



# Environmental, Social and Governance Tear Sheet

2019



**TEAM, Inc. Environmental, Social and Governance Tear Sheet**

The following tear sheets contain disclosure of relevant metrics to TEAM, Inc.’s business, as well as those included in the Sustainability Accounting Standards Board (SASB) standards for the Engineering and Construction Services industry. We also identify where our practices and efforts align with and help advance the United Nations Sustainable Development Goals (UN SDGs).

This document covers ESG disclosures for TEAM, Inc. and subsidiaries (the “Company,” “TEAM,” “our,” “we,” or “us”) for the period Jan. 1, 2019 through Dec. 31, 2019, unless otherwise noted.

**About Us**

TEAM, Inc. is a global leading provider of integrated, digital-ly-enabled asset performance assurance and optimization solutions. We deploy conventional to highly specialized inspection, condition assessment, maintenance and repair services that result in greater safety, reliability, and operational and economic efficiency for our client’s most critical assets. A professional team of experienced engineers, technicians, and client support personnel backs each service armed with the best on-the-job safety and service training, equipment, and technical support in the industry. Through 200 locations in more than 20 countries, we unite the delivery of technological innovation with nearly a century of progressive, yet proven integrity and reliability management expertise to fuel a better tomorrow. In 2019, TEAM had approximately 7,000 employees and annual revenue of \$1.163 billion.

**TEAM’s ESG Program Objectives**

In 2019, we initiated our ESG Program to continue to increase our commitment to environmental, social and governance principles. As a Company, we recognize that the way in which we conduct business influences the results we seek to achieve. Accordingly, we strive to promote and support business practices that are environmentally sustainable, socially conscious, and aligned with strong corporate governance practices. Social consciousness at the Company is evidenced by our commitment towards good corporate citizenship by focusing on improving the quality of people’s lives – from employees, to clients, and the communities in which we operate.

**Business Summary**

<b>Revenue</b>	\$1.163B
<b>Employees</b>	Approximately 7,000
<b>Locations</b>	200 locations across 20 countries
<b>Industries Served</b>	More than 20
<b>Service Lines</b>	14 integrated services lines, 3 business segments



# Environmental Awareness



## Topic

## Information

### Global Environmental Progress

**Number of incidents of non-compliance with environmental permits, standards, and regulations**

IF-EN-160a.1

TEAM had three incidents of non-compliance from 2017 through 2019.

None of the incidents of non-compliance had a material financial impact on the Company. In a few cases, the Company identified the need for additional employee training. In all cases, corrective action was taken, and TEAM received confirmation that the violations were corrected.

TEAM is committed to comply with all the applicable laws in the countries in which we operate as outlined in our [Health, Safety, Environmental and Security Policy](#). We have made significant progress in our global auditing process to ensure sites meet host nation's environmental and legal codes.

2019 ESG Report: [Environmental Compliance and Stewardship](#)

**Discussion of processes to assess and manage environmental risks associated with project design, siting, and construction**

IF-EN-160a.2

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. To ensure we properly manage environmental risks, we maintain management systems, such as ISO 14001:2015 (Environmental Management Systems) and ISO 9001:2015 (Quality Management Systems).

2019 ESG Report: [Health, Safety, Environmental & Security Commitment](#)

2019 ESG Report: [Environmental Awareness](#)

### Lifecycle Impacts of Buildings & Infrastructure

**Number of (1) commissioned projects certified to a third-party multi-attribute sustainability standard and (2) active projects seeking such certification**

IF-EN-410a.1

As of year-end 2019, TEAM had 28 ISO 9001 certified operations facilities in the U.S. and all of TEAM's UK, Middle East/North Africa, Europe and Asia Pacific facilities have received their ISO 9001 certifications.

