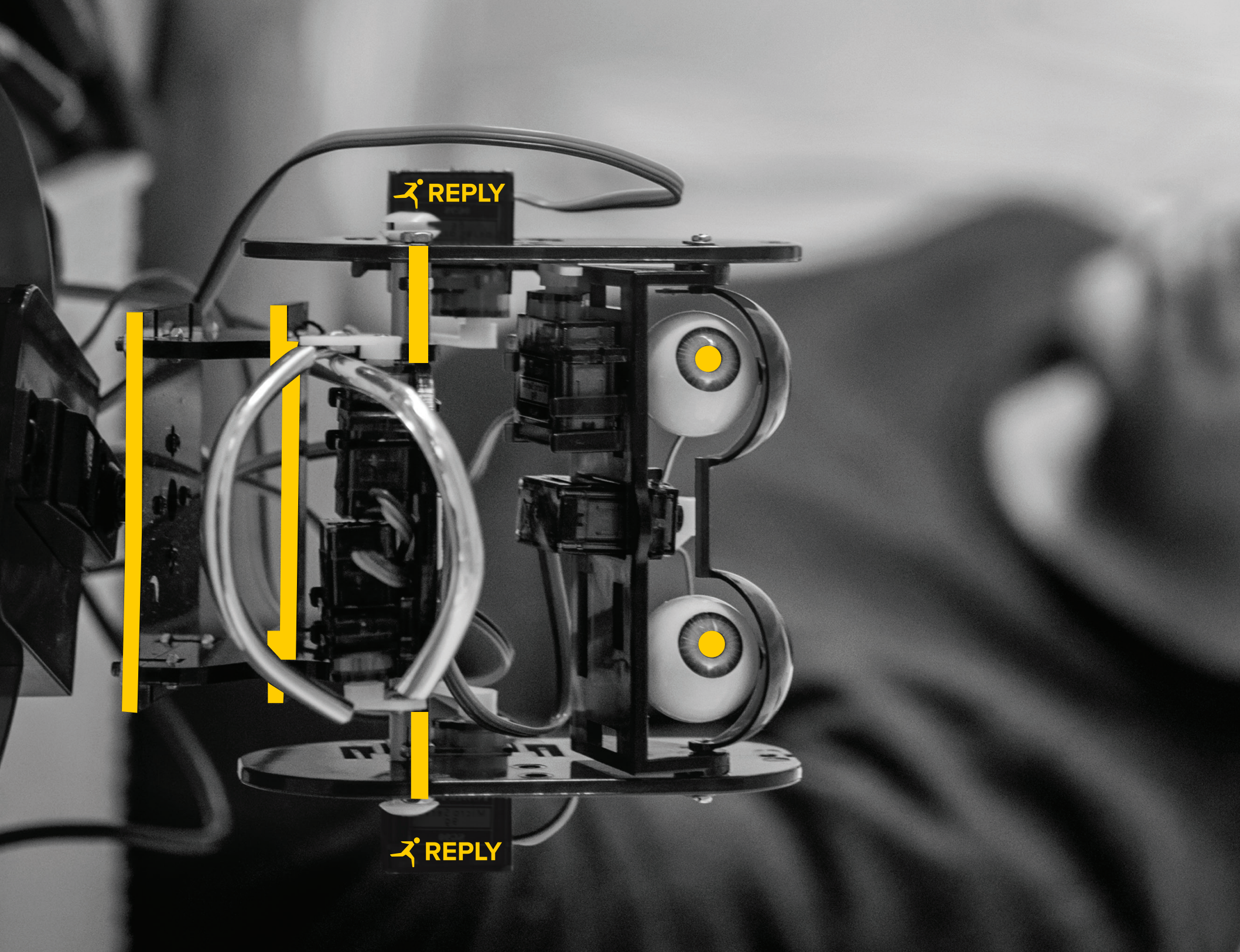
REPLY LIVING NETWORK


REPLY
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Reply is a group that specialises in consulting, system integration and digital services with a focus on the conception, design and development of solutions based on the new communication channels and digital media.

Composed of a network of companies, Reply partners with key industrial groups in defining business models. This is made possible by the new technological and communication paradigms such as artificial intelligence, big data, cloud computing, digital communication and the internet of things.

REPLY IS CHARACTERISED BY:

- a culture focused on technological innovation;
- a flexible **structure** that can anticipate market developments and interpret new technological drivers;
- a delivery **method** of proven success and scalability;
- a **network** of companies specialised in specific areas of expertise;
- **teams** composed of specialists from leading universities;
- a highly experienced **management** team;
- continuous **investment** in research and development;
- and long-term **relationships** with customers.

THE ORGANISATIONAL MODEL

With over 6.400 employees (as of 31 December, 2017), Reply operates through a network of companies that specialise in processes, applications and technologies and are centres of excellence in their respective fields of expertise.

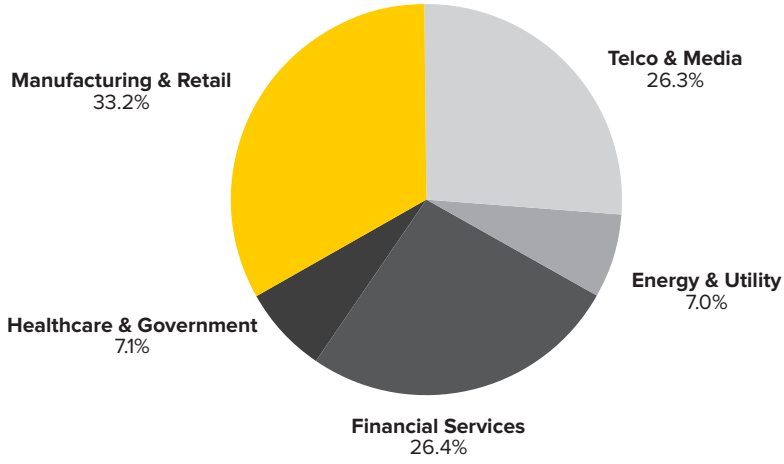
- **Processes** – at Reply, the understanding and use of technology involves introducing a new enabling approach for processes, based on an in-depth knowledge of both the market and the specific industrial contexts of implementation.
- **Applications** – Reply designs and implements application solutions aimed at satisfying companies' core business requirements.
- **Technology** – Reply optimises the use of innovative technologies, implementing solutions capable of ensuring maximum efficiency and operational flexibility for customers.

REPLY'S SERVICES INCLUDE:

- **Consulting** – focusing on strategy, communication, design, process and technology.
- **System Integration** – making the most of the potential offered by technology, combining business consulting with innovative technological solutions and high level value-add.
- **Digital Services** – innovative services based on new communication channels and digital trends.

