



# 2024 CORPORATE RESPONSIBILITY REPORT



*Building a Sustainable Future:  
Our Commitment to Environmental,  
Social, and Governance Excellence*



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# A MESSAGE FROM OUR CEO

I'm pleased to introduce TEAM Industries' inaugural Corporate Responsibility Report, a significant milestone reflecting our commitment to sustainability, ethical business practices, and the communities we touch.

Environmental stewardship isn't just a good thing to do, it's integral to good business. Our success and the well-being of our communities are fundamentally interconnected. This belief drives our social responsibility initiatives, designed to create positive, measurable impacts.

Our commitment goes beyond compliance.

We're proud to have established our Corporate Responsibility Committee, tasked with setting ambitious ESG (Environmental, Social, and Governance) objectives throughout our organization. By deploying innovative practices, technologies, and diligent monitoring, we have made substantial progress in reducing emissions, improving energy efficiency, and continuously improving our environmental performance.

We drive these same practices deep into our supply chain through proactive engagement with suppliers who share our commitment to sustainable sourcing, ethical operations, and environmental accountability.

To our TEAM Members, customers, partners, and stakeholders—thank you for your ongoing dedication and support. Your collective efforts enable us to drive meaningful change and build a sustainable, responsible future that we can proudly leave to future generations.

We welcome your insights and feedback on this report and look forward to progressing together toward an even brighter, more sustainable tomorrow.



With Sincere Appreciation,

A handwritten signature in black ink that reads "Micah Ricke".

Micah Ricke CEO, TEAM Industries





## **GOALS:**

2050 GOAL: ACHIEVE A REDUCTION IN GHG EMISSIONS CONSISTENT WITH LIMITING GLOBAL WARMING TO 2°C, ALIGNED WITH THE SBTI GUIDELINES. ADDITIONALLY, ACHIEVE 10% OF RECYCLED OR SUSTAINABLE RAW SOURCED MATERIALS.

## **TARGET 1:**

SCOPE 1 AND 2 EMISSIONS WE HAVE SET A GOAL TO ACHIEVE A 20% REDUCTION IN COMPANY-WIDE SCOPE 1 AND 2 EMISSIONS BY 2030, USING FY24 AS A BASE YEAR.

## **TARGET 2:**

SCOPE 3 EMISSIONS OUR EMISSIONS-REDUCTION STRATEGY ACCOUNTS FOR THE IMPACT OF OUR ENTIRE VALUE CHAIN. WE'VE SET A GOAL TO REDUCE SCOPE 3 EMISSIONS BY 20% AGAINST AN FY24 BASE YEAR BY 2030. TO REACH IT, WE'RE FOCUSING ON:

- SUPPLIER ENGAGEMENT
- OPTIMIZING LOGISTICS
- LIFE CYCLE ASSESSMENTS
- ECO FRIENDLY PACKAGING



TEAM Industries is committed to minimizing our environmental footprint while improving efficiency throughout our operations. This includes every aspect of our business; from suppliers and manufacturing to distribution and office spaces. Our newly developed Environmental, Health, and Safety (EH&S) department leads the focus on these initiatives.



## 2030 ENVIRONMENTAL GOALS

- Implement an environmental stewardship program at 100% of our facilities.
- Reduce Scope 1 and Scope 2 emissions by 20%.
- Actively participate in EPA and state environmental programs.
- Achieve 10% usage of recycled or sustainable raw materials.

## OUR FOCUS AREAS

- **Waste Reduction:** Lowering waste and pollutants while conserving resources and recycling at all stages of the product lifecycle.
- **Energy Efficiency:** Cutting greenhouse gas intensity, enhancing energy efficiency, and incorporating renewable energy into our operations.
- **Continuous Improvement:** Regularly evaluating the environmental impact of our facilities and striving to improve our relationship with the communities where we operate.
- **Performance Monitoring:** Tracking and reporting on environmental performance to ensure accountability and progress.



