider carefully the various disclosures made by the Issuer in this Base Prospectus, including any document incorporated by reference herein, which attempt to advise interested parties of the factors that affect the Issuer, the Group and their business, including, without limitation, the disclosures made under the sections headed "*Risk Factors*" and "*Leonardo and the Leonardo Group*" below.

INDUSTRY AND MARKET DATA

Information regarding markets, market size, market share, market position, growth rates and other industry data pertaining to the Group's business contained in this Base Prospectus consists of estimates based on data reports compiled by professional organisations and analysts, on data from other external sources, and on the Group's knowledge of its sales and markets. In many cases, there is no readily available external information (whether from trade associations, government bodies or other organisations) to validate market-related analyses and estimates, requiring the Group to rely on internally developed estimates. While the Group has compiled, extracted and, to the best of its knowledge, correctly reproduced market or other industry data from external sources, including third parties or industry or general publications, neither the Group nor the Dealers nor any of their respective affiliates have independently verified that data. The Issuer confirms that no facts have been omitted which would render the reproduced information inaccurate or misleading. The Group cannot assure investors of the accuracy and completeness of, and takes no responsibility for, such data other than the responsibility for the correct and accurate reproduction thereof. Similarly, while the Group believes such information to be reliable and believes its internal estimates contained in such information to be reasonable, they have not been verified by any independent sources and the Group cannot assure investors as to their accuracy. Undue reliance should therefore not be placed on such information. In addition, information regarding the sectors and markets in which the Group operates is normally not available for certain periods and, accordingly, such information may not be current as of the date of this Base Prospectus.

THE PROGRAMME AND THE LUXEMBOURG PROGRAMME

As disclosed in "*General information – Authorisation*" below, the Board of Directors of the Issuer held on 8 May 2025 has approved both the update of the Luxembourg Programme (as defined therein) and the establishment of the Programme. As provided by such Board of Directors' resolution, as at the date of this Base Prospectus, the maximum aggregate principal amount of notes outstanding at any one time under the Programme and the Luxembourg Programme, when taken together, shall not exceed EUR 4,000,000,000.

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GENERAL DESCRIPTION OF THE PROGRAMME

The following general description of the Programme does not purport to be complete and is qualified in its entirety by the remainder of this Base Prospectus, including documents incorporated by reference herein. Words and expressions defined in "Forms of the Notes" or "Terms and Conditions of the Notes" below shall have the same meanings in this general description of the Programme.

This Programme is a EUR 4,000,000,000 Euro Medium Term Note Programme under which the Issuer may from time to time issue Notes in accordance with and subject to all applicable laws and regulations denominated in any currency, subject as set out herein. The applicable terms of any Notes will be agreed between the Issuer and the relevant Dealer or Dealers prior to the issue of the Notes and will be set out in the Terms and Conditions of the Notes endorsed on or attached to the Notes, as completed by the applicable Final Terms attached to, or endorsed on, such Notes, as more fully described under "*Forms of the Notes*" below.

Issuer:	Leonardo – Società per azioni (*incorporated as a società per azioni under the laws of the Republic of Italy, registered with the Camera di Commercio Industria Artigianato and Agricoltura of Rome, with registration number 00401990585*)
Issuer LEI:	529900X4EEX1U9LN3U39
Arranger:	BofA Securities Europe SA
Dealers:	Banca Akros S.p.A., Banco Bilbao Vizcaya Argentaria, S.A., Banco Santander, S.A., Barclays Bank Ireland PLC, BNP Paribas, BofA Securities Europe SA, BPER Banca S.p.A., Citigroup Global Markets Europe AG, Commerzbank Aktiengesellschaft, Crédit Agricole Corporate and Investment Bank, Deutsche Bank Aktiengesellschaft, HSBC Continental Europe, Intesa Sanpaolo S.p.A., Mediobanca – Banca di Credito Finanziario S.p.A., MUFG Securities (Europe) N.V., NatWest Markets N.V., SMBC Bank EU AG, Société Générale, UBS Europe SE and UniCredit Bank GmbH and any other Dealer appointed from time to time by the Issuer either generally in respect of the Programme or in relation to a particular Tranche of Notes.
Fiscal Agent:	Société Générale Luxembourg
Listing and Admission to trading:	This Base Prospectus has been approved by CONSOB, as competent authority under the Prospectus Regulation. Each Series of Notes may be admitted during the period of twelve months after the date of this Base Prospectus to listing and to trading on the electronic bond market (MOT) of Borsa Italiana S.p.A., however Notes may be issued pursuant to the Programme which will not be admitted to listing and to trading on the electronic bond market (MOT) of Borsa Italiana S.p.A. but admitted to listing, trading and/or quotation by any other competent authority, stock exchange and/or quotation system of the European Union as the Issuer and the relevant Dealer(s) may agree, in accordance with applicable laws and regulations. CONSOB may, at the request of the Issuer, send to the competent authority of another European Economic Area Member State (i) a copy of this Base Prospectus; and (ii) a Certificate of Approval in accordance with Article 25 of the Prospectus Regulation.
Specified Denominations:	No Notes may be issued under the Programme which have a minimum denomination of less than EUR 100,000 (or equivalent in another currency) at their issue date. Subject

	thereto, Notes will be issued in such denominations as may be specified in the relevant Final Terms, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.
Clearing Systems:	Euroclear and/or Clearstream, Luxembourg, in relation to any Tranche of Notes.
Programme Amount:	Up to EUR 4,000,000,000 (or its equivalent in other currencies) aggregate principal amount of Notes outstanding at any one time under the Programme, subject to increase in accordance with the provisions of the Dealer Agreement. It being understood that, as provided by the Board of Directors' resolution of 8 May 2025, as at the date of this Base Prospectus, the maximum aggregate principal amount of notes outstanding at any one time under the Programme and the Luxembourg Programme, when taken together, shall not exceed EUR 4,000,000,000.
Issuance in Series:	Notes will be issued in Series. Each Series may comprise one or more Tranches issued on different issue dates. The Notes of each Series will all be subject to identical terms, except that the issue date, the issue price and the amount of the first payment of interest may be different in respect of different Tranches.
Final Terms:	Each Tranche will be the subject of a set of Final Terms which, for the purposes of that Tranche only, complete the Terms and Conditions of the Notes and this Base Prospectus and must be read in conjunction with this Base Prospectus. The terms and conditions applicable to any particular Tranche of Notes are the Terms and Conditions of the Notes as completed by the relevant Final Terms.
Forms of Notes:	Notes may only be issued in bearer form. Each Tranche of Notes will initially be in the form of either a Temporary Global Note or a Permanent Global Note, in each case as specified in the relevant Final Terms. Each Global Note which is not issued in new global note form (a "**Classic Global Note**" or "**CGN**"), as specified in the relevant Final Terms, will be deposited on or around the relevant issue date with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and each Global Note which is issued in new global note form (a "**New Global Note**" or "**NGN**"), as specified in the relevant Final Terms, will be deposited on or around the relevant issue date with a common safekeeper for Euroclear and/or Clearstream, Luxembourg. Each Temporary Global Note will be exchangeable for a Permanent Global Note or, if so specified in the relevant Final Terms, for Definitive Notes. If the TEFRA D Rules are specified in the relevant Final Terms as applicable, certification as to non-U.S. beneficial ownership will be a condition precedent to any exchange of an interest in a Temporary Global Note or receipt of any payment of interest in respect of a Temporary Global Note. Each Permanent Global Note will be exchangeable for Definitive Notes in accordance with its terms. Definitive Notes will, if interest-bearing, have Coupons attached and, if appropriate, a Talon for further Coupons.
Currencies:	Notes may be denominated in euro, or in any other currency or currencies, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.

Status of the Notes: The Notes will constitute direct, general, unsecured and unconditional obligations of the Issuer which will at all times rank *pari passu* among themselves and at least *pari passu* with all other present and future unsecured obligations of the Issuer, save for such obligations as may be preferred by mandatory provisions of applicable law.

Issue Price: Notes may be issued on a fully-paid basis and at an issue price which is at par or at a discount to, or premium over, par, as specified in the relevant Final Terms. The price and amount of Notes to be issued under the Programme will be determined by the Issuer and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions.

Maturities: Any maturity from one year and one day from the date of original issue, subject, in relation to specific currencies, to compliance with all applicable legal and/or regulatory and/or central bank requirements.

Redemption: Without prejudice to the optional redemption provisions and the tax redemption referred to below, the Notes will be repaid at their Final Redemption Amount on the Maturity Date specified in the relevant Final Terms.

Optional Redemption: Notes may be redeemed before their stated maturity at the option of the Issuer (either in whole or in part) and/or the Noteholders to the extent (if at all) specified in the relevant Final Terms.

To the extent specified in the relevant Final Terms, Notes may be redeemed before their stated maturity:

(i) at the option of the Issuer

a) at any time, either in whole or in part, pursuant to Condition 9(c)(i) (*Redemption and Purchase – Redemption at the option of the Issuer – Issuer Call*), having given not less than 15 nor more than 30-days' notice to the Noteholders in accordance with Condition 18 (*Notices*); or

b) at any time, in whole or in part, pursuant to Condition 9(c)(ii) (*Redemption and Purchase – Redemption at the option of the Issuer – Make-Whole Issuer Call*), at an amount equal to the Make-Whole Amount, having given not less than 25 days nor more than 60 days prior notice to the Noteholders in accordance with Condition 18 (*Notices*); or

c) in the event that at least 80 per cent. of the initial aggregate principal amount of the Notes has been purchased and cancelled by the Issuer, in whole, pursuant to Condition 9(d) (*Redemption and Purchase – Clean-Up Call Option*), at their principal amount together with interest accrued to (but excluding) the date fixed for redemption, having given not less than 15 nor more than 30-days' notice to the Noteholders in accordance with Condition 18 (*Notices*); or

d) at any time during the period starting three months prior to (but excluding) the relevant Maturity Date pursuant to Condition 9(e) (*Redemption and Purchase – Redemption at the Option of the Issuer from three months prior to the Maturity Date of the relevant Notes*), all, but not some only, of the

relevant Notes, at their principal amount together with interest accrued to, but excluding, the date fixed for redemption, having given not less than 15 nor more than 30-days' notice to the relevant Noteholders in accordance with Condition 18 (*Notices*);

(ii) at the option of the Noteholders pursuant to Condition 9(g) (*Redemption and Purchase – Redemption at the option of Noteholders*).

Tax Redemption: Except as described in "*Optional Redemption*" above, early redemption will only be permitted for tax reasons as described in Condition 9(b) (*Redemption and Purchase – Redemption for tax reasons*).

Interest: Notes may be interest-bearing or non-interest-bearing. Interest (if any) may accrue at a fixed rate or a floating rate or other variable rate and the method of calculating interest may vary between the issue date and the maturity date of the relevant Series.

Fixed Rate Notes: Fixed interest will be payable on such date or dates as may be agreed between the Issuer and the relevant Dealer and on redemption and will be calculated on such basis as may be specified in the applicable Final Terms.

Floating Rate Notes: Floating Rate Notes will bear interest at a rate determined:

a) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc., and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series) or the latest version of ISDA 2021 Interest Rate Derivatives Definitions, including each Matrix (as defined therein) (and any successor thereto), as specified in the relevant final terms, each as published by ISDA (or any successor) on its website (http://www.isda.org), on the date of issue of the first Tranche of the Notes of such Series; or

b) on the basis of the reference rate set out in the applicable Final Terms.

The margin (if any) relating to such floating rate will be agreed between the Issuer and the relevant Dealer for each Series of Floating Rate Notes.

Floating Rate Notes may also have a maximum interest rate, a minimum interest rate or both.

Interest on Floating Rate Notes in respect of each Interest Period, as agreed prior to issue by the Issuer and the relevant Dealer, will be payable on such Interest Payment Dates, and will be calculated on such basis as may be specified in the applicable Final Terms.

Zero Coupon Notes: Zero Coupon Notes will be offered and sold at a discount to their principal amount and will not bear interest, in each case as may be agreed between the Issuer and the relevant Dealer and as specified in the applicable Final Terms.

Negative Pledge: The Notes will have the benefit of the negative pledge provisions as described in Condition 5 (*Negative Pledge*).

Cross Default:	The Notes will have the benefit of the cross default provisions as described in Condition 12 (*Events of Default*).
Taxation:	All payments in respect of Notes will be made free and clear of withholding or deduction for taxes of the Republic of Italy, unless the withholding or deduction is required by law. In that event, the Issuer will (save as provided in Condition 11 (*Taxation*)) pay such additional amounts as will result in the Noteholders receiving such amounts as they would have received in respect of such Notes had no such withholding or deduction been required.
Governing Law:	The Notes will be governed by, and construed in accordance with, English law. Condition 16 (*Meetings of Noteholders; Modification and Waiver*) and the provisions of the Agency Agreement (as defined below) concerning the meetings of the holders of Notes and the appointment of the relevant Noteholders' Representative in respect of the Notes are subject to compliance with Italian law.
Enforcement of Notes in Global Form:	In the case of Global Notes, individual investors' rights against the Issuer will be governed by a Deed of Covenant dated 12 June 2025, a copy of which will be available for inspection at the specified office of the Fiscal Agent.
Ratings:	The rating of any Series of Notes to be issued under the Programme may be specified in the applicable Final Terms. **A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.** A credit rating applied for, if any, in relation to a relevant Series of Notes will be (1) issued by a credit rating agency established in the EEA and registered (or has applied for registration and not been refused) under Regulation (EU) No. 1060/2009 (the "**EU CRA Regulation**") or (2) issued by a credit rating agency which is not established in the EEA but is endorsed by a credit rating agency which is established in the EEA and registered under the EU CRA Regulation or (3) issued by a credit rating agency which is not established in the EEA but which is certified under the EU CRA Regulation, will be disclosed in the Final Terms. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the EEA and registered under the EU CRA Regulation unless (1) the rating is provided by a credit rating agency not established in the EEA but is endorsed by a credit rating agency established in the EEA and registered under the EU CRA Regulation or (2) the rating is provided by a credit rating agency not established in the EEA which is certified under the EU CRA Regulation. Similarly, in general, UK regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the UK and registered under the UK CRA Regulation unless (1) the rating is provided by a credit rating agency not established in the UK but is endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation or (2) the rating is provided by a credit rating agency not established in the UK which is certified under the UK CRA Regulation.

	ESMA is obliged to maintain on its website, https://www.esma.europa.eu/, a list of credit rating agencies registered and certified in accordance with the EU CRA Regulation.
Selling Restrictions:	For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of offering material in the United States of America, the United Kingdom, the Republic of Italy, Japan, the Republic of France and Singapore, see "*Subscription and Sale*" below.
Risk Factors:	There are certain factors that may affect the ability of the Issuer to fulfil its obligations under the Notes issued under the Programme. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme. For a discussion of such principal material risks see "*Risk Factors*" below.

RISK FACTORS

Any investment in the Notes is subject to a number of risks. Prior to investing in the Notes, prospective investors should carefully consider risk factors associated with any investment in the Notes, the business of the Issuer and the industries in which it operates together with all other information contained in this Base Prospectus, including in particular, the risk factors described below, and any document incorporated by reference herein. Words and expressions defined in the "Terms and Conditions of the Notes" below or elsewhere in this Base Prospectus have the same meanings in this section.

Prospective investors should note that the risks relating to the Issuer, the industries in which it operates and the Notes described herein are the risks that the Issuer believes, based on information currently available to it, to be the most relevant to an assessment by a prospective investor of whether to consider an investment in the Notes. Most of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. However, the inability of the Issuer to pay interest, repay principal or pay other amounts on or in connection with any Notes may occur for other reasons which may not be considered significant risks by the Issuer based on information currently available to it or which it may not currently be able to anticipate.

The risks that are specific to the Issuer are presented in 6 (six) categories and the risks that are specific to the Notes are presented in 3 (three) categories, in any case in a manner which is consistent with the materiality assessment carried out by the Issuer based on the probability of their occurrence and the expected magnitude of their negative impact on the business, financial condition and results of operations of the Issuer and the Group. Additional risks and uncertainties relating to the Issuer and the industries in which it operates that are not currently known to the Issuer, or that it currently deems immaterial, may individually or cumulatively also have a material adverse effect on the business, prospects, results of operations and/or financial position of the Issuer and, if any such risk should occur, the price of the Notes may decline and investors could lose all or part of their investment. Investors should consider carefully whether an investment in the Notes is suitable for them in light of the information in this Base Prospectus and their personal circumstances.

Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus including any document incorporated by reference herein and reach their own views, based upon their own judgement and upon advice from such financial, legal, tax and other professional advisers as they deem necessary, prior to making any investment decision.

MATERIAL RISKS THAT ARE SPECIFIC TO THE ISSUER AND THAT MAY AFFECT THE ISSUER'S ABILITY TO FULFIL ITS OBLIGATIONS UNDER THE NOTES ISSUED UNDER THE PROGRAMME

- ***RISKS RELATED TO MACRO-ECONOMIC CONDITIONS***

Conflicts and geopolitical tensions increase the complexity and instability of the global scenario

U.S. policies on tariffs trigger cross-protectionism and domino-effects that induce volatility in markets, uncertainties for global companies and small-to-medium enterprises, as well as possible macroeconomic impacts, including systemic impacts.

Furthermore, the evolution of the high tensions related to the conflicts between Israel and Hamas, and between Russia and Ukraine could lead to scenario instability and new geopolitical complexities, even in a post-conflict perspective, with possible repercussions, in the medium and long term, on Leonardo's eligible markets. Complexities could also arise from the India-Pakistan side, the Indo-Pacific region and potential hotbeds in Africa.

At the same time, the situation in the Middle East area could have further reverberations on the safety of people and assets and business continuity, particularly in Israel, as well as on the timing and cost of commercial sea traffic.

Increased defence spending remains key to the international balances relative to NATO and Europe, leading even the major economies and the EU itself to have to look for financial cover within the folds of high public debts and military spending commitments already made, including for technological innovation. In the meanwhile, the geo-economy imposes, in Europe and elsewhere, decisive challenges on tariffs, critical raw materials, semiconductors, electronic components, artificial intelligence and related regulation, as well as conflict and reconstruction negotiations.

Furthermore, in an interconnected global environment, many nations depend on third-party supplies for energy, critical raw materials, technological components and essential goods, also for the defence sector. This dependence exposes countries to, *inter alia*, geopolitical risks, making it crucial to adopt strategies to mitigate these vulnerabilities, as most recently demonstrated by the Russian-Ukrainian war itself.

- ***RISKS RELATED TO THE INDUSTRY IN WHICH THE GROUP OPERATES***

The Group is strongly dependent on the level of expenditure of national governments and public institutions

The major customers of the Group are governments and public institutions. Moreover, the Group takes part in numerous national and international programmes funded by the European Union, governments, intergovernmental organisations or multinational collaborations. Therefore, the core business of the Group is influenced by economic and geopolitical factors at global and regional level, the rating or risk profile of countries, the variation in the expense policies of such national governments and public institutions and by the medium/long-term plans of the countries' common defence programmes. Geopolitical and economic situations, which are largely characterised by increasing uncertainty, represent important challenges for the companies operating in foreign markets, such as Leonardo. Even if the continuation of ongoing conflicts in Ukraine and the Middle East are leading to increased focus on security and defence issues in the political debate and the stated willingness to further increase the defence budgets of major countries (primarily NATO/European countries) the expenditure programmes adopted by governments may be subject to delays, changes under way, periodical reviews or cancellations. The foregoing may occur in particular in periods of high instability or critical periods in macroeconomic terms, with effects on the Group's volumes, results and indebtedness.

Furthermore, increases in defence spending, identified by several countries as necessary given the geopolitical tensions, may lead to peaks in demand in the short/medium term and make international competition even tighter, benefiting companies with more immediately available production capacity. The acquisition of contracts, especially outside Europe, may be affected by local preferences for certain products. In addition, big-tech and emerging tech companies scale barriers to entry in domestic AD&S and may come to create competitive pressures on a European defence industry that is still fragmented on technologies and funds. Such companies, with considerable financial capabilities and operational flexibility, could better meet the growing expectations of defence customers, including in terms of performance and cost efficiency of artificial intelligence applications.

Furthermore, public grants are also a key element in Leonardo's research and development funding. Many of the Leonardo Group's operating segments, in fact, require extensive research and development expenditure to keep pace with rapid technological and market changes. Leonardo's growth depends on penetrating new markets, adapting existing products to new requirements and introducing new products successfully into the market. In particular, in Italy, grants for research and development in the aeronautics and defence and security systems sectors, which are regulated by Law 808/1985, represent indispensable funding for research activities in such areas. However, strong pressure on public budgets reduced in the past and could reduce in the future public grants for research and development activities and failure to maintain grants at levels that are comparable to those of other European and non-European competitors could adversely affect the Group's ability to compete successfully, due to a lower self-financing capacity under difficult economic conditions; this would increase the risk of inadequate time-to-market of products being developed, with consequent material adverse effect on the Group's financial condition and results of operations.

The Group operates in sectors that are highly exposed to growing levels of competition

The business segments in which the Leonardo Group operates are characterised by intense competition in civil/governmental markets, also fuelled by innovation and digitalization. The competitive dynamics and profitability levels of these markets are affected by the balance between production capacity, long-term demand and costs of production. A cyclical weakness in the industry, a significant decrease in demand also due to customers' diminished spending capacity, increases in costs of production or the addition of new, more efficient capacity by established players or new entrants could lead to over-capacity and enable those players to put in place more aggressive pricing policies, resulting in a reduction in the Leonardo Group's orders. Furthermore, all market participants may take advantage of lower cost structures, economies of scale and other synergies, which may lead to lower prices in the industry and result in loss of market share if the Group is unable to implement similar efficiencies successfully. For example, competitors in adjacent markets already operate in the security market and, mostly with the help of anti-cyclical M&A transactions carried out by international investment funds, have entered and still may enter the aerospace and defence sectors, especially in the field of electronics, with advanced and often cheaper technological solutions. Similarly, in the information technology and consumer electronics markets there are highly innovative competitors which maintain high levels of research and development investment by leveraging significant economies of scale. Furthermore, many of the Group's larger competitors have significantly greater financial resources than the Group does, including as a result of substantial industry consolidation, which increased the market share of certain competitors of the Group and enabled them to take advantage of economies of scale and develop new technologies.

Such increasing competition may result in delays or reductions to the acquisition of new orders by the Leonardo Group or the acquisition of new orders on less favourable terms than in the past (financially or otherwise). This may contribute to growing complexity of the Group's prospective scenario, could reduce profitability and the volume of sales and increase financial requirements of the Group during the performance of such orders. Furthermore, such a competitive scenario may result in an increase of bid protests from unsuccessful bidders, which typically extends the time until work on a contract can begin.

Leonardo's capacity for innovation and growth depends on the planning and management of skills

Technological innovation and the growing complexity of the Group's businesses require a constant alignment of skills, with a view to providing high added-value products and services and attaining the role of system integrator and prime contractor. Competition for personnel is intense, and Leonardo may not be successful in attracting or retaining qualified personnel. Especially in a market environment characterised by sharp demand for innovation skills (as the one in which Leonardo operates), any shortage of specialist expertise, the obsolescence of certain competencies and professional skills, a lack of senior managers and key employees might impact on the full achievement of short and medium/long-term objectives, including possible repercussions in terms of time-to-market of new products and services, as well as of access to emerging business segments. Companies compete for skills and talent by leveraging, among other things, the distinctiveness of the brand, the ESG (Environmental, Social, Governance) profile, the welfare offer and the work-life balance, which are positively valued by the new generations entering the labour market.

The Group operates in particularly complex and regulated markets, which require compliance with specific regulations (e.g. export control)

The export of defence products is subject to compliance with particularly important national or foreign regulatory obligations. Their export must comply with foreign policy guidelines and is subject to restrictions and prior authorizations which are based on specific national or foreign regulations (such as, for example, Italian Law 185/1990 on controlling the export, import and transit of military goods, the U.S. International Traffic in Arms Regulations – ITAR and the Export Administration Regulations – EAR) and agreements that may change in relation to the evolution of the geo-political situation and international economic interests, as well as to compliance with customs regimes applicable to any and all products offered by the Group, including the present and future post-Brexit agreements with the United Kingdom. The prohibition on, limitation or any

possible revocation (for example in the case of embargoes, geopolitical or trade tensions or the occurrence of wars) of, export authorisations for defence or dual-use products, as well as any failure to comply with applicable customs regimes and any other applicable regulations could make it impossible for the Group to operate in specific regulated areas and may have substantial adverse effects on the Leonardo Group's business, financial position, results of operations and cash flow.

- ***RISKS RELATED TO LEONARDO GROUP'S OPERATION***

The Group operates in some segments through partnerships or joint ventures

The Group's corporate strategies contemplate the possibility of gaining business opportunities through partnerships and joint ventures as well as the entering into of commercial alliances in order to strengthen its presence in the market and integrate its technology portfolio. The Group's strategic joint ventures up and running at the date hereof are: in the Electronics business sector, MBDA Group, in which the Group holds a 25 per cent stake (with partners BAE Systems (through the parent AMSH-BV) and Airbus Group); in the Space business sector, Thales Alenia Space Group, in which the Group holds a 33 per cent stake (with partner Thales); and in the Aerostructures business sector, GIE-ATR, with a 50 per cent stake held (with partner Airbus Group). Furthermore, as regards the associates, the Leonardo Group has an investment in Hensoldt, in which it owns a 22.8 per cent. stake, that given its relevance is comparable to that in the above mentioned strategic joint ventures.

Besides the market challenges and the actual and potential geopolitical constraints, the launch and operations of partnerships, joint ventures and commercial alliances are subject to both strategic positioning risks, also due to the complexity of the external reference scenario, and management risks and uncertainties, mainly due to the possible divergence of views between the partners on the identification and achievement of operating and strategic objectives, the difficulties in resolving any conflicts that may arise between them and the difficulties of interaction with partners in the ordinary course of business of the joint venture. In particular, the joint ventures in which the Group has an interest may be subject to deadlock in the decision-making process, which may ultimately lead to the break-up of the joint venture. Exiting from a joint venture or an outright dissolution of a joint venture can be a long and costly process and could require Leonardo to share or transfer technology and know-how that it originally contributed to the joint venture. Any of the above circumstances could have a material adverse effect on the Group's strategic positioning in the given sectors, including the risk of not obtaining the expected benefits.

The Group is exposed to the risk of fraud or illegal activities on the part of employees and third parties

The Group makes every effort in terms of organisation, controls, internal procedures and training to ensure fraud risk monitoring and compliance with any and all anti-corruption laws applicable in the domestic and foreign markets in which it operates; however, the possibility of employees or third parties behaving in an ethically incorrect or not fully compliant manner cannot be ruled out thus exposing the Group to the risk of financial responsibility and adverse reputational effects. Similarly, we cannot rule out the possibility of judicial authorities initiating proceedings aimed at establishing any possible liability attributable to the Group, the results and timing of which are difficult to determine, which might entail temporary suspensions from the market concerned.

The Group is and/or might be involved in civil, administrative, tax and criminal proceedings

In the ordinary course of its activities, the Leonardo Group is and/or might be involved in a number of civil, administrative and tax proceedings involving substantial amounts. Furthermore, some Group companies and certain former/current directors or executives of the Leonardo Group have been involved in judicial investigations and criminal proceedings as a suspect or as a defendant or – with reference to the companies – as the person liable for any civil action filed by the victims of crime for damages suffered as a result of the alleged conduct of former officers or employees of the Leonardo Group. As at the date of this Base Prospectus, certain criminal proceedings are still underway.

Provisions are made in respect of pending litigation when a loss is certain or probable and reasonably quantifiable, and Leonardo has accordingly made provisions considered appropriate in light of the circumstances. In certain cases, when Leonardo believes that an adverse outcome of proceedings is unlikely or that the dispute will be resolved in a satisfactory manner without a significant impact on the Group or when the negative impact is not determinable, no provision is made in the Group's financial statements. The most significant proceedings in respect of which no specific provisions are made are described in Section 22 (*Provisions for risks and charges and contingent liabilities*) of the explanatory notes to the Leonardo's 2024 Integrated Annual Report, incorporated by reference in this Base Prospectus.

Further developments of existing proceedings or new proceedings, presently unforeseeable and indefinable, together with the possible consequential impact on Leonardo's reputation, could significantly affect the Group's financial position, results of operations and cash flows as well as its relationships with customers.

The Group operates through a number of industrial plants and processes that may expose it to risks involving the health and safety of workers and the environment

The Group's activities are subject to compliance with laws, rules and regulations governing the protection of workers' health and safety. Specifically, Legislative Decree 81/2008 provides for a preventive and permanent health and safety management system at work, through the identification of risk factors and sources, the elimination or reduction of risk, the ongoing monitoring of preventive measures implemented and the development of a corporate strategy to be implemented through the participation of all stakeholders in the working communities. Legislative Decree 81/2008 also requires the planning of measures that are considered to be appropriate to ensure the improvement of safety levels over time, including through the adoption of codes of conduct and good practices. Furthermore, the Group's activities are subject to compliance with laws, rules and regulations governing the protection of environment and energy management, which contemplate specific environmental permits aimed at ensuring compliance with restrictions on emissions into the atmosphere, water discharge, storage and use of chemicals or hazardous substances (e.g. REACH Regulation and RoHS Directive) and waste management and disposal. Any substantial increases in compliance costs could adversely affect the Group's business, financial condition and results of operations. Furthermore, non-compliance with any of these environmental regulations, or with health and safety laws and regulations, may give rise to claims for damages and/or sanctions and may cause potential damage to the Group's image and reputation. In this regard the Group might be party to judicial proceedings.

The Group operates in contexts requiring a proactive cyber security management; breaches of information security obligations can cause damage to the Group, its customers and suppliers and pose a threat to the security of citizens and critical infrastructures

The Leonardo Group is required to face the risks associated with information security, specifically the risk posed by sophisticated cyber threats (such as, *inter alia*, advanced persistent threat and phishing campaigns), and faces an ever-greater exposure to such risks as a result of, among other things, the increasing digitalization, including through AI applications, of processes, products and services for customers, the use of innovative technologies, the practice of inadequate cybersecurity policies by third parties, the proliferation of remote working arrangements and the continuous evolution of the cyber threats. Furthermore, changes to the geopolitical context, including the deterioration of relations between states or the occurrence of conflicts (e.g. the Russo-Ukrainian war and the conflicts in the Middle East) may increase the scope and number of cyber-attacks aimed at institutions and companies. Indeed, cyber threats may become increasingly significant as a means to perform a hybrid conflict in response to the actions undertaken by third-party countries. The Group may not be able to entirely mitigate such risk, and there can be no assurance that future cyber security incidents will not have a material negative impact on the Group. In particular, a security breach or other disruption involving cyber information, IT networks and/or related systems could (i) disrupt the proper functioning of the networks and systems and, therefore, the operations of the Group and of certain of its suppliers; (ii) result in the unauthorised access to, and destruction, loss, theft, misappropriation or release of, proprietary, confidential, sensitive or otherwise valuable information of the Group, its customers and its employees, including trade secrets; (iii) result in litigation and governmental

investigation and proceedings associated with cybersecurity incidents; (iv) compromise national security and other sensitive government functions; (v) require significant management attention and resources to remedy the damages; (vi) subject the Group to claims for contract breach, damages, credits, penalties or termination; and (vii) damage the Group's reputation with its customers and the general public.

Cybersecurity incidents, including any in the supply chain, business interruption, leaks of data and information, including personal data, that may be of strategic importance may compromise both the Group's business and image, especially in the case of theft of third-party data stored in its archives. Cybersecurity incidents in the supply chain might have repercussions on the Group's operations.

Significant capital investments and other expenditures could be required to remedy cybersecurity problems and prevent future breaches, including costs associated with additional security technologies, personnel and experts. These costs, which could be material, could adversely impact the Group's results of operation in the period in which they are incurred and may not meaningfully limit the success of future attempts to breach the Group's products and services or its IT systems.

The Group's performance depends on proper and effective execution of existing long-term contracts and on the award of new long-term contracts

The Group, through its advanced technological expertise, supplies complex products, systems and services, under long-term contracts, also at a fixed all-inclusive price. Given the fierce competition in the market, terms and conditions generally require contracts to be performed at a high level of service and within stringent execution timetables. If, for any reason whatsoever, the Group does not perform the contract in compliance with quality and time limit requirements, the customer is entitled to apply penalties and other contract clauses that might have an adverse economic and financial impact on the Group. With respect to these responsibilities, AI applications are gaining increasing relevance in perspective. Furthermore, an unforeseen rise in the costs incurred in the performance of a contract, which may also be the result of the occurrence of change events, could lead to lower profits. For example, in periods characterised by protectionist measures, inflation, over-demand, lack or discontinuity of supply of goods (including, *inter alia*, commodities and electronic components) and services for the production and delivery to customers, times and costs for the Group's companies in performing their contractual obligations may increase. These dynamics may also be determined, accelerated and/or exacerbated by the deterioration of institutional and commercial relations between sovereign states or by the onset of war conflicts (such as the Russo-Ukrainian war or the conflicts in the Middle East).

The long-term sustainability of Leonardo's economic and financial performance also depends on its ability to enter into new long-term contracts, ensuring the achievement of key improvements, such as costs reduction, quality performance and a production performance able to secure a higher profitability. This may be applicable particularly in the Aerostructure's domain, in which Leonardo is also characterised by a significant client concentration. In addition, the award of new contracts is subject to competition and is affected by factors outside of Leonardo's control, such as governmental spending decisions and administrative procedures. Any failure to secure or delay in securing a substantial number of long-term contracts or any interruption, suspension or termination of existing contracts may cause an insufficient workload that would adversely affect the Leonardo Group's financial condition and results of operations.

Differences between estimated and actual costs incurred in performing medium and long-term contracts may affect Leonardo's operating results

In order to record revenues and margins resulting from medium and long-term contracts in the income statement of each period, the Group adopts the applicable accounting principles, including the percentage-of-completion method, which requires: (i) an estimate of the costs necessary to carry out the contract, including risks for delays and additional actions to be undertaken to mitigate the risk of non-performance and (ii) checking the state of progress of the activities. Given their nature, these are both subject to management's estimates and, as a result, they depend on the ability to foresee the effects of future events such as, *inter alia*, technological difficulties, engineering or development challenges, fluctuations in the availability and prices of

raw materials or other goods such as electronic components, higher than expected inflation, increased labour costs, problems with suppliers and cost overruns. An unexpected increase in the costs incurred while performing contracts could cause a significant reduction in profitability or a loss, if costs exceed the revenues deriving from contracts.

Leonardo periodically conducts a review of its estimated costs to complete existing contracts and if such review suggests that higher costs will be incurred, appropriate adjustments are recorded on Leonardo's balance sheet in accordance with IFRS. If the expenditure overrun in the future exceeds for whatever reason the estimated costs, Leonardo's results will be adversely affected in future periods. Differences between estimated and actual costs, arising from a number of factors such as production delays, cost overruns and other unforeseen matters, may have a material adverse impact on Leonardo's financial condition and results of operations.

Risk of proper performance of contracts also depends on the supply and sub-supply chain

The Group purchases, in substantial proportions, industrial products and services, materials and components, equipment and subsystems provided by suppliers and sub-suppliers. Therefore, the timely and satisfactory performance of Leonardo's contractual commitments depends upon, *inter alia*, the timely and proper performance of the contractual obligations of such suppliers and sub-suppliers. This in turn may be affected by certain factors beyond the suppliers' and sub-suppliers' control, such as the destruction of their facilities or distribution infrastructure and/or work stoppages and strikes. The Group's dependence on suppliers for certain business activities might give rise to difficulties in maintaining quality standards and meeting delivery times. The risk profile of suppliers and sub-suppliers – especially the small and medium sized enterprises – can deteriorate during downturns in the economy, in the case of geopolitical and trade tensions and conflicts and during periods of convulsive recovery, attributable to offer shortages and discontinuity, bottlenecks, duties, and inflationary effects felt in the real economy, such as the increase in prices of, *inter alia*, the energy commodities. In addition, third-party acquisitions of suppliers relevant to the Group could change the terms and conditions of contract renewals, with costs or timing being less convenient for the Issuer.

Furthermore, the production of chips and electronic components – of great importance for industrial applications, especially for high-tech applications – still relies on a small number of countries, mostly outside the European Union. These goods continue to be characterised by long delivery times as a consequence, first, of the peaks in demand generated by the Covid-19 lockdowns and, then, of the convulsive and at times discontinuous post-pandemic recovery, then impacted by the outbreak of the Russian-Ukrainian conflict and the consequent contrasts among countries and, recently, by duties and protectionist measures among countries. In some cases, critical and strategic raw materials, including the rare earths elements, are a decisive enabler for both the technologies of certain production sectors and the development of artificial intelligence, in addition to the initiatives underpinning the European Green Deal. Most of the critical raw materials relevant to the Aerospace and Defence sector are not directly available in Europe, but rather in other countries, mainly non-NATO/EU. When availability and production of materials are concentrated in a single country, such country may be in a position to sway the balance between global supply and demand, with impacts on market prices and/or availability of goods. This trend may be exacerbated in scenarios marked by critical geopolitical issues, the deterioration of institutional and commercial relations between sovereign states and/or the occurrence of war conflicts, especially if the countries involved pay a substantial role in the supply of energy commodities and the production of critical materials (including, without limitation, raw materials) such as some parties involved in the Russo-Ukrainian war. Finally, for many of these materials, end-of-life product recovery and recycling are not yet developed in the industry as resilience factors.

Any failure by the Leonardo Group to deliver products and services in a timely manner or at all, or any defect in contract performance (including as a result of delays or breaches by the Group's suppliers or sub-suppliers) as well as any failure in after-sale services and maintenance and revision of products may lead to higher costs or penalties and may have an adverse effect on the Leonardo Group's financial condition and results of operations.

The Group is required to fulfil direct or indirect offset obligations in certain countries

Some international customers require industrial cooperation related to the award of contracts in the aerospace and defence sector, in certain cases with rigorous requirements linked to the development policy of each relevant country. Together with supply contracts, the Group may therefore undertake offset obligations that require procurement or manufacturing support at local level, technology transfer and investments in industrial projects in the customer's country. Failure to meet offset obligations may result in the application of penalties and, in certain cases, might prevent the Group from participating in contract award procedures in the countries concerned, with a consequent negative impact on the profitability of the Leonardo Group.

A substantial amount of consolidated assets is attributable to intangible assets and goodwill

The recoverability of amounts recognised as intangible assets (including goodwill and development costs) is linked to the implementation of future plans and the business plans for the relevant products that, especially in case of long-term developments, may see the needs of customers and the competitive environment change, given the speed of technological innovation. Any failure to implement such plans may impair the value of the intangible assets.