2019 ESG Report: [Health, Safety, Environmental & Security Commitment](#)

2019 ESG Report: [Environmental Awareness](#)

**Discussion of process to incorporate operational-phase energy and water efficiency considerations into project planning and design**

IF-EN-410a.2

As a service company, the vast majority of our operations take place at our clients' facilities. Therefore, we have a relatively small operational footprint and minimal water and energy usage at our facilities. However, we continue to explore opportunities to reduce our environmental footprint even further.

# Safety, Quality & Training



Topic	2019	2018	2017
<b>Workforce Health and Safety</b>			
(1) Total recordable incident rate (TRIR)	0.24	0.32	0.39
(2) Fatality rate for direct employees IF-EN-320a.1	0	0	0.01
Lost Time Incident Rate (LTIR)	0.07	0.07	0.07
Significant Incidents	3	6	6

## Description of health and safety programs implemented across the company

Our #1 Core Value at TEAM is the safety of our employees, clients, and other contractors. We are committed to safety excellence and strive daily for zero injuries and incidents. To meet this commitment, TEAM maintains 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. TEAM intends to set an example of leadership in the field of health, safety and environmental management, and will promote resource conservation, the reduction of waste and pollution prevention. For more information see our [Health, Safety, Environmental and Security \(HSE&S\) Policy](#).

2019 ESG Report: [Safety, Quality & Training](#)

## Topic

## Information

### Structural Integrity and Safety

Amount of defect- and safety-related rework costs

At this time, TEAM does not report these metrics.

IF-EN-250a.1

Total amount of monetary losses as a result of legal proceedings associated with defect- and safety-related incidents

TEAM discloses all material legal proceedings in our Annual Report on Form 10-K. In 2019, there were no material legal proceedings related to defect- and safety-related incidents reported in our Form 10-K.

IF-EN-250a.2

# Our People



Topic	Information
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## Diversity and Inclusion

### Gender Diversity

	Female	Male
<b>Global workforce</b>	12%	88%
<b>EEO-1 job category</b>		
Executives and senior management	22%	78%
Mid-level manager	11%	89%
Professional	27%	63%
Other	7%	93%

The vast majority of our employees are service technicians which has historically been a male dominated occupation. However, TEAM has proactively initiated several programs to increase diversity in the workplace including our collaborations with organizations such as the Society of Woman Engineers (SWE), Society of Hispanic Engineers (SHPE), and National Society of Black Engineers (NSBE). Through our involvement with these agencies, we are striving to increase our workforce diversity.

### Generational Diversity

53% millennial and GenZ employees

### Diversity and Inclusion Initiatives

We are proud that a diverse group of people from all backgrounds, religions, nationalities, gender orientations and races are employed at TEAM and it continues to be our goal to eliminate barriers and bias wherever it exists through strategic employee-engaged diversity and inclusion initiatives.

2019 ESG Report: [Diversity and Inclusion](#)

Topic	Information
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## Employee Engagement, Recruitment and Retention

### Employee engagement survey and program

TEAM seeks to engage our employees through an annual global engagement survey and smaller workshop-style focus group engagements with our technicians. In 2019, 86% of TEAM employees responded to our Employee Engagement Survey, versus 83% industry average.

2019 ESG Report: [Employee Engagement](#)

### Talent recruitment and retention efforts

We recognize the importance of providing training to continually support career growth and development. Our talent management and professional development programs 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 TEAM.

2019 ESG Report: [Talent Management and Professional Development](#)

2019 ESG Report: [TEAM Apprenticeship Program](#)

2019 ESG Report: [Compensation and Benefits](#)

# Our Community

## Topic

## Information

### Community Engagement

#### Philanthropic Initiatives

We understand that our greatest asset for driving change is the commitment of our employees to be engaged and have a positive impact in their communities. We sponsor and support numerous charitable organizations around the globe and encourage our employees to donate their time and to support them as well. These contributions enable the work of nonprofit organizations of all sizes, working in areas such as disability services and support, disaster response and humanitarian assistance, hunger prevention, and sustainable development around the globe.

