



Ordinary Shareholders' Meeting

23 e 31 May 2022

(I and II call)

**“INDIVIDUAL RESOLUTION PROPOSAL OF THE SHAREHOLDER BLUEBELL
PARTNERS LIMITED (HOLDER OF NO. 25 SHARES)”**

14 APRIL 2022

Disclaimer

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

Following the publication, on 13 April 2022, of the Notice of Call of Leonardo S.p.a. Shareholders' Meeting, called in ordinary session on 23 and 31 May 2022 (in first and second call respectively), it is announced that an individual resolution proposal presented by the shareholder Bluebell Partners Ltd, attached at the end of this document, has been received and deemed admissible for the vote at Shareholders' Meeting.

In order to facilitate the exercise of voting rights, the Company has updated the proxy forms drawn up pursuant to Article 135-novies and 135-undecies of Legislative Decree No. 58/98, available on the Company's website in the section dedicated to the Shareholders' Meeting (www.leonardo.com, Section "2022 Shareholders' Meeting").

The shareholder Bluebell Partners Ltd (holder of No. 25 shares of Leonardo S.p.a.) has submitted the following individual resolution proposal:

"The Shareholders' Meeting of Leonardo Spa, met in ordinary session (AGM), having acknowledged the explanatory report prepared by shareholder Bluebell Partners Ltd as well as the observations of the Board of Directors

Resolves:

1. *to promote liability action pursuant to art. 2393 of the Italian Civil Code against Mr. Alessandro Profumo, in order to obtain compensation for the damage caused to Leonardo Spa;*
2. *to give the Chairman of the Board of Directors every broader and more appropriate power to execute the resolution by promoting and leasing the aforementioned liability action, in the times and manners that he deems appropriate."*

Under the mere profile of formal admissibility and, therefore, having verified exclusively the existence of the requirements for submission of the proposal, said individual proposal, as

formulated, is deemed admissible to the vote at the Shareholders' Meeting in view of maximum transparency and to continue to ensure the widest exercise of Shareholders' rights within the framework of the special regulations still in force.

On the other hand, with regard to the contents of the aforementioned proposal, the Board of Directors has evaluated the groundlessness of the arguments put forward and has therefore expressed its unconditional disagreement with the objections raised by Bluebell with regard to the conduct allegedly attributed by the Shareholder to the Chief Executive Officer, also in terms of alleged prejudice caused to Leonardo, this both in light of the significant results achieved by the Company - especially with reference to the 2021 financial year in relation to which the Bluebell's individual proposal would arise - and of the market's appreciation of those results.

The Board of Directors has therefore confirmed that it unconditionally adheres and agrees with the management implemented by the Company's Chief Executive Officer.

The communication of the shareholder Bluebell Partners Ltd is attached at the end of this document.

Mr. Luciano Carta

Chairman

Leonardo S.p.A.

Via PEC assemblea@pec.leonardocompany.com

CC: Board of Directors and Board of Statutory Auditors of Leonardo Spa

London, 13 April 2022

Dear Chairman Carta,

Subject - Request to include in the notice of the AGM 2022 to be called to approve FY2021 financial statements, the proposal of liability action pursuant to 2393 c.c. hereby submitted by shareholder Bluebell Partners

Shareholder Bluebell Partners Ltd ("**Bluebell**"), holder of twenty-five ordinary shares of Leonardo Spa ("Leonardo") - see **Annex 1** - requests to include on the agenda of the shareholders' meeting (AGM 2022) to be called to approve the Financial Statements for FY2021, a motion pursuant to articles 2392 and 2393 of the Italian Civil Code:

“liability action against the Chief Executive Officer Alessandro Profumo - Related and/or consequent resolutions”.

Yours sincerely,

Giuseppe Bivona

gbivona@bluebellpartners.com

ORDINARY SHAREHOLDERS' MEETING

OF

LEONARDO S.P.A.

TO APPROVE FY2021 (AGM 2022)

Proposal by shareholder Bluebell Partners Ltd:

*"Liability action against Chief Executive Officer Alessandro Profumo
Related and/or consequent resolutions"*

13 April 2022

13 April 2022

Dear Shareholders,

Shareholder Bluebell Partners Ltd ("**Bluebell**"), owner of twenty-five ordinary shares of Leonardo Spa ("**Leonardo**" or the "**Company**") proposes:

"To deliberate liability action against CEO ALESSANDRO PROFUMO pursuant to Article 2393 of the Civil Code. Disclosure to Shareholders. Related and/or consequent resolutions "

Relevant events that occurred in 2021 pursuant to Article 2393 of the Italian Civil Code are illustrated below.

**FIRST PREJUDICIAL EVENT
(FINANCIAL YEAR 2021)**

On **7 April 2021**, the Tribunal of Milan published the sentence convicting CEO Alessandro Profumo in his former role as Chairman of Banca Monte dei Paschi di Siena ("**MPS**") as part of criminal proceedings (955/2016 RGNR) before the Court of Milan, found guilty of the offences of false corporate communications (art. 2622 of the Italian Civil Code) in relation to the recognition as government securities transactions of two transactions for a nominal amount of €5 billion that turned out to be hidden derivatives (*Credit Default Swaps*), with reference to the financial statements, reports and other corporate communications of the Bank from 31 December 2012 to 31 December 2014 and with reference to the half-yearly report as at 30 June 2015, as well as of market manipulation (Article 185 of the Consolidated Law on Finance) in relation to the announcements made to the public concerning the approval of the above-mentioned financial statements and balance sheets.

The Court of Milan has issued a judgment of conviction in first instance (the "**Sentence**")¹) against Mr. Alessandro Profumo (and others) for false corporate communications in relation to the half-yearly report of 30 June 2015 and for market manipulation.

On the basis of a "*granitic compendium of (documented) evidence*", the Sentence allowed MPS shareholders to learn that the former directors PROFUMO Alessandro and VIOLA Fabrizio are individuals characterised by considerable "*social dangerousness*" for the conducts of "*singular offensiveness*" committed as directors of MSP (2012-2015), guilty of having implemented "*the same criminal plan*" with a recognizable "*inclination to deceit*", disguised with conduct aimed at "*offering an immaculate, providential and saving image of themselves*" with the aim of "*seeing their personal prestige (illegitimately) increased*". The Sentence recognized the "*insidiousness of the falsehood (knowingly perpetrated)*" in their role at the time of the facts as directors of MPS with the "*fraudulent compilation of financial statements*". The Court of Milan, again as established in the Judgment, recognized the "*full and conscious adherence to the criminal plan*" by the former directors PROFUMO Alessandro and VIOLA Fabrizio stigmatizing the "*seriousness of the conduct (of singular insidiousness and also repeatedly perpetrated)*" and the "*seriousness of the charges (stubbornly repeated in the insidious manner described)*" having acted in "*absolute bad faith*" to gain an "*unfair profit*". The Sentence therefore allowed the shareholders to learn that the former directors PROFUMO Alessandro and VIOLA Fabrizio are individuals with a "*marked capacity to commit crimes*".