The overall productivity of the consortia in which Leonardo participates depends in part on Leonardo's partners performing their obligations

Leonardo performs a substantial portion of its business as a prime contractor or sub-contractor in *consortia*. As prime contractor, Leonardo assumes its responsibility towards the customer in respect of work to be performed by its partners, whom Leonardo does not control. Failure by any of Leonardo's partners to perform their obligations may affect Leonardo's ability or the ability of the *consortia* to perform their respective obligations, impairing the *consortia*'s overall productivity and Leonardo's ability to perform its obligations as prime contractor. Sub-contractor performance deficiencies could result in a customer terminating a contract for default, thereby exposing Leonardo to liabilities and penalties, which would have a material adverse effect on Leonardo's results of operation and financial condition, as well as its ability to compete for future contracts and orders.

The Leonardo Group is exposed to product liability and other customer claims which may not be fully covered by insurance policies

Leonardo is subject to product liability and other claims from customers or third parties in connection with (i) non-conformity of products or services with customers' requirements, due to design and manufacturing defects of products and services, for example; (ii) delays in supplying or failure to supply products or services indicated in the contract (or offsetting obligations); or (iii) defaults and/or delays in the marketing, performing of after-sale services and maintenance and revision of products. These liabilities might arise from causes that are attributable directly to the Leonardo Group companies or due to maintaining the specialist expertise of the relevant Group company and its resources or causes that are ascribable to third parties outside the Group that act as suppliers or sub-suppliers for the Group. Although these claims are generally covered by Leonardo's insurance policies, there can be no assurance that insurance will cover all future product liability claims. In addition, any accident, failure, incident or liability, even if fully insured, could damage Leonardo's reputation among its customers and the public, thereby making it more difficult for Leonardo to compete effectively, and could have a significant impact on the cost and availability of adequate insurance in the future. Material product defects or breaches by the Leonardo Group may also lead to contract termination. All of the above factors could have a material adverse effect on Leonardo's business, financial condition and results of operation.

Leonardo may face difficulties in protecting its intellectual property

Leonardo's success and results depend, in part, on its ability to protect its research and development innovation by intellectual property rights (primarily patents, copyrights and trade secrets). To this end, the Group's intellectual property rights are granted to third parties only through specific license agreements and other contractual provisions.

However, there can be no assurance that Leonardo will be able to prevent any unauthorised use of its intellectual property, due to, *inter alia*, disloyal employees or suppliers' default of the contractual provisions related to intellectual property rights, as well as any risk of counterfeiting. Furthermore, patent protection does not prevent competitors from developing incremental or radical innovations without violating the Leonardo Group's intellectual property rights. In addition, government clients normally have the royalty-free right to use intellectual property rights (sometimes including the right to sub-license) related to the Leonardo Group's products and technologies that have been developed under government contracts, which weakens the Group's intellectual property protection.

Moreover, the Group may have difficulties in enforcing its intellectual property rights against alleged infringers. In this event, Leonardo is required to assess the pros and cons deriving from a lawsuit to be filed against the alleged infringers. Any claims, indeed, could be time consuming and expensive. Furthermore, many jurisdictions may be involved, thus increasing the uncertainty connected with the outcome of the proceedings.

In addition, third parties have claimed in the past and may claim in the future that the Group is infringing directly or indirectly upon their intellectual property rights. If the Group were not to prevail in any of these claims, it could be required to cease the manufacturing of a product, indemnify significant damages or enter into license agreements which the Group may not be able to obtain with acceptable royalty.

If Leonardo fails to effectively protect its own intellectual property or to successfully defend itself from aggressive claims by third parties, then its business, results of operation and financial condition could be materially harmed.

Other facts and circumstances that may affect Leonardo Group's operation

In addition to the risk factors described above, the operation of the Leonardo Group, also through its supply chain, may be affected, directly and/or indirectly, by other facts or circumstances such as disruptions caused by natural disasters, severe weather conditions, other extraordinary and unforeseeable events such as a fire, service interruption or acts of terrorism.

Climate change, the protection of the environment and consequent new developments in the scenario may require actions to be taken on certain types of processes and products

The transition to a low-carbon and more environmentally sustainable economy may entail risks for the Group as well as its business, assets and processes, induced by greater severity of environmental and climate policies, disharmony in the regulations of different countries (including resulting competitive asymmetries between companies), the progress of the relevant technology or the changing confidence of investors and lenders in the relevant business. In parallel, the importance of the ESG requirements of suppliers and their supply chains and the consumption of energy and water resources is becoming a central issue in customer tenders.

Furthermore, the impact of climate change exposes the Group to an increased frequency of acute and chronic weather events, such as storms and floods, as well as droughts, rising temperatures and fires, which can endanger industrial sites and make it necessary to extend the ranges of product operating requirement.

In order to reduce the effects of environmental events caused by climate change – such as floods, drought, fires, storms and others – which may significantly affect corporate sites and assets, environmental regulations require a transition towards a low-carbon and more environmentally sustainable economy. This may have an impact on business, production processes and assets, as well as on the products and services offered to the market. Leonardo cannot anticipate whether, and to what extent, such regulations will become more stringent over time, nor can Leonardo give any assurances that the cost of future compliance with existing regulations will not increase.

- ***RISKS RELATED TO THE FINANCIAL INDEBTEDNESS OF THE GROUP***

Risk related to high levels of indebtedness and to interest rates fluctuation

The Group's debt level is high as a consequence of a low level of cash flow generation, thereby reducing the Group's profitability through higher borrowing costs and exposing it to future fluctuations in interest rates (as to the floating portion). The high levels of indebtedness could have an impact on the Group's strategy, limiting its operational and strategic flexibility.

The Leonardo Group is subject to interest rate risk arising from its financial indebtedness, which varies depending on whether such indebtedness is at a fixed or floating rate. As at 31 December 2024, approximately 38 per cent. of Leonardo's financing sources is represented by variable rate instruments (taking into account the hedging policies in place), the cost of which increases when market interest rates rise. For the portion of fixed-rate debt, in the event of its refinancing, the increase or the persistence at higher levels of the interest rates – as in case of restrictive monetary policies to manage the inflation trends – can lead to a worsening of the overall Group's financial situation.

In addition, eventual future liquidity crises could also restrict the Group's ability to repay its debts. Furthermore, certain bank facilities include financial covenants or the achievement of some ESG key performance indicators, whose breach may lead to default.

The Group's credit rating and financial market conditions may affect its ability to obtain funding

All bond issues by Leonardo are typically given a medium-term financial credit rating by the three international rating agencies: Moody's, Standard & Poor's and Fitch (for information regarding Leonardo's credit ratings see the cover page of this Base Prospectus). A downgrade in the Group's credit rating could severely limit its access to funding sources, as well as increase its borrowing costs for loans, which would have a negative impact on the Group's business prospects and its performance and financial results. These difficulties could be compounded by unfavourable market conditions and other factors which may prevent Leonardo from meeting its financial needs. Furthermore, Leonardo's financial creditworthiness is linked to the sustainability performance achieved against targets set by ESG-linked funding sources. In addition, were the Group to obtain funding, borrowing costs could be higher and contractual conditions may be less favourable than current arrangements in terms of covenants and other restrictions. Any difficulties in obtaining access to funding would have a material adverse effect on the Leonardo Group's financial condition and business results.

In addition, on the basis of the methodologies used by Standard & Poor's and Moody's, the Issuer's credit ratings might potentially be exposed to risk in reductions of the sovereign credit rating of the country of origin, which may have a potential knock-on effect on the credit rating of certain issuers, such as the Issuer, and increase the likelihood that the credit rating of Notes (if any) could be downgraded, with a consequent adverse effect on the market value of the Notes.

The Leonardo Group may suffer losses from any deficit in its defined benefits plans

The Group is a sponsor of defined-benefit pension plans in the United Kingdom and the U.S. and of other minor plans in Europe. Under defined-benefit plans, the Group is required to ensure a specific future retirement benefit level for employees participating in the plan; in the United Kingdom and the U.S., the pension funds in which the Group participates invest resources in the plan's assets (stocks, bonds, etc.) that might not be sufficient to cover the agreed-upon benefits, especially in periods of turbulence of the financial markets. If the value of the plan's assets is less than the agreed-upon benefit level, the Group records the amount of the deficit as a liability. The calculation of expected liabilities arising from defined benefit plans is based on actuarial estimates and demographic and financial assumptions. However, future developments may differ from those estimates and assumptions and may lead to significantly higher levels of deficits, including, for example, as a result of high volatility in equity and bond markets. In those circumstances, the Group must make up for the shortfall and any further increases in deficits could have a material adverse effect on its financial condition and results of operations.

The Leonardo Group operates in industries demanding high working capital, which is subject to volatility and seasonal variations

The Leonardo Group is required to maintain a high level of working capital because its business activities are characterised by long product development periods and production cycles. The Leonardo Group partly finances its working capital requirements through arrangements with customers (*i.e.* advance payments) and suppliers, and through working capital financing lines. The scope and quantity of the Leonardo Group's transactions with government and government-related entities has, from time to time, increased working capital requirements because of a deterioration in the terms of payment. Delays and/or a reduction in customer payments or advance payments, reduction in margins achieved on sales of products and services, timing and collection of receivables, timing and size of inventory and work in progress increases and/or accelerated payments to suppliers may lead to extraordinary cash absorptions, which could materially increase the amount of working capital to be funded through external debt financing.

In addition, the Leonardo Group's level of debt during the year reflects seasonal working capital requirements. These requirements arise largely because, while expenditure is incurred regularly during the course of the year, several of Leonardo's largest customers (including the public sector) typically pay at the financial year end (fourth quarter), thereby increasing Leonardo's reliance on debt financing for short term working capital requirements.

Historically, Leonardo's working capital requirements and cash flows have been, and are expected to continue to be, subject to significant fluctuations. Any difficulty in meeting the Group's working capital requirements and or the management of fluctuations in cash flows could have a material adverse effect on its financial condition and results of operations.

- ***EXTERNAL RISKS***

The Group is exposed to the risk of exchange-rate fluctuations

Because of Leonardo's substantial international sales, fluctuations in the exchange rate of the Euro, which is the Leonardo Group reporting currency, against other currencies, mainly U.S. dollar and Sterling, can have a significant impact on Leonardo's revenues and operating results. In particular, the Group reports a significant portion of revenues in U.S. dollars and Sterling, while costs may be denominated in other currencies (mainly Euros). Accordingly, any decrease in the value of the U.S. dollar and/or Sterling compared to the Euro affects the Group's margins in Euro. In addition, fluctuations in exchange rates may adversely affect the competitiveness of Leonardo's products and services provided outside the Eurozone.

In order to hedge the above foreign currency risk exposure under contracts which are denominated in currencies other than the functional currency of the entity performing the operation ("transaction risk"), the Group enters into forward currency transactions, swaps and options. However, there can be no assurance that future fluctuations in exchange rates, particularly the Euro/Sterling and the Euro/U.S. dollar exchange rate, will not harm the Leonardo Group's business, results of operations and financial condition.

Moreover, the Leonardo Group has made significant investments *inter alia* in the United Kingdom, the United States and in Poland. Since the reporting currency of the Group's consolidated financial statements is the Euro, appreciation of the Euro against the Sterling, the U.S. dollar or the Polish złoty could have an adverse impact, through the translation of the financial statements of foreign subsidiaries/investees, on the Leonardo Group's balance sheet and income statement and may give rise to significant changes in Leonardo's shareholders' equity from period to period (so-called "translation risk").

The Leonardo Group is exposed to credit and counterparty risk

The Leonardo Group is active with clients belonging to countries that are suffering from political, social and economic instability (besides the situation in the Middle East). These countries may be subject to (i) high inflation, volatile exchange rates, rising public debts and interest expenses (ii) weak bankruptcy and creditor protection law and (iii) limitations on investments and export/import of assets. In addition, those countries may be exposed to the risk of social unrest and political

upheavals. Any instability in countries where the Group does business, such as, *inter alia*, Nigeria, Turkey, Pakistan, Kenya and Angola may have a material adverse effect on the Group's financial condition and results of operations. For further information, see Section 37 (*Financial risk management*), paragraph headed *"Credit risk*", of the explanatory notes to the Leonardo 2024 Integrated Annual Report incorporated by reference in this Base Prospectus.

Furthermore, given that Leonardo often operates under long-term contracts, the Group is exposed to a higher risk of default by customers who, although believed to be financially sound at the time of the initial order, subsequently face financial difficulties. In the case of customer insolvency, the Group may find itself in a situation where it has already delivered an order or incurred the costs associated with it but has not received full payment or is even required to return amounts to the insolvency administrator or liquidator.

Risks associated with Leonardo's transactions in countries with entities or in specific sectors which might become subject to sanctions or associated with Leonardo's potential infringement of compliance laws and regulations

The complex and constantly evolving geopolitical and regulatory environment may have unpredictable consequences in countries in which, or for entities with whom, Leonardo currently conducts business, which may in the future be subject to sanctions or blacklisted, resulting in a loss of Leonardo's current and/or potential business which could have a material adverse effect on its financial condition and results of operations. Indeed, international sanction authorities impose and may further impose restrictions on trade with certain countries, regions and/or persons and/or on trade of certain goods and/or provision of certain services.

In addition, any potential allegations made against members of the Leonardo Group relating to violations of European and/or US sanctions-related regulations could adversely affect the Group's reputation and relationship with its customers, its ability to obtain future contracts and orders and the Group's capacity to raise finance from banking institutions or refinance existing lines of credit, with the result that its business, operations and financial condition could be materially harmed.

Pandemics can have time-varying effects and lead to systemic crises

A pandemic can undermine people's health to the point of jeopardising the resilience of the health and socio-economic systems of the countries involved, leading to systemic or large-scale crises, with major impacts on people, businesses, customers, suppliers and institutions, which may take a long time to normalise. The duration and magnitude of a pandemic depend, among other things, on the timeliness and effectiveness of health actions taken at global level, the possible mutations of the virus, and the coverage and decay of immunisation. A single epidemic event not properly addressed at regional or local level can quickly turn into a pandemic. As was the case with COVID-19, the Leonardo Group's performance could be affected by declines in target sectors as well as by additional risk factors, even with systematic impacts, which in turn could have a material adverse impact on the Group's business, financial condition and results of operations.

- ***RISKS RELATED TO LEONARDO'S PRINCIPAL SHAREHOLDER***

The Italian Ministry of Economy and Finance has significant influence over Leonardo's actions which may restrict its ability to run its business

At the date of this Base Prospectus, the Italian Ministry of Economy and Finance holds approximately 30.20 per cent of Leonardo's share capital and exercises the control over major decisions taken by Leonardo through a significant holding of its ordinary shares which *de facto* allows the Ministry to appoint two-thirds of the directors by means of a special mechanism (*voto di lista*) provided for under the By-laws. Accordingly, the Italian government has a significant influence over decisions taken at Leonardo's shareholders' meetings, including the payment of any dividends, capital increases and the appointment of directors and statutory auditors. Furthermore, Leonardo's By-laws provide for shareholding limits and require qualified majorities by Leonardo's Board of Directors and shareholders for the approval of certain actions. Given the size of these qualified majorities, it may be necessary to obtain the affirmative vote of directors appointed by the Italian government at a board meeting or, on the basis of past experience, the affirmative vote of the Italian government at a shareholders' meeting in order for those actions to

be approved. As a result, Leonardo's shareholders' meetings could experience significant decision-making deadlock in the event the Italian government is against certain initiatives (including as a consequence of factors not specifically linked to the sectors in which the Group operates) and, at the same time, the ability of other shareholders to influence decisions on matters submitted to the approval of Leonardo's shareholders' meeting may be limited.

In addition, in periods with high financial and economic instability the Italian government might dispose of certain assets in order to increase its cash flow and support public expenditure in sectors which, from time to time, might be considered more strategic. Alternatively, it may significantly restrict the operations of companies in which it owns significant holdings (such as the Issuer) with the aim of adopting a more conservative approach. This could also negatively affect the financial and business results of the Group.

The "golden power" may affect Leonardo's ability to manage its business

Pursuant to Law Decree No. 21 of 15 March 2012 (converted with amendments into Law No. 56 of 11 May 2012), as amended (the "**Golden Powers Decree**") and the relevant implementation procedures, in case of effective threats of serious prejudice to national essential interests with regards to activities of strategic importance as identified by:

- the Decree of the President of Council of Ministers of 6 June 2014, n. 108 - "*Regulation for the identification of activities of strategic importance for the defense and the national security system*" (the "**Defense Implementation Decree**"), and

- the Decree of the President of Council of Ministers of 18 December 2020, n. 179 – "*Regulation for the identification of activities of national interest within the areas referred to in article 4 of Regulation (EU) 2019/452 of the European Parliament and of the Council of 19 March 2019*" (the "**High Tech implementation Decree**[1]" and, jointly with the Defense Implementation Decree, the "**Implementation Decrees**"), the Italian government is entitled to exercise certain special powers (the "**Golden Powers**");

the Italian government is entitled to exercise certain special powers (the "**Golden Powers**") in order to protect the essentials interest of the State.

The Golden Powers consist mainly of the following:

(a) imposition of specific undertakings in the event of shareholding acquisitions (share deals) in relation to the security of procurement, information, technological transfers, and export control (relevant to defense and national sector) and the security of and operation of networks and facilities and continuity of supply (relevant to the energy, transportation, communication & high tech sectors);

(b) veto rights to resolutions, acts or operations adopted/entered into by any company carrying out activities of strategic importance within the relevant sectors, resulting in change of control, change of ownership, or change of availability of strategic asset, as identified by the Implementation Decrees, including, by way of example, mergers, demergers, transfer of businesses or branches of business or of subsidiaries (asset deals); and

(c) veto or opposition to the acquisition of shareholdings interest in a company carrying out strategic activities in relevant sectors (share deals), only if the potential harm to public

[1] The High Tech implementation Decree (effective from January 14, 2021) identified the assets and relationships deemed as strategic within the Energy, Transportation and Communication sectors specifically referred to in Article 4 of Regulation (EU) 2019/452 ("*Regulation (EU) 2019/452 of the European Parliament and of the Council of 19 March 2019 establishing a framework for the screening of foreign direct investments into the Union*")– to which the Golden Powers rules are extended such as but not limited to:
- financial, credit and insurance;
- access to sensitive information, including personal data;
- artificial intelligence, robotics, semiconductors, cybersecurity, as well as nanotechnology and biotechnology;
- non-military aerospace; and
- dual-use items.

interests associated with the transaction cannot be mitigated through the imposition of prescription or conditions.

The Italian government may or may not exercise the above special powers. The exercise of any of the Golden Powers and the relevant consequential measures could affect Leonardo's ability to manage its business with reference to the relevant transactions mostly referred to above. In particular, the exercise of the special powers connected to the acquisition of holdings in Leonardo, could make a change of control of Leonardo (whether by merger or otherwise) more difficult or even discourage certain bidders from making an offer involving a change of control that might otherwise be beneficial to stakeholders.

The Italian government has the faculty to exercise the Golden Powers ex officio in case of failed notification of the transaction by the relevant company(ies). Without prejudice to the application of criminal sanctions (should the conduct constitute the perpetration of a crime), failure to notify a relevant transaction, or to carry it out before receiving governmental clearance or in breach of the government-imposed prescriptions or conditions, entails an administrative pecuniary sanction of up to twice as much as the value of the transaction and, in any event, no less than 1% of the aggregate turnover realised in the last fiscal year. Any ruling by which such rights and powers are exercised may be challenged before the Regional Administrative Tribunal of Lazio.

MATERIAL RISKS THAT ARE SPECIFIC TO THE NOTES ISSUED UNDER THE PROGRAMME AND WHICH ARE MATERIAL FOR THE PURPOSE OF ASSESSING THE MARKET RISKS ASSOCIATED WITH NOTES ISSUED UNDER THE PROGRAMME

- ***RISKS RELATED TO THE STRUCTURE OF A PARTICULAR ISSUE OF NOTES***

Fixed Rate Notes

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of Fixed Rate Notes. While the nominal interest rate of a security with a fixed interest rate is fixed during the life of such security or during a certain period of time, market interest rates typically change on a daily basis. As market interest rates change, the price of such security changes in the opposite direction. In particular, if market interest rates increase, the price of such security typically falls, until the yield of such security is approximately equal to the prevailing market interest rate. Conversely, if market interest rates fall, the price of a security with a fixed interest rate typically increases, until the yield of such security is approximately equal to the prevailing market interest rate.

Investors will not be able to calculate in advance their rate of return on Floating Rate Notes

A key difference between Floating Rate Notes and Fixed Rate Notes is that interest income on Floating Rate Notes cannot be anticipated. Due to varying interest income, investors are not able to determine a definite yield of Floating Rate Notes at the time they purchase them, so that their return on investment cannot be compared with that of investments having longer fixed interest periods. If the terms and conditions of the Notes provide for frequent interest payment dates, investors are exposed to reinvestment risk if market interest rates decline. That is, investors may reinvest the interest income paid to them only at the relevant lower interest rates then prevailing. In addition, the Issuer's ability to issue Fixed Rate Notes may affect the market value and the secondary market (if any) of the Floating Rate Notes (and vice versa).

Certain benchmark rates, including EURIBOR, may be discontinued or reformed in the future

The Euro Interbank Offered Rate ("**EURIBOR**") and other interest rates or other types of rates and indices which are deemed to be benchmarks have been subject to significant regulatory scrutiny and legislative intervention in past years. This relates not only to the creation and administration of benchmarks, but, also, to the use of a benchmark rate.

The Benchmarks Regulation applies, subject to certain transitional provisions, to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark, within the EU.

The Benchmarks Regulation could have a material impact on any Notes linked to EURIBOR – for example, if the methodology or other terms of the benchmark are changed in the future in order to comply with the terms of the Benchmarks Regulation or other similar legislation, or if a critical benchmark is discontinued or is determined to be by a regulator to be "no longer representative". Such factors could (amongst other things) have the effect of reducing or increasing the rate or level or may affect the volatility of the published rate or level of the benchmark. They may also have the effect of discouraging market participants from continuing to administer or contribute to certain "benchmarks", trigger changes in the rules or methodologies used in certain "benchmarks", or lead to the discontinuance or unavailability of quotes of certain "benchmarks".

Although EURIBOR has been reformed in order to comply with the terms of the Benchmarks Regulation, it remains uncertain as to how long it will continue in its current form, or whether it will be further reformed or replaced with the Euro Short Term Rate ("**€STR**") or an alternative benchmark.

The elimination of any benchmark, or changes in the manner of administration of any benchmark, could require or result in an adjustment to the interest calculation provisions of the Conditions (as further described in Condition 7(e) (*Benchmark Replacement (Independent Adviser)*)) or result in adverse consequences to holders of any Notes linked to such benchmark (including Floating Rate Notes whose interest rates are linked to EURIBOR or any other such benchmark that is subject to reform). Furthermore, even prior to the implementation of any changes, uncertainty as to the nature of alternative reference rates and as to potential changes to such benchmark may adversely affect such benchmark during the term of the relevant Notes, the return on the relevant Notes and the trading market for securities (including the Notes) based on the same benchmark.

Interest rate "fallback" arrangements may lead to Notes performing differently or the effective application of a "fixed rate"

The "*Terms and Conditions of the Notes*" provide for certain fallback arrangements in the event that a published benchmark, such as EURIBOR, (including any page on which such benchmark may be published (or any other successor service)) becomes unavailable or a Benchmark Event or a Benchmark Transition Event (each as defined in the Conditions), as applicable, otherwise occurs. Such an event may be deemed to have occurred prior to the issue date for a Series of Notes. Such fallback arrangements include the possibility that the rate of interest could be set by reference to a successor rate or an alternative rate and that such successor rate or alternative reference rate may be adjusted (if required) in accordance with the recommendation of a relevant governmental body or in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to investors arising out of the replacement of the relevant benchmark, although the application of such adjustments to the Notes may not achieve this objective.

Any such changes may result in the Notes performing differently (which may include payment of a lower interest rate) than if the original benchmark continued to apply. It is also possible that such an event may be deemed to have occurred prior to the issue date for a Series of Notes. Moreover, due to the uncertainty concerning the availability of successor rates and alternative reference rates and the involvement of an Independent Adviser (as defined in the Conditions) in certain circumstances, the relevant fallback provisions may not operate as intended at the relevant time. Additionally, in certain circumstances, the ultimate fallback of interest for a particular Interest Period may result in the rate of interest for the last preceding Interest Period being used, which may result in the effective application of a fixed rate for Floating Rate Notes based on the rate which was last observed on the Relevant Screen Page.

Notes issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest bearing securities with comparable maturities.

- ***RISKS RELATED TO THE MARKET GENERALLY***

No active trading market for the Notes, the secondary market generally and the market volatility

Notes issued under the Programme will be new securities which may not be widely distributed and for which there is currently no active trading market (unless in the case of any particular Tranche, such Tranche is to be consolidated with and form a single Series with a Tranche of Notes which is already issued). Although application has been made for the Notes issued under the Programme to be admitted to listing and to trading on the electronic bond market (MOT) of Borsa Italiana S.p.A., there is no assurance that such application will be accepted, that any particular Tranche of Notes will be so admitted or that an active trading market will develop or, if developed, that it will continue. Furthermore, if the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer.

Furthermore, even if a trading market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes. In addition, holders of Notes should be aware that, in view of the prevailing and widely reported global credit market conditions (which continue at the date hereof), the secondary market for Notes and instruments of this kind may be illiquid. The Issuer cannot predict when these circumstances will change.

Delisting of the Notes

Application has been made to Borsa Italiana S.p.A. for Notes issued under the Programme to be admitted to listing and to trading on the on the electronic bond market (MOT) of Borsa Italiana S.p.A., however Notes issued under the Programme may also be admitted to trading, listing and/or quotation by any other listing authority, stock exchange or quotation system of the European Union (each, a "**listing**"), as specified in the relevant Final Terms. Such Notes may subsequently be delisted despite the best efforts of the Issuer to maintain such listing and, although no assurance is made as to the liquidity of the Notes as a result of listing, any delisting of the Notes may have a material effect on a Noteholder's ability to resell the Notes on the secondary market.

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (i) the Investor's Currency-equivalent yield on the Notes, (ii) the Investor's Currency equivalent value of the principal payable on the Notes and (iii) the Investor's Currency equivalent market value of the Notes. Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

- ***RISKS RELATED TO THE NOTES GENERALLY***

Credit ratings assigned (if any) to any Notes or the Issuer may not reflect all the risks associated with an investment in those Notes

Tranches of Notes issued under the Programme may be rated or unrated. One or more independent credit rating agencies may assign credit ratings to the Notes. The credit rating of a Tranche of Notes (if any) will be provided in the relevant Final Terms. Where a Tranche of Notes is rated, such rating will not necessarily be the same as the ratings described herein or the ratings assigned to Leonardo. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A rating is not a recommendation to buy, sell or hold securities, and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Any adverse change in an applicable credit rating could adversely affect the trading price for the Notes issued under the Programme. Credit ratings may be lowered, *inter alia*, if certain profitability and cash flow to debt ratios are not met by Leonardo. The Issuer's borrowing costs and access to the capital markets depend significantly on the credit ratings assigned to the Issuer. Reduction in the credit ratings of the Issuer could significantly increase borrowing costs and limit the Issuer's access to the capital markets. In turn this could materially adversely affect the Issuer's access to liquidity, its competitive position, increase its funding costs and, hence, have a material adverse effect on the Issuer's business, financial position and results of operations.

Whether or not each credit rating applied for in relation to a relevant Tranche of Notes will be issued by a credit rating agency established in the EEA and registered under the EU CRA Regulation will be disclosed in the relevant Final Terms. In general, European regulated investors may be restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the EEA and registered under the EU CRA Regulation unless: (1) the rating is provided by a credit rating agency not established in the EEA but is endorsed by a credit rating agency established in the EEA and registered under the EU CRA Regulation; or (2) the rating is provided by a credit rating agency not established in the EEA which is certified under the EU CRA Regulation. The list of registered and certified credit rating agencies is published by ESMA on its website in accordance with the EU CRA Regulation and is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant credit rating agency and the publication of the updated ESMA list. Certain information with respect to the credit rating agencies and ratings is set out on the cover of this Base Prospectus.

UK regulated investors are subject to similar restrictions under the UK CRA Regulation. As such, UK regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the UK and registered under the UK CRA Regulation, unless (1) the rating is provided by a credit rating agency not established in the UK but is endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation or (2) the rating is provided by a credit rating agency not established in the UK which is certified under the UK CRA Regulation.

The Notes may be redeemed at the Issuer's option prior to maturity

If in the case of any particular Tranche of Notes the relevant Final Terms specifies that the Notes are redeemable at the Issuer's option in certain circumstances, the Issuer may choose to redeem the Notes at times when prevailing interest rates may be relatively low. In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the relevant Notes.

An optional redemption feature is likely to limit the market value of Notes. During any period when the Issuer may elect to redeem Notes, the market value of such Notes generally will not rise substantially above, and may in fact decrease below, the price at which they can be redeemed. This also may be true prior to any redemption period. The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest

rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate.

In addition, with respect to the options under Condition 9(b) (*Redemption and Purchase – Redemption for tax reasons*), Condition 9(c)(i) (*Redemption and Purchase – Redemption at the option of the Issuer – Issuer Call*), Condition 9(d) (*Redemption and Purchase – Clean-Up Call Option*) and Condition 9(e) (*Redemption and Purchase – Redemption at the Option of the Issuer from three months prior to the Maturity Date of the relevant Notes*), the Issuer's right to redeem at par all or, as the case may be, part of the Notes will exist notwithstanding that immediately prior to the serving of a notice in respect of the exercise of the relevant option the Notes may have been trading significantly above par, thus potentially resulting in a loss of capital invested. If the Issuer calls and redeems the Notes in the circumstances mentioned above, the Noteholders may not be able to reinvest the redemption proceeds in securities offering a comparable yield. Potential investors should consider reinvestment risk in light of other investments available at that time.

Furthermore, with respect to the Clean-Up Call Option, there is no obligation under the Terms and Conditions of the Notes for the Issuer to inform investors if and when the percentage of 80 per cent. is about to be reached, and the Issuer's right to redeem will exist notwithstanding that immediately prior to the serving of a notice in respect of the exercise of the Clean-Up Call Option, the Notes may have been trading significantly above par, thus potentially resulting in a loss of capital invested.

The Make-Whole Issuer Call and the Issuer Call are exercisable in whole or in part and such exercise by the Issuer in respect of certain Notes may affect the liquidity of the Notes in respect of which such option is not exercised

The Issuer Call provided in Condition 9(c)(i) (*Redemption and Purchase – Redemption at the option of the Issuer – Issuer Call*) and the Make-Whole Issuer Call provided in Condition 9(c)(ii) (*Redemption and Purchase – Redemption at the option of the Issuer – Make-Whole Issuer Call*) are exercisable in whole or, if so specified in the applicable Final Terms, in part. If the Issuer decides to redeem certain Notes in part only, such partial redemption may affect the liquidity of the Notes of the same Series in respect of which such option is not exercised. Depending on the number of the Notes of the same Series in respect of which the Issuer Call or the Make-Whole Issuer Call (as the case may be) is exercised in part, any trading market in respect of those Notes in respect of which such option is not exercised may become illiquid.

Redemption for tax reasons

In the event that the Issuer would be obliged to increase the amounts payable in respect of any Notes due to any withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Republic of Italy or certain other relevant jurisdictions or any political subdivision thereof or any authority therein or thereof having power to tax, the Issuer may redeem all outstanding Notes in accordance with Condition 9(b) (*Redemption and Purchase – Redemption for tax reasons*). In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the relevant Notes.

The Issuer may amend the economic terms and conditions of the Notes without the prior consent of all holders of such Notes

The terms and conditions applicable to each Series will be as agreed between the Issuer and the relevant Dealer at or prior to the time of issuance of such Series, and will be completed by the relevant Final Terms. The terms and conditions applicable to each Series will therefore be those set out under "*Terms and Conditions of the Notes*" below, subject to being completed by the relevant Final Terms in relation to each Series.

The Terms and Conditions of the Notes and the Agency Agreement contain provisions, which are binding on the Issuer and the holders of Notes, for convening meetings of the holders of Notes of any Series to consider matters affecting their interests generally, including the modification or waiver of the Conditions applicable to any Series of Notes. These provisions permit defined

majorities to make decisions that may affect Noteholders' rights and obligations under the Notes and bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority. Any such amendment to the Notes may include, without limitation, lowering the ranking of the Notes, reducing the amount of principal and interest payable on the Notes, changing the time and manner of payment, changing provisions relating to redemption, limiting remedies on the Notes, and changing the amendment provisions. These and other changes may adversely impact Noteholders' rights and may adversely impact the market value of the Notes. Furthermore, the Issuer has the right to correct manifest errors in the Conditions without the Noteholders' consent. In addition, in accordance with Condition 7(e) (*Floating Rate Note Provisions – Benchmark Replacement*), certain changes may be made without the consent of Noteholders to the interest calculation provisions of the Floating Rate Notes in the circumstances and as otherwise set out in such Condition.

Notes where denominations involve integral multiples: Definitive Notes

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Note may be traded in amounts in excess of the minimum Specified Denomination that are not integral multiples of such minimum Specified Denomination. In such a case, a holder who, as a result of such trading, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a definitive Note in bearer form in respect of such holding (should such definitive Notes be printed) and, in order to receive such a Note, would need to purchase a principal amount of Notes such that its holding amounts to the minimum Specified Denomination.

If definitive Notes are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

Potential conflicts of interest

Any Calculation Agent appointed under the Programme (whether the Fiscal Agent, any Paying Agent or otherwise) is the agent of the Issuer and not the agent of the Noteholders. Potential conflicts of interest may exist between the Calculation Agent (if any) and Noteholders, including with respect to certain determinations and judgments that such Calculation Agent may make pursuant to the Conditions that may influence amounts receivable by the Noteholders during the term of the Notes and upon their redemption.

Besides, the Issuer may act as Calculation Agent or appoint a Dealer as Calculation Agent in respect of an issuance of Notes under the Programme. In such a case the Calculation Agent is likely to be a member of a financial group that is involved, in the ordinary course of its business, in a wide range of banking activities out of which conflicting interests may arise. Whilst such a Calculation Agent will, where relevant, have information barriers and procedures in place to manage conflicts of interest, it may in its other banking activities from time to time be engaged in transactions involving an index or related derivatives which may affect amounts receivable by Noteholders during the term and on the maturity of the Notes or the market price, liquidity or value of the Notes and which could be deemed to be adverse to the interests of the Noteholders.

Because the Global Notes are held by or on behalf of Euroclear and Clearstream, Luxembourg, investors will have to rely on their procedures for transfer, payment and communication with the Issuer

Notes issued under the Programme may be represented by one or more Global Notes. Such Global Notes will be deposited with a common depositary, or as the case may be, a common safekeeper for Euroclear and Clearstream, Luxembourg. Except in the circumstances described in the relevant Global Note, investors will not be entitled to receive definitive Notes. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the Global Notes. While the Notes are represented by one or more Global Notes, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg. While the Notes are represented by one or more Global Notes the Issuer will discharge its payment obligations under

the Notes by making payments to the common depositary or, as the case may be, a common safekeeper for Euroclear and Clearstream, Luxembourg for distribution to their account holders. A holder of a beneficial interest in a Global Note must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the relevant Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes.

Holders of beneficial interests in the Global Notes will not have a direct right to vote in respect of the relevant Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear and Clearstream, Luxembourg to appoint appropriate proxies. Similarly, holders of beneficial interests in the Global Notes will not have a direct right under the Global Notes to take enforcement action against the Issuer in the event of a default under the relevant Notes but will have to rely upon their rights under the Deed of Covenant.

Taxation

The tax regime in the Republic of Italy and in any other relevant jurisdiction (including, without limitation, the jurisdiction in which each Noteholder is resident for tax purposes) may be relevant to the acquiring, holding and disposing of Notes and the receiving of payments of interest, principal and/or other income under the Notes. For instance, the substitutive tax exemption regime provided by Legislative Decree No. 239 applies if certain procedural requirements are met and there can be no assurance that all non-Italian resident investors will be entitled to claim the application of the withholding tax exemption. For further information on the principal Italian tax consequences of the purchase, ownership, redemption and disposal of the Notes, see the section headed "*Taxation*" below. Furthermore, Law No. 111 of August 2023 delegated to the Italian Government the ability to enact, within the next twenty-four months, one or more legislative decrees to reform the Italian tax system. According to this law, such tax reforms could significantly change the taxation of financial income and capital gains and introduce several amendments in the Italian tax system. The precise nature, extent, and impact of these amendments cannot be quantified or foreseen with any certainty at this stage.

INFORMATION INCORPORATED BY REFERENCE

Incorporation by reference

Certain documents which have previously been published or are published simultaneously with this Base Prospectus and have been filed with CONSOB are incorporated by reference into, and form part of, this Base Prospectus.

The documents so published and filed are as follows:

(a) the audited integrated annual report of Leonardo (together with the auditors' report thereon) as at and for the financial year ended 31 December 2024, available on https://www.leonardo.com/documents/15646808/28608810/2024+Integrated+Annual+Report.pdf/41cda2e3-e866-e3cd-6eb9-116eac955c7d?t=1741973243807 (the "**2024 Integrated Annual Report**"), and in particular:

Leonardo 2024 Integrated Annual Report

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Annex to the Report on operations – Note to the CSS	359-387

(b) the audited integrated annual report of Leonardo (together with the auditors' report thereon) as at and for the financial year ended 31 December 2023, available on https://www.leonardo.com/documents/15646808/0/Integrated+Annual+Report+2023_12032024_per+sito+%281%29.pdf?t=1717056789802 (the "**2023 Integrated Annual Report**"), and in particular:

Leonardo 2023 Integrated Annual Report

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(c) Leonardo's corporate governance report 2025 for 2024 financial year available on https://www.leonardo.com/documents/15646808/16736911/RCG+2025_11+03+2025_ENG.pdf?t=1741706617319, and in particular:

Corporate governance report 2025

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15. Additional Corporate Governance practices (art. 123-bis, para. 2, let. a), 2nd part, TUF)	66-68

(d) the interim results of Leonardo at 31 March 2025, available on https://www.leonardo.com/documents/15646808/30043445/Results+at+31+March+2025.pdf/0c5ccc25-1411-a7ac-4285-f8aa53fc912a?t=1746716309474, and in particular:

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Incorporation by reference of new financial information published when this Base Prospectus is still valid

The following information shall be deemed to be incorporated in, and to form part of, this Base Prospectus on the date on which they will be published by the Issuer on its website as specified below.

