

# CODE OF ETHICS LEONARDO S.p.a.

Updated by the Board of Directors of  
Leonardo S.p.a. at the meeting of 12/12/2024

Available on the internet at the site:  
<http://www.leonardo.com>



# CODE OF ETHICS OF LEONARDO S.P.A.

*The English text is a translation from Italian. In case of any conflict or discrepancies between the two texts the Italian version shall prevail.*

## CONTENTS

1. INTRODUCTION .....	2
2. DEFINITIONS .....	4
3. GENERAL PRINCIPLES .....	5
4. HUMAN RESOURCES, EMPLOYMENT POLICY AND PRIVACY PROTECTION .....	6
5. ARTIFICIAL INTELLIGENCE.....	8
6. PROTECTION OF HEALTH AND SAFETY OF THE WORKPLACES AND WORKING CONDITIONS .....	9
7. ENVIRONMENTAL PROTECTION .....	9
8. CONFLICT OF INTEREST .....	10
9. OPERATING PROCEDURES AND ACCOUNTING RECORDS .....	11
10. PROTECTION OF COMPANY ASSETS - CUSTODY AND MANAGEMENT OF THE COMPANY ASSETS.....	12
11. INTRAGROUP RELATIONSHIPS.....	13
12. SUPERVISORY BODY EX D.LGS. 231/2001.....	14
13. EXTERNAL RELATIONS .....	14
14. CORPORATE INFORMATION .....	17
15. MEDIA RELATIONS AND INFORMATION MANAGEMENT .....	18
16. BREACHES OF THE CODE OF ETHICS – PENALTY SYSTEM .....	19
17. WHISTLEBLOWING MANAGEMENT SYSTEM .....	21

## 1. INTRODUCTION

This Code Ethics defines the inspiring principles, the rules of conduct, and expresses the commitments and ethical responsibilities in the conduct of business and corporate affairs undertaken by anyone carrying out transactions of any nature whatsoever with Leonardo – S.p.A. (hereinafter referred to as "Leonardo" or the "Company").

The principles and provisions of Code of Ethics are binding on all the Recipients.

Leonardo S.p.A., member of the AeroSpace and Defence Industries Association of Europe (ASD), contributes to operate in a transparent and fair market, which is free from corruptive practices, as inspired by the principles established in the “Common Industry Standards” issued by the Business Ethics Committee of ASD.

Ethics and Respect, Expertise and Merit, Innovation and Excellence, Internationality and Multiculturalism, Rights and Sustainability are the values which determine the way Leonardo Group engages in business.

Leonardo is working to ensure, towards the market, a policy of sustainability, quality and product safety, while being compliant with environmental protection requirements.

Both the Group Anti-Corruption Code and the Code of Ethics, albeit formally documents external to the documentary corpus of the Organisational, Management and Control Model pursuant to Legislative Decree no. 231/2001, are to be considered an integral part thereof.

Since 2018, Leonardo has obtained the ISO 37001:2016 "Anti-bribery management systems" Certification, the first international standard for anti-bribery management systems. Leonardo was among the first companies in the world top ten in the AD&S sector to obtain this certification. The certification was subsequently renewed in 2021 and 2024.

The achievement of the set objectives is pursued by all the Recipients through loyalty, integrity, honesty, competence and transparency, in strict compliance with all applicable laws and existing regulations.

### 1.1 Relationships with Stakeholders

The wide spread presence of the Leonardo Group in both national and international markets, the various contexts in which the Group operates and the multiplicity of third parties it deals with, accentuates the importance of managing the relationship between the Company and its Stakeholders.

### 1.2 Competition

Leonardo intends to protect the value of fair competition, respecting the legislation, both on the national and international markets.

For this purpose, the Company refrains from collusive, predatory and abusive behaviours of dominant position; from implementing and accepting agreements or concerted practices between companies aimed at restricting competition on the market, such as market-sharing practices, dumping, industrial espionage, price-fixing, non-respect of confidentiality agreements.

### 1.3 Key principles

Compliance with the applicable law, transparency and proper management, trust and cooperation with stakeholders and zero tolerance towards corruption are the ethical principles followed by Leonardo - and which have inspired its models of conduct - in order to compete effectively and fairly in the market, to improve customer satisfaction, maximise value for the benefit of its shareholders, develop the skills and promote the professional growth of its people.

In particular, the firm belief in acting to the Company's advantage does not justify behaviour in contrast with these principles.



All the Recipients, without distinction or exception, are committed to observing these principles and ensuring that they are observed during the exercise of their own functions. Such commitment requires all parties having any business dealings whatsoever with the Company to act, in all their transactions with the Company, in accordance with rules and methods inspired by the same values.

#### **1.4 Code of Ethics**

Leonardo considers it appropriate and necessary to adopt and issue a Code of Ethics which expresses the values to which all the Recipients must conform, by accepting responsibilities, structures, roles and rules for whose breach they are liable towards the Company and outside, even where it does not entail any third-party liability for the Company.

The responsibility for implementing and updating the Code of Ethics it is up to the Company's Board of Directors.

Knowledge and observance of the Code of Ethics by all those who work for and in the interest of Leonardo are therefore essential in maintaining transparency and upholding the Company's reputation.

Leonardo promotes and takes care of knowledge of the Code of Ethics, the attached Protocols and their updates, as well as the areas of activity of the various structures with attributions of responsibility, hierarchical reporting lines, description of tasks and training of people.

#### **1.5 Training/information activities on the contents of the Code of Ethics**

Leonardo promotes knowledge of and compliance with the Code of Ethics among all Recipients - including those with whom it has business relationships - demanding compliance with it and providing, in the event of non-compliance, appropriate disciplinary or contractual sanctions.

Information and knowledge of the Code of Ethics take place first and foremost, through the distribution of the document to Leonardo's people and to those who collaborate in various capacities and at any level. Leonardo requires all of them - at the time of starting the contractual relationship - to sign a declaration of acknowledgment of the Code of Ethics together with the declaration of absence of conflicts of interest.

The Recipients are therefore required to know the content of the Code of Ethics - requesting and receiving from the relevant corporate Organisational Units the appropriate clarifications regarding the interpretations of the content - as well as to observe it and contribute to its implementation, reporting any deficiencies and violations (or even just attempts to violate) of which they have become aware.

Specific training/information programs or similar forms of communication are provided for the dependents and developed according to the different roles and responsibilities.

Within the scope of the Internal Control and Risk Management System, the Code of Ethics is a management tool in ensuring an ethical conduct of the company's business and an effective element of the company's strategy and organization.

Leonardo encourages anyone who becomes aware of violations (conduct, acts or omissions) of the law, the Code of Ethics, the Organisation, Management and Control Model pursuant to Legislative Decree 231/01 of Leonardo.231/2001 and the Corporate Governance System, even potentially, detrimental to the public interest or the integrity of the Company and/or the Leonardo Group to make a report in accordance with the procedures set out in Paragraph 17.

#### **1.6 Application within the Group**

In the exercise of its direction and coordination activity, Leonardo sees to the circulation of the Code of Ethics to direct or indirect subsidiaries who are required to adopt of a similar document, without prejudice to the transposition and compliance with the ethical principles set out in this Code of Ethics.



## 2. DEFINITIONS

For the purpose of this Code of Ethics, the terms listed herein have the meaning of all the terms specified below.

**National Anti-Corruption Authority (A.N.AC.):** National Anti-Corruption Authority, identified by Italian Legislative Decree 24/23 as the national authority on whistleblowing.