More specifically, during the year 2021, the shareholders of Leonardo S.p.A. were able to acquire the following information on the past conduct of Mr. Alessandro Profumo as reported in the aforementioned Sentence:

¹ Available at the following link:

https://www.dropbox.com/sh/j2ksby27ielq4az/AABGkbnj0afRB_imdcQKstuLa?dl=0

- *There is no doubt that the transactions replicated the flows of a credit derivative" (the Sentence, p. 161) and "it has been definitively proven, beyond reasonable doubt, that even the new management [NDR Profumo - Viola] knew, for some time, of the failure to purchase the BTPs 2034 by Nomura and, therefore, of the fictitious purchase and sale simulated with the Japanese counterpart, as an empty contractual wrapping functional to the accounting of the transaction with open balances, for the reasons now (widely) known" (Sentence, p. 243);*
- *"As effectively stated by the counsel for the civil parties [NDR Bivona], 'the difference between negotiating a credit default swap on Italian risk and investing in Italian government bonds (however financed, e.g. with a repurchase agreement) is the same as between buying a house (however financed, e.g. with a mortgage) and betting on the trend of the real estate market'". (Sentence, p. 187);*
- *"The first one was clear and immediately readable, neatly indexed (as to the schemes composing it) as well as covered by any kind of reassuring certification of goodness (as per the positive review of the authoritative company in charge and comforting report of the board of auditors). The second was incomplete (due to the above considerations), relegated to a mere (neglected) attachment [NDR pro-forma notes] (lacking suitable indexing) and also surrounded by dissuasive attestations of low reliability. However, the former was false and the latter true" (Sentence, p. 230, original bold);*
- *"In other words - according to the Defence of the defendants and of the Entity - the disclosure of two different reports (of opposite sign), one of which necessarily false and the other true (due to the specularity of the alternative accounting approaches), would determine the criminal irrelevance of the fact (due to the elision of the falsity or, at least, the deceptiveness of the same). In the Court's view, the argument is frankly inadmissible" (Sentence, p. 227-228);*
- *"In clear violation (rectius abuse) of the joint document of 8 March 2013, which - given the central principle of the prevalence of substance over form - allowed recourse to the notes only in the event of correct open balance accounting of structured transactions (not applicable in this case, BMPS only communicated the real impact of structured transactions (such as derivatives)*

- to the market (moreover, only partially) by means of pro forma prospectuses"* (Sentence, p. 228);
- *"Pursuant to the aforementioned Article 186 of the TUF, PROFUMO and VIOLA shall also be declared banned from the management offices of legal persons and companies as well as incapable of contracting with the public administration for two years (the maximum sentence is justified in consideration of the singular offensiveness of the charges and the social dangerousness of the defendants inferred from the same)"* (Sentence, p. 286);
 - *"Effectively stated by counsel for the civil parties Bivona in his submission of 10 October 2019 (p. 55), "the directors had no option to choose whether (i) to account for the transactions as a derivative or (ii) to account for the transactions as separate transactions with the addition of pro forma schedules: if the transaction was substantively a derivative, they had to account for it as a derivative. The only option available to the directors was to decide whether to comply with the law or violate it, or whether to prepare the financial statements in accordance with the accounting standards (LAS) or not, in which case they would be liable"* (Sentence, p. 115);
 - *"It is the Court's firm conviction that the defendants, well aware of the true nature of the structured transactions and of the related huge criticalities (as can be deduced from the incomplete, contradictory and, therefore, misleading financial statements), have - with a censurable wait-and-see attitude (facilitated by a certain institutional absenteeism) - re-proposed ... the same accounting solution adopted by the previous management (whose unlawful inspiration, however, was known), for the time strictly necessary to complete the authorization procedure of the huge state aid (which should not be hindered in any way, given the already disastrous conditions in which the Bank was)".* (Sentence, p. 11);
 - *"the facts in respect of which proceedings are being brought were the subject of a single original plan (at least in outline) and the same criminal design ..."* (judgment, p. 284) (Sentence, p. 284);
 - *"In short, the Bank - in order to reassure shareholders - had made statements that were clearly untrue, ... The fact seems crucial, since the deceptive manipulation of information - which precludes any deduction on the good faith of the new top management - reveals....the inclination*

- to lie of the new management [NDR Profumo, Viola], willing to affirm falsehood in order to preserve the existing" (Sentence, p. 74);*
- *"The new management [NDR Profumo/ Viola] aimed to offer an immaculate image of itself, providential and salvific, based on a clear discontinuity with the past, from which they should be distanced, a narrative also supported by the vulgate on the fortuitous discovery of the Mandate Agreement, in fact since July 2009 the subject of thick correspondence between employees of the Bank " (Sentence, p. 273);*
 - *"There was - as a further purpose (not immediately financial) - the aspiration of the new top management [NDR Profumo, Viola] to see increased (illegitimately) their personal prestige, as promoters of the rebirth of the Bank" (Sentence, p. 273);*
 - *"The intention to deceive the shareholders or the public can also be deduced from the insidiousness of the falsehood (knowingly perpetrated) as well as from the very manner in which the alternative accounting was disclosed, the pro forma prospectuses being the most sophisticated of deceptions (rather than an additional transparency, as has been vainly attempted to demonstrate)". (Sentence, p. 273);*
 - *"... full awareness (also marked by the aim of unfair profit) underlying the fraudulent preparation of financial statements, whose inevitable dissemination to the public was known, as required by law such was the purpose that animated the new management, namely to reassure the market in view of the hoarding of money that would be perpetrated shortly thereafter with capital increases" (Sentence, p. 284);*
 - *the "seriousness of the conduct (of singular insidiousness and also repeatedly perpetrated, as regards Profumo and Viola) ...". (Sentence, p. 284);*
 - *"... seriousness of the charges (stubbornly repeated in the insidious manner described) and marked capacity to commit crimes ...". (Sentence, p. 285);*
 - *"Effectively states the counsel for the civil parties Bivona in his paper of 10 October 2019 (p. 55) "The only option available to the directors was to decide whether to comply with the*

law or to violate it, or whether to draw up the financial statements by applying the accounting standards (IAS) or not, assuming the responsibility in this case" (Sentence, p. 115);

