REPLY

ANNUAL FINANCIAL REPORT

2025

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in case of doubt the Italian version shall prevail.
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(Delegated Regulation (EU) 2019/815).

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BOARD OF DIRECTORS AND CONTROLLING BODIES

Chairman and Chief Executive Officer
Mario Rizzante

Chief Executive Officer
Tatiana Rizzante

Executive Directors
Filippo Rizzante
Marco Cusinato
Elena Maria Previtera
Daniele Angelucci [1]
Patrizia Polliotto [1] [2] [3]
Domenico Giovanni Siniscalco [1] [2]
Secondina Giulia Ravera [1] [2]
Federico Ferro Luzzi [1] [2]

Board of Statutory Auditors

Chairman
Ciro Di Carluccio

Standing auditors
Piergiorgio Re
Donatella Busso

Auditing firm
PwC S.p.A.

(1) Non-executive Director
(2) Independent Director according to the Corporate Governance Code
(3) Lead Independent Director

THE GROUP'S FINANCIAL HIGHLIGHTS

KEY FINANCIAL DATA

REVENUE
2,483.6 MIL +8.0%

EBITDA
467.6 MIL +13.9%

OPERATING CASH FLOW
326.0 MIL

EBITDA
18.8% +1.0p.p.

KEY NON-FINANCIAL DATA

NUMBER OF EMPLOYEES (EXCLUDING INTERNS AND NON-GUARANTEED HOURS EMPLOYEES)
16,624 +6%

PERCENTAGE OF FEMALE EMPLOYEES

28.4% IN THE GROUP (EXCLUDING INTERNS AND NON GUARANTEED HOURS EMPLOYEES)

40% ON THE BOARD OF DIRECTORS

99.8% ENERGY FROM RENEWABLE SOURCES USED AT GROUP LEVEL (%)

GREENHOUSE GAS (GHG) EMISSIONS:

SCOPE 1
4,846 TON CO_{2EQ}

SCOPE 2 (MARKET BASED)
1,804 TON CO_{2EQ}

SCOPE 3
75,085 TON CO_{2EQ}

ECONOMIC FIGURES (THSD EUROS)	2025	%	2024	%	2023	%
Revenue	2,483,629	100.0	2,300,519	100.0	2,121,454	100.0
Gross operating income	467,637	18.8	410,611	17.8	352,093	16.6
Operating income	391,689	15.8	330,421	14.4	292,745	13.8
Income before taxes	369,696	14.9	313,232	13.6	271,581	12.8
Group net income	250,889	10.1	211,139	9.2	186,699	8.8

FINANCIAL FIGURES (THSD EUROS)	2025	2024	2023
Group equity	1,487,784	1,300,188	1,114,840
Non-controlling interest	2,280	2,773	1,883
Total assets	2,765,035	2,630,935	2,373,980
Net working capital	120,822	52,711	83,818
Net invested capital	1,022,486	953,876	911,826
Cashflow	326,008	349,438	249,794
Net financial position (*)	467,577	349,084	204,898

DATA PER SHARE	2025	2024	2023
Number of shares	37,411,428	37,411,428	37,411,428
Operating income per share	10.47	8.83	7.83
Net income per share	6.71	5.65	5.01
Cash flow per share	8.71	9.34	6.68
Shareholders' equity per share	39.77	34.75	29.80

OTHER INFORMATION	2025	2024	2023
Headcount	16,624	15,667	14,798

(*) for ESMA net financial indebtedness see Note 31

LETTER TO SHAREHOLDERS

In 2025, our commitment to combining innovation, technological leadership and deep vertical specialisation once again proved to be a distinctive factor valued by the market, confirming Reply's ability to generate value for our clients, our shareholders, and our people.

This capability has enabled Reply to successfully adapt to the changes brought about by the technological revolutions of the past 30 years – from the Internet to mobile technologies, from IoT to cloud computing – but, above all, has allowed our Group to anticipate and interpret the profound transformation that generative artificial intelligence has brought to the ICT sector. In these first three years of the new AI era, we have effectively established ourselves in the market through our ability to support companies in the experimentation and discovery phase, helping them discover the potential of this new form of technology.

In 2025, together with our clients, we began to industrialise and systematise the application of artificial intelligence, embedding it into existing processes or supporting the definition of new market segments and offerings around it. Today, artificial intelligence is no longer an additional "layer" but has definitely become the structural component around which technological architectures are designed: data platforms, cloud- or edge-based applications, automation systems and cybersecurity infrastructures are now rethought through an AI-centric design, and in some cases even developed as natively agentic systems.

All the companies within the Reply Group have been engaged in the design and development of the first true AI factories, the creation of intelligent agents integrated into business processes, and the development of generative AI solutions for marketing, industrial design, customer service and software engineering. We have designed, developed and implemented a new class of AI-based applications for many core business processes, including logistics planning, predictive maintenance, financial management and energy optimisation.

At the same time, we have continued to invest in the integration between the digital and physical worlds. The new generation of connected products – from intelligent vehicles to industrial robots – requires advanced software platforms capable of processing data in real time, learning from context and interacting safely with the surrounding environment. In this context, our ability to combine expertise in robotics, edge computing, digital twins and spatial computing has enabled us to deliver advanced solutions for the automotive, manufacturing, energy and retail sectors, leveraging the combination of AI, cloud and embedded systems.

The increasing proliferation of AI models – across multiple vendors and platforms – together with the growing interconnection between Human-to-Machine and Machine-to-Machine systems, has made security an increasingly decisive factor in corporate investment decisions. For this reason, we have further strengthened our offering in cyber resilience, identity management, protection of critical infrastructures and the security of AI solutions. In particular, we have defined specific architectural models and consulting methodologies to support clients in adopting truly integrated security approaches, capable of providing effective protection against a new generation of cyberattacks that increasingly leverage AI to bypass the barriers developed in recent years.

On the responsibility front, 2025 also saw a further strengthening of our commitment to a sustainable future, with initiatives aimed at integrating sustainability considerations into our business models. We consolidated the actions undertaken in previous years and further improved the reporting of indirect emissions, gaining greater visibility into our overall impact and enabling the continued update of our decarbonisation plan, which is currently underway.

We have continued to work to reduce the environmental impact of our activities by promoting energy efficiency, the responsible use of resources and the adoption of digital solutions that support our clients' sustainable transition.

Artificial Intelligence is our strategic and innovation lever, but it requires rigour in its application and governance. Reply integrates AI ethically and responsibly through the actions and guidelines defined by the AI Ethics Committee and invests systematically in spreading the necessary capabilities across the companies of the Group. We believe that a proper understanding of the ethical and regulatory implications of artificial intelligence is a strategic asset, and that innovation must always be accompanied by responsible management. In particular, Reply's AI Ethics Committee has continued to update internal guidelines, developing operational tools to ensure adherence to our ethical AI principles and to regulatory compliance in the development and use of intelligent systems, also in light of the evolving European regulatory framework.

At the centre of our journey have always been the people who have chosen to be part of our Group. In 2025, Reply continued to invest in continuous learning, with programmes dedicated to emerging skills – from AI engineering to quantum computing, from agentic architectures to advanced cybersecurity. Collaboration with universities and research centres in France, Germany, Italy and the United Kingdom has intensified further through specialised master's programmes, joint laboratories, hackathons and international competitions. These initiatives represent a key channel for attracting young talent and fostering a dynamic, inclusive and growth-oriented working environment.

We have also worked to strengthen awareness and dissemination of our values through training initiatives designed to improve collaboration, enhance shared responsibility and prevent bullying and other inappropriate behaviours. In particular, for those in leadership roles within the Group, we have developed dedicated training programmes aimed at promoting a culture of diversity, equity and inclusion, recognising that the everyday quality of relationships defines the corporate climate.

We are convinced that the transformation underway is only just beginning. The evolution of artificial intelligence models, the emergence of new conversational interfaces, and the integration between autonomous systems and physical infrastructures will profoundly reshape the competitive landscape in the coming years. In this context, Reply intends to continue to distinguish itself not only as an implementer of advanced technologies, but as an active contributor to their development and thoughtful application.

We will continue to invest in research, strengthen our distinctive capabilities and support balanced and sustainable growth. Our ambition is to create lasting value for our clients, our people and all our stakeholders, contributing to the development of a more innovative, secure and responsible digital economy.

Mario Rizzante

REPLY

REPLY SPECIALISES IN THE DESIGN AND IMPLEMENTATION OF SOLUTIONS BASED ON ARTIFICIAL INTELLIGENCE, CLOUD COMPUTING, THE INTERNET OF THINGS AND DIGITAL MEDIA. WITH A WELL-ESTABLISHED INTERNATIONAL PRESENCE, IT DESIGNS AND SCALES SOLUTIONS THAT SUPPORT THE EVOLUTION OF ITS CLIENTS' CORE BUSINESS PROCESSES, DRAWING ON TECHNOLOGICAL EXPERTISE, INDUSTRY KNOWLEDGE AND STRONG DELIVERY CAPABILITIES ACROSS A RANGE OF CONTEXTS.

Reply is characterised by:

01 A corporate **culture oriented towards technological innovation**

02 A flexible **structure**, capable of anticipating market developments and interpreting new technological drivers

03 A proven and scalable delivery **methodology**

04 A **network** of companies specialised in areas of expertise

05 A **team** made up of specialists from the best universities

06 Highly experienced **management**

07 A continuous **investment** in research and development

08 A network of long-term **relationships** with its customers

THE ORGANISATIONAL MODEL

With 16,624 employees (31 December 2025), Reply operates with a network structure made up of companies specialised in processes, applications and technologies, which represent excellence in their respective fields of expertise in the various countries.

PROCESSES

For Reply, understanding and using technology means introducing a new enabler to processes, thanks to an in-depth knowledge of the market and the specific industrial contexts in which it is implemented.

APPLICATIONS

Reply designs and implements application solutions aimed at meeting the needs of core corporate business in various industrial sectors.

TECHNOLOGIES

Reply optimises the use of innovative technologies, creating solutions that guarantee customers maximum efficiency and operational flexibility.

REPLY'S SERVICES

In Reply's projects, strategic, process, design and technological expertise are integrated to turn innovation into application solutions and digital services. The aim is to support companies in scaling the adoption of artificial intelligence and key digital technologies, delivering tangible impacts on business processes.

Reply's services include:

Strategic, communication, design, process and technological **consultancy**

System Integration to best utilise the potential of technology, combining business consulting with innovative, high-value-added technological solutions

Digital services driven by the development of artificial intelligence.

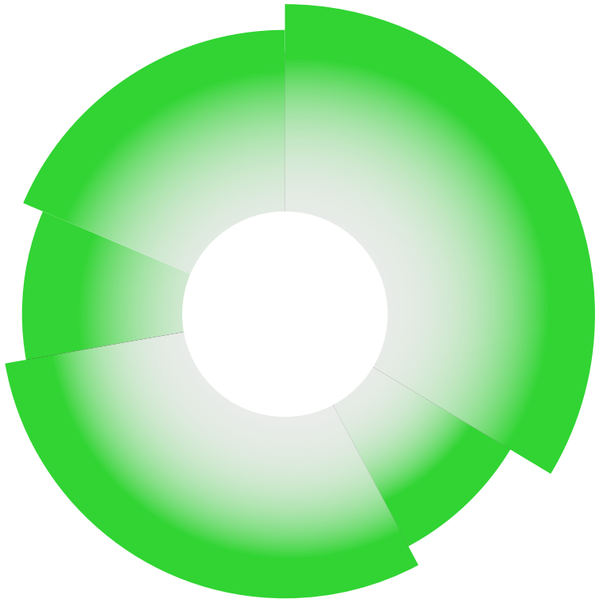
HANDS-ON INNOVATION

01. INDUSTRIES

By combining specialised expertise across different industrial sectors and key technologies, Reply enables its clients to achieve solid, sustainable, and long-term growth.

17.4%
Telco & Media

30.9%
Automotive, Manufacturing, Logistics & Retail



13.1%
Healthcare & Government

30%
Financial Institutions

8.6%
Energy & Utilities

01.1 Automotive

Reply supports leading players in the automotive sector in addressing the profound transformation affecting the entire value chain, combining proprietary and market solutions to enable resilient, AI-orchestrated supply chains that support both inbound logistics (material flows towards production units) and outbound logistics (transport of vehicles to the dealer network). Within production plants, Reply's solutions optimise and streamline production processes, helping manufacturers effectively respond to growing volatility and complexity.

Downstream, Reply supports the evolution of customer engagement through new direct sales models, virtual

showrooms, and advanced quoting and configuration platforms. These solutions enable a seamless omnichannel experience that extends beyond vehicle delivery to the post-sales phase, with personalised, data-driven services.

In 2025, Reply further strengthened its expertise in on-board and vehicle control software engineering with the development of the V-Cycle multi-agent architecture. Combined with the Silicon Shoring delivery model, this approach enables end-to-end automation of the entire automotive development lifecycle. An ecosystem of AI-powered agents supports critical activities such as requirements definition, code generation, automated testing, and compliance validation. Designed for industrial scalability, this architecture helps automakers reduce development times while ensuring high standards of quality, cybersecurity, functional safety, and compliance.

In the field of product engineering, Reply enables the design and industrialisation of software-defined vehicles and advanced vehicle-to-everything communication solutions based on modular and interconnected digital architectures. Throughout 2025, numerous projects focused on areas such as cabin monitoring systems, environmental perception, and assisted driving functions, leveraging digital twins and synthetic data. These technologies support the validation of complex scenarios in ultra-high-fidelity virtual environments, enabling large-scale testing of critical systems from the earliest stages of development, improving reliability and contributing to greater road safety and the evolution of autonomous mobility.

The application of computer vision, edge AI, and generative AI technologies enables the transition from reactive to proactive maintenance models, focused on preventing breakdowns and optimising fleet operational efficiency. In this context, the vehicle evolves into an integrated, data-driven digital services platform, capable of continuously adapting through software updates, AI-enabled customisation, and ecosystem-based services throughout the entire lifecycle. Reply's offering also extends to electric mobility strategies, with solutions for smart charging, battery management, and predictive monitoring of vehicle health.

01.2 Energy & Utilities

In the energy sector, the ongoing transition is not limited to the shift to renewable sources alone, but is increasingly influenced by the decentralisation of energy systems and the volatility of markets. Reply operates across the entire value chain, supporting operators in generation, trading, networks and sales in the integrated management of physical assets and commercial relationships. The approach combines domain expertise with technological accelerators based on IoT and edge computing, as well as with pathways for adopting generative AI applied to business processes. This integration allows the complexity of the energy system to be converted into a measurable competitive advantage.

In the crucial transition from centralised production to a distributed model based on renewable sources and storage systems, Reply leverages operational data as a strategic asset, developing solutions that integrate AI agents to normalise information flows and optimise trading activities on spot, intraday, balancing, and ancillary services markets. Through advanced forecasting and specialised risk models, the solutions developed by Reply ensure regulatory compliance and support decision-making in contexts of high price volatility. This analytical capability improves the balance between supply and demand, strengthening the financial and operational resilience of energy companies.

In critical infrastructure, Reply ensures grid reliability through digitalisation, which involves both transmission and distribution system operators. The use of robotics, autonomous drones, and computer vision for system inspections reduces risks to personnel and ensures continuous monitoring, while edge computing enables the automation of operational processes. Sensorisation of high- and medium-voltage grids allows for real-time adaptation of infrastructure. Predictive analytics allows for the early detection of anomalies and overloads, improving the stability of smart grids and extending the lifespan of systems.

The solutions developed for the retail market transform the end customer from a simple consumer to an active participant in the energy system: by supporting the creation of engagement tools and the personalisation of commercial offers, Reply accelerates innovation in value-added services along the entire supply chain. Reply's expertise extends to the management of decentralised energy resources through Virtual Power Plant solutions and demand response platforms that coordinate charging infrastructure and electric vehicles. Reply supports the integration of mobility into the electricity system with vehicle-to-grid technologies and enables dynamic pricing models for sector operators.

01.3 Financial Institutions

Reply is an active part of the entire financial services ecosystem (banks, insurance companies, wealth and asset managers, payment operators, consumer credit companies, mobility finance, regulators) and supports the integration of AI as a lever for transforming business models, customer experience, and industry productivity. The approach is not limited to automating existing processes: Reply enables the transition from procedural and sequential models to collaborative paradigms in which human and artificial agents cooperate in real time to solve complex problems. Conversational interfaces are progressively replacing traditional workflows, allowing specialists to access corporate knowledge, data, and legacy algorithms through agentic AI, which makes knowledge immediately usable and processes radically more agile.

Reply supports financial institutions in adopting AI in a pragmatic and effective way both through the application of technology for the intelligent automation of established processes and in rethinking service models. Financial institutions are no longer simply building proprietary portals and apps but are adapting to be present where their customers are, integrating with conversational agents who increasingly mediate access to digital services. In the insurance industry, for example, this is radically changing the customer experience: from requesting a quote to reporting a claim, interaction becomes more natural, contextual, and personalised through conversational interfaces.

In 2025, Reply deployed multi-agent architectures to orchestrate complex decision-making and operational processes by coordinating networks of specialists (humans and AI agents) working in parallel on highly complex tasks, such as risk profile analysis, wealth management advisory support, or credit assessment.

Intelligent automation also extends to ICT factories, where AI agents support the entire software development cycle and infrastructure management, significantly increasing productivity and reducing delivery times. Reply also supports financial institutions in their technological modernisation programmes, helping them overcome the limitations of legacy systems and transition to flexible, scalable, and secure digital infrastructures, enabling the integration of advanced AI capabilities in full compliance with industry regulatory frameworks.

Reply supports financial institutions in implementing responsible AI frameworks, ensuring transparency, interpretability, and regulatory compliance in automated decisions. AI-based solutions also automate complex reporting and data consolidation processes for liquidity and capital risk management, significantly reducing the analysis time required by supervisory authorities. Significant attention is paid to the integration of ESG criteria, supporting financial institutions in sustainability reporting and alignment with new regulatory standards, also using AI for the analysis and continuous monitoring of sustainability metrics.

01.4 Government & Healthcare

Reply collaborates with government institutions and local public administrations in several countries to support the transformation of citizen services into efficient and interoperable digital ecosystems. Through the modernisation of information systems and the development of dedicated vertical solutions, Reply helps optimise and facilitate cooperation between agencies and user access to public and healthcare information. Its ability to manage highly complex, large-scale initiatives is reflected, for example, in the support provided to several national drug safety authorities through the implementation of cloud architectures designed to ensure the resilience of critical processes.

IN 2025, SOLIDSOFT REPLY EXTENDED THE EUROPEAN MEDICINES VERIFICATION SYSTEM (EMVS) NETWORK BY INTEGRATING THE GREEK AUTHORITY (HMVS) AND THE ESTONIAN AUTHORITY (REKS)

Over the course of 2025, Reply expanded its expertise in process digitalisation in areas such as the UK judiciary and key government ministries. It also expanded its offering to support the protection of critical infrastructure and technological sovereignty, working alongside the armed forces, public institutions, and healthcare organisations. Particular attention was paid to strengthening cyber resilience through the adoption of AI-based technologies that enable continuous monitoring of strategic assets and strengthen threat prevention and critical infrastructure security management processes.

In the healthcare sector, Reply supports organisations in leveraging AI to simplify the management of care protocols and regional and national regulations, which are characterised by high complexity and frequent updates.

Machine learning solutions, for example, make it possible to automatically analyse regulatory documentation and promptly identify the actions required to ensure compliance. This approach contributes to more effective service planning and the maintenance of high standards of accountability, security and data protection, promoting conscious and sustainable digital innovation.

At the same time, AI enables the creation of advanced tools to enhance clinical information, such as intuitive dashboards that summarise data from medical records while keeping the physician at the centre of the decision-making process and contributing to more effective and safer healthcare. In this context, the advanced processing of large volumes of biomedical and radiomic data represents a central element of the clinical innovation enabled by Reply: through specialised platforms such as X-RAIS Reply, healthcare professionals are supported in the interpretation of diagnostic images, such as X-rays and CT scans, improving the accuracy of early diagnosis.
Moreover, solutions such as Ticuro Reply enable continuous patient monitoring and the personalisation of therapeutic pathways.

01.5 Logistics

In the logistics sector, AI is evolving the way processes and operations are designed, managed, and executed across the entire supply chain. The growing complexity of physical and information flows, the integration of physical and digital channels, and the spread of next-generation automation systems now require platforms capable of consistently coordinating people, technologies, and operational decisions. In this context, Reply supports logistics operators and companies operating in various industries in evolving their supply chain models toward more efficient, resilient, and adaptive structures.

In warehouses and distribution centres, Reply's algorithms support picking optimisation, dynamic inventory management, and resource allocation, while computer vision solutions monitor operational flows and identify anomalies in sorting and handling processes. Artificial intelligence is also used for demand analysis, capacity planning, and transportation management, contributing to more accurate and timely decisions even under complex operational constraints.

These applications help overcome fragmented operations management, enabling coordinated governance of logistics processes based on data, insights, and predictive models. Orchestrating flows along the supply chain improves operational precision, resource utilisation, and the ability to adapt to unforeseen events, with positive impacts on business performance and the overall sustainability of logistics and production activities.

The technological cornerstone of Reply's logistics offering is the LEA Reply modular platform, designed to manage complex logistics processes in international contexts. Recognised by several market analysts as a global benchmark for logistics and warehouse management systems, LEA Reply currently supports

THE LEA REPLY SOLUTION HAS BEEN RECOGNISED AS A "VISIONARY" IN THE "GARTNER MAGIC QUADRANT FOR WAREHOUSE MANAGEMENT SYSTEMS 2025" REPORT

leading companies in the automotive, fashion, retail, and food & beverage sectors, guiding them in the transformation of their supply chains towards more integrated and sustainable operating models.

01.6

Manufacturing

Reply positions itself as a strategic partner for manufacturing companies with a strong focus on innovation, enabling the development of advanced cognitive manufacturing solutions based on agentic AI. Through intelligent platforms, Reply enables the evolution of the entire production lifecycle, fostering autonomous and context-aware decision-making across different industrial domains. By combining technological excellence with deep process expertise, Reply develops agentic platforms designed to rapidly enable intelligent, scalable and reusable use cases. The goal is to transform production units into interconnected and data-driven environments, capable of overcoming information fragmentation and optimising production capacity, quality, and maintenance, ensuring full visibility into overall plant performance.

For granular control of factory operations, Reply offers modular solutions that integrate consolidated experience with leading market application platforms for ERP, MRP, PLM, Planning and Forecast with its proprietary Brick Reply solution, an advanced MES/MOM system for managing the execution, planning, and orchestration of production processes. In 2025, Brick Reply industrialised native agentic AI capabilities to accelerate decision making processes and enable a deeper understanding of production phenomena through predictive analysis, contextual suggestions and adaptive automation. In parallel, Axulus Reply scales Industrial IoT initiatives, governing frameworks, workflows and reusability in complex production environments. Thanks to AI, Brick Reply and Axulus Reply can operate synergistically, enabling them to query complex data in natural language, obtain immediate insights, and trigger operational and strategic actions directly in the field.

Managing physical flows to support production lines is another cornerstone of Reply's offering. Through proprietary and market-leading solutions, enhanced by intelligent and autonomous features, Reply enables efficient production logistics, ensuring timely supply and end-to-end component traceability. Dynamic optimisation of supply and storage reduces inefficiencies and waste, maintains alignment with production plans even in variable scenarios, and improves operational and energy sustainability.

Production improvement is supported by the adoption of edge AI and computer vision technologies, which bring intelligence directly to the production lines, enabling real-time analysis and decision-making. This approach enables high-precision automated quality controls, capable of identifying defects that cannot be detected manually, and predictive maintenance solutions that intercept early signs of failure, reducing plant downtime and improving operational continuity and overall efficiency.

01.7 Retail & Luxury

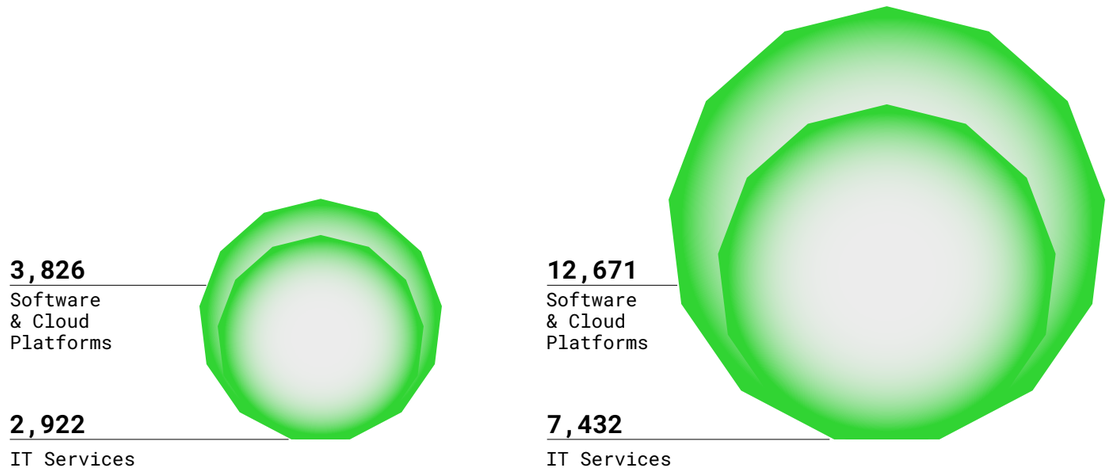
In the innovation journey shaping the retail, fashion and luxury sector, Reply supports leading global brands throughout the entire transformation process, from redefining the customer experience to evolving operating and business models. By combining deep vertical knowledge of the retail, fashion and luxury industries with end-to-end technological expertise and a long-term architectural vision, Reply enables brands to operate in an increasingly omnichannel, data-driven and experience-centric environment, without compromising identity, exclusivity or service quality.

Reply supports retailers in the transition from fragmented models to integrated omnichannel ecosystems, where e-commerce, physical stores and mobile operate seamlessly, customer data is shared and decisions become faster and more contextual. This lays the foundation for the transition from simple automation to "smart" retail, where technology becomes a competitive differentiator.

In 2025, Reply introduced a new paradigm based on agentic AI, overcoming the limitations of traditional solutions in customer service and contact centres, clienteling and sales force support, inventory, dynamic pricing, logistics and replenishment, operations, and back-office. AI is a key element in enhancing both the end customer experience and internal efficiency, introducing conversational e-commerce and natural language product search, dynamic interaction personalisation, automatic creation of content consistent with the brand tone, and real-time support for sales and customer service.

Evolution of the AI Market in the Retail Industry

Source: Reply Research "AI for Retailers" - Reply analysis of PAC data relating to 12 countries (Italy, Germany, United Kingdom, USA, France, China, India, Brazil, Belgium, Netherlands, Poland, Romania); data in millions of euros



A further differentiating element of the Reply offer is the integration of AI with 3D technologies, digital twins and immersive environments, enabling advanced configuration scenarios and real-time customisations, supporting virtual try-ons, digital showrooms and immersive pop-ups and extending the concept of endless aisle in a natural and engaging way. The combination of generative AI and 3D allows brands to move from a simple product visualisation to a narrative and interactive experience, where customers can explore, customise, and understand the item's value before purchasing.

01.8

Telco & Media

Reply supports leading European telecommunications companies in diversifying their portfolios and transitioning to new sustainable business models, supporting them in the design of processes and application architectures based on artificial intelligence. In 2025, Reply further strengthened its presence in infrastructure areas, with specialised expertise in network engineering, operations, testing, and validation to support network evolution.

The multi-agent architectures designed by Reply enable efficient development of Business Support Systems (BSS) and Operations Support Systems (OSS), creating flexible solutions and optimising integration with legacy systems. The adoption of AI fosters the creation of new services and the enhancement of existing ones: agentic AI architectures integrate automated tasks and workflows, allowing operators to quickly respond to customer needs. Customer care services are becoming increasingly conversational, thanks to the use of specialised AI models, which enable seamless and personalised interactions while improving operational efficiency.

Reply supports telcos' transition to a software-based operating model by transforming the network access layer into distributed, cloud-native, and disaggregated edge platforms. The complex geopolitical landscape makes the adoption of a "security by design" approach essential: Reply ensures the resilience of critical infrastructures by integrating cybersecurity directly into the network architecture, protecting strategic assets and enabling operators to evolve into technology hubs capable of managing the entire stack securely and reliably.

In the media sector, Reply supports publishers in modernising their operating models through the development of agentic AI frameworks aimed at increasing productivity and time-to-market. Reply experts support publishing companies in creating innovative content, particularly for social media and advertising, optimising the time and costs of editorial processes such as copywriting, audio generation, and video production. This integration accelerates production and allows publishers to offer hyper-personalised content based on user preferences and real-time data analysis.

02.AI-POWERED SERVICES

Having become a structural component of new enterprise architectures, artificial intelligence lies at the core of Reply's services, enabling the development of new processes, products and business models capable of generating tangible value for clients.

02.1 Knowledge Management

AI is profoundly changing the way companies organise, analyse, and leverage their information, both structured and unstructured. Knowledge management is no longer limited to simple document storage or search but is evolving toward the construction of dynamic knowledge ecosystems capable of supporting complex reasoning and operational decisions. Reply has invested in the specialisation of AI models to build vertical knowledge networks, specific to each client and each industrial context: the primary objective is to enable AI agents to understand the business domain, interpret technical and business documents, integrate multimodal input, and transform fragmented content into coherent logical entities.

The use of increasingly verticalised large language models for industry enables the development of advanced conversational systems capable of extracting, reaggregating, and redistributing knowledge in a contextualised form. Through integration with vector databases and Retrieval-Augmented Generation (RAG) architectures, corporate data is transformed into structured semantic representations, offering a conceptual vision of different knowledge domains. Based on this foundation, Reply further strengthens the effectiveness of its models through targeted fine-tuning activities, specialising them on the client's application domain and priority use cases. This allows it to go beyond simple contextual information retrieval, improve consistency and reasoning, and ensure more precise alignment with the company's actual processes. This approach is complemented by the adoption of continuous learning logics: each interaction and process generates new structured knowledge, fuelling the progressive improvement of models and execution policies. The result is a dynamic system capable of adapting to the company's actual operational needs over time, while optimising performance quality and cost sustainability.

The evolution of knowledge management is thus resulting in the digitisation of entire workflows: the adoption of specialised agents is leading to the creation of new application architectures, in which hybrid teams, composed of human operators and agents, collaborate on complex processes. In the financial sector, for example, specialised agents can automate the management of commercial documents, support regulatory compliance, and synthesise complex reports into operational insights. In customer service, agents are progressively specialising thanks to the historical database of interactions, improving the quality of responses and reducing resolution times.

The ecosystem of partnerships and proprietary platforms allows Reply to integrate open-source, multimodal, and on-premises models based on the specific needs of client companies, ensuring high standards of security, regulatory compliance, and operational sustainability. The development and progressive industrialisation of agentic solutions were supported throughout 2025 by strategic partnerships with leading hyperscalers and new agreements with international technology leaders, including OpenAI. Reply also consolidated its proprietary Neurons Reply platform, evolving it into a central infrastructure for the creation, management, and orchestration of agentic AI solutions within the enterprise. Neurons Reply enables users with varying skill levels to aggregate, customise, and orchestrate agents to support business processes within a secure, compliance-ready framework.

02.2 Prebuilt AI Apps

The traditional model of enterprise software use, based on the configuration of large, monolithic applications like ERP and CRM that impose linear processes and static interfaces, is evolving towards agentic AI architectures. In this new setup, legacy systems retain their role as data providers, while interaction management is handled through agents: the "application" is no longer a closed product that predefines every operational step, but becomes a dynamic composition of services in which the interface and execution logic are assembled in real time, based on the specific user intent and the context of the available data.

Reply's Prebuilt AI Apps fit into this scenario: a suite of preconfigured agentic systems that industrialise generative AI into ready-to-use solutions that can be easily integrated into the existing application ecosystem. Based on modular multi-agent architectures, curated datasets, and standard connectors to third-party sources and legacy systems such as ERPs and document platforms, Prebuilt AI Apps simplify access to information, improve decision-making quality, and increase operational efficiency.

By extending the use of AI to higher-value processes, Prebuilt AI Apps represent a concrete path from experimentation to widespread adoption, with measurable results and stable integration into core business processes. The solutions are already operational in various fields: in the insurance industry, they streamline claims management by transforming documents and reports into structured data; in procurement, they automate quote analysis and contract comparison; in HR, they enable virtual assistants and skill intelligence tools; and in marketing, they enrich campaign briefs with insights into trends, customers, and competitors.

Prebuilt AI Apps increase productivity in information-intensive functions, reduce decision-making times through intelligent document comprehension and synthesis, reduce operating costs by automating repetitive tasks, and improve the user experience thanks to intuitive, conversational interfaces.

They facilitate rapid adoption, without complex infrastructure interventions, generating tangible benefits in terms of operational efficiency and reduced manual workload right from the early stages of implementation.

02.3

Silicon Shoring

The integration of AI into the software development lifecycle (SDLC) is evolving rapidly: from the tactical use of simple programming assistants to a strategic approach based on ecosystems of autonomous agents. In application factories, the role of AI is expanding from the mere execution of repetitive coding tasks to the proactive management of the various phases of the SDLC, enabling improvements in workflows, development timelines, and software quality. Reply has introduced the Silicon Shoring delivery model, which presents itself as a strategic alternative to offshoring, thanks to the efficiency of AI agents.

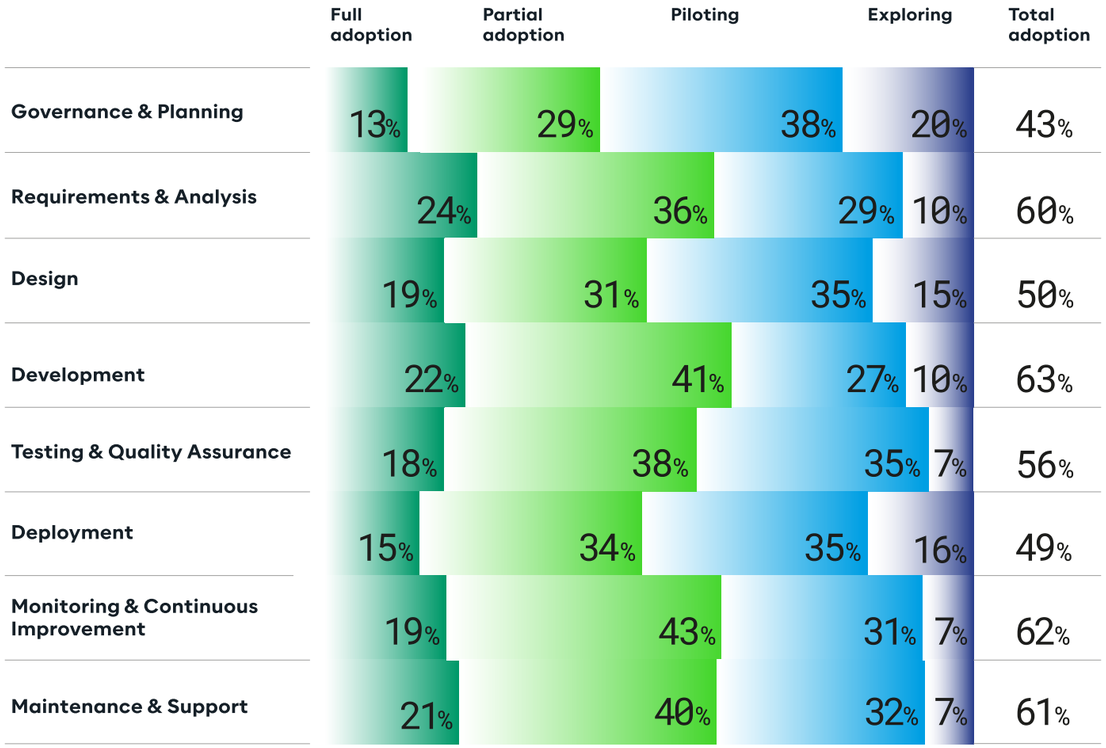
Silicon Shoring is available in two main configurations to adapt to different regulatory environments and the specificities of each industry sector: the "In-house" model enhances internal IT capabilities by integrating agents directly into the client company's infrastructure; the "Managed" model offers a turnkey software factory managed entirely by Reply. This operational flexibility is useful in addressing various critical scenarios such as the rapid development of greenfield solutions, the modernisation of legacy systems, and application maintenance, which can evolve with predictive logic.

The technological engine behind this service model is Silicon Reply, a proprietary multi-agent system designed to define increasingly autonomous software factories through a suite of over sixty AI agents. Coordinated teams, made up of agents specialised in requirements analysis, development, testing, and infrastructure management, collaborate to cover the entire SDLC. Reply agents securely connect to internal knowledge sources such as code repositories and technical documentation, ensuring that each output is contextualised, secure, and compliant with industry regulations.

Reply's experience shows that adopting these technologies requires profound change management to support IT professionals and functional staff in the new way of working and interacting with agents. Reply supports client companies on this journey, encouraging the development of skills and the maintenance of corporate knowledge bases. Process automation is simultaneously balanced by rigorous governance and an architectural oversight that ensures compliance with company standards, fostering its evolution.

AI adoption across the software development lifecycle

You indicated that your organization is adopting AI to some extent. Now, let's look at specific phases of the SDLC. In which phases is AI currently being applied, and to what extent? (Select one per row)



Base:
405 IT Executives whose organizations either fully or partially adopted AI across SDLC

Source:
Studio Forrester for Reply "From Code To Control: AI's Takeover Of Software Development Lifecycle"

02.4

Cloud & Infrastructure

Reply supports the evolution of infrastructures and the transformation of legacy applications towards cloud-native architectures, working with leading hyperscalers: AWS, Google, Microsoft, and Oracle. The approach focuses on creating hybrid and multi-cloud infrastructures, where data can flow between different providers, ensuring resource scalability. Strategic collaboration with leading SaaS vendors (SAP, Salesforce, Adobe) rounds out the offering, enabling companies to integrate mission-critical applications into innovative environments.

Reply is specialised in managing cloud and AI cost volatility through FinOps models adopted by companies operating across various sectors. Optimisation goes beyond spending monitoring to include resource right-sizing and transaction-level cost analysis, allowing companies to accurately understand the infrastructure's impact on each operation and allocate costs precisely. Using GreenOps also allows companies to monitor and reduce the carbon footprint of cloud services by optimising computing cycles to reduce energy consumption, combining economic efficiency with environmental responsibility.

Reply's experience highlights a growing interest in predictive infrastructure management. Through AIOps, systems constantly monitor logs and performance, identifying early signs of malfunction before operational disruptions occur. 2025 has seen increasing use of self-healing capabilities, capable of automatically restarting services or reallocating resources in the event of an error. AI has also been used to analyse infrastructure code to prevent misconfigurations or vulnerabilities, significantly reducing the risk of data breaches.

In 2025, Reply supported several companies in integrating edge AI and edge computing solutions, bringing computing power directly to where the data is used, such as warehouses, factories, or retail outlets. This computing architecture has proven essential for low-latency applications, such as robotic control, smart camera management, or real-time quality inspection. The central cloud maintains the coordination and analysis role, while the edge ensures the immediate execution of field operations, enabling resilient, scalable, and high-performance systems.

02.5 Security & AI Governance

The adoption of artificial intelligence represents a strategic pillar for cybersecurity, enabling the shift from a predominantly reactive defence to a proactive posture. Reply integrates advanced machine learning and analytics algorithms into digital infrastructures to identify vulnerabilities, anomalous behaviour, and attack patterns in real time. Thanks to this ability to process and correlate large volumes of data and network traffic, it is possible to detect complex threats and zero-day attacks that elude traditional security systems. This approach strengthens the protection of enterprise systems, significantly improving detection and response times to security incidents.

Alongside "AI for Security" as a defence tool, in 2025 Reply organically structured the "Security for AI" domain, focusing on governance, risk management, compliance, and protection of AI models, agents, and architectures. Reply experts are supporting client companies in adapting to new regulatory frameworks such as the European AI Act and in adopting frameworks and controls that ensure safe, reliable, transparent, and ethical AI systems throughout their lifecycle.

In this context, AI red teaming plays a central role in testing the robustness of algorithms against adversarial attacks, data manipulation, and model drift risks. These activities are conducted at all stages: design, development, testing, and production, to ensure that innovation does not introduce new attack surfaces.
At the same time, Reply adopts a "security by design" approach, integrating security into software development processes through DevSecOps methodologies enhanced with intelligent agents.

AI is also used to orchestrate automated penetration tests and large-scale static code analyses, accelerating compliance checks with security standards from the initial project stages.

In Reply's experience, AI is also an enabling and cross-cutting element for the protection of industrial environments and connected products, helping to reduce threat detection and incident response times. Specifically, AI-based systems continuously monitor IoT and OT networks, ensuring operational continuity and preventing intrusions into critical production and logistics systems.
This technological support is complemented by strategic analysis services, including geopolitical intelligence, used to assess the impact of highly volatile international scenarios on the supply chain and corporate operations.

02.6 Data & Analytics

In 2025, Reply continued its commitment to supporting companies in their journey of unlocking the value of data and the adoption of artificial intelligence, accompanying them in an environment characterised by increasing technological, regulatory, and market complexity. Reply's approach is based on integrating data into key company processes, with the aim of fostering greater awareness, decision-making reliability, and the ability to adapt over time. In this scenario, data remains a central element of digital transformation, while artificial intelligence is emerging as a structural factor in organisational and operational models.

The latest innovations in AI, including multimodal solutions, are expanding the possibilities for using corporate information and helping make business systems more flexible, intuitive, and decision-support-oriented. Over the course of 2025, Reply's experts have progressively shifted their focus to approaches that enable responsible innovation, with a significant focus on security, information protection, and compliance.

One area of significant growth has been synthetic data, adopted by Reply to overcome limitations related to the scarcity of real data and confidentiality and compliance constraints. Synthetic data allows AI models to be trained in secure environments, simulating complex scenarios or rare events not present in historical datasets. This approach helps reduce algorithm bias, improves the fairness and representativeness of models, and avoids the exposure of sensitive information. The use of artificial datasets also allows companies to experiment with new features and assess risk scenarios with greater flexibility and speed, significantly reducing costs and data acquisition times.

Reply's experience in data and analytics now represents a long-term strategic infrastructure, comparable to a core industrial technology, designed to support the evolution of business models and digital services. The ability to govern these elements consistently and reliably is an enabling factor for the competitiveness and resilience of client companies. Reply will continue to invest in developing skills, methodologies, and technological vision, supporting clients in building solid data foundations for the progressive and informed adoption of artificial intelligence.

02.7

Omnichannel Experience

The evolution of user experience is moving beyond traditional web and mobile interfaces to increasingly focus on conversational systems that redefine the ways brands and users interact. Reply supports this evolution by combining service design, technology architectures and process consulting to build scalable infrastructures, capable of supporting dynamic business models. This strategy provides companies with the flexibility needed to respond to market fluctuations while ensuring rigorous service and brand consistency throughout the entire customer journey, from discovery to loyalty. Service personalisation is also enhanced by AI, which supports real-time data analysis to drive recommendation engines capable of instantly adapting promotions to the user's context.

At the production level, generative AI is radically changing the content value chain, optimising marketing processes through the automation of creative production, with significant potential for scaling the production of increasingly personalised digital assets. The integration of advanced text-to-video and text-to-image models into structured workflows allows for the generation of high-resolution multimedia variants, drastically reducing the time-to-market of global campaigns and reducing production costs.

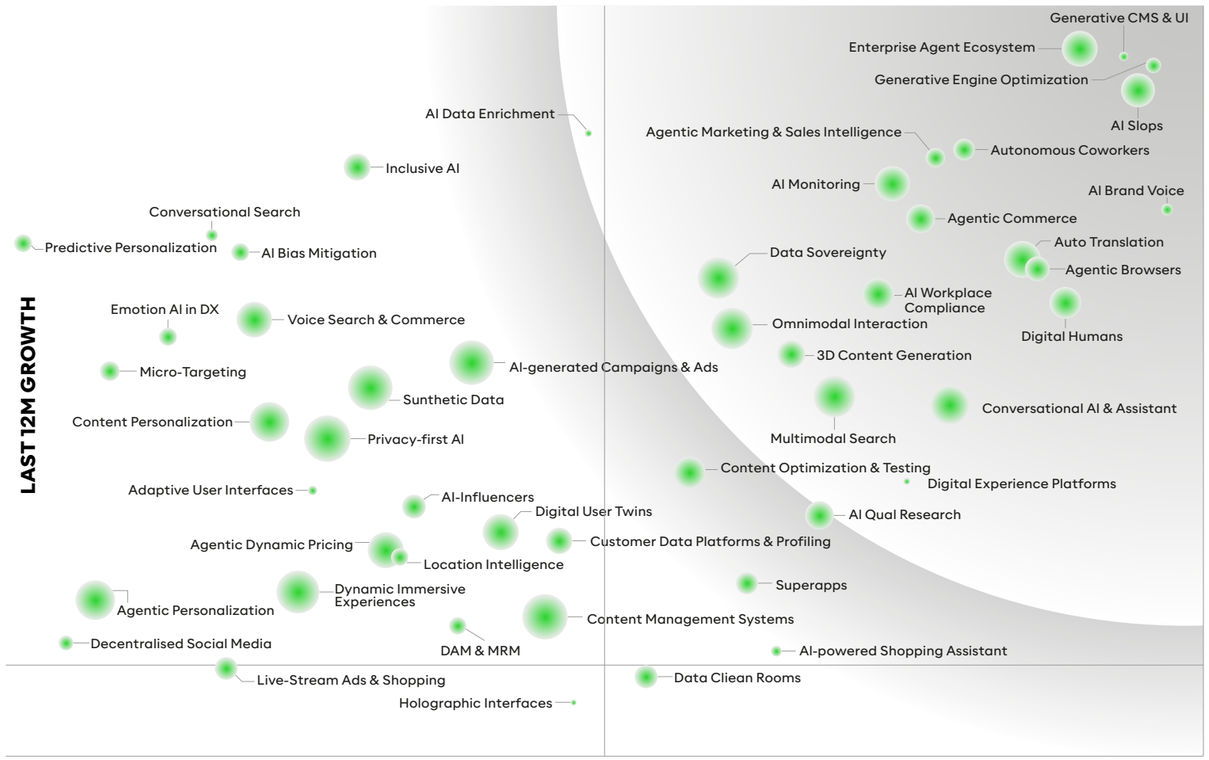
2025 also saw the rise of generative UI, which allows the entire user interface to be generated in real time: instead of forcing content into predefined interfaces, AI dynamically builds interactive elements, maps, simulations, and rich formatting in response to the user's intent. This capability transforms the output of AI models and platforms into tailored visual experiences, offering a mode of interaction that is superior to standard formats in terms of immediacy and contextual relevance.

The convergence of physical and virtual contributes to the evolution of the omnichannel experience, leveraging spatial computing and immersive technologies. Reply develops innovative pipelines for the production of three-dimensional assets by combining full-body motion capture with applied generative models. One area of convergence between these three-dimensional capabilities and artificial intelligence is that of digital humans, widely used both as a conversational interface for accessing corporate knowledge and training, and in customer interaction during pre-sales and post-sales support.

Digital Experience: trends in 2026

PLATEAUING TRENDS
Trends that experienced rapid growth throughout, but have now reached a point where expert interest has levelled off

ENDURING TRENDS
Trends with continued and accelerated expert interest throughout the last 12 months



DECLINING TRENDS
Trends with decreasing expert interest throughout the last 12 months

VOLUME

ACCELERATING TRENDS
Trends that are gaining traction and showing signs of rapid expert interest growth throughout the last 6 months

Source: Reply study "Digital Experience Trends 2026"
- Reply analysis on Sonar Reply data

02.8

Physical AI

AI applied to the physical world is opening a new phase in the evolution of spatial intelligence, namely the ability of systems to understand and interact with the surrounding environment. In this context, “world models” represent the foundational architecture of intelligent physical devices, enabling them to learn the laws of physics and predict the outcomes of actions without relying on preconfigured static maps. At the core of these systems is computer vision, which transforms raw sensory inputs from high-resolution cameras, LiDAR and tactile sensors into a true spatial understanding. Advanced deep learning algorithms then enable real-time object recognition and scene interpretation, providing the perceptual foundation required for autonomous decision-making in complex and unstructured scenarios typical of urban and industrial environments.

ROBOVERSE REPLY RECEIVED THE XR INDUSTRY ACTIVATION AWARD (XRIAA) AT NEXTREALITY.FESTIVAL 2025 FOR ITS ROBOTICS AND EXTENDED REALITY SOLUTIONS

In industrial and logistics contexts, Physical AI is being applied through the use of autonomous mobile robots (AMRs), inspection drones, and collaborative robots (cobots) designed to optimise production flows. These systems automate high-risk tasks such as monitoring critical infrastructure or operations in hostile environments, increasing operator safety and operational resilience. The integration of intelligent sensors and visual inspection systems also fuels predictive maintenance models that reduce downtime and optimise goods movement, ensuring high levels of reliability and business continuity through constant monitoring and rapid response to unexpected events.

AI also supports the adoption of digital twins and high-fidelity simulated environments where algorithms are trained to perform complex tasks before being deployed on physical hardware, including humanoid robotic systems.
These simulations generate synthetic data that replicate real-world conditions, including rare or dangerous edge cases that cannot be physically captured, bridging the gap between simulation and reality. In the short term, teleoperation serves as a crucial bridge to full autonomy, allowing human operators to guide robotic systems through complex tasks and generating high-quality demonstration data for training.

In 2025, the growing integration of AI has further expanded the offering of connected products and services. Reply has supported companies in developing AI-powered IoT ecosystems, ranging from smart homes to digital healthcare, to smart vehicles equipped with virtual assistants and predictive diagnostic capabilities. The integration of natural language processing technologies now enables interaction via intuitive voice interfaces, improving the user experience and contributing to energy efficiency optimisation. Connectivity enables advanced servitisation models, transforming physical products into services managed and monitored remotely throughout their lifecycle.

02.9

A look ahead to 2026

In 2026, Reply will continue to support client companies' innovation by leveraging the rapid maturation of AI, thanks to international and multidisciplinary research and development groups. Significant attention will be paid to the transition from conversational systems operated directly by the user to agentic systems to which tasks can be delegated to be performed autonomously and subsequently evaluated by humans. 24/7 agentic loops will be a key factor in the era of agentic AI: Reply will continue to support the redesign of business processes around this shift, from linear workflows to "judgment cycles" (drafting, critique, verification, decision).

In parallel, Reply is developing its approach to Responsible AI through a developer-focused toolkit, including the creation of automated bias-checking systems, fairness assessment agents, and risk-rating bots, aligned with the European AI Act and OECD guidelines. Reply teams are addressing AI sovereignty as a critical architectural decision, developing reference architectures for sovereign clouds and local inference. This ensures that client companies can implement advanced AI capabilities while maintaining complete control over where their data resides, who manages the models, and what jurisdictions they are subject to.

In this context, Reply is exploring the use of small language models (SLMs), compact and highly efficient models. SLMs could become the key to democratising AI inference, enabling rapid real-time processing locally, without relying on the cloud. This approach is crucial for industries with strict data sovereignty requirements or connectivity constraints, such as healthcare, manufacturing, and defence. By processing sensitive data locally, this approach can reduce inference costs and privacy risks.

As classical computing approaches its physical limits for specific optimisation and simulation workloads, Reply is actively validating hybrid quantum-HPC architectures, focusing on use cases such as quantum machine learning applied to time series analysis for financial risk modelling and complex logistics optimisation. Reply is also helping companies prepare for post-quantum cryptography to protect corporate data and digital assets from potential decryption threats enabled by the combination of advanced AI and quantum technologies.

REPLY

ECOSYSTEM

03.REPLY PLATFORMS

Reply platforms integrate artificial intelligence, cloud computing and domain expertise to support fast, scalable adoption paths aligned with business processes. They are designed to orchestrate operations, supply chains, content, industrial environments and decision-making processes, scaling use cases that are ready for adoption.

03.1 Axulus Reply

Axulus Reply is a generative AI-based engineering platform for digitalisation processes in industrial contexts. Through AI models and computer vision, it supports companies in the manufacturing, infrastructure and logistics sectors in improving the effectiveness of production and operational processes. The platform provides ready-to-use frameworks and modular digital workflows, enabling progressive and scalable adoption. Solutions based on Axulus Reply are used in airport and industrial environments to support the optimisation of operations, as well as the safety and quality of services and products.

03.2 Brick Reply

Brick Reply is Reply's digital "as a Service" platform supporting the transformation of industrial production processes. Based on a microservices architecture and an open ecosystem, Brick Reply ensures end-to-end management of industrial activities and full integration with enterprise and factory systems through standard APIs. In the course of 2025, a cognitive engine was integrated, forming the foundation for agents specialised in the main MOM domains, including production, planning, quality, performance and materials management. This architecture makes it possible to analyse large volumes of heterogeneous data and to support operators and plant managers through advanced analytics and operational recommendations.

03.3 Discovery Reply

Discovery Reply enables the centralised management of digital content, multimedia assets and product data. Based on a modular and omnichannel model, the platform ensures governance, versioning and consistent distribution of content across different touchpoints. In 2025, the introduction of agentic AI extended the platform's capabilities towards a content intelligence model, with specialised agents for the creation, search, processing and transformation of content, also accessible through a conversational interface. The evolution has also involved semantic search, with retrieval mechanisms based on meaning, context and relationships between content.

03.4 LEA Reply

LEA Reply is Reply's platform for orchestrating supply chain execution processes in complex and automated logistics environments. Based on a modular microservices architecture, it covers activities such as warehouse management, inventory, distribution and delivery of goods, integrating with IT systems, automation, robotics and IoT. Through the integration of AI, advanced analytics and computer vision, LEA Reply enables end-to-end visibility of logistics flows and supports proactive management of operations. In 2025, the evolution of LEA Reply extended its ability to orchestrate heterogeneous logistics ecosystems, integrating e-commerce scenarios, omnichannel models and drop shipping within a single operational framework. The introduction of GaliLEA, an AI assistant based on a multi-agent architecture, has further enhanced decision-making support, allowing users to interact with the platform in natural language and analyse operational and business metrics in a more immediate and contextualised way.

03.5 Neurons Reply

Neurons Reply is a platform for the creation, management and orchestration of agentic AI solutions in enterprise environments. Designed to foster the adoption of artificial intelligence within organisations, it enables users with different levels of expertise to aggregate, create and customise intelligent agents to support business processes, automation and internal collaboration, promoting a culture of collective intelligence and co-creation. Built on a modular and model-agnostic architecture, Neurons Reply provides access to a variety of language models and is compatible with interoperability standards such as A2A (Agent-to-Agent) and MCP (Model Context Protocol) for structured access to tools and data, as well as for developing advanced interaction approaches such as MCP-UI. Thanks to a secure and compliance-ready framework, Neurons Reply facilitates the scalable adoption of agentic AI in enterprise contexts, improving productivity and knowledge sharing.

03.6 TamTamy Reply

TamTamy Reply, born as an enterprise social network platform to improve internal communication and collaboration, has evolved into a complete digital ecosystem that integrates knowledge management, learning experience (LXP) and content distribution. In 2025, Reply applied AI capabilities to its Enterprise Social Network, Learning Management System and Digital Experience Platform (DXP) modules, integrating a proprietary platform of intelligent agents to automate processes, manage information and support content distribution and learning pathways. The DXP module enables the creation of dynamic and personalised mini websites for internal communication, event management and content distribution, while the Learning area provides adaptive, AI-supported learning pathways tailored to the needs of corporate users.

03.7 Ticuro Reply

Ticuro Reply, certified as a Class IIa (CE) medical device, is designed to support prevention and continuity of remote care. The platform uses AI and IoMT (Internet of Medical Things) technologies to integrate with medical devices and wearable sensors, facilitating collaboration between patients, caregivers and healthcare professionals throughout the care pathway. It also provides fast and remote access to clinical information from heterogeneous sources, offering a complete and up-to-date view of the patient. In 2025, it was tested in the Italian market as a telemedicine platform across six regions, demonstrating reliability, scalability and compliance with regulatory requirements.

03.8 X-RAIS Reply

The X-RAIS Reply platform applies artificial intelligence to the medical field and is designed to support radiological diagnostic processes through deep learning techniques. Specialised in various diagnostic methods and specific anatomical regions, it uses advanced image recognition technologies to assist radiologists in identifying anomalies and pathologies, helping to improve the accuracy and timeliness of diagnoses. Training of algorithms for the identification and classification of microcalcifications in mammograms and breast density was completed in 2025.

04.REPLY LABS

Reply Labs are spaces for innovation and co-creation where new technologies are applied to real-world contexts, generating solutions that can be integrated into everyday activities and enable new business models.

04.1 Area42

Area42 is dedicated to the exploration and testing of robotic solutions such as quadrupeds, rovers, drones, and interactive humanoid robots. Reply experts conduct tests and experiments on the algorithms that govern the perception, mobility, and manipulation of robots. They perform tests and experiments on reducing AI models so they can run on edge computing. They implement edge-to-cloud continuum solutions to allow software controlling mobile devices to access the correct network resources when needed. They also generate synthetic data for model fine-tuning. The most innovative technologies are validated with real-world experiments, thanks in part to collaboration with universities and international research centres.

04.2 Area Phi

Area Phi supports client companies in translating technological innovation into concrete strategies for their sectors. Key activities include: developing empathetic digital humans, integrating conversational AI and generative AI; exploring immersive technologies such as extended reality, gamification, and AI to create engaging experiences, including digital escape rooms, immersive e-learning, and interactive games. In the field of edge computing, the lab develops solutions for manufacturing and renewable energy, improving efficiency through real-time analytics, predictive maintenance, and defect detection with AI.

04.3 Cybersecurity Lab

The Cybersecurity Lab provides companies with an advanced environment for analysing, evaluating, and simulating security scenarios in areas such as cloud computing, secure software development, application and data protection, and network infrastructure. The Cybersecurity Lab includes demo units dedicated to attack tests and simulations, threat modelling, and security analyses of hardware and software components. Its activities extend to industrial security, IoT, automotive security, and smart building security, allowing client companies to effectively evaluate and strengthen their defence strategies.

04.4 IoT Validation Lab

The IoT Validation Lab is dedicated to the design, integration, validation, and implementation of IoT solutions and connected products, with a significant focus on environmental sustainability and energy efficiency. Thanks to end-to-end expertise and advanced technological instrumentation, Reply experts support client companies throughout the entire lifecycle of IoT solutions, offering consulting services, connectivity testing, and device pre-certification activities. The IoT Validation Lab develops and analyses applications in the automotive, telecommunications, manufacturing, energy, and logistics sectors, enabling the sustainability of IoT infrastructures to be assessed through analysis of material degradation and component lifespan.

04.5 Test Automation Center

The Test Automation Center ensures continuous quality monitoring of strategic products and services for the business, using a structured framework and proprietary validation methodologies. The goal is to support client companies in managing the entire lifecycle of products and services, both during the development phase and after market release, facilitating the early identification of potential critical issues and the timely definition of corrective actions. The integration of AI into quality assurance tools increases the efficiency of key processes, including test selection, data preparation, and maintenance activities, ensuring high levels of reliability even in technologically complex environments.

05.ALLIANCES

Over the years, Reply has built and consolidated a broad ecosystem of collaborations with innovative companies, developing strategic relationships with leading technology vendors to design and implement highly customised solutions aligned with each client's specific business needs.

05.1 Adobe

Adobe and Reply collaborate on solutions for unified customer experience management and the orchestration of B2B go-to-market strategies. As an Adobe Platinum Partner, Reply achieved seven specialisations in 2025 on Adobe Experience Manager and Adobe Commerce, delivering solutions that cover the entire Adobe Experience Cloud platform. During the year, it also received the "2025 Adobe Experience Manager Rockstar" award and was recognised by leading market analysts for its expertise in Adobe technologies and the use of AI to optimise clients' content supply chains.

05.2 AWS

Reply is an AWS Premier Tier Service Partner with extensive experience in migrating enterprise systems to the AWS cloud. It offers a comprehensive portfolio of services, including content processing and distribution solutions, development and integration of custom enterprise applications, as well as end-to-end support with 24/7 maintenance and operational management services. Reply has certified expertise in numerous strategic areas, including Agentic AI, Data & Analytics, DevOps, Oracle, Migration, Internet of Things, Industrial Software, SaaS, Machine Learning, Financial Services, Security, Retail, Energy, and Automotive. In 2025, AWS recognised Reply as the EMEA Energy and Utilities Partner of the Year and Italy Partner of the Year. Reply has also signed a Strategic Collaboration Agreement with AWS for the development of solutions based on generative AI. Reply was also named an Implementation Partner for the launch of Amazon Bedrock AgentCore, a platform dedicated to the development and operation of scalable AI agents.

05.3 Google

In 2025, Reply strengthened its collaboration with Google Cloud and Google Ads in Europe, the United Kingdom and the United States. As a Premier Partner and Managed Services Provider of Google Cloud, it supported clients in adopting Gemini Enterprise for the creation and deployment of AI-based agents and workflows in controlled environments. During the year, Google Cloud recognised Reply as 2025 Partner of the Year for the UK and Ireland. At the same time, Reply's creative agencies enhanced their expertise in Google Ads and AI content production, delivering digital campaigns for clients with video content created using the Google Nano Banana Pro and Veo models.

05.4 Microsoft

Reply is a global Microsoft partner and a leader in developing solutions across the three main areas of the Microsoft ecosystem: AI Business Solutions, Cloud & AI Platforms, and Security. In Europe, the United Kingdom, the United States and Brazil, Reply operates through a network of specialised companies covering all Microsoft Solutions Partner Designations, with vertical expertise across various industrial sectors. With deep knowledge of Microsoft AI and Copilot technologies, Reply delivers innovative solutions applied to multiple business areas. In 2025, Reply received the Partner of the Year awards for Global Social Impact and Inclusion Change Maker, as well as Emerging System Integrator of the Year for the USA, and was selected for a dedicated adoption programme for large clients in the EMEA region.

05.5 Oracle

Reply operates as an Oracle Cloud Service Provider, supporting clients with managed services and the implementation of solutions on Oracle Cloud Infrastructure. In 2025, it received the EMEA Cloud Service Provider Partner Award. In the same year, Reply expanded the use of Oracle solutions for Finance, Supply Chain, Planning and Production, delivering international projects based on ERP Cloud and NetSuite, particularly in the manufacturing and healthcare sectors. The company also achieved seven Service Expertise recognitions and broadened its offerings in the public sector and with international institutions.

05.6 Salesforce

Reply is a certified Salesforce Consulting Partner with a presence in Europe and the United States. It supports clients across the main cloud areas of the Salesforce ecosystem, including Sales, Service, Marketing and B2B and B2C Commerce. Its offering also includes integration with MuleSoft, analytics with Tableau, digital collaboration through Slack, and data integration and governance solutions based on Informatica. Reply also works on Salesforce Industry Clouds and advanced platform components, including Field Service, Account Engagement, Data 360, and AI-based solutions such as Einstein and Agentforce. In 2025, it was selected as a launch partner for Salesforce Retail Cloud in the EMEA region, developed specialised expertise in the automotive sector, and delivered one of the first implementations of Financial Services Cloud in Europe.

05.7 SAP

Reply's SAP expertise spans a cloud solutions portfolio that includes SAP S/4HANA Cloud, delivered through RISE with SAP and GROW with SAP, Business Process Transformation, SAP Customer Experience, SAP Business Technology Platform, SAP Business Data Cloud, SAP Digital Supply Chain, SAP Ariba, SAP Concur and SAP Business AI. In 2025, Reply strengthened its role as an SAP Lighthouse Partner for SAP Business AI and participated in the SAP Joule Early Adopter Care programme. During the same period, it expanded its capabilities in multi-agent frameworks based on SAP Business AI, achieved the GROW with SAP designation, and won the SAP Quality Awards for the twelfth consecutive year.

REPLY

ANNUAL FINANCIAL REPORT

2025

REPORT ON OPERATIONS

MAIN RISKS AND UNCERTAINTIES TO WHICH REPLY S.P.A. AND THE GROUP ARE EXPOSED

The Reply Group adopts specific procedures in managing risk factors that can have an influence on company results. Such procedures are a result of an enterprise management that has always aimed at maximizing value for its stakeholders putting into place all necessary measures to prevent risks related to the Group activities.
Reply S.p.A., as Parent Company, is exposed to the same risks and uncertainties as those to which the Group is exposed, and which are listed below.
The risk factors described in the paragraphs below must be jointly read with the other information disclosed in the Annual Report.

External risks

RISKS ASSOCIATED WITH GENERAL ECONOMIC CONDITIONS
The IT consulting market is linked to the economic performance of industrialized countries, where demand for high value-added technological products is higher. Unfavourable economic conditions at both local and international levels, or a high level of inflation, could reduce demand growth, with consequent impacts on the Group's operations and on its economic, equity and financial position.
The international macroeconomic environment continues to be characterized by geopolitical tensions and a climate of uncertainty related to regional conflicts, trade dynamics between major economic areas, political instability in certain regions of the world, and volatility in energy and financial markets.
Reply does not operate directly in areas currently affected by armed conflicts or significant geopolitical instability and does not hold production assets or operational facilities in countries subject to significant international sanctions. Therefore, no significant direct impacts on business continuity or the ability to generate revenues have been identified.
However, the Group maintains a corporate presence in the United States, a market representing a strategic area for development. In this context, any changes in trade, fiscal or regulatory policies, as well as potential geopolitical tensions between the United States and other economic areas, could have indirect effects on the macroeconomic environment, exchange rates, and customers' investment decisions. The Group continuously monitors these dynamics, adopting a prudent approach in financial planning and in the management of exchange rate risk.

In general, the main indirect risks related to the geopolitical environment concern potential slowdowns in demand, inflationary pressures, volatility in financial markets, and disruptions in technological supply chains. As of the date of preparation of these financial statements, no effects have been identified that would significantly impact the Group's economic, equity and financial position.
Management continues to closely monitor the evolution of the international environment, maintaining adequate organizational and financial safeguards aimed at ensuring operational flexibility and financial strength.

RISKS RELATED TO THE EVOLUTION OF ICT-RELATED SERVICES
The ICT consulting services sector in which the Group operates is characterised by rapid and profound technological changes and by a constant evolution of the mix of professional skills and expertise to be pooled in the provision of the services themselves, with the need for continuous development and updating of new products and services, and a prompt go to market. Therefore, with a strong and growing focus on ethical aspects, the future development of the Group's activities will also depend on its ability to foresee technological developments and the content of its services, also through significant investments in research and development activities, or through effective and efficient extraordinary operations.

RISKS ASSOCIATED WITH COMPETITION
The ICT market is highly competitive. Competitors could expand their market share squeezing out and consequently reduce the Group's market share. Moreover the intensification of the level of competition is also linked with possible entry of new entities endowed with human resources and financial and technological capacities in the Group's reference sectors, offering largely competitive prices which could condition the Group's activities and the possibility of consolidating or amplifying its own competitive position in the reference sectors, with consequent repercussions on business and on the Group's economic, earnings and financial situation.

RISKS ASSOCIATED WITH CHANGES IN CLIENT NEEDS
The Group's solutions are subject to rapid technological changes which, together with the growing or changing needs of customers and their own need for digitalisation, could translate into requests for the development of increasingly complex activities that sometimes require excessive commitments that are not economically proportionate, or could result in the cancellation, modification or postponement of existing contracts. This could, in some cases, have repercussions on the Group's business and on its economic and financial situation.

RISKS ASSOCIATED WITH SEGMENT REGULATIONS
The Group is subject to the laws and regulations applicable in the countries in which it operates, including, among the main ones, those governing health and safety in the workplace, environmental protection, the protection of intellectual property rights, tax regulations, data privacy and data protection, administrative liability of entities pursuant to Legislative Decree 231/01, and liability under Law 262/05.
In addition, the regulatory and legal framework concerning Artificial Intelligence is continuously evolving and entails increasing compliance obligations. The risk of failing, or not promptly, to comply with applicable regulatory requirements, including those relating to the development, use, and commercialization of AI systems, could expose the Group to civil, tax, administrative, and criminal penalties, restrictions on market access, business interruptions, and significant reputational impacts, particularly in the case of AI solutions provided to clients. Furthermore, the costs and liabilities associated with the necessary remediation activities could adversely affect the Group's operations and results.
The Group operates in compliance with applicable laws and has established processes and controls to ensure awareness of local regulatory requirements in the jurisdictions in which it operates, as well as of ongoing regulatory changes.

SUSTAINABILITY RISKS
The size and characteristics of Reply may make the collection, management, and availability of ESG information not always straightforward, also considering the complexity of the continuously evolving regulatory framework.
All environmental, social, and governance topics and aspects relevant to Reply are described in the specific section "Consolidated Sustainability Statement" of the Annual Report.

Internal risks

RISKS ASSOCIATED WITH KEY MANAGEMENT AND LOSS OF KNOW-HOW
The Group's success is largely due to certain key figures who have contributed in a decisive way to its development, such as the Chairman, the Chief Executive Officer and the executive directors of the Parent Company Reply S.p.A. Reply also has a management team with many years of experience in the sector, which plays a decisive role in the management of the Group's activities. The loss of the services of one of the aforementioned key figures without adequate replacement, as well as the inability to attract and retain new and qualified personnel, could have a negative impact on the Group's prospects, maintenance of critical know-how, activities and economic and financial results.
The Management believes, in any event, that the Company has an operational and managerial structure capable of ensuring continuity in the management of corporate affairs.

RISKS ASSOCIATED WITH RELATIONSHIP WITH CLIENT
The Group offers consulting services mainly to medium and large size companies operating in different market segments (Telco, Manufacturing, Finance, etc.).
A significant part of the Group's revenues, although in a decreasing fashion in the past years, is concentrated on a relatively limited number of clients. If such clients were lost this could have an adverse effect on the Group's activities and on the Group's economic, financial and earnings position.

RISKS ASSOCIATED WITH INTERNATIONALIZATION
The Group, with an internationalization strategy, could be exposed to typical risks deriving from the execution of its activities on an international level, such as changes in the political, macro-economic, fiscal and/or normative field, along with fluctuations in exchange rates.
These could negatively influence the Group's growth expectations abroad.

RISKS RELATED TO GROUP DEVELOPMENT
The constant growth in the size of the Group presents new management and organisational challenges.
The Group continuously focuses its efforts on raising awareness and training employees, as well as maintaining the most effective internal controls to prevent any unlawful and/or unethical conduct (such as, for example, the improper use or unauthorized or uncontrolled use of IT systems, including Generative AI and Large Language Models (LLMs), non-compliance with laws or regulations concerning the protection of sensitive or confidential information, and/or the inappropriate use of social networking sites, which could result in breaches of confidentiality, unauthorized disclosure of confidential company information, or reputational damage).
If the Group does not continue to make the appropriate changes to its operating model as needs and size change, if it does not successfully implement the changes, and if it does not continue to develop and implement the right processes and tools to manage the business and instil its culture and core values in its employees, the ability to compete successfully and achieve its business goals could be compromised.

RISKS RELATED TO ACQUISITIONS AND OTHER EXTRAORDINARY OPERATIONS
The Group plans to continue to pursue strategic acquisitions and investments to improve and add new expertise, service offerings and solutions, and to enable expansion into certain geographic areas and other markets.
Any investment made as part of strategic acquisitions and any other future investment in Italian or international companies may involve an increase in complexity in the Group's operations and there is no guarantee that such investments will generate the expected return on the acquisition or investment decision and that they will be properly integrated in terms of quality standards, policies and procedures in a manner consistent with the rest of the Group's operations. The integration process may require additional costs and investments. Inadequate management or supervision of the investment made may adversely affect the business, operating results and financial matters.

RISKS RELATED TO NON-FULFILMENT OF CONTRACTUAL COMMITMENTS
The Group develops high-tech, high-value solutions; the underlying contracts, which may involve both internal staff and external contractors, may provide for the application of penalties for failure to meet agreed deadlines and quality standards. The application of such penalties could have negative effects on the Group's economic and financial results and reputation. However, the Group has taken out insurance policies to protect itself against risks arising from professional liability for an aggregate annual maximum amount deemed adequate in relation to the underlying risk. However, if the insurance coverage is inadequate and the Group is required to pay damages in excess of the maximum amount provided, the Group's financial position, results of operations and cash flows could be materially adversely affected.

RISKS RELATED TO KEY PARTNERSHIPS
In order to offer the most innovative and suitable solutions to differing customer needs, the Group has established important partnerships with leading global vendors.
The business that the Group conducts through these partnerships may decline or not grow for a number of reasons, as the priorities and objectives of technology partners may differ from those of the Group and they are not prohibited from competing with the Group or entering into closer agreements with its competitors. Decisions the Group makes with respect to a technology partner may affect the ongoing relationship. In addition, technology partners may experience reduced demand for their technology or software, which could decrease the related demand for the Group's services and solutions.
The risk of failing to adequately manage and successfully develop relationships with key partners, or of failing to foresee and establish effective alliances in relation to new technologies, could adversely affect the ability to differentiate services, offer cutting-edge solutions to customers or compete effectively in the market, with possible consequent repercussions on the business and on the economic and financial situation.

RISKS RELATED TO THE PROTECTION OF INTELLECTUAL PROPERTY RIGHTS

The Group's success depends, in part, on its ability to obtain intellectual property protection for its proprietary platforms, methodologies, processes, software and other solutions.
The Group relies on a combination of confidentiality, non-disclosure and other contractual agreements, and patent, trade secret, copyright and trademark laws and procedures to protect its intellectual property rights. Even where we obtain intellectual property protection, the Group's intellectual property rights cannot prevent or discourage competitors, former employees or other third parties from reverse engineering their own solutions or proprietary methodologies and processes or independently developing similar or duplicate services or solutions.
In addition, the Group may unwittingly infringe the rights of others and be liable for damages as a result. Any claims or litigation in this area could cost time and money and lead to damage the Group's reputation and/or require it to incur additional costs to obtain the right to continue offering a service or solution to its customers.
The occurrence of such risks could adversely affect the Group's competitive advantage and market positioning, its economic, financial and capital position, as well as its reputation and prospects for future business development.

CYBER SECURITY, DATA MANAGEMENT AND DISSEMINATION RISKS

The Group's business relies on IT networks and systems to process, transmit and store electronic information securely and to communicate with its employees, customers, technology partners and suppliers. As the scale and complexity of this infrastructure continues to grow, not least due to the increasing reliance on and use of mobile technologies, social media, cloud-based services, the risk of security incidents and cyber-attacks increases.
Moreover, the adoption of advanced technologies based on Artificial Intelligence entails an increase in the complexity of information systems and technological infrastructures. Such complexity may create new vulnerabilities in terms of data integrity, availability, and confidentiality, as well as increase exposure to cyber risks or give rise to legal actions.
Cyberattacks, including those carried out through the unethical or malicious use of AI, could result in operational disruptions to the Group's systems and those of its clients, technology partners, and suppliers, as well as delays in service delivery, compromises of information systems, or loss of sensitive data. These risks are compounded by those related to potential fraud carried out by third parties, including clients, suppliers, or partners involved in AI processes or systems.
In the event of such actions, so the Group could be exposed to potential liability, litigation and regulatory or other actions, as well as loss of existing or potential customers, damage to brand and reputation, and other financial losses. In addition, the costs and operational consequences of responding to violations and implementing corrective measures could be significant.
To date, there hasn't been a cybersecurity attack that has had a material effect on the Group, although there is no guarantee that there won't be a material impact in the future. Aware that the business and cyber security landscape evolves, the Group is continuing on a path of unceasing strengthening of risk controls, reserving the right, if deemed necessary, to make significant additional investments to protect data and infrastructure.
However, if the insurance coverage, which includes IT insurance, is inadequate and the Group is required to pay damages in excess of the maximum amount provided, the Group's financial position, results of operations and cash flows could be materially adversely affected.

OPERATIONAL RISKS RELATED TO AI SOLUTIONS

The increasing application and integration of Artificial Intelligence–based technologies into our internal processes and services, as well as into the solutions proposed and developed for our clients, has introduced new operational risk dynamics that the Group manages with the utmost attention. Efficiency gains or improvements in operational performance attributed to AI that do not materialize within the expected timeframe or in the expected manner, also due to exogenous factors such as market evolution, the maturity of available technologies, the level of uncertainty, or the degree of acceptance by clients and stakeholders, expose the Group to strategic and operational risks.
Furthermore, any misalignment between growing internal capabilities, understanding of the business context, and the specific needs and expectations of clients may lead to operational inefficiencies or the adoption of solutions that are not fully aligned with the intended objectives. Inadequate assessment or timing of outputs, or insufficient monitoring of the performance of the proposed and adopted models, could result in incorrect decisions, misleading information, legal or regulatory actions, or potentially adverse effects for clients and for the Group's reputation.

RISKS IN TERMS OF SOCIAL AND ENVIRONMENTAL RESPONSIBILITY AND BUSINESS ETHICS

Within the framework of social, environmental, and business ethics responsibility, the Group describes its material impacts, risks, and opportunities identified through the double materiality analysis in chapter [SBM-3] "Material impacts, risks and opportunities and their interaction with the strategy and business model" of the consolidated sustainability statement.

Financial risks

CREDIT RISK

For business purposes, specific policies are adopted to assure its clients' solvency.
With regards to financial counterparty risk, the Group does not present significant risk in credit-worthiness or solvency.

The Group's exposure to credit risk is the potential losses that could result from non-fulfilment of the obligations assumed by both commercial and financial counterparties. In order to measure this risk over time, as part of the impairment of its financial assets (including trade receivables), the Group has applied a model based on expected credit losses pursuant to IFRS 9.
This exposure is mainly due to general economic and financial items, the possibility of specific insolvency situations of some debtor counterparties and more strictly technical-commercial or administrative elements.
The maximum theoretical exposure to credit risk for the Group is the book value of financial assets and trade receivables. The risk related to trade receivables is managed through the application of specific policies aimed to ensure the solvency of customers.
Provisions to the allowance for doubtful accounts are made specifically on creditor positions with specific risk elements. On creditor positions which do not have such characteristics, provisions are made on the basis of the average default estimated on the basis of statistical indicators.

LIQUIDITY RISK
The group is exposed to funding risk if there is difficulty in obtaining finance for operations at any given point in time.
The cash flows, funding requirements and liquidity of the Group's companies are monitored or centrally managed under the control of the Group Treasury, with the objective of guaranteeing effective and efficient management of capital resources (maintaining an adequate level of liquid assets and funds obtainable via an appropriate committed credit line amount).
The difficult economic and financial context of the markets requires specific attention as regards the management of liquidity risk and in such a way that particular attention is given to shares tending to generate financial resources with operational management and to maintaining an adequate level of liquid assets. The Group therefore plans to meet its requirements to settle financial liabilities as they fall due and to cover expected capital expenditures by using cash flows from operations and available liquidity, renewing or refinancing bank loans.

EXCHANGE RATE AND INTEREST RATE RISK
The Group entered into most of its financial instruments in Euros, which is its functional and presentation currency. Although it operates in an international environment, it has a limited exposure to fluctuations in the exchange rates.
The exposure to interest rate risk arises from the need to fund operating activities and M&A investments, as well as the necessity to deploy available liquidity. Changes in market interest rates may have the effect of either increasing or decreasing the Group's net profit/(loss), thereby indirectly affecting the costs and returns of financing and investing transactions.
The interest rate risk to which the Group is exposed mainly derives from bank loans; to mitigate such risks, the Group, when necessary, has used derivative financial instruments designated as "cash flow hedges".
The use of such instruments is disciplined by written procedures in line with the Group's risk management strategies that do not contemplate derivative financial instruments for trading purposes.

TAX RISK
The risk of any changes in tax law and its application or interpretation could have a negative or positive impact on the Group's results of operations, affecting the effective tax rate.
The Company adheres to the National Tax Consolidation scheme pursuant to articles 117/129 of the Consolidated Income Tax Act (TUIR). Reply S.p.A., the Parent Company, acts as consolidating company and determines a single taxable income for the Group of companies participating in the Tax Consolidation, benefiting from the possibility of offsetting taxable income with tax losses in a single declaration. The tax risk limitation measures put in place by Management, in terms of verifying the adequacy and correctness of tax compliance, obviously cannot completely exclude the risk of tax audits.

Review of the Group's economic and financial position

FOREWORD
The financial statements commented on and illustrated in the following pages have been prepared on the basis of the Consolidated financial statements as at 31 December 2025 to which reference should be made, prepared in compliance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and adopted by the European Union, as well as with the provisions implementing Article 9 of Legislative Decree No. 38/2005.

TREND OF THE PERIOD
The Reply Group closed 2025 with a consolidated turnover of €2,483.6 million, an increase of 8.0% compared to €2,300.5 million in 2024.
All indicators are positive for the period. Consolidated EBITDA was €467.6 million, an increase of 13.9% compared to €410.6 million at December 2024.
EBIT, from January to December, was at €391.7 million, which is an increase of 18.5% compared to €330.4 million at December 2024.
The Group net profit was at €250.9 million. In 2024, the corresponding value was €211.1 million.
As at 31 December 2025, the Group's net financial position has been positive at €467.6 million (349.1 million at 31 December 2024). As at 30 September 2025, the net financial position was positive at €423.1 million.

2025 ended on a very positive note for Reply. Despite an increasingly selective market and a macroeconomic context of general uncertainty, the Group grew, supported by the solidity of its model – based on a network of highly specialised companies – combined with the ability to turn technological innovation into tangible value for companies.

Together with its customers Reply has worked to industrialise and scale the application of artificial intelligence, introducing it into existing processes or helping them to invent new market segments and offerings around it. Today, artificial intelligence is no longer an additional "layer" but is definitively the structural component around which corporate architectures are designed: data platforms, cloud or edge-based applications, automation systems and cybersecurity infrastructures are now being rethought within an AI-centric design, and in some cases are even developed with native agent-based architectures.

In recent months Reply has laid solid foundations to face market conditions that remain extremely competitive. The recent partnerships signed with the leading LLM producers, combined with the well-established relationships with the world's major technology players, not only reaffirm the ongoing commitment to being at the forefront of innovation, but also enable the Group companies to bring to market one of the most comprehensive offerings available today in the field of artificial intelligence applied to vertical business contexts.

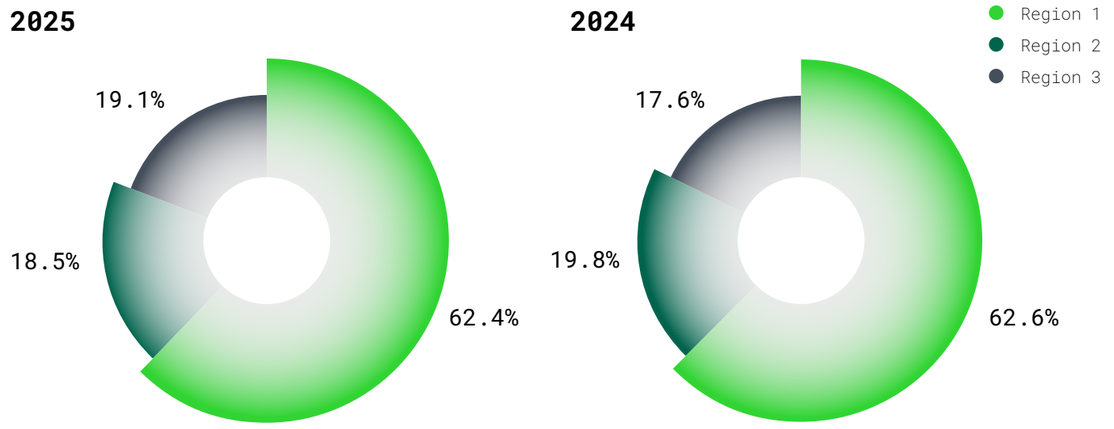
RECLASSIFIED CONSOLIDATED INCOME STATEMENT

Starting from the third quarter of 2025, for management analysis purposes only, the Group has reclassified, under operating revenues, public grants related to funded projects amounting to 33,638 thousand Euros as of December 31, 2025 and amounting to 4,581 as of December 31, 2024. Public grants had previously been recorded as a reduction in labour costs.
This reclassification has no impact on EBITDA and allows for a more consistent representation of the overall volume of industrial and research activities carried out internally, highlighting the contribution of funded projects to the Group's operating performance.

Reply's performance is shown in the following reclassified consolidated statement of income and is compared to corresponding figures of the previous year:

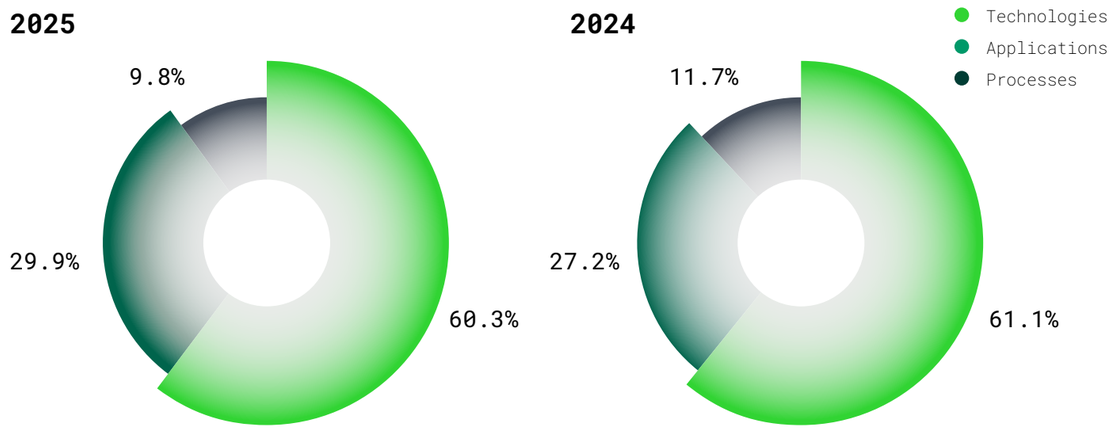
(THOUSAND EUROS)	2025	%	2024	%
Revenues	**2,483,629**	**100.0**	**2,300,519**	**100.0**
Purchases	(46,872)	(1.9)	(46,350)	(2.0)
Personnel	(1,376,509)	(55.4)	(1,266,433)	(55.0)
Services and other costs	(614,607)	(24.7)	(542,999)	(23.6)
Other operating (costs)/income	21,997	0.9	(34,127)	(1.5)
Operating costs	**(2,015,992)**	**(81.2)**	**(1,889,908)**	**(82.2)**
Gross operating income (EBITDA)	**467,637**	**18.8**	**410,611**	**17.8**
Amortization, depreciation and write-downs	(89,359)	(3.6)	(84,933)	(3.7)
Fair value adjustments to deferred consideration	13,411	0.5	4,743	0.2
Operating income (EBIT)	**391,689**	**15.8**	**330,421**	**14.4**
(Loss)/gain on investments	(8,478)	(0.3)	(20,000)	(0.9)
Financial income/(expenses)	(13,515)	(0.5)	2,812	0.1
Income before taxes	**369,696**	**14.9**	**313,232**	**13.6**
Income taxes	(117,106)	(4.7)	(99,464)	(4.3)
Net income	**252,591**	**10.2**	**213,769**	**9.3**
Non controlling interests	(1,702)	(0.1)	(2,630)	(0.1)
Net income of the Parent company	**250,889**	**10.1**	**211,139**	**9.2**

REVENUES BY REGION(*)

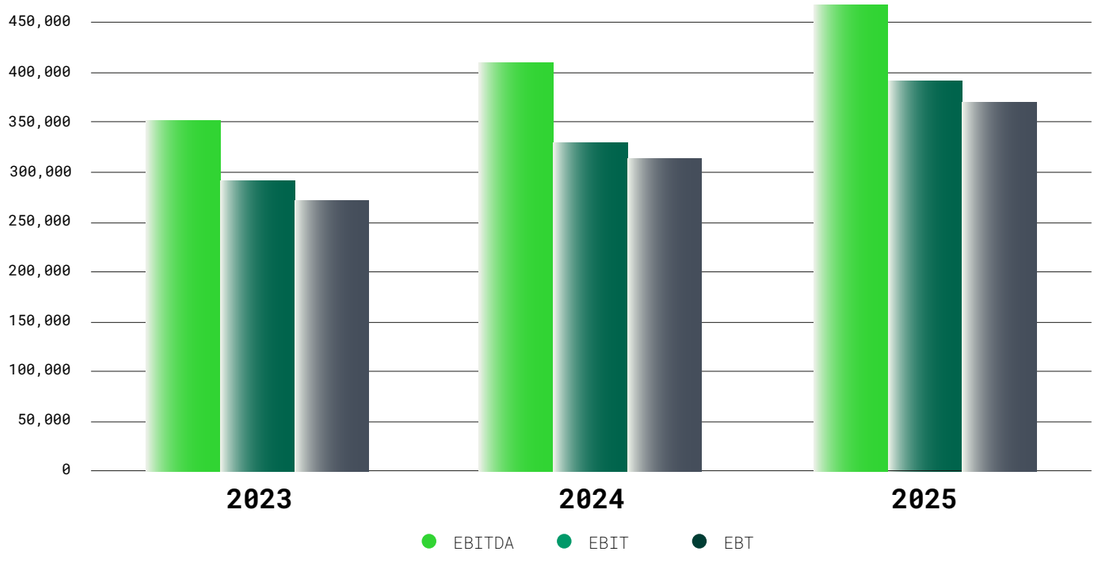


(*)
Region 1: ITA, USA, BRA, POL, ROU, CHN (Nanjing)
Region 2: DEU, CHE, CHN (Beijing), HRV, POL
Region 3: GBR, LUX, BEL, NLD, FRA

REVENUES BY BUSINESS LINES



TREND IN KEY ECONOMIC INDICATORS



ANALYSIS OF THE FINANCIAL STRUCTURE

The Group's financial structure is set forth below as at 31 December 2025, compared to 31 December 2024:

(THOUSAND EUROS)	31/12/2025	%	31/12/2024	%	CHANGE
Current assets	1,010,842		969,502		41,340
Current liabilities	(890,020)		(916,792)		26,772
Working capital, net (A)	**120,822**		**52,711**		**68,112**
Non current assets	1,112,250		1,123,832		(11,582)
Non current liabilities	(210,586)		(222,666)		12,081
Fixed capital (B)	**901,664**		**901,165**		**499**
Invested capital, net (A+B)	**1,022,486**	**100.0**	**953,876**	**100.0**	**68,610**
Shareholders' equity (C)	1,490,064	145.7	1,302,960	136.6	187,103
NET FINANCIAL POSITION (A+B-C)	**(467,577)**	**(45.7)**	**(349,084)**	**(36.6)**	**(118,493)**

Net invested capital on 31 December 2025, amounting to 1,022,486 thousand Euros, was funded by Shareholders' equity for 1,490,064 thousand Euros and by available overall funds of 467,577 thousand Euros.

