

## KINDERTONS LIMITED CORPORATE GOVERNANCE STATEMENT 2024

### Section 172 Statement

The Board of Directors (Board) of Kindertons Limited 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 Kindertons Limited for the benefit of its shareholders and in so doing have had due regard with respect to their duties to:

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

### About Kindertons Limited

Kindertons Limited is ultimately wholly owned by ExamWorks UK Limited and a leading provider of accident claims management services. Our services are used by both insurers and brokers to assist their clients with their road traffic accident claim. We are FCA regulated for General Insurance and Claims Management Services. Kindertons Limited has continued to invest in its people and IT systems during 2024 to maintain market position and status.

Kindertons Limited is committed to the highest standards of service and recognises the importance of an effective corporate governance framework fostering to a culture of long-term success and sustainability.

### Culture and people

As with all major employers in 2024, Kindertons Limited was and continues to be exposed to high inflationary costs including significant increases to the National Minimum Wage and other overheads during the year. In 2024, the board has continued to evaluate our Employee Value Proposition to seek to support our employees as much as possible in their financial wellbeing. This has been supported by an inflationary pay increase, where applicable and the implementation of a new and evolving communications strategy and the launch of a new Group intranet to better engage with our workforce. In addition, we continue to review and enhance our range of employee benefits. Furthermore, we continue to support career development through our apprenticeship levy and sponsorship programmes.

In 2024 the Group launched a cultural programme to reinvigorate our values, our behaviours and standards of leadership in the Group. This programme has been developed internally and is being delivered to our leaders with measures around learning and application being monitored. The programme is being rolled out in the Kindertons Group in 2025.

## STRATEGIC APPROACH

### Industry engagement

Kindertons Limited continues to be a leading voice on the Strategy Board of The General Terms of Agreement (GTA) by contributing to the evolution of industry agreed principles. Working alongside Insurers and other Credit Hire Companies, focus has been directed at reducing frictional costs in resolving claims for credit hire and achieving reductions in operational costs whilst delivering an improved customer experience to claimants. Kindertons is also an active member of the Credit Hire Organisation's Supervisory Board (The CHO) of which provides a voice at industry conferences and works collaboratively to positively influence the reputation of the Credit Hire Sector.

Kindertons Limited is also active in wider industry stakeholder groups including engagement through membership with the following associations:

- The Credit Hire Organisation (CHO)

- Association of Consumer Support Organisations (ACSO)
- The Institute of Customer Service (we hold the Service Mark Accreditation through the Institute of Customer Service).
- British Vehicle Rental and Leasing Association (BVRLA)
- Chartered Insurance Institute
- The Financial Conduct Authority (FCA)

### IT and data management leadership

In a marketplace where client's confidential data is processed, investment in secure IT infrastructure and data management is essential. Kindertons Limited has its own in-house IT team delivering change and improvement projects. We also work closely with the wider Examworks IT and Information Security teams as well as specialist third parties to complement our in-house capability. Sustained investment has been an enabler to maintain our leadership position and to be a trusted partner of choice.

Examples include:

- Ongoing investment in IT infrastructure
- Companies in the group share dual third party managed enterprise datacentres. This provides optimum security, resilience and an improved stability of systems
- Centralisation of data through migration of desktops to secure VDI infrastructure hosted in data centres
- Ongoing investment in IT Security improvements and awareness training
- Launched new ICE claims management platform
- Launched new 'cloud based' Fleet Management System

Cyber Security and data loss prevention remain central to protecting the Company, its partners and customers to the highest standards. Through 2024, we reaffirmed our commitment and continued investment by retaining the Cyber Essentials Plus accreditation in Kindertons Limited, alongside implementing advanced enterprise class cyber tools to further mature and strengthen our security posture.

### Strategic Context

Our vision for Kindertons Limited is to provide a high quality service to our clients with our people at the heart of what we do. Our strategic pillars help to unify our team, bring to life our vision and drive towards our commercial goals.