- *"With regard to the generic element of intent, there are no doubts, at the outcome of the preliminary investigation, about the full awareness of the incorrectness of the accounting ... inferable from the granite compendium of evidence collected, articulated in multiple and converging elements of significant significance"* (Sentence, p. 271);
- *"...obscure and tortuous indications provided in the notes to the 2012 and 2013 financial statements, as a sterile attempt to credit the falsehood, even through unfounded deductions"* (Sentence, p. 271);
- *"it has been proven, beyond reasonable doubt, not only that the government bonds were never purchased, but - also - that BMPS was fully aware of the circumstance"* (Sentence, p. 272);
- *"Definitive proof of awareness of the failure to purchase the securities is found in the deceptive responses to shareholders the circumstance - which reveals the Bank's absolute bad faith (which is the basis of malice) - appears to be decisive, since the need for deception implicitly demonstrates full awareness of the critical nature of the underlying situation"* (Sentence, p. 272);
- *"There is there is also the aim of unfair profit, mainly in favour of the Bank itself, which appeared to be sailing in better waters thanks to the falsehood, which increased its perception of reliability (in terms of capital, regulatory and strategic aspects), the massive transactions in unsaleable - and therefore even more risky - credit derivatives for more than five billion euro) were concealed, in a particularly sensitive period for the Bank, i.e. pending the authorization of state aid and in the imminence (and then constant) of large capital increases (for a total of eight billion euro)"*; (Sentence, p. 273);
- *"The unbundled representation had, moreover, allowed the undue settlement of losses amounting to more than one billion euros (1,301,231,403 euros, to be precise), by altering the consistency of the reserves ..."* (Sentence, p. 279);

- *"Indeed, there can be no doubt as to the purpose of guaranteeing BMPS unjust profits: the alteration of the financial statements ... responded to the need to offer investors a more prosperous and reassuring corporate scenario (inspiring reliability and trust), in terms of accounting and supervisory capital and, more generally, stability (it was necessary to avoid, at all costs, the unveiling of the risks connected with the massive exposure to credit derivatives, which would have exposed the Bank to unpredictable market fluctuations, destined to impact on the result for the year)". (Sentence, p. 290);*
- *"It will be demonstrated, in particular, the singular chronological concatenation of events, which allowed the Bank, in the time interval indicated, to hoard liquidity (public and private) stubbornly (and knowingly) lingering in the accounting error" (Sentence, p. 231);*
- *"In particular, the shortfall for which State aid had been requested amounted to €2 billion (the maximum amount provided for by domestic regulations), equal - as clarified in the responses to shareholders for the shareholders' meeting of 29 April 2013 (Exhibit 10.10 to the Bivona consultancy) - only to the portion of the negative AFS reserve attributable to the two structured transactions" (Sentence, p. 232);*
- *"Therefore, the argument of the civil plaintiffs' counsel, who sees in the provision for repayment within a limited timeframe (as an alternative to the conversion of the bonds into shares) a compromise between institutions, as a precipitate of the need for a more incisive restructuring, resulting from the nature of the problems that afflicted BMPS, due to excessive risk-taking as well as poor management of assets and liabilities (see paragraph 35 of the decision), is not peregrinatory" (Sentence, p. 236);*
- *"Furthermore, it can certainly be affirmed that - despite the positive outcome [of the authorization of the State Aid granted by the European Commission], which was not at all predictable at the time - it was preferable not to inject further criticism into the authorization procedure [NDR of the State Aid] (which was already based on a situation that was far from reassuring). It therefore seems reasonable to maintain that, in the prognostic assessment of the new management, a change in the accounting of the operations - at that time only vaguely known to the Commission (as emerges from paragraph 16 of the provisional decision), at least until the discussion with Codacons and Mr Bivona (mentioned in paragraphs 34 and 35 of*

- the final decision) - could undermine or, at least, make more uncertain the path towards the coveted authorisation" (Sentence, p. 237);*
- *"as the pro forma information can only be appreciated in terms of its impact on the deceptiveness of the false information (in the present case - it should be pointed out - not eliminated by the alternative statement, for the reasons set out below)". (Sentence, p. 115);*
 - *"the falsity of the information represented in the official accounting schedules" (Sentence, p. 125);*
 - *"In extreme synthesis, BMPS - in clear violation of Consob's provision (..... has stubbornly persisted in the opaque way of communicating the pro forma notes, as a neglected attachment at the end of the financial statements. The unfulfilled request reveals, unquestionably, the aim of disorienting the reader (and consequently deceiving him) always pursued by BMPS, with the unclear and confusing expedient of the oblique communication of the only true financial statement data (as will be said)". (Sentence, p. 129-130, original boldface);*
 - *"the Bank ... offered the market oblique, incomplete and captious information" (Sentence, p. 143);*
 - *"It is pure misrepresentation to claim that the transactions made a positive contribution to the interest margin (i.e. that they were carry trades) and that this purpose required them to be shown as open balances" (Sentence, p. 183);*
 - *"The Bank, ... tried in vain to maintain the validity of its actions and, in detail, the correctness of the accounting" (Sentence, p. 174);*
 - *"if the Bank had, as early as 2012, acknowledged the erroneous nature of the open balances, there would have been a serious problem in covering the deficit, moreover in the delicate phase of recapitalisation (obtained with State aid, still to be approved), undertaken following a rigorous examination of the bank's financial conditions (with a result that was anything but flattering). The failure to disclose the false accounting also responded to further (obvious) purposes (by no means secondary), namely to ensure continuity in the preparation of financial statements (so as not to inject additional criticality in the overall scenario, already*

discouraging), to avoid any actions for damages by investors (which therefore should not be offered remedies) and, finally, not to include in the financial reports the inevitable volatility arising from the mark-to-market valuation of derivatives, with unpredictable fluctuations in the result for the year (always negative in previous years, with the exception of 2012, which at the date of approval of the financial statements - or rather in February 2013, when it was decided not to reclassify - was an isolated case, which did not offer any guarantee on future market trends)". (Sentence, p. 194);

- *"Therefore, it is confirmed what has been argued by the consultant of the civil parties [NDR Bivona], namely that the open balance accounting had led to the artificial increase of the reserves that can be used to cover losses, to the detriment of other reserves (the valuation reserves) otherwise not useful for the purpose" (Sentence, p. 200);*
- *"In other words, the persistent representation of open balances, precisely in the year 2012 (at the end of which it was decided, as amply demonstrated, to persevere in the accounting error), allowed the Bank to neutralise losses of over one billion euros (in detail, 1,301,231,403 euros). An argument that even more persuades the Court of the full and conscious adherence to the delinquent plan (inherited from the previous management), which undoubtedly offered - in the immediate future - advantages to the bank" (p. 225, original bold) (Sentence, p. 201);*
- *"the disastrous data released in November 2015" (Sentence, p. 207, original bold);*
- *"the disclosure of two different accounting readings of the same phenomenon (i.e. structured transactions), far from representing "a supplement of transparency" (borrowing the words of Professors Petrella and Resti), integrates a confusing and incorrect expedient of evasion of the fundamental principles of truth and clarity underlying the preparation of financial statements." (Sentence, p. 219);*
- *"In other words, ancipitous and contradictory prospectuses are unacceptable, a practice that the Board does not intend to legitimise, due to the inevitable and pernicious consequences that would ensue, in particular in terms of the tightness of the entire regulatory system governing corporate communications, since, in addition to the feared deresponsibility of the management*

body (dispensed from the formulation of a single and prudent assessment), it would lead to the substantial sterilisation of legal reactions to accounting offences (which must be absolutely avoided). In short, we cannot endorse underhand communication strategies which, by means of the pre-establishment of sophisticated exculpatory arguments (to be used in possible liability judgments, as occurred in the case in question), constitute a concrete obstacle to the repression of false accounting (unequivocally found in the financial statements under examination)".
(Sentence, p. 220);

