

PRESS RELEASE

**SOUTHWEST AIRLINES AND LEONARDO JOIN FORCES TO RESHAPE BAGGAGE HANDLING SYSTEM AT DENVER AIRPORT**

**The US airline selected Leonardo's technology for transfer bags terminal at one of the world's busiest hubs**

**Passengers travel experience will be optimized by drastically reducing baggage mishandlings**

**The introduction of cross-belt sorter technology marks a ground-breaking milestone in the United States, paving the way for further achievements**

**Rome, 18/12/2023** – Southwest Airlines, a major US airline with almost 127 million annual passengers and the largest carrier of domestic passengers in the United States, chooses Leonardo's sorter technology to reshape the transfer bags facility at Denver International Airport. The move aims to guarantee faster connection times, accommodate tight flights schedule, and enhance capacity to handle future passenger volume growth effectively. Denver is one of the busiest airline hubs in the world's largest aviation market, with over 69 million passengers travelled through it in 2022, comes in third among the world's top 10 busiest airports.

The contract, worth over 25 million euros, will provide a solution designed in response to Southwest's specific requirements, to remove the root cause of inefficiencies experienced due to labor intensive, manual sortation, tail-to-tail transfer bag approach at Southwest Denver.

One of the key highlights of the project is the introduction of cross-belt sorter technology marking a groundbreaking milestone in the United States. Leonardo's cross-belt sorter (MBHS - Multisorting Baggage Handling System), as a proven and reliable technology, offers numerous advantages over traditional systems including enhanced accuracy, increased sorting speed, and improved scalability. This will enable Southwest to experience significant improvements in operational efficiency, automatic precise sortation of transfer bags, reduced operator workload, and elimination of existing pain points.

"Southwest handles far more bags than anyone else in the industry and it's not even close," said Andrew Watterson, Chief Operations Officer at Southwest Airlines. "This new system at Denver Airport helps to modernize our largest operation and provides key efficiencies to our people and customers."

Leonardo's solution will comprise 1 MBHS cross-belt sorter with 3 induction lines for a total length of about 500 m/1640 ft to serve 94 destinations. There will also be two conveyor-based bags buffers. The system features additional technological innovations including advanced IT systems for management, flow management software for intelligent routing and a diagnostic system.

The cutting-edge technology of MBHS enables to streamline the entire sorting process, optimize resource utilization, and minimize operation expenses, ultimately leading to cost savings for the airline by reducing the cost per bag in the system. Furthermore, this implementation will contribute to a substantial improvement in aircraft turnaround time, translating into shorter layovers, resulting in improved flight schedules and increased customer satisfaction. The overall passenger travel experience will undergo a notable improvement thanks to elimination of delays and mis-sortation, ensuring that baggage arrives promptly at their destinations. Additionally, Southwest's commitment to improving operator working conditions and ergonomics will be met by alleviating the burden on operators, thus enhancing the staff comfort and safety.

"The decision by Southwest to trust their largest and most complex baggage operation in the USA to Leonardo really demonstrates the transformative nature of our baggage technology," said Massimiliano Veltroni, Managing Director of Automation Business Unit. "The application of the MBHS for Southwest at Denver will be game-changing for their operation and I look forward to seeing the system live with real Southwest bags in the near future."

After numerous European successes and other airports in Middle East and Asia, the American frontier represents a great achievement for Leonardo, once again highlighting the value of the company's state-of-the-art MBHS cross-belt sorting technology.

**About Southwest Airlines Co.**

Southwest Airlines Co. operates one of the world's most admired and awarded airlines, offering its one-of-a-kind value and hospitality at 121 airports across 11 countries. Southwest took flight in 1971 to democratize the sky through friendly, reliable, and low-cost air travel and now carries more air travelers flying nonstop within the United States than any other airline. Based in Dallas and famous for an employee-first corporate culture, Southwest maintains an unprecedented record of no involuntary furloughs or layoffs in its history. By empowering its more than 74,000 people to deliver unparalleled hospitality, the maverick airline cherishes a passionate loyalty among more than 126 million customers carried in 2022. That formula for success brought industry-leading prosperity and 47 consecutive years of profitability for Southwest Shareholders (NYSE: LUV). Southwest leverages a unique legacy and mission to serve communities around the world including harnessing the power of its people and purpose to put communities at the heart of its success. Learn more by visiting [Southwest.com/citizenship](https://Southwest.com/citizenship). As the airline with heart, Southwest has set a goal to work toward achieving net zero carbon emissions by 2050. Southwest has also set near-term targets and a three-pillar strategy to achieve its environmental goals. Learn more by visiting [Southwest.com/planet](https://Southwest.com/planet).

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**Leonardo** is a leading global Aerospace, Defence and Security (AD&S) company. With 51,000 employees worldwide, it operates in the fields of Helicopters, Electronics, Aircraft, Cyber & Security and Space, and is a key partner in major international programmes including Eurofighter, NH-90, FREMM, GCAP and Eurodrone. Leonardo has significant industrial capabilities in Italy, the UK, Poland, and the US and also operates through subsidiaries, joint ventures and stakes, including Leonardo DRS (72.3%), MBDA (25%), ATR (50%), Hensoldt (25.1%), Telespazio (67%), Thales Alenia Space (33%) and Avio (29.6%). Listed on the Milan Stock Exchange (LDO), Leonardo reported new orders of €17.3 billion in 2022, with an order backlog of €37.5 billion and consolidated revenues of €14.7 billion. The company is included in the MIB ESG index and has been part of the Dow Jones Sustainability Indices (DJSI) since 2010.

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