**Internal Reporting Channel:** the Whistleblowing Platform<sup>1</sup> is the Internal Reporting Channel (or internal channel) activated by Leonardo Group for the filing and management of Whistleblowing Reports, which guarantees, also by means of an encryption tool, the confidentiality of the identity of the Reporting Person (or Whistleblower), the Person Concerned and the person in any case mentioned in the whistleblowing report, as well as the content of the report itself and the relevant documentation.

**Code:** the Code of Ethics adopted by Leonardo S.p.a.

**Anti-Corruption Code:** the Anti-Corruption Code adopted by Leonardo S.p.A. and its Subsidiaries pursuant to art. 2359 of the Italian Civil Code.

**Steering Committee:** The Committee whose main responsibility is the protection of diversity and equal opportunities in the workplace, also in order to identify and propose the guidance and monitoring actions related to the achievement and maintenance of the UNI Gender Equality Certification PdR 125:2022.

**Whistleblowing Committee:** Collegial body established at the Group level and composed of the heads of the following Unit: Compliance; Finance; Group Internal Audit; Legal Affairs; People & Organization; Security.

**Corruption:** offer, promise, provide, accept or request an undue advantage of any value (which may be economic, or non-economic), directly or indirectly, and regardless of location, in violation of applicable law, as an incentive or reward for a person to act or promise actions in relation to the performance of that person's duties (whether in relations with public administrations or private entities).

**Italian Legislative Decree 231/2001:** Italian Legislative Decree no. 231 of 8 June 2001 on "Regulation on the administrative liability of legal entities, companies and associations with or without legal personality", in accordance with Article 11 of Italian Law No. 300 dated 29th September 2000 as amended.

**Italian Legislative Decree 24/23:** Italian Legislative Decree No. 24 of 10 March 2023 on "Implementation of Directive (EU) of the European Parliament and of the Council of 24 October 2019 on the protection of persons who report violations of Union law and on provisions concerning the protection of persons who report violations of national regulations" (Whistleblowing Decree).

**Recipients:** The recipients of this Code of Ethics must be identified as the following subjects:

- the members of the Board of Directors and, in any case, those who perform functions of representation, management, administration, direction or control of an organisational unit with financial and functional autonomy;
- the members of the Board of Statutory Auditors, the Chairman, the Chief Executive Officer and General Manager, the Joint General Manager and the Executives of the Company;
- employees (including those working in branches and representative offices) and collaborators with whom contractual relationships are maintained, for any reason, even occasional and/or only temporary;
- those who have onerous or even free relationships of any kind with the Company (such as, by way of example but not limited to, consultants, suppliers and third parties in general).

**Facilitator:** a natural person assisting a Signaling in the whistleblowing process, operating within the same work context and whose assistance must be kept confidential.

**Supplier:** the natural or legal person who supplies Leonardo with goods or services.

---

<sup>1</sup>The Whistleblowing Platform can be accessed through the following link: <https://whistleblowing.leonardo.com>



**Leonardo Group or Group:** Leonardo and the companies/entities directly or indirectly controlled by it, both under Italian and foreign law. The foundations established by Leonardo are also part of the Group.

**Leonardo:** Leonardo S.p.a.

**Organisation, Management and Control Model pursuant to Legislative Decree 231/2001:** the Organization, Management and Control Model adopted by Leonardo or its Italian subsidiaries in compliance with Italian Legislative Decree 231/01.

**Gift:** a good, of modest value, provided or received.

**Supervisory Body pursuant to Legislative Decree 231/2001:** the Leonardo S.p.a. Body responsible for supervising the operation and compliance with the Organisation, Management and Control Model pursuant to Legislative Decree 231/2001 and for updating it in accordance with the provisions of art. 6, paragraph 1, letter b) of Legislative Decree 231/01, as well as to supervise the operation and compliance with the Code of Ethics.

**Company Protocols:** the Charter of Values, the Code of Ethics, the Organisation, Management and Control Model pursuant to Legislative Decree 231/2001, the Anti-Corruption Code, Whistleblowing Management Guidelines, Policies, Directives, Procedures, Manuals and Operating Instructions of Leonardo Group

**Public Administration:** Subject who exercises the administrative function, which can be defined as the activity that the State and public bodies carry out to provide for the care of public interests that they assume as their own and within the limits marked by the laws and regulations.

**Whistleblower:** the natural person who makes the report on violations of which he or she has become aware in the context of his or her work context.

**Governance System:** the corporate governance model.

**Group Companies:** the Companies, directly or indirectly, controlled by Leonardo S.p.a. pursuant to art. 2359 of the Italian Civil Code.

**Private entities:** legal entities governed by private law and natural persons who carry out activities for/with Leonardo or for/with Group Companies.

**Stakeholders:** subjects - public or private, Italian and foreign, natural or legal persons - who have, for any reason, contacts with Leonardo and/or have an interest in the activities that it carries out.

**O.U.:** Organizational Unit.

**O.U. Management Audit & Whistleblowing/Manager of Reports:** The Management Audit & Whistleblowing OU, operating within Leonardo Group Internal Audit (GIA) OU, is the designated office competent for following-up on Whistleblowing Reports.

### 3. GENERAL PRINCIPLES

#### 3.1 Compliance with laws and regulations

Leonardo operates in strict compliance with the laws in force in the Countries where it carries out its business, in accordance with the principles set out in the Code of Ethics and the Group Anti-Corruption Code.

Moral integrity is a duty of all the Recipients.

The Recipients are therefore required to be familiar with and observe the laws and regulations in force in every country in which the Company operates.

The Recipients' transactions with Public Institutions and Authorities must adhere to the highest standards of fairness, transparency and cooperation, in full observance of applicable laws and regulations and in line with the Recipients' institutional roles.

#### 3.2 Models and rules of conduct

All the activities undertaken by the Recipients must be performed with professional care, moral rigour and proper management, with a view to safeguarding the reputation and image of the Company.

The conduct and relationships of all the Recipients, both inside and outside the Company, must be based on transparency, fairness and mutual respect. In such context, Directors and executives of the Company must be the first to set a good



example to all the People of Leonardo, by performing their duties in compliance with the principles that inspire the Code of Ethics and the Group Anti-Corruption Code and with the Company's procedures and rules, seeing to the circulation of the latter among employees, who will be invited to request clarifications, or submit proposals for updating such rules and procedures, where necessary.

Particularly, Leonardo trusts its Directors to use their best efforts actively to propose and carry out any projects, investments and industrial, commercial and management actions that may be useful to preserve and increase the economic, technological and professional capacity of the Company.

Leonardo also ensures that any supporting information on company events and decisions is made available, so as to allow the company's organisational units and corporate bodies, the independent auditors and internal control bodies, as well as the surveillance authorities, to carry out the most comprehensive and effective controls.

### 3.3 Corporate Governance

Leonardo has adopted a Corporate Governance system based upon the highest standards of transparency and fairness in business management and the best international practices. Such corporate governance system complies with the provisions of the law and regulations issued by CONSOB and Borsa Italiana S.p.A. and is in line with the provisions of the Italian Corporate Governance Code for listed companies, voluntarily adopted by Leonardo.

This corporate governance system is oriented towards satisfying the interests of shareholders, with particular attention to minority interests, control of business risks and transparency towards the market.

## 4. HUMAN RESOURCES, EMPLOYMENT POLICY AND PRIVACY PROTECTION

### 4.1 Principal conditions

People are essential to the very existence of the Company and crucial to compete successfully in the marketplace. Ethicality, respect, competence, merit, innovation, excellence, internationalism, multiculturalism and sustainability are some of the principal conditions for the attainment of the Company's objectives and are essential pre-requisites that Leonardo demands of its directors, statutory auditors, employees and co-workers in their various capacities.

