



Leonardo S.p.a.

**Policy for the management of dialogue with  
shareholders in general and with other  
stakeholders**

Approved by the Board of Directors on 30/09/2021

## Contents

<b>1. Definitions</b>	<b>1</b>
<b>2. Object and purposes of the Policy</b>	<b>2</b>
<b>3. Responsibilities and parties concerned</b>	<b>3</b>
3.1 Introduction	3
3.2 The Board of Directors	3
3.3 The Chairperson and the CEO	3
3.4 The Investor Relations and Credit Agencies O.U.	4
<b>4. Methods of conduct of dialogue</b>	<b>5</b>
4.1 The Company's proactive communication with shareholders and other Stakeholders	5
4.2 Requests for dialogue from shareholders and Stakeholders (reactive engagement)	6
4.3 Provisions on Market Abuse Regulation	7
4.4 Period during which Leonardo refrains from dialogue	7

## 1. Definitions

- (a) **“General Meeting”**: the Shareholders’ Meeting of Leonardo S.p.a..
- (b) **“Shareholders”**: persons or entities that hold shares issued by Leonardo S.p.a..
- (c) **“Retail Shareholders”**: natural persons other than institutional investors who trade on the retail market carrying out transactions of a relatively low value and who are mainly motivated by the needs to make investments.
- (d) **“CFO”**: Chief Financial Officer of Leonardo S.p.a..
- (e) **“Corporate Governance Code” or “Code”**: the Italian Corporate Governance Code, which was approved in January 2020 by the committee of the same name and promoted by Associations of enterprises (ABI, ANIA, Assonime, Confindustria) and professional investors (Assogestioni), as well as by Borsa Italiana S.p.A..
- (f) **“CEO”**: Chief Executive Officer and the person mainly responsible for managing Leonardo S.p.a. (“Managing Director”).
- (g) **“RD”**: Responsible Director (“CEO” or “Managing Director”).
- (h) **“Board”**: Board of Directors of Leonardo S.p.a..
- (i) **“Group”**: the Group of companies consisting of Leonardo S.p.a. and the companies that it controls directly or indirectly.
- (j) **“Chairperson”**: Chairperson of the Board of Directors of Leonardo S.p.a..
- (k) **“Leonardo” or the “Company”**: Leonardo S.p.a..
- (l) **“Policy”**: this Leonardo policy for the management of dialogue with shareholders in general and other stakeholders.
- (m) **“Stakeholders”**: the holders of other financial instruments issued by the Company, institutional investors, asset managers, financial analysts, rating agencies, proxy advisors, proxy agents.
- (n) **“O.U.”**: Organizational Unit.
- (o) **“Insider Information”**: information of a precise nature that has not been disclosed to the public directly or indirectly concerning Leonardo or one or more of the financial instruments issued by the Company which, if revealed to the public, could have a significant

**effect on the prices of such financial instruments or on the prices of derivatives linked to them.**

- (p) “Confidential Information”:** confidential corporate information regarding Leonardo and/or its Subsidiaries that is not, or is not yet, in the nature of Insider Information.
- (q) “Financial Stakeholders”:** Leonardo’s shareholders and other Stakeholders of the Company, as defined above, who are involved in the dialogue the rules for which are laid down in this Policy.

## **2. Object and purposes of the Policy**

- (a)** Issuers that, like Leonardo, adhere to the Italian Corporate Governance Code, are called upon, by a Board of Directors resolution passed on the proposal of the Chairperson and worded in consultation with the CEO, to take up a policy for the management of dialogue with Shareholders in general, which also takes into account the engagement policies adopted by institutional investors and asset managers.
- (b)** The purposes of this Policy are to promote opportunities for meetings and discussion with Financial Stakeholders (whether they are Shareholders or other Stakeholders) and, abiding by EU and Italian market abuse regulations, to encourage ongoing, proactive, transparent and timely communication with Shareholders, while also considering the engagement practices that have been developed at national and international level, as well as with Stakeholders such as the holders of other financial instruments, institutional investors, asset managers, financial analysts, rating agencies, proxy advisors, proxy agents, it being in the Company’s interest to obtain opinions and proposals and enhance understanding of the parties’ corresponding reciprocal points of view.
- (c)** This Policy sets down the issues that are the subjects of dialogue between the Company and its Financial Stakeholders and the methods for its conduct.

