Risk Factors Comparison 2024-03-07 to 2023-03-14 Form: 10-K

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There are a number of risks and uncertainties that could cause our actual results to differ materially from the forward- looking statements contained in this report. Such risks, uncertainties and other important factors include, among others, risks related to: ~~• our ability to continue as a going concern; • we do not have sufficient available cash forecasted to fund our Notes (defined below) due in August 2023 and we may not be able to restructure our debt prior to their maturity;~~ • our ability to generate sufficient cash from operations, access our 2022 ABL Credit Facility (defined below) **or amounts available under our Delayed Draw Term Loan (defined below) to support our operations** , or maintain our compliance with **covenants under our debt arrangements including** our 2022 ABL Credit Agreement (defined below) ~~,~~ **and A & R** Term Loan Credit Agreement (defined below) ~~, and Subordinated Term Loan Credit Agreement (defined below) covenants~~ ; • our ability to manage inflationary pressures in our operating costs; • ~~the impact to our business, financial condition, results of operations and cash flows due to~~ negative market conditions, including ~~from the lingering impact of COVID- 19 and other widespread public health crises, epidemics and pandemics, threats of~~ domestic and global ~~economic recession and~~ **inflationary pressures,** future economic uncertainties **, and impacts from epidemics and pandemics** , particularly in industries in which we are heavily dependent; • delays in the commencement of major projects; • ~~our business may be affected by~~ seasonal and other variations, such as severe weather conditions (including conditions influenced by climate change) and the nature of our clients' industry; • our ability to expand into new markets (including low carbon energy transition) and attract clients in new industries may be limited due to our competition' s breadth of service offerings and intellectual property; • **our** ~~we have~~ significant debt and high leverage which could have a negative impact on our financing options, liquidity position and ability to manage increases in interest rates; • **our ability to access capital and liquidity provided by the financial and capital markets; •** the timing of new client contracts and termination of existing contracts may result in unpredictable fluctuations in our cash flows and financial results; • risk of non- payment and / or delays in payment of receivables from our clients; • **our ability to continue** ~~we may not be able~~ to meet the ~~NYSE~~ **New York Stock Exchange** ' s **(" NYSE ")** continued listing requirements and rules, and **the risk that** the NYSE may delist our common stock, which could negatively affect our company, the price of our common stock and our shareholders' ability to sell our common stock **in the** ~~and may lead to potential events~~ - **event** ~~of default~~ **we are unable to list our common stock** on **another exchange** ~~existing debt instruments~~ ; • our financial forecasts ~~are~~ **being** based upon estimates and assumptions that may materially differ from actual results; • ~~we may incur~~ **our incurrence of** liabilities and ~~suffer~~ **suffering of** negative financial or reputational impacts relating to occupational health and safety matters **; • our ability to continue as a going concern** ; • changes in laws or regulations in the local jurisdictions that we conduct our business; • the inherently uncertain outcome of current and future litigation; ~~• if we fail to maintain effective internal controls, we may not be able to report our financial results accurately or timely or prevent or detect fraud, which could have a material adverse effect on our business;~~ and • acts of terrorism, war or political or civil unrest in the United States or elsewhere ~~, including the current events involving Russia and Ukraine~~ , changes in laws and regulations, or the imposition of economic or trade sanctions affecting international commercial transactions. ITEM 1. BUSINESS General Development of Business Introduction. Unless otherwise indicated, the terms " **Team, " "** we, " " our " and " us " are used in this report to refer to either Team, Inc., to one or more of our consolidated subsidiaries or to all of them taken as a whole. Our stock is traded on the ~~New York Stock Exchange ("~~ NYSE ~~")~~ under the symbol " TISI ". We are a global, leading provider of specialty industrial services offering clients access to a full suite of conventional, specialized, and proprietary mechanical, heat- treating, and inspection services. We deploy conventional to highly specialized inspection, condition assessment, maintenance and repair services that result in greater safety, reliability and operational efficiency for our clients' most critical assets. **We** ~~Prior to the sale of our Quest Integrity segment (" Quest Integrity ") as discussed below, we conducted~~ -- **conduct** operations in ~~three~~ **two** segments: Inspection and Heat Treating (" IHT ") ~~,~~ **and** Mechanical Services (" MS ") ~~and Quest Integrity. We currently conduct operations in two segments~~ . Through the capabilities and resources in these two segments, we believe that we are uniquely qualified to provide integrated solutions involving: inspection to assess condition; engineering assessment to determine fitness for purpose in the context of industry standards and regulatory codes; and mechanical services to repair, rerate or replace based upon the client' s election. In addition, we are capable of escalating with the client' s needs, as dictated by the severity of the damage found and the related operating conditions, from standard services to some of the most advanced services and integrated asset integrity and reliability management solutions available in the industry. We also believe that we are unique in our ability to provide these services in three distinct client demand profiles: (i) turnaround or project services, (ii) call- out services, and (iii) nested or run- and- maintain services. ~~On November 1, 2022, we completed the sale of all of the issued and outstanding equity interests of our wholly- owned subsidiary, TQ Acquisition Inc., a Texas corporation (" TQ Acquisition "), to Baker Hughes Holdings LLC (" Baker Hughes ") for an aggregate purchase price of approximately $ 279. 0 million, after certain post- closing adjustments (the " Quest Integrity Transaction "), pursuant to that certain Equity Purchase Agreement by and between us and Baker Hughes, dated as of August 14, 2022 (the " Sale Agreement "). TQ Acquisition and its subsidiaries constituted Quest Integrity, which provided integrity and reliability management solutions for the process, pipeline and power sectors. The criteria for reporting Quest Integrity as a discontinued operation have been met and, as such, all periods presented in this Form 10- K have been recast to present Quest Integrity as a discontinued operation. Unless otherwise specified, the financial information and discussion in this Form 10- K are based on our continuing operations (IHT and MS segments) and exclude any results of our discontinued operations (Quest Integrity). Refer to Note 2- Discontinued Operations for additional details.~~ IHT provides conventional and advanced non- destructive testing ~~(“ NDT ”)~~ services primarily for the process, pipeline and power sectors, pipeline integrity management services, and field heat treating services, as well as associated engineering and condition assessment services. These services can be offered while facilities are running (on- stream), during facility turnarounds or during new construction or expansion activities **. In addition, IHT provides comprehensive non- destructive testing services and metallurgical and chemical processing services to the aerospace industry, covering a range of components including finished machined and in- service components** . IHT also provides advanced digital imaging including remote digital video imaging. MS provides solutions designed to serve clients’ unique needs during both the operational (onstream) and off- line states of their assets. Our onstream services include our range of standard to custom- engineered leak repair and composite solutions; emissions control and compliance; hot tapping and line stopping; and on- line valve insertion solutions, which are delivered while assets are in an operational condition, which maximizes client production time. Asset shutdowns can be planned, such as a turnaround maintenance event, or unplanned, such as those due to component failure or equipment breakdowns. Our specialty maintenance, turnaround and outage services are designed to minimize client downtime and are primarily delivered while assets are off- line and often through the use of cross- certified technicians, whose multi- craft capabilities deliver the production needed to achieve tight time schedules. These critical services include on- site field machining; bolted- joint integrity; vapor barrier plug testing; and valve management solutions. ~~Prior to its sale, Quest Integrity provided integrity and reliability management solutions for the process, pipeline and power sectors. These solutions encompass two broadly- defined disciplines: (1) highly specialized in- line inspection services for historically unpiggable process piping and pipelines using proprietary in- line inspection tools and analytical software; and (2) advanced engineering and condition assessment services through a multi- disciplined engineering team and related lab support. As referenced previously, Quest Integrity is now reported as discontinued operations.~~ We market our services to companies in a diverse array of heavy industries which include: • Energy (refining, power, renewables, nuclear **, offshore oil and gas,** and liquefied natural gas); • Manufacturing and Process (chemical, petrochemical, pulp and paper industries, automotive and mining); • Midstream ~~and Others~~ (valves, terminals and storage, **and** pipeline ~~and offshore oil and gas~~); • Public Infrastructure (**construction and building, roads, dams,** amusement parks, bridges, ports, ~~construction and building, roads, dams~~ and railways); and • Aerospace and Defense. Description of Business Inspection and Heat Treating Segment: IHT offers standard to specialty inspection services as well as heat treating services and digital imaging services. Heat treating services are generally associated with turnaround, project and new construction activities. ~~A description of these~~ **These** core IHT services ~~is~~ **are** as follows: **•** Non- Destructive Evaluation and Testing Services. ~~• Machined parts, industrial piping and structures can be complex systems that experience extreme loads and fatigue during their lifetime. Our Non- Destructive Evaluation and Testing (“ NDE / NDT ”) services enable the inspection of these components without permanently altering the equipment. It is a highly valuable technique that is often used to validate the integrity of materials, detect instabilities, discover performance outside of tolerances, identify failed components, or highlight an inadequate control system. Inspection services frequently require industry recognized training and certification. We employ training and certification programs, which are designed to meet or exceed industry standards. As assets continue to age and remain in service often beyond the original design life, and compliance regulations advance in parallel, inspection and assessment techniques are playing a critical role in safely monitoring fitness- for- service and where practical, extending the useful life of this aging infrastructure.~~ Radiographic Testing. ~~• Radiographic Testing (“ RT ”) is used to detect discontinuities in ferrous and nonferrous castings, welds or forgings using X- ray or gamma ray radiation. RT reveals both external and internal defects, internal assembly details and changes in thickness. Our licensed technicians utilize conventional, computed and real- time radiography testing techniques depending upon the complexity and needs of our clients.~~ Ultrasonic Testing. ~~• Ultrasonic Testing (“ UT ”) uses high frequency ultrasonic waves to detect surface breaking and internal imperfections, measure material thickness and determine acceptance or rejection of a test object based on a reference code or standard. We offer ten different types of UT methods, including traditional scans as well as automated and high speed ultrasonic Electro Magnet Acoustic Transducer testing. Each method is utilized to meet a specific material or process application requirement.~~ Magnetic Particle Inspection. ~~• Magnetic Particle Inspection is an NDT process for detecting surface and slight subsurface discontinuities in ferroelectric materials such as iron, nickel, cobalt, and some of their alloys. The process puts a magnetic field into the test object. When the part is magnetized, flaws perpendicular to the magnetic field direction cause flux leakage. If a lapse or a crack is present, the magnetic particles will be attracted to the flawed area, providing our technician with what is called an indication. Our technician will then evaluate the indication to assess the location, size, shape and extent of these imperfections.~~ Liquid Penetrant Inspection. ~~• Liquid Penetrant Inspection is one of the most widely used NDE / NDT methods. Its popularity can be attributed to two main factors: its relative ease of use and its flexibility. Liquid Penetrant Inspection can be used to inspect almost any material. We utilize Liquid Penetrant Inspection to detect surface discontinuities in both ferromagnetic and non- ferromagnetic materials. In castings and forgings, there may be cracks or leaks in new products or fatigue cracks in in- service components.~~ Positive Material Identification. ~~• Positive Material Identification (“ PMI ”) quickly and accurately identifies the composition of more than 100 different metallurgical alloys onsite. We can perform PMI on virtually any size or shape of pipe, plate, weld, welding materials, machined parts or castings.~~ Electromagnetic Testing. ~~• Electromagnetic Testing applies to a family of test methods that use magnetism and electricity to detect or measure cracks, flaws, corrosion or heat damage in conductive materials. Magnetic properties and geometric analysis are used to determine the best technique to identify defects. Our electromagnetic services enable our technicians to evaluate small cracks, pits, dents and general thinning in tubing with small diameters, large steel surfaces such as storage tank floors, and everything in between.~~ Alternating Current Field Measurement. ~~• Originally developed for inspection of fatigue cracking, our Alternating Current Field Measurement (“ ACFM ”) is an advanced technique for detecting surface cracks and pinpointing the location, length and depth of the defect. Our ACFM works through paint and coatings and in a wide range of temperatures. Results are automatically recorded and accepted by certification authorities.~~ Eddy Current Testing. ~~• Eddy Current Testing (“ ECT ”) is ideal for nonferrous materials such as heat exchanger tubes, condensers, boilers, tubing and aircraft surfaces. Our ECT uses~~