The business strategic pillars are as follows:

- **Financial** – Sustainable growth in EBITDA and strategies for maintenance of gross margins with improved cashflow.
- **Service Offering** - Continuation and continual enhancement of market-leading customer offering.
- **People & Culture** - A highly motivated and engaged workforce, with a sense of purpose and belonging and strong, positive behaviours led from the front.
- **Effective Operating** – Continually driving innovation with measurable, tangible benefits for the customer and the business.
- **Governance and Risk** – A robust framework of corporate risk management underpinned by properly executed plans and ownership.

On an annual basis, a business plan is prepared and agreed by the Kindertons Limited board, setting the strategy for the upcoming year. This has been prepared in Q4 of 2024. This plan is communicated through the entire business to ensure that every member of staff understands the importance of their contribution to our overall business. Throughout the year, business plan actions and strategies are reviewed and reported on quarterly, making changes where required to align the business with market changes and external factors.

## HOW WE INTERACT WITH OUR STAKEHOLDERS

### Business Shareholders

Kindertons Limited is a subsidiary undertaking of ExamWorks UK Limited, a company registered in England and Wales. ExamWorks Group, Inc. (ExamWorks Group) is the ultimate corporate shareholder of ExamWorks UK Limited. Electron (U.S.) I LP (limited partnership registered in Delaware (USA)) (LP) is the ultimate limited partner put in place as part of the “private equity” ownership structure of ExamWorks Group. The LP is not an operating entity. ExamWorks Group and its subsidiaries (including ExamWorks UK Limited and Kindertons Limited) are indirectly 100% owned by the LP which is controlled by its Board of Managers.

The limited partners directly or indirectly holding 5% or more of the Class A Units of the LP are funds advised and / or managed by CVC Capital Partners and its co-investors, Leonard Green & Partners funds and Viggo Investment Pte Ltd, an affiliate of GIC Pte. Ltd.

### Regulators

As a 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 and this was reinforced by successfully achieving our Cyber Essentials Plus accreditation. We have proactively engaged with the FCA to deliver expert guidance and advice to our brokers around the FCA amendments to the ‘Fair pricing’ rules, as well as providing support and guidance on the consumer duty changes.

### Industry bodies and trade associations

Liaison with governing bodies and competitors enables us to benchmark new ways of delivering services, in a compliant way, in addition to promoting high standards of behaviour across the market and assisting the sector in supporting and adapting to regulatory change.

We engage with and support a number of industry bodies including:

- Credit Hire Organisation (CHO)
- Association of Consumer Support Organisations (ACSO)
- British Vehicle Rental and Leasing Association (BVRLA)
- Institute of Customer Service
- Road Haulage Association (RHA)
- Tier 1 provider – Association of British Insurers (ABI)

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

### Our clients

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

We have an account management team and service management team to ensure our clients continue to receive the high standard of service expected. We continually work with customers to integrate where possible and enhance the end user experience.

### Our suppliers

Suppliers are a key part of our business that have supported Kindertons Limited in maintaining exceptional customer service. In particular we have worked collaboratively with the following supply partners –

- NEXUS – Vehicle cross hire partner
- Mansfield – Outsourced vehicle recovery partner
- CoPart – Salvage agents

In addition to these suppliers our repair liaison team has had to work closely with our repairer network to ensure that compliance, quality of repair, capacity and technical expertise has been maintained. Our supplier on-boarding and management programme is a fundamental aspect of our control framework. All suppliers are assessed, and contractual provisions are applied accordingly.

## Employees

Kindertons Limited 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.

