

**ASPLUNDH®**



# SUSTAINABILITY REPORT 2022

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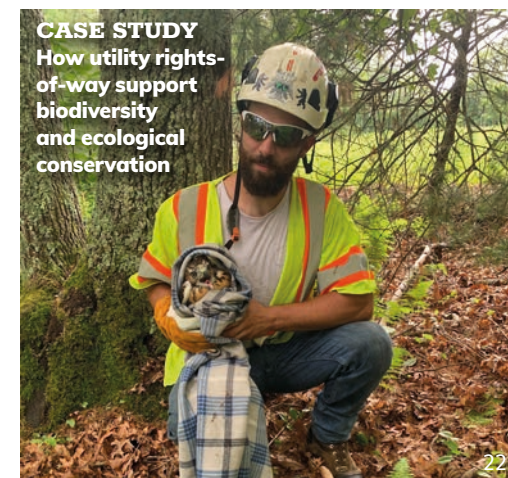
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# ABOUT ASPLUNDH

Asplundh is a leading provider of safe, cost-effective and environmentally-sustainable vegetation management and utility infrastructure services.

**A family-owned and operated company, Asplundh was established in 1928 and today provides services throughout the United States, as well as Canada, Australia and New Zealand.**

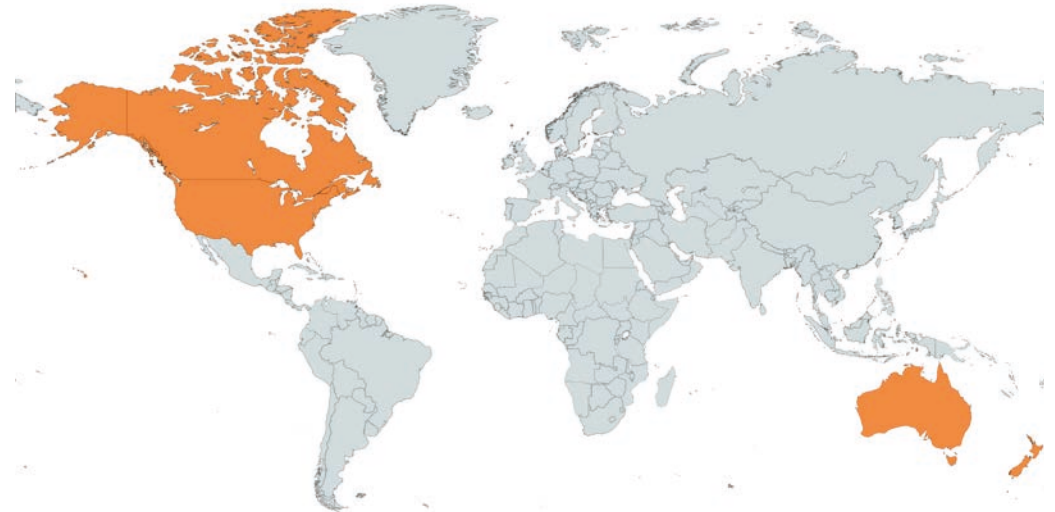
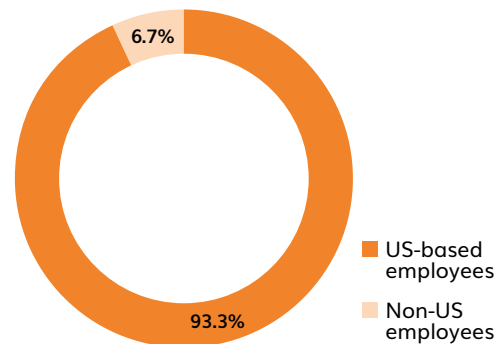
Serving primarily electric and gas utility companies, as well as municipalities, pipelines and railroads, Asplundh and its subsidiaries perform tree pruning and removals, right-of-way clearing and maintenance, vegetation management with herbicides, emergency storm work and logistical support. We also provide power line design, construction and engineering AMI/AMR deployments, meter reading, electrical testing and commissioning, utility pole maintenance, traffic signalization, roadway lighting and intelligent transportation system construction and maintenance services.



ASPLUNDH EMPLOYS OVER

# 36,000

PEOPLE GLOBALLY.



# ABOUT THIS REPORT

In this, our first sustainability report, we provide insight on the foundation of our ESG program, and our environmental, social and governance (ESG) goals.



We will improve and increase our disclosure, particularly adding more quantitative metrics, in the years to come.

The quantitative information and data in this report are largely for the year ended December 2021, although significant developments or events in 2022 have been included to provide more up-to-date disclosure. As this is our first report, additional context and historical information have been provided where necessary.

This report covers Asplundh Tree Expert, LLC, Asplundh Infrastructure Group, previously known as UtiliCon Solutions, and their subsidiaries. Considering the importance of sustainability to businesses globally, we understand we have a role in supporting our customers, including some of the world's largest electric and gas utility

companies, and recognize our suppliers can assist us in achieving our sustainability ambitions going forward. We are committed to promoting and encouraging sustainability policies and measurement along our entire supply chain.

In developing this report, we have considered the guidance of the Global Reporting Initiative (GRI) Standards, particularly its principles and the concept of materiality, as well as the SASB Standards (now part of the IFRS Foundation), specifically the Infrastructure: Engineering and Construction Services and Infrastructure: Electric Utilities and Power Generators standards. Additionally, we embrace and support the UN Sustainable Development Goals (SDGs) and have reported our contribution to these goals throughout our report.



# HIGHLIGHTS

## ENVIRONMENTAL

### Conducted a carbon footprint baseline audit

In establishing our greenhouse gas (GHG) emission baseline, we reviewed 161 sites and considered Scope 1, 2 and 3 emissions. We have made a formal declaration of our GHG reduction targets for the near term (2030) and long term (2050) and will report on our progress in the future.



### Completed a sustainability assessment with EcoVadis

The survey provided Asplundh with a performance baseline upon which to build a strong foundation for successful ESG programs. Our first assessment was conducted in 2021 and a subsequent assessment in 2022.



## SOCIAL

### Supported employees and communities during the Covid-19 pandemic

Asplundh's employees provide essential services during emergencies, and the Covid-19 pandemic expanded upon that foundation. In response, we developed the Asplundh Pandemic Plan to ensure our employees and communities were protected, while ensuring our customers could continue to operate throughout this unprecedented time.



### Committed leadership

Asplundh CEO Matt Asplundh joined more than 2,000 other business leaders around the country as part of the CEO Action for Diversity & Inclusion™, a coalition that has pledged to advance diversity, equity and inclusion in the workplace.



### Volunteering and community service

Asplundh's people care about others, and their humanitarian efforts and volunteerism continued to touch the lives of many.



## GOVERNANCE

### Created a Board-level ESG Committee



The Asplundh Board of Directors established an ESG Committee led by Executive Vice President David Fleischner. The committee is responsible for establishing corporate ESG goals, creating standards upon which to meet those goals, and reporting on all ESG initiatives to provide transparency and regular updates.

### Established a full-time ESG leadership position



We have appointed a Director of ESG, Megan Fielding, who has a key role in advancing our ESG initiatives. She leads our ESG strategy while aligning ESG objectives within our broader business strategy. As an advocate internally and externally, she promotes the expression of the Company's vision and values through an ESG lens.

### Undertook an ESG materiality assessment

Our materiality assessment is an important step in identifying the issues that are important to us and our stakeholders. These issues are monitored, measured, managed and reported on in our annual ESG report.