MARKET FOCUS

For every market segment in which the company operates, Reply combines specific sector expertise with wide experience in the provision of services and a wealth of advanced technological capabilities. In 2017, the breakdown of the Group's sales in its various vertical sectors was as follows:



TELCO & MEDIA

In a world that is evolving towards an increase in digital contacts, the types of relationship with the end customer are drastically changing. The digitalisation of services and the virtualisation of interactions present new challenges in terms of supply, business models and operational processes, often leading to scenarios of cross-industry competition. To counteract this, Reply works with major telecom and media operators to define and implement digital transformation strategies and apply these to the main core processes.

Reply delivers integrated strategic and technological consulting services to support the design, definition and management of the new-generation networks, based on SDN (Software Defining Network) models, capable of integrating and managing virtual networks (Network Virtualisation) through network engineering services and network operations. The solutions developed by Reply are also applied to the network mediation layers used in the automotive world to enable 3G-4G communication between the Service Operations Centre and Network Operations Centre (NOC-SOC) and cars equipped with a "black box".

Reply also collaborates with leading European operators in the renewal of Operations Support systems / Business Support Systems (OSS/BSS) to support increasingly more customer-focused service models and an omnichannel configuration of the portfolio offering.

Finally, Reply is involved in the creation and implementation of services and applications designed for latest generation mobile devices. These include on-demand or linear audio/video content, integration with connected products, customer support services and omnichannel customer engagement solutions.

FINANCIAL SERVICES

Reply is increasingly active in supporting the digital transformation of Europe's financial institutions. Reply is working with some of the major players in the sector on many key issues, such as the design of complete multi-channel digital experiences and customer engagement strategies. This work includes everything from digital branding to the implementation of application strategies; the development of a new generation of portals and multi-channel touchpoints to the complete redefinition of the underlying technological architecture; and the analysis of new customer journeys, relying on evolved marketing initiatives with a data-driven focus.

In the wealth management area, Reply maintains a strong market presence and has developed a wide range of specific skills and solutions aimed, for example, at emerging consulting models and remote advice solutions and platforms. In the area of Governance Risk Control (GRC), Reply operates with a dedicated consulting division, comprising a European network that is distributed across 13 countries with over 200 business consultants and is highly specialised in risk evaluation and risk control. In this field, Reply is working with several leading financial institutions on a broad range of activities connected with the implementation of European Banking Union standards and on the development of related models and solutions.

Another area in which Reply boasts a strong presence and a high level of specialisation is the mobile payments realm and related m-commerce services. Reply offers consulting services, as well as a wide range of models and architectural solutions based on different standards, technologies and usage profiles, aimed at the banking/insurance market and at emerging players in the payments industry. Where relevant, Reply takes advantage of the new opportunities offered by the PSD2 legislation (revised Payment Service Directive).

IoT solutions represent another theme of great interest to Reply, in particular applied to the auto, home and health insurance sectors in which the company is active with cutting-edge projects for a number of key players.

MANUFACTURING & RETAIL

Reply partners with companies in this sector to support them through the transformation and management of information systems, from strategic design to the understanding and redefinition of key processes, and the implementation of solutions that integrate core applications in the manufacturing and distribution sectors. The areas of focus and development of skills are on the support of supplier relationship management processes; the design and implementation of control systems and planning based on the new generation of Cloud ERP solutions; the planning and control of production units through Manufacturing Execution Systems (MES); and the distribution and handling of products across complex logistics networks through Supply Chain Execution (SCE) processes.

Native Cloud platforms and applications, together with a focus on the enabling aspects of digital

transformation, represent the main technological component of Reply's portfolio offering.

Industry 4.0 and Logistics 4.0 are increasingly important elements for the strategic development of companies in the sector. In particular, the introduction of greater levels of flexibility on the shop floor is a new competitive challenge for processing companies. In 2017, Reply significantly increased its product offer in this area. The porting reengineering on the Cloud platform of proprietary SCE and MES solutions was completed. Using IoT, cloud computing and big data models, communication to the latest generation of sensors on production lines and within products was further boosted, creating a backbone for the next generation of applications in the logistics and manufacturing sector.

ENERGY & UTILITIES

In 2017, the energy and utilities sector confirmed the growth of innovative technologies on an industrial scale, across the entire value chain. Driven by market and regulatory pressures, operators are firmly investing in the digitisation, programming optimisation and operation of installations for the generation, transport and distribution of electricity.

Reply is one of the key partners delivering extensive transformation for companies operating in the sector. It combines knowledge of the market and of its unique processes, with a distinctive capability to design, implement and manage applications and technological solutions, supporting the "core business"; trading and risk management; pricing and forecasting; smart metering; billing; and CRM areas.

Moreover, the company's consolidated expertise in the introduction of new technologies (IoT, big data, cloud, mobile, etc.) is vertically applied, with dedicated and highly focused teams, to operating models for the various areas of the energy and utility value chain, and in particular in the definition and development of new smart metering, electric mobility, monitoring and optimisation of systems, smart grid and asset and work management models. Finally, Reply also assists its customers in the adoption of new energy management models aimed at boosting energy efficiency, a field in which it provides a complete portfolio offering, aimed at both energy sales companies and final consumers.

HEALTHCARE & GOVERNMENT

Telemedicine or digital healthcare, a realm that is expected to move therapies and patient monitoring increasingly out of the hospital environment, represents an important area of specialisation for Reply. The key areas that can potentially impact the organisational model are telemonitoring at the patient's home; and electronic prescriptions and healthcare for the management of patients suffering from chronic diseases. Reply has developed a specific platform for these areas, designed to facilitate an integrated network of communications between patients and community operators at various levels: hospitals, nursing homes, healthcare centres, community centres and more.

Lastly, Reply is working with various government agencies in the United Kingdom, including the Ministry of Defence (MOD), for which it has helped define and implement a new approach in the use of IT architecture. Designed to support decision-making processes, this new architecture is capable of integrating flows of heterogeneous information to improve data management and, at the same time, ensure the complete visibility of available resources.

TECHNOLOGICAL INNOVATION

Technological innovation forms the basis for Reply's development. The company has always pursued the objective of providing its customers with the tools necessary to increase flexibility and efficiency. Reply is involved in a continuous process of research, selection and marketing of innovative solutions for sustaining the creation of value within organisations.

ARTIFICIAL INTELLIGENCE

Artificial intelligence, one of the founding dreams of information technology itself, is a discipline that has existed for a long time. For years a mere fantasy due to the unavailability of systems and data, this technology is now becoming a reality which is capable of bringing about concrete benefits in different contexts. Over the next few years, revolutions are expected in all fields, especially in the industrial sector, but also in areas related to society and to the private life of individuals.

