Nuance Expands Vision and Leadership of Cognitive Innovation Group (CIG), Making AI Real for the Enterprise

Al Engagement Services, Al Research and Al Lab Enable Leading Global Brands to Drive ROI Through Conversational, Predictive Omni-channel Customer Engagement

BURLINGTON, Mass., – Wednesday, December 13, 2017 – Nuance Communications, Inc. (NASDAQ:NUAN) today announced the expansion of its <u>Cognitive Innovation Group</u> (CIG) which is focused on applying the latest advancements in machine learning and artificial intelligence (AI) to augment, automate and improve customer service across channels. First launched in 2012, CIG's AI Lab incubated and unveiled <u>Nina</u>, the first conversational AI solution for mobile customer service, and spearheaded research, and roll out, of Nuance's Human Assisted Virtual Assistant (HAVA) solution, which is now branded as Nina Coach. The group's charter will now span predictive AI and analytics, supported by the new AI Engagement Services and AI Research teams, to usher in a new wave of solutions to set enterprises apart in their respective markets.

With the proliferation of connected devices, enabling intelligent customer interactions across channels is growing more complex and enterprises are looking for ways to automate. According to Gartner, by 2022, 85% of CIOs will be piloting AI programs through a combination of buy, build and outsource efforts. CIG, the first initiative of its kind, brings vendor and enterprises together to discover and incubate the next generation of AI-enabled solutions, giving brands access to some of the best AI researchers in the world to enable the development and deployment of advanced capabilities, specific to their individual business needs. Customers including Fidelity Investments, USAA, <u>Dominos</u> and ING Bank have engaged with the group since its inception.

"We've entered a new era of customer service and with it comes a set of unique challenges, from keeping up with new channels to delivering always on, personalized engagement," said Velia Carboni, Senior Vice President, Mobile and Emerging Channels, Fidelity Investments. "Partnering with Nuance's bench of experts and bringing together our innovation teams helps to prioritize a roadmap and ensure we are executing in a smart, effective way. We are at the table from the beginning creating solutions that make the most sense for our business. That's powerful."

Thomas Hebner has been appointed the new worldwide leader of CIG, bringing with him nearly two decades of experience designing, managing and building complex customer engagement automation solutions. Having spent time leading both Nuance's voice user interface (VUI) design and professional services group in the Enterprise division, Hebner has a deep understanding of how to implement innovative technology into large, global brands' complex architectures. He holds an M.A. and M.S. from Princeton University in Electrical Engineering and a B.A. from Villanova University.

"This group is successful because we are not only on the bleeding edge of innovation but also in touch with what our customers need to deliver the best service in their specific markets," said Hebner. "By collaborating with leading global brands to dig deep into the areas where our technology can be the most powerful, we are able to invent forward-thinking AI capabilities that improve experiences while reducing cost."

The newly expanded initiative will focus on conversational AI, predictive AI and analytics through the following workgroups:

• <u>Al Lab</u>: Strategic experimentation to align Al innovation with market needs. Engaging with customers to solve market problems, the Al Lab led by Paul Tepper, a PhD in Technology & Social Behavior, matches the latest technology advancements and research discoveries with the specific and unique needs of

enterprise customers committed to, and invested in, Al innovation

- <u>Engagement Services</u>: Tackle the tough problems to build real, repeatable AI solutions. Led by industry veteran Kenneth Arakelian, CIG Engagement Services helps enterprise customers overcome complex issues by prioritizing and formulating roadmaps, and using research and Innovation Workshops to aid in advancing AI implementations focusing on the nuts and bolts that drive tangible results
- Research: Collaborating to build the Al roadmap of tomorrow. The 300-person strong Nuance Corporate Research team, made up of scientists and world-renowned experts in the field, focuses on developing core algorithms and technologies that will be foundational to sustained leadership and innovation in the customer service Al market

"CIG has been instrumental in propelling our leadership role in the market, from launching Nina to building our advanced AI learning loop," added Robert Weideman, Executive Vice President and General Manager, Enterprise Division, Nuance. "The further expansion into analytics and predictive AI is demonstrative of our continued investment to make AI real for the enterprise. I'm confident that the team, under Tom's strong leadership, will continue to bring our customers the most intelligent, advanced solutions to help solve their evolving business needs."

Nuance is a recognized leader in providing automated and intelligent Al-powered customer engagement solutions to large enterprises around the world. There are over 6,500 enterprises using Nuance's self-service technologies, processing an estimated 14 billion transactions each year. Learn more at <a href="https://www.nuance.com/ai

About Nuance Communications, Inc.

Nuance Communications, Inc. (NASDAQ: NUAN) is the pioneer and leader in conversational and cognitive Al innovations that bring intelligence to everyday work and life. The company delivers solutions that can understand, analyze and respond to human language to increase productivity and amplify human intelligence. With decades of domain and artificial intelligence expertise, Nuance works with thousands of organizations – in global industries that include healthcare, telecommunications, automotive, financial services, and retail – to create stronger relationships and better experiences for their customers and workforce. For more information, please visit www.nuance.com.

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