

ASPLUNDH®

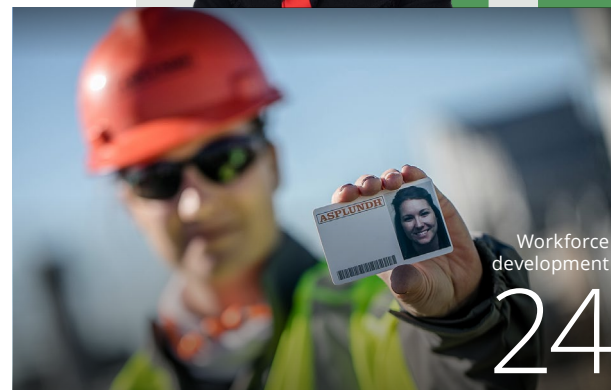
SUSTAINABILITY IN ACTION

Sustainability Report 2023



CONTENTS

OVERVIEW	CARING FOR THE ENVIRONMENT	PRIORITIZING OUR PEOPLE	LIVING STRONG GOVERNANCE	APPENDIX
02 About this report 03 About Asplundh 04 Highlights 05 Letter from the CEO, Matthew Asplundh 06 Q&A with the Director of Sustainability & ESG, Megan Fielding	13 Our approach 14 Toward net zero 18 Commitment to biodiversity	21 Our approach 22 Ensuring employee health and wellness 24 Workforce development	28 Our approach 29 An interview with Thomas Moore 30 Business ethics and conduct 31 Promoting sustainable supply chains 33 Upholding human rights 34 Safeguarding business continuity and cybersecurity	36 GRI content index
Sustainability 08 Sustainability governance 09 Our strategy and stakeholders 10 Materiality 11 Sustainability framework				





ABOUT THIS REPORT

This year's sustainability report demonstrates the work we have undertaken as part of our environmental, social and governance (ESG) initiatives: Sustainability in Action.

Our ESG policies and procedures serve as the foundation for our sustainability-related work and showcase the impact they have on our employees, communities, customers and the environment. We explore these impacts further in the case studies featured in this report.

This report covers the corporate entity Asplundh Tree Expert, LLC, which comprises our utility vegetation management and infrastructure services businesses. It covers the financial year from January 1 to December 31, 2023.

In compiling this report, we have considered the guidance of the Global Reporting Initiative (GRI) Standards, including its principles and concept of materiality.



Global Reporting Initiative (GRI) Standards

ABOUT ASPLUNDH

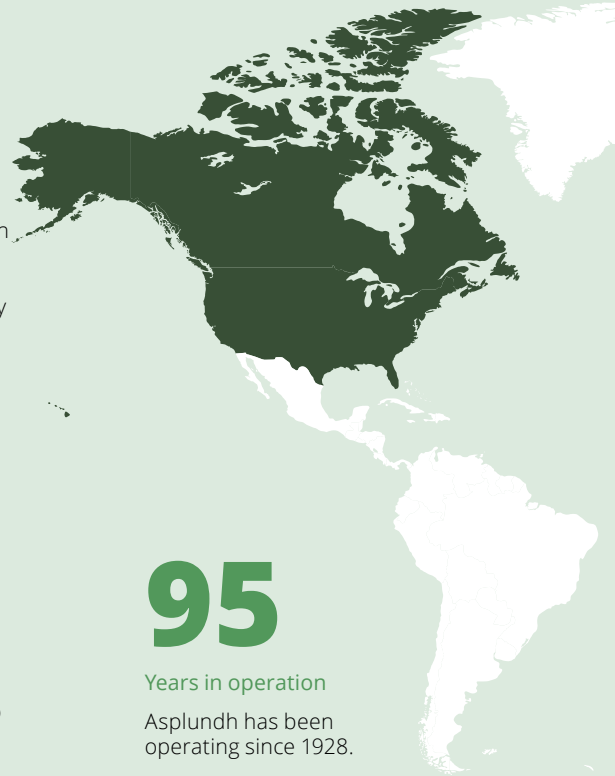
Asplundh is a leading provider of safe, cost-effective and environmentally sustainable vegetation management and utility infrastructure services.

Established in 1928, we are a family-owned and operated company that serves electric utility companies, municipalities, pipelines and railroads in the United States, Canada, Australia and New Zealand.

Asplundh is a full-service utility partner in vegetation management services that include tree pruning and removals, right-of-way clearing and maintenance, vegetation management with herbicides, emergency storm work and logistical support.

We also provide utility infrastructure services, including power line design, construction, engineering, AMI/AMR deployments, meter reading, electrical testing and commissioning, utility pole maintenance, lighting and signalization, and intelligent transportation system construction and maintenance services. These solutions serve to upgrade and strengthen infrastructure for generations to come.

As a global, ethically operated business, we have a responsibility to support our customers, among which are some of the world's largest electric and gas utility companies. Our sustainability efforts help them to operate even more responsibly in turn. We also work closely with our extensive supply chain to support and assist our sustainability endeavors.



95

Years in operation

Asplundh has been operating since 1928.

36,000

Employees worldwide

Asplundh employs more than 36,000 people worldwide. With headquarters in the U.S., Asplundh operates across the U.S., Canada, Australia and New Zealand.