# TOTAL ENERGY USAGE TABLES

TEAM FACILITY	NATURAL GAS USAGE (LBS)	ELECTRICITY USAGE (KW)
ANDREWS	162,452	8,109,587
AUDUBON	181,127.5	4,152,982
BAGLEY	47,487.3	3,235,465
CAMBRIDGE	62,950	6,107,345
DETROIT LAKES	883,150	6,110,700
PARK RAPIDS	9,922	4,210,624
RAMOS	582,154	5,365,316
REDUCTION % FROM 2023	-8%	-9.18%

## Emissions Reduction

TEAM Industries has developed a 5-year plan to reduce emissions annually, focusing on transferring to electric forklifts from gas-powered ones and implementing cleaner chemical solutions across operations. Operational changes include reductions to emissions in TEAM facilities with “Heat Treat” and “Die Casting”. Ultra-Vent Hood Systems, increased maintenance, and monthly air emission calculations are all examples of how TEAM is committed to reducing air emissions. Lastly, TEAM’s 5-year plan includes point source air emissions stack testing, to confirm that reduction plans are effective.

## Transportation and Logistics:

TEAM is evaluating our logistics to reduce transportation emissions, including consolidating shipments and exploring greener transportation methods. Recently, the development of the Rogers Distribution Center, streamlined shipping operations across the company.

## Energy Efficiency:

TEAM is continually assessing energy consumption and improving process efficiency. We are exploring renewable energy sources as part of our broader environmental plan to reduce our carbon footprint over the next five years. TEAM utilizes robotic solutions in all of its facilities to maximize energy efficiency, when feasible.



## THROUGHOUT TEAM

### Zero Hazardous Waste at Detroit Lakes

- TEAM Detroit Lakes facility achieved the status of a “Zero Quantity Generator” of hazardous waste.

### Stormwater Management at Audubon

- In 2024, TEAM Audubon constructed large-scale Stormwater Management Best Management Practices (BMPs).

### Coolant Recycling at Cambridge

- TEAM Cambridge implemented a state-of-the-art coolant recycling process to lower its environmental footprint

### Environmentally Friendly Chemicals in Park Rapids

- TEAM Park Rapids facility transitioned to the use of environmentally friendly chemicals and solvents in daily operations.

### Automation for Efficiency

- TEAM continues to improve automation technologies to reduce waste and enhance efficiency in our assembly operations at TEAM Bagley and TEAM Ramos.



## MN GOVERNOR'S WORKPLACE SAFETY AWARD



We're proud to announce that TEAM distribution has received the Minnesota Governor's Safety Award! This recognition, presented by the Minnesota Safety Council, highlights outstanding efforts in maintaining a safe work environment. TEAM Rogers earned this award by completing key EH&S action items and maintaining an exceptional safety record. Great job to everyone involved in putting safety first!



To strengthen our Environmental, Health, and Safety (EHS) management system, TEAM Industries has implemented a program of internal EHS audits to proactively identify risks, ensure compliance, and drive continuous improvement.



# DRIVING TEAM MEMBER SAFETY CULTURE

## EHS Initiatives

In 2024, TEAM introduced a risk-based auditing program to evaluate the effectiveness of our EHS initiatives, ensure compliance with regulatory requirements and internal standards, and uncover best practices that can be shared across all TEAM facilities.

## TEAM Member Safety

TEAM’s goal is to maintain an incident-free workplace by prioritizing the health and safety of our employees and contractors. We are committed to continuously identifying and eliminating hazards, educating our workforce, and implementing effective preventive measures.

TEAM Facility	2023 Total Recordable Injuries	2024 Total Recordable injuries
ANDREWS	7	8
AUDUBON	13	13
BAGLEY	18	7
CAMBRIDGE	10	5
DETROIT LAKES	8	4
PARK RAPIDS	2	3
RAMOS	0	0
CORPORATE	0	1





COMMITTED TO ENHANCING THE QUALITY  
OF LIFE THROUGH CHARITABLE FUNDING  
IN RURAL MINNESOTA.

## SOCIAL & COMMUNITY



TEAM FOUNDATION IS A NON-PROFIT  
PRIVATE FOUNDATION. PROVIDING FUNDS  
FOR CAUSES SUCH AS SENIOR NUTRITION,  
SCHOOL TECHNOLOGY & ROBOTICS, HEALTH  
CARE TECHNOLOGY & EARLY CHILDHOOD  
DEVELOPMENT WITHIN TEAM'S LOCAL  
COMMUNITIES.