The following activities do not fall within the scope of application of this Policy:

- i. communicating with Shareholders regarding the conduct of General Meetings and assisting them to take part in them, since these services are governed by specific legislative and regulatory provisions and are carried out by the Group Corporate Affairs

organizational unit (which reports directly to the Group General Counsel in the sphere of the Legal, Corporate Affairs, Compliance, Criminal Law and Anti-Corruption organizational unit). These activities include, but are not limited to, the presentation of lists of candidates for appointments to corporate bodies, the submission of questions before general meetings and requests to add items to the related agenda, the exercise of the Shareholders' rights and the payment of dividends. Information on these activities is to be found in the *Shareholder Guidance*, which is available on the Company's website;

- ii. work on dialogue with the Company not related to investments in Leonardo, for which certain corporate functions are responsible according to their internal organization, Procedures and the practices that they adopt.

### **3. Responsibilities and parties concerned**

#### *3.1 Introduction*

This section lays down the responsibilities of the Board of Directors, the Chairperson, the CEO and the Investor Relations and Credit Rating Agencies organizational unit ("IRC", which operates by directly reporting to the Chief Financial Officer, within the Administration, Finance and Control O.U.) as far as dialogue – as described in article 2 above - with Financial Stakeholders is concerned.

#### *3.2 The Board of Directors*

- (a)** The Board of Directors' role is to steer and oversee the application of this Policy, which it performs through the Chairperson of the Board and with support from the Nomination and Governance Committee.
- (b)** In its corporate governance report, the Board of Directors, on the Chairperson's motion, framed in consultation with the CEO, takes up and describes a policy that contains the rules for the management of dialogue with its Shareholders in general and with its other Stakeholders.
- (c)** Leonardo's Board of Directors, on the proposal of the Chairperson, framed in consultation with the CEO and having obtained the opinions of the Nomination and Governance Committee, approves

any amendments to this policy that should prove necessary, also taking its application in practice into account.

### 3.3 *The Chairperson and the CEO*

- (a) The Chairperson ensures that the Board of Directors, having obtained the opinions of the Nomination and Governance Committee, receives adequate information regarding the progress and significant content of the dialogue that has taken place with all the Shareholders during the year; specifically, (i) at the Board of Directors' meetings, during which, in consultation with the CEO, it is deemed appropriate to inform the Board of the most important issues that have emerged from the dialogue conducted by the Company; (ii) in the form of a six-monthly report, previously perused by the Nomination and Governance Committee, on the dialogue that has taken place with all the Shareholders during the period concerned.

In any case the Board of Directors is to be promptly informed of any specific dialogue that has taken place if the CEO, in consultation with the Chairperson, deems it appropriate that this should be done.

- (b) The management of dialogue with Shareholders and Stakeholders is entrusted to the CEO, who acts as Responsible Director ("RD") with the support of the IRC O.U. for the purpose.

The RD evaluates the timing, method of carrying on and content of dialogue in coordination with the Chairperson of the Board of Directors as far as subjects/issues related to the particular responsibilities of the latter are concerned (as laid down by the Board of Directors, as well as in the Corporate Governance Code and Article 4 of the Board of Directors' Rules); the RD also considers the necessity for corporate functions other than the IRC O.U. or other members of the Board, in particular the Chairperson of the BoD, and the Chairmen of the Board Committees, to take part in dialogue.

- (c) The RD informs the BoD of any important issues that have emerged from dialogue according to the methods and procedures set out in paragraph 3.3. a) above.

### 3.4 *The Investor Relations and Credit Agencies O.U.*

The IRC O.U. is the Company's corporate function that, among other duties, is dedicated to dialogue and relations with investors and the financial market in general.

Specifically, among other activities, the IRC O.U. gives the CEO operational support by:

- (i) conducting day-to-day relations with Shareholders in general, institutional investors, asset managers, financial analysts, rating agencies, proxy advisors, proxy agents, by means of ongoing, proactive, transparent and timely communications, in any case in compliance with EU and Italian market abuse regulations;
- (ii) receiving requests for dialogue from Shareholders and other Stakeholders and arranging meetings or conference calls as necessary.

For the purposes of this Policy, the IRC O.U.'s duty is to support the RD in ensuring the organic management of requests for dialogue from Shareholders or other Stakeholders and of opportunities for engagement provided at the Company's initiative. In particular, as a contact point, it appraises all the requests for dialogue that reach the Company on behalf of the RD, as it is recognised in the role of a filter and a link between requests from Shareholders and other Stakeholders and the Company, supporting the RD in the activities referred to in paragraph 3.3.b) above.