Certain sections of the consolidated semi-annual financial report of Leonardo as at 30 June 2025 expected to be approved – on the basis of its current 2025 financial calendar – on 30 July 2025

by the Board of Directors of the Issuer and subject to limited review by the Issuer's Independent Auditors, and in particular:

(i) the tables of the relevant consolidated semi-annual financial statements of the Issuer,

(ii) the notes to the relevant consolidated semi-annual financial statements of the Issuer, and

(iii) the auditors' report on the relevant consolidated semi-annual financial statements of the Issuer.

Such consolidated semi-annual financial report of Leonardo as at 30 June 2025, when approved, will be published on the website of Leonardo at the following link: https://www.leonardo.com/it/investors/debt-and-credit-rating/bond. The Issuer will promptly inform of any change to the expected date for approval/publication of the above-mentioned consolidated semi-annual financial report through a notice to be published on its website and dispatched in accordance with applicable laws.

Such consolidated semi-annual financial report of Leonardo as at 30 June 2025 to be incorporated by reference into this Base Prospectus upon approval and publication on the website of Leonardo at the link referred to above has not been considered by Consob during the review and approval process of this Base Prospectus.

General

Any information not listed in the cross-reference table above but included in the documents incorporated by reference in this Base Prospectus and any documents themselves incorporated by reference in the documents incorporated by reference in this Base Prospectus shall not form part of this Base Prospectus and are either not relevant for the investor or covered in another part of this Base Prospectus. Unless specifically incorporated by reference into this Base Prospectus, information on the website does not form part of this Base Prospectus and has not been scrutinised or approved by the competent authority.

Following the publication of this Base Prospectus a supplement may be prepared by the Issuer and approved by CONSOB in accordance with Article 23 of the Prospectus Regulation. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise) be deemed to modify or supersede statements contained in this Base Prospectus or in a document which is incorporated by reference in this Base Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus.

The Issuer will, in the event of any significant new factor, material mistake or material inaccuracy relating to information included in this Base Prospectus which is capable of affecting the assessment of any Notes, prepare a supplement to this Base Prospectus or publish a new Base Prospectus for use in connection with any subsequent issue of Notes.

The Issuer will, at its registered offices and the specified offices of the Paying Agents, provide, free of charge, upon oral or written request, a copy of this Base Prospectus and all documents forming part thereof. A copy of the documents incorporated by reference shall also be available in electronic form on the Issuer's website at https://www.leonardo.com/en/investors/debt-and-credit-rating/bond. Written or oral requests for such documents should be directed to the specified office of the Paying Agent.

In addition, this Base Prospectus and, in the case of Notes admitted to listing and to trading on the electronic bond market (MOT) of Borsa Italiana S.p.A., the applicable Final Terms, will be available in electronic form on the Issuer's website at https://www.leonardo.com/en/investors/debt-and-credit-rating/bond.

FINAL TERMS AND DRAWDOWN PROSPECTUSES

In relation to the different types of Notes which may be issued under the Programme, the Issuer has included in this Base Prospectus all of the necessary information except for information relating to the Notes which is not known at the date of this Base Prospectus and which can only be determined at the time of an individual issue of a Tranche of Notes. In this section the expression "**necessary information**" means, in relation to any Tranche of Notes, the necessary information which is material to an investor for making an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer and of the rights attaching to the Notes and the reasons for the issuance and its impact on the Issuer.

Any information relating to the Notes which is not included in this Base Prospectus and which is required in order to complete the necessary information in relation to a Tranche of Notes will be contained in the relevant Final Terms unless any of such information constitutes a significant new factor relating to the information contained in this Base Prospectus, in which case such information, together with all of the other necessary information in relation to the relevant series of Notes, may be contained in a Drawdown Prospectus.

For a Tranche of Notes which is the subject of Final Terms, those Final Terms must be read in conjunction with this Base Prospectus. The terms and conditions applicable to any particular Tranche of Notes which is the subject of Final Terms are the Conditions as completed by the relevant Final Terms.

The terms and conditions applicable to any particular Tranche of Notes which is the subject of a Drawdown Prospectus will be the Conditions as supplemented, amended and/or replaced to the extent described in the relevant Drawdown Prospectus. In the case of a Tranche of Notes which is the subject of a Drawdown Prospectus, each reference in this Base Prospectus to information being specified or identified in the relevant Final Terms shall be read and construed as a reference to such information being specified or identified in the relevant Drawdown Prospectus unless the context requires otherwise.

Each Drawdown Prospectus will be constituted by a single document containing the necessary information relating to the Issuer and the relevant Notes.

FORMS OF THE NOTES

Each Tranche of Notes will initially be in the form of either a temporary global note (the "**Temporary Global Note**"), without interest coupons, or a permanent global note (the "**Permanent Global Note**"), without interest coupons, in each case as specified in the relevant Final Terms. Each Temporary Global Note or, as the case may be, Permanent Global Note (each, a "**Global Note**") which is not intended to be issued in new global note ("**NGN**") form, as specified in the relevant Final Terms, will be deposited on or around the issue date of the relevant Tranche of the Notes with a depositary or a common depositary for Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking, *société anonyme*, Luxembourg ("**Clearstream, Luxembourg**") and/or any other relevant clearing system and each Global Note which is intended to be issued in NGN form, as specified in the relevant Final Terms, will be deposited on or around the issue date of the relevant Tranche of the Notes with a common safekeeper for Euroclear and/or Clearstream, Luxembourg.

According to the European Central Bank (the "**ECB**"), Notes in NGN form are in compliance with the "Standards for the use of EU securities settlement systems in ESCB credit operations" of the central banking system for the euro (the "**Eurosystem**"), provided that certain other criteria are fulfilled. Debt securities in global bearer form issued through Euroclear and Clearstream, Luxembourg will only be eligible as collateral for Eurosystem operations if the NGN form is used.

The relevant Final Terms will also specify whether United States Treasury Regulation §1.163-5(c)(2)(i)(C) (the "**TEFRA C Rules**") or United States Treasury Regulation §1.163-5(c)(2)(i)(D) (the "**TEFRA D Rules**") are applicable in relation to the Notes or, if the Notes do not have a maturity of more than 365 days, that neither the TEFRA C Rules nor the TEFRA D Rules are applicable.

Temporary Global Note exchangeable for Permanent Global Note

If the relevant Final Terms specifies the form of Notes as being "Temporary Global Note exchangeable for a Permanent Global Note", then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for interests in a Permanent Global Note, without interest coupons, not earlier than 40 days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. No payments will be made under the Temporary Global Note unless exchange for interests in the Permanent Global Note is improperly withheld or refused. In addition, interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever any interest in the Temporary Global Note is to be exchanged for an interest in a Permanent Global Note, the Issuer shall procure (in the case of first exchange) the prompt delivery (free of charge to the bearer) of such Permanent Global Note to the bearer of the Temporary Global Note or (in the case of any subsequent exchange) an increase in the principal amount of the Permanent Global Note in accordance with its terms against:

(i) presentation and (in the case of final exchange) surrender of the Temporary Global Note at the Specified Office of the Fiscal Agent; and

(ii) receipt by the Fiscal Agent of a certificate or certificates of non-U.S. beneficial ownership,

within seven days of the bearer requesting such exchange.

The principal amount of Notes represented by the Permanent Global Note shall be equal to the aggregate of the principal amounts specified in the certificates of non-U.S. beneficial ownership; **provided**, **however**, **that** in no circumstances shall the principal amount of Notes represented by the Permanent Global Note exceed the initial principal amount of Notes represented by the Temporary Global Note.

The Permanent Global Note will be exchangeable in whole, but not in part, for Notes in definitive form ("**Definitive Notes**"):

(i) on the expiry of such period of notice as may be specified in the relevant Final Terms; or

(ii) at any time, if so specified in the relevant Final Terms; or

(iii) if the relevant Final Terms specifies "in the limited circumstances described in the Permanent Global Note", then if (a) Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business or (b) an Event of Default as defined in Condition 12 (*Events of Default*) occurs and the Notes become due and payable.

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of Notes represented by the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note at the Specified Office of the Fiscal Agent within 30 days of the bearer requesting such exchange.

When the Permanent Global Note is to be exchanged for Definitive Notes in the circumstance described in (i) and (ii) above, Notes may only be issued in denominations which are integral multiples of the minimum denomination and may only be traded in such amounts, whether in global or definitive form. As an exception to the above rule, where the Permanent Global Note may only be exchanged in the limited circumstances described in (iii) above, Notes may be issued in denominations of EUR 100,000, plus integral multiples of EUR 1,000 in excess thereof up to and including EUR 199,000 and no Notes in definitive form will be issued with a denomination above EUR 199,000.

Temporary Global Note exchangeable for Definitive Notes

If the relevant Final Terms specifies the form of Notes as being "Temporary Global Note exchangeable for Definitive Notes" and also specifies that the TEFRA C Rules are applicable or that neither the TEFRA C Rules or the TEFRA D Rules are applicable, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole but not in part, for Definitive Notes not earlier than 40 days after the issue date of the relevant Tranche of the Notes.

If the relevant Final Terms specifies the form of Notes as being "Temporary Global Note exchangeable for Definitive Notes" and also specifies that the TEFRA D Rules are applicable, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for Definitive Notes not earlier than 40 days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. Interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever the Temporary Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of the Temporary Global Note to the bearer of the Temporary Global Note against the surrender of the Temporary Global Note at the Specified Office of the Fiscal Agent within 30 days of the bearer requesting such exchange.

When the Temporary Global Note is to be exchanged for Definitive Notes, Notes may only be issued in denominations which are integral multiples of the minimum denomination and may only be traded in such amounts, whether in global or definitive form.

Permanent Global Note exchangeable for Definitive Notes

If the relevant Final Terms specifies the form of Notes as being "Permanent Global Note exchangeable for Definitive Notes", then the Notes will initially be in the form of a Permanent Global Note which will be exchangeable in whole, but not in part, for Definitive Notes:

(i) on the expiry of such period of notice as may be specified in the relevant Final Terms; or

(ii) at any time, if so specified in the relevant Final Terms; or

(iii) if the relevant Final Terms specifies "in the limited circumstances described in the Permanent Global Note", then if (a) Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business or (b) an Event of Default as defined in Condition 12 (*Events of Default*) occurs and the Notes become due and payable.

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of Notes represented by the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note at the Specified Office of the Fiscal Agent within 30 days of the bearer requesting such exchange.

When the Permanent Global Note is to be exchanged for Definitive Notes in the circumstance described in (i) and (ii) above, Notes may only be issued in denominations which are integral multiples of the minimum denomination and may only be traded in such amounts, whether in global or definitive form. As an exception to the above rule, where the Permanent Global Note may only be exchanged in the limited circumstances described in (iii) above, Notes may be issued in denominations of EUR 100,000, plus integral multiples of EUR 1,000 in excess thereof up to and including EUR 199,000 and no Notes in definitive form will be issued with a denomination above EUR 199,000.

Terms and Conditions applicable to the Notes

The terms and conditions applicable to any Definitive Note will be endorsed on that Note and will consist of the terms and conditions set out under "*Terms and Conditions of the Notes*" below and the provisions of the relevant Final Terms which complete those terms and conditions.

The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under "*Overview of Provisions Relating to the Notes while in Global Form*" below.

Legend concerning United States persons

The Notes in global form, the Notes in definitive form and any Coupons and Talons appertaining thereto will bear a legend to the following effect:

"*Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code.*"

The sections referred to in such legend provide that a United States person who holds a Note, Coupon or Talon will generally not be allowed to deduct any loss realised on the sale, exchange or redemption of such Note, Coupon or Talon and any gain (which might otherwise be characterised as capital gain) recognised on such sale, exchange or redemption will be treated as ordinary income.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions which, as completed by the relevant Final Terms, will be endorsed on each Note in definitive form issued under the Programme.

The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under "Overview of Provisions Relating to the Notes while in Global Form" below*.*

1. Introduction

(a) *Programme*

Leonardo – Società per azioni ("**Issuer**" or " **Leonardo S.p.A.**" or "**Leonardo**") has established a Euro Medium Term Note Programme (the "**Programme**") for the issuance of up to EUR 4,000,000,000 in aggregate principal amount of notes (the "**Notes**"). The Notes are issued pursuant to Articles 2410 *et seq.* of the Italian Civil Code, as amended and supplemented from time to time.

(b) *Final Terms*

Notes issued under the Programme are issued in series (each, a "**Series**") and each Series may comprise one or more tranches (each, a "**Tranche**") of Notes. Each Tranche is the subject of a set of final terms (the "**Final Terms**") which completes these terms and conditions (the "**Conditions**"). The terms and conditions applicable to any particular Tranche of Notes are these Conditions as completed by the relevant Final Terms. In the event of any inconsistency between these Conditions and the relevant Final Terms, the relevant Final Terms shall prevail.

(c) *Agency Agreement*

The Notes are the subject of an amended and restated issue and paying agency agreement dated 12 June 2025, as amended or supplemented from time to time (the "**Agency Agreement**"), between the Issuer, Société Générale Luxembourg as fiscal agent (the "**Fiscal Agent**", which expression includes any successor fiscal agent appointed from time to time in connection with the Notes) and the paying agents named therein (together with the Fiscal Agent, the "**Paying Agents**", which expression includes any successor or additional paying agents appointed from time to time in connection with the Notes).

(d) *The Notes*

All subsequent references in these Conditions to "**Notes**" are to the Notes which are the subject of the relevant Final Terms. Copies of the relevant Final Terms are available for inspection by Noteholders during normal business hours at the Specified Office of the Fiscal Agent, the initial Specified Office of which is set out below. Copies of Final Terms in relation to Notes to be admitted to listing and to trading on the electronic bond market (MOT) of Borsa Italiana S.p.A. will also be published on the Issuer's website at https://www.leonardo.com/en/investors/debt-and-credit-rating/bond.

(e) *Summaries*

Certain provisions of these Conditions are summaries of the Agency Agreement and are subject to its detailed provisions. The holders of the Notes (the "**Noteholders**") and the holders of the related interest coupons, if any (the "**Couponholders**" and the "**Coupons**", respectively) are bound by, and are deemed to have notice of, all the provisions of the Agency Agreement applicable to them. Copies of the Agency Agreement are available for inspection by Noteholders during normal business hours at the Specified Offices of each of the Paying Agents, the initial Specified Offices of which are set out below.

2. **Interpretation**

(a) ***Definitions***

In these Conditions the following expressions have the following meanings:

"**2006 ISDA Definitions**" means, in relation to a Series of Notes, the 2006 ISDA Definitions (as supplemented, amended and updated as at the date of issue of the first Tranche of the Notes of such Series) as published by ISDA (copies of which may be obtained from ISDA at www.isda.org);

"**2021 ISDA Definitions**" means, in relation to a Series of Notes, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions (including each Matrix (and any successor Matrix thereto), as defined in such 2021 ISDA Interest Rate Derivatives Definitions) as at the date of issue of the first Tranche of Notes of such Series, as published by ISDA on its website (www.isda.org);

"**Accrual Yield"** has the meaning given in the relevant Final Terms;

"**Additional Business Centre(s)"** means the city or cities specified as such in the relevant Final Terms;

"**Additional Financial Centre(s)"** means the city or cities specified as such in the relevant Final Terms;

"**Business Day"** means:

(i) in relation to any sum payable in euro, a TARGET Settlement Day and a day on which commercial banks and foreign exchange markets settle payments generally in each (if any) Additional Business Centre; and

(ii) in relation to any sum payable in a currency other than euro, a day on which commercial banks and foreign exchange markets settle payments generally in London, in the Principal Financial Centre of the relevant currency and in each (if any) Additional Business Centre;

"**Business Day Convention"**, in relation to any particular date, has the meaning given in the relevant Final Terms and, if so specified in the relevant Final Terms, may have different meanings in relation to different dates and, in this context, the following expressions shall have the following meanings:

(i) "**Following Business Day Convention"** means that the relevant date shall be postponed to the first following day that is a Business Day;

(ii) "**Modified Following Business Day Convention"** or "**Modified Business Day Convention"** means that the relevant date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;

(iii) "**Preceding Business Day Convention"** means that the relevant date shall be brought forward to the first preceding day that is a Business Day;

(iv) "**FRN Convention"**, "**Floating Rate Convention"** or "**Eurodollar Convention"** means that each relevant date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the relevant Final Terms as the Specified Period after the calendar month in which the preceding such date occurred **provided**, **however**, **that**:

(A) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;

(B) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; and

(C) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred; and

(v) "**No Adjustment"** means that the relevant date shall not be adjusted in accordance with any Business Day Convention;

"**Calculation Agent"** means the Person specified in the relevant Final Terms as the party responsible for calculating the Rate(s) of Interest and Interest Amount(s) and/or such other amount(s) as may be specified in the relevant Final Terms;

"**Calculation Amount"** means the amount specified in the relevant Final Terms;

"**Coupon Sheet"** means, in respect of a Note, a coupon sheet relating to the Note;

"**Day Count Fraction"** means, in respect of the calculation of an amount for any period of time (the "**Calculation Period"**), such day count fraction as may be specified in these Conditions or the relevant Final Terms and:

(i) if "**Actual/Actual (ICMA)"** is so specified, means:

(a) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and

(b) where the Calculation Period is longer than one Regular Period, the sum of:

(1) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and

(2) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year;

(ii) if "**Actual/360"** is so specified, means the actual number of days in the Interest Period divided by 360;

(iii) if "**Actual/Actual"** or "**Actual/Actual (ISDA)"** is so specified, means the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (i) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366; and (ii) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);

(iv) if "**Actual/365 (Fixed)"** is so specified, means the actual number of days in the Interest Period divided by 365;

(v) if "**30/360 (Floating)"** or "**360/360"** or "**Bond Basis"** is so specified, means the number of days in the Interest Period divided by 360 calculated on a formula basis as follows:

Day Count Fraction= $\frac{[360\ x\ (Y_2 - Y_1)] + [30\ x\ (M_2 - M_1)] + (D_2 - D_1)}{360}$

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"**M_2**" is the calendar month, expressed as number, in which the day immediately following the last day included in the Interest Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30;

(vi) if "**30E/360"** or "**Eurobond Basis"** is so specified, means the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

Day Count Fraction= $\frac{[360\ x\ (Y_2 - Y_1)] + [30\ x\ (M_2 - M_1)] + (D_2 - D_1)}{360}$

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Interest Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D_2 will be 30; and

(vii) if "**30E/360 (ISDA)"** is so specified, means the number of days in the Interest Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

Day Count Fraction= $\frac{[360\ x\ (Y_2 - Y_1)] + [30\ x\ (M_2 - M_1)] + (D_2 - D_1)}{360}$

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Interest Period

falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Interest Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D_2 will be 30;

"**Early Redemption Amount"** means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

"**Early Redemption Amount (Tax)"** means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

"**Extraordinary Resolution"** has the meaning given in the Agency Agreement;

"**Final Redemption Amount"** means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms **provided that**, in any case, such amount will be at least equal to the relevant par value;

"**Fixed Coupon Amount"** has the meaning given in the relevant Final Terms;

"**Indebtedness for Borrowed Money"** means any present or future indebtedness (whether being principal, premium, interest or other amounts) for or in respect of (i) money borrowed, (ii) liabilities under or in respect of any acceptance or acceptance credit or (iii) any notes, bonds, debentures or other securities offered, issued or distributed whether by way of public offer, private placing, or acquisition consideration and whether issued for cash or in whole or in part for a consideration other than cash;

"**Interest Amount"** means, in relation to a Note and an Interest Period, the amount of interest payable in respect of that Note for that Interest Period;

"**Interest Commencement Date"** means the Issue Date of the Notes or such other date as may be specified as the Interest Commencement Date in the relevant Final Terms;

"**Interest Determination Date"** has the meaning given in the relevant Final Terms;

"**Interest Payment Date"** means the date or dates specified as such in, or determined in accordance with the provisions of, the relevant Final Terms and, if a Business Day Convention is specified in the relevant Final Terms:

(i) as the same may be adjusted in accordance with the relevant Business Day Convention; or

(ii) if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months is specified in the relevant Final Terms as being the Specified Period, each of such

dates as may occur in accordance with the FRN Convention, Floating Rate Convention or Eurodollar Convention at such Specified Period of calendar months following the Interest Commencement Date (in the case of the first Interest Payment Date) or the previous Interest Payment Date (in any other case);

"**Interest Period"** means each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date (or, if the Notes are redeemed on any earlier date, the relevant redemption date);

"**ISDA**" means the International Swaps and Derivatives Association, Inc. (or any successor);

"**ISDA Definitions**" has the meaning given in the relevant Final Terms;

"**Issue Date"** has the meaning given in the relevant Final Terms;

"**Margin"** has the meaning given in the relevant Final Terms;

"**Material Subsidiaries"** means, in respect of any company at any particular time, any company more than 50 per cent of whose issued share capital (or equivalent) is then, directly or indirectly, owned by Leonardo, whose total revenues (consolidated in the case of a company which itself has subsidiaries within the meaning of Article 2359 of the Italian Civil Code) and total assets (consolidated in the case of a company which itself has subsidiaries within the meaning of Article 2359 of the Italian Civil Code) equals or exceeds 10 per cent of Leonardo's consolidated total revenues and consolidated total assets as calculated on the basis of its latest Statutory Accounts;

"**Maturity Date"** has the meaning given in the relevant Final Terms;

"**Maximum Redemption Amount"** has the meaning given in the relevant Final Terms;

"**Minimum Redemption Amount"** has the meaning given in the relevant Final Terms;

"**Optional Redemption Amount (Call)"** means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

"**Optional Redemption Amount (Put)"** means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

"**Optional Redemption Date (Call)"** has the meaning given in the relevant Final Terms;

"**Optional Redemption Date (Put)"** has the meaning given in the relevant Final Terms;

"**Payment Business Day"** means:

(i) if the currency of payment is euro, any day which is:

(A) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and

(B) in the case of payment by transfer to an account, a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or

(ii) if the currency of payment is not euro, any day which is:

(A) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and

(B) in the case of payment by transfer to an account, a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre;

"**Person"** means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

"**Principal Financial Centre"** means, in relation to any currency, the principal financial centre for that currency **provided**, **however**, **that**:

(i) in relation to euro, it means the principal financial centre of such Member State of the European Union as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent; and

(ii) in relation to Australian dollars, it means Sydney and, in relation to New Zealand dollars, it means Auckland; in each case as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent;

"**Put Option Notice"** means a notice which must be delivered to a Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

"**Put Option Receipt"** means a receipt issued by a Paying Agent to a depositing Noteholder upon deposit of a Note with such Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

"**Rate of Interest"** means the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Notes specified in the relevant Final Terms or calculated or determined in accordance with the provisions of these Conditions and/or the relevant Final Terms;

"**Redemption Amount"** means, as appropriate, the Final Redemption Amount, the Early Redemption Amount (Tax), the Optional Redemption Amount (Call), the Optional Redemption Amount (Put), the Early Redemption Amount or such other amount in the nature of a redemption amount as may be specified in, or determined in accordance with the provisions of, the relevant Final Terms;

"**Reference Price"** has the meaning given in the relevant Final Terms;

"**Reference Rate"** has the meaning given in the relevant Final Terms. The term Reference Rate shall, following the occurrence of a Benchmark Event under Condition 7(e)(i) (*Benchmark Replacement (Independent Adviser)*), include any Successor Rate or Alternative Rate and shall, if a Benchmark Event should occur subsequently in respect of any such Successor Rate or Alternative Rate, also include any further Successor Rate or further Alternative Rate;

"**Regular Period"** means:

(i) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;

(ii) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "**Regular Date"** means the day and month (but not the year) on which any Interest Payment Date falls; and

(iii) in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular

payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "**Regular Date"** means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period;

"**Relevant Date"** means, in relation to any payment, whichever is the later of (a) the date on which the payment in question first becomes due and (b) if the full amount payable has not been received by the Fiscal Agent on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders;

"**Relevant Financial Centre"** has the meaning given in the relevant Final Terms;

"**Relevant Indebtedness"** means (a) any Indebtedness for Borrowed Money of the Issuer which is in the form of, or represented by, any bond, note, debenture, certificate or other instrument which is, or is capable of being, listed, quoted or traded on any stock exchange or in any securities market (including, without limitation, any over-the-counter market) and (b) any guarantee in respect of any such Relevant Indebtedness;

"**Relevant Screen Page"** means the page, section or other part of a particular information service (including, without limitation, the Reuter Money 3000 Service) specified as the Relevant Screen Page in the relevant Final Terms, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;

"**Relevant Time"** has the meaning given in the relevant Final Terms;

"**Reserved Matter"** has the meaning given in the Agency Agreement;

"**Security Interest"** means any mortgage, charge, pledge, lien or other encumbrance including, without limitation, anything analogous to any of the foregoing under the laws of any jurisdiction;

"**Specified Currency"** has the meaning given in the relevant Final Terms;

"**Specified Denomination(s)"** has the meaning given in the relevant Final Terms subject to a minimum denomination of EUR 100,000 (or its equivalent in other currencies) on the Relevant Issue Date;

"**Specified Office"** has the meaning given in the Agency Agreement;

"**Specified Period"** has the meaning given in the relevant Final Terms;

"**Statutory Accounts"** means the audited, consolidated financial statements of Leonardo which are prepared in accordance with accounting regulations, as interpreted by and integrated with the accounting principles established by the Italian accounting profession;

"**Talon"** means a talon for further Coupons;

"**TARGET Settlement Day"** means any day on which T2 is open for the settlement of payments;

"**Treaty"** means the Treaty on the Functioning of the European Union, as amended;

"**T2**" means the real time gross settlement system operated by the Eurosystem or any successor system; and

"**Zero Coupon Note"** means a Note specified as such in the relevant Final Terms.

(b) ***Interpretation***

In these Conditions:

(i) if the Notes are Zero Coupon Notes, references to Coupons and Couponholders are not applicable;

(ii) if Talons are specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Coupons shall be deemed to include references to Talons;

(iii) if Talons are not specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Talons are not applicable;

(iv) any reference to principal shall be deemed to include the Redemption Amount, any additional amounts in respect of principal which may be payable under Condition 11 (*Taxation*), any premium payable in respect of a Note and any other amount in the nature of principal payable pursuant to these Conditions;

(v) any reference to interest shall be deemed to include any additional amounts in respect of interest which may be payable under Condition 11 (*Taxation*) and any other amount in the nature of interest payable pursuant to these Conditions;

(vi) references to Notes being "**outstanding**" shall be construed in accordance with the Agency Agreement;

(vii) if an expression is stated in Condition 2(a) (*Interpretation – Definitions*) to have the meaning given in the relevant Final Terms, but the relevant Final Terms give no such meaning or specify that such expression is "not applicable" then such expression is not applicable to the Notes; and

(viii) any reference in these Conditions to any legislation (whether primary legislation or regulations or other subsidiary legislation made pursuant to primary legislation) shall be construed as a reference to such legislation as the same may have been, or may from time to time be, amended or re-enacted.

3. Form, Denomination and Title

The Notes are in bearer form in the Specified Denomination(s) with Coupons and, if specified in the relevant Final Terms, Talons attached at the time of issue. In the case of a Series of Notes with more than one Specified Denomination, Notes of one Specified Denomination will not be exchangeable for Notes of another Specified Denomination. Title to the Notes and the Coupons will pass by delivery. The holder of any Note or Coupon shall (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing thereon or any notice of any previous loss or theft thereof) and no Person shall be liable for so treating such holder. No person shall have any right to enforce any term or condition of any Note under the Contracts (Rights of Third Parties) Act 1999. Notes will be issued in such denominations as may be specified in the relevant Final Terms, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements save that the minimum denomination of each Note will be €100,000 (or, where the Notes are denominated in a currency other than Euro, the equivalent amount in such other currency), or if higher such as may be allowed or required from time to time by the relevant authority or any laws or regulations applicable to the relevant Specified Currency.

4. Status

The Notes constitute direct, general, unsecured and unconditional obligations of the Issuer which will at all times rank *pari passu* among themselves and at least *pari passu* with all other present and future unsecured obligations of the Issuer, save for such obligations as may be preferred by mandatory provisions of applicable law.

5. **Negative Pledge**

So long as any Note remains outstanding, the Issuer shall not, and the Issuer shall procure that no Material Subsidiary will, create or permit to subsist (other than by operation of law) any Security Interest upon the whole or any part of its present or future undertaking, assets or revenues to secure any Relevant Indebtedness without (a) at the same time or prior thereto securing the Notes equally and rateably therewith or (b) providing such other security for the Notes as may be approved by an Extraordinary Resolution of Noteholders **provided that** nothing in this Condition 5 (*Negative Pledge*) shall prevent (i) the Issuer or any Material Subsidiary from creating or permitting to subsist any Security Interest over any revenues or receivables which is created pursuant to any securitisation or like arrangement whereby in the event of a failure to repay amounts advanced in connection therewith or any interest thereon, the Person or Persons providing such finance are entitled to have recourse only to the revenues or receivables derived from the assets forming the subject of such securitisation or like arrangement and/or (ii) the Issuer from separating certain of its assets to designate them exclusively for the payment of debts incurred for a specific business and/or utilising revenues deriving from a specific business for the reimbursement of financings entered into to finance such business, in both cases pursuant to, and within the limits set forth in, Articles 2447-bis and following of the Italian Civil Code.

6. **Fixed Rate Note Provisions**

(a) ***Application***

This Condition 6 is applicable to the Notes only if the Fixed Rate Note Provisions are specified in the relevant Final Terms as being applicable.

(b) ***Accrual of interest***

The Notes bear interest from (and including) the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 10 (*Payments*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 6 (both before and after before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

(c) ***Fixed Coupon Amount***

If the Notes are in definitive form, except as specified in the relevant Final Terms, the amount of interest payable in respect of each Note for any Interest Period shall be the relevant Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the relevant Final Terms, amount to the Broken Amount so specified.

(d) ***Calculation of interest amount***

Except in the case of Notes in definitive form where a Fixed Coupon Amount or Broken Amount is specified in the relevant Final Terms, interest shall be calculated in respect of any period by applying the Rate of Interest to:

(1) in the case of Fixed Rate Notes which are represented by a Global Note, the aggregate outstanding principal amount of the Fixed Rate Notes represented by such Global Note; or

(2) in the case of Fixed Rate Notes in definitive form, the Calculation Amount.

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with

applicable market convention. Where the Specified Denomination of a Fixed Rate Note in definitive form comprises more than one Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination without any further rounding. For this purpose a "**sub-unit"** means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

7. **Floating Rate Note Provisions**

(a) ***Application***

This Condition 7 is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable.

(b) ***Accrual of interest***

The Notes bear interest from (and including) the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 10 (*Payments*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 7 (both before and after judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment). Unless otherwise specified in the applicable Final Terms, the Minimum Rate of Interest shall be deemed to be zero.

(c) ***Screen Rate Determination***

If Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be determined by the Calculation Agent on the following basis:

(i) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;

(ii) if Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight-line linear interpolation by reference to two rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date, where:

(A) one rate shall be determined as if the relevant Interest Period were the period of time for which rates are available next shorter than the length of the relevant Interest Period; and

(B) the other rate shall be determined as if the relevant Interest Period were the period of time for which rates are available next longer than the length of the relevant Interest Period;

provided, however, that if no rate is available for a period of time next shorter or, as the case may be, next longer than the length of the relevant Interest Period, then the Calculation Agent shall determine such rate at such time and by reference to such sources as it determines appropriate; and

(iii) in any other case, the Calculation Agent will determine the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date,

and the Rate of Interest for such Interest Period shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined; **provided, however**, that if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to the Notes during such Interest Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Interest Period.

(d) ***ISDA Determination***

If ISDA Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be the sum of the Margin and the relevant ISDA Rate where "**ISDA Rate"** in relation to any Interest Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions (provided that in any circumstances where under the ISDA Definitions the Calculation Agent would be required to exercise any discretion, including the selection of any reference banks and seeking quotations from reference banks, when calculating the relevant ISDA Rate, the relevant determination(s) which require the Calculation Agent to exercise its discretion shall instead be made by the Issuer or its designee) and under which:

(i) If the Final Terms specify either "2006 ISDA Definitions" or "2021 ISDA Definitions" as the applicable ISDA Definitions:

(A) the Floating Rate Option is as specified in the relevant Final Terms;

(B) the Designated Maturity, if applicable, is a period specified in the relevant Final Terms;

(C) the relevant Reset Date, unless otherwise specified in the relevant Final Terms, has the meaning given to it in the ISDA Definitions;

(D) if Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Final Terms, the rate for such Interest Period shall be calculated by the Calculation Agent by straight-line linear interpolation by reference to two rates based on the relevant Floating Rate Option, where:

(1) one rate shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period; and

(2) the other rate shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period,

provided, however, that if there is no rate available for a period of time next shorter than the length of the relevant Interest Period or, as the case may be, next longer than the length of the relevant Interest Period, then the Calculation Agent shall determine such rate at such time and by reference to such sources as it determines appropriate;

(ii) references in the ISDA Definitions to:

(A) "**Confirmation**" shall be references to the relevant Final Terms;

(B) "**Calculation Period**" shall be references to the relevant Interest Period;

(C) "**Termination Date**" shall be references to the Maturity Date;

(D) "**Effective Date**" shall be references to the Interest Commencement Date; and

(iii) if the Final Terms specify "2021 ISDA Definitions" as being applicable:

(A) "**Benchmark Event**" shall be disapplied; and

(B) if the Temporary Non-Publication Fallback in respect of any specified Floating Rate Option is specified to be "Temporary Non-Publication Fallback – Alternative Rate" in the Floating Rate Matrix of the 2021 ISDA Definitions the reference to "Calculation Agent Alternative Rate Determination" in the definition of "Temporary Non-Publication Fallback – Alternative Rate" shall be replaced by "Temporary Non-Publication Fallback – Previous Day's Rate".

(iv) Unless otherwise defined capitalised terms used in this Condition 7(d) shall have the meaning ascribed to them in the ISDA Definitions.

(e) ***Benchmark Replacement (Independent Adviser)***

(i) If a Benchmark Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, then the Issuer shall use its reasonable endeavours to appoint as soon as reasonably practicable, at the Issuer's own expense, an Independent Adviser to determine as soon as reasonably practicable a Successor Rate, failing which an Alternative Rate (in accordance with Condition 7(e)(iii) below) and, in either case, an Adjustment Spread if any (in accordance with Condition 7(e)(iv)) and any Benchmark Amendments (in accordance with Condition 7(e)(v)).

An Independent Adviser appointed pursuant to this Condition 7(e) (*Benchmark Replacement (Independent Adviser)*) shall act in good faith and in a commercially reasonable manner as an expert and in consultation with the Issuer. In the absence of bad faith, wilful default, gross negligence or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Fiscal Agent, the Calculation Agent, the Paying Agents, the Noteholders or the Couponholders for any determination made by it or for any advice given to the Issuer in connection with any determination made by the Issuer, pursuant to this Condition (e) (*Benchmark Replacement (Independent Adviser)*).

(ii) If the Issuer is unable to appoint an Independent Adviser or the Independent Adviser appointed by it fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with this Condition 7(e) (*Benchmark Replacement (Independent Adviser)*) prior to the relevant Interest Determination Date, the Original Reference Rate applicable to the next succeeding Interest Period shall be equal to the Original Reference Rate last determined in relation to the Notes in respect of the preceding Interest Period (or if there has not been a first Interest Payment Date, the rate of interest shall be the Original Reference Rate that would have been applicable to the Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date). For the avoidance of doubt, this Condition 7(e)(ii) shall apply to the relevant Interest Period only and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustment as provided in, this Condition 7(e) (*Benchmark Replacement (Independent Adviser)*).

(iii) If the Independent Adviser, acting in a commercially reasonable manner and in good faith, determines that:

(A) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 7(e)(iv)) subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part(s) thereof) for the relevant Interest Period and for all future payments of interest on the Notes (subject to the subsequent operation of this Condition 7(e) (*Benchmark Replacement (Independent Adviser)*) in the event of a further Benchmark Event affecting the Successor Rate); or

(B) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 7(e)(iv)) subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part(s) thereof) for the relevant Interest Period and for all future payments of interest on the Notes (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the subsequent operation of this Condition 7(e) (*Benchmark Replacement (Independent Adviser)*) in the event of a further Benchmark Event affecting the Alternative Rate).

(iv) If the Independent Adviser, acting in a commercially reasonable manner and in good faith, determines in its discretion (i) that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) and (ii) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or the Alternative Rate (as the case may be).

(v) If any relevant Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Condition 7(e) (*Benchmark Replacement (Independent Adviser)*) and the Independent Adviser, acting in a commercially reasonable manner and in good faith, determines in its discretion (i) that amendments to these Conditions and/or the Agency Agreement are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the "**Benchmark Amendments**") and (ii) the terms of the Benchmark Amendments, then the Issuer shall, following consultation with the Calculation Agent (or the person specified in the applicable Final Terms as the party responsible for calculating the Rate of Interest and the Interest Amount(s)), subject to giving notice thereof in accordance with Condition 7(e)(vi), without any requirement for the consent or approval of Noteholders, vary these Conditions to give effect to such Benchmark Amendments with effect from the date specified in such notice (and, for the avoidance of doubt, the Fiscal Agent shall, at the direction and expense of the Issuer, consent to and effect such consequential amendments to the Agency Agreement required in order to give effect to this Condition 7(e) (*Benchmark Replacement (Independent Adviser)*)).

(vi) Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 7(e) (*Benchmark Replacement (Independent Adviser)*) will be notified promptly by the Issuer to the Fiscal Agent, the Calculation Agent, the Paying Agents and, in accordance with Condition 18 (*Notices*), the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

(vii) No later than notifying the Fiscal Agent of the same, the Issuer shall deliver to the Fiscal Agent a certificate signed by two authorised signatories of the Issuer:

(A) confirming (x) that a Benchmark Event has occurred, (y) the relevant Successor Rate, or, as the case may be, the relevant Alternative Rate and, (z) where applicable, any relevant Adjustment Spread and/or the specific terms of any relevant Benchmark Amendments, in each case as determined in accordance with the provisions of this Condition 7(e) (*Benchmark Replacement (Independent Adviser)*); and

(B) certifying that (1) the relevant Benchmark Amendments are necessary to ensure the proper operation of such relevant Successor Rate, Alternative Rate and/or Adjustment Spread and (2) the intent of the drafting of such changes is solely to implement the relevant Benchmark Amendments.