It is to be noted that net invested capital includes Due to minority shareholders and Earn-out for a total of 45,250 thousand Euros (109,600 thousand Euros at 31 December 2024); this item is not included in the net financial managerial position included instead in the ESMA net financial indebtedness, disclosed in note 31.

The following table provides a breakdown of net working capital:

(THOUSAND EUROS)	31/12/2025	31/12/2024	CHANGE
Work in progress	83,489	68,369	15,120
Trade receivables	792,089	757,558	34,531
Other assets	135,265	143,576	(8,311)
Current operating assets (A)	**1,010,842**	**969,502**	**41,340**
Trade payables	179,828	183,233	(3,405)
Other liabilities	710,192	733,559	(23,367)
Current operating liabilities (B)	**890,020**	**916,792**	**(26,772)**
Working capital, net (A-B)	**120,822**	**52,711**	**68,112**
% return on investments	*4.9%*	*2.3%*	

NET MANAGERIAL FINANCIAL POSITION AND CASH FLOWS STATEMENT

(THOUSAND EUROS)	31/12/2025	31/12/2024	CHANGE
Cash and cash equivalents, net	571,702	491,713	79,989
Current financial assets	70,227	45,767	24,460
Due to banks	(13,159)	(19,564)	6,406
Due to other providers of finance	(150)	(64)	(86)
Financial liabilities IFRS 16	(34,724)	(35,163)	439
Short-term financial position	**593,896**	**482,689**	**111,207**
Due to banks	(32,321)	(48,910)	16,589
Due to other providers of finance	(75)	-	(75)
Financial liabilities IFRS 16	(93,923)	(84,695)	(9,229)
M/L term financial position	**(126,319)**	**(133,604)**	**7,286**
Total net managerial financial position	**467,577**	**349,084**	**118,493**

Change in the item cash and cash equivalents during 2025 is summarized in the table below:

(THOUSAND EUROS)	2025
Cash flows from operating activities (A)	326,008
Cash flows from investment activities (B)	(136,295)
Cash flows from financial activities (C)	(104,540)
Change in cash and cash equivalents (D) = (A) + (B) + (C)	**85,174**
Cash and cash equivalents at the beginning of the period (*)	491,713
Effect of exchange rate differences on cash and cash equivalents	(5,185)
Cash and cash equivalents at year end (*)	571,702
Total change in cash and cash equivalents (D)	**85,174**

(*) Liquid assets and cash equivalents net are net of current account overdrafts

The complete consolidated cash flow statement and the details of cash and other cash equivalents net are set forth below in the financial statements.

Alternative performance indicators

In addition to conventional financial indicators required by IFRS, presented herein are some alternative performance measures, in order to allow a better understanding of the trend of economic and financial management.

These indicators, that are also presented in the periodical Interim management reports must not, however, be considered as replacements to the conventional indicators required by IFRS.

Set forth below are the alternative performance indicators used by the Group with relevant definition and basis of calculation:

- **EBIT**: corresponds to the "Operating margin"
- **EBITDA**: Earnings before interest, taxes, depreciation and amortization and is calculated by adding to the Operating margin the following captions:
  - Amortization and depreciation
  - Write-downs
  - Other operating cost/(income)

  Other operating (costs)/revenues are related to events and transactions that due to their nature do not occur continuously in normal operations.
- **EBT**: corresponds to the Income before taxes
- **Net financial managerial position**: represents the financial structure indicator and is calculated by adding the following balance sheet captions:
  - Cash and cash equivalents
  - Financial assets (short-term)
  - Financial liabilities (long-term) including those referable to the adoption of IFRS 16
  - Financial liabilities (short-term) including those referable to the adoption of IFRS 16

SIGNIFICANT OPERATIONS IN 2025

Acquisition of Red Scientific Limited

In August, Reply, through its subsidiary Reply Ltd., completed the acquisition of 100% of Red Scientific Limited, a UK-based company operating in the Defence and Public Sector, providing engineering consulting services in technical and scientific fields.

Acquisition of Root16 LLC

In August, Reply, through its subsidiary Reply Inc., completed the acquisition of 100% of Root16 LLC, a U.S.-based company specialized in technology consulting for professional services using Microsoft Dynamics, with a focus on the mid-market segment.

REPLY ON THE STOCK MARKET

Reply share performance

After the surprisingly constructive setup in 2024, capital markets in 2025 again had to digest an "unfriendly" headline environment — but equities proved resilient overall. Episodes of volatility were triggered by geopolitical developments and renewed trade-policy uncertainty, yet the broader trend remained supported by easing inflation and a gradually more accommodative monetary backdrop. In Europe in particular, expectations of lower policy rates and improving liquidity conditions helped underpin risk appetite, even as growth dynamics stayed uneven across regions and sectors.

A key driver remained the prospect (and, in several regions, the implementation) of further rate cuts. Falling inflation and declining yields typically improve equity valuations and refinancing conditions — an important tailwind for investment activity and corporate profitability. At the same time, equity performance was increasingly shaped by differentiation: investors rewarded visible earnings delivery and balance-sheet strength, while more cyclical or valuation-stretched segments faced sharper pullbacks when macro or policy surprises emerged.

Within technology, artificial intelligence remained the dominant theme in 2025 — but the narrative became more ambivalent. Alongside the continued investment cycle in data centres, platforms and AI-enabled applications, a growing group of investors started to frame AI not only as a demand catalyst, but also as a potential structural risk for parts of the IT value chain. If AI tools materially lift developer productivity and enable more "do-it-yourself" implementation by clients, the same transformation outcomes could be achieved with fewer external service hours, implying tighter long-term growth ceilings for traditional and lower-value-focussed delivery models. This frames the growing concerns of the capital market participants. As a result, market sentiment became more selective, rewarding business models with clear differentiation (industry depth, proprietary assets, platform/IP leverage and end-to-end accountability) while applying greater scrutiny to those perceived as predominantly capacity-based.

Reply is seeing AI as a big opportunity allowing to implement new solutions that were unthinkable before. Efficiency gains leading to smaller project sizes will be more than covered by additional demand as this frees budget capacities on the customer side. This demand pattern was perceived in every essential innovation step in the history of the IT markets. Replys high portion of outcome-based contractual relationships with customers and the avoidance of commodity works provides a high resilience against the risk of being replaced by AI. Its special organization as a series of small, agile and highly specialized competence centers for the market niches Reply is working on represents an ideal base to handle disruption coming from emerging technologies. To a large extent this explains the operational performance of Reply since its inception in 1996.

Against this backdrop, Reply delivered another year of solid operational execution. Throughout 2025, the Group continued to outperform many competitors in growth and profitability, with positive momentum across key digital transformation areas, including data, cloud and AI-related demand. A decent organic growth of Reply - mainly due to the acquisition integration works in France and the group exposure to the automotive and manufacturing industry suffering from tariffs-induced uncertainties - was compensated by a very strong margin development leading to an excellent liquidity position of the group.

Accordingly, the year 2025 started stable for the Reply share preserving its value of the start of the year and moving in line with with the STAR and the Euro STOXX technology indexes. Since May 2025 the Reply share experienced higher volatility and entered a downward trend ending in a share price reduction of 25%, decoupling from the continuous strong operational performance.

Taking December 6, 2000, the date of the Reply IPO, as a reference, the Italian main index MIB gained 31.5% in 2025 and with 98.3% nearly came back to its starting value in 2000. Since the IPO Reply increased its value by 2,768%. Due to the sector rotation and the upcoming AI concerns the outperformance of the Reply share versus the MIB reduced in 2025.

Share liquidity

From a capital-markets perspective, 2025 illustrated that share-price performance can temporarily decouple from fundamentals when valuation levels, sector rotations and risk sentiment dominate. The raising AI concerns and volatility led to a significant increase of the trading activities in the Reply share. The number of traded shares increased by 35% to 13.2 million shares (9.5 million shares in 2024). Especially since August each month showed a million or more traded shares. The trading volume moved accordingly to EUR 1.78 billion following EUR 1.32 billion in 2024.
The meaningful correction of the Reply share price impacted the valuation multiples as well seen in Reply. But to a lesser extent as most of the Reply peers – defined as a group of digital native companies, diversified IT Service companies and agencies – declined in valuations too. Unchanged Reply is valued above market in terms of the valuation on the base of revenues. As the market is currently totally ignoring the profitability improvements, Reply is now trading below market average regarding the multiples based on EBITDA and EBIT. Price/Earnings Ratio as well as the Free Cash Flow-multiples remain approximately 15% above the peer valuations.

Dividend

Performance-related remuneration is an essential pillar of Reply's partnership-based business model. Like employees, Reply's shareholders should participate in the Group's sustainable operational performance in the form of dividends. Every year this principle is balanced with the need for internal financing for Reply's investments in new start-up companies, new technologies and potential acquisitions to further elaborate Reply's offering portfolio in Germany, UK, US, and France as Reply's strategic regions. In 2025 Reply achieved earnings per share of EUR 6.7, an increase of 19.2% compared to 2024. For the financial year 2025 the corporate bodies of Reply propose to the shareholders' meeting to approve the payment of a dividend of EUR 1.35 (dividend 2024: EUR 1.15). Referred to the share price of Reply at the end of 2025 this corresponds to a dividend yield of 1.18%. Assuming the approval of the shareholders' meeting, Reply will pay to its shareholders a dividend amount of EUR 50.3 million. For financial year 2024 EUR 43.0 million were distributed. In total this equates to a pay-out ratio of 20% of the net profit of the financial year 2025.

The subsequent table gives an overview on the main parameters of the Reply share and their substantial developments during the last 5 years.

		2025	2024	2023	2022	2021
SHARE PRICE						
Year-end	Euro	114.70	153.40	119.50	107.00	178.70
High for the year	Euro	167.50	157.80	127.30	178.70	185.50
Low for the year	Euro	111.70	104.20	82.40	101.60	92.50
TRADING						
Number of shares traded (year)	# thousand	13,207.7	9,846.2	12,722.5	10,164.3	13,005.5
Number of shares traded (day)	# thousand	52.2	38.2	49.3	39.7	50.4
Trading volume (year)	Euro million	1,782.3	1,321.1	1,321.4	1,313.9	1,834.2
Trading volume (day)	Euro million	7.045	5.121	5.122	5.156	7.109
CAPITAL STRUCTURE						
Number of shares	# thousand	37,411.4	37,411.4	37,411.4	37,411.4	37,411.4
Share capital	Euro million	4,864	4,864	4,864	4,864	4,864
Free Float	%	60.0	56.0	56.0	53.4	53.4
Market capitalization	Euro million	4,275.8	5,718.5	4,454.7	3,980.4	6,660.1
ALLOCATION OF NET INCOME						
Earnings per share	Euro	6.73	5.65	5.01	5.13	4.03
Dividend [1]	Euro	1.35	1.15	1.00	1.00	0.80
Dividend payment	Euro million	50,325	43,023	37,278	37,278	29,872
Dividend yield [2]	%	1.18	0.75	0.84	0.93	0.45

1) Amount proposed for shareholder approval for 2025
2) Related to year-end closing price

The shareholders base

At the end of 2025, 40.0% of Reply's shares were owned by Reply's founders. Institutional shareholders owned 54.5% of the shares, while retail shareholders owned 5.5% of the shares. Reply's institutional shareholder base has undergone some significant changes. US investors, the main investor country in Reply, showed a quite stable ownership in Reply, their share amounted to 25% of the institutional shareholding compared to 27% in the previous year. Italian investors continued to increase their positions and are now the second largest investors, holding approximately 20% (2024: 24%). UK investors held positions of 19% of institutional holdings. Scandinavian investors owned 9% of the shares.

According to the Shareholders' Ledger, on the date of this report the shareholders that directly or indirectly, also through an intermediary person, trust companies and subsidiaries, hold stakes greater than 3% of the share capital having the right to vote are the following:

SHAREHOLDER	OWNERSHIP % OVER SHARE CAPITAL	OWNERSHIP % OVER VOTING RIGHTS
Rizzante Mario through Alika S.r.l.	37.082%	63.874%
Small Cap World Fund Inc.	3.9%	2.21%

As of December 31, 2025, Mr. Mario Rizzante controls 100% of Iceberg Srl, a limited liability company with registered office at Corso Francia 110, Turin.
Iceberg Srl controls 51% of Alika S.r.l., which in turn directly holds, as of today's date, 13,872,740 shares of Reply S.p.A. (with enhanced double voting rights effective from September 30, 2025), representing 37.082% of the Company's share capital.

Analysts

In 2025, the number of analysts regularly covering the Reply share rose to 13. Reply welcomed the first German analyst among its group of analysts. The strong re-rating of the Reply share improved the analyst mood further. In 2025 10 ratings out of 13 ratings were positive. In the year before 4 analysts of out 10 had this vote. 3 out of 13 ratings took a "neutral" stance on the share in 2025 (6 out of 10 in 2024). The average price target for Reply shares given by analysts in December 2025 was EUR 164.8.

Dialog with the capital markets

An active and open communication policy, which ensures the timely and continuous dissemination of information, is an essential part of Reply's IR strategy. In 2025 Reply introduced periodical earnings calls with the capital market community to its communication framework. This new channel induced some changes for the communication needs of investment managers. While the number of investor contacts involving the top management of Reply remained stable, there was less need for traditional communication channels. While the number of conferences, where Reply participated, remained stable at 18 conferences the number of road shows where Reply actively explained its equity story fell to 3. More and more investors preferred having in-person meetings. Accordingly, the number of virtual meetings with investors fell by 57%. Reply only slightly reduced the number of physical investor meetings by 12%.
The majority of communication contacts were with French, Italian and UK investors. While contacts with UK and Italian investors only saw a slight reduction, the contacts with French and US investors in 2025 fell by 15% and approximately 60% respectively. Increases were seen in the contacts with Swiss and German investors. The number of brokers involved in Reply's IR activities remained stable at 12.

THE PARENT COMPANY REPLY S.P.A.

Introduction

The tables presented and disclosed below were prepared on the basis of the financial statements as at 31 December 2025 to which reference should be made, prepared in accordance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and endorsed by the European Union, as well as with the regulations implementing Article 9 of Legislative Decree No. 38/2005.

Reclassified income statement

The Parent Company Reply S.p.A. mainly carries out the operational co-ordination and the technical and quality management services for the Group companies as well as the administration, finance and marketing activities.
As at 31 December 2025 the Parent Company had 288 employees (264 employees in 2024).
Reply S.p.A. also carries out commercial fronting activities (pass-through revenues) for some major customers, whereas delivery is carried out by the operational companies. The economic results achieved by the Company are therefore not representative of the Group's overall economic trend and the performances of the markets in which it operates. Such activity is instead reflected in the item Pass-through revenues of the Income Statement set forth below.
The Parent Company's income statement is summarized as follows:

(THOUSAND EUROS)	2025	2024	CHANGE
Revenues from operating activities	187,183	162,197	24,986
Pass-through revenues	809,759	732,127	77,632
Purchases, services and other expenses	(917,496)	(819,664)	(97,832)
Personnel and related expenses	(63,898)	(48,423)	(15,475)
Other operating (expenses)/income	29,139	(28,872)	58,012
Amortization, depreciation and write-downs	(5,030)	(4,188)	(842)
Operating income	**39,657**	**(6,823)**	**46,481**
Financial income/(expenses)	(5,923)	41,925	(47,848)
Gain on investments	102,662	50,058	52,604
Loss on equity investments	(36,940)	(24,300)	(12,640)
Income before taxes	**99,456**	**60,860**	**38,596**
Income taxes	(11,336)	(10,216)	(1,121)
NET INCOME	**88,120**	**50,644**	**37,476**

Revenues from operating activities mainly refer to:
- royalties on the Reply trademark for 66,666 thousand Euros (62,394 thousand Euros in the financial year 2024);
- shared service activities in Favor of its subsidiaries for 70,481 thousand Euros (63,590 thousand Euros in the financial year 2024);
- management services for 46,715 thousand Euros (31,907 thousand Euros in the financial year 2024).

Operating income 2025 marked a positive result of 39,657 thousand Euros after having deducted amortization expenses of 5,030 thousand Euros (of which 767 thousand Euros referred to tangible assets, 2,137 thousand Euros to intangible assets and 2,125 thousand Euros related to RoU assets).
Financial loss amounted to 5,923 thousand Euros and included interest income on bank accounts for 32,948 thousand Euros, interest expenses for 12,305 thousand Euros mainly relating to financing for the M&A operations and interest expenses on bank accounts. Such result also includes net negative exchange rate differences amounting to 27,827 thousand Euros.
Income from equity investments which amounted to 102,662 thousand Euros refers to dividends received from subsidiary companies in 2025.
Losses on equity investments referred to write-downs and losses reported in the year by some subsidiary companies that were considered to be unrecoverable.
Net income for the year ended 2025 amounted to 88,120 thousand Euros after income taxes of 11,336 thousand Euros.

Financial structure

Reply S.p.A.'s financial structure as at 31 December 2025, compared to that as at 31 December 2024, is provided below:

(THOUSAND EUROS)	31/12/2025	31/12/2024	CHANGE
Tangible assets	3,112	588	2,524
Intangible assets	6,095	5,189	906
RoU assets	4,250	4,514	(264)
Equity investments	313,107	239,167	73,940
Other fixed assets	9,647	13,948	(4,301)
Non current liabilities	(24,013)	(48,104)	24,091
Fixed capital	**312,197**	**215,301**	**96,896**
Net working capital	**(18,342)**	**54,635**	**(72,977)**
INVESTED CAPITAL	**293,856**	**269,936**	**23,919**
Shareholders' equity	789,001	743,596	45,405
Net financial position	**(495,145)**	**(473,659)**	**(21,486)**
TOTAL SOURCES	**293,856**	**269,936**	**23,919**

The net invested capital on 31 December 2025, amounting to 293,856 thousand Euros, was funded by Shareholders' equity in the amount of 789,001 thousand Euros and by available overall funds of 495,145 thousand Euros.
Changes in balance sheet items are fully analysed and detailed in the explanatory notes to the financial statements.

Net financial managerial position

The Parent Company's net financial managerial position as at 31 December 2025, compared to 31 December 2024, is detailed as follows:

(THOUSAND EUROS)	31/12/2025	31/12/2024	CHANGE
Cash and cash equivalents, net	442,605	328,234	114,370
Financial loans to subsidiaries	45,117	50,015	(4,898)
Financial current receivables	63,952	43,551	20,401
Loans to third party	76	116	(40)
Due to banks	(12,313)	(17,256)	4,944
Due to subsidiaries	(478,412)	(392,844)	(85,568)
Financial liabilities IFRS 16	(2,048)	(1,777)	(271)
Net financial position short term	**58,977**	**10,040**	**48,937**
Long term financial assets	470,328	513,611	(43,283)
Due to banks	(31,865)	(47,218)	15,352
Financial liabilities IFRS 16	(2,294)	(2,774)	480
Net financial position long term	**436,169**	**463,620**	**(27,451)**
Total net financial position	**495,145**	**473,659**	**21,486**

Change in the net financial managerial position is analysed and illustrated in the explanatory notes to the financial position.

Reconciliation of equity and profit for the year of the parent company

In accordance with Consob Communication no. DEM/6064293 dated 28 July 2006, Shareholders' equity and the Parent Company's result are reconciled below with the related consolidated amounts.

	31/12/2025		31/12/2024	
(THOUSAND EUROS)	NET EQUITY	NET INCOME	NET EQUITY	NET INCOME
Reply S.p.A.'s separate financial statements	**789,001**	**88,120**	**743,596**	**50,644**
Results of the subsidiary companies, net of minority interest	1,003,894	313,963	800,933	227,832
Carrying amount of equity investments net of impairment losses and goodwill	(257,007)	-	(154,257)	-
Cancellation of dividends from subsidiary companies	-	(182,237)	-	(52,437)
Consolidated adjustments included those to accounting principles and elimination of unrealized intercompany gains and losses, net of related tax effect	(45,824)	32,744	(86,544)	(12,271)
Non-controlling interests	(2,280)	(1,702)	(2,773)	(2,630)
Net Group consolidated financial statement	**1,487,784**	**250,889**	**1,300,188**	**211,139**

CORPORATE GOVERNANCE

The Corporate Governance system adopted by Reply – issuer listed at Euronext Star Milan - adheres to the Corporate Governance Code for Italian Listed Companies issued by Borsa Italiana S.p.A..

In compliance with regulatory obligations the annually drafted "Report on Corporate Governance and Ownership Structures" contains a general description of the corporate governance system adopted by the Group, reporting information on ownership structures and compliance with the Code, including the main governance practices applied and the characteristics of the risk management and internal control system also with respect to the financial reporting process.
The aforementioned Report, related to 2025, is available on the website www.reply.com.
The Corporate Governance Code is available on the website of Borsa Italiana S.p.A.
https://www.borsaitaliana.it/comitato-corporate-governance/codice/2020.pdf.

OTHER INFORMATION

Research and development activities

Reply offers high technology services and solutions in a market where innovation is of primary importance.

Reply considers research and continuous innovation a fundamental asset in supporting clients with the adoption of new technology.
Reply dedicates resources to Research and Development activities in order to project and define highly innovative products and services as well as possible applications of evolving technologies. In this context, Reply has developed of its own platforms.
Reply has important partnerships with major global vendors so as to offer the most suitable solutions to different company needs. Specifically, Reply boasts the highest level of certification amongst the technology leaders in the Enterprise sector.

Human resources

Human resources constitute a primary asset for Reply which bases its strategy on the quality of products and services and places continuous attention on the growth of personnel and in-depth examination of professional necessities with consequent definitions of needs and training courses.
The Reply Group is comprised of professionals originating from the best universities and polytechnics. The Group intends to continue investing in human resources by bonding special relations and collaboration with major universities with the scope of attracting highly qualified personnel.

The people who work at Reply are characterized by enthusiasm, expertise, methodology, team spirit, initiative, the capability of understanding the context they work in and of clearly communicating the solutions proposed. The capability of imagining, experimenting and studying new solutions enables more rapid and efficient innovation.
The group intends to maintain these distinctive features by increasing investments in training and collaboration with universities.
At the end of 2025 the Group had 16,624 employees compared to 15,667 in 2024.

General Data Protection Regulation (GDPR)

The governance model of the Group privacy policy reflects what is required by the existing code for the protection of personal data and the European Regulation 679/16 (GDPR).
Privacy fulfilments are managed uniformly at the Reply Group level in order to maintain adequate levels of internal coherence and to facilitate external relations, in particular with authorities, customers and suppliers.
To ensure compliance the Group has adopted a GDPR program which provides several activities including:

- updating the Group privacy organizational model;
- designation for each Region of a Data Protection Officer;
- reorganization of the central Privacy & Security Team;
- preparation of contact link with the DPO and the Privacy & Security Team through a central ticketing system for support on: privacy and security service assessments, analysis of privacy and security contractual addenda, audits, breaches and incidents, and general requests; support is provided to both the Central Functions and the Group's Companies;
- updating of e-learning and induction material related to data protection content and safeguard of information;
- mandatory GDPR and ICT Security training at all business levels;
- periodical updating of Records of the treatment activities;
- development and dissemination of new fundamental processes for GDPR (privacy by design, data protection impact assessment, privacy requests and data breach management and notification), updating of existing data protection policies, development and dissemination of guidelines and contractual templates for GDPR;
- periodic internal audits on the Companies for the correct application of the GDPR requirements in the work for Customers (e.g. application of a DPA) and in the engagements of Suppliers.

Transactions with related parties and group companies

During the period, there were no transactions with related parties, including intergroup transactions, which qualified as unusual or atypical. Any related party transactions formed part of the normal business activities of companies in the Group. Such transactions are concluded at standard market terms for the nature of goods and/or services offered, these transactions took place in accordance with the internal procedures containing the rules aimed at ensuring transparency and fairness, under Consob Regulation 17221/2010.

The company in the notes to the financial statements and consolidated financial statements provides the information required pursuant to Art. 154-ter of the TUF [Consolidated Financial Act] as indicated by Consob Reg. no. 17221 of 12 March 2010 and subsequent Consob Resolution no. 17389 of June 23, 2010, indicating that there were no significant transactions concluded during the period as defined by Art. 4, paragraph 1, let a) of the aforementioned regulation that have significantly affected the Group's financial or economic position. The information pursuant to Consob communication of 28 July 2006 are presented in the annexed tables herein.

Treasury shares

At the balance sheet date, the Parent Company holds 133,192 treasury shares amounting to 17,122,489 Euros, nominal value equal to 17,315 Euros; at the balance sheet item net equity, the company has posted an unavailable reserve for the same amount.
At the balance sheet date, the Company does not hold shares of other holding companies.

Financial instruments

In relation to the use of financial instruments, the company has adopted a policy for risk management through the use of financial derivatives, with the scope of reducing the exposure to interest rate risks on financial loans.
Such financial instruments are considered as hedging instruments as they can be traced to the object being hedged (in terms of amount and expiry date).

In the notes to the financial statements more detail is provided to the above operations.

Secondary Offices

The Group operates in 16 countries through a total of 52 offices, ensuring a strategic presence in the main reference markets. The geographical distribution of the locations reflects the Group's commitment to offering efficient services tailored to local needs.

Pillar 2

Following the publication by the Organisation for Economic Co-operation and Development (OECD) and the Inclusive Framework of the document "Tax Challenges Arising from the Digitalisation of the Economy – Administrative Guidance on the Global Anti-Base Erosion Model Rules (Pillar Two)", the European Commission adopted EU Directive No. 2022/2523 on global minimum taxation for multinational enterprise groups. In implementation of this Directive, Italy enacted Legislative Decree No. 209/2023, followed by subsequent implementing measures. The national provisions apply to tax periods beginning on or after 31 December 2023 and, therefore, for the Group from the 2024 financial year.

The Pillar Two rules are intended to ensure that multinational groups are subject to a minimum effective tax rate of at least 15% in each jurisdiction in which they operate.

The Group falls within the scope of the Pillar Two regulations and applies the mandatory temporary exception introduced by the amendments to IAS 12, which allows entities not to recognise deferred taxes related to the implementation of the Pillar Two rules.

In this context, analyses have been carried out to assess the likelihood that, in the jurisdictions in which the Group operates, the requirements for the application of the transitional simplified regime (so-called "Safe Harbour") are met. In addition, analyses have been performed to assess whether, for jurisdictions where such requirements are not met, a top-up tax may be payable in relation to the results for the year ended 31 December 2025.

Based on the analyses performed, no material impacts on the financial statements are expected from the application of the above-mentioned regulations for the year 2025.

CONSOLIDATED SUSTAINABILITY STATEMENT

GENERAL INFORMATION

ESRS 2 General disclosures

BP-1: General basis for preparation of sustainability statements

The Reply Group's 2025 Consolidated Sustainability Statement marks the second year of reporting on a consolidated basis, in accordance with the requirements of the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). The scope of consolidation is aligned with that of Reply Group's consolidated financial statements.
The consolidated sustainability statement is based on the results of the Group's double materiality assessment, considering relevant impacts, risks, and opportunities. The assessment encompasses all stages of the Reply Group's value chain, both upstream and downstream. Specifically, Reply's value chain includes not only the activities and services directly provided by the Group, but also the upstream stages related to sourcing, and the downstream stages concerning the use of the Group's services and solutions by clients and end users. A detailed description of the Group's value chain and the outcomes of the double materiality assessment can be found in the following sections [SBM-1] STRATEGY, BUSINESS MODEL AND VALUE CHAIN and [SBM-3] MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL.
For the purpose of sustainability indicators, the reporting aggregates operating locations by region, based on the countries where the Group operates, as follows:

- Region 1: Brazil, India, Italy, Poland[1], Romania, USA, China (Nanjing);
- Region 2: Austria, Croatia, Germany, Poland, China (Beijing);
- Region 3: Belgium, France, Luxembourg, Morocco, Netherlands, United Kingdom.

1 With reference to Nexi Digital Polsa Sp.z.o.o.

In 2025, Reply did not make use of the option to omit specific information related to intellectual property, know-how or innovation outcomes, nor did it apply the exemption for disclosing information on upcoming developments or matters under negotiation. Unless otherwise stated, no metric included in this document has been verified by an external party other than the statutory auditor.

BP-2: Disclosures in relation to specific circumstances

In preparing the consolidated sustainability statement and in analysing information related to material sustainability impacts, risks and opportunities, Reply has adopted time horizons in line with the provisions of ESRS 1:

- the short-term horizon is defined as a period of one year from the current reporting date;
- the medium-term horizon covers a period from one to five years from the current reporting period;
- the long-term horizon is defined as beginning five years after the current reporting period.

The use of estimates, the level of accuracy achieved, and, where applicable, any actions planned to improve accuracy in the future are detailed within the report. For each quantitative amount, whether metric or monetary, the report provides information on the sources of measurement uncertainty, as well as the assumptions, estimates, approximations and judgements applied. For the purpose of reporting forward-looking information in accordance with the ESRS, the Directors are required to prepare such information based on assumptions—outlined in the consolidated sustainability statement—regarding events that may occur in the future and possible future actions by the Group. Due to the uncertainty inherent in the occurrence of any future event, both in terms of whether it will actually happen and the extent and timing of its manifestation, actual results may differ significantly from the forward-looking information.
As 2025 represents the second year of reporting by the Reply Group in accordance with the requirements of the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS), a comparison with the previous reporting period is possible in the presentation of sustainability information. No material changes have been identified in the report preparation criteria or in the metrics subject to assurance compared to the previous year. For further details regarding the changes identified as a result of the double materiality assessment, please refer to the chapters [SBM-3] MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL and [IRO-1] DESCRIPTION OF THE PROCESSES TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES.
Lastly, no material variances have been identified in comparative indicators, nor have any significant changes been made to the calculation methodologies applied compared to the previous reporting; furthermore, no material reporting errors have been identified in previous reporting periods.
This consolidated sustainability statement reporting includes information related to environmentally sustainable investments pursuant to Regulation (EU) 2020/852 as outlined in the section DISCLOSURES PURSUANT TO ARTICLE 8 OF REGULATION (EU) 2020/852 (TAXONOMY REGULATION) of the chapter ENVIRONMENTAL INFORMATION.

In addition, the Group has chosen to include certain disclosure requirements by reference, which are explicitly indicated in the relevant chapters of this document.

Governance

This chapter provides an overview of the processes, controls and governance procedures established to monitor, manage and oversee the material impacts, risks and opportunities relevant to the Group.

[GOV-1] The role of the administrative, management and supervisory bodies

The administrative, management and supervisory bodies follow a clear hierarchical structure, led by the Board of Directors. This structure includes operational oversight bodies such as the Board of Statutory Auditors and several operational committees, including the Sustainability (ESG) Committee and the Control and Risks Committee.
The **Board of Directors** is the collective management body, vested with all powers related to both ordinary and extraordinary administration. It performs a guiding and supervisory role over the Group's overall activities, aiming to achieve sustainable success and create medium- to long-term value for shareholders. The Board of Directors assesses management performance by comparing actual results with planned targets, and evaluates risks in line with strategic objectives, considering factors that may affect the Company's sustainable success. The Board also reviews and evaluates, on a regular basis and in conjunction with the approval of the annual and semi-annual financial reports, the adequacy of the Group's organizational, administrative and accounting structure, with specific reference to the internal control and risk management system. This evaluation is also based on the preliminary work conducted by the Control and Risks Committee, which relies in turn on audits carried out by the Internal Audit function.
The Board of Directors of Reply S.p.A. consists of a variable number of members, in accordance with Article 15 of the Articles of Association ("Administration"), ranging from 3 to a maximum of 11, as determined by the Shareholders' Meeting. The number, expertise, authority, and time availability of the non-executive directors ensure that their judgement carries significant weight in board decision-making, and that effective oversight of management is maintained. Currently, the Company's Board of Directors is composed of 10 members, of which: 5 are executive directors (2 women and 3 men), 1 is a non-executive director (male), and 4 are non-executive and independent directors (2 women and 2 men). For further details, please refer to the chapter GOVERNANCE INFORMATION in section [ESRS 2 GOV-1] THE ROLE OF THE ADMNISTRATIVE, SUPERVISORY AND MANAGEMENT BODIES. There are no employee representatives or trade union delegates present within the Board of Directors or, more generally, within the organizational structure of Reply.
The Company's Board of Directors is composed of 2 women and 4 men aged between 55 and 80, and 2 women and 2 men aged between 45 and 55; 1 woman holds the position of CEO. The current gender composition of the Board of Directors is 60% male and 40% female. With regard to diversity policies in the composition of the Board of Directors and the Board of Statutory Auditors, the Board has not deemed it necessary to formalize a dedicated diversity policy, as such principles are already applied within the company's organizational framework. Moreover, national regulations provide adequate provisions to ensure gender balance, which the Company has complied with during the most recent appointments of the administrative and supervisory bodies.
The Company applies diversity criteria, including gender diversity, in the composition of both the Board of Directors and the Board of Statutory Auditors, in line with the primary objective of ensuring the appropriate competence and professionalism of their members. The composition of the Board of Directors and the control body is also adequately diversified in terms of age, educational background, and professional experience of the members in office.
The Board of Directors of Reply S.p.A. includes 4 Independent Directors out of a total of 10, representing 40% of the entire board, in accordance with the independence criteria established by applicable regulations. The appointment of directors is governed by the Company's Articles of Association, specifically Article 16 "Appointment of Directors," which takes into account gender balance requirements under national legislation.
For further information on the experience of the Board of Directors, please refer to the section [ESRS 2 GOV-1] THE ROLE OF THE ADMNISTRATIVE, SUPERVISORY AND MANAGEMENT BODIES.
Among the supervisory and control bodies, the **Board of Statutory Auditors** monitors compliance with the law and the Articles of Association, oversees corporate management, the adequacy of the organizational structure, and the implementation of the Corporate Governance Code. It also performs internal control and audit functions, monitoring financial reporting, the effectiveness of the internal control and risk management systems, the statutory audit of the accounts, and the independence of the external auditor. The statutory audit is not carried out by the Board itself but is entrusted to an audit firm appointed by the Shareholders' Meeting. As part of the oversight activities carried out during the year, the Board of Statutory Auditors coordinates with the Internal Audit function, the Control and Risks Committee, and the Supervisory Body through periodic information exchanges during the quarterly meetings of the Board, as well as through the participation of its Chairperson, and occasionally the Standing Auditors, in meetings of the Control and Risks Committee. The Board of Statutory Auditors is composed of three Standing Auditors and two Alternate Auditors, specifically: Dr. Ciro Di Carluccio (Chair), Prof. Donatella Busso (Standing Auditor), Prof. Piergiorgio Re (Standing Auditor), Dr. Gabriella Chersicla (Alternate Auditor), and Dr. Stefano Barletta (Alternate Auditor). In 2021, the Board of Directors established the **Sustainability (ESG)** Committee, supported operationally by the **ESG team**. The Committee is composed of CEO Eng. Tatiana Rizzante and Independent Directors Prof. Domenico Giovanni Siniscalco and Eng. Secondina Ravera. They are responsible for defining the overall strategic approach to sustainability, with a particular focus on the material impacts, risks, and opportunities relevant to the Group. The Committee defines objectives and monitoring methods, aiming to clearly communicate Reply's commitment to sustainability issues to all stakeholders. The CEO, Eng. Tatiana Rizzante, periodically reports to the full Board of Directors on the topics addressed by the Committee and the related proposals.
The Board of Directors has established the **Control and Risks Committee**, currently composed of Non-Executive and Independent Director Prof. Federico Ferro-Luzzi, Non-Executive Director Daniele Angelucci, and chaired by Lawyer Patrizia Polliotto (Lead Independent Director). The members possess adequate knowledge and experience in risk management, based on their professional backgrounds and expertise in the industry in which the Company operates. For further details on the

experience and expertise of the members of the aforementioned administrative, management and supervisory bodies, please refer to the chapter [ESRS 2 GOV-1] THE ROLE OF THE ADMNISTRATIVE, SUPERVISORY AND MANAGEMENT BODIES.
The Control and Risks Committee meetings are attended, upon invitation by the Committee Chair, by the CFO—responsible for the internal control and risk management system—the Head of the Internal Audit function, the Chair of the Board of Statutory Auditors, and, on occasion, the Standing Auditors. At the end of each meeting, a specific report is drawn up, summarizing the Committee's proposals.
The Corporate Governance Code provides that the Chief Executive Officer is responsible for establishing and maintaining the internal control and risk management system. In addition, the CEO must ensure that the Head of Internal Audit is granted the necessary conditions to carry out their activities in compliance with applicable regulations. However, at its meeting on 23 April 2024, the Board of Directors appointed Eng. Marco Cusinato as the director in charge of the internal control and risk management system, assigning him the task of ensuring its effectiveness and compliance with the provisions of the Corporate Governance Code. This appointment is justified by the comprehensive understanding of the Company's and the Group's organizational structure that his role enables him to have, as well as by the experience he has gained within the Reply Group, where he has worked for over 25 years. In the meeting held on 14 November 2024, the Board of Directors confirmed Mr. Edoardo Dezani as Head of the Internal Audit function, based on the proposal of the Director in charge of the internal control system, following the favourable opinion of the Control and Risks Committee and after consulting the Board of Statutory Auditors. He is responsible for verifying the functioning and adequacy of the internal control and risk management system. The Head of Internal Audit reports hierarchically to the Lead Independent Director and operates based on the mandate and audit plan approved by the Board of Directors. He prepares periodic reports assessing the adequacy of the internal control and risk management system and the reliability of the information systems, including accounting systems, and reports on his work to the members of the Board of Directors, Senior Management, the Control and Risks Committee, and the Board of Statutory Auditors.
The methodological approach adopted for the assessment of the internal control and risk management system, including sustainability-related risks, is based on the principles of the CoSO Framework, one of the main internationally recognized standards. For further details, please refer to paragraph [GOV–5] RISK MANAGEMENT AND INTERNAL CONTROLS OVER SUSTAINABILITY REPORTING.
The administrative, management and supervisory bodies possess expertise in sustainability, developed through regular consultations with the Sustainability Committee and the ESG Team. These updates complement the existing governance expertise, ensuring continuous alignment with regulatory and market developments and effective monitoring of ESG-related impacts, risks and opportunities
The effectiveness of the Board of Directors and its Committees—as well as their size and composition—is evaluated periodically in accordance with the Corporate Governance Code. The most recent evaluation was conducted on 12 March 2025, during which the Board concluded that the current structure of the Board and its Committees complies with the provisions of the Code.

[GOV-2] Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

The **Sustainability (ESG) Committee** is responsible for monitoring the implementation and effectiveness of the Group's sustainability policies, actions, metrics, and targets. The Committee meets at least twice a year to discuss and make decisions on sustainability matters and performs preparatory, advisory, and support functions for the Board of Directors in relation to sustainable development. The Committee also supports the Board of Directors in the preparation of the consolidated sustainability statement. In this context, an operational ESG team is in place. This team, working in close coordination with the Sustainability Committee, manages and addresses sustainability matters in collaboration with all key internal functions. In particular, it is responsible for preparing and drafting the Group's consolidated sustainability statement on a regular basis. The **ESG team** reports directly to the CEO, confirming that sustainability is a core component of Reply's strategy.
The CEO informs the Board of Directors of the matters discussed and approved by the Sustainability Committee. The ESG-related topics and sub-topics identified through the double materiality assessment, as defined by the Sustainability Committee, were shared with and submitted for validation by the Board of Directors. The Sustainability Committee and the ESG Team therefore play a crucial role in overseeing the company's strategy, in decisions related to significant operations, and in the risk management process. The approved relevant sustainability topics and sub-topics, along with the associated impacts, risks, and opportunities, are presented in paragraph [SBM-3] MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL.

[GOV-3] Integration of sustainability-related performance in incentive schemes

The Board of Directors, based on the proposal of the Remuneration Committee, adopts resolutions regarding the fixed remuneration of Executive Directors and defines the procedures for determining the variable component of their remuneration. The variable component is structured through the allocation of a profit-sharing scheme pursuant to Article 22 of the Company's Articles of Association, with annual resolutions for the short-term component and resolutions at the beginning of the reference period for the medium- to long-term component. The Shareholders' Meeting approves, through a binding vote, the first section of the Remuneration Report, which contains the Remuneration Policy, with the frequency required by the duration of the policy as defined, and in any case at least every three years or whenever the policy is amended.
The incentive plan currently in force was approved by the Shareholders' Meeting on April 23, 2024, and covers the period 2023–2026.

The Remuneration Committee assesses performance as follows:

- annually, with respect to the short-term variable component;
- at the end of the reference period, for the medium- to long-term variable component.

Based on information and analyses provided by internal departments, the Committee formulates and shares with the Board of Directors the proposal for profit-sharing allocations to be submitted to the Shareholders' Meeting, along with the related distribution. The Shareholders' Meeting is then called upon to approve the proposed allocation of the variable remuneration component.

With specific regard to incentive systems linked to sustainability matters, for the medium- and long-term variable component (valid through 31 December 2026), performance targets are set over a four-year period and are tied to the following indicators: EBIT (Earnings Before Interest and Taxes), TSR (Total Shareholder Return), CFO (Operating Cash Flow), and ESG. For the ESG indicator, the only defined target is the achievement of Carbon Neutrality by 2025. Performance indicators are weighted based on their alignment with the corporate strategy and the level of operational responsibility of Executive Directors and Executives with strategic responsibilities, as follows: 58% EBIT, 26% TSR, 8% CFO, and 8% ESG target of Carbon Neutrality As set out in the paragraph [E1-4] TARGETS RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION the carbon neutrality objective was achieved in the course of the 2025 financial year. However, the incentive linked to the achievement of the Carbon Neutrality target will be granted, in line with the Remuneration Policy.

[GOV-4] Statement on due diligence

Currently, the Reply Group has not yet defined a formalized procedure for the sustainability due diligence process. However, key elements of due diligence are in place and are presented in the following table, with references to the specific chapters and sections where they are addressed in detail.

DUE DILIGENCE ELEMENT	RELEVANT CHAPTERS AND PARAGRAPHS	DESCRIPTION
a) Integrating due diligence into governance, strategy, and business model	• [MDR-P] Policies Adopted to Manage Material Sustainability Matters, "General Information" chapter	The Group adopts various policies and procedures that reflect its commitment to integrating due diligence into its corporate strategy. Specifically: • Code of Ethics • Supplier Code of Conduct • Whistleblowing Policy These policies are shared not only with all Group employees, but also with suppliers and clients. Administrative and supervisory bodies are responsible for the correct implementation of these policies and for managing any breaches.
b) Stakeholder engagement throughout the due diligence process	• [SBM-2] Stakeholders' Interests and Views, "General Information" chapter	Stakeholder engagement is carried out through various channels and methods to understand their opinions and expectations, including regular moments of dialogue and sharing—particularly on ESG-related matters.
c) Identifying and assessing negative impacts	• [SBM-3] Material Impacts, Risks and Opportunities and Their Interaction with Strategy and Business Model • [IRO-1] Process for Identifying and Assessing Material Impacts, Risks and Opportunities • [MDR-P] Policies Adopted to Manage Material Sustainability Matters, "General Information" chapter	Key activities through which the Group identifies and assesses potential negative impacts from its operations include: • The double materiality assessment, which allows for identifying and prioritising impacts— both upstream and downstream in the value chain; • The Whistleblowing Channel, a key tool for receiving alerts from any stakeholder regarding actual or potential negative impacts; • The annual employee survey, to assess working conditions and surface potential issues; • The annual self-assessment conducted with providers of professional consulting services supporting delivery; • The annual customer satisfaction survey.
d) Acting to prevent or mitigate negative impacts	• [S1-1] Policies Related to Own Workforce • [S1-3] Processes to Remediate Negative Impacts and Channels for Own Workers to Raise Concerns • [S2-1] Policies Related to Workers in the Value Chain • [S2-3] Processes to Remediate Negative Impacts and Channels for Workers in the Value Chain to Raise Concerns	The Group's Whistleblowing Procedure defines the case-handling method to be applied following a report, in order to remediate negative impacts. Additionally, through ongoing dialogue with employees, suppliers, and clients, the Group implements case-by-case action plans to address issues related to its activities and services.
e) Monitoring effectiveness and communication	• [S4-1] Policies Related to Consumers and End-users • [S4-3] Processes to Remediate Negative Impacts and Channels for Consumers and End-users to Raise Concerns	The Group's Whistleblowing Procedure includes periodic reporting of received alerts and actions taken to the Supervisory Body, to enable continuous monitoring.

[GOV-5] Risk management and internal controls over sustainability reporting

The Board of Directors has established the **Control and Risks Committee** within its structure, with preparatory, advisory, and consultative functions, for the operational management of the internal control and risk management system. This Committee evaluates the effectiveness of the internal control system on a semi-annual basis and ensures that the information disclosed in this annual report is accurate and transparent. However, ultimate responsibility for the system lies with the Board of Directors, which defines its strategic guidelines and work plan, based on the Committee's assessment, and monitors its adequacy. The methodological approach adopted for evaluating the internal control and risk management system—including sustainability-related risks—is based on the principles of the CoSO Framework, one of the internationally recognised standards. Using this model, the Group has mapped and carried out a qualitative assessment of the most significant risks (including those relevant to sustainability), both in terms of potential risk and associated first- and second-level controls, resulting in a measurement of residual risk.
The Internal Audit function is responsible for monitoring the sustainability reporting process through control testing activities and identifying any weaknesses in the internal control system. Internal Audit reports the outcomes of these control activities semi-annually to the Board of Directors and the Control and Risks Committee. Based on the findings reported, action plans are subsequently defined and integrated into operational processes through a systematic and structured approach.
The ESG team is responsible for drafting detailed procedures that define roles and responsibilities, ensuring full traceability of the entire reporting process. Furthermore, the ESG team ensures continuous training for staff involved in sustainability reporting, making sure they are always up to date on applicable regulations. Data collection is managed through an annual work plan, with periodic checks in place to ensure the accuracy and completeness of the information.

Strategy

The following sections analyse the elements of Reply's strategy related to sustainability, its business model and value chain, highlighting how the Group integrates stakeholder interests and how the impacts, risks and opportunities identified through the double materiality assessment influence its overall strategy.

[SBM-1] Strategy, business model and value chain

The Reply Group offers a wide range of services, as detailed in the "Reply" section of the Financial Report. These include strategic consulting, communication, design, processes and technology, as well as system integration services that combine business consulting with innovative, high value-added technological solutions. In addition, Reply provides cutting edge digital services by leveraging new communication channels and emerging digital trends. The main markets in which Reply operates are also described in the "Reply" section of the Financial Report. The Group's services extend across several geographic areas, divided into regions, as described in paragraph BP-2: DISCLOSURES IN RELATION TO SPECIFIC CIRCUMSTANCES. The number of employees active in each region is presented in the following paragraph ESRS S1 OWN WORKFORCE.
In 2025, there were no significant changes in the services offered or in the markets where the Group operates. It should be noted that Reply does not provide prohibited services in restricted markets and is not active in the fossil fuel sector, chemical manufacturing, controversial weapons, or the cultivation and production of tobacco. Through its first double materiality assessment, Reply identified the material impacts, risks and opportunities relevant to the Group, which guide the strategy and the business model with the goal of mitigating negative impacts and financial risks, while capturing opportunities and maximising positive impacts on key material topics. In general, the strategy is built around key pillars aimed at ensuring well-being and fairness for the workforce throughout the value chain, promoting energy efficiency and reducing greenhouse gas emissions through the implementation of low-consumption technologies and responsible energy management practices. Lastly, the Group aims to expand its offering of sustainability-oriented solutions for its clients by developing consulting services that support companies in their transition toward more sustainable operating models. These strategic elements not only reinforce Reply's commitment to sustainability but also help generate positive impacts on communities and the environment, creating value and building stakeholder trust. For further details, please refer to paragraph [SBM-2] INTERESTS AND VIEWS OF STAKEHOLDERS.
Currently, Reply has not set specific sustainability-related targets in terms of significant product and service groups, customer categories, geographic areas, or stakeholder relationships. However, the Group has committed to achieving Net Zero by 2030, as part of its transition towards a more sustainable and environmentally responsible business model. For further details, please refer to paragraph [E1-4] TARGETS RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION.
Reply has not made use of the exemption from disclosure provided under Article 18(1)(a) of Directive 2013/34/EU.
For a description of Reply's business model, main activities, and principal customer segments, please refer to the paragraph "Reply" in this "Annual Financial Report." For information on the cost and revenue structure, in accordance with the disclosure requirements under IFRS 8, please refer to NOTE 37 – Segment Reporting in the Financial Report.
The main resources used by the Group to carry out its business operations are:

- Human capital, which is crucial to delivering and ensuring the quality of the services offered by the Group. In this regard, Reply invests in the training and professional development of its employees, ensuring they have the necessary skills to perform their duties, and in welfare systems to attract and retain top talent. For more information, please refer to the chapter ESRS S1 OWN WORKFORCE.
- IT and technological systems: Reply invests in advanced technologies and adopts an innovative approach to develop and implement technological solutions that support its business activities.

REPLY'S VALUE CHAIN

Reply operates through a network structure composed of specialised companies focused on processes, applications, and technologies, which act as centres of excellence in their respective areas:

- **Processes** – For Reply, understanding and applying technology means introducing an enabling factor for business processes, thanks to in-depth knowledge of the market and specific industrial contexts;
- **Applications** – Reply designs and develops application solutions tailored to the core business needs of clients across various industry sectors;
- **Technologies** – Reply optimises the use of innovative technologies, delivering solutions that ensure maximum efficiency and operational flexibility for its clients.

Reply's services include:

- **Consulting** – strategic, communication, design, process and technology consulting;
- **System Integration** - to best utilise the potential of technology, combining business consulting with innovative, high-value-added technological solutions;
- **Digital Services** - innovative services based on new communication channels and emerging digital trends.

Reply's value chain includes not only the above-mentioned services delivered directly by the Group, but also upstream phases relating to direct and indirect procurement, as well as downstream phases concerning the use of the Group's solutions by its clients, as illustrated in the table below.

UPSTREAM		BUSINESS OPERATIONS	DOWNSTREAM
INDIRECT SUPPLIER	**DIRECT SUPPLIER**		
✻ Indirect suppliers involved in the extraction of raw materials and natural resources natural resources (water, gas, etc.) ✻ Indirect service providers involved in the production, assembly and marketing of hardware and IT products	✻ Hardware Suppliers (*Licensee*) ✻ Service Providers: ▸ IT consultancy services (strategic suppliers) ▸ Real Estate ✻ Utilities Providers (electricity, water, gas, ...) ✻ Human Resources Providers (staffing agencies)	✻ Recruitment and Training ✻ Research and Development ✻ Business Operations ✻ Outbound Logistics ✻ Waste Management	✻ Using the solutions offered by the Group

[SBM-2] Interests and views of stakeholders

Stakeholder engagement activities aim to integrate stakeholder expectations and views into the Group's strategy and business model. These activities foster continuous and transparent dialogue throughout the entire value chain, with the goal of building long-lasting trust-based relationships. Below are the main categories of stakeholders identified by Reply.

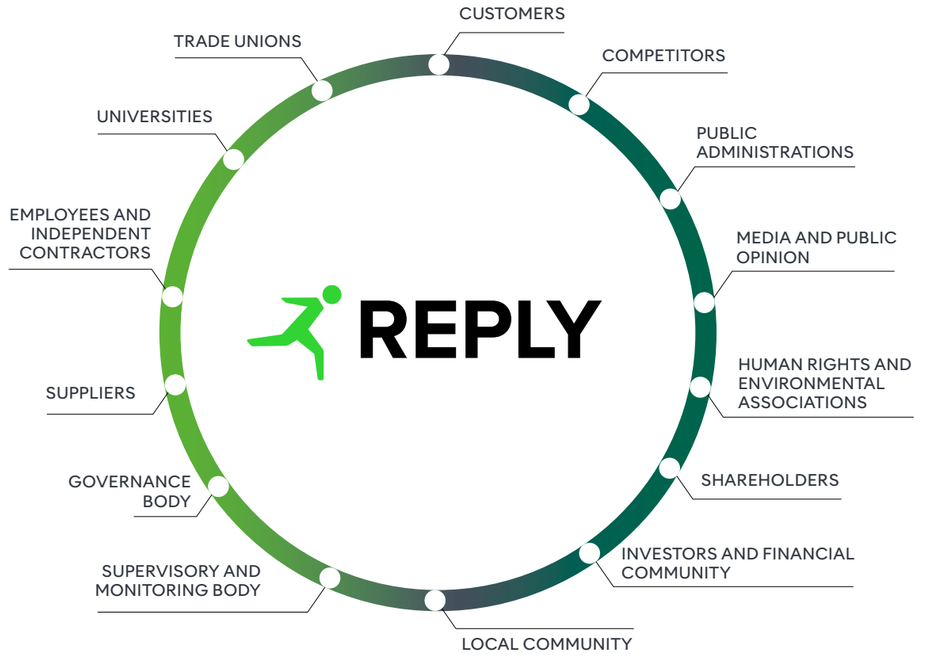


FIGURE 1: STAKEHOLDER CATEGORIES IDENTIFIED AS RELEVANT FOR THE REPLY GROUP.

Reply Group adopts a continuous dialogue and engagement approach with its stakeholders through targeted initiatives, structured moments of interaction, and the regular sharing of information.
The table below outlines the main stakeholder categories identified by the Group, along with the commonly used engagement channels. In particular, it is noted that stakeholders, including external parties, are engaged with the various corporate functions according to their respective areas of responsibility, and that such interactions occur at defined intervals and within structured contexts, thereby facilitating the exchange of information pertinent to specific topics.
An illustrative example is provided by periodic meetings with suppliers, during which matters relating to their qualification process are addressed, such process being assessed on the basis of a range of criteria, including ESG considerations.
The Group has engaged internal stakeholders responsible for its key areas in the process of identifying impacts, risks and opportunities through formal meetings and structured interviews. This engagement has enabled continuous and systematic alignment among the key functions that maintain the most significant relationships with the identified external stakeholders, including customers, competitors, public administrations and suppliers, thereby indirectly reflecting their expectations and interests and contributing added value to the double materiality assessment process. Where deemed appropriate, the process has also entailed the involvement of top management and/or the Board of Directors (representing the shareholders), in order to ensure adequate oversight of the most material matters. This approach ensures that stakeholders' expectations and concerns are thoroughly analysed and duly incorporated into the definition of the Reply Group's sustainability strategy.
Moreover, the administrative, management, and supervisory bodies of Reply receive regular updates on stakeholder views and interests, including the outcomes of the double materiality assessment. These activities have enabled the collection of information instrumental to the performance of the double materiality assessment and to the determination of its outcomes.
No additional stakeholder engagement measures are currently planned beyond those conducted on an annual basis.

STAKEHOLDER	COMMUNICATION AND ENGAGEMENT CHANNELS
Employees and Collaborators	✻ Training and knowledge-sharing activities and events both in physical spaces and through Group channels and platforms ✻ Annual Employee Survey ✻ Annual performance appraisal interviews ✻ Direct interactions with relevant partners
Universities	✻ Organisation of training and idea generation events for students and young professionals
Customers	✻ Website, social media, newsletter ✻ Seminars, events, workshops ✻ Customer Surveys ✻ Participation in working groups
Human rights and environmental associations	✻ United Nations Global Compact ✻ Carbon Disclosure Project (CDP)
Shareholders / investors and financial community	✻ Company Meetings ✻ Roadshows
Media and public opinion	✻ Press releases ✻ Social media
Suppliers	✻ Periodic meetings ✻ Qualification and assessment process ✻ Self-assessment against the Code of Conduct
Local community	✻ Organisation of training and idea generation events for students and young professionals
Public administrations	✻ Institutional documentation
Competitors	✻ Industry conferences ✻ Participation in working groups

[SBM-3] Material impacts, risks and opportunities and their interaction with strategy and business model

In 2025, in addition to representing the second year of reporting in compliance with the CSRD, the Group updated its double materiality assessment with the aim of comprehensively reassessing impacts, risks, and opportunities in light of the internal and external context in which Reply Group operates, while capturing any potential developments.
This section outlines the material impacts, risks, and opportunities identified by the Group through the double materiality assessment, which guides the preparation of this consolidated sustainability statement. It highlights how these elements interact with the Group's strategy and business model.
The update of the double materiality assessment did not result in any changes to the relevant sustainability topics compared to 2024. The main development concerns the alignment of the risk and opportunity assessment methodology with the Group's Enterprise Risk Management (ERM) Framework, ensuring a consistent and integrated approach, fully aligned with the ERM both in terms of content and methodology adopted.
Specifically, the changes compared to the results of the previous year mainly emerge at the level of sub-topics and sub-sub-topics, particularly within the social domain. In this context, the sub-sub-topic "Work–life balance along the value chain" (S2 – Workers in the value chain) and the sub-topic "Social inclusion of consumers and/or end-users" (S4 – Consumers and end-users) are no longer considered material, as in 2025 they were not associated with significant impacts, risks, or opportunities for the Group.
For further details on the process adopted to identify impacts, risks, and opportunities relevant to Reply Group, please refer to paragraph [IRO-1] DESCRIPTION OF THE PROCESSES TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES.
The table below provides a summary of the actual and potential impacts—both negative and positive—as well as the material risks and opportunities for the Group. It includes a description of where these impacts risks and opportunities arise and are concentrated across the Group's operations and value chain, both upstream and downstream. With regard to the Group's material impacts, the description explains how these impacts affect people and the environment along the value chain, particularly in the context of business relationships. The current and expected effects of the relevant impacts, risks, and opportunities on the business model, value chain, strategy, and decision-making process are detailed in the table below and in the corresponding thematic sections of the document. Furthermore, the document outlines how the Group responds or intends to respond to these effects, ensuring a proactive and strategic management of emerging challenges and opportunities.
Finally, material impact, risk and opportunity, the reasonably expected time horizons are indicated, as defined in paragraph BP-2: DISCLOSURES IN RELATION TO SPECIFIC CIRCUMSTANCES.
It should be noted that no impact, risk or opportunity is reported through additional, Group specific disclosures.
Finally, as of 31 December 2025, Reply did not identify any risks or opportunities that have resulted in financial impacts. The risks and opportunities presented in the table below, although classified as short-term, are of a potential nature and did not give rise to any financial effects during the reporting period.
Furthermore, the Group considers that none of these give rise to a significant risk of material

adjustments to assets and liabilities in the forthcoming financial year.
To ensure the ability to address material impacts and risks and to seize relevant opportunities in the area of sustainability, Reply has developed its own corporate strategy, as described in paragraph [SBM-1] STRATEGY, BUSINESS MODEL AND VALUE CHAIN.

TOPICAL ESRS	SUB-TOPIC	SUB-SUB-TOPICS	IRO	IRO DESCRIPTION	TIME HORIZONS			VALUE CHAIN		
					SHORT TERM	MEDIUM TERM	LONG TERM	OWN OPERATIONS	UPSTREAM	DOWNSTREAM
ESRS E1 - Climate Change	Climate Change Mitigation	N/A	Current negative impact	Greenhouse gas emissions at upstream and downstream stages of the value chain associated with: use of IT services, production of electronic components and use of solutions by customers.	x	x	x		x	x
ESRS E1 - Climate Change	Climate Change Mitigation	N/A	Current negative impact	Greenhouse gas emissions associated with own business operations and outbound logistics.	x	x	x	x		
ESRS E1 - Climate Change	Energy	N/A	Current negative impact	Energy consumption in the upstream and downstream stages of the value chain associated with the use of IT services, production of electronic components and use of solutions by customers.	x	x	x		x	x
ESRS E1 - Climate Change	Energy	N/A	Current negative impact	Energy consumption associated with own business activities.	x	x	x	x		
ESRS E1 - Climate Change	Climate Change Mitigation	N/A	Current positive impact	Reduction of energy consumption and/or GHG emissions through the use of green and sustainability-related solutions offered by the Reply Group.	x	x	x			x
ESRS E1 - Climate Change	Climate Change Adaptation	N/A	Economic Risk	Effect of climate change on the productivity of human resources (e.g. heat waves) and consequent adaptation actions (e.g. upgrading of cooling systems in offices).			x	x	x	
ESRS E1 - Climate Change	Climate Change Adaptation	N/A	Economic Risk	Need to incur higher investments and costs to adopt and install energy efficiency solutions in company-owned offices (e.g. relamping activities, installation of photovoltaic panels, introduction of PIR motion sensors to ensure efficient use of electricity).		x	x	x		
ESRS S1 - Own Workforce	Working conditions	Work-life balance	Current positive impact	Promotion of well-being (physical and psychological) in the workplace, through initiatives aimed at a better work-life balance and corporate welfare systems, and by the focus on the personal and professional growth of employees.	x	x	x	x		
ESRS S1 - Own workforce	Working conditions	Health and safety	Current negative impact	Lack of health and safety management in the organisation that may lead to the occurrence of work-related stress and/or occupational diseases.	x	x	x	x		
ESRS S1 - Own workforce	Fair treatment and equal opportunities	Training and skills development	Current positive impact	Provision of training courses to develop and update technical skills in the sector.	x	x	x	x		
ESRS S1 - Own workforce	Fair treatment and equal opportunities	Gender equality and equal pay for work of equal value	Potential negative impact	Possible cases of discrimination and unequal pay for work of equal value, which may negatively affect the professional development and well-being of employees.	x	x	x	x		
ESRS S1 - Own workforce	Working conditions	Adequate wages	Economic risk	Need to increase salaries due to high competitiveness in the IT sector.	x	x	x	x		
ESRS S1 - Own workforce	Working conditions	Work-life balance	Economic and reputational opportunity	Offer of a corporate welfare plan and the promotion of a working environment based on diversity & inclusion and wellbeing principles that make the Group more attractive.	x	x	x	x		
ESRS S1 - Own workforce	Working conditions	Work-life balance	Economic opportunity	Growing use and development of Artificial Intelligence systems capable of optimising the efficiency of human resources and expanding Reply's range of services.		x	x	x		x
ESRS S1 - Own workforce	Working conditions	Work-life balance	Economic risk	Lack of attractiveness and retention of highly qualified staff and loss of key figures within its workforce.	x	x	x	x		
ESRS S1 - Own workforce	Fair treatment and equal opportunities	Training and skills development	Economic and reputational opportunity	Provision of training for employees to develop and update technical and soft skills required in the sector.	x	x	x	x		
ESRS S2 - Workers in the value chain	Fair treatment and equal opportunities	Gender equality and equal pay for work of equal value	Potential negative impact	Lack of policies to promote gender equality and ensure equal pay for workers in the value chain		x	x		x	
ESRS S2 - Workers in the value chain	Other workers' rights	Forced labour / Child labour	Potential negative impact	Poor supervision of the workforce by suppliers, which can lead to the occurrence of child labour violations, especially in countries at risk (China, India, Morocco, Brazil)	x	x	x		x	
ESRS S4 - Consumers and end-users	Impact of information on consumers and/ or end users	Privacy	Potential negative impact	Lack of controls and preventive measures by the company, which can lead to the occurrence of cyber-attacks and data breaches. Such attacks can lead to the violation of the privacy of customers and business partners, the loss of their sensitive data, the misuse of data and the interruption of the operation of some of the solutions offered by the Group.		x	x	x		x
ESRS S4 - Consumers and end-users	Impact of information on consumers and/ or end users	Access to (quality) information	Economic Opportunity	Growing customer awareness of the importance of IT security and evolution of relevant regulations (e.g. European Directive NIS 1 and 2) resulting in increased demand for IT security services.	x	x		x		x
ESRS G1 - Conduct of Businesses	Bribery and corruption	Incidents	Potential negative impact	Impact on the integrity of the business and the economic and social fabric in which the Group operates due to cases of corruption or lack of transparency.	x	x	x	x	x	
ESRS G1 - Conduct of Businesses	Management of relations with suppliers, including payment practices	N/A	Economic and Reputational Risk	Lack of integration of social justice principles—such as ethical labour practices, workplace safety, and fair remuneration—into supplier evaluation and procurement processes		x	x	x	x	

Material impacts, risks and opportunities

This section aims to illustrate the process of identifying impacts, risks and opportunities, as well as the information that, following the double materiality assessment, Reply has included in this consolidated sustainability statement.

[IRO-1] Description of the processes to identify and assess material impacts, risks and opportunities

As described in paragraph [SBM-3] MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL, in 2025 the Group carried out its second double materiality assessment with the aim of refining the financial materiality methodology by aligning it with the ERM and reassessing the materiality of impacts, risks and opportunities (IROs), and consequently the sustainability topics subject to disclosure.
In particular, a sustainability topic may be considered material if it is associated with an impact, risk and/or opportunity deemed relevant through one or both of the following analyses:

- **Impact** materiality: A sustainability topic is considered material from an **impact** perspective if it results in actual or potential, positive or negative, significant impacts for the Group—either under the company's direct control or across its value chain, both upstream and downstream. This includes the effects of its products and services and business relationships on people and the environment over the short, medium and long term.
- **Financial** materiality: A sustainability topic is considered material from a financial perspective if it generates or may generate significant financial effects for the Group, either negative (**risks**) or positive (**opportunities**). These effects have, or are reasonably expected to have, a material influence on the company's development, financial position, performance, cash flows, access to capital or cost of capital in the short, medium or long term. Such risks and opportunities may arise from activities carried out under the direct control of the company or across its value chain, both upstream and downstream.

In line with the previous year's exercise, the Group involved its business functions in the IRO assessment process, ensuring a comprehensive and up-to-date analysis of ESG topics relevant to the Group. Specifically, the double materiality process was structured into the following main phases:

1. **Context analysis, definition of the value chain, and identification of material impacts, risks and opportunities**
   Starting from a benchmark analysis conducted on its main competitors, the Group subsequently carried out—consistent with the previous year's exercise—direct engagement with the heads of key business functions, both to review the Group's value chain and to update the list of impacts, risks and opportunities to be submitted to the materiality assessment. The functions involved in the process are as follows:
   - ESG;
   - Finance;
   - HR;
   - ICT;
   - Internal Audit;
   - Investor relations;
   - Operations;
   - Purchasing;
   - Risk Management;
   - Sourcing.

   The benchmark analysis and the engagement of business functions made it possible to confirm the Group's value chain and, consequently, the main actors, suppliers and customers across the different stages of the value chain already identified during the previous year, as described in paragraph [SBM-1] STRATEGY, BUSINESS MODEL AND VALUE CHAIN. At the same time, this process enabled the Group to update the list of impacts, risks and opportunities across the entire value chain, taking into account the activities, geographies and sectors in which the Group operates.
2. **Assessment of impacts, risks and opportunities**
   Finally, a thorough assessment was carried out on the impacts, risks and opportunities identified in the previous phase. This evaluation also included a review of internal documents, applicable regulations, and validation by the functions involved in the process. The following section provides a detailed explanation of how the assessment process for impacts, risks and opportunities (IRO) was conducted.

IMPACT MATERIALITY

In defining the Group's material impacts on people and the environment, the following elements were considered:

- all the Group's activities and most significant business relationships;
- all the geographies in which Reply operates;

as described in paragraph [SBM-1] STRATEGY, BUSINESS MODEL AND VALUE CHAIN.
Negative impacts were assessed based on their likelihood of occur. Specifically:

- Scale refers to how serious an impact is;
- Scope refers to the extent of the impact in terms of the stages and geographies of the value chain where it occurs;
- Irremediability refers to how difficult it is to remediate the negative impact.

Positive impacts were assessed based on their likelihood of occurrence, as well as their scale and the scope in which they occur. Both negative and positive, potential and actual impacts were also evaluated with respect to the time horizon in which they may occur (short, medium, or long term).
The process for prioritising impacts was carried out using predefined materiality quantitative thresholds. The monitoring of potential and actual impacts on the environment and people is carried out through continuous analysis of the effects of the actions implemented. These actions aim to mitigate negative impacts and promote positive ones. For further details, please refer to the corresponding thematic sections of the consolidated sustainability statement.

FINANCIAL MATERIALITY

Reply has identified and assessed the sustainability-related risks and opportunities that generate—or may generate—financial effects in the short, medium, and long term, based on the impacts identified as material through the impact materiality assessment. The monitoring of risks and opportunities is carried out through continuous analysis of the effects of the external context on the Group's business, with the aim of promptly identifying potential threats and emerging opportunities. This evaluation also considers dependencies, i.e., external factors the Group relies on to carry out its activities, such as strategic suppliers, skilled personnel, clients, and energy sources. In addition, it takes into account the actions implemented by the Group—such as investments in energy efficiency—to mitigate negative impacts and/or maximise positive impacts on sustainability.
The relevance of risks and opportunities was assessed based on their likelihood of occurrence and the magnitude of their financial effects and then prioritised using predefined materiality quantitative thresholds.
As outlined in the preceding paragraphs, the double materiality assessment was conducted in coordination with the Risk Management function. The adoption of the ERM evaluation methodology enabled a consistent and comparable determination of the significance of risks and opportunities, strengthening the alignment between consolidated sustainability statement and strategic risk management. The double materiality assessment is therefore presented to and validated by the Sustainability Committee and approved by the Board of Directors as part of the Consolidated Sustainability Report. Furthermore, as described in paragraph [GOV–5] RISK MANAGEMENT AND INTERNAL CONTROLS OVER SUSTAINABILITY REPORTING the Group has begun to define the internal control measures performed by the Internal Audit function in relation to the reporting process and key ESG topics.
To ensure the robustness of the results, validation meetings were held with the Group's top management. These meetings were attended by the heads of the functions involved in the process. The results were validated by the Sustainability Committee and, at a later stage, shared with the Board of Directors. This involvement ensured direct discussion of the outcomes and full alignment, strengthening governance and the transparency of the process undertaken.
Moreover, no predefined assumptions were applied as a basis for this process.
The double materiality process and the results obtained will be reviewed, upon corporate decision, in the event of changes to the company's scope or in response to regulatory developments.

[IRO-2] Disclosure requirements in esrs covered by the undertaking's sustainability statement

This section outlines the disclosure requirements included in this consolidated sustainability statement, along with the topics that have been omitted as they were deemed "not material" based on the results of the double materiality assessment.
Below is the **list of disclosure requirements** that Reply has addressed in this consolidated sustainability statement, based on the outcomes of the double materiality assessment.

DISCLOSURE REQUIREMENTS	PAGES
GENERAL DISCLOSURE	
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The information requirements stemming from other EU legislative acts have been assessed as not material.
Based on the results of the double materiality assessment, and in line with the previous reporting period, Reply concluded that the following topical ESRS are not material for the Group: Pollution (ESRS E2), Water and Marine Resources (ESRS E3), Biodiversity and Ecosystems (ESRS E4), Resource Use and Circular Economy (ESRS E5), and Affected Communities (ESRS S3). Specifically, environmental topics related to pollution, water and marine resources, biodiversity and ecosystems, and resource use and circular economy will not be reported by the Group, as they are not considered material to the business, the value chain, or the Group's commercial relationships. This assessment is consistent with the nature of Reply's activities, which operate in the IT services and technology consulting sector—an area generally characterised by limited and non-significant indirect environmental impacts. In particular, the impacts associated with the aforementioned topics mainly occur along the value chain, during the extraction of raw materials and the manufacturing of hardware and IT equipment used in the Group's operations. These impacts could potentially affect pollution, water consumption, biodiversity, resource use, and waste management. However, they have been deemed not material, given the low volumes of purchased equipment, the limited involvement of the supply chain, and the low likelihood of occurrence. Similarly, due to the nature of the Group's business, no material impacts have been identified with respect to affected communities, intended as impacts on economic, social, and cultural rights, political and civil rights, or specific rights of Indigenous Peoples.

Reply adopts a structured approach to identify the relevant information to be disclosed regarding the impacts, risks and opportunities assessed as material. This approach is based on the principles outlined in ESRS 1, section 3.2, and involves the categorization of its impacts, risks and opportunities through the application of materiality thresholds, as described in paragraph [IRO-1] DESCRIPTION OF THE PROCESSES TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES.

[MDR-P] Policies adopted to manage material sustainability matters

The Reply Group has developed policies for each material topic, with the aim of managing the relevant impacts, risks, and opportunities.
The primary responsibility for the implementation of these policies is assigned, from time to time, to the relevant senior-level figure within the Group, who periodically monitors their effectiveness.
The specific policies related to the various aspects of sustainability are described in detail in the following sections, providing a clear and comprehensive overview of Reply Group's commitment to sustainability.

POLICY	ESRS	MAIN CONTENTS	SCOPE OF APPLICATION	POLICY MAKER	REFERENCE STANDARDS/ INITIATIVES	SHARING CHANNELS
Code of Ethics	S1, S2, S4, G1	The Code of Ethics has been drafted to ensure that the fundamental ethical values of the Reply Group are clearly defined and serve as the foundation of the Group's corporate culture, as well as the standard of conduct for all Group collaborators in the performance of their activities. The Group's core ethical principles include: professionalism and trust, legality and honesty in all activities, in full compliance with applicable laws, impartiality, respect for diversity and non-discrimination, prevention of potential conflicts of interest, and fairness and transparency in all actions undertaken by recipients of the Code. The Code of Ethics also sets out the rules of conduct that define Reply's relationships with its stakeholders. It includes provisions governing relations with public authorities and institutions, which are based on principles of legality, transparency, clarity, and fairness, in full compliance with applicable legislation.	All Group stakeholders	Board of Directors		✻ Group website ✻ Intranet
Whistleblowing Policy	S1, S2, S4, G1	The Group has an active whistleblowing system in place in all countries where it operates, allowing for the reporting of unlawful conduct or behaviour that violates the Code of Ethics and/or Group Policies. The Whistleblowing Policy, introduced to ensure the timely and secure reporting of misconduct, accepts reports from both employees and external stakeholders, guaranteeing anonymity and confidentiality. Reports can be submitted through the following channels: - via the platform: https://reply-whistleblowing.integrityline.com/ - by post: Reply S.p.A. – Via Nizza no. 250 – 10126 Turin – Italy, addressed to the Supervisory Body of Reply S.p.A. - by telephone: +39 011 7711594, requesting to speak with the Supervisory Body	All Group stakeholders	Supervisory Body, Board of Directors	✻ Directive UE 2019/1937	✻ Group website ✻ Intranet
Human Rights & Labour Policy	S1, S2	The Human Rights & Labour Policy repudiates child and forced labour and protects freedom of association and collective bargaining. This policy confirms, the commitment to the protection of human rights, favouring diversity, inclusion, avoiding all forms of discrimination, guaranteeing the physical and mental wellbeing of employees and their professional growth.	Entire Group	CEO	✻ Universal Declaration of Human Rights ✻ Guiding Principles on Business and Human Rights ✻ International Labour Organisation (ILO) Conventions	✻ Intranet

POLICY	ESRS	MAIN CONTENTS	SCOPE OF APPLICATION	POLICY MAKER	REFERENCE STANDARDS/ INITIATIVES	SHARING CHANNELS
Modern Slavery Policy	S1, S2	The Modern Slavery Policy describes the commitment to ensure that forced labour and child labour practices do not occur at any point in Reply's business operations or in its supply chain.	Entire Group, All suppliers (UK)	Board of Directors	✻ Modern Slavery Act	✻ Group website ✻ Intranet
Gender Equality Policy	S1, S2	The policy promotes inclusion and gender equality throughout the entire employee life cycle: from recruitment and selection to career development, from work–life balance, through to the recognition and support of people before, during, and after parenthood.	Employees of Reply S.p.A. and its Italian subsidiaries	Gender Equality Steering Committee	✻ UNI/PdR 125:2022	✻ Intranet
Health and Safety Policy	S1, S2	The policy describes the implementing rules that ensure the highest levels of health and safety protection in the workplace, in accordance with local regulations. It is addressed to Reply's workers, suppliers and contractors, and customers who request it.	Employees and suppliers (Regions 1, 2, 3)	COO	✻ Legislative Decree 81/08 ✻ ISO 45001	✻ Intranet
Supplier Code of Conduct	S2	The Suppliers' Code of Conduct brings together all the provisions that define the standards that Suppliers must comply with in the areas of labour law and human rights, worker safety and environmental sustainability, governance for which specific monitoring activities are foreseen.	All suppliers of professional consulting services supporting the delivery of the Group's services	CEO	✻ Universal Declaration of Human Rights ✻ Guiding Principles on Business and Human Rights ✻ International Labour Organisation (ILO) Conventions	✻ Acknowledgement and acceptance by all suppliers when signing the contract ✻ Intranet
ICT Security Policy	S4	The ICT Security Policy sets out the security requirements to be followed in internal and customer activities. The main topics are: - Definition of responsibilities - Asset management - Logical access control - Physical security - Operational management of systems, networks and telecommunications - Systems development and maintenance - Relations with third parties - Security incident management - Operational continuity - Compliance	Entire Group	COO	✻ ISO 27001 ✻ ISO 27002 ✻ GDPR ✻ TISAX ✻ VDA ISA ✻ UK Data Protection Act	✻ Intranet
Security Incident Management and Reporting Procedure	S4	The procedure sets out the method for reporting an incident, including a description of the roles involved and the communication channels to be used with them. It also outlines the phases and actions required to respond to an incident promptly and effectively, such as containment measures, as well as incident classification and management. The procedure is integrated with the personal data breach notification process and the business continuity process.	Entire Group	COO	✻ ISO 27001 ✻ ISO 27002 ✻ GDPR ✻ TISAX ✻ VDA ISA ✻ UK Data Protection Act ✻ DORA ✻ NIS2	✻ Intranet
Employee Privacy Policy	S4	The policy outlines the basic privacy principles that apply when personal data is collected, stored, exchanged or otherwise processed.	Entire Group	DPO	✻ GDPR	✻ Intranet

POLICY	ESRS	MAIN CONTENTS	SCOPE OF APPLICATION	POLICY MAKER	REFERENCE STANDARDS/ INITIATIVES	SHARING CHANNELS
Client DPA Policy	S4	The policy outlines the process for managing Data Protection Agreements.	Entire Group	DPO	✻ GDPR	✻ Intranet
AI Policy	S4	The policy provides general guidance on how to ensure compliance in the purchase, use and development of AI systems, applications and technologies, while respecting contractual constraints, legal requirements, compliance best practices and ethical principles.	Entire Group	Ethical AI Committee	✻ AI ACT ✻ GDPR	✻ Intranet
Anti-Bribery Policy	G1	The policy covers: - the main areas of responsibility under the Act; - the responsibilities of employees and associated persons acting on behalf of the Group; - the consequences of violating this policy.	Entire Group	CEO	✻ Bribery Act	✻ Intranet
Environmental Policy	E1	The environmental policy outlines guidelines for monitoring and reducing the impacts that the company's activities generate on the environment, including aspects related to consumption and emissions.	Entire Group	CEO	✻ GHG Protocol ✻ ISO 14001	✻ Intranet
Secure Management of Assets and Information: Behavioural Rules and Regulations	S4	The policy defines the rules and guidelines that all personnel must follow to ensure the proper and secure use of Reply Group assets and information. These rules also apply to off-site activities and to the use of third-party assets.	Entire Group	COO	✻ GDPR	✻ Intranet
Business Continuity Policy	S4	The policy defines the governance model, roles and responsibilities, and the framework of the Business Continuity Management System. It adopts a risk-based approach to identify and implement the measures necessary to preserve, maintain, or restore critical business processes and related resources during and after disruptive events. The Policy requires the development, dissemination, testing, periodic review, and maintenance of the Business Continuity Plan, in order to ensure Reply's resilience and compliance with contractual obligations towards Clients in terms of service continuity.	Entire Group	COO	✻ ISO 27001 ✻ ISO 27002 ✻ GDPR ✻ DORA ✻ NIS2	✻ Intranet

LIST OF DATAPOINTS IN CROSS-CUTTING AND TOPICAL STANDARDS THAT DERIVE FROM OTHER EU LEGISLATION

DISCLOSURE REQUIREMENT AND RELATED DATAPOINT	SFDR REFERENCE	PILLAR 3 REFERENCE	BENCHMARK REGULATION REFERENCE	EU CLIMATE LAW REFERENCE	REFERENCE PARAGRAPH	NOT RELEVANT / NOT APPLICABLE / PHASE IN
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816, Annex II		General Information - ESRS 2 GOV-1	
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		General Information - ESRS 2 GOV-1	
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1				General Information - ESRS 2 GOV-4	
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 (Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		-	Not applicable
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		-	Not applicable
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		-	Not applicable
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		-	Not applicable
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	Environmental Information - ESRS E1-1	
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2		-	Not applicable
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		Environmental Information - ESRS E1-4	
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				Environmental Information - ESRS E1-5	

DISCLOSURE REQUIREMENT AND RELATED DATAPOINT	SFDR REFERENCE	PILLAR 3 REFERENCE	BENCHMARK REGULATION REFERENCE	EU CLIMATE LAW REFERENCE	REFERENCE PARAGRAPH	NOT RELEVANT / NOT APPLICABLE / PHASE IN
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1				Environmental Information - ESRS E1-5	
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				-	Not applicable
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		Environmental Information - ESRS E1-6	
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		Environmental Information - ESRS E1-6	
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	Environmental Information - ESRS E1-7	
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		-	Phase-in
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk			-	Phase-in
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34;Template 2:Banking book -Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral			-	Phase-in
ESRS E1-9 Degree of exposure of the portfolio to climate- related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		-	Phase-in
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1; Indicator number 2 Table #2 of Annex 1; Indicator number 1 Table #2 of Annex 1; Indicator number 3 Table #2 of Annex 1				-	Not relevant

DISCLOSURE REQUIREMENT AND RELATED DATAPOINT	SFDR REFERENCE	PILLAR 3 REFERENCE	BENCHMARK REGULATION REFERENCE	EU CLIMATE LAW REFERENCE	REFERENCE PARAGRAPH	NOT RELEVANT / NOT APPLICABLE / PHASE IN
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1				-	Not relevant
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table 2 of Annex 1				-	Not relevant
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1				-	Not relevant
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1				-	Not relevant
ESRS E3-4 Total water consumption in m3 per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1				-	Not relevant
ESRS 2- IRO 1 - E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1				-	Not relevant
ESRS 2- IRO 1 - E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				-	Not relevant
ESRS 2- IRO 1 - E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				-	Not relevant
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				-	Not relevant
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				-	Not relevant
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				-	Not relevant
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				-	Not relevant
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1				-	Not relevant
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				Social Information - SBM3 – S1	
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				Social Information - SBM3 – S1	
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				General Information - MDR-P Social Information - S1 -1	
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		General Information - MDR-P Social Information - S1 -1	

DISCLOSURE REQUIREMENT AND RELATED DATAPOINT	SFDR REFERENCE	PILLAR 3 REFERENCE	BENCHMARK REGULATION REFERENCE	EU CLIMATE LAW REFERENCE	REFERENCE PARAGRAPH	NOT RELEVANT / NOT APPLICABLE / PHASE IN
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				General Information - MDR-P Social Information - S1 -1	
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				General Information - MDR-P Social Information - S1 -1	
ESRS S1-3 grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				General Information - MDR-P Social Information - S1 -3	
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Social Information - S1 -14	
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				Social Information - S1 -14	
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Social Information - S1 -16	
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				Social Information - S1 -16	
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				Social Information - S1 -17	
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		Social Information - S1 -17	
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I				Social Information - SBM-3 -S2	
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				General Information - MDR-P Social Information - S2 -1	
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex 1				General Information - MDR-P Social Information - S2 -1	
ESRS S2-1Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Social Information - S2 -1	

DISCLOSURE REQUIREMENT AND RELATED DATAPOINT	SFDR REFERENCE	PILLAR 3 REFERENCE	BENCHMARK REGULATION REFERENCE	EU CLIMATE LAW REFERENCE	REFERENCE PARAGRAPH	NOT RELEVANT / NOT APPLICABLE / PHASE IN
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		General Information - MDR-P Social Information - S2 -1	
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex 1				Social Information - S2 -4	
ESRS S3-1 Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				-	Not relevant
ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		-	Not relevant
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex 1				-	Not relevant
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				General Information - MDR-P Social Information - S4 -1	
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Social Information - S4 -1	
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1				Social Information - S4 -4	
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				General Information - MDR-P Governance Information - G1-1	
ESRS G1-1 Protection of whistle-blowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				General Information - MDR-P Governance Information - G1-1	
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II)		Governance Information - G1-4	
ESRS G1-4 Standards of anti-corruption and anti-bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1				Governance Information - G1-4	

ENVIRONMENTAL INFORMATION

Disclosures pursuant to article 8 of regulation (EU) 2020/852 (taxonomy regulation)

The 2025 Sustainability Report includes, for the fifth consecutive year, the application of the provisions introduced by the EU Taxonomy, established by **Regulation (EU) 2020/852**[2] (hereinafter also referred to as the "Regulation"), which forms an integral part of the Sustainable Finance Action Plan launched by the European Commission[3] in 2018. The Regulation aims to define the "degree of environmental sustainability" of investments[4], enhancing market transparency for the benefit of investors and consumers.

The Regulation introduces a **unified classification system** at EU level for **identifying environmentally sustainable economic activities**. An activity is considered eligible if it contributes to the achievement of at least one of the following **six environmental objectives**:

- Climate Change Mitigation (CCM);
- Climate Change Adaptation (CCA);
- Sustainable Use and Protection of Water and Marine Resources (WTR);
- Transition to a Circular Economy, including waste reduction and recycling (CE);
- Pollution Prevention and Control (PPC);
- Protection and Restoration of Biodiversity and Ecosystems (BIO).

An eligible activity may be considered aligned if it meets the following requirements:

- **Substantial contribution criteria**[5]: verification of compliance with the technical screening criteria defined for each activity, to determine its substantial contribution to one or more environmental objectives;
- **Do No Significant Harm (DNSH) criteria**[6]: verification that, while contributing to at least one environmental objective, the activity does not cause significant harm to the other objectives set out in the Regulation;
- **Minimum safeguards**[7]: verification that the activity is carried out in compliance with the minimum social safeguards referred to in the Regulation, relating to human and labour rights, in line with international principles and conventions.

In 2021, the European Commission adopted the **Climate Delegated Act**[8], which covers **the first two climate objectives** (mitigation and adaptation), defining the technical screening criteria for economic activities that substantially contribute to their achievement without causing significant harm to the remaining environmental objectives.

In 2023, the European Commission published two important updates:

- **Delegated Regulation (EU) 2023/2485** (June 2023), which amends the Climate Delegated Act by introducing new activities and additional technical screening criteria for the climate change mitigation and adaptation objectives;
- the **Environmental Delegated Act**[9] (November 2023), which defines eligible activities for the four non-climate objectives and updates Commission Delegated Regulation (EU) 2021/2178 (the "Disclosure Delegated Act"), introducing changes to the templates to be used.

As part of the first "Omnibus" simplification package, on 4 July 2025 the European Commission adopted a new Delegated Regulation aimed at simplifying the application of the Taxonomy.

The measure updates the Disclosure Delegated Act and amends both the Climate Delegated Act and the Environmental Delegated Act, introducing, among other changes, a materiality option applicable to each KPI (Turnover, CapEx, OpEx). Under this option, activities that cumulatively account for less than 10% of the denominator of the respective KPI may be excluded from the alignment assessment.

The new Delegated Regulation applies from 1 January 2026, with reference to reporting for the 2025 financial year. However, for the 2025 financial year, companies may still choose to continue applying the existing provisions. In this context, the Reply Group has decided to maintain methodological continuity with the reporting approach adopted in the previous year.
Pursuant to Article 8 of the Regulation, non-financial undertakings are required to disclose the share of **Turnover, capital expenditure (CapEx) and operating expenditure (OpEx)** associated with Taxonomy-eligible and Taxonomy-aligned economic activities.

With reference to operating expenditure (OpEx), in accordance with point 1.1.3.2 of the Disclosure Delegated Act, the Group does not report the numerator related to eligible activities, as the denominator of the KPI is not material compared to the Group's operating costs, also considering the nature of its business. However, the denominator has been calculated as described in the paragraph KPI CALCULATION METHODOLOGY.

2 Official Journal of the European Union, Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088. The Regulation is implemented through the progressive adoption of Delegated Acts.
3 See the Action Plan on Financing Sustainable Growth, European Commission, COM (2018) 97 final, and subsequently the Strategy for Financing the Transition to a Sustainable Economy, European Commission, COM (2021) 390 final.
4 See Article 1 of Regulation (EU) 2020/852 and Assonime Circular No. 1 of 19 January 2022, The European Regulation on the Taxonomy of Environmentally Sustainable Activities: Disclosure Obligations for Companies.
5 Articles 10, 11, 12, 13, 14, 15, 16, and 19 of Regulation (EU) 2020/852.
6 Article 17 of Regulation (EU) 2020/852.
7 Article 18(1) of Regulation (EU) 2020/852, in particular the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, as well as the International Bill of Human Rights.
8 Commission Delegated Regulation (EU) 2021/2139.
9 Commission Delegated Regulation (EU) 2023/2486, structured into Annexes I, II, III, IV and V.