# LETTER FROM THE CEO

## Welcome to Asplundh's first sustainability report.



For more than 90 years, Asplundh has provided safe, efficient and innovative line clearance and infrastructure services for the utility industry. Since the very beginning, sustainability and a profound respect for the environment and our communities have been woven through our work.

Sustainability has guided our decision-making and actions and has molded us into the responsible corporate citizen we are today.

While we have measured and documented many of the ESG-related issues critical to our business, we have not publicly reported on them until now. This inaugural sustainability report provides an overview of the commitments and progress Asplundh has made to establish, implement and realize our ESG goals. We highlight several developments that have institutionalized ESG across our business, including the creation of a Board-level ESG Committee and my commitment to the CEO Action for Diversity and Inclusion™.

Safety and health is paramount to our work and will always be a core value. It is the very thing upon which our integrity and our business depend.

The nature of our work means we confront the effects of climate change each day, and in our roles as first responders, we are aware that those effects are increasingly more detrimental. We acknowledge responsibility to mitigate our impacts and those of our customers and suppliers as much as possible. This report provides detailed insights into these steps, such as energy management and carbon emissions, and outlines our future goals and targets.

In recent years, global frameworks such as the SDGs and The Paris Agreement have been calls to action to serve a broader set of stakeholders, including future generations. While we align our business with relevant SDGs and take steps to significantly reduce our emissions, we recognize that these are early days and that partnerships with our customers, communities and organizations advancing technology and research are essential to our collective path forward.

We invite you to share our sustainability journey, both through this report and through our services. We welcome your partnership in creating sustainable environments that thoughtfully serve our communities today and in years to come.

A handwritten signature in black ink, appearing to read 'Matthew Asplundh'.

**Matthew Asplundh**  
Asplundh CEO  
February 2023



Sustainability has always been part of the way we do business.

# SUSTAINABILITY GOVERNANCE

In November 2021, Asplundh created a Board-level ESG Committee to oversee the Company's ongoing ESG performance.

## Our governance structure

The Asplundh ESG Committee has primary oversight of corporate sustainability issues, strategy and objectives. This includes periodic and annual reviews of our practices and performance. The ESG Committee meets and reports to the Board on a quarterly basis.

## ESG GOVERNANCE

Asplundh is proud to be a family-owned and operated corporation that conducts business to the highest levels of governance and ethics.

### BOARD

Our Board is comprised of Asplundh executive leadership members, as well as industry leaders and partners from our private equity partners Carlyle and CVC.

### ESG SUB-COMMITTEE

Our ESG sub-committee comprises six internal and external members of the Board, and is chaired by David Fleischner, Executive Vice President. The committee is responsible for establishing corporate ESG goals, creating standards upon which to meet those goals and reporting on all ESG initiatives to provide transparency and regular updates.

### LEADERSHIP TEAM

Our leadership team is led by CEO Matt Asplundh and is comprised of executives across the disciplines of our business, including operations, finance, legal, risk management and procurement. Collectively, the team is responsible for the delivery of ESG outcomes.

### ESG DIRECTOR

Director of ESG Megan Fielding leads Asplundh's ESG program and is responsible for the advancement of the company's ESG Strategy and alignment of ESG objectives within the broader business strategy.

# OUR APPROACH TO SUSTAINABILITY

**Delivering responsible and sustainable services is integral to the way we manage our business. We are committed to being both a sustainability leader and a champion of ESG in the vegetation management and infrastructure industries.**

## Our approach

We view sustainability in financial, social and environmental terms and are dedicated to ensuring that we continually strengthen our ESG performance by assessing, reporting and integrating ESG considerations into our business strategy.

Accordingly, our sustainability approach is supported by a range of policies demonstrating this commitment. We are developing a sustainability roadmap to detail objectives and commitments for the next few years. This will serve as a guide as we manage ESG across our enterprise and organizational lines, coordinate and implement our ESG strategy, advocate internally and externally, and ensure alignment of disclosure and reporting.

## Our stakeholders

Our commitment to ESG performance is part of what enables us to serve our stakeholders — our customers, our employees, the communities in which we are located and operate, the environment in which we live and work, and the public. It also ensures that we leave a positive legacy for many generations to come.

Our approach to sustainability reporting has been informed by key global trends that are critical to the sustainability and success of our business, as well as an assessment of the issues that are of greatest concern to our primary stakeholders.

Our sustainability purpose is simple and central to what we do: serving our customers, communities and the environment with care and integrity.





**OUR APPROACH TO SUSTAINABILITY**

Continued

# OUR SUSTAINABILITY FRAMEWORK

Our sustainability framework is focused on how we work (with care and integrity at the center of our approach) and who we work for (customers, employees, communities and the environment). We are building upon our reporting to reflect these areas with clear goals and measurable key performance indicators (KPIs).

It is our aim to align our commitments with those set out by SASB in the short term, and with the GRI and TCFD frameworks over time.

**Governance**

- We operate in a complex regulatory and business environment. We are committed to:
- Sound business ethics
  - Integrated risk management
  - ESG transparency and disclosure
  - Data privacy and cyber security
  - Effective supply chain management

**Our environment**

- We take very seriously our role of environmental stewardship. We focus on:
- Climate change and decarbonization
  - Climate adaptation and resilience
  - Managing and mitigating our impacts

**Our communities**

- We are intent on being responsible corporate citizens. We care about and report on:
- Community engagement and maintaining trust
  - Community safety and wellbeing
  - Making a positive local impact



**Our customers**

- We are committed to delivering a consistent and excellent service to our customers. We focus on:
- Efficiently delivering value and safety
  - Innovating and using best available technology

**Our employees**

- Our employees are at the heart of our business. We care about and report on:
- Safety and health
  - Diversity and inclusion
  - Attracting, training, developing and retaining talent
  - Employee welfare and engagement
  - Respect for human rights

# FOCUS ON MATERIAL ISSUES

We identified benchmarks and parameters on which to report and conducted an ESG materiality assessment to identify, prioritize and embed key material issues within our business.

In collaboration with our investors, Carlyle and CVC, as well as customers and suppliers, this process has resulted in an initial assessment of the issues most material to the business and to our stakeholders.

We considered the guidance of the GRI, particularly its principles and the concept of materiality, and considered the SASB Standards, specifically the Infrastructure: Engineering and Construction Services standard.

Further, we undertook a benchmarking process to understand the reporting methods of our customers and peers.

Through a series of internal and external interviews, we established the issues that stakeholders identified as priorities from an ESG lens. External stakeholders included major shareholders and the Electric Utility Industry Sustainable Supply Chain Alliance (SSCA), which serves as a key representative of utilities and suppliers.



## Our materiality process



Our materiality assessment was guided by principles of GRI.

**FOCUS ON MATERIAL ISSUES**

Continued

**Our material issues:**

Our analysis uncovered 15 issues that were most material to our stakeholders and the business, with eight deemed to be the most important.

We detail these issues in this report. We are also developing a materiality matrix to differentiate between the impact of the business on the issue or society, and the impact of the issue on society or the business (i.e. double materiality), while assessing the relative importance of issues for stakeholders and the Company.



**ENVIRONMENTAL**




**Energy management and decarbonization**



**Climate adaptation and resilience**

- Biodiversity
- Waste management and transparency




**SOCIAL**




**Safety and health**



**Diversity and inclusion**



**Community engagement, trust and welfare**

- Employee welfare
- Local impact and expenditure
- Recruiting, training and retaining employees




**GOVERNANCE**




**ESG disclosure and transparency**



**Data privacy and cyber security**



**Risk management (including regulatory changes)**

- Business ethics, anti-bribery and corruption
- Supply chain management and due diligence

# OUR CONTRIBUTION TO THE UN SDGs

As a responsible company and corporate citizen, we recognize our role in the betterment of society and our connection to the global community.