(viii) The Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of such Successor Rate or Alternative Rate and such Adjustment Spread (if any) and such Benchmark Amendments (if any)) be binding on the Issuer, the Fiscal Agent and Principal Paying Agent, the Calculation Agent, the other Paying Agents and the Noteholders.

(ix) Without prejudice to Conditions 7(e) (i), (ii), (iii), (iv) and (v), the Original Reference Rate and the fallback provisions provided for in Condition 7(d) will continue to apply unless and until a Benchmark Event has occurred.

As used in Condition 7(e) (*Benchmark Replacement (Independent Adviser)*):

"**Adjustment Spread**" means either a spread (which may be positive or negative), or the formula or methodology for calculating a spread, in either case, which the Independent Adviser, acting in a commercially reasonable manner and in good faith, determines is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

(A) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or

(B) (if no such recommendation has been made, or in the case of an Alternative Rate), the Independent Adviser, acting in a commercially reasonable manner and in good faith, determines is customarily applied to the relevant Successor Rate or Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate; or

(C) (if no such recommendation has been made), the Independent Adviser, acting in a commercially reasonable manner and in good faith, determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or

(D) (if the Independent Adviser, acting in a commercially reasonable manner and in good faith, determines that no such industry standard is recognised or acknowledged) the Independent Adviser determines to be appropriate to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders as a result of the replacement of the Reference Rate with the Successor Rate or the Alternative Rate (as the case may be).

"**Alternative Rate**" means an alternative benchmark or screen rate which the Independent Adviser, acting in a commercially reasonable manner and in good faith, determines in accordance with Condition 7(e)(iii) (*Floating Rate Note Provisions – Benchmark Replacement*) is in customary market usage in the international debt capital markets for the purposes of determining floating rates of interest (or the relevant component part thereof) for a commensurate period and in the Specified Currency.

"**Benchmark Amendments**" has the meaning given to it in Condition 7(e)(v) (*Floating Rate Note Provisions – Benchmark Replacement*).

"**Benchmark Event**" means:

(A) the Original Reference Rate ceasing be published on the Relevant Screen Page as a result of such benchmark ceasing to be calculated or administered; or

(B) a public statement by the administrator of the Original Reference Rate that it has ceased such Original Reference Rate permanently or indefinitely or that it will, by a specified future date (the "**Specified Future Date**") cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or

(C) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate (i) has been or will, by a Specified Future Date, be permanently or indefinitely discontinued; or

(D) a public statement by the supervisor of the administrator of the Original Reference Rate that such Original Reference Rate will, by a Specified Future Date, be prohibited from being used or that its use will be subject to restrictions or adverse consequences, either generally or in respect of the Notes; or

(E) a public statement by the supervisor of the administrator of the Original Reference Rate (as applicable) that, in the view of such supervisor, (i) such Original Reference Rate is or will by a specified future date (the "**Specified Future Date**"), be no longer representative of an underlying market or (ii) the methodology to calculate the Original Reference Rate has materially changed; or

(F) it has or will, by a specified date within the following six months, become unlawful for any Calculation Agent to calculate any payments due to be made to any Noteholder using the Original Reference Rate (as applicable) (including, without limitation, under the Benchmarks Regulation (EU) 2016/1011, if applicable).

Notwithstanding the sub-paragraphs above, where the relevant Benchmark Event is a public statement within sub-paragraph (B), (C), (D) or (E) above and the Specified Future Date in the public statement is more than six months after the date of that public statement, the Benchmark Event shall not be deemed to occur until the date falling six months prior to such Specified Future Date.

"**Independent Adviser**" means an independent financial institution of international repute or an independent financial adviser with appropriate expertise in the international capital markets appointed by the Issuer at its own expense.

"**Original Reference Rate**" means the originally-specified benchmark or screen rate (as applicable) used to determine the Rate of Interest (or any component part thereof) on the Notes.

"**Relevant Nominating Body**" means, in respect of a benchmark or screen rate (as applicable):

(A) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or

(B) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (1) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (2) any central bank or other supervisory authority which is responsible for supervising

the administrator of the benchmark or screen rate (as applicable), (3) a group of the aforementioned central banks or other supervisory authorities or (4) the Financial Stability Board or any part thereof.

"**Successor Rate**" means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

(f) ***Maximum or Minimum Rate of Interest***

If any Maximum Rate of Interest or Minimum Rate of Interest is specified in the relevant Final Terms, then the Rate of Interest shall in no event be greater than the maximum or be less than the minimum so specified.

(g) ***Calculation of Interest Amount***

The Calculation Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each Interest Period, calculate the Interest Amount payable in respect of each Note for such Interest Period. The Interest Amount will be calculated by applying the Rate of Interest to:

(1) in the case of Floating Rate Notes which are represented by a Global Note, the aggregate outstanding principal amount of the Notes represented by such Global Note; or

(2) in the case of Floating Rate Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Floating Rate Note in definitive form comprises more than one Calculation Amount, the Interest Amount payable in respect of such Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination without any further rounding.

(h) ***Calculation of other amounts***

If the relevant Final Terms specifies that any other amount is to be calculated by the Calculation Agent, the Calculation Agent will, as soon as practicable after the time or times at which any such amount is to be determined, calculate the relevant amount. The relevant amount will be calculated by the Calculation Agent in the manner specified in the relevant Final Terms.

(i) ***Publication***

The Calculation Agent will cause each Rate of Interest and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it together with any relevant payment date(s) to be notified to the Paying Agents and each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation as soon as practicable after such determination but (in the case of each Rate of Interest, Interest Amount and Interest Payment Date) in any event not later than the first day of the relevant Interest Period. Notice thereof shall also promptly be given to the Noteholders. The Calculation Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period.

(j) ***Notifications etc.***

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 7

(*Floating Rate Note Provisions*) by the Calculation Agent will (in the absence of manifest error) be binding on the Issuer, the Paying Agents, the Noteholders and the Couponholders and (subject as aforesaid) no liability to any such Person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

8. **Zero Coupon Note Provisions**

(a) ***Application***

This Condition 8 (*Zero Coupon Note Provisions*) is applicable to the Notes only if the Zero Coupon Note Provisions are specified in the relevant Final Terms as being applicable.

(b) ***Late payment on Zero Coupon Notes***

If the Redemption Amount payable in respect of any Zero Coupon Note is improperly withheld or refused, the Redemption Amount shall thereafter be an amount equal to the sum of:

(i) the Reference Price; and

(ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price on the basis of the relevant Day Count Fraction from (and including) the Issue Date to (but excluding) whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

9. **Redemption and Purchase**

(a) ***Scheduled redemption***

Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their Final Redemption Amount on the Maturity Date, subject as provided in Condition 10 (*Payments*).

(b) ***Redemption for tax reasons***

The Notes may be redeemed at the option of the Issuer in whole, but not in part:

(i) at any time (if the Floating Rate Note Provisions are not specified in the relevant Final Terms as being applicable); or

(ii) on any Interest Payment Date (if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable),

on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable), at their Early Redemption Amount (Tax), together with interest accrued (if any) to the date fixed for redemption, if:

(1) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 11 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of the Republic of Italy, or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations where such change or amendment becomes effective on or after the date of issue of the first Tranche of the Notes; and

(2) such obligation cannot be avoided by the Issuer taking reasonable measures available to it;

provided, **however**, **that** no such notice of redemption shall be given earlier than:

(1) where the Notes may be redeemed at any time, 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts if a payment in respect of the Notes was then due; or

(2) where the Notes may be redeemed only on an Interest Payment Date, 60 days prior to the Interest Payment Date occurring immediately before the earliest date on which the Issuer would be obliged to pay such additional amounts if a payment in respect of the Notes was then due.

Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver or procure that there is delivered to the Fiscal Agent: (1) a certificate signed by any authorised director of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and (2) an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment. Upon the expiry of any such notice as is referred to in this Condition 9(b) (*Redemption for tax reasons*), the Issuer shall be bound to redeem the Notes in accordance with this Condition 9(b) (*Redemption for tax reasons*).

(c) ***Redemption at the option of the Issuer***

(i) *Issuer Call*: If the Call Option (as defined herein) is specified in the relevant Final Terms as being applicable, the then outstanding Notes may be redeemed at the option (the "**Call Option**") of the Issuer in whole or, if so specified in the relevant Final Terms, in part on any Optional Redemption Date (Call) at the relevant Optional Redemption Amount (Call) on the Issuer's giving not less than 15 nor more than 30 days' notice to the Noteholders, or such other period(s) as may be specified in the relevant Final Terms, (which notice shall be irrevocable and shall oblige the Issuer to redeem the Notes or, as the case may be, the Notes specified in such notice on the relevant Optional Redemption Date (Call) at the Optional Redemption Amount (Call) plus accrued interest (if any) to (but excluding) such date).

(ii) *Make-Whole Issuer Call*: If the Make-Whole Issuer Call (as defined herein) is specified in the relevant Final Terms as being applicable, the Issuer may, at its option (the "**Make-Whole Issuer Call**"), redeem at any time in whole or, if so specified in the relevant Final Terms, in part the Notes then outstanding at an amount equal to the Make-Whole Amount, having given not less than 25 days nor more than 60 days prior notice to the Noteholders in accordance with Condition 18 (*Notices*) (which notice shall be irrevocable and shall specify the date fixed for redemption, (such date the "**Make-Whole Optional Redemption Date**")).

In this Condition 9(c)(ii) (*Make-Whole Issuer Call*):

"**Make-Whole Amount**" means an amount calculated by the Calculation Agent equal to the higher of:

a) 100 per cent. of the principal amount of the Note to be redeemed; or

b) as determined by the Reference Dealers (as defined below), the sum of the then current values of the remaining scheduled payments of principal and interest (not including any interest accrued on the Notes to, but excluding, the Make-Whole Optional Redemption Date) discounted to the Make-Whole Optional Redemption Date on an annual basis (based on the actual number of days elapsed divided by 365 or (in the case of a leap year) by 366) at the Reference Dealer Rate (as defined below) plus the Redemption Margin,

plus, in each case, any interest accrued on the Notes to, but excluding, the Make-Whole Optional Redemption Date.

"**Redemption Margin**" shall be as set out in the applicable Final Terms;

"**Reference Bond**" shall be as set out in the applicable Final Terms;

"**Reference Dealers**" means each of five banks selected by the Issuer, or their affiliates, which are (i) primary government securities dealers, and their respective successors, or (ii) market makers in pricing corporate bond issues; and

"**Reference Dealer Rate**" means with respect to the Reference Dealers and the Make-Whole Optional Redemption Date, the average of at least three quotations of the mid-market annual yield to maturity of the Reference Bond or, if the Reference Bond is no longer outstanding, a similar security in the reasonable judgement of the Reference Dealers at 11.00 a.m. London time on the third business day in London preceding the Make-Whole Optional Redemption Date quoted in writing to the Issuer by the Reference Dealers.

(d) ***Clean-Up Call Option***:

If the Clean-up Call Option (defined herein) is specified in the relevant Final Terms as being applicable, in the event that at least 80 per cent. of the initial aggregate principal amount of the Notes has been purchased and cancelled by the Issuer, the Issuer may, at its option (the "**Clean-Up Call Option**") but subject to having given not less than fifteen (15) nor more than thirty (30) days' notice to the Noteholders, redeem all, but not some only, of the outstanding Notes; *provided that* the Notes in that Series that are no longer outstanding have not been redeemed by the Issuer pursuant to Condition 9(c)(ii) (*Redemption and Purchase – Redemption at the option of the Issuer – Make-Whole Issuer Call*). Any such redemption of Notes shall be at their principal amount together with interest accrued to (but excluding) the date fixed for redemption.

(e) ***Redemption at the Option of the Issuer from three months prior to the Maturity Date of the relevant Notes***

If this Three-Month par Call Option (as defined herein) is specified in the relevant Final Terms as being applicable, the Issuer may, at any time during the period starting three months prior to (but excluding) the relevant Maturity Date, at its option ("**Three-Month par Call Option**"), having given not less than 15 nor more than 30 days' notice to the relevant Noteholders in accordance with Condition 18 (*Notices*) (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all, but not some only, of the relevant Notes, at their principal amount together with interest accrued to, but excluding, the date fixed for redemption.

(f) ***Partial redemption***

If the Notes are to be redeemed in part only on any date in accordance with Condition 9(c) (*Redemption and Purchase – Redemption at the option of the Issuer*) items (i) and (ii), the Notes to be redeemed ("**Redeemed Notes**") will be selected individually by lot, in the case of Redeemed Notes represented by definitive Notes, and in accordance with the rules of Euroclear and/or Clearstream, Luxembourg, (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in principal amount, at their discretion) in the case of Redeemed Notes represented by a Global Note, not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the "**Selection Date**"). In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 18 (*Notices*) not less than 15 days prior to the date fixed for redemption. No exchange of the relevant Global Note will be permitted during the period from (and including) the Selection Date to (and including) the date fixed for redemption pursuant to Condition 9(c) (*Redemption and Purchase – Redemption at the option of the*

Issuer) and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 18 (*Notices*) at least five days prior to the Selection Date.

(g) ***Redemption at the option of Noteholders***

If the Put Option (defined herein) is specified in the relevant Final Terms as being applicable, the Issuer shall, at the option of the holder of any Note (the "**Put Option**") redeem such Note on the Optional Redemption Date (Put) specified in the relevant Put Option Notice at the relevant Optional Redemption Amount (Put) together with interest (if any) accrued to such date. In order to exercise the option contained in this Condition 9(g) (*Redemption at the option of Noteholders*), the holder of a Note must, not less than 30 nor more than 60 days before the relevant Optional Redemption Date (Put) (or such other period(s) as may be specified in the relevant final terms), deposit with any Paying Agent such Note together with all unmatured Coupons relating thereto and a duly completed Put Option Notice in the form obtainable from any Paying Agent. The Paying Agent with which a Note is so deposited shall deliver a duly completed Put Option Receipt to the depositing Noteholder. No Note, once deposited with a duly completed Put Option Notice in accordance with this Condition 9(g) (*Redemption at the option of Noteholders*), may be withdrawn; **provided**, **however**, **that** if, prior to the relevant Optional Redemption Date (Put), any such Note becomes immediately due and payable or, upon due presentation of any such Note on the relevant Optional Redemption Date (Put), payment of the redemption monies is improperly withheld or refused, the relevant Paying Agent shall mail notification thereof to the depositing Noteholder at such address as may have been given by such Noteholder in the relevant Put Option Notice and shall hold such Note at its Specified Office for collection by the depositing Noteholder against surrender of the relevant Put Option Receipt. For so long as any outstanding Note is held by a Paying Agent in accordance with this Condition 9(g) (*Redemption at the option of Noteholders*), the depositor of such Note and not such Paying Agent shall be deemed to be the holder of such Note for all purposes.

(h) ***No other redemption***

The Issuer shall not be entitled to redeem the Notes otherwise than as provided in Conditions 9(a) (*Redemption and Purchase – Scheduled redemption*) to 9(f) (*Redemption and Purchase – Redemption at the option of Noteholders*).

(i) ***Early redemption of Zero Coupon Notes***

Unless otherwise specified in the relevant Final Terms, the Redemption Amount payable on redemption of a Zero Coupon Note at any time before the Maturity Date shall be an amount equal to the sum of:

(i) the Reference Price; and

(ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which the Note becomes due and payable.

Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year shall be made on the basis of such Day Count Fraction as may be specified in the Final Terms for the purposes of this Condition 9(i) (*Purchase*) or, if none is so specified, a Day Count Fraction of 30E/360.

(j) ***Purchase***

The Issuer or any of its subsidiaries may at any time purchase Notes in the open market or otherwise and at any price, **provided that** all unmatured Coupons are purchased therewith. Where permitted by applicable law and regulation, all Notes purchased pursuant to this Condition 9(j) may be cancelled or held, reissued or resold at the discretion of the relevant purchaser.

(k) ***Cancellation***

All Notes so redeemed and all Notes so purchased by the Issuer or any of its subsidiaries and surrendered for cancellation, in each case together with any unmatured Coupons attached to or surrendered with them, shall be cancelled and may not be reissued or resold.

10. **Payments**

(a) ***Principal***

Payments of principal shall be made only against presentation and (**provided that** payment is made in full) surrender of Notes at the Specified Office of any Paying Agent outside the United States by cheque drawn in the currency in which the payment is due on, or by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency (in the case of a sterling cheque, a town clearing branch of a bank in the City of London).

(b) ***Interest***

Payments of interest shall, subject to Condition 10(h) (*Payments – Payments other than in respect of matured Coupons*), be made only against presentation and (**provided that** payment is made in full) surrender of the appropriate Coupons at the Specified Office of any Paying Agent outside the United States in the manner described in Condition 10(a) (*Payments – Principal*).

(c) ***Payments in New York City***

Payments of principal or interest may be made at the Specified Office of a Paying Agent in New York City if (i) the Issuer has appointed Paying Agents outside the United States with the reasonable expectation that such Paying Agents will be able to make payment of the full amount of the interest on the Notes in the currency in which the payment is due when due, (ii) payment of the full amount of such interest at the offices of all such Paying Agents is illegal or effectively precluded by exchange controls or other similar restrictions and (iii) payment is permitted by applicable United States law.

(d) ***Payments subject to fiscal laws***

All payments in respect of the Notes are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 11 (*Taxation*). No commissions or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(e) ***Deductions for unmatured Coupons***

If the relevant Final Terms specifies that the Fixed Rate Note Provisions are applicable and a Note is presented without all unmatured Coupons relating thereto:

(i) if the aggregate amount of the missing Coupons is less than or equal to the amount of principal due for payment, a sum equal to the aggregate amount of the missing Coupons will be deducted from the amount of principal due for payment; **provided**, **however**, **that** if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of such missing Coupons which the gross amount actually available for payment bears to the amount of principal due for payment;

(ii) if the aggregate amount of the missing Coupons is greater than the amount of principal due for payment:

(A) so many of such missing Coupons shall become void (in inverse order of maturity) as will result in the aggregate amount of the remainder of such

missing Coupons (the "**Relevant Coupons"**) being equal to the amount of principal due for payment; **provided**, **however**, **that** where this sub-paragraph would otherwise require a fraction of a missing Coupon to become void, such missing Coupon shall become void in its entirety; and

(B) a sum equal to the aggregate amount of the Relevant Coupons (or, if less, the amount of principal due for payment) will be deducted from the amount of principal due for payment; **provided**, **however**, **that**, if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of the Relevant Coupons (or, as the case may be, the amount of principal due for payment) which the gross amount actually available for payment bears to the amount of principal due for payment.

Each sum of principal so deducted shall be paid in the manner provided in Condition 10(a) (*Payments – Principal*) above against presentation and (**provided that** payment is made in full) surrender of the relevant missing Coupons.

(f) ***Unmatured Coupons void***

If the relevant Final Terms specifies that this Condition 10(f) (*Unmatured Coupons void*) is applicable or that the Floating Rate Note Provisions are applicable, on the due date for final redemption of any Note or early redemption of such Note pursuant to Condition 9(b) (*Redemption and Purchase – Redemption for tax reasons*), Condition 9(c) (*Redemption and Purchase – Redemption at the option of the Issuer*), Condition 9(d) (*Redemption and Purchase – Clean-up Call Option*), Condition 9(e) (*Redemption and Purchase – Redemption at the Option of the Issuer from three months prior to the Maturity Date of the relevant Notes*), Condition 9(f) (*Redemption and Purchase – Redemption at the option of Noteholders*), or Condition 12 (*Events of Default*), all unmatured Coupons relating thereto (whether or not still attached) shall become void and no payment will be made in respect thereof.

(g) ***Payments on business days***

If the due date for payment of any amount in respect of any Note or Coupon is not a Payment Business Day in the place of presentation, the holder shall not be entitled to payment in such place of the amount due until the next succeeding Payment Business Day in such place and shall not be entitled to any further interest or other payment in respect of any such delay.

(h) ***Payments other than in respect of matured Coupons***

Payments of interest other than in respect of matured Coupons shall be made only against presentation of the relevant Notes at the Specified Office of any Paying Agent outside the United States (or in New York City if permitted by Condition 10(c) above) (*Payments – Payments in New York City*).

(i) ***Partial payments***

If a Paying Agent makes a partial payment in respect of any Note or Coupon presented to it for payment, such Paying Agent will endorse thereon a statement indicating the amount and date of such payment.

(j) ***Exchange of Talons***

On or after the maturity date of the final Coupon which is (or was at the time of issue) part of a Coupon Sheet relating to the Notes, the Talon forming part of such Coupon Sheet may be exchanged at the Specified Office of the Fiscal Agent for a further Coupon Sheet (including, if appropriate, a further Talon but excluding any Coupons in respect of which claims have already become void pursuant to Condition 13 (*Prescription*)). Upon the due date for redemption of any Note, any unexchanged Talon relating to such Note shall become void and no Coupon will be delivered in respect of such Talon.

11. **Taxation**

(a) ***Gross up***

All payments of principal and interest in respect of the Notes and the Coupons by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatsoever nature imposed, levied, collected, withheld or assessed by the Republic of Italy or any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer shall pay such additional amounts as will result in the receipt by the Noteholders and the Couponholders of such amounts as would have been received by them if no such withholding or deduction had been required, except that no such additional amounts shall be payable in respect of any Note or Coupon presented for payment:

(i) by or on behalf of a holder which is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of his having some connection with the Republic of Italy other than the mere holding of such Note or Coupon; or

(ii) by any Noteholder who would be entitled to avoid such withholding or deduction by making a declaration of residence or non-residence or other similar claim for exemption and fails to do so; or

(iii) in relation to any payment or deduction on principal, interest or other proceeds of any Note or Coupon on account of *imposta sostitutiva* pursuant to Italian Legislative Decree No. 239, as amended or supplemented from time to time; or

(iv) in the Republic of Italy; or

(v) more than 30 days after the Relevant Date except to the extent that the relevant holder would have been entitled to such additional amounts if it had presented such Note or Coupon on the last day of such period of 30 days; or

(vi) by, or on behalf of a holder of a Note or Coupon being a resident of the Republic of Italy; or

(vii) in the event of payment to a non-Italian resident legal entity or a non-Italian resident individual, to the extent that interest or other amounts are paid to a non-Italian resident legal entity or a non-Italian resident individual which is resident in a country which does not allow for a satisfactory exchange of information with the Republic of Italy; or

(viii) where such withholding or deduction is imposed on a payment pursuant to FATCA.

(b) ***Taxing jurisdiction***

If the Issuer takes any action or allows something to be done to it which results in it being subject at any time to any taxing jurisdiction other than the Republic of Italy, references in these Conditions to the Republic of Italy shall be construed as references to the Republic of Italy and/or such other jurisdiction.

12. **Events of Default**

If any one or more of the following events (each an "**Event of Default"**) shall occur and be continuing:

(a) ***Non-payment***

the Issuer fails to pay any amount of principal in respect of the Notes or any of them within 3 days of the due date for payment thereof or fails to pay any amount of interest in respect of the Notes or any of them within 7 days of the due date for payment thereof; or

(b) ***Breach of other obligations***

default is made by the Issuer in the performance or observance of any obligation, condition or provision binding on the Issuer under the Notes (other than any obligation for payment of any principal or interest in respect of the Notes) and (except in any case where the default is incapable of remedy when no continuation or notice as is hereinafter mentioned will be required) such default continues for 30 days after written notice thereof to the Issuer requiring the same to be remedied; or

(c) ***Cross-Default***

any Indebtedness for Borrowed Money of the Issuer or any Material Subsidiary becomes due and repayable prematurely by reason of an event of default (howsoever described) or the Issuer or any Material Subsidiary fails to make any payment in respect of any Indebtedness for Borrowed Money on the due date for payment (as extended by any originally applicable grace period), or any security given by the Issuer or any Material Subsidiary for any Indebtedness for Borrowed Money becomes enforceable by reason of an event of default (howsoever described), or if default is made by the Issuer or any Material Subsidiary in making any payment due under any guarantee and/or indemnity given by it in relation to any Indebtedness for Borrowed Money of any other person (as extended by any originally applicable grace period), **provided that** no such event shall constitute an Event of Default unless the aggregate Indebtedness for Borrowed Money relating to all such events which shall have occurred and be continuing shall amount to at least EUR 50,000,000 (or its equivalent in any other currency); or

(d) ***Insolvency***

the Issuer or any Material Subsidiary shall be adjudicated or becomes insolvent or shall stop payment or publicly announce that it shall stop payment or shall be found by a court or similar body of competent jurisdiction to be unable to pay its debts, or any order shall be made by any competent court or other competent body (unless such order is being contested in good faith and is not dismissed within 240 days) for, or any resolution shall be passed by the Issuer or any Material Subsidiary for, judicial composition proceedings with its creditors or for the appointment of a receiver, administrative receiver or trustee or other similar official in insolvency proceedings in relation to the Issuer or any Material Subsidiary; or

(e) ***Unsatisfied judgment***

the Issuer or any Material Subsidiary fails to pay a final judgment of a court of competent jurisdiction within 60 days from the receipt of a notice that a final judgment in excess of an amount equal to the value of a substantial part of the assets or property of the Issuer or any Material Subsidiary has been entered against it or an execution is levied on or enforced upon or sued out in pursuance of any such judgment against any substantial part of the assets or property of the Issuer or any Material Subsidiary; or

(f) ***Winding up etc.***

the Issuer or any Material Subsidiary shall be wound up or dissolved (otherwise than for the purpose of a solvent amalgamation, merger or reconstruction under which the assets and liabilities of the Issuer or the Material Subsidiary, as the case may be, are assumed by the entity resulting from such amalgamation, merger or reconstruction and, in the case of the Issuer, such entity assumes the obligations of the Issuer in respect of the Notes and an opinion of an independent legal adviser of recognised standing in the Republic of Italy and in the relevant jurisdiction of incorporation in the case of the Material Subsidiary has been delivered to the Fiscal Agent confirming the same prior to the effective date of

such amalgamation, merger or reconstruction); or

(g) ***Cessation of business***

the Issuer or any Material Subsidiary shall cease or publicly announce that it shall cease to carry on its business (otherwise than for the purpose of a solvent amalgamation, merger or reconstruction under which the assets and liabilities of the Issuer or the Material Subsidiary are assumed by the entity resulting from such amalgamation, merger or reconstruction and, in the case of the Issuer, such entity assumes the obligations of the Issuer in respect of the Notes and an opinion of an independent legal adviser of recognised standing in the Republic of Italy and in the relevant jurisdiction of incorporation in the case of the Material Subsidiary has been delivered to the Fiscal Agent confirming the same prior to the effective date of such amalgamation, merger or reconstruction); or

(h) ***Analogous event***

any event occurs which under the laws of the Republic of Italy or the relevant jurisdiction of incorporation of the relevant Material Subsidiary has an analogous effect to any of the events referred to in Conditions 12(d) (*Events of Default – Insolvency*) to 12(g) (*Events of Default – Cessation of business*) above; or

(i) ***Failure to take action etc***

any action, condition or thing at any time after the Issue Date required to be taken, fulfilled or done in order to ensure that the obligations of the Issuer under the Notes are legal, valid, binding and enforceable is not taken, fulfilled or done,

then any holder of a Note may, by written notice to the Issuer at the specified office of the Fiscal Agent, effective upon the date of receipt thereof by the Fiscal Agent, declare any Notes held by the holder to be forthwith due and payable whereupon the same shall become forthwith due and payable at the Early Redemption Amount, together with accrued interest (if any) to the date of repayment, without presentment, demand, protest or other notice of any kind.

13. **Prescription**

Claims for principal shall become void unless the relevant Notes are presented for payment within ten years of the appropriate Relevant Date. Claims for interest shall become void unless the relevant Coupons are presented for payment within five years of the appropriate Relevant Date.

14. **Replacement of Notes and Coupons**

If any Note or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Fiscal Agent (and, if the Notes are then admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent in any particular place, the Paying Agent having its Specified Office in the place required by the rules of such competent authority, stock exchange and/or quotation system), subject to all applicable laws and competent authority, stock exchange and/or quotation system requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Notes or Coupons must be surrendered before replacements will be issued.

15. **Agents**

In acting under the Agency Agreement and in connection with the Notes and the Coupons, the Paying Agents act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders or Couponholders.

The initial Paying Agents and their initial Specified Offices are listed below. The initial Calculation Agent (if any) is specified in the relevant Final Terms. The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent and to appoint a successor fiscal agent or Calculation Agent and additional or successor paying agents; **provided**, **however**, **that**:

(a) the Issuer shall at all times maintain a Fiscal Agent;

(b) if a Calculation Agent is specified in the relevant Final Terms, the Issuer shall at all times maintain a Calculation Agent; and

(c) if and for so long as the Notes are admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent in any particular place, the Issuer shall maintain a Paying Agent having its Specified Office in the place required by the rules of such competent authority, stock exchange and/or quotation system.

Notice of any change in any of the Paying Agents or the Calculation Agent or in their Specified Offices shall promptly be given to the Noteholders.

16. **Meetings of Noteholders; Modification and Waiver**

(a) *Meetings of Noteholders*: The Agency Agreement contains provisions for convening meetings of Noteholders to consider matters relating to the Notes and affecting their interest, including the modification of any provision of these Conditions. Any such modification may be made if sanctioned by an Extraordinary Resolution (as defined in the schedules of the Agency Agreement). In relation to the convening of meetings, quorums and the majorities required to pass an Extraordinary Resolution, the relevant provisions set forth in the Agency Agreement shall apply in respect of the Notes but are subject to compliance with mandatory laws, legislation, rules and regulations of Italy and the by-laws of Leonardo in force from time to time (including, without limitation, Legislative Decree No. 58 of 24 February 1998, as amended (the "**Financial Services Act**")) and shall be deemed to be amended, replaced and supplemented to the extent that such laws, legislation, rules and regulations and the by-laws of Leonardo are amended at any time while the Notes remain outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders shall be binding on all the Noteholders, whether or not they are present at the meeting whether or not voting or irrespective of how their vote was cast at such meeting and on all Couponholders and any modification shall be notified to the Noteholders in accordance with Condition 18 (*Notices*) as soon as practicable thereafter.

Noteholders' Representative: A representative of the Noteholders (*rappresentante comune)* (the "**Noteholders' Representative**"), subject to applicable provisions of Italian law, may be appointed pursuant to Article 2417 of the Italian Civil Code in order to represent the Noteholders' interests under these Conditions and to give effect to resolutions passed at a meeting of the Noteholders. If the Noteholders' Representative is not appointed by a meeting of such Noteholders, the Noteholders' Representative shall be appointed by a decree of the court where the Issuer has its registered office at the request of one or more Noteholders or at the request of the directors of the Issuer. The Noteholders' Representative shall remain appointed for a maximum period of three years but may be reappointed again thereafter and shall have the powers and duties set out in Article 2418 of the Italian Civil Code.

(b) ***Modification***

The Notes and these Conditions may be amended without the consent of the Noteholders or the Couponholders to correct a manifest error. The parties to the Agency Agreement may agree to modify any provision thereof, but the Issuer shall not agree, without the consent of the Noteholders, to any such modification unless it is of a formal, minor or technical nature, it is made to correct a manifest error or it is, in the opinion of such parties, not materially prejudicial to the interests of the Noteholders. In addition, the parties to the Agency Agreement may agree, without the consent of the Noteholders or the Couponholders, to modify any provision thereof if it is made to comply with mandatory laws, legislation, rules and regulations of the Republic of Italy and (to the extent permitted under applicable Italian law) the Issuer's by-laws applicable to the convening of meetings, quorums and the majorities required to pass an Extraordinary Resolution and entered into force at any time while the Notes remain outstanding. Furthermore, the Issuer and the Fiscal Agent may agree, without the consent of the Noteholders, to such modification as

set out in Condition 7(e)(v) (*Floating Rate Note Provisions – Benchmark Replacement*). Any such modification or correction shall be binding on the Noteholders and Couponholders and shall be notified to the Noteholders as soon as practicable in accordance with Condition 18 (*Notices*).

17. **Further Issues**

The Issuer may from time to time, without the consent of the Noteholders or, where applicable, the Couponholders, create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the issue price and/or the first payment of interest) so as to form a single Series with the Notes.

18. **Notices**

Notices to the Noteholders shall be valid, unless differently established by law, if published in a leading English language daily newspaper published in London (which is expected to be the *Financial Times*) and, if the Notes are admitted to listing and to trading on the electronic bond market (MOT) of Borsa Italiana S.p.A., and it is a requirement of applicable law or regulations, a leading newspaper having general circulation in Europe (which is expected to be the "Financial Times") or on the Issuer's website at https://www.leonardo.com/en/investors/debt-and-credit-rating/bond or in either case, if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe. Any such notice shall be deemed to have been given on the date of first publication (or if required to be published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers). Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Noteholders. In addition to the above publications, with respect to notices for a meeting of Noteholders, any convening notice for such meeting shall be made in accordance with the relevant provisions of the Italian Civil Code, the Financial Services Act and Leonardo's by-laws.

19. **Currency Indemnity**

If any sum due from the Issuer in respect of the Notes or the Coupons or any order or judgment given or made in relation thereto has to be converted from the currency (the "**first currency"**) in which the same is payable under these Conditions or such order or judgment into another currency (the "**second currency"**) for the purpose of: (a) making or filing a claim or proof against the Issuer, (b) obtaining an order or judgment in any court or other tribunal or (c) enforcing any order or judgment given or made in relation to the Notes, the Issuer shall indemnify each Noteholder, on the written demand of such Noteholder addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Fiscal Agent, against any loss suffered as a result of any discrepancy between (i) the rate of exchange used for such purpose to convert the sum in question from the first currency into the second currency and (ii) the rate or rates of exchange at which such Noteholder may in the ordinary course of business purchase the first currency with the second currency upon receipt of a sum paid to it in satisfaction, in whole or in part, of any such order, judgment, claim or proof.

This indemnity constitutes a separate and independent obligation of the Issuer and shall give rise to a separate and independent cause of action.

20. **Rounding**

For the purposes of any calculations referred to in these Conditions (unless otherwise specified in these Conditions or the relevant Final Terms), (a) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent being rounded up to 0.00001 per cent), (b) all United States dollar amounts used in or resulting from such calculations will be rounded to the nearest cent (with one half cent being rounded up), (c) all Japanese Yen amounts used in or resulting from such calculations will be rounded downwards to the next lower whole Japanese Yen amount, and (d) all amounts denominated in any other currency used in or resulting from such calculations will be rounded to the nearest two decimal places in such currency, with 0.005 being rounded upwards.

21. **Governing Law and Jurisdiction**

(a) ***Governing law***

The Notes and any non-contractual obligations arising out of or in connection with the Notes are governed by and shall be construed in accordance with English law. Condition 16 (*Meetings of Noteholders; Modification and Waiver*) and the provisions of the Agency Agreement concerning the meetings of Noteholders and the appointment of a Noteholders' Representative are subject to compliance with Italian law.

(b) ***Jurisdiction***

The courts of England shall have jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with the Notes (including a dispute relating to the existence, validity or termination of the Notes or any non-contractual obligation arising out of or in connection with the Notes) (respectively, "**Proceedings"** and "**Disputes"**).

(c) ***Appropriate forum***

The Issuer irrevocably waives any objection that it might now or hereafter have to the courts of England being nominated as the forum to hear and determine any Proceedings and to settle any Disputes, and agrees not to claim that any such court is not a convenient or appropriate forum.

(d) ***Process agent***

The Issuer agrees that the process by which any Proceedings in England are begun may be served on it by being delivered to it at Leonardo UK Ltd at One Eagle Place, London, SW1Y 6AF, or, if different, its registered office for the time being or at any address of the Issuer in Great Britain at which process may be served on it in accordance with the Companies Act 2006. If such Person is not or ceases to be effectively appointed to accept service of process on behalf of the Issuer, the Issuer shall, on the written demand of any Noteholder addressed to it and delivered to it or to the Specified Office of the Fiscal Agent, appoint a further person in England to accept service of process on its behalf and, failing such appointment within 30 days from receipt of notice, any Noteholder shall be entitled to appoint such a Person by written notice addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Fiscal Agent **provided that** there shall never be more than one process agent appointed at any one time. Nothing in this paragraph (d) shall affect the right of any Noteholder to serve process in any other manner permitted by law.

(e) ***Rights of the Noteholders to take proceedings in Italy***

Notwithstanding Condition 21(b) (*Jurisdiction*), the submission to the jurisdiction of the courts of England shall not (and shall not be construed so as to) limit the right of any Noteholder to take Proceedings, as an alternative to the jurisdiction of the courts of England, before any competent courts in the Republic of Italy. This clause is for the benefit of the Noteholders only.

(f) ***Consent to enforcement etc.***

To the extent permitted by applicable law, the Issuer consents generally in respect of any Proceedings to the giving of any relief or the issue of any process in connection with such Proceedings including (without limitation) the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment which is made or given in such Proceedings.

(g) ***Waiver of immunity***

To the extent that the Issuer may in any jurisdiction claim for itself or its assets or revenues immunity from suit, execution, attachment (whether in aid of execution, before judgment

or otherwise) or other legal process and to the extent that such immunity (whether or not claimed) may be attributed in any such jurisdiction to the Issuer or its assets or revenues, the Issuer agrees not to claim and irrevocably waives such immunity to the full extent permitted by the laws of such jurisdiction.

FORM OF FINAL TERMS

PROHIBITION OF SALES TO EEA RETAIL INVESTORS - The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended "**MiFID II**"); (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended ("**EUWA**"); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the "**FSMA**") and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

[**MIFID II Product Governance / Professional investors and ECPs only target market** – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*] Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[**UK MiFIR product governance / Professional investors and ECPs only target market** – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA ("**UK MiFIR**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*]. Any distributor (as defined above) should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the COBS is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[**Singapore Securities and Futures Act Product Classification –** Solely for the purposes of its obligations pursuant to Sections 309B(1)(a) and 309B(1)(c) of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "SFA"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A of the SFA) that the Notes are ["prescribed capital markets products"]/[capital markets products other than

"prescribed capital markets products"] (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018).]

Final Terms dated [•]

Leonardo – Società per azioni

(Issuer LEI 529900X4EEX1U9LN3U39)

Issue of [Aggregate Principal Amount of Tranche] [Title of Notes]

under the EUR 4,000,000,000

Euro Medium Term Note Programme

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the conditions set forth in the base prospectus dated 12 June 2025 [and the supplement to the Base Prospectus dated [•]] which [together] constitute[s] a base prospectus (the "**Base Prospectus**"), (the "**Conditions"**), for the purposes of the Prospectus Regulation. This document contains the Final Terms of the Notes described herein for the purposes of the Prospectus Regulation and must be read in conjunction with such Base Prospectus in order to obtain all the relevant information.