Finally, Delegated Regulation (EU) 2022/1214 extended the scope of eligible activities to include those related to nuclear energy and gas in the energy sector. However, the Group has not classified any activities within this sector as eligible, as shown in the table below.

ROW	NUCLEAR ENERGY-RELATED ACTIVITIES	
1	The undertaking carries out, finances or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal fuel cycle waste.	NO
2	The undertaking carries out, finances or has exposures to the construction and safe operation of new nuclear facilities for the generation of electricity or process heat, including for district heating or industrial processes such as hydrogen production, as well as improvements to their safety using best available technologies.	NO
3	The undertaking carries out, finances or has exposures to the safe operation of existing nuclear facilities that generate electricity or process heat, including for district heating or industrial processes such as hydrogen production from nuclear energy, as well as improvements to their safety.	NO
	FOSSIL GAS-RELATED ACTIVITIES	
4	The undertaking carries out, finances or has exposures to the construction or operation of electricity generation facilities that use fossil gaseous fuels.	NO
5	The undertaking carries out, finances or has exposures to the construction, refurbishment and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6	The undertaking carries out, finances or has exposures to the construction, refurbishment and operation of heat generation facilities producing heat/cool using fossil gaseous fuels.	NO

Eligibility analysis

For the 2025 financial year, Reply updated its **eligibility analysis** aimed at identifying the Group's activities that correspond to those listed and described in the annexes to the Climate Delegated Act (Annexes I and II), the Environmental Delegated Act and Delegated Act (EU) 2023/2485.
This analysis led to the identification of the following eligible activities attributable to the Group's revenue streams:

- **8.1 Data processing, hosting and related activities (CCM)**: with reference to activities carried out directly by certain Group companies, including the storage, manipulation, management, movement, control, display, switching, interchange, transmission or processing of data through data centres, including edge computing.
- **8.2 Data-driven solutions for greenhouse gas emissions reduction (CCM)**: development or use of solutions for the collection, transmission, storage and modelling of data, and their use with the primary objective of providing insights and analysis to reduce greenhouse gas emissions. These solutions may include the use of decentralised technologies, IoT solutions, 5G and artificial intelligence.
- **4.1 Provision of IT/OT (Information Technology/Operational Technology) data-driven solutions (CE)**: with reference to activities carried out by certain Group companies, including the design, development, installation, deployment and maintenance, repair or provision of professional services, including technical consulting for the design or monitoring of software and information technology (IT) or operational technology (OT) systems, including artificial intelligence (AI)-based solutions, as well as IT/OT software and systems developed for the identification, tracking and traceability of materials, products and assets, life-cycle assessment software, etc.
- **4.1 Provision of IT/OT (Information Technology/Operational Technology) data-driven solutions for loss reduction (WTR)**: with reference to activities carried out by certain Group companies, including the design, development, installation and deployment of data-driven technological solutions based on information technology (IT) or operational technology (OT), or the provision of related maintenance, repair and professional services, including technical consulting for design or monitoring, aimed at controlling, managing, reducing and mitigating losses in water supply systems.

In addition, the Group also analysed potential eligible activities with reference to CapEx related to the acquisition of products deriving from Taxonomy-eligible and aligned economic activities, as well as individual measures enabling activities to reduce their emission profile (Annex I to Delegated Regulation (EU) 2021/2178, para. 1.1.2.2, point (c)).

This analysis led to the identification of the following eligible activities:
- **6.5 Transport by motorbikes, passenger cars and light commercial vehicles (CCM)**: leasing of vehicles belonging to category M1, i.e. company cars.
- **7.2 Renovation of existing buildings (CCM)**: interventions aimed at refurbishing and restoring owned buildings.
- **7.3 Installation, maintenance and repair of energy efficiency equipment (CCM)**: installation works such as relamping and the installation of lighting systems for offices and common areas.
- **7.4 Installation, maintenance and repair of electric vehicle charging stations in buildings (CCM)**: installation of electric vehicle charging points.
- **1.2 Manufacture of electrical and electronic equipment (CE)**: purchase of electrical and electronic equipment (e.g. PCs, phones, etc.) used for carrying out activities, performed directly by certain Group companies, related to IT consulting, planning and design of IT systems integrating hardware, software and communication technologies, on-site management of clients' IT systems or data processing facilities, and other computer-related technical and professional activities.

Alignment analysis

SUBSTANTIAL CONTRIBUTION CRITERIA
For the purposes of the alignment analysis, for each of the economic activities identified as eligible, compliance with the **substantial contribution criteria**—as defined in Annex I of the Climate Delegated Act and in Annexes I, II, III and IV of the Environmental Delegated Act—was verified, in order to determine the extent to which each activity substantially contributes to the achievement of the environmental objectives.

Activity 8.1 Data processing, hosting and related activities (CCM)
Adopting a conservative and prudent approach, the Group considers this activity not to be aligned with the substantial contribution criteria, as the data centres used are the responsibility of third parties (e.g. clients, providers) and are therefore not directly operated by the Group.

Activity 8.2 Data-driven solutions for greenhouse gas emissions reduction (CCM)
The solutions offered by the Group comply with one of the two criteria, as they are primarily used to provide data and analysis aimed at reducing greenhouse gas emissions. However, as these solutions are part of broader projects and contexts related to the Clients that have implemented them, no analyses are available to verify whether they demonstrate a significant reduction in lifecycle

greenhouse gas emissions compared to the best available alternative solutions or technologies on the market. Such comparisons should be carried out using Commission Recommendation 2013/179/EU or, alternatively, ETSI ES 203 199, ISO 14067:2018 or ISO 14064-2:2019. Therefore, the Group considers the activity not aligned with the substantial contribution criteria.

Activity 4.1 Provision of IT/OT (Information Technology/Operational Technology) data-driven solutions (CE)
The Group considers that the substantial contribution criteria are not met, as for the solutions currently offered to clients within this activity—being part of broader projects and contexts—the analyses required by the Regulation for software are not available. Consequently, the activity is not aligned with the substantial contribution criteria.

Activity 4.1 Provision of IT/OT (Information Technology/Operational Technology) data-driven solutions for loss reduction (WTR)
The solutions offered by the Group comply with one of the two established criteria, as they provide IT/OT solutions that enable the control, management and mitigation of water losses. However, the Group does not have sufficient evidence to verify that, in their implementation at client level, risks related to environmental degradation—linked to the preservation of water quantities and the prevention of water stress—have been identified and addressed, in order to achieve good water status and good ecological potential, as defined in Regulation (EU) 2020/852, in accordance with Directive 2000/60/EC and in line with a water use and protection management plan. Therefore, the Group considers the activity not aligned with the substantial contribution criteria.

Activity 6.5 Transport by motorbikes, passenger cars and light commercial vehicles (CCM)
The substantial contribution criteria require that vehicles in categories M1 and N1 fall within a specific emission class. With reference to M1 category vehicles, the Group's fleet in Regions R1, R2 and R3 includes electric vehicles that meet the criterion of having specific CO_2 emissions below 50 g CO_2/km. Therefore, the share of CapEx associated with the leasing of such electric vehicles, amounting to €5,900 thousand, is considered aligned.

Activity 7.2 Renovation of existing buildings (CCM)
The substantial contribution criteria require that building renovations comply with the applicable requirements for major renovations[10] or alternatively result in a reduction in primary energy demand of at least 30%. In the absence of sufficient evidence to allow a full assessment of compliance with the criterion, and adopting a conservative and prudent approach, the Group considers the activity not aligned with the substantial contribution criteria.

Activity 7.3 Installation, maintenance and repair of energy efficiency equipment (CCM)
The substantial contribution criteria require that the activity consists of an individual measure aimed at improving the energy performance of buildings, in accordance with Directive 2010/31/EU. Such measures include the installation, replacement, maintenance and repair of energy-efficient lighting sources. These measures must comply with the minimum requirements and energy performance classes set out in the relevant national and European regulations. However, the Group considers the activity not aligned with the criteria, as it does not have the supplier information required under the regulations referenced in the Taxonomy for the relamping measures carried out during the year.

Activity 7.4 Installation, maintenance and repair of electric vehicle charging stations in buildings (CCM)
As the Group has installed electric vehicle charging stations at the offices of Reply Services S.r.l. and Santer Reply S.r.l. (R1), it complies with the substantial contribution criteria and the activity is therefore considered aligned.

Activity 7.7 Acquisition and ownership of buildings (CCM)
The substantial contribution criteria require that buildings constructed before 31 December 2020 have at least an Energy Performance Certificate (EPC) rating of class A, or alternatively that the building falls within the top 15% of the national or regional building stock in terms of operational primary energy demand (PED), as demonstrated by adequate evidence comparing its performance with that of the national or regional building stock constructed before 31 December 2020, at least distinguishing between residential and non-residential buildings. For large non-residential buildings, i.e. those with an effective rated output for heating systems, combined space heating and ventilation systems, air-conditioning systems, or combined air-conditioning and ventilation systems exceeding 290 kW, the substantial contribution criteria also require that they are efficiently operated through the monitoring and assessment of energy performance. As the Group does not have access to such information, given that these are leased offices, it is not able to carry out a full assessment of compliance with the criteria. Therefore, the activity is considered not aligned with the substantial contribution criteria.

Activity 3.2 Renovation of existing buildings (CE)
The substantial contribution criteria establish specific requirements related to circular economy principles concerning the materials used and the waste generated. In the absence of sufficient evidence to allow a full assessment of compliance with the criteria, and adopting a conservative and prudent approach, the Group considers the activity not aligned with the substantial contribution criteria.

Activity 1.2 Manufacture of electrical and electronic equipment (CE)
The Group adopts a prudent approach and considers the criteria not to be met for the purchase of electrical and electronic equipment, given the complexity of the requirements to be verified for each investment. Such purchases must comply with a set of criteria defined by the Regulation, relating to durability, design, product safety, consumer information and producer responsibility. However, verification of these criteria requires access to specific supplier documentation, which the Group does not currently have available.

10 As established in the national and regional regulations applicable to "major renovations" implementing Directive 2010/31/EU.

DO NO SIGNIFICANT HARM CRITERIA (DNSH)

The **Do No Significant Harm (DNSH)** criteria define the conditions under which activities are carried out without causing harm to the other environmental objectives. The Group has verified, for each eligible activity, its compliance with these criteria.

In this context, it should be noted that the Group has conducted a **Climate Risk Assessment** in line with the general criteria set out in Appendix A of the Climate Delegated Act, as described in the chapter [IRO-1] DESCRIPTION OF THE PROCESSES TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES, to which reference is made for further methodological details and results. The Climate Risk and Vulnerability Assessment shows that although some operating sites are located in areas exposed to significant physical climate risks, such risks are not considered material for the Group.

However, the assets through which the eligible economic activities are carried out are not owned by the Group but relate to suppliers' or clients' assets. Therefore, the DNSH criterion related to the objective of climate change adaptation—which requires compliance with the requirements of Appendix A—is not considered aligned with Taxonomy due to the lack of information from suppliers and clients.

Activity 8.1 Data processing, hosting and related activities (CCM)
Annex I of the Climate Delegated Act sets out DNSH criteria with respect to three other objectives: climate change adaptation, the sustainable use and protection of water and marine resources, and the transition to a circular economy. With reference to data processing activities, as they are carried out through data centres owned by third parties, and in the absence of sufficient information from clients and providers to enable a full assessment of compliance with the criteria, the Group—adopting a conservative and prudent approach—considers the activity not aligned with these criteria.

Activity 8.2 Data-driven solutions for greenhouse gas emissions reduction (CCM)
Annex I of the Climate Delegated Act establishes DNSH criteria with respect to two other objectives: climate change adaptation and the transition to a circular economy. With reference to the solutions offered by the Group for the collection, transmission, storage and modelling of data, and their use aimed at reducing greenhouse gas emissions, in the absence of sufficient information from clients and service users to enable a full assessment of compliance with the criteria, the Group—adopting a conservative and prudent approach—considers the activity not aligned.

Activity 4.1 Provision of IT/OT (Information Technology/Operational Technology) data-driven solutions (CE)
Annex II of the Environmental Delegated Act sets out DNSH criteria with respect to three other environmental objectives: climate change adaptation, the sustainable use and protection of water and marine resources, and pollution prevention and control. With reference to the solutions offered by the Group to clients within this activity, in the absence of sufficient information from service users to enable a full assessment of compliance with the criteria, the Group—adopting a conservative and prudent approach—considers the activity not aligned.

Activity 4.1 Provision of IT/OT (Information Technology/Operational Technology) data-driven solutions for loss reduction (WTR)
Annex I of the Environmental Delegated Act establishes DNSH criteria with respect to three other environmental objectives: climate change adaptation, the transition to a circular economy, and pollution prevention and control. With reference to the solutions offered by the Group that enable the control, management and mitigation of water losses, in the absence of sufficient information from service users to enable a full assessment of compliance with the criteria, the Group—adopting a conservative and prudent approach—considers the activity not aligned.

Activity 6.5 Transport by motorbikes, passenger cars and light commercial vehicles (CCM)
With reference to capital expenditure related to Activity 6.5, Annex I of the Climate Delegated Act sets out DNSH criteria with respect to three objectives: climate change adaptation, the transition to a circular economy, and pollution prevention and control. Regarding investments made during the year in electric vehicles, in the absence of sufficient information from vehicle manufacturers to enable a full assessment of compliance with the criteria, the Group—adopting a conservative and prudent approach—considers the activity not aligned.

Activity 7.2 Renovation of existing buildings (CCM)
For Activity 7.2, Annex I of the Climate Delegated Act establishes DNSH criteria with respect to the objectives of climate change adaptation, the sustainable use and protection of water and marine resources, the transition to a circular economy, and pollution prevention and control. With reference to the interventions carried out during 2025 on owned or leased buildings, in the absence of sufficient information from suppliers to enable a full assessment of compliance with the criteria, the Group—adopting a conservative and prudent approach—considers the activity not aligned.

Activity 7.3 Installation, maintenance and repair of energy efficiency equipment (CCM)
With reference to capital expenditure related to Activity 7.3, Annex I of the Climate Delegated Act establishes DNSH criteria with respect to the objectives of climate change adaptation and pollution prevention and control. Regarding the investments made during the year in the installation of lighting sources, in the absence of sufficient information from suppliers to enable a full assessment of compliance with the criteria, the Group—adopting a conservative and prudent approach—considers the activity not aligned.

Activity 7.4 Installation, maintenance and repair of electric vehicle charging stations in buildings (CCM)
With reference to capital expenditure related to Activity 7.4, Annex I of the Climate Delegated Act establishes a single DNSH criterion with respect to the objective of climate change adaptation. Regarding the installation of electric vehicle charging stations, in the absence of sufficient information from suppliers to enable a full assessment of compliance with the criteria, the Group—adopting a conservative and prudent approach—considers the activity not aligned.

Activity 7.7 Acquisition and ownership of buildings (CCM)
With reference to capital expenditure related to Activity 7.7, Annex I of the Climate Delegated Act establishes a single DNSH criterion with respect to the objective of climate change adaptation. Regarding long-term leases of the Group's office buildings, in the absence of sufficient information from suppliers to enable a full assessment of compliance with the criteria, the Group—adopting a conservative and prudent approach—considers the activity not aligned.

Activity 3.2 Renovation of existing buildings (CE)
With reference to capital expenditure related to Activity 3.2, Annex II of the Environmental Delegated Act establishes DNSH criteria with respect to the objectives of climate change mitigation and adaptation, the sustainable use and protection of water and marine resources, and pollution prevention and control. Regarding investments carried out during 2025 on owned or leased buildings, in the absence of sufficient information from suppliers to enable a full assessment of compliance with the criteria, the Group—adopting a conservative and prudent approach—considers the activity not aligned.

Activity 1.2 Manufacture of electrical and electronic equipment (CE)
With reference to capital expenditure related to Activity 1.2, Annex II of the Environmental Delegated Act establishes DNSH criteria with respect to the objectives of climate change mitigation and adaptation, the sustainable use and protection of water and marine resources, pollution prevention and control, and the protection and restoration of biodiversity and ecosystems. Regarding investments in electrical and electronic equipment, in the absence of sufficient information from suppliers to enable a full assessment of compliance with the criteria, the Group—adopting a conservative and prudent approach—considers the activity not aligned.

MINIMUM SAFEGUARDS

The Group analysed its level of compliance with the principles set out in Article 18 of the Regulation, which defines the **minimum safeguards** aimed at ensuring that economic activities are carried out in respect of human and labour rights, in line with the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights (UNGPs), the eight fundamental Conventions of the International Labour Organization (ILO), and the International Bill of Human Rights.

The Group therefore conducted an analysis of the elements outlined in the documents referred to in Article 18, considering the guidance provided by the Platform on Sustainable Finance[11] and the clarifications issued by the European Commission (Communication 2023/C 211/01)[12]. In this context, controls in place relating to human rights, consumer interests, anti-corruption, fair competition and taxation were assessed.

Italian legislation on human and labour rights governs several aspects referred to in Article 18, such as privacy protection, health and safety, anti-corruption, fair competition and taxation. In addition to operating in compliance with the applicable national regulations in the countries where it operates, the Reply Group conducts its activities with a view to pursuing sustainable and inclusive growth, in line with the Universal Declaration of Human Rights, ILO Conventions and the principles of the United Nations Global Compact, to which it adheres.

Among the tools adopted to promote compliance with the minimum safeguards, both within and outside the organisation, is the entire regulatory framework described in the chapter [MDR-P] POLICIES ADOPTED TO MANAGE MATERIAL SUSTAINABILITY MATTERS. In addition, the Group demonstrates compliance with the "**do no significant harm**" principle as defined by the SFDR, Article 2(17)[13], by addressing the gender pay gap and gender diversity within governance bodies, and by reporting the relevant indicators respectively in the chapter [S1-16] REMUNERATION METRICS (PAY GAP AND TOTAL REMUNERATION).

For the 2025 reporting year, no cases of non-compliance were identified with regard to human rights, consumer interests, corruption, competition and taxation.

In light of the European Commission's clarifications[14], according to which "**minimum safeguards**" require "due diligence and remediation procedures implemented by an undertaking carrying out an economic activity", and considering the current developments regarding the **Corporate Sustainability Due Diligence Directive**[15], the Group—having identified areas for improvement and further formalisation to be applied consistently across its entire scope—adopts a conservative and prudent approach and considers its activities not aligned with the minimum safeguards.

Similarly, Reply does not currently consider the existing practices along its supply chain to be sufficient to deem as aligned those activities related to the acquisition of products deriving from Taxonomy-eligible and aligned economic activities, as well as individual measures that contribute to one or more of the six Taxonomy objectives (6.5, 7.2, 7.3, 7.4, 7.7 and 1.2).

KPI calculation methodology

The annexes to the Disclosure Delegated Act require the determination of the percentage of **Turnover**, **CapEx** and **OpEx** associated with Taxonomy-eligible and Taxonomy-aligned economic activities.
In order to comply with this regulatory requirement, as described in the previous paragraphs, the Group identified its eligible activities and, after assessing which of these were aligned with the relevant criteria, calculated the three KPIs provided by the Regulation.

TURNOVER

In accordance with the Disclosure Delegated Act, for the calculation of the Turnover KPI, the Group considered:

- **denominator**: net revenue from the provision of services, net of discounts and value-added tax, with intra-group transactions eliminated to avoid double counting. The denominator, amounting to €2,449,991 thousand, corresponds to the item "Revenues" reported in Note 5 – Revenues of the Group's consolidated financial statements and is in line with the provisions of IAS 1, para. 82(a);
- **numerator**: the share of net revenue associated with the identified eligible activities, in particular:
  - 8.1 Data processing, hosting and related activities;
  - 8.2 Data-driven solutions for greenhouse gas emissions reduction;

11 Final Report on Minimum Safeguards, October 2022.
12 Commission Communication on the interpretation and implementation of certain legal provisions of the EU Taxonomy Regulation and on the links with the Sustainable Finance Disclosure Regulation (2023/C 211/01), June 2023.
13 Communication 2023/C 211/01, FAQ 2.
14 Communication 2023/C 211/01
15 Directive of the European Parliament and of the Council on corporate sustainability due diligence and amending Directive (EU) 2019/1937

- 4.1 IT/OT data-driven solutions;
- 4.1 IT/OT solutions for water loss reduction.

For the determination of the numerator, the legal entities included in the consolidation scope that generate revenues attributable to these activities were considered. The corresponding eligibility shares are reported in the table below.

* **numerator of aligned activities**: the share of net revenue associated with aligned activities amounts to €0, as the Group (or its suppliers or clients, where applicable) does not meet the technical screening criteria and minimum safeguards required by the Regulation.

CAPEX

In line with the Disclosure Delegated Act, for the calculation of the CapEx KPI, the Group considered:

* **denominator**: additions recognised during the period relating to:
  - tangible assets (development and refurbishment of business assets), accounted for in accordance with IAS 16 (Note 17);
  - intangible assets (patents, software and capitalised R&D costs, excluding goodwill), accounted for in accordance with IAS 38 (Note 19);
  - right-of-use assets (long-term leases), accounted for in accordance with IFRS 16 (Note 20).

  The analysis resulted in a total amount of €102,767 thousand for the 2025 financial year.

* **numerator of eligible activities**: for the purpose of determining the numerator, CapEx related to the following were considered:
  - eligible economic activities identified (CapEx A):
    - 8.1 Data processing, hosting and related activities (€4,088 thousand);
    - 8.2 Data-driven solutions for emissions reduction (€158 thousand);
    - 4.1 IT/OT data-driven solutions (€54 thousand);
    - 4.1 IT/OT solutions for water loss reduction (€20 thousand).
* **investments in the acquisition of outputs from eligible economic activities (CapEx C)**, as provided for in Annex I to Delegated Regulation (EU) 2021/2178, para. 1.1.2.2(c):
  - 6.5 Transport by passenger cars and light commercial vehicles (€13,290 thousand, of which €5,900 thousand for electric vehicles);
  - 7.2 Renovation of buildings (€20,489 thousand);
  - 7.3 Installation of energy efficiency equipment (€816 thousand);
  - 7.4 Installation of charging stations (€98 thousand);
  - 7.7 Acquisition and ownership of buildings (€34,771 thousand);
  - 1.2 Manufacture of electrical and electronic equipment (€4,720 thousand).

* **numerator of aligned activities**: the share of CapEx associated with aligned activities amounts to €0, as the Group (or its suppliers or clients, where applicable) does not meet the technical screening criteria for the activities considered.

Data extraction was carried out directly from the accounting systems of the legal entities included in the consolidation scope. Where a direct allocation was not available, CapEx related to activities 8.1, 8.2 and 4.1 (CE and WTR) were estimated using an allocation driver based on the percentage share of revenues attributable to these activities over the total revenues of each entity.

OPEX

In accordance with the Disclosure Delegated Act, for the calculation of the OpEx KPI, the Group carried out a detailed analysis of its chart of accounts and management accounting projects, identifying the following cost categories provided for by the Delegated Act:

* non-capitalised R&D costs (excluding the project management component)[16];
* short-term leases (contracts with a duration of less than 12 months);
* maintenance and repair costs for buildings and IT equipment outsourced to third parties;
* costs related to the "day-to-day servicing of assets"[17], considered with reference to facility cleaning costs.

The analysis resulted in a denominator of €25,991 thousand, corresponding to approximately 1.3% of the Group's total operating expenses. This low incidence reflects the limited relevance of Taxonomy-related cost categories (typically associated with asset-intensive business models) compared to Reply's operating model, which is predominantly characterised by personnel-related costs. Therefore, as provided for by the Disclosure Delegated Act, the OpEx KPI is considered not material and is therefore not disclosed.

16 Clarification provided in the answer to question 12 of the FAQs published by the European Commission on 2 February 2022.
17 Clarification provided in the answer to question 12 of the FAQs published by the European Commission on 2 February 2022.

FINANCIAL YEAR 2025	YEAR			SUBSTANTIAL CONTRIBUTION CRITERIA						DNSH CRITERIA ('DOES NOT SIGNIFICANTLY HARM')									
ECONOMIC ACTIVITIES	CODE	ABSOLUTE TURNOVER (€ IN THOUSAND)	PROPORTION OF TURNOVER, YEAR 2025	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER	POLLUTION	CIRCULAR ECONOMY	BIODIVERSITY	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER	POLLUTION	CIRCULAR ECONOMY	BIODIVERSITY	MINIMUM SAFEGUARDS	TAXONOMY ALIGNED OR ELIGIBLE PROPORTION OF TURNOVER, FY 2024	CATEGORY ENABLING ACTIVITY	CATEGORY TRANSITIONAL ACTIVITY
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%														0%		
of which Enabling		0	0%														0%	A	
of which Transitional		0	0%														0%		T
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Data processing, hosting and related activities	CCM 8.1	477,690	19.5%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								18.8%		T
Data-driven solutions for GHG emissions reductions	CCM 8.2	6,918	0.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.1%	A	
Provision of IT/OT data-driven solutions	CE 4.1	3,471	0.1%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								1.1%	A	
Provision of IT/OT data-driven solutions for leakage reduction	WTR 4.1	1,979	0.1%	N/EL	N/EL	EL	N/EL	N/EL	N/EL								0.1%	A	
Turnover of Taxonomy eligible but not environmentally sustainable activ-ities (not Taxonomy-aligned activities) (A.2)		**490,059**	**20%**	**19.8%**	**0%**	**0.1%**	**0.0%**	**0.1%**	**0.0%**								**21.0%**		
A. Turnover of Taxonomy eligible activities (A.1+A.2)		**490,059**	20%	19.8%	0.0%	0.1%	0.0%	0.1%	0.0%								**21.0%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities	**1,959,932**	80%																	
Total (A+B)	2,449,991	100%																	

FINANCIAL YEAR 2025	YEAR			SUBSTANTIAL CONTRIBUTION CRITERIA						DNSH CRITERIA ('DOES NOT SIGNIFICANTLY HARM')									
ECONOMIC ACTIVITIES	CODE (A)	ABSOLUTE CAPEX (€ IN THOUSAND)	PROPORTION OF CAPEX, YEAR 2025	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER	POLLUTION	CIRCULAR ECONOMY	BIODIVERSITY	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER	POLLUTION	CIRCULAR ECONOMY	BIODIVERSITY	MINIMUM SAFEGUARDS	TAXONOMY ALIGNED OR ELIGIBLE PROPORTION OF CAPEX, FY 2024	CATEGORY ENABLING ACTIVITY	CATEGORY TRANSITIONAL ACTIVITY
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Capex of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%														0%		
of which Enabling		0	0%														0%	A	
of which Transitional		0	0%														0%		T
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Data processing, hosting and related activities	CCM 8.1	4,088	4.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								3.7%		T
Data-driven solutions for GHG emissions reductions	CCM 8.2	158	0.2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.2%	A	
Provision of IT/OT data-driven solutions	CE 4.1	54	0.1%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.2%	A	
Provision of IT/OT data-driven solutions for leakage reduction	WTR 4.1	20	0.0%	N/EL	N/EL	EL	N/EL	N/EL	N/EL								0.0%	A	
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	13,290	12.9%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								17.8%		T
Renovation of existing buildings	**CCM 7.2/ CE 3.2**	20,489	19.9%	EL	N/EL	N/EL	N/EL	EL	N/EL								25.7%		T
Installation, maintenance and repair of energy effi-ciency equipment	CCM 7.3	816	0.8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.6%	A	
Installation, maintenance and repair of charging sta-tions for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	98	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%	A	
Acquisition and ownership of buildings	CCM 7.7	34,771	33.8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								7.0%		
Manufacture of electrical and electronic equipment	CE 1.2	4,720	4.6%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								2.4%		

FINANCIAL YEAR 2025	YEAR			SUBSTANTIAL CONTRIBUTION CRITERIA						DNSH CRITERIA ('DOES NOT SIGNIFICANTLY HARM')									
ECONOMIC ACTIVITIES	CODE (A)	ABSOLUTE CAPEX (€ IN THOUSAND)	PROPORTION OF CAPEX, YEAR 2025	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER	POLLUTION	CIRCULAR ECONOMY	BIODIVERSITY	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER	POLLUTION	CIRCULAR ECONOMY	BIODIVERSITY	MINIMUM SAFEGUARDS	TAXONOMY ALIGNED OR ELIGIBLE PROPORTION OF CAPEX, FY 2024	CATEGORY ENABLING ACTIVITY	CATEGORY TRANSITIONAL ACTIVITY
Capex of Taxonomy eligible but not environmentally sustaina-ble activities (not Taxonomy-aligned activities) (A.2)		**78,503**	**76.4%**	**71.7%**	**0.0%**	**0.0%**	**0.0%**	**4.6%**	**0.0%**								**57.6%**		
A. Capex of Taxonomy eligible activities (A.1+A.2)		**78,503**	76.4%	71.7%	0.0%	0.0%	0.0%	4.6%	0.0%								57.6%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Capex of Taxonomy-non-eligible activities		**24,264**	**23.6%**																
Total (A+B)		102,767	**100%**																

PROPORTION OF CAPEX/TOTAL CAPEX

	TAXONOMY-ALIGNED PER OBJECTIVE	TAXONOMY-ELIGIBLE PER OBJECTIVE
CCM	0%	72%
CCA	0%	0%
WTR	0%	0%
CE	0%	25%
PPC	0%	0%
BIO	0%	0%

FINANCIAL YEAR 2025	YEAR			SUBSTANTIAL CONTRIBUTION CRITERIA						DNSH CRITERIA ('DOES NOT SIGNIFICANTLY HARM')									
ECONOMIC ACTIVITIES	CODE (A)	ABSOLUTE OPEX (€ IN THOUSAND)	PROPORTION OF OPEX, YEAR 2025	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER	POLLUTION	CIRCULAR ECONOMY	BIODIVERSITY	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER	POLLUTION	CIRCULAR ECONOMY	BIODIVERSITY	MINIMUM SAFEGUARDS	TAXONOMY ALIGNED OR ELIGIBLE PROPORTION OF OPEX, FY 2024	CATEGORY ENABLING ACTIVITY	CATEGORY TRANSITIONAL ACTIVITY
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Opex of environmentally sustainable activities (Taxon-omy-aligned) (A.1)	0	0	0%	0%	0%	0%	0%	0%	0%										
of which Enabling	0	0		0	0	0	0	0	0									A	
of which Transitional	0	0																	T
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Opex of Taxonomy eligible but not environmentally sus-tainable activities (not Taxonomy-aligned activities) (A.2)	**0**	**0%**		0%	0%	0%	0%	0%	0%										
A. Opex of Taxonomy eligible activities (A.1+A.2)	**0**	**0%**		0%	0%	0%	0%	0%	0%										
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Opex of Taxonomy-non-eligible activities		25,991	100%																
Total (A+B)		25,991	100%																

ESRS E1 Climate change

[ESRS 2 GOV-3] Integration of sustainability-related performance in incentive schemes

The requirements related to the integration of sustainability performance in incentive schemes are addressed in chapter [GOV-3] INTEGRATION OF SUSTAINABILITY-RELATED PERFORMANCE IN INCENTIVE SCHEMES.

[ESRS 2 IRO-1] Description of the processes to identify and assess material climate-related impacts, risks and opportunities

The process of identifying and assessing impacts, risks and opportunities related to climate change was carried out by Reply through the double materiality assessment, as described in paragraph [IRO-1] DESCRIPTION OF THE PROCESSES TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES in the section GENERAL INFORMATION.
In addition, in order to identify its climate change impacts, the Group annually conducts a GHG emissions inventory to measure and manage the effects that its activities and operations along the value chain may have on climate change. As described in paragraph [E1-6] GROSS SCOPES 1, 2, 3 AND TOTAL GHG EMISSIONS, the Group calculates Scope 1, 2 and 3 emissions, in line with the GHG Protocol Corporate Accounting and Reporting Standard. In particular, the Group's main greenhouse gas emissions are generated along the value chain. As will be described in more detail in paragraph [E1-6] GROSS SCOPES 1, 2, 3 AND TOTAL GHG EMISSIONS, for Reply the most significant category relates to Scope 3 emissions associated with purchased goods and services. The Group has also identified a potential positive impact on climate change deriving from the sale of green and sustainable solutions that can lead to a reduction in energy consumption and GHG emissions of its clients. These solutions do not currently represent a significant share of the Group's revenues, as reported in the paragraph DISCLOSURES PURSUANT TO ARTICLE 8 OF REGULATION (EU) 2020/852 (TAXONOMY REGULATION).
Within the context of the double materiality assessment, the Group identified physical and transition climate risks that could affect its operations and reputation.
With regard to **transition climate risks**, the Group identified an economic risk related to the higher investments and costs required to implement energy efficiency solutions in owned offices. These measures include activities such as relamping, installation of photovoltaic panels and PIR presence sensors. This risk stems from increasing regulatory pressure and market expectations regarding emissions reduction and improved energy performance, which make structural investments necessary.

Among **physical climate risks**, the Group identified, as part of the double materiality process, a potential economic risk arising from the impact of heatwaves on the productivity of human resources in the long term, which could require adaptation actions such as the enhancement of office cooling systems.
In 2025, the Group carried out a Climate Risk and Vulnerability Assessment, a structured and in-depth analysis aimed at assessing the Group's exposure to physical risks arising from climate change. Specifically, the analysis was conducted with the objective of identifying and assessing the potential impacts of climate change on the Group's assets and operations, not considering the value chain, in a long-term time horizon extending to 2050. The assessment was performed using a high-emissions climate scenario (Representative Concentration Pathways, RCP 8.5), representing a "no mitigation" pathway, in order to enable a prudent evaluation of exposure under severe physical risk conditions.
The analysis included a screening of the Group's activities and the identification of relevant climate hazard categories that may affect the performance of economic activities over their expected lifecycle, followed by a site-level assessment based on the geolocation of operational sites. The table below summarises the potential climate-related hazards for the Reply Group on which the risk assessment was carried out.

CLASSIFICATION OF CLIMATE-RELATED HAZARDS
(SOURCE: COMMISSION DELEGATED REGULATION (EU) 2021/2139)

RISK	TEMPERATURE	WIND	WATER	SOLID MASS
Chronic	Temperature change	–	Water stress	Soil erosion
Acute	Heatwave	Cyclones, hurricanes, typhoons	Flooding (coastal, fluvial, pluvial, groundwater)	Earthquakes

An analysis of the exposure and vulnerability of the Group's assets to the identified physical risks was also carried out, using data from climate models to classify the risk level of the different locations based on the considered time horizon. This approach enabled the Group to consistently and accurately identify areas characterised by higher exposure and vulnerability to physical risks.
For the analysis of each risk, internationally recognised sources were considered, selected according to the type of climate hazard, including the IPCC Interactive Atlas for temperature-related risks and the WRI Aqueduct Water Risk Atlas for water-related risks.
Overall, the outcome of the Climate Risk and Vulnerability Assessment shows that, despite the presence of several operational sites located in areas exposed to significant levels of climate-related physical hazards, the resulting residual risks are not considered material for the Group. The results confirm that, due to the nature of the business, based on digital services, IT consulting and software development, and therefore not dependent on climate-sensitive physical assets, the operational exposure to physical climate risks does not generate impacts deemed material or such as to compromise the Group's operations, even under severe climate scenarios. However, in continuity with the results of the previous year's double materiality assessment, the Group has decided to monitor the potential economic risk arising from the long-term impact of heatwaves on the productivity of its workforce.

[ESRS 2 SBM-3] Material impacts, risks and opportunities and their interaction with strategy and business model

As described in paragraph [ESRS 2 IRO-1] DESCRIPTION OF THE PROCESSES TO IDENTIFY AND ASSESS MATERIAL CLIMATE-RELATED IMPACTS, RISKS AND OPPORTUNITIES, the Group carried out an analysis of physical climate risks, assessing the resilience of its assets to the risks of rising temperatures and water stress, considering a worst-case scenario (RCP 8.5). With regard to transition climate risks, the results of the double materiality assessment remain valid.
The results of this assessment were incorporated into a broader analysis of the resilience of the Company's strategy and business model. This analysis examined how material physical risks could affect operations, assets and value chains, and whether the current strategic positioning remains robust even under adverse climate scenarios.
The results of the Climate Risk and Vulnerability Assessment described in the previous paragraph [ESRS 2 IRO-1] DESCRIPTION OF THE PROCESSES TO IDENTIFY AND ASSESS MATERIAL CLIMATE-RELATED IMPACTS, RISKS AND OPPORTUNITIES, which highlight the non-materiality of the analysed physical climate risks, reflect the intrinsic characteristics of the business model, which is primarily based on digital services, IT consulting and software development, and is not dependent on climate-sensitive physical assets, industrial processes or resource-intensive activities.
The nature of the Reply Group's activities, predominantly carried out in office settings or through remote working arrangements, significantly limits operational exposure to physical climate hazards and reduces sensitivity to potential climate-related disruptions. As a result, the identified hazards do not translate into significant operational constraints, service delivery disruptions or threats to business continuity, even under severe climate scenarios.
Furthermore, existing organisational and operational practices, including flexibility in working arrangements and the absence of critical dependencies on location-specific physical inputs, strengthen the Company's ability to absorb and adapt to adverse climate conditions. Based on the analysis carried out, physical climate risks are therefore assessed as not material in terms of their impact on the resilience of the Group's strategy and business model over the considered time horizon.

[E1-1] Transition plan for climate change mitigation

Currently, the Group is working on a transition plan for climate change mitigation aimed at aligning its strategy and business model with the transition to a sustainable economy and with the objective of limiting global warming to 1.5°C, in line with the Paris Agreement. In this context, the Group is committed to the future definition of science-based climate targets.
However, reference should be made to paragraph [E1-4] TARGETS RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION for further details on the climate targets set by the Group.

[E1-2] Policies related to climate change mitigation and adaptation

The Group has adopted the Environmental Policy to manage the impacts and risks identified as material through the double materiality assessment related to climate change.
The adopted policy set out guidelines for monitoring and reducing the environmental impacts generated by the Group's activities, including aspects related to consumption and emissions. Reply also defines roles, responsibilities, tools and activities to be implemented for impact monitoring, environmental awareness, communication and reporting, while ensuring compliance with all applicable environmental laws and regulations towards local and national communities and contributing to the dissemination and awareness of sustainable development issues. The Environmental Policy, approved by the CEO, addresses climate change mitigation, responsible use of resources and material recycling, energy saving, energy efficiency, the use of renewable energy, transport optimisation and consumption reporting. For each of these topics, behavioural guidelines are defined to guide daily decisions both at an individual and corporate level (e.g. the use of public transport, the purchase of high energy-efficiency devices). Currently, the policy does not cover climate change adaptation or the promotion of renewable energy. Furthermore, the Group's Environmental Policy is aligned with the environmental regulations and policies established by the European Union, which aim to ensure the sustainable management of resources and to promote the reduction of polluting emissions. Through the adoption of these guidelines, the Group not only commits to complying with applicable laws, but also actively contributes to global efforts to address climate change and environmental sustainability challenges. The principles of the policy are included in the Supplier Code of Conduct, which is shared with suppliers who, by signing it, commit to complying with its provisions. This integrated approach helps ensure that business activities are aligned with the EU's environmental protection objectives.
For further information, please refer to the Policy overview in the GENERAL INFORMATION section under paragraph [MDR-P] POLICIES ADOPTED TO MANAGE MATERIAL SUSTAINABILITY MATTERS.

[E1-3] Actions and resources in relation to climate change policies

The actions implemented by the Group are aimed at managing the impacts and risks identified through the double materiality assessment and, together with the proper implementation of the guidelines set out in the Group Environmental Policy, have contributed to achieving the Carbon Neutrality target by 2025 and support the achievement of the Net Zero target by 2030.
The main actions implemented by Reply to reduce emissions and optimise energy consumption include:

- Introduction of energy efficiency improvements in certain offices, for example through the installation of LED lighting and, where possible, the upgrading of building heating systems.
- Inclusion of hybrid or electric vehicles within the company fleet.
- Adoption of the Environmental Policy guidelines to reduce and monitor the environmental impact of the Group's activities, including in offices not owned by the Group.
- Establishment of the Reply Forest at Group level to absorb tonnes of CO_2 and support reforestation.
- Continuation of offsetting programmes to maintain Carbon Neutrality (for Scope 1 and 2) achieved in 2025 with reference to the emissions of 2024 and to support the Net Zero target by 2030 for CO_2 equivalent emissions.
- Mobility Management programme to minimise the impact of vehicle traffic for the main Italian offices.

Actions without a defined timeframe are intended to be ongoing, reflecting a continuous commitment to achieving the set objectives. These actions are implemented by the Group, which provides all necessary resources to address identified needs. Currently, the Group does not quantify the amount of emission reductions achieved or expected from the various actions described.
In 2025, several advancements were made in the implementation of the Group's initiatives:

- In 2025, almost all (99.8) of the Group's total electricity consumption was sourced from renewable energy, demonstrating the ongoing commitment to using lower-impact energy sources.
- In 2025, the Reply fleet reached 54.7% hybrid/electric vehicles, supported by the availability of dedicated charging stations both publicly accessible near offices and, in some main locations, installed for employee use. This represents a significant increase compared to 2024, when the share was 38%. Confirming the transition towards more sustainable mobility, in the United Kingdom the entire company fleet is already fully electric, while in Germany only full-electric models are offered for new company cars. In Italy, there has also been a continued significant increase in the adoption of electric and plug-in hybrid vehicles.
- In 2025, in continuity with 2024, several measures were implemented to improve office energy efficiency, particularly with regard to lighting systems and thermic dispersion. In various locations, relamping activities with LED lighting for both indoor and outdoor spaces continued; in addition, in some offices, heating pumps were replaced, and several components of heating systems were upgraded. In 2023, energy audits were conducted for buildings subject to legal requirements in Italy, leading to planned actions such as the installation of photovoltaic panels and the introduction of PIR presence sensors to improve electricity efficiency.
- Within office refurbishment projects, the Group is assessing the opportunity to pursue voluntary certifications related to energy efficiency and environmental footprint (e.g. LEED, BREEAM), which are already in place for some of the offices used by the Group across different regions.
- Reply companies collectively own more than 1,800 trees through Treedom.
- Furthermore, the process for purchasing carbon credits for voluntary offsetting through certified projects and Energy Attribute Certificates has been consolidated.

As reported in the paragraph DISCLOSURES PURSUANT TO ARTICLE 8 OF REGULATION (EU) 2020/852 (TAXONOMY REGULATION), during the reporting year €816,000 were invested in energy efficiency measures.
As the Group has not yet finalised the definition of its new decarbonisation plan, no specific financial resources have currently been allocated for the implementation of future actions aimed at reducing GHG emissions.

[E1-4] Targets related to climate change mitigation and adaptation

Reply has defined the targets set out below to address the transition towards a more environmentally sustainable business model. These targets are closely linked to the Group Environmental Policy, as the policy outlines certain actions supporting the achievement of the defined objectives. Responsibility for the implementation of the Group Environmental Policy is shared across multiple functions, which contribute to the aggregation and analysis of environmental data and define initiatives to be proposed based on the impacts analysed.
The Group has set targets of achieving Carbon Neutrality by 2025 and Net Zero by 2030, based on the Group's GHG emissions inventory, which covers the entire Reply perimeter. These internal targets, voluntary in nature and aligned with the relevant international framework, are based on internal calculation methodologies.
Specifically, during the reporting year under consideration, **the Group achieved the Carbon Neutrality target**, defined as the full offsetting of Scope 1 and Scope 2 emissions (district heating) of the Group as at 31 December 2024. In particular, the target was achieved through the retirement of carbon credits in an equivalent amount. In addition, Guarantees of Origin or Energy Attribute Certificates (EACs) were purchased to cover total Scope 2 electricity consumption (excluding district heating) as at 31 December 2024, amounting to 38,379 MWh, corresponding to 3,141 tCO_2e.
With regard to emissions for 2025, the Group will adopt the same approach during 2026, making use of the same instruments.
For further information on the types of carbon credits cancelled, please refer to paragraph [E1-7] GHG REMOVALS AND GHG MITIGATION PROJECTS FINANCED THROUGH CARBON CREDITS.
With regard to the Net Zero target for 2030, defined on the basis of 2021 emissions data, the Group is currently in the process of defining a Transition Plan. The outcomes of the ongoing in-depth analyses, together with the evolution of emissions quantification over time, may lead to an update of the target beyond the current target year.
The initiation of the process to define the new science-based Transition plan, together with the related decarbonisation levers, demonstrates the Group's commitment to reducing greenhouse gas emissions across the entire value chain, in line with the objective of limiting global temperature increase to 1.5°C.
This commitment is further evidenced by the achievement of the intermediate targets set by the Group as levers for the decarbonisation of its operations. In particular, in 2025 the Group achieved and exceeded its target relating to the sourcing of electricity from renewable sources, through the purchase of Energy Attribute Certificates (EACs), which enabled 100% of the Group's electricity consumption to be covered by renewable energy, exceeding the initial target of 50%. For further information on the purchase of EACs, please refer to paragraph [E1-5] ENERGY CONSUMPTION AND MIX.
At the same time, starting from 2024, the target of having at least 30% plug-in and electric vehicles by 2025 was also achieved and exceeded, confirming the Group's commitment to the electrification of its company fleet.

[E1-5] Energy consumption and mix

This paragraph aims to illustrate total energy consumption and the related energy mix.
The energy consumption of the Reply Group refers to:

- **Electricity drawn from the grid** used to power lighting systems, for charging electric vehicles and for technological and IT equipment.
- **Natural gas** used for the operation of heating systems installed in Reply offices, the consumption of which is closely linked to the scale of activities and office spaces.
- **Diesel and petrol** used to power the company fleet.
- **Diesel** used for heating purposes.
- **District heating** used for space heating and/or domestic hot water production, which allows for a lower environmental impact.
- **Cooling and heating powered by electricity** using fan coils or air conditioning systems, which is often not directly measurable as it is included in the overall electricity consumption of offices.

The table below shows the total energy consumption of the Group's own operations in MWh.

ENERGY CONSUMPTION AND ENERGY MIX	2025	2024
Total energy consumption from fossil sources (MWh)	24,828	31,256
Share of fossil sources in total energy consumption (%)	69%	81%
Energy consumption from nuclear sources (MWh)	37	428
Share of nuclear sources in total energy consumption (%)	0%	1%
Fuel consumption for renewable sources, including biomass (also including industrial and municipal waste of biological origin, biogas, renewable hydrogen, etc.) (MWh)	0	0
Consumption of electricity, heat, steam and cooling from renewable sources, purchased or acquired (MWh)	11,285	6,695
Self-generated renewable energy consumption without the use of fuels (MWh)	54	0
Total energy consumption from renewable sources (MWh)	11,339	6,695
Share of renewable sources in total energy consumption (%)	31%	17%
Total energy consumption (MWh)	36,204	38,379

In relation to its activities, Reply does not use fuels derived from renewable sources and does not generate energy for resale.

[E1-6] Gross scopes 1, 2, 3 and total GHG emissions

The Group's greenhouse gas emissions reflect those of an office-based organisation and are primarily attributable to the use of fossil fuels for heating, business travel and the purchase of electricity generated by third parties. Emissions arising from Reply's activities are therefore very limited and linked to traditional assets, such as electrical and heating systems. In reporting its emissions, the Reply Group has followed the five principles – relevance, completeness, consistency, transparency and accuracy – set out in the GHG Protocol Corporate Accounting and Reporting Standard, balancing them according to its objectives.

The following paragraphs present greenhouse gas emissions relating to:

- Scope 1, i.e. direct emissions deriving from the consumption of natural gas, diesel and petrol.
- Scope 2, i.e. indirect emissions deriving from electricity consumption and district heating.
  Indirect emissions have been calculated according to two different methodologies:
  - Market-based: reflects emissions associated with electricity and district heating supported by Guarantees of Origin certifying the source of energy.
  - Location-based: reflects the average emissions intensity of the grids from which energy is supplied.
- Scope 3, i.e. indirect emissions related to the purchase of goods and services, business travel and employee commuting, upstream fuel and electricity consumption, water consumption and waste disposal.

Reply does not consider greenhouse gas emissions arising from affiliated companies, joint ventures and other entities that are part of the upstream and downstream value chain, in accordance with the operational control consolidation approach and in line with ESRS 1 requirements, paragraphs 62 to 67.

The identification of emission sources has been guided in particular by the Group's strategy, which aims to identify and understand risks and opportunities associated with emissions across its value chain, in order to define reduction targets, monitor performance and improve disclosure to stakeholders. This approach enhances transparency in reporting. For the calculation of all emissions, the reporting boundary considered corresponds to the entire Group, consistent with the consolidation scope of the Consolidated Financial Statements. Where primary data were not available, estimates were made based on data from previous years or defined allocation criteria (e.g. space, occupancy, etc.).

With regard to Scope 3 Categories 1 and 2, namely *Purchased Goods and Services and Capital Goods*, the 2025 calculation approach included the full scope of purchased goods and services as well as capital goods. In the previous year, only selected emission sources deemed most representative were considered. As a result, the expansion of the reporting boundary led to a significant increase in the 2025 figures compared to 2024. Therefore, 2025 data are not comparable with those of the previous year. In addition, a new Scope 3 category was introduced in the 2025 inventory, Category 11 *(Use of Sold Products)*, which includes emissions related to the use phase of hardware purchased externally by Reply and subsequently resold to third-party clients. Any future significant changes in the definition of what constitutes the Reply Group and its upstream and downstream value chain will be disclosed, together with an explanation of the impacts on the comparability of reported GHG emissions.

For the calculation of greenhouse gas emissions (CO_2, N_2O, CH_4), which do not include biogenic CO_2 emissions as they are not applicable to Reply's context, the following emission factors and approaches were used:

- **Direct emissions (Scope 1):**
  - For emissions deriving from heating of premises using natural gas and from fuel used by company fleet vehicles, emission factors provided by the Department for Energy Security and Net Zero and the Department for Environment, Food & Rural Affairs (DEFRA) for 2025 were used.
  - For emissions consolidation, the operational control approach was applied. In particular, emissions from fuel consumption of leased vehicles are reported under Scope 1 according to the operational control principle, whereby emissions from assets over which Reply exercises control are accounted for as direct emissions.
  - Potential emissions from F-gas leakages due to the use of air conditioning and cooling systems are excluded from the calculation of direct emissions as they are considered negligible.
- **Indirect emissions (Scope 2 – location-based):**
  - For emissions from electricity purchased from the national grid and electricity consumption related to electric vehicles, emission factors provided by ISPRA (2024) for Italy, by the Department for Energy Security and Net Zero and DEFRA (2025) for the United Kingdom, and by Carbon Footprint Ltd (2025) for all other countries were used.
  - For emissions from district heating, emission factors provided by the Department for Energy Security and Net Zero and DEFRA (2025) were used.
  - The gas considered for emission calculations is CO_2 equivalent for all countries.
  - The operational control approach was applied for emissions consolidation.
- **Indirect emissions (Scope 2 – market-based):**
  - For national residual mix emission factors, the following sources were used:
    - For European countries, AIB (Association of Issuing Bodies, 2024).
    - For the United States, the U.S. Environmental Protection Agency.
    - For all other countries, Carbon Footprint Ltd (2025).
  - Where renewable energy supply contracts are in place, the associated emission factors were applied.
  - The gas considered for emission calculations is CO_2 equivalent, except for countries where AIB factors are used, for which CO_2 is considered.
- **Indirect emissions (Scope 3):**
  - For the calculation of emissions across the different categories, emission factors from the Department for Energy Security and Net Zero and DEFRA (2025) were used for all countries.
  - Where quantitative data were not available, the economic value in euros associated with the purchase of goods/services was considered.
  - Emission factors provided by the French Agency for Ecological Transition (ADEME) were used for the calculation of the above categories.
  - For commuting and homeworking emissions, data on office occupancy and results from a survey administered to a sample of employees on commuting patterns for Italian offices were used.
  - For emissions from business travel by car or taxi, where mileage data were not available, estimates were made based on total travel expenditure and average cost per kilometre.
  - Where only expenditure data were available for business travel (air, rail and hotels), emissions were estimated based on comparable travel categories.

- For emissions related to the use of sold products, defined hardware for reselling, estimates were made based on average consumption data for comparable product categories.

No Scope 3 emissions are measured using primary data from specific activities along the upstream and downstream value chain.
The Scope 3 emission categories identified in accordance with the GHG Protocol are as follows:

- **Category 1** – Purchased goods and services, including water consumption from the public water supply.
- **Category 2** – Capital goods: emissions related to all capital goods (e.g. laptops, smartphones) purchased during the year.
- **Category 3** – Fuel- and energy-related activities not included in Scope 1 or Scope 2: emissions associated with extraction, refining and transport of fuels (gas and diesel for heating, diesel and petrol for company cars) prior to combustion (well-to-tank), and upstream emissions from electricity and district heating consumption.
- **Category 5** – Waste generated in operations: emissions from wastewater treatment and waste disposal. For the reporting year, countries with significant disposal of devices and other materials are Italy, Germany, Belgium and the United States.
- **Category 6** – Business travel: emissions from air travel, rail travel, hotel stays, taxis and other business travel, including reimbursements for personal car use and fuel for rental cars.
- **Category 7** – Employee commuting: emissions related to employee travel between workplace and home, including remote working emissions.
- **Category 11** – Use of sold products by end users, such as hardware purchased for resale.

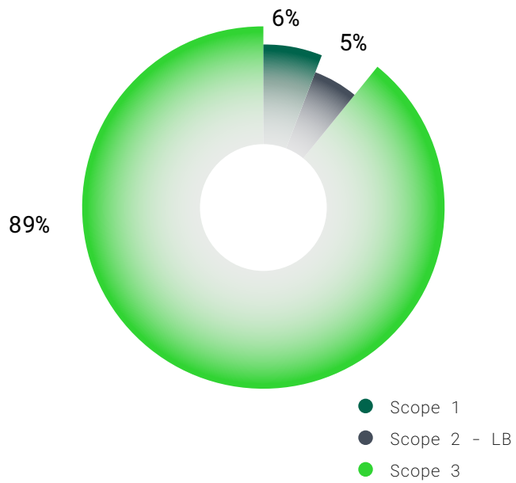
The Scope 3 categories excluded from the inventory are:

- **Category 4** – Upstream transportation and distribution, not explicitly calculated as it is already included in Category 1 and Category 2 due to the emission factors used.
- **Category 8** – Upstream leased assets, excluded as, under the operational control approach, these emissions are included in Scope 1 and Scope 2.
- **Category 9** – Downstream transportation and distribution, excluded as not applicable to the Group's business model.
- **Category 10** – Processing of sold products, excluded as not applicable to the Group's business model.
- **Category 12** – End-of-life treatment of sold products, excluded as not applicable to the Group's business model.
- **Category 13** – Downstream leased assets, excluded as not applicable to the Group's business model.
- **Category 14** – Franchises, excluded as not applicable to the Group's business model.
- **Category 15** – Investments, excluded as not applicable to the Group's business model.

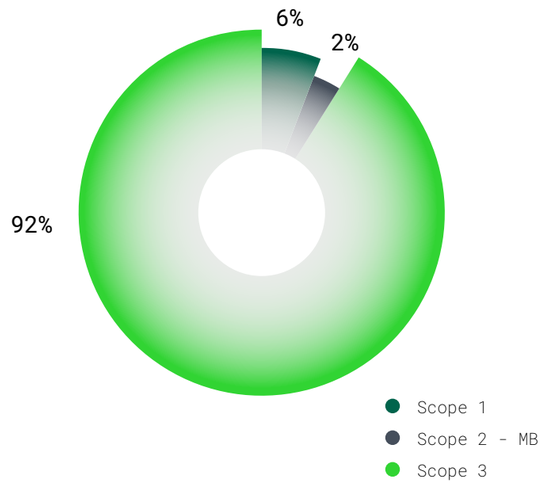
The table below shows gross emissions by Scope.

SCOPE	UNIT OF MEASURE	TOTAL 2025	TOTAL 2024
Direct emissions (Scope 1)	ton CO_{2eq}	4,846	5,562
Indirect emissions (Scope 2) LOCATION-BASED	ton CO_{2eq}	3,996	4,384
Indirect emissions (Scope 2) MARKET-BASED	ton CO_{2eq}	1,804	4,162
Indirect emissions (Scope 3)	ton CO_{2eq}	75,085	24,622

CO_{2EQ} EMISSIONS - SCOPE 1, 2 (LB), 3



CO_{2EQ} EMISSIONS - SCOPE 1, 2 (MB), 3

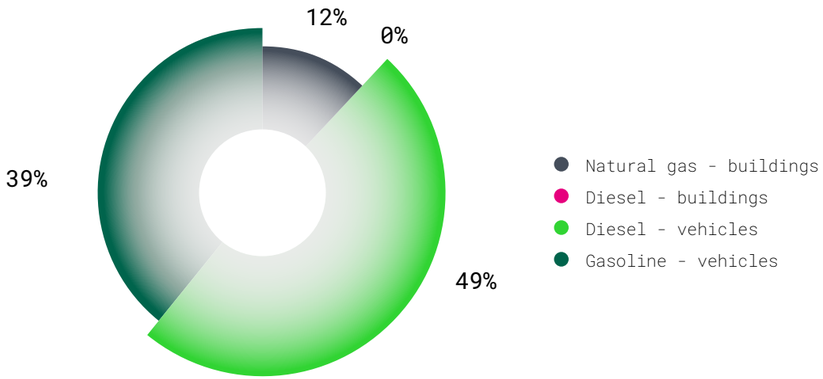


The value of "Indirect emissions (Scope 2) – market-based", equal to 1,804 ton CO_{2eq}, was calculated taking into account the related Guarantees of Origin and Energy Attribute Certificates (EACs). For the component dependent on contractual instruments, as of the publication date of this document, the relevant Guarantees of Origin are not yet available; however, they are part of the contractual obligations of energy suppliers and their purchase is included in the cost of energy.

SCOPE 1

The chart below shows a breakdown of total greenhouse gas emissions for Scope 1 by individual sources.

CO_{2EQ} EMISSIONS (SCOPE 1) BY SOURCE



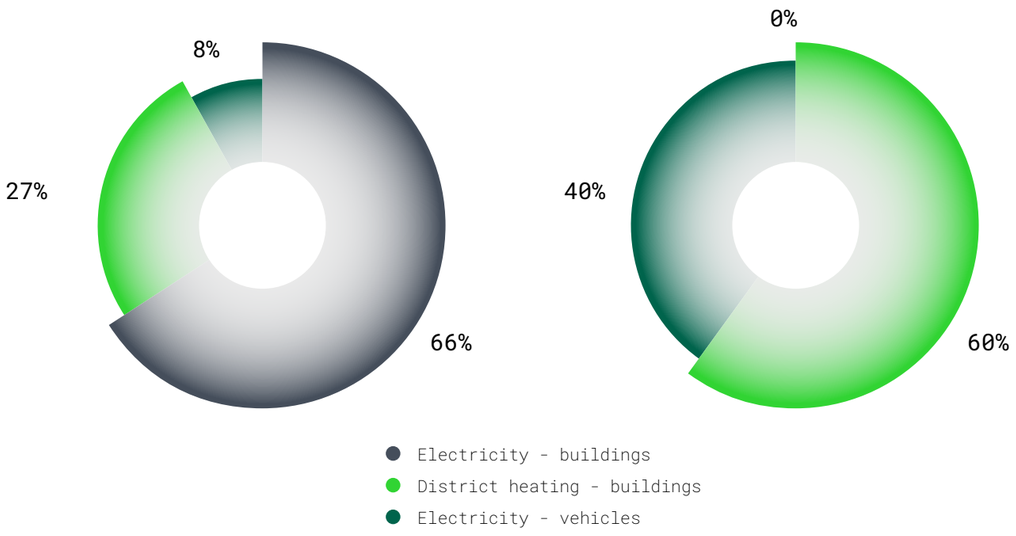
SCOPE 2

The chart below shows a breakdown of total greenhouse gas emissions for Scope 1 by individual sources.

CO_{2EQ} EMISSIONS (SCOPE 2) BY SOURCE

SCOPE 2 (LOCATION-BASED)

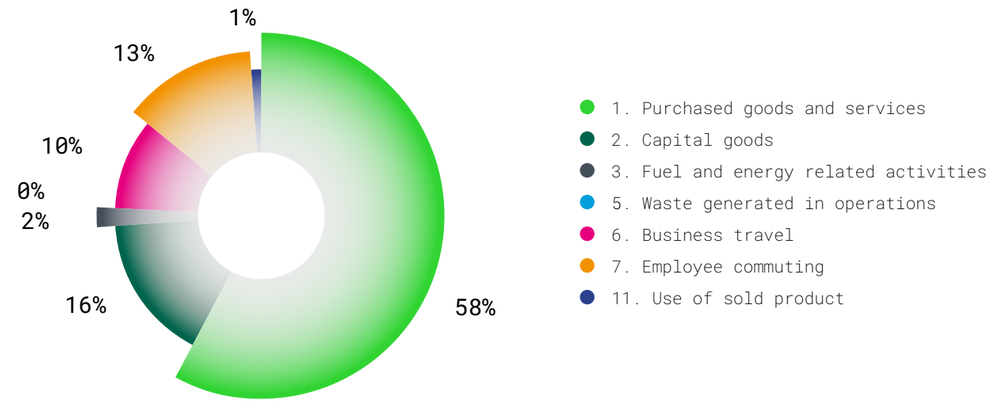
SCOPE 2 (MARKET-BASED)



SCOPE 3

The calculation of Scope 3 emissions includes greenhouse gas emissions that are not under the direct control of the Company but are indirectly linked to Reply's value chain.
The disclosure provided with respect to Scope 3 emissions is subject to greater inherent limitations compared to Scope 1 and Scope 2, due to the limited availability and relative accuracy of the information used to determine Scope 3 emissions data, both quantitative and qualitative, relating to the value chain. As described in the previous paragraph, data for Categories 1 and 2 are not comparable with those of the previous year. The significant increase is attributable to the expansion of the reporting boundary in 2025 compared to 2024. Category 11 was calculated for the first time in 2025 and was not included in inventories from previous years.

CO_{2EQ} EMISSIONS (SCOPE 3) BY SOURCE



Below is the breakdown of Scope 3 indirect emissions by category.

CO_{2EQ} EMISSIONS (SCOPE 3) BY CATEGORY

CATEGORY	2025 EMISSIONS	2024 EMISSIONS
1. Purchased goods and services	43,916.7	2,973.0
2. Capital Goods	11,760.1	1,006.0
3. Fuel -and energy- related activities	1,569.1	2,163.8
5. Waste generated in operations	11.6	10.2
6. Business Travel	7,448.7	9,078.0
7. Employee Commuting	9,693.0	9,390.5
11. Use of sold products	685.5	Category Not calculated
Total	**75,084.7**	**24,621.5**

Below are the data on emissions intensity based on net revenues (see Note 5 – Revenues of the Group's consolidated financial statements).

EMISSIONS INTENSITY IN RELATION TO NET REVENUE	2025	2024
Total GHG emissions (location based) (ton CO_{2eq})	83,926.73	34,567.24
Total GHG emissions (market based) (ton CO_{2eq})	81,734.53	34,346.14
Net revenue (thousand €)	2,449,991.00	2,295,938.00
Total GHG emissions (location based) per net revenue (ton CO_{2eq}/ thousand €)	0.034	0.015
Total GHG emissions (market based) per net revenue (ton CO_{2eq}/ thousand €)	0.033	0.015

[E1-7] GHG removals and GHG mitigation projects financed through carbon credits

This paragraph aims to illustrate the quantity and quality of carbon credits that the Company has purchased on the voluntary market and retired to support its claims of GHG emissions neutrality.
Reply has not developed projects within its own operations aimed at GHG removals and storage, nor has it contributed to such projects along its upstream or downstream value chain.
In 2024, Reply purchased carbon credits, which were retired during the 2025 reporting year to achieve the Carbon Neutrality 2025 target. Specifically, the carbon credits purchased to offset Scope 1 and Scope 2 emissions generated by the Group as of 31 December 2024 were retired, thereby enabling the Group to achieve the Carbon Neutrality target in 2025, the reporting year under consideration, as planned.
The following table shows the total amount of carbon credits retired during 2025, used to offset greenhouse gas emissions relating to Scope 1 and Scope 2 (district heating component), expressed in metric tonnes of CO_{2eq} generated as of 31 December 2024, including details on project type and certification standard. These credits relate to GHG emission reduction projects developed outside the European Union. The data are based on existing contracts.

CARBON CREDITS RETIRED DURING THE REPORTING YEAR	PROJECT TYPE	CERTIFICATION STANDARD
800 ton CO_{2eq}	Agriculture Forestry and Other Land Use	VCS
5,783 ton CO_{2eq}	Energy Efficiency - Domestic	GS VER

Furthermore, during 2025 the Group purchased additional carbon credits aimed at maintaining Carbon Neutrality for its Scope 1 and Scope 2 emissions, as detailed below:

CARBON CREDITS RETIRED DURING THE REPORTING YEAR	PROJECT TYPE	CERTIFICATION STANDARD
4,000 ton CO_{2eq}	Household Devices	GS VER
240 ton CO_{2eq}	Forest Conservation	ACR
1,200 ton CO_{2eq}	Wind Power	VCS

SOCIAL INFORMATION

ESRS S1 Own workforce

[ESRS 2 SBM-2] Interests and views of stakeholders

The Reply Group acknowledges the importance of considering the expectations of its stakeholders across the entire value chain, with the aim of building a long-lasting relationship of trust over time. Accordingly, Reply has established an approach based on continuous dialogue and engagement with its employees and collaborators, through specific initiatives, opportunities for discussion, and the periodic sharing of information.
Further details are provided in the chapter GENERAL INFORMATION section [SBM-2] INTERESTS AND VIEWS OF STAKEHOLDERS.

[ESRS 2 SBM-3] Material impacts, risks and opportunities and their interaction with strategy and business model

Reply's strategy and business model are inherently linked to actual and potential impacts, as well as to risks and opportunities related to the workforce, as identified through the double materiality assessment and outlined in the section [IRO-1] DESCRIPTION OF THE PROCESS TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES.

IMPACTS
Reply's strategic approach and business model place emphasis on impacts related to the **physical and mental well-being of its employees**, generating **concrete positive impacts** on the workforce. Initiatives aimed at fostering a better work-life balance, together with corporate welfare systems, demonstrate a continuous commitment to creating a stimulating, healthy and motivating working environment.
A key element of the Company's human capital development strategy is also the investment in **continuous learning**. The opportunity for employees to access upskilling and technical skills development courses not only enhances their level of preparedness but also strengthens the Company's competitiveness within the sector.
By virtue of the nature of its business, **potential negative impacts** may arise in the area of **occupational health and safety**, due to situations of work-related stress that may increase the risk of occupational illnesses. The Group manages and prevents such potential impacts through the adoption of specific policies and the implementation of dedicated mitigation actions aimed at preventing them. Potential negative impacts deriving from **discrimination** have also been considered, such as pay disparities linked to gender bias, which are also addressed by the Group through the promotion of equal opportunities for growth and development for all employees, with a view to safeguarding diversity & inclusion. Further information in this regard is included in paragraphs [S1-1] POLICIES RELATED TO OWN WORKFORCE and [S1-4] TAKING ACTION ON MATERIAL IMPACTS ON OWN WORKFORCE, AND APPROACHES TO MANAGING MATERIAL RISKS AND PURSUING MATERIAL OPPORTUNITIES RELATED TO OWN WORKFORCE, AND EFFECTIVENESS OF THOSE ACTIONS.

RISKS AND OPPORTUNITIES
The Group's strategy and business model are strongly linked to the availability of highly qualified personnel. The continuous contribution to **employees' professional development** through training courses aimed at enhancing technical competencies and soft skills represents an economic and reputational opportunity for Reply. Indeed, investing in training not only improves employees' capabilities, but also strengthens the Group's competitive position within the sector, creating a virtuous cycle of growth and innovation.
However, the increasing competitiveness in the IT services sector entails an economic risk related to the need to **increase salaries** in order to attract and retain talent, with potential impacts on workforce stability. In this regard, the ability to offer **corporate welfare** plans and a working environment based on principles of **diversity**, **inclusion and well-being** represents an additional economic and reputational opportunity for the Group in support of its growth. These initiatives not only make the Group more attractive to potential candidates, but also contribute to improving employee satisfaction and productivity, as well as fostering a stronger sense of identification of employees with the Company.
Finally, the technological evolution to which Reply contributes, together with the increasing diffusion of artificial intelligence, represents a significant economic opportunity, supporting the **optimisation of human resource efficiency** and the expansion of the range of services offered.
All Reply workers, including non-employees, are considered within the scope of the disclosures pursuant to ESRS 2. In particular, the workforce is composed, both in Italy and abroad, of: direct employees, self-employed workers engaged under flexible contracts, personnel provided by temporary employment agencies, and interns recruited from educational institutions. The Group's workforce is defined as the set of individuals who have an employment relationship with the undertaking ("employees") and non-employees, who complement project teams by providing specific expertise to the undertaking, as well as students under internship agreements.
In particular, with reference to the type of contractual relationship in place with external collaborators, and in compliance with the specific characteristics of each country in which the Group operates, the following are mapped:

- Direct collaboration relationships, such as collaborations with VAT-registered professionals, occasional collaborations and other forms of collaboration agreements (e.g. Zero Hour Contracts);
- Indirect collaboration relationships include all other forms of collaboration with third parties, such as temporary employment agencies, recruiting agencies or staffing agencies (NACE Code N78).

The impacts, risks and opportunities described are valid for all Countries in which Reply operates and apply to all categories of workers, with the exception of the risk related to the limited presence

of female resources, which specifically concerns women within the Group's workforce, and the potential negative impact related to work-related stress and occupational illnesses, for which the Group acknowledges that, considering the characteristics of the sector in which it operates, women may be more exposed to specific risk factors.
However, such risks do not assume a systemic nature nor are they widespread within the organisation. Available evidence, including the results of audits conducted in accordance with the ISO 45001 standard, shows that any critical issues occur in a limited manner and are attributable to specific situations, such as particular workloads, specific organisational or project conditions, or individual factors.
Reply has not identified material impacts on the workforce that may arise from actions undertaken to reduce negative environmental impacts. In addition, Reply has assessed its workforce across the various countries in which it operates and has not identified risks of forced labour or child labour.
Reply adopts policies consistent with regulations concerning vulnerable groups in all the countries in which it operates, promoting social and labour inclusion. This includes women, considered a category at risk in the sector in which the Group operates, whose rights are safeguarded by the Code of Ethics and the Human Rights Policy, which govern matters related to equal opportunities.

[S1-1] Policies related to own workforce

The policies implemented are well defined to address material impacts on its workforce and also take into account the related risks and opportunities. Among these policies are:

- Code of Ethics
- Whistleblowing Policy
- Human Rights & Labour Policy
- Health and Safety at Work
- Gender Equality Policy
- AI Policy

In addition, Reply is committed to respecting and promoting human rights within its workforce. The policies implemented are aligned with the United Nations Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises. The effectiveness of whistleblowing systems/channels is assessed directly by the Supervisory Body (OdV) through the analysis of how reports are received and managed, the protection granted to whistleblowers, and the effectiveness of the measures adopted to prevent and detect improper practices, in compliance with applicable regulations.

Reply's **Code of Ethics** defines the fundamental principles guiding the Company, representing the cornerstone of its culture and providing a model of conduct for all the Group's stakeholders. It establishes the rules governing Reply's relationships with its shareholders, employees, collaborators, suppliers, clients and partners, including interactions with authorities and public institutions, which are entrusted exclusively to specifically authorised personnel. These relationships are based on legality, transparency, clarity and fairness, in full compliance with applicable regulations. Through the acknowledgement and acceptance of the Code of Ethics, Reply ensures the engagement of its workforce with the values and principles it promotes. In 2025, the Code of Ethics, of which the Model 231 constitutes an integral part, was updated in accordance with the provisions of Legislative Decree 231/2001. For further information, please refer to section [G1-1] BUSINESS CONDUCT POLICIES AND CORPORATE CULTURE.

The **Whistleblowing Policy** is aimed at encouraging stakeholders and employees to promptly report misconduct, ensuring that they can do so without facing repercussions on their work activity. "Misconduct" refers to violations of applicable regulations, the Code of Ethics and/or Group Policies, as well as actions that may cause economic, environmental or occupational health and safety damage to Reply Group companies and their stakeholders. This policy represents a tool through which Reply addresses and mitigates potential negative impacts on human rights. Following an assessment, the Supervisory Body identifies the most appropriate intervention to be implemented based on the type of report, in full compliance with applicable labour law regulations in the various countries. In the most serious cases, termination of the employment contract may be envisaged.

The **Human Rights & Labour Policy** condemns child labour, forced labour and human trafficking, while safeguarding freedom of association and collective bargaining. This policy, together with the Code of Ethics, directly addresses the commitment to the protection of human rights and labour rights, ensuring equal opportunities and, at the same time, the physical and mental well-being of employees. Furthermore, the policy promotes human rights, diversity and inclusion and prevents and addresses all forms of harassment and inappropriate behaviour, as well as any form of discrimination based on race, skin, ethnic origin, sex, sexual orientation, gender identity, disability, age, religion, political opinions, national extraction or social origin, as well as any other form of discrimination covered by EU legislation and national law. The policy is aligned with the Universal Declaration of Human Rights (UDHR) and the United Nations Guiding Principles on Business and Human Rights (UNGPs), as well as with the conventions of the International Labour Organization (ILO).

Through these policies, Reply ensures that the most vulnerable groups are not discriminated against, while also complying with applicable national regulatory requirements. This ensures not only the prevention and effective management of any discrimination, but also the promotion of an inclusive working environment that respects diversity. For further information, please refer to the Policy overview in the chapter GENERAL INFORMATION [MDR-P] POLICIES ADOPTED TO MANAGE MATERIAL SUSTAINABILITY MATTERS, "GENERAL INFORMATION" chapter.
In Italy, Germany and the United Kingdom, the Group has adopted a **Health and Safety at Work Policy** aimed at preventing workplace accidents, which, in compliance with applicable regulations, sets out the implementing rules designed to ensure the highest levels of protection of occupational health and safety. The policy was updated during 2025. In the remaining countries in which the Group operates, Reply complies with applicable local regulations. In Italy, for example, occupational health and safety is governed by Legislative Decree 81/2008, which establishes the protection and prevention measures necessary to ensure workers' health and safety. This regulation requires risk assessment, employee training and the adoption of appropriate preventive measures, thereby ensuring a safe and compliant working environment. Furthermore, with regard to the occupational health and safety management system, in Italy Reply S.p.A., in the United Kingdom Reply Ltd, and, during 2025, also in Germany Reply Deutschland SE, are ISO 45001 certified for their occupational health and safety management system, through which such services are provided to the Group's companies.

The **Gender Equality Policy** aims to define and structure fair processes covering the entire employee life cycle: from recruitment and selection to career development, from work-life balance to the enhancement of individuals before, during and after parenthood. By encouraging best practices, the policy supports overcoming unconscious bias and, more generally, any condition that may hinder the achievement of genuine gender equality in the workplace. The document is inspired by the KPIs (Key Performance Indicators) defined in accordance with UNI/PdR 125:2022, which represent a key tool for assessing commitment and progress on this topic. The policy applies to all employees of Reply S.p.A. and its subsidiaries.

The Reply Group **AI Policy** is a comprehensive framework designed to ensure the ethical and compliant use of Artificial Intelligence (AI) within the organisation and in the delivery of services to clients. The document, issued on 6 December 2024 by the AI Ethics Committee, highlights the potential of AI technologies, both generative and non-generative, and emphasises the need to balance innovation with the mitigation of risks related to ethics, compliance and security.
The Policy provides recommendations on how to procure, use and develop AI systems in compliance with regulations, establishing practices for the sustainable use of AI, data protection and confidentiality, as well as intellectual property rights. It applies to all Reply Group personnel globally and provides that:

- all employees are the primary recipients and are responsible for ensuring the compliance of their external collaborators and suppliers;
- the terms and conditions of AI suppliers are verified for alignment with Reply's Policy;
- in client projects, any potential misalignment between client policies and Reply's Policy is identified and managed.

The Policy is based on seven Ethical Principles: **Fairness, Accountability, Transparency, Explainability, Safety, Security and Privacy**. Among the key principles, the Policy emphasises transparency, accountability and explainability, requiring that AI-driven decisions are easily explainable and that users understand their limitations. The use of AI must respect human rights and comply with applicable national and international laws, with a focus on bias minimisation and data security. It is essential to adopt privacy protection practices, ensuring that the use of personal data occurs only with appropriate consent.
Violations may result in disciplinary or legal sanctions. Furthermore, the document includes guidelines for addressing issues related to the misuse of AI and highlights the importance of staying up to date with regulatory and technological developments. The Policy is periodically reviewed to adapt to emerging needs and to ensure a responsible approach.

[S1-2] Processes for engaging with own workforce and workers' representatives about impacts

Reply is committed to actively engaging its workforce in order to discuss material impacts, both actual and potential, positive and negative, that may affect their working experience. The views of its own workforce inform the Company's decisions and activities aimed at managing such impacts. The direct involvement of people fosters an open and transparent dialogue, as described in greater detail in section [SBM-2] INTERESTS AND VIEWS OF STAKEHOLDERS chapter above.

This approach facilitates, where possible, the integration of employees' views and needs, ensuring that they are heard and directly incorporated into business decisions and addressed without a predefined frequency, but whenever necessary, whether at the request of the employee or the relevant partner, thereby promoting a collaborative and inclusive working environment.
The Group's enterprise social networking platform further supports engagement by providing additional internal communication channels (e.g. posts, events, groups) directly among colleagues, with Managers and Executives, and with internal Group functions. Reply manages effective workforce engagement to inform the Company's approach through surveys and periodic performance evaluations. These activities make it possible to measure the level of participation and the resulting satisfaction of employees with their working experience, as well as to compare results with those of the previous year.

In particular, once a year, the **Employee Survey** is administered, a questionnaire aimed at assessing employee satisfaction, engagement and overall sentiment, excluding "executive" levels, on topics related to Reply's values, collaboration with colleagues and personal expectations. All active employees who have not resigned are invited to participate in the Employee Survey. The initiative is launched simultaneously in all Countries in which the Group operates and involves all employees with at least two months of seniority within Reply. Participation is voluntary and anonymous, and respondents have the opportunity to share their views and contribute to improving their working environment by expressing their level of agreement with the proposed statements and by adding general or specific comments on the topics assessed. Since 2023, additional questions have been introduced to assess aspects related to diversity and inclusion. The results achieved by each company are shared with the respective Partners, who are required to analyse them, communicate them to employees and propose an action plan to strengthen areas identified as needing improvement. Comparison with results from previous years enables the assessment of trends over time and reinforces the focus on continuous improvement. It is important to emphasise that this responsibility is shared by Managers and Executives of the Group's companies, who play a crucial role in interacting with employees in day-to-day activities.

To assess the level of employee engagement and satisfaction, Reply adopts an approach based on two main factors: the response rate and the average scores obtained from the survey, which allow for the identification of differences compared to previous years. This analysis process provides a clear view of trends in organisational climate and employee engagement over time. Furthermore, the Group is committed to ensuring that newly acquired entities are integrated into these engagement initiatives, thereby ensuring continuity in the monitoring and evaluation of the organisational climate. This holistic approach enables Reply to adapt its strategies and initiatives

based on the results obtained, fostering an increasingly collaborative and motivating working environment.
The initiatives described are addressed to all employees of the Reply Group without any distinction within their composition, including vulnerable workers and those belonging to protected categories, in order to ensure a fair and fulfilling working experience for all.

[S1-3] Processes to remediate negative impacts and channels for own workforce to raise concerns

Reply adopts a structured approach to address and remediate material negative impacts on its workforce, where it has caused or contributed to such impacts.
In particular, to manage negative effects related to **occupational health and safety**, such as work-related stress and occupational illnesses, targeted corrective measures are implemented to reduce work-related stress and prevent occupational diseases. For example, the Group has implemented a psychological support programme, known as the Employee Assistance Program (EAP), active in Italy, the UK and France. In addition, in Italy, an annual assessment of work-related stress is carried out in accordance with national regulations.
With regard to **equal treatment of human resources**, Reply has defined a Career Path that ensures consistent career plans and progression for all employees. The recruitment and selection process is of primary importance for the Group and is carried out in compliance with applicable regulations. Selection is conducted through a standardised process that is formalised and communicated to candidates, ensuring transparency and non-discrimination, and enabling the most accurate assessment of skills, capabilities and professionalism. Once hired, employees are placed on a career path based on a career framework defined by Human Resources and common across the entire Group, which is shared with the employee.
In many of the countries in which the Group operates (e.g. Italy), reporting obligations on the gender pay gap are in place, contributing to greater transparency. Furthermore, in Italy, an increasing number of Group companies have obtained gender equality certification, confirming Reply's concrete commitment to promoting equity. The certification, issued in accordance with **UNI/PdR 125:2022** guidelines, attests to the adoption of a system of corporate policies and processes aimed at gender equality and the enhancement of female talent, with particular reference to access to the labour market, opportunities for professional growth, access to leadership roles and work-life balance. This commitment demonstrates that Reply's focus on inclusion and equal opportunities goes beyond statements of principle and is translated into structured, monitored and verifiable business practices. This approach strengthens the organisation's transparency, credibility and accountability and contributes systematically to reducing gender disparities, fostering the consolidation of an inclusive and sustainable corporate culture over time.
Finally, the Company promotes a culture open to reporting through **whistleblowing** mechanisms, informing employees of the existence of such channels during the onboarding process and through the corporate intranet. Through **specific channels**, such as the whistleblowing channel and those made available by relevant national authorities, workers can report concerns or needs, unlawful conduct or behaviour inconsistent with the Code of Ethics and Group Policies directly to the Company in all countries in which the Group operates. These initiatives are monitored to assess their effectiveness and to ensure a fair and safe working environment. As required by law, the reporting party has the possibility to use the channels made available by the Group or to follow the process through the relevant national authorities. The Whistleblowing Policy accepts reports from both employees and external stakeholders, ensuring anonymity and confidentiality through a multilingual platform compliant with EU Directive 2019/1937. The system provides for prompt, independent and objective investigations of each report. Acknowledgements of receipt are sent to the reporting party within 7 days, with detailed feedback provided within 3 months. The Supervisory Body reviews the reports and communicates them to the Board of Directors and the Control Bodies, which may define an intervention plan appropriate to the report. The Whistleblowing Policy describes and ensures the protection of workers against any retaliation in the event that they decide to use such channels. Further details on this policy are provided in the section [G1-1] BUSINESS CONDUCT POLICIES AND CORPORATE CULTURE

[S1-4] Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

The Company implements various initiatives to manage material impacts, both positive and negative, optimise opportunities and reduce risks related to its workforce, while continuously assessing their effectiveness. In order to address the most relevant sustainability matters, concrete measures are adopted to prevent, mitigate and remediate potential impacts through the implementation of the above-mentioned policies, as well as targeted actions and initiatives. Below is a detailed overview of the actions implemented by Reply to prevent and mitigate negative impacts on its workforce, enhance positive impacts, and manage the risks and opportunities identified through the double materiality assessment.

TOPIC	IRO	ACTION
Health and safety	Current negative impact on employees arising from inadequate management of occupational health and safety within the organisation, which may lead to the occurrence of work-related stress and/or occupational illnesses.	✻ Health and safety management model ✻ Employee Assistant Program (EAP)
Work-life balance	Current positive impact on employees arising from the promotion of physical and mental well-being in the workplace, through initiatives aimed at improving work-life balance and corporate welfare systems, as well as from the focus on employees' personal and professional development.	✻ Hybrid Work Programme ✻ Benefit ✻ Employee Assistant Program (EAP) ✻ Furniture and workplace design for staff well-being
	Economic and reputational opportunities arising from the provision of a corporate welfare plan and the promotion of a working environment based on *Diversity & Inclusion* and well-being principles, which make the Group more attractive.	
	Economic opportunity arising from the increasing use and development of Artificial Intelligence systems capable of optimising human resource efficiency and expanding Reply's range of services.	
	Economic risk arising from the lack of attractiveness and retention of highly qualified personnel and from the loss of key figures within the workforce.	

Gender equality and equal pay for work of equal value	Potential negative impact on employees arising from possible cases of discrimination, gender inequality and unequal pay for work of equal value, which may adversely affect employees' professional development and well-being.	✻ Reply All - Uniquely Diverse Program ✻ Gender Equality Certification (UNI/PdR 125:2022) ✻ Diversity & Inclusion Training (DEI)
Training and skills development	Current positive impact on employees arising from the provision of training courses aimed at developing and updating sector-specific technical skills.	✻ Learn.Share.Remix Program ✻ Reply Management Programme ✻ Reply Challenges ✻ Xchange ✻ PM Academy ✻ Training (Soft Skills e Language Training) ✻ Booster Program ✻ Communities of Practices ✻ Knowledge Sharing Platform ✻ Technical Training ✻ Workshops
	Economic and reputational opportunity arising from offering employees training programmes for the development and upskilling of technical and transversal skills required in the sector.	
Adequate wages	Economic risk arising from the need to increase salaries due to the high competitiveness in the IT sector.	✻ Skydive Program ✻ Performance Management ✻ Reply Challenge ✻ Student Tech Clash ✻ Reply Ambassador Programme ✻ Reply U ✻ External Collaborations (Girls@Polimi)

HEALTH AND SAFETY

For all companies operating in Italy, occupational health and safety aspects are ensured through the application of the **health and safety management model** formalised by the parent company Reply S.p.A., which is ISO 45001 certified. The model is continuously updated and periodically reviewed to incorporate any regulatory or standard changes, in line with certification, recertification and maintenance requirements. Employees in Italy account for approximately 60% of Reply's total workforce, and the application of the model is managed by the parent company, which provides services to all Group companies, ensuring a comprehensive view of the implementation of the system.

The safety management model identifies applicable laws and related obligations, ensures access to the repository of regulatory documentation, identifies deadlines and plans activities, disseminates the necessary information and documents decisions regarding applicability assessments. A specific health and safety policy is available on the intranet for all employees.

In Italy, risk assessment is documented in the Risk Assessment Document (DVR) and is carried out by the employer, the Workers' Representative, the Head of the Prevention and Protection Service and the competent physician. Reply workers, primarily video display terminal operators, are subject to health surveillance as they work more than 20 hours per week at video display terminals. None of the identified hazards has resulted in serious injuries. A health surveillance protocol is in place for employees and external collaborators with continuous engagement, which includes pre-employment and periodic medical examinations. Incidents, including near misses, are documented and managed in order to eliminate hazards and reduce associated risks.

To reduce the risk of incidents, training and information activities are provided through the corporate learning management system platform, aimed at preventing and effectively managing occupational risks related to business activities.

With regard to work-related stress, a checklist is adopted at European level to monitor the risk, and the analysis process follows national regulations. To date, the results have not identified any risk levels.

As evidence of its commitment to occupational health and safety, as previously mentioned, during 2025 the holding company Reply Deutschland SE also obtained ISO 45001 certification.

Furthermore, in the United Kingdom, 2025 saw significant developments in the health and safety management system: logistical changes related to office reorganisation carried out during the year led to the update of risk assessments, including fire safety and ergonomic risks, as well as health and safety *induction* requirements. These actions were accompanied by communication and employee engagement initiatives, including the introduction of new internal channels dedicated to reporting issues and consulting on health and safety matters.

Furthermore, in this area, the Group has implemented a psychological support programme, known as the **Employee Assistance Program (EAP)**, active in Italy, the UK and France. This programme aims to promote the psychological well-being of its personnel by preventing and mitigating cases of work-related stress. In addition, in Italy, an annual assessment of work-related stress is carried out in accordance with national regulations. With specific reference to the United Kingdom perimeter, during 2025 measures to promote well-being and manage stress were further strengthened, including through the extension of training for *"mental health first aiders"*, the reinforcement of communication and awareness-raising activities related to the Employee Assistance Program (EAP), and the update of guidelines on breaks, working hours and hybrid working practices.

WORK-LIFE BALANCE

Reply offers numerous programmes to meet employees' needs in relation to their well-being, through a range of physical and digital tools and initiatives.

Reply provides employees with the opportunity to work remotely through a **Hybrid Work Programme**, with the aim of enabling more efficient time management and greater flexibility in the choice of working locations and schedules. This practice, consolidated over several years, is intended to reduce stress related to commuting and to improve work-life balance.

In order to enhance overall well-being, Reply provides its employees with **benefits** that vary depending on the country, also in accordance with local regulations. For example, for employees in Italy, a range of services related to health, well-being, personal care and mobility are available through the welfare platform and corporate benefits, such as the possibility to book specialist medical visits and purchase gym memberships, to subscribe to mobility services, and to receive reimbursements for education and care-related expenses for family members. No significant differences are identified across the regions in which Reply operates in the allocation of benefits among different types of employment contracts (permanent, fixed-term or part-time). In line with local regulations, in the United Kingdom Reply has further enhanced the management of family leave to support employee well-being and work-life balance. The approach adopted promotes fair treatment among employees, including through the recognition of "primary parent" and "secondary parent" roles, and ensures the absence of discrimination related to pregnancy, childbirth or the use of leave, guaranteeing equal opportunities in employment conditions and career development paths.

Employee and collaborator well-being in Reply offices is also considered in the choice of **furnishings** and **workspace design**, through specific renovation initiatives that include, for example, the creation of terraces with plants and flowers or furnished outdoor areas; gyms or multifunctional spaces that can host activities such as yoga classes; kitchens equipped with microwave ovens and refrigerators to facilitate meal consumption and the use of reusable tableware; and dedicated water dispensers to encourage the use of reusable bottles and cups, thereby reducing the use of single-use plastic bottles.