The Sustainable Development Goals, or SDGs, offer a blueprint towards a more equitable and sustainable future for all. Based on the 2030 Agenda for Sustainable Development, the SDGs are a call to action and an opportunity for governments, companies and communities to contribute to the future. Asplundh recognizes the importance and relevance of the SDGs with a lens to goals 3, 7, 8, 9, 13 and 15 that are relevant to our business and represent issues to which we can make a valid and valuable contribution.



**SDG 3**  
**Good health and wellbeing**  
Ensure healthy lives and promote wellbeing for all ages.

#### What we do

Safety is a core value at Asplundh. We value the safety of our people and our communities. We provide each employee with a safe place to work and the latest protective equipment and tools to ensure they are not putting their lives or health at risk. This duty of care is extended to our communities and the public, where every precaution is taken to ensure public safety.



**SDG 8**  
**Decent work and economic growth**  
Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

#### What we do

Asplundh employs over 36,000 people globally. We are strongly committed to ongoing recruitment, training, upskilling and growing our workforce using local training providers and suppliers. We endeavor to use local suppliers and contractors whenever possible to support the local economy in the areas where we operate.



**SDG 13**  
**Climate action**  
Take urgent action to combat climate change and its impacts.

#### What we do

Stemming from a robust analysis by Schneider Electric, we have established our greenhouse gas (GHG) emissions 2021 baseline. The declaration of our GHG targets this year will be followed by the establishment of a GHG Inventory Management Plan and emission measurement.



**SDG 7**  
**Affordable and clean energy**  
Ensure access to affordable, reliable, sustainable and modern energy for all.

#### What we do

Ensuring access to reliable and sustainable energy is at the core of our work. Vegetation management, particularly tree trimming and removal around power lines, ensures consistent security of supply to millions of businesses and residents in the countries in which we work. Our crews are also often first responders in times of crisis including hurricanes, where they work with other essential services to restore power and clear vegetation.



**SDG 9**  
**Industry, innovation and infrastructure**  
Build resilient infrastructure and promote inclusive and sustainable industrialization.

#### What we do

Asplundh Infrastructure provides overhead and underground line construction, planning and design, meter reading and AMR/AMI deployment, electrical testing, and street lighting and traffic signal services. This contributes to well run and maintained utility infrastructure and seamless service provision to communities and countries.



**SDG 15**  
**Life on land**  
Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and biodiversity loss.

#### What we do

Asplundh has delivered environmentally-friendly vegetation solutions for more than 90 years. We understand the importance of environmental sustainability as central to our continued operations. We have and continue to find innovative solutions to ensure we uphold environmental integrity and preserve vegetation in the areas where we work. Our solutions have been extensively tested in the field and conform to the highest levels of both voluntary and regulatory compliance.

We work closely with our customers and landowners to examine current operations and identify opportunities to promote biodiversity, habitat protection, and conduct environmental sensitivity training for Asplundh personnel.

# MANAGING AND CARING FOR OUR ENVIRONMENT

Our work involves engaging with the environment directly, every day. As a result, we recognize our responsibility to work in an environmentally conscious manner, with environmental stewardship and protection as our goals. Integral to this is our role in mitigating climate change and its impacts.

**Material issues**

- Energy management and decarbonization
- Climate adaptation and resilience

**SDGs**

**SDG 7: Affordable and clean energy**

Ensure access to affordable, reliable, sustainable and modern energy for all

**SDG 13: Climate action**

Take urgent action to combat climate change and its impacts

**SDG 15: Life on land**

Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and biodiversity loss



# OUR APPROACH

Delivering environmentally sustainable services is essential to our business and involves:

- Meeting or exceeding the requirements of all applicable environmental laws and regulations
- Assessing environmental risks at our operations and implementing countermeasures to mitigate their impacts
- Working with customers to achieve more sustainable infrastructure solutions
- Using natural resources responsibly and continually improving the environmental performance of our facilities, fleet and operations

## Our environmental responsibilities include:

- Properly storing, handling, labeling and using any hazardous chemicals and other products, including herbicides and pesticides, that may be part of our business
- Ensuring proper disposal of all products and chemicals, including automotive products (waste oil, antifreeze, etc.), as well as any unused chemicals, such as herbicides or pesticides
- Managing wastewater and stormwater in compliance with applicable regulations
- Protecting against, and appropriately responding to, any spills and releases
- Having the appropriate fire prevention plans where required
- Ensuring all regulations are followed with respect to the protection of fish and wildlife
- Following established vegetation management practices when conducting line clearance or spraying operations



The need to protect and enhance the environment is embedded in our culture and history and is expressed in our mission statement. Our employees also have a duty to consider environmental matters in all that they do. This focus is also evident throughout our leadership communications, training, procedures and systems. Environmental policies are outlined in our environmental, health and safety (EHS) manual.

Our customers and their supply chains are increasingly guided by the Electric Utility Industry Sustainable Supply Chain Alliance (SSCA), of which many of our customers are members. Asplundh formally joined the SSCA in 2022 and participates in the sustainability Project (TSP) annual survey.

The SSCA's mission is to work with its members and interested stakeholders to advance sustainability best practices in utility supply chain activities and networks. It is currently prioritizing climate action through increased transparency in GHG data, the setting of GHG emissions targets, and reducing GHG supply chain emissions, among other key reporting parameters.



The need to protect and enhance the environment is embedded in our culture.

# POLICIES AND SYSTEMS

It has always been Asplundh's approach to adhere to local environmental standards and practices. In the United States, we are governed by our EHS manual. In Australia, New Zealand and Canada we comply with ISO and relevant local environmental standards.



We aim to achieve zero reportable environmental incidents and take significant preventative measures to achieve this goal, including an assessment of environmental risks associated with the design, siting and construction of projects.

Localized standards relate to:

- Energy consumption and greenhouse gas emissions
- Water
- Biodiversity
- Materials
- Chemicals and waste
- Environmental services and advocacy

In early October 2022, more than 5,500 Asplundh employees were deployed to Florida, Georgia and the Carolinas to assist utilities and municipalities across these states in the restoration of power to more than 2.5 million households in the wake of Hurricane Ian. This Category 4 storm brought with it extreme devastation, damage from flooding and high winds of more than 150 miles an hour at its peak strength. Asplundh's storm response consisted of vegetation crews from more than 30 regions around the country and utility construction and highway infrastructure crews from 16 regions.

# CLIMATE CHANGE, ENERGY MANAGEMENT AND CARBON EMISSIONS



Climate change is one of the most defining issues of our time.

## Climate change and decarbonization

What we do as a company has an impact on our commitment to net zero. We consider our own impacts on climate change and the potential impacts of climate change on our business.

In 2022, we undertook our first carbon footprint analysis to establish baseline emissions for our decarbonization journey.

Included in our scope of work was the:

- Collection of emissions-relevant data for Scope 1, 2 and 3
- Calculation of our carbon footprint for Scope 1 and 2
- An initial screening assessment of our indirect Scope 3 emissions

Scope 1 (direct emissions) are from sources that are directly controlled by the Company — fuel combustion by the Company (natural gas, propane, fuel oil and kerosene) and our fleet (gas, diesel). Scope 2 emissions (indirect energy) are those generated from purchased electricity, heat stream or cooling. Scope 3 (indirect emissions) are from upstream and downstream value chain emissions.

Included in the assessment were all entities where Asplundh has direct operational control — 161 sites in total. It also included all reported leased and owned gas and diesel light passenger vehicles, helicopters, heavy equipment, lifts and dump trucks.