Today artificial intelligence is ready to be used within companies. The machine learning solution is, in fact, already adoptable and can automate processes by improving their quality. Reply applies the results of research on artificial intelligence to real-life scenarios in different sectors, implementing projects that integrate the latest machine learning technologies into company systems, from deep learning to cognitive computing, from recommendation systems to predictive engines, from data robotics to chatbots. Reply collaborates in these areas with the world's leading AI technology players.

Specifically, Reply's solutions within the artificial intelligence realm is based on three key elements: human-computer interaction (with the study of natural language conversation and recognition systems), processes (Intelligent Process Automation) and decisions (Data prediction and Data prescription). The essential factor for implementing artificial intelligence projects is the availability of data because without a wide availability of data, both historical and updated in real time, AI is not able to produce results. With this in mind, Reply works not only with the machine learning and neural networks technologies, but also with the management and treatment of big data through advanced analytics techniques.

BLOCKCHAIN

Blockchain technology represents a new opportunity to profoundly redesign the concepts of trust, property and trade. This is a further leap for web-based systems, which follows the joint statement of social networks and mobile devices. The disruptive potential of blockchain protocols lie in the opportunities they create for cutting out the middleman in virtually any guarantor-regulated trading process or Trusted Third-Party (TTP). The high potential of and the wide range of applications from this technology have been recognised at a cross-industry level.

Reply's Competence Centre, focused on the blockchain technology, is engaged in different countries (Benelux, France, Germany, Italy, the UK) and across various vertical industries (Banking, Insurance, Telco & Media, Energy, Retail, Healthcare, Real Estate, etc.), and works to accelerate the customer adoption of the most pervasive blockchain technologies, such as Bitcoin, Ethereum, Hyperledger and Multichain. Moreover, the

company's proven expertise in system integration is reflected in the blockchain world, and in its ability to interface with Blockchain-as-a-Service services offered by major IT vendors, meaning that Reply's blockchain solutions fall within the "enterprise-ready" software product category.

CLOUD COMPUTING

Cloud computing has established itself as one of the most important areas of transformation that companies have had to face. The offer of virtual environments and services by leading vendors worldwide has in fact modified, if not revolutionised the concept of IT as it had been traditionally interpreted, transforming it from being a simple commodity to one of the basic elements on which to configure the digital transformation of an enterprise.

At the same time, the ever increasing maturity of the cloud in its various forms (IaaS, PaaS or SaaS) is leading service providers and system integrators to define specific offer portfolios aimed at highly strategic issues, such as the coexistence of cloud with traditional on-premise applications and the challenge of data management security.

In order to fulfil the requirements for strategic, technological and change management transformation necessary for the implementation of the most effective cloud models based on specific situations, Reply has defined a portfolio of services structured along the following lines:

- consulting support (from the business process to operational management), capable of helping clients to understand, select and develop the most appropriate technological solutions and applications;
- an end-to-end provider service which, supported by the partnership with major vendors worldwide including Amazon Web Services, Google, Microsoft, Oracle, SAP and Salesforce, allows customers to benefit from the most effective solutions for their needs, both in terms of the model and the technology chosen; and
- SaaS services and solutions, based on Reply's proprietary application platforms.

CUSTOMER ENGAGEMENT

The rapid evolution of data analytics tools was triggered by the major innovations of technology companies and is characterised by the use of data-driven analysis methodologies, the benefits of which are the result of a large availability of data and increasing computational capacity for their analysis. Specifically, the data-driven approach is defining a new model for the design and management of marketing initiatives aimed at the customer. Indeed, once the needs of the individual customer have been interpreted, based on data and analysis provided by CRM (Customer Relationship Management) platforms, it becomes possible to define one-to-one marketing campaigns, launched in real time to meet specific needs.

With the aim of exploiting this competitive advantage and establishing a consultative and strategic platform, Reply has created a competence centre focused on the customer robotics approach. Thanks to the experience gained through initiatives carried out in various sectors (e.g. automotive, financial

services, utilities, retail, etc.), Reply has defined a framework for the development and implementation of processes related to direct interactions with customers, integrating machine learning, artificial intelligence and cognitive systems models, all aimed at the recognition and anticipation of needs across various digital channels.

The customer robotics approach facilitates the conception, design and implementation of services aimed at providing data-driven customer service tools, such as recommendation systems for products and conversational systems capable of understanding and interacting independently, using natural language.

Finally, Reply is constantly investing in developing its expertise in leading CRM and e-commerce platforms and solutions, thanks to a solid ecosystem of partnerships with world leaders in the industry, including Microsoft, Oracle, SAP and Salesforce.

DATA & ANALYTICS

Big data technologies have moved on from being a strictly technological field, to become one of the key levers in the digital transformation of companies. Indeed, significant data projects have been launched to define programmes aimed at improving business performance (e.g. risk management in financial institutions), innovating service models (e.g. passenger car policies in the insurance sector) or to understanding and serving customers better (e.g. loyalty programmes in the retail sector).

By combining technological skills in data analysis, data modelling and data process re-engineering, Reply has made it easier for its customers to approach the issue of big data, favouring the activation of a real and solid pathway of cultural change and introducing a new approach to data management.

In particular, Reply has partnered with companies to support them in the application of big data technologies, by creating architectures based on the new “data lake” concept; and in the development and application of advanced analytics models, bringing together business experts and data scientists to define core business processes with a data-driven focus.

Reply has also initiated the development of a specific offering in the machine learning field, designed to address the growing demand by companies to automate lower impact digitised processes, such as invoice reconciliation. At the same time, Reply works with companies to increase their ability to build value-added services based on innovative process automation models through deep learning, image recognition and prescriptive analytics.

To better support its customers in the introduction of advanced, data-use techniques, Reply has also developed a training programme aimed at establishing a new generation of data scientists capable of capitalising on the latest machine learning and data analysis techniques.

DESIGN CONSULTING

In an increasingly digital and more connected world, the concept of customer experience has become a key differentiating factor, both in B2C and in B2B environments. Reply helps its customers to create innovative and distinctive product-service experiences. This process begins with the analysis of people's needs, strategic business objectives and technological enablers, it then transforms them into integrated customer journeys and prototypes that make the results immediately tangible and verifiable. Finally they are developed in an iterative and agile way, until they are launched on the market.
At the same time, a customer-centric approach requires a change in the organisation, which must be aligned not so much to its internal functions – and to the underlying IT systems – but to the customer journey. Reply supports organisations in managing change to make them more customer-centric; receptive to market inputs and feedback; and agile in releasing new products and services, by mobilising cross-functional teams that operate in full autonomy and towards specific objectives.
Reply continued to invest in the acquisition of skills and expertise in this field in 2017, further expanding the two design studios in Milan and Munich that offer support to customers across Europe.

