

Terms of Reference

TEAM plc

Nomination Committee

March 2021

Terms of Reference

Nomination Committee

1. Constitution of the Nomination Committee

The nomination committee (the "**Committee**") was constituted, with effect from Admission, at a full meeting of the board of directors (the "**Board**") of TEAM plc (the "**Company**") held on 1 March 2021 and in accordance with the articles of association of the Company.

2. Membership

- 2.1 The Committee shall comprise at least three members. Members of the Committee shall be appointed by the Board, in consultation with the chairman of the Committee. A majority of the members of the Committee shall be non-executive directors whom the Company (following reasonable consultation with the nominated adviser of the Company for the time being (the "**Nomad**")) has determined to be independent under the Corporate Governance Guidelines published by the Quoted Companies Alliance (the "**QCA Code**"), from time to time ("**Independent**").
- 2.2 Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the chief executive, the head of human resources and external advisers may be invited to attend for all or part of any meeting, as and when appropriate and necessary.
- 2.3 Appointments to the Committee shall be for a period of up to three years extendable by no more than two additional three year periods, so long as members (other than the chairman of the Board, if he or she is a member of the Committee) continue to be Independent.
- 2.4 The Board shall appoint the Committee chairman who shall be an Independent non-executive director. In the absence of the Committee chairman and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting who would qualify under these terms of reference to be appointed to that position by the Board. The chairman of the Board shall not be chairman of the Committee.

3. Secretary

The company secretary or his or her nominee shall act as the secretary of the Committee and will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues.

4. Quorum

The quorum necessary for the transaction of business shall be two both of whom must be Independent non-executive directors.

5. Frequency of meetings

The Committee shall meet at least twice a year and otherwise as required.

6. Notice of meetings

- 6.1 Meetings of the Committee shall be called by the secretary of the Committee at the request of the Committee chairman.
- 6.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, any other person required to attend

Terms of Reference

Nomination Committee

and all other non-executive directors, no later than five working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees, as appropriate, at the same time.

- 6.3 Meetings of the Committee may be conducted when the members are physically present or in the form of either a video or audio conference.

7. Minutes of meetings

- 7.1 The secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.
- 7.2 Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee. Once approved, minutes should be circulated to all other members of the Board unless in the opinion of the Committee chairman it would be inappropriate to do so.
- 7.3 Final signed copies of the minutes of the meetings of the Committee should be maintained for the Company's records, in hard and soft copy where possible.

8. Engagement with shareholders

The Committee chairman should attend the annual general meeting ("**AGM**") to answer any shareholder questions on the Committee's activities. In addition, the Committee chair should seek engagement with shareholders on significant matters related to the Committee's areas of responsibility.

9. Duties

- 9.1 The Committee should carry out the duties detailed below for the parent company, major subsidiary undertakings and the group (the "**Group**"), as appropriate.
- 9.2 The Committee shall:
- (a) regularly review the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and make recommendations to the Board with regard to any changes;
 - (b) ensure plans are in place for orderly succession to Board and senior management positions, and oversee the development of a diverse pipeline for succession, taking into account the challenges and opportunities facing the Company, and the skills and expertise needed on the Board in the future;
 - (c) keep under review the leadership needs of the organisation, both executive and non-executive, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace;
 - (d) keep up-to-date and fully informed about strategic issues and commercial changes affecting the Company and the market in which it operates;
 - (e) be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise;
 - (f) before any appointment is made by the Board, evaluate the balance of skills, knowledge, experience and diversity on the Board and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment and the time commitment expected. In identifying suitable candidates the Committee shall:
 - (i) use open advertising or the services of external advisers to facilitate the search;
 - (ii) consider candidates from a wide range of backgrounds; and
 - (iii) consider candidates on merit and against objective criteria, having due regard to the benefits of diversity on the Board and taking care that appointees have enough time available to devote to the position;