- *"Once again, a situation of uncertainty was staged, depending on factors extraneous to the management (i.e. possible second thoughts of the competent Supervisory Authorities) whereas, instead, there was no doubt whatsoever as to the real nature of the transactions nor, even less, as to the interpretative criteria to be applied"* (Sentence, p. 238);
- *"As effectively stated by the counsel for the civil parties, Mr. Bivona, there was no risk of new pronouncements on the abstract methods of accounting for certain transactions, but only the danger that the competent bodies "would notice that the defendants falsified the financial statements by entering non-existent investments in place of reckless speculation in derivatives"*
(Sentence, p. 238);
- *"Even in the transaction with NIP [NDR Nomura] the defendants falsely resorted to the unbundled representation of the agreements, based on the fictitious purchase of the BTP 2034 (not even subject to restitution, of course) and on the spot sale of the same (equally fictitious)".*
(Sentence, p. 241);
- *"despite the fact that ... since April 2015 ... it was known that proceedings were pending against the Bank ..., specifically concerning the deceptive accounting of the transaction, nevertheless the parties persisted in the error, even demanding [NDR that in the contract to prematurely close the Nomura transaction] ... an explicit denial of the accusatory assumption was included, labelled as a colossal misunderstanding of the transaction ... by the Public Prosecutor's Office of Milan* (Sentence, p. 241);
- *"As, in short, correctly pointed out by the counsel for the civil parties [NDR Bivona] the settlement agreements were based on the fraudulent fiction that the transactions were*

investments in government securities; they were signed in the documented knowledge that ...[NDR the transactions] were, otherwise, derivatives" (Sentence, p. 241);

- *"The communiqué (annex 10.9 to the Bivona consultancy) [NDR with which the Bank in December 2015 had announced the correction of the financial statements due to the late impetus of CONSOB although without admitting any wrongdoing] integrates admirable exercise of sophisticated rhetoric, through skillful combination of suggestive exculpatory arguments (obviously unfounded), repeated comforting reassurances (on the absence of appreciable consequences for the Bank) and malicious reticence"* (Sentence, p. 242);
- *" ... it has been definitively proven, beyond any reasonable doubt, that also the new management knew, for a long time, of the failure to purchase the BTP 2034 by NIP and, therefore, of the fictitious purchase and sale simulated with the Japanese counterpart, as an empty contractual wrapping functional to the accounting of the transaction with open balances, for the reasons now (widely) known"* (Sentence, p. 243);
- *"This emerges from the copious documentation on file ..., from the depositions of the witnesses examined (including the diligent Borghese, who had even taken care to represent the circumstance to the new top management in writing, as per Nomura Memo of November 2012) as well as, finally, from the deceptive information given to the shareholders at the shareholders' meetings of 28 December 2013 and 29 April 2014 (annexes 10.5 and 10.6 to the Bivona consultancy), on the actual withdrawal of the securities and simultaneous delivery to NIP in the execution of the repo (obviously never happened), in clear friction with what really happened and known to the new management (at least since October 2013), namely that the sale and coinciding return of the BTPs (notional) had proceeded - inevitably, due to the absence upstream of the securities - by means of settlement on a net basis (and not gross, as suggestively communicated to the shareholders)".* (Sentence, p. 243);
- *"Similarly unfaithful is the representation of uncertainties in the regulatory framework of reference, since ... there were indeed no gaps to be filled, the prudent and judicious application of the accounting standards and relevant interpretations already provided being sufficient which otherwise BMPS consciously decided to violate, resorting to rhetorical virtuosity, fallacious reconstructions of events and malicious silence".* (Sentence, p. 243);

- *"having adopted the correct accounting [NDR with the 2015 Financial Statements], BMPS continued to prepare pro forma notes on the impacts of the accounting alternative, namely ... the opposite representation with open balances (definitively surpassed following the Consob resolution of December 2015), objectively useless (given what was ascertained by the Supervisory Authority, which now made the nature of the transaction undoubted), as an accounting superfetation that, far from providing additional transparency (which was not required), it constituted a vain attempt by the Bank to project an image of absolute clarity and, at the same time, to raise doubts about the solution imposed by Consob (however, based on granite and never again discussed evidence)". (Sentence, p. 245);*

- *"The settlement agreement with Deutsche Bank dates back to 19 December 2013 (all 11.6 to the Bivona consultancy), made known to the market with a press release issued on the same date (all 11.7). The contract - in which the false prospect of an investment in BTPs financed by means of a long term repo of the same duration, with the addition of an IRS to cover the interest rate risk, was continued.... No return of securities was foreseen in the settlement agreements, as evidence of the unavailability of the BTPs by DB, which, as is now known, had immediately put them back on the market, thus closing the short-term repo with which it had procured them for the time strictly necessary for the conclusion of the TRS (in order to offer a semblance of plausibility to the fictitious and deceptive accounting approach)". (Sentence, p. 240);*

- *"On 23 September 2015, on the other hand, the transaction with NIP [NDR Nomura] was concluded (at! 12.4), as per the press release issued on the same day (at. 12. 5), i.e. - it should be noted - on a date subsequent to the committal for trial of 24 April 2015 (parallel proceedings in Milan) against both banks (as administrative managers) even in the transaction with NIP, there was a misleading recourse to a disaggregated representation of the agreements, based on the fictitious purchase of the BTP 2034 (not even subject to restitution, obviously) and on the spot sale of the same (equally fictitious) despite the fact that, since the summer of 2015, there had already been an intense discussion with Consob concerning precisely the failure to procure government bonds and, since April 2015 (therefore even before), the pending proceedings against the Bank were known (pursuant to Legislative Decree no. 231/01). Legislative Decree no. 231/01, specifically concerning the deceptive accounting of*

the transaction. Nonetheless, the parties persisted in the error, even demanding that the NIP include in the premises of the settlement agreement - with reference to the request for committal for trial - an explicit denial of the accusation, labelled as a colossal misunderstanding of the Alexandria transaction by the Milan Public Prosecutor's Office ("whose conclusions Nomura rejects as based in a misinterpretation of the Structured Transactions"). (Sentence, 240-241);

- *"As, in summary, correctly noted by the civil parties' counsel (pp. 228 ff. of the submission of 10 October 2019): (a) the settlement agreements were based on the fraudulent fiction that the transactions were investments in government securities; (b) they were entered into in the documented knowledge that Alexandria and Santorini were, otherwise, derivatives (on July 10, 2013 NIP had already admitted - and the Bank was aware of this - that the economic substance of the transaction corresponded, "without possibility of contradiction", to the sale of a credit derivative, specifying that it had never sold to BMPS the securities that the Bank continued to record on its balance sheet; on 18 October 2013 DB had already approved the reclassification of the transaction, as per the report of the analysts of PSP [NDR Peters Schonberger GmbH Wirtschaftsprüfungsgesellschaft] for Bafin dated 31 December 2014)"* (Sentence, p. 241).