Leonardo works to prohibit any kind of discrimination, corruption, exploitation of child or forced labour, human trafficking and, more generally, to promote the dignity, health, freedom and equality of its People and a culture based on Diversity, Equity and Inclusion principles, in line with the reference regulations (such as the United Nation's Universal Declaration of Human Rights, the fundamental Conventions of the International Labour Organization and the OECD's Guidelines etc.).

Leonardo supports the ten principles relating to human rights, labour, the environment and the fight against corruption of the United Nations Global Compact, the world's largest initiative for business sustainability, which the Company joined in 2018.

The Group also adopts specific tools and standards in the various areas of corporate social responsibility and is committed to complying with the social responsibility requirements expressed by these regulations.

### 4.2 Gender Equality, Diversity, Equity and Inclusion

Leonardo pursues its commitment to supporting Gender Equality and, more generally, activities to enhance Diversity, Equity and Inclusion.

Gender Equality is a central theme for Leonardo, also in the context of the sustainability strategy developed at Group level, focusing on the pursuit of various objectives aimed at promoting among others a fair and inclusive environment, which guarantees gender equality, as well as fostering the best conditions so that each person can feel free and



safe to express themselves to fully realize their potential and contribute to their proactively to achieve results.

Leonardo actively promotes the principles of inclusion, equity and enhancement of diversity, as well as the prevention, removal and remedy of all forms of direct or indirect discrimination, violence, and all forms of physical, verbal and digital abuse (harassment), in all phases of the employment relationship, in daily operations and business relations and with particular attention to what happens within the corporate community.

Leonardo is committed to diversity, equity and inclusion on different dimensions, regardless of race, religion, gender identity, age, ethnic or national origin, disability, sexual orientation or preference, marital status, citizenship, political preference or other personal characteristics.

Leonardo safeguards its people from all forms of violence (including acts of psychological violence or mobbing) and counteracts any discriminatory or harmful attitude or behavior against the person, his beliefs and inclinations.

In particular, it is absolutely forbidden to resort, in employment relationships, to harassment of any kind or, more generally, to engage in conduct that is likely to compromise the serene performance of the assigned functions and in any case detrimental to the dignity of the worker.

Leonardo ensures that in internal and external employment relationships, there is no form of intimidation, threat, verbal or physical behaviour or offence, request for personal favours or discrimination that is an obstacle to the serene and normal performance of its functions.

Reports relating to any form of harassment and violation in the field of inclusion, gender equality and enhancement of diversity may be transmitted through the Whistleblowing channel referred to in Article 17 below.

The Management Audit & Whistleblowing Unit – on the recommendation of Leonardo's Whistleblowing Committee – transmits, in compliance with the provisions on the protection of the identity of the Whistleblower and the people involved provided for in the Whistleblowing Management Guidelines, to the Guidance Committee information on reports, relating to Leonardo, relating to any form of harassment and violation in the field of inclusion, gender equality and enhancement of diversity, as well as the results of internal investigation activities in the face of reports concerning the same issues. The Steering Committee evaluates any more appropriate initiative, including management initiatives, in order to remedy the form of violation reported.

#### 4.3 Selecting people

In order to contribute to the development of the company's objectives and ensure that these objectives are pursued by all in compliance with the ethical principles and values that inspire Leonardo, the company policy is aimed at selecting each employee and collaborator in various capacities according to the values and characteristics set out above.

Leonardo is committed to offering, in full compliance with the relevant legal and contractual regulations, the same job opportunities to all workers, ensuring that everyone can enjoy a equal regulatory and remuneration treatment based exclusively on merit and competence criteria, without any discrimination.

Leonardo guarantees a equal treatment based on individual skills and abilities, which also determines the related remuneration. As part of the selection - conducted in compliance with equal opportunities and without any discrimination on the private sphere and opinions of the candidates - Leonardo works to ensure that the people hired correspond to the profiles actually necessary for the company's needs, avoiding favoritism and facilitations of all kinds and inspiring their choice exclusively to criteria of professionalism and competence.

Leonardo's people are hired with a regular employment contract, in accordance with the laws and collective agreements.



In particular, Leonardo does not allow and does not tolerate the establishment of employment relationships – including by external collaborators, suppliers or business partners – in violation of the relevant legislation.

#### 4.4 Professional Development

In the course of each work relationship, Leonardo is committed to providing and maintaining the necessary conditions to develop each employee's skills and knowledge in accordance with the above mentioned values, by following a policy based upon recognition of merits and equal opportunities, and by envisioning specific programmes for professional training and acquisition of improved skills.

Employees are therefore requested to cultivate and foster the acquisition of new skills, capacities and knowledge, while the heads of Organisational Units must pay maximum attention to develop and increase their collaborators' professional skills, creating the conditions for the development of their capacities and achievement of their potential.

Personnel management and selection must be guided by principles of fairness and impartiality, avoiding favouritism or discrimination, and respecting the professional expertise and competence of the worker.

In pursuing company targets, the worker must be aware that ethics are a major interest of Leonardo and that there shall be no tolerance for any conducts in breach of the law, of the Organizational, Management and Control Model pursuant to Legislative Decree 231/01, of the Group Anti-Corruption Code or of the Code of Ethics.

#### 4.5 Privacy and data protection

Respect for the dignity of the worker must also be ensured through respect for privacy in correspondence and interpersonal relationships between employees, through the prohibition of interference in conferences or dialogues and through the prohibition of interference or forms of control that may damage the personality.

Leonardo, in full compliance with the Code on the protection of personal data and the legislation protecting the privacy of all Recipients and, more generally, of all those who have any contact with the Company in any capacity, adopts specific rules aimed at providing, in particular, for the prohibition of undue communication and/or dissemination of personal data without the prior consent of the data subject. The processing of personal data, the use of IT, information and telematic tools must be characterised by compliance with the principles of correctness, protection of the secrecy of correspondence and privacy and in such a way as to guarantee the integrity and genuineness of the IT, information and telematic systems as well as the data processed, to protect the interests of the Company and third parties.

Leonardo adopts suitable measures to ensure that access to telematic and computer data takes place in absolute compliance with the regulations and the privacy of any parties involved and in such a way as to guarantee the confidentiality of the information and ensure that its processing is carried out by subjects expressly authorised to do so, preventing undue interference and violations.

Leonardo also adopts appropriate measures and initiatives to ensure the safety, integrity, correct use and working of electronic or computer systems, programs or data of the Company or of any third parties and safeguards intellectual property rights regarding the use of electronic and computer programs and, more generally, intellectual property and integrity of the data made available to the public through the internet.

## 5. ARTIFICIAL INTELLIGENCE

Leonardo is committed to using Artificial Intelligence in compliance with the laws and regulations in force, concerning both the prohibitions imposed by individual regulations and the opportunities that the same regulations recognise.

The use of Artificial Intelligence must also be inspired by human principles and values so as not to support immoral purposes such as, for example, illegal and discriminatory intent.



At the same time, Leonardo promotes the definition of rules that drive, according to ethical principles, the design of Artificial Intelligence systems, as well as the management and use of the related results .

Leonardo promotes the diffusion of a company culture of Artificial Intelligence according to the ethical principles identified in this Code, in order to support the adoption of solutions aimed at responsible business development.

## 6. PROTECTION OF HEALTH AND SAFETY OF THE WORKPLACES AND WORKING CONDITIONS

Leonardo, in conducting its activities, undertakes to ensure compliance with laws and regulations on health, safety and the environment (HSE), to guarantee the commitments made with interested parties and, voluntarily, to the implementation and improvement of HSE Management Systems according to standards, such as the UNI ISO 45001:2018 and UNI EN ISO 14001:2015.