Terms of Reference

Nomination Committee

- (g) prior to the appointment of a director, other significant time commitments should be disclosed and any additional future commitments should not be undertaken without prior approval of the Board. The proposed appointee should also be required to disclose any other business interests that may result in a conflict of interest. These must be authorised by the Board prior to appointment and any future business interests that could result in a conflict of interest must not be undertaken without prior authorisation of the Board;
- (h) ensure that, on appointment to the Board, non-executive directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, committee service and involvement outside Board meetings;
- (i) instigate and review the results of the Board performance evaluation process that relate to the composition of the Board and succession planning;
- (j) review annually the time required from non-executive directors. Performance evaluation should be used to assess whether the non-executive directors are spending enough time to fulfil their duties; and
- (k) work and liaise as necessary with other Board committees, ensuring the interaction between committees and with the Board is reviewed regularly.

9.3 The Committee shall also make recommendations to the Board concerning:

- (a) any changes needed to the succession planning process if its periodic assessment indicates the desired outcomes have not been achieved;
- (b) suitable candidates as new directors and succession for existing directors;
- (c) membership of the audit and risk, disclosure and remuneration committees, and any other Board committees as appropriate, in consultation with the chair of those committees;
- (d) the re-appointment of non-executive directors at the conclusion of their specified term of office having given due regard to their performance and ability to continue to contribute to the Board in the light of knowledge, skills and experience required;
- (e) the re-election by shareholders of directors under the annual re-election provisions of the QCA Code or the retirement by rotation provisions in the Company's articles of association, having due regard to their performance and ability, and why their contribution is important to the Company's long-term sustainable success in the light of the skills, experience and knowledge required and the need for progressive refreshing of the Board, taking into account the length of service of individual directors, the chair and the Board as whole;
- (f) any matters relating to the continuation in office of any director at any time including the suspension or termination of service of an executive director as an employee of the Company subject to the provisions of the law and their service contract; and
- (g) the appointment of any director to executive or other office.

10. Reporting responsibilities

10.1 The Committee chairman shall report to the Board on its proceedings after each meeting on the nature and content of its discussion, recommendations and action to be taken.

10.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed, and adequate time should be made available for Board discussion when necessary.

10.3 The Committee shall produce a report to be included in the Company's annual report describing the work of the Committee, including:

- (a) the process used in relation to appointments, its approach to succession planning and how both support the development of a diverse pipeline;

Terms of Reference

Nomination Committee

- (b) how Board evaluation has been conducted, the nature and extent of an external evaluator's contact with the board and individual directors, the outcomes and actions taken, and how it has influenced or will influence board composition
- (c) the policy on diversity and inclusion, its objectives and linkage to company strategy, how it has been implemented and progress on achieving the objectives, and
- (d) the gender balance of those in the senior management team and their direct reports.

10.4 If an external search consultancy has been engaged, it should be identified in the annual report alongside a statement about any other connection it has with the Company or individual directors.

11. Committee performance

11.1 The Committee should arrange for periodic reviews of its own procedures, performance, constitution and terms of reference annually in order to ensure that it continues to operate effectively.

11.2 The Committee will submit the results of such periodic reviews to the Board. Any changes that it considers necessary should be put before the Board for approval.

12. Other matters

The Committee shall:

- (a) have access to sufficient resources in order to carry out its duties, including access to the company secretariat for advice and assistance as required;
- (b) be provided with appropriate and timely training, both in the form of an induction programme for new members and on an on-going basis for all members;
- (c) give due consideration to laws, regulations and any published guidelines or recommendations regarding the remuneration of directors of listed/non listed companies and formation and operation of share schemes including but not limited to the provisions of the QCA Code, the requirements of the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority and the AIM Rules for Companies as well as guidelines published by the Association of British Insurers and the National Association of Pension Funds and any other applicable rules, as appropriate; and
- (d) arrange for periodic reviews of its own performance and, at least annually, review its constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

13. Authority

The Committee is authorised by the Board to obtain, at the Company's expense, outside legal or other professional advice on any matters within its terms of reference.

Approved by the Board:
1 March 2021