~~electromagnetic induction to detect flaws in conductive materials, displaying the presence of very small cracks, pits, dents and general thinning.~~ Long- Range Guided Ultrasonics. • ~~Guided wave inspection is a method of ultrasonic testing that enables the detection and location of pipe defects above and below ground without disruption of service. This technique only requires a small area of excavation to perform the testing where applicable. Guided ultrasonics sends a bilateral signal over hundreds of feet allowing long ranges of piping to be inspected at one time.~~ Phased Array Ultrasonic Testing. • ~~Phased Array Ultrasonics Testing (" PAUT ") provides enhanced detection, characterization and sizing capability of flaws in manufactured materials like welds. PAUT applies computer- controlled excitation to individual elements in a multi- element probe. By varying the timing of the excitation, the sound beam can be swept through a range of angles to a specific area of interest.~~ Terminals and Storage Inspection and Management Programs. • ~~Our above ground storage tank (" AST ") inspection and management team, Team Tank Consultants (" TTC "), specializes in performing inspections, condition assessment and selected repair services across the United States (" U. S. ") for AST and related infrastructure. Backed by our in- house engineering, documentation and certification services – including American Petroleum Institute 653, 510 & 570 evaluations – TTC' s on- site inspections, repair and maintenance services help keep clients' tanks fully operational and compliant with stringent industry standards.~~ Rope Access. • ~~We provide a range of innovative and cost- effective solutions to suit the client' s individual requirements for inspection and maintenance services for the energy and industrial markets. Our rope access solutions allow for work to be carried out safely and is quicker than traditional methods using scaffolding, keeping costs and operational disruption to a minimum. We provide these services under full accreditation by the Industrial Rope Access Trade Association, whose guidelines are recognized by the industry as the safest method of working at heights.~~ Mechanical Integrity Services. • ~~Maintaining the integrity of equipment is more than simply performing inspections. A well- implemented Mechanical Integrity (" MI ") program involves multiple components that improve the safety and reliability of a facility' s equipment. Our MI programs are designed to ensure the continued integrity and fitness- for- service of piping systems, pressure vessels, tanks and related components. Our mechanical integrity engineers are trained on pertinent codes and standards of the Occupational Safety and Health Administration' s (" OSHA ") process safety management and the U. S. Environmental Protection Agency' s (the " EPA ") risk management program regulations.~~ Pipeline Integrity Services. • ~~We assist pipeline operators in regard to their regulatory compliance, ongoing inspection and maintenance activities that verify the safety, integrity and life expectancy of their pipeline systems. Pipeline Integrity (" PI ") services can include engineering and consulting services that review the program, prior inspection data and advise in threat planning and monitoring. Most midstream piping systems are below ground, and environmental assessments are necessary to understand the threats from topography and soil and to determine the effectiveness of the coating / cathodic protection systems. We apply the appropriate conventional and advanced NDE methods to provide the most accurate identification, characterization and sizing of pipeline anomalies and then apply engineering service to assist with repair recommendations. Standard, accurate and timely documentation and reporting along with quality reviews with our PI services are necessary to support our clients' regulation compliance.~~ Heat Treating Services ~~. Heat Treating Services include electric resistance and gas- fired combustion, primarily utilized by industrial clients to enhance the metallurgical properties of their process piping and equipment. Electric resistance heating is the transfer of high energy power sources through attached heaters to the plant component to preheat weld joints, to remove contaminants and moisture prior to welding, for post- weld heat treatments and to relieve metal thermal stresses induced by the welding process. Specialty heat treating processes are performed using gas- fired combustion on large pressure vessels for stress relieving to bake specialty paint coatings and controlled drying of abrasion and temperature resistant refractories. Special high frequency heating, commonly called induction heating, is used for expanding metal parts for assembly or disassembly, expanding large bolting for industrial turbines and stress relieving projects which are cost prohibitive for electric resistance or gas- fired combustion~~ . Mechanical Services Segment: MS provides onstream services engineered to keep client assets on- line and producing, and specialty maintenance, turnaround and outage services, which are performed while assets are off- line, and are designed to reduce client downtime. These core MS services ~~described~~ **listed** below are delivered in on- call, project- managed, and full- time nested capacities. • Leak Repair Services. • ~~Our leak repair services consist of onstream repairs of leaks in pipes, valves, flanges and other parts of piping systems, pipelines and related assets. Our onstream repairs utilize field- ready craft repairs; standardized modular clamps and leak enclosures; as well as customized engineered solutions, manufactured to critical tolerances with our in- house computer numerical control (" CNC ") technology. We use specially developed techniques and equipment, along with our proprietary sealants for all repairs. Many of our repairs are furnished as interim measures which allow assets to continue operating until more permanent repairs can be made during plant shutdowns. Our leak repair solutions involve inspection of the leak by our highly- trained field technicians who record pertinent information about the faulty part of the system and transmit the information to our in- house engineering department for determination of appropriate repair techniques. Repair materials such as clamps and enclosures can be custom designed and manufactured at our International Organization for Standardization (" ISO ")- 9001 certified manufacturing centers and then delivered to the job site for installation by our technicians. We maintain an inventory of raw materials and semi- finished clamps and enclosures to reduce the time required to manufacture the finished product. We have a diverse global supply chain with a network of alternate suppliers. We routinely perform due diligence on our suppliers and sources of raw materials and finished products and are continuing to pursue responsible sourcing of all materials used in our products, regardless of the country of origin.~~ Engineered Composite Repair. • ~~Our custom engineered composite repair solutions utilize advanced carbon and glass fiber- reinforced epoxy resin materials, to restore the integrity of impaired client assets such as piping systems, pipelines, storage tanks and structures. Composites can be engineered to suit specific applications using our highly tested and proven methods so that a high- performance adhesive bond is created, enabling the composite material to work in conjunction with the original component. They can be installed to systems while on- line, requiring no impact on asset uptime or performance, and used as either interim measures until a more permanent solution can be implemented or as a fully engineered permanent solution themselves. We provide a single- source solution to our clients that includes specification of materials,~~

~~engineering support, technician oversight and / or installation. We utilize our proprietary repair systems as well as others to offer our clients the greatest quality and value combinations to suit their needs. We have been recognized as an industry leader in third- party led test programs to validate innovative new composite application solutions, where our material and service have been verified to comply with international standards, as well as for use as a permanent solution.~~ Emissions Control / Compliance Services. ~~• We provide fugitive volatile organic compound (" VOC ") emission leak detection and methane reduction solutions that include identification, monitoring, data management and reporting; primarily for the upstream, midstream and downstream sectors. These services are designed to monitor and record VOC emissions from specific assets as required by environmental regulations and client environmental programs. Typically, we assist the client in enhancing an ongoing maintenance program and / or complying with present and / or future environmental regulations. We provide technicians, specially trained in the use of portable organic chemical analyzers, data loggers, and drone technology, to measure potential leaks at designated client assets maintained in client or our proprietary databases. The measured data is used to prepare reports required for compliance with EPA and local regulatory requirements.~~ Hot Tapping Services. ~~• Our hot tapping services consist of a full range of hot tapping and Line- stopTM services. Hot tapping services involve utilizing specialized equipment to machine a hole in a pressurized piping system so that a new branch pipe can be connected onto the existing pipe, or pipeline, without interrupting operations. Line- stopTM services involve inserting a mechanical isolation device, through the tapped area, to stop the process flow, permitting the line to be isolated and depressurized downstream, so that maintenance work can be performed on the pipeline, piping system, or other client asset. The Hi- stopTM is a proprietary service solution that allows stopping of process flows under typically more extreme pressures and temperatures where standard industry equipment is unable to operate. Our patent pending SmartStopTM double block and bleed technology allows a dual- stop Line- stopTM head to be inserted through a single tap, with the ability to bleed between the seals, ensuring the integrity of the isolation. In some cases, we may use line freezing processes by injecting liquid nitrogen into specialized equipment with external chambers around the pipe to stop the process flow. Inflatable stops are used in low- pressure applications where a pipe is out of round or inside surface conditions of the pipe prevent a standard line stop. In support of our hot tapping and other repair solutions, we supply specialty and in- service welding solutions, certified in accordance with American Society of Mechanical Engineers (" ASME ") codes, and are authorized by National Board of Boiler and Pressure Vessel Inspectors (the " NBBI ") for the repair of nuclear components, boilers, and other pressure containing components.~~ Valve Insertion Services. ~~• We offer professional installation services for our patented InsertValveTM. The valve can be installed onstream, eliminating the need for line shut downs during planned or emergency valve tie- ins. Designed for a wide range of line sizes and types, the InsertValveTM wedge gate sits on the valve body, not the pipe bottom. This unique feature prevents the seat from coming into contact with the cut pipe edges to significantly extend valve life. We believe its ability to be introduced and, if ever needed, repaired, while the asset to which it is applied to is in service, makes it truly unique in the market.~~ Field Machining Services. ~~• We design and market our own lines of industry leading portable machining equipment that we utilize in the field to essentially bring the machine shop to our clients' assets. Ideal for new construction projects, modifications, planned shutdowns, and emergency repairs, our comprehensive equipment fleet includes laser guided and CNC milling, CNC boring, trepanning, facing, turning, cutting and drilling equipment operated by our highly- trained technicians who are dedicated to minimizing client downtime and ensuring a quality repair that meets or surpasses OEM specifications.~~ Bolted Joint Integrity Services. ~~• We perform all bolting activity from break out to assembly with technical compliance procedures designed in accordance with ASME PCC- 1. These services are provided by highly trained technicians utilizing specialized hydraulic or pneumatic equipment to achieve reliable and leak- free connections following client asset maintenance and / or prior to startup. Our joint integrity engineers are active members of ASME working to increase the industry' s knowledge and provide our clients with the most up- to- date policies and procedures. With capabilities including flange management and bolt load analysis; controlled tightening methods of torquing and tensioning; bolt load validation; proprietary equipment such as Flange SafeTM, that we engineered and manufactured to provide the industry' s safest option for under pressure / temperature single stud replacement, we ensure the integrity of critical industrial infrastructure.~~ Vapor Barrier Plug and Weld Testing Services. ~~• We install vapor barriers into piping systems to prevent potentially hazardous vapors from transferring down or upstream, without having to purge the entire piping system, where mechanical repair operations, such as machining, welding, and heat treating, are taking place. The mechanical barriers expand to seal on the inside pipe surface and provide a venting system to prevent pressure from building up in the piping system, while keeping the work area and environment free of potentially hazardous emissions. Weld test equipment is used to verify the integrity of welded joints by providing sealing surfaces on both sides of the weld and pressuring the void cavity in between. The integrity test allows the client to comply with the ASME hydrostatic test requirements for welded joints without having to pressurize the whole system, which may result in shutdown of other systems, or environmental issues with the test medium.