Leonardo is committed to protecting the physical and psychological integrity of all people (employees and collaborators in any capacity and at any level) by guaranteeing them the right to working conditions that respect the dignity of the person and the full exercise of political and trade union rights and, in particular, freedom of association and collective bargaining, through responsible discussion with labor protection organizations and workers<sup>2</sup> representatives. Leonardo is committed to creating a working environment that guarantees all Recipients - and in particular employees and collaborators in any capacity and at any level - conditions that respect health, safety and personal dignity and in which the characteristics of individuals cannot give rise to discrimination or conditioning.

Leonardo, in compliance with the existing provisions, including, in particular, Legislative Decree no. 81 of 2008 and subsequent amendments and integrations and all other provisions in this matter, is committed to protecting the health of workers, taking all necessary and appropriate measures, to the best technical and scientific know-how to guarantee the absolute compliance of the workplaces with the highest standards of safety and hygiene.

The Company fosters and establishes a culture of safety, to protect the health of workers at the workplace, thus developing risk awareness and promoting responsible behaviour by all employees and/or collaborators.

The Company integrates its activities in compliance with health and safety factors, from the stage of the process and product design, and takes actions targeted to:

- the continuous improvement of its performance related to health and safety at workplace;
- the identification of areas for improvement of the health and safety and, where possible, and the best available techniques;
- the control and reduction of the use of hazardous substances.

The issues of health and safety in the workplace are the subject of specific training initiatives for all employees that, depending on their role, implement the principles set out in the environmental and health and security policy.

Leonardo is committed to verify, through its structures and organizations, the application of the Policy; it establishes health and safety goals and systems for monitoring, reporting and periodic review.

## 7. ENVIRONMENTAL PROTECTION

Leonardo recognizes the environment as a primary value to be safeguarded. Environmental and natural resources protection, the fight against climate change, and the contribution to a sustainable economic development are strategic factors in planning, executing and developing Leonardo's activities. Therefore Leonardo has

---

<sup>2</sup> In accordance with the provisions of ILO Conventions N. 87, 98 and 135.



considered vital to adopt an environmental policy in which environmental aspects are integrated into the business activities carried out by the company, in line with the objectives of maintaining long-term sustainability, profitability and competitiveness.

The Company integrates its activities in compliance with environmental factors, from the stage of the process and product design, and takes targeted actions targeted to the continuous improvement of its environmental performance.

Leonardo, through the Group's Decarbonisation Plan, plans and implements actions to reduce GHG (Greenhouse Gases) emissions along the entire value chain: not only through the decarbonisation of operations and products (low carbon products) but also through supplier engagement and awareness-raising activities. In addition, Leonardo is committed to the development of products and services that promote climate change adaptation by designing solutions that are able to minimise the damage caused by its effects.

The Group, leveraging its technologies and environmental monitoring solutions, is committed to implementing strategies to mitigate the impacts on biodiversity of the sites in which it operates and actions for the regeneration of ecosystems.

Environmental protection is the subject of specific training initiatives for all employees who, according to their role, implement the principles of the environmental policy, promoting actions aimed at controlling the environmental impacts of their activities.

Leonardo is committed to verifying, through its structures and organizations, the application of the environmental policy; it establishes the environmental objectives and targets and develop systems for the monitoring, reporting and the periodic review.

Leonardo recognises the high social value of environmental aspects, in particular for the communities in the areas in which it operates, and therefore promotes, also through its subsidiaries, collaboration with the relevant authorities and communication with the public.

## 8. CONFLICT OF INTEREST

The Leonardo Code of Ethics is aimed at prevent any situation of conflict of interest.

The relationship between Leonardo and its Directors and employees at any level is based upon complete trust. It is the primary duty of each Director and employee to use the Company's assets and their own working capacity to achieve the Company's interests, in compliance with the principles set forth in the Code of Ethics and representing the values adopted by Leonardo.

From this viewpoint, Directors, employees and who collaborates in any capacity of Leonardo must avoid any situation and abstain from any action that could cause a personal interest, either direct or indirect, to interfere with and hamper the capacity to take impartial and objective decisions in the interest of the Company. Any conflict of interest would not only be in contrast with the applicable law and the principles set forth in the Code of Ethics, but also prove detrimental to the Company's image and integrity.

The following are some circumstances that may lead to the emergence of actual or potential conflicts of interest:

- relationships between employees and/or collaborators or between third parties and employees/collaborators – when, in the performance of their duties, the employee and/or collaborator interacts with members of his/her family, relatives and/or relatives or with third parties (e.g. a supplier or a customer) with whom he/she has relationships of a professional nature or even of a personal nature or habitual attendance;
- government-type relationships – when an employee or collaborator also acts as an officer of a foreign government or government authority, especially if he/she is active in the defense sector or in connection with the process of purchasing assets;
- financial relationships – when an employee or collaborator expects an economic return or not, or may exert influence from a supplier, subcontractor, customer or competitor involved in Leonardo's business;



- other employment relationships – when the employee or collaborator also acts as a partner, consultant, representative, agent, director or member of the Board of Directors of another company that is a competitor, supplier, partner, customer or subcontractor of Leonardo.

### 8.1 Company and personal interests

In order to avoid situations, even potential, of conflict of interest, Leonardo at the time of assignment of the assignment or start of the employment relationship requires its Directors, employees, consultants and those who collaborate in various capacities to sign a specific declaration that excludes the presence of conditions of conflict of interest between the individual and the company.

The Recipients of the Code of Ethics, once they have signed the declaration of absence of conflict of interest at the time of the start of the contractual relationship, therefore exclude any possibility of overlapping or in any case crossing, exploiting their functional position, the economic activities responding to a logic of interest to people and/or family members and the tasks they perform or hold within the Company.

Any situation of conflict of interest, even only potential, must be promptly communicated in detail to the Company – and precisely to one’s senior in line and of the Supervisory Body.

The general principle remains that anyone who has reason to believe that there is a situation of conflict of interest, even potential, pursuant to this document, can report it through the channels set up for this purpose by the Company<sup>3</sup>.

The person in potential conflict of interest must refrain from carrying out or participating in acts that may be detrimental to the Company or third parties or even compromise its image and, in the case of consultants and business partners, also refrain from using, in any way and for any reason, the activity carried out on behalf of the Company to achieve, for himself or for others, undue advantages.

### 8.2 Revolving Doors

Leonardo does not recruit, nor does it retain in service, politicians in office in the Italian Parliament/Government.

Leonardo's internal procedures, line with current legislation on the subject, require a period of at least three years, according to Italian law, before the public official, who has exercised authoritative or negotiating powers in the public administration of origin, can have a contract with Leonardo.

Moreover, Leonardo imposes controls to assess and regulate the employment of current and recently departed public officials in accordance with relevant law. To this end, People & Organization receives a self-declaration on the absence of conflicts of interest prior to the recruitment of the candidate.

## 9. OPERATING PROCEDURES AND ACCOUNTING RECORDS

### 9.1 Compliance with procedures

The Recipients, within the limits of their individual duties and functions, are required to comply strictly with the procedures laid down in corporate protocols.

The correct implementation of procedures ensures that the Company staff in charge of decision-making processes, authorisation and performance of operations be easily identified: for this purpose - according to the control principle consisting in the separation of tasks - it is necessary that individual operations are carried out, at the various stages, by different parties, whose duties are clearly defined and known within the organisation in order to prevent unlimited and/or exaggerated powers being assigned to any single party. The traceability of each process regarding corporate affairs must also be guaranteed, so as to ensure that the motivations of the choices

---

<sup>3</sup> See paragraphs 12 and 17 of this Code of Ethics; Whistleblowing Management Guidelines.



operated, the persons in charge and any other relevant data for assessing whether the correct choices have been made, can always be traced in the future.

