

## **Team, Inc.**

### **Code of Ethical Conduct**

All employees of Team and its subsidiaries are required to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. Employees must practice honesty and integrity in every aspect of dealing with other employees, customers, suppliers, stockholders, and with government authorities.

Our Core Values are as follows:

- **Safety First** in everything we do.
- **Integrity** means doing the right thing.
- **Service Leadership** throughout the Company.
- **Innovation** supports continuous growth and improvement.
- **Pride and Respect** for ourselves and our Company.

This Code of Ethical Conduct will guide employees and directors as we strive to uphold those core values. Any questions about the application of this Code may be referred to the Chief Executive Officer (“CEO”), the President, or the Chief Financial Officer (“CFO”).

#### **Protect Health and Safety**

Team is strongly committed to protecting the health and safety of employees and others in our workplace. We will strive to eliminate all accidents, injuries, and occupational illnesses through the active participation of everyone. We are committed to continuous efforts to identify and eliminate or manage safety risks. Employees must report perceived health and safety hazards immediately so that they may be promptly addressed. To help protect themselves and co-workers, they must also know and abide by the health and safety requirements for their job.

#### **Obey the Law and Deal Honestly with the Company**

It is the Company’s policy to observe and obey all laws applicable to it or the conduct of its business wherever located. Whenever there is any uncertainty about what is required to obey the law, you should seek guidance from your immediate supervisor or an appropriate corporate officer to prevent violations. If you believe the Company is operating in violation of any law or regulation, you should notify your supervisor and a corporate officer immediately.

Beyond merely obeying the law, we expect all employees and directors to deal honestly with the Company. Fraud, embezzlement, willful damage or destruction of company property and other misappropriation of funds or assets, including proprietary or confidential company records are potentially criminal offenses. The taking or paying of bribes is also strictly prohibited and, in many cases, may be a violation of the law.

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Team will cooperate fully with appropriate authorities when they investigate conduct that appears to be a crime and may, in addition to disciplinary actions, seek restitution from individuals for harm to our interests.

**Avoid Conflicts of Interest**

The Company prohibits conflicts of interest unless specifically approved by the CEO. (The Board of Directors must approve any potential conflicts of interest involving officers of either Team or any of its subsidiaries). Conflicts of interest occur when an employee, director, or any other person having a close personal relationship with the individual:

- a. obtains a significant financial or other beneficial interest in one of the Company's suppliers, customers or competitors;
- b. engages in a significant personal business transaction involving the Company for profit or gain;
- c. accepts money, gifts of more than nominal value, or other special accommodations from any supplier, customer or competitor;
- d. benefits personally in any sale, loan or gift of Company property; or
- e. benefits from any transaction that would ordinarily be for the benefit of the Company (i.e., receiving revenue for work performed that should have gone to the Company).

(A "person having a close personal relationship with the individual" refers to a spouse, parents, children, siblings, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law, and any person living in the same home with the individual.)

There may be other situations that create conflicts of interest, including the use of Company property for personal benefit or serving as a director of another corporation. These activities should be reported to the Company's CEO for clearance. It is the responsibility of the employee or director to be mindful of potential conflicts of interest and to seek guidance if there could be any question raised by a third party.

**Keep Fair and Accurate Financial Records**

It is the policy of the Company to keep books and records that in reasonable detail accurately and fairly reflect the Company's transactions. The Company, under the direction of the CFO, shall maintain a system of internal accounting controls to ensure reliability and adequacy of its books and records and the proper recording of all transactions.

All transactions entered into by the Company will be recorded in the accounts of the Company in accordance with normal, established procedures. Each entry will be coded to an account that accurately and fairly reflects the true nature of the transaction.

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All financial statements (including branch P&L's, internal management reports, and reports required to be filed with governmental entities, including public reports filed with the SEC) shall be in a form sufficient to reflect accurately and fairly the results of transactions being summarized by the report.