DIGITAL EXPERIENCE

Real Time Marketing, artificial intelligence and analysis of the customer journey are the three transformation technologies that will have the most impact on the relationships that brands have with their customers and prospects. In fact, the use of these technologies enables brands to improve their marketing results through continuous enhancement in customer experience, customer loyalty and an increase in their customer base.

Taking full advantage of these emerging capabilities also means building a vision of the individual customer that is increasingly more data-driven.
The growing interest in cross-device identification tools and Account-Based Marketing (ABM) solutions underlines the increasing interest among marketers towards technologies and models that are capable of offering targeted and coherent interactions among owned, earned and paid media.

In response, Reply has developed an extended and specialised set of skills. These range from digital storytelling to a multi-platform strategic vision; contextual interaction to omnichannel loyalty; and data recognition components used to capture large quantities of information and subsequent data analysis expertise required to transform the data into powerful and effective market insights.

To extend this scenario further, it is necessary to ensure coherent communication between the various media involved, through a unified consulting, conceptual and productive supply chain that also incorporates a multimedia asset management

strategy. In addition to the creation and management of every aspect of the interactive digital brand image, Reply's areas of expertise include creativity and technology as applied to important fields, such as mobile telephony, e-commerce, gaming and the internet of things. These are areas that commercial brands need to master, both now and especially in the future, as already demonstrated by major global communication markets.

In recent years, Reply has developed specific expertise and solutions to support companies in the development of immersive experience projects through the application of augmented reality and virtual reality. These technologies are expected to have an increasingly strong impact on the marketing strategies of highly innovative brands.

Another important field in which Reply supports its corporate customers is communication via digital social media networks. Today, this is a mainstream activity that has expanded significantly over the last few years and is the acknowledged global arena for brand-user relationships. Reply has therefore added to its portfolio an offering aimed at supporting companies in strategic activities that are needed to position a brand correctly, including within social media channels. This includes monitoring and assessment activities; the design and architecture of relational KPIs; promotional activities such as couponing and social gaming; content marketing; CRM; and social caring.

Social networks are increasingly more connected to the digital marketing activities that Reply integrates into a universal relationship model, based on analytical skills and paid, owned and earned media activation designed to enable and optimise a company positioning integrated with its own ecosystem over the relevant relationship channels. These channels include social media networks; search engines; comparison websites; shopping marketplaces and social shopping networks; affiliation networks; email; applications; and lead generation channels.

DIGITAL PAYMENTS

The widespread adoption of mobile devices among consumers and the creation of new payment channels that see the mobile component as a supporting factor, make the payment sector one of the areas with the highest growth rate.

Reply has defined a dedicated offer, based on consultancy services and technological platforms, to assist banks, financial institutions, telecos, utilities and retailers in creating and supplying innovative remote and proximity digital payment services.

One of Reply's key technological assets in this area is HI Credits™, a platform which enables personalised and contextualised payment services by capitalising on the available smartphone technologies. HI Credits™ can handle all major payment card circuits, token-based digital payment solutions (Apple Pay, Samsung Pay and Google Pay) and money transfers based on current accounts in person-to-person (P2P) and person to business (P2B) modes.

The expansion of new payment tools requires the acceptance network to adapt in order to manage

new types of digital payments. Reply has developed a range of services that make it possible to manage new digital payment tools including Alipay, Jiify and WeChat, both on the traditional POS network and on a smartphone or tablet.

Another innovation relating to the acceptance network is the introduction, by leading hardware vendors, of POS solutions running on Android, which make it possible to develop new services directly on the POS device and to distribute them using a business model based on proprietary app stores. Reply has developed significant expertise in the planning, design and implementation of payment apps for Android POS devices.

E-COMMERCE

Mobile consumers are increasingly demanding a completely integrated experience from companies, as personalised and as unified as possible through various physical and digital channels. In a similar purchasing scenario, the success of this lies in the ability to invest in services that promote and enrich relations and interaction between sellers and customers, by constantly innovating and extending sales models with new multi-channel strategies capable of offering consumers different touchpoints for purchasing products and delivering a unique experience that is integrated and agile. One example is the increasingly widespread success of purchasing processes based on the “click and collect” models, which are extremely useful in order to avoid additional delivery costs or unexpected events such as delays. Purchases are made online and the product is collected free of charge at the shop.

The growing use of social media to compare prices and products has further enriched and modified purchasing processes. The buying journey is increasingly based on an exchange of information and multi-channel interactions in which the transaction is begun and completed between chats, social media, online stores and physical shops.

This evolution of the traditional purchasing scenario has led Reply to define an omnichannel strategy centered on customer needs. This allows companies to provide the final consumer with a completely unified and integrated experience, through online, mobile and physical channels, where the client feels monitored and supported during the process (e.g. voice assistants, recommendation engine). Reply provides end-to-end management of the entire corporate sales cycle chain, for all business models (B2B, B2C, B2B2C).

Reply’s offering ranges from the management of products and catalogues to promotions and pricing optimisation; warehouse and logistics management to integrated call centre systems; and customer engagement both in physical stores, using proximity commerce techniques, and on online channels, by exploiting the potential of social media. Last but not least, Reply is able to build a digital experience that is not only rich and fluid for the end customer, but is also able to create an emotional relationship with the brand.

ENTERPRISE ARCHITECTURE & AGILE

The recent paradigm shifts in areas such as cloud computing, the mobile world, IoT and big data, along with more mature models of agile and DevOps delivery, have rendered the IT landscape unrecognisable compared to a few years ago.

In 2018, with the increasingly widespread emergence of 3D printing, virtual reality, artificial intelligence, machine learning and big data, all organisations will need to understand that those who do not know how to seize the opportunity to innovate, will be penalised by the market.

In order to excel in the digital economy, characterised by the convergence between the physical and the digital worlds, organisations must remove the boundaries between IT and business. This will allow enterprises to be agile in exploiting the new developments available to them, although they must proceed with caution to avoid damaging existing systems and processes.

This new technological approach requires agile delivery models in which small, highly qualified, multi-disciplinary teams implement a process of end-to-end change in a very short timeframe, working directly with the managers of the various business areas involved. Reply supports its customers in the realm of enterprise architecture through a vast catalogue of architectural frameworks, methods and models, consolidated in many projects completed for large industrial, media and service groups.