The expression "**Prospectus Regulation**" means Regulation (EU) 2017/1129.

Full information on the Issuer and the Notes described herein is only available on the basis of a combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing at the Issuer's website at [●] and copies may be obtained from Leonardo – Società per azioni at Piazza Monte Grappa, 4, 00195 Rome and from the Fiscal Agent, Société Générale Luxembourg at 11 avenue Emile Reuter, L-2420 Luxembourg and the Paying Agent, Banque Internationale à Luxembourg, *société anonyme* at 69 route d'Esch, L-2953 Luxembourg.

[*Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Final Terms.*]

1.	(i)	Series Number:	[•]
	(ii)	Tranche Number:	[•]
	(iii)	Date on which the Notes become fungible:	[Not Applicable/The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the [•] on [[•]/the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 24 below, which is expected to occur on or about [•]].]
2.	Specified Currency or Currencies:		[•]
3.	Aggregate Principal Amount		[•]
	(i)	Series:	[•]
	(ii)	Tranche:	[•]
4.	Issue Price:		[•] per cent of the Aggregate Principal Amount [plus accrued interest from [•]]

5.	(i)	Specified Denominations:	[•] *(Note – The Issuer may issue Notes with a single Specified Denomination i.e. EUR 100,000, and multiples thereof.)* *(Note – where multiple denominations above EUR 100,000 or equivalent are being used the following wording should be used: "EUR 100,000 and integral amounts of EUR 1,000 in excess thereof up to and including EUR 199,000. No Notes in definitive form will be issued with a denomination above EUR 199,000".)*
	(ii)	Calculation Amount:	[•]
6.	(i)	Issue Date:	[•]
	(ii)	Interest Commencement Date (if different from the Issue Date):	[[•]/Issue Date/Not Applicable]
7.		Maturity Date:	[•] *(Specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year)*
8.		Interest Basis:	[[•] per cent Fixed Rate] [EURIBOR +/- [•] per cent Floating Rate] [Zero Coupon] (Further particulars specified below)
9.		Redemption/Payment Basis:	Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [[•] per cent of their principal amount / par]. (*Note – Such amount being at least equal to the par value of such Notes.*)
10.		Change of Interest or Redemption/Payment Basis:	[Applicable/Not Applicable]
11.		Put/Call Options:	[Put Option] [Call Option] [Make-Whole Issuer Call] [Clean-up Call Option] [Three-Month par Call Option] [Not Applicable] [(further particulars specified below)]

12.	[Date of [Board] approval for issuance of Notes obtained:	[•] registered with the Companies' Registry of [Rome] on [•]. *(N.B. only relevant where Board (or similar) authorisation is required for the particular tranche of Notes)*]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

13.	**Fixed Rate Note Provisions**		[Applicable/Not Applicable] *(If not applicable delete the remaining sub-paragraphs of this paragraph.)*
	(i)	Rate(s) of Interest:	[•] per cent per annum payable [annually/semi-annually/quarterly/monthly] in arrear on each Interest Payment Date
	(ii)	Interest Payment Date(s):	[•] in each year [adjusted in accordance with [*specify Business Day Convention and any applicable Business Centre(s) for the definition of "Business Day*"]/not adjusted]
	(iii)	Fixed Coupon Amount[(s)]:	[•] per Calculation Amount
	(iv)	Fixed Coupon Amount for a short or long Interest Period ("Broken Amount(s)"):	[•] per Calculation Amount payable on the Interest Payment Date falling [in/on] [•] / [Not Applicable] *(Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount(s))*
	(v)	Day Count Fraction:	[Actual/Actual (ICMA) Actual/360 Actual/Actual (ISDA) Actual/365 (Fixed) 30/360 (Floating) 30E/360 30E/360 (ISDA)]
	(vi)	Determination Dates:	[•] in each year *(Consider what should happen to unmatured Coupons in the event of early redemption of the Notes.)* / [Not Applicable]
	(vii)	Unmatured Coupons void:	Condition 10(f) (*Unmatured Coupons void*) is [Applicable/Not Applicable]
14.	**Floating Rate Note Provisions**		[Applicable/Not Applicable] *(If not applicable delete the remaining sub-paragraphs of this paragraph.)*
	(i)	Interest Period(s):	[•]
	(ii)	Specified Period(s):	[•] / [Not Applicable]
	(iii)	Specified Interest Payment Dates:	[Not Applicable/[•] [, subject to adjustment in accordance with the Business Day Convention set out in (iv) below]]
	(iv)	Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Convention/Preceding Business Day Convention/No Adjustment/Not Applicable]

(v)	First Interest Payment Date:	[•]
(vi)	Additional Business Centre(s):	[Not Applicable/[•]]
(vii)	Manner in which the Rate(s) of Interest is/are to be determined:	[Screen Rate Determination/ISDA Determination]
(viii)	Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Fiscal Agent):	[Not Applicable/[•] shall be the Calculation Agent] *(no need to specify if the Fiscal Agent is to perform this function)*
(ix)	Screen Rate Determination:	[Applicable/Not Applicable] (*If not applicable delete the remaining sub-paragraphs of this paragraph*)
	• Reference Rate:	EURIBOR
	• Interest Determination Date(s):	[•] [*the second day on which the TARGET system is open prior to the start of each Interest Period if EURIBOR*]
	• Relevant Screen Page:	[•] *(For example, Reuters EURIBOR01)*
	• Relevant Time:	[•] *(For example, 11:00 a.m. London time/Brussels time)*
	• Relevant Financial Centre:	[•] *(For example, London/Euro-zone (where Euro-zone means the region comprised of countries whose lawful currency is the euro))*
(x)	ISDA Determination:	[Applicable/Not Applicable] (*If not applicable delete the remaining sub-paragraphs of this paragraph*)
	• ISDA Definitions	[2006 ISDA Definitions / 2021 ISDA Definitions]
	• Floating Rate Option:	[•] (*The Floating Rate Option should be selected from one of: EUR-EURIBOR-Reuters (if 2006 ISDA Definitions apply) and EUR-EURIBOR (if 2021 ISDA Definitions apply) (each as defined in the ISDA Definitions). These are the options envisaged by the terms and conditions*)
	• Designated Maturity:	[•]
	• Reset Date:	[•]/[as specified in the ISDA Definitions]/[the first day of the relevant Interest Period, subject to adjustment in accordance with the Business Day Convention set out in (iv) above and as specified in the ISDA Definitions]
(xi)	Linear Interpolation:	[Not Applicable / Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*)]

	(xii) Margin(s):	[+/-][•] per cent per annum
	(xiii) Minimum Rate of Interest:	[•] / Not Applicable
	(xiv) Maximum Rate of Interest:	[•]/ Not Applicable
	(xv) Day Count Fraction:	[Actual/Actual (ICMA) Actual/360 Actual/Actual (ISDA) Actual/365 (Fixed) 30/360 (Floating) 30E/360 30E/360 (ISDA)]
15.	**Zero Coupon Note Provisions**	[Applicable/Not Applicable] (*If not applicable delete the remaining sub-paragraphs of this paragraph 15.*)
	(i) Accrual Yield:	[•] per cent per annum
	(ii) Reference Price:	[•]
	(iii) Day Count Fraction in relation to Early Redemption Amounts:	[Actual/Actual (ICMA) Actual/360 Actual/Actual (ISDA) Actual/365 (Fixed) 30/360 (Floating) 30E/360 30E/360 (ISDA)]

PROVISIONS RELATING TO REDEMPTION

16.	Call Option	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph 16*)
	(i) Optional Redemption Date(s) (Call):	[•]
	(ii) Optional Redemption Amount and method, if any, of calculation of such amount(s):	[[*Specify amount*] (*If Notes are represented by a Global Note*)/ [•] per Calculation Amount]
	(iii) Redemption in part:	[Applicable/Not Applicable]
	(a) Minimum Redemption Amount:	[[•]per Calculation Amount / Not Applicable]
	(b) Maximum Redemption Amount:	[[•]per Calculation Amount / Not Applicable]
	(iv) Notice period (if other than as set out in the Conditions):	[Not Applicable/[•]] [Minimum period: [•] days Maximum period: [•] days] (N.B. *When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 5 clearing system business days' notice for a call) and custodians, as well as any*

		other notice requirements which may apply, for example, as between the Issuer and the Agent)
17.	Make-Whole Issuer Call	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph 17*)
	(i) Redemption Margin	[[•] per cent.]
	(ii) Reference Bond:	[*insert applicable reference bond*]
	(iii) Redemption in part:	[Applicable/Not Applicable]
	(a) Minimum Redemption Amount:	[[•]per Calculation Amount / Not Applicable]
	(b) Maximum Redemption Amount:	[[•]per Calculation Amount / Not Applicable]
18.	Clean-up Call Option	[Applicable/Not Applicable]
19.	Three-Month par Call Option	[Applicable/Not Applicable]
20.	Put Option	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph 20*)
	(i) Optional Redemption Date(s):	[•]
	(ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s):	[•] per Calculation Amount
	(iii) Notice period (if other than as set out in the Conditions):	[Not Applicable/[•]] [Minimum period: [•] days Maximum period: [•] days] (*N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent*)
21.	Final Redemption Amount of each Note:	[•] per Calculation Amount
22.	Early Redemption Amount	[•] per Calculation Amount
23.	Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption:	[Not Applicable / *(specify)*] (*State "Not Applicable" if both the Early Redemption Amount (Tax) and the Early Redemption Amount are the principal amount of the Notes. Otherwise, specify the Early Redemption Amount (Tax) and/or the Early Redemption Amount if different from the principal amount of the Notes)*

GENERAL PROVISIONS APPLICABLE TO THE NOTES

24.	Form of Notes:	[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes on [•] days' notice/at any time/in the limited circumstances specified in the Permanent Global Note.] [Temporary Global Note exchangeable for Definitive Notes on [•] days' notice.] [Permanent Global Note exchangeable for Definitive Notes on [•] days' notice/at any time/in the limited circumstances specified in the Permanent Global Note]
25.	New Global Note Form:	[Yes/No]
26.	Additional Financial Centre(s) or other special provisions relating to payment dates:	[Not Applicable/[•]] (*Note that this item relates to the place of payment, and not interest period end dates, to which item 14(vi), relates*)
27.	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	[Yes/No. As the Notes have more than 27 coupon payments, talons may be required if, on exchange into definitive form, more than 27 coupon payments are left.]

[**THIRD PARTY INFORMATION**

[•] has been extracted from [•]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [•], no facts have been omitted which would render the reproduced inaccurate or misleading.][2]

Signed on behalf of the Issuer:

By: .....
Duly authorised

[2] Include where any information sourced from a third party has been reproduced, and provide necessary details.

PART B – OTHER INFORMATION

1. **LISTING AND ADMISSION TO TRADING**

(i) Listing:	[electronic bond market (MOT) of Borsa Italiana S.p.A./other (*specify*)/None]
(ii) Admission to trading:	[Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to listing and to trading on the electronic bond market (MOT) of Borsa Italiana S.p.A.with effect from [•].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [•] with effect from [•].]/ [other (*specify*)]/ [Not Applicable.] (*Where documenting a fungible issue need to indicate that original Notes are already admitted to trading.)*
(iii) Estimate of total expenses related to admission to trading:	[•]

2. **RATINGS**

[The Notes to be issued have not been rated.]

[The Notes to be issued [have been/are expected to be] rated]/[The following ratings reflect ratings assigned to notes of this type issued under the Programme generally]:

[Standard & Poor's: [•]]

[Fitch Ratings:[•]]

[Moody's: [•]]

[[Other]: [•]]

Option 1 - CRA established in the EEA and registered under the EU CRA Regulation and details of whether rating is endorsed by a credit rating agency established and registered in the UK or certified under the UK CRA Regulation

[*Insert legal name of particular credit rating agency entity providing rating*] is established in the EEA and registered under Regulation (EC) No 1060/2009, as amended (the "**EU CRA Regulation**"). [[*Insert legal name of particular credit rating agency entity providing rating*] appears on the latest update of the list of registered credit rating agencies (as of [*insert date of most recent list*]) on the ESMA website http://www.esma.europa.eu.]. [The rating [*Insert legal name of particular credit rating agency entity providing rating*] has given to the Notes is endorsed by [*insert legal name of credit rating agency*], which is established in the UK and registered under Regulation (EC) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**").] /[[*Insert legal name of particular credit rating agency entity providing rating*] has been certified under Regulation (EC) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the

European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**").]/ [[*Insert legal name of particular credit rating agency entity providing rating*] has not been certified under Regulation (EC) No 1060/2009, as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**") and the rating it has given to the Notes is not endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation.]

Option 2 - CRA established in the EEA, not registered under the EU CRA Regulation but has applied for registration and details of whether rating is endorsed by a credit rating agency established and registered in the UK or certified under the UK CRA Regulation

[*Insert legal name of particular credit rating agency entity providing rating*] is established in the EEA and has applied for registration under Regulation (EC) No 1060/2009, as amended (the "**EU CRA Regulation**"), although notification of the corresponding registration decision has not yet been provided by the [relevant competent authority] /[European Securities and Markets Authority]. [[*Insert legal name of particular credit rating agency entity providing rating*] appears on the latest update of the list of registered credit rating agencies (as of [*insert date of most recent list*]) on the ESMA website http://www.esma.europa.eu]. [The rating [*Insert legal name of particular credit rating agency entity providing rating*] has given to the Notes is endorsed by [*insert legal name of credit rating agency*], which is established in the UK and registered under Regulation (EC) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**").] /[[*Insert legal name of particular credit rating agency entity providing rating*] has been certified under Regulation (EC) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**").]/ [[*Insert legal name of particular credit rating agency entity providing rating*] has not been certified under Regulation (EC) No 1060/2009, as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**") and the rating it has given to the Notes is not endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation.]

Option 3 - CRA established in the EEA, not registered under the EU CRA Regulation and not applied for registration and details of whether rating is endorsed by a credit rating agency established and registered in the UK or certified under the UK CRA Regulation

[*Insert legal name of particular credit rating agency entity providing rating*] is established in the EEA and is

neither registered nor has it applied for registration under Regulation (EC) No 1060/2009, as amended (the "**EU CRA Regulation**"). [[*Insert legal name of particular credit rating agency entity providing rating*] appears on the latest update of the list of registered credit rating agencies (as of [*insert date of most recent list*]) on the ESMA website http://www.esma.europa.eu]. [The rating [*Insert legal name of particular credit rating agency entity providing rating*] has given to the Notes is endorsed by [*insert legal name of credit rating agency*], which is established in the UK and registered under Regulation (EC) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation (UK)**").] /[[*Insert legal name of particular credit rating agency entity providing rating*] has been certified under Regulation (EC) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**").]/ [[*Insert legal name of particular credit rating agency entity providing rating*] has not been certified under Regulation (EC) No 1060/2009, as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**") and the rating it has given to the Notes is not endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation.]

Option 4 - CRA established in the UK and registered under the UK CRA Regulation and details of whether rating is endorsed by a credit rating agency established and registered in the EEA or certified under the EU CRA Regulation

[*Insert legal name of particular credit rating agency entity providing rating*] is established in the UK and registered under Regulation (EC) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**"). [*Insert legal name of particular credit rating agency entity providing rating*] appears on the latest update of the list of registered credit rating agencies (as of [*insert date of most recent list*]) on the FCA website: https://data.fca.org.uk/#/cra/cradetails [The rating [*Insert legal name of particular credit rating agency entity providing rating*] has given to the Notes to be issued under the Programme is endorsed by [insert legal name of credit rating agency], which is established in the EEA and registered under Regulation (EC) No 1060/2009, as amended (the "**EU CRA Regulation**").] [[*Insert legal name of particular credit rating agency entity providing rating*] has been certified under Regulation (EC) No 1060/2009, as amended (the "**EU CRA Regulation**").] [[*Insert legal name of particular credit rating agency entity providing rating*] has not been certified under Regulation (EC) No 1060/2009, as amended (the "**UK CRA Regulation**") and the rating it has given to the Notes is not endorsed

by a credit rating agency established in the EEA and registered under the EU CRA Regulation.]

Option 5 - CRA not established in the EEA or the UK but relevant rating is endorsed by a CRA which is established and registered under the EU CRA Regulation AND/OR under the UK CRA Regulation

[*Insert legal name of particular credit rating agency entity providing rating*] is not established in the EEA or the UK but the rating it has given to the Notes to be issued under the Programme is endorsed by [[*insert legal name of credit rating agency*], which is established in the EEA and registered under Regulation (EC) No 1060/2009, as amended (the "**EU CRA Regulation**")][and][[*insert legal name of credit rating agency*], which is established in the UK and registered under Regulation (EC) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**")].

Option 6 - CRA not established in the EEA or the UK and relevant rating is not endorsed under the EU CRA Regulation or the UK CRA Regulation but CRA is certified under the EU CRA Regulation AND/OR under the UK CRA Regulation

[*Insert legal name of particular credit rating agency entity providing rating*] is not established in the EEA or the UK but is certified under [Regulation (EC) No 1060/2009, as amended (the "**EU CRA Regulation**")][and][Regulation (EC) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**").]

Option 7 - CRA neither established in the EEA or the UK nor certified under the EU CRA Regulation or the UK CRA Regulation and relevant rating is not endorsed under the EU CRA Regulation or the UK CRA Regulation

[*Insert legal name of particular credit rating agency entity providing rating*] is not established in the EEA or the UK and is not certified under Regulation (EC) No 1060/2009, as amended (the "**EU CRA Regulation**") or Regulation (EC) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation")** and the rating it has given to the Notes is not endorsed by a credit rating agency established in either the EEA and registered under the EU CRA Regulation or in the UK and registered under the UK CRA Regulation.

[The following brief description of the meaning of the ratings to be included if such ratings have been previously published by the rating provider]

[A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. The rating agenc[y/ies] above [has/have] published the following high-level description[s] of such rating[s]:

- [According to the definitions published by [Moody's] on its website as at the date of these Final Terms, obligations rated [insert rating] [insert a brief explanation of the meaning of the ratings].]

- [According to the definitions published by [Standard & Poor's] on its website as at the date of these Final Terms, obligations rated [insert rating] [insert a brief explanation of the meaning of the ratings].]

- [According to the definitions published by [Fitch] on its website as at the date of these Final Terms, obligations rated [insert rating] [insert a brief explanation of the meaning of the ratings].]]

[The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.]

3. **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER**

Need to include a description of any interest, including conflicts of interest, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the statement below:

[Save for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. The [Managers/Dealers] and their affiliates (including parent companies) have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates (including parent companies) in the ordinary course of business. (*Amend as appropriate if there are other interests*)]

(When adding any other description, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 23 of the Prospectus Regulation.)

4. **[Fixed rate notes only – YIELD**

Indication of yield:	[•]/[Not Applicable]]

5. **OPERATIONAL INFORMATION**

ISIN Code:	[•]
Common Code:	
Delivery:	Delivery [against/free of] payment
Names and addresses of additional Paying Agent(s) (if any):	[[•]/Not Applicable]
Relevant Benchmark[s]:	[[*specify benchmark*] is provided by [*administrator legal name*]][*repeat as necessary*]. [As at the date hereof,

	[[*administrator legal name*][appears]/[does not appear]][*repeat as necessary*] in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 (*Register of administrators and benchmarks*) of the Benchmarks Regulation]/[As far as the Issuer is aware, as at the date hereof, [*specify benchmark*] does not fall within the scope of the Benchmarks Regulation]/ [As far as the Issuer is aware, the transitional provisions in Article 51 of Regulation (EU) 2016/1011, as amended apply, such that [*name of administrator*] is not currently required to obtain recognition, endorsement or equivalence]/ [Not Applicable]
Intended to be held in a manner which would allow Eurosystem eligibility.	[Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognized as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.] [No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]
Any clearing system(s) other than Euroclear Bank SA/NV [,/and] Clearstream Banking, *société anonyme* and the relevant identification numbers:	[Not Applicable/(*give name(s), number(s) and addresses*)]

6. **DISTRIBUTION**

(i)	Method of distribution:	[Syndicated/Non-Syndicated]
(ii)	If syndicated:	[Not Applicable]
	(a) Names and addresses of Managers and underwriting commitments:	[•]
	(b) Stabilisation Manager(s) (if any):	[Not Applicable/[•]]

(iii)	If non-syndicated, name and address of Dealer:	[Not Applicable/[•]]
(iv)	U.S. Selling Restrictions:	[Reg. S compliance category: 2 / TEFRA C/TEFRA D / TEFRA Not Applicable]

7. **USE OF PROCEEDS AND ESTIMATED NET AMOUNT OF PROCEEDS**

Use of proceeds:	[See "*Use of Proceeds*" in Base Prospectus/Give details] [If reasons differ from what is disclosed in the Base Prospectus give details here.]
Estimated net proceeds:	[•]

OVERVIEW OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

Clearing System Accountholders

Each Global Note will be in bearer form. Consequently, in relation to any Tranche of Notes represented by a Global Note, references in the Terms and Conditions of the Notes to "Noteholder" are references to the bearer of the relevant Global Note which, for so long as the Global Note is held by a depositary or a common depositary, in the case of a CGN, or a common safekeeper, in the case of an NGN for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, will be that depositary or common depositary or, as the case may be, common safekeeper.

Each of the persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Global Note (each, an "**Accountholder"**) must look solely to Euroclear and/or Clearstream, Luxembourg and/or such other relevant clearing system (as the case may be) for such Accountholder's share of each payment made by the Issuer to the bearer of such Global Note and in relation to all other rights arising under the Global Note. The extent to which, and the manner in which, Accountholders may exercise any rights arising under the Global Note will be determined by the respective rules and procedures of Euroclear and Clearstream, Luxembourg and any other relevant clearing system from time to time. For so long as the relevant Notes are represented by the Global Note, Accountholders shall have no claim directly against the Issuer in respect of payments due under the Notes and such obligations of the Issuer will be discharged by payment to the bearer of the Global Note.

Exchange of Temporary Global Notes

Whenever any interest in a Temporary Global Note is to be exchanged for an interest in a Permanent Global Note, the Issuer shall procure:

(a) in the case of first exchange, the prompt delivery (free of charge to the bearer) of such Permanent Global Note, duly authenticated and, in the case of an NGN, effectuated, to the bearer of the Temporary Global Note; or

(b) in the case of any subsequent exchange, an increase in the principal amount of such Permanent Global Note in accordance with its terms,

in each case in an aggregate principal amount equal to the aggregate of the principal amounts specified in the certificates issued by Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and received by the Fiscal Agent against presentation and (in the case of final exchange) surrender of the Temporary Global Note at the Specified Office of the Fiscal Agent within 7 days of the bearer requesting such exchange.

Whenever a Temporary Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of the Temporary Global Note to the bearer of the Temporary Global Note against the surrender of the Temporary Global Note at the Specified Office of the Fiscal Agent within 30 days of the bearer requesting such exchange.

If:

(a) a Permanent Global Note has not been delivered or the principal amount thereof increased by 5.00 p.m. (London time) on the seventh day after the bearer of a Temporary Global Note has requested exchange of an interest in the Temporary Global Note for an interest in a Permanent Global Note; or

(b) Definitive Notes have not been delivered by 5.00 p.m. (London time) on the thirtieth day after the bearer of a Temporary Global Note has requested exchange of the Temporary Global Note for Definitive Notes; or

(c) a Temporary Global Note (or any part thereof) has become due and payable in accordance with the Terms and Conditions of the Notes or the date for final redemption of a Temporary Global Note has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer of the Temporary Global Note in accordance with the terms of the Temporary Global Note on the due date for payment,

then the Temporary Global Note (including the obligation to deliver a Permanent Global Note or increase the principal amount thereof or deliver Definitive Notes, as the case may be) will become void at 5.00 p.m. (London time) on such seventh day (in the case of (a) above) or at 5.00 p.m. (London time) on such thirtieth day (in the case of (b) above) or at 5.00 p.m. (London time) on such due date (in the case of (c) above) and the bearer of the Temporary Global Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Temporary Global Note or others may have under a deed of covenant dated 12 June 2025 (the "**Deed of Covenant"**) executed by the Issuer). Under the Deed of Covenant, persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Temporary Global Note will acquire directly against the Issuer all those rights to which they would have been entitled if, immediately before the Temporary Global Note became void, they had been the holders of Definitive Notes in an aggregate principal amount equal to the principal amount of Notes they were shown as holding in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

Exchange of Permanent Global Notes

Whenever a Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note at the Specified Office of the Fiscal Agent within 30 days of the bearer requesting such exchange.

If:

(a) Definitive Notes have not been delivered by 5.00 p.m. (London time) on the thirtieth day after the bearer of a Permanent Global Note has duly requested exchange of the Permanent Global Note for Definitive Notes; or

(b) a Permanent Global Note (or any part of it) has become due and payable in accordance with the Terms and Conditions of the Notes or the date for final redemption of the Notes has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer of the Permanent Global Note in accordance with the terms of the Permanent Global Note on the due date for payment,

then the Permanent Global Note (including the obligation to deliver Definitive Notes) will become void at 5.00 p.m. (London time) on such thirtieth day (in the case of (a) above) or at 5.00 p.m. (London time) on such due date (in the case of (b) above) and the bearer of the Permanent Global Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Permanent Global Note or others may have under the Deed of Covenant). Under the Deed of Covenant, persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Permanent Global Note will acquire directly against the Issuer all those rights to which they would have been entitled if, immediately before the Permanent Global Note became void, they had been the holders of Definitive Notes in an aggregate principal amount equal to the principal amount of Notes they were shown as holding in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

Conditions applicable to Global Notes

Each Global Note will contain provisions which modify the Terms and Conditions of the Notes as they apply to the Global Note. The following is an overview of certain of those provisions:

Payments: All payments in respect of the Global Note will be made against presentation and (in the case of payment of principal in full with all interest accrued thereon) surrender of the Global Note to or to the order of any Paying Agent and will be effective to satisfy and discharge the corresponding liabilities

of the Issuer in respect of the Notes. On each occasion on which a payment of principal or interest is made in respect of the Global Note, the Issuer shall procure that in respect of a CGN the payment is noted in a schedule thereto and in respect of an NGN the payment is entered *pro rata* in the records of Euroclear and Clearstream, Luxembourg.

Calculation of interest: the calculation of any interest amount in respect of any Note which is represented by a Global Note will be calculated on the aggregate outstanding principal amount of the Notes represented by such Global Note, as the case may be, and not by reference to the Calculation Amount.

Exercise of put option: In order to exercise the option contained in Condition 9(g) (*Redemption and Purchase – Redemption at the option of Noteholders*) the bearer of the Permanent Global Note must, within the period specified in the Conditions for the deposit of the relevant Note and put notice (in accordance with the rules and procedures of Euroclear, Clearstream, Luxembourg and/or other relevant clearing system), give written notice of such exercise to the Fiscal Agent specifying the principal amount of Notes in respect of which such option is being exercised. Any such notice will be irrevocable and may not be withdrawn.

Partial exercise of call option: In connection with an exercise of the option contained in Condition 9(c) (*Redemption at the option of the Issuer*) in relation to some only of the Notes, the Permanent Global Note may be redeemed in part in the principal amount specified by the Issuer in accordance with the Conditions and the Notes to be redeemed will not be selected as provided in the Conditions but in accordance with the rules and procedures of Euroclear and Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in principal amount, at their discretion).

Notices: Notwithstanding Condition 18 (*Notices*), while all the Notes are represented by a Permanent Global Note (or by a Permanent Global Note and/or a Temporary Global Note) and the Permanent Global Note is (or the Permanent Global Note and/or the Temporary Global Note are) deposited with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system or a common safekeeper, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and, in any case, such notices shall be deemed to have been given to the Noteholders for the purposes of Condition 18 (*Notices*) on the date of delivery to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, except that, for so long as such Notes are admitted to listing and to trading on the electronic bond market (MOT) of Borsa Italiana S.p.A.and it is a requirement of applicable law or regulations, such notices shall be published in a leading newspaper having general circulation in Europe (which is expected to be the “Financial Times”) or published on the Issuer's website at https://www.leonardo.com/en/investors/debt-and-credit-rating/bond.

Payment Business Day: Notwithstanding the definition of "Payment Business Day" in Condition 2(a) (*Interpretation – Definitions*), while all the Notes are represented by a Permanent Global Note (or by a Permanent Global Note and/or a Temporary Global Note) and the Permanent Global Note is (or the Permanent Global Note and/or the Temporary Global Note are) deposited with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, "*Payment Business Day*" means:

(a) if the currency of payment is euro, any day which is a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or

(b) if the currency of payment is not euro, any day which is, in the case of payment by transfer to an account, a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre.

LEONARDO AND THE LEONARDO GROUP

OVERVIEW

Leonardo – Società per Azioni ("**Leonardo**") is a company limited by shares (*società per azioni*) incorporated and operating under Italian law. Its registered office and headquarters are in Piazza Monte Grappa 4, 00195 Rome, Italy and it is registered with the Companies' Register of Rome under number 00401990585, Fiscal Code and VAT Number 00881841001. Leonardo may be contacted by telephone on +39 06 324731, by fax on +39 06 324731 and by e mail (ir@leonardo.com). Pursuant to its bylaws, Leonardo's term of incorporation is until 31 December 2090, subject to extension. The Legal Entity Identifier (LEI) code of the Issuer is 529900X4EEX1U9LN3U39.

The Issuer's website is https://www.leonardo.com/en/home.

Leonardo is the parent company of the group consisting of Leonardo and its subsidiaries (collectively, the "**Leonardo Group**" or, alternatively, the "**Group**").

The Leonardo Group is among the top ten global players in aerospace, defence and security and Italy's main industrial company in such sectors[3]. As a single entity, the Leonardo Group operates mainly in six sectors (Helicopters, Defence Electronics & Security, Cyber & Security solutions, Aircraft, Aerostructures and Space (for further information, see "*Organisation and Structure – Sectors*" below)) and is organised into five business divisions: Helicopters; Electronics, Cyber & Security solutions, Aircraft and Aerostructures.

The Group operates both in Italy and abroad through subsidiaries, joint ventures and partnerships. Leonardo has a large industrial base in Italy, the United Kingdom, the United States, Poland and Israel, and has also established its industrial and commercial presence in many countries around the world including, through strategic cooperation and partnership agreements, the world's main high-potential markets.

As at the date of this Base Prospectus, Leonardo has a share capital of EUR 2,543,861,738.00 divided into No. 578,150,395 ordinary shares.

Since 2000, the ordinary shares of Leonardo have been listed on the Euronext Milano (formerly *Mercato Telematico Azionario*), the screen-based market operated by Borsa Italiana S.p.A., and they are also included in the FTSE MIB stock index.

Approximately 30.204 per cent of Leonardo's share capital is directly owned by the Italian Ministry of Economy and Finance and the remaining part is publicly. For further information on the Issuer's shareholders, see "- *Shareholders*" below.

The following table contains the key financial and operating data relating to the Group's operations for the periods indicated[4].

	Year ended and as at 31 December		
	2023	**2024**	**2023 pro-forma(**)**
	(*EUR million, unless otherwise stated*)		
New orders(1)	17,926	20,945	18,668
Order backlog(2)	39,529	44,178	40,903
Revenues	15,291	17,763	15,982
EBITDA(*) (3)	1,911	2,219	1,970
EBITA(*) (4)	1,317	1,525	1,351
ROS(*) (5)	8.6%	8.6%	8.5%
EBIT (6)	1,085	1,271	1,117
EBIT Margin(7)	7.1%	7.2%	7.0%

[3] Source: Leonardo internal analysis based on information and data taken from the publicly available consolidated financial statements of the major players.

[4] Following the amendment made to the shareholders' agreements between Leonardo and Thales, the Telespazio group has been consolidated on a line-by-line basis starting from 1 January 2024. Until 31 December 2023 (included) Telespazio was valued on the equity method being qualified as a jointly controlled entity.

Net result before extraordinary transactions [8]	742	786	758
Net result[9]	695	1,159	711
Group Net Debt [10]	2,323	1,795	2,322
FOCF [11]	635	826	652
ROI[*] [12]	12.2%	13.4%	12.4%

Source: Leonardo 2024 integrated annual report.

(*) 2023 restated figure as a result of the revision of KPIs. Specifically, in order to provide an integrated view of Leonardo's operational performance in the sectors in which it operates, the Group has revised, as from 2024, the composition of EBITA in order to bring the treatment of the results of operations of strategic investees into line with that applicable to subsidiaries. Specifically, the share of net result of strategic investees, which is already recognised within the Group's EBITA as part of their valuation at equity, now 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, these items are deducted from EBITA in order to show profit margins that are not affected by volatility elements. This change, as part of a strategy that is increasingly oriented toward the centrality of international alliances, which represent for Leonardo an integral part in the conduct of its core business, is aimed at reflecting in the Group's key earnings indicators a contribution from strategic investees that is representative of their operational performance and Leonardo's profit margins that best reflect its international positioning in the sectors in which it operates. As a result of the revision described above also impacting EBITDA and the performance indicators ROS and ROI, the figures for the comparative period are provided in restated form. The reclassification has no effects on other indicators.

(**) The pro-forma figures include the contribution given by the Telespazio group, which was consolidated on a line-by-line basis as from 1 January 2024, in order to make the Group's operational performance in 2024 more comparable to 2023 data.

(1) New orders include contracts entered into with customers during the period that have commercial substance and represent an obligation for both parties to fulfil the contract.

(2) Order backlog is the sum of the order backlog for the preceding period and new orders, less revenues during the reference period.

(3) The Group has calculated EBITDA as EBITA, before amortisation (excluding amortisation of intangible assets from business combinations), depreciation and impairment losses (net of those relating to goodwill or classified among "non-recurring costs").

(4) The Group has calculated EBITA by eliminating from EBIT, as defined below, the following items: (i) any impairment in goodwill, including the Group's share, net of tax, of the strategic investees; (ii) amortisation and impairment, if any, of the portion of the purchase price allocated to intangible assets as part of business combinations, as required by IFRS 3, including the Group's share, net of tax, of the strategic investees; (iii) restructuring costs that are a part of defined and significant plans. This item includes personnel costs as well as any and all other costs deriving from the reorganisation (e.g. impairment of assets, costs for the closure of sites, relocation costs, etc.), including the Group's share, net of tax, of the strategic investees; (iv) other non-recurring or unusual costs or income, i.e. connected to particularly significant or exceptional events that are not related to the ordinary performance of the business. The item includes charges incurred during M&A transactions, charges linked to disposed businesses and/or products and systems, and the recognition of losses on contracts that have become onerous as a result of non-operating events, including the Group's share, net of tax, of the strategic investees.

(5) ROS is calculated as the ratio of EBITA to revenue.

(6) EBIT is obtained by adding to income before tax and financial expense (defined as earnings before "financial income and expense", "share of profits (losses) of equity-accounted investees", "income taxes" and "Profit (loss) from discontinued operations") the Group's share of profit in the results of its strategic investees (MBDA, GIE ATR, Thales Alenia Space and Hensoldt), reported in the "share of profits (losses) of equity-accounted investees".

(7) EBIT margin is calculated as the ratio of EBIT to revenue.

(8) Net result before extraordinary transactions is the Net Result, as defined below, before the result from discontinued operations and the effects of the extraordinary transactions (key acquisitions and disposals).

(9) Net result is the net profit/(loss) for the year.

(10) Group Net Debt includes cash, financial receivables and current securities, net of (current and non-current) loans and borrowings and of the fair value of foreign exchange derivatives covering financial debt items.

(11) FOCF is the sum of the cash flows generated by (used in) operating activities (excluding the changes in the Group Net Debt), the cash flows generated by (used in) ordinary investing activities (investment and divestment of intangible assets, property, plant and equipment, and equity investments, net of cash flows from the purchase or sale of equity investments that, due to their nature or significance, are considered "strategic investments"), dividends received and collections received pursuant to Law 808/1985.

(12) ROI is calculated as the ratio of EBITA to the average net capital invested in the two comparative periods.

See the section entitled "Non-GAAP" alternative performance indicators" of the 2024 Integrated Annual Report and the section entitled "Non-GAAP" alternative performance indicators" of the 2023 Integrated Annual Report, both incorporated by reference into this Base Prospectus, for a further description of the alternative performance indicators set out in the relevant consolidated financial statements.

HISTORY OF THE LEONARDO GROUP

From the incorporation to the initial public offering

The history of the current Leonardo began in 1948 with the incorporation by IRI (*Istituto per la Ricostruzione Industriale,* a holding company for Italian state-owned companies) of Società Finanziaria Meccanica – Finmeccanica Società per azioni, as the holding company for the Italian government's automotive, mechanical, electro-mechanical and shipyard industrial activities. In 1987 the activities of Società Finanziaria Meccanica – Finmeccanica Società per azioni were transferred to a new company named Finmeccanica – Società Finanziaria per azioni, incorporated on 21 May 1987. By the late 1980s, the company's range of activities included aerospace, automated factories, command and control systems, missile systems, biomedical apparatus, robotics, microelectronic components, alongside its original areas of activity. In 1992, Finmeccanica – Società Finanziaria per azioni was merged into Società Immobiliare e Finanziaria per Azioni or SIFA, a company created in 1897 which then changed its name to Finmeccanica – Società per azioni and was listed on the Italian Stock Exchange (now, Euronext Milan). In 2000, IRI sold over 50 per cent of its ordinary shares in an initial public offering.

The "One Company" model

In 2016 Finmeccanica adopted a "One Company" model. Consistent with the implementation of the new organisational and operational model of the One Company and the simultaneous replacement of the previous financial holding company model, in April 2016 Finmeccanica – *Società per azioni* changed its name to Leonardo – *Società per azioni* but the new name became legally effective on 1 January 2017. On 1 January 2016, the aforementioned organizational and operating model of the Group became legally effective. The new integrated management structure involved the concentration in Leonardo of the corporate sectors, turning the operating subsidiaries into divisions of the One Company. According to the Group's One Company model, Leonardo's divisions maintain full responsibility for their own economic results and business, including their own respective budgets and strategies.