~~ Valve Management Solutions ~~. We perform on- site and shop- based repairs to isolation, control, pressure and safety relief valves, as well as specialty valve actuator diagnostics and repair. We are certified and authorized to assemble new valves for sale and perform testing and repairs to pressure and safety relief valves by NBBI. This certification requires specific procedures, testing and documentation to maintain the safe operation of these essential industry asset valves. We provide special transportable trailers to clients' sites, which contain specialty machines and test equipment to perform on- site valve repairs and testing. Our trained technicians can also service large valves without removing the valve from the client' s asset. In addition, we provide preventive maintenance programs for VOC- specific valves and valve data management programs. We also represent selected valve manufacturers and distribute their products where complementary to our clients' valve supply and management needs~~ . Marketing, Clients and Competition Our industrial services are marketed principally by personnel based at our service locations. We believe that these service locations are situated to facilitate timely responses to client needs with on- call expertise, which is an important feature of selling and providing our services. The capacity and capability scope of our discrete and integrated services also allows us to benefit from the procurement trends of many of our clients who are seeking to reduce the number of contractors and vendors in their facilities, as well as to outsource more of such services. No single client accounted for 10 % or more of consolidated revenues during the years ended December 31, **2023 and** 2022 ~~and 2021~~, respectively. Generally, clients are billed on a time and materials basis, although some work may be performed pursuant to a fixed- price bid. Services are usually performed pursuant to purchase orders issued under written client agreements. While most purchase orders provide for the performance of a single job, some provide for services to be performed on a run- and- maintain basis. Substantially all our agreements and contracts may be terminated by either party on short notice. The agreements generally specify the range of services to be performed and the hourly rates for labor **and equipment** . While many contracts cover specific plants or locations, we also enter into multiple- site regional or national contracts which cover multiple plants or locations. In general, competition stems from a large number of other outside service contractors. More than 100 different competitors are currently active in our markets. We believe we have a competitive advantage over most service contractors due to the quality, training and experience of our technicians, our **rigorous safety training and procedures, our** North America and ~~increasingly~~ international service capability, the breadth and depth of our services, our ability to provide such services on an integrated, more turnkey basis, and our technical engineered support coupled with our manufacturing capabilities supporting the service network. Seasonality We experience some seasonal fluctuations. Historically, the refining industry has scheduled plant shutdowns (commonly referred to as " turnarounds ") for the fall and spring seasons. The power industry follows a similar seasonal schedule for their plant maintenance. The timing of large turnarounds or outages can significantly impact our revenues. The pipeline industry follows and depends in part on weather conditions where the ability to access pipeline infrastructure for or after inspections may be impeded by more severe cold weather conditions. Compliance with Government Regulations A significant portion of our business activities are subject to foreign, federal, state and local laws and regulations. These regulations are administered by various foreign, federal, state and local health and safety and environmental agencies and authorities, including **Occupational Safety and Health Administration ("** OSHA **")** of the U. S. Department of Labor and the **U. S. Environmental Protection Agency (the "** EPA **")** . Failure to comply with these laws and regulations may involve civil and criminal liability. From time to time, we are also subject to a wide range of reporting requirements, certifications and compliance as prescribed by various federal and state governmental agencies that include, but are not limited to, the EPA, the Nuclear Regulatory Commission, **OSHA** ~~the Chemical Safety Board~~, the Department of Transportation and the Federal Aviation Administration **. Also, many states where we operate regulate health, safety and environmental activities, such as California OSHA and Texas Commission on Environmental Quality** . Expenditures relating to such regulations are made in the normal course of our business and are neither material nor place us at any competitive disadvantage. We do not currently expect that compliance with such laws and regulations will require us to make material expenditures. From time to time, during the operation of our environmental consulting and engineering services, the assets of which were sold in 1996, we handled small quantities of certain hazardous wastes or other substances generated by our clients. Under the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (the " Superfund Act "), the EPA is authorized to take administrative and judicial action to either cause parties who are responsible under the Superfund Act for cleaning up any unauthorized release of hazardous substances to do so, or to clean up such hazardous substances and to seek reimbursement of the costs thereof from the responsible parties, who are jointly and severally liable for such costs under the Superfund Act. The EPA may also bring suit for treble damages from responsible parties who unreasonably refuse to voluntarily participate in such a clean- up or funding thereof. Similarly, private parties who bear the costs of cleanup may seek to recover all or part of their costs from responsible parties in cost recovery or contribution actions. Responsible parties include anyone who owns or operates the facility where the release occurred (either currently and / or at the time such hazardous substances were disposed of), or who by contract arranges for disposal, treatment, transportation for disposal or treatment of a hazardous substance, or who accepts hazardous substances for transport to disposal or treatment facilities selected by such person from which there is a release. We believe that our risk of liability is minimal since our environmental consulting and engineering services consisted solely of maintaining and storing small samples of materials for laboratory analysis that are classified as hazardous. Due to its prohibitive costs, we accordingly do not currently carry insurance to cover ~~our~~ **any** potential liabilities under the Superfund Act or similar environmental statutes. Human Capital ~~As~~ **Due to the seasonal nature** of ~~December 31~~ **our business** , **our employee headcount varies during the year. During** ~~2022~~ **2023** , we ~~had~~ **averaged** approximately 5, ~~200~~ **400** employees, with approximately ~~3~~ **4** , ~~900~~ **050** employed in the United States and 1, ~~300~~ **350** internationally. Human capital management, combined with our core values and talent management initiatives, is a key driver of our employee retention program. We invest in our talent by providing our employees with targeted training, mentoring and career development opportunities, all of which enable us to hire and retain ~~talented~~ **skilled** , high- performing employees. We work to prioritize our safety **-** first culture and our diversity and inclusion initiatives, and we seek to retain employees through our employee engagement efforts and our competitive compensation and benefits packages. Business ethics and core values Our core values anchor every aspect of our business in a set of commonly ~~-~~ held beliefs and commitments. They represent what we stand for, the values our employees embody, **what our clients can expect in the delivery of our services** and what our services and products contribute to the market. These statements are deeply ingrained in our culture, guiding employee behavior and ~~company~~ **our** decisions and actions. • Safety First / Quality Always – In everything we do; • Integrity – Uncompromising standards of integrity and ethical conduct; • Service Leadership – Leading service quality, professionalism and responsiveness; • Innovation – ~~Supports~~ **Supporting** continuous growth and improvement; • Pride and Respect – For our clients, for each other and for all of our stakeholders; and • Teamwork – Global teamwork and collaboration. Diversity and inclusion We believe that a diverse and engaged workforce is critical to our success, and we work hard to create an environment where our employees feel valued, engaged and inspired to do their best work. We are proud that a diverse group of people from a variety of backgrounds, religions, nationalities, gender identity, sexual orientations and races make up our team. It continues to be our goal to knock down barriers and eliminate bias wherever it exists through strategic employee-engaged initiatives. ~~In~~ **We are an Equal Employment Opportunity employer and it is our policy to provide equal**

employment opportunities to all qualified persons. We seek to attract and retain a diverse workforce, in particular ~~, while we continue to focus on maintaining or~~ **for** ~~improving the gender diversity among our corporate leadership and general and administrative populations, we are also committed to improving our gender diversity among~~ our technician population, which comprises more than ~~75~~ **77** % of our overall global workforce. Corporate LeadershipGeneral & AdministrativeGlobal ~~Workforce1Female8~~ **Workforce1Female13** % ~~58~~ **56** % ~~12~~ **11** % ~~Male92~~ **Male87** % ~~42~~ **44** % ~~88~~ **89** % __________________ 1 Global workforce includes technicians. We have developed diversity focused strategies through **internal initiatives and** collaboration with the career centers at the universities where we recruit. We recruit diverse candidate populations through **targeted outreach efforts and** collaborations with the Society of Women Engineers (“ SWE ”), Society of Hispanic Engineering’ s (“ SHPE ”) and National Society of Black Engineers (“ NSBE ”) programs, as well as recruiting at Historically Black Colleges and Universities. Health, safety and training **We have** ~~In 2019, we introduced our~~ “ 12 Life Saving Rules ” across our organization to further enhance our safety focused culture. The 12 Life Saving Rules are clear and simple rules designed to address those activities that put our employees at the greatest risk. The rules include both encouraged behaviors as well as discouraged behaviors. All our employees receive online training on the rules and must acknowledge that they have read them. The rules are posted internally, communicated throughout our organization through our safety bulletins, and are printed in multiple languages. In 2022 we enhanced our 12 Life Saving Rules by establishing our 5 Hand Safety Rules. These rules are specific to those high hazard tasks where the opportunity for hand injury is most prevalent. These rules remind our work force about hand placement, proper guarding, and when to get assistance. ~~In 2022 we achieved the second- best safety performance in the Company’ s history.~~ We have several online training and distance learning classes as part of our curriculum to help meet the needs of a rapidly changing workplace environment. These are administered and tracked globally though our Learning Management System. We also offer STAMP, ~~TEAM~~ **Team** ’ s “ Stress and Anxiety Management Program ” that includes several tools and resources to help employees effectively manage stress and prevent depression and other mental illnesses. This program serves as ~~TEAM~~ **Team** ’ s Mental Health and Wellness Program where we offer monthly sessions covering various mental health topics such as mindfulness, Post Traumatic Stress Disorder and resiliency. We coordinate this program with our Employee Assistance Program that offers mental health and depression benefits for our employees and their families. This program has received much praise and support from our employees, their families and our clients. We recognize the importance of providing training to continually support career growth and development. Our talent management ~~and professional development~~ programs are designed to empower and inspire our team members to personalize their career journeys by building critical job skills, gaining hands- on experience, providing ongoing access to world class training, assigning relevant career mentors and paving the way toward career paths that provide long- term advancement within our organization. **We have incorporated** ~~Since the widespread public health crises, epidemics and pandemics, we’ ve proactively introduced~~ more flexibility in our work environment by offering eligible employees the ability to work remotely or on- site, **and by offering** flexible working schedules. We expect to continue offering such flexibility to eligible employees moving forward. Employee engagement Periodically, our employees participate in ~~our~~ engagement ~~survey~~ **surveys ,** which ~~provides~~ - **provide** us with valuable insight as we seek to improve our overall employee engagement and satisfaction. Acting upon employee feedback generated from **our** ~~the engagement survey~~ **surveys** , we review our regional health benefits, communication strategy and training efforts on an ongoing basis. We believe the significant response ~~rate~~ **rates** to our ~~survey~~ **surveys** ~~is~~ **are** indicative of the intensity of our employee’ s connection to our organization, marked by a committed effort to achieve goals in environments that support productivity and maintain personal well- being **. In 2023, we celebrated Team’ s 50th anniversary. We held employee celebrations across the globe, commemorated the milestone with a signature gift for all employees and presented a 50th anniversary video showcasing our employees and highlighting some of Team’ s most significant accomplishments over the years. Additionally in 2023, we continued our focus on regular communications with our employees. We hosted global town hall meetings throughout the year and introduced the monthly CEO Connection newsletter** . Wages and benefits Across the globe, we strive to provide our employees with competitive wages, salaries and benefits based upon employee skills, experience and job levels. Additionally, we provide employees with a comprehensive set of benefits, including health and welfare benefits, wellness benefits, employee assistance plans, defined contribution and defined benefit retirement benefits, paid time off, educational support and a