## Understanding and planning for the impacts of climate change

The world is increasingly subject to significant adverse weather events, among them flooding, hurricanes and wildfires. We consider potential damage from such events as part of our risk management process, balanced with the knowledge that previous weather patterns may differ from those in the future.

Today we have an increased focus on pro-emptively identifying the potential for such adverse events and preparing for them (such as vegetation clearing in regions that have experienced drought, for example). It also requires us to always be prepared for a rapid response to restore power when it is disrupted. Asplundh employees are frequently the first responders when communities need help the most, which is a source of great pride for the Company.



# ZERO

WE ARE COMMITTED TO ACHIEVING GHG REDUCTION TARGETS WITH A PATHWAY TO NET ZERO BY 2050.



Our approach

Policies and systems

Climate change, energy management and carbon emissions

Biodiversity and ecosystem services

## CLIMATE CHANGE, ENERGY MANAGEMENT AND CARBON EMISSIONS

Continued

### Calculating our GHG emissions

We use WEX fuel control reports that convert gallons of gas or diesel consumed to GHG emissions. Through our reporting, we monitor overall fuel consumption, seeking to improve efficiencies, equipment cost per hour and equipment utilisation. Through GPS Telematics, we are measuring and reducing our engine idling. These metrics give us insight into how to improve our GHG performance.

We have an intensity reduction metric in place to reduce the metric tons of CO<sub>2</sub>e per unit hour worked from our baseline year. We are implementing carbon footprint reduction initiatives to achieve our targets for 2030 and net zero by 2050.

In 2021, our direct Scope 1 emissions totaled 685,892 tCO<sub>2</sub>e. Our indirect Scope 2 emissions were negligible at 2,523 tCO<sub>2</sub>e (market-based) and 2,510 tCO<sub>2</sub>e (location-based), and our Scope 3 emissions totaled 1,027,792 tCO<sub>2</sub>e.



Reduction of GHG

Net zero

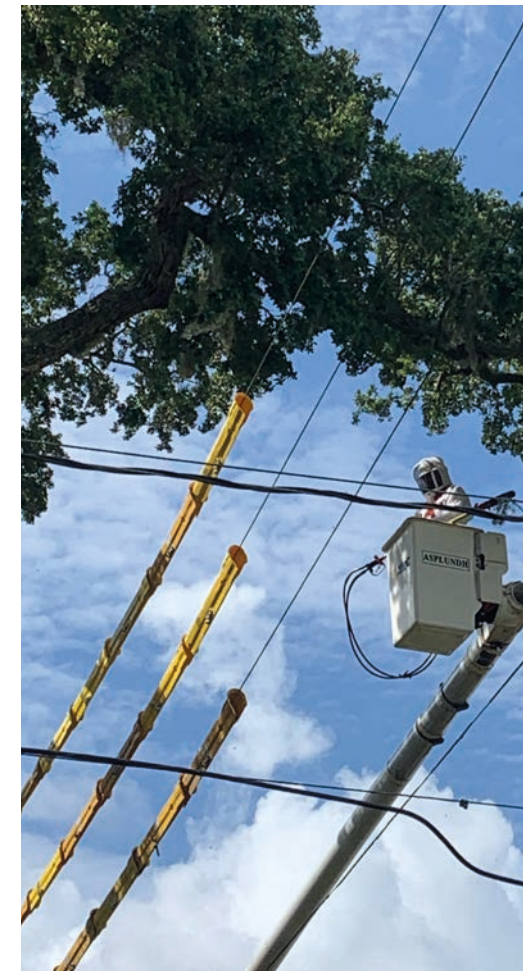
According to the dual reporting requirement of the GHG Protocol, our inventory applies emission factors from both market and location-based inventories. Emission factors between the two differ only in Scope 2 (electricity). While the location-based method reflects the average emissions intensity of grids on which energy consumption occurs, using grid-average emission factors, the market-based method specifically reflects the carbon intensity of the electricity we procure.

### Reducing direct energy usage

With the use of fleet fuels as our primary source of GHG emissions, the reduction in their consumption has both environmental and economic impacts. We actively monitor it and have established ourselves as an industry leader in applying fuel control, telematics, vehicle auxiliary systems, electric hand tools and other technologies to reduce fuel use.

We have initiated our first order of electric vehicles and continue to refine vehicle specifications, while evaluating alternative fuel technologies. This offers avenues to green our fleet, reduce our carbon footprint, and manage the cost of services.

We continually ensure our fleet is compliant with the latest and most stringent emissions standards and work with the OEMs.



**CLIMATE CHANGE, ENERGY MANAGEMENT AND CARBON EMISSIONS**

Continued

**Emissions breakdown – Scope 1, 2, 3**



- Scope 1: 685,892 tCO<sub>2</sub>e (40%)**  
Emitted directly from sources operated by Asplundh (natural gas, propane, fuel oil, kerosene, gas, diesel, aviation turbine fuel)
- Scope 2: (LB): 2,510 tCO<sub>2</sub>e (0.1%)**  
Emitted indirectly from the generation of purchased energy (electricity)
- Scope 2: (MB): 2,523 tCO<sub>2</sub>e (0.1%)**  
Supplier-specific emission factors — emission factors for renewable electricity purchase are used to calculate MB
- Scope 3: 1,027,792 tCO<sub>2</sub>e (59.8%)**  
All other indirect emissions in Asplundh's value chain, both upstream and downstream

**Emissions breakdown – Scope 3**

1. Purchased goods and services	58.2%
2. Capital goods	17.9%
3. Fuel-and-energy-related activities	16.7%
6. Business travel	3.3%
7. Employee commuting	2.0%
5. Waste generated in operations	1.5%
4. Upstream transportation and distribution	0.3%

In 2021, Asplundh reported GHG emissions in 7 out of 15 categories

**Emissions breakdown – all sources**



- 1. Purchased goods and services (35%)
- 2. Capital goods (10.7%)
- 3. Fuel and energy-related activities (10.0%)
- Other (Scope 3) (4.3%)
- 4. Upstream transportation and distribution
- 5. Waste generated in operations
- 6. Business travel
- 7. Employee commuting
- Electric power (0.1%)
- Petrol (18.5%)
- Diesel (21.3%)
- Other (Scope 1) (0.1%)
  - Natural gas
  - Propane
  - Fuel oil
  - Kerosene

“ We continually ensure our fleet is compliant with the latest and most stringent emissions standards. ”

Our approach

Policies and systems

Climate change, energy management and carbon emissions

Biodiversity and ecosystem services

## CLIMATE CHANGE, ENERGY MANAGEMENT AND CARBON EMISSIONS

Continued

### CASE STUDY

## Asplundh moves to a greener fleet



Our responsible use of natural resources and focus on improving our environmental performance include the evaluation of our 44,000-vehicle fleet.

The use of fossil fuels is our primary source of GHG emissions, and to keep our usage within responsible levels, we have established ourselves as an industry leader in applying fuel control, telematics, vehicle auxiliary systems, electric hand tools and other technologies to reduce fuel use. Our next major advancement is one of a greener fleet.

While we have deployed hybrid vehicles in the past, we have taken a significant first step toward low- and no-emission electric vehicles by introducing 100 electric pickups to our fleet.

These all-electric pickups will allow the Company to evaluate the use of electric vehicles in service, assess how we can make the best use of this new technology and plan our next steps in fleet electrification.

Comprising 50 regular and 50 extended battery electric pickups, the new vehicles will initially be used in metropolitan areas where charging stations are more readily available. With a range between 200 miles per charge for regular trucks and 300 miles for the extended battery models, keeping an eye on charging infrastructure will be an important consideration as these are rolled out.

