



Extraordinary Shareholders' Meeting of 26 May 2025

Explanatory Reports pursuant to Art. 125-ter of Legislative Decree No. 58/1998

Extraordinary Session

1. Amendments to the Articles of Association of Leonardo S.p.a.

Explanatory Report of the Board of Directors on item 1 on the Agenda

Amendments to the Articles of Association of Leonardo S.p.a.

Dear Shareholders,

you are called to an Extraordinary Meeting to resolve on proposed amendments to certain clauses of the Articles of Association of Leonardo S.p.a., which are aimed at adapting the rules of corporate governance to Leonardo's role as a major player in global security, in accordance with the 2025-2029 Industrial Plan. The Shareholders' Meeting will be called to also resolve on a proposal with regard to a mere improvement in the form of the text of the articles of association through, among other things, the deletion of a clause that is now ineffective.

Specifically, the proposals refer to the following clauses of the Articles of Association:

- amendment to Articles 5.1ter, 22.3, and deletion of Article 34.

The proposed amendments to the Articles of Association do not fall within the scope of any of the cases of withdrawal set out in Article 2437 of the Italian Civil Code and therefore do not confer any right of withdrawal on those Shareholders who should not contribute to their approval.

The proposed amendments to the articles referred to above shall be subject to specific and different votes at the Shareholders' Meeting, in view of the different subject-matters to which they relate. Below are the topics of the voting:

- a) Proposed amendment to Article 22.3 concerning matters reserved to the exclusive competence of the Board of Directors. Proposed amendment to Article 5.1ter for an improvement of the current literal wording of the Articles of Association.**
- b) Proposed deletion of Article 34 of the Articles of Association.**

a) Proposed amendment to Article 22.3 concerning matters reserved to the exclusive competence of the Board of Directors. Proposed amendment to Article 5.1ter for an improvement of the current literal wording of the Articles of Association.

The proposed amendments to **Article 22.3** of Leonardo's Articles of Association are aimed at strengthening the Company's governance and adapting the rules of corporate governance to Leonardo's role as a major player in global security, in accordance with the 2025-2029 Industrial Plan, by redefining the scope of the matters reserved to the exclusive competence of the Board of Directors.

Based on the 2025-2029 Industrial Plan, Leonardo's objective is, in fact, to lead the transition towards the implementation of interoperable multi-domain technologies for global security, updating the concept of conventional defence, in line with the current evolution characterized by the advent of digital technology.

The current formulation of the scope of some of the matters reserved to the Board of Directors under Article 22.3 of the Articles of Association no longer adequately reflects the operational needs for which such reservations were introduced, including, among the key matters falling under the exclusive competence of the governing body - which cannot be delegated pursuant to Article 25 of the Articles of Association or Article 2381 of the Italian Civil Code - the following matters limited to the defence sector:

reservation iv: “sale, transfer, leasing, usufruct, or any other act of disposition, as part of joint ventures, or otherwise, or the placing of constraints on the business or branches of the business pertaining to defence-related activities”;

reservation v: “sale, transfer, licensing or any other act of disposition, as part of joint ventures, or otherwise, or the placing of constraints on technology, manufacturing processes, know-how, patents, industrial plans, and such other intellectual property work as may be pertaining to defence-related activities”;

reservation vi: “relocation of research and development work pertaining to defence-related activities outside of Italy”;

reservation vii: “sale, transfer, usufruct, pledging, or and any other act of disposition, as part of joint ventures or otherwise, or the placing of constraints on investments held in subsidiaries, associates or investees (the concepts of control and affiliation shall be taken within the meaning of Article 2359 of the Italian Civil Code) involved in defence-related activities”;

reservation ix: *“votes to be cast on the subjects referred to in this article at general meetings of subsidiaries, associates or investees (the concepts of control and affiliation shall be taken within the meaning of Article 2359 of the Italian Civil Code) involved in defence-related activities.”*

The original rationale for attributing the aforementioned matters to the exclusive competence of the Board of Directors is historically to be found in the need to protect – through making provision for an enhanced governance system – a set of specific “defence-related” activities falling within the scope of recurring operations of the Company.

At present, the business activities that are of strategic importance to Leonardo are certainly broader and more diversified than just traditional defence-related activities. It, therefore, seems necessary to ensure that all Leonardo's strategic activities are subject to the same enhanced governance safeguards as are currently provided for defence-related activities alone.

