

**STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**Principal risks and uncertainties**

A number of risk factors affect the company's operating results and financial condition, namely relevant regulatory risks associated with the medical, aviation and travel insurance industries, security risks as well as economic and loss of key personnel risks. The business is ultimately affected by the number of people that travel, buy travel insurance policies and require assistance services whilst on those trips.

The directors and management mitigate these risks by staying informed of medical, aviation and travel regulatory requirements and implementing adequate policies and procedures to minimise the company's exposure to such risks.

The company is exposed to legal risk which could give rise to fines or restrictions on approvals which might impair the company's profitability or financial position. Professional Indemnity insurance provides some protection and there are comprehensive policies, procedures and training to minimise the risk.

Lack of business continuity risks and/or the failure of information technology systems are further risks faced by the company and these are managed by business continuity plans and having appropriate support arrangements in place.

The continued and serious outbreak of the Coronavirus may impact the safety of staff and/or the services provided to clients resulting in financial loss for the company. The situation is continuing to change rapidly at the time of writing this report; the directors are taking actions to maintain services for our customers and protect the welfare of our employees. Costs are being carefully controlled. The company took advantage of the government's furlough scheme and carried out a restructuring process in order to minimise the effects of the downturn in business.

The UK's exit from the EU does not have a significant operational impact for the company as the majority of its business activities are within the UK. However, any changes to travel arrangements for UK citizens within the EU after the end of the transitional arrangement on 31 December 2020 may affect the company trading activities.

These risk factors are those material risk factors of which the company's directors are aware. These should not be regarded as a complete and comprehensive statement of all potential risks and uncertainties facing the company.

**S172 Statement and stakeholder engagement**

The directors have acted in a way that they consider, in good faith, to be most likely to promote the long-term success of the company for the benefit of its shareholder while having regard for all stakeholders, including customers, employees, suppliers and the wider community.

Stakeholder engagement is managed in accordance with Group policies and procedures which are discussed on pages 40 and 41 of the annual report of Charles Taylor Limited, which does not form part of this report.

The disclosure in the Charles Taylor Limited group annual report considers all relevant factors for the company, in particular the company's engagement with its customers, suppliers and employees.

During the year, the directors in particular considered the management, growth and delivery of existing and new business to its customers. Subsequent to the year-end, the directors have been focused on mitigating the economic impact of the Corona Virus on the company, as described in the business review.

**CEGA GROUP SERVICES LIMITED**

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**Approval**

Approved by the Board and signed on behalf of the board:

A handwritten signature in blue ink, consisting of a stylized 'J' and 'R' followed by a long horizontal line extending to the right.

**Mr J R Baker  
Director**

16<sup>th</sup> November 2020