Corporate procedures must discipline the correct performance of any operation and transaction, the legitimacy, authorisation, consistency, congruity, proper recording and verification, also with regard to the utilisation of financial resources, of which must be assessable, by means of, but not limited to, the following control means: squaring off account balances, joint signatures, supporting accounting documents, understanding the activities of sales agents, consultants, suppliers, etc.. Each operation shall therefore be supported by adequate, clear and full documentation to be filed with the company records, in order to allow, at all times, a control on the motives, the characteristics of the operation and the exact identification of who, at the different stages, authorised, carried out, recorded and verified the same. The respect of the indications provided in the company protocols regarding the procedural flows to be observed during formation, decision and recording of company events and their consequences, among other things permits to engender and stimulate at all levels in the business a culture of control, which contributes to improve management efficiency and represents an instrument of support for managerial action.

## 9.2 Accounting transparency

Truthful, precise, full and clear primary data are the prerequisites of transparent accounting and are a fundamental value for Leonardo, also with a view to ensuring that shareholders and third parties have the possibility to have a clear image of the economic, equity and financial position of the Company.

To achieve these conditions, the documentation of the basic facts must first and foremost be complete, clear, truthful, accurate and valid, and must be entered in the accounting books as justification of the records, which must be updated to allow for any appropriate checks. The relevant book entry must reflect in a complete, clear, truthful, precise and valid manner that which has been described in the supporting documentation. In the case of economic and financial elements based on valuations, the relevant book entry shall be made in accordance with the criteria of reasonableness and prudence, explaining clearly in the underlying documentation the criteria which guided the valuation of the asset.

Within the limits established by applicable laws, Leonardo shall provide exhaustive and prompt information, clarifications, data and documents required by the shareholders, clients, suppliers, surveillance authorities, institutions or bodies in the performance of the respective activities and functions. Any relevant information must be promptly communicated both to the company's bodies in charge of controlling the management of the company, and to the surveillance authorities.

## 10. PROTECTION OF COMPANY ASSETS - CUSTODY AND MANAGEMENT OF THE COMPANY ASSETS

### 10.1 Protection of the Company assets

The Company implements all actions and provisions in order to:

- properly evaluate the company's assets, goods, receivables and actions, not by giving them values higher or lower than those due;
- strictly comply with the rules established by the law to protect the integrity and effectiveness of the share capital and always in compliance with the Company's internal procedures, that are based on those rules, in order not to jeopardize the rights of the creditors and third parties generally;
- behave in a correct, transparent and collaborative manner, in compliance with the legal standards and internal company procedures in all activities aimed at the preparation of financial statements and other corporate communications required by law and addressed to shareholders or the public in order to provide true and correct information on the economic, equity and financial position of the Company;



- keep, if the event of drafting of information prospectuses or documents to be published, correct behavior, in accordance with the law, for the protection of the investors' assets, as well as efficiency and transparency of the capital market.

The Company considers the truthfulness, fairness and transparency of the accounting, financial statements, reports and other corporate communications required by law and addressed to shareholders or the public, essential principles in the conduct of its business.

This requires that the validity, accuracy, completeness of the basic information for the records in the accounts are in-depth.

All transactions that are significant in economic, financial or equity terms must be adequately recorded and for each registration there must be adequate supporting documentation in order to be able, at any time, to make checks attesting the characteristics and motivations of the operation and sufficient to identify who authorized, performed, recorded and verified the **operation itself**.

### 10.2. Custody and management of the Company assets

Leonardo endeavours to work so as to use available resources, in compliance with applicable law and corporate by-laws and in line with the values of the Code of Ethics, with a view to guaranteeing, increasing and strengthening the Company's assets, for the protection of the Company, its shareholders, creditors and the market.

Recipients are directly and personally responsible for the protection and legitimate use of the (tangible and intangible) assets and the resources entrusted to carry out their functions.

None of the Company's property assets may be used for purposes other than those specified by it or for illegal purposes and must comply with the law and regulations and the operating procedures.

## 11. INTRAGROUP RELATIONSHIPS

### 11.1 Independence and common ethical values

Leonardo recognises the independence of Group Companies, which is required to adhere to the values expressed in the Code of Ethics and the Anti-Corruption Code.

Leonardo and the Group Companies undertake to ensure that the principles of this Code are also implemented by the Companies in which they hold a non-controlling interest (including Joint Ventures); this awareness-raising activity is also carried out through participation in the Ethics & Compliance Committees, set up within the aforementioned companies, in which the best practices relating to the ethical governance safeguards adopted by each company are promoted and disseminated.

Leonardo refrains from any behaviour which, in its sole interest, could prejudice the integrity, independence or image of other companies of the Group.

### 11.2 Cooperation, communication and transactions within the Group

Anybody appointed by Leonardo to an office in a board of any company of the Group has an obligation to attend regularly the meetings convened and perform the duties assigned to him/her with honesty and fairness, stimulate communication amongst the companies of the Leonardo Group, encourage and use the intra-group synergies for cooperation in the pursuit of common objectives. Information must be circulated, within the Group, particularly for the purpose of drawing up the consolidated financial statements, the Half-Year Report and other reports, in accordance with the principles of truthfulness, honesty, fairness, completeness, clearness, transparency and prudence, and be respectful of the independence of each company and of the specific fields of activity.

Leonardo performs its direction and coordination activity through official communications addressed to the relevant corporate bodies of all the Group



companies. Any transactions negotiated between the Group companies are duly and formally stipulated in compliance with the principles of fairness, actual occurrence and safeguard of the respective interests, with a particular attention to any aspects concerning the circulation of economic resources.

## 12. SUPERVISORY BODY EX D.LGS. 231/2001

### 12.1 Tasks and characteristics

The task of supervising the operation and compliance of the Code of Ethics is entrusted by the Board of Directors of the Company to the Supervisory Board ex D.Lgs. 231/2001, which has independent powers of initiative and control and appropriate tools to be able to verify and monitor the adequacy and effective implementation as well as the updating of the Code of Ethics.

In particular, the Surveillance Board must:

- monitor, on the basis of the approved work plan, the validity over time of the Code of Ethics and procedures, promoting, after consultation of the corporate departments involved, all necessary actions in order to ensure its effectiveness ;
- verify the application of the Code of Ethics and detect behavioral deviations that may possibly emerge from the analysis of information flows and reports received;
- promote, through People & Organization, the information and training activities, an adequate training process of people through appropriate initiatives for the diffusion of knowledge and understanding of the Code of Ethics monitoring its implementation;
- communicate any violations of the Code of Ethics to the competent bodies, for the adoption of possible penalties monitoring the outcome of disciplinary proceedings initiated.

### 12.2 Dedicated information flow

The Supervisory Body plays an essential role in the Whistleblowing Management System (Article 17) in light of its supervisory role on the functioning and compliance with the Code of Ethics.

In addition, in order to facilitate the flow of reports to the Supervisory Body the dedicated information channel has also been maintained ([organismodivigilanza@leonardo.com](mailto:organismodivigilanza@leonardo.com)) through which anybody becoming aware of any behaviour of any kind (even omissions) in violation of the Code of Ethics may freely, directly and on a confidential basis report it to the Supervisory Body. Reports may also be sent by mail to the address: Organismo di Vigilanza, pursuant to Legislative Decree 231/01, Leonardo S.p.a., Piazza Monte Grappa n. 4, 00195 Rome – Italy.