2019 ESG Report: [Our Community](#)

# Governance & Ethics



## Topic

## Information

### Policies

#### [Code of Business Conduct and Ethics](#)

- Reporting Concerns/ Ethics Hot Line
- Human Rights
- Privacy
- Anti-Bribery & Corruption

#### [Health, Safety, Environmental and Security \(HSE&S\) Policy](#)

#### [Environmental, Social and Governance \(ESG\) Policy](#)

### Anti-Bribery and Corruption

(1) Number of active projects and (2) backlog in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index

IF-EN-510a.1

In 2019, TEAM had no presence or operations in those countries.

Total amount of monetary losses as a result of legal proceedings associated with charges of (1) bribery or corruption and (2) anticompetitive practices

IF-EN-510a.2

In 2019, TEAM had \$0 in monetary losses in connection with such proceedings. For more information please reference our [Form 10-K](#).

**Description of policies and practices for prevention of (1) bribery and corruption, and (2) anti-competitive behavior in the project bidding processes**

IF-EN-510a.3

See [Code of Business Conduct and Ethics](#). TEAM provides live and computer-based anti-corruption and anti-trust training. As part of its anti-corruption policy, TEAM conducts due diligence on third parties, including agents, licensees, customs/shipping vendors and finance professionals. TEAM requires its counterparties to provide contractual commitments to compliance with anti-corruption laws and regularly certify compliance.

In addition, our Code of Business Conduct and Ethics specifically addresses Foreign Corrupt Practices Act (FCPA) compliance, global anti-corruption laws, due diligence on and payments through third parties, prohibition of facilitating payments, internal accounting controls and record keeping, prohibition of commercial bribery, reporting and discipline.

Topic	Information
<b>Governance Practices*</b>	
Board Independence	90%
Average Age of Directors	64
Diversity	10%
Industry Experience	100%
Average Tenure (years)	6
<b>Best Practices</b>	
Board Oversight of ESG	
Board Oversight of Corporate Strategy and Risk	
Shareholder Engagement Program	
Director Overboarding Limits	
Stock Ownership Guidelines for Directors & Executive Officers	
New Director Orientation / Continuing Education for Directors	
Board Refreshment	
Board Commitment to Seek Diverse Director Candidates	
Succession Planning	

## Independence

Director Independence

Independent Lead Director with Delineated Responsibilities

Board Committee Independent Members

Regular Director Executive Sessions

## Accountability

Majority Voting

Annual Board and Committee Self-Evaluation

Annual Evaluation of CEO by Independent Directors

Clawback Policy

Director Resignation Policy

Anti-Hedging / Pledging / Speculative Investments Policy

## Shareholder Rights

Shareholder Right to Call Special Meeting

Shareholder Right to Act by Written Consent

One-Share, One-Vote

\*As of 2020 Proxy





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#### **Forward-Looking Statement**

Certain forward-looking information contained herein is being provided in accordance with the provisions of the Private Securities Litigation Reform Act of 1995. We have made reasonable efforts to ensure that the information, assumptions and beliefs upon which this forward-looking information is based are current, reasonable and complete. Such forward-looking statements involve estimates, assumptions, judgments and uncertainties. There are known and unknown factors that could cause actual results or outcomes to differ materially from those addressed in the forward-looking information. Although it is not possible to identify all of these factors, they include, among others, (i) the duration and magnitude of the COVID-19 pandemic, related economic effects and the resulting negative impact on demand for oil and gas along with the current surplus in the global supply of oil, and (ii) such know factors are detailed in the Company's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, each as filed with the Securities and Exchange Commission, and in other reports filed by the Company with the Securities and Exchange Commission from time to time. Accordingly, there can be no assurance that the forward-looking information contained herein, will occur or that objectives will be achieved. We assume no obligation to publicly update or revise any forward-looking statements made today or any other forward-looking statements made by the Company, whether as a result of new information, future events or otherwise, except as may be required by law.