**

SECOND PREJUDICIAL EVENT (FINANCIAL YEAR 2021)

The Chief Executive Officer Alessandro Profumo is currently under investigation in his former role as Chairman of MPS also in a second criminal proceeding (No. 33714/16 RGNR Mod. 21 and No. 3502/17 RG GIP) initially (see below) investigated 'only' for false accounting and market manipulation for hiding losses on the non-performing portfolio in the period 2012-2015.

As part of this second criminal proceeding, on 26 April 2021, the expert witnesses Prof. Gaetano Bellavia and dr. Fulvia Ferradini, appointed by the Judge for Preliminary Investigations Guido Salvini (Court of Milan), filed a technical report in the context of an

evidentiary incident - i.e. an expert's report (the "**Expert's Report**"²) which has the value of evidence in the trial - from which it emerged that the financial statements signed by the former Chairman PROFUMO Alessandro were non-compliant (or, more simply, false) for having concealed losses on the non performing portfolio. In particular, the expert's report established the following:

- *“All the interventions of the Supervisory Authorities over time have revealed very significant operational criticalities in the credit sector, communicating them accordingly to the Bank's bodies”;*
- *“the loss shown in the 2013 consolidated financial statements of € 1,438.92 million rises to € 4,469.00 million, taking into account higher adjustments to impaired loans of € 3,030.08 million, considered net of the tax effect”;*
- *“the loss shown in the 2014 consolidated financial statements of € 5,347.27 million decreases to € 2,308.35 million, taking into account lower adjustments on impaired loans moved to the 2013 accrual year amounting to € 3,038.92 million, considered net of the tax effect”;*
- *“the profit shown in the 2015 consolidated financial statements of € 389.87 million is transformed into a loss of € 4,285.27 million, taking into account higher adjustments to impaired loans of € 4,675.14 million, considered net of the tax effect”;*
- *“the loss shown in the 2016 consolidated financial statements of € 3,231.37 million decreases to € 1,468.81 million, taking into account lower adjustments on impaired loans shifted to the 2015 accrual year amounting to € 1,762.56 million, considered net of the tax effect and finally”;*
- *“the loss shown in the 2017 consolidated financial statements of € 3,502.24 million decreases to € 782.24 million, taking into account lower adjustments on impaired loans shifted to the 2015 accrual year amounting to € 2,720.00 million, considered net of tax effect”*

² Available at the following link:

https://www.dropbox.com/sh/j2ksby27ielq4az/AABGkbnj0afRB_imdcQKstuLa?dl=0

- *"consolidated shareholders' equity for the 2013 financial year of € 6,164.00 million decreased to € 3,081.83 million, due to higher adjustments to impaired loans pertaining to the 2013 financial year";*
- *"consolidated shareholders' equity for the 2014 financial year, which incorporated the July 2014 share capital increase of € 5 billion, decreased from € 5,989.00 million to € 5,945.75 million, as a result of lower adjustments to impaired loans moved to the 2013 financial year of € 3,038.92 million ...";*
- *"consolidated shareholders' equity for the 2015 financial year, which incorporated the June 2015 share capital increase of € 3 billion, decreases from € 9,623 million to € 4,904.61 million, as a result of higher adjustments to impaired loans moved to the 2015 financial year of € 4,675.14 million";*
- *"consolidated shareholders' equity for the 2016 financial year of € 6,460.30 million decreased to € 3,504.47 million, due to lower adjustments on impaired loans moved to the 2015 accrual year";*
- *"it was found that the net adjustments to loans not accounted for on an accrual basis in the years mentioned above [NDR 2012-2015] totalling € 11,420.81 million, equal to € 7,766.15 million net of the tax effect, are of an amount almost similar to the capital increases that took place between 2014 and 2015, amounting as mentioned to € 8 billion".*

Following the closure of the evidentiary incident and in the process of requesting an extension (accepted by the Judge for Preliminary Investigations) to May 31, 2022, on February 24, 2022 the Public Prosecutors Roberto Fontana and Giovanna Cavalleri entered Mr. Alessandro PROFUMO in the register of suspects also for the more serious crime of false in prospectus (173-bis TUF).³

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³ richiesta di proroga procedimento 33714 - 2016
https://www.dropbox.com/sh/j2ksby27ielq4az/AABGkbnj0afRB_imdcQKstuLa?dl=0

**THIRD PREJUDICIAL EVENT
(FINANCIAL YEAR 2021)**

During FY2021, Leonardo S.p.A. has suspended the IPO of DRS announced in F2020. In this regard, it is recalled that in the press release dated February 26, 2021, Leonardo announced that the successful completion of the offer would in any case be "*subject, among other things, to the completion of the SEC verification process and favorable market conditions*" (Leonardo Press Release, February 26, 2021)⁴.

Please note the following chronology of events:

1. on March 15, 2021, Leonardo informed the market that "*the registration document on Form S-1 has been filed with the SEC but is not yet effective and therefore neither shares can be sold nor their purchase offers accepted before the registration document becomes effective*" (Leonardo Press Release, March 15, 2021)⁵. The registration document contained the following representation:

"Our reputation and ability to do business may be impacted by the improper conduct of our employees, agents, affiliates, subcontractors, suppliers, business partners or joint ventures in which we participate:

..... In October 2020 an Italian court convicted Alessandro Profumo, the chief executive officer of Leonardo S.p.A., on charges of false statements and market manipulation related to his previous role as chairman of the Italian banking entity, Banca Monte dei Paschi di Siena. While we have been advised by Leonardo S.p.A. that this conviction is going to be appealed, we remain subject to reputational risk as a result of this ongoing proceeding"

(DRS Form-1 Registration Statement Dated 15th of March 2021, p. 35)

⁴https://www.leonardocompany.com/documents/20142/13355500/ComLDO_IPO+Leonardo+DRS_ITA_26_01_2021.pdf?t=1614357671299

⁵ <https://www.leonardocompany.com/it/press-release-detail/-/detail/15-03-2021-leonardo-announces-the-launch-of-leonardo-drs-ipo-for-a-minority-stake>

2. On March 16, 2021, the SEC received a first report (reference number 16159-428-853) aimed at draw light on the information on the risks associated with the criminal conviction and the multiple judicial proceedings in civil and criminal matters of Mr. Profumo, linked to his previous positions as CEO or Chairman of listed companies;
3. on March 22, 2021, the information on risks referred to in Point 1 was updated by introducing a paragraph that personally concerned Mr. Profumo:

“We remain subject to reputational and other risks as a result of the conviction of the chief executive officer of Leonardo S.p.A. on charges of false statements and market manipulation related to his previous role as chairman of the Italian banking entity, Banca Monte dei Paschi di Siena.