It is the responsibility of each cost center manager to immediately notify the CFO of any known misstatements of financial information reported for their profit or cost center and to assure that all transactions under their authority are properly recorded in the books and records of the Company.

### **Fraud**

Management is responsible for the detection and prevention of fraud, misappropriations, and other inappropriate conduct. Fraud is defined as the intentional, false representation or concealment of a material fact for the purpose of inducing another to act upon it to his or her detriment. Each member of the management team will be familiar with the types of improprieties that might occur within his or her area of responsibility, and be alert for any indication of irregularity.

### **Actions Constituting Fraud**

The terms defalcation, misappropriation, and other fiscal wrongdoings refer to, but are not limited to:

- Any dishonest or fraudulent act;
- Forgery or alteration of any document or account belonging to the Company;
- Forgery or alteration of a check, bank draft, or any other financial document;
- Misappropriation of funds, securities, supplies, or other assets;
- Impropriety in the handling or reporting of money or financial transactions;
- Profiteering as a result of insider knowledge of company activities;
- Disclosing confidential and proprietary information to outside parties;
- Disclosing to other persons securities activities engaged in or contemplated by the company;
- Accepting or seeking anything of material value from contractors, vendors or persons providing services/materials to the Company. Exception: Gifts less than \$100 in value;
- Destruction, removal or inappropriate use of records, furniture, fixtures, and equipment; and/or
- Any similar or related inappropriate conduct.

### **Reporting & Investigating Fraud**

Any fraud that is detected or suspected must be reported immediately to either a manager or corporate officer of the Company or through the use of the Company's Ethics Hotline (see below). Also, concerns may be made directly to the Chairman of the Audit Committee or the Director of Audit Services, who coordinates investigations with the Legal Department and others as needed, both internal and external. An employee who discovers or suspects fraudulent activity should not attempt to conduct investigations or interviews/interrogations, themselves.

If the investigation substantiates that fraudulent activities have occurred, the Director of Audit Services will issue reports to appropriate designated personnel and, if appropriate, to the Board of Directors through the Audit Committee.

### **Disciplinary Actions**

Only the Company's executive management has the authority to impose disciplinary actions on an employee. If an investigation results in a recommendation to terminate an individual, the recommendation will be reviewed for approval by Counsel and, if necessary, outside counsel, before any such action is taken.

### **Compliance with Anti-Corruption Laws**

The United States Foreign Corrupt Practices Act, as amended (the "FCPA"), applies to the Company in its worldwide operations as well as individually to all of the Company's employees and agents with respect to their worldwide activities. The FCPA prohibits the corrupt offer, payment or gift of money or anything of value to a foreign governmental official or employee or to any foreign political candidate or party for the purpose of influencing any act or decision of a governmental body in order to obtain or retain business, to direct business to any person, or to secure any improper advantage. The FCPA also prohibits the offer, payment, or gift of money or anything of value to any third party with knowledge that such money or thing of value will be transferred to a governmental official or employee or political candidate for a prohibited purpose. The FCPA sets forth record keeping and accounting requirements that require companies to maintain (i) an adequate system of internal accounting controls to assure management's control over company assets and (ii) books, records and accounts that accurately and fairly, and in reasonable detail, reflect all of a company's commercial transactions.

In addition to the FCPA, there are laws in other countries in which the Company conducts its business that prohibit bribery, both commercial and governmental (collectively, with the FCPA, "Anti-Corruption Laws"). It is Team's policy, as more fully described in Team's Anti-Corruption and Foreign Corrupt Practices Act Policy (the "Anti-Corruption Policy"), to comply with all Anti-Corruption Laws. The FCPA and many other Anti-Corruption Laws provide for stiff criminal and civil penalties for both the Company and complicit individuals.