GENDER EQUALITY AND EQUAL PAY FOR WORK OF EQUAL VALUE

The **Reply All – Uniquely Diverse** programme aims to create a community that gives space and voice to diversity, inclusion and accessibility, leveraging Reply's intrinsic nature as a network of companies committed to embracing differences. The programme, implemented on a year-by-year basis, seeks to address and discuss topics related to inclusion and diversity in order to foster

continuous improvement. Having diverse teams, comprising individuals of different gender, age, ethnicity, culture, background, education, experiences and preferences, represents a valuable asset for the Group. Guided by principles of transparency, fairness and openness to dialogue, new ways of collaborating and learning from one another are promoted, with the awareness that the best solutions and most innovative ideas arise from such diversity. In particular, since 2019, Women in Tech has been one of the key streams of the programme and continues to provide an opportunity to discuss the role of women in the IT & Business sector.
To promote greater engagement, the selection of topics to be discussed takes place through interactions and surveys with the community via the Group's enterprise social networking platform. Events are organised both in person and via global live streaming on the Group's video platform, enabling all offices to participate and contribute. Panels enable employees at different levels to share their personal experiences, as well as the perspectives of clients and external partners. In support of the programme, various initiatives have been undertaken in the areas of inclusion and equity. In 2025, through multiple initiatives focused on gender and the LGBTQIA+ community, the programme involved more than 1,000 participants across several countries and over 30 cities.
To assess its impact, the Group annually monitors the number of participants across different locations and the number of events compared to the previous year. This approach enables the Company to analyse how many employees have taken part in the various initiatives and to ensure that they reach a broad and diverse audience.
The **Gender Equality Certification** system, in accordance with **UNI/PdR 125:2022** guidelines, aims to promote the adoption of corporate policies that foster gender equality and women's empowerment, thereby improving opportunities for women to access the labour market, assume leadership roles and reconcile professional and personal life. During 2024 and 2025 as well, several Italian companies within the Group obtained this certification as evidence of ongoing efforts. This recognition also supports engagements with the national Public Administration.
The Company promotes an organisational culture based on respect, inclusion and shared responsibility. To this end, starting from 2025, participation in a **training course on Diversity, Equity & Inclusion** and on the prevention of harassment and bullying is mandatory for all Reply employees. The training programme is designed to develop widespread awareness of the principles that guide fair and inclusive behaviours, fostering an understanding of individual differences, bias dynamics, power and privilege dynamics, and the impact that language, actions and day-to-day decisions can have on people and the working environment. In parallel, training on the prevention of harassment and bullying provides a clear framework of inappropriate behaviours, their organisational and individual impact, and the responsibilities of each individual in recognising, preventing and addressing them appropriately and promptly.
In addition to the core training, Managers, Partners and all leadership roles participate in further training modules specifically dedicated to the role of leadership in creating and maintaining safe, fair and inclusive working environments. These programmes strengthen awareness of the impact that leadership style, decision-making processes and communication approaches have on corporate culture, deepening the importance of transparent and fair decision-making, the responsible management of complex conversations and the ability to intervene in a consistent and constructive manner in sensitive situations. Within this framework, leadership is expected to lead by example, actively promote respectful and inclusive behaviours and ensure the application of a zero-tolerance approach towards any form of harassment or bullying, thereby concretely contributing to a working environment based on trust, psychological safety and mutual respect.

TRAINING AND SKILLS DEVELOPMENT
Employees represent Reply's primary asset and, through their drive to imagine, experiment and explore new solutions, they support business development and fuel the Group's ability to continuously improve and address new challenges. This statement is even more relevant considering the competitive environment in which the Group operates, characterised by constant evolution. The values of timeliness, innovation, excellence and customer orientation, together with ethical principles, constitute the key pillars for human resources development. For this reason, the Group continuously invests in their growth and enhancement, ensuring professional development paths and creating the conditions for a collaborative and motivating working environment.
The **Learn.Share.Remix Program**, a training programme based on user-generated content from across the Group, acts as an enabler of internal training through upskilling courses and allows Reply employees to act as trainers and speakers on trending topics of interest for the Company, with 250 interactive sessions and workshops held annually. The delivery of these training sessions is rewarded with credits that can be used for further training activities, such as the purchase of books and participation in industry events and conferences. In this way, employees are encouraged to propose topics and share knowledge on the most innovative technologies. The more they share, the more they can access additional training opportunities, such as online courses, events and conferences outside the Company. Over the years, the Learn.Share.Remix Program has continued to generate training content available to all employees and has enabled a constant focus on the topics of greatest interest to the Company, with particular attention to Artificial Intelligence, providing visibility to speakers and enhancing their public speaking skills. The events vary in format and level of interactivity, with seminars and workshops that share best client projects and research and innovation experiences, offering employees the opportunity to directly experiment with new technologies and test them in practice.
In 2025, Reply continued to build thematic learning paths around key trending topics, such as AI agents, Cybersecurity and AI-based digital experiences, through a rewarding learning experience aimed at further strengthening employees' competencies. These learning paths are developed in collaboration with experts across the network and aim to consolidate the most up-to-date knowledge on topics of interest. In particular, the topic of Artificial Intelligence is addressed through the introduction of a structured training programme, the "General AI Training", aimed at all employees, with the objective of disseminating basic competencies and promoting a conscious and responsible use of AI technologies.
The key performance indicator (KPI) used by the Group to monitor the effectiveness of training programmes is the number of actual participants during the year.
With a view to continuous training, specific internal training programmes are organised for new Managers and Executives of the Group (**Reply Management Programme**), covering team and people management, business development, internal company processes relevant to managerial roles, as well as additional training activities in collaboration with internationally recognised Business Schools. The programme is ongoing, with a series of editions held throughout the year, scaled according to new appointments to these roles.
The **Reply Challenges** are part of Reply's broader programme of initiatives aimed at promoting a culture of innovation, with a particular focus on younger generations. Throughout the year, Reply organises the Reply Challenges, each of which brings together groups of experienced employees, students and young professionals from around the world with the aim of enhancing their skills, fostering innovation and ultimately proposing a problem to be solved by participating employees. These challenges form part of Reply's ongoing commitment to promoting new, fully digital learning

approaches among younger generations.
The challenges are created by employees and are open to all those with a passion for technology and digital competitions. They are structured around four main streams: coding, cyber-security, investments, with a focus on sustainability and digital creativity. Each challenge includes learning sections and sandbox environments where participants can familiarise themselves with the topics and train for the competition. Since 2019, a Teen Edition has also been organised, a category open to younger participants, aimed at introducing them to coding.
For all Reply Challenges, employees can leverage their innovative capabilities to reach the top of the rankings and win prizes or participate in internal events by showcasing their work during other corporate initiatives. In this case as well, to assess the impact of the initiative, the Group monitors the number of participants in the programme throughout the year.
Starting from 2024, the Reply Challenges programme has been further enriched with a focus on Artificial Intelligence: the first edition of the Reply AI Film Festival was organised, representing the first competition connecting AI talent with the global film industry, through a unique premiere event held in Venice during the Venice International Film Festival. From 2025, alongside short films, an additional AI-related initiative was launched, the AI Music Contest: the first creative competition open to DJs and visual artists experimenting with the use of Artificial Intelligence in live music performances.
Each year, knowledge sharing reaches its highest expression in the **Reply Xchange** event. Reply Xchange is a multi-day annual event open to employees and clients, where colleagues and creative thinkers meet to discuss how innovation and technology are transforming the world, and during which the best content and most innovative projects of the year are presented. *Reply Xchange* is designed to provide new insights into technological trends, innovation, digital experience and business applications. The KPI used by the Group to monitor the effectiveness of the initiative consists of feedback collected during and after the event.
The **PM Academy** offers annual project management courses and provides employees in Italy and Germany with the opportunity to be trained as project managers, including obtaining specific certifications, thereby granting them access to a broad community of professionals. In addition, these courses enable the use of internally developed frameworks for the development and management of activities and projects. Among these, the **Matcha Reply** methodology is particularly significant, guiding the design and development of software projects to make both the lifecycle and the final product more sustainable by concretely measuring the sustainability targets achieved.
One of the key pillars of Matcha is adherence to Green Coding principles, with the aim of reducing emissions resulting from software execution and defining architectures and solutions that support sustainable processes. The main KPI used to monitor the effectiveness of training opportunities and measure employee engagement is the number of participants during the year.
Reply has implemented a **Training Programme (Soft Skills and Language Training)** to offer courses aimed at skills development and supporting professional career growth. In particular, with regard to optional training activities freely accessible to all personnel, the Group offers:

- Language courses and related certifications for employees in Italy;
- Soft skills courses, covering topics such as communication, sales, negotiation, people management and other areas useful for enhancing personal capabilities

Also in this case, the number of participants in the courses represents the main KPI used to monitor the effectiveness of the initiative.
The **Booster Programme** (International network of Employee Resource Groups - ERGs) represents a key initiative to promote interaction and engagement within the Reply community. The programme aims to involve employees in both formal and informal activities, offering digital channels and events. To support growth, strengthen the sense of belonging and foster networking, Reply ensures access to various opportunities for all employees. At each location, a group of volunteers is committed to representing the needs of the local community by organising events throughout the year, ranging from recreational activities to cultural experiences. These events, open to all members of the Reply community, contribute to creating a more cohesive and collaborative working environment.
Ideas for events arise organically and are formalised through a proposal form that allows for the assessment of the budget required for each initiative. The variety of activities reflects the needs of each local community, contributing to strengthening the sense of belonging and collaboration among employees. Once approved, activities are promoted on the corporate enterprise social networking platform, where members can register and participate. This approach not only strengthens the sense of community but also enables a flexible and timely response to employees' needs, making the Booster Program a key element of Reply's sustainability and inclusion strategy.
In 2025, the Boosters organised numerous activities, including cultural excursions, group gatherings, inclusion-focused events and other team-building initiatives. The nature of the programme allows for a wide diversification of initiatives, both to celebrate local occasions and to organise larger-scale events involving multiple Reply locations. This international network of "Boosters" aims to engage the employee community across all Group locations, fostering knowledge sharing and participation in *#LifeAtReply* events, offering opportunities for interaction regardless of office size.
The initiatives of the Booster Club are monitored and supported by the internal communication team, which provides assistance in the organisation of events. To assess the effectiveness of the programme, the number of participants and the number of events organised during the year are monitored.
Within Reply, several cross-functional global teams (**Communities of Practice**) are dedicated to analysing technological trends and identifying the best ways to integrate them into existing products and services. This approach enables the development of highly innovative projects throughout the year, ensuring cutting-edge solutions aligned with market evolution. Through these activities, the Group offers employees the opportunity to develop new knowledge and skills in a highly innovative context characterised by advanced technological services and solutions.
In a market where innovation is a key factor, continuous research and development represent a strategic asset that not only supports clients and partners in adopting new technologies but also ensures that all collaborators have the opportunity to grow professionally, actively contributing to the development of cutting-edge solutions in response to emerging sector needs.
In pursuing these objectives, Reply allocates resources and funding annually to Research and Development activities; in this context, the evolution of proprietary platforms is also included. To monitor the effectiveness of the initiative, both the number of participants and the results achieved by each Community of Practice based on defined objectives are considered, for example, the number of white papers produced, articles published in industry media and webinars organised.
The **knowledge sharing platform**, designed for the dissemination of video content and the live streaming of events, ensures that all employees have access throughout the year to thousands of contents produced by colleagues who are experts in their respective fields. The platform hosts various types of videos on trending topics related to Reply initiatives, including the Learn.Share. Remix Program, #LifeAtReply activities and contributions from employees, Group companies, Communities of Practice and central functions. It also hosts all Reply live-streaming events, thereby

fostering a sense of community and belonging: the videos encourage and celebrate the Reply community, teamwork, group activities and, more generally, the Company's culture.
In the ESG area, Reply has also engaged employees by offering content that enables them to deepen their knowledge of sustainability topics, such as learning sessions related to the UN 2030 SDGs agenda, circular economy and IT waste management within the environmental domain, as well as courses on digital accessibility and inclusive language. To monitor the effectiveness of the initiative, the number of participants in the programme and the number of events organised during the year are also considered.
Finally, with regard to **technical training** in specific business areas (e.g. industry or product certifications), management is not centralised but delegated to individual companies in order to better respond to specific training needs throughout the year, ensuring quality, excellence and alignment with actual requirements. The Group provides, in certain locations, **dedicated laboratories** for experimentation, offering employees, collaborators and clients the opportunity to transform creative ideas into concrete solutions. Through the use of advanced technologies in the fields of robotics, advanced mobility and virtual reality, employees can expand their skills, experiment with new applications and actively contribute to innovation, developing their professional growth path in a dynamic and cutting-edge environment. The active laboratories include:

- Area42 (Turin, Italy)
- Cyber Security Lab (Cologne, Germany)
- Test Automation Center (Turin, Italy)
- IoT Validation Lab (Turin, Italy)
- Area Phi (London, United Kingdom)

Area42 is dedicated to the exploration and testing of robotic solutions such as quadrupeds, rovers, drones, and interactive humanoid robots. Reply experts conduct tests and experiments on the algorithms that govern the perception, mobility, and manipulation of robots. They perform tests and experiments on reducing AI models so they can run on edge computing. They implement edge-to-cloud continuum solutions to allow software controlling mobile devices to access the correct network resources when needed. They also generate synthetic data for model fine-tuning. The most innovative technologies are validated with real-world experiments, thanks in part to collaboration with universities and international research centres.
The **Cyber Security Lab** provides Reply's client companies with an advanced environment for analysing, evaluating, and simulating security scenarios in areas such as cloud computing, secure software development, application and data protection, and network infrastructure. The Cybersecurity Lab includes demo units dedicated to attack tests and simulations, threat modelling, and security analyses of hardware and software components. Its activities extend to industrial security, IoT, automotive security, and smart building security, allowing client companies to effectively evaluate and strengthen their defence strategies.
The **Test Automation Center** ensures continuous quality monitoring of strategic products and services for the business, using a structured framework and proprietary validation methodologies. The goal is to support client companies in managing the entire lifecycle of products and services, both during the development phase and after market release, facilitating the early identification of potential critical issues and the timely definition of corrective actions. The integration of AI into quality assurance tools increases the efficiency of key processes, including test selection, data preparation, and maintenance activities, ensuring high levels of reliability even in technologically complex environments.

The **IoT Validation Lab** is dedicated to the design, integration, validation, and implementation of IoT solutions and connected products, with a significant focus on environmental sustainability and energy efficiency. Thanks to end-to-end expertise and advanced technological instrumentation, Reply experts support client companies throughout the entire lifecycle of IoT solutions, offering consulting services, connectivity testing, and device pre-certification activities. The IoT Validation Lab develops and analyses applications in the automotive, telecommunications, manufacturing, energy, and logistics sectors, enabling the sustainability of IoT infrastructures to be assessed through analysis of material degradation and component lifespan.
Area Phi supports client companies in translating technological innovation into concrete strategies for their sectors. Key activities include: developing empathetic digital humans, integrating conversational AI and generative AI; exploring immersive technologies such as extended reality, gamification, and AI to create engaging experiences, including digital escape rooms, immersive e-learning, and interactive games. In the field of edge computing, the lab develops solutions for manufacturing and renewable energy, improving efficiency through real-time analytics, predictive maintenance, and defect detection with AI.
The internal mobility programme **Skydive** is active and aims to offer new growth opportunities beyond the boundaries of individual companies. At the same time, it provides companies with the opportunity to recruit personnel who are already trained and integrated within the corporate context.
Companies publish job opportunities on the dedicated page of the corporate enterprise social networking platform during three annual sessions, and employees can apply without any restrictions. It is important to highlight that, if an application is not successful or if support is requested, the Skydive team operates throughout the year to guide participants in identifying other opportunities. Reallocation within the Group therefore represents an opportunity available to all at any time during the year, even beyond the standard programme sessions, demonstrating the Company's commitment to creating a working environment focused on motivation and attractiveness, as well as on respecting the preferences and interests of each individual.
Employees are periodically invited to participate in a performance review. The **Performance Management** process is carried out at least once a year and aims to ensure that each individual has the opportunity to reflect and receive feedback on performance, contribution and alignment with the Company's values, as well as to discuss personal development, including aspects related to compensation and performance-based incentives.
The Reply Group continuously evaluates individual contributions to business results by comparing predefined objectives with achieved results, behaviours demonstrated and tasks performed over a given period, while also recognising employees' knowledge, capabilities and quality.
Reply believes in and invests in the comprehensive development of talent and skills. The focus on talent development also extends beyond the boundaries of the organisation, through initiatives aimed at students and professionals, which represent not only an opportunity for guidance and growth but also a concrete way to attract new talent and promote an inclusive and innovation-oriented corporate culture. In this context, Reply has built strong and long-lasting relationships with Italian and European universities and research centres, enabling the identification of high-potential profiles and actively contributing to the development of increasingly broad and accessible competencies.
An integral part of this vision consists of various initiatives designed to stimulate the exchange of ideas and the direct involvement of students in the fields of technology and innovation. Alongside participation in traditional career days and job fairs, Reply promotes initiatives such as the *Reply*

Challenges and Student Tech Clash, which stand out as international idea generation events. In these contexts, teams of students from various European universities engage with cutting-edge technological topics, working on real cases with the support and guidance of Reply professionals and applying their skills and creativity in dynamic and collaborative environments.
At the same time, initiatives such as *Reply U* and the *Reply Ambassador Programme* further strengthen the link with the academic world, offering students opportunities for training, networking and direct contact with the corporate culture.
In line with its commitment to inclusion and equal opportunities, and in coherence with its structured relationship with the academic world, Reply promotes and supports initiatives aimed at fostering more equitable access to education and professional pathways in the technology sector. Since 2022, Reply has participated in the **Girls@PoliMI** initiative, launched by the Politecnico di Milano, by sponsoring scholarships for female high school students to encourage their engagement in STEM[18] pathways and raise awareness of career opportunities in the technology sector. In 2025 as well, Reply renewed its commitment by taking part in the initiative and funding two new scholarships, with the aim of promoting inclusive education, breaking down stereotypes, and reducing the gender gap.
In the same vein, in 2025 Reply participated in the *Mentoring Programme with Companies for Inclusivity*, carried out in collaboration with the Politecnico di Milano, involving professionals and students in a dialogue aimed at promoting a corporate culture attentive to diversity and supporting students with disabilities in recognising and developing their potential. Through discussion sessions, testimonials and individual mentoring sessions, practical tools for career guidance and entry into the labour market were shared, also thanks to the direct involvement of both HR functions and Group professionals.
In 2025, the Student Clash involved 8 Universities in 5 Countries: Manchester University, HEC Liege, Centrale Supelec, TUM, Politecnico di Torino, Università degli Studi di Milano-Bicocca, Sapienza University of Rome, Imperial College. More than 700 students were involved.
It focused on Agentic AI, proposing 2 challenges:
- Tech: AI implementation and problem-solving
- Business: AI-driven innovation and business design

28 Reply Companies were involved in the challenge development and followed the students throughout the project development.
The **Reply Ambassador Programme**, launched in 2015, is aimed at university students and enables them to collaborate with Reply during their studies, representing the company within their universities and helping to build a bridge between the academic environment and future career opportunities. The programme offers a range of opportunities that help build a connection between universities and Reply, involving students in both digital and in-person activities. In return for their contribution, students can gain initial experience in real projects. They also have exclusive access to training from the *Learn.Share.Remix Program* and can therefore participate in webinars and seminars delivered by Reply experts, as well as workshops and events organised specifically for them.
ReplyU, where "U" stands for university, is the Group's employer branding social media initiative aimed at introducing Reply and #LifeAtReply to university students around the world. The programme promotes events and initiatives open to students via all major social platforms, including Instagram and TikTok, and is driven by organic content shared by the Reply community using the #LifeAtReply hashtag. Digital touchpoints also include employer branding platforms, where Reply companies maintain profiles that collect reviews and feedback from current and former employees.
Reply participates in **external collaborations** that can facilitate women's access to STEM disciplines, with the aim of expanding the available talent pool and strengthening the presence of key roles within the workforce, thereby ensuring continuity and competitiveness in the long term.
In the current year, the resources allocated by Reply to the initiatives described above are not significant in relation to the Group's total operating and capital expenditure. However, Reply adopts a collaborative process to identify the necessary and appropriate actions in response to specific actual or potential negative impacts on its workforce. This process is based on bilateral interactions between local partners and employees, creating an environment in which every idea is valued and every voice is heard. Through regular meetings, surveys and direct feedback, the Company gathers valuable information on the experiences and concerns of employees and collaborators. Initiatives therefore emerge from these interactions, enabling Reply to develop targeted and relevant solutions that address the specific needs of its workforce. This approach not only promotes a sense of belonging and engagement among employees but also ensures that the actions undertaken are truly effective in mitigating the identified negative impacts.

18 Abbreviation for Science, Technology, Engineering, and Mathematics (as subjects of study)

[S1-5] Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

The Company addresses material impacts on its workforce through targeted initiatives and actions, without, however, having defined specific targets. The approach adopted focuses on the ongoing management of risks and opportunities, with periodic monitoring to ensure continuous improvement over time. At present, setting specific targets for its own workforce has not been considered a priority or a strategic focus.

[S1-6] Characteristics of the undertaking's employees

This section aims to provide information on Reply's approach to employment, including the scope and nature of impacts arising from its employment practices, and to provide contextual information to facilitate the understanding of the disclosures presented in other sections, as well as to serve as a basis for the calculation of the quantitative metrics reported in the consolidated sustainability statement.
As of 31 December 2025, the Reply Group employs a total of 17,073[19] employees, compared to 16,007 at the end of 2024. The Group's workforce includes direct employees, including interns, as well as all individuals engaged under non-guaranteed working hour arrangements, such as occasional workers, zero-hour contract employees and on-call workers. The tables below present the number of employees broken down by gender and by country, for those countries in which the undertaking has 50 or more employees and which represent at least 10% of the total number of employees.

19 The figure includes the Group's 16,624 direct employees, as reported in the *"Key Group Results"* section, as well as interns and employees under non-guaranteed working hour contracts.

NUMBER OF EMPLOYEES BY GENDER

GENDER	NUMBER OF EMPLOYEES 2025 (HEADCOUNT)	NUMBER OF EMPLOYEES 2024 (HEADCOUNT)
Male	12,200	11,454
Female	4,859	4,553
Other	0	0
Not Disclosed	14	0
Total Employees	17,073	16,007

NUMBER OF EMPLOYEES BY COUNTRY

COUNTRY	NUMBER OF EMPLOYEES 2025 (HEADCOUNT)	NUMBER OF EMPLOYEES 2024 (HEADCOUNT)
Belgium	146	166
Brazil	297	322
France	378	419
Germany	2,835	2,670
India	213	223
Italy	10,208	9,372
Luxembourg	58	70
Poland	369	344
United Kingdom	1,753	1,612
USA	644	642
Others	172	167

The table below presents the total number of employees on permanent contracts, fixed-term contracts, variable working hours, full-time and part-time arrangements, as well as their breakdown by gender.

NUMBER OF EMPLOYEES (HEAD COUNT)	2025					2024				
	FEMALE	MALE	OTHER	NOT DISCLOSED	TOTAL	FEMALE	MALE	OTHER	NOT DISCLOSED	TOTAL
Number of employees	4,859	12,200	0	14	17,073	4,553	11,454	0	0	16,007
Number of permanent employees	4,686	11,810	0	14	16,510	4,452	11,106	0	0	15,558
Number of temporary employees[20]	111	221	0	0	332	58	159	0	0	217
Number of non-guaranteed hours employees	62	169	0	0	231	43	189	0	0	232
Number of full-time employees[21]	4,359	11,608	0	13	15,980	4,125	10,906	0	0	15,031
Number of part time employees	362	281	0	1	644	350	286	0	0	636

The number of Group employees is also reported in the section *"Key Group Results"* of the Financial Report.

20 Interns are also included among temporary employees.
21 Full-time employees exclude interns and employees under non-guaranteed working hour contracts.

In 2025, a total of 2,166 employees left Reply on a voluntary basis or due to incentives, retirement or death, compared to 2,373 employees who left Reply in 2024. The global turnover rate was 13.4%[22] (compared to 15.57% in 2024) and includes all terminations, whether voluntary or involuntary. To determine the percentage of employees who left, the total number of employees who exited the Group during the reporting year is divided by the average number of employees over the same period. The use of part-time employment contracts responds to employees' needs (e.g. the need to combine work with studies, parenthood, etc.), which are typically temporary. Reply complies with all applicable working time regulations: all overtime is managed fairly, compensated appropriately and in accordance with applicable labour legislation.
The following table presents the total number of employees on permanent contracts, fixed-term contracts, variable working hours, full-time and part-time arrangements, broken down by region:

NUMBER OF EMPLOYEES (HEAD COUNT)	2025				2024			
	REGION 1	REGION 2	REGION 3	TOTAL	REGION 1	REGION 2	REGION 3	TOTAL
Number of Employees	11,448	3,235	2,390	17,073	10,611	3,074	2,322	16,007
Number of permanent employees	11,329	3,026	2,155	16,510	10,495	3,004	2,059	15,558
Number of temporary employees[23]	110	190	32	332	116	70	31	217
Number of non-guaranteed hours employees	9	19	203	231	0	0	232	232
Number of full-time employees[24]	11,099	2,767	2,114	15,980	10,240	2,765	2,026	15,031
Number of part time employees	256	317	71	644	276	300	60	636

[S1-7] Characteristics of non-employees in the undertaking's own workforce

This section aims to describe the main characteristics of non-employee workers within the own workforce and also provides an understanding of the extent to which Reply relies on non-employees as part of its own workforce.
The total number of non-employee workers within the own workforce in 2025 was 787, compared to 778 in 2024. It is not yet possible to provide a breakdown of this figure for the Wemanity group and for the following countries: Brazil, China, India, the USA, Croatia, the Netherlands and Morocco. The total number of non-employees is reported as headcount and as an average value over the reporting period.
With reference to the type of contractual relationship in place with external collaborators, and in compliance with the specific characteristics of each country, the following are mapped:

- individual contractors ("self-employed workers"), such as freelance professionals;
- workers provided by undertakings primarily engaged in "employment activities", such as temporary employment agencies, recruiting agencies or staffing agencies (NACE Code N78).

22 Employees of Root16, a new acquisition of Reply Group, are not included in the metric.
23 Interns are also included among temporary employees.
24 Full-time employees exclude interns and employees under non-guaranteed working hour contracts.

Collaborators are engaged in consulting activities in the IT sector and provide their professional expertise to the Group, working alongside employees in carrying out business activities in accordance with the agreed terms.

[S1-10] Adequate wages

In line with the previous year, the Group provides all its employees with adequate remuneration, aligned with applicable benchmarks (e.g. national collective bargaining agreements and local minimum wage regulations) and taking into account market competitiveness.

[S1-13] Training and skills development metrics

This section aims to illustrate the training and skills development activities offered to employees, within the context of continuous professional development, in order to enhance their competencies and support ongoing employability.
For certain types of training, due to factors such as courses attended anonymously or through tools that do not allow for such detailed tracking, training hours have been allocated to each gender group based on that group's proportion of the total workforce.
For the first year, the details of the training hours completed by employees are presented below:

TRAINING 2025	FEMALE	MALE	OTHER	NOT DISCLOSED	TOTAL
Total training hours	137,479.07	351,186.79	0	9.60	488,948.46
Average training hours per employee	28.29	28.79	0	0.69	28.64

The percentages of employees who participated in regular performance and career development reviews by gender[25] are presented below. These indicators refer to the entire Group, with the exception of China (Region 2), the Netherlands and Morocco, and are calculated as the ratio between the number of employees who underwent a performance review and the number of employees for whom the review was mandatory.

CAREER DEVELOPMENT REVIEWS	2025				2024			
	MALE	FEMALE	OTHER	NOT DISCLOSED	MALE	FEMALE	OTHER	NOT DISCLOSED
percentage of employees that participated in regular performance and career development reviews	97%	94%	-	-	97%	97%	-	-

25 Employees of Root16, a new acquisition of Reply Group, are not included in the metric.

The percentages of employees who participated in regular performance and career development reviews by role are presented below[26]:

CAREER DEVELOPMENT REVIEWS	2025			2024		
	STAFF	MANAGER	EXECUTIVE	STAFF	MANAGER	EXECUTIVE
percentage of employees that participated in regular performance and career development reviews	96%	98%	100%	96%	98%	100%

The Group does not provide performance evaluation or training activities for non-employees.

[S1-14] Health and safety metrics

This section aims to illustrate the extent to which the own workforce is covered by the company's occupational health and safety management system, as well as the number of incidents related to injuries, illnesses and work-related fatalities affecting the own workforce.
In 2025, 100%[27] of Reply's workers were covered by the company's occupational health and safety management system, compliant with legal requirements and/or recognised standards and guidelines, compared to 76.7% recorded in 2024.
During 2025, there were no fatalities due to work-related injuries or illnesses among Reply's workers or other workers operating at company premises. This also applies to other workers present at the Group's offices, such as value chain workers.
The total number of recordable work-related injuries in 2025 was 20, with a recordable injury rate of 0.74[28]. Furthermore, in both 2025 and 2024 no cases of work-related illnesses were recorded, in compliance with applicable regulations on data collection and reporting.
The total number of working days lost due to injuries, work-related accidents, work-related illnesses and fatalities among employees amounted to 306 days.

INJURIES	2025	2024
Total number of injuries	20	6
Injury rate	0.74	0.23
Working days lost	306	200

26 Employees of Root16, a new acquisition of Reply Group, are not included in the metric.
27 Interns and employees under non-guaranteed working hour contracts are not included. Employees of Root16, a new acquisition of Reply Group, are also not included in the metric.
28 The injury rate is calculated as the number of injuries (on-site, while working from home or during commuting with transport organised by Reply) divided by the total hours worked, multiplied by 1,000,000. Interns and employees under non-guaranteed working hour contracts are not included. Employees of Root16, a new acquisition of Reply Group, are also not included in the injury metrics.

[S1-15] Work-life balance metrics

This section aims to illustrate the right and actual practices among employees to take family-related leave on a gender-equitable basis, as this represents one of the dimensions of work-life balance.
Reply guarantees all employees the right to family-related leave, in accordance with the Company's social policy and/or applicable collective agreements; this system was already in place in 2024 and has been confirmed also for 2025. In 2025, the percentage of eligible employees who took family-related leave was 6.2%[29], with the following breakdown by gender:

FAMILY-RELATED LEAVE	2025				2024			
	MALE	FEMALE	OTHER	NOT DISCLOSED	MALE	FEMALE	OTHER	NOT DISCLOSED
percentage of employees entitled to take family related leave	4.9%	9.5%	0.0%	0.0%	4.1%	7.8%	0.0%	0.0%

[S1-16] Remuneration metrics (pay gap and total remuneration)

This section pursues a dual objective: on the one hand, it aims to illustrate the extent of any gender pay gap among the Company's employees; on the other hand, it provides information on the level of remuneration inequality within the Company and the possible existence of significant pay disparities.
In 2025, the gender pay gap in Reply amounted to 11.45%[30], compared to 10.87% in 2024, calculated as the difference between the average remuneration levels of female and male employees, expressed as a percentage of the average remuneration of male employees. The main factor contributing to this percentage is the lower availability of female profiles in the labour market, as evidenced by official data on the participation of women in STEM faculties. The management of professional roles within Reply is based solely on meritocratic criteria, as demonstrated by the internal career path framework, which defines the parameters characterising entry levels and career progression.
In 2025, the ratio between the annual total remuneration of the highest-paid individual and the median annual total remuneration of all other employees (excluding the highest-paid individual) was 32.28[31], compared to 32.95 in 2024.
Both metrics consider all employees, including those under non-guaranteed working hour contracts, active as of 31 December of the reference year, excluding interns.

29 The ratio between the number of employees who took leave and the total number of employees (100%) includes all countries considered, excluding interns and employees under non-guaranteed working hour contracts. Employees of Root16, a new acquisition of Reply Group, are not included in the metric.
30 Executive and Senior Partner roles are excluded from the calculation of this metric.
31 Executive and Senior Partner roles are excluded from the calculation of this metric.

[S1-17] Incidents, complaints and severe human rights impacts

This section aims to illustrate the extent to which work-related incidents and severe human rights impacts affect the own workforce.
In continuity with the previous year, during the reporting period Reply did not record any material incidents of work-related discrimination based on gender, race or ethnic origin, nationality, religion or personal beliefs, disability, age, sexual orientation or other relevant forms of discrimination, including harassment.
In 2025, 6 reports were submitted through official channels, including internal grievance mechanisms such as the Whistleblowing channel and the OECD National Contact Points, whereas no reports were recorded in 2024. No costs were incurred for fines, penalties or compensation for damages resulting from discrimination incidents both in 2025 and in 2024.
During the reporting period, and in continuity with the previous reporting year, no severe human rights incidents were recorded, such as forced labour, human trafficking or child labour, in line with the United Nations Guiding Principles, the ILO Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises. Consequently, no costs were incurred for fines, penalties or compensation for damages related to severe human rights incidents during the reporting period.

ESRS S2 Workers in the value chain

[ESRS 2 SBM-2] Interests and views of stakeholders

The Reply Group recognises the importance of protecting the interests and rights of workers throughout its entire value chain, being fully aware of the significant impact that business practices can have on them. As such, Reply is committed to ensuring that the views and concerns of workers are heard, through ongoing dialogue with suppliers, supported by regular meetings. This open and constructive engagement enables the Group to better understand and respond to supplier needs, contributing to the continuous improvement of working conditions for workers across the value chain. Further details can be found in the GENERAL INFORMATION chapter, section [SBM-2] INTERESTS AND VIEWS OF STAKEHOLDERS.

[ESRS 2 SBM-3] Material impacts, risks and relevant opportunities and their interaction with strategy and business model

Reply's strategic approach and business model place particular emphasis on working conditions and the protection of workers' rights throughout the value chain, as well as on the management of relevant potential impacts and risks (see [SBM-3] MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL). The Group integrates social responsibility into its commercial practices by building strong relationships with direct suppliers. These elements help guide Reply's strategy, either as feedback from business relationships or as concerns raised through the whistleblowing system (see section [S2-3] PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR VALUE CHAIN WORKERS TO RAISE CONCERNS). In this context, the suppliers taken into consideration in the analysis of relevant risks and impacts for workers along the value chain are: Small and medium-sized IT service providers and professional consulting firms supporting delivery, i.e. partners involved in the delivery of services; Hardware and IT service providers (Licensees); Labour providers (staffing and personnel provision); Real estate and utility suppliers, and Auxiliary service providers (as outlined in paragraph [SBM-1] STRATEGY, BUSINESS MODEL AND VALUE CHAIN).
As part of the double materiality assessment, Reply considered all geographic areas and industry sectors where there is a significant risk of child labour and forced labour in the value chain—particularly among non-strategic and indirect procurement suppliers.
This assessment enables Reply to proactively address issues related to workers' rights and to promote ethical practices throughout its supply chain. In such contexts, insufficient oversight of supplier practices concerning their workforce can result in negative impacts related to child labour

and/or forced labour. These may occur as widespread issues or be linked to isolated incidents or specific business relationships in certain countries.
To address these risks, Reply implements tools designed to ensure respect for human rights across the entire value chain, including the adoption of a Whistleblowing Policy, the acceptance of the Code of Ethics and the Supplier Code of Conduct by suppliers and the evaluation of the latter based on social criteria, tailored to the specific conditions of the countries in which the Group operates. This supports the Group's strategic alignment with enhanced social responsibility.
Beyond these concerns, another key issue is the ability to ensure gender equality and fair remuneration. Women may be more vulnerable to discrimination and pay gaps, particularly in cultural or sector-specific contexts where gender inequality persists, and where attitudes and practices hinder their full inclusion and professional development.
Special attention is given to strategic suppliers in the IT sector, on whom the Group relies and whose wellbeing and expertise are essential to ensuring the quality of services offered in a highly competitive environment.

[S2-1] Policies related to value chain workers

Reply manages impacts on workers in the value chain through its **Supplier Code of Conduct**, a document that defines the standards that must be respected and encompasses all the topics that Reply considers essential in its relationship with suppliers, thereby ensuring a responsible and respectful working environment. The Code aims to guarantee safe, dignified, and fair working conditions, promote the respect of human rights, ensure health and safety protections, and encourage the adoption of increasingly responsible and sustainable business practices. It also defines core principles for supplier relationships, including integrity and transparency, environmental stewardship, people protection, and improvement of working conditions.
Since 2022, all professional consulting service providers are required to review and accept, at the time of contract signing, the Supplier Code of Conduct developed by Reply, which is aligned with the Code of Ethics, also accepted upon contract signing (in Italy together with the Legislative Decree 231/2001 Model).The **Code of Ethics** specifically promotes best practices and encourages responsible behaviour, ensuring that the Group's fundamental ethical values form the foundation of its corporate culture and represent the standard of conduct for all collaborators. It also explicitly prohibits unfair competition and active or passive corruption. In addition, the **Human Rights & Labour Policy** denounces child labour, human trafficking, and forced labour, and upholds the freedom of association and collective bargaining throughout the Group. Together with the Code of Ethics, this policy reaffirms Reply's commitment to human rights protection, promoting diversity and inclusion, and rejecting any form of discrimination based on ethnicity, gender, sexual orientation, physical or health condition, disability, age, nationality, religion, or personal beliefs—while ensuring employees' physical and mental wellbeing and professional development.
The policy aligns with the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, and the International Labour Organization's (ILO) Conventions. In conclusion, the **Modern Slavery Policy** outlines the Group's commitment to ensuring that modern slavery, human trafficking, and child labour do not occur within Reply's business operations or supply chain.
For further details, please refer to section [MDR-P] POLICIES ADOPTED TO MANAGE MATERIAL SUSTAINABILITY MATTERS, which outlines the Group's policies for managing potential materialimpacts on workers in the value chain.
The Supplier Code of Conduct includes periodic monitoring activities to verify compliance with environmental, social, and governance (ESG) principles, and administrative processes ensure rigorous oversight of professional consulting service providers supporting delivery. Please also refer to the following paragraph [S2-2] PROCESSES FOR ENGAGING WITH VALUE CHAIN WORKERS ABOUT IMPACTS.
As evidence of this commitment, no cases of non-compliance with the UN Guiding Principles or the ILO Declaration on fundamental rights at work have been reported upstream or downstream in the value chain to date.

[S2-2] Processes for engaging with value chain workers about impacts

Currently, Reply does not implement a single, generalised process to engage all workers in the value chain regarding the potential negative impacts to which they may be exposed. Engagement with professional consulting service providers supporting delivery is carried out through open and direct dialogue between the relevant managers, executives, and the Sourcing function for the service provided. This approach ensures that the views and needs of strategic suppliers are heard and integrated directly into business decisions. Such engagement does not follow a fixed schedule but occurs as needed, supporting a collaborative and inclusive working environment. Concerns and views from workers across the entire value chain may also be expressed via the whistleblowing platform and are taken into consideration in the management of potential impacts and therefore integrated into the Group's strategy.
Reply conducts an annual self-assessment activity to ensure that professional consulting service providers supporting the Group's services are aligned with Reply's ESG criteria and with the values set out in Reply's Code of Ethics.
In particular, since 2022, annual self-assessment campaigns have been launched for suppliers with more than 15 employees. These are managed via a **self-assessment questionnaire** focused on the following areas:

- Labour: protection of working conditions;
- Protecting People: respect for employee dignity and their physical and moral wellbeing, avoiding all forms of discrimination;
- Environment, Safety and Health: attention to environmental and safety issues, and the promotion of employee awareness;
- Integrity and Transparency: commitment to ethical integrity and transparency in business practices, in compliance with applicable laws and in the interest of stakeholders.

This process therefore focuses on environmental and health & safety matters, as well as the Group's commitment to integrity and transparency in corporate practices, serving as a key tool for ensuring compliance with ethical and regulatory standards. It also strengthens the Group's social responsibility and helps generate shared value across the supply chain.

At the beginning of each new business relationship, the Sourcing function or the partners of individual companies organise meetings with suppliers to ask targeted questions aimed at verifying their focus on relevant issues such as training and ESG practices. This process helps assess the supplier's alignment with Reply's business model and enables ongoing dialogue, particularly with professional consulting service providers supporting delivery. In Italy, collaborations are primarily with small and medium-sized enterprises, whereas abroad, relationships are often established with freelancers or sole proprietorships.
Although Reply does not directly engage supplier employees to gather their opinions on the impacts they may be exposed to, nor does it evaluate the effectiveness of such engagement or maintain global framework agreements with international trade unions to guarantee human rights protections, ongoing contact and dialogue with suppliers is maintained through the measures described above.

[S2-3] Processes to remediate negative impacts and channels for value chain workers to raise concerns

To remediate potential negative impacts on workers in the value chain, where the company has caused or contributed to such impacts, the Group relies on the policies detailed in the previous paragraph [S2-1] POLICIES RELATED TO VALUE CHAIN WORKERS. These include, among others, the requirement to acknowledge the Group's Code of Ethics and the Supplier Code of Conduct, which outlines specific requirements aimed at preventing labour rights violations within suppliers' workforces. Reply has also implemented a **Whistleblowing Policy** to ensure that all stakeholders—including employees and workers in the value chain—can report inappropriate labour practices that are not in line with the Group's policies in a safe and confidential manner. This system provides an additional reporting channel beyond those required by applicable legislation. Each report is handled through formal measures designed to address the concerns raised. The Code of Ethics, which is shared with suppliers at the time of contract signing, includes a direct link to this policy, thus providing access to an effective communication channel. It also ensures protection against retaliation for the whistleblower, as already described in [S1-3] *Processes to Provide for or Cooperate in Remediation and Channels for Own Workers to Raise Concerns,* to which reference is made for further details.
Specifically, reports—which may also be submitted anonymously thanks to the multilingual platform compliant with EU Directive 2019/1937—are monitored and managed by the Supervisory Body. This body is responsible for verifying the validity of the reports on behalf of the Reply Group companies and for conducting prompt and thorough investigations.
The Supervisory Body prepares a summary report of the investigations carried out, which is shared with the Board of Directors, in order to enable the definition of any necessary action plans to address the identified issues and/or criticalities and to undertake actions aimed at protecting the Reply Group, as well as the reported person or the whistleblower.

[S2-4] Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action

Reply currently does not implement specific initiatives aimed at managing material negative impacts or addressing risks related to workers in the value chain. As a result, no specific financial or human resources are currently allocated for the management of such potential impacts. At this stage, in fact, setting actions linked to specific targets for workers along the value chain has not been considered a priority or strategic. However, the Group complies with national regulations in its operations by providing a whistleblowing channel designed to ensure a process for addressing reports and impacts in this area. However, it should be noted that in 2025 and in previous years, no human rights incidents have been reported in the upstream segment of the value chain.
In general, the respect for and protection of workers' human rights in the value chain is indirectly monitored through adherence to the Supplier Code of Conduct, which addresses a range of topics including labour rights. The Group conducts annual self-assessment campaigns with the objective of identifying any non-compliance. For further details, refer to the previous paragraph [S2-2] PROCESSES FOR ENGAGING WITH VALUE CHAIN WORKERS ABOUT IMPACTS.
The selection of suppliers and the definition of purchasing conditions for goods and services by Group companies are guided by values and criteria such as legality, competition, objectivity, fairness, impartiality, pricing equity, and quality of goods and/or services, while also carefully evaluating service guarantees and the range of available offerings.

[S2-5] Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Reply has not identified specific targets for the management of material negative impacts and risks in the value chain. Currently, the Group adopts targeted policies and initiatives, monitoring their effectiveness without a structured tracking system based on defined targets. Refer to the whistleblowing channel, the policies described in paragraph [S2-1] POLICIES RELATED TO VALUE CHAIN WORKERS, and the engagement processes outlined in paragraph [S2-2] PROCESSES FOR ENGAGING WITH VALUE CHAIN WORKERS ABOUT IMPACTS, in accordance with the ESRS.

ESRS S4 Consumers and end-users

[ESRS 2 SBM-2] Interests and views of stakeholders

The Reply Group serves a wide range of clients, operating in the business-to-business (B2B) sector. Its B2B clients include companies of various sizes and industries—both public and private—who rely on the Group for innovative and customised technology solutions. The end-users of the applications and services developed by the Group do not have a direct relationship with Reply, as they are clients of the Group's partners. Therefore, responsibility for service delivery and end-user relationship management lies entirely with the clients. In the public sector, the Group also operates through a consortium of companies, which allows it to meet the specific requirements needed to operate in that domain. Cybersecurity is a key priority, as the Group is exposed to potential cyberattacks that could result in data breaches. For this reason, collaborating with clients to protect their infrastructure is essential. Reply also places strong attention on human rights in relation to consumers and end-users, particularly for services that integrate Artificial Intelligence components. The establishment of the Ethical AI User Group by the Ethical AI Committee reflects the Reply Group's commitment to operationalising Artificial Intelligence. The initiative promotes the creation of an international community of responsible members from companies and universities, fostering the sharing of knowledge, experiences and reflections on best practices. Its objective is to enable participants to mutually benefit in defining appropriate actions, tailored to the specificities of country, sector and use case, thereby ensuring a consistent and robust approach to AI governance.
The Reply Group's strategy is significantly influenced by the interests and feedback of its clients. Maintaining an ongoing dialogue—through Customer Surveys, dedicated events, and social media channels—allows the Group to tailor its solutions to specific needs and anticipate emerging market trends.

[ESRS 2 SBM-3] Material impacts, risks and opportunities and their interaction with strategy and business model

The process of identifying and assessing impacts, risks and opportunities related to consumers and end-users was conducted by Reply through its double materiality assessment, as described in [IRO-1] DESCRIPTION OF THE PROCESSES TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES in the GENERAL INFORMATION chapter.
The identified potential negative impact on consumers and end-users stems directly from the Group's strategy and business model. The corporate strategy, which includes **data protection and information security**, is designed to ensure that the services provided are reliable, effective, and efficient. This approach is closely linked to the business model, which integrates **cybersecurity** as a

core element in the protection of handled information.
This potential impact on consumers and end-users actively influences and shapes the company's strategy and business model, contributing to their ongoing evolution. The need to ensure confidentiality, integrity, and availability of data drives the company to continuously improve its cybersecurity practices. This commitment is explicitly stated in Reply's Code of Ethics, which highlights the importance of protecting both data and corporate assets.
Reply's strategy and business model are also designed to leverage emerging opportunities in this area (see the "Reply" chapter in the Financial Report). In particular, the Group captures the opportunity arising from increasing client awareness of cybersecurity and the need to comply with key regulatory frameworks (e.g. NIS 1, NIS 2 and DORA), which is driving growing demand for cybersecurity services, supporting the expansion of its offering and strengthening its market competitiveness. This integrated approach enables Reply to continuously adapt to the needs of consumers and end-users, while ensuring compliance with applicable regulations and adherence to ethical principles. The Group has identified clients and end-users of its services as the parties most exposed to privacy violations and loss of sensitive data, particularly in the event of cyber incidents. More precisely, the end-users of the services implemented by the Group are the clients of Reply's clients (see the "Reply" chapter in the Financial Report). This negative impact—loss of sensitive data and, more generally, breaches of consumer and end-user privacy—may occur because of both widespread cyberattacks and specific events, such as IT system malfunctions.
Client groups that are most exposed to risks related to infrastructure robustness include financial institutions, the manufacturing sector, healthcare, and telecommunications, due to the sensitive nature and value of the data processed, making them particularly vulnerable to data breaches and privacy violations.

[S4-1] Policies related to consumers and end-users

The Reply Group has implemented a set of corporate policies and procedures aimed at ensuring a responsible and transparent approach toward its clients. These measures help mitigate impacts related to privacy violations and the loss of data belonging to clients and business partners, by ensuring preventive measures and appropriate controls are in place to **prevent cybersecurity incidents**. At the same time, these measures support the mitigation of risks associated with **data loss** while also enabling the Group to seize business opportunities, such as the growing market demand for IT and cybersecurity solutions. For details on the processes and mechanisms used to monitor compliance with the UN Guiding Principles, please refer to paragraph [S4-3] PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR CONSUMERS AND END-USERS TO RAISE CONCERNS, and to the public whistleblowing system made available to all Group stakeholders. In this regard, it should be noted that in 2025 no cases of non-compliance with the principles of the United Nations Global Compact or the OECD Guidelines for Multinational Enterprises affecting consumers and/or end-users were reported. Policies and procedures are not developed through direct engagement with customers and end-users but are instead designed to ensure that operations are compliant with applicable regulations and aimed at providing secure and high-quality services. Below is an overview of the Group's policies applicable to all consumers and end-users.

ICT SECURITY POLICY
Reply's ICT Security Policy, applicable in all countries where the Group operates, sets out the security requirements to be followed in both internal activities and client engagements, drawing on international best practices such as ISO/IEC 27001.
The policy outlines the responsibilities of personnel involved in service delivery and defines procedures for asset management, ensuring that resources such as servers and laptops are identified and classified to provide proper visibility and protection.
It includes logical access controls to prevent unauthorised access, ensuring proper access management protocols are in place. Physical protection of information is also addressed, with safeguards to prevent unauthorised entry to company facilities and to protect physical assets.
The operational management of systems, networks, and telecommunications is structured to maintain high levels of logical security for processed information. The policy also defines criteria for the development, maintenance, and acquisition of IT systems, ensuring that applications and operating systems uphold confidentiality, integrity, and availability. Regarding third parties and outsourcing, the policy ensures that corporate assets are protected by monitoring access to information and workspaces. It also includes procedures for security incident management, enabling the detection and handling of anomalies and maintaining appropriate levels of business continuity in case of unexpected events.
Finally, the policy sets out business continuity guidelines, ensuring ICT services remain available during emergencies, and establishes compliance criteria to ensure that business operations and information security are managed in accordance with applicable laws and contractual obligations. These measures are fundamental to ensuring a secure and protected environment for the Group's information and business assets.

SECURITY INCIDENT MANAGEMENT AND REPORTING PROCEDURE
The Information Security Incident Management Plan describes the overall process, roles, and responsibilities for the detection and management of security incidents and near-miss events, including the responsibilities of the Incident Committee.
The plan starts with the preparation phase and, through the active incident management phases, concludes with the identification of improvement actions derived from lessons learned. The process is structured into clearly defined phases:

1. Detection and Classification – timely identification of the event and assessment of its nature, severity, and criticality.
2. Containment – immediate limitation of damage and prevention of further impacts.
3. Eradication – removal of the root cause of the incident.
4. Recovery – restoration of normal and secure operations of systems and services.
5. Lessons Learned – incident analysis, identification of root causes, and definition of improvement measures.

The plan also defines internal and external communication methods with stakeholders, including clients, providers, and competent authorities. It establishes periodic reporting criteria to internal committees and the Board of Directors.
The procedure is integrated with the Business Continuity Plan and the personal data breach notification process, ensuring compliance with applicable regulations—such as the GDPR —while minimising operational impact and legal risks. During 2025, the procedure was updated to ensure full compliance with applicable regulations (e.g. NIS2).

CLIENT DPA POLICY
This policy applies during the contract negotiation phase with clients and is used to ensure compliance with data protection regulations through the establishment of a Data Processing Agreement (DPA). It also applies during service delivery, providing operational instructions for Group employees, who are required to acknowledge and adhere to the policy to ensure Reply's compliance and adequate protection of processed data.
As described in section [S1-1] POLICIES RELATED TO OWN WORKFORCE, the Reply Group's AI Policy is designed to ensure the ethical and compliant use of Artificial Intelligence (AI) within the organisation and in the delivery of services to clients. The document includes guidelines to address issues related to the misuse of AI and highlights the importance of staying up to date with regulatory and technological developments. In this regard, during 2025, pragmatic guidelines were issued to facilitate the application of the principles set out in the Policy within internal activities and client engagements.

SECURE MANAGEMENT OF ASSETS AND INFORMATION: BEHAVIOURAL RULES AND REGULATIONS
The "Secure Management of Assets and Information: Behavioural Rules and Regulations" policy defines binding rules for all Reply personnel to ensure the proper, lawful, and secure use of all corporate resources (physical, documentary, and IT) and to protect the information assets of Reply and its clients.
The document sets out operational rules for physical and documentary security, such as the "Clean Desk Policy" and access control measures, as well as for the management of ICT assets, regulating the protection of credentials, devices (e.g., PCs and smartphones), and the use of software. It also governs the use of communication services, such as email and internet browsing, in order to prevent misuse and the disclosure of confidential information.
These rules apply in all working contexts, including remote working and activities carried out at third-party premises. The policy also clarifies that compliance is subject to monitoring and provides for disciplinary measures in the event of violations.

BUSINESS CONTINUITY FRAMEWORK
The Business Continuity framework defines the strategic and operational approach to ensuring the resilience and continuity of critical business processes and services delivered to clients in the event of adverse incidents that may cause disruption.
The framework is based on three key pillars:
1. Business Continuity Policy – establishes governance, strategic objectives, roles, and responsibilities within the programme, defining how the organisation is to be managed during an emergency.
2. Business Impact Analysis (BIA) – the analytical process used to identify critical business processes, assess the impacts of their disruption over time, and define recovery requirements, such as the Recovery Time Objective (RTO), i.e. the maximum time to restore a process, and the Recovery Point Objective (RPO), which indicates the maximum tolerable data loss.
3. Business Continuity Plan – translates the outcomes of the BIA into operational action plans. These plans set out the procedures that teams must follow to manage crises and restore operations within defined timeframes, including strategies relating to people, facilities, technology, and critical suppliers.

To ensure its ongoing effectiveness, the framework includes a lifecycle approach involving testing, periodic exercises, and regular plan reviews. This ensures that the business continuity programme remains up to date and aligned with evolving business needs and risk scenarios. The process is closely integrated with the Group's Disaster Recovery procedure and the Security Incident Management procedure.

[S4-2] Processes for engaging with consumers and end-users about impacts

The Group has established procedures and processes to address potential negative impacts arising from cyberattacks. End-user engagement is not handled directly by Reply, but rather through the clients to whom the Group provides services. Clients, depending on their specific sectors, interact with and involve end-users according to their operational needs. Similarly, end-users contact the client company directly in the event of issues or specific requirements. If necessary, the client will escalate the issue to Reply in order to jointly assess the most appropriate course of action for resolution. A customer satisfaction survey monitoring process is also in place, which involves periodically gathering client feedback. The results of these assessments are shared internally within Reply. Any identified issues are addressed based on the context and level of severity, with ad hoc remediation actions being defined. The most appropriate internal representative (e.g. manager, client partner, top management, etc.) is involved depending on the specific case. In addition to the above-mentioned channels, Reply provides consumers and end-users with direct contact channels indicated in the Privacy Notices published on Reply's website.

[S4-3] Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

Reply adopts a structured approach to remediating material negative impacts on consumers and end-users, where the company has caused or contributed to such impacts. The top priority is ensuring data security and protection, by implementing both proactive and reactive measures in the event of security incidents.
In situations where Reply is affected by an attack compromising a critical asset used for business service delivery, the involved company within the network is responsible for reporting the incident to the Security function, which will take over the management of the incident. All applicable legal guidelines are strictly followed to ensure an appropriate and compliant response, and all necessary communication channels are activated to manage the incident effectively. If the attack impacts a client rather than Reply directly, the Group collaborates promptly to resolve the incident as it relates to the services provided, taking into account the client's specific context, the industry, and the nature of the affected services, and in line with applicable regulations.
To assess the effectiveness of remediation measures, a system of continuous monitoring and review is in place. This includes incident response analysis, feedback collection from clients and end-users, and revision of operational practices based on outcomes. The objective is to continuously improve policies and procedures, ensuring that the actions taken are effective in reducing negative impacts and protecting the rights of consumers and end-users.
Reply's **Whistleblowing** Channel, accessible via the Group's website, is a key tool that allows consumers and end-users to directly express concerns or requests to the company. This channel offers a safe and confidential way to report any issues, misconduct, or situations that may compromise the security and quality of the services provided. Through the whistleblowing channel, consumers and end-users can raise their concerns without fear of retaliation, helping to foster an environment of trust and transparency. Reports may cover a wide range of topics, including data protection, service quality, and compliance with applicable regulations.
Once a report is received, Reply is committed to thoroughly reviewing each case and ensuring that appropriate measures are taken to address the reported issues. Personnel assigned to handle reports are trained to treat all information with confidentiality and professionalism, ensuring that the needs and concerns of consumers and end-users are properly addressed.
In this way, the whistleblowing channel serves not only as a means for raising concerns, but also as an opportunity to continuously improve business processes and practices. Reply is committed to using the feedback received to implement improvements and to ensure services increasingly align with client expectations and needs. Finally, the Supervisory Body prepares a summary report on the investigations conducted, which is shared with the Board of Directors, enabling the development of remedial action plans to address identified issues and undertake actions to protect the Reply Group, as well as the reported person or the reporting individual.

[S4-4] Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions

Reply has implemented a range of actions to address material sustainability matters related to consumers and end-users. These actions are aimed at preventing, mitigating, and remedying impacts identified through the double materiality assessment, and at responding to related risks and opportunities. The measures described below are ongoing initiatives, designed to ensure a well-structured cybersecurity governance framework. The actions apply to the entire Group; any limitations in scope are indicated in the disclosures of the specific initiatives. In addition to the list of actions presented below, the Group has not disclosed any significant future actions already planned. Moreover, the Group's related policies do not define specific targets to which the actions may directly contribute. At this stage, setting specific targets for consumers and end-users has not been considered a priority or strategically relevant.
To prevent and mitigate the material negative impact on consumers and end-users identified in the double materiality assessment—namely, the "loss of sensitive data and privacy breaches affecting consumers and end-users"—and to address risks related to the development of IT solutions and software that do not guarantee end-user security, Reply has adopted, in addition to the policies already mentioned, a comprehensive framework to ensure compliance with applicable regulations:

- **Reply Security Programme** is based on a multi-layered and integrated framework, designed to sustainably protect the availability, integrity, and confidentiality of business-critical services across the Group. The programme is continuous in nature and evolves over time as needed. This model is built on four key pillars, described below.

1. GOVERNANCE AND ORGANISATION

A robust governance structure ensures that security is embedded at all levels.

- Operational Leadership: an Information Security Officer has been appointed to manage cybersecurity initiatives within Reply.
- Executive Sponsorship: the COO provides executive oversight, sponsoring and participating in the Security Committee[32] and chairing the Risk Committee, ensuring that security remains a top-level priority.
- Group-wide alignment: the Security Committee, composed of country managers and security representatives, guides the consistent implementation of initiatives and defines clear escalation paths across the Group.

2. RISK MANAGEMENT, BUSINESS CONTINUITY AND COMPLIANCE

Reply adopts a proactive approach to risk management and resilience.

- Documentation framework: governance is supported by a comprehensive set of policies and procedures, ensuring traceability, compliance, and consistent implementation across all business units.
- Business Continuity & Disaster Recovery: to safeguard operational resilience, a Business

32 Operational committee (non-board committee)

Continuity Plan defines strategies for managing critical incidents, while a complementary Disaster Recovery procedure ensures rapid restoration of IT systems and data.
- Cyber risk assessment: a structured Group-wide framework is used to identify, assess, and consistently manage security risks across all entities, prioritising remediation actions based on business impact and ensuring compliance with regulatory requirements.

3. SECURITY CULTURE AND AWARENESS

A strong security culture is a core pillar of the Group's defence strategy.
- Practical testing: regular phishing simulation campaigns are conducted to increase awareness of social engineering risks and monitor behavioural vulnerabilities.
- Targeted training: a mandatory role-based information security awareness course is complemented by a library of optional modules for further learning.
- Ongoing engagement: dedicated internal pages on Security and Compliance provide regularly updated guidelines, training materials, and video content to keep employees informed about current threats and best practices.

4. TECHNICAL CONTROLS

Robust technical controls are implemented to protect corporate assets, with new initiatives regularly assessed and introduced.
- Endpoint security: Reply uses various technical solutions to enforce security policies across all managed devices (e.g. mobile device management, antimalware, endpoint detection and response). These include baseline security configurations, timely updates, data encryption, and the ability to remotely secure or wipe devices in case of loss or theft, significantly reducing risks associated with mobile access.
- Account protection: strong authentication mechanisms are used to protect identities and accounts. New authentication paradigms for AI (e.g. agent-to-agent authentication) are also being explored and adopted.
- Infrastructure: infrastructure is continuously evolving towards a cloud-oriented model, being secured and hardened according to a security-by-design approach and subject to continuous monitoring (CSPM).

Together, these pillars—governance, risk management, culture, and technology—form an integrated and dynamic security model that continuously strengthens itself to protect the Group and its clients. As evidence of the effectiveness of this model, the central systems supporting the Group worldwide are ISO 27001 certified.

- **GDPR Compliance Programme**: standardises data protection and privacy practices across all Group companies through the development of a Privacy Management System, which includes:
  - Regular creation and updates of GDPR Registers (inventory of personal data processing activities);
  - Privacy by Design process, which assesses the privacy risk of project-related activities and applies appropriate technical and organisational safeguards;
  - Personal Data Breach Notification process, ensuring the correct identification and, where required, external reporting of personal data breaches to the Data Protection Authority and, if necessary, to the affected individuals;
  - Data Protection Impact Assessment (DPIA) process, which identifies and mitigates privacy risks for high-risk processing activities (e.g., involving special categories of data or large-scale profiling), in compliance with GDPR criteria;
  - Handling of Privacy Requests, which manages requests by data subjects to exercise their GDPR rights (e.g., right to data portability, access, erasure, etc.);
  - Internal documentation templates covering privacy-related sections and contractual clauses;
  - Published documents on Group websites such as Privacy and Cookie Policies, as well as notices for Clients, Suppliers, Candidates, and Employees;
  - Procedure for issuing Data Processing Agreements (DPA) to suppliers;
  - On-demand support procedure for internal requests related to privacy and data security via the Group's ticketing system;
  - Support procedure for audits requested by clients and for incident/personal data breach response, also managed via the ticketing system;
  - Appointment of Data Protection Officers (DPOs) in Italy, Germany, and the United Kingdom;
  - Establishment of a Privacy & Security Team;
  - Designation of Company Privacy Focal Points within each Group company to assist Partners in fulfilling company-specific GDPR responsibilities (e.g., GDPR Registers)

- Launch of a **mandatory e-learning programme on GDPR and data security**, targeted at all Group employees, along with in-person induction training sessions for Partners and Managers. These courses have been updated to reflect new corporate policies and processes, including recommendations for incident prevention, and complement the existing awareness initiatives such as the GDPR Framework course, specifically designed for Partners and Managers, covering personal data protection and IT security.

- The **Chief Operating Officer (COO)**, who oversees the Group's IT systems, **periodically reports to the Board of Directors**, which includes experts in Information Technology.

The effectiveness of the actions undertaken is monitored through periodic audits and internal assessments, aimed at evaluating the efficiency of data protection measures and identifying potential vulnerabilities:
- Scheduled audits of Group companies to verify the acceptance and implementation of the Client Data Processing Agreement (DPA) policy;
- Scheduled audits of suppliers of Group companies to verify the application of information security requirements;
- Monitoring employee acceptance of internal policies and completion of mandatory training on privacy and data security;
- Cybersecurity audits, whose findings are brought to the attention of Top Management and contribute to defining remediation actions, aligned with the Group's strategy of continuous improvement in cybersecurity posture.

The actions implemented have proven to be effective, as no serious human rights issues or incidents involving clients and/or end-users have been reported.

Below is an overview of the ongoing or planned actions aimed at pursuing material opportunities for Reply in relation to consumers:

DESCRIPTION OF OPPORTUNITIES	ACTIONS TO PURSUE OPPORTUNITIES
Increased demand for cybersecurity services	✻ Structuring of specialised companies within the Group
Increased customer demand for IT sustainability solutions	✻ Enrichment of the business offer with services related to IT sustainability ✻ Innovation activities in the field of IT sustainability
Development of IT and IoT solutions that respect the principles of digital ethics and accessibility	✻ Definition of a framework for AI Ethics and its committee for appropriate monitoring of the issue

During the year, the Group did not allocate significant financial resources for the implementation of the actions described above.

[S4-5] Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

The Reply Group has not currently set specific targets for the management of material impacts, risks, and opportunities related to consumers and end-users. However, through its actions, the Group aims to continuously improve its practices and ensure responsible use of technology. The company recognizes the importance of addressing emerging challenges in the fields of artificial intelligence and data security, and is committed to developing strategies that promote ethics, transparency, and the protection of consumer and end-user rights. Moreover, Reply aims to regularly monitor and evaluate the impact of its technologies and policies, adjusting its strategies based on received feedback and regulatory developments.
This proactive approach will not only help strengthen consumer trust but also ensure that the company remains at the forefront of innovation.

GOVERNANCE INFORMATION

ESRS G1 Business conduct

[ESRS 2 GOV-1] The role of the admnistrative, supervisory and management bodies

Reply's **Corporate Governance** system complies with the provisions of the Corporate Governance Code for listed companies in Italy, issued by Borsa Italiana S.p.A, version of January 2020, with appropriate adjustments based on the characteristics of the Group.
In compliance with regulatory requirements, Reply publishes annually the Corporate Governance and Ownership Structure Report, which provides an overview of the adopted governance model, risk management and control systems, as well as the governance practices in place. More detailed information is provided in the GENERAL INFORMATION chapter, sections [GOV-1] ROLE OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES and [GOV-2] INFORMATION PROVIDED TO THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND SUSTAINABILITY MATTERS ADDRESSED, with specific reference to the sustainability organisation.
The Board of Directors consists of a variable number of members, ranging from a minimum of 3 to a maximum of 11, as determined by the Shareholders' Meeting.

Currently, the Company has a **Board of Directors** composed of 10 members, including:
5 Executive Directors:
- ✻ Mario Rizzante: Chairman and Chief Executive Officer
- ✻ Tatiana Rizzante: Chief Executive Officer
- ✻ Marco Cusinato: Chief Financial Officer
- ✻ Filippo Rizzante: Executive Director
- ✻ Elena Maria Previtera: Executive Director

1 Non-Executive Director:
- ✻ Daniele Angelucci: Non-Executive Director

4 Independent Non-Executive Directors:
- ✻ Patrizia Polliotto: Lead Independent Director
- ✻ Secondina Giulia Ravera: Independent Director
- ✻ Federico Ferro-Luzzi: Independent Director
- ✻ Domenico Giovanni Siniscalco: Independent Director

The Non-executive and Independent Directors contribute their specific expertise to Board discussions, supporting decision-making aligned with the Company's best interests.

The Operational Supervisory and Control Bodies of Reply include the Board of Statutory Auditors,

the Sustainability Committee and the Control and Risk Committee.

The **Board of Statutory Auditors** consists of three Standing Auditors and two Alternate Auditors:
- Ciro Di Carluccio: Chairman
- Donatella Busso: Standing Auditor
- Piergiorgio Re: Standing Auditor
- Gabriella Chersicla: Alternate Auditor
- Stefano Barletta: Alternate Auditor

The **Sustainability Committee** is composed of:
- Tatiana Rizzante: Chief Executive Officer
- Domenico Giovanni Siniscalco: Independent Director
- Secondina Ravera: Independent Director

The **Control and Risk Committee** is currently composed of the following members:
- Federico Ferro-Luzzi: Non-Executive and Independent Director
- Daniele Angelucci: Non-Executive Director
- and is chaired by Patrizia Polliotto: Non-executive and Independent Director and Lead Independent Director

The skills and expertise of the members of the Board of Directors and of the Operational Supervisory and Control Bodies are outlined below:

Mario Rizzante (Chairman, CEO and founder of Reply S.p.A.): Graduated in Computer Sciences, he has a thirty-year career in the technology and innovation sector, having founded Reply in 1996. Under his leadership, the company has become a leader in the ICT sector, expanding internationally and specialising in areas such as artificial intelligence and cloud computing.

Tatiana Rizzante (CEO of Reply S.p.A.): Graduated in Computer Engineering, she is part of Reply's founding group and has held increasingly senior roles in the innovation sector. As CEO, she is responsible for the Group's development strategy across various international markets and has solid experience in innovation management. She is currently a member of the Group's Sustainability Committee.

Marco Cusinato (CFO of Reply S.p.A.): Graduated in Computer Engineering, he began his career as a Project Manager at Cluster Reply and developed expertise in IoT and cloud computing. As CFO, he manages the Group's finances.

Filippo Rizzante (Executive Director of Reply S.p.A.): Graduated in Computer Engineering, he started his career at Reply in 1999, working in consulting and web projects. Currently, as CTO, he leads the development of technological offerings and manages the Group's strategic partnerships.

Elena Maria Previtera (Executive Director of Reply S.p.A.): Graduated in Computer Sciences, she has consolidated experience in information systems management and the development of innovative technologies. As Executive Partner, she coordinates the activities of the Group's technology companies and is responsible for CRM and Customer Experience.

Daniele Angelucci (Non-executive Director of Reply S.p.A.): Graduated in Computer Sciences, he has a long career in the sector, having held key roles at Mesarteam and Reply.

Patrizia Polliotto (Independent Director and Lead Independent Director of Reply S.p.A.): Lawyer specialised in corporate law, she has extensive experience in extraordinary transactions and legal advisory for large companies. She holds leadership roles in both listed and non-listed companies across various committees, including the Control and Risk Committee and Supervisory Bodies.

Secondina Giulia Ravera (Independent Director of Reply S.p.A.): Graduated in Electronic Engineering and holding an MBA, she has worked at McKinsey & Co. and held leadership roles in telecommunications companies. She is currently an Independent Director, member of the Sustainability Committee and the Control and Risk Committee at Reply, as well as of other major listed companies where she serves as Independent Director and committee member.

Federico Ferro-Luzzi (Independent Director of Reply S.p.A.): Full Professor of Private Law and lawyer, graduated in Law from Sapienza University of Rome. He has been a member of regulatory and supervisory bodies at Consob and the Bank of Italy. Since 2019, he has been a member of the scientific committee of the series "Privacy and Innovation" and collaborates with several leading legal journals. He is currently an Independent Director at Reply and at other major listed companies.

Domenico Giovanni Siniscalco (Independent Director of Reply S.p.A.): Graduated in Law in Turin, he obtained a PhD in Economics from the University of Cambridge. Since 2006, he has been Vice Chairman of Morgan Stanley, where he led the Italian branch (2007–2023) and was responsible for the Government sector in EMEA. From 2001 to 2004, he served as Director General of the Treasury and from 2004 to 2005 as Minister of Economy and Finance. For over twenty years, he was a professor of economics. He directed the Eni Enrico Mattei Foundation. Since April 2024, he has been an Independent Director of Reply S.p.A. and a member of the Sustainability Committee.

Ciro Di Carluccio (Chair of the Board of Statutory Auditors): Entrepreneur and senior advisor, founder and CEO of Archangel AdVenture, Ambassador in Italy of Globalize Accelerator, Chairman of the Board of Statutory Auditors of Reply S.p.A. and alternate member of the Board of Statutory Auditors of UniCredit. He is also a mentor at Polihub in Milan and at the Martin Trust Center for MIT Entrepreneurship in Boston. He held senior roles at Deloitte, including Senior Partner and CEO of the Central Mediterranean business line. He also contributed to the Parliamentary Commission of Inquiry on Mafias and to the Commission for the establishment of accounting principles of the National Council of Chartered Accountants and Accounting Experts.

Donatella Busso (Standing Auditor): Full Professor at the Department of Management of the University of Turin and Affiliate Professor at ESCP Europe, she graduated with honours in Economics and Business from the University of Turin in 1996 and is a Chartered Accountant registered with the ODCEC of Turin (of counsel at RLVT Studio – Turin). She holds governance and control positions in both listed and non-listed companies.

Piergiorgio Re (Standing Auditor): Registered with the Order of Chartered Accountants of the Province of Turin since 1972, he has been listed in the Register of Official Auditors since 1979, in the Register of Technical Consultants at the Court of Turin, in the Register of Experts under the Criminal

Procedure Code at the Court of Turin and in the Register of Statutory Auditors. In his professional activity, he holds positions as Director or Auditor in various companies. Until 31 October 2017, he was Full Professor at the University of Turin – Department of Management – Business Administration Section. In his academic activity, he has authored several publications and articles.

This governance model enables Reply to ensure a robust system of management, control and supervision, fostering a structured approach to sustainability and risk management.

[ESRS 2 IRO-1] Description of the processes to identify and assess material impacts, risks and opportunities

The process of identifying and assessing impacts, risks and opportunities related to business conduct was carried out by Reply through the double materiality assessment, as described in paragraph [IRO-1] DESCRIPTION OF THE PROCESSES TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES in the GENERAL INFORMATION chapter. The Group recognises that a lack of corporate integrity and transparency may have a negative impact on the economic and social environment in which it operates. In particular, potential cases of corruption may undermine stakeholder trust and damage the Group's reputation, negatively affecting business relationships and the long-term sustainability of its operations.
In the context of business conduct, the Group has identified an economic and reputational risk associated with the lack of integration of social justice principles—such as ethical labour practices, workplace safety and fair remuneration—into supplier evaluation and procurement processes.
The absence of such principles could reduce the Company's attractiveness to investors and business partners, who are increasingly oriented towards organisations adopting responsible and sustainable practices. To address these impacts and risks, the Group promotes initiatives aimed at ensuring transparency, integrity and respect for social rights within procurement practices. These include the sharing of the Code of Ethics with all suppliers and the Code of Conduct with its strategic suppliers.
In addition, the Group requires strategic suppliers with more than 15 employees to complete a self-assessment questionnaire aimed at defining suppliers' commitments in the ESG area. These initiatives not only aim to mitigate the identified risks but also provide opportunities to strengthen the Group's reputation and build stronger relationships with stakeholders, thereby contributing to a more sustainable and responsible business environment.

[G1-1] Business conduct policies and corporate culture

The oversight of ethics and compliance aspects is ensured through the presence of prescriptive tools (such as Group policies), as well as organisational and operational instruments (such as dedicated structures, procedures, and management and control systems). The dissemination and alignment of corporate culture within the Group are assessed through the sharing and acceptance of the Code of Ethics.
The Group has developed, adopted, and disseminated a set of policies designed to promote a culture of responsible conduct across the organisation. Within the Group, globally uniform policies—such as the Code of Ethics—are in place, alongside specific local policies for different countries, in order to ensure alignment with local regulations and address issues specific to each geographical area. The Board of Directors reviews and evaluates updates to the Code of Ethics and the main policies in response to changes in applicable regulations, both local and international, and addresses relevant issues identified for the Group through the double materiality assessment. In this context, during 2025 the Board of Directors of Reply S.p.A. approved the new Model 231 and the new Group Code of Ethics.

At this stage, it has not been considered a priority or strategic to define specific targets and related actions for business conduct.
Where applicable, the Group's policies are aligned with ethical standards established by internationally recognised guidelines and conventions, as well as complying with relevant local legislation. These policies are communicated to employees through the intranet and internal communication channels, and some of them are also publicly available on the Group's website.

The most significant policies are summarised below:

- **Code of Ethics**: establishes the obligation to comply with applicable laws and outlines the ethical standards and values that the Group is committed to respecting and promoting. The Code sets out principles and rules of conduct and is addressed to all Group stakeholders—shareholders, employees, collaborators, suppliers, customers and business partners—and also describes relations with public authorities and institutions. The Group's core ethical principles include professionalism and trust in its people, legality and integrity of the activities carried out in full compliance with applicable regulations, impartiality, respect for diversity and non-discrimination towards employees, prevention of potential conflicts of interest, and fairness and transparency in all actions carried out by the recipients of the Code. The values of the Code also apply to tax management. The Code of Ethics is specifically shared with collaborators and suppliers to promote adherence to Reply's ethical and sustainability standards. Its effectiveness is assessed through acknowledgement by all Group stakeholders. The Code of Ethics is approved by the Board of Directors. In 2025, the Code of Ethics—of which Model 231 is an integral part—was updated in accordance with Legislative Decree 231/2001 in Italy.
- **Organisation, Management and Control Model (Model 231)**: describes the management system (pursuant to Legislative Decree 231/2001 in Italy) and identifies the procedures developed to mitigate the risk of offences committed by directors, managers or employees in the interest or to the benefit of the Group. The model was updated in 2025 to incorporate amendments introduced to Legislative Decree 231/2001 in Italy, which impacted the compliance framework and expanded the list of predicate offences.

- **Whistleblowing Policy**: to encourage the timely reporting of misconduct in violation of regulations, the Code of Ethics or Group policies, Reply has implemented a whistleblowing system in compliance with EU Directive 2019/1937, providing a platform accessible to all employees and external parties and ensuring the possibility to report any issues without repercussions on their work activities. In Italy, training on the Whistleblowing Policy is included within Model 231 training, while for employees in all other countries, the policy is disseminated through the corporate intranet and is available on Reply's website. Members of the Supervisory Body have proven experience in assessing reports of potential violations. The Whistleblowing Policy is approved by the CEO.
- **Anti-bribery Policy**: defines the system of rules aimed at preventing and sanctioning corruption offences in both the public and private sectors. In 2025, a single Anti-bribery Policy applicable to the entire Group was approved, replacing previous country-specific versions and ensuring consistent application at a global level. The policy aims to outline the main areas of responsibility under applicable regulations, the responsibilities of employees and associated subjects acting on behalf of the company, and the consequences of policy violations. The principles set out in the policy are aligned with those of the United Nations Convention.

The monitoring and assessment of reports and risks arising through the Model 231, Whistleblowing and Anti-bribery systems are subject to oversight and evaluation by the Supervisory Body.
From a training perspective, both in Italy and abroad, specific training courses are provided at the time of hiring and in the event of regulatory updates, covering anti-corruption topics—respectively on Model 231 in Italy and on the content of the various anti-corruption and anti-bribery policies abroad. Please refer to the following paragraph [G1-3] PREVENTION AND DETECTION OF CORRUPTION AND BRIBERY for further details on training related to active and passive corruption.
Finally, the Group has implemented a process to identify functions most exposed to corruption risk, such as Partners of companies operating in the public sector. This process, carried out on an annual basis, enables proactive monitoring and management of the most exposed processes and operations, contributing to ensuring an ethical and responsible working environment.
For further information on the Group's policies, please refer to section [MDR-P] POLICIES ADOPTED TO MANAGE MATERIAL SUSTAINABILITY MATTERS in the GENERAL INFORMATION chapter.

[G1-3] Prevention and detection of corruption and bribery

As anticipated in the previous paragraph [G1-1] BUSINESS CONDUCT POLICIES AND CORPORATE CULTURE, the Group has implemented an Anti-bribery Policy applicable across the entire Group, replacing previous country-specific versions, ensuring consistent application at a global level and promoting ethical behaviour—also through the Code of Ethics—by defining expectations regarding corporate conduct in this area. The policy is communicated to employees through the Group's internal communication channels, the corporate intranet and, in some cases, through dedicated training courses.
The issue of corruption is adequately managed by the Group, which, through its whistleblowing system, provides the possibility to report potential cases of corruption. In the event of reports or identification of anomalies, a process of preliminary analysis, consultation and, where necessary, the implementation of internal controls is activated. Controls on accounting transactions are carried out on an ongoing and semi-annual basis, ensuring continuous monitoring of operations.
The Supervisory Body is independent from the management chain involved in the reported issue. This ensures that investigations are conducted in an impartial and objective manner, in compliance with principles of fairness and confidentiality towards all parties involved. The Supervisory Body is responsible for verifying the validity of reports on behalf of the companies of the Reply Group, carrying out timely and thorough investigations. During these activities, the Supervisory Body may request support from the relevant corporate functions or, where appropriate, from external consultants specialised in handling reports, provided that their involvement is functional to verifying the report and ensures confidentiality.
At the end of the investigations, the Supervisory Body prepares a summary report on the activities carried out and the evidence considered, which is shared with the Board of Directors and the Control Bodies. This communication enables the Board to develop any necessary action plans to address identified issues and to undertake appropriate actions to protect the Group. In addition, the Supervisory Body periodically reports on the types of reports received and on the outcomes of its investigative activities to the Control Bodies, thus ensuring adequate transparency and reporting. In the case of substantiated reports of criminal offences, the Control Bodies are promptly informed.
Specifically in Italy, for Reply S.p.A., the management of corruption is, as required by applicable legislation, integrated into the Organisational Model 231, which establishes guidelines for preventing unlawful conduct within the organisation. Furthermore, as an additional control measure, Reply S.p.A. and the Public Sector Consortium are certified according to the international ISO 37001 standard, which defines the requirements for anti-bribery management systems.
The Reply Group provides training programmes on the prevention of active and passive corruption. In Italy, training courses related to Model 231 are delivered, while in other countries employees are required to review informational materials, including practical examples, contained within the Anti-bribery Policy. Training activities involve functions identified as most exposed to corruption risk, such as Partners of companies operating in the public sector. Training is directly extended to the executive members of the Board of Directors, while non-executive members are aligned with the policies as part of their approval process.

At present, it has not been considered a priority or strategic to define specific targets and related actions for the prevention and detection of active and passive corruption at Group level.

[G1-4] Incidents of corruption or bribery

In line with the previous year, in 2025 Reply did not record any convictions for violations of laws against active and passive corruption.

BUSINESS OUTLOOK AND ALLOCATION OF NET RESULT

EVENTS SUBSEQUENT TO 31 DECEMBER 2025

No significant events were reported after 31 December 2025.

BUSINESS OUTLOOK FOR THE YEAR 2025

The competitive environment remains selective, with demand focused on initiatives capable of generating measurable improvements in efficiency, resilience and growth. In this context, digital transformation programs continue to play a key role when they combine data platforms, cloud and edge infrastructures, automation and cybersecurity, increasingly designed around an AI-centric architecture.
During 2025, the industrialization of artificial intelligence within clients' processes continued to progress. In 2026, the market is expected to evolve from targeted initiatives toward broader adoption paths, with a gradual expansion of use cases in areas such as agentic AI, application modernization and process automation. Technology partnerships and a network of specialized competencies enable the Group to deliver a comprehensive and vertically integrated offering, combining advisory, delivery and proprietary platforms.
Attention remains on factors related to the macroeconomic outlook, competitive pricing dynamics and the availability of specialized talent. Overall, technological positioning and close client proximity support sustainable growth and resilient profitability over the course of 2026.

MOTION FOR THE APPROVAL OF THE FINANCIAL STATEMENT AND ALLOCATION OF THE RESULT FOR THE FINANCIAL YEAR

The financial statements at year end 2025 of Reply S.p.A. prepared in accordance with International Financial Reporting Standards (IFRS), recorded a net income amounting to 88,120,119 Euros and net shareholders' equity on 31 December 2025 amounted to 789,001,113 Euros thus formed:

(EUROS)	31/12/2025
Share Capital	4,863,486
Legal reserve	972,697
Reserve for treasury shares on hand	17,122,489
Other reserves	677,922,322
Total share capital and reserves	**700,880,994**
Net income	88,120,119
Total	**789,001,113**

The Board of Directors in submitting to the Shareholders the approval of the financial statements (Separate Statements) as at 31 December 2025 showing a net result of 88,120,119 Euros, proposes that the shareholders resolve:

- to approve the financial statement (Separate Statements) of Reply S.p.A. which records net profit for the financial year of 88,120,119 Euros;
- to approve the motion to allocate the net result of 88,120,119 as follows:
  - a unit dividend to shareholders amounting to 1.35 Euros for each ordinary share with a right, therefore excluding treasury shares, with payment date fixed on 20 May 2026, coupon cutoff date 18 May 2026 and record date, determined in accordance with Article 83-terdecies of Legislative Decree no. 58/1998 set on 19 May 2026;
  - having the Legal reserve reached the limit of one fifth of the share capital pursuant to article 2430 of the Italian Civil Code, the residual amount to be allocated to the Retained earnings reserve.
- to approve, pursuant to Article 22 of the Articles of association, the proposal of the Remuneration Committee to distribute to Directors entrusted with operational powers, a shareholding of the profits of the Parent Company, to be established in the amount of 3,200,000 Euros.

Turin, 12 March 2026

/s/ Mario Rizzante
For the Board of Directors
The Chairman
Mario Rizzante

REPLY

CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

CONSOLIDATED INCOME STATEMENT(*)(**)

(THOUSAND EUROS)	NOTE	2025	2024
Revenues	**5**	**2,449,991**	**2,295,938**
Other income	6	49,471	31,068
Purchases	7	(46,872)	(46,350)
Personnel	8	(1,376,509)	(1,266,432)
Services costs	9	(630,440)	(569,486)
Amortization, depreciation and write-downs	10	(89,359)	(84,933)
Other operating (costs)/income	11	21,997	(34,127)
Fair value adjustments to deferred consideration	12	13,411	4,743
Operating income		**391,689**	**330,421**
(Loss)/gain on investments	13	(8,478)	(20,000)
Financial expenses	14	(29,608)	(22,095)
Financial income	14	16,093	24,907
Income before taxes		**369,696**	**313,232**
Income taxes	15	(117,106)	(99,464)
Net income		**252,591**	**213,768**
Non-controlling interest		(1,702)	(2,630)
Net income of the Parent company		**250,889**	**211,139**
Earnings per share	*16*	*6.71*	*5.65*

(*) Pursuant to Consob Regulation No. 15519 of 27 July 2006, the effects of related-party transactions on the Consolidated statement of income are reported in the Annexed tables herein and fully described in Note 39.

(**) During the year, the financial statements were subject to a review compared to previous publications, with the aim of ensuring a better representation of the Group's financial and economic situation.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(THOUSAND EUROS)	NOTE	2025	2024
Profit of the period (A)		**252,591**	**213,768**
Other comprehensive income that will not be reclassified subsequently to profit or loss:			
Actuarial gains/(losses) from employee benefit plans		3,046	782
Tax effect of gains/losses that will not be reclassified to profit or loss		(731)	(188)
Total Other comprehensive income that will not be reclassified subsequently to profit or loss, net of tax (B1):	**29**	**2,315**	**594**
Other comprehensive income that may be reclassified subsequently to profit or loss:			
Gains/(losses) on cash flow hedges		(64)	(1,712)
Gains/(losses) on exchange differences on translating foreign operations		(26,861)	15,298
Tax effect of gains/losses that will be reclassified to profit or loss		4,659	(2,320)
Total Other comprehensive income that may be reclassified subsequently to profit or loss, net of tax (B2):		**(22,266)**	**11,266**
Total other comprehensive income, net of tax (B) = (B1) + (B2):	**29**	**(19,952)**	**11,860**
Total comprehensive income (A)+(B)		**232,639**	**225,628**
Total comprehensive income attributable to:			
Owners of the parent		230,937	222,999
Non-controlling interests		1,702	2,630

CONSOLIDATED STATEMENT OF FINANCIAL POSITION(*)(**)

(THOUSAND EUROS)	NOTE	31/12/2025	31/12/2024
Tangible assets	18	160,391	132,343
Goodwill	19	667,136	693,210
Intangible assets	20	81,349	95,802
RoU Assets	21	117,134	107,055
Equity investments	22	10,988	19,809
Other financial assets	23	6,196	9,055
Deferred tax assets	24	69,057	66,557
Non-current assets		**1,112,250**	**1,123,832**
Work in progress	25	83,489	68,369
Trade receivables	26	792,089	757,558
Other receivables and current assets	27	110,812	113,903
Current income tax receivables	27	24,453	29,673
Financial assets	23	70,227	45,767
Cash and cash equivalents	28	571,715	491,834
Current assets		**1,652,784**	**1,507,103**
TOTAL ASSETS		**2,765,035**	**2,630,935**
Share Capital		4,863	4,863
Other reserves		1,232,031	1,084,186
Net result of the period		250,889	211,139
Equity of the Parent company	**29**	**1,487,784**	**1,300,188**
Non-controlling interest	29	2,280	2,773
NET EQUITY	**29**	**1,490,064**	**1,302,960**
Due to minority shareholders and Earn-out	30	41,700	57,478
Financial liabilities	31	32,395	48,910
Financial liabilities from RoU	31	93,923	84,695
Employee benefits	32	118,678	85,154
Deferred tax liabilities	33	27,517	33,443
Provisions	34	22,692	46,591
Non-current liabilities		**336,905**	**356,271**
Due to minority shareholders and Earn-out	30	3,551	52,121
Financial liabilities	31	13,322	19,748
Financial liabilities from RoU	31	34,724	35,163
Trade payables	35	179,828	183,233
Other current liabilities	36	688,986	640,928
Income tax Payables	36	16,024	39,155
Provisions	34	1,631	1,355
Current liabilities		**938,066**	**971,703**
TOTAL LIABILITIES		**1,274,971**	**1,327,974**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**2,765,035**	**2,630,935**

(*) Pursuant to Consob Regulation No. 15519 of 27 July 2006, the effects of related-party transactions on the Statement of Financial Position are reported in the annexed Tables and further described in Note 39.