Certain recent M&A transactions involving the Leonardo Group

In January 2022, Leonardo completed the acquisition from Square Lux Holding II S.à r.l., a portfolio company controlled by funds advised by Kohlberg Kravis & Roberts & Co. L.P, of 25.1% of the shares in Hensoldt AG ("**Hensoldt**"), a leading German player in the field of sensors for defence and security applications. This transaction was a step forward in helping to achieve Leonardo's strategic objective of acquiring a leadership position in the European Defence Electronics market and reflects Leonardo's determination to play an active role in the consolidation process underway, including in the light of future cooperation programmes in Europe. In December 2023, Leonardo disclosed that it had not underwritten

the capital increase announced by Hensoldt as part of the acquisition of the German company ESG Elektroniksystem und Logistik GmbH, although it was fully supportive of its strategic rationale. Following this decision, Leonardo's equity investment in Hensoldt slightly decreased from 25.1% to 22.8% but Leonardo maintained its role as reference industrial investor of Hensoldt with the purpose of pursuing a European partnership in accordance with the prerogatives of each country.

In November 2022 Leonardo announced the completion of the merger between the US subsidiary Leonardo DRS, Inc. ("**Leonardo DRS**") and the Israeli company RADA Electronic Industries Ltd. ("**RADA**"), listed on NASDAQ and the Tel Aviv Stock Exchange ("**TASE**"). As a result of this transaction, Leonardo retained – through Leonardo US Holding LLC ("**Leonardo US Holding**") – full ownership of a quota of 80.2% in Leonardo DRS, with the former shareholders of RADA owning the remaining stock. RADA's products constitute a strategic expansion of DRS and the Leonardo Group's portfolio, by completing the offering of sensors on board land vehicles and have different functional and configuration features from the radars that are currently in the portfolio of the Electronics division of Leonardo and of Hensoldt, thus making them complementary in an integrated perspective. This transaction also enables Leonardo to establish a concrete footprint in Israel, in line with its objective of international expansion. The shares of Leonardo DRS were listed on NASDAQ and the TASE with the symbol "DRS" as from the start of trading operations on NASDAQ on 29 November 2022 and on the TASE on 30 November 2022. In September 2023, Leonardo DRS Inc. voluntarily withdrew its ordinary shares from TASE. This transaction did not affect Leonardo DRS listing on NASDAQ under the DRS symbol and all the ordinary shares traded on the TASE were transferred to NASDAQ. Furthermore, this transaction had no impact on the commitment of Leonardo and Leonardo DRS to the Israeli market or any transaction in the country. In November 2023, Leonardo finalized, through Leonardo US Holding, the sale on the US market of a parcel of shares in Leonardo DRS which represent approximately 7.9% of the ordinary shares issued by Leonardo DRS at the date of the transaction. As a result of this transaction, Leonardo retained – through Leonardo US Holding – full ownership of a quota of 72.3% in Leonardo DRS. For further information, see "*Defence Electronics & Security – Leonardo DRS*" below.

Following the amendments to the arrangements originally provided for in the **"**Space Alliance**"** with Thales signed at the start of 2024, the Telespazio group was consolidated on a line-by-line basis by Leonardo starting from 1 January 2024. The transaction brought a capital gain for the Leonardo Group, recognised following the fair value measurement of the investment previously held in the Telespazio group.

After the acquisition by Leonardo of 70% of the corporate capital of Alea S.r.l. in 2021, in April 2024 Leonardo finalised the acquisition of the remaining 30% of the corporate capital of Alea S.r.l..

In May 2024, Leonardo signed a binding agreement to sell the Underwater Armaments & Systems (UAS) line of business to Fincantieri S.p.A.. The closing of the transaction took place on 14 January 2025, with the payment of the first tranche of the acquisition price.

In June 2024, Leonardo signed an agreement to definitively sell its stake in Industria Italiana Autobus to Seri Industrial S.p.A.. The disposal occurred on 11 July 2024.

In September 2024, Leonardo acquired an additional 35% of GEM Elettronica S.r.l. ("**GEM**"). As a result of such acquisition, GEM became a subsidiary 65% owned by Leonardo and was consequently consolidated on a line-by-line basis starting from the closing date of the acquisition. Leonardo is also entitled to acquire an additional 35% within three years from such acquisition through a call/put mechanism.

In 15 October 2024, Leonardo and Rheinmetall signed an agreement with the aim of forming a new European nucleus for the development and production of military combat vehicles in Europe which followed a corresponding memorandum of understanding signed on 3 July 2024. As part of this agreement, on 24 February 2025 the parties established Leonardo Rheinmetall Military Vehicles S.r.l., equally held by the two partners, whose primary objective is the industrial development and subsequent commercialization of the new Main Battle Tank (MBT) and the new Lynx Platform for the Armoured Infantry Combat System (AICS), within the Italian Army's ground systems programs.

In December 2024, Leonardo, BAE Systems and Japan Aircraft Industrial Enhancement Co Ltd reached an agreement to establish a joint venture for the development of the Global Combat Air Programme. The joint venture, headquartered in the United Kingdom, will be equally owned by the three partners

(33.3% each), and will be responsible for the design, development and operation of the sixth-generation combat aircraft, with the aim of putting the aircraft into service by 2035. In addition, the first CEO of the joint venture will be appointed by the Italian partner.

In January 2025, the merger by incorporation of UTM Systems & Services S.r.l. became effective. This transaction was carried out in order to rationalise and simplify the corporate chain as part of the programme related to the provision of UTM Services.

In 6 March 2025, Leonardo and Baykar Technologies signed a memorandum of understanding for the development of unmanned technologies, the main aim of which will be the design, development, manufacturing and maintenance of unmanned air systems. The arrangement is based on industrial synergies and complementarity between the two companies in the technology sector.

LEONARDO INDUSTRIAL PLAN – TECHNOLOGIES FOR A SAFER FUTURE

The Aerospace, Defence and Security (AD&S) is undergoing a deep transformation with increasingly challenging competitive scenario in terms of industrial structures and available technological capabilities. In a context that continues to experience epochal changes, with a significant increase in conflicts and global crises, the Defence sector is undergoing profound changes, starting with three particularly significant challenges:

1. **more and more bullets and an avalanche of bytes** – the battlefield has changed, moving increasingly towards a combination of traditional and new systems, digital technologies, satellite applications, and drones;
2. **from conventional Defence to the broader concept of "global security"** – regional wars bring massive repercussions on global security (with impacts on energy, food, social, cyber, and infrastructure security), making monitoring of the situation increasingly necessary on an ongoing basis; and
3. **security as a continental problem rather than national** – no European Country can have sufficient autonomy of its own and the present fragmented expenditure on Defence makes Europe weaker and weaker. The acceleration of technological progress and the rapid succession of unprecedented events in the global geopolitical balance require not only increased investment, but first and foremost greater synergy, including through standardisation and interoperability of platforms.

Based on these key concepts that form the guidelines of the industrial plan presented in March 2024 (the "**Industrial Plan**"), is constantly strengthening its positioning through a process of product portfolio evolution, continuous technological innovation, and business sustainability, operating as a catalyst towards a new European defence. To achieve this goal, the company is working on a two-fold strategic posture:

- **strengthening the core business** through increasing focus in order to ensure the effectiveness and efficiency of the Leonardo Group's product portfolio, both through the development of new digitised products, ready for future challenges, and through increasing the competitiveness of the existing portfolio, ensuring its interoperability, resilience and security; and
- **paving the way to the future** by investing in **new technologies and emerging markets**, including through the creation of major industrial alliances, with a view to contributing increasingly to European sovereignty while expanding our geographic footprint.

This new posture will drive Leonardo in its transformation, with the aim of being:

- in the **Helicopters** sector - global civil leader and military key player, upgrading the portfolio of products, adopting new technologies, and exploring strategic partnerships;
- in the **Defence Electronics & Security** sector- global player with European leadership and catalyst for European cooperation, leveraging GCAP spillovers, alliances/JV in the various domains, and an optimised product portfolio, with a distinctive US presence;
- in the **Aircraft** sector - leading player in cooperative programs (next generation combat aircraft and UAV), with cutting-edge proprietary products and boosted training services;

– in the **Aerostructures** sector - supplier of reference thanks to operational excellence and market recovery, further scaling up via diversification and strategic partnerships;

– in the **Cyber** & **Security solution** sector - European key player in cyber security, Secure Digital Platforms and Mission Critical Communications, with a technology-based value proposition, focused on Defence, Space and National Strategic Organizations; and

– in the **Space** sector - European leader on high-value segments, leveraging Group-wide and space alliance capabilities, in order to offer end-to-end, digitally advanced solutions that provide increasing benefits to the end customer.

To deliver on this vision, Leonardo has then set its path on three horizons, mapping an arsenal of initiatives to achieve the full potential in all its business:

– guaranteeing an organic revenue growth and innovation potential with focused R&D and technological efforts, a massive digitization of solutions and operations, and a stronger emphasis on client-centricity and service excellence;

– boosting a company-wide efficiency through product and business rationalization/focalization, while optimizing engineering and manufacturing and ensuring greater efficiency throughout the Group, reducing group-wide procurement and Corporate costs; and

– complementing growth with inorganic initiatives, mainly through M&A transactions and international alliances to ensure technological relevance of European defence and security.

SUSTAINABILITY PLAN

Guided by the ever-deepening integration of sustainability into the business and the priorities identified through materiality analysis, the sustainability goals set by Leonardo cover several areas, from governance to climate and environmental engagement, from social impact to digitalisation, with specific targets and related monitoring KPIs for each area. In 2024, the Group strengthened its commitment on climate, including supply chain sustainability, with new decarbonisation targets - validated by SBTi in March 2024 - and on management process certification on anti-corruption. With regard to the latter area, Leonardo achieved the target set for 2024 by obtaining the renewal of ISO 37001:2016 certification in July 2024. The year 2024 unveiled the new Sustainability Plan 2024-2028, approved by the top management in March and integrated into the Industrial Plan. In alignment with the Group's vision and strategic positioning, the Sustainability Plan increasingly aims to enhance and develop products and solutions that contribute to global security through the protection of communities, institutions, infrastructure and the planet.

Sustainability Targets

PILLAR	KPI	Baseline		2024 result	Target		SDG/MATERIAL TOPICS
		Year	Value		Year	Value	
Governance	Annual renewal/maintenance of the ISO 37001:2016 “Anti-Bribery Management System” certification	*na*	*na*	Renewed	2024	renewal	 *Business integrity, compliance and anti-corruption* *Protection of human rights*
					2025	maintenance	
					2026	maintenance	
People	% of women on total new hires	*na*	*na*	24.1%	2025	32%	 *Diversity, equity and inclusion* *Skill development, talent attraction and employee well-being*
	% of women on total new hires in STEM areas	*na*	*na*	23.2%	2025	30%	
	% of women at managerial levels	*na*	*na*	17.7%	2025	20%	
	% of women on total employees	*na*	*na*	20.3%	2025	20%	
	% of women in succession plans	*na*	*na*	30%	2025	27%	

PILLAR	KPI	Baseline		2024 result	Target		SDG/MATERIAL TOPICS
		Year	Value		Year	Value	
Planet	% reduction in consumption of electricity withdrawn from external grid [I]	2019	0.050 kWh/€	0.038 (-23%)	2025	-10%	 *Climate change* *Natural resources and biodiversity management* *Environmental impact of the use of materials and circularity*
	% reduction in Scope 1 + Scope 2 CO_{2e} emissions (Market-Based) [III]	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 the amount of waste produced [III]	2019	38,499 tons	32,555 tons (-15%)	2030	-15%	
	% reduction in Scope 3 CO_{2e} emissions downstream per equivalent flight hour	2020	1.94 tCO_{2e}/Fh_e	1.25 tCO_{2e}/Fh_e (-36%)	2030	-52%	
Prosperity	% of suppliers per emission con "science-based" objectives	*na*	*na*	12%	2028	58%	 *Sustainable supply chain* *Value creation for the society* *R&D, innovation and advanced technology*
	Number of key suppliers to whom to deliver training on sustainability issues	*na*	*na*	198	2027	≥ 500	
	% (in value) of major new tenders awarded, which include ESG criteria/requirements [IV]	*na*	*na*	20%	2028	>70%	
	% increase in computing power per capita [V]	2020	198 Gflops/ Dip. ITA	222 Gflops/ Dip. ITA +12%	2025	+40%	
	% increase in storage capacity per capita [V]	2020	874 Gbyte/ Dip. ITA	1,425 Gbyte/ Dip. ITA+63%	2025	+40%	

[I] Reduction calculated as a ratio to revenues.
[II] Reduction in absolute value in water withdrawals from aqueducts and wells.
[III] Reduction in absolute value.
[IV] Calculated on tenders valued >1M€ managed through LDO portal. It does not include DRS, the Electronics Division of LDO UK and local purchases on the part of foreign subsidiaries.
[V] Calculated as the number of flops and bytes in relation to employees in Italy.

Sustainability goals have been set by Leonardo based on current assessments at the time they were set, taking into account political situations in various geographical areas, geopolitical trends, the supply chain, and global economy, subject to any additional significant events not foreseeable at the time the goals were set.

Sustainability ratings, indices and rankings

The results achieved by the Group on ESG topics have also been recognised worldwide, as testified by the Group's presence in several major sustainability ratings, indices and rankings.

Sustainability Leader in the Dow Jones Sustainability Indices for 15 years, with the highest score in the Aerospace and Defence sector for the sixth year running[5].

Among the companies included in the **MIB ESG INDEX** of the Italian Stock Exchange (Euronext), the first Italian blue-chip index dedicated to the 40 companies with the best ESG performance[6].

Confirmed "**Platinum medal**" award from EcoVadis, among the top 1% of all companies rated worldwide.

[5] Evaluation based on the data of S&P Global's Corporate Sustainability Assessment (CSA), as of 16 December 2024.

[6] Review dated December 2024.

Ranked in **A band** in the Defence Companies Index on Anti-Corruption and Corporate Transparency (DCI) of **Transparency International**.	Upgraded to **Prime Status** by ISS ESG, with the **highest** score in the Aerospace and Defence sector.	Commitment confirmed in the fight against climate change by **CDP** (no profit international organisation), among **the best Aerospace & Defence companies**.

SECTORS

Notwithstanding the Group is organized into five divisions – Helicopters; Electronics, Cyber & Security solutions, Aircraft and Aerostructures - the Group's performance is reported according to the current six business sectors:

- **Helicopters** (both civil and military platforms, Rotorcraft Uncrewed Aerial System (RUAS));
- **Defence Electronics & Security** (radar, electro-optics, electronic warfare, sensors, integrated systems, Traffic Control Systems and Automation Systems (in which it operates also through Leonardo DRS as well as missiles (in which it operates through MBDA SAS, a joint venture with BAE Systems and Airbus Group) underwater defence systems and land and naval armaments). The Group has also a (i) 31.33 per cent shareholding in Elettronica S.p.A. operating design and production of electronic defence equipment and systems; (ii) 60 per cent shareholding in Larimart S.p.A. operating design and implementation of solutions/equipment for telecommunications in Defence, Security and Emergency and (iii) 22.8 per cent shareholding in Hensoldt;
- **Cyber & Security solutions** (cyber security and information and communication technology (ICT) systems and security, homeland security and critical infrastructure);
- **Aircraft** (fighters, trainers, multi-mission transport, multi-mission surveillance, uncrewed systems);
- **Aerostructures** (aerostructural components - such as fuselage, empennages, and parts of the wings - for commercial and military aircraft, helicopters and uncrewed aircraft); and
- **Space**, in which it operates through Telespazio (a joint venture with the French company Thales for space-related services, the majority of which is held by Leonardo), Thales Alenia Space (a joint venture with Thales for the satellite manufacturing, whose majority is held by Thales) and the participation in Avio S.p.A. ("**Avio**") (29.6 per cent.). In addition, in order to ensure the most efficient management of operational activities and the strategic repositioning of Leonardo's space business, a new "Space Division" has been created in February 2025.

BUSINESS DESCRIPTION BY SECTORS AND RELATED LEONARDO DIVISIONS

Helicopters

Overview

Leonardo is one of the leading global competitors, in terms of revenues, in the design, development and production of helicopters, with the capability to develop a complete range of products for both civil and military/government applications[7]. These helicopters can perform the full variety of roles such as offshore, passenger and VIP transport, emergency medical services, law enforcement application, search & rescue and utility in the civil sector and multirole, tactical transport, naval and combat in the military sector. Leonardo is also a partner in several international helicopter programmes, both for helicopter production and for research and technological innovation.

[7] Source: Leonardo internal analysis based on information and data taken from the publicly available consolidated financial statements of the major players.

In the helicopters sector, Leonardo's operations are carried out through the Helicopter division. This division also includes the activities of the fully owned Polish company PZL-Swidnik and the Swiss company Kopter.

The Leonardo Helicopter division operates through main plants located in Italy - Vergiate (VA), Cascina Costa (VA), Sesto Calende (VA), Anagni (FR), Frosinone, Benevento, Brindisi, in the United Kingdom (Yeovil), in the United States (Philadelphia, PA), in Poland (Swidnik) and in Switzerland (Wetzikon). These facilities are organised according to a network organisation model, through which Leonardo strives to make each plant a specialised centre of excellence with a specific functional focus.

Helicopter division

Leonardo has full control of the technology and expertise necessary to perform the whole helicopter development and production cycle, starting from feasibility analysis and identification of operational requirements to designing and manufacturing of transmissions, rotors, blades, metal and composite material structures and avionics, final assembly, systems integration, "missionisation", and product support and training activities.

Leonardo's main civil products include: the AW119 Kx (the first light single engine-executive and private transport), the AW109 Power (light twin - multirole, in particular the Grand New variant aim to VIP/Corporate market), the AW169 (a versatile multirole light intermediate), the AW139 (multirole new generation - intermediate twin, best-seller in its category worldwide) and the AW189 (multirole new generation - medium twin). The AW609, an innovative Tilt-rotor aircraft that combines vertical take-off and landing with the speed, range and comfort of a fixed wing aircraft, is under development, with certification envisaged in the short run. The AW609 is expected to be the world first tilt-rotor to get civil certification and to enter the civil and government market.

In addition, the new innovative single engine development, AW09, has been added to the portfolio, ready to market post Kopter acquisition. Leonardo's main military products include: the AW109 TrekkerM (multi-role, light twin), the AW139M (multi-role, CSAR - intermediate twin) and the AW101 (medium/heavy, three engines helicopter - naval, transport, utility, CSAR and VVIP transport role), among the specialized platforms the AW159 Wildcat (twin - naval, light utility). Leonardo is also participating in the European NH90 transport and naval helicopter programme with Airbus Helicopter and Fokker GKN. The AW129D is a combat helicopter in service with the Italian army, the T129 is in service with the Turkish armed forces and the AW249 is the only new combat helicopter currently under development. The most recent developed products are the AW169M (multirole) and AW149 (twin turbines - tactical transport, CSAR).

Leonardo is also developing significant capabilities in rotorcraft uncrewed and optionally piloted helicopters (RUAV/OPV) with the programme Hero (RUAV) and the demonstrator SW4-SOLO (RUAV/OPV). With its product family approach (AW139, AW169, AW189), Leonardo is the first OEM (Original Equipment Manufacturer) to have developed a distinctive common architecture based on the same design principles while pursuing a dual philosophy to develop technologies which can have both civil and military applications.

With respect to customer support activities, Leonardo is continually developing its services and advanced solutions in line with customer needs. Leonardo's "Service Excellence Project", aiming at optimizing the delivery of spare parts and repairs, improves communication with customers and achieves the high standards of support throughout the service centre network which includes more than 100 Customer Support Centres in five continents. For military customers, Leonardo offers the Integrated Operational Support ("IOS") approach for different platforms. IOS is the "turn-key" solution of this division that includes comprehensive technical support services, supply of spare parts, repairs and overhaul. IOS represents a core element of the strategic partnership between Leonardo and the U.K. Ministry of Defence and is being adopted by customers internationally.

Moreover, Leonardo is a world leading provider of professional training services, systems and solutions to a global customer base, in terms of completeness of its portfolio and international commercial footprint[8]. Leonardo is committed to a training policy that enables customers to make the most effective

[8] Source: Leonardo internal analysis based on information and data taken from the publicly available consolidated financial statements of the major players.

use of its helicopters.

Strategy

Leonardo considers rotorcraft as one of its core activities and intends to:

- confirm record-level orders and accelerate backlog conversion to revenue by

  (i) optimizing industrial model by scaling industrial capacity (more standardization of configurations) and improving industrialization process (digitalization and supply chain). In this regard, the key achievements until the date of this Base Prospectus have been the launch of Leonardo logistic network program to enhance customer proximity and unlock new opportunities and the streamlined operations through digital in manufacturing execution, assets tracking, integrated data management; and

  (ii) reinforcing product portfolio, both services and platforms: AW09, Smart Helicopter (connectivity and autonomous capabilities), and generational upgrades (AW family);

- become the global civil market leader and a military key player leveraging cutting-edge products and strategic partnerships:

  (i) pioneering and developing cutting-edge technologies and products exploring international cooperations for future global markets. In this regard, the key achievements until now have been: Digital Twin and Virtual Sensors adoption for flight ops optimization and new design approach, AI-based Digital Services entry into service with prognostic capabilities; and

  (ii) exploring international cooperations for future global markets.

Defence Electronics & Security

Overview

Leonardo is a leading global player that designs, develops and manufactures advanced Defence and Security multi-domain solutions, ranging from "Tier 1" (provider of complete systems) to "Tier 4" (provider of apparatuses).

It participates in the main national strategic programmes and in major international programmes, and is a technology partner of Governments, Defence Authorities, Institutions, and Enterprises.

As of today the sector is structured as follows: Electronics division and the activities of the U.S. subsidiary Leonardo DRS, the participation in Elettronica S.p.A., Larimart S.p.A., Hensoldt and the joint venture MBDA.

Electronics division

The Electronics Division has been reorganised in four business areas – Airborne Business, Land & Sea Business, Defence Business, UK Business - to respond appropriately to technological and competitive challenges, align the organisational model to the main players in the market and provide a unified, consistent process of strategic development.

Airborne Business, Land & Sea Business and UK Business

The Electronics Division designs, develops and supplies state-of-the-art complex electronic - sensors, sub-systems and systems - for all types of platforms and for both military and civil applications. Its major external customers include: Eurofighter consortium (incl. Airbus and BAE System), SAAB and Fincantieri S.p.A..

The offering provides sensing, communications, navigation, platform protection and mission management capabilities that include:

- integrated mission systems (such as ATOS-Airborne Tactical Observation and Surveillance, for manned and uncrewed platforms);

- airborne, land and naval surveillance and fire control radar (such as the multi-mode Captor, Osprey, Seaspray, Gabbiano, KRONOS family, TMMR);
- electro-optic sub-systems (such as LEOSS, Lothar, Colibrì/Minicolibrì, Pirate, Skyward IRST, and high power lasers used in targeting systems on combat aircraft);
- electronic warfare systems (such as the Praetorian system for Typhoon, the Sky Guardian family of radar warning systems, DIRCM and decoys);
- on-board avionics and CNI (including systems for civil and dual-use aircraft); and
- communication systems.

The capabilities can be integrated to provide ISR & ISTAR solutions (Intelligence, Surveillance, Target Acquisition & Reconnaissance). These are based on open architecture solutions capable of operating on any platform and with other on-board equipment. This ensures effective situational awareness and interoperability between operational assets.

The deep understanding of technology and operational use of the sector's capabilities is used to design training and support solutions that are tailored to the needs of customers. These solutions range from traditional spares and repairs to full service solutions and also include: development of CONOPS, pilot and operator training, aircraft integration and service.

The division designs, develops and manufactures land and naval systems solutions providing information superiority, situational awareness, command and control capability, weapon systems management and network communications to armed forces.

The offering includes integrated systems as well as stand-alone products and components. Primary products and systems are supported through Integrated Logistics Services and Solutions.

In the air defence, domain the division has a wide offering of sensors, ranging from traditional RAT-31 fixed and mobile long-range Radars with ATBM capabilities to the electronically scanned radar CAPTOR-E that is the future primary sensor on Eurofighter Typhoon and has a full suite of Air-to-Air and Air-to-Surface modes, as well as the relevant communication and command and control centres.

In the land domain, the offer includes capability for battlespace management, control and digitisation, through "C4I" (Command, Control, Communications, Computer, Intelligence) tactical and strategic systems, as well as border and territory control force protection solutions (FOB). In this domain Leonardo is the leading supplier and integrator of ForzaNEC, a nation-wide digitisation program for army brigade operations and battlespace management, which includes Command & Control Centers, Communication infrastructure, Radios and Optronics for vehicle and soldier systems.

In the naval domain, the division plays the role of Combat System Integrator, for combatant, patrol and support vessels, and is primary suppliers of Combat Management Systems. This division product portfolio includes all key naval electronic solutions: AESA C-X-L band multifunctional radars (KRONOS), dual band fire control radar (NA30S MK2), Optronic Sensors (Medusa Mk4/B and Naval IRST systems) and Integrated Communications Systems (ICS). All these products are integrated in Leonardo's Combat Management System (ATHENA) aimed at providing effective surveillance and reaction capabilities.

In this sector, Leonardo provides technologies and solutions for air and vessel traffic management and control aimed at achieving a faster, more efficient, and safer circulation, enabling operators to control the flow of people and goods.

The Division also develops C-UAS, to respond to threats of low, slow and small uncrewed air systems, undetectable by conventional air surveillance equipment.

Defence Business

The division designs, develops and produces weapon systems in the fields of artillery, ammunition that include:

- naval gun systems of small, medium and large calibres sold to 58 navies throughout the world;

- land turrets, ranging from small to large calibres, to be installed on tracked and wheeled vehicles;
- special ammunition, extended range and guided long range of various calibres for land and naval applications and conventional ammunition for naval applications; and
- armaments for military helicopters and aircraft.

In this sector, and through a consortium with IVECO DV, named Consorzio IVECO OTO Melara (CIO), Leonardo develops and produces tracked and wheeled armoured vehicles (i.e. VBM Freccia and Centauro II).

Leonardo is not involved in the development, production, sale and testing of cluster bombs, anti-personnel mines (APM) or land mines.

Strategy

Leonardo intends to:

- become a global player with European leadership and a distinctive US presence by rationalizing portfolio and increasing competitiveness. In this regard, the key achievements until the date of this Base Prospectus have been the completion of the sale of LoB Underwater Armaments & Systems (UAS) to Fincantieri S.p.A., the set-up of "Multi-Domain Innovation Hub" and Italian Army Working Group and the launch of Leonardo logistic network program to increase customer support and commercial opportunities;
- become a catalyst for European cooperation, expanding the international reach (i) through a wider access to the European market (AIR (GCAP): signed JV agreement with BAE Systems and Mitsubishi Heavy Industries), (ii) contributing to the Land Defense European space based on armoured vehicles (also thanks to the newly established Leonardo-Rheinmetall Military Vehicles) and (iii) enhancing market positioning in Naval Combat Systems.

Leonardo DRS

Leonardo DRS, a U.S. based subsidiary, under a proxy regime, is a leading supplier of integrated products, services and support to military forces, intelligence agencies and prime defence contractors worldwide. Leonardo DRS, considering its knowhow and capabilities, is a market leader in thermal devices, power systems and marine propulsion, tactical communication solutions, electronic sensor systems and support services and integrated logistics[9]. Leonardo DRS product range is aimed at meeting customer needs in the aeronautical, land and naval sectors. Leonardo DRS has a highly qualified workforce operating from various facilities in the United States and Canada, in addition to those used in the support of customers around the world.

During the last few years Leonardo DRS has undertaken a path of focusing on its core business, also through the following industrial operations:

- in 2021 Leonardo DRS acquired Ascendant Engineering Solutions (AES), one of the world's most advanced gimbal producers and during the first quarterly 2022 has signed a definitive agreement to sell its Global Enterprise Solutions (GES) business to SES S.A.;
- on 22 March 2022 Leonardo DRS signed a binding agreement to sell its Global Enterprise Solutions (GES) business to SES S.A. GES is the largest provider of commercial satellite communications for the US government and offers mission-critical communications and global-class security solutions. The closing of the transaction occurred on 1 August 2022;
- on 26 April 2022 Leonardo DRS signed an agreement to sell its investment in the Advanced Acoustic Concepts (AAC) Joint Venture to TDSI, a subsidiary of the French company Thales, thus marking a further step in the process of refocusing DRS' business portfolio. The US company AAC is active in the sector of advanced sonar, training and knowledge management systems. The company works with the US Navy as a contractor in the US sector, providing innovative

[9] Source: Leonardo internal analysis based on information and data taken from the publicly available consolidated financial statements of the major players.

systems and solutions in the underwater sensor domain. The closing of the transaction occurred on 27 July 2022;

- on 29 November 2022 Leonardo announced the completion of the merger between Leonardo DRS and RADA. Leonardo continues to hold an 80.5% stake (fully diluted) in Leonardo DRS, through the US subsidiary Leonardo US Holding, while the remaining 19.5% is in the hands of the present shareholders of RADA. The shares of Leonardo DRS were listed on NASDAQ and the TASE with the symbol "DRS" as from the start of trading operations on NASDAQ on 29 November 2022 and on the TASE on 30 November 2022;
- on 27 September 2023, Leonardo DRS announced and then voluntarily withdrew its ordinary shares from the TASE. Under Israeli law, this transaction took effect three months after the company's request. During the transitory period, the ordinary shares of Leonardo DRS continued to be traded on the TASE. This transaction did not affect Leonardo DRS listing on NASDAQ under the Leonardo DRS symbol and all the ordinary shares traded on the TASE were transferred to NASDAQ. Furthermore, this transaction had no impact on the commitment of Leonardo and Leonardo DRS to the Israeli market or any transaction in the country. The Company continued to file public reports and to public information in compliance with the regulations of the US Securities and Exchange Commission and NASDAQ; and
- on 21 November 2023, Leonardo finalised, through the subholding Leonardo US Holding, the sale on the US market of a parcel of shares in Leonardo DRS. As a result of this transaction, Leonardo retained – through Leonardo US Holding – full ownership of a quota of 80.2% in Leonardo DRS, with the former shareholders of RADA owning the remaining stock. From the closing of the merger with RADA up to the launch date of the secondary offering in the USA, the DRS share price recorded significant growth. Against this backdrop, on 15 November 2023 Leonardo announced the launch of secondary offering in the United States by Leonardo US Holding of a minority stake of 16,500,000 (6.3%) of common stock of Leonardo DRS, granting the underwriters a 30-day option to purchase up to an additional 2,475,000 shares (equal to 15% of the offered shares). The transaction was completed on 22 November 2023 with the sale of 20,700,000 ordinary shares of Leonardo DRS, at a price of USD 17.75 per share. The amount of the shares sold includes the sale of 18,000,000 ordinary shares (increased vis-à-vis the initial offering) and of an additional 2,700,000 shares (equal to 15% of the above-mentioned 18,000,000 shares) subject to the exercise in full by the underwriter banks of their option to purchase the shares. The shares sold, which represent approximately 7.9% of the ordinary shares issued by Leonardo DRS at the date of the transaction, brought Leonardo US Holding proceeds equal to about 352 M$, after transaction costs. The proceeds from such transaction enable Leonardo to increase its financial flexibility for investments and acquisitions and to maintain at the same time a solid financial structure and a significant industrial and commercial footprint in the US Defense business.

Hensoldt AG

Hensoldt (22.8 per cent owned by Leonardo) is a pioneer of technology and innovation for defence and security electronics. Based in Taufkirchen near Munich, the company is a German champion in the defence industry with a leading position in Europe and a global reach. Hensoldt develops innovative and customer-specific solutions in the fields of radar, electronic warfare, avionics and optronics and is also continuously expanding its Cyber portfolio and developing new products to combat a wide range of threats based on innovative approaches to data management, robotics and cybersecurity.

MBDA

MBDA (37.5 per cent owned by BAE Systems, 37.5 per cent by Airbus Group and 25 per cent by Leonardo) is a world leader in missiles and missile systems, capable of designing and producing products that meet the full range of operational needs worldwide, such as the MARTE medium range anti-ship missile family and the METEOR Beyond Visual Range air-to-air missile, meant to meet the requirements of six European nations for future air combat scenarios and capable of being integrated on Europe’s major fighter platforms (Eurofighter Typhoon, Gripen, Rafale).

Cyber & Security solutions

Overview

Leonardo offers innovative solutions that increase the efficiency and resilience of public and private organizations and critical infrastructures, improving the security and safety of the economic and social environments. In the current environment, new digital technologies are key to global security, playing a fundamental role in protecting against growing threats, which are less traditional and more hybrid, and the progressive hyperconnection of systems.

Cyber & Security solutions division

Cyber & Security solutions division protects institutions, enterprises and citizens, guaranteeing the security of digital ecosystems and the resilience of strategic assets through services for the secure digitalisation of processes, infrastructure and applications, technologies and solutions for mission and business critical communications, as well as systems and platforms for constantly monitoring and responding to both physical and cyber threats. In particular, through this division Leonardo provides:

- **cyber security & resilience** – services and platforms that guarantee the monitoring and predictive, proactive protection of strategic data and assets. Architectures and systems secure-by-design, artificial intelligence and big data, virtualisation and supercomputing techniques play a central role in detecting and analysing cyber threats, as well as in responding to and resolving cyber attacks. Cyber defence training solutions enable the continuous training of cyber security operators;

- **critical communications** – mission-critical and business-critical communication solutions to monitor and protect critical infrastructure, cities and territory, manage public security and emergency response operations. Networks and systems that use a wide technological spectrum, from narrowband to broadband, also using hybrid networks to ensure the coexistence and interoperability of conventional and more innovative systems;

- **digitalisation** – services support the creation of secure-by-design architecture and the migration to the cloud to enhance the information assets of governments, institutions, public Administrations and enterprises. The services enable the digitalisation, optimisation, simplification and management of operational processes and procedures, guaranteeing optimal data protection and the use of data in interoperable systems; and

- **global monitoring systems** – improve situational awareness, operational efficiency and support to operators in decision-making, and guarantee safety and quality of services for people, critical infrastructure, transports and territories. Solutions designed and built to meet specific needs, which ensure the acquisition and coherent integration of information from diverse sources, the exploitation and sharing of data and the use of innovative technologies, combining operational requirements, safety and sustainability.

Strategy

In the Cyber & Security solutions division, Leonardo intends to be an European key player in cyber security & resilience, secure digital platforms and mission critical communications focused on defense, space, and national strategic organizations by:

- rationalizing and focalizing the existing product portfolio. In this regard, the key achievements have been (i) a strong commercial performance driven by a distinctive offering in core markets (cyber & digital for defence, data valorization and secure cloud for strategic Government (Italy), data intelligence for public safety) and (ii) relaunched mission critical communication, also boosting MCX opportunities across Europe and other export markets;

- becoming market reference for “cyber secure by design” for products such as radars, helicopters, aircraft, and provide final customers with solutions and services for full lifecycle protection; and

- accelerating growth acquiring key technologies and accessing selected geographical markets through M&A and strategic partnerships. In this regard, the key achievement has been the

cooperation with selected European innovators in key technologies. e.g. strategic partnership with Arbit (DK) for cross-domain development.

Aircraft

Overview

Leonardo is Italy's primary, and amongst the world's major players in terms of revenues, in this sector with its advanced know-how in design, development, manufacturing, maintenance and overhaul services for military and civil aircraft, training systems, and remote-control piloting systems[10]. These capabilities are flanked by integrated logistic support activities performed in various scenarios during the entire aircraft life cycle.

Leonardo's latest generation aircraft respond to the demands of today's complex operating scenarios. High-performance platforms, the result of know-how and experience gained in over a century of history, participating in the most important international cooperation programmes

Leonardo and its joint ventures operate in the aircraft sector through several production facilities in Italy - Turin, Caselle (TO), Cameri (NO), Venegono Superiore (VA), Tessera (VE), Pomigliano d'Arco (NA), Decimomannu (CA), Foggia (FG). Each facility has a specific functional focus in the overall organisational structure of the sector.

Aircraft division

Leonardo is engaged in the design, development, production and logistics support for fighters, trainers (with related integrated systems for pilots and ground personnel training), multi-mission tactical transport aircraft, multi-mission surveillance aircraft, uncrewed aerial systems (UAS), as well as the production of engine nacelles.

In the training segment, the Aircraft division offers a range of aircraft that cover large phases of the military pilot training syllabus. The M-345 is a jet aircraft designed for basic through to advanced training of military pilots, equipped with modern avionics and characterised by operating costs comparable to those of a high-powered turboprop trainer. Starting from M-346 advanced trainer, the division offers a family of advanced jet trainer & light combat aircraft: the M-346 is a jet aircraft optimised for advanced military pilot training, offering a broad range of training capabilities combined with long-term reliability; the M-346 Fighter Attack, a 'light combat' version that preserves all of the M-346's training capabilities with the addition of latest generation equipment and sensors, enabling it to perform close air support missions and defence of territory. The modern concept of training is not limited to aircraft, but extends to a complete range of ground-based training and learning systems. Leonardo Aircraft Division offers a fully integrated Ground Based Training System (GBTS), full Embedded Tactical Training Simulation (ETTS) suite and Aircraft Operational Training, pilot and maintenance training courses that enable operators to use their aircraft in the most effective way, also through full-service business model as International Flight Training School (IFTS).

In the multi-mission transport and surveillance aircraft segment, the division produces advanced aircraft such as the C-27J Spartan and its evolved version C-27J Next Generation for even greater versatility and mission flexibility; its special mission variants MC-27J (comprehensive ISR/ISTAR platform) and FWSAR (Search and rescue activity), the ATR 42/72 MP (Maritime Patrol) and the ATR 72 ASW, a multirole anti-submarine warfare aircraft built from the platform of the modern ATR 72-600 regional turboprop.

In the uncrewed systems, the division, in partnership with Baykar, develops and manufactures advanced UAV platforms and Mirach aerial targets family.

The Aircraft division plays a key role in international collaborations, including:

- the Eurofighter Typhoon, advanced air defence and superiority fighter with multirole capabilities; the Typhoon stems from a collaborative project between Italy, the United Kingdom, Germany and

[10] Source: Leonardo internal analysis based on information and data taken from the publicly available consolidated financial statements of the major players.

Spain, which translates into an industrial participation of the Leonardo Aircraft division (with a 21 per cent share which raises to 36 per cent with the involvement of the Electronics division);

- the Lockheed Martin F-35 Lightning II, the only US-designed new generation combat aircraft currently in production. Italy is a Tier II partner in the programme, which the Italian Air Force and Navy have selected to recapitalize their tactical units. The Aircraft division is engaged in the production of wing assemblies, Final Assembly and Check-Out (FACO) line in Italy (Cameri), which is the first final assembly site outside the United States, and has been selected as the European regional MRO&U Hub, responsible for airframe maintenance for all F-35 partner nation aircrafts operating in the EMEA theatre;

- the EURODRONE, a joint European programme to answer future heavy class UAS requirements supporting ISTAR (Intelligence, Surveillance, Target Acquisition and Reconnaissance) missions, both wide area and in-theatre. The initiative has been launched by Airbus D&S, Leonardo and Dassault Aviation backed by the governments of France, Germany, Spain and Italy. The European MALE RPAS will be the first UAS designed for flight in non-segregated airspace; and

- the GCAP (Global Air Combat Programme), which involves Italy, UK and Japan and aims to develop a sixth-generation fighter as a key element of a "System of Systems" operating in multi-domain scenarios, to be operational by 2035.