INDUSTRY 4.0

The fourth industrial revolution is the combined effect of connectivity, data processing power, latest generation mechanical automation, machine learning and artificial intelligence. Industry 4.0 models are quickly redefining production sites around the world, transforming them into systems closely interconnected with the supply chain, logistics, sales, the products themselves and the support and maintenance chain.

Plants become open ecosystems that need to be able to adapt autonomously to new tasks, to carry out maintenance activities and to predict the best input and output flows through constant communication with supply chains, while attaining levels of efficiency and control that minimise costs and maximise results.

For this new global world of interconnected production, Reply has developed a suite of integrated solutions capable of ensuring its customers are flexible, connected and efficient. In particular, Reply's mission is to accompany its customers along the entire transformation journey: from the planning and development of solutions that open up the production sites and interconnect them to the entire digital world, to the design and implementation of solutions capable of rendering products "smart", connected and digital.

The digitisation of companies is a transformation expected to take place in the medium term, made possible and concrete by the use of all the vertical and horizontal pillars offered by Industry 4.0

(Robotics, Digital Twin, Cloud and Fog Computing, augmented reality, big data, artificial intelligence and machine learning, etc.).

THE INTERNET OF THINGS

The drive to converge the telco, media and consumer electronics sectors is making it necessary to treat objects that currently lack connectivity as "networked devices". One of the main developments currently underway consists of the gradual interconnection not only of computers and devices, but also of a multiplicity of material objects, giving rise to networks that are increasingly pervasive and integrated with people's daily lives.

Reply has designed and developed HI ReplyTM, a platform of services, devices and middleware, on which to base specific vertical applications covering advanced logistics, environmental security, contactless payment and product traceability. In 2017, Reply continued to follow the trend of verticalisation started in previous years, consolidating its position in the smart home, healthcare, insurance and automotive sectors.

Following the incentives promoted at local level (Industry 4.0 in Germany and Calenda Plan in Italy), which have led to a push in the application of the IoT in industry, Reply has designed a proprietary Manufacturing Operation Management solution. Finally, within the IoT ecosystem, Reply has developed specific vertical solutions for the energy sector.

MOBILE

In the mobile sector, Reply supports companies in defining interaction scenarios with their users based on omnichannel applications and architectures capable of meeting the needs that the new market scenario is imposing. These are the appeal of and high usability of services; high performance of services; the creation of architectures that are capable of integrating new channels and types of devices with flexibility to provide services and content suitable for each platform.

With the exponential growth of mobile video, where the quality and stability of the service is essential to ensuring its success, Reply is involved in major European projects for the provision of OTT-TV services, working with design, development, validation and monitoring teams.

In addition, Reply has established its own application factory dedicated to mobile applications for both the business and consumer worlds. The factory includes a user experience laboratory, together with teams of developers specialised in various platforms, which bases its activity on a data-driven approach using tools and methods that focus on users and on their needs and behaviours.

AUGMENTED REALITY, VIRTUAL REALITY

The success of virtual reality continued during the course of 2017, both in the pure entertainment market with the release of various high-quality products (including Reply's Theseus-VR), and in the professional field. The different visors launched on the market in recent months (Google Daydream, ACER, ASUS, HP, Lenovo, etc.) which go alongside the most popular products currently available (OCULUS and HTC Vive), together with the general reduction in prices, are proof of a continuously expanding market.

Augmented reality, which in 2017 had as its reference product Microsoft's Hololens headset, also saw an important mobile development with the release of the respective development platforms of two leading players (Google and Apple). The areas in which this technology saw the greatest amount of development are the professional sectors as relating to companies' production processes (training, maintenance support, quality control) and sales support (e-commerce).

By combining experience in the 3D sector, from the gaming world, mobile skills and wearable devices, Reply has been able to develop an offering specifically orientated towards the development of solutions designed to increase user involvement.

This offer portfolio includes the development of augmented reality applications (aimed at visualising a virtual product in a real environment) and immersive reality applications designed specifically to provide users with an unforgettable experience, transporting them into a navigable virtual environment.

RISK MANAGEMENT, PRIVACY & SECURITY

Reply's Risk & Regulatory Management Consultancy division operates at a European level, providing services for risk, finance, treasury and compliance initiatives within the financial services sector. In these areas, Reply has developed a consolidated experience in change and remediation programmes driven by regulatory developments, and has developed programmes aimed at the strategic and operational improvement and optimisation of the same.

Over recent years, IT-related risks have increased dramatically in terms of both their impact and their frequency, leading to serious security violations and causing hundreds of millions of client data records to be compromised worldwide. The parameters that should be considered and monitored are often interconnected and are therefore difficult to catalogue in an orderly manner or to tackle individually.

In order to deal with this increasingly complex environment, Reply has defined an integrated, coherent and comprehensive range of services to support its customers in defining the best possible security governance and security technology strategies.

In particular, Reply provides support across all the implementation phases of an integrated information security plan, from strategic planning and the definition of enterprise security architectures, to the implementation of specific IT countermeasures.

Lastly, thanks to its cyber security command centre, Reply assists large organisations with advanced computer security incident response services.

SOCIAL MEDIA

In recent years, social media has profoundly changed the way in which individuals of all age groups communicate and interact, in both their private and professional lives.

The Internet has correspondingly transformed itself from a purely informative tool, to an immense space for dialogue and conversation, and for the research, purchase and evaluation of product/service brands.

New opportunities can be capitalised on by brands that are able to analyse and take advantage of the interactions generated on social media, be they customers, prospects, employees, partners or suppliers. The strategic assets in this realm are the ability to observe relevant phenomena, the process of defining the most effective social media marketing activities to meet a brand's business needs, data-driven content curation and social analytics activities.

Reply offers an innovative approach for maximising the value of brands' digital identity on social networks, with a view to integration with other relational touch points, from search engines – nowadays closely interconnected with social media – to television, for second screen interaction analysis.

Social media represents a valuable system of data that makes it possible to better understand users and to generate actionable insight. For example, data on user expectations supports those marketing initiatives focused on anticipating emerging trends; analytics data supports communication teams in defining communication clusters; advertisement interaction data makes it possible to optimise campaigns to decrease the dispersion of communication and to improve the conversion performance.

VIDEO & GAMING GENERATION

The video game market continues to see a strong performance, expanding to all age groups and remaining equally divided between female and male audiences. Mistakenly considered to be a niche phenomenon by some, video gaming is actually a mass phenomenon and one of the main consumer areas in the leisure and entertainment sector.

Video games are also a language of communication, a culture that permeates the whole of society. Companies must continually improve the dialogue with its customers by seeking new forms of "customer engagement", among which games play an important role.