Another consideration is the management of our cost of services. Ford, which is supplying the electric pickups, estimates that each electric F-150 is 40% less expensive to maintain over the first 100,000 miles, making them more affordable and practical than in the past.

In addition, General Motors (GM) is another supplier of EV pickups, such as their EV Silverado. Together, these automotive manufacturers will provide us with advanced data telematics to help us find the best ways to deploy the trucks and extend our electric vehicle fleet.

## CLIMATE CHANGE, ENERGY MANAGEMENT AND CARBON EMISSIONS

Continued

### CASE STUDY

## Advanced tooling to improve efficiency and reduce emissions



The deployment of electric vehicles is part of our broader strategy to reduce our carbon footprint, and we are working to incorporate other technologies to further reduce our fossil fuel consumption.

As we expand our use of battery powered tools, we are evaluating the viability of a move to battery powered chainsaws for felling trees and hybrid aerial lifts that run on small, vastly more efficient, electronically fuel-injected motors, instead of the large diesel engines of the trucks carrying them.

Battery powered chainsaws are also quieter than gasoline powered chainsaws and start instantly with the squeeze of a trigger. The technology in this space has now evolved to the point where batteries can deliver similar output to that of a 40cc gas saw, allowing them to be used for trimming and the felling of small to medium-sized trees.

Asplundh has been instrumental in testing new technologies, including battery and gas-powered dielectric saws. These saws are the first to be individually tested to meet Occupational Safety and Health Act (OSHA) safety requirements.

Traditional industry reliance on internal combustion diesel engines as a means to power hydraulic bucket lifts is also being overhauled. One of the biggest concerns associated with a standard bucket truck is fuel consumption, since the main engine or an auxiliary internal combustion engine requires that it run for the entire time the boom is deployed. Innovative

engineering has seen Asplundh suppliers like Altec Green Fleet provide a hybrid eco-friendly solution that lowers fuel consumption and reduces noise to benefit the environment and employees alike.

These new hybrid bucket trucks are equipped with an additional electric motor. This electric motor lies alongside the diesel engine to power the truck's hydraulic system and is used as a more energy-efficient power source during boom deployment.

Ultimately, the move to modernize equipment will not only reduce our carbon footprint, but will likely, in the long term, improve fleet efficiency and cost while contributing to a greener, more sustainable future.

“  
Fleet electrification is a natural next step in the reduction of our carbon footprint.”

Our approach

Policies and systems

Climate change, energy management and carbon emissions

Biodiversity and ecosystem services

## CLIMATE CHANGE, ENERGY MANAGEMENT AND CARBON EMISSIONS

Continued

### Additional projects

A significant portion of our business involves electrical and controls engineering services. Some of the key projects we are currently involved in include:

#### — Renewable natural gas projects

These projects capture and clean GHGs off waste streams, such as biodegradable garbage and dairy waste, and then inject them into natural gas pipelines. Additional projects include converting existing landfill gas plants to natural gas pipelines by decommissioning the existing generation systems and rerouting the gas.

#### — Solar energy projects

Here, we have designed a portion of 2+ GW of photovoltaic projects across the US. These projects directly decrease carbon emissions.

#### — Bulk battery storage projects

These projects capture excess renewable (photovoltaic) energy during the day so that it can be used at night. They're also used for frequency regulation on the grid to increase grid reliability for end-use customers.

#### — Microgrid projects

One project involved providing community resources during extended grid outages from natural disasters, primarily hurricanes. This included powering a local grocery store, a gas station and a community center.



Our solar energy projects decrease carbon emissions.

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# BIODIVERSITY AND ECOSYSTEM SERVICES

We recognize that our actions and activities may have an impact on the ecosystems in which we work. We take care to identify and minimize any impacts we have on flora and fauna, working closely with our utility and other customers who often have specialists on hand to support us.

We train all our employees on the habits of migratory birds and what to do if these birds are encountered. If they come across a nest that needs to be moved, our teams have proper support structures in place to help them do so.

We are also a partner and sponsor of ecological research on rights-of-way with Penn State University. This project, which has been active for nearly seven decades, has demonstrated that plant communities can be selectively managed to support native wildlife habitat and reliable electric service.



“

Plant communities can be selectively managed to support native wildlife habitat.

## CASE STUDY

### How utility rights-of-way support biodiversity and ecological conservation

For nearly 70 years, Asplundh has provided essential financial support to the Pennsylvania State Game Lands 33 research project in central Pennsylvania. Run through Penn State University since 1953, the project emerged out of public concern for the ways in which vegetation management practices within electric transmission rights-of-way affect wildlife habitats.

In the many decades that have passed since, the research has uncovered vegetation treatments that lowered the density of incompatible vegetation, while helping to ensure an abundance of game wildlife, such as rabbits, grouse and deer, as well as small mammals, various pollinators, amphibians and reptiles.

Today, the project site is home to the longest continuous study measuring the effects of herbicides and mechanical vegetation management practices (known as integrated vegetation management or IVM) on plant diversity, wildlife habitat and wildlife use within a right-of-way.

IVM is a critical component of the project. It promotes the growth of compatible, desirable and stable vegetation cover that resists invasion by tall-growing tree species. It does this through appropriate, environmentally sound, and cost-effective control methods that include herbicides, mowing, hand-cutting and other treatments.

These studies have shown that controlling trees and invasive plants through selective treatments benefits a wide variety of species. Animal populations are comparatively rich in a range of right-of-way areas compared to the mature forest found adjacent, and even rare flowers are given the opportunity to germinate when invasive plants are removed.

As a result, IVM is widely practiced by Asplundh and others working in our field. Asplundh has gone on to demonstrate not only how IVM can control unwanted vegetation, but how it can also promote biodiversity and conservation efforts.

Approximately 100 papers have been published to date, and research is ongoing. Key reports published since 2015 are available here:

<https://sites.psu.edu/transmissionlineecology/documents-reports/>.

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# CARING FOR OUR COLLEAGUES & COMMUNITIES

Our mission drives us. Our people inspire us. Asplundh has grown from humble beginnings as a family-owned business started by three Asplundh brothers in 1928 to a global organization employing more than 36,000 people across the US, Canada, Australia and New Zealand.

The drive and dedication of our employees has been key to the company's growth and remains central to Asplundh achieving recognition as the world leader in professional, safe, cost-effective and environmentally sustainable vegetation management and infrastructure services.

**Material issues**

- Safety and health of employees and communities
- Diversity and inclusion
- Community engagement, trust and welfare

**SDGs**

**SDG 3: Good health and wellbeing**

Ensure healthy lives and promote wellbeing for all ages

**SDG 8: Decent work and economic growth**

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all



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# OUR APPROACH

Safety is non-negotiable at Asplundh. We care equally for the people who work for the Company and for the communities in which we operate. We are proud to provide economic opportunity and rewarding careers to our employees and are particularly proud of the progression demonstrated by many across our organization.

We are proud that many of our social initiatives are identified and driven by our employees themselves. We are dedicated to respecting human rights and to supporting programs that uphold not only our values but also restore individual and social dignity, encouraging collective responsibility that can only come from a sense of belonging.





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# POLICIES AND SYSTEMS

Our safety intent is to provide each employee with a safe place to work, free from all recognized hazards.



To achieve this policy, Asplundh requires compliance with each region's safety and health regulations and policies. In the US, we comply with the Occupational Safety and Health act (OSHA), the American National Standard Institute (ANSI) standards, and our internal training publications, which are annually distributed by the Company. Asplundh also requires compliance with all relevant agencies in Canada, Australia and New Zealand.