We have introduced additional employee benefits during 2024. The benefits offered to employees fall into different categories to give a rounded benefits offering. For work life balance, we offer a holiday Buy & Sell scheme, we guarantee that they are able to book off their birthday if it falls on a working day along with paid appointments. There are several finance benefits on offer, including a saving and loans scheme paid direct from pay, free Motor Legal expenses insurance, free mortgage advice and Wills at a discounted rate. Everyone has access to a platform that offers discounts and cashback for purchases in store and online from some of the UK's largest retailer. Along with this we run a cycle to work scheme, and an EV car scheme. To help with health and wellbeing, we offer an hour each month that can be booked off to use as they wish, free flu vaccinations and a full employee assistance programme that includes things like counselling sessions, financial wellbeing and fertility support.

We have also re-introduced employee social events to reward those that over-perform and allow all our people to gather together, mix and socialise which is key to retaining a strong employee culture.

Throughout 2025 we will continue to review our employee offering including a further review of our benefits.

## Our local community

As one of the largest private sector employers in the Crewe area, it's important that we support the community with a number of charitable and social activities. Every year, we fundraise internally for our nominated charities, as well as sponsoring local community initiatives.

We have a number of nominated charities, but our primary charity is Destination Florida Children's Charity for which we raise funds and hold regular volunteer days. We have raised £10,000 for this charity during 2024.

## The environment

Whilst our business practices do not have a significant environmental impact, we are committed to monitoring and reducing our energy consumption and protecting the environment.

Annual staff training is in place to communicate environmental responsibilities to all our employees, and as part of our Supplier Management Framework, due diligence checks regarding environmental impact and sustainable practices are conducted with our supply chain.

We try to control the emission outputs by having a company car policy which encourages EV ownership and our fleet has a significant number of hybrid and EV vehicles on the fleet. Our IT transformation programme has also resulted in a significant reduction in the amount of paper and packaging we utilise.

A key activity undertaken in 2024 was the progression of our Net Zero strategy for Kindertons Limited to reduce the impact we make on the environment. The utilisation of technology developments and the usage of advanced gathering tools has enabled us to identify areas in which reductions can be achieved. A carbon audit is in progress, with the objective to publish a Net Zero strategy in 2025.

### **Statutory Directors**

Exercising reasonable care, skill and due diligence, the Statutory Directors collectively act to make decisions on behalf of Kindertons Limited. They make the strategic and operational decisions and are responsible for ensuring that Kindertons Limited meets its statutory obligations.

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

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

## **COMPOSITION, SUCCESSION AND EVALUATION**

### **Succession planning**

To ensure the long-term success and stability of Kindertons Limited, 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: and,
- Hold monthly Senior Management meetings.

### **Evaluating the performance of the Board and Directors**

The Board have objectives which are reflected in their incentive plans to deliver on profit targets. The targets set are aligned to the strategic business plan and are cascaded down throughout the business. Furthermore, the Managing Director holds regular 121s with all members of the Senior Leadership Team, which may result in a re-prioritisation of tasks where appropriate, ensuring Kindertons Limited remains agile and able to respond to emerging issues.

## **AUDIT, RISK AND INTERNAL CONTROL**

### **Group Board Meeting**

Managing Directors and the directors of each support area meet on a monthly basis to review budget and business plan progression, group wide risks and any other issues raised. Business performance, stakeholder engagement and Kindertons Limited adherence to internal controls, operational risks and performance forms a key part of this agenda.

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 to be aware of key issues.

### **Risk Committee**

Board members meet to discuss risk, audit and compliance issues and to oversee the annual compliance and audit plans. Robust risk management continues to be a priority and all risk are managed effectively and reviewed regularly

### Internal audit

Kindertons Limited recognises the importance of providing assurance to ensure 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. Our compliance team now contains dedicated audit officers who work closely with all business areas to ensure that first line and second line audits provide assurance to the Board and Senior Leadership team, and that the business processes and regulatory requirements are being consistently achieved.

### Policies and procedures

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

On behalf of the board

A handwritten signature in black ink, appearing to be 'J Harman', with a long horizontal tail stroke.

**J Harman**

Director

Date: 8 September 2025