Reply has developed a portfolio offering capable of meeting all of a brand's needs, from the use of virtual reality and augmented reality to the production of educational games (edutainment) or games designed to promote a product or a message (advergames). Reply is constantly investing in this area in order to offer, through the use of the latest technologies, increasingly innovative and engaging game experiences.

During the course of 2017, Reply was able to further assert the company's ability to create quality products, with a focus on the international market. In particular, the release of Theseus-VR, made available on all leading VR videogame marketplaces (VR Playstation, OCULUS Store, Steam VR), achieving good visibility and recognition from critics.

REPLY SERVICES & PLATFORMS

THE REPLY SERVICES

Today, networks consist of distributed "information systems" that provide real-time access to an ever-increasing quantity of complex data, information and content. This use of the Internet is creating new competitive models based on service approaches that depend on three fundamental components: the software platforms involved, an understanding of and expertise in the relevant processes, and service management.

Reply supports its clients in this innovation process with services and platforms that are designed to fully exploit the new potentials offered by networks and communication technologies.

BUSINESS PROCESS OUTSOURCING

Reply provides specialist services in three fields of expertise:

- **Finance & Administration** - the management of transnational accounting processes, the writing of consolidated financial statements, the management of tax obligations, the digitisation of accounting documents and electronic storage.
- **Human resources** - training, ECM (enterprise content management), career profiles, company knowledge and dashboards for directional analysis.
- **Pharmaceutical** - the management and control of pharmaceutical expenses.

CFO SERVICES

The role of the CFO is changing dramatically due to the increasing need to use complex reporting and simulation tools that can provide timely and adequate information on the success of a business and its ability to create value. As part of its business performance management portfolio, Reply has identified specific services that are capable of supporting the development of CFOs, who are increasingly called upon to confront issues that were once the responsibility of CEOs:

- definition of the business control model;
- strategic planning and budgeting;
- creation of the consolidated statement; and
- IPO support.

APPLICATION MANAGEMENT

Reply has defined an application management model characterised by:

- a modular approach that allows the customer to purchase either individual service components (for example, only application maintenance or only operational support) or structured groups of services; and
- a flexible supply model, aimed at integrating Reply's services in the best possible way with the customer's business processes, while taking into account the specific needs involved.

THE REPLY PLATFORMS

BRICK REPLY™

Brick Reply is Reply's Industry 4.0-ready manufacturing operations platform, focused on the IoT (Internet of Things) and based on a fully open services architecture capable of interfacing with machinery and coordinating production processes within a factory. Brick Reply's objective is the digitisation of business processes in manufacturing, from planning to the execution and monitoring of activities. The platform's flexibility, ease of implementation, focus on Industry 4.0, plus the multiple modes of use and application (As-a-Service, Infrastructure as a Service, On-Premise) means that it is a comprehensive and extremely adaptable solution for integration and use in different industrial sectors.

CLICK REPLY™

Click Reply™ is the Reply supply chain execution suite, intended for the management and optimisation of processes in the production or logistics and distribution sectors. Click Reply™ is one of the leaders in the automotive, retail fashion, grocery and contract logistics (3PL) sectors and is used by more than 400 companies and over 20,000 users worldwide. The suite has obtained important recognition, including a place in the Gartner Group's WMS (warehouse management system) Magic Quadrant.

DISCOVERY REPLY™

Discovery Reply™, Reply's digital asset management and content delivery platform, manages the full life cycle of digital assets (video, audio, images and documents). It places multimedia content at the very centre of processes and applications in order to facilitate a content management approach that is based on integrated multi-channel strategies. Thanks to the organisation of workflows, a high level of interoperability with other business systems and the advanced multi-channel asset distribution services, Discovery Reply™ supports integrated production models and the utilisation and storage of content. The platform is designed to support the purchase, processing, cataloguing, access, research and distribution of digital assets on various delivery channels, both traditional (analogue and digital TV) and IP-based (webTV, over-the-top TV, mobile TV, connected TV and digital signage).

HI REPLY™

HI Reply™, the Reply solution focused on the Internet of Things, is a platform of services, devices and middleware on which specific vertical applications are based, such as infomobility, advanced logistics, environmental security, contactless payment and product traceability. HI Reply™ enables simple and standard communication between web-connected objects. The platform consists of a combination of hardware, firmware and software components distributed on the actual objects, which vary from simple sensors and actuators to more sophisticated systems, such as smartphones and mini-computers. Enhanced by the platform, objects become "smart", acquiring the ability to interact with one another via standard internet technologies and gaining a set of basic functions necessary for them to behave "seamlessly" (auto-configuration, location, discovery and ontology of services exposed).

SIDEUP REPLY™

SideUp Reply™ is the Reply platform providing services for warehouse management and supply chain integration and collaboration. The solution is entirely cloud-based and integrates with both ERP systems and supply chain planning and e-commerce systems. SideUp Reply™ is aimed at companies that need to improve the efficiency and visibility of their supply chain in a short time. SideUp Reply™ can be used directly via the Internet, with a pay-per-use model. The suite has obtained important recognition, including a place in the Gartner Group's WMS (warehouse management system) Magic Quadrant.

STARBYTES™

Starbytes™, the crowdsourcing platform developed by Reply and based on cloud architecture, targets companies that intend to activate an open enterprise model, enabling them to develop projects, services or products through access to the capabilities and skills of a digital community, with a direct channel and without intermediaries. Within traditional mechanisms of engagement, Starbytes™ introduces new dynamics that stimulate interactivity, including the use of gamification, as well as facilitating a comprehensive management of the standards that regulate partnership contracts with freelancers. Starbytes™ is a new model in the workplace where supply and demand meet in a flexible way through contests and tenders and in which, thanks to a sophisticated and transparent feedback system, the best merit-based professionalism emerges.

TAMTAMY™

TamTamy™ is Reply's Digital Workplace and Enterprise Social Network solution, designed to respond to the need for communication, collaboration and education through social media and tools that place the focus on the employees. It is suitable for corporate and public contexts. TamTamy™ provides its customers with a platform designed to facilitate interaction between companies, brands and people. The product offers a variety of social media-focused functionalities, which can easily be extended and integrated at an enterprise level, while also addressing the needs of the consumer, making it possible to create digital workplace communities, communication portals and promote intranet participation. With a customisable front-end that is flexible and responsive that enables immediate and intuitive access, the platform is also accessible in a mobile environment. TamTamy™ is available both as a cloud-based and as an on-premise service.