In addition to standard conflict of interest and gift and gifting policies, our Code of Business Conduct outlines our policies on:

- Equal opportunity employment
- Diversity and inclusion
- Harassment
- Workplace violence
- Forced labor (human trafficking and slavery)
- Substance abuse

In doing our work, it is our intent to:

- Maintain the highest standards of quality in our services
- Work together with mutual respect and friendly cooperation

“

In addition to the regulations, we operate every job according to the most innovative and updated safe practices.

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# WORKPLACE HEALTH AND SAFETY

Becoming an employee at Asplundh means becoming part of an extended family. We pride ourselves on how we care for one another and how we and our employees extend this duty of care to the customers and communities we serve.

Like integrity, safety is fundamental to our business culture. The first generation of Asplundh family members who started the business coined the term “The Better Way” to describe their philosophy of solving industry problems in a safe and cost-effective manner. The primary goal was, and remains, safe operations and the continuous improvement of health and safety performance.

Today, “Safety First ... No One Gets Hurt!®” guides our work. Our Safety Management Process directs our safety program, and our incident prevention program is recognized as one of the best in the industry. As part of our journey to zero incidents, every employee is given systematic on-the-job training, is equipped with the best tools and safety devices available, and works under the most careful supervision possible.

Every employee, at every level of the Company, follows the Company’s core principles:

- All injuries are preventable
- No job or activity is worth risking injury
- Working safely is a condition of employment
- Management is responsible for providing the environment for everyone to work safely
- Each individual shares in the responsibility for the safety of themselves and others
- We believe prevention of injuries is good business
- We promote off-the-job safety for our employees

- Safety is led by senior management, implemented by line management, with each level accountable to the one above and responsible for the one below
- We design and integrate safety into our management decisions

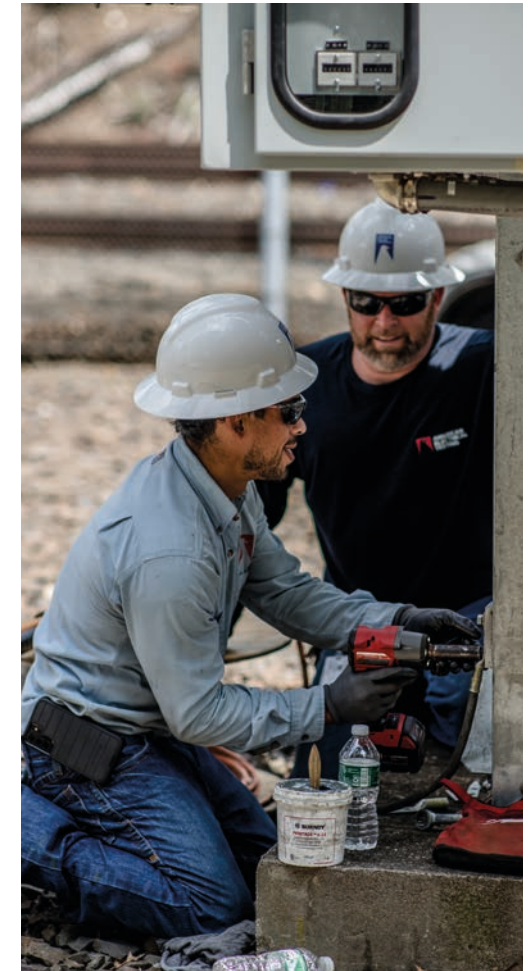
Division, department and regional managers are responsible for upholding and enforcing health and safety rules and policies in their operations. These policies are enforced without exception.

We also maintain a comprehensive safety management and training program designed to provide a safe place to work, free from all recognized hazards. Annual targets are established for multiple criteria and are monitored on a regular basis, and Safety Action Plans are implemented for continual improvement.

We believe that modernizing our fleet and tooling will not only improve employee health by reducing their exposure to emissions and noise, but also improve efficiencies and productivity due to improved ergonomics.

“

Like integrity, safety is fundamental to our business culture.



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# ATTRACTING, RETAINING AND GROWING OUR PEOPLE

Like many other industries, ours constantly competes for talent in a market that is constrained. While the work we do provides many benefits and outdoor experiences, which appeal to many employees, our work may also involve exposure to safety risks and harsh weather conditions. We strive to create a culture of safety and inclusion with viable and fulfilling career growth.

The Company's 95-year history attests to the fact that our strength lies in our people and in our ability to maintain a family-like culture despite the size of our business. Every Asplundh family member who is part of the business started in the field before taking up their executive duties, and the majority of our current regional managers started their careers similarly.

This model provides employees with invaluable insights into every aspect of the business, from the challenges of the environment to our customers' specific requirements. It also fosters a sense of belonging and responsibility among employees. It is not uncommon to meet employees in senior level positions who have been with the Company for more than 30 years.

To promote the wellbeing of our employees and their families we offer the following benefits:

- Health benefits
- A retirement savings plan
- Life insurance
- Supplemental life insurance
- Paid leave time
- Family and medical leave
- Long-term service awards

Training has long been a tradition at Asplundh, beginning with informal training schools for crews. Asplundh uses our Line Clearance Qualification Standard (LCQS) as our workforce readiness program and, while not officially registered with the US Department of Labor (USDOL), the program mirrors the guidelines in the Arborist Apprenticeship Program, which was formally adopted as guideline standards by USDOL in 2018. The Asplundh Infrastructure Group has a formal program at Utility Lines Construction Services. This program comprises 78 modules and is registered with USDOL.

All employees begin their careers with a full-day onboarding program, and workforce development training is targeted to cover the scope of work being performed and the employee's role. Asplundh training programs encompass environmental health and safety, trades skills/qualifications, project management, business, technology and leadership development.

Field employees are encouraged to keep learning and can continually add to their credentials in areas such as safety, electrical hazards awareness, pesticides, chainsaw technique, chipper use, crane operation and more. Seasoned workers can advance their careers by completing programs in advanced tree felling, advanced rigging and stationary rope system climbing.

We value the involvement of our employees and, in addition to regular communication through onsite teams, employees are kept informed of business priorities and plans through an in-house publication. Recently, we introduced perception surveys to solicit employee feedback and encourage greater engagement.

Asplundh has a long history of safely conducting operations in emergency situations. Our employees are often first responders in emergency situations like storms and fires, and the advent of the Covid-19 pandemic was no different. Designated essential workers, our employees stepped up to the challenge and adjusted their work practices to ensure they were able to continue working, and protecting their communities, throughout the pandemic.

Critically, they continued to provide the services necessary to keep utilities operating and power flowing. Asplundh's Pandemic Preparedness Plan, which was aligned with the US Centers for Disease Control and Prevention (CDC) guidelines, was rolled out to ensure we had extensive measures in place while providing the flexibility required to adapt to the evolving nature of the pandemic. This plan guided us as we continued to provide safe and reliable operations during this time.

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# DIVERSITY, EQUITY AND INCLUSION

Asplundh seeks to attract, develop, retain and promote employees who can provide a competitive advantage and best represent our customers and the communities we serve. As the industry evolves, we are proactively expanding our approaches to talent and recruitment, development and promotional opportunities for minority group members and women.

At Asplundh, we seek out candidates with a wide range of experiences and approaches, realizing that an expanded base of expertise and insights accelerates our growth culturally and strategically. While workplace diversity traditionally focuses on gender, ethnicity and sexual orientation, we also strive to diversify our business in terms of age and tenure.

As an equal opportunity employer, we have human resources policies in place that reflect our commitment to diversity and inclusion, as well as policies governing the right of our employees to be respected, comfortable and supported at work regardless of their background, sexual orientation or place of birth.