In October 2020, an Italian court convicted Alessandro Profumo, the chief executive officer of our ultimate parent company, Leonardo S.p.A., on charges of false statements and market manipulation related to his previous role as chairman of the Italian banking entity, Banca Monte dei Paschi di Siena. The conviction, if ultimately upheld by the Italian Supreme Court, would prevent Mr. Profumo from continuing his current role at Leonardo S.p.A. While we have been advised by Leonardo S.p.A. that this conviction will be appealed by Mr. Profumo, we remain subject to reputational risk as a result of this ongoing proceeding. Additionally, the loss of continuity of leadership at our parent company, if the conviction is ultimately upheld, could disrupt our business in the short term. Any such disruption or reputational harm related to the proceeding could affect our ability to win new customer contracts and harm our existing relationships with customers, employees, suppliers, subcontractors and others with whom we do business, which could have an adverse impact on our business, financial condition and results of operations. For further discussion of risks relating to misconduct of our employees, business partners and other associated persons, including proceedings against the former chief executive officer of Leonardo S.p.A. and another Leonardo S.p.A. executive, see “—Our reputation and ability to do business may be impacted by the improper conduct of our employees, agents, affiliates, subcontractors, suppliers, business partners or joint ventures in which we participate.”

(DRS Form-1 Registration Statement Dated 22nd of March 2021, p. 35)

4. on the same day (March 22, 2022), a second report was forwarded to the SEC (reference number 16164-863-287) in which the integration referred to in Point 3 was also objected as it was deemed deficient with regard to the representation of the actual nature of the risks as a result of the conviction / legal proceedings of Mr. Profumo;
5. just two days later (March 24, 2014) the offer - the success of which was subject to "*the completion of the SEC verification process*" (Leonardo Press Release, February 26, 2021)⁶ - was withdrawn.

As regards events that occurred in 2021, these are facts that undermined the successful conclusion of the operation announced in 2020 and in any case subsequent to the conviction of 15 October 2020.

Even apart from the etiological link between Points 1-5, the fact remains that the offer was withdrawn after (i) the first revision of the registration document which took place on 22 March 2021 and (ii) after the second disclosure to the SEC, again on March 22nd 2021 contesting the representation of the risks on the legal proceedings of Mr. Profumo, even after the first integration.

After all, not only the information on the risks associated with the conviction of Mr. Alessandro Profumo (and more generally by the judicial events in civil and criminal matters) had not been adequately represented in the registration document (proof of this is that it was amended) but no mention of the sentence was made of it even in the 2020 Annual Report of the parent company Leonardo Spa, approved at the AGM 2021.

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FOURTH PREJUDICIAL EVENT (FINANCIAL YEAR 2021)

⁶https://www.leonardocompany.com/documents/20142/13355500/ComLDO_IPO+Leonardo+DRS_I TA_26_01_2021.pdf?t=1614357671299

During the year 2021 the right of the shareholders to deliberate on the motion of liability action presented by the shareholder Bluebell Partners against the Chief Executive Officer Alessandro Profumo was unduly compressed. The following facts are recalled:

1. the shareholders' meeting of Leonardo (AGM 2021) was convened on first call on May 10, 2021 (and on second call on May 19, 2021). As stated in the Company's notice of call: "*due to the restrictions dictated by the COVID-19 health emergency and pursuant to the Decree that allows listed companies to arrange for attendance at the Shareholders' Meeting to be carried out exclusively through the Designated Representative pursuant to art. 135-undecies of Legislative Decree no. 58/98, the Shareholders' Meeting is to be held by the Designated Representative. Legislative Decree no. 58/98, the Company provides that the holder of the voting right who intends to participate in the Shareholders' Meeting must be represented at the same through a proxy conferred to the Designated Representative identified by the Company in Computershare S.p.A. with registered office in Milan, Via Lorenzo Mascheroni 19 - 20145. The proxy to the Designated Representative must contain voting instructions on all or some of the proposals on the agenda and is effective only for those proposals for which voting instructions have been given. The proxy must be conferred by the end of the second trading day preceding the date set for the Shareholders' Meeting (therefore by May 6, 2021, if the Shareholders' Meeting is held on first call and by May 17, 2021, if the Shareholders' Meeting is held on second call)*" (**Appendix 1**);
2. on April 28, 2021, the shareholder Bluebell communicated to Leonardo S.p.A. the proposal to the shareholders' meeting motion pursuant to articles 2392 and 2393 of the Italian Civil Code of "*liability action against the Managing Director PROFUMO ALESSANDRO*" (**Appendix 2**). The proposal was forwarded via PEC as per the attached receipt (**Appendix 3**) expressly requesting "*to make available to shareholders on the website www.leonardocompany.com the proposal ex art. 2393 of the partner Bluebell Partners ensuring parity of information to all shareholders*" unless it would "*further restrict the right of shareholders to exercise the powers under art. 2393 of the Civil Code and deliberate in an informed manner*" (**Appendix 2**). It should be remembered that participation in the vote could only take place by proxy, since physical presence at the meeting was not envisaged due to COVID-19 restrictions;