TICURO REPLY™

Ticuro Reply™ is Reply's healthcare solution focused on telemedicine, telemonitoring and the analysis of behavioural habits. Based on the internet of things, Ticuro Reply™ is able to connect to more than 50 types of devices, from medical devices to wearable and environmental sensors, helping people, patients, caregivers and health professionals during the treatment process. Certified as a CE medical device, Ticuro Reply supports individuals, based on their health conditions, in prevention, treatment and postoperative care. The data collected and managed by Ticuro Reply facilitates processes and solutions focused on continuous remote assistance, allowing doctors to establish an interactive relationship with patients and provide them with a personalised treatment plan.

PARTNERSHIP - RESEARCH AND DEVELOPMENT

Reply considers research and continuous innovation to be fundamental assets for the support of its customers as they adopt new technologies.
In order to offer the most appropriate solutions for different business requirements, Reply has established important partnerships with major global vendors. In particular, Reply has achieved top level certifications in leading enterprise technologies, including:

MICROSOFT

In 2017 Reply continued to develop its partnership with Microsoft, achieving Gold Partner status in all the countries in which it operates. Specifically, Reply is engaged in the main areas covered by microsoft's four key solution areas: Modern Workplace, Business Applications, Applications and Infrastructure, Data and Artificial Intelligence.
2017 also saw significant growth in the adoption of cloud solutions by customers. Furthermore, Reply is a member of the Partner Advisory Council for Microsoft's Azure and Data Platform and in 2017 it participated in the exclusive Distinguished Engineer Council held in Redmond, WA (USA). Microsoft awards received by the company include: 'Enterprise HiPo Partners – Emerging Azure Partner of the Year 2016' and 'Cloud Transformation Partner – Azure 2017'.

ORACLE

Reply is an Oracle Platinum Cloud Select partner, and in 2017 was awarded, for the third consecutive year, 'Cloud Partner of the Year' in Italy and Germany. Reply pursues a process of constant innovation and training, aimed at ensuring qualified support for companies. With 49 corporate specialisations and more than 500 resources certified on Oracle products, Reply boasts one of the leading European Competence Centres to date, capable of guaranteeing coverage across the entire suite of Oracle products. Reply is the leading partner in the three key areas of Oracle's Cloud Computing offering: Infrastructure as a Service (IaaS), Platform as a Service (PaaS) and Software as a Service (SaaS).

Moreover, in 2017, Reply was one of the first partners to successfully bring application solutions to the market within the customer experience, modern marketing, enterprise resource planning, human capital management and budgeting realms, fully based on cloud technology. In recent months Reply has further strengthened its leadership in Oracle's cloud technology - Reply was among the first partners to join the "Managed Service Providers" programme thanks to its expertise, tools and processes designed to create, deploy and manage Oracle and non-Oracle workloads on the Oracle Cloud Platform.

Lastly, in the e-commerce sector, Reply has developed various projects, based on the Xstore and Oracle Commerce suites, aimed at defining a customer-centric strategy, customised and unified across the various channels.

SAP

Thanks to its extensive international experience in the implementation of software solutions based on the SAP product suite, Reply is able to support companies with the optimisation of their activities and processes, taking an agile and integrated approach to the design and development of business information systems for the digital age.

In this scenario, Reply relies on the Design Thinking methodology to combine technology with a more human-oriented aspect. This flexible and collaborative approach helps companies to see their business from a different point of view, tackling "weak spots", exploring unchartered territory and innovating. In particular, in terms of the business components and the specific changes required by the digital transformation process undertaken by companies, Reply's expertise covers both the traditional enterprise processes, and the latest SAP technologies in the field of IoT, machine learning, big data and analytics, including SAP Leonardo, SAP Cloud Platform and SAP Hybris, for the development of end-to-end e-commerce and customer engagement solutions.

The technology and design domain is significant, extending from SAP cloud architecture to the SAP Fiori and SAP S/4 HANA suites. In 2017 Reply won the "SAP Quality Award Gold" for the fourth consecutive year, obtaining quality and performance recognition from SAP for the innovative SAP solutions implemented. Finally, Reply is a "SAP Hybris Platinum Partner" and became a SAP S/4 HANA Cloud Lighthouse Partner.

AMAZON WEB SERVICES

Reply is now among the main partners of Amazon Web Services (AWS) Partner Network, the division that supplies public cloud infrastructure. In particular, Reply has completed numerous projects on infrastructures and services made available by AWS and supplied to companies, in both the B2B and B2C sectors, complete end-to-end support, from the implementation and integration of custom applications and platforms to maintenance and management services based on consumption cost models. Reply supports its customers through the digital transformation processes, relying on the most appropriate cloud model for the requirements of each individual company, while adopting a governance strategy that is secure, flexible and efficient.

In 2017, Amazon Web Services confirmed Reply, for the fifth consecutive year, as Premier Consulting Partner, the highest level of certification and only awarded to a select group of AWS partners worldwide.

APPLE

Reply is one of the first European partners to be part of Apple's Mobility Partner Program, a global initiative aimed at leaders in the development of mobile solutions for the business and enterprise worlds. In particular, Reply was selected by Apple with the specific objective to extend the business mobile solutions available on the IoS platform.

Thanks to this partnership, Reply has gained access to specialised training programmes for its

development team, with the opportunity to test applications on devices not yet available on the market. Reply can count on Apple's direct support for the design of the most innovative solutions, as well as for the exclusive verification and certification service of the solutions developed, ensuring customer satisfaction.

GOOGLE

Reply has achieved the prestigious Google Cloud Managed Service Provider (MSP) certification level, joining a group of highly specialised Google Cloud partners.

MSP is the certification with which Google recognises its most specialised worldwide partners – they support customers across the end-to-end cloud journey, knowing how to respond to business needs during the different stages of the process, from the initial involvement to the migration and execution in the Cloud, all the way to the planning and optimisation of the system. As a Google Cloud MSP, Reply offers a high level of service to customers who are looking for complete and proactive support, with exclusive services covering not only the migration of a system to the Cloud, but all aspects of the process including the subsequent development and management ensuring full security. In addition to the MSP certification, Google renewed Reply's 2018 Premier Partner certification for G Suite and Cloud Platform, which recognises the company's excellence demonstrated in the offering and technological support on the Google Cloud product suite.

SALESFORCE

With over 150 certifications to its name, Reply is now one of the most prominent Salesforce.com speclialists in Europe, counting among its customers leading industrial and media groups. In particular, Reply's expertise in cloud, based on SaaS and PaaS with specific process and market know-how, focusing specifically on the digital marketing, digital CRM and integration areas, makes it a leading specialist in Salesforce.com technologies

DEVELOPMENT AND EVOLUTION OF PROPRIETARY PLATFORMS

Reply constantly dedicates resources to research and development activities, concentrating them in two areas: the development and evolution of proprietary platforms; and the definition of a continuous scouting, selection and learning process of new technologies.
This approach is to bring innovative solutions onto the market, capable of sustaining the creation of value in companies.