Due to the broad nature of Anti-Corruption Laws, these laws may be implicated by a wide range of activities in addition to direct bribery of a foreign official. For instance, arrangements with foreign joint venture partners, foreign agency or sponsorship arrangements, and any direct dealings with, including the entertainment of, foreign governmental officials or employees may raise issues under Anti-Corruption Laws. The Company's agents, consultants and representatives are expected to comply with all applicable Anti-Corruption Laws. You should not hire or retain any person or entity other than pursuant to a written agreement which has been approved in advance by the senior officer or manager of the relevant operating division and by the General Counsel of Team, or his designee.

Although some Anti-Corruption Laws, including the FCPA, permit "facilitating" or "grease" payments to public officials, the Company's Anti-Corruption Policy expressly prohibits such payments.

Any questions with respect to the application of Anti-Corruption Laws to any proposed activity by the Company or any employee should be referred immediately to Team's General Counsel. Any questions related to internal controls or record-keeping requirements should be referred to Team's CFO.

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**Avoid Insider Trading**

If a director, officer or any employee has material non-public information relating to the Company, it is our policy that neither that person nor any related person may buy or sell securities of the Company or engage in any other action to take advantage of, or pass on to others, that information. This policy also applies to information relating to any other public company, including our customers or suppliers, obtained in the course of employment.

**Practice Fair Employment Practices**

It is the policy of Team not to discriminate against employees on account of race, color, age, gender, religion or national origin. Everyone shall be treated with dignity and respect and will be evaluated on the basis of job performance.

Everyone is expected to contribute to a positive work environment. Technical competence to perform a job is not a sufficient basis for continued employment if an employee cannot work harmoniously and productively with others. The Company prohibits all forms of harassment of its employees by other employees, including their supervisors or members of management.

Harassment is considered a serious act of misconduct and may subject an employee to disciplinary action, including immediate discharge. “Harassment” may be sexual, racial, ethnic or other forms of misconduct and may be expressed verbally, non-verbally, in writing or physical.

**The Ethics Hotline**

Team has established a toll-free number by which employees can report concerns or possible violations of this Code of Ethical Conduct. Staffed by an outside and independent firm, the Ethics Hotline operates 24 hours a day, 7 days a week and allows for the caller to remain anonymous. Once a concern is received, it is then relayed to Team while the anonymity of the caller is maintained.

Management of each operation should ensure that a poster communicating the existence of the Ethics Hotline and which contains the toll-free number to call is prominently displayed in a location which is freely accessible to all employees.

**The Code of Ethical Conduct in Practice**

This Code of Ethical Conduct reminds employees of the serious obligations that we all have to conduct Team’s operations with candor, honesty and in strict compliance with the law. Managers and Supervisors are responsible for communicating the Code of Ethical Conduct to their employees and for enforcing its standards and policies. Questions about the Code should be directed to the CEO. Violators of the Code are subject to disciplinary action, including termination.

**Raising Concerns and Reporting Violations of Code of Ethical Conduct**

Team encourages all employees to report concerns, including possible violations of this Code of Ethical Conduct, so that they may be investigated and evaluated. When appropriate, corrective action will be taken.

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Concerns or possible violations of this Code of Ethical Conduct may be either reported to managers, regional managers or any corporate officer or through the use of the Company's Ethics Hotline. All violations of this Code of Ethical Conduct shall be reported immediately to the CEO, who will cause an appropriate investigation of the violation to take place.

**Concerns Regarding Internal Accounting Controls or Financial Account Practices**

Additionally, any concerns made about the Company's system of internal accounting controls or financial accounting practices shall also be immediately reported to the Chairman of the Audit Committee of the Board of Directors, who shall be responsible for the investigating and resolving such concerns.

Concerns about internal controls and financial reporting practices can also be addressed to the audit committee through the Company's Vice President of Audit Services, Jay Kilborn, as follows:

Audit Committee Chairman  
c/o Jay Kilborn  
Vice President, Audit Services  
Team, Inc.  
13131 Dairy Ashford  
Suite 600  
Sugar Land, Texas 77478

No one shall punish, harass, intimidate or retaliate against any employee who raises a concern. Such actions will result in disciplinary action up to and including termination of employment.