With regard to the governance safeguards currently provided for in the Articles of Association, it should be noted that the matters set out in Article 22.3: (i) cannot be delegated by the Board of Directors; (ii) are validly resolved on with the favourable vote of **seven/tenths** of the directors in office; (iii) if they are the subject of a resolution to be passed by the shareholders' meeting, they must be adopted with the favourable vote of at least **three quarters of the capital** present at the Meeting.

In order to extend the same level of protection already provided for in the Articles of Association for defence-related activities to additional strategic activities that are important for the Company, it is therefore proposed to amend the reservations *iv, v, vi, vii* and *ix* in the Articles of Association, specifying that the matters defined therein fall under the exclusive competence of the Board of Directors **if they are of strategic importance to the Company**, meaning those activities that fall within the scope of application of the Golden Power regulations in force for the time being, and are subject to notification obligations pursuant to such regulations.

With regard to this, according to the current legislation, the sectors affected by the Golden Power regulations are as follows: national defense and security; energy, transport and communications; 5G broadband electronic communication services powered by cloud technology and other services; additional sectors specifically identified in the regulations (such as, but not limited to: assets and business relations in the energy, processing, storage, access and control of sensitive data and information, artificial intelligence, robotics, semiconductors, cybersecurity, nanotechnology and biotechnology industries, non-military aerospace engineering and technology industries, the supply of production resources, dual-use products of strategic importance).

This amendment, if approved – without prejudice to the current powers of the Shareholders' Meeting – would therefore allow the Board of Directors to strengthen its role in the strategic governance of the Company, protecting all shareholders and other stakeholders of Leonardo. The extension of the

seven-tenths deliberative quorum on such matters would also allow for strategic decisions to be taken with the involvement of a large number of directors.

Moreover, this amendment would strengthen the role of the Shareholders' Meeting, since it would extend the deliberative quorum by three-fourths of the capital present at the Meeting on matters that currently do not fall under the scope of such approval regulations.

Therefore, this would entail a heightened role played by directors and shareholders representing also minority interests when taking strategic decisions at Board of Directors' and Shareholders' Meetings, resulting in a greater involvement of institutional investors and the strengthening of the collective decision-making process.

In light of the above arguments, it is proposed to amend Article 22.3 as detailed in the table reported below.

CURRENT TEXT	PROPOSED TEXT
<p style="text-align: center;">Art. 22 (OMISSIS)</p> <p>22.3 Notwithstanding the provisions of the preceding paragraph of this article, resolutions concerning the strategic topics listed below shall be validly adopted with the vote in favour of 7/10 of directors in office. If this ratio is a fraction, it shall be rounded down to the next whole number:</p> <ul style="list-style-type: none"> (i) proposals to put the Company into voluntary liquidation; (ii) the approval of plans for the merger or demerger of the Company; (iii) proposals to amend any clause of the Articles of Association, or to adopt new Articles of Association; (iv) the sale, transfer, leasing, usufruct, or any other act of disposition, as part of joint ventures, or otherwise, or the placing of constraints on the business or branches of the business pertaining to defence-related activities; (v) the sale, transfer, licensing or any other act of disposition, as part of joint ventures or otherwise, or the placing of constraints on technology, 	<p style="text-align: center;">Art. 22 (OMISSIS)</p> <p>22.3 Notwithstanding the provisions of the preceding paragraph of this article, resolutions concerning the strategic topics listed below shall be validly adopted with the vote in favour of 7/10 of directors in office. If this ratio is a fraction, it shall be rounded down to the next whole number:</p> <ul style="list-style-type: none"> (i) proposals to put the Company into voluntary liquidation; (ii) the approval of plans for the merger or demerger of the Company; (iii) proposals to amend any clause of the Articles of Association, or to adopt new Articles of Association; (iv) the sale, transfer, leasing, usufruct, or any other act of disposition, as part of joint ventures, or otherwise, or the placing of constraints on the business or branches of the business pertaining to defence-related activities which are of strategic importance to Leonardo, meaning those activities that fall within the scope of application of the Golden