In the performance of its functions, the IRC O.U. liaises with other Company and Group organizational units according to needs

## **4. Methods of conduct of dialogue**

### *4.1 The Company's proactive communication with Shareholders and other Stakeholders*

The Company carries out the following dialogue activities on an ongoing basis:

- (a) carrying on and developing relations with financial analysts and actual and potential institutional investors in such a way as to enhance the level of knowledge of Leonardo by arranging events devoted to providing information regarding its strategy, business, commercial performance, financial prospects and ESG topics. Particular importance is attached to presentations of the Industrial Plan and the interim results to the financial market, also by conference call and via webcast and arranging the Company Roadshow with the Group's Management, the Deal Roadshow on the occasion of extraordinary transactions and the Investor Day with site visits, including virtual visits;

- (b) handling relations with Credit Rating Agencies that assign a rating to Leonardo's credit worthiness and bonds, as well as with the ESG Rating Agencies;
- (c) arranging special conference calls and meetings with the main institutional investors during the months prior to General Meetings and during the year, with opportunities for discussing new scenarios, trends and regulations that are likely to have impacts on subjects for discussion at General Meetings and investors' voting behaviour;
- (d) information campaigns directed at Shareholders, proxy advisors and proxy agents when General Meetings are convened, in order to convey all the necessary information regarding participation and the exercise of voting rights;
- (e) attending sector meetings or other events;
- (f) sending and/or publishing documents, newsletters, videos or other communications on the Company's website.

#### 4.2 *Requests for dialogue from Shareholders and Stakeholders (reactive engagement)*

- (a) Shareholders and Stakeholders can request direct interaction with the Company regarding issues related to its results, financial prospects, industrial and strategic plan, corporate governance (such as, for example, the composition of corporate bodies, information flows, succession plans, etc.), social and environmental sustainability, its policies for the remuneration of directors and key executives, internal control and risk management system and the Company's policies regarding ethics, transparency and anti-corruption, all this through the IRC O.U., which acts as a point of access (or contact point) and an intermediary for initiatives promoted by the Company, as well as for solicitations or requests for contact from external sources; for this purpose, requests shall be sent to email address : [ir@leonardocompany.com](mailto:ir@leonardocompany.com);
- (b) decisions regarding timing, the company staff to involve and the form of discussions (the method and content of dialogue) are taken by the RD with the support of the IRC O.U. from time to time on the basis of a responsible, realistic appraisal of the subject and purposes of discussions and the nature and dimensions of the other party, also in the light of previous occasions of engagement with the Company, without prejudice to the RD's liaison with the Chairperson of the BoD in complying with the provisions of paragraph 3.3.b) above. The persons to involve in dialogue with the

Shareholders or other Stakeholders, or with the organizations that represent them, are chosen on the basis of their competence and company governance structures and the choice is submitted to the RD for consideration. The Chairperson of the BoD and the Chairmen of the Board Committees may be involved in dialogue but only on the RD's decision and by reason of the responsibilities entrusted to them in their capacity as members of the BoD.

Requests must provide information on:

- (i) the subjects to be discussed;
- (ii) the reasons for requesting dialogue;
- (iii) the methods for conducting dialogue and the requesting persons taking part in the dialogue.

The Company may ask for further information regarding any request it receives.

#### *4.3 Provisions on Market Abuse Regulation*

It is expressly understood that the Company is required to act in full compliance with the current laws and regulations at the time at meetings and discussions with investors (whether they are Shareholders or other Stakeholders), and, more generally, on every other occasion of contacts with these persons. Should Confidential and/or Insider Information come to light during the management of dialogue, the Company shall act assuring compliance with current legal requirements in the matter of the management, processing and disclosure to the public of such information, also in accordance with the provisions in Leonardo's "Procedure for the management, processing and disclosure of confidential and insider information of Leonardo S.p.a. and for keeping the Insider Register", which was approved by the Board of Directors of Leonardo S.p.a. on 13 December 2018, as amended, and which can be found on the Company's website.

#### *4.1 Period during which Leonardo refrains from dialogue*

Dialogue with Shareholders and Stakeholders, whether the Company starts it proactively or whether it takes place at the initiative of the former, may take place throughout the year except on the days, set in accordance with market practice, that precede the date on which the interim results for each accounting period of the financial year are announced (31 March, 30 June, 30 September, 31 December) or on which the Company's business and strategic plan is approved and until the related press release is issued.

Nevertheless, there can be occasions for dialogue during these periods of abstention provided that the subjects for discussion regard non-financial matters.