## 13. EXTERNAL RELATIONS

### 13.1 Relations with Authorities, Public Institutions and other bodies representing the Public Interest

#### 13.1.1 Relations with the Authorities and the Public Administration

Relations with public officers or persons in charge of a public service, who work on behalf of the central or local Italian Public Administration, or on behalf of legislative bodies, European Union institutions, public international and foreign organisations and any foreign State - with the judiciary, public surveillance authorities and other independent authorities, as well as with private partners operating a public utility under government licence, as inherent to Company activities, shall be conducted with spirit of cooperation, in strict compliance with applicable laws and regulations and with the principles set forth in the Code of Ethics and the Group Anti-Corruption Code, in such a way as not to compromise the integrity and reputation of both parties and preventing any conflict with international conventions (e.g. OECD, ILO, UN).



Attention and care must be used in relation to the aforesaid parties, especially in any transactions regarding tenders, agreements, authorisations, licences, concessions, applications for and/or management and utilisation of funding under any denomination whatsoever originating from a public authority (whether domestic or European Union), management of orders, relations with surveillance authorities and other independent authorities, representatives of the Government or other Public Administrations, social security bodies, bodies in charge of tax collection, bodies established to deal with bankruptcy, civil, criminal or administrative proceedings, access to and use of computer and electronic data or systems and electronic documents.

To avoid performing acts which might be in conflict with any provisions of the law or which could prejudice the image and integrity of the Company, the aforesaid transactions and the related management of financial resources shall be carried out by specifically authorised Company structures, in compliance with the applicable laws and the principles of this Code of Ethics and in accordance with specific procedures.

In its relations with Italian and foreign institutions, Leonardo is committed to act on its behalf and put forward its requirements in a correct and transparent manner, undertaking to provide information that is as up-to-date and complete as possible, in compliance with the principles of independence and impartiality in the choices of the Public Administration and in such a way as not to induce it in error or misdirect its decisions. In order to guarantee clear and straightforward relations, all contacts with international counterparts shall be exclusively kept by authorized persons and in such a manner as to guarantee that the contact is correctly identified and traceable.

Concerning possible requests whatsoever from the Judicial Authority and, more generally, any contact with the said Authority, Leonardo is committed to offer its full cooperation and to refrain from any behaviour that may cause hindrance or prejudice, in compliance with laws and regulations and in accordance with the principles of loyalty, fairness and transparency.

#### **13.1.2 Relations with political and trade-union organisations**

Leonardo does not encourage or discriminate against any political organisation or trade union, whether directly or indirectly.

The Company does not provide contributions, direct or indirect, in any form to political parties, movements, committees and political or trade union organisations, including their representatives and/or candidates.

The above does not apply, however, to any charitable purpose initiatives, which Leonardo regards as an essential value as it carries out actively and sensibly with persons and entities who engage in social activities.

#### **13.1.3 Gifts, Benefits and Promises of Favours**

Leonardo prohibits all the Recipients to accept, offer or promise, whether directly or indirectly, money, gifts, goods, services or undue favours in the course of their relations with public officers, persons in charge of a public service or private parties, in order to influence their decisions, in view of obtaining preferential treatment, undue services or any other ends.

In its relations with the Italian or foreign Public Administration, Leonardo shall not unduly influence the activity, choices or decisions of the other party, for example by offering undue advantages consisting in sums of money or other benefits, employment or assignment of consultancy arrangements, to the public person or his/her family or to natural or legal persons connected to him/her.

### **13.2 Relations with consultants, suppliers and other parties in transactions**

#### **13.2.1 Conduct in the course of business**

Leonardo conducts its business in compliance with the principles of loyalty, fairness, transparency, efficiency, obedience to the law and the values expressed in the Code of Ethics and the Group Anti-Corruption Code and requires a similar behaviour from anybody with whom it holds business and/or financial relationships of any nature



whatsoever, particularly when they involve the choice of other parties in transactions, suppliers, business partners, consultants etc..

Leonardo refrains from any relationship whatsoever, even if indirect or through intermediaries, with anyone (whether an individual or a legal entity) known or reasonably alleged to be part or act in support of any criminal organization of any nature whatsoever, in Italy or abroad, including mafia-like organizations, or organizations trafficking in human beings and exploiting child labour, or trafficking in weapons and persons or groups acting for the purposes of terrorism, regarding as such any conduct that may cause serious damage to a Country or an international organization, carried out in order to intimidate the population or force public authorities or an international organization to act or abstain to act in any way whatsoever or destabilize or destroy basic political, constitutional, economic and social structures of a Country or an international organization.

Particular attention must likewise be given to relationships involving receipt or transfer of sums of money or other benefits. In order to prevent the risk of performing, even unintentionally or unawares, operations of any nature concerning money, assets or other benefits that are the proceeds of crimes, Leonardo abstains from accepting any cash payments whatsoever, bearer shares or payments made through unauthorised intermediaries or through any third parties in such a manner as to make it impossible to identify the payer, or from any relations with persons having their main offices or operating in Countries where the transparency of corporate business is not guaranteed and, in general, from performing operations that might preclude the reconstruction of cash flows.

Leonardo also operates, in the context of relations with external parties, refraining from engaging in conduct that may in any way compromise the integrity, reliability and security of computer or telematic systems and data.

The selection of other parties in transactions, business and financial partners, consultants, suppliers of goods and providers of services shall be made in writing, and based on objective, transparent and documented evaluation criteria, in accordance with the principles of this Code of Ethics and the Group Anti-Corruption Code. In all cases, the choice shall be made exclusively in accordance with objective parameters such as quality, cost efficiency, price, professional expertise, competence, efficiency and after having previously obtained suitable guarantees as to the correctness of the consultant or supplier of goods or services. Specifically, Leonardo shall not establish any relationship whatsoever with persons known or reasonably suspected to exploit child labour or to employ irregularly staff, or otherwise operating in breach of the law or of any regulations concerning the protection of workers' rights. A particular attention must be paid when dealing with persons operating in Countries where the law does not afford sufficient protection to the workers, with regard to child, women and immigrant labour, ascertaining whether sufficient hygienic, health and safety conditions are in place.

In the conduct of all commercial transactions, also in compliance with specific protocols, particular attention is required in the receipt and payment of any sums of money, assets or other rewards and in assessing whether the services provided and received are effective, consistent with market prices and complete. Cash payments are however not allowed.

Consultants and/or intermediaries are required to liaise with the Company and report the activities carried out.

The Company reserves the right to request documentation proving the compliance with the applicable standard.

#### **13.2.2 Gifts, donations and benefits**

In conducting business dealings with consultants, suppliers, other parties in transactions, business and/or financial partners, all donations or benefits (both direct and indirect), gifts, acts of courtesy or hospitality of any kind are forbidden, unless of modest value and such that they may not jeopardize the image of the Company, and not be interpreted as aimed at obtaining a preferential treatment.



In particular, any gift should:

- comply with applicable laws and regulations;
- be expected by specific business requirements (i.e. catalog of gifts, accommodation facilities);
- comply with generally accepted standards of professional courtesy;
- not be a cash payment;
- not be motivated by the purpose of exercising improper influence or the expectation of reciprocity;
- be reasonable and in any case such that it cannot be interpreted as aimed at obtaining favorable treatment;
- be addressed to beneficiaries who perform roles related to the business activities and which meet the requirements of reputation and generally recognized good reputation;
- take into account the profile of the beneficiary with respect to the practices in institutional or professional relationships; be made or received in good faith and in connection with legitimate business purposes.

Any Director, Statutory Auditor or employee who receives gifts which exceed ordinary business practice, also for granting preferential treatment in any corporate activities, shall promptly report it to the Board of Directors, the Board of Statutory Auditors, the Supervisory Body or, if an employee, his/her superior the Organizational Unit identified by the Company Procedures, who shall immediately inform the specific bodies and/or competent Organisational Unit of the Company, for all the appropriate controls and any consequent measures.

