

# PREMEX SERVICES LIMITED

# S172 STATEMENT

The Board of Directors are aware of and consider they have acted in accordance with their statutory duties under s172(1) of the Companies Act 2006. Consistent with these duties, the directors have acted in good faith, seeking to promote the long-term success of the company for the benefit of the shareholders and in so doing have had regard to their duties to:

- The likely consequences of any decisions in the long-term;
- The interests of the company's employees;
- The need to foster the company's business relationships with suppliers, customers and others;
- The impact of the company's operations on the community and environment;
- The desirability of the company maintaining a reputation for high standards of business conduct; and
- The need to act fairly as between shareholders of the company.

## About Premex Services Limited



Premex Services Limited (PSL) is wholly owned by ExamWorks

UK Limited and is a leading provider of independent medical reports, assessments and rehabilitation services. We provide services to insurers, the legal profession, IT and outsource providers. Our market leadership is built around professionalism, IT security, and compliance underpinning our superior customer service.

We are committed to the highest standards, recognising that an effective corporate governance framework leads to a culture of long-term success and sustainability. Effective stakeholder engagement ensures a high level of insight, perspective and diversity to continue to generate value for our shareholders in the long term.

## Strategic Approach



### COVID-19 Impact & Response

2020 has been a year unlike any other and through effective governance and leadership the business has delivered a profit in the most challenging of contexts. During the early part of 2020, as the COVID-19 outbreak began, we were fully supported by our Global Parent Company.

to act autonomously in accordance with the geographical challenges placed on the UK business. This allowed for a rapid, strategic response and the establishment of a COVID-19 leadership team at the end of February 2020. This team has a business, legal and HR lead providing framework and governance to a broader "Project Reset" team including leaders of all the businesses and functions. The principle aim of the team was to ensure the safety of its people, supply chain, general public (claimants) whilst continuing to provide an excellent service to our customer base.

The response team quickly established engagement with key stakeholder groups to minimise the impact on the business.

The key stakeholders were:

- Shareholders
- Employees
- Customers
- Suppliers
- Industry bodies and regulators
- Bank
- Creditors

Across each of these stakeholder groups the team ensured that:

- Rapid interpretation and implementation of government guidance to ensure the health and safety of employees, medical experts and general public (claimants).
- Maintaining business continuity and the flow of work through the business.
- Swift communication and decision making, as and when the business environment demands it.

The strategic priorities of the business are:

### Industry Engagement

It has been essential to continually engage with all industry stakeholders, both in an informal and formal manner. With the industry and our customer at the core, we have positively influenced and helped shape the future of the market which has been impacted by COVID-19. Key activity in this area in 2020:-

- **March COVID-19 lockdown 1:** The Company engaged with Association of Consumer Support Organisations (ACSO), Association of Medical Reporting Organisations (AMRO), and Together for Rehabilitation and Medco in order to continue processing both medical reports and rehabilitation. This involved extensive lobbying and presentation of data to support non-face to face treatments. This resultant "statement of intent" supported by insurers, solicitor and suppliers enabled business to continue. During 2020 we were able to establish a brand new service processing 27,228 remote medical reports and 108,454 remote physiotherapy sessions.

### IT and Data Management Leadership

In a marketplace where customer's confidential data is processed, investment in secure IT infrastructure, data management and the development of dynamic customer applications is essential. Premex Services Limited has its own in-house IT team delivering change and improvement projects. Sustained investment has been an enabler to maintain our leadership position and to be a trusted partner of choice.

Examples include:

- ISO 27001 certified, with a data security culture permeating throughout the business, including a successfully completed surveillance audit in Q4.
- Full VDI set up, with increased security and scalability. During Q1 we were swiftly able to support the entire workforce working from a home environment in a secure manner.
- VuPro delivered in 2020 for rehabilitation and Premex +. A key part of 2021 strategy will be to roll this technology out to a broader customer base.

- Investment in Blue Prism automation increasing efficiencies and reducing case life cycle.
- Significant investment in IT infrastructure commenced in Q4, with a migration in 2021 planned to move all ExamWorks UK companies to a managed enterprise datacentre. This will deliver new levels of security, resilience and improved stability of systems.
- The move towards non face to face meetings with all stakeholders resulted in a companywide roll out of Microsoft Teams. This has revolutionised the way we communicate.

### Culture

Premex has a dynamic culture, built on openness and trust, and this has served us exceptionally well during the COVID-19 pandemic. We have an environment where people support each other by sharing knowledge and ideas in order to drive the business forward. This is supported by our Group Code of Business Ethics which is approved by our UK Group Managing Director. Continuous improvement is encouraged, challenging our teams to innovate and improve their ways of working.