(**) During the year, the financial statements were subject to a review compared to previous publications, with the aim of ensuring a better representation of the Group's financial and economic situation.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(THOUSAND EUROS)	NOTE	SHARE CAPITAL	TREASURY SHARES	CAPITAL RESERVES	EARNING RESERVES	CASH FLOW HEDGE RESERVE	TRANSLATION RESERVE	RESERVE FOR ACTUARIAL GAINS/ (LOSSES)	NON-CONTROLLING INTERESTS	TOTAL
On 1 January 2024	**29**	**4,863**	**(17,122)**	**299,533**	**832,373**	**1,750**	**(4,805)**	**(1,753)**	**1,883**	**1,116,723**
Dividends distributed		-	-	-	(37,278)	-	-	-	(1,975)	(39,254)
Change in own shares		-	-	150,000	(150,000)	-	-	-	-	-
Total profit (loss)		-	-	-	211,139	(1,301)	12,567	594	2,630	225,628
Other changes		**-**	**-**	**-**	**(372)**	**-**	**-**	**-**	235	(137)
On 31 December 2024	**29**	**4,863**	**(17,122)**	**449,533**	**855,861**	**449**	**7,762**	**(1,159)**	**2,773**	**1,302,960**

(THOUSAND EUROS)	NOTE	SHARE CAPITAL	TREASURY SHARES	CAPITAL RESERVES	EARNING RESERVES	CASH FLOW HEDGE RESERVE	TRANSLATION RESERVE	RESERVE FOR ACTUARIAL GAINS/ (LOSSES)	NON-CONTROLLING INTERESTS	TOTAL
On 1 January 2025	**29**	**4,863**	**(17,122)**	**449,533**	**855,861**	**449**	**7,762**	**(1,159)**	**2,773**	**1,302,960**
Dividends distributed		-	-	-	(42,870)	-	-	-	(2,093)	(44,963)
Total profit (loss)		-	-	-	250,889	(48)	(22,218)	2,315	1,702	232,639
Other changes		-	-	-	(470)	-	-	-	(102)	(572)
On 31 December 2025	**29**	**4,863**	**(17,122)**	**449,533**	**1,063,410**	**401**	**(14,456)**	**1,155**	**2,280**	**1,490,064**

CONSOLIDATED STATEMENT OF CASH FLOWS(*)(**)

(THOUSAND EUROS)	NOTE	2025	2024
Group net income		252,591	213,768
Income taxes	15	123,873	121,317
Amortization and depreciation	10	89,359	84,933
Other non-monetary expenses/(income)		(14,338)	40,176
Change in inventories		(6,773)	(14,095)
Change in trade receivables		(27,374)	20,063
Change in trade payables		(3,405)	(15,712)
Change in other assets and liabilities		20,369	(7,310)
Change in deferred tax liabilities		(8,017)	(16,403)
Change in employee benefits and provisions		13,194	14,382
Income tax paid		(121,317)	(96,117)
Interest paid		(1,958)	(3,171)
Interest collected		9,804	11,401
Net cash flows from operating activities (A)		**326,008**	**353,233**
Purchase of tangible and intangible assets	18, 20	(45,882)	(56,802)
Change in financial assets		(21,627)	(13,182)
Payments for the acquisition of subsidiaries net of cash acquired		(68,786)	(89,014)
Net cash flows from investment activities (B)		**(136,295)**	**(158,999)**
Dividends paid		(44,963)	(39,254)
In payments from loans	31	-	13,100
Financial liabilities for leasing	31	(36,181)	(36,070)
Repayment of loans	31	(22,850)	(29,793)
Other changes		(546)	282
Net cash flows from financing activities (C)		**(104,540)**	**(91,735)**
Net cash flows (D) = (A+B+C)		**85,174**	**102,498**
Cash and cash equivalents at the beginning of period		491,713	383,608
Effects of exchange rate differences on cash and cash equivalents		(5,185)	5,607
Cash and cash equivalents at period end		571,702	491,713
Total change in cash and cash equivalents (D)		**85,174**	**102,498**

DETAIL OF CASH AND CASH EQUIVALENTS	2025	2024
(THOUSAND EUROS)		
Cash and cash equivalents at beginning of period:	**491,713**	**383,608**
Cash and cash equivalents	491,834	383,742
Bank overdrafts	(121)	(135)
Cash and cash equivalents at period end:	**571,702**	**491,713**
Cash and cash equivalents	571,715	491,834
Bank overdrafts	(14)	(121)

(*) During the year, the financial statements were subject to a review compared to previous publications, with the aim of ensuring a better representation of the Group's financial and economic situation.

(**) With reference to the acquisitions of subsidiaries carried out during the financial year, information relating to the total purchase consideration, the amount of cash and cash equivalents of the acquired subsidiaries, and the total amount of assets and liabilities other than cash or cash equivalents of the acquired subsidiaries is presented in Note 19.

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NOTE 1 - General information

Reply [EXM, STAR: REY] specialises in the design and implementation of solutions based on new communication channels and digital media. Reply is a network of highly specialised companies supporting key European industrial groups operating in the telecom and media, industry and services, banking, insurance and public administration sectors in the definition and development of business models enabled for the new paradigms of AI, cloud computing, digital media and the Internet of Things. Reply services include: Consulting, System Integration and Digital Services (www.reply.com).

NOTE 2 – Accounting principles and basis of consolidation

COMPLIANCE WITH INTERNATIONAL ACCOUNTING PRINCIPLES

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board and endorsed by the European Union. The designation "IFRS" also includes all valid International Accounting Standards ("IAS"), as well as all interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), formerly the Standing Interpretations Committee ("SIC"). Following the coming into force of European Regulation No. 1606 of July 2002, starting from 1 January, 2005, the Reply Group adopted International Financial Reporting Standards (IFRS).

The consolidated financial statements have been prepared in accordance with Consob regulations regarding the format of financial statements, in application of Art. 9 of Legislative Decree 38/2005 and other CONSOB regulations and instructions concerning financial statements.

GENERAL PRINCIPLES

The consolidated financial statement is prepared on the basis of the historic cost principle, modified as requested for the appraisal of some financial instruments for which the fair value criterion is adopted in accordance with IFRS 9.
The preparation of the consolidated financial statements requires Group management to exercise judgment, making assessments and assumptions that affect the application of accounting principles and the reported amounts of assets, liabilities, expenses, and revenues. Among the key judgments made, in accordance with IAS 1.122, are those relating in particular to the assessment of the going concern assumption and the determination of the financial statement formats to be adopted in compliance with the provisions of IAS 1.

With regard to going concern, management has evaluated the relevant factors, taking into account the economic and financial environment. Despite a complex macroeconomic context, there are no material uncertainties (as defined in paragraph 25 of IAS 1) that would cast significant doubt on the Group's ability to continue as a going concern in the foreseeable future. The financial statements have therefore been prepared on a going concern basis.

These consolidated financial statements are expressed in thousands of Euros and are compared to the consolidated financial statements of the previous year prepared in accordance with the same principles.
Further indication related to the format of the financial statements respect to IAS 1 is disclosed here within as well as information related to significant accounting principles and evaluation criteria used in the preparation of the following consolidated report.

FINANCIAL STATEMENTS

The consolidated financial statements include statement of income, statement of comprehensive income, statement of financial position, statement of changes in shareholders' equity, statement of cash flows and the explanatory notes.

The income statement format adopted by the Group classifies costs according to their nature, which is deemed to properly represent the Group's business.
The Statement of financial position is prepared according to the distinction between current and non-current assets and liabilities. The statement of cash flows is presented using the indirect method.
In the financial statements, the main categories of gross income and payments arising from investment and financing activities have been presented separately, and non-monetary transactions have not been indicated.

The most significant items are disclosed in a specific note in which details related to the composition and changes compared to the previous year are provided.

It should be noted that in order to comply with the indications contained in Consob Resolution no. 15519 of 27 July 2006 "as to the format of the financial statements", additional statements: income statement and statement of financial position have been added showing the amounts of related party transactions.

It is also reported that in accordance with CONSOB communication no. 0031948, if there are non-recurring items in the statements, such components will be explicitly indicated under the relevant item. Operations or events that are not frequent in the normal course of business and have an impact on the financial and asset position, the economic result, and the financial flows of the group may be presented as 'non-recurring'.

BASIS OF CONSOLIDATION

SUBSIDIARIES

The consolidated financial statements include the financial statements of the Parent Company and its subsidiaries that have closing date December 31st. An investor controls an investment entity when it is exposed to variable returns, or holds rights to such returns, deriving from its relationship with the entity itself and at the same time has the right to affect those returns by exercising its power over that entity. Please refer Note 4 relating to the scope of consolidation. All companies are consolidated on a line-by-line basis.
The economic results of the subsidiaries acquired or sold during the year are included in the

consolidated income statement from the actual acquisition date until the actual date of sale.
If necessary, adjustments shall be made to the financial statements of the subsidiaries to align the accounting policies used with those adopted by the Group.
All significant intercompany transactions and balances between group companies are eliminated on consolidation.
Non-controlling interest is stated separately with respect to the Group's net equity. Such Non-controlling interest is determined according to the percentage of the shares held of the fair values of the identifiable assets and liabilities of the company at the date of acquisition and post-acquisition adjustments. According to IFRS 10, overall loss (including the profit/(loss) for the year) is attributed to the owners of the Parent and minority interest also when net equity attributable to minority interests has a negative balance.
Difference arising from translation of equity at historical exchange rates and year-end exchange rates are recorded at an appropriate reserve of the consolidated shareholders' equity.

TRANSACTIONS ELIMINATED ON CONSOLIDATION
All significant intercompany balances and transactions and any unrealized gains and losses arising from intercompany transactions are eliminated in preparing the consolidated financial statements. Unrealized gains and losses arising from transactions with associates and jointly controlled entities are eliminated to the extent of the company's interest in those entities.

BUSINESS COMBINATIONS
Business combinations are accounted for by applying the acquisition method. The recognition of business combinations involves the recognition of assets and liabilities of the acquired entity at its fair value at the date of acquisition of control and the possible registration of goodwill.
The acquisition cost is determined by the sum of the current values, at the date of exchange, of the assets given, of the liabilities incurred or assumed and of the financial instruments issued by the group in exchange for control of the acquired company. Costs directly attributable to the combination are expensed when incurred.
The identifiable assets, liabilities and contingent liabilities of the acquired entity that meet the conditions for recognition in accordance with IFRS 3 are recorded at their fair value at the acquisition date, with the exception of non-current assets (or discontinued operations) which are classified as held for sale in accordance with IFRS 5, and are recorded and valued at fair value minus selling costs.
The positive difference between the purchase cost and the Group's share in the fair values of these assets and liabilities are recognised as goodwill and are classified as intangible asset with an indefinite life.

In accordance with IFRS 9, Earn-out liabilities are measured at fair value and discounted based on the expected payment date. At each reporting date, management review the estimates used to determine, on the basis of contractual terms, the value of the Earn-out liability. Such revisions may have significant impacts on the Group's consolidated financial statements, both in terms of the remeasurement of the fair value of these liabilities and their discounting.

FOREIGN CURRENCY TRANSACTIONS
Transactions in foreign currencies are recorded at the foreign exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the exchange rate prevailing at that date. Exchange differences arising on the settlement of monetary items or on reporting monetary items at rates different from those at which they were initially recorded during the period or in previous financial statements, are recognized in the income statement.

CONSOLIDATION OF FOREIGN ENTITIES
All assets and liabilities of foreign consolidated companies with a functional currency other than the Euro are translated using the exchange rates in effect at the balance sheet date. Income and expenses are translated at the average exchange rate for the period. Translation differences resulting from the application of this method are classified as equity until the disposal of the investment. Average rates of exchange are used to translate the cash flows of foreign subsidiaries in preparing the consolidated statement of cash flows. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are recorded in the relevant functional currency of the foreign entity and are translated using the period end exchange rate. In the context of IFRS First-time Adoption, the cumulative translation difference arising from the consolidation of foreign operations was set at nil, as permitted by IFRS 1; gains or losses on subsequent disposal of any foreign operation only include accumulated translation differences arising after 1 January 2004.

The following table summarizes the exchange rates used in translating the 2025 and 2024 financial statements of the foreign companies included in consolidation:

	AVERAGE 2025	ON 31 DECEMBER 2025	AVERAGE 2024	ON 31 DECEMBER 2024
GBP	0.85679	0.8726	0.84662	0.82918
Brazilian Real	6.3072	6.4364	5.8283	6.4253
Rumenian Leu	5.0424	5.0968	4.9746	4.9743
US Dollar	1.13	1.175	1.0824	1.0389
Chinese Yuan	8.1185	8.2262	7.7875	7.5833
Polish Zloty	4.2397	4.221	4.3058	4.275

TANGIBLE ASSETS
Tangible fixed assets are stated at cost, net of accumulated depreciation and impairment losses.
Tangible assets are recorded at purchase or production cost, including any possible charges and direct costs necessary to make the asset available for use.
Depreciation is charged so as to write off the cost or valuation of assets, over their estimated useful lives, using the straight-line method, on the following bases:

Buildings	3%
Leasehold improvements	Lease term
Equipment	15%
Plants	15%
Hardware	33%
Furniture and fittings	12%

The recoverable value of such assets is determined through the principles set out in IAS 36 and outlined in the paragraph "Impairment" herein.
Ordinary maintenance costs are fully expensed as incurred. Incremental maintenance costs are allocated to the asset to which they refer and depreciated over their residual useful lives.
Improvement expenditures on rented property are allocated to the related assets and depreciated over the shorter between the duration of the rent contract or the residual useful lives of the relevant assets.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in income.

GOODWILL
Goodwill is an intangible asset with an indefinite useful life arising from business combinations accounted for using the acquisition method and represents the excess of the purchase consideration over the Group's share of the fair value of the identifiable assets, liabilities, and contingent liabilities of the subsidiary at the acquisition date.
Goodwill cannot be identified as a single asset capable of independently generating cash flows; therefore, it is allocated to the CGUs that are expected to benefit from the synergies arising from the acquisition of the company. The Group identifies Cash Generating Units (CGUs) by applying a consistent and uniform approach from one financial year to the next. Any changes in the definition of CGUs or in the aggregation of the assets composing them are appropriately justified and disclosed, providing the information required by IAS 36 (including a description of the current and previous aggregation methodologies and the reasons for the change). Goodwill is not amortized but is (tested for impairment) annually or more frequently if events or changes in circumstances indicate that it might be impaired. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.
Impairment losses are recognized immediately as expenses that cannot be recovered in the future.
On disposal of a subsidiary or associate, the attributable amount of unamortized goodwill is included in the determination of the profit or loss on disposal.

RIGHT OF USE ASSETS
According to IFRS 16, the accounting representation of leases (which do not establish the provision of services) takes place through the inclusion in the financial position of a financial liability, represented by the present value of future rents, against the inclusion in the assets of the 'right of use of the leased asset'.
Leases that were previously accounted for under IAS 17 as financial leases, have not changed compared to the current accounting representation, in full continuity with the past.

Contracts that are within the scope of IFRS 16 relate mainly to:
- land and buildings for office use;
- long term car-rental.

With reference to the options and exemptions provided by IFRS 16, the Group has made the following choices:
- IFRS 16 is not generally applied to intangible assets, short-term contracts (i.e. less than 12 months) and low unit value;
- rights of use and financial liabilities relating to leasing contracts are classified under specific items in the financial position;
- any component relating to the services included in the leasing fees is generally excluded from IFRS 16.

OTHER INTANGIBLE ASSETS

Intangible fixed assets are those lacking an identifiable physical aspect, are controlled by the company and are capable of generating future economic benefits.
Other purchased and internally-generated intangible assets are recognized as assets in accordance with IAS 38 – Intangible Assets, where it is probable that the use of the asset will generate future economic benefits and where the costs of the asset can be determined reliably.
Such assets are measured at purchase or manufacturing cost and amortized on a straight-line basis over their estimated useful lives, if these assets have finite useful lives.
Other intangible assets acquired as part of an acquisition of a business are capitalized separately from goodwill if their fair value can be measured reliably.
In case of intangible fixed assets purchased for which availability for use and relevant payments are deferred beyond normal terms, the purchase value and the relevant liabilities are discounted by recording the implicit financial charges in their original price.
Expenditure on research activities is recognized as an expense in the period in which it is incurred.
Development costs can be capitalized on condition that they can be measured reliably and that evidence is provided that the asset will generate future economic benefits.

An internally-generated intangible asset arising from the Group's e-business development (such as informatics solutions) is recognized only if all of the following conditions are met:

- an asset is created that can be identified (such as software and new processes);
- it is probable that the asset created will generate future economic benefits;
- the development cost of the asset can be measured reliably.

These assets are amortized when launched or when available for use. Until then, and on condition that the above terms are respected, such assets are recognized as construction in progress.
Amortization is determined on a straight-line basis over the relevant useful lives on the following basis:

Development costs	33%
Software	33%
Customer list (PPA)	10%

When an internally-generated intangible asset cannot be recorded at balance sheet, development costs are recognized in the statement of income in the period in which they are incurred.
If indicators of a potential impairment emerge, the Group first assesses whether the conditions for recognizing the intangible asset in accordance with IAS 38 (identifiability, control, and future economic benefits) still exist. If any of these conditions are no longer met, the asset no longer qualifies for recognition in the financial statements and the Group proceeds with the derecognition of the asset.
When the indicators relate to a deterioration in expected performance, technological advancements, or changes in the asset's usage model, the Company reassesses the remaining useful life of the intangible asset, prospectively adjusting the amortization schedule.

INTANGIBLE ASSETS WITH INDEFINITE USEFUL LIVES

Intangible assets with indefinite useful lives consist principally of acquired trademarks which have no legal, contractual, competitive, economic, or other factors that limit their useful lives. Intangible assets with indefinite useful lives are not amortized; in accordance with IAS 36 criteria, are tested for impairment annually or more frequently whenever there is an indication that the asset may be impaired. Any impairment losses are not subject to subsequent reversals.

IMPAIRMENT

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.
An intangible asset with an indefinite useful life is tested for impairment annually or more frequently, whenever there is an indication that the asset may be impaired.
The recoverable amount of an asset is the higher of fair value, less disposal costs and its value in use. In assessing its value in use, the pre-tax estimated future cash flows are discounted at their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Its value in use is determined net of tax in that this method produces values largely equivalent to those obtained by discounting cash flows net of tax at a pre-tax discount rate derived, through an iteration, from the result of the post-tax assessment.
The assessment is carried out for the individual asset or for the smallest identifiable group of cash generating assets deriving from ongoing use, the so-called Cash generating unit.
If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment losses are recognized as an expense immediately.

Where the value of the Cash generating unit, inclusive of goodwill, is higher than the recoverable value, the difference is subject to impairment and attributable firstly to goodwill; any exceeding difference is attributed on a pro-quota basis to the assets of the Cash generating unit.
Where an impairment loss subsequently reverses, the carrying amount of the asset, (or cash-generating unit), with the exception of goodwill, is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount that would have been determined had no impairment loss been recognized for the asset. A reversal of an impairment loss is recognized as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

INVESTMENTS IN OTHER COMPANIES

Investments in other companies that are available-for-sale financial assets are measured at fair value, when this can be reliably determined. Gains or Losses arising from change in fair value are recognized in Other comprehensive income/(losses) until the assets are sold or are impaired, at that time, the cumulative Other comprehensive income/(losses) are recognized in the Income Statement.
Investments in other companies for which fair value is not available are stated at cost less any impairment losses.

Dividends received are included in Other income/(expenses) from investments.

In the event of write-down for impairment, the cost is recognized in the income statement; the original value is restored in subsequent years if the assumptions for the write-down no longer exist.

The risk resulting from possible losses beyond equity is entered in a specific provision for risks to the extent to which the Parent Company is committed to fulfil its legal or implicit obligations towards the associated company or to cover its losses.

CURRENT AND NON-CURRENT FINANCIAL ASSETS

Financial assets are classified, on the basis of both contractual cash flow characteristics and the entity's business model for managing them, in the following categories:

i. financial assets measured at amortized cost;
ii. financial assets measured at fair value through other comprehensive income (hereinafter also OCI);
iii. financial assets measured at fair value through profit or loss.

At initial recognition, a financial asset is measured at its fair value; at initial recognition, trade receivables that do not have a significant financing component are measured at their transaction price. After initial recognition, financial assets whose contractual terms give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost if they are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows (the so-called hold to collect business model). For financial assets measured at amortized cost, interest income determined using the effective interest rate, foreign exchange differences and any impairment losses (see the accounting policy for "Impairment of financial assets") are recognized in the profit and loss account.

Conversely, financial assets that are debt instruments are measured at fair value through OCI (hereinafter also FVTOCI) if they are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets (the so-called hold to collect and sell business model).
In these cases:

i. interest income determined using the effective interest rate, foreign exchange differences and any impairment losses (see the accounting policy for "Impairment of financial assets") are recognized in the profit and loss account;
ii. changes in fair value of the instruments are recognized in equity, within other comprehensive income.

The accumulated changes in fair value, recognized in the equity reserve related to other comprehensive income, is reclassified to the profit and loss account when the financial asset is derecognized. A financial asset represented by a debt instrument that is neither measured at amortized cost nor at FVTOCI, is measured at fair value through profit or loss (hereinafter FVTPL); financial assets held for trading fall into this category. Interest income on assets held for trading contributes to the fair value measurement of the instrument and is recognized in "Finance income (expense)", within "Net finance income (expense) from financial assets held for trading".
When the purchase or sale of a financial asset is under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned, the transaction is accounted for on the settlement date.
The Group recognises expected losses related to financial assets measured at amortized cost, contract assets, and debt securities measured at fair value through profit or loss as impairment adjustments. Expected losses are determined over the entire life of the receivable.

TRANSFER OF FINANCIAL ASSETS

The Group removes financial assets from its balance sheet when, and only when, the contractual rights to the cash flows from the assets expire or the Group transfers the financial asset. In the case of transfer of the financial asset:

* if the entity substantially transfers all the risks and rewards of ownership of the financial asset, the Group removes the asset from the balance sheet and recognizes separately as assets or liabilities any rights and obligations created or retained with the transfer;
* if the Group substantially retains all the risks and rewards of ownership of financial assets, it continues to recognize the financial asset;
* if the Group neither transfers nor substantially retains all the risks and rewards of ownership of the financial asset, it determines whether or not it has retained control of the financial asset. In this case:
* if the Group has not retained control, it removes the asset from its balance sheet and separately recognizes as assets or liabilities any rights and obligations created or retained in the transfer;
* if the Group has retained control, it continues to recognize the financial asset to the extent of its residual involvement in the financial asset.

At the time of removal of financial assets from the balance sheet, the difference between the carrying value of assets and the fees received or receivable for the transfer of the assets is recognized in the income statement.

WORK IN PROGRESS

Contract work in progress is recognized in accordance with IFRS 15. When the result of a specific order can be reliably estimated, proceeds and costs referable to the related order are indicated as proceeds and costs respectively in relation to the state of progress of activities on the date of closure of the financial statement, based on the relationship between costs sustained for activities taking place up to the date of the financial statement and total costs estimated from the order, except for that which is not considered as representative of the state of progress of the order.
Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer.
Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognized to the extent of contract costs that it is probable will be recoverable. Contract costs are recognized as expenses in the period in which they are incurred.
When it is probable that the total contract costs will exceed total contract revenue, the expected loss is recognized as an expense immediately. Any advance payments are subtracted from the value of work in progress within the limits of the contract revenues accrued; the exceeding amounts are accounted as liabilities.
Product inventories are stated at the lower of cost and net realizable value. Cost comprises direct material and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method.
In line with the provisions of IFRS 15, the Group has applied the method for measuring progress that is considered most representative of the transfer of control to the customer, taking into account the

nature of the business and the way in which performance obligations are satisfied. This approach allows for a more faithful representation of the economic substance of work in progress and the relationship between costs incurred, value generated, and revenue recognized.

TRADE PAYABLES AND RECEIVABLES AND OTHER CURRENT ASSETS AND LIABILITIES
Trade receivables are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
Consequently, they are initially recognised at fair value, adjusted for directly attributable transaction costs, and subsequently measured at amortised cost using the effective interest rate method (i.e. the rate that equals, at the time of initial recognition, the present value of expected cash flows and the book value), appropriately adjusted to take into account any write-downs, through the recognition of a provision for doubtful accounts.

At each reporting date, all financial assets, with the exception of those measured at fair value with a contra-entry in the income statement, are analysed to verify the existence of indicators of a possible impairment. IFRS 9 requires the application of a model based on expected credit losses. The Group applies the simplified approach to estimating expected lifetime credit losses and takes into account historical experience of credit losses, adjusted to reflect current conditions and estimates of future economic conditions. The expected credit losses model requires the immediate recognition of expected losses over the life of the credit itself, as the occurrence of a trigger event is not necessary for the recognition of losses. For trade receivables accounted at amortised cost, when an impairment loss has been identified, its value is measured as the difference between the carrying amount of the asset and the present value of expected future cash flows, discounted on the basis of the original effective interest rate. This value is recognised in the income statement.

For short-term liabilities, such as trade payables, the amortised cost is the same as the nominal value.

Receivables and payables denominated in non-EMU currencies are stated at year-end exchange rate provided by the European Central Bank.

CASH
The item cash and cash equivalents include cash, banks, reimbursable deposits on demand and other short term financial investments readily convertible in cash and are not subject to significant risks in terms of change in value.

TREASURY SHARES
Treasury shares are presented as a deduction from equity. The original cost of treasury shares and proceeds of any subsequent sale are presented as movements in equity.

FINANCIAL LIABILITIES AND EQUITY INVESTMENTS
Financial liabilities and equity instruments issued by the Group are presented according to their substance arising from their contractual obligations and in accordance with the definitions of financial liabilities and equity instruments. The latter are defined as those contractual obligations that give the right to benefit in the residual interests of the Group's assets after having deducted its liabilities.
Financial liabilities, other than derivative instruments, are presented initially at fair value of the sums collected, corrected to any transaction costs directly attributable, and subsequently valued at amortized cost using the effective interest criterion. For short-term liabilities, such as commercial debts, the amortized cost actually coincides with the nominal value.

The accounting standards adopted for specific financial liabilities or equity instruments are outlined below:
- Bank borrowings
  Interest-bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs and subsequently stated at its amortized cost, using the prevailing market interest rate method.
- Equity instruments
  Equity instruments issued by the Group are stated at the proceeds received, net of direct issuance costs.
- Non-current financial liabilities.
  Liabilities are stated according to the amortization cost.

DERIVATIVE FINANCIAL INSTRUMENTS AND OTHER HEDGING TRANSACTIONS
In accordance with IFRS 9, derivative financial instruments qualify for hedge accounting only when at the inception of the hedge there is formal designation and sufficient documentation that the hedge is highly effective and that its effectiveness can be reliably measured. The hedge must be highly effective throughout the different financial reporting periods for which it was designated.
All derivative financial instruments are measured in accordance with IFRS 9 at fair value.
Changes in the fair value of derivative financial instruments that are designated and effective as hedges of future cash flows relating to the Group's contractual commitments and forecast transactions are recognized directly in Shareholders' equity, while any ineffective portion is recognized immediately in the Income Statement.
If the hedged company commitment or forecasted transaction results in the recognition of an asset or liability, then, at the time the asset or liability is recognized, associated gains or losses on the derivative that had previously been recognized in equity are included in the initial measurement of the asset or liability.
For hedges that do not result in the recognition of an asset or a liability, amounts deferred in equity are recognized in the income statement in the same period in which the hedge commitment or forecasted transaction affects net profit or loss, for example, when the future sale actually occurs.
For effective hedging against a change in fair value, the hedged item is adjusted by the changes in fair value attributable to the risk hedged with a balancing entry in the Income Statement. Gains and losses arising from the measurement of the derivative are also recognized at the income statement.
Changes in the fair value of derivative financial instruments that no longer qualify as hedge accounting are recognized in the Income Statement of the period in which they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognized in equity is retained in equity until the forecasted transaction is no longer expected to occur; the net cumulative gain or loss recognized in equity is transferred to the net profit or loss for the period.
Implicit derivatives included in other financial instruments or in other contractual obligations are treated as separate derivatives, when their risks and characteristics are not strictly related to the

underlying contractual obligation and the latter are not stated at fair value with recognition of gains and losses in the Income Statement.

EMPLOYEE BENEFITS
The scheme underlying the employee severance indemnity of the Italian Group companies (the TFR) was classified as a defined benefit plan up until 31 December 2006. The legislation regarding this scheme was amended by Law No. 296 of 27 December 2006 (the "2007 Finance Law") and subsequent decrees and regulations issued in the first part of 2007. In view of these changes, and with specific reference to those regarding companies with at least 50 employees, this scheme only continues to be classified as a defined benefit plan in the Consolidated financial statements for those benefits accruing up to 31 December 2006 (and not yet settled by the balance sheet date), while after that date the scheme is classified as a defined contribution plan.

For Italian companies with less than 50 employees, severance pay ("TFR") remains a "post-employment benefit", of the "defined benefit plan" type, who's already matured amount must be planned to estimate the amount to settle at the time of annulment of working relations and subsequently updated, using the "Projected unit credit method". Such actuarial methodology is based on an assumption of demographic and financial nature in order to carry out a reasonable estimate of the amount of benefits that each employee had already matured based on his employment performances.

Through actuarial valuation, current service costs are recognized as "personnel expenses" in the Income Statement and represent the amount of rights matured by employees at the reporting date, and the interest cost is recognized as "Financial gains or losses" and represents the figurative expenditure the Company would bear by securing a market loan for an amount corresponding to the Employee Termination Indemnities ("TFR").
Actuarial income and losses that reflect the effects resulting from changes in the actuarial assumptions used are directly recognized in Shareholders' equity without being ever included in the consolidated income statement.

PENSION PLANS
According to local conditions and practices, some employees of the Group benefit from pension plans of defined benefits and/or a defined contribution, in accordance with IAS 19.

In the presence of defined contribution plans, the annual cost is recorded at the income statement when the service cost is executed.
The Group's obligation to fund defined benefit pension plans and the annual cost recognized in the Income Statement is determined on an actuarial basis using the "ongoing single premiums" method. The portion of net cumulative actuarial gains and losses which exceeds the greater of 10% of the present value of the defined benefit obligation and 10% of the fair value of plan assets at the end of the previous year is amortized over the average remaining service lives of the employees.

The post-employment benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized actuarial gains and losses, arising from the application of the corridor method and past service costs to be recognized in future years, reduced by the fair value of plan assets.

SHARE-BASED PAYMENT PLANS
The Group has applied the standard set out by IFRS 2 "Share-based payment". Share-based payments are measured at fair value at granting date. Such amount is recognized in the Income Statement, with a balancing entry in Shareholders' equity, on a straight-line basis over the "vesting period". The fair value of the option, measured at the granting date, is measured through actuarial calculations, taking into account the terms and conditions of the options granted. Following the exercise of the options assigned in previous years, the Group has no more stock option plans.
For cash-settled share-based payment transactions, the Group measures the goods and services acquired and the liability incurred at the fair value of the liability. Until the liability is settled, the Group is required to remeasure the fair value of the liability at each reporting date and at the date of settlement, with the changes in value recognized in profit or loss for the period.

Bonuses settled through the recognition of shares in the company (equity settlement) are recorded at their initial fair value and measured on a straight-line basis over the vesting period.

INCENTIVE PLANS (LTI)
Incentive plans linked to specific parameters (economic, financial, ESG and TSR) are recorded, in accordance to IAS 19, on the basis of their initial fair value and reviewed at each reporting date to adjust based on the probability of achieving the objectives and the permanence of the assignees (vesting condition).

DUE TO MINORITY SHAREHOLDERS AND EARN-OUT
Earn-out payables represent contingent liabilities arising from acquisition transactions. According to IFRS 3 – Business Combinations, earn-outs must be accounted for as part of the purchase consideration recognised at fair value at the acquisition date as part of the purchase price. Subsequently, the value of earn-outs is subject to periodic measurement in accordance with IFRS 9 – Financial instruments and changes in fair value are accounted for in the income statement, reflecting any updates based on the achievement of contractual objectives and the evolution of future estimates.
Valuations are carried out on the basis of methodologies consistent with international accounting standards, considering market parameters, performance expectations and risk factors.
This methodology ensures that the liability is represented according to the fair value measurement method, ensuring transparency and adherence to the applicable accounting standards.

PROVISIONS AND RESERVES FOR RISKS
Provisions for risks and liabilities are costs and liabilities having an established nature and the existence of which is certain or probable that at the reporting date the amount cannot be determined or the occurrence of which is uncertain. Such provisions are recognized when a commitment actually exists arising from past events of legal or contractual nature or arising from statements or company conduct that determine valid expectations from the persons involved (implicit obligations).
Provisions are recognized when the Group has a present commitment arising from a past event and it is probable that it will be required to fulfil the commitment. Provisions are accrued at the best estimate of the expenditure required to settle the liability at the balance sheet date, and are discounted when the effect is significant.
Where disclosure of information relating to provisions could significantly prejudice the Group's

position in a dispute with third parties, only a general description of the nature of the dispute is provided.

REVENUE RECOGNITION
Revenues represent the gross flows of economic benefits for the year deriving from the performance of the ordinary business.
Revenue from contracts with customers is recognized on the basis of the following steps pursuant to IFRS 15:

- identifying the contract with the customer: this happens when the parties approve the contract and identify their respective rights and obligations. In other words, the contract must be legally binding, the rights to receive goods and/or services and the terms of payment can be clearly identified and the company considers probably to receive the payment;
- identifying the *performance obligations*: the main performance obligation identified, or transfer goods and/or services to a customer;
- determining the *transaction price*: is the total amount established with the customer, related to the entire contract period;
- allocating the transaction price to each performance obligation;
- recognizing revenue when (or as) a performance obligation is satisfied.

Revenue is measured at the fair value of the consideration to which the Group expects to be entitled in exchange for transferring promised goods and/or services to a customer, excluding amounts collected on behalf of third parties. Therefore, revenue is recognized when control over the goods or services is transferred to the customer either a) "over time" or b) "at a point in time".
The Group's revenues mainly derive from the provision of consulting, design, development and integration services of technological solutions, delivered to domestic and international clients under contracts that govern the nature, consideration and delivery terms of the services.
The main contractual models adopted by the Group are as follows:

FIXED-PRICE CONTRACTS (FIXED PRICE PROJECTS)
These contracts involve the delivery of projects or complete solutions for a predetermined total consideration. The contractual services are generally considered a single performance obligation, as they are highly integrated and interdependent.
Revenue is recognized over time, based on the stage of completion of the activities, primarily determined by the ratio of costs incurred to total estimated costs or, where appropriate, upon the achievement of specific contractual milestones.

TIME & MATERIAL CONTRACTS
Under Time & Material contracts, consideration is determined based on the actual services rendered, measured in terms of time worked and rates agreed with the client.
Revenue is recognized over time, as the customer simultaneously receives and consumes the benefits of the services, and is measured based on the activities performed during the period.

FEE-BASED CONTRACTS
Fee-based contracts provide for a predetermined fee for ongoing services or for the achievement of specific contractual objectives.
Fixed periodic fees are recognized on a straight-line basis over the contract term, while variable fees or those linked to the achievement of results (success fees) are recognized only when the achievement of the objectives is highly probable and not subject to significant subsequent reversal.

Following are the major types of services and products that the Group provides.

Turnkey projects: The Group fulfils its obligations and recognizes revenue "over time", based on the percentage of the accrued costs or the progress of the services provided. The unconditional right to payment by the customer emerges as a result of the accrual of the costs or the underlying progress of each contract.

Other services: The Group fulfils its obligations and recognizes revenue "at a point in time" based on the underlying events of the supply of products and services. The unconditional right to receive payment from the customer emerges as a result of these events occurring.

In addition, for the recognition of revenue, the need to assess the probability of obtaining/collecting the economic benefits linked to the income is emphasized; for activities deriving from contracts with customers (i.e. contractual activities), the requirement is introduced to proceed with the recognition of revenues also taking into account any discounting effect deriving from deferred collections over time, as explained in the dedicated paragraph. Interest is recognised at the effective rate on an accrual basis.

FINANCIAL INCOME/EXPENSES
Financial income and expenses are recognised in the income statement on an accrual basis.

GOVERNMENT GRANTS
Government grants, in accordance with IAS 20, are recognized in the financial statements when there is reasonable assurance that the company concerned will comply with the conditions for receiving such grants and that the grants themselves will be received. Government grants are recognized as income over the periods necessary to match them with the related costs which they are intended to compensate.

TAXATION
Income tax represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit defers from the profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.
Current income tax is entered for each individual company based on an estimate of taxable income in compliance with existing legislation and tax rates or as substantially approved at the period closing date in each country, considering applicable exemptions and tax credit.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit, and is accounted for using the balance sheet liability method.
Deferred tax liabilities are generally recognized for all taxable temporary differences and tax assets

are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.
Deferred tax liabilities are recognized for taxable temporary differences arising on investments in subsidiaries and associates and interests arising in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.
The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.
Deferred tax is calculated at the tax rates that are expected to apply to the period when the liability is settled or the asset realized. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.
Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.
In the event of changes to the accounting value of deferred tax assets and liabilities deriving from a change in the applicable tax rates and relevant legislation, the resulting deferred tax amount is entered in income statement, unless it refers to debited or credited amounts previously recognized to Shareholders' equity.

The International Accounting Standards Board (IASB) issued amendments to the international accounting standard "IAS 12 - Income Taxes" on May 23, 2023.
The amendments concern the methods for accounting for deferred taxes deriving from the international tax reform (the so-called Pillar Two Model Rules) of the Organisation for Economic Co-operation and Development (OECD): they introduced a temporary exemption from the accounting of deferred taxes and specific disclosure requirements that allow for the understanding of exposure to income taxes deriving from the reform.
The Group has adopted these amendments, providing the required information, starting from the 2023 financial year. For more details, please refer to Note 15.

DIVIDENDS
Dividends are entered in the accounting period in which distribution is approved.

EARNINGS PER SHARE
Basic earnings per share is calculated with reference to the profit for the period of the Group and the weighted average number of shares outstanding during the year. Treasury shares are excluded from this calculation.
Diluted earnings per share is determined by adjusting the basic earnings per share to take account of the theoretical conversion of all potential shares, being all financial instruments that are potentially convertible into ordinary shares, with diluting effect.

CHANGES IN ACCOUNTING POLICIES
The accounting standards newly adopted by the Group and their effects are described in the following paragraph "Newly issued accounting standards". There have been no further changes further to those described in the above paragraph.

ESTIMATIONS CHANGES AND ADJUSTMENTS
During the financial year 2025, the Group carried out a systematic review of the useful lives and the related depreciation and amortization rates applied to property, plant and equipment and intangible assets, based on updated technical assessments and expected patterns of use of the assets, also considering the evolution of operational and technological processes.
The review resulted in an extension of the estimated useful lives of certain asset categories and the consequent prospective revision of the related depreciation and amortization charges.
In accordance with IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, this intervention qualifies as a change in accounting estimate and has been applied prospectively from 1 January 2025, with no retrospective effects on prior periods.
The effect of the change in 2025 resulted in:
- a reduction in depreciation and amortization recognized in the income statement of approximately Euro 1 million;
- a corresponding increase in operating profit for the year;
- an impact of approximately 0.9% of total depreciation and amortization recognized in the year.

The revision of useful lives will also have effects on subsequent financial years, in line with the new depreciation and amortization profile of the assets concerned.
The impact of the change is included in the line item "Depreciation, amortization and impairment" in the consolidated income statement and is reflected in the movements of property, plant and equipment and intangible assets presented in these Notes.
Furthermore, in order to ensure better comparability and consistency of presentation, the Group has made certain reclassifications to the comparative figures of the previous year. These reclassifications affected only the presentation of certain financial statement line items and had no impact on profit for the year, equity or previously reported cash flows.

USE OF ESTIMATIONS

The preparation of the Financial Statements and relative notes under IFRS requires that management makes estimates and assumptions based also on subjective judgments, past experiences and assumptions considered reasonable and realistic in relation to the information at the time of estimation. These estimates shall affect items reported in the consolidated financial balance sheet and income statement and the disclosure of contingent assets and liabilities. The results of the financial statements may differ, even significantly, from these estimates as a result of possible changes in the factors considered in the determination of these estimates. Estimates are periodically reviewed.

The estimates are mainly referred to:

Goodwill

Checking for the reduction in the value of goodwill is carried out by comparing the book value of the cash flow generating units and their recoverable value; the latter is represented by the greater of the fair value, minus the selling costs, and the value in use of the same unit. This complex valuation process involves, among other things, the use of methods such as discounted cash flow with the related assumptions on the estimation of cash flows and the determination of market multiples. The recoverable value depends on the discount rate used in the discounted cash flow model as well as the expected cash flows in the future and the growth rate used for extrapolation purposes. The key assumptions used to determine the recoverable value for the different cash flow generating units, including a sensitivity analysis, are detailed in the Goodwill Note.

Equity investments

The fair value of investments in other non-controlling companies is, in line with the provisions of the International Private Equity and Venture Capital valuation guideline (IPEV), determined both by valuation models that also take into account subjective valuations such as, for example, those estimates of cash flows, and on the basis of external information such as multiples and quotes provided by new investment rounds.

Business combinations and due to minority shareholders and earn-out

The recognition of business combinations entails the recognition of the assets and liabilities of the acquired company at their fair value on the date of acquisition of control as well as the possible recognition of goodwill. The determination of these values is carried out through a complex estimation process.

Due to minority shareholders and earn-out represents the valuation of the obligations assumed by the Reply Group as part of the acquisitions made. These liabilities are linked either to the commitments to purchase shares from minority shareholders or to the deferred component of the consideration to be paid to the sellers – Earn-out. These liabilities are remeasured at fair value at each balance sheet date and adjusted through the income statement. The fair value of the liabilities is determined on the basis of evaluation models based on the acquisition contracts and on the economic and financial parameters derived from the budgets of the acquired companies. These are therefore also based on subjective assessments such as, for example, estimates of future cash flows.

Trade receivables

The reduction in value of trade receivables is carried out through the simplified approach, which provides for the estimation of the expected loss over the entire life of the credit at the time of initial recognition and in subsequent evaluations. For each customer segment, the estimate is made mainly through the determination of the expected default, based on historical-statistical indicators, possibly adjusted using prospective elements. For some categories of loans characterized by specific risk elements, detailed assessments are carried out on the individual credit positions.

Deferred Tax Assets

Deferred tax assets are recognized to the extent that it is probable that sufficient future taxable profits will be available against which the temporary differences or any tax losses can be utilized.

Work in progress

Work in progress is evaluated on the basis of the state of progress, determined according to the percentage of completion method, which requires the use of reasonable and reliable estimates of the costs incurred, the expected revenues and the possible profitability margin of the project. The estimates are subject to periodic review and may be subject to adjustments if significant changes emerge in the operating conditions or in the initial assumptions of the order.

Lease liabilities and right of use assets

The determination of the value of the lease liability and the corresponding right of use asset is carried out by calculating the present value of the lease payments, also considering the estimate on the reasonable certainty of the renewal of the lease contracts.

Provisions, contingent liabilities and employee provisions

The provisions related to litigation are the result of a complex estimation process that is also based on the probability of failure. The provisions related to personnel provisions, and in particular to the employee severance indemnity, are determined on the basis of actuarial assumptions; changes in these assumptions could have significant effects on those provisions.

Derivative instruments and equity instruments

The fair value of derivatives and equity instruments is determined through valuation models that also take into account subjective valuations such as, for example, cash flow estimates, expected price volatility, etc., and/or through market values or quotes provided by financial counterparties.

Pursuant to IAS 8 (Accounting Standards, changes in accounting estimates and errors) paragraph 10, in the absence of a principle or interpretation applicable specifically to a certain transaction, Management defines, through subjective assessments, the accounting methodologies to be adopted in order to provide a financial statements that faithfully represent the financial position, the economic result and the financial flows of the Group, reflects the economic substance of the operations, is neutral, drafted on a prudential basis and comprehensive in all relevant aspects.

RECENTLY ISSUED ACCOUNTING STANDARDS

Accounting standards, amendments and interpretations applicable from January 1, 2025

Amendments to IAS 21 – Lack of Exchangeability
During the 2025 financial year, the Group applied for the first time the amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates, relating to cases where a currency is not exchangeable.
The amendments:
- introduce criteria to determine whether a currency is exchangeable;
- define how to determine the exchange rate when a currency is not exchangeable;
- require specific disclosures.

The application of these amendments did not have a significant impact on the Group's financial position or results of operations.

Accounting standards, amendments and interpretations endorsed but not yet effective as at December 31, 2025

Pursuant to IAS 8, paragraphs 30–31, the Company sets out below the accounting standards and amendments that have been issued but are not yet mandatory as at the reporting date of these financial statements and have not been early adopted.
Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments
(Effective for financial years beginning on or after January 1, 2026)
The amendments relate to:
- clarifications on the classification of financial assets;
- aspects of derecognition;
- new disclosure requirements related to financial instruments.

The Group is currently assessing the impacts of the application of these amendments.
As of today, no significant effects are expected.

Annual Improvements to IFRS Standards – Volume 11
(Effective from January 1, 2026)
The improvements introduce targeted amendments to:
- IFRS 1 – First-time Adoption of IFRS;
- IFRS 7 – Financial Instruments: Disclosures;
- IFRS 9 – Financial Instruments;
- IAS 7 – Statement of Cash Flows.

These amendments are mainly clarificatory in nature.
The Group does not expect any significant impacts.

Accounting standards not yet endorsed

IFRS 18 – Presentation and Disclosure in Financial Statements
(Effective from January 1, 2027)
IFRS 18 will replace IAS 1 and will introduce:
- new mandatory categories in the income statement (operating, investing, financing);
- specific requirements for alternative performance measures (MPMs);
- enhanced requirements for the aggregation and disaggregation of information.

The Group has started a preliminary assessment of the impacts, which are expected to mainly affect the presentation of the income statement and disclosures, with no effects on the determination of net profit.
Changes are expected in this area, particularly following the reclassification of foreign exchange gains and losses within operating activities, as well as the reclassification of income from investments in associates within a new subtotal under the new "investments" category.
In addition, the new aggregation and disaggregation requirements will result in changes to the presentation, with the aim of providing a more useful and structured summary.

IFRS 19 – SUBSIDIARIES WITHOUT PUBLIC ACCOUNTABILITY: DISCLOSURES
(Effective from 1 January 2027 – optional application)
The standard allows subsidiaries without public accountability to apply IFRS with a simplified disclosure regime.
The Group is assessing the potential applicability of the standard to its subsidiaries.

NOTE 3 - Risk management

The Group operates at a world-wide level and for this reason its activities are exposed to various types of financial risks: market risk (broken down in exchange risk, interest rate risk on financial flows and on "fair value", price risk), credit risk and liquidity risk.
The probability of default at the time of the initial recognition of an asset and whether there was a significant increase in credit risk on an ongoing basis for each reporting period was considered. Forward-looking information, where available, was also considered. In particular, indicators such as credit ratings or significant negative changes could be considered. Macroeconomic information (such as market interest rates or growth rates), as well as information on climate change, are considered for assessment purposes.

CREDIT RISK
For business purposes, specific policies are adopted to assure its clients' solvency.
With regards to financial counterparty risk, the Group does not present significant risk in credit-worthiness or solvency.

LIQUIDITY RISK
The group is exposed to funding risk if there is difficulty in obtaining finance for operations at any given point in time.
The cash flows, funding requirements and liquidity of the Group companies are monitored and

centrally managed under the control of the Group Treasury. The aim is to guarantee the efficiency and effectiveness of the management of current and perspective capital resources (maintaining an adequate level of reserves of liquidity and availability of funds via a suitable amount of committed credit lines).
The difficult economic situation of the markets and of financial markets necessitates special attention being given to the management of the liquidity risk, and in that sense particular emphasis is being placed on measures taken to generate financial resources through operations and maintaining an adequate level of liquid assets. The Group therefore plans to meet its requirements to settle financial liabilities as they fall due and to cover expected capital expenditures by using cash flows from operations and available liquidity, renewing or refinancing bank loans.

EXCHANGE RATE AND INTEREST RATE RISK
The Group entered into most of its financial instruments in Euros, which is its functional and presentation currency. Although it operates in an international environment, it has a limited exposure to fluctuations in the exchange rates.
The exposure to interest rate risk arises from the need to fund operating activities and M&A investments, as well as the necessity to deploy available liquidity. Changes in market interest rates may have the effect of either increasing or decreasing the Group's net profit/(loss), thereby indirectly affecting the costs and returns of financing and investing transactions.
The interest rate risk to which the Group is exposed derives from bank loans; to mitigate such risks, the Group, when necessary, has used derivative financial instruments designated as "cash flow hedges".
The use of such instruments is disciplined by written procedures in line with the Group's risk management strategies that do not contemplate derivative financial instruments for trading purposes.

NOTE 4 - Consolidation

Companies included in consolidation are consolidated on a line-by-line basis.

The mainly changes in consolidation compared to 31 December 2024 are related to:
- Red Scientific Reply Limited, a company acquired in the month of August 2025 under English law, in the Defence and Public Administration sector in UK, carrying out engineering consulting activities in technical and scientific fields, of which Reply Ltd. Holds 100% of the share capital.
- Root16 LLC, a company acquired in the month of August 2025 under American law, specialized in technology consulting services for professional services using Microsoft Dynamics, focusing on the mid-market segment, of which Reply Inc. holds 100% of the share capital;

Change in the consolidation as at December 31, 2025 affected Group's revenues by 0.2% and profits before tax by 0.2%.
It should also be noted that, if the acquisition of Root16 LLC and Red Scientific Ltd. had been completed on 1 January 2025, the Reply Group's consolidated financial statements as at 31 December 2025 would have recorded higher revenues of approximately 0.7%.

Furthermore, the list of the Reply Group companies, compared to 31 December 2024, presented as an annex herein include the start-up companies Avantage Reply Roma S.r.l., Atena Reply S.r.l., Canvas Reply Ltd, Cognita Reply S.r.l., Comwrap Reply LLC, Concept Quality Reply Ltd, OBI Smart Technologies Poland Sp. z o.o., Reply AI Studios S.r.l., Storm Reply Ltd, Valorem Reply Ltd while the company Avantage Reply (Netherland) BV. exited.

NOTE 5 - Revenue

Revenues from sales and services, including changes in work in progress on contracts, amounted to 2,449,991 thousand Euros (2,295,938 thousand Euros in 2024).
This item includes consulting services, fixed price projects, assistance and maintenance services and other minor revenues.

The table below presents the percentage distribution of revenues by geographic area. This breakdown reflects how the Group's Management oversees the business, and the allocation closely aligns with where the services are delivered.

REGION (*)	2025	2024
Region 1	62.4%	62.6%
Region 2	18.5%	19.8%
Region 3	19.1%	17.6%
Total	**100.0%**	**100.0%**

(*)
Region 1: ITA, USA, BRA, POL, ROU, CHN (Nanjing)
Region 2: DEU, CHE, CHN (Beijing), HRV, POL
Region 3: GBR, LUX, BEL, NLD, FRA

Disclosure required by IFRS 8 ("Operating segment") and breakdown of revenues by type are provided in Note 37 herein.

NOTE 6 - Other revenues

During the financial year 2025, total income amounted to 49,471 thousand Euros, compared to 31,068 thousand Euros in 2024, with an increase of 18,403 thousand Euros. The breakdown is as follows:

(THOUSAND EUROS)	2025	2024	CHANGE
Grants on funded projects	33,638	4,581	29,057
Other income	7,338	6,160	1,178
Other grants and contributions	4,468	8,437	(3,969)
Non-recurring income	2,436	10,974	(8,538)
Other	1,591	916	675
Total	**49,471**	**31,068**	**18,403**

Grants on funded projects, amounting to 33,638 thousand Euros (4,581 thousand Euros in 2024), include contributions related to activities carried out on funded projects. These grants are recognized in accordance with IAS 20, based on the stage of completion of the related activities and in line with the costs incurred during the year. The increase is mainly attributable to the awarding of a tender within European Union programs, which led to the initiation and reporting of new project activities during the year, with a consequent increase in grants recognized in the income statement.
Other grants and contributions, amounting to 4,468 thousand Euros (8,437 thousand Euros in 2024), mainly relate to contributions for research and development activities. In the previous year, this item also included contributions for training activities.
Other income, amounting to 7,338 thousand Euros (6,160 thousand Euros in 2024), mainly relates to recharges to Group employees for fringe benefits associated with the use of company cars assigned to them.
Non-recurring income, amounting to 2,436 thousand Euros (10,974 thousand Euros in 2024), includes positive income components not attributable to other income categories.

NOTE 7 - Purchases

Detail is as follows:

(THOUSAND EUROS)	2025	2024	CHANGE
Software licenses for resale	35,308	34,505	803
Hardware for resale	4,174	3,820	355
Other	7,390	8,025	(635)
Total	**46,872**	**46,350**	**522**

Purchases of Software licenses and Hardware licenses for resale are recognized at purchase cost. The item Other includes the purchase of fuel for 4,505 thousand Euros, the purchase of tangible assets for 1,278 thousand Euros and the purchase of office stationery for 438 thousand Euros.

NOTE 8 - Personnel

Detail is as follows:

(THOUSAND EUROS)	2025	2024	CHANGE
Payroll employees	1,293,601	1,185,057	108,544
Executive Directors	82,908	81,375	1,533
Total	**1,376,509**	**1,266,433**	**110,076**

The increase in the cost of employees, amounting to 110,076 thousand Euros, is mainly attributable to the increase in the number of employees due to an overall increase in the Group's business.

Detail of personnel by category at year end is provided below:

(NUMBER)	2025	2024	CHANGE
Directors	498	456	42
Managers	1,811	1,741	79
Staff	14,315	13,470	845
Total	**16,624**	**15,667**	**957**

The average number of employees in 2025 was 16,202 marking an increase with respect to 15,244 of the previous year, the detail by category is provided below:

(NUMBER)	2025	2024	CHANGE
Directors	649	455	194
Managers	1,694	1,735	(41)
Staff	13,859	13,054	805
Total	**16,202**	**15,244**	**958**

Employees of the group are mainly electronic engineers, economic, computer science, and business graduates from the best Universities.

NOTE 9 - Service costs

Service costs comprised the following:

(THOUSAND EUROS)	2025	2024	CHANGE
Commercial and technical consulting	419,519	368,332	51,187
Travelling and professional training expenses	47,690	48,249	(560)
Other services costs	120,589	104,421	16,167
Office expenses	18,800	17,715	1,085
Lease and rentals	7,765	7,709	56
Other	16,077	23,060	(6,983)
Total	**630,440**	**569,486**	**60,953**

Change in Services and other costs, amounting to 60,953 Euros, is mainly attributable to an overall increase in the Group's business.

The item Other service costs mainly include marketing services, software license fees, administrative and legal services, telephone, meal vouchers and software license fees.

Office expenses include services rendered by related parties referred to service contracts for the use of premises, domiciliation and secretarial services for 3,065 thousand Euros and also includes rent charged by third parties for 3,486 thousand Euros, utility costs for 6,278 thousand Euros, cleaning expenses for 2,690 thousand Euros and maintenance expenses for 2,660 thousand Euros.

The item Lease and rentals refers to low-value and/or short-term leases accounted for in accordance with paragraph 6 of IFRS 16.

The item Other includes subscriptions and membership fees for 3,215 thousand Euros, deductible and non-deductible taxes and duties for 2,998 thousand Euros, gifts for 1,292 thousand Euros and extraordinary expenses for 591 thousand Euros.

NOTE 10 - Amortization, depreciation and write downs

Depreciation of tangible assets, calculated on the basis of economic-technical rates determined in relation to the residual useful lives of the assets, resulted in an overall charge as at 31 December 2025 of 15,804 thousand Euros. Details of depreciation are provided in the notes to tangible assets.

Amortization of intangible assets for the year ended 2025 amounted to an overall loss of 15,911 thousand Euros. Details of depreciation are provided in the notes to tangible assets.

Amortization related to right of use assets arising from the adoption of IFRS 16 amounted to 36,241 thousand Euros.

It should also be noted that, as at 31 December 2025, no further indications of impairment emerged compared to the write-down recognised following the impairment test as of 30 June 2025 amounting to 19,000 thousand Euros.

In addition, capitalized development costs from previous financial years amounting to 2,572 thousand Euros were written off.

NOTE 11 - Other operating (costs)/income

The item Other operating income/expenses, amounting to positive 21,997 thousand Euros, includes economic components that, although related to the ordinary course of business, do not directly fall under the main categories of cost and revenue, such as provisions for risk and charges and to the fair value adjustments to earn-out liabilities.

As at 31 December, the item is composed as follows:
- Professional liability provision: positive for 24,000 thousand Euros;
- Preventive seizure provision: positive for 5,039 thousand Euros;
- Allowance for doubtful accounts: positive for 1,839 thousand Euros;
- Contra-asset provision: negative for 3,194 thousand Euros;
- Provisions for contractual risks and other risks: negative for 5,687 thousand Euros.

PROFESSIONAL LIABILITY
It should be noted that during 2025, the dispute relating to a professional liability claim was settled. The total outflow incurred to settle the case amounted to Euro 15 million. This amount was fully covered by the professional liability insurance policy, despite an initial denial of the claim by the insurance company (net of a contractual deductible of Euro 0.3 million). Due to this uncertainty, as at 31 December 2024 a provision for risks had been recognized for the entire estimated potential liability, amounting to Euro 24 million.
Following the favourable resolution of the dispute and the recognition of the insurance coverage, the provision originally recognized was fully released.

PREVENTIVE SEIZURE
With regard to the preventive seizure involving the Parent Company Reply S.p.A., which led to the recognition of a provision totaling 8 million Euro as of December 31, 2024, it should be noted that, following the partial release of the seizure ordered by the Public Prosecutor after the close of the financial year, the provision has been reduced to 2.9 million Euro.

This event was considered an adjusting event pursuant to IAS 10, as it provides evidence of conditions that already existed at the reporting date.

According to the decree, the alleged offense is that referred to in Article 640-ter, paragraphs 1 and 3 of the Italian Criminal Code, relating to the period 2017–2019, and no liability is alleged under Legislative Decree 231/2001. The criminal proceedings are still in the preliminary investigation phase.

WRITE-DOWN OF ASSETS
During the year, receivables relating to invoices to be issued from previous years and grants on funded projects were written off as they were deemed no longer recoverable based on the assessments performed, with the related impact recognized in the income statement.

PROVISION FOR CONTRACTUAL RISKS AND OTHER RISKS
This item mainly includes a provision to cover expected losses on ongoing contracts and the related execution costs, determined based on the best estimates at the reporting date, amounting to Euro 5.0 million.

NOTE 12 - Fair value adjustments to deferred consideration

Adjustments to earn-out liabilities, amounting to a positive 13,411 thousand Euros (positive 4,743 thousand Euros as of 31 December 2024), arise from the fair value adjustments of the liability related to the variable consideration for the acquisition of shares in subsidiaries (Business combination).

NOTE 13 - (Loss)/gain on investments

This item amounting to negative 8,478 thousand Euros (negative 20,000 thousand Euros in 2024) is related to the fair value adjustments to equity investments in start-up companies originally held by the investment company Breed Investments Ltd and subsequently transferred to the Parent Company Reply S.p.A. as part of the corporate reorganization carried out during the year.

NOTE 14 - Financial income/(expenses)

Detail is as follows:

(THOUSAND EUROS)	2025	2024	CHANGE
Financial income	11,541	13,451	(1,909)
Interest expenses	(4,403)	(5,448)	1,045
Other	(20,654)	(5,191)	(15,463)
Total	**(13,515)**	**2,812**	**(16,327)**

Financial income mainly includes interest on bank deposits amounting to 9,804 thousand Euros, positive interest on financial investments amounting to 1,006 thousand Euros and positive interest on convertible loans amounting to 43 thousand Euros.
Interest expenses mainly include expenses related to loans for M&A operations.

The item Other includes:
- interest expenses arising from IFRS 16 for 4,903 thousand Euros (3,866 thousand Euros at 31 December 2024);
- changes in fair value of financial liabilities pursuant to IFRS 9 for negative 456 thousand Euros (negative 4,961 thousand Euros at 31 December 2024);
- net exchange differences arising from the translation of balance sheet items denominated in currencies other than the Euro, amounting to negative 14,102 thousand Euros (positive 3,628 thousand Euros as at 31 December 2024);
- net changes in fair value of Convertible Loans for negative 457 thousand Euros (negative 552 thousand Euros at 31 December 2024);
- financial gains related to the fair value adjustments of the investments mainly held by Reply amounting to 364 thousand Euros (768 thousand Euros at 31 December 2024).

NOTE 15 - Income taxes

Income taxes for the financial year ended 2025 amounted to 117,106 thousand Euros and is detailed as follows:

(THOUSAND EUROS)	2025	2024	CHANGE
IRES and other taxes	108,358	107,145	1,213
IRAP (Italy)	15,515	14,165	1,350
Current taxes	**123,873**	**121,310**	**2,563**
Deferred tax expenses	(4,774)	(3,384)	(1,390)
Deferred tax income	(537)	(18,469)	17,933
Deferred taxes	**(5,310)**	**(21,854)**	**16,543**
Corporate tax - previous years	(1,457)	7	(1,464)
Total income taxes	**117,106**	**99,464**	**17,642**

The tax rate was equivalent to 31.7% (compared to 31.8% of 2024).

The reconciliation between the tax charges recorded in the consolidated financial statements and the theoretical tax charge, calculated on the basis of the theoretical tax rate in effect in Italy, is the following:

PROFIT/(LOSS) BEFORE TAXES FROM CONTINUING OPERATIONS	369,696	
Theoretical income taxes	88,727	24.0%
Effect of fiscal permanent/temporary differences	9,806	
Effect of difference between foreign tax rates and the theoretical Italian tax rate	3,058	
Current and deferred income tax recognized in the financial statement excluding IRAP	**101,591**	**27.5%**
IRAP current and deferred	15,515	4.2%
Current and deferred income recognized in the financial statements	**117,106**	**31.7%**

In order to render the reconciliation between income taxes recognized in the financial statements and theoretical income taxes more meaningful, IRAP tax is not taken into consideration since it has a taxable basis that is different from the result before tax of continuing operations. Theoretical income taxes are therefore calculated by applying only the tax rate in effect in Italy ("IRES"), equal to 24.0%, on the result before tax of continuing operations.

In light of the new regulations, the Group (which falls within the scope of the Global Minimum Tax) is currently engaged in implementing the internal procedures necessary to manage the compliance requirements imposed by the Pillar Two rules in the most effective and efficient way, both for its Italian and foreign activities. In this context, thorough analyses have been conducted to estimate the likelihood that, in the jurisdictions where the Group operates, the requirements for applying the simplified transitional regime known as 'Safe Harbour' (regulated in our legal system by the Ministerial Decree of May 20, 2024) will be met. If these requirements are satisfied, they would allow the Group to avoid applying the more complex regulatory framework provided under the permanent system. Furthermore, analyses have been carried out to estimate whether, in some of these jurisdictions, a GMT would be due based on the results achieved in the tax period ending December 31, 2025.

From these checks, it has emerged that in 2025, the requirements for applying the simplified transitional regime are met in all jurisdictions where the Group operates, and therefore, no Global Minimum Tax would be due in these jurisdictions.

NOTE 16 - Earnings per share

The basic and diluted earnings per share as at 31 December 2025 was calculated on the basis of the Group's net result amounting to 250,889 thousand Euros (211,139 thousand Euros as at 31 December 2024) divided by the weighted average number of shares, net of treasury shares, as at 31 December 2024 which amounted to 37,278,236 (37,380,368 as at 31 December 2024).

(EUROS)	2025	2024
Group net result	250,889,000	211,139,000
Average no. shares	37,278,236	37,380,368
Earnings per share	6.73	5.65

The basic earnings per share and diluted earnings per share are the same as there are no financial instruments potentially convertible in shares (stock options).

NOTE 17 - Other information

Italian Law 124/2017 requires that information on subsidies, contributions, paid assignments and economic benefits of any kind received from Italian public administrations be provided. In this regard, the following tables show the amounts collected by the Group in 2025:

PAID ASSIGNMENTS

CLIENT	THOUSAND EUROS
AZIENDA REGIONALE PER L'INNOVAZIONE E GLI ACQUISTI SPA	26,881
SOGEI	19,269
AZIENDA SOCIO SANITARIA TERRITORIALE	6,294
PREVIDENZA SOCIALE	5,372
REGIONI E PROVINCE	4,685
MINISTERI	3,863
FONDAZIONI	3,706
INAIL	3,507
AZIENDA ZERO	2,790
ALTRI ENTI PUBBLICI	1,745
AGENZIA DI TUTELA DELLA SALUTE REGIONALE	1,628
ENTE PUBBLICO NAZIONALE DI RICERCA	1,551
AUTORITÀ NAZIONALE ANTICORRUZIONE – ANAC	1,133
LAZIOCREA SPA	1,098
AGENZIA PER LE EROGAZIONI IN AGRICOLTURA – AGEA	954
AGENZIA NAZIONE PER L'AMMINISTRAZIONE E LA DESTINAZIONE DEI BENI SEQUESTRATI ALLA CRIMINALITÀ ORGANIZZATA	500
AUTORITA GARANTE DELLA CONCORRENZA E DEL MERCATO	449
INARCASSA	415
UNIVERSITÀ	345
A.S.I. - AGENZIA SPAZIALE ITALIANA	285
CONSIGLIO DI STATO	199
AZIENDA ULSS	165
AGENZIA DI CONTROLLO DEL SISTEMA SOCIOSANITARIO	80
COMUNI	53
BANCHE	40
GUARDIA DI FINANZA	30
ARMA DEI CARABINIERI	5
TOTAL	**87,040**

The beneficiary companies are: Reply S.p.A., Business Reply S.r.l., Business Reply Public Sector S.r.l., Cluster Reply S.r.l., Cluster Reply Roma S.r.l., Consorzio Reply Public Sector, Discovery Reply S.r.l., e*finance consulting Reply S.r.l., Eos Reply S.r.l., Forge Reply S.r.l., Hermes Reply S.r.l., Like Reply S.r.l., Reply Consulting S.r.l., Santer Reply S.r.l., Security Reply S.r.l., Sensor Reply S.r.l., Storm Reply S.r.l., Sytel Reply Roma S.r.l., Technology Reply Roma S.r.l., Xenia Reply S.r.l., Xister Reply S.r.l. e Whitehall Reply S.r.l. For further details, please refer to the individual company's 2025 annual report.
In accordance to the above-mentioned regulation, the following table shows the public grants received by some group companies.

PUBLIC GRANTS

ENTITY	THOUSAND EUROS
COMMISSION EUROPEENNE	30,795
MINISTERO DELLO SVILUPPO ECONOMICO	1,227
MIUR	735
MISE	357
UNIVERSITÁ DI BOLOGNA	293
RESTART	213
MOST	112
REGIONE PIEMONTE	22
TOTAL	**33,754**

NOTE 18 - Tangible assets

Tangible assets as at 31 December 2025 amounted to 160,391 thousand Euros and are detailed as follows:

(THOUSAND EUROS)	31/12/2025	31/12/2024	CHANGE
Lands and buildings	108,389	92,173	16,216
Plant and machinery	9,730	6,647	3,083
Hardware	12,951	11,662	1,289
Other	29,322	21,861	7,461
Total	**160,391**	**132,343**	**28,048**

Change in tangible assets during 2025 is summarized below:

(THOUSAND EUROS)	LANDS AND BUILDINGS	PLANT AND MACHINERY	HARDWARE	OTHER	TOTAL
Historical cost	99,094	21,516	52,741	56,658	230,009
Accumulated depreciation	(6,922)	(14,869)	(41,079)	(34,797)	(97,666)
31/12/2024	**92,173**	**6,647**	**11,662**	**21,861**	**132,343**
Historical costs					
Increases	16,954	5,377	9,001	13,826	45,158
Disposals	(211)	(1,077)	(4,776)	(3,355)	(9,419)
Change in consolidation	-	-	110	-	110
Other changes	2	(1)	(718)	(1,768)	(2,485)
Accumulated depreciations					
Increases	(988)	(2,180)	(7,474)	(5,161)	(15,804)
Disposals	459	973	4,420	3,167	9,019
Change in consolidation	-	-	(69)	-	(69)
Other changes	(1)	(9)	796	752	1,537
Historical cost	115,840	25,815	56,358	65,361	263,373
Accumulated depreciation	(7,451)	(16,085)	(43,407)	(36,039)	(102,982)
31/12/2025	**108,388**	**9,730**	**12,951**	**29,322**	**160,391**

During the financial year the Group carried out total investments for 45,158 thousand Euros (40,056 thousand Euros at 31 December 2024).

The item Lands and Buildings mainly includes:
- the value of the land on which the real estate complexes located in Turin stand, amounting to €11,205 thousand Euros, as determined on the basis of an expert appraisal;
- the net value of a building owned by the group amounting to 3,926 thousand Euros located in Guetersloh, Germany.
- the real estate complex located in Turin and called "ex Caserma De Sonnaz" in the amount of 71,451 thousand Euros, that after proper renovation will be used to host the offices of the Group.
- the real estate complex located in Turin – Via Nizza 250 – in the amount of 21,409 thousand Euros that hosts the offices of the Group.

Increases in the item Lands and Buildings refers to the restructuring costs of the buildings.
Increase in the item Plant and machinery mainly refers to purchases of general devices and to plant systems for the offices in which the Group operates.

Change in the item Hardware is due to investments made by companies included in Region 1 for 4,343 thousand Euros, 2,775 thousand Euros for purchases made by the companies included in Region 2 and 1,883 thousand Euros for purchases made by the companies included in Region 3.

The item Other as at 31 December 2025 mainly includes office furniture and leasehold improvements. The increase of 13,826 thousand Euros mainly refers to the purchase of office furniture for 1,021 thousand Euros, leasehold improvements for 10,664 thousand Euros and the purchase of other for 2,141 thousand Euros. The item Other is mainly related to mobile phones.

Other changes mainly refer to translation differences.

Considering that, as at 31 December 2025 tangible assets were depreciated by 39.1% of their value (42.5% at 31 December 2024) the remaining net book value of 60.9% indicates, on average, a still significant useful life.

NOTE 19 - Goodwill

This item includes goodwill arising from consolidation of subsidiaries purchased against payment made by some Group companies.
Goodwill in 2025 developed for the exchange rate differences as follows:

(THOUSAND EUROS)	
Beginning balance	**693,210**
Increases	18,662
Impairment	-
Other changes	(19,000)
Total	692,872
Exchange rate differences	(25,736)
Ending balance	**667,136**

Increase in goodwill compared to 31 December 2024 owes to:
- the acquisition, in August 2025, by the American subsidiary Reply Inc of Root16 LLC, specialized in technology consulting services for professional services using Microsoft Dynamics.
- the acquisition, in August 2025, by the UK subsidiary Reply Ltd of Red Scientific Reply Limited, operating in the Defence and Public Administration sector and providing engineering consulting activities.

The following table summarizes the calculation of goodwill and the aggregate book value of the companies as at the acquisition date.

(THOUSAND EUROS)	*FAIR VALUE (*)*
Tangible and intangible assets	63
Trade receivables and other current assets	3,047
Cash and cash equivalents	955
Financial Liabilities	(105)
Trade payables and other current liabilities	(1,332)
Deferred Taxes Net	(8)
Net assets acquired	**2,620**
Transaction value	25,117
Difference allocated to other intangible assets	(3,836)
Goodwill	**18,662**

(*) book value is equal to fair value

Goodwill is allocated to Cash Generating Units ("CGUs"), identified for the purposes of IAS 36 as economic units consistent with the Group's management model and prevailing governance. The CGUs identified reflect the combination of:

- commercial governance and economic responsibility (clients, contracts, pricing);
- integration of the delivery model (multi-country projects, offshoring/nearshoring, centres of competence);
- shared assets and services and resource planning/allocation methods;
- consistent management reporting and KPIs at perimeter level;
- absence of a separate market capable of generating largely independent cash inflows.

As of the reporting date, Reply has identified five CGUs, representing the Group's economic-geographical operating areas.

For the sake of clarity, it should be noted that in the financial statements as at 31 December 2025 the CGUs have been renamed compared to 31 December 2024, with no changes in either their number or their reference economic perimeters.

The following table shows the movements in goodwill for the CGUs identified according to the above criteria:

(THOUSAND EUROS)	SEGMENT IFRS 8 (REGION)	AT 31/12/2024	INCREASES	IMPAIRMENT	EXCHANGE RATE DIFFERENCES	AT 31/12/2025
P1 - IT Led	Region 1	46,079	-	-	224	46,303
P2 - DE Led	Region 2	226,793	-	-	-	226,793
P3 - UK Led	Region 3	169,123	2,183	-	(7,055)	164,251
P4 - US Led	Region 1	163,215	16,479	-	(18,905)	160,789
P5 - FR Led	Region 3	88,000	-	(19,000)	-	69,000
Total		**693,210**	**18,662**	**(19,000)**	**(25,736)**	**667,136**

The suffix "-led" indicates the prevailing governance perimeter to which primary responsibility for leading the CGU is assigned.
For the purposes of segment reporting (IFRS 8), the Group presents its operating segments on a regional basis (Region 1, Region 2 and Region 3); the CGUs identified, in accordance with IAS 36, do not exceed an operating segment and therefore represent a more granular view.
The recoverable amount of the CGU, to which the individual goodwill amounts are allocated, is determined as the higher of fair value less costs of disposal and the present value of the estimated future cash flows expected to be derived from the continuing use of the asset (value in use). If the recoverable amount exceeds the carrying amount of the CGU, no impairment is recognised; otherwise, the calculation model identifies the difference between the carrying amount and the recoverable amount as an impairment loss.
For the determination of value in use, the Group has adopted the prospective cash flow methodology identified as the discounted cash flow (DCF) analysis. In applying this model, cash flows are derived from the three-year forecast plan for each CGU, approved by the Board of Directors prior to performing the impairment test.
The estimated future cash flows, net of taxes, are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the specific risks of the asset.
The key assumptions reflect management's best estimates regarding the evolution of revenues, operating margins, investments and net working capital for the specific cash-generating units ("CGUs").
The assumptions considered most sensitive for the determination of the recoverable amount include:

- revenue growth rate;
- expected operating margin;
- long-term growth rate (g-rate);
- discount rate (WACC).

The approach adopted in determining the main assumptions reflects both the Group's historical experience and, where appropriate, information from independent external sources, such as industry reports, market analyses and macroeconomic forecasts published by leading research institutions.
Where an assumed value differs from historical performance or market data, such difference arises from:

- expected operational improvements resulting from management initiatives already underway;
- changes in expected market conditions in future periods; or
- specific growth strategies defined by management.

Such differences are considered reasonable and supported by internal evidence available as at the reporting date.
Fair value less costs of disposal is estimated using the market multiples method. Reply has identified the EBIT multiple, calculated based on a panel of comparable companies, as the most representative indicator.

The following assumptions, determined also with the support of third-party experts, were used in calculating the recoverable value of the Cash Generating Units:

ASSUMPTION	P1-IT LED		P2-DE LED		P3-UK LED		P4-US LED		P5-FR LED	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Terminal value growth rates:	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
Discount rate, net of taxes:	7.36%	7.8%	6.28%	6.21%	8.45%	8.44%	7.84%	8.04%	7.31%	7.23%
Discount rate, before taxes:	9.71%	10.26%	8.97%	8.88%	11.25%	11.27%	9.92%	10.72%	9.73%	9.64%
Multiple of EBIT	10.5	11.7	10.5	11.7	10.5	11.7	10.5	11.7	10.5	11.7

It should be noted that, as at 31 December 2025 no further indications of impairment emerged for the CGUs subject to impairment testing compared to the write-down recognised as at 30 June 2025. In particular, for the CGU P5-FR-led (Francophone perimeter), the recoverable amount, determined on the basis of value in use, had indicated a permanent impairment; accordingly, an impairment loss of 19,000 thousand Euros was recognised during the period.

On 31 December 2025 the ratio of the estimated headroom to the book value of the net invested capital including the goodwill initially recognized is

CGU	P1-IT LED	P2-DE LED	P3-UK LED	P4-US LED	P5-FR LED
HEADROOM	991%	164%	62%	40%	10%

It should also be noted that Reply has performed a sensitivity analysis of the estimated recoverable amount. The Group considers revenue growth rates and the discount rate to be key parameters in estimating the recoverable amount and has therefore carried out this sensitivity analysis through:

- a reduction of up to 30% in revenue growth rates;
- an increase of 100 basis points in the discount rate.

Based on this analysis, no excess of the carrying amount of the CGUs over their recoverable amount would emerge, which remains higher for all CGUs, with the exception of CGU P5-FR, for which an impairment loss would arise under both sensitivity scenarios.

It should be noted that the headroom of CGU P5-FR would be fully eroded should the following changes occur in the key assumptions used in the impairment test:

- a reduction of up to 6.4% in revenue growth rates;
- an increase of 50 basis points in the post-tax discount rate applied.

Finally, it should be noted that the estimates and plan data to which the above parameters are applied are determined by the Group's management on the basis of past experience and expectations regarding the development of the markets in which the Group operates. Taking into account CONSOB and ESMA recommendations, particular attention has been paid to the potential impacts arising from the current geopolitical situation, as well as to possible environmental impacts and to the sensitivity analysis of the recoverable amount.

Furthermore, the estimation of the recoverable amount of Cash Generating Units requires the use of judgement and estimates by management. The Group cannot guarantee that no impairment of goodwill will occur in future periods. Circumstances and events that could give rise to further impairment testing will be continuously monitored by Reply's management.

NOTE 20 - Other intangible assets

Net intangible assets as at 31 December 2025 amounted to 81,349 thousand Euros (95,802 thousand Euros on 31 December 2024).

Other intangible assets are detailed as follows:

(THOUSAND EUROS)	31/12/2025	31/12/2024	CHANGE
Development costs	3,285	5,756	(2,471)
Software	4,062	3,652	409
Trademarks	537	537	-
Purchase Price Allocation	73,460	85,842	(12,383)
Other intangible assets	7	15	(8)
Total	**81,349**	**95,802**	**(14,453)**

Change in intangible assets during 2025 is summarized in the table below:

(THOUSAND EUROS)	DEVELOPMENT COSTS	SOFTWARE	TRADEMARK	PURCHASE PRICE ALLO-CATION	OTHER IN-TANGIBLE ASSETS	TOTAL
Historical cost	40,768	26,668	537	156,536	839	225,349
Accumulated depreciation	(35,013)	(23,016)	-	(70,694)	(824)	(129,547)
31/12/2024	**5,756**	**3,652**	**537**	**85,842**	**15**	**95,802**
Historical costs						
Increases	1,793	3,525	-	4,856	-	10,174
Disposals	(3,548)	(3,725)	-	-	(545)	(7,819)
Change in consolidation	-	-	-	-	-	-
Other changes	-	(199)	-	(8,678)	(68)	(8,945)
Accumulated depreciations						
Increases	(1,691)	(1,496)	-	(12,711)	(12)	(15,910)
Disposals	976	2,261	-	-	542	3,779
Change in consolidation	-	-	-	-	-	-
Other changes	-	44	-	4,150	74	4,269
Historical cost	39,013	26,269	537	152,714	226	218,759
Accumulated depreciation	(35,728)	(22,207)	-	(79,255)	(219)	(137,410)
31/12/2025	**3,285**	**4,061**	**537**	**73,460**	**7**	**81,349**

Development costs refer to the development of software products and are accounted for in accordance with provisions of IAS 38. The decrease of the period is due to the write-off of an asset previously capitalised, following an update of the estimates regarding its recoverability.

The item Software mainly refers to software licenses purchased and used internally by the Group companies. This item includes 2,855 thousand Euros related to software development for internal use in 2025.

The item Trademark mainly refers to the value of the "Reply" trademark granted on 9 June 2000 to the Parent Company Reply S.p.A. (at the time Reply Europe Sàrl), in connection with the share capital increase that was resolved and subscribed to by the Parent Company. Such amount is not subject to systematic amortization and the expected future cash flows are deemed adequate.

Customer lists, identified as part of the Purchase Price Allocation process (IFRS 3) using the Excess Earnings Method, are recognised as a separate intangible asset, representing relationships with customers existing at the acquisition date and capable of generating independent cash flows. Customer lists are depreciated systematically each year, starting from the year of initial recognition, on a straight-line basis over a useful life estimated by Reply at approximately 10 years. The increase recorded during the year is mainly due to the recognition of customer lists arising from the acquisition of Root16 LLC. Other changes relate to exchange rate differences.

Considering that, as at 31 December 2025 intangible assets were depreciated by 62.8% of their value (57.5% at 31 December 2024), the remaining net book value of 37.2% indicates an average remaining useful life shorter than that already elapsed.

NOTE 21 – Right of use assets

Change in Right-of-use assets during 2025 is summarized in the table below:

(THOUSAND EUROS)	BUILDINGS	VEHICLES	OTHERS	TOTAL
Historical cost	190,539	46,922	1,762	239,222
Accumulated depreciation	(110,937)	(19,717)	(1,514)	(132,168)
31/12/2024	**79,602**	**27,205**	**248**	**107,055**
Historical Cost				
New contracts	18,476	13,448	-	31,924
Derecognitions	(16,932)	(10,092)	(711)	(27,734)
Changes	15,705	(784)	-	14,921
Change in consolidation area	589	-	-	589
Exchange differences	(3,744)	(80)	-	(3,824)
Accumulated Depreciation	-	-	-	-
Depreciation	(22,706)	(13,385)	(150)	(36,241)
Derecognitions	16,932	10,092	711	27,734
Change in consolidation area				
Exchange differences	2,671	37	-	2,708
Historical cost	204,634	49,415	1,051	255,100
Accumulated depreciation	(114,040)	(22,974)	(953)	(137,966)
31/12/2025	**90,594**	**26,442**	**98**	**117,134**

The Group has entered into lease agreements for various assets, including buildings, motor vehicles, and furniture and fittings.
The average useful life of the related right-of-use assets is approximately 6, 3, and 4 years, respectively.
The right-of-use asset is systematically depreciated over the lease term, taking into account also the likelihood of exercising renewal options where such options are enforceable.

It should be noted that lease contracts relating to buildings include extension options, which are carefully assessed by management for the purposes of proper measurement and presentation in the financial statements.

The contracts in place do not include variable lease payments, restrictions or covenants, and there have been no sale and leaseback transactions.

The discount rate has been determined based on the incremental borrowing rate, defined as the rate that the lessee would have to pay to borrow, over a similar term and with similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Additions relating to Buildings, amounting to approximately 34,181 thousand Euros, arise from new lease agreements and/or renewals entered into during the year.
The decrease, amounting to 16,932 thousand Euros, is mainly attributable to the termination of lease agreements during the year.

The Group uses motor vehicles assigned to employees mainly through operating lease agreements. Lease contracts for motor vehicles generally do not include significant purchase options or extension clauses that would materially affect the lease term considered for accounting purposes. Variable payments linked to usage (e.g. excess mileage or ancillary costs) are recognized in profit or loss in the period in which they are incurred.

Other assets mainly relate to furniture and fittings used in the Group's operating offices.

NOTE 22 - Equity investments

The item Equity investments amounts to 10,988 thousand Euros and includes mainly investments in start-up companies principally in the IoT field originally made by the Investment company Breed Reply Investments Ltd.

During the year, as part of a corporate reorganization, the investments were transferred to the parent company Reply S.p.A., and Breed Reply Investments Ltd. will be placed into liquidation in 2026. At the transfer date, the equity investments were recognized at fair value, which represents the reference value for subsequent accounting in the Group's financial statements.

Detail is as follows:

(THOUSAND EUROS)	VALUE AT 31/12/2024	NET INCREASES/ DISPOSALS	CONVERSION CONVERTIBLE LOANS INTO EQUITY	NET FAIR VALUE ADJUSTMENTS	EXCHANGE DIFFERENCES	VALUE AT 31/12/2025
Investments	19,524	22	321	(8,478)	(576)	10,813

NET FAIR VALUE ADJUSTMENTS
The net fair value adjustment amounting to negative 8,478 thousand Euros reflects the market values of the last rounds that took place in 2025 on investments already in portfolio.
All fair value assessments, in accordance with IFRS 13, shall be part of the hierarchy level 3.

NOTE 23 - Financial assets

Current and non-current financial assets amounted to 76,423 thousand Euros compared to 54,822 thousand Euros as at 31 December 2024.

Detail is as follows:

(THOUSAND EUROS)	31/12/2025	31/12/2024	CHANGE
Short term securities	6,199	2,082	4,117
Financial investments	63,181	42,616	20,565
Derivative financial instruments	771	935	(165)
Loans to third parties	76	133	(57)
Total current financial assets	**70,227**	**45,767**	**24,460**
Receivables from insurance companies	1,847	2,896	(1,049)
Guarantee deposits	2,118	2,114	5
Other financial assets	1,951	3,057	(1,107)
Convertible loans	280	988	(708)
Total non current financial assets	**6,196**	**9,055**	**(2,859)**
Total financial assets	**76,423**	**54,822**	**21,602**

Short term securities, measured at FVTPL, mainly refer to Time Deposit investments.

The item Financial investments refers to bonds held by the parent company Reply S.p.A.. The valuation of short-term investments, based on fair value at 31 December 2025, showed a positive difference amounting to 364 thousand Euros compared to the purchase cost of the same. These investments are measured at FVTPL.

Derivative instruments refer to the fair value of derivative contracts signed with Unicredit in order to cover fluctuations in floating interest rates on loans and/or mortgages whose underlying notional value amounts to 22,000 thousand euros. The effective component of the hedges and the related movements during the financial year are reported in the changes in net equity.

The item Receivables from insurance companies mainly refers to the insurance premiums paid against pension plans of some German companies and to directors' severance indemnities. These receivables are measured at amortized cost.

The item Other financial assets mainly referred to long-term financial receivables for deferred collections amounting to 1,387 thousand Euros

Convertible loans relate to the option to convert into shares of start-up companies in the field of IoT. It should be noted that the convertible loans, originally held by Breed Reply Investments Ltd., were transferred to the parent company Reply S.p.A.

Detail is as follows:

(THOUSAND EUROS)	VALUE AT 31/12/2024	INCREASES/ DISPOSALS	EQUITY CONVERSION	CAPITALIZED INTERESTS	NET FAIR VALUE ADJUSTMENTS	EXCHANGE DIFFERENCES	VALUE AT 31/12/2025
Convertible loans	988	56	(321)	44	(457)	(30)	280

Note that the items Receivables from insurance companies, Convertible loans, Guarantee deposits and Other financial assets are not shown in the Net financial position.

NOTE 24 - Deferred tax assets

Deferred tax assets, amounting to 69,057 thousand Euros as at 31 December 2025 (66,557 thousand Euros as at 31 December 2024), include the fiscal charge corresponding to the temporary differences originating among the anti-tax result and taxable income relating to entries with deferred deductibility.

Detail of Deferred tax assets is provided at the table below:

(THOUSAND EUROS)	31/12/2024	ACCRUALS	UTILIZATION	OTHER CHANGES	31/12/2025
Prepaid tax on costs that will become. deductible in future years	9,763	3,023	(2,311)		10,474
Prepaid tax on greater provisions for doubtful accounts	26,611	10,695	(9,164)		28,141
Deferred fiscal deductibility of amortization	2,794	1,220	(449)		3,565
Consolidation adjustments and other items	41,095	2,979	(5,950)	(818)	37,306
Total	**80,263**	**17,917**	**(17,875)**	**(818)**	**79,487**
Netting with deferred tax liability (DTL)	(13,706)				- (10,430)
Total	**66,557**				**69,057**

The decision to recognize deferred tax assets is taken by assessing critically whether the conditions exist for the future recoverability of such assets on the basis of expected future results.
Where the assumptions exist, deferred tax assets and liabilities have been presented in the financial statements taking into account the offsets per legal entity.
There are no deferred tax assets on losses carried forward.

NOTE 25 - Work in progress

Contract work in progress, amounting to 83,489 thousand Euros, are presented in accordance with IFRS 15 and therefore take into account the requirements of paragraph 9, in particular with regard to the need for minimum contractual evidence for the recognition of revenues/contract assets, and are detailed as follows:

(THOUSAND EUROS)	31/12/2025	31/12/2024	CHANGE
Contract work in progress	177,607	200,034	(22,427)
Advance payments from customers	(94,118)	(131,665)	37,547
Total	**83,489**	**68,369**	**15,120**

Any advance payments from customers are deducted from the value of the inventories, within the limits of the accrued consideration, representing the assets deriving from the contracts; the exceeding amounts, as well as the advance payments related to work in progress not yet started, are accounted as liabilities.

NOTE 26 - Trade receivables

Trade receivables as at 31 December 2025 amounted to 792,089 thousand Euros with a net increase of 34,531 thousand Euros.

(THOUSAND EUROS)	31/12/2025	31/12/2024	CHANGE
Trade receivables	798,821	766,271	32,550
Allowance for doubtful accounts	(6,732)	(8,714)	1,981
Total trade receivables	**792,089**	**757,558**	**34,531**

Trade receivables are shown net of allowances for doubtful accounts, calculated by using the expected credit loss approach pursuant to IFRS 9, amounting to 6,732 thousand Euros on 31 December 2025 (8,713 thousand Euros at 31 December 2024).
The Allowance for doubtful accounts in 2025 developed as follows:

(THOUSAND EUROS)	31/12/2024	ACCRUALS	REVERSAL	UTILIZATION	31/12/2025
Allowance for doubtful accounts	8,713	2,951	(3,571)	(1,361)	6,732

It should also be noted that the item includes write-downs for losses on working capital amounts. Over-due trade receivables and the corresponding allowance for doubtful accounts, compared to 2024, are summarized in the tables below:

AGING AT 31/12/2025

(THOUSAND EUROS)	TRADE RECEIVABLES	CURRENT	0 - 90 DAYS	91 - 180 DAYS	181 - 360 DAYS	OVER 360 DAYS	TOTAL OVERDUE
Trade receivables	798,821	710,551	64,588	11,385	5,498	6,800	88,270
Allowance for doubtful accounts	(6,732)	(355)	(114)	(169)	(1,135)	(4,960)	(6,377)
Total trade receivables	**792,089**	**710,195**	**64,474**	**11,216**	**4,363**	**(1,840)**	**81,893**

AGING AT 31/12/2024

(THOUSAND EUROS)	TRADE RECEIVABLES	CURRENT	0 - 90 DAYS	91 - 180 DAYS	181 - 360 DAYS	OVER 360 DAYS	TOTAL OVERDUE
Trade receivables	766,271	655,272	80,124	15,180	10,419	5,276	110,999
Allowance for doubtful accounts	(8,713)	(1,707)	(330)	(713)	(1,526)	(4,438)	(7,007)
Total trade receivables	**757,558**	**653,566**	**79,794**	**14,467**	**8,893**	**838**	**103,992**

The carrying amount of trade receivables, that at initial recognition is equal to its fair value adjusted for attributable transaction costs, is subsequently valued at the amortised cost appropriately adjusted to take into account any write-downs.
Trade receivables are all collectible within one year.