variety of other ancillary employee benefits. Environmental, social and governance General ESG approach We strive to promote and support business practices that are environmentally sustainable, socially conscious, and aligned with strong corporate governance practices. Our highest ~~priority~~ **value** is the **health and** safety of our employees, clients, community and other contractors. We are committed to conducting our business in a manner that protects the environment and the health and safety of our employees, our clients, our suppliers and contractors and the general public ~~, including~~ **. We provide training to** ~~supporting~~ --- **support** career growth opportunities for our diverse team of employees and actively ~~contributing~~ **contribute** to the local communities in which we operate. We strive to be an industry leader in the fields of health, safety and environmental management and work with government organizations and industry organizations in support of laws, regulations, standards and other programs that safeguard the ~~community,~~ workplace and ~~the~~ **our** environment. To meet this commitment, we maintain management systems designed to ensure compliance with all applicable laws, regulations and internal requirements, as well as to facilitate the continuous improvement of our processes, products, and personnel. Many of our services, including our inspection, emissions monitoring and leak repair services, are crucial in assisting our clients to identify, assess and reduce their carbon **and greenhouse gas** emissions ~~and fluid leaks~~ . We provide inspection, **condition assessment,** maintenance and repair services and support our clients’ **diversification** ~~energy transition~~ efforts into **sources of** ~~lower carbon and~~ renewable energy ~~sources, such as liquefied natural gas, hydropower and wind~~ . We work closely with our clients across the world to assist them in meeting their environmental sustainability goals. We sponsor and support numerous charitable organizations and **encourage** our employees **to** donate their time **and financial support** to serving the needs of their communities. These contributions help to support the work of nonprofit organizations of all sizes, working in areas such as ~~health~~ **disability services and** support ~~services~~ **, disaster response,** and ~~well- being~~ **hunger prevention around the globe** . Our Corporate Governance and Nominating Committee has responsibility for maintaining oversight over the development of appropriate environmental, social and corporate governance principles, policies and practices for Team, including our public reporting on corporate responsibility and sustainability. Our Company management is responsible for the day- to- day operation of ESG matters. Our Executive Vice President, Administration, Chief Legal Officer & Secretary, who reports directly to our CEO, has general oversight responsibility with respect to matters of sustainability and social responsibility and is the ~~co-~~ executive sponsor of our ESG Council ~~, along with our Chief Digital & Information Officer of the Company~~ . Under its charter, the ESG Council, which is a management committee formed to assist our **Executive Vice President, Administration,** Chief Legal Officer & Secretary in oversight responsibilities, is responsible for recommending our ESG objectives, monitoring the implementation and performance of our ESG objectives, overseeing the progress made against our social and environmental goals and reporting on our ESG performance. The Corporate Governance and Nominating Committee receives regular reports from our Executive Vice President, Administration, ~~and~~ Chief Legal Officer & Secretary **and ESG Council** regarding the considerations and actions taken by **us** ~~the Company~~ with respect to ESG. ~~Existing~~ **APSC** Board Rights On November 1, 2022, we entered into the Board Rights Agreement (the “ **APSC** Board Rights Agreement ”) with Atlantic Park Strategic Capital Fund, L. P. (“ APSC ”), pursuant to which APSC, acting as investor representative on behalf of itself and its affiliates that beneficially own our common stock (such affiliates, together with APSC, the “ **APSC** Investors ”), may, subject to common stock ownership thresholds and other terms provided in the **APSC** Board Rights Agreement, designate an individual to serve as a non- voting observer at all meetings of our Board of Directors (the “ Board ”) and nominate an individual designated by APSC to serve on the Board (the “ **APSC** Investor Director ”). The right to nominate the **APSC** Investor Director is subject to certain qualification requirements and the discretion of our Corporate Governance and Nominating Committee under limited circumstances. The **APSC** Investors’ rights under the **APSC** Board Rights Agreement are a continuation of existing rights under **that certain term loan credit agreement dated December 18, 2020 (** the **“** Term Loan Credit Agreement **”)** and that certain commitment letter (the “ Commitment Letter ”), dated as of November 9, 2021, by and among us, Corre Partners Management, LLC **(“ Corre ”)** and APSC in the event obligations under the Term Loan Credit Agreement cease to be outstanding. The **APSC** Investors are not permitted to designate, in the aggregate, more than one non- voting board observer and more than one **APSC** Investor Director under the **APSC** Board Rights Agreement, the Term Loan Credit Agreement and the Commitment Letter, provided that the **APSC** Board Rights Agreement does not otherwise limit or impair any rights under the Commitment Letter and the Term Loan Credit Agreement. In the event of the resignation, death or removal (for cause or otherwise) of the **APSC** Investor Director from the Board, APSC, acting on behalf of the **APSC** Investors, will have the right, but not the obligation, to designate a successor **APSC** Investor Director to the Board to fill the resulting vacancy on the Board (and any applicable committee thereof), subject to certain qualification requirements specified in the **APSC Board Rights Agreement. Corre Board Rights On June 16, 2023, in connection with, and effective upon, the consummation of the transactions contemplated by the A & R Term Loan Credit Agreement and ABL Amendment No. 3 (as defined below), we, Corre and the other parties thereto, entered into the Board Rights Agreement (the “ Corre Board Rights Agreement ”), pursuant to which Corre, acting on behalf of itself and its affiliates that beneficially own our common stock (such affiliates, together with Corre, the “ Corre Investors ”), may, subject to common stock ownership thresholds and / or indebtedness and commitment thresholds and other terms provided in the Corre Board Rights Agreement, designate an individual to serve as a non- voting observer at all meetings of the Board, nominate one individual to serve as Chairman of the Board (the “ Chairperson ”), and nominate two additional individuals to serve on the Board (such individuals, together with the Chairperson, the “ Corre Investor Directors ”). The right to nominate the Corre Investor Directors is subject to certain qualification requirements and the discretion of our Corporate Governance and Nominating Committee under limited circumstances. In the event of the resignation, death or removal (for cause or otherwise) of the Corre Investor Directors from the Board, Corre, acting on behalf of the Corre Investors, will have the right, but not the obligation, to designate a successor Corre Investor Director, as applicable, to the Board to fill the resulting vacancy on the Board (and any applicable committee thereof), subject to certain qualification requirements specified in the Corre** Board Rights Agreement. Available Information Our internet website address is www. teaminc. com. Our annual reports on Form 10- K, quarterly reports on Form 10- Q and current reports on Form 8- K, as well as any amendments and exhibits to these reports, filed or furnished pursuant to Section 13 (a) or 15 (d) of the Exchange Act, are available on our website, free of charge, as soon as reasonably practicable after such reports are filed with, or furnished to, the SEC. Alternatively, you may access these reports at the SEC’ s website at http: / / www. sec. gov. We post our code of ethical conduct, our governance principles, our social responsibility policy and the charters of our Board committees on our website. Our governance documents are available in print to any ~~stockholder~~ **shareholder** that submits a written request to Team, Inc., Attn: Corporate Secretary, 13131 Dairy Ashford, Suite 600, Sugar Land, Texas 77478. Information contained on our website is not part of this Annual Report on Form 10- K. ITEM 1A. RISK FACTORS Our business, financial condition, results of operations, cash flows and / or stock price could be materially adversely affected by any of the risks and uncertainties described below **, individually or in combination. Such risk factors and uncertainties could also affect whether any forward- looking statements in this Annual Report on Form 10- K ultimately prove to be accurate** . Risks Related to Market Conditions ~~Widespread public health crises, epidemics~~ **Demand for our services is sensitive to oil** and ~~pandemics~~ **gas prices** , **global oil supply** ~~and the related threat of recession~~ and other **factors which impact our client’ s current and future spending levels. Global oil and gas supply and demand are impacted by several factors including global** economic ~~repercussions have had, and may continue to have, a significant impact on our business, and depending on its continued effects on the oil and gas industry, could have a material adverse effect on our business, liquidity, consolidated results of operations, and consolidated financial condition~~ **conditions** ~~. Our clients in the oil and gas industry have historically accounted for a substantial portion of our~~

~~revenues. Widespread public health crises~~ , **geopolitical events** ~~epidemics and pandemics, threat of recession and related economic repercussions created significant volatility, uncertainty and turmoil in the oil and gas industry during 2022 and 2021 and continue to disrupt the normal operations of many businesses, including the temporary closure or scale- back of business operations and / or the imposition of either quarantine or remote work or meeting requirements for employees, either by government order or on a voluntary basis. While the effects of the COVID- 19 outbreak recently appear to be lessening significantly~~ , widespread public health crises, epidemics and pandemics **,** ~~spreading throughout the U. S.~~ and **domestic and** ~~globally could result in significant disruptions. The~~ global **inflationary pressures which** ~~economy, our markets and our clients' businesses have been, and may continue to be, materially and adversely affected by widespread public health crises, epidemics and pandemics. The threat of recession on the economic environment may affect client demand for our services. The threat of recession on our economic environment and political uncertainty~~ may reduce the availability of liquidity and credit and, in many cases, reduce demand for our clients' products. ~~Disruption~~ **Disruptions** ~~of~~ **or volatility in** ~~the~~ **these** ~~credit~~ markets could also adversely affect our clients' ~~ability~~ **decisions** to ~~finance~~ **fund** ongoing maintenance and new capital projects, resulting in contract cancellations or suspensions, capital project delays, repurposing of infrastructure, and infrastructure closures ~~. An extended or deep recession may result in plant closures or other contractions in our client base~~ . These factors may also adversely affect our ability to collect payment for work we have previously performed. ~~Furthermore, our ability to expand our business could be limited if, in the future, we are unable to increase our credit capacity under favorable terms or at all.~~ Such disruptions, should they occur, could materially impact our results of operations, financial position **, credit capacity** or cash flows. Extended periods of low prices for crude oil can have a material adverse impact on our results of operations, financial condition **,** and liquidity. While we continue **our efforts** to expand our market presence in the areas of aerospace and defense, construction, chemical processing, manufacturing, power generation, and public infrastructure, among other industries, economic downturns within the oil and gas industry including falling crude oil prices, have resulted in, and could in the future, result in **reduced** ~~reduction in~~ demand for our services. Our revenues are heavily dependent on certain industries. Sales of our services are dependent on clients in certain industries, particularly the refining and petrochemical industries. As we have experienced in the past, and as we expect to occur in the future, downturns characterized by diminished demand for services in these industries as well as potential changes due to consolidation or changes in client businesses or governmental regulations, could have a material impact on our results of operations, financial position or cash flows. Certain **industries and** clients have employees represented by unions and could be subject to temporary work ~~stoppage~~ **stoppages** which could impact our activity level. We sell our services in highly competitive markets, which **can** ~~places pressure on our profit margins and limits~~ - **limit** our ability to **increase prices and** maintain or increase the market share of our services. Our competition generally stems from other outside service contractors, many of whom offer a similar range of services. Future economic uncertainty could generally reduce demand for industrial services and thus create a more competitive bidding environment for new and existing work. No assurances can be made that we will continue to maintain our pricing model ~~and our profit margins~~ or increase our market share **or profitability** . Our ongoing investments in new client markets involve significant risks, could disrupt our current operations and may not produce the long- term benefits that we expect. Our ability to compete successfully in new client markets depends on our ability to continue to deliver innovative, relevant and useful services to our clients in a timely manner. As a result, we have invested, and expect to continue to invest, resources in developing products and services **to market** to new clients. Such investments may not prioritize short- term financial results and may involve significant risks and uncertainties, including encountering new **, well established** competitors. We may fail to generate sufficient revenue, operating margin or other value to justify our investments in such new client markets, thereby harming our ability to generate revenue ~~. Ukraine Conflict. The Company does not have employees or operations in Russia or Ukraine. Sanctions and other trade controls imposed by the United States and other governments in response to Russia' s military operations in Ukraine could impact our supply chain and our clients' businesses in future periods. While it is difficult to estimate the impact of current or future sanctions on the Company' s business and financial position, these sanctions could adversely impact the Company' s sales, cost of procuring raw materials, or distribution costs in future periods~~ . We may not be able to meet the NYSE' s continued listing requirements and rules, and the NYSE may delist our common stock, which could negatively affect our company, the price of our common stock and our shareholders' ability to sell our common stock ~~and may lead to potential events of default on existing debt instruments~~ . The NYSE has several listing requirements set forth in the NYSE Listed Company Manual. For example, Section 802. 