TEAM

INTRODUCTION TO OUR CORPORATE GOVERNANCE

The Board recognises the importance of sound corporate governance and has adopted the Corporate Governance Guidelines for Smaller Quoted Companies published in 2018 by the Quoted Companies Alliance (the “QCA Code”). The Directors anticipate that whilst the Company will continue to comply with the QCA Code, given the Group’s size and plans for the future, it will also endeavour to have regard to the provisions of the UK Corporate Governance Code as best practice guidance to the extent appropriate for a company of its size and nature. Attached below are the 10 key governance principles as defined in the QCA Code alongside details of how TEAM plc addresses each of these principles.

1. ESTABLISH A STRATEGY AND BUSINESS MODEL WHICH PROMOTES LONG-TERM VALUE FOR SHAREHOLDERS

How it should be applied

The board must be able to express a shared view of the company’s purpose, business model and strategy. It should go beyond the simple description of products and corporate structures and set out how the company intends to deliver shareholder value in the medium to long-term. It should demonstrate that the delivery of long-term growth is underpinned by a clear set of values aimed at protecting the company from unnecessary risk and securing its long-term future.

How the Company applies it

The Board is responsible for the Group’s strategy. The operation of the Board is documented in a formal schedule of matters reserved for its approval which is reviewed annually. This includes the Group’s strategic aims and objectives. Further, the Group’s strategy is explained fully within our Strategic Report.

2. SEEK TO UNDERSTAND AND MEET SHAREHOLDER NEEDS AND EXPECTATIONS

How it should be applied

Directors must develop a good understanding of the needs and expectations of all elements of the company's shareholder base.

The board must manage shareholders' expectations and should seek to understand the motivations behind shareholder voting decisions.

How the Company applies it

The board is committed to regular shareholder dialogue with both its institutional and retail shareholders.

The principal opportunity for the board to meet shareholders is at the Company's AGM, to which shareholders are encouraged to attend.

The Company also has a dedicated email address which investors can use to contact the company. The CEO is responsible for reviewing all communications received from shareholders and determining the most appropriate response.

3. TAKE INTO ACCOUNT WIDER STAKEHOLDER AND SOCIAL RESPONSIBILITIES AND THEIR IMPLICATIONS FOR LONG-TERM SUCCESS

How it should be applied

Long-term success relies upon good relations with a range of different stakeholder groups both internal (workforce) and external (suppliers, customers, regulators and others). The board needs to identify the company's stakeholders and understand their needs, interests and expectations.

Where matters that relate to the company's impact on society, the communities within which it operates or the environment have the potential to affect the company's ability to deliver shareholder value over the medium to long-term, then those matters must be integrated into the company's strategy and business model.

Feedback is an essential part of all control mechanisms. Systems need to be in place to solicit, consider and act on feedback from all stakeholder groups.

How the Company applies it

The Directors believe that, in addition to its shareholders, the main stakeholders of the Company are its clients, its employees, the communities in which it operates and its two regulatory bodies (the London Stock Exchange, and the JFSC).

The Company acts with integrity, focuses on creating results and importantly values people – from its members of staff to those who form the communities it engages with.

The Company dedicates significant time to understanding and acting on the needs and requirements of each of these Groups by way of meetings dedicated to obtained feedback.

The Directors are available to discuss any matter stakeholders might wish to raise.

4. EMBED EFFECTIVE RISK MANAGEMENT, CONSIDERING BOTH OPPORTUNITIES AND THREATS, THROUGHOUT THE ORGANISATION

How it should be applied

The board needs to ensure that the company's risk management framework identifies and addresses all relevant risks in order to execute and deliver strategy; companies need to consider their extended business, including the company's supply chain, from key suppliers to end-customer.

Setting strategy includes determining the extent of exposure to the identified risks that the company is able to bear and willing to take (risk tolerance and risk appetite).

How the Company applies it

The Board is responsible for determining the nature and extent of significant risks that may have an impact on the Group's operations, and for maintaining a risk management framework. The Board is responsible for the management of risk and regularly carries out a robust assessment of the principal risks and uncertainties affecting the Group's business, discussed how these could affect operations, performance and solvency and what mitigating actions, if any, can be taken.

The principle risks and uncertainties identified are set out on Part II of the admission document.

5. MAINTAIN THE BOARD AS A WELL-FUNCTIONING, BALANCED TEAM LED BY THE CHAIR

How it should be applied

The board members have a collective responsibility and legal obligation to promote the interests of the company, and are collectively responsible for defining corporate governance arrangements. Ultimate responsibility for the quality of, and approach to, corporate governance lies with the chair of the board.

The board (and any committees) should be provided with high quality information in a timely manner to facilitate proper assessment of the matters requiring a decision or insight.