TEAM actively supports the community through donations and volunteering. Contributions include:

- Schools - Funding technology for student learning, supporting STEAM and Robotics, donating to sports programs and teacher appreciation
- Community Events - Organizing, volunteering and donating to local festive events and organizations such as Trunk or Treat, Polar Fest, Bemidji Dragon Boat Festival, Becker County Museum, Senior Nutrition
- Employee Support - Organizing benefits for TEAM members and their families in need
- Healthcare and Safety - Donating to local healthcare facilities and Fire and Police Departments





## COMMUNITY CARE

At TEAM, stewardship is a core value that guides our actions. We are proud to be recognized as a Disability Friendly facility in Minnesota, highlighting our commitment to inclusivity. Our blood donation events serve both TEAM members and the community, fostering a culture of generosity and support.

Additionally, our dedication to environmental stewardship is demonstrated through regular litter pick-ups as part of the MN Adopt A Highway program, ensuring our surroundings remain clean and beautiful. Furthermore, we contribute to the upkeep of local trails, supporting the maintenance of our valued outdoor spaces.

Each plant location has the ability to donate directly within their own community as well. This offers additional support to local efforts, such as school sports teams and events, community events and fundraisers, TEAM member competitive events, and various other items that support community participation and efforts.



At TEAM, we are dedicated to promoting the wellness of our TEAM members through various initiatives. Some of our facilities offer gym fitness rooms, while others have established Employee Wellness Committees and provide comprehensive health benefits to help our members maintain a healthy and balanced lifestyle. Our commitment to creating a positive work environment was recognized when we were named a Top 200 Workplace employer in 2023, reflecting our continuous efforts to foster a supportive and thriving workplace for all our TEAM members. Moreover, we empower our members through our Employee Stock Ownership Plan (ESOP), giving them a stake in the company's success. TEAM also offers a variety of other benefits and numerous rewarding opportunities, such as Snack Days and various events, to celebrate and appreciate our TEAM members.





## INTRODUCTION

At TEAM Industries, we are committed to maintaining the highest standards of IT security to protect our data, our customers, and the integrity of our business operations. As part of our corporate responsibility, we prioritize cybersecurity to ensure that our systems, networks, and data remain secure against ever-evolving threats. This report outlines the key initiatives, practices, and measures we have implemented to ensure the security of our IT infrastructure and to meet our obligations as a responsible corporate entity.

*"Security is not a product, but a process."*  
- Bruce Schneier

## GOVERNANCE AND RISK MANAGEMENT

Our IT security policies and practices are based off current industry standards. Our IT department works with our executives and legal team to assess risks, implement security protocols, and ensure adherence to global regulations.

### Key Areas of Focus in IT Security

- **Data Privacy and Protection** Protecting our customers' and partners' data is our top priority. We have implemented advanced encryption methods for both data in transit and at rest, ensuring that all sensitive information is securely stored and handled. We utilize a site secure air gapped backup solution to ensure data integrity which allows us to safeguard our data against bad actors. Regular audits of data security practices are conducted to ensure compliance with applicable laws and industry standards. We also offer customers transparency and control over their data through our clear privacy policies and data management practices.
- **Employee Training and Awareness** We recognize that employees are one of the most critical lines of defense against security threats. We utilize state of the art training technologies to mitigate risks such as phishing and social engineering attacks, we conduct regular cybersecurity training for all employees. This training includes identifying security risks, safe use of company systems, and reporting potential threats. Additionally, a set of IT security best practices and guidelines is made available to all staff members to ensure everyone remains vigilant and informed.
- **Network Security and Infrastructure** Our network security infrastructure is designed to prevent unauthorized access and safeguard against potential breaches. We utilize various technologies from industry leading companies leveraging firewalls, intrusion detection systems (IDS), EDR and advanced machine learning threat prevention to monitor and protect our systems. Regular penetration testing and vulnerability assessments are performed to identify potential security gaps, and any vulnerabilities are promptly addressed.
- **Incident Response and Crisis Management** Despite our best efforts, security incidents can occur. To prepare for such events, we have developed a robust Incident Response Plan (IRP), which outlines how we will respond to, manage, and recover from cybersecurity incidents. Our crisis management team is trained to quickly assess and mitigate any threats, minimizing business disruption and damage to our reputation.



**Third-Party Vendor Security** In today's interconnected world, third-party vendors play a significant role in our operations. To ensure that their security practices align with our own, we conduct thorough vetting and regular audits of all third-party vendors, particularly those who have access to sensitive data or systems. Contracts with vendors include stringent security and data protection clauses to ensure compliance with our IT security policies.

