

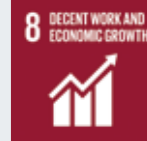






DEVELOPMENT GUIDELINES		COMMITMENTS	TARGETS	MAIN PROGRESS IN 2018	SDGs
 GROWTH	Delivering customer-centric solutions	Strengthening customer intimacy	Increasing and strengthening of Customer Support, Service & Training activities	Set up the International Flight Training School Strengthened the international presence and established Leonardo International	
	 COMPETITIVENESS AND INNOVATION	Building a solid and reliable supply chain	Strengthening relations with suppliers to develop long-term partnerships	Implementation of partnership programmes with the supply chain to improve business sustainability by 2020	Rolled out LEAP 2020 with 400 suppliers in four goods categories equal to 20% of the Group's total expenditure
Increasing employee awareness on ESG topics related to the supply chain			Training on ESG topics to all employees directly involved in procurement and the supply chain by 2020	Activity commenced	
Enhancing the responsible business management of the supply chain			Definition of Group governance model and assessment of conflict minerals on 100% of the supply chain by 2021	Activity commenced	
Accelerating collaborative innovation		Developing the innovation culture and harmonising internal practices	Sharing of knowledge and best practices and promoting initiatives across the Group	Set up the Innovation Hub and technological communities (Leonardo Connect) Identified over 400 technologies in the technological taxonomy	
		Promoting open and collaborative innovation	Strengthening of collaborations with external partners and improvement of the efficient management of open innovation and technology scouting	About 200 research projects and partnerships with more than 90 universities and research centres around the world, including around 50 in Italy Undertaken new collaborations and partnerships within the main European programmes (e.g., OCEAN2020)	
Promoting operational eco-efficiency		Strengthening the commitment to contrast climate change	Definition of the approach to the circular economy	Defined Leonardo's position on the circular economy and presented the key points to the COTEC Foundation	
		Extending the certified environmental management systems	80% of employees in ISO 14001-certified sites by 2020	69% of employees working in 47 ISO 14001-certified sites, increased by 3 percentage points on 2017	
	Managing natural resources more efficiently	Reduction of water withdrawals by 6% by 2020 Reduction of waste produced by 7% by 2020	Reduced water withdrawals intensity (calculated on revenues) by 8% compared to 2017 Waste produced intensity (calculated on revenues) flat compared to 2017		
 PEOPLE AND PROCESSES	Being a smart employer able to attract and nurture talent	Investing in training and development programmes	Over 100 hours of training for each employee in the 2018-2022 period	Provided 20 hours of training per employee Activated around 900 between internships, apprenticeships and training courses	
		Identifying and encouraging the skills for today and tomorrow	Mapping and assessment of the Group skills Initiatives to encourage young generations to study STEM subjects	More than 500 skills mapped in the Group Introduction of the Leadership Framework – set of cross-functional and managerial competencies – and integration in the Performance and Development Management Involvement as educational partner in STEM initiatives (for example, National Geographic Festival of Sciences and Big Bang Fair)	
		Encouraging generational turnover, ensuring excellence in terms of competences and professionalism	New employees under 30 hired equal to at least 40% of the new hiring in 2022	Employees under 30 hired equal to 38% of total new hiring Over 1,100 employees participating in the early retirement plan as per article 4 of the Italian "Fornero Law" (Legislative Decree no. 201/2011)	
		Creating an inclusive work environment	Women hired equal to at least 32% of total new hiring in 2022	Women employees hired equal to 21% of total new hiring	
	Promoting a responsible business model	Promoting responsible business practices	Certification of the anti-bribery management system by 2019	Obtained ISO 37001 certification for Leonardo SpA	
		Training commercial advisors and sales promoters	Training of commercial advisors and sales promoters by 2019	Activity commenced in line with new Guidelines for commercial advisors and sales promoters	
		Increasing employee awareness of responsible business	Increase of employee awareness of the whistleblowing system by 2019	Carried out intranet awareness campaign directed at all employees	
	Improving investors' and ESG rating agencies' perception of Leonardo	Admission to the main sustainability indexes and improvement of ESG rating	Admission to DJSI World and Europe Improved rating from the main ESG rating agencies (for example Sustainalytics and MSCI)		