NOTE 27 - Other receivables and current assets and income tax receivables

Detail is as follows:

(THOUSAND EUROS)	31/12/2025	31/12/2024	CHANGE
Current income tax receivables	24,453	29,673	(5,220)
Tax receivables	51,940	50,310	1,630
Advances to employees	200	308	(107)
Accrued income and prepaid expenses	39,173	40,275	(1,102)
Other receivables	19,498	23,010	(3,512)
Total	**135,265**	**143,576**	**(8,311)**

Current income tax receivables are recorded net of the accrued tax liability.

The item Tax receivables mainly includes:
- VAT receivables amounting to 27,232 thousand Euros (31,706 thousand Euros at 31 December 2024);
- receivables for withholding tax amounting to 8,962 thousand Euros (5,524 thousand Euros at 31 December 2024).

The item Other receivables mainly includes contributions receivables in relation to funded projects for 9,626 thousand Euros (7,715 thousand Euros at 31 December 2024) and other social security receivables for 6,033 thousand Euros (1,443 thousand Euros at 31 December 2024).

NOTE 28 - Cash and cash equivalents

The balance of 571,715 thousand Euros, with an increase of 79,882 thousand Euros compared with 31 December 2024, represents cash and cash equivalents as at the end of the year.
Changes in cash and cash equivalents are fully detailed in the Consolidated statement of cash flow.

Cash and cash equivalents at 31 December 2025 are detailed as follows:

(THOUSAND EUROS)	31/12/2025	31/12/2024	CHANGE
Cash at banks	571,673	490,231	81,442
Cash at hand	43	1,603	(1,561)
Total cash and cash equivalents	**571,715**	**491,834**	**79,882**

It should be noted that the cash and cash equivalents held but not freely available by the group amount to 7.9 million Euros in relation to the preventive seizure described in Note 34.

NOTE 29 - Shareholders' equity

SHARE CAPITAL
On 31 December 2025 the share capital of Reply S.p.A, wholly undersigned and paid up, amounted to 4,863,486 Euros and is composed of n. 37,411,428 ordinary shares with nominal value of 0.13 Euros each.
The number of shares in circulation as at 31 December 2025 totalled 37,278,236, unchanged since 31 December 2024.

TREASURY SHARES
The value of the Treasury shares, amounting to 17,123 thousand Euros, refers to the shares of Reply S.p.A. held by the parent company, that at 31 December 2025 were equal to n. 133,192, same as at 31 December 2024.

CAPITAL RESERVES
On 31 December 2025 Capital reserves, amounting to 449,533 thousand Euros, were mainly comprised as follows:
- Treasury share reserve amounting to 17,123 thousand Euros, relating to the shares of Reply S.p.A held by the Parent Company;
- Reserve for the purchase of treasury shares amounting to 432,878 thousand Euros, formed via initial withdrawal from the share premium reserve. By means of a resolution of the Shareholders' Meeting of 23 April 2025 Reply S.p.A. re-authorized it, in accordance with and for the purposes of Article 2357 of the Italian Civil Code, the purchase of a maximum of 550 million Euros of ordinary shares, corresponding to 10% of the share capital, in a lump sum solution or in several solutions within 18 months of the resolution.

EARNING RESERVES

Earnings reserves amounted to 1,063,410 thousand Euros and were comprised as follows:

- Reply S.p.A.'s Legal reserve amounted to 973 thousand Euros;
- Retained earnings amounted to 811,548 thousand Euros (retained earnings amounted to 643,749 thousand Euros as at 31 December 2024);
- Profits attributable to shareholders of the Parent Company amounted to 250,889 thousand Euros (211,139 thousand Euros as at 31 December 2024).

OTHER COMPREHENSIVE INCOME

Other comprehensive income can be analysed as follows:

(THOUSAND EUROS)	31/12/2025	31/12/2024
Other comprehensive income that will not be reclassified subsequently to profit or loss, net of tax:		
Actuarial gains/(losses) from employee benefit plan	2,315	594
Total Other comprehensive income that will not be classified subsequently to profit or loss, net of tax (B1):	**2,315**	**594**
Other comprehensive income that may be reclassified subsequently to profit or loss:		
Gains/(losses) on cash flow hedges	(48)	(1,301)
Gains/(losses) from the translation of assets in foreign currencies	(22,218)	12,567
Total Other comprehensive income that may be classified subsequently to profit or loss, net of tax (B2):	**(22,266)**	**11,266**
Total other comprehensive income, net of tax (B) = (B1) + (B2):	**(19,952)**	**11,860**

MINORITY INTERESTS

Minority interests consist of the participation of non-controlling shareholders in the capital of the companies included in the consolidation area and at 31 December 2025 amounted to 2,280 thousand euros (2,773 thousand euros at 31 December 2024).

NOTE 30 - Due to minority shareholders and earn-out

Due to minority shareholders and Earn-out as at 31 December 2025 amounted to 45,251 thousand Euros (109,600 thousand Euros on 31 December 2024), of which 3,551 thousand Euros were current.
The item relates to contingent consideration (earn-out) arrangements provided for in the context of business combinations, determined on the basis of the achievement of specific financial targets by the acquired companies. In accordance with IFRS 3, such contingent consideration is classified as a financial liability, initially recognised at fair value at the acquisition date and subsequently measured at fair value with changes recognised in profit or loss.
The distinction between Payables to minority shareholders and Earn-out payables reflects solely the different nature of the beneficiaries of the contingent consideration, depending on whether or not there are legal minority interests associated with the original transaction, and does not entail different accounting measurement criteria.

Detail is as follows:

(THOUSAND EUROS)	31/12/2024	INCREASES	FAIR VALUE ADJUSTMENTS	PAYMENTS	INTEREST	EXCHANGE DIFFERENCES	31/12/2025
Payables to minority shareholders	7,482	-	(581)	-	-	-	6,901
Payables for earn-out	102,119	8,511	(14,236)	(53,111)	825	(5,757)	38,350
Total due to minority shareholders and Earn-out	**109,600**	**8,511**	**(14,817)**	**(53,111)**	**825**	**(5,757)**	**45,251**

The increase in the item amounting to 8,511 thousand Euros reflects the best estimate of future considerations for earn-outs in relation to the original contracts signed, in particular the acquisition by the subsidiary Reply INC of Root 16 LLC, an American consulting company specialized in technology consulting services for professional services using Microsoft Dynamics, focusing on the mid-market segment.

The item Fair value adjustments in 2025 amounted to 13,992 thousand Euros, net of accrued interest of Euro 825 thousand, with a balancing entry in Profit and loss, reflects the best estimate in relation to the deferred consideration originally recognized at the time of acquisition.
The fair value of deferred consideration is determined using valuation models based on the discounting of expected cash flows, which take into account the probability of achieving the contractually agreed targets and an appropriate discount rate. The valuations performed fall within Level 3 of the fair value hierarchy under IFRS 13.
The determination of the fair value of deferred consideration requires the use of estimates and assumptions that may differ significantly from actual future results and could therefore have an impact on the income statement of future periods.
A reasonably possible change of ±1 percentage point in the discount rate, with all other parameters held constant, would have resulted in a decrease/increase in fair value of approximately 280 thousand Euros.
The sensitivity analysis was prepared assuming an isolated change in the discount rate and does not take into account any correlated effects on other valuation inputs.
Total payments amounted to 53,111 thousand Euros and refer to the consideration paid in relation to the original contracts signed at the time of acquisition.
Due to minority shareholders and Earn-out are included in the invested capital for management purposes and in the net financial indebtedness for ESMA purposes.

NOTE 31 - Financial liabilities

Detail is as follows:

	31/12/2025			31/12/2024		
(THOUSAND EUROS)	CURRENT	NON CURRENT	TOTAL	CURRENT	NON CURRENT	TOTAL
Bank overdrafts	14	-	14	121	-	121
Bank loans	13,159	32,321	45,479	19,564	48,910	68,474
Total due to banks	**13,172**	**32,321**	**45,493**	**19,685**	**48,910**	**68,595**
Other financial borrowings	150	75	225	64	-	64
IFRS 16 financial liabilities	34,724	93,923	128,647	35,163	84,695	119,858
Total financial liabilities	**48,046**	**126,319**	**174,365**	**54,911**	**133,605**	**188,516**

The following illustrates the distribution of financial liabilities by due date:

	31/12/2025				31/12/2024			
(THOUSAND EUROS)	DUE IN 12 MONTHS	FROM 1 TO 5 YEARS	OVER 5 YEARS	TOTAL	DUE IN 12 MONTHS	FROM 1 TO 5 YEARS	OVER 5 YEARS	TOTAL
Bank overdrafts	14	-	-	14	121	-	-	121
M&A loans	8,732	831	-	9,563	17,010	9,941	-	26,951
Mortgage loans	3,707	27,980	3,450	35,137	256	27,766	10,171	38,193
Bank loans	583	59	-	642	2,043	1,033	-	3,077
Other financial borrowings	150	75	-	225	64	-	-	64
IFRS 16 financial liabilities	34,724	85,827	8,096	128,647	35,163	79,631	5,064	119,858
Derivative financial instruments	137	-	-	137	253	-	-	253
Total	**48,046**	**114,773**	**11,546**	**174,365**	**54,911**	**118,370**	**15,235**	**188,516**

		CASH FLOWS		NON MONETARY CHANGES		
(IN MIGLIAIA DI EURO)	31/12/2024	INCREASES	PAYMENTS	AMORTIZED COST	EXCAHNGE DIFFERENCES AND OTHER MOVEMENTS	31/12/2025
M&A loans	26,951	-	(17,405)	17	-	9,563
Mortgage loans	38,193	-	(3,063)	7	-	35,137
IFRS 16 financial liabilities	119,858	46,739	(36,182)	-	(1,768)	128,647
Bank loans	3,077	-	(2,435)	-	-	642
Total	**188,079**	**46,739**	**(59,085)**	**24**	**(1,768)**	**173,989**

M&A financing refers to credit lines to be used for acquisition operations carried directly by Reply S.p.A. or via companies controlled directly or indirectly by the same.
Summarized below are the existing contracts entered into for such a purpose:

- On 8 November 2021 Reply S.p.A. entered into a line of credit with Intesa Sanpaolo S.p.A. for a total amount of 75,000 thousand Euros. As at 31 December 2025 the outstanding amount was 8,571 thousand Euros and expires on 30 September 2026.
- On 20 February 2023 Reply S.p.A. entered into a line of credit with Banco BPM S.p.A. for a total amount of 50,000 thousand Euros. As at 31 December 2025 following the early repayment made on December 22, 2025, there is no outstanding balance.
- On 16 April 2024 Reply S.p.A. entered into a line of credit with Intesa Sanpaolo S.p.A. for a total amount of 75,000 thousand Euros to be used by 30 September 2026. The loan will be reimbursed on 7 half year basis deferred to commence on 31 March 2027 and expires on 30 March 2029.
- On 19 April 2024 Reply S.p.A. entered into a line of credit with Unicredit S.p.A. for a total amount of 50,000 thousand Euros to be used by 24 months. As at 31 December 2025 the outstanding amount was 1,000 thousand Euros and expires on 30 April 2029.
- Interest rates are also applied according to certain predetermined ratios (Covenants) of economic and financial nature calculated on the consolidated financial statements as at 31 December of each year and/or the consolidated interim report.

As contractually defined, such ratios are as follows:

- Net financial indebtedness/Equity
- Net financial indebtedness/EBITDA

At 31 December 2025 the Covenants under the various contracts were satisfied.

The item Mortgages refers to a financing granted to Tool Reply GmbH by Commerzbank for a total of 2,500 thousand Euros to be used by 30 June 2028. The loan is reimbursed on a quarter-year basis (at 0.99%). As at 31 December 2025 the outstanding amount is 659 thousand Euros.

It should also be noted that on 24 May 2018 Reply S.p.A. undersigned with Unicredit S.p.A. a mortgage loan secured by guarantee for the purchase and renovation of the property De Sonnaz for a total amount of 40,000 thousand Euros. The mortgage is disbursed in relation to the progress of the work. The outstanding amount is 34,500 thousand Euros at 31 December 2025 and expires on 31 May 2031.

The item IFRS 16 financial liabilities is related to the financial lease liabilities at 31 December 2025 related to the adoption of the Accounting Standard IFRS 16.

The item Derivative financial instruments refers to several loans established with Unicredit S.p.A. to hedge changes in floating interest rates on loans and/or mortgages; the total underlying value is 9,562 thousand Euros. The effective component of the instrument is stated in the Statement of changes in net equity.
There was no need to recognize the ineffective portion in the income statement, as the derivatives ensure full hedging coverage.
The carrying amount of Financial liabilities is deemed to be in line with its fair value.

For further details related to the risk management policies please see Note 38.

NET FINANCIAL INDEBTEDNESS

The net financial indebtedness reported below was prepared according to CONSOB communication no. DEM/6064293 of July 28, 2006, updated with the provisions of ESMA guideline 32-382-1138 of March 4, 2021 as implemented by the CONSOB warning no. 5/21 of 29 April 2021.

(THOUSAND EUROS)		31/12/2025	31/12/2024	CHANGE
A	Cash	571,715	491,834	79,882
B	Cash equivalents	-	-	-
C	Current financial assets	70,227	45,767	24,460
D	**Cash (A+B+C)**	**641,942**	**537,600**	**104,342**
E	Current financial liabilities	35,025	35,601	(576)
F	Short-term portion of long term financial liability	13,022	19,311	(6,289)
G	**Financial liabilities short-term (E+F)**	**48,046**	**54,911**	**(6,865)**
H	**Net financial debt short-term (G-D)**	**(593,896)**	**(482,689)**	**(111,207)**
I	Financial liabilities long-term	126,337	133,639	(7,302)
J	Financial instruments	(18)	(34)	16
K	Other liabilities long-term	45,250	109,600	(64,349)
L	**Financial debt long-term (I+J+K)**	**171,569**	**243,204**	**(71,635)**
Total financial debt		**(422,327)**	**(239,484)**	**(182,842)**

Net financial indebtedness includes IFRS 16 financial liabilities amounting to 128,647 thousand Euros, of which 93,923 thousand Euros were non-current and 34,724 thousand Euros were current.
The item Commercial and other non-current liabilities is related to liabilities due to minority shareholders and Earn-out components assimilated to unpaid debts with a significant implicit financial component.
For further details with regards to the above table see Note 28 as well as Note 31.
Pursuant to the aforementioned recommendations long term financial assets are not included in the net financial indebtedness.
As previous mentioned in Note 30, Due to minority shareholders and Earn-out are included in the invested capital and are not included in the net financial managerial position.

NOTE 32 - Employee benefits

(THOUSAND EUROS)	31/12/2025	31/12/2024	CHANGE
Employee severance indemnities	46,623	42,664	3,959
Employee pension funds	6,550	7,325	(776)
Directors severance indemnities	647	1,508	(861)
Long-term incentive plans and fidelity provisions	63,858	33,657	31,201
Total	**118,678**	**85,154**	**33,524**

EMPLOYEE SEVERANCE INDEMNITIES

The Employee severance indemnity represents the obligation to employees under Italian law (amended by Law 296/06) that has accrued up to 31 December 2006 and that will be settled when the employee leaves the company. In certain circumstances, a portion of the accrued liability may be given to an employee during his working life as an advance. This is an unfunded defined benefit plan, under which the benefits are almost fully accrued, with the sole exception of future revaluations.

The procedure for the determination of the Company's obligation with respect to employees was carried out by an independent actuary according to the following stages:

- Projection of the Employee severance indemnity already accrued at the assessment date and of the portions that will be accrued until when the work relationship is terminated or when the accrued amounts are partially paid as an advance on the Employee severance indemnities;
- Discounting, at the valuation date, of the expected cash flows that the company will pay in the future to its own employees;
- Re-proportioning of the discounted performances based on the seniority accrued at the valuation date with respect to the expected seniority at the time the company must fulfil its obligations. In order to allow for the changes introduced by Law 296/06, the re-proportioning was only carried out for employees of companies with fewer than 50 employees that do not pay Employee severance indemnities into supplementary pension schemes.

Reassessment of Employee severance indemnities in accordance with IAS 19 was carried out "ad personam" and on the existing employees, that is analytical calculations were made on each employee in force in the company at the assessment date without considering future work force.

The actuarial valuation model is based on the so-called technical bases which represent the demographic, economic and financial assumptions underlying the parameters included in the calculation.

The assumptions adopted can be summarized as follows:

DEMOGRAPHIC ASSUMPTIONS

Mortality	RG 48 survival tables of the Italian population
Inability	INPS tables divided by age and gender
Retirement age	Fulfilment of the minimum requisites provided by the General Mandatory Insurance
Advances on Employee severance in-demnities	Annual frequency of advances and employee turnover were assumed from historical data of the company: ✻ frequency of advances in 2025: 2.50% ✻ frequency of turnover in 2025: 10%

ECONOMIC AND FINANCIAL ASSUMPTIONS

Annual inflation rate	Average annual rate of 2.00%
Annual discount rate	Calculated with reference to the valuation date of primary shares on the stock market in which the company belongs and with reference to the market yield of Federal bonds. An annual constant rate equal to 3.96% was used for the year 2025.
Annual growth rate of the Employee sev-erance indemnities	Annual increase in the growth rate of the Employee severance indemnities equal to 3.00%
Annual increase in salaries	The annual increase of salaries used was calculated in function of the employee qualifications and the Company's market segment, net of inflation, from 1.0% to 2.50%

From a sensitivity analysis concerning the hypotheses related to the parameters involved in the calculation a:

✻ change in turnover rate by 1%;
✻ change in the annual rate of inflation by 1.25%;
✻ change in the annual discount rate by 1.25%

would not have determined a significant effect on the calculation of the liability.

In accordance with IAS 19, Employment severance indemnities at 31 December 2025 are summarized in the table below:

(THOUSAND EUROS)	
Balance at 31/12/2024	**42,664**
Change in consolidation	-
Cost relating to current (service cost) work	7,510
Actuarial gain/loss	(2,138)
Interest cost	1,520
Indemnities paid during the year	(2,933)
Balance at 31/12/2025	**46,623**

EMPLOYEE PENSION FUNDS

The Pension fund item mainly relates to liability as regards the defined benefit pensions of some German companies and is detailed as follows:

(THOUSAND EUROS)	
Present value at beginning of the year	**7,325**
Service cost	15
Interest cost	221
Actuarial gains/(losses)	(258)
Indemnities paid during the year	(753)
Present value at year end	**6,550**

The assumptions adopted were as follows:

Discount rate	3.9%
Rate of future compensation increases	2.6%
Rate of pension increases	3.37% - 4.8%

DIRECTORS SEVERANCE INDEMNITIES

This amount is related to Directors severance indemnities paid during the year.
Change amounting to 861 thousand Euros refers to the resolution made by the Shareholders Meeting of several subsidiary companies to pay an additional indemnity to some Members of the Board in 2025 and to a partial payment of the indemnity.

LONG-TERM INCENTIVE PLANS

The Group grants long-term incentive plans ("Long-Term Bonus" or "LTIP") aimed at fostering the retention of key personnel and aligning management interests with medium- to long-term value creation objectives.
LTIP provide for the payment of cash-settled monetary benefits, subject to the achievement of specific service and performance conditions defined by the relevant corporate bodies.
As cash-based plans, Long-Term Bonuses are accounted for as long-term employee benefits and recognized as liabilities in the financial statements.

The liability is initially and subsequently measured based on the present value of the expected benefit, estimated by taking into account:

✻ the probability of achieving the performance conditions;
✻ the probability of Partners remaining with the Group during the vesting period;
✻ the discount factor, determined using a rate consistent with the duration of the plan and the Group's risk profile.

The total cost of the plan is recognized in the income statement over the vesting period, based on the best estimate of the bonus that will actually vest.
At each reporting date, the liability is remeasured to reflect updated estimates and the effect of discounting, with the related impacts recognized in the income statement.
A reasonably possible change of ±1 percentage point in the discount rate, with all other parameters held constant, would have resulted in a decrease/increase in fair value of approximately 260

thousand Euros.
The sensitivity analysis was prepared assuming an isolated change in the discount rate and does not take into account any correlated effects on other valuation inputs.

FIDELITY PROVISION FOR EMPLOYEES
The fidelity provision for employees, classified among provisions as at December 31, 2024, has been reclassified under employee benefits and mainly includes accruals for probable liabilities toward employees of certain German companies upon reaching a specified length of service. This liability is determined through actuarial calculations applying a 5.5% discount rate.

NOTE 33 - Deferred tax liabilities

Deferred tax liabilities at 31 December 2025 amounted to 27,517 thousand Euros and are referred mainly to the fiscal effects arising from temporary differences deriving from statutory income and taxable income related to deferred deductibility.

(THOUSAND EUROS)	31/12/2025	31/12/2024
Deductible items off the books	1,424	1,424
Deferred tax on PPA	18,630	21,979
Other	17,892	23,746
Total	**37,946**	**47,149**
Netting with deferred tax assets (DTA)	(10,429)	(13,706)
Total	**27,517**	**33,443**

The item Other mainly includes the measurement of contract work in progress, employee benefits, capitalization of development costs and reversal of amortization of intangible assets.

Deferred tax liabilities have not been recognized on retained earnings of the subsidiary companies as the Group is able to control the timing of distribution of said earnings and in the near future does not seem likely.

NOTE 34 - Provisions

Provisions amounted to 24,323 thousand Euros (of which 22,692 thousand Euros are non-current). Change in 2025 is summarized in the table below:

(THOUSAND EUROS)	BALANCE AT 31/12/2024	ACCRUALS	UTILIZATION	REVERSALS	BALANCE AT 31/12/2025
Professional liability	24,000	-	(15,000)	(9,000)	-
Contractual liability	10,737	5,997	-	(370)	16,363
Seizure	7,950	-	-	(5,039)	2,911
Others	5,259	370	(54)	(525)	5,050
Total	**47,945**	**6,367**	**(15,054)**	**(14,934)**	**24,324**

PROFESSIONAL LIABILITY
It should be noted that during 2025, the dispute relating to a professional liability claim was settled. The total outflow incurred to settle the case amounted to Euro 15 million. This amount was fully covered by the professional liability insurance policy, despite an initial denial of the claim by the insurance company (net of a contractual deductible of Euro 0.3 million). Due to this uncertainty, as at 31 December 2024 a provision for risks had been recognized for the entire estimated potential liability, amounting to Euro 24 million.
Following the favourable resolution of the dispute and the recognition of the insurance coverage, the provision originally recognized was fully released.

PREVENTIVE SEIZURE
With regard to the preventive seizure involving the Parent Company Reply S.p.A., which led to the recognition of a provision totaling 8 million Euro as of December 31, 2024, it should be noted that, following the partial release of the seizure ordered by the Public Prosecutor after the close of the financial year, the provision has been reduced to 2.9 million Euro.

This event was considered an adjusting event pursuant to IAS 10, as it provides evidence of conditions that already existed at the reporting date.

According to the decree, the alleged offense is that referred to in Article 640-ter, paragraphs 1 and 3 of the Italian Criminal Code, relating to the period 2017–2019, and no liability is alleged under Legislative Decree 231/2001. The criminal proceedings are still in the preliminary investigation phase.

CONTRACTUAL LIABILITY
The item “Contractual liability” includes provisions made for potential liabilities arising from breaches, disputes, or other obligations undertaken under contracts in place with clients and partners. In particular, the provision covers risks related to possible claims for damages, application of penalties, additional execution costs, or other probable outflows, estimated based on the best information available at the reporting date.

OTHER RISKS
The item “Other risks” includes provisions made for additional potential liabilities not attributable to the categories indicated above. These accruals relate to risk situations considered probable and

measurable at the reporting date and are determined based on the best available information.
It should be noted that the fidelity provision for employees, previously classified under this caption, has been reclassified under employee benefits and mainly includes accruals for probable liabilities toward employees of certain German companies upon reaching a specified length of service.

NOTE 35 - Trade payables

Trade payables at 31 December 2025 amounted to 179,828 thousand Euros and are detailed as follows:

(THOUSAND EUROS)	31/12/2025	31/12/2024	CHANGE
Trade payables	182,018	186,475	(4,456)
Advances to suppliers	(2,191)	(3,242)	1,052
Total	**179,828**	**183,233**	**(3,405)**

Trade payables are initially recognised at fair value, adjusted for any transaction costs directly attributable to and are subsequently valued at amortised cost. The amortised cost of current trade payables corresponds to the nominal value.

NOTE 36 - Other current liabilities and income tax payables

Other current liabilities and income tax payables at 31 December 2025 amounted to 705,010 thousand Euros with an increase of 24,927 thousand Euros with respect to the previous financial year.

Detail is as follows:

(THOUSAND EUROS)	31/12/2025	31/12/2024	CHANGE
Income tax payable	16,024	39,155	(23,131)
VAT payable	30,172	20,291	9,881
Withholding tax and other	30,018	25,585	4,433
Total due to tax authorities	**76,215**	**85,031**	**(8,816)**
National social insurance payable	66,290	58,433	7,857
Other	7,051	6,118	933
Total due to social securities	**73,341**	**64,551**	**8,790**
Employee accruals	161,452	149,417	12,036
Other payables	313,400	304,622	8,778
Accrued expenses and deferred income	80,602	76,462	4,140
Total other payables	**555,454**	**530,501**	**24,953**
Total	**705,010**	**680,083**	**24,927**

Due to tax authorities amounting to 76,215 thousand Euros, mainly refers to income tax payables, payables to tax authorities for withholding tax on employees and professionals' compensation.

Due to social security authorities amounting to 73,341 thousand Euros, is related to both Company and employee's contribution payables.
Other payables at 31 December 2025 amount to 555,454 thousand Euros and mainly include:
* amounts due to employees that at the balance sheet date had not yet been paid;
* remuneration of directors recognised as participation in the profits of the subsidiary companies;
* advances received from customers exceeding the value of the work in progress amounting to 226,620 thousand Euros (222,511 thousand Euros as at 31 December 2024).

Accrued Expenses and Deferred Income, that increase in 2025 by 4,140 thousand Euros, mainly relate to advance invoicing in relation to T&M consultancy activities to be delivered in the subsequent financial year.

Other current payables and liabilities are initially recognised at fair value, adjusted for any transaction costs directly attributable to and are subsequently valued at amortised cost. The amortised cost of these liabilities corresponds to the nominal value.

NOTE 37 - Segment reporting

The management representation of the Group's business is structured by Region and, for the purpose of analysing the offering portfolio, also by business line (Applications, Technologies, and Processes).

For IFRS 8 purposes, operating segments have been identified in line with the management approach, i.e., with reference to business components for which separate financial information is available and regularly reviewed by the Chief Operating Decision Maker (CODM) for performance assessment and resource allocation purposes. In the case of the Group, the CODM is identified as the Board of Directors of Reply S.p.A., in particular the executive directors, who jointly monitor the Group's performance and make resource allocation decisions.
In this context, the CODM has identified the Regions in which the Group operates as operating segments, as the management reporting used is prepared and monitored on a monthly basis and represents the primary basis for performance analysis and resource allocation decisions.
The main measures used in management reporting for each segment are Revenues and EBT (Earnings Before Taxes), in line with internal performance metrics. In particular:
* Region 1 mainly includes companies operating in Italy, the United States, and Brazil;
* Region 2 mainly includes companies operating in Germany and Poland;
* Region 3 mainly includes companies operating in the United Kingdom, France, and the Benelux area.

Conversely, the representation by business line primarily serves the purpose of analysing the offering and project portfolio and, in its current configuration, does not represent a consistent and stable level of segment reporting under IFRS 8, also in consideration of the following elements:
* the same legal entity may provide services attributable to multiple business lines depending on

specific projects/contracts, making performance attribution non-unique;
- the "business line" dimension does not align with geographic boundaries and managerial responsibilities by Region;
- certain balance sheet items are not "natively" determined by business line without the use of allocation assumptions (e.g., goodwill, working capital, and capex);
- changes in the mix of offerings and projects may affect the comparability of data across periods.

Within segment reporting, the Group had separately disclosed the Internet of Things Incubator (IoT), which referred to a company dedicated to a specific investment initiative involving the acquisition and holding of minority stakes in start-ups operating in the IoT sector. During 2025, the investments related to the IoT initiative were transferred to Reply S.p.A. due to the progressively reduced materiality of the scope and the loss of the original growth prospects and strategic relevance. The Group has consequently reclassified the information relating to the IoT Incubator within Region 1. This reclassification reflects the evolution of the organizational structure and the management reporting model and aims to ensure a representation more consistent with how the activities are currently managed and monitored.
The following table provides a breakdown of economic situation by Region:

(THOUSAND EUROS)	REGION 1	%	REGION 2	%	REGION 3	%	INTERSEGMENT	2025	%
Revenues (*)	**1,594,075**	**100**	**473,602**	**100**	**486,635**	**100**	**(70,683)**	**2,483,629**	**100**
Operating costs	(1,252,834)	(78.6)	(401,654)	(84.8)	(432,187)	(88.8)	70,683	(2,015,992)	(81.2)
Gross operating in-come	**341,241**	**21.4**	**71,948**	**15.2**	**54,448**	**11.2**		**467,637**	**18.8**
Amortization, depreciation and write-downs	(35,717)	(2.2)	(18,981)	(4.0)	(34,661)	(7.1)		(89,359)	(3.6)
Fair value adjust-ments to deferred consideration	(1,815)	(0.1)	871	0.2	14,355	2.9		13,411	0.5
Operating income	**303,710**	**19.1**	**53,838**	**11.4**	**34,142**	**7.0**		**391,689**	**15.8**
Gain/(loss) on investments	(8,478)	(0.5)	0	0	0	0		(8,478)	(0.3)
Financial in-come/(loss)	3,921	0.2	(5,906)	(1.2)	(11,531)	(2.4)		(13,515)	(0.5)
Income before taxes	**299,153**	**18.7**	**47,932**	**10.2**	**22,611**	**4.6**		**369,696**	**14.9**

(THOUSAND EUROS)	REGION 1	%	REGION 2	%	REGION 3	%	INTERSEGMENT	2024	%
Revenues (*)	**1,482,980**	**100**	**469,702**	**100**	**416,875**	**100**	**(69,037)**	**2,300,519**	**100**
Operating costs	(1,188,798)	(80.2)	(399,333)	(85.0)	(370,814)	(89.0)	69,037	(1,889,908)	(82.2)
Gross operating income	**294,182**	**19.8**	**70,369**	**15.0**	**46,060**	**11.0**		**410,611**	**17.8**
Amortization, depreciation and write-downs	(39,729)	(2.7)	(24,999)	(5.3)	(20,205)	(4.8)		(84,933)	(3.7)
Fair value adjustments to deferred consideration	320	0	94	0.0	4,329	1.0		4,743	0.2
Operating in-come	**254,773**	**17.2**	**45,463**	**9.7**	**30,185**	**7.2**		**330,421**	**14.4**
Gain/(loss) on investments	(20,001)	(1.3)	0	0.0	1	0.0		(20,000)	(0.9)
Financial in-come/(loss)	21,985	1.5	(10,313)	(2.2)	(8,860)	(2.1)		2,812	0.1
Income before taxes	**256,756**	**17.3**	**35,150**	**7.5**	**21,326**	**5.1**		**313,232**	**13.6**

(*) Revenues are those reported in the statements presented in the Management Report.

Revenues from third-party customers in Region 1 amount to Euro 1,571.0 million (Euro 1,457.2 million as at December 31, 2024), those in Region 2 amount to Euro 445.6 million (Euro 446.3 million as at December 31, 2024), and those in Region 3 amount to Euro 467.0 million (Euro 397.0 million as at December 31, 2024).

In the 2025 financial year, there were no customers generating revenues exceeding 10% of the Group's consolidated revenues.

Information is also provided on revenues from third-party customers allocated to geographical areas based on the location of the customers:

COUNTRY	2025	2024
Italy	49.4%	48.4%
Germany	17.0%	17.9%
UK	13.0%	11.3%
USA	8.1%	8.4%
France	4.0%	4.9%
Luxembourg	2.0%	2.2%
Switzerland	1.4%	1.5%
Belgium	1.4%	1.4%
Brasil	0.7%	0.7%
Other	3.1%	3.4%
Total	**100.0%**	**100.0%**

Breakdown of revenues by type is as follows:

	REGION 1		REGION 2		REGION 3	
(TYPE)	2025	2024	2025	2024	2025	2024
T&M	17.7%	17.9%	54.6%	54.6%	51.9%	64.0%
FIXED PRICE PROJECTS	82.3%	82.1%	45.4%	45.4%	48.1%	36.0%
TOTAL	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

The following table provides a breakdown of net invested capital by Region:

(THOUSAND EUROS)	REGION 1	REGION 2	REGION 3	INTERSEGMENT	31/12/2025
Current operating assets	767,293	150,181	157,140	(63,772)	1,010,842
Current operating liabilities	(730,884)	(103,354)	(119,554)	63,772	(890,020)
Net working capital (A)	**36,409**	**46,827**	**37,586**	**-**	**120,822**
Non-current assets	479,814	311,518	320,918		1,112,250
Non-financial liabilities long term	(134,083)	(29,917)	(46,586)		(210,586)
Fixed capital (B)	**345,731**	**281,602**	**274,332**	**-**	**901,664**
Net invested capital (A+B)	**382,140**	**328,429**	**311,918**	**-**	**1,022,486**

(THOUSAND EUROS)	REGION 1	REGION 2	REGION 3	INTERSEGMENT	31/12/2024
Current operating assets	752,997	185,641	141,901	(111,037)	969,502
Current operating liabilities	(736,569)	(134,410)	(156,851)	111,037	(916,792)
Net working capital (A)	**16,428**	**51,232**	**(14,950)**	**-**	**52,711**
Non-current assets	468,104	316,460	339,268		1,123,832
Non-financial liabilities long term	(118,626)	(33,655)	(70,386)		(222,667)
Fixed capital (B)	**349,478**	**282,805**	**268,883**	**-**	**901,165**
Net invested capital (A+B)	**365,906**	**334,037**	**253,933**	**-**	**953,876**

Breakdown of employees by Region is as follows:

REGION	31/12/2025	31/12/2024	CHANGE
Region 1	11,356	10,550	806
Region 2	3,084	3,032	52
Region 3	2,184	2,085	99
Total	**16,624**	**15,667**	**957**

NOTE 38 - Additional disclosures to financial instruments and risk management policies

TYPES OF FINANCIAL RISKS AND CORRESPONDING HEDGING ACTIVITIES

Reply S.p.A. has determined the guide lines in managing financial risks. In order to maximize costs and the resources Reply S.p.A. has centralized all of the groups risk management. Reply S.p.A. has the task of gathering all information concerning possible risk situations and define the corresponding hedge.

As described in the section "Risk management", Reply S.p.A. constantly monitors the financial risks to which it is exposed, in order to detect those risks in advance and take the necessary action to mitigate them.

The following section provides qualitative and quantitative disclosures on the effect that these risks may have upon the company.
The quantitative data reported in the following do not have any value of a prospective nature, in particular the sensitivity analysis on market risks, is unable to reflect the complexity of the market and its related reaction which may result from every change which may occur.

CREDIT RISK

The maximum credit risk to which the company is theoretically exposed at 31 December 2024 is represented by the carrying amounts stated for financial assets in the balance sheet.

Balances which are objectively uncollectible either in part or for the whole amount are written down on a specific basis if they are individually significant. The amount of the write-down takes into account an estimate of the recoverable cash flows and the date of receipt, the costs of recovery and the fair value of any guarantees received. General provisions are made for receivables which are not written down on a specific basis, determined on the basis of historical experience.

Refer to the note on trade receivables for a quantitate analysis.

LIQUIDITY RISK

Reply S.p.A. is exposed to funding risk if there is difficulty in obtaining finance for operations at any given point in time.

The two main factors that determine the company's liquidity situation are on one side the funds generated by or used in operating and investing activities and on the other the debt lending period and its renewal features or the liquidity of the funds employed and market terms and conditions.

As described in the Risk management section, Reply S.p.A has adopted a series of policies and procedures whose purpose is to optimize the management of funds and to reduce the liquidity risk, as follows:

- centralizing the management of receipts and payments, where it may be economical in the context of the local civil, currency and fiscal regulations of the countries in which the company is present;
- maintaining an adequate level of available liquidity;
- monitoring future liquidity on the basis of business planning.

Management believes that the funds and credit lines currently available, in addition to those funds that will be generated from operating and funding activities, will enable the Group to satisfy its requirements resulting from its investing activities and its working capital needs and to fulfil its obligations to repay its debts at their natural due date.

CURRENCY RISK

Exposure to exchange rate fluctuations arises from the Group's business activities, which are also conducted in currencies other than the Euro. Revenues and costs denominated in foreign currencies may be affected by exchange rate movements, impacting operating margins (economic risk), while trade and financial payables and receivables denominated in foreign currencies may be affected by the conversion rates applied, with an effect on profit or loss (transaction risk). Finally, exchange rate fluctuations are also reflected in the Group's results and equity.

The main exchange rates to which the Company is exposed are:
- Euro/USD, in relation to transactions carried out in US dollars;
- Euro/GBP, in relation to transactions carried out in pounds sterling.

The Group does not adopt specific hedging policies against exchange rate fluctuations, as management does not consider this risk likely to have a significant adverse impact on the Company's results, given that foreign currency inflows and outflows are not only limited in amount but also fairly balanced in terms of volumes and timing.
A hypothetical increase or decrease of 100 basis points in the exchange rates of the currencies in which the Group operates would not have a significant impact on net profit and shareholders' equity for the periods under review.

INTEREST RATE RISK
Reply S.p.A. makes use of external funds obtained in the form of financing and invest in monetary and financial market instruments. Changes in market interest rates can affect the cost of the various forms of financing, including the sale of receivables, or the return on investments, and the employment of funds, causing an impact on the level of net financial expenses incurred by the company. To mitigate such risks, the Group, when necessary, has used derivative financial instruments designated as "cash flow hedges".

SENSITIVITY ANALYSIS
In assessing the potential impact of changes in interest rates, the company separates fixed rate financial instruments (for which the impact is assessed in terms of fair value)) from floating rate financial instruments (for which the impact is assessed in terms of cash flows). Floating rate financial instruments include principally cash and cash equivalents and part of debt.

A hypothetical, unfavourable and instantaneous change of 50 basis points in short-term interest rates at 31 December 2024 applied to floating rate financial assets and liabilities, operations for the sale of receivables and derivatives financial instruments, would have caused increased net expenses before taxes, on an annual basis, of approximately 274 thousand Euros.

This analysis is based on the assumption that there is a general and instantaneous change of 50 basis points in interest rates across homogeneous categories. A homogeneous category is defined on the basis of the currency in which the financial assets and liabilities are denominated.

FAIR VALUE ASSESSMENT HIERARCHY LEVELS
The IFRS 13 establishes a fair value hierarchy which classifies the input of evaluation techniques on three levels adopted for the measurement of fair value. Fair value hierarchy attributes maximum priority to prices quoted (not rectified) in active markets for identical assets and liabilities (Level 1 data) and the non-observable minimum input priority (Level 3 data). In some cases, the data used to assess the fair value of assets or liabilities could be classified on three different levels of the fair value hierarchy. In such cases, the evaluation of fair value is wholly classified on the same level of the hierarchy in which input on the lowest level is classified, taking account its importance for the assessment.
The levels used in the hierarchy are:
- Level 1 inputs are prices quoted (not rectified) in markets active for identical assets and liabilities which the entity can access on the date of assessment;
- Level 2 inputs are variable and different from the prices quoted included in Level 1 observable directly or indirectly for assets or liabilities;
- Level 3 inputs are variable and not observable for assets or liabilities.

The following table presents the assets and liabilities which were assessed at fair value on 31 December 2025, according to the fair value hierarchical assessment level.

(THOUSAND EUROS)	NOTE	LEVEL 1	LEVEL 2	LEVEL 3
Investments	22	-	-	10,987
Convertible loans	23	-	-	280
Financial securities	23	69,380	-	-
Derivative financial assets (IRS)	23	-	771	-
Total financial assets		**69,380**	**771**	**11,267**
Liabilities to minority shareholders and earn out	30	-	-	45,250
Derivative financial assets (IRS)	31	-	137	-
Total financial liabilities		**-**	**137**	**45,250**

The valuation of investments in start-up within the Internet of Things (IoT) business, through the acquisition of equity investments and through the issuance of convertible loans, is based on data not directly observable on active stock markets, and therefore falls under the fair value hierarchical Level 3.

The item Financial securities is related to securities listed on the active stock markets and therefore falls under the fair value hierarchical level 1.

To determine the effect of interest rate derivate financial instruments Reply refers to evaluation deriving from third parties (banks and financial institutes). The latter, in the calculation of their estimates made use of data observed on the market directly (interest rates) or indirectly (interest rate interpolation curves observed directly): consequently, for the purposes of IFRS 7 the fair value used by the Group for the exploitation of hedging derivatives contracts in existence as at 31 December 2025 re-enters under the hierarchy profile in level 2.

The fair value of Liabilities to minority shareholders and earn out was determined by Group management on the basis of the sales purchase agreements for the acquisition of the company's shares and on economic parameters based on budgets and plans of the purchased company. As the parameters are not observable on stock markets (directly or indirectly) these liabilities fall under the hierarchy profile in level 3.
Considering the uncertainty related to the evolution of these variables, simulations were conducted to generate a range of possible scenarios. Based on these analyses, the expected value of the financial liability was determined, reflecting the different possible outcomes of the scenario under consideration.

As at 31 December 2025, there have not been any transfers within the hierarchy levels.

NOTE 39 - Transactions with related parties

In accordance with IAS 24 Related parties are Group companies and persons that are able to exercise control, joint control or have significant influence on the Group and on its subsidiaries. Transactions carried out by the group companies with related parties that as of the reporting date are considered ordinary business and are carried out at normal market conditions.

The main economic and financial transactions with related parties is summarized below.

(THOUSAND EUROS)

FINANCIAL TRANSACTIONS	31/12/2025			31/12/2024			NATURE OF TRANSACTION
	PARENT COMPANIES	KEY MANAGEMENT WITH STRATEGIC RESPONSIBILITIES	OTHER	PARENT COMPANIES	KEY MANAGEMENT WITH STRATEGIC RESPONSIBILITIES	OTHER	
Trade receiva-bles	-	-	-	41	-	29	Receivables from professional services
Trade payables and other	-	-	561	-	-	1,205	Payables for profes-sional services and official rentals offices
Employee benefits	-	29,018	-	-	21,183	-	Payables for emol-uments to Directors and Managers with strategic responsi-bilities
Other payables	-	-	148	-	-	148	Payables for Board of Statutory Auditors

ECONOMIC TRANSACTIONS	2025			2024			NATURE OF TRANSACTION
	PARENT COMPANIES	KEY MANAGEMENT WITH STRATEGIC RESPONSIBILITIES	OTHER	PARENT COMPANIES	KEY MANAGEMENT WITH STRATEGIC RESPONSIBILITIES	OTHER	
Revenues from professional services	19	-	-	43	-	27	Receivables from professional services
Services from Parent company and related parties	845	-	1,290	979	-	1,538	Service contracts re-lating to office rent-al, and office ad-ministration
Services from Parent company and related parties	24	-	304	-	-	226	Other services
Personnel	-	19,169	-	-	17,703	-	Emoluments to Directors and Key Management with strategic responsibilities
Services and other costs	-	-	148	-	-	148	Emoluments to Statutory Auditors

With reference to the Cash flows statement, the above-mentioned transactions impact the change in working capital by 7,262 thousand Euros.

REPLY GROUP MAIN ECONOMIC AND FINANCIAL TRANSACTIONS

In accordance with IAS 24, emoluments to Directors, Statutory Auditors and Key Management are also included in transactions with related parties (please see the Annual Report on remuneration).
In accordance with Consob Resolution no. 15519 of 27 July 2006 and Consob communication no. DEM/6064293 of 28 July 2006 the financial statements present the Consolidated Income statement and Balance Sheet showing transactions with related parties separately, together with the percentage incidence with respect to each account caption.
Pursuant to Art. 150, paragraph 1 of the Italian Legislative Decree n. 58 of 24 February 1998, no transactions have been carried out by the members of the Board of Directors that might be in potential conflict of interests with the Company.

NOTE 40 - Emoluments to directors, statutory auditors and key management

The fees of the Directors and statutory Auditors of Reply S.p.A. for carrying out their respective function, including those in other subsidiary companies, are as follows:

(THOUSAND EUROS)	2025	2024
Executive Directors	10,571	10,770
Statutory auditors	148	148
Total	**10,719**	**10,918**

Emoluments to Key management amounted to approximately 8,472 thousand Euros (6,933 thousand Euros at 31 December 2024).

NOTE 41 - Guarantees, commitments and contingent liabilities

GUARANTEES

Guarantees and commitments where existing, have been disclosed at the item to which they refer.

CONTINGENT LIABILITIES

As an international company, the Group is exposed to numerous legal risks, particularly in the area of product liability, environmental risks and tax matters. The outcome of any current or future proceedings cannot be predicted with certainty. It is therefore possible that legal judgments could give rise to expenses that are not covered, or not fully covered, by insurers' compensation payments and could affect the Group financial position and results.
Instead, when it is probable that an overflow of resources embodying economic benefits will be required to settle obligations and this amount can be reliably estimated, the Group recognises specific provision for this purpose.

NOTE 42 - Events subsequent to 31 december 2025

No significant events were reported after 31 December 2025.

NOTE 43 - Approval of the consolidated financial statements and authorization to publish

The Consolidated financial statements at 31 December 2025 were approved by the Board of Directors on March 12, 2026 which authorized the publication within the terms of law.

NOTE 44 – Climate change

Climate change represents a global challenge that also affects business activities, influencing employee well-being, the management of operational sites, and energy efficiency. Reply is aware of the importance of adopting measures to reduce its environmental footprint and ensure operational continuity in a context of increasing attention to sustainability. Throughout the year, the Group has implemented initiatives aimed at optimizing energy consumption at its locations, promoting the adoption of renewable energy sources and energy efficiency systems. Additionally, it has promoted sustainable mobility policies for employees, offering remote working options and encouraging the use of low environmental impact vehicles.

To date, the analysis conducted has not highlighted any significant impacts of climate change on the 2025 financial statements, either in terms of operating costs or revenues.
In preparing the financial statements, the Group also assessed the potential effects of climate change on the main accounting estimates, in line with ESMA recommendations. Following this analysis, the Group has determined the following:

- Valuation of tangible assets: The Group does not hold assets that are subject to significant risks of obsolescence or impairment due to climate factors. Therefore, no significant impacts have been identified on the recoverable value of assets or on the determination of their useful life;
- Impairment losses (IAS 36): No impairment indicators related to climate factors have emerged that would require impairments on business assets. It is specified that, as previously described in note 18, any environmental impacts have been considered in the preparation of the budget;
- Provisions for risks and charges (IAS 37): No current obligations or potential liabilities have been identified arising from environmental regulations or other factors related to the ecological transition;
- Going concern assessment: The Group has considered climate risks in its going concern analysis and has not identified any factors that could impair its ability to operate in the foreseeable future.

Despite the absence of significant impacts on current accounting estimates, the Group will continue to monitor regulatory developments and market conditions to promptly adjust its assessments.

NOTE 45 – Impacts related to geopolitical risks and uncertainties

The international macroeconomic environment continues to be characterized by geopolitical tensions and a framework of uncertainty linked to regional conflicts, trade dynamics among major economic areas, political instability in certain parts of the world, and volatility in energy and financial markets. The Group does not operate directly in areas currently affected by armed conflicts or significant geopolitical instability and does not hold production assets or operational facilities in countries subject to material international sanctions. Therefore, no significant direct impacts on business continuity or the ability to generate revenues have been identified. However, the Group maintains a corporate presence in the United States, a market that represents a strategic area for development. In this context, any developments in trade, fiscal, or regulatory policies, as well as potential geopolitical tensions between the United States and other economic areas, could result in indirect effects on the relevant macroeconomic environment, exchange rates, and customer investment decisions. The Group continuously monitors these dynamics, adopting a prudent approach in financial planning and foreign exchange risk management.
In general, the main indirect risks associated with the geopolitical scenario relate to possible slowdowns in demand, inflationary pressures, financial market volatility, and disruptions in technology supply chains. As of the date of preparation of these financial statements, no effects have been identified that would significantly impact the Group's economic, financial, or equity position. Management continues to closely monitor developments in the international environment, maintaining adequate organizational and financial safeguards aimed at ensuring operational flexibility and financial soundness.
The Group has also assessed the potential effects of geopolitical risks and uncertainties on the main accounting estimates, in line with ESMA recommendations. Following this analysis, the Group has determined that:

- Property, plant and equipment valuation: no significant impacts arising from geopolitical factors have been identified on the determination of the recoverable amount of assets or on the estimation of their useful lives;
- Impairment (IAS 36): no impairment indicators directly attributable to geopolitical risks have emerged. Any macroeconomic effects have been considered in the forward-looking cash flows used for recoverability testing;
- Financial instruments (IFRS 9): the Group has assessed the potential effects of geopolitical tensions on credit risk and expected credit losses (ECL) relating to trade receivables and other financial assets. As of the reporting date, no significant increases in credit risk have been identified that would require material adjustments to impairment allowances;
- Revenue from contracts with customers (IFRS 15): no significant effects arising from geopolitical uncertainties have been identified on revenue recognition, including customers' ability to meet contractual obligations or the estimation of any variable consideration;
- Provisions (IAS 37): no present obligations or contingent liabilities arising from geopolitical events have been identified that would require the recognition of provisions;
- Going concern assessment: the Group has also considered geopolitical risks in its going concern assessment, without identifying any factors that could compromise its ability to operate in the foreseeable future.

Despite the absence of significant impacts on accounting estimates as of the reporting date, the Group will continue to monitor the evolution of the geopolitical and macroeconomic environment in order to promptly adjust its assessments.

ANNEXED TABLES

Consolidated income statement prepared pursuant to Consob resolution no. 15519 of 27 july 2006

(THOUSAND EUROS)	2025	OF WHICH WITH RELATED PARTIES	%	2024	OF WHICH WITH RELATED PARTIES	%
Revenues	**2,449,991**	**19**	**0.0%**	**2,295,938**	**70**	**0.0%**
Other income	49,471	-	0.0%	31,068	-	0.0%
Purchases	(46,872)	-	0.0%	(46,350)	-	0.0%
Personnel	(1,376,509)	(19,169)	1.4%	(1,266,433)	(17,703)	1.4%
Services costs	(630,440)	(2,463)	0.4%	(569,486)	(2,891)	0.5%
Amortization, depreciation and write-downs	(89,359)	-	0.0%	(84,933)	-	0.0%
Other operating (costs)/ income	21,997	-	0.0%	(34,127)	-	0.0%
Fair value adjustments to deferred consideration	13,411	-	0.0%	4,743	-	0.0%
Operating income	**391,689**	**-**	**0.0%**	**330,421**	**-**	**0.0%**
(Loss)/gain on investments	(8,478)	-	0.0%	(20,000)	-	0.0%
Financial expenses	(29,608)	-	0.0%	(22,095)	-	0.0%
Financial income	16,093	-	0.0%	24,907	-	0.0%
Income before taxes	**369,696**	**-**	**0.0%**	**313,232**	**-**	**0.0%**
Income taxes	(117,106)	-	0.0%	(99,464)	-	0.0%
Net income	**252,591**	**-**	**0.0%**	**213,768**	**-**	**0.0%**
Non-controlling interest	(1,702)	-	0.0%	(2,630)	-	0.0%
Net income of the Parent company	**250,889**	**-**	**0.0%**	**211,139**	**-**	**0.0%**

Consolidated statement of financial position prepared pursuant to consob resolution no. 15519 of 27 july 2006

(THOUSAND EUROS)	31/12/2025	OF WHICH WITH RELATED PARTIES	%	31/12/2024	OF WHICH WITH RELATED PARTIES	%
Tangible assets	160,391	-	0.0%	132,343	-	0.0%
Goodwill	667,136	-	0.0%	693,210	-	0.0%
Intangible assets	81,349	-	0.0%	95,802	-	0.0%
RoU Assets	117,134	-	0.0%	107,055	-	0.0%
Equity investments	10,988	-	0.0%	19,809	-	0.0%
Other financial assets	6,196	-	0.0%	9,055	-	0.0%
Deferred tax assets	69,057	-	0.0%	66,557	-	0.0%
Non-current assets	**1,112,250**	**-**	**0.0%**	**1,123,832**	**-**	**0.0%**
Work in progress	83,489	-	0.0%	68,369	-	0.0%
Trade receivables	792,089	-	0.0%	757,558	-	0.0%
Other receivables and current assets	110,812	-	0.0%	113,903	-	0.0%
Current income tax receivables	24,453	-	0.0%	29,673	-	0.0%
Financial assets	70,227	-	0.0%	45,767	-	0.0%
Cash and cash equivalents	571,715	-	0.0%	491,834	-	0.0%
Current assets	**1,652,784**	**-**	**0.0%**	**1,507,103**	**-**	**0.0%**
TOTAL ASSETS	**2,765,035**	**-**	**0.0%**	**2,630,935**	**-**	**0.0%**
Share Capital	4,863	-	0.0%	4,863	-	0.0%
Other reserves	1,232,031	-	0.0%	1,084,186	-	0.0%
Net result of the period	250,889	-	0.0%	211,139	-	0.0%
Equity of the Parent company	**1,487,784**	**-**	**0.0%**	**1,300,188**	**-**	**0.0%**
Non-controlling interest	2,280	-	0.0%	2,773	-	0.0%
NET EQUITY	**1,490,064**	**-**	**0.0%**	**1,302,960**	**-**	**0.0%**
Due to minority shareholders and Earn-out	41,700	-	0.0%	57,478	-	0.0%
Financial liabilities	32,395	-	0.0%	48,910	-	0.0%
Financial liabilities from RoU	93,923	-	0.0%	84,695	-	0.0%
Employee benefits	118,678	29,018	24.5%	85,154	21,183	24.9%
Deferred tax liabilities	27,517	-	0.0%	33,443	-	0.0%
Provisions	22,692	-	0.0%	46,591	-	0.0%
Non-current liabilities	**336,905**	**-**	**0.0%**	**356,271**	**-**	**0.0%**
Due to minority shareholders and Earn-out	3,551	-	0.0%	52,121	-	0.0%
Financial liabilities	13,322	-	0.0%	19,748	-	0.0%
Financial liabilities from RoU	34,724	-	0.0%	35,163	-	0.0%
Trade payables	179,828	709	0.4%	183,233	1,353	0.7%
Other current liabilities	688,986	-	0.0%	640,928	-	0.0%
Income tax Payables	16,024	-	0.0%	39,155	-	0.0%
Provisions	1,631	-	0.0%	1,355	-	0.0%
Current liabilities	**938,066**	**-**	**0.0%**	**971,703**	**-**	**0.0%**
TOTAL LIABILITIES	**1,274,971**	**-**	**0.0%**	**1,327,974**	**-**	**0.0%**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUI-TY	**2,765,035**	**-**	**0.0%**	**2,630,935**	**-**	**0.0%**

Consolidated statement of cash flow prepared pursuant to consob resolution no. 15519 of 27 july 2006

(THOUSAND EUROS)	2025	OF WHICH WITH RELATED PARTIES	%	2024	OF WHICH WITH RELATED PARTIES	%
Group net income	252,591	-	0.0%	213,768	-	0.0%
Income taxes	123,873	-	0.0%	121,317	-	0.0%
Amortization and depreciation	89,359	-	0.0%	84,933	-	0.0%
Other non-monetary expenses/(income)	(14,338)	-	0.0%	40,176	-	0.0%
Change in inventories	(6,773)	-	0.0%	(14,095)	-	0.0%
Change in trade receivables	(27,374)	70	0.3%	20,063	(67)	0,3%
Change in trade payables	(3,405)	(644)	18.9%	(15,712)	695	4,4%
Change in other assets and liabilities	20,369	-	0.0%	(7,310)	-	0.0%
Change in deferred tax liabilities	(8,017)	-	0.0%	(16,403)	-	0.0%
Change in employee benefits and provisions	13,194	7,835	59.4%	14,382	6,600	45.9%
Income tax paid	(121,317)	-	0.0%	(96,117)	-	0.0%
Interest paid	(1,958)	-	0.0%	(3,171)	-	0.0%
Interest collected	9,804	-	0.0%	11,401	-	0.0%
Net cash flows from operating activities (A)	**326,008**	**7,261**	**0.0%**	**353,233**	**7,228**	0.0%
Purchase of tangible and intangible assets	(45,882)	-	0.0%	(56,802)	-	0.0%
Change in financial assets	(21,627)	-	0.0%	(13,182)	-	0.0%
Payments for the acquisition of subsidiaries net of cash acquired	(68,786)	-	0.0%	(89,014)	-	0.0%
Net cash flows from investment activities (B)	**(136,295)**	-	0.0%	**(158,999)**	-	0.0%
Dividends paid	(44,963)	-	0.0%	(39,254)	-	0.0%
In payments from loans	-	-	0.0%	13,100	-	0.0%
Financial liabilities for leasing	(36,181)	-	0.0%	(36,070)	-	0.0%
Repayment of loans	(22,850)	-	0.0%	(29,793)	-	0.0%
Other changes	(546)	-	0.0%	282	-	0.0%
Net cash flows from financing activities (C)	**(104,540)**	-	0.0%	**(91,735)**	-	0.0%
Net cash flows (D) = (A+B+C)	**85,174**	**7,261**	0.0%	**102,499**	**7,228**	0.0%
Cash and cash equivalents at the beginning of period	491,713	-	0.0%	383,608	-	0.0%
Effects of exchange rate differences on cash and cash equivalents	(5,185)	-	0.0%	5,607	-	0.0%
Cash and cash equivalents at period end	571,702	-	0.0%	491,713	-	0.0%
Total change in cash and cash equivalents (D)	**85,174**	**-**	**0.0%**	**102,498**	**-**	**0.0%**

List of companies at 31 December 2025

COMPANY NAME	HEADQUARTERS	SHARE CAPITAL	GROUP INTEREST
Parent company			
Reply S.p.A.	Turin – Corso Francia, 110 - Italy	€ 4,863,486	
Companies consolidated on line by line basis:			
4brands Reply GmbH & CO. KG. (**)	Minden, Germany	€ 1,000,000	51.00%
Air Reply S.r.l.	Turin, Italy	€ 10,000	100.00%
Airwalk Consulting Reply Ltd.	Edinburgh, Scotland	£ 400	100.00%
Alpha Reply GmbH	Guetersloh, Germany	€ 25,000	100.00%
Aim Reply Ltd	London, United Kingdom	£ 1	100.00%
Arlanis Reply S.r.l.	Turin, Italy	€ 10,000	100.00%
Arlanis Reply GmbH	Potsdam, Germany	€ 70,000	100.00%
Arlanis Reply Ltd	London, United Kingdom	£ 200	100.00%
Aktive Reply S.r.l.	Turin, Italy	€ 10,000	100.00%
Atena Reply S.r.l.	Turin, Italy	€ 10,000	100.00%
Atlas Reply S.r.l.	Turin, Italy	€ 10,000	100.00%
Autonomous Reply GmbH	Guetersloh, Germany	€ 25,000	100.00%
Auxulus Reply GmbH	Munich, Germany	€ 25,000	100.00%
Avantage Reply Ltd.	London, United Kingdom	£ 5,086	100.00%
Avantage Reply Roma S.r.l.	Turin, Italy	€ 10,000	100.00%
Avantage Reply (Belgium) S.r.l.	Brussels, Belgium	€ 18,600	100.00%
Avantage Reply (Luxembourg) Sarl	Itzig, Luxembourg	€ 12,500	100.00%
Avvio Reply Ltd.	London, United Kingdom	£ 103	100.00%
Blue Reply S.r.l.	Turin, Italy	€ 10,000	100.00%
Blue Reply GmbH	Guetersloh, Germany	€ 25,000	100.00%
Bridge Reply S.r.l.	Turin, Italy	€ 10,000	100.00%
Business Elements Reply Sa	Leudelange, Luxembourg	€ 36,000	100.00%
Business Elements Reply Sa	Brussels, Belgium	€ 61,500	100.00%
Business Reply S.r.l.	Turin, Italy	€ 78,000	100.00%
Business Reply Public Sector S.r.l.	Turin, Italy	€ 10,000	100.00%
Breed Reply Investment Ltd	London, United Kingdom	£ 100	100.00%
Canvas Reply GmbH	Hamburg, Germany	€ 25,000	100.00%
Canvas Reply Ltd.	London, United Kingdom	£ -	100.00%
Cluster Reply S.r.l.	Turin, Italy	€ 139,116	100.00%
Cluster Reply GmbH	Munich, Germany	€ 25,000	100.00%
Cluster Reply Dynamics GmbH	Guetersloh, Germany	€ 25,000	100.00%
Cluster Reply Informatica LTDA.	San Paolo, Brazil	BRL 100,000	100.00%
Cluster Reply Roma S.r.l.	Turin, Italy	€ 10,000	100.00%
Cognita Reply S.r.l.	Turin, Italy	€ 10,000	100.00%
Comwrap Reply GmbH	Frankfurt, Germany	€ 135,000	100.00%
Comwrap Reply LLC	Atlanta, USA	$ -	100.00%

COMPANY NAME	HEADQUARTERS	SHARE CAPITAL	GROUP INTEREST
ComSysto D.O.O.	Zagreb, Croatia	€ 2,654	100.00%
ComSysto Reply GmbH	Munich, Germany	€ 25,000	100.00%
Concept Reply GmbH	Munich, Germany	€ 25,000	100.00%
Concept Reply LLC	Michigan, USA	$ -	100.00%
Concept Quality Reply Ltd.	London, United Kingdom	£ 100	100.00%
Consorzio Reply Public Sector	Turin, Italy	€ 184,500	100.00%
Core Reply S.r.l.	Turin, Italy	€ 10,000	100.00%
Cortex Reply Ltd	London, United Kingdom	£ 1	100.00%
Data Reply S.r.l.	Turin, Italy	€ 10,000	100.00%
Data Reply GmbH	Munich, Germany	€ 25,000	100.00%
Discovery Reply S.r.l.	Turin, Italy	€ 10,000	100.00%
e*finance consulting Reply S.r.l.	Turin, Italy	€ 34,000	100.00%
efinance consulting Reply GmbH	Guetersloh, Germany	€ 25,000	100.00%
Elbkind Reply GmbH	Hamburg, Germany	€ 30,000	100.00%
Eos Reply S.r.l.	Turin, Italy	€ 200,000	100.00%
Everlo Reply GmbH	Guetersloh, Germany	€ 25,000	100.00%
Fincon Reply GmbH	Hamburg, Germany	€ 100,000	100.00%
Forge Reply S.r.l.	Turin, Italy	€ 10,000	100.00%
Frank Reply GmbH	Guetersloh, Germany	€ 25,000	100.00%
Go Reply S.r.l.	Turin, Italy	€ 50,000	100.00%
Go Reply GmbH	Guetersloh, Germany	€ 25,000	100.00%
Gray Matter Reply Ltd	London, United Kingdom	£ 282	100.00%
Hermes Reply S.r.l.	Turin, Italy	€ 10,000	100.00%
Hermes Reply Consulting (Nanjing) Co. Ltd.	Nanjing, China	¥ 7,641,350	100.00%
Industrie Reply LLC	Michigan, USA	$ 369,141	100.00%
Infinity Reply GmbH	Düsseldorf, Germany	€ 25,000	100.00%
IrisCube Reply S.r.l.	Turin, Italy	€ 651,735	100.00%
Ki Reply GmbH	Guetersloh, Germany	€ 25,000	100.00%
Laife Reply GmbH	Munich, Germany	€ 25,000	100.00%
Leadvise Reply GmbH	Darmstadt, Germany	€ 25,000	100.00%
Like Reply S.r.l.	Turin, Italy	€ 10,000	100.00%
Like Reply GmbH	Guetersloh, Germany	€ 25,000	100.00%
Liquid Reply GmbH	Guetersloh, Germany	€ 25,000	100.00%
Live Reply GmbH	Düsseldorf, Germany	€ 25,000	100.00%
Logistics Reply S.r.l.	Turin, Italy	€ 78,000	100.00%
Logistics Reply GmbH	Munich, Germany	€ 25,000	100.00%
Logistics Reply Roma S.r.l.	Turin, Italy	€ 10,000	100.00%
Lynx Recruitment Ltd	London, United Kingdom	£ 100	100.00%
Machine Learning GmbH	Guetersloh, Germany	€ 25,000	100.00%
Macros Reply GmbH	Munich, Germany	€ 100,000	100.00%
Mansion House Reply Ltd	London, United Kingdom	£ 1,695	100.00%
Neo Reply GmbH	Guetersloh, Germany	€ 25,000	100.00%
Net Reply LLC	Michigan, USA	$ -	100.00%
Net Reply S.r.l.	Turin, Italy	€ 10,000	100.00%

COMPANY NAME	HEADQUARTERS	SHARE CAPITAL	GROUP INTEREST
Nexi Digital S.r.l.	Turin, Italy	€ 10,000	51.00%
Nexi Digital Polska Sp. z o.o.	Warsaw, Poland	ZTY 5,000	51.00%
Next Reply GmbH	Guetersloh, Germany	€ 25,000	100.00%
Obi Smart Technologies Poland Sp. z.o.o.	Katowice, Poland	€ 5,000	51.00%
Open Reply GmbH	Guetersloh, Germany	€ 25,000	100.00%
Open Reply S.r.l.	Turin, Italy	€ 10,000	100.00%
Pay Reply S.r.l.	Turin, Italy	€ 10,000	100.00%
Portaltech Reply Ltd.	London, United Kingdom	£ 12,125	100.00%
Power Reply S.r.l.	Turin, Italy	€ 10,000	100.00%
Power Reply GmbH	Munich, Germany	€ 35,000	100.00%
Protocube Reply S.r.l.	Turin, Italy	€ 10,200	100.00%
Red Reply GmbH	Frankfurt, Germany	€ 25,000	100.00%
Red Scientific Reply Ltd	London, United Kingdom	£ 38,720	100.00%
Reply AI Studios S.r.l.	Turin, Italy	€ 10,000	100.00%
Reply Consulting S.r.l.	Turin, Italy	€ 10,000	100.00%
Reply Deutschland SE	Guetersloh, Germany	€ 120,000	100.00%
Reply GmbH	Zurich, Swiss	CHF 13,955	100.00%
Reply do Brasil Sistemas de Informatica Ltda	Belo Horizonte, Brazil	BRL 650,000	100.00%
Reply Inc.	Michigan, USA	$ 35,582,982	100.00%
Reply Ltd.	London, United Kingdom	£ 24,215,720	100.00%
Reply Belgium SA	Brussels, Belgium	€ 24,615,000	100.00%
Reply Croatia d.o.o.	Croatia	€ 25,000	100.00%
Reply Digital Experience S.r.l.	Turin, Italy	€ 29,407	100.00%
Reply France SAS	Paris, France	€ 10,120,000	100.00%
Reply Sarl	Sandweiler, Luxembourg	€ 18,000,000	100.00%
Reply Services S.r.l.	Turin, Italy	€ 10,000	100.00%
Reply Polska Sp. z o.o.	Katowice, Poland		ZTY 40,000
Retail Reply S.r.l.	Turin, Italy	€ 10,000	100.00%
Ringmaster S.r.l.	Turin, Italy	€ 10,000	50.00%
Riverland Reply GmbH	Munich, Germany	€ 25,000	100.00%
Roboverse Reply GmbH	Guetersloh, Germany	€ 25,000	100.00%
Root16 LLC	Chicago, USA	$ -	100,00%
Sagepath Reply LLC	Atlanta, USA	$ 18,052	100.00%
Santer Reply S.r.l.	Turin, Italy	€ 2,209,500	100.00%
Security Reply S.r.l.	Turin, Italy	€ 50,000	100.00%
Sense Reply S.r.l.	Turin, Italy	€ 10,000	100.00%
Sensor Reply S.r.l.	Turin, Italy	€ 10,000	100.00%
Shield Reply S.r.l.	Turin, Italy	€ 10,000	100.00%
Shield Reply Ltd	London, United Kingdom	£ 1	100.00%
Solidsoft Reply Ltd.	London, United Kingdom	£ 11,556	100.00%
Solirius Reply Ltd	London, United Kingdom	£ 2	100.00%
Spark Reply S.r.l.	Turin, Italy	€ 10,000	100.00%
Spark Reply GmbH	Munich, Germany	€ 25,000	100.00%
Spike Reply Ltd	London, United Kingdom	£ 100	100.00%

COMPANY NAME	HEADQUARTERS	SHARE CAPITAL	GROUP INTEREST
Spike Reply GmbH	Cologne, Germany	€ 25,000	100.00%
Spike Digital Reply GmbH	Guetersloh, Germany	€ 25,000	100.00%
Sprint Reply SA	Brussel, Belgium	€ 1,500,000	100.00%
Sprint Reply S.r.l.	Turin, Italy	€ 10,000	100.00%
Sprint Reply Ltd	London, United Kingdom	£ 1	100.00%
Sprint Reply GmbH	Munich, Germany	€ 25,000	100.00%
Storm Reply S.r.l.	Turin, Italy	€ 10,000	100.00%
Storm Reply Roma S.r.l.	Turin, Italy	€ 10,000	100.00%
Storm Reply GmbH	Guetersloh, Germany	€ 25,000	100.00%
Storm Reply Inc (*)	USA	$ -	97.00%
Storm Reply Ltd.	London, United Kingdom	£ 1	100.00%
Syskoplan Reply S.r.l.	Turin, Italy	€ 32,942	100.00%
Syskoplan Reply GmbH	Guetersloh, Germany	€ 625,200	100.00%
Syskoplan Cx Reply S.r.l.	Turin, Italy	€ 10,000	100.00%
Syskoplan Reply LLC	Philadelphia, USA	$ 3,881,258	100.00%
Syskoplan IE Reply GmbH	Guetersloh, Germany	€ 25,000	100.00%
Sytel Reply Roma S.r.l.	Turin, Italy	€ 10,000	100.00%
Sytel Reply S.r.l.	Turin, Italy	€ 115,046	100.00%
Target Reply S.r.l.	Turin, Italy	€ 10,000	100.00%
Target Reply GmbH	Guetersloh, Germany	€ 25,000	100.00%
TamTamy Reply S.r.l.	Turin, Italy	€ 10,000	100.00%
Technology Reply S.r.l.	Turin, Italy	€ 79,743	100.00%
Technology Reply S.r.l.	Bucharest, Romania	RON 44,000	100.00%
Tender Reply S.r.l.	Turin, Italy	€ 10,000	100.00%
TD Reply GmbH	Berlin, Germany	€ 25,000	100.00%
TD Marketing Consultants, Beijing Co. Ltd	Bejing, China	¥ 906,760	100.00%
Threepipe Reply Ltd.	London, United Kingdom	£ 100	100.00%
The Spur Group LLC	Seattle, USA	$ 845,400	100.00%
Tool Reply GmbH	Guetersloh, Germany	€ 255,646	100.00%
Triplesense Reply GmbH	Frankfurt, Germany	€ 51,000	100.00%
Up Reply GmbH	Munich, Germany	€ 25,000	100.00%
Valorem LLC	Kansas City, USA	$ 3,318,947	100.00%
Valorem Private Ltd	Kochi, India	INR 3,782,960	100.00%
Valorem GmbH	Zurich, Swiss	CHF 30,000	100.00%
Valorem Reply Ltd.	London, United Kingdom	£ 100	100.00%
Vanilla Reply GmbH	Guetersloh, Germany	€ 25,000	100.00%
Wemanity Group SAS	Paris, France	€ 224,889	100.00%
WM Reply S.r.l.	Turin, Italy	€ 10,000	100.00%
WM Reply Inc	Illinois, USA	$ 980	100.00%
WM Reply Ltd	London, United Kingdom	£ 95,551	100.00%
WM Reply GmbH	Guetersloh, Germany	€ 25,000	100.00%
Whitehall Reply GmbH	Guetersloh, Germany	€ 25,000	100.00%
Whitehall Reply S.r.l.	Turin, Italy	€ 21,224	100.00%
Whitehall AI Reply S.r.l.	Turin, Italy	€ 10,000	100.00%
Xenia Reply S.r.l.	Turin, Italy	€ 10,000	100.00%
Xister Reply S.r.l.	Turin, Italy	€ 10,000	100.00%

(*) For these companies an option exists for the acquisition of their minority shares; the exercise of such option in future reporting periods is subject to the achievement of profitability parameters. The accounting reflects Management's best estimate as at the closing date of the 2023 Annual Financial Report.
(**) These companies are exempt from filing statutory financial statements in Germany under the German law § 264b HGB.

COMPANIES CARRIED AT FAIR VALUE		
CageEye AS	Norway	1.06%
Dcbrain SAS	France	5.80%
FoodMarble Digestive Health Ltd	Ireland	17.47%
iNova Design Ltd	United Kingdom	27.21%
Iotic Labs Ltd	United Kingdom	4.13%
Kokoon Technology Ltd	United Kingdom	25.70%
Metron Sas	France	4.78%
RazorSecure Ltd	United Kingdom	23.07%
Sensoria Inc.	United States	25.97%
TAG Sensors AS	Singapore	25.71%
Ubirch GmbH	Germany	18.51%
Zeetta Networks Ltd	United Kingdom	24.00%
Yellow Line Parking Ltd	United Kingdom	8.97%

Information in accordance with article 149-duodecies issued by Consob

The following table, prepared in accordance with Art. 149-duodeciesof Consob's Regulations for Issuers reports the amount of fees charged in 2025 for the audit and audit related services provided by the Independent Auditors and by entities that are part of the Independent Auditors' network.

(THOUSAND EUROS)	SERVICE PROVIDER	GROUP ENTITY	FEE 2025
Audit	PwC S.p.A.	Parent company - Reply S.p.A.	49
	PwC S.p.A.	Subsidiaries	683
	PwC GmbH	Subsidiaries	429
	Total		**1,161**
Audit related services	PwC S.p.A.	Parent company - Reply S.p.A. [1]	22
	PwC S.p.A.	Parent company - Reply S.p.A. [2]	122
	PwC S.p.A.	Subsidiaries [1]	133
	Total		**277**
Total			**1,438**

(1) Modello Unico, IRAP, Form 770 and other
(2) Sustainability Report Attestation

ATTESTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS IN ACCORDANCE WITH ARTICLE 81-TER OF CONSOB REGULATION NO. 11971 OF 14 MAY 1999 AND SUBSEQUENT AMENDMENTS AND ADDITIONS

The undersigned, Mario Rizzante, in his capacity as Chairman and Chief Executive Officer, and Giuseppe Veneziano, Director in charge of financial reporting, hereby attest, pursuant to the provisions of Article 154-bis, paragraphs 5, of Legislative Decree no. 58 of 24 February 1998:

- suitability with respect to the Company's structure and
- the effective application of the administration and accounting procedures applied in the preparation of the Consolidated financial statements for the year ended 2025.

The assessment of the adequacy of administrative and accounting procedures used for the preparation of the consolidated financial statements at 31 December 2025 was carried out on the basis of regulations and methodologies defined by Reply prevalently coherent with the Internal Control – Integrated Framework model issued by the Committee of Sponsoring Organisations of the Treadway Commission, an internationally-accepted reference framework.

The undersigned also certify that:

1. the Consolidated Financial Statement
   - have been prepared in accordance with International Financial Reporting Standards, as endorsed by the European Union pursuant to Regulation (EC) No. 1606/2002 of the European Parliament and Council, dated 19 July 2002;
   - correspond to the amounts shown in the Company's accounts, books and records;
   - provide a fair and correct representation of the financial conditions, results of operations and cash flows of the Company and its consolidated subsidiaries.
2. The Report on Operations includes a reliable analysis of the performance and results of the management, as well as the situation of the issuer and the group of companies included in the consolidation, along with a description of the main risks and uncertainties to which they are exposed.

Turin, 12 March 2026

/s/ Mario Rizzante
Chairman and Chief Executive Officer
Mario Rizzante

/s/ Giuseppe Veneziano
Director in charge of financial reporting
Giuseppe Veneziano

ATTESTATION OF THE SUSTAINABILITY REPORT IN ACCORDANCE WITH ARTICLE 81-TER, PARAGRAPH 1, OF CONSOB REGULATION NO. 11971 OF 14 MAY 1999 AND SUBSEQUENT AMENDMENTS AND ADDITIONS

The undersigned, Mario Rizzante, in his capacity as Chairman and Chief Executive Officer, and Giuseppe Veneziano, Director responsible for drawing up Reply S.p.A.'s financial statements, hereby attest, pursuant to the provisions of Article 154-bis, paragraph 5-ter, of Legislative Decree no. 58 of 24 February 1998, that the Sustainability Report included in the Report on operations was prepared:

a) in accordance with the reporting standards applied pursuant to Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 and Legislative Decree No. 125 of 6 September 2024;
b) with the specifications adopted pursuant to Article 8, paragraph 4, of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020.

Turin, 12 March 2026

/s/ Mario Rizzante
Chairman and Chief Executive Officer
Mario Rizzante

/s/ Giuseppe Veneziano
Director in charge of financial reporting
Giuseppe Veneziano

Independent auditor's report in accordance with article 14 of Legislative Decree 39/2010 and article 10 of Regulation (EU) 537/2014

To the Shareholders of

Reply SpA

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Reply Group (the "Group"), which comprise the consolidated statement of financial position as of 31 December 2025, the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as of 31 December 2025, and of the result of its operations and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree 38/2005.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of this report. We are independent of the company Reply SpA (the "Company") pursuant to the regulations and standards on ethics and independence applicable to audits of financial statements under Italian law. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	Auditing procedures performed in response to key audit matters
Evaluation of the recoverability of goodwill Note 2 "Accounting principles and basis of consolidation" paragraph "Impairment" and Note 19 "Goodwill" to the consolidated financial statements. The goodwill recorded in the consolidated statement of financial position as of 31 December 2025 amounts to Euro 667 million, equal to approximately 24 percent of total assets, including the impairment of Euro 19 million, applied to the CGU "P1 - FR Led" following the impairment test carried out at 30 June 2025. Group's management carries out test of recoverability of goodwill allocated to cash generating units/groups of cash generating units ("Cash Generating Unit" o "CGU") identified, by comparing the carrying amount with the recoverable amount in accordance with IAS 36 "Impairment of assets" (impairment test).	The audit procedures performed included the analysis of the consistency between the impairment test procedures approved by the Board of Directors, the requirements of the IAS 36 "Impairment of assets" and the impairment test procedure effectively in place. We analysed the key assumptions utilized to determine the net present value of the prospective cash flows. These activities have been performed through discussion held with Group's management, comparing discount rates and growth rates with market benchmark, with indications provided by management's external experts and with corresponding assumptions and parameters used in the context of impairment test performed for the previous annual financial report. Additionally, with the support of PwC experts, we evaluated i) the consistency between the expected cash flows used for the impairment test and the economic and financial projections approved by the Board of Directors on 12

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The recoverable amount of an asset is the higher of its fair value, less costs of disposal, and its value in use, determined by discounting the estimated future cash flows for that asset. When determining the value in use, the expected future cash flows are discounted using a discount rate that reflects current market assessments of the time value of money, related to the investment period and the specific risks of the asset.

Group management, with the support of external experts, performed the annual impairment test as at 31 December 2025 for all the CGU identified. Based on the impairment test performed, the recoverable amount of the Goodwill, determined according to the configuration of the value in use, resulted higher than the carrying amounts for all the CGU identified.

The impairment test involved the usage of complex estimates, for instance, those related to future cash flows and related normalization, discount rates and growth rates used to estimate the terminal value beyond the projections of the explicit cash flows.

We considered the assessment of the recoverability of the carrying amount of goodwill a key audit matter, considering the significance of this item, as well as the methods of determining the value in use based on complex assumptions which required us to pay particular attention to the impairment test performed by the Company.

February 2026, ii) the mathematical accuracy of underlying calculations, and iii) Group's management sensitivity analyses on the relevant assumptions, with particular reference to future cash flows and their discount rates.

Lastly, we verified the adequacy of the financial disclosure based on international financial reporting standards requirements, also considering information and data obtained during our audit, with a particular focus on the description of the impairment test process, disclosure of main assumptions, quantitative results of the impairment test and sensitivity analysis.

Responsibilities of the directors and the board of statutory auditors for the consolidated financial statements

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree 38/2005 and, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the Group's ability to continue as a going concern and, in preparing the consolidated financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the consolidated financial statements, the directors use the going concern basis of accounting unless they either intend to liquidate Reply SpA or to cease operations or have no realistic alternative but to do so.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

As part of our audit conducted in accordance with International Standards on Auditing (ISA Italia), we exercised professional judgement and maintained professional scepticism throughout the audit. Furthermore:

- We identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or error; we designed and performed audit procedures responsive to those risks; we obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- We obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- We evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- We concluded on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- We evaluated the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- We obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion on the consolidated financial statements.

We communicated with those charged with governance, identified at an appropriate level as required by ISA Italia regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

We also provided those charged with governance with a statement that we complied with the regulations and standards on ethics and independence applicable under Italian law and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate the related risks, or safeguards applied.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report.

Additional disclosures required by article 10 of Regulation (EU) 537/2014

On 19 April 2019, the shareholders of Reply SpA in general meeting engaged us to perform the statutory audit of the Company's and the consolidated financial statements for the years ending 31 December 2019 to 31 December 2027.

We declare that we did not provide any prohibited non-audit services referred to in article 5, paragraph 1, of Regulation (EU) 537/2014 and that we remained independent of the Company in conducting the statutory audit.

We confirm that the opinion on the consolidated financial statements expressed in this report is consistent with the additional report to the board of statutory auditors, in its capacity as audit committee, prepared pursuant to article 11 of the aforementioned Regulation.

Report on compliance with other laws and regulations

Opinion on compliance with the provisions of Commission Delegated Regulation (EU) 815/2019

The directors of Reply SpA are responsible for the application of the provisions of Commission Delegated Regulation (EU) 815/2019 concerning regulatory technical standards on the specification of a single electronic reporting format (ESEF - European Single Electronic Format) (the "Commission Delegated Regulation") to the consolidated financial statements as of 31 December 2025, to be included in the annual report.

We have performed the procedures specified in auditing standard (SA Italia) 700B in order to express an opinion on the compliance of the consolidated financial statements with the provisions of the Commission Delegated Regulation.

In our opinion, the consolidated financial statements as of 31 December 2025 have been prepared in XHTML format and have been marked up, in all significant respects, in compliance with the provisions of the Commission Delegated Regulation.

Due to certain technical limitations, some information included in the notes to the consolidated financial statements when extracted from the XHTML format to an XBRL instance may not be reproduced in an identical manner with respect to the corresponding information presented in the consolidated financial statements in XHTML format.

Opinions and statement in accordance with article 14, paragraph 2, letters e), e-bis) and e-ter) of Legislative Decree 39/2010 and with article 123-bis, paragraph 4, of Legislative Decree 58/1998

The directors of Reply SpA are responsible for preparing a report on operations and a report on the corporate governance and ownership structure of Reply group as of 31 December 2025, including their consistency with the relevant consolidated financial statements and their compliance with the law.

We have performed the procedures required under auditing standard (SA Italia) 720B in order to:

- express an opinion on the consistency of the report on operations and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998, with the consolidated financial statements;
- express an opinion on the compliance with the law of the report on operations, excluding the section on the consolidated sustainability reporting, and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998;
- issue a statement on material misstatements, if any, in the report on operations and in the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998.

In our opinion, the report on operations and the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998 are consistent with the consolidated financial statements of Reply group as of 31 December 2025.

Moreover, in our opinion, the report on operations, excluding the section on the consolidated sustainability reporting, and the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998 are prepared in compliance with the law.

With reference to the statement referred to in article 14, paragraph 2, letter e-ter), of Legislative Decree 39/2010, issued on the basis of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have nothing to report.

Our opinion on compliance with the law does not extend to the section of the report on operations relating to the consolidated sustainability reporting. The conclusions on the compliance of that section with the rules governing its preparation and on compliance with the disclosure requirements established by article 8 of Regulation (EU) 852/2020 are expressed by ourselves in the report prepared in accordance with article 14-bis of Legislative Decree 39/2010.

Turin, 31 March 2026

PricewaterhouseCoopers SpA

Signed by

Monica Maggio

(Partner)

This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

Independent auditor's limited assurance report on the consolidated sustainability statement in accordance with article 14-bis of Legislative Decree 39/2010

To the Shareholders of

Reply SpA

Conclusion

In accordance with articles 8 and 18, paragraph 1, of Legislative Decree 125/2024 (the "Decree"), we have undertaken a limited assurance engagement on the consolidated sustainability statement of the Reply group (the "Group") for the year ended 31 December 2025 prepared in accordance with article 4 of the Decree, presented in the specific section of the consolidated report on operations.

Based on the procedures performed, nothing has come to our attention that causes us to believe that:

- the consolidated sustainability statement of the Reply group for the year ended 31 December 2025 is not prepared, in all material respects, in accordance with the reporting criteria adopted by the European Commission pursuant to Directive (EU) 2013/34/UE ("European Sustainability Reporting Standards", also the "ESRS");

- the information set out in paragraph "Disclosures pursuant to article 8 of regulation (EU) 2020/852 (taxonomy regulation)" of the consolidated sustainability statement is not prepared, in all material respects, in accordance with article 8 of Regulation (UE) 852/2020 (the "Taxonomy Regulation").

PricewaterhouseCoopers SpA

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Basis for conclusion

We conducted our limited assurance engagement in accordance with the Standard on Sustainability Assurance Engagements - SSAE (Italia). The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our responsibilities under this standard are further described in the "Auditor's responsibilities for the limited assurance conclusion on the consolidated sustainability statement" section of this report.

We are independent in accordance with the principles of ethics and independence applicable to assurance engagements on consolidated sustainability statements under Italian law.

Our firm applies International Standard on Quality Management 1 (ISQM Italia 1), which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities of the directors and the board of statutory auditors of Reply SpA for the consolidated sustainability statement

The directors of Reply SpA are responsible for developing and implementing the procedures adopted to identify the information included in the consolidated sustainability statement in accordance with the provisions of the ESRS (the "materiality assessment process") and for describing those procedures in the "[IRO-1] Description of the process to identify and assess material impacts, risks and opportunities" note of the consolidated sustainability statement.

The directors are also responsible for preparing the consolidated sustainability statement, which contains the information identified through the materiality assessment process, in accordance with the provisions of article 4 of the Decree, including:

- its compliance with the ESRS;
- its compliance with article 8 of the Taxonomy Regulation of the information set out in paragraph "Disclosures pursuant to article 8 of regulation (EU) 2020/852 (taxonomy regulation)".

That responsibility involves designing, implementing and maintaining, in the terms prescribed by law, such internal control as they determine is necessary to enable the preparation of a consolidated sustainability statement in accordance with article 4 of the Decree that is free from material misstatement, whether due to fraud or error. That responsibility also involves selecting and applying appropriate methods for processing the information, as well as developing hypotheses and estimates about specific items of sustainability information that are reasonable in the circumstances.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, compliance with the Decree.

Inherent limitations in the preparation of the consolidated sustainability statement

As reported in section "ESRS 2 General disclosures", for the purpose of reporting forward-looking information in accordance with ESRS, the directors are required to prepare such information on the basis of assumptions, described in the consolidated sustainability statement, about future events and possible future actions by the Group. Because of the uncertainty connected with any future event, in terms both of occurrence and of the extent and timing of occurrence, variances between actual results and forward-looking information may be significant.

As reported in section "ESRS E1 Climate change", the disclosure about Scope 3 emissions is subject to greater inherent limitations compared with Scope 1 and 2 emissions, because of the poor availability and relative accuracy of the information used to define both qualitative and quantitative information on Scope 3 emissions related to the value chain.

Auditor's responsibilities for the limited assurance conclusion on the consolidated sustainability statement

Our objectives are to plan and perform procedures to obtain limited assurance about whether the consolidated sustainability statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that contains our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the consolidated sustainability statement.

As part of our engagement designed to achieve limited assurance in accordance with the Standard on Sustainability Assurance Engagements - SSAE (Italia), we exercised professional judgement and maintained professional scepticism throughout the engagement.

Our responsibilities include:

- Performing risk assessment procedures to identify the disclosures where a material misstatement, whether due to fraud or error, is likely to arise.
- Designing and performing procedures to verify the disclosures where a material misstatement is likely to arise. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Directing, supervising and performing a limited assurance engagement on the consolidated sustainability statement and assuming full responsibility for the conclusion on the consolidated sustainability statement.

Summary of the work performed

An engagement designed to obtain limited assurance involves performing procedures to obtain evidence as a basis for our conclusion.

The procedures performed were based on our professional judgement and included inquiries, primarily of personnel of Reply SpA responsible for the preparation of the information presented in the consolidated sustainability statement, analyses of documents, recalculations and other procedures designed to obtain evidence considered useful.

We performed the following main procedures:

- We understood the Group's business model and strategies, and the environment in which it operates with reference to sustainability issues.
- We understood the processes underlying the generation, collection and management of the qualitative and quantitative information included in the consolidated sustainability statement.
- We understood the process implemented by the Group to identify and assess the material impacts, risks and opportunities, in accordance with the double materiality principle, related to sustainability issues and, based on the information thus obtained, we considered whether any contradictory items emerged that could point to the existence of sustainability issues not considered by the Company in the materiality assessment process.
- We identified the disclosures where a material misstatement is likely to arise.
- We defined and performed procedures, based on our professional judgement, to address the risks of material misstatement identified.
- We understood the process implemented by the Group to identify the eligible economic activities and to determine whether they are aligned in accordance with the provisions of the Taxonomy Regulation, and we verified the related disclosures in the consolidated sustainability statement.
- We reconciled the information reported in the consolidated sustainability statement with the information reported in the consolidated financial statements in accordance with the applicable financial reporting framework, or with the accounting information used for the preparation of the consolidated financial statements, or with management accounting information.