The board should have an appropriate balance between executive and non-executive directors and should have at least two independent non- executive directors. Independence is a board judgement.

The board should be supported by committees (e.g. audit, remuneration, nomination) that have the necessary skills and knowledge to discharge their duties and responsibilities effectively.

Directors must commit the time necessary to fulfil their roles.

How the Company applies it

The Board will be responsible for the overall management of the Group including the formulation and approval of the Group's long-term objectives and strategy, the approval of budgets, the oversight of Group operations, the maintenance of sound internal control and risk management systems and the implementation of Group strategy, policies and plans. While the Board may delegate specific responsibilities, there will be a formal schedule of matters specifically reserved for decision by the Board. Such reserved matters will include, amongst other things, approval of significant capital expenditure, material business contracts and major corporate transactions. The Board will meet regularly to review performance.

The QCA Code recommends at least two members of the Board comprise non-executive directors determined by the Board to be independent. On Admission, the Board will comprise five directors, of whom two are executive and three are non-executive. The Board considers all three of the nonexecutives, to be independent and, as such, the Company will comply with the requirements of the QCA Code in this regard.

The Board recognises that the QCA states that save in exceptional circumstances, a chairman should not also fulfil the role of chief executive. As at Admission the Company will not have a chief executive, but rely on Mr Clubb as Executive Chairman and Matthew Moore as Chief Financial Officer and Chief Operating Officer to fulfil the duties of a chief executive. The Board believes this is appropriate due to the Company having limited financial and operational scale at Admission. The role and responsibilities of Mr Clubb and Mr Moore are supported by Shareholders. The Board however intends to appoint a chief executive in the future, at the appropriate moment, and the role of Mr Clubb as an executive director will be reviewed. The Company is committed to having a majority of independent directors at all times.

With effect from Admission, the Board has established an audit and risk committee (the "Audit and Risk Committee"), a nomination committee (the "Nomination Committee") and a remuneration committee (the "Remuneration Committee") with formally delegated responsibilities.

6. ENSURE THAT BETWEEN THEM THE DIRECTORS HAVE THE NECESSARY UP-TO-DATE EXPERIENCE, SKILLS AND CAPABILITIES

How it should be applied

The board must have an appropriate balance of sector, financial and public markets skills and experience, as well as an appropriate balance of personal qualities and capabilities. The board should understand and challenge its own diversity, including gender balance, as part of its composition.

The board should not be dominated by one person or a group of people. Strong personal bonds can be important but can also divide a board.

As companies evolve, the mix of skills and experience required on the board will change, and board composition will need to evolve to reflect this change.

How the Company applies it

The experience and knowledge of each of the Directors gives them the ability to constructively challenge strategy and to scrutinise performance.

Mark Clubb brings leadership, sector expertise and experience of substantially growing small businesses. Matthew Moore brings sector expertise, financial and operational leadership, and experience of acquisition led growth strategies. Philip Taylor, Michael Gray and David Turnbull bring additional strategic, regulatory, commercial, transaction and leadership experience which will be invaluable as the Board pursues the Company's growth strategy and continues to develop the Group.

Directors are expected to attend all meetings of the Board, which will all be held in Jersey, and the committees on which they sit, and to devote sufficient time to the Group's affairs to enable them to fulfil their duties as Directors. In the event that Directors are unable to attend a meeting, their comments on papers to be considered at the meeting will be discussed in advance with the Chairman so that their contribution can be included in the wider Board/committee discussion.

The Company Secretary ensures that all Directors are kept abreast of changes in relevant legislation and regulations, with the assistance of the Company's advisers where appropriate. The Executive Directors are subject to the Company's performance development review process through which their performance against predetermined objectives is reviewed and their personal and professional development needs considered. The Directors are encouraged to raise any personal development or training needs with the Chairman.

7. EVALUATE BOARD PERFORMANCE BASED ON CLEAR AND RELEVANT OBJECTIVES, SEEKING CONTINUOUS IMPROVEMENT

How it should be applied

The board should regularly review the effectiveness of its performance as a unit, as well as that of its committees and the individual directors.

The board performance review may be carried out internally or, ideally, externally facilitated from time to time.

The review should identify development or mentoring needs of individual directors or the wider senior management team.

It is healthy for membership of the board to be periodically refreshed. Succession planning is a vital task for boards. No member of the board should become indispensable.

How the Company applies it

A process of formal annual Board evaluation will take place for each period going forward. In addition, the Non-executive Directors will meet, without the Chairman present, and will evaluate his performance.

The Nomination Committee is required to give recommendations to the Directors where there are vacancies or where it is felt that additional directors should be appointed. For new appointments the search for candidates is conducted, and appointments are made, on merit, against objective criteria and with due regard for the benefits of diversity on the Board.