BRICK REPLY™

In 2017, Brick Reply™'s development focused on the implementation of specific planning optimisation algorithms for various industrial sectors, with the aim of increasing flexibility and the ability to respond to customer requirements. At the same time, efforts were under way to expand the integration capabilities of the platform, relying on different gateway technologies and edge computing solutions to speed up data exchange, both during the plant operation phases, and in the increasingly complex monitoring of machine parameters. Further developments of the planning module and of the maintenance management component are envisaged for 2018, in order to provide customers with a tool capable of optimising production sequences, taking into account all the key planning factors.

CLICK REPLY™

Click Reply™'s 2017 roadmap focused on the release of version 4.10 that included a revised mobile solution, applicable to any product in the suite. The new technological features are designed to ensure the full support of Android devices, offering a greater robustness, more communication security and an optimised use of resources. The new usability features are designed to facilitate a greater customisation of the user experience and to encourage interaction with the field, through easier access to the hardware components of mobile devices. The first version of the Click Reply LEA Edition warehouse management system was released in March 2017. The current WMS version is being further enriched and expanded during the first half of 2018 with functional extensions and the introduction of new process configuration tools. The migration programme on the LEA platform will continue in 2018, with the complete revisitation of the Click Yard management module.

DISCOVERY REPLY™

During the course of 2017, the platform was extended by further enhancing the integration with traditional digital channels such as digital signage, web and connected TV, thanks to an increasingly cloud-based approach. Within the area of enterprise content management and cataloguing systems, a new feature was developed to facilitate the automatic documentation of images and video. To boost the in-store digital signage systems funcitonality, the platform was integrated with several key monitor and display solutions available on the market, allowing authorised users and user profiles to insert, modify and approve content and listings to be distributed on a digital display network, both in a corporate environment and in-store.

HI REPLY™

In 2017, the platform development focused on vertical applications for the industry sector, particularly with regard to the industry 4.0 paradigm. Within this framework, the Hi Reply™ platform is positioned as a middleware component which, equipped with proprietary modules, facilitates and accelerates the introduction of new models for integrated plant management. One of the main themes was that of the so-called Edge Computing method, namely the part of intelligence positioned closer to the machine. This ability to take field data and intervene with minimal latency, facilitating the optimisation of resources, is a major theme for the digital transformation of the factory.

SIDEUP REPLY™

In 2017 the migration towards the Lea Reply™ platform continued, with the integration of the Appointment Schedule and Transportation Portal modules. Moreover, the first version of the SideUp Reply LEA Edition warehouse management system was released in March 2017. The current WMS version is being further enriched and expanded during the first half of 2018 with functional extensions and the introduction of new process configuration tools. 2017 also saw the release of the new version of a mobile solution geared toward warehouse activities. The new technological features are designed to ensure the full support of Android devices, offering a greater robustness, more communication security and an optimised use of resources. The new usability features are designed to facilitate a greater customisation of the user experience and to encourage interaction with the field, through easier access to the hardware components of mobile devices.

STARBYTES™

The 2017 StarbytesTM development plans anticipate the launch of international initiatives aimed at highlighting crowd talent and tailoring the offer not only towards SMEs, but also to medium and large enterprises. This will be achieved through the launch of a “premium” service that aims to help businesses effectively locate digital professionals, in what has become an increasingly fragmented industry with poor availability of quality resources.

TAMTAMY™

In 2017 Reply continued the development of the platform, releasing TamTamyTM X, the new and latest version of the product that embraces the concepts related to the “digital workplace”, placing the employee at the centre of the proposed formats. TamTamyTM X includes new modules dedicated to short training initiatives (Microlearning), idea generation (Jam Session), the emergence of talent through people challenges (Challenges) and the support of day-by-day work through a virtual assistant (TTGuru). Further investments are planned during the course of 2018, with the aim of continuing to pursue work focused on the “digital workplace”, expanding and consolidating the above modules with onboarding support and proactive suggestions, all based on innovative and emerging technologies.

TICURO REPLY™

In 2017, Ticuro Reply™ continued to develop the digital healthcare components it offers. In particular, the Patient Management and Telerehabilitation modules were released. The Patient Management application facilitates the management of continuity of care processes between the medical institution and the patient, integrating innovative Televisit, Teleconsultation and Healthcare Telecooperation features. The Telerehabilitation module allows rehabilitation sessions to be carried out directly from home, interacting in real time with the physiotherapist and greatly increasing the patient's involvement in the daily process of improvement and recovery.

THE VALUE OF PEOPLE

Reply is based on the excellence of the people who make up its diverse team, professionals from the best universities and polytechnics in the sector. The men and women within the Group bring the Reply "brand" to life for customers and partners, embodying the company's image.

Reply invests continuously in human resources, establishing special relationships and partnerships with a number of universities with the aim of attracting highly skilled individuals to join its team.

Recruitment is focused primarily on young graduates. In particular, the areas of interest are: computer science, computer engineering, electronic engineering, telecommunications engineering, managerial engineering, economics and business. The relationship between Reply and universities is also developed through regular collaboration in the form of industrial placements, dissertations and participation in lectures and seminars.

The values that characterise Reply's employees are enthusiasm, excellence, a methodical approach, team spirit, initiative and an ability to understand the business context and to communicate clearly the solutions proposed. The continuous desire to imagine, experiment and study new solutions allows innovation to occur more rapidly and efficiently.

Anyone who decides to become a part of the "Reply world" will find the opportunity to best express their potential in an organisational model based on culture, ethics, trust, honesty and transparency.

These are indispensable values for continuous improvement and for an ever-increasing attention to quality in one's work.

All Group managers focus daily on upholding the principles on which Reply has always depended and which have sustained the company during its growth.

THE REPLY TEAM

- Sharing the customer's objectives;
- professionalism and speed of implementation; and
- culture and flexibility.

Excellence: the underlying culture, study, attention to quality, seriousness, the creation of value from results.

Teamwork: collaboration, the transfer of ideas and knowledge, the sharing of objectives and results, respect for personal characteristics.

Client: the sharing of objectives, customer satisfaction, conscientiousness, professionalism, a sense of responsibility, integrity.

Innovation: imagination, experimentation, courage, study, the search for improvement.

Speed: method, experience in the management of projects, collaboration, commitment in achieving results and customer objectives.