- We verified the structure and presentation of disclosures included in the consolidated sustainability statement in accordance with the ESRS.
- We obtained management's representation letter.

Turin, 31 March 2026

PricewaterhouseCoopers SpA

Signed by

Monica Maggio

(Partner)

This report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

REPLY

FINANCIAL STATEMENTS AS AT 31 DECEMBER

2025

INCOME STATEMENT(*)

(EUROS)	NOTE	2025	2024
Revenue	5	941,277,247	869,223,983
Other income	6	55,665,086	25,100,326
Purchases	7	(32,546,274)	(33,231,687)
Personnel	8	(63,898,336)	(48,423,316)
Services and other costs	9	(884,949,745)	(786,432,221)
Amortization, depreciation and write-downs	10	(5,029,739)	(4,187,755)
Other operating income/(expenses)	11	29,139,121	(28,872,484)
Operating income		**39,657,360**	**(6,823,153)**
(Loss)/gain on investments	12	65,722,346	25,758,250
Financial income	13	(40,509,149)	(17,369,555)
Financial expenses	13	34,585,766	59,294,335
Income before taxes		**99,456,324**	**60,859,877**
Income taxes	14	(11,336,205)	(10,215,550)
Net income		**88,120,119**	**50,644,327**
Net and diluted income per share	*15*	*2.36*	*1.35*

(*) Pursuant to Consob Regulation No. 15519 of 27 July 2006, the effects of related-party transactions on the Income Statement are reported in the annexed Tables and further described in Note 35.

STATEMENT OF COMPREHENSIVE INCOME

(EUROS)	NOTE	2025	2024
Profit of the period (A)		**88,120,119**	**50,644,327**
Other comprehensive income that will not be reclassified subsequently to profit or loss:			
Actuarial gains/(losses) from employee benefit plans		268,097	316,709
Tax effect relating to Other comprehensive income/(loss) that will not be subsequently reclassified to profit or loss		(64,334)	(76,010)
Total Other comprehensive income that will not be reclassified subsequently to profit or loss, net of tax (B1):	**28**	**203,723**	**240,699**
Other comprehensive income that may be reclassified subsequently to profit or loss:			
Gains/(losses) on cash flow hedges		(63,659)	(1,711,915)
Tax effect relating to Other comprehensive income/(loss) that will be subsequently reclassified to profit or loss		15,728	410,859
Total Other comprehensive income that may be reclassified subsequently to profit or loss, net of tax (B2):	**28**	**(43,381)**	**(1,301,055)**
Total other comprehensive income, net of tax (B) = (B1) + (B2):		**155,342**	**(1,060,356)**
Total comprehensive income (A)+(B)		**88,275,461**	**48,583,971**

STATEMENT OF FINANCIAL POSITION(*)

(EUROS)	NOTA	31/12/2025	31/12/2024
Tangible assets	17	3,111,904	587,761
Goodwill	18	86,765	86,765
Other intangible assets	19	6,008,159	5,102,557
RoU Assets	20	4,249,982	4,513,552
Equity investments	21	313,106,579	239,166,849
Other financial assets	22	472,911,706	514,537,724
Deferred tax assets	23	7,063,110	13,021,559
Non current assets		**806,538,205**	**777,016,767**
Trade receivables	24	576,540,335	599,647,726
Other receivables and cur-rent assets	25	94,738,116	94,883,374
Current income tax receiva-bles	25	5,887,977	2,143
Financial assets	26	109,144,487	93,682,271
Cash and cash equivalents	27	442,604,620	328,234,302
Current assets		**1,228,915,534**	**1,116,449,816**
TOTAL ASSETS		**2,035,453,740**	**1,893,466,584**
Share Capital		4,863,486	4,863,486
Other reserves		696,017,508	688,087,811
Net result of the period		88,120,119	50,644,327
NET EQUITY	**28**	**789,001,113**	**743,595,624**
Financial liabilities	29	31,865,261	47,217,651
Financial liability IFRS 16	29	2,294,080	2,773,828
Employee benefits	30	16,689,689	11,741,984
Deferred tax liabilities	31	173,769	173,769
Provisions	34	7,149,463	36,188,584
Non current liabilities		**58,172,262**	**98,095,816**
Financial liabilities	29	490,724,487	410,099,808
Financial liability IFRS 16	29	2,047,722	1,777,002
Trade payables	32	540,841,763	496,563,931
Other current liabilities	33	93,766,393	65,394,717
Income tax payables	33	-	26,439,686
Provisions	34	60,900,000	51,500,000
Current liabilities		**1,188,280,365**	**1,051,775,144**
TOTAL LIABILITIES		**1,246,452,627**	**1,149,870,960**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**2,035,453,740**	**1,893,466,584**

(*) Pursuant to Consob Regulation No. 15519 of 27 July 2006, the effects of related-party transactions on the Statement of Financial Position are reported in the annexed Tables and further described in Note 35.

STATEMENT OF CHANGES IN EQUITY

(EUROS)	NOTE	SHARE CAPITAL	TREASURY SHARES	CAPITAL RESERVES	EARNING RESERVES	CASH FLOW HEDGE RESERVE	RESERVE FOR ACTUARIAL GAINS/ (LOSSES)	TOTAL
Balance at 1 January 2024	**28**	**4,863,486**	**(17,122,489)**	**305,880,909**	**435,925,816**	**1,749,913**	**(7,747)**	**731,289,888**
Dividends distributed		-	-	-	(37,278,236)	-	-	(37,278,236)
Change in own shares		-	-	150,000,000	(150,000,000)	-	-	-
Total income		-	-	-	50,644,327	(1,301,055)	240,699	49,583,971
Balance at 31 December 2024	**28**	**4,863,486**	**(17,122,489)**	**455,880,909**	**299,291,908**	**448,858**	**232,952**	**743,595,623**

(EUROS)	NOTE	SHARE CAPITAL	TREASURY SHARES	CAPITAL RESERVES	EARNING RESERVES	CASH FLOW HEDGE RESERVE	RESERVE FOR ACTUARIAL GAINS/ (LOSSES)	TOTAL
Balance at 1 January 2025	**28**	**4,863,486**	**(17,122,489)**	**455,880,909**	**299,291,908**	**448,858**	**232,952**	**743,595,623**
Dividends distributed		-	-	-	(42,869,971)	-	-	(42,869,971)
Total income		-	-	-	88,120,119	(48,381)	203,723	88,275,461
Balance at 31 December 2025	**28**	**4,863,486**	**(17,122,489)**	**455,880,909**	**344,542,055**	**400,477**	**436,675**	**789,001,113**

STATEMENT OF CASH FLOWS(*)

EUROS	2025	2024
Result	88,120,119	50,644,327
Income taxes	5,377,756	19,613,363
Amortization and depreciation	5,029,739	4,187,755
Other non-monetary expenses/(income)	58,244,453	38,346,862
Change in trade receivables	20,670,223	(27,341,377)
Change in trade payables	44,277,832	19,609,041
Change in other assets and liabilities	(29,201,590)	(18,810,275)
Income tax paid	(19,613,363)	(12,077,006)
Interest paid	(1,947,689)	(3,559,538)
Interest cashed	9,020,400	10,994,008
Net cash flows from operating activities (A)	**179,977,878**	**81,607,162**
Payments for tangible and intangible assets	(6,334,834)	(5,022,595)
Payments for financial assets	(152,564,069)	(108,035,824)
Cash flows from financial assets	77,155,176	27,266,931
Payments for the acquisition of subsidiaries net of cash acquired	(8,966,795)	(20,000)
Net cash flows from investment activities (B)	**(90,710,520)**	**(85,811,489)**
Dividends paid	(42,869,971)	(37,278,236)
Financing granted	-	13,100,000
Payments of financial liabilities	(20,204,762)	(25,738,096)
Change in financial liabilities from ROU IFRS 16	(2,288.945)	1,148,438
Net cash flows financing activities (C)	**(65,363,678)**	**(48,767,894)**
Net cash flows (D) = (A)+(B)+(C)	**23,903,680**	**(52,972,221)**
Cash and cash equivalents at the beginning of the period	(14,594,342)	38,377,880
Cash and cash equivalents at period end	9,309,339	(14,594,342)
Total change in cash and cash equivalents (D)	**23,903,680**	**(52,972,221)**

DETAIL OF CASH AND CASH EQUIVALENTS

(EUROS)		
Cash and cash equivalents at the beginning of the period:	**(14,594,342)**	**38,377,880**
Cash and cash equivalents	328,234,302	233,202,949
Transaction accounts - surplus	50,014,938	55,113,331
Transaction accounts - overdraft	(392,843,582)	(249,938,400)
Cash and cash equivalents at period end:	**9,309,339**	**(14,594,342)**
Cash and cash equivalents	442,604,620	328,234,302
Transaction accounts - surplus	45,116,630	50,014,938
Transaction accounts - overdraft	(478,411,912)	(392,843,582)

(*) Pursuant to Consob Regulation No. 15519 of 27 July 2006, the effects of related-party transactions on the Statement of Financial Position are reported in the annexed Tables and further described in Note 35.

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NOTE 1 – General information

Reply is specialized in the implementation of solutions based on new communication and digital media. Reply, consisting of a network of specialized companies, assists important European industries belonging to Telco & Media, Manufacturing & Retail, Bank & Insurances and Public Administration sectors, in defining and developing new business models utilizing Big Data, Cloud Computing, CRM, Mobile, Social Media and Internet of Things paradigms. Reply's services include: consulting, system integration, application management and Business Process Outsourcing. (www.reply.com)

The company mainly carries out the operational coordination and technical management of the group and also the administration, financial assistance and some purchase and marketing activities. Reply also manages business relations for some of its main clients.

NOTE 2 - Accounting principles

COMPLIANCE WITH INTERNATIONAL ACCOUNTING PRINCIPLES

The 2025 Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and endorsed by the European Union, and with the provisions implementing Article 9 of Legislative Decree No. 38/2005.
The designation "IFRS" also includes all valid International Accounting Standards ("IAS"), as well as all interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), formerly the Standing Interpretations Committee ("SIC").

In compliance with European Regulation No. 1606 of 19 July 2002, beginning in 2005, the Reply Group adopted the International Financial Reporting Standards ("IFRS") for the preparation of its Consolidated Financial Statements. On the basis of national legislation implementing the aforementioned Regulation, those accounting standards were also used to prepare the separate Financial Statements of the Parent Company, Reply S.p.A., for the first time from 1st January 2006.
It is hereby specified that the accounting standards applied conform to those adopted for the preparation of the initial Statement of Assets and Liabilities as at 1 January 2005 according to the IFRS, as well as for the 2005 Income Statement and the Statement of Assets and Liabilities as at 31 December 2005, as re-presented according to the IFRS and published in the special section of these Financial Statements.

GENERAL PRINCIPLES

The Financial Statements were prepared under the historical cost convention, modified as required for the measurement of certain financial instruments. The criterion of fair value was adopted as defined by IFRS 9.

The Financial Statements have been prepared on the going concern assumption. In this respect, despite operating in a difficult economic and financial environment, the Company's assessment is that no material uncertainties (as defined in paragraph 25 of IAS 1) exist relative to its ability to continue as a going concern.
These Financial Statements are expressed in Euros and are compared to the Financial Statements of the previous year prepared in accordance with the same principles.

These Financial Statements have been drawn up under the general principles of continuity, accrual-based accounting, coherent presentation, relevancy and aggregation, prohibition of compensation and comparability of information.
The fiscal year consists of a twelve (12) month period and closes on the 31 December each year.

FINANCIAL STATEMENTS

The Financial Statements include statement of income, statement of comprehensive income, statement of financial position, statement of changes in shareholders' equity, statement of cash flows and the explanatory notes.
The income statement format adopted by the company classifies costs according to their nature, which is deemed to properly represent the company's business.
The Statement of financial position is prepared according to the distinction between current and non-current assets and liabilities. The statement of cash flows is presented using the indirect method.
The most significant items are disclosed in a specific note in which details related to the composition and changes compared to the previous year are provided.
It is further noted that, to comply with the indications provided by Consob Resolution No. 15519 of 27 July 2006 "Provisions as to the format of Financial Statements", in addition to mandatory tables, specific supplementary Income Statement and Balance Sheet formats have been added that report significant amounts of positions or transactions with related parties indicated separately from their respective items of reference.
It is also reported that in accordance with CONSOB communication no. 0031948, if there are non-recurring items in the statements, such components will be explicitly indicated under the relevant item. Operations or events that are not frequent in the normal course of business and have an impact on the financial and asset position, the economic result, and the financial flows of the entity may be presented as 'non-recurring'.

TANGIBLE ASSETS

Tangible fixed assets are stated at cost, net of accumulated depreciation and impairment losses. Goods made up of components, of significant value, that have different useful lives are considered separately when determining depreciation.
In compliance with IAS 36 – Impairment of assets, the carrying value is immediately remeasured to the recoverable value, if lower.

Depreciation is charged so as to write off the cost or valuation of assets, over their estimated useful lives, using the straight-line method, on the following bases:

Equipment	15%
Plant and machinery	15%
Hardware	33%
Furniture and fittings	12%

Ordinary maintenance costs are fully expensed as incurred. Incremental maintenance costs are allocated to the asset to which they refer and depreciated over their residual useful lives.
Improvement expenditures on rented property are allocated to the related assets and depreciated over the shorter between the duration of the rent contract or the residual useful lives of the relevant assets.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in income.

GOODWILL
Goodwill is an intangible asset with an indefinite life, deriving from business combinations recognized using the purchase method, and is recorded to reflect the positive difference between purchase cost and the Company's interest at the time of acquisition of the fair value of the assets, liabilities and identifiable contingent liabilities attributable to the subsidiary.
Goodwill is not amortized, but is tested for impairment annually or more frequently if specific events or changes in circumstances indicate that it might be impaired. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.
Impairment losses are recognized immediately as expenses that cannot be recovered in the future.
Goodwill deriving from acquisitions made prior to the transition date to IFRS are maintained at amounts recognized under Italian GAAP at the time of application of such standards and are subject to impairment tests at such date.

OTHER INTANGIBLE ASSETS
Intangible fixed assets are those lacking an identifiable physical aspect, are controlled by the company and are capable of generating future economic benefits.
Other purchased and internally-generated intangible assets are recognized as assets in accordance with IAS 38 – Intangible Assets, where it is probable that the use of the asset will generate future economic benefits and where the costs of the asset can be determined reliably.
Such assets are measured at purchase or manufacturing cost and amortized on a straight-line basis over their estimated useful lives, if these assets have finite useful lives.
Other intangible assets acquired as part of an acquisition of a business are capitalized separately from goodwill if their fair value can be measured reliably.
In case of intangible fixed assets purchased for which availability for use and relevant payments are deferred beyond normal terms, the purchase value and the relevant liabilities are discounted by recording the implicit financial charges in their original price.
Expenditure on research activities is recognized as an expense in the period in which it is incurred.
Development costs can be capitalized on condition that they can be measured reliably and that evidence is provided that the asset will generate future economic benefits.
An internally-generated intangible asset arising from the company's e-business development (such as informatics solutions) is recognized only if all of the following conditions are met:

- An asset is created that can be identified (such as software and new processes);
- It is probable that the asset created will generate future economic benefits;
- The development cost of the asset can be measured reliably.

These assets are amortized when launched or when available for use. Until then, and on condition that the above terms are respected, such assets are recognized as construction in progress.
Amortization is determined on a straight-line basis over the relevant useful lives, on the following basis:

Development costs	20%
Software	33%

When an internally-generated intangible asset cannot be recorded at balance sheet, development costs are recognized to the statement of income in the period in which they are incurred.

RIGHT OF USE ASSETS
According to IFRS 16, the accounting representation of leases (which do not establish the provision of services) takes place through the inclusion in the financial position of a financial liability, represented by the present value of future rents, against the inclusion in the assets of the 'right of use of the leased asset'.
Leases that were previously accounted for under IAS 17 as financial leases, have not changed compared to the current accounting representation, in full continuity with the past.

Contracts that are within the scope of IFRS 16 relate mainly to long term car-rental.

With reference to the options and exemptions provided by IFRS 16, the Company has made the following choices:

- IFRS 16 is not generally applied to intangible assets, short-term contracts (i.e. less than 12 months) and low unit value;
- rights of use and financial liabilities relating to leasing contracts are classified under specific items in the financial position;
- any component relating to the services included in the leasing fees is generally excluded from IFRS 16.

INTANGIBLE ASSETS WITH INDEFINITE USEFUL LIFE
Intangible assets with indefinite useful lives consist principally of acquired trademarks which have no legal, contractual, competitive, economic, or other factors that limit their useful lives.
Intangible assets with indefinite useful lives are not amortized, as provided by IAS 36, but are tested for impairment annually or more frequently whenever there is an indication that the asset may be impaired. Any impairment losses are not subject to subsequent reversals.

IMPAIRMENT
At each balance sheet date, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

An intangible asset with an indefinite useful life is tested for impairment annually or more frequently, whenever there is an indication that the asset may be impaired.
The recoverable amount of an asset is the higher of fair value less disposal costs and its value in use. In assessing its value in use, the pre-tax estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Its value in use is determined net of tax in that this method produces values largely equivalent to those obtained by discounting cash flows net of tax at a pre-tax discount rate derived, through an iteration, from the result of the post-tax assessment. The assessment is carried out for the individual asset or for the smallest identifiable group of cash generating assets deriving from ongoing use, (the so-called Cash generating unit). With reference to goodwill, Management assesses return on investment with reference to the smallest cash generating unit including goodwill.
If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment losses are recognized as an expense immediately. When the recognition value of the Cash generating unit, inclusive of goodwill, is higher than the recoverable value, the difference is subject to impairment and attributable firstly to goodwill; any exceeding difference is attributed on a pro-quota basis to the assets of the Cash generating unit.

Where an impairment loss subsequently reverses, the carrying amount of the asset, (or cash-generating unit), with the exception of goodwill, is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount that would have been determined had no impairment loss been recognized for the asset. A reversal of an impairment loss is recognized as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

EQUITY INVESTMENTS
Investments in subsidiaries and associated companies are valued using the cost method. As implementation of such method, they are subject to an impairment test if there is any objective evidence that these investments have been impaired, due to one or more events that occurred after the initial measurement if such events have had an impact on future cash flows, thus inhibiting the distribution of dividends. Such evidence exists when the subsidiary's and associate's operating margins are repetitively and significantly negative. If such is the case, impairment is recognized as the difference between the carrying value and the recoverable value, normally determined on the basis of fair value less disposal costs, normally determined through the application of the market multiples to prospective EBIT or to the value in use.
At each reporting period, the Company assesses whether there is objective evidence that a write-down due to impairment of an equity investment recognized in previous periods may be reduced or derecognized. Such evidence exists when the subsidiary's and associate's operating margins are repetitively and significantly positive. In this case, the recoverable value is re-measured and eventually the investment is restated at initial cost.
Equity investments in other companies, comprising non-current financial assets not held for trading, are measured at fair value, if it can be determined. Any subsequent gains and losses resulting from changes
in fair value are recognized directly in Shareholders' equity until the investment is sold or impaired; the total recognized in equity up to that date are recognized in the Income Statement for the period.

Minor investments in other companies for which fair value is not available are measured at cost, and adjusted for any impairment losses.

Dividends are recognized as financial income from investments when the right to collect them is established, which generally coincides with the shareholders' resolution. If such dividends arise from the distribution of reserves prior to the acquisition, these dividends reduce the initial acquisition cost.

CURRENT AND NON-CURRENT FINANCIAL ASSETS
Financial assets are classified, on the basis of both contractual cash flow characteristics and the entity's business model for managing them, in the following categories:
i. financial assets measured at amortized cost;
ii. financial assets measured at fair value through other comprehensive income (hereinafter also OCI);
iii. financial assets measured at fair value through profit or loss.

At initial recognition, a financial asset is measured at its fair value; at initial recognition, trade receivables that do not have a significant financing component are measured at their transaction price. After initial recognition, financial assets whose contractual terms give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost if they are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows (the so-called hold to collect business model). For financial assets measured at amortized cost, interest income determined using the effective interest rate, foreign exchange differences and any impairment losses (see the accounting policy for "Impairment of financial assets") are recognized in the profit and loss account.
Conversely, financial assets that are debt instruments are measured at fair value through OCI (hereinafter also FVTOCI) if they are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets (the so-called hold to collect and sell business model).
In these cases:
i. interest income determined using the effective interest rate, foreign exchange differences and any impairment losses (see the accounting policy for "Impairment of financial assets") are recognized in the profit and loss account;
ii. changes in fair value of the instruments are recognized in equity, within other comprehensive income. The accumulated changes in fair value, recognized in the equity reserve related to other comprehensive income, is reclassified to the profit and loss account when the financial asset is

derecognized. A financial asset represented by a debt instrument that is neither measured at amortized cost nor at FVTOCI, is measured at fair value through profit or loss (hereinafter FVTPL); financial assets held for trading fall into this category.

Interest income on assets held for trading contributes to the fair value measurement of the instrument and is recognized in "Finance income (expense)", within "Net finance income (expense) from financial assets held for trading".

When the purchase or sale of a financial asset is under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned, the transaction is accounted for on the settlement date.

TRANSFER OF FINANCIAL ASSETS

The Company derecognizes financial assets from its Financial Statements when, and only when, the contractual rights to the cash flows deriving from the assets expire or the Company transfers the financial asset. In the case of transfer of the financial asset:

- If the entity substantially transfers all of the risks and benefits of ownership associated with the financial asset, the Company derecognizes the financial asset from the Financial Statements and recognizes separately as assets or liabilities any rights or obligations originated or maintained through the transfer;
- If the Company maintains substantially all of the risks and benefits of ownership associated with the financial assets, it continues to recognize it;
- If the Company does not transfer or maintain substantially all of the risks and benefits of ownership associated with the financial asset, it determines whether or not it has maintained control of the financial asset. In this case:
  - If the Company has not maintained control, it derecognizes the financial asset from its Financial Statements and recognizes separately as assets or liabilities any rights or obligations originated or maintained through the transfer;
  - If the Company has maintained control, it continues to recognize the financial asset to the extent of its residual involvement with such financial asset.

At the time of removal of financial assets from the balance sheet, the difference between the carrying value of assets and the fees received or receivable for the transfer of the asset is recognized in the income statement.

TRADE PAYABLES AND RECEIVABLES AND OTHER CURRENT ASSETS AND LIABILITIES

Trade receivables are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. At initial recognition they are measured at fair value adjusted for transaction costs and subsequently measured at amortized cost determined using the effective interest rate, to account for foreign exchange differences and any impairment losses.

At each reporting date, all financial assets, with the exception of those measured at fair value through profit and loss, are analysed for any impairment indicators. Under IFRS 9, an entity calculates the allowance for credit losses by considering on a discounted basis the cash shortfalls it would incur in various default scenarios for prescribed future periods and multiplying the shortfalls by the probability of each scenario occurring. The expected credit losses model requires the immediate recognition of expected losses over the life of the credit itself, as the occurrence of a trigger event is not necessary for the recognition of losses. For trade receivables accounted for at amortised cost, when an impairment loss has been identified, its value is measured as the difference between the carrying amount of the asset and the present value of expected future cash flows, discounted on the basis of the original effective interest rate. This value is recognised in the income statement.

For short-term liabilities, such as trade payables, the amortised cost is in fact the same as the nominal value.

Receivables and payables denominated in non-EMU currencies are stated at the exchange rate at period end provided by the European Central Bank.

CASH AND CASH EQUIVALENTS

The item cash and cash equivalents includes cash, banks and reimbursable deposits on demand and other short term financial investments readily convertible in cash and are not subject to significant risks in terms of change in value.

TREASURY SHARES

Treasury shares are presented as a deduction from equity. All gains and losses from the sale of treasury shares are recorded in a special Shareholders' equity reserve.

Financial liabilities and equity investments

Financial liabilities and equity instruments issued by the Company are presented according to their substance arising from their contractual obligations and in accordance with the definitions of financial liabilities and equity instruments. The latter are defined as those contractual obligations that give the right to benefit in the residual interests of the Company's assets after having deducted its liabilities.

The accounting standards adopted for specific financial liabilities or equity instruments are outlined below:

- Bank borrowings:
  Interest-bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs and subsequently stated at its amortized cost, using the prevailing market interest rate method.
- Equity instruments
  Equity instruments issued by the Company are stated at the proceeds received, net of direct issuance costs.
- Non-current financial liabilities
  Liabilities are stated according to the amortization cost.

DERIVATIVE FINANCIAL INSTRUMENTS AND OTHER HEDGING TRANSACTIONS
The Company's activities are primarily subject to financial risks associated with fluctuations in interest rates. Such interest rate risks arise from bank borrowings; In order to hedge such risks the Company's policy consists of converting fluctuating rate liabilities in constant rate liabilities and treating them as cash flow hedges. The use of such instruments is disciplined by written procedures in line with the Company risk strategies that do not contemplate derivative financial instruments for trading purposes.

In accordance with IFRS 9, derivative financial instruments qualify for hedge accounting only when at the inception of the hedge there is formal designation and sufficient documentation that the hedge is highly effective and that its effectiveness can be reliably measured. The hedge must be highly effective throughout the different financial reporting periods for which it was designated.

All derivative financial instruments are measured in accordance with IFRS 9 at fair value.
Changes in the fair value of derivative financial instruments that are designated and effective as hedges of future cash flows relating to Company commitments and forecasted transactions are recognized directly in Shareholder's equity, while the ineffective portion is immediately recorded in the Income Statement. If the hedged company commitment or forecasted transaction results in the recognition of an asset or liability, then, at the time the asset or liability is recognized, associated gains or losses on the derivative that had previously been recognized in equity are included in the initial measurement of the asset or liability.

For hedges that do not result in the recognition of an asset or a liability, amounts deferred in equity are recognized in the income statement in the same period in which the hedge commitment or forecasted transaction affects net profit or loss, for example, when the future sale actually occurs.
For effective hedging against a change in fair value, the hedged item is adjusted by the changes in fair value attributable to the risk hedged with a balancing entry in the Income Statement.
Gains and losses arising from the measurement of the derivative are also recognized at the income statement.
Changes in the fair value of derivative financial instruments that no longer qualify as hedge accounting are recognized in the Income Statement of the period in which they arise.

The hedge accounting method is abandoned when the hedging instrument matures, is sold, terminates, is exercised, or is no longer qualified as a hedging. At that time, the accumulated gains or losses of the hedging instrument recognised directly in equity are retained in equity until the anticipated transaction actually occurs. If the hedged transaction is not expected to occur, the accumulated gains or losses recognised directly in equity are immediately transferred to the income statement.

Embedded derivatives included in other financial instruments or in other contractual obligations are treated as separate derivatives, when their risks and characteristics are not closely related to those of the financial instrument that houses them and the latter are not measured at fair value with recognition of the relative gains and losses in the Income Statement.

EMPLOYEE BENEFITS
The scheme underlying the employee severance indemnity of the Italian Group companies (the TFR) was classified as a defined benefit plan up until 31 December 2006. The legislation regarding this scheme was amended by Law No. 296 of 27 December 2006 (the "2007 Finance Law") and subsequent decrees and regulations issued in the first part of 2007. In view of these changes, and with specific reference to those regarding companies with at least 50 employees, this scheme only continues to be classified as a defined benefit plan in the Financial Statements for those benefits accruing up to 31 December 2006 (and not yet settled by the balance sheet date), while after that date the scheme is classified as a defined contribution plan.

Employee termination indemnities ("TFR") are classified as a "post-employment benefit", falling under the category of a "defined benefit plan"; the amount already accrued must be projected in order to estimate the payable amount at the time of employee termination and subsequently be discounted through the "projected unit credit method", an actuarial method based on demographic and finance data that allows the reasonable estimate of the extent of benefits that each employee has matured in relation to the time worked. Through actuarial measurement, interest cost is recognized as financial gains or losses and represents the figurative expenditure that the Company would bear by securing a market loan for an amount corresponding to the Employee Termination Indemnities ("TFR").
Actuarial income and losses that reflect the effects resulting from changes in the actuarial assumptions used are directly recognized in Shareholders' equity.

SHARE-BASED PAYMENT PLANS
The Company has applied the standard set out by IFRS 2 "Share-based payment".
Share-based payments are measured at fair value at granting date. Such amount is recognized in the Income Statement, with a balancing entry in Shareholders' equity, on a straight-line basis and over the (vesting period). The fair value of the option, measured at the granting date, is assessed through actuarial calculations, taking into account the terms and conditions of the options granted.
The stock options resolved in the previous financial years have been exercised and therefore the Company does not have existing stock option plans.

Bonuses settled through the recognition of shares in the company (equity settlement) are recorded at their initial fair value and measured on a straight-line basis over the vesting period.

INCENTIVE PLANS (LTI)
Incentive plans linked to specific parameters (economic, financial, ESG and TSR) are recorded, in accordance to IAS 19, on the basis of their initial fair value and reviewed at each reporting date to adjust based on the probability of achieving the objectives and the permanence of the assignees (vesting condition).

PROVISIONS AND RESERVES FOR RISKS
Provisions for risks and liabilities are costs and liabilities having an established nature and the existence of which is certain or probable that at the reporting date the amount cannot be determined or the occurrence of which is uncertain. Such provisions are recognized when a commitment actually exists arising from past events of legal or contractual nature or arising from statements or company conduct that determine valid expectations from the persons involved (implicit obligations).

Provisions are recognized when the Company has a present commitment arising from a past event and it is probable that it will be required to fulfil the commitment. Provisions are accrued at the best estimate of the expenditure required to settle the liability at the balance sheet date, and are discounted when the effect is significant.

REVENUE RECOGNITION
Revenues represent the gross flows of economic benefits for the year deriving from the performance of ordinary activities.
The process underlying the recognition of revenues follows the steps set out in IFRS 15:

(i) Identification of the contract: this occurs when the parties approve the contract and identify their respective rights and obligations. in other words, the contract must be legally binding, the rights to receive goods and/or services and the terms of payment can be clearly identified and the Company considers it probable that the consideration will be received;
(ii) identification of performance obligations: the main performance obligations identified, i.e. promises to transfer goods and services;
(iii) determination of the transaction price: it is the total amount contracted with the counterparty, taking into account the entire duration of the contract;
(iv) allocation of transaction price to performance obligations;
(v) recognition of revenues at the time of satisfaction of the performance obligation.

Therefore, the amount that the Company recognises as revenue must reflect the consideration to which it is entitled in exchange for the goods transferred to the customer and/or the services rendered, to be recognised at the time when the underlying contractual obligations have been fulfilled, or when the Company has transferred control of the good or service to the customer, in the following ways: a) over time; b) at a certain point in time.

In addition, for the recognition of revenue, the need to assess the probability of obtaining/collecting the economic benefits linked to the income is emphasized; for activities deriving from contracts with customers (i.e. contractual activities), the requirement is introduced to proceed with the recognition of revenues also taking into account any discounting effect deriving from deferred collections over time, as explained in the dedicated paragraph. Interest is recognised at the effective rate on an accrual basis.
Revenues from services include the activities undertaken directly by the Company towards certain primary customers in relation to the commercial activity carried out. These activities are also provided for services rendered by Group companies and the costs of such services are classified under Services and other costs.

Interest income is recognised on an accrual basis, on the basis of the amount financed and the applicable effective interest rate, which represents the rate that discounts the estimated future receipts over the expected life of the financial asset and is reflected in the carrying amount of the asset itself.

Dividends from investments in subsidiaries are recognised when the right of shareholders to receive payment is established.

FINANCIAL INCOME AND EXPENSES
Financial income and expenses are recognized and measured in the income statement on an accrual basis.

GOVERNMENT GRANTS
Government grants, in accordance to IAS 20, are recognized in the financial statements when there is reasonable assurance that the company concerned will comply with the conditions for receiving such grants and that the grants themselves will be received. Government grants are recognized as income over the periods necessary to match them with the related costs which they are intended to compensate.

TAXATION
Income tax represents the sum of the tax currently payable and deferred tax.
The tax currently payable is based on taxable profit for the year. Taxable profit defers from the profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

Current income tax is entered for each individual company based on an estimate of taxable income in compliance with existing legislation and tax rates or as substantially approved at the period closing date in each country, considering applicable exemptions and tax credit.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the Financial Statements and the corresponding tax basis used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences arising on investments in subsidiaries and associates and interests arising in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply to the period when the liability is settled or the asset realized. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

In the event of changes to the accounting value of deferred tax assets and liabilities deriving from a change in the applicable tax rates and relevant legislation, the resulting deferred tax amount is entered in income statement, unless it refers to debited or credited amounts previously recognized to Shareholders' equity.

The International Accounting Standards Board (IASB) issued amendments to the international accounting standard "IAS 12 - Income Taxes" on 23 May 2023.
The amendments concern the methods for accounting for deferred taxes deriving from the international tax reform (the so-called Pillar Two Model Rules) of the Organisation for Economic Co-operation and Development (OECD): they introduced a temporary exemption from the accounting of deferred taxes and specific disclosure requirements that allow for the understanding of exposure to income taxes deriving from the reform.
The Company has adopted these amendments, providing the required information, starting from the 2023 financial year. For more details, please refer to Note 14.

EARNINGS PER SHARE
Basic earnings per share is calculated with reference to the profit for the period of the Company and the weighted average number of shares outstanding during the year. Treasury shares are excluded from this calculation.
Diluted earnings per share is determined by adjusting the basic earnings per share to take account of the theoretical conversion of all potential shares, being all financial instruments that are potentially convertible into ordinary shares, with diluting effect.

USE OF ESTIMATIONS
The preparation of the Financial Statements and relative notes under IFRS requires that management makes estimates and assumptions based also on subjective judgments, past experiences and assumptions considered reasonable and realistic in relation to the information at the time of estimation. These estimates shall affect items reported in the consolidated financial balance sheet and income statement and the disclosure of contingent assets and liabilities. The results of the financial statements may differ, even significantly, from these estimates as a result of possible changes in the factors considered in the determination of these estimates. Estimates are periodically reviewed.
The estimates are mainly referred to:

Equity investments
At each balance sheet date, the company verifies whether there are indications that the investments may have suffered a reduction in value. For this purpose, both internal and external sources of information are considered. The identification of value reduction indicators, the estimation of future cash flows and the determination of the fair value of each investment requires Management to make significant estimates and assumptions about the determination of the discount rate to be applied, the useful life and the residual value of the assets. These estimates can have a significant impact on the value of assets and the amount of any write-downs.

Trade receivables
The reduction in value of trade receivables is carried out through the simplified approach, which provides for the estimation of the expected loss over the entire life of the credit at the time of initial recognition and in subsequent evaluations. For each customer segment, the estimate is made mainly through the determination of the expected default, based on historical-statistical indicators, possibly adjusted using prospective elements. For some categories of loans characterized by specific risk elements, detailed assessments are carried out on the individual credit positions.

Leasing liabilities and right of use assets
The determination of the value of the lease liability and the corresponding right of use asset is carried out by calculating the present value of the lease payments, also considering the estimate on the reasonable certainty of the renewal of the lease contracts.

Provisions, contingent liabilities and employee provisions
The provisions related to litigation are the result of a complex estimation process that is also based on the probability of failure. The provisions related to personnel provisions, and in particular to the employee severance indemnity, are determined on the basis of actuarial assumptions; changes in these assumptions could have significant effects on those provisions.

Derivative instruments and equity instruments
The fair value of derivatives and equity instruments is determined through valuation models that also take into account subjective valuations such as, for example, cash flow estimates, expected price volatility, etc., and/or through market values or quotes provided by financial counterparties.

Pursuant to IAS 8 (Accounting Standards, changes in accounting estimates and errors) paragraph 10, in the absence of a principle or interpretation applicable specifically to a certain transaction, Management defines, through subjective assessments, the accounting methodologies to be adopted in order to provide a financial statements that faithfully represent the financial position, the economic result and the financial flows of the Company, reflects the economic substance of the operations, is neutral, drafted on a prudential basis and comprehensive in all relevant aspects.

ESTIMATIONS CHANGES AND RECLASSIFICATIONS
During the financial year 2025, the Company carried out a systematic review of the useful lives and the related depreciation and amortization rates applied to property, plant and equipment and intangible assets, based on updated technical assessments and expected patterns of use of the assets, also considering the evolution of operational and technological processes.
The review resulted in an extension of the estimated useful lives of certain asset categories and the consequent prospective revision of the related depreciation and amortization charges.
In accordance with IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, this intervention qualifies as a change in accounting estimate and has been applied prospectively from 1 January 2025, with no retrospective effects on prior periods.
The effect of the change in 2025 resulted in:
* a reduction in depreciation and amortization recognized in the income statement of approximately Euro 164 thousand Euros;
* a corresponding increase in operating profit for the year;
* an impact of approximately 3% of total depreciation and amortization recognized in the year.

The revision of useful lives will also have effects on subsequent financial years, in line with the new depreciation and amortization profile of the assets concerned.
The impact of the change is included in the line item "Depreciation, amortization and impairment" in the income statement and is reflected in the movements of property, plant and equipment and intangible assets presented in these Notes.
The Company has not made any reclassifications to the comparative figures of the previous year.

Accounting standards, amendments and interpretations applicable from January 1, 2025

Amendments to IAS 21 – Lack of Exchangeability
During the 2025 financial year, the Company applied for the first time the amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates, relating to cases where a currency is not exchangeable.
The amendments:
- introduce criteria to determine whether a currency is exchangeable;
- define how to determine the exchange rate when a currency is not exchangeable;
- require specific disclosures.

The application of these amendments did not have a significant impact on the Company's financial position or results of operations.

Accounting standards, amendments and interpretations endorsed but not yet effective as at December 31, 2025

Pursuant to IAS 8, paragraphs 30–31, the Company sets out below the accounting standards and amendments that have been issued but are not yet mandatory as at the reporting date of these financial statements and have not been early adopted.
Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments
(Effective for financial years beginning on or after January 1, 2026)
The amendments relate to:
- clarifications on the classification of financial assets;
- aspects of derecognition;
- new disclosure requirements related to financial instruments.

The Company is currently assessing the impacts of the application of these amendments.
As of today, no significant effects are expected.

Annual Improvements to IFRS Standards – Volume 11
(Effective from January 1, 2026)
The improvements introduce targeted amendments to:
- IFRS 1 – First-time Adoption of IFRS;
- IFRS 7 – Financial Instruments: Disclosures;
- IFRS 9 – Financial Instruments;
- IAS 7 – Statement of Cash Flows.

These amendments are mainly clarificatory in nature.
The Company does not expect any significant impacts.

Accounting standards not yet endorsed

IFRS 18 – Presentation and Disclosure in Financial Statements
(Effective from January 1, 2027)
IFRS 18 will replace IAS 1 and will introduce:
- new mandatory categories in the income statement (operating, investing, financing);
- specific requirements for alternative performance measures (MPMs);
- enhanced requirements for the aggregation and disaggregation of information.

The Company has started a preliminary assessment of the impacts, which are expected to mainly affect the presentation of the income statement and disclosures, with no effects on the determination of net profit.

NOTE 3 – Risk management

Reply S.p.A. operates at a world-wide level and for this reason its activities are exposed to various types of financial risks: market risk (broken down in exchange risk, interest rate risk on financial flows and on "fair value", price risk), credit risk and liquidity risk.
To minimize risks Reply utilizes derivative financial instruments. At a central level it manages the hedging of principle operations. Reply S.p.A. does not detain derivate financial instruments for negotiating purposes.

CREDIT RISK
For business purposes, specific policies are adopted in order to guarantee that clients honour payments. With regards to financial counterparty risk, the company does not present significant risk in credit-worthiness or solvency. For newly acquired clients, the Company accurately verifies their capability in terms of facing financial commitments. Transactions of a financial nature are undersigned only with primary financial institutions.
The probability of default was considered at the initial recognition of an asset and whether there has been a significant increase in credit risk on a continuous basis for each reporting period. Forward-looking information, if available, was also taken into account. In particular, indicators such as credit ratings or significant negative changes could be considered. Macroeconomic information (such as market interest rates or growth rates), in addition to information related to climate change, is considered for the purpose of the evaluation.

LIQUIDITY RISK
The Company is exposed to funding risk if there is difficulty in obtaining finance for operations at any given point in time.
The cash flows, funding requirements and liquidity of companies are monitored and managed on a centralized basis through the Group Treasury. The aim of this centralized system is to optimize the efficiency and effectiveness of the management of the Group's current and future capital resources (maintaining an adequate level of cash and cash equivalents and the availability of reserves of liquidity that are readily convertible to cash and committed credit).
The difficulties both in the markets and in the financial markets require special attention to the management of liquidity risk, and in that sense particular emphasis is being placed on measures

taken to generate financial resources through operations and on maintaining an adequate level of available liquidity. The Company therefore plans to meet its requirements to settle financial liabilities as they fall due and to cover expected capital expenditures by using cash flows from operations and available liquidity, renewing or refinancing bank loans.

RISKS ASSOCIATED WITH FLUCTUATIONS IN CURRENCY AND INTEREST RATES
As the company operates mainly in a "Euros area" the exposure to currency risks is limited.
The exposure to interest rate risk arises from the need to fund operating activities and M&A investments, as well as the necessity to deploy available liquidity. Changes in market interest rates may have the effect of either increasing or decreasing the Company's net profit/(loss), thereby indirectly affecting the costs and returns of financing and investing transactions.
The interest rate risk to which the Company is exposed derives from bank loans; to mitigate such risks, Reply S.p.A., when useful, uses derivative financial instruments designated as "cash flow hedges". The use of such instruments is disciplined by written procedures in line with the Company's risk management strategies that do not contemplate derivative financial instruments for trading purposes.

NOTE 4 – Other information

EXCEPTION ALLOWED UNDER PARAGRAPH 4 OF ARTICLE 2423 OF THE ITALIAN CIVIL CODE
No exceptions allowed under Article 2423, paragraph 4, of the Italian Civil Code were used in drawing up the annexed Financial Statements.

FISCAL CONSOLIDATION
The Company has decided to enter into the National Fiscal Consolidation pursuant to articles 117/129 of the TUIR.
Reply S.p.A., Parent Company, acts as the consolidating company and determines just one taxable income for the Group companies that adhere to the Fiscal Consolidation and will benefit from the possibility of compensating taxable income having fiscal losses in just one tax return.
Each company adhering to the Fiscal Consolidation transfers to Reply S.p.A. its entire taxable income, recognizing a liability with respect to the Company corresponding to the payable IRES; The companies that transfer fiscal losses can register a receivable with Reply, corresponding to IRES on the part of the loss off-set at a Group level and remunerated according to the terms established in the consolidation agreement stipulated among the Group companies.

BRANCH OFFICES
The Company operates in Italy through 16 branch offices.

DISCLOSURE PURSUANT TO ARTICLE 2427, PARAGRAPH 1, NO. 22, CIVIL CODE
Reply S.p.A. is included in the largest consolidated financial statements prepared by Iceberg S.r.l., based in Turin, Italy. The consolidated financial statements of Iceberg are available at the company's registered office.

The smallest group of companies that includes Reply S.p.A. and for which a consolidated financial statement is prepared is represented by the Reply Group, which prepares its own consolidated financial statement. This document is available on the website www.reply.com.

NOTE 5 – Revenue

Revenues amounted to 941,277,247 Euros and are detailed as follows:

(EUROS)	2025	2024	CHANGE
Revenues from services	781,871,993	732,127,450	49,744,543
Royalties on "Reply" trademark	66,666,422	62,394,136	4,272,286
Intercompany services	45,823,100	42,146,336	3,676,764
Other intercompany revenues	46,915,732	32,556,061	14,359,671
Total	**941,277,247**	**869,223,983**	**72,053,263**

Reply manages business relationships on behalf of some of its major clients. Such activities were recorded in the item Revenues from services to third parties which increased by 49,744,543 Euros.

Revenues from Royalties on the "Reply" trademark refer to charges to subsidiaries, corresponding to 3% of the subsidiaries' turnover with respect to third parties.

Revenues from Intercompany services and Other intercompany revenues refer to activities that Reply S.p.A. carries out for the subsidiaries, and more specifically:
- operational, co-ordination, technical and quality management;
- administration, personnel and marketing activities;
- strategic management services.

NOTE 6 – Other income

Other revenues that as at 31 December 2025 amounted to 55,665,086 Euros (25,100,326 Euros at 31 December 2024) mainly refer to:
- to public grants amounting to 27,887,374 Euros. Such grants are recognized by the Company in accordance with IAS 20 and recorded under other operating income in correlation with the costs incurred for carrying out project activities. The related operating activities are performed by subsidiaries, which charge the costs to the Parent Company. The grants are therefore recognized in the income statement in line with the accrual of the costs received from subsidiaries, in accordance with the matching principle between costs and revenues.
- to expenses incurred by Reply S.p.A. and recharged to Group companies, amounting to 24,657,596 Euros (21,443,530 Euros as at 31 December 2024), including expenses for corporate events, telephony, and training courses.

NOTE 7 – Purchases

Detail is as follows:

(EUROS)	2025	2024	CHANGE
Software licenses for resale	27,281,283	24,871,051	2,410,232
Hardware for resale	4,040,721	7,407,392	(3,366,671)
Other	1,224,270	953,245	271,025
Total	**32,546,274**	**33,231,687**	**(685,414)**

The items software and hardware licenses for resale refer to the costs incurred for software licenses for resale to third parties carried out for the Group companies.

The item Other mainly includes the purchase of fuel and recharge of electric vehicles (805,829 Euros) and purchase of e-commerce material, consumables, stationary, printed materials and advertising (382,136 Euros).

NOTE 8 – Personnel expenses

Personnel expenses amounted to 63,898,336 Euros, with an increase of 15,475,020 Euros and are detailed in the following table:

(EUROS)	2025	2024	CHANGE
Payroll employees	51,883,853	39,335,346	12,548,507
Directors	12,014,483	9,087,970	2,926,513
Total	**63,898,336**	**48,423,316**	**15,475,020**

Detail of personnel by category is provided below:

(NUMBER)	2025	2024	CHANGE
Directors	271	247	24
Managers	4	4	-
Staff	13	13	-
Total	**288**	**264**	**24**

The average number of employees in 2025 was 281, increasing compared to 231 of the previous year. The breakdown by category is shown below:

(NUMBER)	2025	2024	CHANGE
Directors	264	214	50
Managers	4	4	-
Staff	13	13	-
Total	**281**	**231**	**50**

NOTE 9 – Services and other costs

Services and other costs comprised the following:

(EUROS)	2025	2024	CHANGE
Commercial and technical consulting	4,703,171	5,380,934	(677,764)
Travelling and training expenses	4,303,147	3,604,095	699,053
Professional services from group companies	795,711,758	708,945,698	86,766,060
Marketing expenses	8,956,331	8,126,422	829,909
Administrative and legal services	1,700,623	1,830,913	(130,289)
Statutory auditors and Independent auditors fees	399,726	458,735	(59,009)
Leases and rentals	3,868,731	2,807,694	1,061,036
Office expenses	8,141,422	4,860,637	3,280,785
Other services from group companies	25,835,621	22,953,717	2,881,904
Expenses incurred on behalf of group companies	23,743,314	19,966,148	3,777,165
Others	7,585,900	7,497,227	88,673
Total	**884,949,745**	**786,432,221**	**98,517,524**

Professional Services from Group companies, which increased during the year by 86,766,060 Euros, are mainly related to revenues from services to third parties.
Reply S.p.A. carries out commercial fronting activities for some of its major clients, whereas delivery is carried out by the operational companies.

Office expenses include services rendered by related parties in connection with service contracts for the use of premises, legal domicile and secretarial services, as well as utility costs.

NOTE 10 – Amortization, depreciation and write-downs

Depreciation of tangible assets was calculated on the basis of technical-economic rates determined in relation to the residual useful lives of the assets, and which amounted in 2025 to an overall cost of 767,921 Euros. Details of depreciation are provided at the notes to tangible assets.

Amortization of intangible assets amounted in 2025 to an overall cost of 2,137,168 Euros. Details of depreciation are provided at the notes to intangible assets.

Amortization related to right of use assets amounted to 2,124,650 Euros.

NOTE 11 – Other operating (costs)/income

The item Other operating (costs)/income, amounting to positive 29,139,121 Euros, includes economic components that, although related to the ordinary business management, do not directly fall under the main categories of cost and revenue, such as provisions for risk and charges.
As at 31 December, it is composed as follows:

- Professional liability provision amounting to 23,700 thousand Euros;
- Preventive seizure provision amounting to 5,039 thousand Euros;
- Other provisions amounting to 400 thousand Euros.

PROFESSIONAL LIABILITY
With regard to the preventive seizure involving Reply S.p.A., which led to the recognition of a provision totaling 8 million Euro as of December 31, 2024, it should be noted that, following the partial release of the seizure ordered by the Public Prosecutor after the close of the financial year, the provision has been reduced to 2.9 million Euro.
This event was considered an adjusting event pursuant to IAS 10, as it provides evidence of conditions that already existed at the reporting date.
According to the decree, the alleged offense is that referred to in Article 640-ter, paragraphs 1 and 3 of the Italian Criminal Code, relating to the period 2017–2019, and no liability is alleged under Legislative Decree 231/2001. The criminal proceedings are still in the preliminary investigation phase.

PREVENTIVE SEIZURE
With regard to the preventive seizure involving Reply S.p.A., which led to the recognition of a provision totaling 8 million Euro as of December 31, 2024, it should be noted that, following the partial release of the seizure ordered by the Public Prosecutor after the close of the financial year, the provision has been reduced to 2.9 million Euro.

This event was considered an adjusting event pursuant to IAS 10, as it provides evidence of conditions that already existed at the reporting date.

According to the decree, the alleged offense is that referred to in Article 640-ter, paragraphs 1 and 3 of the Italian Criminal Code, relating to the period 2017–2019, and no liability is alleged under Legislative Decree 231/2001. The criminal proceedings are still in the preliminary investigation phase.

NOTE 12 – Gain/(losses) on investments

Detail is as follows:

(EUROS)	2025	2024	CHANGE
Dividends	102,662,346	50,058,250	52,604,096
Impairment of investments	(27,140,000)	(3,200,000)	(23,940,000)
Provision for covering losses on investments in subsidiaries	(9,800,000)	(21,100,000)	11,300,000
Total	**65,722,346**	**25,758,250**	**39,964,096**

Dividends include proceeds received by Reply S.p.A. from subsidiary companies during the year.

Detail is as follows:

(EUROS)	2025
AIR REPLY S.r.l.	490,000
AKTIVE REPLY S.r.l.	1,050,000
ARLANIS REPLY S.r.l.	950,000
ATLAS REPLY S.r.l.	620,000
BLUE REPLY S.r.l.	10,870,000
BRIDGE REPLY S.r.l.	410,000
BUSINESS REPLY S.r.l.	2,520,000
CLUSTER REPLY ROMA S.r.l.	420,000
CLUSTER REPLY S.r.l.	9,320,000
CORE Reply S.r.l.	700,000
DATA REPLY S.r.l.	2,800,000
DISCOVERY REPLY S.r.l.	980,000
E*FINANCE CONSULTING REPLY S.r.l.	1,320,000
EOS REPLY S.r.l.	390,000
GO REPLY S.r.l.	1,850,000
HERMES REPLY S.r.l.	1,000,000
IRISCUBE REPLY S.r.l.	6,110,000
LIKE REPLY S.r.l.	230,000
LOGISTICS REPLY ROMA S.r.l.	130,000
LOGISTICS REPLY S.r.l.	1,770,000
NET REPLY S.r.l.	1,220,000
NEXI DIGITAL S.r.l.	1,377,000
OPEN REPLY S.r.l.	3,200,000
PAY REPLY S.r.l.	390,000
POWER REPLY S.r.l.	3,270,000
PROTOCUBE REPLY S.r.l.	30,000
REPLY CONSULTING S.r.l.	1,190,000
REPLY DIGITAL EXPERIENCE S.r.l.	760,000
REPLY POLSKA SP.Z O.O.	935,346
RETAIL REPLY S.r.l.	1,350,000
RINGMASTER S.r.l.	770,000
SANTER REPLY S.r.l.	9,210,000
SECURITY REPLY S.r.l.	7,200,000
SENSE REPLY S.r.l.	920,000
SPARK REPLY S.r.l.	210,000
SPRINT REPLY S.r.l.	900,000
STORM REPLY ROMA S.r.l.	530,000
STORM REPLY S.r.l.	2,730,000
SYSKOPLAN REPLY S.r.l.	1,130,000
SYSKOPLAN CX REPLY S.r.l.	390,000

(EUROS)	2025
SYTEL REPLY ROMA S.r.l.	4,420,000
SYTEL REPLY S.r.l.	3,400,000
TAMTAMY REPLY S.r.l.	1,020,000
TARGET REPLY S.r.l.	2,310,000
TECHNOLOGY REPLY ROMA S.r.l.	520,000
TECHNOLOGY REPLY S.r.l.	5,970,000
WHITEHALL REPLY S.r.l.	2,260,000
WHITEHALL AI Reply S.r.l.	540,000
XENIA Reply S.r.l.	120,000
XISTER Reply S.r.l.	460,000
Total	**102,662,346**

IMPAIRMENT OF INVESTMENTS

Investments in subsidiaries are tested for recoverability in accordance with IAS 36 through a structured procedure applied to all subsidiaries.
The process involves identifying any impairment indicators; among these, if the carrying amount of the investment exceeds the subsidiary's attributable equity, the related recoverable amount is determined.
The recoverable amount of the investments is determined as the higher of:

- fair value, estimated using the EBIT multiple method based on a panel of comparable companies (main method);
- value in use, determined by applying the Discounted Cash Flow (DCF) methodology (additional method, applied in the presence of specific indicators).

The application of the multiples method allows the determination of the investee's Enterprise Value, subsequently adjusted for the net financial position (NFP) in order to determine the equity value attributable to the investment.
During the 2025 financial year, the EBIT market multiple used for estimating fair value was 10.5 (11.7 the previous year), determined on the basis of a sample of comparable companies operating in the IT services and technology consulting sector.
If the carrying amount of the investment exceeds the higher of fair value and value in use, an impairment loss is recognized.

During the 2025 financial year, it became necessary to recognize an impairment loss on the investment in Reply France SAS, operating in the IT consulting and system integration services sector, amounting to 24,000,000, Euros following the emergence of impairment indicators related to worsening economic performance and lower growth prospects compared to previous expectations.
The recoverable amount was determined based on value in use, calculated using the DCF methodology, applying a three-year business plan approved by management, a WACC of 7.31% (7.23% the previous year), and a terminal growth rate (g) of 2%. The terminal value was estimated using a perpetual growth model consistent with the g rate.
The cash flows used derive from the business plan and reflect assumptions consistent with:

- the historical performance of the investee (revenue and margin trends) and available operational evidence (pipeline, contracts acquired, and delivery capacity);
- growth and profitability assumptions benchmarked against industry indicators and market comparables. In particular, for the IT business in France, projected profitability has been set on a prudent basis and, in any case, below the levels of the main comparable operators, supporting the reasonableness of the estimates;
- a terminal growth rate (g) defined on a prudent basis and consistent with a long-term development profile typical of a mature market.

The assumptions used in determining prospective cash flows were developed based on the best information available at the reporting date and are consistent with management expectations and available market evidence.

During the year, impairment losses were also recognized on additional investments totalling 3,140,000 Euros, relating to Forge S.r.l. and Services S.r.l., following the recoverability test carried out in accordance with IAS 36.
For these investments, the recoverable amount was determined based on fair value less costs of disposal, estimated using the EBIT market multiples method applied to a panel of comparable companies operating in the IT services sector. The Company deemed it unnecessary to determine the value in use, as, based on the available information, it would not have affected the outcome of the impairment test.

The fair value measurement for these investments is classified within Level 3 of the fair value hierarchy under IFRS 13, as it is based on unobservable inputs, such as the profitability prospects of the investees and the applied market multiples.

PROVISION FOR COVERING LOSSES ON INVESTMENTS IN SUBSIDIARIES

During the year, a provision was also recognized for covering losses on investments relating to the subsidiary Breed Investments Ltd, amounting to 9,800,000 Euros.
This provision was deemed necessary in light of the losses incurred by the investee and its financial position, which may require financial support from the Parent Company.
The amount provided therefore reflects the best estimate of the losses that the Company may be required to bear, taking into account the financial position and the liquidation prospects of the investee as at the reporting date.

NOTE 13 – Financial income/(expenses)

Detail is as follows:

(EUROS)	2025	2024	CHANGE
Interest income from subsidiaries	14,131,116	16,463,909	(2,332,793)
Interest income on bank accounts	9,020,400	10,994,008	(1,973,609)
Interest expenses	(2,641,475)	(4,312,892)	1,671,417
Other	(26,433,424)	18,779,754	(45,213,178)
Total	**(5,923,383)**	**41,924,781**	**(47,848,163)**

Interest income from subsidiaries refers to the interest yielding cash pooling accounts of the Group companies included in the centralized pooling system.

Financial income include interest in bank accounts amounting to 9,020,400 Euros.

Interest expenses refer to the interest expenses on the use of credit facilities with Intesa Sanpaolo and Unicredit.

The item Other mainly includes:
- negative 27,827,043 Euros related to the loss on exchange rate differences arising from the translation of balance sheet items denominated in currencies other than the euro (positive 16,493,976 Euros at 31 December 2024);
- the financial gains related to the fair value adjustments of the investments held by Reply amounting to positive 364,082 Euros (financial gains amounting to 768,061 Euros at 31 December 2024);
- 917,808 Euros related to interest income in relation to financial investments (1,038,331 Euros at 31 December 2024).

NOTE 14 – Income taxes

The details are provided below:

(EUROS)	2025	2024	CHANGE
IRES	4,130,000	18,428,000	(14,298,000)
IRAP	963,000	1,381,000	(418,000)
Corporate tax - previous years	284,756	(195,637)	480,393
Current taxes	**5,377,756**	**19,613,363**	**(14,235,608)**
Deferred tax liabilities	-	(5,761,017)	5,761,017
Deferred tax assets	5,958,449	(3,636,796)	9,595,245
Deferred taxes	**5,958,449**	**(9,397,813)**	**15,356,262**
Total income taxes	**11,336,205**	**10,215,550**	**1,120,655**

IRES THEORETICAL RATE

The following table provides the reconciliation between the IRES theoretical rate and the fiscal theoretical rate:

(EUROS)	TAXABLE INCOME	TAX
Result before taxes	**99,456,324**	
Theoretical tax rate	**24.0%**	**23,869,518**
Temporary differences, net	(82,270,664)	
Taxable income	**17,185,660**	
Total IRES		**4,130,000**

Temporary differences, net refer to:
- deductible differences amounting to 48,894 thousand Euros arising mainly from write-down/ losses of equity investments (36,940 thousand Euros), Directors' fees to be paid (7,381 thousand Euros), public grants collected but not recognized in the income statement (2,113 thousand Euros) and non-deductible car expenses (1,439 thousand Euros).
- non-deductible differences amounting to 131,368 thousand Euros owing mainly to the non-taxable share of the dividends received in the financial year (97,529 thousand Euros), the income from provision taxed in previous years (29,439 thousand Euros) and Directors' fees to be paid (3,400 thousand Euros).

CALCULATION OF TAXABLE IRAP

(EUROS)	TAXABLE INCOME	TAX
Difference between value and cost of production	**39,657,360**	
IRAP net	(16,130,305)	
Taxable IRAP	**23,527,055**	
Total IRAP		**963,000**

Temporary differences, net refer to:

- non-deductible differences amounting to 13,313 thousand Euros mainly due to emoluments to Directors and long term bonus (11,594 thousand Euros), and to bank fees (594 thousand Euros);
- deductible differences amounting to 29,443 thousand Euros mainly due to the use of provisions (15,000 thousand Euros) and the release of provisions (14,439 thousand Euros).

NOTE 15 – Earnings per share

Basic earnings and diluted earnings per share as at 31 December 2025 is calculated with reference to the net profit which amounted to 88,120,119 Euros (50,644,327 Euros at 31 December 2024) divided by the weighted average number of shares outstanding as at 31 December 2025, net of treasury shares, which amounted to 37,278,236 (37,380,368 at 31 December 2024).

(EUROS)	2025	2024
Net profit of the year	88,120,119	50,664,327
Weighted number of shares	37,278,236	37,380,368
Basic earning per share	2.36	1.35

Reply does not have any financial instruments potentially convertible in shares (stock options) therefore the basic earnings per share corresponds to the diluted earnings per share.

NOTE 16 – Contributions

DISCLOSURE ON THE TRANSPARENCY OF PUBLIC DISBURSEMENTS REQUIRED BY ARTICLE 1, PARAGRAPH 125 OF LAW 124/2017

Italian Law 124/2017 requires that information on subsidies, contributions, paid assignments and economic benefits of any kind received from Italian public administrations be provided. In this regard, the following tables show the amounts collected by the Company in 2025:

ASSIGNMENTS

CLIENT (EUROS)	2025
AG. NAZ.LE PER L'AMM.NE E LA DEST.NE DEI BENI SEQ. E CONF. ALLA CRIM. ORG	499,655
AUTORITÀ NAZIONALE ANTICORRUZIONE - ANAC	300,110
AZ. OSP. SS ANTONIO E BIAGIO E C. ARRIGO	88,958
AZIENDA SOCIO SANITARIA TERRITORIALE DELLA BRIANZA	87,349
AZIENDA SOCIO SANITARIA TERRITORIALE VALTELLINA E ALTO LARIO	254,071
COMANDO LEGIONE CARABINIERI LOMBARDIA - SERVIZIO AMMINISTRATIVO	4,999
FINCANTIERI S.P.A.	50,000
IST. ZOOPROFILATTICO SPERIMENT. LOMBARDIA ED EMILIA ROMAGNA	85,401
ISTITUTO NAZIONALE PER LE MALATTIE INFETTIVE LAZZARO SPALLANZANI – IRCCS	101,416
SOGEI SPA	938,905
UNIVERSITÀ DEGLI STUDI DI MILANO - BICOCCA	11,149
TOTAL	**2,422,013**

Pursuant to the above-mentioned regulation, the public grants received by the Company are set out below:

PUBLIC GRANTS

ENTITY (EUROS)	2025
European Commission	30,000,000

NOTE 17 - Tangible assets

Tangible assets as at 31 December 2025 amounted to 3,111,904 Euros are detailed as follows:

(EUROS)	31/12/2025	31/12/2024	CHANGE
Plant and machinery	2,248,537	293,543	1,954,994
Hardware	124,156	96,980	27,176
Other	739,211	197,239	541,973
Total	**3,111,904**	**587,761**	**2,524,143**

The item Other mainly includes vehicles, mobile phones and furniture and fittings.

Change in Tangible assets during 2025 is summarized below:

(EUROS)	PLANT AND MACHINERY	HARDWARE	OTHER	TOTAL
Historical cost	1,290,779	1,310,079	1,615,508	4,216,366
Accumulated depreciation	(997,236)	(1,213,099)	(1,418,269)	(3,628,605)
31/12/2024	**293,543**	**96,980**	**197,239**	**587,761**
Historical cost				
Increases	2,507,372	91,392	706,074	3,304,839
Disposals	(3,841)	(2,331)	(26,443)	(32,614)
Accumulated depreciation				
Depreciation	(551,057)	(64,216)	(152,647)	(767,921)
Disposals	2,520	2,331	14,988	19,839
Historical cost	3,794,311	1,399,140	2,295,139	7,488,590
Accumulated depreciation	(1,545,774)	(1,274,984)	(1,555,928)	(4,376,686)
31/12/2025	**2,248,537**	**124,156**	**739,211**	**3,111,904**

During the year under review the Company made investments amounting to 3,304,839 Euros, which mainly refer to specific devices, vehicles and hardware.
As at 31 December 2025, 58.4% of tangible assets were depreciated, compared to 86.1% at the end of 2024.

NOTE 18 – Goodwill

Goodwill, recognized in the financial statements of Reply S.p.A. and amounting to 86,765 Euros, originates from a corporate transaction dated 10 July 2000, prior to the listing, carried out with a shareholder (then named Alika) with the aim of concentrating in Reply S.p.A. the provision of Information Technology consulting services, as well as group administrative services.

As the transaction took place before the IFRS transition date, the goodwill recognized in financial statements (amounting to 87 thousand Euros) reflects the values determined under the Italian accounting principles applicable at the original date, which were retained upon first-time adoption of IFRS in accordance with the relevant transition provisions.

For the purposes of IAS 36, the Company nevertheless performed a qualitative assessment regarding the existence of any indicators of impairment related to goodwill and did not identify any factors requiring the recognition of an impairment loss.
Given the immateriality of the amount relative to the total assets of Reply S.p.A., it was not considered necessary to develop a detailed quantitative estimate of the recoverable amount; in any case, any adjustment up to a full write-down would not be material for the financial statements.

NOTE 19 - Other intangible assets

Intangible assets as at 31 December 2025 amounted to 6,008,159 Euros (5,102,557 Euros at 31 December 2024) and are detailed as follows:

(EUROS)	31/12/2025	31/12/2024	CHANGE
Software	5,472,095	4,566,493	905,602
Trademark	536,064	536,064	-
Total	**6,008,159**	**5,102,557**	**905,602**

Change in intangible assets in 2025 is summarized in the table below:

(EUROS)	SOFTWARE	TRADEMARK	TOTAL
Historical cost	24,768,334	536,064	25,304,398
Accumulated amortisation	(20,201,842)	-	(20,201,842)
31/12/2024	**4,566,493**	**536,064**	**5,102,557**
Historical cost			
Increases	3,042,770	-	3,042,770
Accumulated amortization			
Amortisation	(2,137,168)	-	(2,137,168)
Historical cost	27,811,104	536,064	28,347,168
Accumulated amortisation	(22,339,010)	-	(22,339,010)
31/12/2025	**5,472,094**	**536,064**	**6,008,159**

The item Software and increase in software is related mainly to software licenses purchased and used internally by the company.

The item Trademark expresses the value of the “Reply” trademark granted to the Parent Company Reply S.p.A., (before Reply Europe Sàrl) on 9 June, 2000, in connection to the Company’s share capital increase that was resolved and undersigned by the Parent Company Alister Holding SA, Such amount is not subject to systematic amortisation, and the expected future cash flows are deemed adequate.

As at 31 December 2025 intangible assets were depreciated by 78.8% of their value, compared to 79.8% at the end of 2024.

NOTE 20 – Right of use assets

Right-of-use assets showed the following movement:

(EUROS)	VEHICLES
Historical cost	6,094,323
Accumulated amortization	(1,580,771)
31/12/2024	**4,513,552**
Historical cost	
New contracts	1,964,161
Termination	(406,538)
Changes	(103,081)
Accumulated amortisation	
Amortisation	(2,124,650)
Termination	406,538
Historical cost	7,548,866
Accumulated amortization	(3,298,884)
31/12/2025	**4,249,982**

The Company uses cars assigned to employees mainly through operating lease agreements.

These contracts generally do not include significant purchase options or extension clauses that would materially affect the lease term considered for accounting purposes. Variable lease payments linked to usage (e.g. excess mileage or ancillary costs) are recognized in the income statement in the period in which they are incurred.

The discount rate has been determined based on the incremental borrowing rate, with a similar term and similar guarantees, required to obtain an asset of similar value to the right-of-use asset in a similar economic environment.

The average useful life of the related right-of-use assets is 3 years.

NOTE 21 - Equity investments

The item Equity investments at 31 December 2025 amounted to 313,106,579 Euros compared to 239,166,849 Euros as at December 31, 2024.

The value of investments in subsidiaries as at 31 December 2025 amounts to 302,293,643 Euros, representing a net increase of 63,136,794 Euros compared to 31 December 2024.

(EUROS)	BALANCE AT 31/12/2024	ACQUISITIONS AND SUBSCRIPTIONS	FINANCIAL REMISSION	WRITE DOWNS	OTHER	BALANCE AT 31/12/2025	INTEREST
Air Reply S.r.l.	1,223,530					1,223,530	100,00%
Aktive Reply S.r.l.	512,696					512,696	100,00%
Arlanis Reply S.r.l.	588,000					588,000	100,00%
Atena Reply S.r.l.	-	10,000	10,000			20,000	100,00%
Atlas Reply S.r.l.	12,575					12,575	100,00%
Avantage Reply Roma S.r.l.	10,000				1,123,184	1,133,184	100,00%
Blue Reply S.r.l.	527,892				(19,494)	508,398	100,00%
Breed Reply Investment Ltd.	1,000					1,000	100,00%
Bridge Reply S.r.l.	1,206,000					1,206,000	100,00%
Business Reply S.r.l.	239,477					239,477	100,00%
Business Reply P.S. S.r.l.	402,125					402,125	100,00%
Cluster Reply S.r.l.	2,530,593					2,530,593	100,00%
Cluster Reply Roma S.r.l.	296,184					296,184	100,00%
Cognita Reply S.r.l.	-	10,000	35,000			45,000	100,00%
Consorzio Reply Public Sector (*)	39,500					39,500	21,41%
Core Reply S.r.l.	598,018					598,018	100,00%
Data Reply S.r.l.	317,662					317,662	100,00%
Discovery Reply S.r.l.	1,311,669					1,311,669	100,00%
e*finance Consulting Reply S.r.l.	3,076,385					3,076,385	100,00%
Eos Reply S.r.l.	495,369					495,369	100,00%
Forge Reply S.r.l.	1,000		940,000	(940,000)		1,000	100,00%
Go Reply S.r.l.	1,920,000					1,920,000	100,00%
Hermes Reply S.r.l.	199,500					199,500	100,00%
Hermes Reply Consulting (Nanjing) Co. Ltd.	1,000,000					1,000,000	100,00%
IrisCube Reply S.r.l.	6,724,952				(1,123,184)	5,601,768	100,00%
Like Reply S.r.l.	644,317					644,317	100,00%
Logistics Reply Roma S.r.l.	800,542					800,542	100,00%
Logistics Reply S.r.l.	1,033,625					1,033,625	100,00%
Nexi Digital S.r.l.	5,100					5,100	51,00%
Net Reply S.r.l.	1,635,633					1,635,633	100,00%
Open Reply S.r.l.	1,625,165					1,625,165	100,00%
Pay Reply S.r.l.	10,000					10,000	100,00%
Syskoplan CX Reply S.r.l.	106,000					106,000	100,00%

(EUROS)	BALANCE AT 31/12/2024	ACQUISITIONS AND SUBSCRIPTIONS	FINANCIAL REMISSION	WRITE DOWNS	OTHER	BALANCE AT 31/12/2025	INTEREST
Power Reply S.r.l.	2,708,265					2,708,265	100,00%
Protocube Reply S.r.l.	4,060					4,060	100,00%
Reply AI Studios S.r.l.	-	10,000	25,000			35.000	100,00%
Reply Belgium	-	20,800,184				20,800,184	100,00%
Reply Consulting S.r.l.	3,518,434					3,518,434	100,00%
Reply France SAS	35,010,000		48,100,00	(24,000,000)		59,110,000	100,00%
Reply Deutschland SE	57,883,581					57,883,581	100,00%
Reply Digital Experience S.r.l.	4,673,019					4,673,019	100,00%
Reply Do Brasil Sistema De Informatica Ltda	206,816					206,816	98,50%
Reply Inc.	32,624,285					32,624,285	100,00%
Reply Ltd.	39,691,413					39,691,413	100,00%
Reply Polska Sp. z o.o.	10,217					10,217	100,00%
Reply Sarl	12,000		18,000,000			18,012,000	100,00%
Reply Services S.r.l.	1,000		2,200,000	(2,200,000)		1,000	100,00%
Retail Reply S.r.l.	100,000					100,000	100,00%
Ringmaster S.r.l.	5,000					5,000	50,00%
Santer Reply S.p.A.	12,521,966					12,521,966	100,00%
Security Reply S.r.l.	392,866				19,494	412,360	100,00%
Sense Reply S.r.l.	1,015,700					1,015,700	100,00%
Sensor Reply S.r.l.	12,800					12,800	100,00%
Shield Reply S.r.l.	546,000					546,000	100,00%
Spark Reply S.r.l.	1,042,500					1,042,500	100,00%
Sprint Reply S.r.l.	155,000					155,000	100,00%
Storm Reply Roma S.r.l.	148,040					148,040	100,00%
Storm Reply S.r.l.	847,960					847,960	100,00%
Syskoplan Reply S.r.l.	949,571					949,571	100,00%
Sytel Reply S.r.l.	3,887,598					3,887,598	100,00%
Sytel Reply Roma S.r.l.	894,931					894,931	100,00%
Tamtamy Reply S.r.l.	293,471					293,471	100,00%
Target Reply S.r.l.	600,338					600,338	100,00%
Technology Reply Roma S.r.l.	10,000					10,000	100,00%
Technology Reply S.r.l.	216,658					216,658	100,00%
Technology Reply S.r.l. (Romania)	9,919					9,919	100,00%
Tender Reply S.r.l.	10,000					10,000	100,00%
Whitehall Reply S.r.l.	160,212					160,212	100,00%
Whitehall AI Reply S.r.l.	10,000					10,000	100,00%
WM Reply S.r.l.	368,255	126,610				494,865	100,00%
Xenia Reply S.r.l.	380,000					380,000	100,00%
Xister Reply S.r.l.	9,150,465					9,150,465	100,00%
Total	**239,166,849**	**20,956,794**	**69,310,000**	**(27,140,000)**	**-**	**302,293,643**	

(*) This company is directly controlled by Reply S.p.A. for 21.41% and, for the remaining portion, indirectly through its subsidiaries.

ACQUISITIONS AND SUBSCRIPTIONS

Reply AI Studios S.r.l.
In the month of March 2025 Reply AI Studios S.r.l. was constituted, a company in which Reply S.p.A. holds 100% of the share capital.

Reply Belgium SA
In the month of June 2025, as part of the corporate reorganization of the French-speaking area, Reply Belgium SA was acquired by the Group company Reply Sarl, a company in which Reply S.p.A. holds 100% of the share capital.

Cognita Reply S.r.l.
In the month of October 2025 Cognita Reply S.r.l. was constituted, a company in which Reply S.p.A. holds 100% of the share capital.

Atena Reply S.r.l.
In the month of November 2025 Atena Reply S.r.l. was constituted, a company in which Reply S.p.A. holds 100% of the share capital.

WM Reply S.r.l.
The change relates to the acquisition of additional shares in the company's share capital.

FINANCIAL LOAN REMISSION
The amounts are referred to the waiver of financial loan receivables from some subsidiaries in order to increase their equity position.

WRITE-DOWNS
Please refer to note 12 for further information.

The list of equity investments in accordance with Consob communication no, 6064293 of 28 July 2006 is included in the attachments.

The negative differences arising between the carrying value of the investments and the corresponding portion of their shareholders' equity are not related to permanent impairment of value, as the carrying value is supported by positive economic and financial forecasts that guarantee the recoverable amount of the investment.
The item also includes 10,812,935 Euros relating to investments in start-ups mainly operating in the Internet of Things (IoT) sector, originally held by the subsidiary Breed Investment Ltd., qualified as an investment entity.
During the year, as part of a corporate reorganization, these investments were acquired by Reply S.p.A., and Breed Reply Investments Ltd. will be placed into liquidation. At the acquisition date, the investments were recognized at fair value, which represents the reference value for subsequent accounting in the Company's financial statements.

The movements in start-up investments for the period are shown below:

(EUROS)	BALANCE AT 26/12/2025	FAIR VALUE ADJUSTMENTS	EXCHANGE DIFFERENCE	BALANCE AT 31/12/2025
Investments	10,810,818	-	2,117	10,812,935

NOTE 22 – Non-current financial assets

Detail is as follows:

(EUROS)	31/12/2025	31/12/2024	CHANGE
Guarantee deposits	438,760	448,713	(9,953)
Loans to subsidiaries	470,327,922	513,611,011	(43,283,089)
Investments in other parties	478,000	478,000	-
Other financial asset	1,386,634	-	1,386,634
Convertible Loans	280,390	-	280,390
Total	**472,911,706**	**514,537,724**	**(41,626,018)**

The item Guarantee deposits amounted to 438,760 Euros as at 31 December 2025 (448,713 as at 31 December 2024) consists of security deposits paid as guarantees for ongoing relationships, with maturities beyond the financial year.

COMPANY	AMOUNT
Breed Reply Investments Ltd	54,532,084
Cluster Reply Informatica Ltda	1,215,000
Reply Belgium SA	3,500,000
Reply Deutschland SE	69,925,000
Reply do Brasil Sistema De Informatica Ltda	2,181,740
Reply France SAS	9,000,000
Reply Inc.	155,687,082
Reply Ltd	81,351,399
Reply Sarl	3,932,958
Reply Services S.r.l.	78,952,657
Sprint SA	250,000
Technology Reply S.r.l. (Romania)	700,000
Wemanity Group	9,100,000
Total	**470,327,922**

The item Other financial assets referred to long-term financial receivables form deferred collections arising from the acquisition of the financial assets originally held by Breed Reply Investments Ltd.

Convertible loans relate to the option to convert into shares of start-up companies in the field of IoT and arise from the acquisition of the financial assets originally held by Breed Reply Investments Ltd. Detail is as follow:

(EUROS)	BALANCE AT 26/12/2025	NET FAIR VALUE AD-JUSTMENTS	EXCHANGE DIF-FERENCES	BALANCE AT 31/12/2025
Convertible loans	280,786	-	(396)	280,390

NOTE 23 - Deferred tax assets

This item amounted to 7,063,110 Euros at 31 December 2025 (13,021,560 Euros at 31 December 2024), and included the fiscal charge corresponding to the temporary differences on statutory income and taxable income related to deferred deductible items.

TEMPORARY DEDUCTIBLE DIFFERENCES	TAXABLE AMOUNT	TAX
Total deferred tax assets at 31/12/2023	**48,462,173**	**13,021,559**
Accrued	12,793,105	3,086,848
Utilization	(32,941,964)	(9,045,297)
Total deferred tax assets at 31/12/2024	**28,313,314**	**7,063,110**
Of which:		
- directors fees and employee bonuses accrued but not yet paid	22,536,688	5,562,840
- taxable amounts greater than book value	5,776,625	1,500,270
Total	**28,313,314**	**7,063,110**

The decision to recognize deferred tax assets is taken by assessing critically whether the conditions exist for the future recoverability of such assets on the basis of expected future results.
There are no deferred tax assets on losses carried forward.

NOTE 24 - Trade receivables

Trade receivables at 31 December 2025 amounted to 576,540,335 Euros and are all collectible within 12 months.

Detail is as follows:

(EUROS)	31/12/2025	31/12/2024	CHANGE
Third party trade receivables	329,956,757	312,112,132	17,844,625
Credit notes to be issued	(8,556,023)	(9,158,348)	602,325
Allowance for doubtful accounts	(373,502)	(356,315)	(17,187)
Third party trade receivables	**321,027,232**	**302,597,469**	**18,429,763**
Receivables from subsidiaries	255,512,803	297,038,502	(41,525,699)
Receivables from Parent Company	300	11,755	(11,455)
Trade receivables from subsidiaries and Parent Company	**255,513,103**	**297,050,257**	**(41,537,154)**
Total trade receivables	**576,540,335**	**599,647,726**	**(23,107,391)**

Reply manages business relationships on behalf of some of its major clients. This activity is reflected in the item Third party trade receivables which increased by 18,429,763 Euros.

Receivables from subsidiaries are related to services that the Parent Company Reply S.p.A. carries out in favour of the subsidiary companies at normal market conditions.

Trade receivables are all due within 12 months and do not include significant overdue balances.

In 2025, following a specific risk analysis of all the trade receivables, the provision for doubtful accounts was of 373,502 Euros and calculated by using the expected credit loss approach pursuant to IFRS 9; detail is as follows:

Amount at 31/12/2024	**356,315**
Provision	17,187
Utilization	-
Amount at 31/12/2025	**373,502**

The carrying amount of trade receivables, that at initial recognition is equal to its fair value adjusted for attributable transaction costs, is subsequently valued at the amortised cost appropriately adjusted to take into account any write-downs.

NOTE 25 - Other receivables and current assets and income tax receivables

Detail is as follows:

(EUROS)	31/12/2025	31/12/2024	CHANGE
Current income tax receivables	5,887,977	2,143	5,885,834
Tax receivables	8,766,064	6,402,861	2,363,203
Other receivables from subsidiaries	41,069,088	44,866,011	(3,796,923)
Other receivables	313,566	296,700	16,866
Accrued income and prepaid expenses	44,589,399	43,317,802	1,271,596
Total	**100,626,093**	**94,885,517**	**5,740,576**

Current income tax receivables are recorder net of the accrued debt and mainly include IRES receivables amounting to 5,473,716 Euros and IRAP receivables amounting to 414,261 Euros.

The item Tax receivables mainly includes IRES receivables and advances for withholding taxes suffered amounting to 6,407,272 (2,677,788 Euros at 31 December 2024), and receivables from the tax authorities for withholding taxes on interest income amounting to 2,258,984 Euros (2,528,139 Euros at 31 December 2024).

Other receivables from subsidiary companies mainly refer to IRES receivables which are calculated on taxable income, and transferred by the Italian subsidiaries under national fiscal consolidation.

Accrued income and prepaid expenses refer to prepaid expenses arising from the execution of services, lease contracts, insurance contracts and other utility expenses, which are accounted for on an accrual basis.

The carrying amount of other receivables, that at initial recognition is equal to its fair value adjusted for attributable transaction costs, is subsequently valued at the amortised cost appropriately adjusted to take into account any write-downs.

NOTE 26 - Current financial assets

This item amounted to 109,144,487 Euros (93,682,271 Euros at 31 December 2024) and mainly refers to:

- interest yielding cash pooling accounts of subsidiaries included in the centralized pooling system of the Parent Company Reply S.p.A. for 45,116,630 Euros (50,014,938 at 31 December 2024); the interest yield on these accounts is in line with current market conditions.
- the investments held by Reply for 63,181,010 Euros. The valuation of short-term investments, based on market valuations at 31 December 2025, showed a positive difference of 364,082 Euros compared to the purchase cost of the same.
- the fair value of the IRS contracts signed with Unicredit in order to hedge fluctuations in the floating interest rate on loans and/or mortgages for 770,589 Euros.

NOTE 27 - Cash and cash equivalents

This item amounted to 442,604,620 Euros, with an increase of 114,370,318 Euros compared to 31 December 2024, is referred to cash at banks and on hand at year-end.
It is to be noted that the cash and cash equivalents held but not freely available by the Company amount to 7.9 million euros, related to the preventive seizure referred to in Note 34.

NOTE 28 – Shareholders' equity

SHARE CAPITAL

As at 31 December 2025 the fully subscribed paid-in share capital of Reply S.p.A., amounted to 4,863,486 Euros and is made up of no. 37,411,428 ordinary shares having a nominal value of euro 0.13 each.
The number of shares in circulation as at 31 December 2025 totalled 37,278,236, unchanged compared to 31 December 2024.

TREASURY SHARES

The value of the Treasury shares, amounting to 17,122,489 Euros, refers to the shares of Reply S.p.A. that at 31 December 2025 were equal to no. 133,192, unchanged compared to 31 December 2024.

CAPITAL RESERVES

At 31 December 2025 amounted to 455,880,909 Euros, and included the following:

- Treasury share reserve amounting to 17,122,489 Euros, relating to the shares of Reply S.p.A. which at 31 December 2025 were equal to no. 133,192.
- Reserve for the purchase of treasury shares amounting to 432,877,511 Euros, formed via initial withdrawal from the share premium reserve. By means of a resolution of the Shareholders' Meeting of 23 April 2025 Reply S.p.A. re-authorized it, in accordance with and for the purposes of Article 2357 of the Italian Civil Code, the purchase of a maximum of 550 million Euros of ordinary shares, corresponding to 10% of the share capital, in a lump sum solution or in several solutions within 18 months of the resolution.
- Reserves arising from the merger operation of Reply Deutschland SE in Reply S.p.A, and include:
  - Share swap surplus reserve amounting to 3,445,485 Euros;
  - Surplus annulment reserve amounting to 2,902,479 Euros.

EARNINGS RESERVE

Earning reserves amounted to 344,542,055 Euros and were comprised as follows:

- The Legal reserve amounting to 972,697 Euros (972,697 Euros at 31 December 2024);
- Extraordinary reserve amounting to 252,626,538 Euros (244,852,182 Euros at 31 December 2024);
- Retained earnings amounting to 2,822,701 Euros (2,822,701 Euros at 31 December 2024);
- Net result amounting to 88,120,119 Euros (50,644,327 Euros at 31 December 2024).

OTHER COMPREHENSIVE INCOME

Other comprehensive income can be analysed as follows:

(EUROS)	31/12/2025	31/12/2024
Other comprehensive income that will not be reclassified subsequently to profit or loss:		
Actuarial gains/(losses) from employee benefit plans	203,723	240,699
Tax effect relating to other overall gains/(losses) which will not be subsequently re-classified to income statement:		
Total Other comprehensive income that will not be reclassified subsequently to profit or loss, net of tax (B1):	**203,723**	**240,699**
Other comprehensive income that may be reclassified subsequently to profit or loss:		
Gains/(losses) on cash flow hedges	(48,381)	(1,301,055)
Total Other comprehensive income that may be reclassified subsequently to profit or loss, net of tax (B2):	**(48,381)**	**(1,301,055)**
Total Other comprehensive income, net of tax (B) = (B1) + (B2):	**155,342**	**(1,060,356)**

NOTE 29 – Financial liabilities

Detail is as follows:

(EUROS)	31/12/2025			31/12/2024		
	CURRENT	NON CURRENT	TOTAL	CURRENT	NON CURRENT	TOTAL
Bank loans	12,175,582	31,865,261	44,040,842	17,002,815	47,217,651	64,220,466
Transaction accounts	478,411,912	-	478,411,912	392,843,582	-	392,843,582
Derivative financial instruments	**136,993**	**-**	**136,993**	**253,411**	**-**	**253,411**
IFRS 16 financial liabilities	2,047,722	2,294,080	4,341,802	1,777,002	2,773,828	4,550,830
Total financial liabilities	**492,772,209**	**34,159,341**	**526,931,549**	**411,876,810**	**49,991,479**	**461,868,289**

The future out payments of the financial liabilities are detailed as follow:

	31/12/2025				31/12/2024			
(EUROS)	DUE IN 12 MONTHS	FROM 1 TO 5 YEARS	OVER 5 YEARS	TOTAL	DUE IN 12 MONTHS	FROM 1 TO 5 YEARS	OVER 5 YEARS	TOTAL
Bank loans	8,731,862	831,261	-	9,563,122	17,002,814	9,947,126	-	26,949,940
Mortgage loans	3,443,720	27,584,370	3,449,630	34,477,720	-	27,099,977	10,170,549	37,270,526
Transaction accounts	478,411,912	-	-	478,411,912	392,843,582	-	-	392,843,582
Derivative financial instruments	136,993	-	-	136,993	253,411	-	-	253,411
IFRS 16 financial liabilities	2,047,722	2,294,080	-	4,341,802	1,777,002	2,773,828	-	4,550,830
Total	**492,772,209**	**30,709,711**	**3,449,630**	**526,931,549**	**411,876,809**	**39,820,931**	**10,170,549**	**461,868,289**

		CASH FLOWS		NON MONETARY CHANGES		
(EUROS)	31/12/2024	INCREASES	PAYMENTS	AMORTIZED COST	EXCAHNGE DIFFER-ENCES AND OTHER MOVEMENTS	31/12/2025
Bank loans	26,949,940	-	(17,404,762)	17,944	-	9,563,122
Mortgage loans	37,270,526	-	(2,800,000)	7,194	-	34,477,720
IFRS 16 financial liabilities	4,550,830	1,861,080	(2,070,108)	-	-	4,341,802
Total	**68,771,296**	**1,861,080**	**(22,274,870)**	**25,138**	**-**	**48,382,644**

M&A loans refers to credit lines to be used for acquisition operations carried directly by Reply S.p.A. or via companies controlled directly or indirectly by the same.

Summarized below are the existing contracts entered into for such a purpose:

- On 8 November 2021 Reply S.p.A. entered into a line of credit with Intesa Sanpaolo S.p.A. for a total amount of 75,000 thousand Euros. As at 31 December 2025 the outstanding amount was 8,571 thousand Euros and expires on 30 September 2026.
- On 20 February 2023 Reply S.p.A. entered into a line of credit with Banco BPM S.p.A. for a total amount of 50,000 thousand Euros to be used by 1 April 2025. As at 31 December 2025 following the early repayment made on December 22, 2025, there is no outstanding balance.
- On 16 April 2024 Reply S.p.A. entered into a line of credit with Intesa Sanpaolo S.p.A. for a total amount of 75,000 thousand Euros to be used by 30 September 2026. The loan will be reimbursed on 7 half year basis deferred to commence on 31 March 2027 and expires on 30 March 2029.
- On 19 April 2024 Reply S.p.A. entered into a line of credit with Unicredit S.p.A. for a total amount of 50,000 thousand Euros to be used by 24 months. As at 31 December 2025 the outstanding amount was 1,000 thousand Euros and expires on 30 April 2029.

Interest rates are also applied according to certain predetermined ratios (Covenants) of economic and financial nature calculated on the consolidated financial statements as at 31 December of each year and/or the consolidated interim report.

As contractually defined, such ratios are as follows:

- Net financial indebtedness/Equity
- Net financial indebtedness/EBITDA

At the balance sheet date, Reply fulfilled the Covenants under the various contracts.

It should also be noted that on 24 May 2018 Reply S.p.A. undersigned with Unicredit S.p.A. a mortgage loan secured by guarantee for the purchase and renovation of the property De Sonnaz for a total amount of 40,000 thousand Euros. The mortgage is disbursed in relation to the progress of the work. The outstanding amount is 34,500 thousand Euros at 31 December 2025 and expires on 31 May 2031.

The item IFRS 16 financial liabilities is related to the financial lease liabilities at 31 December 2025 related to the adoption of IFRS 16.