8. PROMOTE A CORPORATE CULTURE THAT IS BASED ON ETHICAL VALUES AND BEHAVIOURS

How it should be applied

The board should embody and promote a corporate culture that is based on sound ethical values and behaviours and use it as an asset and a source of competitive advantage.

The policy set by the board should be visible in the actions and decisions of the chief executive and the rest of the management team. Corporate values should guide the objectives and strategy of the company.

The culture should be visible in every aspect of the business, including recruitment, nominations, training and engagement. The performance and reward system should endorse the desired ethical behaviours across all levels of the company.

The corporate culture should be recognisable throughout the disclosures in the annual report, website and any other statements issued by the company.

How the Company applies it

The Board monitors and promotes a healthy corporate culture and has considered how that culture is consistent with the Company’s objectives, strategy and business model and with the description of principal risks and uncertainties.

The Board has considered and assessed the culture as being inclusive, transparent and collaborative with appropriate behaviours. The Group has a Code of Conduct, an Anti-bribery and Corruption Policy, and policies and procedures relating to whistleblowing stating the Company’s commitment to conducting its business with honesty and integrity, its expectation that staff will maintain high standards, and encouraging prompt disclosure of any suspected wrongdoing. All such policies are available to view in the staff handbook.

The terms of reference of the Audit Committee include reviewing the adequacy and security of the Company's arrangements for its employees and contractors to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters and keeping under review the Company's procedures

9. MAINTAIN GOVERNANCE STRUCTURES AND PROCESSES THAT ARE FIT FOR PURPOSE AND SUPPORT GOOD DECISION-MAKING BY THE BOARD

How it should be applied

The company should maintain governance structures and processes in line with its corporate culture and appropriate to its:

- size and complexity; and
- capacity, appetite and tolerance for risk.

The governance structures should evolve over time in parallel with its objectives, strategy and business model to reflect the development of the company.

How the Company applies it

The Board has an established Audit, Remuneration, Risk, Nomination and Executive Committees which meet regularly in accordance with their terms of reference. The details of these committees, including their terms of reference and composition, are set out in this Corporate Governance section. This detail also includes the roles and responsibilities of each of the Directors.

The matters reserved for the board, are set out in the Board Terms of Reference, and can be summarised as follows:

- Reviewing, approving and guiding corporate strategy, major plans of action, risk appetite and policies, annual budgets and business plans; setting performance objectives; monitoring, implementation and corporate performance; and overseeing major capital expenditures, acquisitions and disposals;
- Monitoring the effectiveness of the Company's governance arrangements and practices, making changes as needed to ensure the alignment of the Company's governance framework with current best practices;
- Ensuring that appointments to the Board or its Committees are effected in accordance with the appropriate governance process;
- Monitoring and managing potential conflicts of interest of management, Board members, shareholders, external advisors and other service providers,

including misuse of corporate assets and abuse in related party transactions; and overseeing the process of external disclosure and communications.
- The Board is also responsible for all other matters of such importance as to be of significance to the Group as a whole because of their strategic, financial or reputational implications or consequences.

At this stage the board believes that the governance framework is appropriate for a Company of its size but it continues to keep this under review.

10. COMMUNICATE HOW THE COMPANY IS GOVERNED AND IS PERFORMING BY MAINTAINING A DIALOGUE WITH SHAREHOLDERS AND OTHER RELEVANT STAKEHOLDERS

How it should be applied

A healthy dialogue should exist between the board and all of its stakeholders, including shareholders, to enable all interested parties to come to informed decisions about the company.

In particular, appropriate communication and reporting structures should exist between the board and all constituent parts of its shareholder base. This will assist:

- the communication of shareholders' views to the board; and
- the shareholders' understanding of the unique circumstances and constraints faced by the company.

It should be clear where these communication practices are described (annual report or website).

How the Company applies it

The Company is committed to open dialogue with all its stakeholders. The CEO liaises with the Company's principal shareholders, regulators and, where appropriate, clients and relays their views to the wider Board.

On the Company's website shareholders can find all historical regulatory announcements, Interim Reports and Annual Reports. Annual Reports and Annual General Meeting Circulars are posted directly to all registered shareholders or nominees and results of Annual General Meeting votes are also published on the Company's website. As described earlier, the Company also maintains email and phone contacts which shareholders can use to make enquiries or requests.

The Non-executive Directors are available to discuss any matter stakeholders might wish to raise, and the Chairman and Non-executive Directors will attend meetings with investors and analysts as required.

Following the Company's AGM the results of all votes will be made available on the website.

This disclosure was last reviewed and updated on [DATE 2021]