<p>manufacturing processes, know-how, patents, industrial plans, and such other intellectual property as may be pertaining to defence-related activities;</p> <p>(vi) the relocation of research and development work pertaining to defence-related activities outside of Italy;</p> <p>(vii) the sale, transfer, usufruct, pledging, or any other act of disposition, as part of joint ventures or otherwise, or the placing of constraints on investments held in subsidiaries, associates or investees (the concepts of control and affiliation shall be taken within the meaning of Article 2359 of the Italian Civil Code) involved in defence-related activities;</p> <p>(viii) notification from the issuer relating to public offers for acquisition or exchange pursuant to Article 39 of the Issuers' Regulation adopted by CONSOB Resolution no. 11971 of 14 May 1999, as amended and supplemented;</p> <p>(ix) votes to be cast on the subjects referred to in this article at general meetings of subsidiaries, associates or investees (the concepts of control and affiliation shall be taken within the meaning of Article 2359 of the Italian Civil Code) involved in defence-related activities.</p> <p>The powers of the Board of Directors in respect of the matters listed above may not be delegated pursuant to Article 25 of the Articles of Association nor pursuant to Article 2381 of the Italian Civil Code.</p>	<p>Power regulations in force for the time being, and are subject to notification obligations pursuant to such regulations;</p> <p>(v) the sale, transfer, licensing or any other act of disposition, as part of joint ventures or otherwise, or the placing of constraints on technology, manufacturing processes, know-how, patents, industrial plans, and such other intellectual property as may be pertaining to defence-related activities which are of strategic importance to Leonardo, meaning those activities that fall within the scope of application of the Golden Power regulations in force for the time being, and are subject to notification obligations pursuant to such regulations;</p> <p>(vi) the relocation of research and development work pertaining to defence-related activities which are of strategic importance to Leonardo, meaning those activities that fall within the scope of application of the Golden Power regulations in force for the time being, and are subject to notification obligations pursuant to such regulations, outside of Italy;</p> <p>(vii) the sale, transfer, usufruct, pledging, or any other act of disposition, as part of joint ventures or otherwise, or the placing of constraints on investments held in subsidiaries, associates or investees (the concepts of control and affiliation shall be taken within the meaning of Article 2359 of the Italian Civil Code) involved in defence-related activities which are of</p>
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	<p>strategic importance to Leonardo, meaning those activities that fall within the scope of application of the Golden Power regulations in force for the time being, and are subject to notification obligations pursuant to such regulations;</p> <p>(viii) notification from the issuer relating to public offers for acquisition or exchange pursuant to Article 39 of the Issuers' Regulation adopted by CONSOB Resolution no. 11971 of 14 May 1999, as amended and supplemented;</p> <p>(ix) votes to be cast at general meetings of subsidiaries, associates or investees (the concepts of control and affiliation shall be taken within the meaning of Article 2359 of the Italian Civil Code) involved, on the subjects referred to in this article, in defence-related activities which are of strategic importance to Leonardo, meaning those activities that fall within the scope of application of the Golden Power regulations in force for the time being, and are subject to notification obligations pursuant to such regulations.</p> <p>The powers of the Board of Directors in respect of the matters listed above may not be delegated pursuant to Article 25 of the Articles of Association nor pursuant to Article 2381 of the Italian Civil Code.</p>
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- **Article 5.1ter**

It is also proposed to amend **Article 5.1ter** in order to specify that, merely for the sake of simplification and consistency of the text of the Articles of Association, the “*Decree Law no. 21 of 15 March 2012, converted with amendments into Act no. 56 of 11 May 2012*” – mentioned several times

– is also referred to in the subsequent clauses of the Articles of Association as the “Golden Power regulations.”

The proposed amendment is shown in the table below.

CURRENT TEXT	PROPOSED TEXT
<p style="text-align: center;">Art. 5.1ter (Omissis)</p> <p>Without prejudice to the above provisions, according to Decree Law no. 21 of 15 March 2012, converted with amendments into Act no. 56 of 11 May 2012, and pursuant to the related implementing provisions, as amended and supplemented, anyone who holds a stake in the voting capital above the thresholds provided for in the regulations in force for the time being, is required to notify the transaction to the Presidency of the Council of Ministers, under the terms and in the manner established by the abovementioned regulations, in order to allow the exercise of special powers.</p>	<p style="text-align: center;">Art. 5.1ter (Omissis)</p> <p>Without prejudice to the above provisions, according to Decree Law no. 21 of 15 March 2012, converted with amendments into Act no. 56 of 11 May 2012, and pursuant to the related implementing provisions, as amended and supplemented (hereinafter also referred to as the “Golden Power regulations”), anyone who holds a stake in the voting capital above the thresholds provided for in the regulations in force for the time being, is required to notify the transaction to the Presidency of the Council of Ministers, under the terms and in the manner established by the abovementioned regulations, in order to allow the exercise of special powers.</p>

Draft meeting resolution

Having stated this, we submit the following proposed resolution for your approval:

"The Extraordinary Shareholders' Meeting of Leonardo - Società per azioni.