Since equity is the outcome of fair treatment, we have taken our focus on equal opportunity a step further to accommodate candidates with varying physical and cognitive abilities, veterans, and previous offenders in our recruitment and training. We believe that inclusion is a measure of culture that enables diversity to thrive.

Our approach to diversity and inclusion informs our recruitment and professional development processes, as well as our promotional criteria. Our recruiting process ensures we identify and attract the best talent regardless of gender or background, but we continue to consider how we can further diversify our workforce and

build a pipeline of talent that will ensure the Company's success. Professional development within the Company focuses on skills building for both managers and employees while ensuring equitable access to career-enhancing opportunities for all.

Promotional opportunities are transparently communicated and based on an employee's leadership, commitment and perseverance more than any other measure. We do not have hard quotas and we do not limit opportunities to only under-represented minorities.

Beyond the human resources function, we have education systems in place to foster inclusive behaviors among our employees. It is not enough to have Company leadership championing diversity and inclusion; it must be understood and practiced by all if it is to be ingrained in our culture. At Asplundh, everyone is responsible for diversity, equity and inclusion.

Acknowledging that bold action from the business community is vital to driving change at scale, Asplundh CEO Matt Asplundh joined more than 2,000 other business leaders in signing the CEO Action for Diversity and Inclusion™ coalition pledge in April 2022. The pledge is a leadership commitment to make Asplundh a workplace where diverse perspectives and experiences are welcomed and respected.



This pledge commits Asplundh to:

- Continue making our workplaces trusting places to have complex, and sometimes difficult, conversations about diversity and inclusion
- Implement and expand unconscious bias education
- Share best — and unsuccessful — practices
- Create and share strategic inclusion and diversity plans with our Board of Directors

The signatories, which include many of Asplundh's largest customers, are also encouraged to create accountability systems within their companies.

As a next step, the Company has identified critical areas of focus. These focus areas will result in the creation of a diversity, equity and inclusion strategy and a roll-out plan.



Asplundh has signed the CEO Action For Diversity and Inclusion™ coalition pledge.

# COMMUNITY ENGAGEMENT AND SUPPORT



Asplundh delivered more than 300 pounds of browse to more than 40 different species at the zoos.

Asplundh and the American Transmission Company (ATC) have developed a way to help a particularly special community: the animal population at The New Zoo and Adventure Park in Green Bay, Wisconsin.

In June 2021, Asplundh dropped off a truckload of tree trimmings that were cut up by volunteers and carefully prepared as browse for the animals.

Zoo staff said that the browse, an expensive and time-consuming commodity for the zoo to source on its own, helped to provide the giraffes with a meal similar to what they would find in the wild. The zoo's giraffes, Zuri and Nigel, were clearly delighted.

For ATC, the partnership with Asplundh and the zoo just makes sense. "The tree trimmings are coming from transmission line rights-of-way in the northeast Wisconsin area that we have to maintain," said ATC Manager of Vegetation Management Michelle Stokes. "It's a no-brainer. It's helping support a gem in the northeast Wisconsin community."

Asplundh also provides browse for the Philadelphia and Elmwood Park Zoos. Every week between June and September, we delivered 300 pounds of browse to more than 40 different species at the zoos, providing animals such as antelope, giraffes and gorillas with additional fiber and nutrients.



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COMMUNITY ENGAGEMENT AND SUPPORT  
Continued

CASE STUDY

# Partnerships to create national job training models



Partnerships are often the most powerful way to pool resources and implement real and lasting change in society. Asplundh has a history of supporting its customers' ESG goals, particularly on the social front where it has partnered on initiatives such as skills development and training.

An excellent example is PowerCorpsPHL, a Philadelphia job training program for urban youth. Operated by EducationWorks, the program engages approximately 120 young people between the ages of 18 and 30 each year and provides an array of support services, including counseling, legal aid and job skills training in fields that include urban forestry, green stormwater infrastructure, and solar power. Many of these graduates go on to find work in the industry, and partnerships with companies like Asplundh ensure that potential hires get a head start.

The expert arborists in Asplundh's Technical Services Department worked closely with PowerCorpsPHL's industry training team to refine and co-design PowerCorpsPHL's urban forestry training curriculum.

Denise Houser, Director of Talent Acquisition at Asplundh, believes that the program will inspire urban youth to consider a career in a green industry, provide them with an opportunity to participate in the industry, and gain the tree care experience necessary to ensure they can join field crews immediately.

"This partnership creates a job training model that can be replicated in other urban and rural areas across the country," Denise said, adding that she is passionate about creating these types of opportunities for youth who come from difficult backgrounds. She is also excited about the chance to diversify and grow her pipeline of top talent.

"The partnership with PowerCorpsPHL will not only provide important job opportunities in the green industry to a population that doesn't always have them but will also create a direct pathway for young people interested in working for an industry leader like Asplundh," she said.

PowerCorpsPHL launched the program in 2013 and boasts an impressive success rate with more than 92% of participants graduating.



**The job training model can be replicated in other urban and rural areas.**

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**COMMUNITY ENGAGEMENT AND SUPPORT**

Continued

**CASE STUDY****Mentoring military personnel**

Asplundh is working with the US Department of Defense (DOD) SkillBridge program at Coastal Carolina Community College (CCCC) to provide military personnel with the skills necessary to transition back into the civilian workforce post service.

According to the DOD, more than 200,000 service members transition out of the military every year. To meet the needs of that population, the DOD created the SkillBridge program, which works with companies across the US to train and provide active-duty service members with valuable work experience ahead of leaving their posts.

In partnership with SkillBridge and CCCC, Asplundh is designing two similar programs aimed at equipping transitioning military personnel for a career in utility vegetation management and line construction.

The Arborist Trainee Program, which will be managed and instructed by Asplundh, is expected to have an eight- to 10-week curriculum, while the Utility Line Construction program is expected to span between 14 and 18 weeks and cover overhead and underground powerline construction basics.

Service members can embark on these programs within the last 180 days of their expiration term of service date. Both programs are open to all branches of service (Army, Navy, Marines, Air Force and Coast Guard).

The SkillBridge partnership is an obvious benefit for the transitioning military personnel, but it's also a great way for Asplundh to connect with potential employees who have a military background and the excellent leadership skills and discipline that come with it.

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**The SkillBridge program is open to all branches of military service.**

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**COMMUNITY ENGAGEMENT AND SUPPORT**

Continued

**CASE STUDY****Utility co-op support**

Helping our clients deliver on their value proposition in their particular sector is an important part of Asplundh's commitment to customer care.

A shared mission for excellent communication and safety practices united Asplundh and the 4-County Electric Power Association (4-County), a Mississippi-based electrical distribution cooperative serving more than 48,000 homes and businesses in nine counties. 4-County works hand in hand with local power companies to provide low-cost, reliable public power.

Located in east central Mississippi, 4-County originally started out serving the counties of Lowndes, Oktibbeha, Clay and Noxubee, but its offering has grown over time to include parts of Monroe, Choctaw, Webster, Chickasaw and Winston counties.

For several years now, Asplundh has served 4-County through the vegetation management of the co-op's 5,400 miles of overhead lines, some of these through heavy pine, timber wood and flatwood forests.

As part of Asplundh's utility line clearance work, it has helped the co-op manage the safe and efficient removal of trees suffering from Southern Pine Beetle infestations and drought so that it maintains reliable coverage. Together, the two teams have also safely navigated the wet and muddy terrain where the flatwoods grow.

Asplundh's great work ethic and communication skills have been lauded by the co-op. "We strive to provide reliable service and Asplundh is a big part of that," said Jonathan Howell, system arborist for 4-County.