## 14. CORPORATE INFORMATION

### 14.1 Availability of and access to information

Within the limits established by applicable laws, Leonardo provides exhaustive and prompt information, clarifications, data and documents required by the shareholders, suppliers, public supervisory authorities, institutions, bodies or entities and other stakeholders in the performance of the respective functions.

Any relevant corporate information must be promptly communicated both to the company's Corporate bodies in charge of controlling the management of the company, and to the surveillance authorities.

Clear and complete Company information ensures, among other things, the fairness of relationships with the shareholders, who must have easy access to data they are entitled, in compliance with all the applicable laws; with third parties who come into contact with the Company, who must be able to have a clear view of the economic and financial position of the Company and its assets; with the surveillance authorities, the external auditors and the bodies overseeing internal controls, which must perform their control activities effectively, in order to protect not only the shareholders but also the entire market; with the other Group companies, also for preparing the consolidated financial statements, Half-Year Report and other reports of the Company.

### 14.2 Relevant communication and market requests

Leonardo pursues its mission ensuring the full transparency of its choices and offering to the market any necessary information so that investors' decisions may be based on full and correct data. Therefore, the Group communication typically and strictly complies with the provisions of current laws and regulations, and is also drawn up in a comprehensible language, conveying full information, and issued promptly and consistently to all the investors. External communications concerning the Group may only be made by the relevant structures, strictly complying with the regulatory dictate



and in compliance with the applicable company procedures, which are specifically aimed at ensuring the truthfulness and correct dissemination of the information.

Special care and fairness is used when disclosing important information on extraordinary transactions carried out by the Group, offers of investment, admission to listing, Public Offers of Acquisition and Public Exchange Offers, or any particularly significant business initiatives, negotiations and agreements. For this purpose, specific protocols must set out the procedures of verification and control so that Company information required by law, information for shareholders and the public about the position of the Company and the expected economic and financial trend (of both the Company and the Group), the statements required for the purposes of investment offers and the documents to be published for Public Offers of Acquisition and Public Exchange Offers, are always truthful, free from omissions and stating facts which, even if still subject to evaluation, are reliable, so that the Recipients of the information are not misled.

Similarly, operations concerning financial instruments, whether listed or not, carried out on behalf of or anyway to the benefit of Leonardo, must be inspired by principles of fairness, obedience to current laws and regulations, actual occurrence of transactions and transparency, in order to allow all those who operate in the market to have a complete and correct understanding of the transaction and its motivations, with a view to promoting the awareness of investment choices and safeguarding savings.

## 15. MEDIA RELATIONS AND INFORMATION MANAGEMENT

### 15.1 Conduct guidelines

Relationships with the press and the media are founded upon the respect of the right of information and protection of the market and the interests of stakeholders.

Any information concerning Leonardo may only be divulged by those who have been specifically authorised to do so, in compliance with the procedures or regulations adopted by the Company. Any request for information from the press or the media received by people of Leonardo must be reported to the officers in charge of external relations, before undertaking any commitments to answer the request.

External communications must be made in accordance with the principles of truthfulness, fairness, transparency, prudence and aim at disseminating the policies, programmes and plans of the Company, thus safeguarding, among other things, the privileged information and trade secrets. Media relations must be conducted in observance of the law, of this Code of Ethics, the relevant Company procedures and the principles already mentioned above with regard to relations with public institutions and with a view to protecting the image of the Company.

### 15.2 Privileged information

Any form of direct or indirect investment grounded on confidential information (i.e. information which is not publicly available and which may, if disclosed, affect the price of financial instruments) whose knowledge has been acquired in the course of the activity carried out within the Group is strictly prohibited. The communication or dissemination of such information, carried out in any form whatsoever and outside the ordinary performance of the functions assigned is also forbidden, the purchase and sale of the Leonardo' shares shall always be based on absolute and transparent fairness. Therefore, the Recipients must comply with the corporate procedures implemented on the matter.

In compliance with the indications of the Surveillance Authorities, Leonardo adopts any appropriate measure to protect privileged information, in such a way as to prevent the access or handling of such information by any unauthorized persons or otherwise in any undue manner.



### 15.3 Confidentiality

Due to the particular nature and importance of the Company's business sectors (for instance defence, strategic communications, scientific research, protected technologies etc.), all the Recipients are required to maintain the utmost confidentiality - and therefore refrain from disclosing or unduly requesting information - about documents, know-how, research projects, company business activities, and in general about any information and data acquired in the performance of their duties.

In particular, all information subject to specific laws or regulations as they pertain, for instance, to national security, military sectors, inventions, scientific discoveries, protected technologies or new industrial applications, as well as information declared secret by contract is regarded as confidential or secret proprietary information. Confidential is also all information acquired in or through the performance of working activities or during them, whose circulation and use could jeopardise or harm the Company and/or allow any employees to gain undue earnings.

Any breaches of the obligation not to disclose confidential information by the Recipients would seriously harm the relationship of trust with the Company and may lead to disciplinary action or the application of contractual sanctions. The above also applies to any breach of the Code of Ethics.

## 16. BREACHES OF THE CODE OF ETHICS – PENALTY SYSTEM

### 16.1.1 General principles

Any violation of the principles identified and illustrated in this Code of Ethics, as cornerstones of the Leonardo Group, represents a compromise of the relationship of trust between Leonardo and the Recipients.

Such breaches will be incisively, promptly and seriously followed up by the Company, through adequate and proportionate disciplinary measures, regardless of the criminal implications of the relevant behaviours and of the criminal proceedings which might arise when such behaviours represent an offence.

It should also be noted that the repetition of the violation of this Code will be sanctioned more severely than the individual non-compliance.

The consequences of the breaches of the principles set forth in the aforementioned Code must be taken into serious consideration by all the Recipients: for such purpose Leonardo will circulate the Code of Ethics to anybody involved and keep everyone informed of the penalties provided in the event of a breach and the methods and procedures for applying such penalties.

To safeguard its image and its company resources, the Company does not have any dealings whatsoever with parties who do not intend to operate in strict observance of all applicable laws and regulations, and/or refuse to act in accordance to the values and principles set forth in the Code of Ethics and to adhere to the procedures of the Company.

### 16.1.2 Directors and Statutory Auditors

In the event of violation of the Code of Ethics by one or more Directors and/or Statutory Auditors of Leonardo, the Supervisory Body pursuant to Legislative Decree 231/2001 informs the Board of Directors and the Board of Statutory Auditors who, based on their respective responsibilities, shall proceed to take one of the following measures depending on the seriousness of the violation and the powers provided by the law and/or the Articles of Association:

- statements in minutes of meetings;
- formal injunction;
- revocation of appointment;



- request of calling or calling of a Meeting the agenda of which must comprise the adoption of adequate measures against the individuals responsible for the violation, including legal proceedings for the assessment of the director's responsibility towards the Company and the redress of the damages suffered by the Company.

Considering that the Directors of Leonardo are appointed during the Company Shareholders' Meeting, in the event of breaches of the Code of Ethics that may jeopardise the relationship of trust with the Company member involved, or anyway in the event of serious reasons connected to the protection of the interest and/or image of the Company, a Shareholders' Meeting shall be called to pass resolutions on the possible revocation of the appointment.

### 16.1.3 Penalties for employees

#### Executives and Pilots

If any executive or pilot, in carrying out activities in risk areas, is in breach of any provisions of the Code of Ethics or adopts a conduct which violates the provisions of such Code, suitable measures shall be taken against the said executives or pilots, in compliance with the provisions of applicable laws and the National Collective Labour Agreement.

In particular:

- where the violation of one or more provisions of the Code of Ethics is as serious as to compromise the trusting relationship with the company and prevent the possibility of any continuation, even temporary, of the employment, the executive/pilot shall be dismissed without notice.
- where the violation is a minor one but is anyway serious enough to compromise irreparably the trusting relationship with the company, the executive/pilot shall be dismissed for a cause, with notice.