Strategy

In the Aircraft sector, Leonardo intends to:

– secure, in the short-term, orders for sustainable growth and boost the high-margin service business. In this regard, the key achievements have been (i) new contracts award for Eurofighter aircraft (Italy, Spain), logistics service (e.g., Kuwait) and enhancement (P4E) and long-term evolution, (ii) the selection of M-346 for Italian Aerobatic Team and the launch of Block 20 capability evolution, (iii) the qualification and delivery of M-345, the award of UAV Astore contract and the acquisition of the customer for the C-27J Fire Fighting launch, (iv) IFTS with 12 international users (+50%), 120th graduation, cadets slot fully booked, capacity increase and digital plan, and (v) Leonardo logistic network program and digitalization to increase customer support and commercial opportunities; and

– become, in the medium-term, a leading player in major cooperative international programs by (i) securing a key role in GCAP through the GCAP JV agreement for development and delivery of Core Platform with balanced distinctive roles and activities (flight & mission segments, manufacturing & logistics) and (ii) nurturing strategic industrial partnerships (M-346 consolidated partnerships (US / Textron, Japan / MHI) to increase worldwide penetration).

Aerostructures

Overview

Leonardo has a key role in the segment of commercial fixed-wing aircraft and in the supply of complex aerostructures both in traditional materials (aluminium alloy) and in advanced materials (composites and hybrid).

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 of both composite materials and conventional metal for commercial and military aircraft, helicopters and uncrewed aircraft.

In the regional transport segment, Leonardo operates through **GIE ATR**, a consortium with Airbus, engaged with the best-selling regional turboprop aircraft. Leonardo operates in the aerostructures sector through several production facilities in Italy -, Pomigliano D'Arco (NA), Grottaglie (TA), Nola (NA), Foggia (FG).

Aerostructures division

The Leonardo Aerostructures division is a valued partner of major civil aircraft programmes in Europe and in the US and is one of the top global players in the aerostructures market in terms of revenues and

leader in fabrication and assembly of fuselages and empennages considering the relevance of programs in which it is involved[11].

From the ATR 42 and ATR 72 series (ATR Family) - the market leader for the regional turboprop for numbers of aircraft sold worldwide[12] -, to the Boeing 787 "Dreamliner" - the first program in commercial aviation history with majority of primary structure made of composite materials CFRP (Carbon Fiber Reinforced Plastic) -, and finally the Airbus A220 - one of the best-selling aircraft in the single aisle segment -, the Aerostructures division brings the ability to design, build, test and integrate large structural components in composite and traditional material to support any aeronautic programme.

The advanced automated technology of large structural components in composite materials represents a competitive advantage of the Aerostructures division for large co-cured structures, for example as partner in the Boeing 787 program with a key role in development, design and manufacturing of this program innovative structures: centre fuselage sections 44 & 46 and horizontal stabilizer. For ATR family, including brand new versions ATR 72–600F and ATR 42–600S, Leonardo Aerostructures division is responsible for fuselage (metallic structures) and empennages (integrated CFRP structures) including systems and testing integration of each component. Leonardo Aerostructures division is also involved, since its beginning in 1978, in the Boeing 767 Program; its responsibility includes certification, industrialization and fabrication/assembly of all movable parts of the wings (ailerons, slats, spoilers), the wing tip and the empennages (vertical fin, rudder, elevators). Leonardo Aerostructures division was involved in the co-development of the A321 fuselage section 14A, including design responsibility since 1991, then introducing with the A321 the concept of determinate assembly and automated riveting. The structural components of section 14A are in light alloy almost entirely produced and assembled in Nola plant.

Leonardo Aerostructures division also supplies the A220 Vertical and Horizontal Tails with responsibility for design, development, testing, qualification, certification, production and in service support.

Strategy

In the Aerostructures sector, Leonardo intends to:

- challenge business context due to prolonged gap between workload and industrial capacity, compounded by high inflationary pressure. Developed and launched new “stand-alone” industrial plan including multiple improvement levers such as business diversification, revision of make / buy policy, enhancement of industrial efficiency and supply chain restructuring; and

- select an investment / industrial partner, which will support the industrial plan implementation, pursue increase of volumes in the civil and military sector, facilitate business diversification and enable additional cost efficiencies and industrial synergies. The ultimate goal of the partnership is to create a global player in the Aerostructures sector, capable of competing in the new post-COVID competitive landscape.

Space

Overview

The Space sector is of supreme importance, both in the civil and in the defence segment. With regard to the civil aviation segment, space technology enables the ongoing monitoring of the planet's resources, both natural and artificial, in addition to offering connectivity and localisation solutions in remote areas, thus ensuring access to basic services for communities and connecting activities and citizens. In the military aviation segment, the space domain is assuming an increasingly important role in ensuring the protection of national interests and security. The space market is divided between upstream (*i.e.*, manufacturing of space and ground-based systems), midstream (*i.e.*, manufacturing of launch systems

[11] Source: Leonardo internal analysis based on information and data taken from the publicly available consolidated financial statements of the major players.

[12] Source: Leonardo internal analysis based on information and data taken from the publicly available consolidated financial statements of the major players.

and services, satellite operations services) and downstream (*i.e.*, end-user services, including communication, geoinformation, navigation and related infrastructure) activities.

Leonardo develops and manufactures essential components of space systems, such as electro-optical payloads for earth observation and planetary exploration (e.g. COSMO SkyMed, PRISMA, Aeolus, FLEX, ExoMars, Euclid, Juice, VIGIL IRIDE), as well as altitude sensors and atomic clocks, which are required for satellite navigation systems (e.g. Galileo), robotic systems (e.g. driller and robotic arms), in addition to various equipment used in the most important missions of the world's leading space agencies. Furthermore, Leonardo also operates in the sector through the Space Alliance with Thales, with its subsidiary Telespazio and the Thales Alenia Space JV, as well as with its investment in Avio. Specifically, Telespazio offers a wide range of services and solutions in the main operational domains of the space market – from the design and development of ground systems to the operation of satellite launch and in-orbit control services, from communications to navigation, from Earth observation to space exploration. These services support the company in several activities: from secure communications to emergency management, and logistics, from monitoring fleets to monitoring critical infrastructure and hazardous sites, from precision agriculture to civil protection, from the prevention of hydrogeological instability and support in caring for architectural sites to monitoring natural resources and pollution. Thales Alenia Space is a leading European player in the field of space systems manufacturing and integration, offering design and integration of telecommunication, earth observation and navigation satellites, as well as solutions recognised as European and international excellence in the field of exploration. Finally, Avio is active in the launch systems sector, offering both complete solutions for access to space in low orbit and propulsion systems for major European launch systems, as well as solutions and components for satellite propulsion.

Strategy

Leonardo new Space Division aims to catalyse Group capabilities and offer E2E solutions by (i) using of advanced digital analytics, new business models and satellite-services to address, by 2030, untapped opportunities in the growing space market (~7%); (ii) addressing military / governmental E2E solutions expected to generate momentum due to the relevance of space layer for defence & intelligence, as well as in the multi-domain environment; and (iii) updating Space Alliance, that covers nearly all the space value chain, in order to capture new opportunities.

LITIGATION

Judicial investigations and criminal proceedings

Leonardo, certain companies of the Group and certain former/current directors, managers and employees of the Leonardo Group have been involved in certain judicial investigations and criminal proceedings as a suspect or as a defendant or – with reference to the companies – as the person liable for any civil action filed by the victim of crime for damages suffered as a result of the alleged conduct of former officers or employees of the Leonardo Group. With respect to pending criminal proceedings against individuals, certain companies of the Group have filed a civil action in certain criminal proceedings in order to claim for damages suffered as a result of the alleged conduct of their former managers, officers and employees.

For information related to the criminal proceedings that are currently underway against Group companies or Leonardo itself, as well as certain former directors and executives, concerning acts committed during the performance of their duties at Group companies or at Leonardo itself, where the companies are involved as suspect or defendant or – with reference to the companies – civilly liable, see section No. 22 of the explanatory notes headed "Provisions for Risks and Charges and Contingent Liabilities" of the Leonardo audited integrated annual financial statements for the year ended on 31 December 2023 and No. 22 of the explanatory notes headed "Provisions for Risks and Charges and Contingent Liabilities" of the Leonardo audited integrated annual report for the year ended on 31 December 2024 and the paragraph headed "*Contingent liabilities*" of the section of the interim results of Leonardo at 31 March 2025 entitled "*Explanatory notes*", all incorporated by reference into this Base Prospectus.

Any negative developments - which cannot be foreseen, nor determined to date - arising from any internal investigations or judicial investigations being conducted, will be subject to ongoing assessment for the purposes of provisions (if any).

Civil, administrative and tax proceedings

The Leonardo Group operates in industries and markets where many disputes, both as petitioner and plaintiff, are settled only after a considerable period of time, especially in cases where the customer is a government entity. Pursuant to the IFRSs, provisions have only been set aside for risks that are deemed probable and for which the amount can be determined. No specific provisions have been set aside for certain disputes in which the Group is defendant as these disputes are reasonably expected to be settled, based on current knowledge, satisfactorily and without significantly impacting the Group. Of particular note are the proceedings described under section No. 22 of the explanatory notes headed "*Provisions for Risks and Charges and Contingent Liabilities"* of the Leonardo audited integrated annual report for the year ended on 31 December 2024 and the paragraph headed "*Contingent liabilities*" of the section of the interim results of Leonardo at 31 March 2025 entitled "*Explanatory notes*", both incorporated by reference into this Base Prospectus. Furthermore, with respect to the AW169 helicopter crash that occurred near King Power Stadium in Leicester City on 27 October 2018, following the public announcement referred to in section No. 22 of the explanatory notes headed "*Provisions for Risks and Charges and Contingent Liabilities*" of the Leonardo audited integrated annual report for the year ended on 31 December 2024, the writ of summons has been served to Leonardo in the second half of May 2025.

Disputes on existing contracts

Moreover, given the nature of the Group's customers as well as the complexity and the cutting-edge technological content of the contracts entered into by the companies belonging to the Group, the Group's long-term contracts are sometimes affected by disputes with customers in relation to compliance of works with customers' requests and product performance. The Group adjusts the estimated contract costs for foreseeable issues, including taking into account the possible developments in the relevant disputes. For information related to the most significant existing contracts affected by uncertainties and issues under discussion with customers, see section No. 22 of the explanatory notes headed "Provisions for Risks and Charges and Contingent Liabilities" of the Leonardo audited integrated annual report for the year ended on 31 December 2024 and the paragraph headed "*Contingent liabilities*" of the section of the interim results of Leonardo at 31 March 2025 entitled "*Explanatory notes*", both incorporated by reference into this Base Prospectus.

CORPORATE GOVERNANCE

Corporate governance rules for listed Italian companies, such as Leonardo whose shares are listed on the Italian Stock Exchange, are provided in the Italian Civil Code, in the Consolidated Law on Financial Intermediation (Legislative Decree No. 58/1998, hereinafter "**CLFI**"), in the CONSOB Regulation (mainly Regulation No. 11971 of 14 May 1999, as amended from time to time), and in the voluntary code of corporate governance issued by the Italian Corporate Governance Committee (set up by issuers and investors associations, as well as Borsa Italiana S.p.A.), as published in January 2020[13] (the "**Corporate Governance Code**"), to which Leonardo adheres.

Leonardo has adopted the Italian traditional system of corporate governance, based on an organisational model involving a shareholders' meeting, a board of directors, a board of statutory auditors and independent auditors.

Pursuant to its by-laws, the management of Leonardo is entrusted to a collegial body made up of at least eight and no more than twelve members (including the independent directors in accordance with applicable laws and regulations) appointed by the shareholders' meeting (collectively the "**Board of Directors**", each a "**Director**").

Directors are appointed at the shareholders' meeting for the period established at such shareholders' meeting, which shall not exceed three financial years; directors can be re-eligible for office pursuant to art. 2383 of the Italian civil code. The by-laws of Leonardo, as required by law, provide for a voting list system for the appointment of all members of the Board of Directors.

[13] On 31 January 2020, the Italian Corporate Governance Committee has issued a new Corporate Governance Code entered into force from the financial year 2021. Issuers listed on the Italian Stock Exchange who decided to adhere the new Code – such as Leonardo – have given notice to the market within the Report on Corporate Governance and the Ownership Structure published during the 2022.

The Board of Directors is vested with the broadest powers for the ordinary and extraordinary administration of the Issuer, with the authority, in particular, to perform any act it considers appropriate to carry out and attain the corporate purpose, except for those acts reserved by law or by the by-laws to the shareholders' meeting. In addition, Leonardo's by-laws vest the Board of Directors with the power to, *inter alia*, resolve upon the following matters: (a) the merger or demerger of the Issuer in the cases provided by law; (b) the creation or closure of secondary establishments; (c) the reduction in share capital in the event of withdrawal of one or more shareholders; (d) the adaptation of the by-laws in order to comply with applicable laws; and (e) the relocation of the Issuer's registered office within the national territory.

Pursuant to Leonardo's by-laws, the board of statutory auditors is composed of five regular auditors and four alternate auditors, each of which shall meet the requirements provided for by applicable law and Leonardo's by-laws (collectively the "**Board of Statutory Auditors**"). All members of the Board of Statutory Auditors are appointed by the shareholders' meeting for three financial years and can be re-elected for the office. The by-laws of Leonardo, as required by law, provide for a voting list system for the appointment of all members of the Board of Statutory Auditors.

The Board of Statutory Auditors has – *inter alia* – the task of monitoring: (a) compliance with the laws and the Issuer's by-laws and observance of the principles of correct administration; (b) the adequacy of the company's organizational structure for matters within the scope of the board's authority, the adequacy of the internal control system and the administrative and accounting system and the reliability of the latter in correctly representing the company's transactions; (c) any procedures for the actual implementation of the corporate governance rules provided for in the Corporate Governance Code to which Leonardo adheres; and (d) the adequacy of the Issuer's instructions given to subsidiaries in order to comply with disclosure obligations prescribed by applicable laws.

For further information on Leonardo's corporate governance system, see the Corporate Governance Report 2025, incorporated by reference in this Base Prospectus and made available to the public also in the Corporate Governance section of the Company's website (www.leonardo.com).

Board of Directors

The current Board of Directors consists of 12 members. The shareholders' meeting of Leonardo held on 9 May 2023 appointed 12 members of the current Board of Directors for the three-year period 2023-2025. The three-year mandate of the current Board of Directors will expire upon the shareholders' meeting convened to approve the financial statements of Leonardo for the financial year ending on 31 December 2025.

The following table sets forth the name, position within Leonardo's Board of Directors and principal activities performed by Directors outside Leonardo where such activities are significant with respect to the Issuer.

Name	Position	Main positions held by Directors outside Leonardo
Stefano Pontecorvo	Chairman	/
Roberto Cingolani	Chief Executive Officer and General Manager	/
Trifone Altieri	Director (*)	/
Giancarlo Ghislanzoni	Director (*)	/
Enrica Giorgetti	Director (*)	/
Dominique Levy	Director (*)	Non-executive Chairman of the Board CDAM
Francesco Macrì	Director (*)	/
Cristina Manara	Director (*)	/
Marcello Sala	Director	Chairman of Nexi Group
Silvia Stefini	Director (*)	Director of Banca Popolare di Sondrio S.p.A.
Elena Vasco	Director (*)	Director of Fiera Milano S.p.A.
Steven Duncan Wood	Director (*)	Non-executive Director of CTT Correios de Portugal SA Non-executive Director MEI Pharma Inc.

(* Independent)Directors who meet the independence requirements prescribed by the law (CLFI) and by the Corporate Governance Code.

The business address of each member of the Board of Directors is Leonardo's registered office at Piazza Monte Grappa 4, 00195 Rome, Italy.

Lead Independent Director

On 23 May 2023, the Board of Directors of Leonardo appointed the Director Giancarlo Ghislanzoni as Lead Independent Director with the task, mainly, of coordinating the requests and contributions coming from non-executive Directors and in particular from the independent Directors, as well as coordinating the meetings of the independent Directors.

Committees

On 23 May 2023, the Board of Directors of Leonardo has established the following internal Committees, confirming the respective tasks to the same previously assigned: (i) the Control and Risks Committee (which also perform duties as Committee for Related Parties Transactions), (ii) the Remuneration Committee, (iii) the Nomination and Governance Committee (these three as provided for in the Corporate Governance Code), as well as (iv) the Sustainability and Innovation Committee. The Committees' composition, duties and operation are established by a resolution of the Board when they are formed and may be afterwards integrated or amended by the same body. In particular, each Committee has specific rules that lay down the procedures for the relevant functioning and the duties assigned to them, approved by the Board of Directors which is also entrusted with the power to integrate or amend them. These rules are in accordance with the guidelines laid down in the Corporate Governance Code.

Senior Management

On 17 March 2025, Leonardo approved the creation of two new General Departments, which would report directly to the CEO with effect from the same date:

- the General Management Business Department to which Mr. Carlo Gualdaroni is in charge as Co-General Manager, with the task of coordinating the Divisions/Business Units in business development activities and overseeing the execution of business programmes;

- the General Management Strategy & Innovation Department to which Mr. Simone Ungaro is in charge as Co-General Manager, with the task of coordinating the Divisions/Business Units in activities relating to Strategy, Innovation and Strategic Alliances.

Accordingly, the Divisions and operating Business Unit report hierarchically to the Chief Executive Officer and functionally to the two Co-General Managers for their areas of competence.

Board of Statutory Auditors

The shareholders' meeting held on 24 May 2024 appointed Leonardo's Board of Statutory Auditors for a period of three financial years; the mandate will expire upon the shareholder's meeting called to approve Leonardo's financial statements for the financial year ending 31 December 2026.

The following table sets forth name and position of the current members of the Board of Statutory Auditors of Leonardo and principal activities performed by the Auditors outside Leonardo where such activities are significant with respect to the Issuer.

Name	Position	Main positions held by Statutory Auditors outside Leonardo
Luca Rossi	Chairman	/
Marco Fazzini	Auditor	/
Giulia Pusterla	Auditor	Member of the board of directors of Risanamento S.p.A.; chairman of the board of statutory auditors of Italgas S.p.A.
Paola Simonelli	Auditor	
Alessandro Zavaglia	Auditor	/
Giuseppe Cerati	Alternate Auditor	Member of the management control committee of Sesa S.p.A.
Fabrizio Pezzani	Alternate Auditor	/
Serenella Rossano	Alternate Auditor	/
Monica Scipione	Alternate Auditor	Chairman of the board of statutory auditors of Edil San Felice S.p.A.

The business address of each member of Leonardo's Board of Statutory Auditors for the purposes of their office is Leonardo's registered office at Piazza Monte Grappa 4, 00195 Rome, Italy.

Conflicts of interest

To the Company's knowledge, there are no potential or existing conflicts of interest between the duties of the members of the Board of Directors and the Board of Statutory Auditors to Leonardo and their private interests and/or other duties.

Shareholders

According to communications provided pursuant to Article 120 of the CLFI, as at the date of this Base Prospectus, the shareholder which owns a significant shareholding of the Leonardo voting capital is the following:

Declarer	Direct shareholder	Type of possession	Percentage of voting capital
Italian Ministry of Economy and Finance	Italian Ministry of Economy and Finance	Owner	30.204% (approximately)
Capital Research and Management Company	Capital Research and Management Company	Discretionary savings management (*Gestione discrezionale del risparmio*)	5.060% (approximately)

EXTERNAL AUDITORS

The shareholders' meeting of Leonardo held on 20 May 2020 resolved upon grounded proposal by the Board of Statutory Auditors to appoint EY S.p.A. ("**EY**") as independent external auditors of Leonardo's financial statements for the financial years from 2021 to 2029 inclusive.

EY is authorised and regulated by the Italian Ministry of Economy and Finance ("**MEF**") and registered on the special register of auditing firms held by the MEF. The registered office of EY is at Via Meravigli, 12, 20123, Milan, Italy. EY's appointment will expire upon the shareholders' meeting convened to approve the integrated annual report of Leonardo for the financial year ending 31 December 2029.

RECENT DEVELOPMENTS

New Aeronautics division established

On 6 May 2025, Leonardo formalised the establishment of its new Aeronautics Division. Stefano Bortoli has been appointed Managing Director of the Division.

The creation of the Aeronautics Division aims to strengthen Leonardo's competitive positioning in the aeronautics sector, both in the military and civil domains, in line with the development path outlined in Leonardo's Industrial Plan.

The Aeronautics Division is expected to enhance the product portfolio and the management of international strategic partnerships across the entire sector. More specifically, its primary objective will be to accelerate the execution of Leonardo's strategies in the fields of aerostructures, fixed-wing aircraft, and the development of the UAS/RPAS (Unmanned Aerial Systems/Remotely Piloted Aircraft Systems) business, reaffirming its role as a key player in the aeronautics industry in Italy, Europe, and globally.

The new Aeronautics Division, which brings together the Group's Aerostructures and Aircraft Divisions, will comprise over 11,000 employees and will drive the development of enabling technologies to support the next generation of multi-domain aeronautical systems.

Approval of the quarterly results at 31 March 2025

On 8 May 2025, the Board of Directors of Leonardo approved the quarterly results as at 31 March 2025, incorporated by reference into this Base Prospectus (see, "*Information incorporated by reference*" above).

Creation of Nuclitalia: Enel, Ansaldo Energia and Leonardo join forces on research on nuclear power

On 14 May 2025, Enel, Ansaldo Energia and Leonardo formalised the establishment of Nuclitalia, a company that will be in charge of studying advanced technologies and analysing market opportunities in the new nuclear sector. The stakes in the capital of Nuclitalia, a limited liability company (in Italian, S.r.l.), are held by Enel (51%), Ansaldo Energia (39%) and Leonardo (10%).

Nuclitalia will be in charge of assessing the most innovative and mature designs of new sustainable nuclear power, with an initial focus on water-cooled Small Modular Reactors (SMRs). The process will include defining specific requirements for the Italian system and selecting the most promising solutions based on in-depth technical-economic analysis. The company will also evaluate opportunities for industrial partnerships and co-design with an approach based on innovation, environmental and economic sustainability, as well as enhancing the skills of the Italian supply chain.

Nuclitalia's shareholders have also defined the corporate offices. The Board of Directors will be composed of seven members and chaired by Ferruccio Resta, former Rector of the Politecnico di Milano. Luca Mastrantonio, Head of Enel's Nuclear Innovation unit, will take on the role of CEO.

The board is completed by five other managers from the shareholder companies, selected on the basis of their strong technical skills as well as major experience. They will make these qualities available to the new company, actively contributing to its growth. In the coming weeks, a technical committee will also be set up with the aim of supporting Nuclitalia's technological analysis activities.

Leonardo shareholders' meeting held on 26 May 2025

On 26 May 2025, the Shareholders' meeting of Leonardo approved, *inter alia*,

(i) the 2024 separate annual financial statements and examined the 2024 consolidated annual financial statements included in the Integrated Annual Report, incorporated by reference into this Base Prospectus (see, "*Information incorporated by reference*" above);

(ii) the proposal of distribution of a dividend of € 0.52 per share, based on the 2024 fiscal year's profits, before any applicable statutory withholding taxes. The dividend will be paid starting from 25 June 2025, with the "ex-dividend" date (coupon no. 15) on 23 June 2025, and the "record date" (the date for determining eligibility to receive the dividend, according to article 83-terdecies of the TUF) on 24 June 2025;

(iii) the proposal to amend the 2024-2026 Long-Term Incentive Plan for the management of the Leonardo Group (approved by the shareholders' meeting on 24 May 2024), aimed at continuing the process of gradually aligning the remuneration of the individuals holding top positions with the market position as well as with the objectives defined in the business plan and the Group's priorities, through an increase in variable remuneration in a pay-for-performance logic;

(iv) the new 2025-2027 Share Ownership Plan, intended for employees of companies belonging to the Leonardo Group based in Italy, Poland, United Kingdom and United States of America. The Plan responds to Leonardo's will and need to equip itself with an employee incentive and loyalty tool aimed at ensuring better alignment between the interests of employees and those of shareholders, as well as increasing the Group's growth;

(v) the request for authorisation to purchase and dispose of treasury shares, within the limits of the distributable profit and available reserves as reported in the most recent approved financial statements, for a maximum amount of shares that can be purchased equal to 600,000 ordinary Leonardo shares (equal to about 0.104% of the share capital), for a period – as to the purchase – of eighteen months from the date of the shareholders' meeting resolution, without time limits as to the disposal of the treasury shares already in the portfolio and those purchased on the basis of the resolution of 26 May 2025;

(vi) the first section of the report on remuneration policy and fees paid, and voted in favor of the second section of the latter; and

(vii) the proposed amendments to certain clauses of Leonardo's articles of association (amendment of Articles 5.1ter, 22.3 and deletion of Article 34) aimed, in addition to a formal refinement of the by-laws, at adapting the governance rules to the Company’s role as a significant player in the field of global security, in line with the business plan.

CONSOLIDATED CAPITALISATION OF LEONARDO

The following table sets out the consolidated capitalisation and indebtedness of Leonardo as at 31 December 2023 and 31 December 2024.

	As at 31 December	
	2023	**2024**
	(audited) *(EUR million)*	
Bonds	1,631	1,029
Bank debt	1,312	1,248
Cash and cash equivalents	(2,407)	(2,556)
Net Bank Debt and Bonds	**536**	**(279)**
Current loans and receivables from related parties	(183)	(330)
Other current loans and receivables	(22)	(22)
Current Loans and Receivables and Securities	**(205)**	**(352)**
Hedging derivatives in respect of debt items	6	3
Other related-party borrowings	1,292	1,724
Lease liabilities	610	641
Other borrowings	84	58
Group Net Debt	**2,323**	**1,795**
Share capital (*)	2,499	2,509
Retained earnings and consolidation reserves	5,301	6,481
Minority Interests	761	1,210
Shareholders' equity	**8,561**	**10,200**
Total capitalisation	**10,884**	**11,995**

(*) Ordinary shares as of 31 December 2024 with a nominal value of EUR 4.40 each. Leonardo's share capital fully subscribed and paid-up is divided into 578,150,395 ordinary shares with a par value of EUR 4.40 each, including 1,712,950 treasury shares.

CONSOLIDATED FINANCIAL AND SUSTAINABILITY INFORMATION RELATING TO LEONARDO

Since 2020 Leonardo has adopted an integrated approach to reporting financial performance and environmental, social and governance (ESG) information, with the aim of offering in a single document a complete, measurable and transparent view of the value generated by the Issuer. The Integrated Annual Report 2024 describes in fact the development strategies of Leonardo, driven by the vision for the next years expressed in the Industrial Plan, and the performance achieved, the way in which the company creates innovative solutions with its supply chain partners and the scientific research ecosystem, operating responsibly in the countries where it is present, and enhancing the value of all its capital, people and expertise, technology and intellectual property, financial resources, industrial assets, relations and partnerships, energy and natural resources.

The Integrated Annual Report 2024 is composed of:

- the **Report on Operations**, which includes the Consolidated Sustainability Statement (CSS) pursuant to Legislative Decree 125/2024, which transposes in Italy the European Directive CSRD (Corporate Sustainability Reporting Directive);
- the **Consolidated Financial Statements**;
- the **Separate Financial Statements** of Leonardo.

Leonardo's decision to adopt an integrated approach has anticipated what is envisaged by the Corporate Sustainability Reporting Directive, which requires companies to publish sustainability disclosures in the Report on Operations starting from reports issued in 2025.

In preparing the Integrated Annual Report 2024, the following have been taken into account: the priorities reported by ESMA (European Securities and Markets Authority) for financial statements prepared according to the International Financial Reporting Standards (IFRS) and for non-financial disclosures, the Integrated Reporting Framework, the standards of the Sustainability Accounting Standards Board (SASB) for the Aerospace & Defence sector, the Sustainable Development Goals (SDGs), the Ten Principles of the UN Global Compact.

Furthermore, in 2024, a selection of indicators (ref. Annex attached to the Report on Operations – Notes to the CSS) was subjected to full examination (reasonable assurance) for the fourth year running, as required by the International Standard on "Assurance Engagements ISAE 3000 (Revised) - Assurance Engagements Other than Audits or Reviews of Historical Financial Information" (hereinafter "ISAE 3000 Revised").

The following tables set out the consolidated income statements for the years ended 31 December 2023 and 2024, the reclassified consolidated statement of financial position as of 31 December 2023 and 2024 and the consolidated group net debt of Leonardo as of 31 December 2023 and 2024, presented in the Leonardo standard format that is in accordance with Leonardo's integrated annual report. The financial information is derived from the audited consolidated financial statements as of and for the year ended 31 December 2024 prepared for Italian legal and statutory purposes in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union, and published in the EU regulations as of the date of the approval of the consolidated financial statements by the Board of Directors of Leonardo. IFRS should be understood as International Financial Reporting Standards, International Accounting Standards, the interpretations of the International Financial Reporting Interpretation Committee (IFRIC) and the interpretations of the Standing Interpretations Committee (SIC).

Consolidated income statement of Leonardo

(EUR million) *(audited)*	**2023**	*of which with related parties*	**2024**	*of which with related parties*
Revenue	15,291	*2,237*	17,763	*2,572*
Other operating income	650	*3*	779	*6*
Purchase and personnel expense	(13,641)	*(1,247)*	(15,747)	*(1,203)*

(audited) *(EUR million)*	**2023**	*of which with related parties*	**2024**	*of which with related parties*
Amortisation, depreciation and financial assets value adjustments	(645)		(777)	
Other operating expenses	(724)	-	(838)	*(1)*
Income before tax and financial expenses	**931**		**1,180**	
Financial income	166	*6*	534	*14*
Financial expenses	(421)	*(46)*	(389)	*(69)*
Share of profits/(losses) of equity-accounted investees	148		121	
Operating profit (loss) before income taxes and discontinued operations	**824**		**1,446**	
Income taxes	(129)		(289)	
Profit (loss) from discontinued operations	-		2	
Net profit/(loss) for the period attributable to:	**695**		**1,159**	
- owners of the parent	*658*		*1,074*	
- non-controlling interests	*37*		*85*	
Earnings/(losses) per share	*1.144*		*1.865*	
- basic and diluted from continuing operations	*1.144*		*1.862*	
- basic and diluted from discontinued operations	*n.a.*		*0.003*	

Reclassified consolidated statement of financial position of Leonardo

	31 December 2023	*(audited)* *(EUR million)*	**31 December 2024**
Non-current assets	14,295		15,469
Non-current liabilities	(2,248)		(2,296)
Capital assets [(1)]	**12,047**		**13,173**
Inventories[(2)]	596		900
Trade receivables	3,685		3,838
Trade payables	(3,268)		(3,763)
Working capital	**1,013**		**975**
Provisions for short-term risks and charges	(1,087)		(1,018)
Other net current assets (liabilities) [(3)]	(1,049)		(1,287)
Net working capital	**(1,123)**		**(1,330)**
Net invested capital	**10,924**		**11,843**
Equity attributable to the Owners of the Parent	7,800		8,990
Equity attributable to non-controlling interests	761		1,210
Equity	**8,561**		**10,200**
Group Net Debt	**2,323**		**1,795**
Net (assets)/liabilities held for sale [(4)]	**40**		**(152)**

Notes to the reconciliation between the reclassified and the statutory statements of financial position:

(1) Includes all non-current assets and all non-current liabilities, excluding "Non-current loans and borrowings".

(2) Includes "Inventories", "Contract Assets" and "Contract Liabilities".

(3) *Includes "Income tax receivables" and "Other current assets" (excluding "Hedging derivatives in respect of debt items"), net of "Income tax payables" and "Other current liabilities" (excluding "Hedging derivatives in respect of debt items").*

(4) *Includes the net amount of "Non-current assets held for sale" and "Liabilities associated with assets held for sale".*

Consolidated group net debt of Leonardo

	As at 31 December	
	2023	**2024**
	(audited) *(EUR million)*	
Bonds	1,631	1,029

Bank debt	1,312	1,248
Cash and cash equivalents	(2,407)	(2,556)
Net Bank Debt and Bonds	**536**	**(279)**
Current loans and receivables from related parties	(183)	(330)
Other current loans and receivables	(22)	(22)
Current Loans and Receivables and securities	**(205)**	**(352)**
Hedging derivatives in respect of debt items	6	3
Other related-party borrowings	1,292	1,724
Lease liabilities	610	641
Other borrowings	84	58
Group Net Debt	**2,323**	**1,795**

The following tables set out the ESG key performance indicators for the years 2023 and 2024.

	Year	
	2023	**2024**
Social		
Workforce (no.)	53,566	60,468
Women on total workforce (%)	19.6	20.3
Employees under 30 on total employees (%)	13.0	15.0
Women in senior managerial positions on total senior managers (%)	15.1	17.7
Hires under 30 on total hires (%)	48.7	50.5
Women hires on total hires (%)	24.5	24.1
Women hires with STEM degree on total hires with STEM degree (%)	22.4	23.2
Injury rate (injuries per 1,000,000 worked hours)	2.03	1.70
Innovation		
Total R&D expenses (€ million)	2,201	2,490
Computing power per capita (Gigaflops on no. of Italian employees)	199	222
Data storage capacity per capita (Gigabyte on no. of Italian employees)	957	1,425
Environmental		
Energy consumption (TJ)	5,311	5,377
Water withdrawals (megaliters)	4,929	4,647
Waste produced (tons)	33,065	32,555
Scope 1 and 2 (market-based) CO_2 emissions (ktons)	251	240
Intensity of consumption of electricity withdrawn from external grid (kWh/€)	0.042	0.038
Scope 1 and 2 CO_2 emissions intensity on revenues (g/€) location based	27.7	22.6
Scope 1 and 2 CO2 emissions intensity on revenues (g/€) market based	16.4	13.5

TAXATION

The following is a general description of certain tax considerations relating to the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in those countries or elsewhere. Prospective purchasers of Notes should consult their own tax and legal advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of those countries. This summary is based upon the law as in effect on the date of this Base Prospectus and is subject to any change in law that may take effect after such date.

Republic of Italy

The following is a general summary of current Italian law and practice relating to certain Italian tax considerations concerning the purchase, the ownership the redemption and the disposal of the Notes. It does not purport to be a complete analysis of all tax considerations that may be relevant to your decision to purchase, own or dispose of the Note, does not purport to deal with the tax consequence applicable to all categories of prospective beneficial owners of Notes, some of which may be subject to special rules.

This summary is based upon tax laws and practice of the Republic of Italy in effect on the date of this Base Prospectus, which are subject to change potentially retroactively. The Issuer will not update this summary to reflect changes in laws and if such a change occurs the information in this summary could become invalid. Changes in the Issuer's organisational structure, tax residence or the manner in which it conducts its business may invalidate this summary. This summary also assumes that each transaction with respect to the Notes is at arm's length.

Where in this summary English terms and expressions are used to refer to Italian concepts, the meaning to be attributed to such terms and expressions shall be the meaning to be attributed to the equivalent Italian concepts under Italian tax law.

Prospective purchasers of Notes should consult their tax and legal advisers as to the overall tax consequences of acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes, including in particular the effect of any state, regional or local tax laws.

1. **Tax Treatment of Notes - General**

   Legislative Decree No. 239 of 1 April 1996 as amended and supplemented ("**Legislative Decree No. 239**") provides for the applicable regime with respect to the tax treatment of interest, premium and other income (including the difference between the redemption amount and the issue price) (hereinafter collectively referred to as "**Interest**") from notes falling within the category of bonds (*obbligazioni*) or debentures similar to bonds (*titoli similari alle obbligazioni*) within the meaning of Article 44 of Presidential Decree No. 917 of 22 December 1986, the Italian Income Consolidated Code ("**TUIR**"), as amended and supplemented, issued, *inter alia*, by companies listed on an Italian regulated market.

   For the above purpose, pursuant to Article 44 of TUIR, debentures similar to bonds are securities that: (i) incorporate an unconditional obligation to pay, at maturity, an amount not lower than their nominal value, (ii) do not grant to the relevant holders any right to directly or indirectly participate to the management of the issuer or of the business in relation to which they are issued or to control the same management and (iii) do not provide for a remuneration which is entirely linked to the profits of the issuer, or other companies belonging to the same group or to the business in respect of which the securities have been issued.

2. **Italian Resident Noteholders**

   In case of Notes qualifying as bonds (*obbligazioni*) or debentures similar to bonds (*titoli similari alle obbligazioni*) held by an Italian resident Noteholder who is beneficial owner of the Notes and is (i) an individual not engaged in an entrepreneurial activity to which the Notes are effectively connected, (unless he has opted for the application of the "*Risparmio Gestito*" regime – see "*Capital Gains*" below) (ii) a non-commercial partnership, pursuant

to Article 5 of the TUIR (with the exception of general partnership, limited partnership and similar entities), (iii) a non-commercial private or public institution or trust (except for a company or Italian resident investment fund), or (iv) an investor exempt from Italian corporate income taxation (in each case, unless the relevant Noteholder has entrusted the management of its financial assets, including the Notes, to an Italian authorised intermediary and has opted for the application of the so-called *Risparmio Gestito* regime provided for by Article 7 of Italian Legislative Decree 21 November 1997, No. 461 – see under "*Capital Gains*" below), Interest payments relating to the Notes, during the relevant holding period, are subject to a final tax, referred to as "*imposta sostitutiva*", levied at the rate of 26 per cent, either when the Interest is paid by the Issuer, or when payment thereof is obtained by the Noteholders on a sale of the relevant Notes.

The *imposta sostitutiva* may not be recovered as a deduction from the income tax due.

In the event that the Noteholders described under (i) or (iii) above are engaged in an entrepreneurial activity to which the Notes are connected, the *imposta sostitutiva* applies as a provisional tax. In such case, Interest relating to the Notes (a) will be subject to the *imposta sostitutiva* on account of income tax due and (b) will be included in the relevant Noteholder's annual corporate taxable income to be reported in the income tax return. As a consequence, such income will be subject to the ordinary income tax and the *imposta sostitutiva* may be recovered as a deduction from the income tax due.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not acting in connection with an entrepreneurial activity or social security entities pursuant to Legislative Decree No. 509/1994 and Legislative Decree No. 103/1996 may be exempt from any income taxation, including the *imposta sostitutiva*, on Interest relating to the Notes if the Notes are included in a long-term savings account (*piano di risparmio a lungo termine*) that meets all the requirements from time to time applicable set forth under Italian law.