The item Derivative financial instruments refer to several loans established with Unicredit S.p.A. to hedge changes in floating interest rates on loans and/or mortgages; the total underlying notional amounts to 9,562 thousand Euros. The effective component of the instrument is stated in the Statement of changes in net equity. There was no need to recognize the ineffective portion in the income statement, as the derivatives ensure full hedging coverage.

The carrying amount of the Financial Liabilities estimates the value determined through the application of the amortised cost method.

NET FINANCIAL INDEBTEDNESS

The net financial indebtedness reported below was prepared according to CONSOB communication no. DEM / 6064293 of July 28, 2006, updated with the provisions of ESMA guideline 32-382-1138 of March 4, 2021 as implemented by the CONSOB warning no. 5/21 of 29 April 2021.
Below is the presentation of Reply S.p.A., in light of the current guidance and available interpretations.

(EUROS)		31/12/2025	31/12/2024	CHANGE
A	Cash	442,604,620	328,234,302	114,370,318
B	**Cash equivalents**	**-**	**-**	**-**
C	Current financial assets	109,144,487	93,682,271	15,462,216
D	**Cash (A+B+C)**	**551,749,107**	**421,916,573**	**129,832,533**
E	Current financial liabilities	480,596,627	394,873,995	85,722,632
F	Short-term portion of long term financial liability	12,175,582	17,002,815	(4,827,233)
G	**Financial liabilities short-term (E+F)**	**492,772,209**	**411,876,810**	**80,895,399**
H	**Net financial debt short-term (G-D)**	**(58,976,898)**	**(10,039,764)**	**(48,937,135)**
I	Financial liabilities long-term	34,177,413	50,025,801	(15,848,387)
J	Financial instruments	(18,073)	(34,321)	16,248
K	**Other liabilities long-term**	**-**	**-**	**-**
L	**Financial debt long-term (I+J+K)**	**34,159,341**	**49,991,480**	**(15,832,139)**
Total financial debt		**(24,817,557)**	**39,951,716**	**(64,769,274)**

Net financial debt includes IFRS 16 financial liabilities amounting to 4,341,802 Euros, of which 2,294,080 Euros were non-current and 2,047,722 Euros were current.

Pursuant to the aforementioned recommendations long term financial assets are not included in the net financial position.

For further details with regards to the above table see Notes 26 and 27 as well as Note 29.

NOTE 30 – Employee benefits

(IN EURO)	31/12/2025	31/12/2024	CHANGE
Employee severance indemnities	3,741,961	3,603,376	138,584
Long-Term Incentive Plans	12,947,729	8,138,608	4,809,121
Total	**16,689,689**	**11,741,984**	**4,947,705**

EMPLOYEE SEVERANCE INDEMNITIES

The Employee severance indemnity represents the obligation to employees under Italian law (amended by Law no. 296/06) accrued by employees up to 31 December 2006 which will be paid when the employee leaves the company. In certain circumstances, a portion of the accrued liability may be given to an employee during his working life as an advance. This is an unfunded defined benefit plan, under which the benefits are almost fully accrued, with the sole exception of future revaluations.
The procedure for the determination of the Company's obligation with respect to employees was carried out by an independent actuary according to the following stages:

- Projection of the Employee severance indemnity already accrued at the assessment date and of the portions that will be accrued until when the work relationship is terminated or when the accrued amounts are partially paid as an advance on the Employee severance indemnities;
- Discounting, at the valuation date, of the expected cash flows that the company will pay in the future to its own employees;
- Re-proportioning of the discounted performances based on the seniority accrued at the valuation date with respect to the expected seniority at the time the company must fulfil its obligations.

Reassessment of Employee severance indemnities in accordance with IAS 19 was carried out "ad personam" and on the existing employees, that is analytical calculations were made on each employee in force in the company at the assessment date without considering future work force.

The actuarial valuation model is based on the so-called technical bases which represent the demographic, economic and financial assumptions underlying the parameters included in the calculation.

The assumptions adopted can be summarized as follows:

DEMOGRAPHIC ASSUMPTIONS

Mortality	RG 48 survival tables of the Italian population
Inability	INPS tables divided by age and gender
Retirement age	Fulfilment of the minimum requisites provided by the General Mandatory Insurance
Advances on Employee severance in-demnities	Annual frequency of advances and employee turnover were assumed from historical data of the company: - frequency of advances in 2025: 2.50% - frequency of turnover in 2025: 10%

ECONOMIC AND FINANCIAL ASSUMPTIONS

Annual inflation rate	Constant average annual rate equal to 2.0%
Annual discount rate	Calculated with reference to the valuation date of primary shares on the stock market in which the company belongs and with reference to the market yield of Federal bonds. The annual discount used for 2025 was 3.96%
Annual growth rate of the Employee severance indemnities	Annual increase in salaries equal to 3.0%
Annual increase in salaries	The annual increase of salaries used was calculated in function of the employee qualifications and the Company's market segment, net of inflation, from 1.0% to 2.50%

In accordance with IAS 19, Employment severance indemnities at 31 December 2025 is summarized in the table below:

31/12/2024	**3,603,376**
Actuarial gains/(losses)	(203,723)
Interest cost	132,743
Indemnities paid	(69,776)
Transfers	279,340
31/12/2025	**3,741,960**

LONG-TERM INCENTIVE PLANS

Reply recognizes long-term incentive plans ("Long-Term Bonus" or "LTB"), aimed at fostering the retention of key personnel and aligning management's interests with medium- to long-term value creation objectives.

LTI plans provide for the payment of cash-settled monetary benefits, subject to the achievement of specific service and performance conditions defined by the competent corporate bodies.

As cash-based plans, Long-Term Bonuses are accounted for as long-term employee benefits and recognized as liabilities in the financial statements.

The liability is initially and subsequently measured based on the present value of the expected benefit, estimated taking into account:

- the probability of achieving the performance conditions;
- the probability of Partners remaining in service during the vesting period;
- the discount factor, determined using a rate consistent with the duration of the plan and the Group's risk profile.

The total cost of the plan is recognized in the income statement over the vesting period, based on the best estimate of the bonus that will ultimately vest.

At each reporting date, the liability is remeasured to reflect updated estimates and the effect of discounting, with the related impacts recognized in the income statement.

NOTE 31 – Deferred tax liabilities

Deferred tax liabilities at 31 December 2025 amounted to 173,769 Euros and are referred mainly to the fiscal effects arising from temporary differences between the statutory income and taxable income.

TEMPORARY TAXABLE DIFFERENCES	TAXABLE	TAX
Balance at 31/12/2025	**622,828**	**173,769**
Accrued	-	-
Utilization	-	-
Balance at 31/12/2025	**622,828**	**173,769**
- different goodwill/trademark measurements	622,828	173,769
Total al 31/12/2025	**622,828**	**173,769**

NOTE 32 – Trade payables

Trade payables at 31 December 2025 amounted to 540,841,763 Euros with an increase of 44,277,832 Euros.

Detail is as follows:

(EUROS)	31/12/2024	31/12/2023	CHANGE
Due to suppliers	12,051,395	9,450,897	2,600,498
Due to subsidiaries	372,445,047	328,551,022	43,894,024
Due to Parent Company	300	29,280	(28,980)
Advance payments from customers – asset	156,345,021	158,532,732	(2,187,710)
Total	**540,841,763**	**496,563,931**	**44,277,832**

Due to suppliers mainly refers to services from domestic suppliers.

Due to subsidiaries recorded a change of 43,894,024 Euros, and refers to professional services in connection to third party agreements with Reply S.p.A., in fact carries out commercial fronting activities for some of its major clients, whereas delivery is carried out by the operational companies.

Advance payments from customers include amounts invoiced to customers for contracts subcontracted to subsidiary companies, which at the balance sheet date were not yet completed.

Trade payables are initially recognised at fair value, adjusted for any transaction costs directly attributable to and are subsequently valued at amortised cost. The amortised cost of current trade payables corresponds to the nominal value.

NOTE 33 – Other current liabilities and income tax payables

Detail is as follows:

(EUROS)	31/12/2025	31/12/2024	CHANGE
Income tax payable	-	26,439,686	(26,439,686)
Withholding tax and other	11,020,919	2,140,774	8,880,144
Total payable to tax authorities	**11,020,919**	**28,580,461**	**(17,559,542)**
INPS (National Italian insurance payable)	4,791,618	4,316,925	474,693
Other	1,318,965	1,129,196	189,770
Total social security payable	**6,110,583**	**5,446,120**	**664,463**
Employee accruals	12,703,345	11,124,158	1,579,187
Payable to subsidiary companies	5,203,671	2,069,622	3,134,049
Miscellaneous payables	22,073,386	9,645,455	12,427,932
Accrued expenses and deferred income	36,654,490	34,968,588	1,685,902
Total other payables	**76,634,892**	**57,807,822**	**18,827,070**
Total other current liabilities	**93,766,393**	**91,834,403**	**1,931,990**

Due to tax authorities mainly refers to payables due for withholding tax on employees and free lancers' compensation.
Due to social security authorities is related to both Company and employees contribution payables.
Employee accruals mainly include payables to employees for remunerations due but not yet paid at year-end.
Due to subsidiary companies represents the liability on tax losses recorded by subsidiaries under national tax consolidation for 2025 and for the tax credits that subsidiaries transferred to Reply S.p.A. as part of the tax consolidation.
Miscellaneous payables mainly refer to remuneration and bonus of directors recognized as participation in the profits of the company.
Accrued expenses and deferred income are mainly related to advance invoicing in relation to fronting activities carried out for subsidiaries.
Other current payables and liabilities are initially recognised at fair value, adjusted for any transaction costs directly attributable to and are subsequently valued at amortised cost.
The amortised cost of these liabilities corresponds to the nominal value.

NOTE 34 – Provisions

The item Provisions amounting to 68,049,463 Euros is summarized as follows:

(EUROS)	BALANCE AT 31/12/2024	ACCRUED	REVERSAL	UTILIZED	BALANCE AT 31/12/2025
Provision for risks	36,588,583	-	(14,439,120)	(15,000,000)	7,149,463
Provision for losses on equity investments	51,100,000	9,800,000	-	-	60,900,000
Total	**87,688,583**	**9,800,000**	**(14,439,120)**	**(15,000,000)**	**68,049,463**

The item Provision for risks reflects the best estimate of contingent liabilities deriving from ongoing legal litigations.
The nature of the risk covered by the provision is as follows:

- Professional liability provision accrued in 2024 and entirely reversed for 24 million Euros;
- Preventive seizure provision amounting to 2,9 million Euros;
- Other provisions amounting to 4 million Euros.

PROFESSIONAL LIABILITY
It is reported that during 2025, the dispute regarding a professional liability lawsuit was resolved. The total expenditure incurred for settling the dispute was 15 million Euros. This amount was fully covered by the professional liability insurance policy, despite an initial denial of the claim by the insurance company (net of the contractual deductible of 0.3 million Euros). Due to this uncertainty, as of December 31, 2024, a risk provision equivalent to the entire estimated potential liability, amounting to 24 million Euros, had been allocated. Following the positive resolution of the dispute and the recognition of insurance coverage, it was possible to fully release the risk provision that had originally been posted.

PREVENTIVE SEIZURE
With regard to the preventive seizure involving Reply S.p.A., which led to the recognition of a provision totaling 8 million Euro as of December 31, 2024, it should be noted that, following the partial release of the seizure ordered by the Public Prosecutor after the close of the financial year, the provision has been reduced to 2.9 million Euro.

This event was considered an adjusting event pursuant to IAS 10, as it provides evidence of conditions that already existed at the reporting date.

According to the decree, the alleged offense is that referred to in Article 640-ter, paragraphs 1 and 3 of the Italian Criminal Code, relating to the period 2017–2019, and no liability is alleged under Legislative Decree 231/2001. The criminal proceedings are still in the preliminary investigation phase.

PROVISION FOR LOSSES ON EQUITY INVESTMENTS

The provision for losses on investments increases from 51,100,000 Euros to 60,900,000 Euros as a result of a provision of 9,800,000 Euros.

The provision was deemed necessary in light of the losses incurred by the investee and its financial position, characterized by negative equity, as well as the prospect of the company being placed into liquidation, which may require financial support from the Parent Company.

The amount recognized therefore reflects the best estimate of the losses that the Parent Company may be required to bear, taking into account the investee's financial position and liquidation prospects as at the reporting date, in accordance with the principles set out in IAS 37.

NOTE 35 - Transactions with related parties

With reference to CONSOB communications no. DAC/RM 97001574 of 20 February 1997 and no. DAC/RM 98015375 of 27 February 1998 concerning relations with related parties, the economic and financial effects on Reply S.p.A.'s year ended 2024 Financial Statements related to such transactions are summarised below.

Transactions carried out by Reply S.p.A. with related parties are considered ordinary business and are carried out at normal market conditions.

Financial and business transactions among the Parent Company Reply S.p.A. and its subsidiaries and associate companies are carried out at normal market conditions.

Reply S.p.A. main economic and financial transactions

(THOUSAND EUROS)

FINANCIAL TRANSACTIONS	31/12/2025			31/12/2024			
	SUBSIDIARIES	KEY MANAGEMENT WITH STRATEGIC RESPONSIBILITIES	OTHER	SUBSIDIARIES	KEY MANAGEMENT WITH STRATEGIC RESPONSIBILITIES	OTHER	NATURE OF TRANSAC-TION
Financial receivables	470,328	-	-	513,611	-	-	Financial loans
Guarantee deposits	-	-	80	-	-	80	Guarantee deposits
Transaction accounts, net	(433,295)	-	-	(342,829)	-	-	Transaction accounts held by the Paret company
Trade receivables and other	329,860	-	-	374,539	-	12	Royalties, administration services, marketing, quality management services and ofice rental
Trade payable and other	394,335	-	-	335,813	-	29	Services carried out in relation to contracts signed by the Parent company and subsequently committed to sub-sidiary companies
Employee benefits	-	15,450	-	-	11,900	-	Compensation paid to Directors and Key Management
Other payables	-	-	148	-	-	148	Compensation paid to Statutory Auditors

(THOUSAND EUROS)

ECONOMIC TRANSACTIONS	2025			2024			
	PARENT COMPANIES	KEY MANAGEMENT WITH STRATEGIC RESPONSIBILITIES	OTHERS	PARENT COMPANIES	KEY MANAGEMENT WITH STRATEGIC RESPONSIBILITIES	OTHERS	NATURE OF TRANSACTION
Revenues from Royalties	66,666	-	-	62,394	-	-	Licensing of the "Reply" trademark consisting in a 3% fee on third party revenues
Revenues from services	75,579	-	18	69,414	-	18	Administrations services, marketing, quality management and office rental
Revenues from management services	42,668	-	-	28,787	-	-	Strategic management ser-vices
Costs for professional ser-vices	854,224	-	24	765,748	-	96	Services carried out in rela-tion to contracts signed by the Parent company and subsequently committed to subsidiary companies
Other services	5,254	-	757	2,454	-	724	Services related to office rental and office of the secretary
Personnel	-	10,571	-		10,770	-	Emoluments to Directors and Key Management
Other services and costs	-	-	148		-	148	Compensation paid to Statutory Auditors
Interest income, net	14,131	-	-	14,464	-	-	Interest on financial loans: 3 months Euribor + spread of 3 percentage points

With reference to the Cash flows statement, the above mentioned transactions impact the change in working capital by 106,722 thousand Euros.

In accordance with Consob Resolution no. 15519 of 27 July 2006 and Consob communication no. DEM/6064293 of 28 July 2006, in the annexed tables herein, the Statement of income and the Statement of financial position reporting transactions with related parties separately, together with the percentage incidence with respect to each account caption has been provided.

Pursuant to art. 150, paragraph 1 of the Italian Legislative Decree n. 58 of 24 February 1998, no transactions have been carried out by the members of the Board of Directors that might be in potential conflict of interests with the Company.

NOTE 36 – Additional disclosure to financial instruments and risk management policies

TYPES OF FINANCIAL RISKS AND CORRESPONDING HEDGING ACTIVITIES
Reply S.p.A. has determined the guide lines in managing financial risks. In order to maximize costs and the resources Reply S.p.A. has centralized all of the groups risk management. Reply S.p.A. has the task of gathering all information concerning possible risk situations and define the corresponding hedge.

As described in the section "Risk management", Reply S.p.A. constantly monitors the financial risks to which it is exposed, in order to detect those risks in advance and take the necessary action to mitigate them.
The following section provides qualitative and quantitative disclosures on the effect that these risks may have upon the company.
The quantitative data reported in the following do not have any value of a prospective nature, in particular the sensitivity analysis on market risks, is unable to reflect the complexity of the market and its related reaction which may result from every change which may occur.

CREDIT RISK
The maximum credit risk to which the company is theoretically exposed at 31 December 2024 is represented by the carrying amounts stated for financial assets in the balance sheet.
Balances which are objectively uncollectible either in part or for the whole amount are written down on a specific basis if they are individually significant. The amount of the write-down takes into account an estimate of the recoverable cash flows and the date of receipt, the costs of recovery and the fair value of any guarantees received. General provisions are made for receivables which are not written down on a specific basis, determined on the basis of historical experience.
Refer to the note on trade receivables for a quantitate analysis.

LIQUIDITY RISK
Reply S.p.A. is exposed to funding risk if there is difficulty in obtaining finance for operations at any given point in time.
The two main factors that determine the company's liquidity situation are on one side the funds generated by or used in operating and investing activities and on the other the debt lending period and its renewal features or the liquidity of the funds employed and market terms and conditions.
As described in the Risk management section, Reply S.p.A has adopted a series of policies and procedures whose purpose is to optimize the management of funds and to reduce the liquidity risk, as follows:

- Centralizing the management of receipts and payments, where it may be economical in the context of the local civil, currency and fiscal regulations of the countries in which the company is present;
- Maintaining an adequate level of available liquidity;
- Monitoring future liquidity on the basis of business planning;
- Management believes that the funds and credit lines currently available, in addition to those funds that will be generated from operating and funding activities, will enable the Group to satisfy its requirements resulting from its investing activities and its working capital needs and to fulfil its obligations to repay its debts at their natural due date.

CURRENCY RISK
Reply S.p.A. has a limited exposure to exchange rate risk; therefore, the company does not deem necessary hedging exchange rates.

INTEREST RATE RISK
Reply S.p.A. makes use of external funds obtained in the form of financing and invest in monetary and financial market instruments. Changes in market interest rates can affect the cost of the various forms of financing, including the sale of receivables, or the return on investments, and the employment of funds, causing an impact on the level of net financial expenses incurred by the company.

In order to manage these risks, the Reply S.p.A uses interest rate derivative financial instruments, mainly interest rate swaps, with the object of mitigating, under economically acceptable conditions, the potential variability of interest rates on the net result.

SENSITIVITY ANALYSIS
In assessing the potential impact of changes in interest rates, the company separates fixed rate financial instruments (for which the impact is assessed in terms of fair value) from floating rate financial instruments (for which the impact is assessed in terms of cash flows).
Financial instruments with variable interest rates typically include cash and cash equivalents, financial receivables, and receivables/payables relating to intercompany current accounts (cash pooling) with subsidiaries, as well as a portion of financial liabilities.

A hypothetical, instantaneous and adverse change of 50 basis points in short-term interest rates applicable to variable-rate financial assets and liabilities, receivables factoring transactions, and outstanding interest rate derivatives as at 31 December 2025 would, on an annual basis, result in an increase in pre-tax financial expenses related to financial liabilities of Euro 2,624 thousand and an increase in pre-tax financial income related to financial assets of Euro 2,856 thousand.

This analysis is based on the assumption that there is a general and instantaneous change of 50 basis points in interest rates across homogeneous categories. A homogeneous category is defined on the basis of the currency in which the financial assets and liabilities are denominated.

FAIR VALUE HIERARCHY LEVELS
IFRS 13 establishes a fair value hierarchy that classifies the inputs of the measurement techniques used to measure fair value into three levels. Fair value hierarchy attributes maximum priority to prices quoted (not rectified) in active markets for identical assets and liabilities (Level 1 data) and the non-observable minimum input priority (Level 3 data). In some cases, the data used to assess the fair value of assets or liabilities could be classified on three different levels of the fair value hierarchy. In such cases, the evaluation of fair value is wholly classified on the same level of the hierarchy in which input on the lowest level is classified, taking account its importance for the assessment.

The levels used in the hierarchy are:

- Level 1 inputs are prices quoted (not rectified) in markets active for identical assets and liabilities which the entity can access on the date of assessment;
- Level 2 inputs are variable and different from the prices quoted included in Level 1 observable directly or indirectly for assets or liabilities;
- Level 3 inputs are variable and not observable for assets or liabilities.

The following table presents the assets and liabilities which were assessed at fair value on 31 December 2025, according to the fair value hierarchical assessment level.

(THOUSAND EUROS)	NOTE	LEVEL 1	LEVEL 2	LEVEL 3
Financial securities	26	63,181	-	-
Derivative financial assets (IRS)	26	-	771	-
Total assets		**63,181**	**771**	**-**
Derivative financial liabilities (IRS)	29	-	137	-
Total liabilities		**-**	**137**	**-**

The item Financial securities is related to securities listed on the active stock market and therefore falls under the fair value hierarchical level 1.

To determine the effect of interest rate derivate financial instruments Reply refers to evaluation deriving from third parties (banks and financial institutes). The latter, in the calculation of their estimates made use of data observed on the market directly (interest rates) or indirectly (interest rate interpolation curves observed directly): consequently, for the purposes of IFRS7 the fair value used by Reply for the exploitation of hedging derivatives contracts in existence as at 31 December 2025 re-enters under the hierarchy profile in level 2.

As at 31 December 2025, there have not been any transfers within the hierarchy levels.

NOTE 37 - Significant non-recurring transactions

Pursuant to Consob communication no. 6064293 of 28 July 2006, there were no significant non-recurring transaction during 2025.

NOTE 38 - Transactions resulting from unusual and/or abnormal operations

Pursuant to Consob communication no. 6064293 of 28 July 2006, in 2024 Reply S.p.A. has not taken part in any unusual and/or abnormal operations as defined in that Communication, under which unusual and abnormal transactions are those which because of their significance or importance, the nature of the parties involved, the object of the transaction, the means of determining the transfer price or of the timing of the event (close of the year end) may give rise to doubts regarding the accuracy/completeness of the information in the Financial Statements, conflicts of interest, the safeguarding of the entity's assets or the protection of minority interests.

NOTE 39 - Guarantees, commitments and contingent liabilities

GUARANTEES

Guarantees and commitments where existing, have been disclosed at the item to which they refer.

CONTINGENT LIABILITIES

As an international company, Reply is exposed to numerous legal risks, particularly in the area of product liability, environmental risks and tax matters. The outcome of any current or future proceedings cannot be predicted with certainty. It is therefore possible that legal judgments could give rise to expenses that are not covered, or not fully covered, by insurers' compensation payments and could affect the Company financial position and results.
Instead, when it is probable that an overflow of resources embodying economic benefits will be required to settle obligations and this amount can be reliably estimated, the Company recognises specific provision for this purpose.

NOTE 40 - Emoluments to directors, statutory auditors and key management

The fees of the Directors and Statutory Auditors of Reply S.p.A. for carrying out their respective functions, including those in other consolidated companies, are fully explained in the Annual Report on Remuneration annexed herein in the related table.

NOTE 41 - Events subsequent to 31 december 2025

No significant events were reported after 31 December 2025.

NOTE 42 - Approval of the financial statements and authorization to publish

The financial statements for the year-ended 31 December 2025 were approved by the Board of Directors on March 12, 2026 which approved their publication.

NOTE 43 – Climate change

Climate change represents a global challenge that also affects business activities, influencing employee well-being, the management of operational sites, and energy efficiency. Reply is aware of the importance of adopting measures to reduce its environmental footprint and ensure operational continuity in a context of increasing attention to sustainability. Throughout the year, Reply has implemented initiatives aimed at optimizing energy consumption at its locations, promoting the adoption of renewable energy sources and energy efficiency systems. Additionally, it has promoted sustainable mobility policies for employees, offering remote working options and encouraging the use of low environmental impact vehicles.
To date, the analysis conducted has not highlighted any significant impacts of climate change on the 2025 financial statements, either in terms of operating costs or revenues.

In preparing the financial statements, Reply also assessed the potential effects of climate change on the main accounting estimates, in line with the recommendations of ESMA. Following this analysis, Reply has determined the following:

- Valuation of tangible assets: The company does not hold assets that are subject to significant risks of obsolescence or impairment due to climate factors. Therefore, no significant impacts have been identified on the recoverable value of assets or on the determination of their useful life;
- Impairment losses (IAS 36): No impairment indicators related to climate factors have emerged that would require impairments on business assets;
- Provisions for risks and charges (IAS 37): No current obligations or potential liabilities have been identified arising from environmental regulations or other factors related to the ecological transition;
- Going concern assessment: The company has considered climate risks in its going concern analysis and has not identified any factors that could impair its ability to operate in the foreseeable future.

Despite the absence of significant impacts on current accounting estimates, Reply will continue to monitor regulatory developments and market conditions to promptly adjust its assessments.

NOTE 44 – Impacts related to geopolitical risks and uncertainties

The international macroeconomic environment continues to be characterized by geopolitical tensions and a context of uncertainty linked to regional conflicts, trade dynamics between major economic areas, political instability in certain parts of the world, and volatility in energy and financial markets.

Reply does not operate directly in areas currently affected by armed conflicts or significant geopolitical instability and does not hold production assets or operational structures in countries subject to material international sanctions. Therefore, no significant direct impacts on business continuity or on the ability to generate revenues have been identified.

In general, the main indirect risks related to the geopolitical environment concern potential slowdowns in demand, inflationary pressures, volatility in financial markets, and disruptions in technology supply chains. As at the date of preparation of these financial statements, no effects have been identified that would significantly impact the Company's economic, equity, or financial position.

Management continues to closely monitor developments in the international environment, maintaining appropriate organizational and financial safeguards aimed at ensuring operational flexibility and financial soundness.

The Company has also assessed the potential effects of geopolitical risks and uncertainties on its key accounting estimates, in line with ESMA recommendations. Following this analysis, the Company noted that:

- Property, plant and equipment valuation: no significant impacts arising from geopolitical factors were identified on the determination of the recoverable amount of assets, nor on the estimation of their useful lives;
- Impairment (IAS 36): no impairment indicators directly attributable to geopolitical risks were identified. Any macroeconomic effects have been considered in the forward-looking cash flows used for impairment testing;
- Financial instruments (IFRS 9): the Company assessed the possible effects of geopolitical tensions on credit risk and expected credit losses (ECL) related to trade receivables and other financial assets. As at the reporting date, no significant increases in credit risk were identified that would require material adjustments to value allowances;
- Revenue from contracts with customers (IFRS 15): no significant effects arising from geopolitical uncertainties were identified on revenue recognition, including customers' ability to meet their contractual obligations or the estimation of any variable consideration;
- Provisions (IAS 37): no present obligations or contingent liabilities arising from geopolitical events were identified that would require the recognition of provisions;
- Going concern assessment: the Company also considered geopolitical risks in its going concern assessment and did not identify any factors that would compromise its ability to operate in the foreseeable future.

Despite the absence of significant impacts on accounting estimates as at the reporting date, the Company will continue to monitor developments in the geopolitical and macroeconomic environment in order to promptly update its assessments.

ANNEXED TABLES

Reply S.p.A.

Statement of income pursuant to Consob resolution no. 15519 of 27 july 2006

(EUROS)	2025	OF WHICH WITH RELATED PARTIES	%	2024	OF WHICH WITH RELATED PARTIES	%
Revenues	941,277,247	159,994,351	17.0%	869,223,983	138,927,252	16.0%
Other income	55,665,086	24,936,833	44.8%	25,100,326	21,686,387	86.4%
Purchases	(32,546,274)	(31,284,530)	96.1%	(33,231,687)	(32,255,152)	97.1%
Personnel	(63,898,336)	(10,571,461)	16.5%	(48,423,316)	(10,769,600)	22.2%
Services and other costs	(884,949,745)	(829,121,721)	93.7%	(786,432,221)	(736,914,263)	93.7%
Amortisation and depreciation	(5,029,739)			(4,187,755)		
Other operating (costs)/ income	29,139,121			(28,872,484)		
Operating income (EBIT)	**39,657,360**			**(6,823,153)**		
(Loss)/gain on investments	65,722,346			25,758,250		
Financial loss	(40,509,149)	(9,796,566)	24.2%	(17,369,555)	(12,461,296)	71.7%
Financial income	34,585,766	23,927,682	69.2%	59,294,335	28,925,205	48.8%
Income before taxes	**99,456,324**			**60,859,877**		
Income taxes	(11,336,205)			(10,215,550)		
Net income	**88,120,119**			**50,644,327**		
Net and diluted income per share	*2.36*			*1.35*		

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Statement of financial position pursuant to consob resolution no. 15519 of 27 july 2006

(EUROS)	31/12/2025	OF WHICH RELATED PARTIES	%	31/12/2024	OF WHICH RELATED PAR-TIES	%
Tangible assets	3,111,904			587,762		
Goodwill	86,765			86,765		
Intangible assets	6,008,159			5,102,557		
RoU Assets	4,249,982			4,513,552		
Equity investments	313,106,579			239,166,849		
Other financial assets	472,911,706	470,407,922	99.5%	514,537,724	513,611,011	99.8%
Deferred tax assets	7,063,110			13,021,560		
Non-current assets	**806,538,205**			**777,016,767**		
Trade receivables	576,540,335	255,436,165	44.3%	599,647,726	296,963,502	49.5%
Other receivables and current assets	94,738,116	74,424,193	78.6%	94,883,374	77,575,867	81.8%
Income tax receivables	5,887,977			2,143		
Financial assets	109,144,487	45,116,630	41.3%	93,682,271	50,014,938	53.4%
Cash and cash equivalents	442,604,620			328,234,302		
Current assets	**1,228,915,534**			**1,116,449,816**		
TOTAL ASSETS	**2,035,453,740**			**1,893,466,584**		
Share Capital	4,863,486			4,863,486		
Other reserves	696,017,508			688,087,811		
Net income	88,120,119			50,644,327		
NET EQUITY	**789,001,113**			**743,595,624**		
Financial liabilities	31,865,261			47,217,651		
IFRS 16 financial liabilities	2,294,080			2,773,828		
Employee benefits	16,689,689	15,450,000	92.6%	11,741,984	11,900,000	101.3%
Deferred tax liabilities	173,769			173,769		
Provisions	7,149,463			36,188,584		
Non-current liabilities	**58,172,262**			**98,095,816**		
Financial liabilities	490,724,487	478,411,912	97.5%	410,099,808	392,843,582	95.8%
IFRS 16 financial liabilities	2,047,722			1,777,002		
Trade payables	540,841,763	372,445,047	68.9%	496,563,931	328,551,022	66.2%
Other current liabilities	93,766,393	21,890,353	23.3%	65,394,717	7,261,636	11.1%
Income tax payables	-			26,439,686		
Provisions	60,900,000			51,500,000		
Current liabilities	**1,188,280,365**			**1,051,775,144**		
TOTAL LIABILITIES	**1,246,452,627**			**1,149,870,960**		
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**2.035,453,740**			**1,893,466,584**		

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Statement of cash flows pursuant to Consob resolution no. 15519 of 27 july 2006

EUROS	2025	OF WHICH RELATED PARTIES	%	2024	OF WHICH RELATED PAR-TIES	%
Result	88,120,119			50,644,327		
Income taxes	5,377,756			19,613,363		
Amortization and depreciation	5,029,739			4,187,755		
Other non-monetary expenses/(income)	58,244,453			38,346,862		
Change in trade receivables	20,670,223	44,690,767	216.2%	(27,341,377)	(59,308,756)	216.9%
Change in trade payables	44,277,832	58,493,462	132.1%	19,609,041	20,016,640	102.1%
Change in other assets and liabilities	(29,201,590)	3,538,000	12.1%	(18,810,275)	3,612,320	19.2%
Income tax paid	(19,613,363)			(12,077,006)		
Interest paid	(1,947,689)			(3,559,538)		
Interest cashed	9,020,400			10,994,008		
Net cash flows from operating activities (A)	**179,977,878**			**81,607,162**		
Payments for tangible and intangible assets	(6,334,834)			(5,022,595)		
Payments for financial assets	(152,564,069)			(108,035,824)		
Cash flows from financial assets	77,155,176			27,266,931		
Payments for the acquisition of subsidiaries net of cash acquired	(8,966,795)			(20,000)		
Net cash flows from investment activities (B)	**(90,710,520)**			**(85,811,489)**		
Dividends paid	(42,869,971)			(37,278,236)		
Financing granted	-			13,100,100		
Payments of financial liabilities	(20,204,762)			(25,738,096)		
Change in financial liabilities from ROU IFRS 16	(2,288,945)			1,148,438		
Net cash flows financing activities (C)	**(65,363,678)**			**(48,767,894)**		
Net cash flows (D) = (A)+(B)+(C)	**23,903,680**			**(52,972,221)**		
Cash and cash equivalents at the beginning of the period	(14,594,342)			38,377,880		
Cash and cash equivalents at period end	9,309,339			(14,594,342)		
Total change in cash and cash equivalents (D)	**23,903,680**			**(52,972,221)**		

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Equity investments in subsidiaries with additional information required by Consob (communication no. 6064293 of 28 july 2006)

COMPANY	REGISTERED OFFICE	CURRENCY	SHARE CAPITAL	TOTAL SHAREHOLDERS' EQ-UITY	NET RESULT	INTEREST	CARRYING VALUE AT 31/12/2025
Air Reply S.r.l.	Turin	Euro	10,000	4,002,704	1,276,401	100.00%	1,223,530
Aktive Reply S.r.l.	Turin	Euro	10,000	4,914,599	1,766,208	100.00%	512,696
Arlanis Reply S.r.l.	Turin	Euro	10,000	4,353,983	1,335,950	100.00%	588,000
Atena Reply S.r.l	Turin	Euro	10,000	1,640	(8,360)	100.00%	20,000
Atlas Reply S.r.l.	Turin	Euro	10,000	1,740,358	583,967	100.00%	12,575
Avantage Reply Roma S.r.l.	Turin	Euro	10,000	3,272,722	607,722	100.00%	1,133,184
Blue Reply S.r.l.	Turin	Euro	10,000	38,801,843	23,080,056	100.00%	508,398
Breed Investments Ltd	London	GBP	100	53,076,030	10,710,164	100.00%	1,000
Bridge Reply S.r.l.	Turin	Euro	10,000	2,025,160	848,957	100.00%	1,206,000
Business Reply S.r.l.	Turin	Euro	78,000	11,836,642	5,018,863	100.00%	268,602
Business Reply P.S. S.r.l.	Turin	Euro	10,000	985,959	957,053	100.00%	373,000
Cluster Reply S.r.l.	Turin	Euro	139,116	33,274,954	18,101,368	100.00%	2,530,594
Cluster Roma Reply S.r.l.	Turin	Euro	10,000	3,774,274	1,956,007	100.00%	296,184
Consorzio Reply Public Sector	Turin	Euro	184,500	206,133	83,814	21.41%	39,500
Cognita Reply S.r.l.	Turin	Euro	10,000	12,494	(32,506)	100.00%	45,000
CORE Reply S.r.l.	Turin	Euro	10,000	3,393,317	1,425,636	100.00%	598,018
Data Reply S.r.l.	Turin	Euro	10,000	13,550,966	6,308,716	100.00%	317,662
Discovery Reply S.r.l.	Turin	Euro	10,000	5,955,354	867,292	100.00%	1,311,669
e*finance Consulting Reply S.r.l.	Turin	Euro	34,000	8,169,342	3,665,448	100.00%	3,076,385
Eos Reply S.r.l.	Turin	Euro	200,000	2,85,1677	1,307,103	100.00%	495,369
Forge Reply S.r.l.	Turin	Euro	10,000	34,131	(938,358)	100.00%	1,000
Go Reply S.r.l.	Turin	Euro	50,000	6,677,299	3,279,071	100.00%	1,920,000
Hermes Reply S.r.l.	Turin	Euro	10,000	3,971,300	1,443,924	100.00%	199,500
Hermes Reply Consulting (Nanjing) Co. Ltd.	China	ZTY	7,641,350	23,905,642	3,556,753	100.00%	1,000,000
IrisCube Reply S.r.l.	Turin	Euro	651,735	21,661,030	12,979,636	100.00%	5,601,768
Like Reply S.r.l.	Turin	Euro	10,000	617,437	(35,567)	100.00%	644,317
Logistics Reply S.r.l.	Turin	Euro	78,000	18,755,209	3,125,996	100.00%	1,033,625
Logistics Reply Roma S.r.l.	Turin	Euro	10,000	1,392,116	1,077,403	100.00%	800,542
Net Reply S.r.l.	Turin	Euro	10,000	12,138,619	5,864,258	100.00%	1,635,634
Nexi Digital S.r.l.	Turin	Euro	10,000	669,498	644,332	51.00%	5,100
Open Reply S.r.l.	Turin	Euro	10,000	16,783,407	8,103,326	100.00%	1,625,165
Pay Reply S.r.l.	Turin	Euro	10,000	1,868,629	463,587	100.00%	10,000
Power Reply S.r.l.	Turin	Euro	10,000	16,646,711	7,850,124	100.00%	2,708,264
Protocube Reply S.r.l.	Turin	Euro	10,200	572,192	74,720	100.00%	4,060
Reply Ai Studios S.r.l.	Turin	Euro	10,000	11,009	(23,991)	100.00%	35,000
Reply Belgium SA	Bruxelles	Euro	24,615,000	19,971,439	(832,307)	100.00%	20,800,184
Reply do Brasil Sistemas de Informatica Ltda	Belo Horizonte	$R	650,000	12,498,358	7,403,595	98.50%	206,817
Reply Consulting S.r.l.	Torino Turin	Euro	10,000	5,176,286	2,086,408	100.00%	3,518,434
REPLY DEUTSCHLAND SE	Guetersloh	Euro	120,000	132,012,234	32,627,736	100.00%	57,883,582
Reply Digital Experience S.r.l.	Turin	Euro	29,407	3,370,627	1,827,208	100.00%	4,673,019
Reply Frances Sas	Paris	Euro	10,120,000	55,088,048	19,874,082	100.00%	59,110,000
Reply Inc.	Michigan	USD	35,582,982	25,636,676	19,964,668	100.00%	32,624,285
Reply Ltd.	London	GBP	24,215,720	91,836,314	52,206,829	100.00%	39,691,414
Reply Polska Sp z.o.o.	Katowice	ZTY	40,000	25,649,420	6,887,266	100.00%	10,217
Reply Sarl	Luxembourg	Euro	18,000,000	11,699,574	453,135	100.00%	18,012,000
Reply Services S.r.l.	Turin	Euro	10,000	90,124	2,189,695	100.00%	1,000
Ringmaster S.r.l.	Turin	Euro	10,000	1,725,120	1,628,838	50.00%	5,000
Retail Reply S.r.l.	Turin	Euro	10,000	6,945,756	3,019,763	100.00%	100,000
Santer Reply S.r.l.	Turin	Euro	2,209,500	51,579,959	30,651,222	100.00%	12,521,966
Security Reply S.r.l.	Turin	Euro	50,000	36,883,121	16,230,849	100.00%	412,360
Sense Reply S.r.l.	Turin	Euro	10,000	7,280,091	2,311,661	100.00%	1,015,700
Sensor Reply S.r.l.	Turin	Euro	10,000	477,831	441,740	100.00%	12,800
Shield Reply S.r.l.	Turin	Euro	10,000	161,359	145,380	100.00%	546,000
Spark Reply S.r.l.	Turin	Euro	10,000	726,734	487,866	100.00%	1,042,500
Sprint Reply S.r.l.	Turin	Euro	10,000	4,882,736	2,542,527	100.00%	155,000
Storm Reply S.r.l.	Turin	Euro	10,000	16,072,780	6,675,464	100.00%	986,000
Storm Reply Roma S.r.l.	Turin	Euro	10,000	1,650,826	1,075,019	100.00%	10,000
Syskoplan Reply S.r.l.	Turin	Euro	32,942	5,137,917	2,758,399	100.00%	949,572
Syskoplan CX Reply S.r.l.	Turin	Euro	10,000	2,821,139	1,172,845	100.00%	106,000
Sytel Reply S.r.l.	Turin	Euro	115,046	16,709,612	2,185,057	100.00%	3,887,596
Sytel Reply Roma S.r.l.	Turin	Euro	10,000	18,133,226	8,581,289	100.00%	894,932
Target Reply S.r.l.	Turin	Euro	10,000	10,557,295	4,793,877	100.00%	600,338
TamTamy Reply S.r.l.	Turin	Euro	10,000	5,393,172	1,807,432	100.00%	293,471
Technology Reply S.r.l.	Turin	Euro	79,743	21,868,919	13,441,495	100.00%	216,658
Technology Reply Roma S.r.l.	Turin	Euro	10,000	3,846,797	1,037,112	100.00%	10,000
Technology Reply S.r.l.	Bucharest	RON	44,000	779,400	2,929,211	100.00%	9,919
Tender Reply S.r.l.	Turin	Euro	10,000	61,800	6,943	100.00%	10,000
Whitehall AI Reply S.r.l.	Turin	Euro	10,000	2,389,154	1,823.338	100.00%	10,000
Whitehall Reply S.r.l.	Turin	Euro	21,224	5,795,422	3,364,955	100.00%	160,212
WM Reply S.r.l.	Turin	Euro	10,000	1,767,686	1,195,902	100.00%	494,865
Xenia Reply S.r.l.	Turin	Euro	10,000	1,351,746	974,387	100.00%	380,000
Xister Reply S.r.l.	Turin	Euro	10,000	5,067,930	244,955	100.00%	9,150,465

Details of shareholders' equity stated according to origin, possibility of utilization, possibility of distribution, availability and the utilization in the previous three fiscal years

				SUMMARY OF THE AMOUNT USED IN THE PRIOR THREE FISCAL YEARS	
NATURE/DESCRIPTION	AMOUNT	POSSIBILITY OF UTILIZA-TION	AVAILABLE	FOR COVERAGE OF LOSSES	OTHER
Capital	4,863,486				
Capital reserves					
Reserve for treasury share	17,122,489				
Reserve for share premium	-	A,B,C	-		
Reserve for purchase of treasury shares	43,391,072	A,B,C	43,391,072		
Income reserves					
Legal reserve	972,697	B			
Extraordinary reserve	252,626,538	A,B,C	252,626,538		
Surplus merger reserve	6,347,964	A,B,C	6,347,964		
Retained earnings	674,740	A,B,C	674,740		
Reserve for purchase of treasury shares	389,486,439	A,B,C	389,486,439		
Total			**692,526,754**		
Not available amount			**-**		
Residual available amount			**692,526,754**		

Reserves from transition to IAS/ IFRS	
FTA reserve	303,393
Retained earnings	2,147,961
Reserve for cash flow hedge	400,477
Reserve for treasury share	(17,122,489)
IAS reserve	436,675
Accounting expenses according to IAS 32	(770,448)
	(14,604,431)

Legend
A: for share capital increase
B: for coverage of losses
C: distribution to shareholders

Disclosures pursuant to article 149-duodecies by consob

The following table, prepared in accordance with Art. 149-duodecies of the Regolamento Emittenti issued by Consob, reports the amount of fees charged in 2025 for the audit and audit related services provided by the Audit Firm and by entities that are part of the Audit Firm network. There were no services provided by entities belonging to its network.

(EUROS)	SERVICE PROVIDER	2025 FEES
Audit	PwC S.p.A.	48,601
Audit related services	PwC S.p.A. (1)	21,617
	PwC S.p.A. (2)	121,800
Total		**192,018**

(1) Attestation of tax forms (tax return, IRAP and Form 770) and other
(2) Sustainability Report Attestation

ATTESTATION OF THE FINANCIAL STATEMENTS IN ACCORDANCE WITH ARTICLE 81-TER OF CONSOB REGULATION NO. 11971 OF 14 MAY 1999 AND SUBSEQUENT AMENDMENTS AND ADDITIONS

The undersigned, Mario Rizzante, in his capacity as Chairman and Chief Executive Officer, and Giuseppe Veneziano, Director in charge of financial reporting, hereby attest, pursuant to the provisions of Article 154-bis, paragraphs 3 and 4, of Legislative Decree no. 58 of 24 February 1998:

- suitability with respect to the Company's structure and
- the effective application of the administration and accounting procedures applied in the preparation of the financial statements for the year ended 2025.

The assessment of the adequacy of administrative and accounting procedures used for the preparation of the statutory financial statements at 31 December 2025 was carried out on the basis of regulations and methodologies defined by Reply prevalently coherent with the Internal Control – Integrated Framework model issued by the Committee of Sponsoring Organisations of the Treadway Commission, an internationally-accepted reference framework.

The undersigned also certify that:

1 the Financial Statements

- have been prepared in accordance with International Financial Reporting Standards, as endorsed by the European Union pursuant to Regulation (EC) No. 1606/2002 of the European Parliament and Council, dated 19 July 2002;
- correspond to the amounts shown in the Company's accounts, books and records;
- provide a fair and correct representation of the financial conditions, results of operations and cash flows of the Company.

2 the Report on operations includes a reliable operating and financial review of the Company, as well as the situation of the issuer and a description of the main risks and uncertainties to which they are exposed.

Turin, 12 March 2026

/s/ Mario Rizzante
Chairman and Chief Executive Officer
Mario Rizzante

/s/ Giuseppe Veneziano
Director in charge of financial reporting
Giuseppe Veneziano

REPORT OF THE BOARD OF STATUTORY AUDITORS TO THE SHAREHOLDERS' MEETING

Pursuant to Art. 153 Of legislative decree no. 58/1998 and Art. 2429, Co. Paragraph 2 of the italian civil code regarding the separate financial statements and the consolidated financial statements as of December 31, 2025

Dear Shareholders,
Pursuant to Article 153 of Legislative Decree No. 58/1998, and in compliance with the applicable regulations, the Board of Statutory Auditors is required to report to the Shareholders' Meeting on the supervisory activities carried out during the year, on any omissions and censurable facts identified, and may make observations and proposals regarding the financial statements, their approval, and matters within its remit.

During the financial year, the Board of Statutory Auditors carried out its supervisory duties in accordance with the Italian Civil Code, Legislative Decree No. 58/1998 (the "Consolidated Law on Finance – "TUF"), Legislative Decree No. 39/2010, the Company's bylaws, and the regulations issued by the relevant supervisory and regulatory authorities, also taking into account the principles of conduct recommended by the Italian National Council of Chartered Accountants and Accounting Experts.

In particular, the Board of Statutory Auditors monitored: (i) compliance with the law and the articles of association, (ii) adherence to the principles of sound management, (iii) the adequacy of the Company's organizational structure, internal control and risk management system, and administrative- and accounting system, as well as the reliability of the latter in correctly representing the underlying transactions and events, (iv) the manner in which the corporate governance rules adopted by the Company to comply with the Corporate Governance Code for Listed Companies have been implemented, (v) the adequacy of the instructions given to subsidiaries pursuant to Article 114, paragraph 2 of the Consolidated Law on Finance (TUF), and (vi) the obligations relating to sustainability reporting under Legislative Decree No. 125/2024. For certain aspects (financial reporting process, internal control system, independent audit of the financial statements and auditor independence), reference is made to what is described in greater detail in the section dedicated to the functions of the Board of Statutory Auditors as the Internal Control and Audit Committee.

In carrying out its supervisory activities, the Board of Statutory Auditors referred to the Rules of Conduct for the Board of Statutory Auditors of Listed Companies, in particular adopting a risk-based approach that enabled it to focus its activities on the most significant aspects of the Company's management.

Supervisory activities pursuant to Legislative Decree No. 39/2010, implementing Directive 2006/43/EC on the statutory audits of annual and consolidated financial statements.

The Board of Statutory Auditors, in its capacity as the Internal Control and Audit Committee, monitored the financial reporting process, the effectiveness of the internal control, internal audit and risk management systems, the statutory audit of the financial statements and the independence of the audit firm, in line with Article 19 of Legislative Decree No. 39/2010.

The independent auditors, who met periodically with the Board of Statutory Auditors in compliance with Article 150, paragraph 3, of the TUF for the purpose of exchanging relevant information, did not report any acts or facts deemed censurable, nor any irregularities requiring specific notifications pursuant to Article 155, paragraph 2, of the TUF.

During these meetings, particular attention was focused on the application of impairment testing to equity investments and goodwill arising from corporate acquisitions. The Board of Statutory Auditors notes that the Company's Board of Directors approved, during its meeting of February 12, 2026, an update to the impairment procedure.

The Control and Risk Committee reviewed the results of the impairment test as at December 31, 2025, prepared in accordance with the aforementioned procedure. The Board of Directors had previously approved the 2026 to 2028 financial projections specifically prepared for the purpose of performing the test and, in a subsequent meeting, approved the results of the application of the impairment procedure.

The Board of Statutory Auditors also held a meeting with the Quality Review Partner of PricewaterhouseCoopers S.p.A., responsible for the relevant activities concerning the Reply Group. During the meeting, all activities carried out in relation to the quality control of the audit process for the Reply Group were presented to the Independent Auditors.

The Board of Statutory Auditors also acknowledged the 2025 Transparency Report prepared by the audit firm, published on its website pursuant to Article 13 of EU Regulation No. 537/2014.

The Board of Statutory Auditors confirms that it has carried out its duties regarding the assignment to the audit firm of services other than the audit services of the financial statements, which were, following careful analysis, previously authorized by the Board itself.

Supervisory activities on the sustainability reporting process.

The Board of Statutory Auditors monitored compliance with the provisions set out in Legislative Decree No. 125 of 6 September 6, 2024, in particular with regard both to the process of preparing the sustainability report and to the limited assurance activities carried out by PricewaterhouseCoopers S.p.A. This activity was conducted through meetings with the relevant corporate functions and through discussions with the firm appointed to carry out the statutory audit of the financial statements.

The sustainability report as at December 31, 2025 was prepared in accordance with Legislative Decree No. 125/2024 and the applicable reporting standards; it was subject to limited assurance procedures performed by the audit firm, which issued an attestation of compliance with the applicable regulations.

In this context, the Board of Statutory Auditors notes that, at present, environmental aspects have a limited impact on the Group, given the predominantly service-based nature of its activities, and refers, with regard to the governance framework, to the considerations set out in Chapter 13 of this Report.

With reference to social aspects, the Board of Statutory Auditors observes that Reply's core activity, as described in its institutional communications, is focused on developing and providing clients with high-valued professional digital expertise and solutions. From this perspective, the Group's core business—by nature strongly knowledge-based and human capital intensive—, translates not only into a structural contribution to the creation of skilled employment and the development of distinctive competencies, but also into support for clients' growth and innovation, with positive effects throughout the broader economic and social value ecosystem in the contexts in which the Company operates.

Self-assessment of the Board of Statutory Auditors.

During the first months of 2026, the Board of Statutory Auditors carried out the annual self-assessment process, the results of which are to be submitted to the Board of Directors so that it may include the relevant conclusions in the Report on Corporate Governance and Ownership Structure.
To this end, the Board of Statutory Auditors requested and obtained information from its individual members, collected individual statements, and prepared a questionnaire with reference to the document "Self-assessment of the Board of Statutory Auditors – Rules of conduct for the Board of Statutory Auditors of Listed Companies – Rule Q.1.1", issued by the Italian National Council of Chartered Accountants and Accounting Experts, as referred to in Rule Q.1.7 of the new Rules of Conduct for the Board of Statutory Auditors of Listed Companies of December 2024.
During the self-assessment activities, the Board of Statutory Auditors verified and confirmed that all its members continue to meet:

- the independence requirements set out both by law (Article 148, paragraph 3, TUF) and by the Corporate Governance Code (Article 2, recommendation No. 7). The Board of Statutory Auditors has adopted its own Code of Conduct aimed at identifying appropriate corrective measures to adequately address any circumstances that may compromise the independence of its members. During the financial year, no circumstances arose that required the activation of the measures provided for in the aforementioned Code of Conduct;
- the requirements of professionalism, integrity, competence and experience pursuant to Articles 1 and 2 of Ministerial Decree No. 162 of March 30, 2000 issued by the Ministry of Justice;
- the requirements set out in the Company's bylaws.

It was also verified that each member of the Board of Statutory Auditors continues to comply with the applicable regulations concerning limits on the number of offices held.
In light of the information available, the Board of Statutory Auditors has therefore assessed its composition as adequate, with reference to the requirements of professionalism, diversity, competence, integrity and independence set out by the applicable regulations.

* * *

In light of the above, the information required under the provisions set out in Consob Communication No. DEM 1025564 of April 6, 2001, as subsequently amended, is provided below.

1. SIGNIFICANT ECONOMIC, FINANCIAL AND BUSINESS TRANSACTIONS
We have obtained timely and adequate information from the Executive Directors regarding the most significant economic, financial and business transactions carried out by the Company and/or its subsidiaries during the financial year or after the close of the financial year.

These transactions, on which the Board of Statutory Auditors has no observations, are not manifestly imprudent or risky, do not give rise to potential conflicts of interest, are not in contrast with resolutions adopted by the Shareholders' Meeting, and are not such as to compromise the integrity of the Company's assets.

2. ANY ATYPICAL AND/OR UNUSUAL TRANSACTIONS, INCLUDING INTRA-GROUP AND RELATED-PARTY TRANSACTIONS
The documents submitted for your approval, the information received during meetings of the Board of Directors, and that received from the Chairman and the Chief Executive Officer, from management, from the Boards of Statutory Auditors (where present) of companies directly controlled by Reply S.p.A., and from the statutory independent auditors, did not reveal the existence of atypical and/or unusual transactions, including intra-group or related-party transactions, carried out during the 2025 financial year or after the close of the financial year.

With reference to intra-group transactions, it is noted that during the 2025 financial year Reply S.p.A.:
- purchased professional services from Group companies related to revenues from contracts entered into with third-party customers;
- provided guarantees in favour of subsidiaries;
- granted subsidiaries loans not earmarked for a specific purpose to support their activities;
- provided subsidiaries with strategic management direction, administrative services, marketing and quality management services, and general management services;
- centrally managed the Group treasury of Italian companies through intercompany current accounts held in the name of individual subsidiaries;
- granted Group companies the right to use the "REPLY" trademark owned by it;
- purchased "office facility services" (provision of equipped office space and secretarial services) from subsidiaries.

Transactions with other related parties during 2025 mainly concern remuneration of directors, statutory auditors, and key management personnel, as well as "office services" relating to the use of the Turin headquarters building at Corso Francia 110, provided by Alika S.r.l.
For these transactions, the Procedure for Related Party Transactions was not applied, as they qualify as exempt transactions under Articles 4.1 and 4.4 of the Procedure.

3. INFORMATION PROVIDED IN THE MANAGEMENT REPORT ON ATYPICAL AND/OR UNUSUAL TRANSACTIONS, INCLUDING INTRA-GROUP AND RELATED-PARTY TRANSACTIONS
The information provided by the Directors in the Report on Operations to the financial statements as at December 31, 2025, in the explanatory notes and in the schedules attached to the consolidated financial statements of the Reply Group and to the separate financial statements of Reply S.p.A. as at December 31, 2025, regarding transactions of significant economic, financial and business relevance, as well as the receivables and payables with subsidiaries, associates and related parties, is adequate.

The Report on Operations, the information received during meetings of the Board of Directors, and the information provided by the Chairman and the Chief Executive Officers, by management, by the control bodies, where present, of the subsidiaries, and by the statutory independent auditors, did not reveal the existence of any atypical and/or unusual transactions, including intra-group transactions or those with related parties, carried out during the financial year or after the close of the financial year.

4. OBSERVATIONS AND PROPOSALS REGARDING THE REMARKS AND DISCLOSURES CONTAINED IN THE STATUTORY INDEPENDENT AUDITORS' REPORT
The Board of Statutory Auditors examined the following reports prepared by the statutory independent auditors PricewaterhouseCoopers S.p.A.:
- the reports on the audit of the separate financial statements and on the audit of the consolidated financial statements issued on the date hereof pursuant to Article 14 of Legislative Decree No. 39/2010 and Article 10 of Regulation (EU) No. 537/2014;
- the report on the compliance of the consolidated sustainability reporting issued on the date hereof pursuant to Article 14-bis of Legislative Decree No. 39/2010;
- the additional report issued on the date hereof pursuant to Article 11 of the aforementioned Regulation to the Board of Statutory Auditors in its capacity as Internal Control and Audit Committee.

The above reports state that:
- the separate and consolidated financial statements of the Reply Group have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International

Accounting Standards Board and adopted by the European Union, in force as December 31, 2025, as well as in compliance with the provisions issued pursuant to Article 9 of Legislative Decree No. 38/2005 and subsequent amendments and additions;

- the separate and consolidated financial statements of the Reply Group give a true and fair view of the financial position, results of operations and cash flows for the financial year ended December 31, 2025;
- the separate and consolidated financial statements have been prepared in XHTML format in accordance with Commission Delegated Regulation (EU) 2019/815 concerning regulatory technical standards on the specification of a single electronic reporting format (ESEF – European Single Electronic Format);
- no matters have come to the attention of the audit firm that would lead it to believe that:
  - the consolidated sustainability reporting of the Reply Group for the year ended December 31, 2025 has not been prepared, in all material respects, in accordance with the reporting standards adopted by the European Commission pursuant to Directive (EU) 2013/34/EU (European Sustainability Reporting Standards, "ESRS");
  - the information contained in the paragraph "Information pursuant to Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation)" of the consolidated sustainability report has not been prepared, in all material respects, in accordance with Article 8 of Regulation (EU) No. 852 of 18 June 18, 2020 ("Taxonomy Regulation").

Furthermore, in the opinion of the statutory independent auditors, the Report on Operations and the information required by Article 123-bis, paragraph 4, of the TUF included in the Report on Corporate Governance and Ownership Structure are consistent with the financial statements.

With regard to the possible identification of material misstatements in the Report on Operations (Article 14, paragraph 2, letter e) of Legislative Decree No. 39/2010), the independent auditors stated that there is nothing to report.

With reference to the additional report issued pursuant to Article 19 of Legislative Decree No. 39/2010, the Board of Statutory Auditors verified that it includes:

- the main aspects of the audit;
- the materiality levels for the consolidated and separate financial statements;
- the audit plan;
- the scope and method of consolidation;
- the audit methodology and valuation methods applied in the consolidated and separate financial statements;
- the areas of focus relating to the consolidated and separate financial statements;
- the activities carried out by the audit team.

In the same document, the statutory independent auditors also stated that no significant audit differences were identified in the consolidated and separate financial statements, nor were any significant deficiencies identified in the internal control system in relation to the financial reporting process; they listed the mandatory communications made to the corporate bodies and confirmed that, from the checks on the proper maintenance of accounting records and the correct recording of management events in the accounting books, no significant matters emerged to be reported.

The Board of Statutory Auditors examined the declaration of independence of the statutory independent auditors, pursuant to Article 17 of Legislative Decree No. 39/2010, issued on the date hereof, which does not indicate any circumstances that may have compromised their independence or any causes of incompatibility pursuant to Articles 10 and 17 of the same decree and the related implementing provisions.

5. COMPLAINTS PURSUANT TO ARTICLE 2408 OF THE ITALIAN CIVIL CODE

The Board of Statutory Auditors did not receive any communications and/or complaints, including those qualifying under Article 2408 of the Italian Civil Code, during the financial year or after the close of the financial year.

6. SUBMISSION OF COMPLAINTS

The Company's Directors did not report any complaints addressed to them during the financial year or after the close of the financial year.

7. ANY ASSIGNMENT OF ADDITIONAL ENGAGEMENTS TO THE STATUTORY AUDIT FIRM AND RELATED COSTS

During 2025, in addition to the statutory audit of the financial statements as of December 31, 2025, the following assurance engagements were assigned to PricewaterhouseCoopers S.p.A.:

ASSIGNMENTS	FEE €/000
Sign off of the Unico, IRAP and 770 tax returns for Reply S.p.A.	3.6
Agreed-upon procedures aimed at verifying the document "GHG Inventory – Statement on 2023 GHG Emission" of the Reply Group ("GHG Statement") drafted by Reply S.p.A.	10.0
Limited review of Sustainability Reporting pursuant to Legislative Decree 125/2024 of the Reply Group	121.8
Sign off of the Unico, IRAP and 770 tax returns for Rep for Reply S.p.A.'s subsidiaries	46.0
Agreed-upon verification procedures focused on the competencies declared by Reply S.p.A. for the five-year period 2020–2024 relating to "Help Desk/Service Desk" services, for the purposes of the tender launched by Snam (Ref. SN_2024_12_101424 – Lot 3: SN_2024_12_101432 – Service Desk).	5.5
Agreed-upon verification procedures focused on the schedule reporting the specific revenues declared by Reply S.p.A. in relation to the services provided by the same in the years 2021, 2022 and 2023, and declared within the open tender procedure pursuant to Article 71 of Legislative Decree no. 36/2023 for the award of application maintenance, corrective and evolutionary maintenance, and strategic consulting services on the business intelligence IT systems of the Tea Group (SPECIAL SECTORS – CIG B4F60C5C64).	2.5
Agreed-upon verification procedures focused on the schedule reporting the specific revenues declared by Power Reply S.r.l. in relation to the services provided by the same in the years 2021, 2022 and 2023, and declared within the open tender procedure pursuant to Article 71 of Legislative Decree no. 36/2023 for the award of application maintenance, corrective and evolutionary maintenance, and strategic consulting services on the business intelligence IT systems of the Tea Group (SPECIAL SECTORS – CIG B4F60C5C64).	2.5
Agreed-upon verification procedures focused on the schedule reporting the specific revenues declared by the Reply Public Sector Consortium in relation to the services provided by the Consortium for the years 2020, 2021 and 2022, and declared within the open tender procedure for the conclusion of framework agreements, pursuant to Legislative Decree no. 50/2016, as amended and supplemented, concerning the award of Data Management services and demand and PMO services for Public Administrations – ID Sigef 2566, lots 1, 2, 3, 4, 5 and 6.	5.0
Agreed-upon verification procedures focused on the schedule reporting the specific revenues declared by Whitehall Reply S.r.l. in relation to the services provided by Whitehall Reply S.r.l. for the years 2020, 2021 and 2022, and declared within the open tender procedure for the conclusion of framework agreements, pursuant to Legislative Decree no. 50/2016, as amended and supplemented, concerning the award of Data Management services and demand and PMO services for Public Administrations – ID Sigef 2566, lots 1, 2, 3, 4, 5 and 6.	3.0
Agreed-upon verification procedures focused on the schedule reporting the specific revenues declared by Santer Reply S.r.l. in relation to the services provided by Santer Reply S.r.l. for the years 2020, 2021 and 2022, and declared within the open tender procedure for the conclusion of framework agreements, pursuant to Legislative Decree no. 50/2016, as amended and supplemented, concerning the award of Data Management services and demand and PMO services for Public Administrations – ID Sigef 2566, lots 1, 2, 3, 4, 5 and 6.	11.5
Agreed-upon and targeted verification procedures concerning the competencies declared by Santer Reply S.r.l. in relation to software and hardware subscriptions and maintenance in place as at 30 September 2025, which have a residual value as at 31 March 2026, related to the services provided by Santer Reply S.r.l., as executing consortium member of the Reply Public Sector Consortium, to Aria S.p.A. (Regional Company for Innovation and Procurement) under contract ARIA 692/19.	2.0
Tax credit certifications for Research and Development of Forge Reply, Logistics Reply and Santer Reply.	62.0

8. ANY ASSIGNMENT OF ENGAGEMENTS TO ENTITIES WHICH ARE PART OF THE NETWORK OF THE STATUTORY INDEPENDENT AUDIT FIRM AND RELATED COSTS
During the financial year, no engagements were assigned to entities which are part of the network of PricewaterhouseCoopers S.p.A. through ongoing relationships and/or to entities belonging to its network.

9. INDICATION OF OPINIONS ISSUED PURSUANT TO LAW DURING THE FINANCIAL YEAR
During the financial year, the opinions requested from the Board of Statutory Auditors as required by law were issued.

10. INDICATION OF THE FREQUENCY AND NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS AND THE BOARD OF STATUTORY AUDITORS
During the 2025 financial year, the Board of Directors held 5 meetings and the Board of Statutory Auditors held 16 meetings.

The Control and Risk Committee of the Board of Directors met 4 times, the Remuneration Committee met 2 times, the Sustainability Committee met 2 times, the AI Ethics Committee met 3 times, and the Related Party Transactions Committee met once.
The Board of Statutory Auditors attended the meetings of the Board of Directors and, through its Chairman, the meetings of the Control and Risk Committee and the Remuneration Committee.

11. OBSERVATIONS ON COMPLIANCE WITH PRINCIPLES OF SOUND MANAGEMENT
The Board of Statutory Auditors, having attended the meetings of the Board of Directors and based on the information obtained therein, confirms—without prejudice to any assessment of the merits or convenience of the decisions taken—that the transactions carried out and to be carried out by the Company, as resolved by the Board of Directors, were conducted in accordance with principles of sound management, comply with the law and the Company's bylaws, are not in conflict with shareholders' resolutions, do not jeopardize the integrity of the Company's assets, and were adequately supported by processes of information, analysis and verification.

The Board of Statutory Auditors notes that the technology and digital services sector is subject to discontinuity factors, particularly related to the increasing spread of artificial intelligence solutions capable of affecting service delivery models, the composition of human capital employed, pricing logic for more replicable activities, and, more generally, the competitive dynamics of the sector.
At present, it is not possible to predict whether these aspects, although set within a context of significant development opportunities described in the Report on Operations, may also impact, over time, the Company's operating models and activities.

12. OBSERVATIONS ON THE ADEQUACY OF THE ORGANIZATIONAL STRUCTURE
The Board of Statutory Auditors assessed the timeliness of updates and the completeness of the organizational structure, as well as its alignment with business and governance needs in terms of both professional expertise and the ability to achieve strategic and operational objectives, also taking into account the adequacy of the delegation system and the principles of appropriate "separation of duties."

In this regard, the Board of Statutory Auditors monitored the adequacy of the composition, size and functioning of the Board of Directors and its internal committees, attending meetings and analysing the documentation produced by these bodies; in its collective view, it has no observations to make.
Following requests made within the Board of Directors for enhanced reporting on management activities, management, after internal assessment, decided to provide such information when deemed necessary in relation to specific events or contingencies or upon specific request from Directors. Periodic reporting therefore continued to focus, in addition to interim financial results approved quarterly by the Board of Directors, primarily on the most significant economic, financial and business transactions carried out within the Group, particularly internal Group reorganizations.
The Board of Statutory Auditors also held specific meetings with the top management of the parent company and the Regions.

The Board of Statutory Auditors further notes that:
- the Chairman of the Company holds executive powers substantially similar to those of the Chief Executive Officer;
- the broad scope of these powers gives their holders substantial autonomy in executive management capacity without Board of Directors resolutions for transactions not considered "price sensitive" under applicable law; during the financial year, none of the transactions carried out by Executive Directors were classified as price sensitive and therefore submitted for Board of Directors approval;
- such executive autonomy, in the absence of an industrial strategic plan approved by the Board of Directors, results in strategic direction being effectively set by management.

The above, in the Board of Statutory Auditors' opinion, overall limits the Board of Directors' ability to exercise its guiding role in setting strategic direction, as also recommended by the Corporate Governance Code—, particularly in defining the Company's and Group's strategies and monitoring their implementation. In this context, while recognizing the essential role played by Executive Directors in driving the Company's and Group's success, the Board of Statutory Auditors looks forward to the approval of a strategic plan resulting from Board of Directors discussion and contribution, which will enable the Board of Directors to fully exercise its strategic guidance role, as recommended by the Corporate Governance Code, and to better assess the results delivered under the extensive powers granted to the Chairman and the Chief Executive Officer.

In this regard, the Board of Statutory Auditors positively assesses the evolution of the Company's Enterprise Risk Management (ERM) model, which is undergoing continuous improvement and refinement. This evolution represents a significant first step toward greater involvement of the Board of Directors in the strategic process, enabling it not only to exercise more effective oversight of management decisions but also to take on a more active role in defining corporate strategies.

In this context, the Board of Statutory Auditors expresses the wish that this evolutionary path will lead to a transition from an annual project-based exercise to a continuous process characterized by the progressive integration of the risk management process with managerial decision-making and with the guiding role of the Board of Directors, thereby strengthening its contribution to defining medium- to long-term strategic directions and assessing the effectiveness of the strategies adopted. From this perspective, it would be appropriate to reassign responsibility for the internal control system—currently held by the CFO, to the Chief Executive Officer or the Chairman, as provided for by the Corporate Governance Code.

In accordance with recommendation No. 13 of the Corporate Governance Code, the Board of Directors has appointed a Lead Independent Director since 2021.

The Board of Statutory Auditors also reviewed the documentation relating to the other components of Reply S.p.A.'s overall organizational structure and has noted over time the existence of:

- an organizational chart and related corporate documentation outlining the organizational structures;
- a system of delegated powers exercised consistently with the roles and authorities assigned to each of the functions/committees involved;
- established corporate practices for the exercise of governance by Reply S.p.A. within its functions of direction, coordination and control over its subsidiaries, primarily carried out through: (i) centralized functions overseeing the main activities deemed sensitive for the Group (Human Resources, Communication, Management Control, Innovation), (ii) continuous business monitoring by top management, and (iii) the presence of top management on the Boards of Directors of the subsidiaries;
- internal regulations governing the activities of each managerial function, largely based on the ISO 9000 procedural model.

Overall, based on the above analysis, these additional components of the organizational structure appear to be based on structured and effective management practices.

13. OBSERVATIONS ON THE ADEQUACY OF THE INTERNAL CONTROL SYSTEM

The Board of Statutory Auditors, having taken note of the resolutions adopted by the Board of Directors and reported in the Report on Corporate Governance and Ownership Structure regarding the adequacy and effective functioning of the internal control system, examined the 2025 reports of the Internal Audit function.

In particular, the Board of Statutory Auditors notes that:

- during the financial year, the necessary functional and information link was maintained among the Head of Internal Audit, the Control and Risk Committee and the Supervisory Body regarding the performance of their respective assessment, oversight and control duties, within their areas of competence, concerning the adequacy, effectiveness and proper functioning of the internal control and risk management system, as well as the results of the audit activities carried out by the Internal Audit function in accordance with the audit plan approved by the Board of Directors and the risk assessment performed by the Company with the support of a specialized Reply Group company;
- the Company described in the Report on Corporate Governance and Ownership Structure the main characteristics of the internal control and risk management system and the coordination mechanisms among the parties involved, indicating the relevant national and international models and best practices;
- the annual risk assessment was carried out, involving the relevant corporate functions and leading to the identification of the main business risks;
- the Head of Internal Audit periodically updated the Board of Statutory Auditors on the activities performed and the main findings of the controls carried out, without identifying any corrective actions.

The documents presented during the periodic information exchanges with the Board of Statutory Auditors summarized the results of the audits. The Board of Statutory Auditors noted that the Internal Audit analysis of the overall Internal Control and Risk Management System, for the purpose of assessing its adequacy, had been carried out and that the report of the Head of the function did not highlight any unresolved critical issues as of the date of this report.

Starting from the 2025 financial year, the Reply Group falls within the scope of the new European regulations on the security of network and information systems (NIS2) and, as a third-party ICT provider, is indirectly involved in regulations concerning digital operational resilience in the financial sector (DORA). In addition, Reply falls within the scope of the regulation on artificial intelligence (AI Act). The Company has launched specific projects to comply with these requirements, with particular focus on strengthening organizational, procedural and internal control safeguards, and continues to progressively align with the applicable regulatory frameworks. The Board of Statutory Auditors monitored the implementation status of these projects through periodic meetings with the relevant managers.

With particular regard to the AI Act, implementation activities are ongoing, taking into account the phased timelines set by the regulation and possible developments arising from related European regulatory measures.

Within the ERM project, the Board of Directors assessed the residual risk level remaining after the implementation of these measures and considered it, at present, consistent with the overall risk profile of the Group. It is understood that such assessment, in line with the inherent limitations of any risk mitigation system, cannot entirely exclude the possibility of specific events that may not be detected by the adopted measures, also considering the complexity and continuous evolution of the regulatory framework. The Board of Statutory Auditors has verified and received assurance from management that the Company remains committed to monitoring these developments and strengthening its compliance safeguards where necessary, in a continuous improvement perspective.

As part of its supervisory activities, the Board of Statutory Auditors also assessed the current effectiveness of the Group's quality, environmental, health and safety as well as energy management systems currently in place within the Reply Group.

No particular critical issues emerged from these reviews, and the integrated quality, environmental and safety management system is considered by the competent parent company function to be effective in its actual operation and adequate.

The Board of Statutory Auditors also found that the Company has implemented, within its internal processes, the measures required by the Data Protection Authority and operates in substantial compliance with Regulation (EU) No. 679 of April 27, 2016 (GDPR), Legislative Decree No. 196 of 30 June 30, 2003, as amended by Legislative Decree No. 101 of August 10, 2018, and other applicable regulations on personal data protection.

During the financial year, the Board of Statutory Auditors carried out specific supervisory activities on the adequacy and functioning of the organizational, management and control model pursuant to

Legislative Decree 231/2001, through periodic meetings, as previously indicated, with the Chairman of the Supervisory Body and by examining the results of the checks performed by Internal Audit.

Following the extension of the catalogue of predicate underlying offences, which now includes, among others, market abuse offences, the Company has initiated a gradual update of the model, coordinated with ongoing AI Act projects: the analysis conducted for AI Act purposes focuses on the protection of individual rights and the ethical use of artificial intelligence solutions, while a specific mapping of AI processes and applications is still underway. Although these present a limited risk profile under the AI Act, they require a dedicated assessment from the perspective of potential impacts related to market abuse. The outcomes of this activity will form the basis for the possible introduction of specific protocols and safeguards within the Model 231.

The Board of Statutory Auditors received information on reports submitted through the Whistleblowing channel and obtained assurance from the Supervisory Body that, following its preliminary assessments, the Company promptly implemented the necessary corrective actions.

Overall, while sharing and appreciating the initiatives undertaken by management in the areas of Risk Management and Internal Control System, the Board of Statutory Auditors recommends the timely completion of their implementation with a view to progressively increasing their level of maturity. In particular, with reference to the Internal Audit plan, the Board of Statutory Auditors notes that it is still predominantly focused on compliance issues, while acknowledging the increasing attention paid to operational matters, as recommended by the external quality review (EQR) conducted in 2021 regarding compliance with the International Standards for the Professional Practice of Internal Auditing.

In this regard, the Board of Statutory Auditors encourages the Internal Audit Function to complete the multi-year process aimed at full alignment with international standards and greater compliance with the specific recommendations of the Corporate Governance Code to which the Company adheres. This is particularly relevant with respect to the integration of the risk assessment upstream of the audit plan with the Enterprise Risk Management (ERM) process, ensuring a consistent approach in the selection of areas of intervention.

14. OBSERVATIONS ON THE ADMINISTRATIVE AND ACCOUNTING SYSTEM

The Board of Statutory Auditors reviewed the internal regulations relating to the internal control system over financial reporting, that is, the set of activities for identifying risks/ and controls and the procedures adopted to ensure, with reasonable assurance, the achievement of the objectives of accuracy, reliability, fairness and timeliness of financial reporting. This system constitutes the basis that enables the executive responsible for preparing the company's financial reports, together with the Chairman, to issue the certifications required under Article 154-bis of the Consolidated Law on Finance (TUF).

The Board of Statutory Auditors periodically met with the executive and the independent audit firm to exchange information, covering, among other topics, the Reply Group's management and control model pursuant to Law no. 262/2005.

During these meetings, no significant deficiencies were reported in the operational and control processes that could undermine the assessment of the adequacy and effective application of the administrative and accounting procedures, aimed at ensuring a true and fair view of the financial position, results of operations and cash flows in accordance with international accounting standards.

During the periodic meetings for information exchange, as well as in the additional report prepared pursuant to Article 19 of Legislative Decree No. 39/2010, the statutory independent auditors likewise did not report any significant deficiencies in the internal control system relating to the financial reporting process.

The Chairman and the executive responsible for preparing the company's financial reports issued, pursuant to Article 81-ter of Consob Regulation No. 11971/1999, as subsequently amended and supplemented, the certification required under Article 154-bis, paragraph 5, of Legislative Decree No. 58/1998, which was reviewed by the Board of Statutory Auditors as evidence of the effectiveness of the administrative and accounting processes.

15. INSTRUCTIONS TO SUBSIDIARIES PURSUANT TO ARTICLE 114, PARAGRAPH 2, OF LEGISLATIVE DECREE NO. 58/1998

The instructions issued by Reply S.p.A. to its subsidiaries pursuant to Article 114, paragraph 2, of Legislative Decree No. 58/1998 appear to be adequate; likewise, the subsidiaries have provided the parent company with the information necessary for the timely awareness of corporate events.

In this regard, we inform you that, in order to ensure the timeliness of the communication of the required information, the Chief Financial Officer of Reply S.p.A., except for cases justified by governance arrangements with other partners of the company, holds the position of Chairman and/or Chief Executive Officer of all Italian subsidiaries, as well as Director or equivalent positions in numerous foreign subsidiaries.

The dissemination of information to subsidiaries is also carried out through processes established and operating within Reply's Finance function, according to the so-called Service Hubs model, that is, centralized operational centers that provide financial, administrative and support services to one or more entities within a given country.

16. RELEVANT MATTERS ARISING FROM MEETINGS WITH THE STATUTORY INDEPENDENT AUDITORS

During the meetings and discussions held with representatives of the statutory audit firm, no acts or facts emerged that were considered reportable or, in the opinion of the Board of Statutory Auditors, significant and worthy of mention and/or specific reporting pursuant to Article 155, paragraph 2, of Legislative Decree No. 58/1998.

17. ADHERENCE TO THE CORPORATE GOVERNANCE CODE

The Company has adhered to the Corporate Governance Code (formerly the Self-Regulatory Code) since the 2000 financial year; the Code was most recently revised in January 2020 and has been effective since the 2021 financial year.

On March 12, 2026, the Board of Directors approved the annual report on Corporate Governance and Ownership Structure prepared pursuant to Article 123-bis of Legislative Decree No. 58/1998.

The Board of Statutory Auditors acknowledged the report on the remuneration policy and compensation paid (Remuneration Report), prepared pursuant to Article 123-ter of Legislative Decree No. 58/1998, Article 84-quater of the Issuers' Regulation and the related Annex 3A, schedules No. 7-bis and 7-ter. This report was approved by the Board of Directors upon proposal of the Remuneration Committee. As recommended by the Corporate Governance Code, in defining the remuneration of executive directors, the Board of Directors took into account the Group's partnership-oriented business model and the remuneration practices prevailing in the relevant sector.

With regard to the supervision carried out on the implementation of the Corporate Governance Code, the Board of Statutory Auditors, in addition to what is indicated in the previous paragraphs, has no observations to report.

18. PROPOSALS TO THE SHAREHOLDERS' MEETING PURSUANT TO ARTICLE 153 OF LEGISLATIVE DECREE NO. 58/1998

With reference both to the provisions of Article 153, paragraph 2, of Legislative Decree No. 58/1998, to the general supervisory duty set out in Article 149, letter (a), of the same decree, and to the agenda of the Shareholders' Meeting which includes the discussion of the financial statements, the Board of Statutory Auditors confirms that it has supervised compliance with the procedural and legal rules governing their preparation.

We note that the Directors have stated that:

- the financial statements as at December 31, 2025 were prepared, in compliance with European Regulation No. 1606/2002 of July 192002, in accordance with International Financial Reporting Standards (IFRS);
- the consolidated annual financial report as at December 31, 2025 was prepared in electronic format in accordance with the provisions of European Regulation 815/2018 (the so-called "ESEF");
- the sustainability report as at 31 December 2025 was prepared in accordance with the reporting standards applied pursuant to Directive 2013/34/EU of the European Parliament and of the Council of June 26, 2013, and Legislative Decree No. 125 ofSeptember 6, 2024, as well as with the specifications adopted pursuant to Article 8(4) of Regulation (EU) 2020/852 of the European Parliament and of the Council of June 18, 2020.

With regard to the item on the agenda concerning the resolution to be adopted on the purchase and disposal of treasury shares, having considered the information provided by the Directors, the Board of Statutory Auditors confirms that the proposed resolution complies with the provisions of Articles 2357 and 2357-ter of the Italian Civil Code, Article 132 of Legislative Decree No. 58/1998, and Article 144-bis of the Consob Regulation adopted by Resolution No. 11971 of May 14, 1999.

19. FINAL ASSESSMENTS

The supervisory activities carried out by the Board of Statutory Auditors, in addition to the above, were conducted through:

- the collection of information during meetings with members of the Boards of Statutory Auditors, where existing, of subsidiary and parent companies, in order to exchange information on the Group's activities and to coordinate control and supervisory activities;
- the gathering of further information in meetings with the Appointed Director under the Procedure for Related Party Transactions and with the person responsible for the implementation of the Internal Dealing Code of Conduct;
- the analysis of any new legal provisions or Consob communications of relevance to the Company.

The Board of Statutory Auditors has verified the existence of the organizational prerequisites necessary to ensure compliance with statutory, legal and regulatory provisions governing the relevant matters, within a framework of continuous development and improvement.

In particular, shareholders are informed that:

- we have monitored the compliance with the law of the Procedure for Related Party Transactions, initially approved by the Board of Directors of Reply S.p.A. on November 11, 2010 and subsequently amended on May 14, 2015, August 2, 2018 and June 21, 2021, as well as its proper application;
- we have verified the correct application of the criteria adopted by the Board of Directors in assessing the independence requirements of "independent directors";
- we have supervised, where required, the compliance of services other than the statutory audit of the separate and consolidated financial statements provided by the audit firm to Reply S.p.A. and its subsidiaries with the limitations set by law;
- we have monitored compliance with Article 17, paragraph 4, of Legislative Decree No. 39/2010 and, in this regard, we inform you that the engagement partner for Reply S.p.A.'s financial statements is Miss Monica Maggio;
- we have verified and monitored the independence of the statutory audit firm PricewaterhouseCoopers S.p.A. in accordance with Articles 10, 10-bis, 10-ter, 10-quater and 17 of Legislative Decree No. 39/2010 and Article 6 of Regulation (EU) No. 537/2014;
- we have verified the fulfilment of obligations related to "Market Abuse" and "Savings Protection" regulations concerning corporate disclosure and Internal Dealing, based on the information received from the Company.

With regard to the Board of Directors' supervision of any reportable facts or irregularities, the Board of Statutory Auditors considers it important to note that, in general, the assessment of whether an event or circumstance constitutes an irregularity or a reportable matter may depend on aspects subject to differing interpretations, sometimes clarified only following the ascertainment of facts at the conclusion of legal proceedings that may last several years.

Based on the supervisory activities carried out during the financial year, and having also taken note of the report pursuant to Article 14 of Legislative Decree No. 39/2010, which expresses an unqualified opinion, the Board of Statutory Auditors considers that it has no observations or proposals regarding the financial statements, the Report on Operations and the proposals contained therein, which it therefore deems, within its remit, fit for your approval.

Likewise, with specific reference to Article 153, paragraph 2, of Legislative Decree No. 58/1998, the Board of Statutory Auditors considers that it has no proposals to make on other matters within its competence.

Rome-Turin, March 31, 2026

THE STATUTORY AUDITORS
Chairman (Ciro Di Carluccio)
Board of Statutory Auditors member (Donatella Busso)
Board of Statutory Auditors member (Piergiorgio Re)

This English translation is provided for convenience only.
For official purposes, including any legal or interpretative matters, reference shall be made exclusively to the original report in the Italian language, as filed with and available at the Company's registered offices.

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Independent auditor's report in accordance with article 14 of Legislative Decree 39/2010 and article 10 of Regulation (EU) 537/2014

To the Shareholders of

Reply SpA

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Reply SpA (the "Company"), which comprise the statement of financial position as of 31 December 2025, the income statement, statement of comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as of 31 December 2025, and of the result of its operations and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree 38/2005.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this report. We are independent of the Company pursuant to the regulations and standards on ethics and independence applicable to audits of financial

PricewaterhouseCoopers SpA

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statements under Italian law. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	Auditing procedures performed in response to key audit matters
Evaluation of the recoverability of equity investments in subsidiaries Note 2 “Accounting principles” paragraph “Equity investments”, Note 12 “Gain/(losses) on investments” and Note 21 “Equity investments” to the financial statements The value of equity investments in subsidiaries as of 31 December 2025 amounted to Euro 302 million, equal to approximately 15 percent of total assets. These investments are carried at cost adjusted for impairment losses. Company’s management tests the equity investments for potential impairment by comparing the carrying amount with the recoverable amount in accordance with IAS 36 “Impairment of assets” (impairment test), when indicators of potential impairment exist. The recoverable amount of an asset is the higher of its fair value, less costs of disposal, and its value in use, determined by discounting the estimated future cash flows for that asset.	We gained an understanding and assessed the procedures adopted by management in order to verify the compliance with the requirements of IAS 36 “Impairment of assets”. We analysed the management’s expert report with a focus on market multiples. We also verified the reasonability of Company’s management assumptions used to estimate the expected cash flows, also verifying the mathematical accuracy of the calculations performed to determine the equity investments fair value and value in use. Additionally, we verified, also with the support of the experts of the PwC network, i) the determination of the multiples, ii) the consistency of the projected cash flows used for the impairment test with the economic and financial projections approved by the Board of Directors on 12 February 2026, iii) the mathematical accuracy of the calculation models and iv) the relevant assumptions, particularly regarding future cash flows and their discount and growth rates and v) the correct determination of the amount of write-down by comparing the recoverable value with the carrying value of the investment. Lastly, we verified the adequacy of the financial disclosure based on international financial reporting standards requirements, also considering information and data obtained during our audit, with particular reference to the description of the methods for carrying out the impairment test, the inclusion of the main assumptions used to carry it out, and the quantitative results obtained.

When determining the value in use, the expected future cash flows are discounted using a discount rate that reflects current market assessments of the time value of money, related to the investment period and the specific risks of the asset.

The assessment required Company’s management to perform with the support of external experts, complex estimations which are mainly based on assumptions affected by economic and market conditions which are hard to foresee and quantify. These complex estimates are especially referred to the determination of market multiples used for the fair value calculation, the definition of expected cash flows, discount rates and growth rates used to estimate the terminal value beyond the projections of the explicit cash flows.

Following the test carried out, the recoverable value of some investments was found to be lower than the related carrying amount and impairment losses totalling Euro 27 million were recognised.

We considered the assessment of the recoverability of the value of equity investments in subsidiaries a key audit matter, given the significance of this item as well as the complexity of the valuation process, based on complex assumptions that required us to pay particular attention to the impairment test performed by the Company.

Responsibilities of the directors and the board of statutory auditors for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree 38/2005 and, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the Company's ability to continue as a going concern and, in preparing the financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the financial statements, the directors use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations or have no realistic alternative but to do so.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of our audit conducted in accordance with International Standards on Auditing (ISA Italia), we exercised our professional judgement and maintained professional scepticism throughout the audit. Furthermore:

- We identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error; we designed and performed audit procedures responsive to those risks; we obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- We obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- We evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- We concluded on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- We evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicated with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

We also provided those charged with governance with a statement that we complied with the regulations and standards on ethics and independence applicable under Italian law and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate the related risks, or safeguards applied.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report.

Additional disclosures required by article 10 of Regulation (EU) 537/2014

On 19 April 2019, the shareholders of Reply SpA in general meeting engaged us to perform the statutory audit of the Company's and consolidated financial statements for the years ending 31 December 2019 to 31 December 2027.

We declare that we did not provide any prohibited non-audit services referred to in article 5, paragraph 1, of Regulation (EU) 537/2014 and that we remained independent of the Company in conducting the statutory audit.

We confirm that the opinion on the financial statements expressed in this report is consistent with the additional report to the board of statutory auditors, in its capacity as audit committee, prepared pursuant to article 11 of the aforementioned Regulation.

Report on compliance with other laws and regulations

Opinion on compliance with the provisions of Commission Delegated Regulation (EU) 815/2019

The directors of Reply SpA are responsible for the application of the provisions of Commission Delegated Regulation (EU) 815/2019 concerning regulatory technical standards on the specification of a single electronic reporting format (ESEF - European Single Electronic Format) (the "Commission Delegated Regulation") to the financial statements as of 31 December 2025, to be included in the annual report.

We have performed the procedures specified in auditing standard (SA Italia) 700B in order to express an opinion on the compliance of the financial statements with the provisions of the Commission Delegated Regulation.

In our opinion, the financial statements as of 31 December 2025 have been prepared in XHTML format in compliance with the provisions of the Commission Delegated Regulation.

Opinions and statement in accordance with article 14, paragraph 2, letters e), e-bis) and e-ter) of Legislative Decree 39/2010 and with article 123-bis, paragraph 4, of Legislative Decree 58/1998

The directors of Reply SpA are responsible for preparing a report on operations and a report on the corporate governance and ownership structure of Reply SpA as of 31 December 2025, including their consistency with the relevant financial statements and their compliance with the law.

We have performed the procedures required under auditing standard (SA Italia) 720B in order to:

- express an opinion on the consistency of the report on operations and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998, with the financial statements;
- express an opinion on the compliance with the law of the report on operations and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998;
- issue a statement on material misstatements, if any, in the report on operations and in the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998.

In our opinion, the report on operations and the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998 are consistent with the financial statements of Reply SpA as of 31 December 2025.

Moreover, in our opinion, the report on operations and the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998 are prepared in compliance with the law.

With reference to the statement referred to in article 14, paragraph 2, letter e-ter), of Legislative Decree 39/2010, issued on the basis of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have nothing to report.

Turin, 31 March 2026

PricewaterhouseCoopers SpA

Signed by

Monica Maggio

(Partner)

This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

Corporate information

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