#### Workers, Employees and Middle Management

In line with the provisions of the National Collective Labour Agreement for Workers of the private engineering industry and plant installation and the Corporate Disciplinary Code:

- the worker who infringes the internal procedures as provided in the Code of Ethics or who, in carrying out activities in a risk area, adopts a conduct which is not in compliance with the provisions of such Code, shall be subject to verbal warning, written admonition, fine or suspension from work and remuneration, depending on how serious the infringement is, as such conduct must be construed as a violation of employee's duties, which the above-mentioned National Collective Labour Agreement identifies as detrimental to the company's discipline and morale;
- the worker who, in carrying out activities in risk areas, commits a significant breach of the provisions of the Code of Ethics, shall be subject to dismissal with notice, as such conduct shall be construed as a violation of a more serious nature than those identified under point above;
- the worker who, in carrying out activities in risk areas, adopts a conduct which is unequivocally aimed at the perpetration of an offence for which a penalty is provided in the Decree or which is in violation of the provisions of the Code of Ethics and such as to raise against the company any of the measures provided for in Legislative Decree 231/2001, shall be subject to dismissal without notice, as such conduct shall be construed as a very serious violation which causes serious ethical and/or material damage for the Company.

This document, for all the purposes of the law, shall supplement the Corporate Disciplinary Code adopted by the Company and is subject to publication and notification procedures pursuant to Article 7 of the Italian workers bill of rights.

### 16.1.4 Measures towards co-workers, auditors, consultants, partners, other parties in transactions and other external persons



Any conduct adopted in the context of a contractual relationship by who collaborates, auditors, consultants, partners, other parties in transactions and other parties external to the Company and which is in contrast with the lines of conduct indicated by the Code of Ethics shall cause a unilateral termination of the contractual relationship, in application of the clauses that Leonardo includes in any agreement.

In cases where the violations are committed by temporary workers or within contracts for works or services, the sanctions will be applied to the worker, upon the successful outcome of the assessment of the violations by the worker above, by its employer (leasing agency or contractor) and the proceedings will give rise to actions against the leasing agency or contractor above.

The Company, however, will be limited to demand, in accordance with the contractual agreements in place with the contractors and leasing agencies, the replacement of workers who have committed the above-mentioned violations.

## 17. WHISTLEBLOWING MANAGEMENT SYSTEM

Leonardo encourages anyone (including the Recipients of the Code of Ethics) who becomes aware of violations (conduct, acts or omissions) of the law, as well as violations of the Code of Ethics, the Anti-Corruption Code, the Organisation, Management and Control Model pursuant to Legislative Decree 231/2001 and the Corporate Governance System, even potentially, detrimental to the public interest or the integrity of the Company and/or the Leonardo Group to make a report through the Whistleblowing Platform<sup>4</sup>, i.e. the Internal Reporting channel activated by the Leonardo Group for the transmission and management of reports.

The management of the Internal Reporting Channel is entrusted to the Management Audit & Whistleblowing Unit. As part of the Whistleblowing Management System, effective segregation of duties is guaranteed at the various stages of the process, by virtue of the roles played by both the Supervisory Body and the Whistleblowing Committee, as provided for in the Whistleblowing Management Guidelines<sup>5</sup> updated in the light of Legislative Decree 24/2023. In addition to violations of the Organisation, Management and Control Model pursuant to Legislative Decree 231/2001 and of this Code of Ethics, information on violations (including well-founded suspicions) of national and European Union regulatory provisions that harm the public interest or the integrity of the private entity, committed within the organisation of the entity with which the Whistleblower has one of the qualified legal relationships, is subject to reporting.

Information on violations may also concern violations not yet committed that the Whistleblower reasonably believes could be committed on the basis of concrete elements. These elements may also include irregularities and anomalies (symptomatic indices) that the Whistleblower believes may give rise to one of the violations provided for by Legislative Decree 24/2023.

Specifically, the violations subject to reporting may concern:

- violations of the Organization, Management and Control Model pursuant to Legislative Decree 231/2001, the Code of Ethics, the Anti-Corruption Code and other Company Procedures;
- unlawful conduct relevant pursuant to Legislative Decree 231/2001;
- administrative, accounting, civil and/or criminal offences;
- offences falling within the scope of European Union or national acts relating to the following sectors: public procurement; financial services, products and markets and the prevention of money laundering and terrorist financing; product safety and compliance; transport safety; environmental protection; radiation protection and nuclear safety; food safety; public health; consumer protection; protection of privacy and protection of personal data and security of network and information systems;
- acts or omissions that harm the financial interests of the European Union;
- acts or omissions concerning the internal market.

---

<sup>4</sup> The Whistleblowing Platform can be accessed through the following link: <https://whistleblowing.leonardo.com>

<sup>5</sup> Available at the link: <https://www.leonardo.com/it/investors/ethics-compliance/whistleblowing-management-guidelines>



The internal reporting channel for the transmission of reports adopted by the Company guarantees, also through encryption tools, the confidentiality of the identity of the Signaling, of the person(s) involved and/or in any case mentioned in the report, as well as the content of the report and related documentation; allowing the Managing Office to communicate with the Whistleblower by providing him with an acknowledgement of receipt and feedback on the follow-up that is given or intends to be given to the report.

Anyone who receives a report outside the established channel (Whistleblowing Platform), shall send it (in original and with any attachments) as soon as possible, and in any case within 7 days of its receipt, to the Management Audit & Whistleblowing Unit pursuant to the Guidelines for the Management of Reports, preferably through the Whistleblowing Platform, in compliance with the criteria of maximum confidentiality. in accordance with data protection regulations and in a manner that protects the whistleblower and the identity and good repute of the persons involved.

Reports can also be made, through the Whistleblowing Platform, orally by attaching an audio file or by requesting a direct meeting with the Managing Office, in accordance with the provisions of the Guidelines for the Management of Reports.

Leonardo guarantees protection from any act of retaliation or discrimination, direct or indirect, against the Signaling for reasons connected, directly or indirectly, to the report. The same protection measure also applies to the subjects referred to in art. 3 paragraph 5 of Legislative Decree no. 24/2023 and referred to in paragraph 2.3. of the Guidelines Management of Reports.

The Signaling, upon the occurrence of certain conditions identified in the Guidelines for the Management of Reports, may make use of the external reporting channel managed by the National Anti-Corruption Authority (A.N.AC.) or public disclosure.

The Company ensures:

- the utmost protection and confidentiality for the identity of the Signaling and any other information from which this identity may be inferred, directly or indirectly, ensuring discretion and confidentiality in the entire process of managing reports, from the receipt phase to the preliminary and final phase. The same forms of protection are also guaranteed in favour of the persons involved and/or mentioned in the report, as well as the Facilitators. This is without prejudice to the provisions of the law that impose the obligation to communicate such names (e.g. requests from the Judicial Authority, etc.),
- protection from any form of retaliation, discrimination or penalization (direct or indirect), for reasons related, directly or indirectly, to the report;
- protection from defamatory or slanderous reports.

Sanctions are also provided for those who violate the Whistleblower's protection measures, those who make reports with intent or gross negligence that are found to be unfounded, as well as those who adopt measures of retaliation, discrimination or penalization against the Whistleblower on account of the report itself, in line with the disciplinary system described in Article 16.

For more information on the conditions for making reports, on the procedure for managing, investigating and verifying reports, as well as on the protection of any parties involved, please refer to the Guidelines for the Management of Reports.





Piazza Monte Grappa, 4  
00195 Roma  
T +39 06324731  
F + 39 063208621

[leonardo.com](http://leonardo.com)