3. late in the evening of May 4, 2021, the Company informed the shareholder Bluebell that it had integrated the agenda with the proposed resolution (**Appendix 4**) and informed the shareholders (**Appendix 5**), providing "*to update the proxy forms drafted pursuant to Articles 135-novies and 135-undecies of the Consolidated Law on Finance, available on the Company's website in the section dedicated to this Shareholders' Meeting (www.leonardocompany.com, Section "Shareholders' Meeting 2021")*";
4. therefore, the Company made known the proposed resolution of the shareholder Bluebell one working day before the deadline set in the notice of call ("*The proxy must be conferred by the end of the second trading day preceding the date set for the Shareholders' Meeting (therefore by 6 May 2021*" (**Appendix 1**)) for the conferment of voting proxies with the Shareholders' Meeting called for 10 May 2021;
5. on May 5 2021, the company amended the proxy form drafted pursuant to Articles 135-novies and 135-undecies of the Consolidated Law on Finance (Annex 6) by inserting the proposal of the shareholder Bluebell ("*Vote for proposal of corporate liability action against the Managing Director submitted by the shareholder Bluebell Partners Limited*", **Appendix 7**);
6. also on May 5 2021 (at an unspecified time) - i.e. one day before the deadline for giving voting instructions - the Company announced (**Appendix 8**) that the General Meeting would be held on second call, giving notice in the newspapers the following May 6 2021 (**Appendix 9**);
7. On May 5, 2021, proxy advisor Frontis issued a recommendation to vote in favor of the Bluebell shareholder's proposal, issuing the following statement to ANSA: "*«We have recommended approval of the Bluebell proposal because the seriousness of the reasons for the ruling that have been published, albeit of first instance, risk undermining the fiduciary relationship between shareholders and CEO», Sergio Carbonara, owner of Frontis, told ANSA. «This is an update more for information purposes than with practical effects. Institutional investors, especially foreign ones, vote with platforms that require a very early timing compared to the meeting, at least 7 days, sometimes even 15 days before the first convocation. I imagine that the foreign funds have all already voted when our updated proposal was published today», added*

Carbonara, according to whom it is unlikely that the funds can revoke their voting indications, as would be possible. The reports of Glass Lewis and Iss, the big consultants of the funds in the meeting vote, do not contain any indication on the Bluebell motion, as they were issued, respectively, on April 26 and April 22, when the proposal had not even been presented" (Appendix 10);

8. on May 10, the proxy advisor ISS, while indicating a vote against the proposal, qualifying its opinion on the basis of the "*available information*", criticized Leonardo as following: "*we highlight Leonardo's omission to provide information on this proposal sufficiently in advance of the meeting*" (ISS, 10 May 2021, **Appendix 11**)
9. on May 14 2021, Glass Lewis, one of the major advisors to institutional investors at meetings of listed companies around the world, recommended that Leonardo shareholders vote in favor of the Bluebell partner's proposal: *«Mr. Profumo's conviction for events happened during his time as chair of Banca Monte dei Paschi di Siena have had a substantial negative reputational impact on the Company. While the sentence is subject to appeal, we believe that it serves as a substantial indication that the actions of Mr. Profumo might harm shareholder value and that a liability action may be warranted. We encourage shareholders to carefully consider whether the proposed liability action serves their interests. For those shareholders who have the option to cast a vote electronically on this proposal, we recommend they support this initiative, which authorises legal action but does not bind the voting party to participate directly in any joint claim»* (Glass Lewis, 14 May 2021, **Appendix 12**);
10. on May 19, 2021 the shareholders' meeting of Leonardo was held and at the end of the voting the Company issued a press release in which the following was reported "*Finally, the Shareholders' Meeting rejected the proposal for liability action against the Chief Executive Officer Alessandro Profumo - presented within the terms and according to the procedures set out in the notice of call of the Shareholders' Meeting by a shareholder holding 25 shares (equal to 0.0000043% of the share capital) - with the vote against of approximately 99.334% of the share capital represented at the Shareholders' Meeting on the related proposal on the vote*", further specifying that "*The Shareholders' Meeting recorded a consistent participation of institutional shareholders - largely foreign - present with 42.61% of the share capital represented at the Shareholders' Meeting*" (**Appendix 13**);

11. thanks to the information provided to shareholders and to the market, the belief of a plebiscite vote (99.334%) in favor of the CEO Profumo with which the liability action would have been rejected was rooted, suggesting a "*substantial participation*" in the vote of the "*institutional shareholders - largely foreign*" precisely in favor of Mr. Profumo. The press release did not indicate the percentage of the share capital attending the meeting, information that had instead been regularly provided at previous meetings (**Appendices 18 and 19**);
12. the representation of the Company (as we shall see misleading and likely to mislead) aimed at generating the false conviction of a plebiscite response in favor of the CEO Profumo and contrary to the proposed liability action of the shareholder Bluebell, had a good game in misleading the main newspapers that the next day headlined: "*Leonardo, shareholders' no to action against Profumo*" (Corriere della sera, May 20, 2021, **Annex 14**), "*The shareholders' meeting confirms confidence. Rejected with 93.4% of the votes the request for action of responsabilita against the AD*" (Il Sole24Ore, May 20, 2021, **Annex 15**) and "*Leonardo's shareholders side with Profumo*" (Milano Finanza, May 20, 2021, **Annex 16**);
13. on May 24, 2021, Leonardo published, in accordance with the law pursuant to art. 125-quater of the Consolidated Law on Finance, the summary report of the voting (**Annex 17**) on the Company's website (www.leonardocompany.com), from which the following information, omitted from the press release of May 19, 2021, could be learned:
 - 52.63% of Leonardo's share capital was represented at the General Meeting (Annex 17), namely the MEF (30.2%) plus other shareholders representing 22.43% of the capital;
 - the proposal for a liability action against the CEO was rejected with **31.77%** of the votes (Annex 17), i.e. by the MEF (30.2%) and a small group of institutional investors representing only **1.57%** of the share capital: **20.86% of the capital present at the meeting (which translates into 93% of the**

investors, excluding the MEF, present at the meeting) did not take part in the vote presumably in confirmation of the fact that at the time of issuing the voting instructions they did not have available the updated form prepared by the company that included the motion of the shareholder Bluebell Partners (Annex 7), but only the previous unupdated version (Annex 6): in fact, the Company had delayed the publication of Bluebell Partners' motion and the related updated proxy form until the day before the deadline for casting a vote with the meeting convened on first call (May 10), without notice that it would be held on second call (May 19).

In practice, the summary report of the vote showed that the institutional shareholders had voted without being aware of the proposal for liability action formulated by the shareholder Bluebell - the aim of those who actually delayed informing the market in order to ensure that the proposal was rejected with the sole casting vote of the Ministry of the Economy and Finance, a 'great voter' of Mr. Profumo, despite the fact that he has been recognized by a recent sentence as a person with a "*marked capacity to commit crimes*" and "*social dangerousness*"⁷.

On the basis of the facts set out above, it follows that:

- (i) with the press release of May 19, 2021, it represented misleading information to shareholders and the market by suggesting a plebiscitary support of the shareholders in favor of CEO Profumo without any verification of the truth of the facts: beyond the political support of the MEF, only 1.57% voted in favor of Mr. Profumo;
- (ii) the delay with which the Company has made available to shareholders and the market the resolution proposed by the shareholder Bluebell has de facto prevented institutional shareholders from voting on it, a fact that is even more

⁷ First degree sentence:

https://www.dropbox.com/sh/j2ksby27ielq4az/AABGkbnj0afRB_imdcQKstuLa?dl=0

serious if one considers that both Frontis and Glass Lewis had recommended that institutional shareholders vote in favor of the proposal and that ISS had not hesitated to censure the Company's conduct for having delayed its publication.