“

**Asplundh is a longtime supporter of the National Rural Electrical Cooperative Association (NRECA) and currently sponsors the organization at the Platinum level.**



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# RESPECTING HUMAN RIGHTS

Asplundh has built our business on an unwavering ethical base. We have done this for more than 90 years.

At the heart of our business is our people. Our duty of care extends across employees to their communities and to the public.

In understanding human rights, how they relate to our business and the impact they can have on all stakeholders, Asplundh endorses and applies human rights guidelines throughout our business dealings. We are committed to a working environment that upholds human rights standards and is free from exploitation. We do not tolerate or condone human trafficking, slavery, forced labor of any kind and unlawful child labor in any part of our global organization.

At Asplundh, it is the responsibility of every employee to understand and apply our human rights policy and where there are transgressions, to report those via the appropriate channels. It is through our employees that we demonstrate our commitment to global human rights, and it is through them that we strive to be an example for other companies, for our industry and for the public in general.



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We respect and uphold the human rights of our employees and communities.



# GUIDED BY OUR GOVERNANCE PRACTICES AND STRUCTURES

As a family-owned business, Asplundh has maintained our dedication to absolute professionalism for more than 90 years. As the business has grown, the Company's leadership has ensured that our values and business ethics are central to our corporate culture.

# OUR APPROACH

**At Asplundh, individual and collective integrity are as important to our culture as safety.**

We require honesty from our people in all their duties, including their handling of Company property and assets with which they are entrusted. Our commitment to being an ethical Company includes a responsibility to foster an environment where employees feel they can report concerns without fear of retaliation.

Our leadership, management and employees are guided by our Code of Business Conduct, which sets out the standards expected from every employee of Asplundh and our subsidiaries. This Code of Business Conduct is supported by our Employee Handbook, Region Policy Manual and our Safety Manual. These documents set out our policies and systems, as well as mechanisms for reporting non-compliance.

As an organization based on being a contractor to customers in the utility and commercial landscape sectors, our services are our product. As a result, we believe our continued success depends on all our employees, from the field to leadership, maintaining the highest ethical standards and always doing the right thing. Anything achieved at the cost of violating a law, or through dishonest dealings, does more than violate our standards. It undercuts the Company's ability to grow the business by undermining our reputation.

Our employees are given multiple avenues to report illegal or unethical behavior, which includes any form of hate speech and harassment. We investigate suspected violations and take corrective action because it is only by upholding our legal and ethical responsibilities, and by doing the right thing, that Asplundh's legacy of integrity will endure.

In addition to standard conflict of interest and gift and gifting policies, our Code of Business Conduct outlines our policies on:

- Equal opportunity employment
- Diversity and inclusion
- Harassment
- Workplace violence
- Forced labor (human trafficking and slavery)
- Substance abuse

“

**We believe our continued success depends on all our employees.**



# CODE OF BUSINESS CONDUCT

**Asplundh's Code of Business Conduct requires employees to conduct business within the framework of the law and in accordance with good business ethics, and it reinforces the founders' expectations that everyone within the business does the right thing.**

The Company is committed to compliance with all national, federal, state, and local laws and regulations. Our Code of Business Conduct sets out standards of conduct for all employees and applies to any third parties working with us as business partners. Extending above and beyond compliance, the code provides guidance, documents, and emphasizes that it is imperative we avoid even the appearance of impropriety or any other activity that would bring disrepute to our Company.

Our Code of Business Conduct is reviewed with all employees during their new hire orientation, and expectations are reaffirmed periodically by our senior management team and compliance department. Management employees were required to complete the Code of Conduct and Ethics online learning management training system course and annually recertify their understanding, compliance and reporting.

We have zero tolerance for unethical behavior, and any violation of the policy results in progressive discipline up to, and including, immediate termination.

To verify our compliance with applicable laws and Company policies, we have a formal central corporate compliance department resourced by a Chief Compliance and Business Ethics Officer. The compliance department oversees verification, audits and investigations of specific complaints of non-compliance in field operations. In addition to normal supervisory communications paths, we also provide human resource and legal reporting hotline contact numbers for questions or to report incidents.

## Fair competition and antitrust

Our operations are regularly audited, including existing contracts or as part of an open-market tendering process.

Many of our contracts involve external audits that are conducted by independent auditors. We believe in competing vigorously and aggressively with our competitors and insist that this must be done in accordance with antitrust laws in each country in which we do business.

This means that we do not share our pricing, costs or structure with the competition, nor do we share this information from one customer to the next. Additionally, we will not give or accept any gifts, bribes or other inappropriate items in order to receive business, or to ensure that our competitors do not receive business.

Dealings with governments are in strict compliance with each region's regulatory agencies. In the US, that includes the contractor responsibility provisions of the Federal Acquisition Regulation (FAR), section 52.203.13, where applicable. Asplundh has developed a Government Contracting Policies and Procedures Manual, and every manager or supervisor who submits or tenders for government business is required to receive training in its use from the compliance department. Asplundh also complies with all applicable foreign regulations.



Our approach

Code of business conduct

Customer &amp; supplier relations | Business continuity and cyber security

# CUSTOMER AND SUPPLIER RELATIONS



## Customer relations

**As contractors to some of the world's largest utility companies, our work relies on being able to access and execute activities on our customers' properties or rights-of-way.**

In order to have continued success in these areas, we maintain the highest standards of quality in our services and strive for amicable and respectful relations between our employees and customer representatives.

Respect and ethics are central to these relationships, and we do not tolerate any improper, unethical or questionable business practices. Our credibility with customers depends on our ability to fulfill the commitments we make, and we realize relationships must be nurtured and preserved. We do this through:

- Clear communications so that customers understand the terms of our contracts, performance criteria, schedules and pricing
- Protecting any and all our customers' confidential information
- Only signing contracts or agreements with customers that we believe we can and will fulfill

## Supplier relations

**In striving to be fair in our choice of suppliers, consultants and subcontractors, we choose our suppliers based on appropriate criteria such as qualifications, competitive price and reputation.**

Asplundh suppliers are expected to comply with all applicable laws and regulations and to conduct their business in accordance with the highest ethical standards. This is important in the ethical management of our supply chain and in ensuring that we can play a role in supply chain sustainability.

Asplundh is mindful of supplier diversity, and where we do not qualify as a fully diverse prime supplier, we support inclusive and diverse supplier workplaces through our second-tier spending program. We establish a supplier diversity plan, set supplier diversity performance targets based upon the scopes of work awarded, manage our subcontractor management plans on a customer, program, or project-specific basis, and report on subcontracting with diverse suppliers and our progress toward our goals. Asplundh Construction and our New Zealand businesses have been champions of this approach.

# BUSINESS CONTINUITY AND CYBER SECURITY



**Asplundh has successfully prepared and tested for critical business activities during disruptions of normal business processes resulting from natural and man-made disasters, including cyber threats.**

We have pre-established contingency and disaster recovery plans that are tested periodically to ensure effectiveness. Risk management and contingency planning must be an iterative process, requiring ongoing review to assess various risks and appropriate responses. As new services and

solutions are implemented, all business continuity plans are reviewed, modified and tested.

Our risk management department oversees the Company's entire risk management program while our Insurance Manager facilitates the identification, monitoring, assessment and treatment of aggregated risk impacts with the objective of protecting Company assets. Asplundh has a comprehensive global insurance program.

# GRI CONTENT INDEX

Asplundh has developed this content index with reference to the GRI Standards 2021, and has disclosed the information that is currently available. We will continue to increase our disclosure.

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