01C of the NYSE Listed Company Manual requires that our common stock trade at a minimum average closing price of $ 1. 00 per share over a consecutive 30 trading day period. Section 802. 01B of the NYSE Listed Company Manual requires that either our average global market capitalization (inclusive of common and preferred equity) or our total shareholders' equity exceed $ 50. 0 million. ~~On June 17, 2022, we were notified by the NYSE that we were no longer in compliance with the NYSE continued listing standards set forth in Section 802. 01B of the NYSE Listed Company Manual due to the fact that our average global market capitalization over a consecutive 30 trading- day period was less than $ 50. 0 million and, at the same time, our shareholders' equity was less than $ 50. 0 million. If our average global market capitalization over a consecutive 30 trading- day period drops below $ 15. 0 million, the NYSE will initiate delisting proceedings. As required by the NYSE, we notified the NYSE of our intent to cure the deficiency and restore our compliance with the NYSE continued listing standards. In accordance with applicable NYSE procedures, on August 1, 2022 we submitted a plan advising the NYSE of the definitive actions we have taken and are taking that would bring us into compliance with NYSE continued listing standards within 18 months of receipt of the written notice. The NYSE accepted the plan and our common stock will continue to be listed and traded on the NYSE during the 18- month period from June 17, 2022, subject to our compliance with other NYSE continued listing standards and continued periodic review by the NYSE of our progress with respect to our plan. On November 2, 2022, we were notified by the NYSE that the average closing price of our common stock, over a prior 30 consecutive trading day period was below $ 1. 00 per share. We had a period of six months following the receipt of the notice to regain compliance with the minimum share price~~

~~requirement, with the possibility of extension at the discretion of the NYSE. On November 2, 2022 our shareholders approved a proposal to authorize the Board to implement the Reverse Stock Split (as defined below), which became effective on December 21, 2022. On January 3, 2023, we were notified by the NYSE that we had regained compliance with the minimum share price continued listing standard. Although we have regained compliance with Section 802. 01C of the NYSE Listed Company Manual within the cure period, there~~ **There** is no assurance that we will remain in compliance with Section 802. **01B and Section 802.** 01C of the NYSE Listed Company Manual or other NYSE continued listing standards in the future. A delisting of our common stock **from the NYSE** could negatively impact us by, among other things, reducing the liquidity and market price of our common stock; reducing the number of investors willing to hold or acquire our common stock, which could negatively impact our ability to raise equity financing; limiting our ability to issue additional securities or obtain additional financing in the future; decreasing the amount of news and analyst coverage of us; and causing us reputational harm with investors, our employees, and parties conducting business with us ~~. A delisting of our common stock could constitute a " fundamental change " under the terms of our 5. 00 % Convertible Notes due 2023 (the " Notes "), requiring us to make an offer to repurchase the Notes at par. There can be no assurance we would have sufficient funds available to us to repurchase the Notes if required to do so. Failure to repurchase the Notes also could cause a cross- default under our 2022 ABL Credit Facility and Term Loans, which would permit the holders of the indebtedness to accelerate the maturity thereof and proceed against their collateral and could have a material adverse effect on our business and financial condition~~ . Risks Related to Our Operations If we are not able to implement commercially competitive services in a timely manner in response to changes in the market, client requirements, competitive pressures and technology trends, our business and results of operations could be materially and adversely affected. Competition can place downward pressure on our prices and **profitability** ~~profit margins~~ . Our share of the market for our services is characterized by continual technological developments to provide better and more cost- effective services. If we are not able to implement commercially competitive services and products in a timely manner in response to changes in the market, client requirements, competitive pressures, inflationary pressures and technology trends, our business and results of operations could be materially and adversely affected. Likewise, if our proprietary technologies, equipment, facilities, or work processes become obsolete, we may no longer be competitive, and our business and results of operations could be materially and adversely affected ~~.~~ Unsatisfactory quality of service execution,including safety performance,can affect client relationships,eliminate or reduce revenue streams from our largest clients,result in higher operating costs and negatively impact our ability to hire and retain a skilled technical workforce.The services we provide could incur quality of execution issues that may be caused by our workforce personnel and / or components we ~~manufacture or~~ purchase from other manufacturers or suppliers.If the quality of our services does not meet our clients' expectations or satisfaction,then our sales and operating earnings,and,ultimately,our reputation,could be negatively impacted.Additionally,our workers are subject to the normal hazards associated with providing services at industrial facilities.Even with proper safety precautions,these hazards can lead to personal injury,loss of life,destruction of property,plant and equipment,lower employee morale and environmental damage.While we are intensely focused on maintaining a strong safety environment and minimizing the risk of accidents,there can be no assurance that these efforts will be effective.Poor safety performance may limit or eliminate potential revenue streams,including from many of our largest clients,and may materially increase our operating costs,including increasing our required insurance deductibles,self-insured retention and insurance **premium costs.** . Our business depends upon the maintenance of our proprietary technologies and information. We depend on our proprietary technologies and information, many of which are no longer subject to patent protection. We regularly enter into confidentiality agreements with our key employees, clients, potential clients and other third parties and limit access to and distribution of our trade secrets and other proprietary information. However, these measures may not be adequate to prevent misappropriation of our technologies or to assure that our competitors will not independently develop technologies that are substantially equivalent or superior to our technologies. In addition, because we operate worldwide, the laws of other countries in which we operate may not protect our proprietary rights to the same extent as the laws of the United States. We are also subject to the risk of adverse claims and litigation alleging infringement of intellectual property rights. No assurances can be made that we will be successful in maintaining or renewing our contracts with our clients. A significant portion of our contracts and agreements with clients may be terminated by either party on short notice. Although we actively pursue the renewal of our contracts, we cannot assure that we will be able to renew these contracts or that the terms of the renewed contracts will be as favorable as the existing contracts. If we are unable to renew or replace these contracts, or if we renew on less favorable terms, we may suffer a material reduction in revenue and earnings. No assurances can be made that we...... demand for our products and services. The loss or unavailability of any of our executive officers or other key personnel could have a material adverse effect on our business. We depend greatly on the efforts of our executive officers and other key employees to manage and exercise leadership over our operations. The loss or unavailability of any of our executive officers or other key employees could have a material adverse effect on our business operations. Unsatisfactory quality of service execution, including...... insured retention and insurance premium costs. Additional impairments of our intangible and other long- lived assets, and changes in the estimated useful lives of intangible assets could have a material adverse impact on our results of operations and financial condition ~~. As a result of past acquisitions, intangible assets comprise a significant portion of our total assets. As of December 31, 2022, our intangible assets totaled $ 75. 4 million~~ . Our long- lived assets, including our finite- lived intangible assets, are tested for impairment when circumstances indicate that the carrying amount may not be recoverable. A decrease in our market capitalization or profitability or unfavorable changes in market, economic and industry conditions would increase the risk of impairment. GAAP requires that we evaluate the useful lives of our intangible assets subject to amortization each reporting period. If the estimate of an intangible asset' s remaining useful life is changed, the remaining carrying amount of the intangible asset is amortized prospectively over that revised remaining useful life. To the extent the revised useful life of an intangible asset is less than originally estimated, our future amortization expense will increase, which could have a material impact on our results of operations and financial condition. Improvements in operating results from expected savings in operating costs from workforce reductions and other cost saving and business improvement initiatives may not be realized, may take longer to be realized, or could be realized only for a limited period. Since January 2021, we have implemented a new strategic organizational structure and reduced our operating costs through headcount reductions and other steps to better position ourselves for the recovery after the COVID- 19 pandemic and to continue service diversification ~~,~~ and enhance client value. These organizational changes resulted in restructuring charges and other cost **-** saving opportunities. However, ~~in order~~ to implement this or any other future cost savings or business improvement initiatives, we expect to incur additional expenses, which could adversely impact our financial results prior to the realization of the expected benefits associated with the initiatives. Due to numerous factors or future developments, we may not achieve cost reductions or other business improvements consistent with our expectations or the benefits may be delayed. These factors or future developments could include (i) the incurrence of higher than expected costs or delays in reassigning and retraining remaining employees or outsourcing or eliminating duties and functions of eliminated employees, (ii) unanticipated delays in discharging employees in eliminated positions as a result of regulatory or legal limitations on employee terminations in certain jurisdictions, (iii) actual savings differing from anticipated cost savings, (iv) anticipated benefits from business improvement initiatives not materializing and (v) disruptions to normal operations or other unintended adverse impacts resulting from the initiatives **, including negatively impacting our ability to grow our business** . We may also decide to reduce, suspend or terminate our cost **-** saving and business improvement initiatives at any time before achieving the estimated benefits or after a limited period of time. The elimination of current employees can also result in increased future costs in hiring, training and mobilizing new employees or rehires in the event of a future increase in demand for our services, resulting in a slower recovery of results from operations. Our initiatives may negatively affect our ability to retain and attract qualified personnel, who may experience uncertainty about their future roles with us. We may experience inflationary pressures in our...... compensation for any such additional services. Economic, political and other risks associated with international operations could adversely affect our business. A portion of our operations are conducted and located outside the U. S., and accordingly, our business is subject to risks associated with doing business internationally, including changes in foreign currency exchange rates, instability in political or economic conditions, difficulty in repatriating cash proceeds, differing employee relations, differing regulatory environments, trade protection measures, and difficulty in administering and enforcing corporate policies which may be different than the normal business practices of local cultures. **Further, the presence of our offices and operations throughout the world creates greater financial and operational risks due to the nature of our operations being conducted at various locations.