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FIFTH PREJUDICIAL EVENT (FINANCIAL YEAR 2021)

In recent weeks, the reputation of Leonardo S.p.A. has been severely damaged by revelations of a negotiation for the sale of armaments to Colombia through an opaque commercial channel (parallel to the official government-to-government channel) that saw a former parliamentarian (Massimo D'Alema) in the role of mediator.

Although the news emerged during 2022, it would be an initiative started in 2021 as evidenced by the draft commercial proposals ("*Leonardo Aircraft Division M-346 Fighter Attack to Colombian Air Force M346FA Main Proposal, November 2021*", **Annex 20**), the email allegedly sent on 15 December 2021 by Dario Marfé, Senior Vice-President Commercial & Customer Services of Leonardo S.p.A.) to Mr. Massimo D'Alema (**Annex 21**) and finally the proposal of engagement for commercial services in support of the negotiation in Colombia (**Annex 22**) in which Leonardo S.p.A. appeared to intend to give the engagement to an American firm indicated by Mr. Massimo D'Alema agreeing on a commission whether the deal was successful (2% of the value of the commercial value of the negotiation) or not (in this case the amount of any commission was at the discretion of Leonardo S.p.A.).

The opaque negotiation for the sale of armaments by Leonardo S.p.A. to Colombia - to date not denied by Leonardo S.p.A. - has undoubtedly damaged the company's image (besides potentially compromising the successful completion of the supply) for which the CEO cannot but be held responsible, also in view of his relations - again as reported by

the press and in the absence of prompt denial by Leonardo S.p.A. - with Mr. Massimo D'Alema.

The Head of Corporate Communications of Leonardo S.p.A., using vulgar and scurrilous language, claimed (in spite of the evidence, **Annex 21**) that Mr. Massimo D'Alema had boasted a role that he did not have and that Leonardo S.p.A. had not given him any assignment. Mr. Alessandro Profumo, summoned before the Senate Defence Committee on 6 April 2022, stated that "*the former Prime Minister [NDR D'Alema] had no official or unofficial mandate to deal on our behalf with Colombia*". It is not clear why Leonardo S.p.A. would have sent commercial material to D'Alema on the supply or prepared draft letters of mandate agreement, if it had not intended to (or had not) entrusted D'Alema with the role of negotiator, all circumstances not clarified by CEO Profumo at the Senate hearing on April 6, 2022. In any event, these are opaque events that compromise the credibility of Leonardo S.p.A. worldwide.

The conduct ascribed to the Chief Executive Officer Mr. Profumo in the first and second facts pertaining to the financial year 2021, indicated as a premise of this motion, although referable to his work as Chairman of another company, constitute conduct that is not compatible with Leonardo's ethical and behavioral values as also reported in the Code of Ethics of the company, that Mr. Profumo is not *'fit and proper'* to hold the position of Chief Executive Officer of a listed company and that his continuation at the helm of Leonardo creates serious damage to the reputation, commercial development and, more generally, to the company's reputation. Profumo is not *'fit and proper'* to hold the position of Chief Executive Officer of a listed company and that his continuance at the helm of Leonardo would create serious damage to the reputation, commercial development and, more generally, to the implementation of the Company's programs and strategies, since this is conduct ascertained by the court that undermines the essence of the fiduciary relationship between shareholder and director.

It is recalled that Leonardo's Code of Ethics (the "*Code of Ethics*") "*lists the commitments and ethical responsibilities in the conduct of business and corporate activities undertaken by all those who have relations of any nature with Leonardo*" and that the principles and provisions it contains are also binding for "*the members of the Board of Directors, in pursuit of corporate action in all the resolutions adopted*". The Code of Ethics includes among its principles "*compliance with laws*" and expressly specifies that "*moral integrity is a constant duty*" of all recipients, including directors. The Code of Ethics further specifies that "*all the activities carried out by the recipients must be carried out with professional commitment, moral rigor and management correctness, also in order to protect the image of the company. The behaviours and relationships of all recipients, INSIDE AND OUTSIDE THE COMPANY, must be inspired by transparency, fairness and mutual respect. In this context, the Directors and executives must first represent an example for all of Leonardo's human resources through their work*".

There can therefore be no doubt that the unlawful conduct ascribed to Mr. Profumo (i) as already ascertained by the Court of Milan in proceeding 955/2016 RGNR, which in a judgment of first instance recognized his "*social dangerousness*" for the conduct of "*singular offensiveness*" in that he was guilty of having implemented "*a criminal design*" and (ii) as they result from the outcome of the evidentiary incident in proceeding N. 33714/16 RGNR Mod. 21 and N.3502 /17 RG GIP in which Mr. Profumo today risks being indicted for financial offences even more serious than those for which he has already been convicted (thus potentially creating further damage to the image, but not only, of Leonardo S.p.A.), are not consistent with the principles of compliance with the law, moral rigour, management correctness and - since it is a question of the top position of Managing Director - the role of example for Leonardo's resources.

The legal proceedings in which the Chief Executive Officer Alessandro Profumo is currently involved have been a risk factor for Leonardo S.p.A., as highlighted by the revision of the DRS IPO prospectus, which was then aborted.

The compression of the right of shareholders to vote informed with the instrumental delay in the publication of the motion for liability action presented by the shareholder Bluebell Partners at the AGM 2021 is itself a prejudicial fact since conduct aimed at limiting the right of shareholders to vote informed on a resolution of the shareholders' meeting that concerns the compensation of a damage (even if it was only of image), is itself a damage to the company.

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Ultimately, in light of the foregoing considerations, shareholder Bluebell Partners Ltd propose the following resolution, without prejudice to any additions deemed necessary by the Board of Directors:

"The Shareholders' Meeting of Leonardo Spa, met in ordinary session (AGM), having acknowledged the explanatory report prepared by shareholder Bluebell Partners Ltd as well as the observations of the Board of Directors"

Resolves:

1. *"to promote liability action pursuant to art. 2393 of the Italian Civil Code against Mr. Alessandro Profumo, in order to obtain compensation for the damage caused to Leonardo Spa";*
2. *"to give the Chairman of the Board of Directors every broader and more appropriate power to execute the resolution by promoting and leasing the aforementioned liability action, in the times and manners that he deems appropriate"*

Where the aforementioned resolution is adopted, the Shareholders' Meeting must also resolve in relation to the appropriate additional provisions pursuant to the law.

*

Gli allegati 1-22 sono messi a disposizione al seguente link:

Annexes 1-22 are available to the following link

<https://www.dropbox.com/sh/2fhl0ff3e15cgny/AABik3pyCMmiFgi1OpJQ7H-Za?dl=0>