Pursuant to Legislative Decree No. 239, *imposta sostitutiva* is generally applied by banks, *società di intermediazione mobiliare* (so-called "**SIMs**"), fiduciary companies, *società di gestione del risparmio* (so-called "**SGRs**"), stockbrokers and other entities identified by decrees of the Ministry of Economy and Finance who are (i) resident in Italy or permanent establishments in Italy of non-Italian resident financial intermediaries; or an organisation or company non-resident in Italy, acting through a system of centralised administration of securities and directly connected with the Department of Revenue of the Ministry of Economy and Finance (which includes Euroclear and Clearstream) having appointed an Italian representative for the purposes of Legislative Decree No. 239; and (ii) intervene, in any way, in the collection of Interest relating to the Notes or in the transfer of the Notes (each an "**Intermediary**"). For the purpose of the application of *imposta sostitutiva*, a transfer of the Notes includes any assignment or other act, either with or without consideration, which results in a change of the ownership of the relevant Notes or the Intermediary with which the Notes are deposited.

Where an Italian resident Noteholder who is beneficial owner of the Notes is a company or similar commercial entity, or a permanent establishment in Italy of a foreign company to which the Notes are effectively connected, and the Notes are timely deposited together with the relevant Coupons with an Intermediary, Interest will not be subject to *imposta sostitutiva*, but must be included in the relevant Noteholder's income tax return and are therefore subject to general Italian corporate income tax ("**IRES**"), currently applying at 24 per cent rate (certain surcharges may apply on certain categories of entities, e.g. financial entities) and, in certain circumstances, depending on the "*status*" of the Noteholder, also to *imposta regionale sulle attività produttive*, the regional tax on productive activities ("**IRAP**"), generally applying at the rate of 3.9 per cent (IRAP applies at different rates for certain categories of investors, e.g. banks, financial institutions and insurance companies and, in any case, can be increased by regional laws).

Payments of Interest in respect of the Notes made to Italian resident real estate investment funds established pursuant to Article 37 of the Financial Services Act and Article 14-bis of Law 25 January 1994, No. 86, as amended and supplemented, or to SICAF to which the provisions of Article 9(1) of Legislative Decree of 4 March 2014, No.

44 apply (the "**Real Estate Funds**") are not be subject to *imposta sostitutiva* and do not suffer any other income tax in the hands of the Real Estate Fund, provided that the Notes, together with the relevant Coupons, are timely deposited with an Intermediary. Unitholders are generally subject to a 26 per cent withholding tax on distributions from the Real Estate Funds. Furthermore, a direct imputation system ("**tax transparency**") is provided for certain non-qualifying unitholders (e.g. Italian resident individuals) holding more than 5 per cent of the units of the fund.

If the Noteholder is resident in Italy and is an open-ended or closed-ended investment fund (the "**Fund**"), a SICAV or a SICAF to which the provisions of Article 9(2) of Legislative Decree 4 March 2014 apply, No. 44, and the Notes, together with the relevant Coupons, are timely deposited with an authorised Intermediary, Interest accrued during the holding period on the Notes are not be subject to *imposta sostitutiva* and do not suffer any other income tax in the hands of the Funds. A 26 per cent withholding tax is levied on proceeds received by certain categories of unitholders upon (i) distribution by Fund; or (ii) redemption or disposal of the units or liquidation of the Fund.

Where an Italian resident Noteholder is a pension fund (subject to the regime provided for by Article 17 of Legislative Decree 5 December 2005, No. 252) (the "**Pension Funds**") and the Notes, together with the relevant Coupons, are timely deposited with an Intermediary, Interest payments relating to the Notes and accrued during the holding period will not be subject to *imposta sostitutiva*, but must be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to an *ad hoc* 20 per cent substitute tax. Subject to certain conditions (including minimum holding period requirement) and limitations, Interest relating to the Notes may be excluded from the taxable base of the 20 per cent substitute tax if the Notes are included in a long-term savings account (*piano individuale di risparmio a lungo termine*) that meets all the requirements from time to time applicable set forth under Italian law.

Where an Italian resident Noteholder has opted for the *Risparmio Gestito* regime with respect to its investment in the Notes, such Noteholder will be subject to a 26 per cent annual substitute tax on the increase in value of the managed assets accrued at the end of each tax year. In such case, Interest payments relating to the Notes will be included in the calculation of said annual increase in value of managed assets.

Where the Notes and the relevant Coupons are not deposited with an Intermediary, the *imposta sostitutiva* is applied and withheld by any Italian intermediary (or permanent establishment in Italy of foreign intermediary) that intervenes in the payment of Interest to any Noteholder or, absent that by the Issuer and Noteholders who are Italian resident companies or permanent establishments in Italy of foreign corporations to which the Notes are effectively connected are entitled to deduct *imposta sostitutiva* suffered from income taxes due.

3. **Non-Italian Resident Noteholders**

Where a Noteholder who is the beneficial owner of the Notes is a non-Italian resident without a permanent establishment in Italy to which the Notes are connected, an exemption from the *imposta sostitutiva* applies provided that the non-Italian resident beneficial owner is either (i) resident, for tax purposes, in a country which allows for a satisfactory exchange of information with Italy; or (ii) an international body or entity set up in accordance with international agreements which have entered into force in Italy; or (iii) a Central Bank or an entity which manages, *inter alia*, the official reserves of a foreign State; or (iv) an institutional investor which is established in a country which allows for a satisfactory exchange of information with Italy, even if it does not possess the status of taxpayer in this country.

The countries which allow for a satisfactory exchange of information with Italy are listed in the Ministerial Decree 4 September 1996, as amended and supplemented by Ministerial Decree dated 23 March 2017. Pursuant to Article 11(4)(c) of Legislative Decree No. 239 (as amended by Legislative Decree No. 147 of September 14, 2015) the list will be updated every six months (the "**White List**"). Pursuant to Article 1-bis of Ministerial Decree of 4 September 1996, the Ministry of Economy and Finance retains the right to

test the actual compliance of each country included in the list with the exchange of information obligation and, in case of reiterated violations, to remove from the list the uncooperative countries.

The *imposta sostitutiva* will be applicable at the rate of 26 per cent or at the reduced or nil rate provided for by the applicable double tax treaty (if any, and in any case subject to compliance with relevant subjective and procedural requirements) to Interest paid to Noteholders who are resident, for tax purposes, in countries which do not allow for a satisfactory exchange of information with Italy.

In order to ensure gross payment, qualifying non-Italian resident Noteholders must be the beneficial owners of the payments of Interest (if the Noteholder is an institutional investor not subject to tax, the Noteholder itself is deemed to be the beneficial owner) and (i) deposit, directly or indirectly, the Notes, together with the relevant Coupons, with an Italian resident bank or SIM or other qualified intermediary or a permanent establishment in Italy of a non-Italian resident bank or SIM or other qualified intermediary or with a non-Italian resident entity or company participating in a centralised securities management system which is in contact, by electronic means, with the Ministry of Economy and Finance and (ii) timely file with the relevant depository a statement of the relevant Noteholder, which remains valid until withdrawn or revoked, in which the Noteholder declares to meet the requirements to be eligible to benefit from the applicable exemption from *imposta sostitutiva*. Such statement, which is not requested for international bodies or entities set up in accordance with international agreements which have entered into force in Italy nor in the case of foreign Central Banks or entities which manage the official reserves of a foreign State, must comply with the requirements set forth by Ministerial Decree of 12 December 2001. Additional statements may be required for non-Italian resident Noteholders who qualify as institutional investors.

Failure of a non-resident holder of the Notes to comply in due time with the procedures set forth in Legislative Decree No. 239 and in the relevant implementation rules will result in the application of the *imposta sostitutiva* on Interests payments to a non-resident holder of the Notes.

4. **Fungible issues**

Pursuant to Article 11(2) of Legislative Decree No. 239, where the Issuer issues a new tranche (the "**Tranche**") forming part of a single series with a previous Tranche, for the purposes of calculating the amount of Interest subject to *imposta sostitutiva* (if any), the issue price of the new Tranche will be deemed to be the same as the issue price of the original Tranche. This rule applies where (a) the new Tranche is issued within 12 months from the issue date of the previous Tranche and (b) the difference between the issue price of the new Tranche and that of the original Tranche does not exceed 1% of the nominal value of the Notes multiplied by the number of years of the duration of the Notes.

5. **Capital Gains**

Italian Resident Noteholders

Pursuant to Legislative Decree 21 November 1997, No. 461, any capital gain obtained from the sale or redemption of the Notes would be treated as part of the taxable business income of the Noteholder subject to ordinary taxation (and, in certain circumstances, depending on the "status" of the Noteholder, also as part of the net value of the production for IRAP purposes) if realised by an Italian company or a similar commercial entity (including the Italian permanent establishment of foreign entities to which the Notes are connected) or Italian resident individuals engaged in an entrepreneurial activity to which the Notes are connected. The capital gains are calculated as the difference between the sale price and the relevant tax basis of the Notes. Upon fulfilment of certain conditions, the gains may be taxed in equal instalments over up to five fiscal years for IRES and for IRAP purposes.

Where an Italian resident Noteholder is an individual not engaged in an entrepreneurial activity to which the Notes are connected and certain other persons, any capital gain realised by such Noteholder from the sale or redemption of the Notes would be subject to

an *imposta sostitutiva*, levied at the current rate of 26 per cent. Under some conditions and limitations, Noteholders may set-off capital losses with gains of the same nature.

For the purposes of determining the taxable capital gain, Interest on the Notes accrued and unpaid up to the time of the purchase and the sale of the Notes must be deducted from the purchase price and the sale price, respectively.

In respect of the application of *imposta sostitutiva*, taxpayers may opt for one of the three regimes described below.

(a) Under the tax declaration regime ("***Regime della dichiarazione"***), which is the default regime for Italian resident individuals not engaged in an entrepreneurial activity to which the Notes are connected, the *imposta sostitutiva* on capital gains will be chargeable, on a yearly cumulative basis, on all capital gains, net of any incurred capital loss of the same nature, realised by the Italian resident individual Noteholder holding the Notes not in connection with an entrepreneurial activity pursuant to all sales or redemptions of the Notes carried out during any given tax year. Italian resident individuals holding the Notes not in connection with an entrepreneurial activity must indicate the overall capital gains realised in any tax year, net of any relevant incurred capital loss of the same nature, in the annual tax return and pay *imposta sostitutiva* on such gains together with any balance income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains of the same nature realised in any of the four succeeding tax years.

(b) As an alternative to the tax declaration regime, Italian resident individual Noteholders holding the Notes not in connection with an entrepreneurial activity may elect to pay the *imposta sostitutiva* separately on capital gains realised on each sale or redemption of the Notes (so-called "***Risparmio Amministrato"*** regime). Such separate taxation of capital gains is allowed subject to (i) the Notes being deposited with Italian banks, SIMs or certain authorised financial intermediaries (or permanent establishments in Italy of foreign intermediaries) and (ii) an express election for the *Risparmio Amministrato* regime being timely made in writing by the relevant Noteholder. The *Risparmio Amministrato* lasts for the entire fiscal year and unless revoked prior to the end of such year will be deemed valid also for the subsequent one. The depository is responsible for accounting for *imposta sostitutiva* in respect of capital gains realised on each sale or redemption of the Notes (as well as in respect of capital gains realised at revocation of its mandate), net of any incurred capital loss of the same nature, and is required to pay the relevant amount to the Italian tax authorities on behalf of the taxpayer, deducting a corresponding amount from the proceeds to be credited to the Noteholder or using funds provided by the Noteholder for this purpose. Under the *Risparmio Amministrato* regime, where a sale or redemption of the Notes results in a capital loss, such loss may be deducted from capital gains of the same nature subsequently realised, within the same securities management relationship, in the same tax year or in the following tax years up to the fourth. Under the *Risparmio Amministrato* regime, the Noteholder is not required to declare the capital gains in the annual tax return.

(c) Any capital gains on Notes held by Italian resident individuals holding the Notes not in connection with an entrepreneurial activity who have entrusted the management of their financial assets, including the Notes, to an authorised intermediary and have opted for the so-called "***Risparmio Gestito***" regime will be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at year end, subject to a 26 per cent substitute tax, to be paid on behalf of the taxpayer by the managing authorised intermediary. Under the *Risparmio Gestito* regime, any depreciation of the managed assets accrued at year end may be carried forward against increase in value of the managed assets accrued in any of the four succeeding tax years. Under the *Risparmio Gestito* regime, the Noteholder is not required to declare the capital gains realised in the annual tax return.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not engaged in an entrepreneurial activity or social security entities pursuant to Legislative Decree No. 509 of 30 June 1994 and Legislative Decree No. 103 of 10 February 1996 may be exempt from Italian capital gain taxes, including the *imposta sostitutiva*, on capital gains realised upon sale or redemption of the Notes if the Notes are included in a long-term savings account (*piano di risparmio a lungo termine*) that meets all the requirements from time to time applicable set forth under Italian law.

Any capital gains on Notes held by a Noteholder who is a Fund, a SICAV or a SICAF to which the provisions of Article 9(2) of Legislative Decree 4 March 2014, No. 44 apply is subject neither to *imposta sostitutiva* nor to any other income tax in the hands of the Funds. Please refer to paragraph "*Italian Resident Noteholders*" above.

Any capital gains on Notes held by a Noteholder who is a Pension Fund will be included in the result of the relevant portfolio accrued at the end of the tax period to be subject to an *ad hoc* 20 per cent substitute tax. Subject to certain limitations and requirements (including minimum holding period requirement), capital gains on the Notes may be excluded from the taxable base of the 20 per cent substitute tax if the Notes are included in a long-term savings account (*piano di risparmio a lungo termine*) that meets all the requirements from time to time applicable set forth under Italian law.

Any capital gains realised by Real Estate Funds on the Notes are not taxable at the level of Real Estate Funds. Please refer to paragraph "*Italian Resident Noteholders*" above.

Non-Italian resident Noteholders

Capital gains realised by non-Italian resident Noteholders (without a permanent establishment in Italy to which the Notes are effectively connected) from the sale or redemption of Notes issued by an Italian resident Issuer and traded on regulated markets in Italy or abroad are not subject to the *imposta sostitutiva*, regardless of whether the Notes are held in Italy. In such a case, in order to benefit from this exemption from Italian taxation on capital gains, non-Italian resident Noteholders who hold the Notes with an Italian authorised financial intermediary and elect to be subject to the *Risparmio Gestito* regime or are subject to the so-called *Risparmio Amministrato* regime according to Article 6 of Italian Legislative Decree 21 November 1997, No. 461, may be required to produce in due time to the Italian authorised financial intermediary an appropriate self-declaration that they are not resident in Italy for tax purposes.

Capital gains realised by non-Italian resident Noteholders (without a permanent establishment in Italy to which the Notes are effectively connected) from the sale or redemption of Notes issued by an Italian resident Issuer not traded on regulated markets may in certain circumstances be taxable in Italy if the Notes are held in Italy. However, a non-Italian resident beneficial owner of Notes without a permanent establishment in Italy to which the Notes are effectively connected is not subject to the *imposta sostitutiva* on capital gains realised upon sale or redemption of the Notes, provided that he/she/it: (i) is resident in a country included in the White List; or (ii) is an international entity or body set up in accordance with international agreements which have entered into force in Italy; or (iii) is a Central Bank or an entity which manages, *inter alia*, the official reserves of a foreign State; or (iv) is an institutional investor which is resident or established in a country included in the White List, even if it does not possess the status of taxpayer in its own country of residence. In such cases, in order to benefit from this exemption from Italian taxation on capital gains, non-Italian resident Noteholders who hold the Notes with an Italian authorised financial intermediary and elect to be subject to the *Risparmio Gestito* regime or are subject to the so-called *Risparmio Amministrato* regime according to Article 6 of Italian Legislative Decree 21 November 1997, No. 461 may be required to produce in due time to the Italian authorised financial intermediary an appropriate self-declaration stating that they meet the subjective requirements indicated above. Additional statements may be required for non-Italian resident Noteholders who are institutional investors.

Non-Italian resident individuals or entities without a permanent establishment in Italy to which the Notes are connected that may benefit from a double taxation treaty with Italy providing that capital gains realised upon the sale or redemption of Notes are to be taxed

only in the country of tax residence of the recipient, will not be subject to *imposta sostitutiva* in Italy on any capital gains realised upon the sale or redemption of Notes. In such a case, in order to benefit from this exemption from Italian taxation on capital gains, non-Italian resident Noteholders who hold the Notes with an Italian authorised financial intermediary and elect to be subject to the *Risparmio Gestito* regime or are subject to the *Risparmio Amministrato* regime according to Article 6 of Italian Legislative Decree 21 November 1997, No. 461 may be required to produce in due time to the Italian authorised financial intermediary appropriate documents which include, *inter alia*, a statement from the competent tax authorities of the country of residence.

6. **Stamp tax**

Pursuant to Article 13(2-*ter*) of the Tariff Part I attached to Presidential Decree 26 October 1972, No. 642, as subsequently amended and supplemented from time to time, provides for a proportional stamp tax on periodical reporting communications sent by banks and financial intermediaries regarding, with certain exceptions (e.g. investments in pension funds), all financial instruments deposited in Italy. The stamp tax is collected by banks and other financial intermediaries. By operation of law, the reporting communication is deemed as sent to the investor at least once a year. The stamp tax applies at a rate of 0.2 per cent and it cannot exceed €14,000 for taxpayers different from individuals. In particular, it is applied, on a yearly basis, on the market value of the financial instruments, or, lacking such value, on the nominal or reimbursement value of such instruments.

The proportional stamp duty does not apply to communications sent by Italian financial intermediaries to subjects not qualifying as clients, as defined by Provision of the Governor of Bank of Italy 20 June 2012. Communications and reports sent to this type of investors are subject to the ordinary €2.00 stamp duty for each copy. Moreover the proportional stamp duty does not apply to communications send to Pension Funds.

Periodical communications to clients are presumed to be sent at least once a year, even though the intermediary is not required to send any such communication. In this case, the stamp duty is to be applied on 31 December of each year or in any case at the end of the relationship with the client.

7. **Transfer tax**

Contracts relating to the transfer of securities are subject to the registration tax as follows: (i) public deeds and notarised deeds (*atti pubblici e scritture private autenticate*) executed in Italy are subject to fixed registration tax at rate of €200; (ii) private deeds (*scritture private non autenticate*) are subject to registration tax at rate of €200 only in case of use or voluntary registration or on the occurrence of the "*enunciazione*".

8. **Wealth tax on securities deposited abroad**

If the Notes are held abroad by individuals, non-profit entities and certain partnerships (*società semplici* or similar partnership in accordance with Article 5 of TUIR) resident in Italy for tax purposes (not deposited in Italy and not managed by certain Italian intermediaries), a wealth tax (the so-called "IVAFE"), introduced by Article 19 of Law Decree 6 December 2011, No. 201, as amended and supplemented, applies at the yearly-based rate of 0.2 per cent. Moreover, Article 1(91) of Law 30 December 2023, No. 213 provided for an increase of the rate from 0.20 per cent to 0.40 per cent, only in the circumstance that the Notes are held in black list countries, listed in the Ministerial Decree No.107 of 4 May 1999. For taxpayers different from individuals, IVAFE cannot exceed Euro 14,000 per year. This tax is calculated on the market value of the Notes at the end of the relevant year or – if no market value figure is available – the nominal value or the redemption value of such financial assets held outside the Italian territory. Taxpayers are entitled to deduct from the tax a tax credit equal to any wealth taxes paid in the State where the financial assets are held (up to the amount of the Italian wealth tax due).

9. **Tax monitoring**

Pursuant to Law Decree 28 June 1990, No. 167, converted by Law No. 227 of 4 August, 1990, as amended by Law No. 97 of 6 August 2013, individuals, non-profit entities and

certain partnerships (in particular, *società semplici* or similar partnerships in accordance with Article 5 of TUIR) resident in Italy for tax purposes, who at the end of the year hold investments abroad or have financial foreign activities by means of which income of foreign source can be accrued must, in some circumstances, disclose the aforesaid and related transactions to the Italian tax authorities in their income tax return (or, in case the income tax return is not due, in a proper form that must be filed within the same time as prescribed for the income tax return). The requirement applies also where the individuals above, being not the direct holders of the foreign investments or financial activities, are the beneficial owners of them.

The disclosure requirements are not due if the foreign financial investments (including the Notes) are deposited for management or administration with qualified Italian resident intermediary, with respect to contracts entered into through their intervention, or are only composed by deposits and/or bank accounts having an aggregate value not exceeding an €15,000 threshold throughout the year, provided that the cash flow and the income derived from such investments/ activities have been subject to Italian withholding or *imposta sostitutiva* by the such intermediaries.

10. **Italian inheritance and gift tax**

Pursuant to Law Decree 3 October 2006, No. 262, transfers of any valuable asset (including shares, bonds or other securities) as a result of death or donation of Italian residents and of non-Italian residents, but in such latter case limited to assets held within the Italian territory (which, for presumption of law, includes bonds issued by Italian resident issuers), are generally taxed in Italy as follows:

- transfers in favour of spouses and direct descendants or direct ancestors are subject to an inheritance and gift tax applied at a rate of 4 per cent on the value of the inheritance or the gift exceeding €1,000,000 for each beneficiary;

- transfers in favour of brothers/sisters are subject to the 6 per cent inheritance and gift tax on the value of the inheritance or the gift exceeding €100,000 for each beneficiary;

- transfers in favour of relatives to the fourth degree or relatives-in-law to the third degree are subject to an inheritance and gift tax at a rate of 6 per cent on the entire value of the inheritance or the gift; and

- any other transfer is subject to an inheritance and gift tax applied at a rate of 8 per cent on the entire value of the inheritance or the gift.

If the beneficiary has a serious disability recognised by law, inheritance and gift taxes apply on its portion of the net asset value exceeding €1,500,000.

Pursuant to an anti-avoidance rule provided for by Article 16 of Law No. 383 of 18 October 2001, if the donee sells the Notes for consideration from the receipt thereof as a gift, the donee is required to pay the relevant *imposta sostitutiva* on capital gains as if the gift has never taken place.

The *mortis causa* transfer of financial instruments included in a long-term savings account (*piano di risparmio a lungo termine*) – that meets all the requirements from time to time set forth under Italian law – is exempt from inheritance tax.

As of January 1, 2025, inheritance and gift tax will be subject to the new provisions of the Legislative Decree no. 139 of September 18, 2024, which are, though, not foreseen to have impacts on the above-described provisions.

11. **European Directive on Administrative Cooperation**

Legislative Decree No. 29 of 4 March 2014, as supplemented from time to time, has implemented the EU Council Directive 2011/16/EU, as amended from time to time, on administrative cooperation in the field of taxation (the "**DAC**").

The main purpose of the DAC is to extend the automatic exchange of information mechanism between Member States, in order to fight against cross border tax fraud and tax evasion. The new regime under DAC is in accordance with the Global Standard released by the Organisation for Economic Co-operation and Development in July 2014.

Prospective investors should consult their tax advisers on the tax consequences deriving from the application of the DAC.

The Directive on Administrative Cooperation (2014/107/EU) of December 9, 2014 ("**DAC 2**") implemented the exchange of information based on the Common reporting Standard ("**CRS**") within the EU. Under CRS, participating jurisdictions will obtain from reporting financial institutions, and automatically exchange with exchange partners on an annual basis, financial information with respect to all reportable accounts identified by financial institutions on the basis of common due diligence, and reporting procedures.

The EU Council Directive 2018/822/EU of 25 May 2018 ("**DAC 6**") implemented the mandatory automatic exchange of information in the field of taxation in relation to reportable cross-border arrangements. Under DAC 6 intermediaries which meet certain criteria and taxpayers are required to disclose to the relevant Tax Authorities certain cross-border arrangements, which contain one or more of a prescribed list of hallmarks, performed from 25 June 2018 onwards.

Prospective investors should consult their tax advisers on the tax consequences deriving from the application of the Directive on Administrative Cooperation.

SUBSCRIPTION AND SALE

Notes may be sold from time to time by the Issuer to any one or more of Banca Akros S.p.A., Banco Bilbao Vizcaya Argentaria, S.A., Banco Santander, S.A., Barclays Bank Ireland PLC, BNP Paribas, BofA Securities Europe SA, BPER Banca S.p.A., Citigroup Global Markets Europe AG, Commerzbank Aktiengesellschaft, Crédit Agricole Corporate and Investment Bank, Deutsche Bank Aktiengesellschaft, HSBC Continental Europe, Intesa Sanpaolo S.p.A., Mediobanca – Banca di Credito Finanziario S.p.A., MUFG Securities (Europe) N.V., NatWest Markets N.V., SMBC Bank EU AG, Société Générale, UBS Europe SE and UniCredit Bank GmbH (the "**Dealers"**). The arrangements under which Notes may from time to time be agreed to be sold by the Issuer to, and purchased by, Dealers are set out in an amended and restated dealer agreement dated 12 June 2025 (the "**Dealer Agreement"**) and made between the Issuer and the Dealers. The Dealer Agreement makes provision for the resignation or termination of appointment of existing Dealers and for the appointment of additional or other Dealers either generally in respect of the Programme or in relation to a particular Tranche of Notes.

In the case of any Tranche of Notes the method of distribution is an agreement between the Issuer and a single Dealer for that Tranche to be issued by the Issuer and subscribed by that Dealer, the method of distribution will be described in the relevant Final Terms as "Non-Syndicated" and the name of that Dealer and any other interest of that Dealer which is material to the issue of that Tranche beyond the fact of the appointment of that Dealer will be set out in the relevant Final Terms or Drawdown Prospectus, as the case may be. If in the case of any Tranche of Notes the method of distribution is an agreement between the Issuer and more than one Dealer for that Tranche to be issued by the Issuer and subscribed by those Dealers, the method of distribution will be described in the relevant Final Terms as "Syndicated", the obligations of those Dealers to subscribe the relevant Notes will be joint and several and the names and addresses of those Dealers and any other interests of any of those Dealers which is material to the issue of that Tranche beyond the fact of the appointment of those Dealers (including whether any of those Dealers has also been appointed to act as Stabilisation Manager in relation to that Tranche) will be set out in the relevant Final Terms or Drawdown Prospectus, as the case may be. Any such agreement for the issue and subscription of Notes will, *inter alia*, make provision for the form and terms and conditions of the relevant Notes, the price at which such Notes will be subscribed for by the Dealers and the commissions or other agreed deductibles (if any) payable or allowable by the Issuer in respect of such subscription.

The relevant Dealers will be entitled in certain circumstances to be released and discharged from their obligations in respect of a proposed issue of Notes under or pursuant to the Dealer Agreement prior to the closing of the issue of such Notes, including in the event that certain conditions precedent are not delivered or met to their satisfaction or waived on or before the issue date of such Notes. In this situation, the issuance of such Notes may not be completed. Investors will have no rights against the Issuer or the relevant Dealers in respect of any expense incurred or loss suffered in these circumstances.

United States of America

Regulation S Category 2; TEFRA D or TEFRA C as specified in the relevant Final Terms or neither if TEFRA is specified as not applicable in the relevant Final Terms or Drawdown Prospectus, as the case may be.

The Notes have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the United States Internal Revenue Code and regulations thereunder.

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that, except as permitted by the Dealer Agreement, it will not offer, sell or deliver

Notes, (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of the Notes comprising the relevant Tranche within the United States or to, or for the account or benefit of, U.S. persons, and such Dealer will have sent to each dealer to which it sells Notes during the distribution compliance period relating thereto a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after the commencement of the offering of Notes comprising any Tranche, any offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

European Union – Prohibition of Sales to EEA Retail Investors

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms (or are the subject of the offering contemplated by a Drawdown Prospectus, as the case may be) in relation thereto to any retail investor in the European Economic Area.

For the purposes of this provision, the expression "**retail investor**" means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or

(ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

UK – Prohibition of sales to UK Retail Investors

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms (or are the subject of the offering contemplated by a Drawdown Prospectus, as the case may be) in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision:

(a) the expression **retail investor** means a person who is one (or more) of the following:

(i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended ("**EUWA"**); or

(ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA.

Selling Restrictions Addressing Additional United Kingdom Securities Laws

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that:

(a) ***Financial promotion:*** it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and

(b) ***General compliance***: it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**FIEA**") and, accordingly, each Dealer has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan or to others for re-offering or resale, directly or indirectly, in Japan or to any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and other relevant laws and regulations of Japan. As used in this paragraph, "**resident of Japan**" means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

Republic of Italy

The offering of the Notes has not been registered with the *Commissione Nazionale per le Società e la Borsa* ("**CONSOB**") pursuant to Italian securities legislation. No Notes may be offered, sold or delivered, nor may copies of this Base Prospectus or of any other document relating to the Notes be distributed in the Republic of Italy, except:

(a) to qualified investors (*investitori qualificati*) as defined in Article 2, letter e) of the Prospectus Regulation, pursuant to Article 1, fourth paragraph, letter a) of the Prospectus Regulation and in Article 100 of Legislative Decree No. 58 of 24 February 1998; or

(b) in any other circumstances which are exempted from the rules on public offerings pursuant to Article 1 of the Prospectus Regulation and any other applicable Italian laws and regulations.

Any such offer, sale or delivery of the Notes or distribution of copies of this Base Prospectus or any other document relating to the Notes in the Republic of Italy must be in compliance with the selling restrictions under (a) and (b) above and:

(i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with Legislative Decree No. 58 of 24 February 1998, CONSOB Regulation No. 20307 of 15 February 2018 and Legislative Decree No. 385 of 1 September 1993 (in each case as amended from time to time) and any other applicable laws and regulations; and

(ii) in compliance with any other applicable laws and regulations or requirement imposed by CONSOB, the Bank of Italy or any other Italian authority (including, *inter alia*, where applicable Article 129 of Legislative Decree No. 385 of 1 September 1993, as amended, pursuant to which the Bank of Italy may request information on the issue or the offer of securities in the Republic of Italy and the relevant implementing guidelines of the Bank of Italy issued on 25 August 2015, as amended on 10 August 2016 and on 2 November 2020).

Republic of France

Each Dealer has represented and agreed that it has only offered or sold and will only offer or sell, directly or indirectly, Notes in France to qualified investors (*investisseurs qualifiés*) as defined in Article L.411-2 1° of the French *Code monétaire et financier* and it has only distributed or caused to be distributed and will only distribute or cause to be distributed in France to such qualified investors this Base Prospectus, any Final Terms, any Drawdown Prospectus or any other offering material relating to the Notes.

Singapore

Each Dealer has acknowledged that this Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed that it has not offered or sold any Notes or caused the Notes to be made the subject

of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "**SFA**")) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

General

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, severally and not jointly, that it has complied and will comply, to the best of its knowledge and belief, with all applicable laws and regulations in each country or jurisdiction in or from which it purchases, offers, sells or delivers Notes or possesses, distributes or publishes this Base Prospectus or any Drawdown Prospectus or any Final Terms or any related offering material, in all cases at its own expense. Other persons into whose hands this Base Prospectus or any Final Terms or any related offering material comes are required by the Issuer and the Dealers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or possess, distribute or publish this Base Prospectus or any Final Terms or any related offering material, in all cases at their own expense.

The Dealer Agreement provides that the Dealers shall not be bound by any of the restrictions relating to any specific jurisdiction (set out above) to the extent that such restrictions shall, as a result of change(s), after the date hereof, of applicable laws and regulations, no longer be applicable but without prejudice to the obligations of the Dealers described in the first sub-paragraph under this paragraph headed "*General*" above.

None of the Issuer and the Dealers has represented that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

Selling restrictions may be supplemented or modified with the agreement of the Issuer. Any such supplement or modification may be set out in the relevant Final Terms (in the case of a supplement or modification relevant only to a particular Tranche of Notes) or in a supplement to this Base Prospectus.

GENERAL INFORMATION

Listing and Admission to Trading

Application has been made to Borsa Italiana S.p.A. for Notes issued under the Programme to be admitted to listing and to trading during the period of twelve months after the date hereof to listing on the electronic bond market (MOT) of Borsa Italiana S.p.A. The MOT is a regulated market for the purposes of Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments.

However, Notes may be issued pursuant to the Programme which will not be admitted to listing and to trading on the electronic bond market (MOT) of Borsa Italiana S.p.A.but admitted to listing, trading and/or quotation by any other competent authority, stock exchange and/or quotation system of the European Union as the Issuer and the relevant Dealer(s) may agree.

Authorisations

The establishment of the Programme and the performance of obligations thereunder was authorised by a resolution of the Board of Directors of Leonardo passed on 8 May 2025.

All necessary consents, approvals and authorisations in connection with the issue and performance of the obligations under the Notes will be in place prior to each issue of Notes.

Furthermore, in the same meeting held on 8 May 2025, the Board of Directors has also resolved upon the update of the EUR 4,000,000,000 Euro Medium Term Note Programme whose base prospectus is dated on or about the date hereof and has been approved by the Luxembourg *Commission de Surveillance du Secteur Financier*, (the "**Luxembourg Programme**"). As provided by the abovementioned Board of Directors' resolution, the maximum aggregate principal amount of notes outstanding at any one time under the Programme and the Luxembourg Programme, when taken together, shall not exceed EUR 4,000,000,000.

Clearing of the Notes

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1 855 Luxembourg.

The relevant Final Terms shall specify any other clearing system as shall have accepted the relevant Notes for clearance together with any further appropriate information.

Use of proceeds

The net proceeds of the issue of each Tranche of Notes will be applied by the Issuer for its general corporate purposes including, without limitation, to meet its general financing requirements.

Litigation

Save as disclosed under the section headed "*Leonardo and the Leonardo Group – Litigation*" on pages 107-108 of this Base Prospectus, there are no governmental, legal or arbitration proceedings, (including any such proceedings which are pending or threatened in writing, of which the Issuer is aware), which may have, or have had during the 12 months prior to the date of this Base Prospectus, a significant effect on the financial position or profitability of Leonardo Group.

Material adverse / Significant change

Save as disclosed in the section headed "*Leonardo and the Leonardo Group – Recent developments"* on pages 111-113 of this Base Prospectus, there has been no material adverse change in the prospects of Leonardo since the latest consolidated audited financial statements of the Issuer incorporated by reference in this Base Prospectus, and no significant change in the

financial position or performance of the Leonardo Group, taken as a whole, since the latest consolidated financial statements of the Issuer incorporated by reference in this Base Prospectus.

Yield

In relation to any Tranche of Fixed Rate Notes, an indication of the yield in respect of such Notes will be specified in the applicable Final Terms. The yield is calculated at the Issue Date of the Notes on the basis of the relevant Issue Price. The yield indicated will be calculated as the yield to maturity as at the Issue Date of the Notes and will not be an indication of future yield.

Auditors

The Issuer's current external and independent auditors are EY S.p.A. appointed by the shareholders' meeting of the Issuer held on 20 May 2020 for the period 2021-2029.

EY S.p.A. is authorised and regulated by the Italian Ministry of Economy and Finance (MEF) and registered on the special register of auditing firms held by the MEF. The registered office of EY S.p.A. is at Via Meravigli, 12, 20123, Milan, Italy.

English translation of the consolidated financial statements of the Issuer as at and for the years ended 31 December 2023 and 31 December 2024, each incorporated by reference herein, have been audited in accordance with International Standards on Auditing (ISA Italia) by EY S.p.A., independent auditors, as set forth in the English translation of their reports incorporated by reference herein.

Dealers transacting with the Issuer – Potential conflicts of interest

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in lending, in advisory, in corporate finance services, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and the Issuer's affiliates and/or for companies involved directly or indirectly in the sector in which the Issuer and/or their affiliates operate, in the ordinary course of business. Certain of the Dealers and their affiliates may have positions, deal or make markets in Notes issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer and the Issuer's affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities. They have received, or may in the future receive, customary fees and commissions, reimbursement of expenses, indemnification for these transactions.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade bank loans, debt and equity securities (or related derivative securities) and financial instruments for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or the Issuer's affiliates. The Dealers and/or their affiliates may receive allocations of the Notes (subject to customary closing conditions), which could affect future trading of the Notes. Certain of the Dealers or their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such short positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

In relation to the issue and subscription of any Tranche of Notes, fees and/or commissions may be payable to the relevant Dealer(s). Furthermore, the net proceeds of an issue of Notes under the Programme may be used by the Issuer in whole or in part to discharge its payment obligations vis-à-vis some or all of the Dealers (or financial institutions belonging to the same group of the Dealers), including without limitation to repay existing indebtedness.

For the avoidance of doubt, the term "affiliate(s)" also includes parent companies.

Documents available for inspection

Copies and, where appropriate, English translations of the following documents may be available for inspection on the Issuer's website at https://www.leonardocompany.com/en/investors/debt-and-credit-rating/bond for ten years from their publication and, in any case, for so long as any Notes shall be outstanding:

(a) the most recently published audited consolidated annual financial statements of the Issuer and the most recently published consolidated interim financial statements (if any) of the issuer (in each case with an English translation thereof as soon as such translation is available);

(b) this Base Prospectus, any supplements hereto and the documents incorporated by reference herein;

(c) any Final Terms relating to Notes which are admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system. However, in the case of any Notes which are not admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system, the relevant Final Terms will only be available for inspection by the relevant Noteholders;

(d) the by-laws (*statuto*) of Leonardo – *Società per azioni* (with an English translation thereof); and

(e) the Agency Agreement.

In addition, this Base Prospectus, each Final Terms relating to Notes which are admitted to listing and to trading on the electronic bond market (MOT) of Borsa Italiana S.p.A. and each document incorporated by reference are available on the Issuer's website at https://www.leonardo.com/en/investors/debt-and-credit-rating/bond.

The Legal Entity Identifier

The Legal Entity Identifier (LEI) code of the Issuer is 529900X4EEX1U9LN3U39.

Issuer website

The Issuer's website is https://www.leonardocompany.com/en/home. Unless specifically incorporated into this Base Prospectus, information contained on the website does not form part of this Base Prospectus.

Validity of prospectus and prospectus supplements

For the avoidance of doubt, the Issuer shall have no obligation to supplement this Base Prospectus in the event of significant new factors, material mistakes or material inaccuracies after the end of its 12-month validity period.

Post issuance Information

The Issuer will not provide any post issuance information, unless required to do so by any applicable laws and regulations.

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