** Our international business operations may include projects in countries where corruption is prevalent. Although we have implemented **and** continue to ~~and~~ enforce policies and procedures designed to ensure compliance with the U. S. Foreign Corrupt Practices Act and the United Kingdom Bribery Act **, as well as internal controls, policies and procedures, and employee training and compliance programs to deter prohibited practices more generally** , there can be no assurance that all of our employees, contractors or agents, including those representing us in countries where practices which violate such anti-corruption laws may be customary, will not take actions in violation of **, or circumventing,** our policies and procedures. Any violation of foreign or U. S. laws by our employees, contractors or agents, even if such violation is prohibited by our policies and procedures, could have a material adverse effect on our results of operations, financial position or cash flows. Business acquisitions and divestitures entail risk for investors. From time to time, we seek growth through strategic acquisitions while also evaluating our portfolio for potential divestitures in ~~the~~ specialty maintenance and specialty industrial services, including inspection, engineering assessment and mechanical services to complement, diversify or rationalize our existing business. We may also acquire other businesses that enhance our services or geographic scope and / or divest certain businesses or service offerings to rationalize our operations and take advantage of strategic opportunities. We may not be able to expand our market presence through acquisitions, and acquisitions may present unforeseen integration difficulties or costs. No assurances can be made that we will realize the cost savings, synergies or revenue enhancements that we may anticipate from any acquisition or divestiture, or that we will realize such benefits within the time frame that we expect. If we are not able to address the challenges associated with acquisitions and successfully integrate acquired businesses, or if our integrated product and service offerings fail to achieve market acceptance, or if we are not able to successfully separate divested operations, our business could be adversely affected. The transactions may also affect our share price or future financial results depending on the structure of such considerations. To the extent we issue stock or other rights to purchase stock, including options or other rights, existing shareholders may be diluted and earnings per share may decrease. In addition, acquisitions may result in the incurrence of additional debt **of the acquired businesses, or we may incur additional debt to finance such acquisitions** . The price of our outstanding securities may be volatile. It is possible that in some future quarter (or quarters) our revenues, operating results or other measures of financial performance will not meet the expectations of investors, which could cause the price of our outstanding securities to decline or be volatile. Historically, our quarterly and annual sales and operating results have fluctuated. We expect fluctuations to continue in the future. In addition to general economic and political conditions, and in addition to the other factors identified under this Item 1A “ Risk Factors ”, the following factors may affect our sales and operating results: the timing of significant client orders, the timing of planned maintenance projects at client facilities, changes in competitive pricing, wide variations in profitability by product line, variations in operating expenses, rapid increases in raw material and labor costs, the timing of announcements or introductions of new products or services by us, our competitors or our respective clients, the acceptance of those services, our ability to adequately meet staffing requirements with qualified personnel, relative variations in manufacturing efficiencies and costs, and the relative strength or weakness of international markets. Since our quarterly and annual revenues and operating results vary, we believe that period- to- period comparisons are not necessarily meaningful and should not be relied upon as indicators of our future performance. Our business may be adversely impacted by work stoppages, staffing shortages and other labor matters. Although we believe that our relations with our employees are good and we have had no strikes or work stoppages, no assurances can be made that we will not experience these and other types of conflicts with labor unions, works councils, other groups representing employees, or our employees in general, or that any future negotiations with our labor unions will not result in significant increases in the cost of labor. We extend credit to clients for purchases of our services which subjects us to potential credit risk that could, if realized, adversely affect our financial condition, results of operations and cash flows. If we are unable to collect amounts owed to us, or retain amounts paid to us, our cash flows would be reduced and we could experience losses. We would also recognize losses with respect to any receivables that are impaired as a result of our clients' financial difficulties or bankruptcies. The risk of loss may increase for capital projects where we provide services over a longer period of time. Credit losses could materially and adversely affect our financial condition, results of operations and cash flows. ~~As~~ **We may experience inflationary pressures in our operating costs and cost overruns on our projects. A small portion of our clients are serviced under fixed price contracts or contracts including** a ~~a~~ combination of fixed and variable elements,where we bear a portion of the risk for cost overruns.Under such contracts,prices are established in part on cost and scheduling estimates,which are based on a number of assumptions,including assumptions about future economic conditions,prices and availability of subcontractors,materials and other exigencies of our services.Our profitability **for these contracts** depends heavily on our ability to make accurate estimates.Inaccurate estimates,or changes in other circumstances,such as unanticipated technical problems,difficulties obtaining permits or approvals,changes in local laws or labor conditions,weather delays,cost of raw materials,trade disputes and tariffs,currency fluctuations,inflation pressures or our suppliers' or subcontractors' inability to perform could ~~result in~~ result ~~of our geographically~~ **in substantial losses, as such changes** ~~diverse~~ - **adversely affect** ~~and decentralized operations within~~ the **revenues** ~~United States~~ and **profitability recognized on each project. Current and future inflationary volatility driven by, among** other ~~countries around~~ **things, supply chain disruptions and governmental stimulus or fiscal policies as well as geopolitical conflicts such as the ongoing military conflict between Russia and Ukraine and** ~~the~~ **other** ~~world, we are more susceptible~~ **geopolitical issues impacting global trade could further impact our ability** to ~~certain risks. We~~ **make accurate estimates, which could** have ~~offices and~~ - **an adverse impact on** ~~operations throughout the world. This creates greater financial and operational risks due to the nature of our operations being conducted at various locations. While we have robust internal controls, policies and procedures, and employee training and compliance programs to deter prohibited practices, they may not be effective in preventing employees, contractors or~~ **our business, cash flows** ~~agents from violating or circumventing such internal policies or from material violations of applicable laws~~ and ~~regulations~~ **profitability** . Increasing scrutiny and changing expectations from investors, customers and other market participants with respect to sustainability or environmental, social and governance (" ESG ") matters may impose additional costs on us or expose us to reputational or other risks. Companies across all industries and around the globe are facing increasing scrutiny relating to their ESG policies, initiatives and activities by investors, lenders, regulators, customers and other market participants. While we have policies and initiatives in place related to our ESG practices, the recent increased focus on ESG matters may impact our access to capital, as investors and lenders may reconsider their capital investment allocation as a result of their assessment of our ESG practices. **Our ESG initiatives, intentions and expectations are subject to change and there can be no assurance that our ESG policies and procedures will continue.** Further, regulatory requirements related to ESG continue to evolve and may increase our costs of compliance. If we do not adapt to or comply with investor or other stakeholder expectations and standards on ESG matters as they continue to evolve or if we are perceived to have not responded appropriately to the growing concern for ESG issues, regardless of whether there is a regulatory or legal requirement to do so, we may suffer reputational damage. While we may create and publish voluntary disclosures regarding ESG matters from time to time, **we could be criticized for the accuracy, adequacy or completeness of the disclosure related to our ESG- related practices and initiatives, commitments and goals, and progress against those goals.** ~~certain~~ **Certain** statements in those voluntary disclosures are based on hypothetical expectations and assumptions that may not be representative of current or actual risks or events or forecasts of expected risks or events, including the costs associated therewith. Such expectations and assumptions are necessarily uncertain and may be prone to error or subject to misinterpretation given the long timelines involved and lack of an established, single approach to identifying, measuring and reporting on many ESG issues. **If our ESG- related data, processes or reporting are incomplete or inaccurate, or if we fail to achieve progress with respect to our goals within the scope of ESG on a timely basis, or at all, our reputation could be adversely affected.** In addition, organizations that provide rating information to investors on ESG matters may assign unfavorable ratings to Team or our industries, which may lead to negative investor sentiment and the diversion of investment to other companies or industries, which could have a negative impact on our stock price and our costs of capital. To the extent ESG matters negatively impact our reputation, we may not be able to compete as effectively to recruit or retain employees, which may adversely affect our operations. Such ESG matters may also impact our customers, which may result in reduced demand for certain of our products and services. Risks Related to Financing Our Business ~~We may not be able to continue as a going concern. The audit opinion and notes that accompany our consolidated financial statements for the year ended December 31, 2022, disclose a " going concern " qualification to our ability to continue in business. The accompanying consolidated financial statements have been prepared under the assumption that we will continue as a going concern. We have suffered recurring operating losses related to COVID-19 and the related economic repercussions and difficult market conditions. Prior to the recent financing transactions discussed below, the Company required additional liquidity to continue its operations over the next twelve months. During 2022, revenues and margins continued to be pressured by inflationary costs including labor, materials, and transportation resulting in further operating losses. As of December 31, 2022, we were in compliance with our debt covenants; however, our financial forecasts as of December 31, 2022 indicated insufficient cash flows from operations to address our near- term liquidity needs and maintain compliance with our debt covenants within one year following the date that our consolidated financial statements are issued. As discussed further in Note 12 – Debt, during 2022, the Company executed a number of amendments to its debt instruments, including amendments to our 2022 ABL Credit Facility, Subordinated Term Loan Credit Agreement, Notes and Term Loan Credit Agreement and entered into a new Substitute Insurance Reimbursement Facility Agreement. Such amendments and~~

~~agreement provided improved liquidity and runway to execute on business turnaround plans, support working capital needs and pursue potential strategic alternatives. While such amendments and agreements provided us with additional funding to meet our near- term liquidity needs and included a waiver of our debt covenants through June 30, 2023, there can be no assurance that (i) our lenders will provide additional waivers or amendments in the event of future non- compliance with our debt covenants, or other possible events of default that could happen, or (ii) that we will generate adequate liquidity to fund our operations, or to satisfy the obligations under our Notes and potential acceleration of debt maturities that may become due. Following the various amendments and agreement, we evaluated the Company' s liquidity within one year after the date of issuance of our consolidated financial statements to determine if there is substantial doubt about the Company' s ability to continue as a going concern. In the preparation of this liquidity assessment, we applied judgment to estimate the projected cash flows of the Company, including the following: (i) projected cash outflows, (ii) projected cash inflows, and (iii) excess availability level under the Company' s existing debt arrangements. The cash flow projections were based on known or planned cash requirements for operating and financing costs and include management' s best estimate regarding future customer activity levels, pricing for its services and for its supplies and other factors. Actual results could vary significantly from those projections. We do not believe, based on the Company' s forecast, that current working capital, cash flow from operations, and capital expenditure financing is sufficient to fund the operations, maintain compliance with our debt covenants (as amended), and satisfy the Company' s obligations, specifically with respect to the Notes described below, as they come due within one year after the date of issuance of these consolidated financial statements. Full disclosure of the going concern qualification appears in the notes to the financial statements, see Note 1 – Summary of Significant Accounting Policies and Practices.