**Compliance with Regulations and Standards** TEAM Industries is dedicated to complying with all applicable IT security regulations, standards, and best practices. Our security posture is regularly reviewed against industry standard best business practices to ensure we maintain the highest levels of security. We also work closely with our legal team to ensure adherence to relevant local, regional, and international laws.

## CHALLENGES AND FUTURE GOALS

While we have made significant strides in securing our IT infrastructure, we acknowledge the constant evolution of cybersecurity threats. As part of our ongoing commitment to IT security, we are focused on the following areas for future improvement:

**WZero Trust Architecture:** We are working toward implementing a Zero Trust security model, where trust is never assumed, and verification is required at every level of access to our network.

**AI and Machine Learning in Threat Detection:** We plan to incorporate additional advanced artificial intelligence (AI) and machine learning (ML) tools to predict, detect, and respond to potential security breaches faster and more effectively.

**Continuous Security Education:** As threats evolve, we plan to enhance our employee training programs, integrating real-time threat intelligence and ongoing security awareness education to empower employees to spot and address new risks.

## CONCLUSION

At TEAM Industries, IT security is more than a technical requirement—it is an essential aspect of our corporate responsibility. We understand the trust our customers, partners, and stakeholders place in us, and we are fully committed to protecting their data and maintaining the highest standards of security across all our operations. As the cybersecurity landscape evolves, we will continue to invest in new technologies, improve our practices, and foster a culture of security to ensure that we remain a trusted and responsible company. We are proud of the progress we've made, but we recognize that there is always more to do. With continued diligence, innovation, and collaboration, we are confident in our ability to face the cybersecurity challenges of tomorrow and continue fulfilling our responsibility to safeguard the digital world.



## TEAM INDUSTRIES SUPPLY CHAIN

Our mission is to build a resilient and responsible supply chain that prioritizes sustainable sourcing, upholds the highest ethical standards, and fosters environmental stewardship. TEAM maintains a Supplier Code of Conduct, the particulars of which are incumbent upon our supply base. We focus on establishing relationships with suppliers whose codes of conduct are consistent with ours and we reserve the right to discontinue business in the event of unresolved non-compliance.

Beyond this, Supply Chain is broadening its scope of review in improving the sustainability of our entire value chain, from raw materials to happy and lasting customers. Through long-term vision and continuous improvement, we are striving to create a positive impact on society and the environment, driving progress towards a truly viable and ethical future.

**Sustainable Sourcing:** Establish material sourcing strategies, value added activities, and the movement of goods in ways that are environmentally and socially responsible.

**Ethical Practices:** TEAM and its suppliers abide by ethical standards in areas of Health and Safety, Child Labor, Forced Labor, Wages and Hours, Discrimination, Freedom of Association, and Gifts and Gratuities in accordance with TEAM's published Code of Conduct.

**Environmental Impact:** Reducing carbon footprint through efficient logistics and sustainable practices throughout the value chain.

**Transparency:** Maintaining open communication and transparency with stakeholders about supply chain practices, vision and direction.



## CLOSING STATEMENT

In summary, this report showcases our drive for sustainability, social responsibility, and strong governance. TEAM has been working hard to reduce our environmental footprint, create vibrant and collaborative workplaces, with an atmosphere of open communication, while ensuring our corporate practices are as transparent as possible.

Our passion for these principles not only makes our stakeholders happy but also fuels long-term success.

Looking ahead, we're excited to keep improving and innovating, meeting the ever-changing needs of our community and the planet. Together, we can make the world greener, fairer, and altogether a more beautiful place!

### Contact Us

Your feedback is important to us as we continue to look for ways to improve our reporting and provide our readership with the information they need. Please submit feedback to [tm@team-ind.com](mailto:tm@team-ind.com) or by mail:

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### TEAM Disclaimer:

All data, figures, and information presented in TEAM Industries' 2024 Corporate Responsibility Report are provided to the best of our knowledge and based on the most accurate internal records available at the time of publication. This report is intended to reflect TEAM Industries' commitment to transparency and continuous improvement in our environmental, social, and corporate governance practices.

While care has been taken in compiling the data and summarizing our performance, this report is not intended to serve as a legally binding document or to meet the standards of accuracy required for legal or regulatory proceedings. TEAM Industries does not warrant the absolute completeness or precision of the information and shall not be held liable for any unintended errors, misstatements, or omissions that may be identified.

Readers and Customers are encouraged to contact TEAM Industries directly for clarification regarding specific figures or initiatives discussed within this report.