### Acquisitions & Material Customer

Our UK parent company, ExamWorks UK Limited, continues to seek appropriate acquisitions where both organic growth and synergy benefits can be realised. In Q2 ExamWorks completed one such acquisition, allowing the UK group to strengthen its customer base.

### Strategic Context

Our long terms strategic priorities are supplemented by strategic pillars:

- Market leading product offering and focus on customer service
- Getting the best out of our people
- Managing our risks
- Minimising wastage - operating efficiently
- Profitable growth only

On an annual basis, a business plan is prepared and agreed by the Premex board setting the strategy for the upcoming year. Throughout the year, business plan actions and strategies are reviewed and reported on quarterly, making changes where required to align the business with market

dynamism and external factors. The IT and Compliance business plans for 2020 have been maintained and delivered against, but not all normalised business activities have been possible to achieve. For example, whilst we have continued to engage with customers, both existing and potential new customers, there has been a limited amount of traditional face to face business development activities during the year as a result of the pandemic.

## How we Interact with our Stakeholders



### Business Shareholders

Premex Services Limited is a subsidiary undertaking of Premex Group Limited. This

entity is owned by ExamWorks UK Limited which is wholly owned by ExamWorks Europe, Inc. ExamWorks Europe Inc. is wholly owned by ExamWorks Group, Inc. The "private equity" ownership structure of ExamWorks Group, Inc. is (the following entities are not operating entities), Gold Parent GP, LLC (limited liability company registered in Delaware, USA) (GP), Gold Parent, L.P. (limited partnership registered in Delaware, USA) (LP), Gold Holdco, Inc. (corporation registered in Delaware, USA) and Gold Intermediate Holdco, Inc. (corporation registered in Delaware, USA). ExamWorks Group, Inc. is 100% owned by the LP which is controlled by the Board of Managers of the GP. The limited partners holding 5% or more of the Class A Units of the LP and the members of the GP are EXW Coinvest L.P., Green Equity Investors Side VI, L.P., Green Equity Investors VI, L.P. and Viggo Investments Pte. Ltd.

### Regulators

As market leader we have a duty to uphold the best possible standards of service and compliance, thereby pushing up the overall standards within the marketplace. Data protection and security is a fundamental part of every process we undertake, reinforced by our ISO 27001 certification which demonstrates our ongoing commitment to information security.

As a High Volume National Medical Reporting Organisation appearing on the Medco Portal, we adhere to the rigorous requirements and audits required by Medco. It is anticipated that during 2021, Premex will undergo a full Medco audit, and in preparation for such an event a robust internal audit was undertaken in Q4 with key learnings implemented.

The virtual desktop environment and case management system activity reporting ensures appropriate use of data and security levels are maintained through COVID-19 remote working.

### **Industry Bodies and Trade Associations**

Liaison with governing bodies and competitors enables us to benchmark new ways of delivering services, in a compliant way.

We engage with industry bodies including:

- Association of Medical Reporting Organisations (AMRO)
- Association of Consumer Support Organisations (ACSO)
- Together for Rehabilitation
- MedCo (The Ministry of Justice system for soft tissue injury claims in road traffic accidents)

This allows us to share our views on a wide array of issues that matter to our marketplace.

The statement of intent, supporting a new way of working has held together with all industry stakeholders recognising the value of working together for the good of the claimant (general public).

### **Our Customers**

Our customers demand an outsource service from Premex that makes their lives easier, allowing them to focus on core business activities.

Customer relationship management and customer communication has been critical during 2020, with regular updates to customers on how COVID-19 is impacting transactions and how working together supports an improved overall experience for customers. Examples of good practise established between Premex and our customers include effectively managing the consent process (opt into remote

appointments and method of digital communication). This has been essential to keep cases moving to ensure customer cash flow does not slow down. Enabling cases to continue and settle via remote appointments has supported this.

In 2020 we have embarked on projects with key customers where new technology and levels of integration have been established. This will be rolled out to other customers in 2021.

### **Our Suppliers**

Suppliers are a key part of our business, in particular our medical expert supply chain. Our medical expert liaison team constantly engages with both new and existing experts to ensure compliance, quality, capacity and expertise. During the health pandemic this group has been impacted greatly, for example:

- Stopping private work altogether to work for the NHS
- Expert locations being restricted due to COVID-19
- Self-isolation and sickness
- Shielding

As a key consumer of medical expert services we have constantly engaged with and supported their requirements, being a flexible partner.

Our supplier on-boarding and management programme is a fundamental aspect of our control framework and adheres to the ISO27001 standard. All suppliers are assessed and, where applicable, audited on the basis of risk and controls, with contractual provisions being applied accordingly. During 2020 we have had a restriction on visitors within the physical buildings, but where required have supported suppliers to conduct their business in a COVID-19 secure environment.