~~ We are subject to risks associated with indebtedness under our credit facilities, including the risk of failure to maintain compliance with financial covenants, the risk of being unable to make interest and principal payments when due and the risk of rising interest rates. Additionally, our significant debt and high leverage could have a negative impact on our financing options and liquidity position. We have a significant amount of debt as discussed below, and our overall leverage and the terms of our financing arrangements could: • limit our ability to obtain additional financing in the future for working capital, capital expenditures, to fund growth or for general corporate purposes; • make it more difficult for us to satisfy the terms of our debt obligations; • make it more difficult for us to manage increases in interest rates; • limit our ability to refinance our existing debt on terms acceptable to us, or at all; • require us to dedicate a substantial portion of our cash flow from operations to make interest and principal payments on our debt, thereby limiting the availability of our cash flow to fund future investments, capital expenditures, working capital, business activities and other general corporate requirements; and • subject us to higher levels of indebtedness than our competitors, which may cause a competitive disadvantage and may reduce our flexibility in responding to increased competition. Our ability to meet expenses and debt service obligations will depend on our future performance, which will be affected by financial, business, economic and other factors. If we do not generate enough cash to pay our debt service obligations, we may be required to refinance all or part of our debt, sell assets, borrow more money or raise additional equity capital. ~~Full disclosure~~ **Disclosure** of our debt appears under Item 7 – Liquidity ~~,~~ **and** Capital Resources ~~and Going Concern~~, Note 1 – Summary of Significant Accounting Policies and Practice, and Note ~~12~~ **11** – Debt. Our ability to maintain compliance with the financial covenants pursuant to the debt instruments we are party to is dependent upon our future operating performance and future financial condition, both of which are subject to various risks and uncertainties. Additionally, these risks and uncertainties may, among other factors, impact our ability to generate cash flows from operations, access the capital markets on acceptable terms or at all, and affect our future need or ability to borrow under our 2022 ABL Credit Facility. In addition to our current sources of funding our business, the effects of such events may impact our liquidity or our need to revise our allocation or sources of capital, implement further cost reduction measures and / or change our business strategy. We rely primarily on cash flows from our operations to make required interest and principal payments on our debt. If we are unable to generate sufficient cash flows from our operations, we may be unable to pay interest and principal obligations on our debt when they become due. Failure to comply with these obligations or failure to comply with the financial covenants discussed above could result in an event of default, which would permit our lenders to accelerate the repayment of the debt. If our lenders accelerate the repayment of debt, there is no assurance that we could refinance such debt on terms favorable to us or at all. Our ~~2022 ABL Credit Facility and Term Loan bear interest at variable market rates. If market interest rates increase, our interest expense and cash flows could be adversely impacted. Based on borrowings outstanding as of December 31, 2022, an increase in market interest rates of 100 basis points would increase our interest expense and decrease our operating cash flows by approximately $ 1. 3 million on an annual basis. Our 2022 ABL Credit Facility, Term Loan and Subordinated Term Loan restrict our ability to, among other items, incur additional indebtedness, engage in mergers, acquisitions and dispositions and alter the business conducted by us. These restrictions could adversely affect our ability to operate our businesses and may limit our ability to take advantage of potential business opportunities as they arise. Transactions relating to our convertible debt securities may dilute the ownership interest of existing stockholders, or may otherwise depress the price of our common stock. The Notes are convertible into 189, 682 shares of common stock. Upon conversion or maturity, we may settle the Notes in cash or in shares of common stock or a combination of cash and shares of common stock, in each case, at our election. If the Notes are converted, our current intent is to settle the principal amount of the Notes in cash; however, we cannot guarantee that we will have sufficient funds available to us at the time of any such conversions in order to effect settlement in that manner. In such case, we could elect to settle the conversion obligation in a different combination of cash and shares of common stock or entirely in shares of common stock, depending on the circumstances. To the extent we deliver shares of common stock upon conversion of the Notes, the ownership interests of existing stockholders would be diluted. Any sales in the public market of the common stock issuable upon such conversion could adversely affect prevailing market prices of our common stock. Our~~ largest ~~stockholder~~ **shareholder (Corre and certain of its affiliates)** owns a meaningful percentage of our outstanding equity securities, which could limit the ability of other ~~stockholders~~ **shareholders** to influence corporate matters. Our largest

~~stockholder~~ **shareholder** beneficially owned approximately ~~37~~ **39** . ~~6~~ **8** % of the total voting power held by ~~stockholders~~ **shareholders** of our outstanding common stock as of March ~~10~~ **5** , ~~2023~~ **2024** (including ~~PIPE Shares, as defined below,~~ **common stock issued pursuant to the common stock subscription agreement with certain Corre holders** and shares issuable upon exercise **, subject to beneficial ownership limitation,** of certain Warrants, as defined below, held by our largest ~~stockholder~~ **shareholder** in each case). As a result, this ~~stockholder~~ **shareholder** may be able to exert influence over our affairs and policies. This concentrated ownership could limit the ability of the remaining ~~stockholders~~ **shareholders** to influence corporate matters, and the interests of the large ~~stockholders~~ **shareholder** may not coincide with our interests or the interests of the remaining ~~stockholders~~ **shareholders** . The concentration of ownership may also have the effect of delaying, preventing or deterring a change of control. Risks Related to Information Systems Our business and operations ~~would~~ **could** suffer in the event of computer system failures, cyber- attacks or deficiencies in our cyber- security or those of third- party providers. In the ordinary course of our business, we continue to increase dependencies on digital technologies to conduct our business. Sensitive data is also transmitted on our networks and systems, including our intellectual property and proprietary information that is confidential to the business, to our customers and our business partners. We have also outsourced significant elements of our information technology infrastructure and, as a result, third parties may or could have access to our confidential information. The secure maintenance of this information is critical to our business and reputation. Despite the implementation of security measures, our internal computer systems, and those of third parties on which we rely, are vulnerable to damage from computer viruses, malware, ransomware, cyber fraud, natural disasters, terrorism, war, telecommunication and electrical failures, cyber- attacks or cyber- intrusions over the Internet, attachments to emails, persons inside our organization, or persons with access to systems inside our organization. The risk of a security breach or disruption, particularly through cyber- attacks or cyber intrusion, including by computer hackers, foreign governments, and cyber terrorists, has generally increased as the number, intensity and sophistication of attempted attacks and intrusions from around the world have increased. Any such breach could compromise our networks and the information stored there could be accessed, publicly disclosed, encrypted, lost or stolen. Any such access, inappropriate disclosure of confidential or proprietary information or other loss of information, including our data being breached at third- party providers, could result in legal claims or proceedings, liability or financial loss under laws that protect the privacy of personal information, disruption of our operations with increases in costs and decline in revenues, damage to intellectual property or our product development programs and damage to our reputation, which could adversely affect our business. Furthermore, we and our third- party providers rely on electronic communications and information systems to conduct our operations. We and our third- party providers have been, and may continue to be, targeted by parties using fraudulent e- mails and other communications in attempts to misappropriate bank account information, passwords, or other personal information or to introduce viruses or other malware to our information systems ~~. We currently maintain insurance related to cybersecurity breaches and are exploring a range of steps to enhance our security protections and prevent future unauthorized activity. Though we endeavor to mitigate these threats, cyber- attacks against us or our third- party providers and business partners remain a serious issue. The pervasiveness of cybersecurity incidents in general and the risks of cyber- crime are complex and continue to evolve. Fortunately, our cybersecurity posture continued to improve in 2022. Several cybersecurity areas were automated, including a significant increase in automation of system patching. Additionally, the company' s attack surface was reduced by blocking remote logins from known high risk countries and physical logins by non- company devices at major company locations~~ . Interruptions in the proper functioning of our information systems could disrupt operations and cause increases in costs and / or decreases in revenues. The proper functioning of our information systems is critical to the successful operation of our business. Although our information systems are protected through physical and software safeguards, our information systems are still vulnerable to natural disasters, power losses, telecommunication failures and other problems. If critical information systems fail or are otherwise unavailable, our business operations could be adversely affected. Risks Related to Regulations Unanticipated fluctuations in our effective tax rate and our tax obligations, changes in legislation or adverse outcomes resulting from examination of our income or other tax returns could adversely affect our financial results. We are subject to taxes in the U. S. and in various foreign jurisdictions. Significant judgment is required in determining our worldwide income tax provision, which includes assessing the restrictions on tax credits, offset gains or repatriation of cash proceeds, tax assets and accruals for other taxes. There are many transactions and calculations where the ultimate tax determination is uncertain. Our future effective income tax rates could be subject to volatility or adversely affected by our profit levels, changes in our business, reorganization of our business and operating structure, changes in the mix of earnings in countries with differing statutory tax rates, changes in the elections we make or changes in the valuation allowance for deferred tax assets, as well as other factors. **The** ~~Additionally, the~~ Organization for Economic **Co-** ~~Cooperation~~ -- **operation** and Development ~~' s~~ (**the** " OECD ") **, an international association comprised of 38 countries, including the United States, has issued proposals that change long- standing tax principles including on a global minimum tax initiative. On December 12, 2022, the European Union member states agreed to implement the OECD' s** Base Erosion and Profit Shifting (~~"~~ BEPS ~~"~~) ~~project has resulted~~ **2. 0 Pillar Two global corporate minimum tax rate of 15 % on companies with revenues over a specific threshold, which would go into effect** in **2024. To date, various jurisdictions** ~~considerable new reporting obligations worldwide as OECD member countries~~ have ~~implemented its guidance. The~~ **enacted, or are in the process of enacting, legislation on these rules, and the** OECD continues to ~~publish~~ **release additional** guidance ~~pursuant to BEPS and~~ **. While it is uncertain whether** ~~other~~ -- **the** ~~projects which, if~~ **U. S. will enact legislation to** ~~adopted~~ -- **adopt the minimum** ~~by member countries, may affect our~~ tax **directive, certain** ~~positions in many of the~~ countries in which we ~~do business~~ **operate have adopted legislation, and other countries are in the process of introducing legislation to implement the minimum tax directive. Further, the OECD issued administrative guidance providing transition and safe harbor rules that could delay the impact of the minimum tax directive. We will continue to monitor the implementation of these rules by the countries in which we operate** . Our future effective tax rates could also be adversely affected by changes in tax laws, both domestically and internationally, or the interpretation of application thereof. From time to time, the U. S. Congress and foreign, state and local governments consider legislation that could increase our effective tax rate. ~~On August 16, 2022, legislation commonly known as the Inflation Reduction Act (the " IRA ") was signed into law. Among other things, the IRA includes a 1 % excise tax on corporate stock repurchases, applicable to repurchases after December 31, 2022, as well as a new 15 % corporate alternative minimum tax based on book income. We are in the process of evaluating the potential impacts of the IRA on us. Our analysis of the effect of the IRA on us is ongoing and incomplete, and it is possible that the IRA (or implementing regulations, which have not yet been issued, and initial guidance, which was issued on December 27, 2022) could adversely impact our current and deferred federal tax liability.~~ We cannot determine whether, or in what form, other future tax legislation will ultimately be enacted or what impact any such legislation could have on our profitability. We are also currently subject to audit in various jurisdictions, and these jurisdictions may assess additional income or other tax liabilities against us. Developments in an audit, litigation, or ~~the~~ relevant laws, regulations, administrative practices, principles, and interpretations could have a material effect on our operating results or cash flows in the period or periods for which that development occurs, as well as for prior and subsequent periods. Our ability to use our net operating loss carryforwards and certain other tax attributes may be limited. On February 2, 2022, **we** ~~the Company~~ entered into a Section 382 Rights Agreement (the " Section 382 Rights Agreement ") with Computershare Trust Company, N. A., as rights agent, to facilitate our ability to preserve our net operating losses and certain other tax attributes. **Our** ~~As of December 31, 2022, we had net operating loss carryforwards for U. S. federal income tax purposes of $ 104. 