- having noted the proposal of the Company's Board of Directors and the related Report prepared pursuant to Art. 125-ter, paragraph 3, of Legislative Decree no. 58/1998

resolves

- to approve the proposed amendments to Article 22.3 and Article 5.1ter of the Articles of Association as resulting from the text referred to in the Board of Directors' Report approved on 3 April 2025 and to be set forth verbatim in the minutes of this resolution;*
- to grant the Board of Directors, and on its behalf separately to the Chairman and the Chief Executive Officer, the broadest powers in order to implement this resolution, as well as to make any such non-substantive amendment to this resolution as may be necessary or even only appropriate for the purpose of its registration in the Companies Register."*

b) Proposed deletion of Article 34 of the Articles of Association.

It is proposed to delete **Article 34** from the Articles of Association concerning the effective date of the application of the appointment mechanism of the Chairman of the Board of Statutory Auditors. The introduction of this article had become necessary – on the occasion of the approval of the amendments to the Articles of Association on the part of the 2024 Shareholders' Meeting – in order to make the new provisions of the Articles of Association governing the appointment of the Chairman of the Board of Statutory Auditors (Article 28.3) applicable as from the appointment of the Chairman of the control body subsequent to that made by the 2024 Shareholders' Meeting, for the reasons explained at the last Shareholders' Meeting.

Therefore, the clarification provided in Article 34, according to which the new provisions of Article 28.3 regarding the appointment of the Chairman of the Board of Statutory Auditors “*shall be applicable as from the appointment of the Chairman of the Board of Statutory Auditors subsequent to that made by the General Meeting convened in ordinary session on 17 and 24 May 2024, on first and second call, respectively*” has become superfluous and useless. This is because the appointment of the Chairman of the Board of Statutory Auditors will necessarily take place, as from the next renewal of the control body, according to the procedures set out in the current Article 28.3 of the Articles of Association.

In light of these considerations and taking into account the fact that the clause laid down in Article 34 of the Articles of Association is no longer necessary, it is proposed that it be deleted.

For these reasons, it is proposed to make the amendment detailed in the table reported below.

CURRENT TEXT	DELETED TEXT
<p style="text-align: center;">Art. 34</p> <p>34.1. The provisions of Article 28.3 regarding the appointment of the Chairman of the Board of Statutory Auditors adopted by the General Meeting convened in extraordinary session on 17, 20 and 24 May 2024, on first, second and third call, respectively, shall be applicable as from the appointment of the Chairman of the Board of Statutory Auditors subsequent to that made by the General Meeting convened in ordinary session on 17 and 24 May 2024, on first and second call, respectively.</p>	<p style="text-align: center;">Art. 34</p> <p>34.1. The provisions of Article 28.3 regarding the appointment of the Chairman of the Board of Statutory Auditors adopted by the General Meeting convened in extraordinary session on 17, 20 and 24 May 2024, on first, second and third call, respectively, shall be applicable as from the appointment of the Chairman of the Board of Statutory Auditors subsequent to that made by the General Meeting convened in ordinary session on 17 and 24 May 2024, on first and second call, respectively.</p>

Draft meeting resolution

Having stated this, we submit the following proposed resolution for your approval:

"The Extraordinary Shareholders' Meeting of Leonardo - Società per azioni.

- having noted the proposal of the Company's Board of Directors and the related Report prepared pursuant to Art. 125-ter, paragraph 3, of Legislative Decree no. 58/1998

resolves

- to approve the proposed deletion of Article 34 of the Articles of Association, as resulting from the text referred to in the Board of Directors' Report approved on 3 April 2025 and to be set forth verbatim in the minutes of this resolution;*
- to grant the Board of Directors, and on its behalf separately to the Chairman and the Chief Executive Officer, the broadest powers in order to implement this resolution, as well as to make any such non-substantive amendment to this resolution as may be necessary or even only appropriate for the purpose of its registration in the Companies Register."*

The proposed amendments to the Articles of Association do not confer any right of withdrawal on those Shareholders who should not contribute to their approval, since they do not fall within the scope of any of the cases of withdrawal set out in Article 2437 of the Italian Civil Code.

On behalf of the Board of Directors
The Chairman
(Stefano Pontecorvo)