

PRESS RELEASE

Leonardo's Innovation Day: digitisation and sustainability are the game changers of the new technology cycle

11 Innovation Awards granted out of the 831 projects submitted by Leonardo employees

Patents filed in 2021 increase by 15% over 2020

Research and development investments grow to €1.8 billion in 2021

Rome, 14/07/2022 – Integration between digital and manufacturing know-how: this is the technological innovation route charted by Leonardo. A path ranging from **internal research** to **new business models**, **open innovation** synergies, **new skills**, and a key role in directing the **training of a new generation of STEM professionals**.

Bolstered by an increase in R&D investment of **€1.8 billion in 2021**, compared to €1.6 billion in 2020 - a figure that places the Company in **fourth place in the European A&D sector** - Leonardo is playing a leading role on the product, process and service innovation front with a clear objective: **to implement a sustainable transformation of new technological cycles**.

Innovation Day, an event attended on behalf of Leonardo by Chairman **Luciano Carta**, CEO **Alessandro Profumo**, General Manager **Lucio Valerio Cioffi**, and Chief Technology and Innovation Officer **Franco Ongaro**, summed up the progress implemented by the Company on the innovation front, in the pursuit of **technological evolution, digitisation and sustainability** in line with the **Be Tomorrow - Leonardo 2030 strategic plan**.

The figures fully corroborate this innovation strategy: **90 collaborations with universities, polytechnics and research centres**, in Italy and worldwide, **13 framework agreements**, **44 PhDs** activated in Italy in 2021, and the binding agreement to fund **more than 80 by 2022**. The most significant open innovation initiatives include participation, with **CDP (Cassa Depositi e Prestiti)** and **ESA (European Space Agency)**, in accelerators in the Aeronautics and Space sectors, helping to strengthen a **widespread innovation process open to external influences**.

On the new business models front, Leonardo has recently created the **Business Innovation Factory (BIF)**, built in partnership with the LVenture Group, and inaugurated the **Cyber & Security Academy**, an advanced training centre that draws on the experience gained in the cyber-physical protection of critical infrastructures in more than 150 countries around the world and in the continuous management of cyber threats in various strategic areas.

This drive for innovation led to the creation in 2020 of a **network of Leonardo Labs**, innovation multipliers integrated in the engineering and development units of the company's various technological areas. To date there are **11 Labs** operating in **various centres in Italy and abroad**, in concert with the company's industrial units, and specialising in R&D on frontier technologies with a **strong orientation to the digital sphere**. The **Labs** have enabled the hiring of **130 researchers**, a number set to rise to **200 by 2023**. This network makes use of the Genoa-based supercomputer **davinci-1**, a neuralgic infrastructure designed to **combine cloud capabilities with supercomputing**, pairing operational flexibility with processing power.

This innovation pathway also sees Leonardo committed to **training young people** with the aim of contributing to the emergence of a new generation of **STEM professionals**. More than **900 primary and secondary schools** were involved nationwide in 2021, while over **3,600 students** took part in live talks promoted by Leonardo on technology topics. Some **50 Leonardo STEM Ambassadors** produced more than **30 courses and digital contents**, geared particularly towards new digital technologies and sustainability issues. Among the most successful initiatives were the **STEM Olympics**, which saw the active participation of about **1,600 students**.

It is in this articulated innovation- and sustainability-oriented context that **Innovation Day** was held, an event dedicated, above all, to celebrating the talent springing from within the Company, as reflected in a **15% increase in the number of patents filed in 2021 over the previous year.**

During the event, **11 Innovation Awards were granted** out of the **831 projects submitted, with a total participation of 2,500 company employees.** Over time, the initiative, which is now in its **16th year**, has seen the involvement of **35,000 Leonardo employees and 11,000 projects.**

Of particular interest in the current edition is the **ORIGAMI** project, an innovative helicopter tailplane design with aerodynamic tips that improve performance at both high and low speeds, minimising possible mishaps and significantly increasing stability. Designed as a retrofit kit, it aims to replace conventional tips and, at the same time, preserve the main body of the tailplane. A key element of the design is that the new concept may be applied to several helicopters, avoiding a complete redesign of the tailplane.

Another highly innovative project is the **Radar Processor on Chip**, which consists in implementing a radar chain within a single chip, with considerable savings in the components used and a significant competitive advantage due to considerable architecture simplification. The solution opens up experimentation for other types of sensors and is also susceptible to applications outside the scope for which it was designed. Moreover, it is intended for all applications that require low-cost, easily installed and transportable sensors, and has a direct spin-off in terms of sustainability, due to a reduction in the power of electromagnetic signal emissions and a significantly reduced footprint compared to traditional radar.

Leonardo, a global high-technology company, is among the top world players in Aerospace, Defense and Security and Italy's main industrial company. Organized into five business divisions, Leonardo has a significant industrial presence in Italy, the United Kingdom, Poland and the USA, where it also operates through subsidiaries that include Leonardo DRS (defense electronics), and joint ventures and partnerships: ATR, MBDA, Telespazio, Thales Alenia Space and Avio. Leonardo competes in the most important international markets by leveraging its areas of technological and product leadership (Helicopters, Aircraft, Aerostructures, Electronics, Cyber & Security Solutions and Space). Listed on the Milan Stock Exchange (LDO), in 2021 Leonardo recorded consolidated revenues of €14.1 billion and invested €1.8 billion in Research and Development. The company has been part of the Dow Jones Sustainability Indices (DJSI) since 2010 and has been confirmed among the global sustainability leaders in 2021. Leonardo is also included in the MIB ESG index.

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