2 million. Of this amount, $ 3. 7 million expires in various dates through 2037 and $ 100. 5 million has an indefinite carryforward period. The Company' s~~ ability to use ~~its~~ **our** net operating losses and other tax attributes would be substantially limited if ~~it~~ **we** ~~experiences~~ - **experience** an " ownership change, " as such term is defined in Section 382 of the Internal Revenue Code of 1986, as amended (the " Code "). A company generally experiences an ownership change if the percentage of the value of its stock owned by certain " 5- percent shareholders, " as such term is defined in Section 382 of the Code, increases by more than 50 percentage points over a rolling three- year period. Similar rules may apply under state tax laws. Our ability to use net operating losses to reduce future taxable income and liabilities may also be subject to annual limitations as a result of prior ownership changes and ownership changes that may occur in the future. The Section 382 Rights Agreement is intended to reduce the likelihood of an ownership change under Section 382 of the Code by deterring any Person (as such term is defined in the Section 382 Rights Agreement) or group of affiliated or associated Persons from acquiring beneficial ownership of 4. 9 % or more of our outstanding common shares. Notwithstanding the foregoing, even if the Section 382 Rights Agreement deters an ownership change, it is possible that we will not generate taxable income in time to use such net operating losses before their expiration, or at all. ~~The Tax Cuts and Jobs Act of 2017 (the " Tax Act "), as modified by the Coronavirus Aid, Relief, and Economic Security (" CARES ") Act, among other things, includes changes to the rules governing our U. S. federal net operating losses. Net operating losses arising in tax years beginning after December 31, 2017 are subject to an 80 % of taxable income limitation (as calculated before taking the net operating losses into account) for tax years beginning after December 31, 2020. In addition, net operating losses arising in tax years 2018, 2019, and 2020 are subject to a five- year carryback and indefinite carryforward, while net operating losses arising in tax years beginning after December 31, 2020 also are subject to indefinite carryforward but cannot be carried back. Not all states conform to the Tax Act or CARES Act and some states have varying conformity to the Tax Act or CARES Act. In future years, if and when a net deferred tax asset is recognized related to our net operating losses, the changes in the carryforward / carryback periods as well as the new limitation on use of net operating losses may significantly impact our valuation allowance assessments for net operating losses generated after December 31, 2017. As such there is a risk that due to regulatory changes, such as suspensions on the use of net operating losses or other unforeseen developments, our existing net operating losses could expire or otherwise be unavailable to reduce future income tax liabilities, including for state tax purposes. For these reasons, we may not be able to utilize some portion of our net operating losses even if we attain profitability.~~ Our operations and properties are subject to extensive environmental, health and safety regulations. We are subject to a variety of U. S. federal, state, local and international laws and regulations relating to the environment ~~,~~ and worker health and safety, among other things. These laws and regulations are complex, change frequently, are becoming increasingly stringent, and can impose substantial sanctions for violations or require operational changes that may limit our services. We must conform our operations to comply with applicable regulatory requirements and adapt to changes in such requirements in all locations in which we operate. These requirements can be expected to increase the overall costs of providing our services over time. Some of our services involve handling or monitoring highly regulated materials, including volatile organic compounds or hazardous wastes. Environmental laws and regulations generally impose limitations and standards for the characterization, handling, disposal, discharge or emission of regulated materials and require us to obtain permits and comply with various other requirements. The improper characterization, handling, or disposal of regulated materials or any other failure by us to comply with increasingly complex and strictly- enforced federal, state, local, and international environmental, health and safety laws and regulations or associated permits could subject us to the assessment of administrative, civil and **/ or** criminal penalties, the imposition of investigatory or remedial obligations or capital expenditure requirements, or the issuance of injunctions that could restrict or prevent our ability to operate our business and complete contracted services. A defect in our services or faulty workmanship could result in an environmental liability if, as a result of the defect or faulty workmanship, a contaminant is released into the environment. In addition, the modification or interpretation of existing environmental, health and safety laws or regulations, the more vigorous enforcement of existing laws or regulations, or the adoption of new laws or regulations may also negatively impact industries in which our clients operate, which in turn could have a negative impact on us. Our business is subject to risks arising from climate change, including climate change legislation or regulations restricting emissions of " greenhouse gases, " changes in consumer preferences and technology and physical impacts of climate change, all of which could have a negative impact on our business and results of operations. There has been an increased focus in the last several years on climate change in response to findings that emissions of carbon dioxide, methane and other greenhouse gases present an endangerment to public health and the environment. As a result, there have been a variety of regulatory developments, proposals or requirements and legislative initiatives that have been introduced in the U. S. and other parts of the world that are focused on restricting the emission of greenhouse gases **and enhancing greenhouse gas emissions disclosure requirements, including the SEC' s proposed rule on climate change disclosure, increased fuel efficiency standards, carbon taxes or cap and trade systems, restrictive permitting and incentives for renewable energy** . The current Presidential administration ~~has also emphasized its~~ **is** ~~intention to~~ actively ~~pursue~~ **pursuing** its policy goals of addressing global climate change through significant economy- wide reductions in greenhouse gases and ~~hastening the transition~~ **transitioning** from carbon- based energy sources. The adoption of new or more stringent legislation or regulatory programs limiting greenhouse gas emissions from clients, particularly those in refining and petrochemical industries, for whom we provide **inspection,** repair and maintenance services, or reducing the demand for those clients' products, could in turn affect demand for our products and services. Similarly, changing consumer preferences for goods or services relating to alternative sources of energy or emissions reductions and technological advances in fuel economy and energy generation devices or other technological advances could materially affect our clients, which in turn could negatively impact demand for our services and adversely affect our results of operations, financial condition, and liquidity. Additionally, some of our clients are modifying their plants and facilities and may adopt new technology in efforts to better align their operations and products with energy transition issues, but there is no assurance that such modified facilities or technological advancements will require the same level of services and products that we currently provide. In addition, our manufacturing centers use electricity generated by burning fossil fuels, which releases carbon dioxide. Increased energy or compliance costs and expenses as a result of any increased legal or regulatory requirements to limit and / or track ~~GHG~~ **greenhouse gas** emissions may cause disruptions in, or an increase in the costs associated with, the manufacturing and distribution of our products. ~~Finally, most scientists~~ **Scientists** have concluded that increasing greenhouse gas concentrations in the atmosphere may produce physical effects of climate change, such as increased severity and frequency of storms, droughts, floods and other climate events. Such climate events have the potential to adversely affect our operations or those of our clients or suppliers **, including by damaging our manufacturing facilities, disrupting our supply chain and causing our suppliers to incur significant costs in responding to such impacts** , which in turn could have a negative effect on us, including by adversely impacting our results of operations, financial condition and cash flows. Such events, if increasing in their severity and frequency, may also adversely affect our ability to insure against the risks associated with such events, thus leading to greater financial risk for us in the conduct of our operations against the backdrop of such events. We are subject to privacy and data security / protection laws in the jurisdictions in which we operate and may be exposed to substantial costs and liabilities associated with such laws and regulations. The regulatory environment surrounding information security and privacy is increasingly demanding, with frequent imposition of new and changing requirements. Compliance with changes in privacy and information security laws and standards may result in significant expense due to increased investment in technology and the development of new operational processes, which could have a material adverse effect on our financial condition and results of operations. In addition, the payment of potentially significant fines or penalties in the event of a breach or other privacy and information security laws, as well as the negative publicity associated with such a breach, could damage our reputation and adversely impact ~~product~~ demand **for our services** and client relationships. Risks Related to Legal Liability Our insurance coverage will not fully indemnify us against certain claims or losses. Further, our insurance has limits and exclusions and not all losses or claims are insured. We perform services in hazardous environments on or around high- pressure, high temperature systems and our employees are exposed to a number of hazards, including exposure to hazardous materials, explosion hazards and fire hazards. Incidents that occur at these large industrial facilities or systems, regardless of fault, may be catastrophic and adversely impact our employees and third parties by causing serious personal injury, loss of life, damage to property or the environment, and interruption of operations. ~~Our contracts typically require us to indemnify our clients for injury, damage or loss arising out of our presence at our clients' location, regardless of fault, or the performance of our services and provide for warranties for materials and workmanship. We may also be required to name the client as an additional insured under our insurance policies.~~ We maintain limited insurance coverage against these and other risks associated with our business. ~~Due~~ **Our contracts typically require us** to ~~the high cost~~ **name a client as an additional insured under our insurance policies and indemnify our clients for injury, damage or loss arising out** of ~~general liability~~ **our presence at our clients' location, regardless of fault, or the performance of our services and provide for warranties for materials and workmanship. We maintain a $ 6 million retention for indemnity** coverage ~~, we maintain insurance with a self- insured retention of $ 1. 0 million and a deductible of $ 4. 0 million per occurrence~~ . This insurance may not protect us against liability for certain events, including events involving pollution, product or professional liability, losses resulting from business interruption or acts of terrorism or damages from our breach of contract. We cannot assure you that our insurance will be adequate in risk coverage or policy limits to cover all losses or liabilities that we may incur. Moreover, in the future, due to evolving market conditions, our higher risk profile due to the nature of our operations and claims history, and expected impact on pricing, we cannot assure that we will be able to maintain insurance at levels of risk coverage or policy limits that we deem adequate. Any future damages caused by our products or services that are not covered by insurance or are in excess of policy limits could have a material adverse effect on our results of operations, financial position or cash flows. We are involved and are likely to continue to be involved in legal proceedings **or governmental or regulatory inquiries** , which will increase our costs and, if adversely determined, could have a material effect on our results of operations, financial position or cash flows. We are currently a defendant in legal proceedings arising from the operation of our business and it is reasonable to expect that we will be named in future actions. Most of the legal proceedings against us arise out of the normal course of performing services at client facilities, and include claims for workers' compensation, personal injury and property damage **. We have also received notices from certain foreign government appointed administrative authorities stating noncompliance with the requirements of pandemic- related funding assistance programs we participated in related to the payment of a portion of employee wages, which may be**

required to be repaid . Legal proceedings can be expensive to defend and can divert the attention of management and other personnel for significant periods of time, regardless of the ultimate outcome. An unsuccessful defense of a liability claim could have an adverse effect on our business, results of operations, financial position or cash flows. ~~General Risk Factors Other risk factors may include interruption of our operations, or the operations of our clients due to fire, floods, hurricanes, earthquakes, power loss, war, political or civil unrest, telecommunications failure, terrorist attacks, labor disruptions, health epidemics and other events beyond our control. Any of these factors, individually or in combination, could materially and adversely affect our future results of operations, financial position, cash flows and / or stock price and could also affect whether any forward-looking statements in this Annual Report on Form 10- K ultimately prove to be accurate.~~