### **Employees**

Our company values play an integral part in outlining our culture and driving positive behaviours. Objectives are set for every employee. The objectives and values are embedded into our performance management framework, which encourages individual achievements, recognising people for their efforts and further embedding the business plan strategy.

During the COVID-19 pandemic the health and safety of our internal stakeholders has been at the core of our approach, with a constant flow of information and guidance to our employees so we can run the business safely and effectively.

Significant investment in the internal environment has been an important part of the process of making our people feel safe. Work stations are all screened, and the environment is COVID-19 secure with one way systems, environmental brandings and sanitation. We have applied flexibility across the business to ensure colleagues safety and trust. For example with training, development, emotional support and guidance and adapting the appraisal process to name a few.

We also participated in a national Coronavirus wellbeing and support survey in July, and again in December. A response rate of 64% gave some excellent overall results, including responses as follows:

- My organisation has put my health and wellbeing first in its decisions about the risk of coronavirus – 99.4%
- The leadership of my organisation has handled the Coronavirus situation in the best way possible – 95.2%
- My organisation has made clear what I need to do to keep safe and healthy -100%

The survey also showed the biggest level of anxiety about how the business reverts back to normal and whether or not colleagues feel comfortable about coming back to the workplace, with 69% of colleagues wanting some kind of hybrid working arrangement.

As a result, a hybrid working project commenced in Q4 with a view of understanding the capability and requirements of enabling a significant number of people to work in a hybrid manner on a permanent basis.

### **Our Local Community**

As one of the largest private sector employers in the Bolton area, it's important that we support the community with a number of charitable and social activities.

We felt it particularly important in 2020 to continue to support charities, and in Q4 continued with our PremeXmas social media charity giveaway.

During the run up to Christmas we donated 32 £500 prizes to various charities to give them a boost at a critical time. We also participated in other “lockdown” charity initiatives. For examples winning a Strava challenge set by one of our customers, leading to a £3000 donation to the local NHS.

### The Environment

Whilst our business practices do not have high environmental impact, we have been successful in achieving and maintaining the ISO14001 environmental certification and encourage suppliers to consider the environment. A surveillance audit in 2020 was successful.

## Division of Responsibilities



### Statutory Directors

Exercising reasonable care, skill and due diligence, the Statutory Directors collectively act to make

decisions on behalf of the company.

They make the strategic and operational decisions and are responsible for ensuring that the company meets its statutory obligations.

Additionally, the role of the Statutory Directors is to promote the success of the company, giving due regard to:

- the likely consequences of any decision in the long term;
- the interests of the company’s employees;
- the need to foster the company’s business relationships with suppliers, customers and others;
- the impact of the company’s operations on the community and the environment;
- the desirability of the company maintaining a reputation for high standards of business conduct; and
- The need to act fairly between members of the company.

## Composition, Succession and Evaluation



### Succession Planning

To ensure the long-term success and stability of our company, we are working to ensure we have

succession planning in place to identify and develop future leaders. This will increase the availability of experienced and capable employees prepared to assume senior leadership roles as and when they become available. We use the following high-level approach to ensure we have the appropriate levels of succession planning throughout the business:

- Identify critical roles;
- Assess staff;
- Create development plans;
- Develop successors;
- Review and adapt.

### Evaluating the Performance of the Board and Directors

The Board have clear objectives which are reflected in their incentive plans to deliver on company profit, as well as personalised Key Performance Indicators. The targets set are aligned to the strategic business plan and are cascaded down to the various teams using best practices. Furthermore, the Group Managing Director holds regular 121s with all members of the Senior Leadership Team, which may result in a re-prioritisation of tasks where appropriate.

## Audit, Risk and Internal Control

### Group Board Meeting



Managing Directors and the directors of each support area meet on a monthly basis to review group wide team risks and issues raised.

Business performance, stakeholder engagement and the company’s adherence to internal controls, operational risks and performance forms a key part of this agenda.

### Monthly Board Meeting

Board members and the Senior Leadership Team also meet on a monthly basis to review operational risks and performance.

### Quarterly Group Managing Director Update

Board members and the Senior Leadership Team meet on a quarterly basis to understand the businesses’ performance and be aware of key issues.

### Internal Audit

Premex recognises the importance of providing assurance so our risk management, governance and internal control processes are operating effectively. Internal audit is a key element to regulate this activity, and where colleagues have audit responsibility, this is an explicit part of role profiles and performance Measurement Compliance monitoring.

### Policies and Procedures

Our policy and procedure framework forms a fundamental part of our internal controls, as it sets out the principles we apply as a Group to protect us, our customers and their information. We regularly review existing principles and policies to ensure they are in line with our regulatory requirements.