HIGHLIGHTS

ENVIRONMENTAL

- Committed to a net zero carbon footprint by 2050
- Implemented a decarbonization plan for our fleet operations
- Marked 71 years of collaboration with Penn State University for research on vegetation management practices and their impact on wildlife habitat on rights-of-way
- Continued drive toward zero waste in the workplace.

[Read more on page 12](#)

SOCIAL

- Launched our corporate diversity, equity and inclusion (DEI) policy
- Expanded DEI training to deepen employee knowledge across the organization
- Expanded community and workforce development

[Read more on page 20](#)

GOVERNANCE

- Published Asplundh's first sustainability report
- Received Carlyle's ESG Fast Mover Award — Americas

[Read more on page 27](#)



LETTER FROM THE CEO



“We are a successful business today because we have always operated with a deep respect for the environment and the communities we serve.”

Asplundh has provided safe, efficient and innovative line clearance and infrastructure services for more than 95 years.

We are a successful business today because we have always operated with a deep respect for the environment and the communities we serve. This understanding is foundational for our company and guides our focus on sustainability going forward.

High-level commitments

Since releasing our inaugural sustainability report last year, we have been busy putting into action the goals and commitments it contained. This report continues an examination of our impact on the environment, details our social and governance positions and offers both case studies showing the things we've accomplished to pursue our ESG goals and descriptions of our commitments going forward. These include our continued work to reduce the carbon emissions of our fleet and equipment, our work to advance diversity, equity and inclusion (DEI), and our efforts to improve transparency and accountability across our company.

Standards

Accountability on our progress is an important topic for all of our stakeholders. To that end, we have added significant capacity to our financial reporting and compliance departments. We've accomplished this through additional hires at the director and vice president level and invested in the tools to facilitate a thorough analysis of our work with added layers of transparency. These advances have enabled us to provide reporting that meets the highest industry standards. In addition, we have strengthened our standards for ethical compliance, risk management and mitigation practices and cybersecurity procedures.

Key Issues

Our commitment to sustainability remains steadfast with the environment central to our work. The changing weather patterns we've seen in recent years have had a real impact across our regions, and increasingly, we are called upon to help communities recover from powerful storms. This type of work and its inherent risks are now factored into our strategic planning to ensure we have the appropriate response and resources to keep all employees safe on the job. Safety is the single most important factor in our work. Our company continues to invest in services that support the physical, mental and financial well-being of employees and their families.

We've also made strong progress in DEI with the formalization of our corporate policy on DEI and implementation of related training for our employees. Finally, we expanded our relationships with community organizations to assist in workforce development and the education of youth, both of which are critical to our company, employees and customers.

Goals and Ambitions

As I mentioned last year, we are committed to achieving net zero emissions by 2050. Since that time, we've begun to transition our fleet and equipment to hybrid and electric solutions where feasible. We recognize that the industry is still evolving and remain committed to this transition.

My work focused on DEI remains a top priority — we strive for an inclusive workforce that represents our communities and customers.

We're proud of the work we've done so far and look forward to advancing our sustainability goals throughout this year and into 2025. At Asplundh, our actions speak for our work, our commitments and our passions. I hope this year's report offers a glimpse at who we are beyond our orange and white trucks: a responsible company committed to its employees, communities and customers.

Matthew Asplundh
Asplundh CEO
February 2024

Q&A WITH THE DIRECTOR OF SUSTAINABILITY & ESG



“We are conscious of staying abreast of the material issues that are most pressing, such as carbon emissions, as well as those that are critical to running a responsible business, including cybersecurity and ethics.”

Megan Fielding joined Asplundh in 2022. Since then, she has created, led and managed the sustainability and ESG strategy across the Company and its geographies. In the Q&A that follows, Megan reflects on the Company’s activities and progress over the past year.

Q Asplundh has always been committed to the people it employs and the environment in which it operates. In recent years, there has also been increasing emphasis from external sources on a formalized approach to ESG. How has the Company responded?

The greatest impact our partners have had on our program is with emissions, as both a material issue and value driver for our business. They encouraged us to establish our full baseline emissions (2021) and to set interim and long-term goals for emissions reductions with a path toward net zero by 2050.

As a family-owned and operated business, our people have always come first. And by our people, we refer not only to our employees and contractors, but to our communities, customers and suppliers, too. In our ESG efforts, we have cast our net more widely to understand the expectations stemming from the broader industry, our stakeholders, and the evolving regulatory requirements in the regions where we operate.

We are conscious of staying abreast of the material issues that are most pressing, such as carbon emissions, as well as those that are critical to running a responsible business, including cybersecurity and ethics. We also examine what is defined as best practices as we put our own efforts into place and take action.

Our investors, Carlyle and CVC, are valuable partners in our business. Their resources allow us to deepen our understanding of the issues that have the most impact on our business. And their extensive portfolio of companies yields a global perspective on these themes, something that is critical to weave into our work as we look to the future. These insights help us to explore new ideas and innovations that we might not have come across in our day-to-day work.

Q &



Q&A WITH THE DIRECTOR OF SUSTAINABILITY & ESG CONTINUED

Lastly, sustainability and ESG are embedded across the organization with our business partners. We don't operate in a silo. Working with our investor partners is akin to being part of a large team and drawing upon its learnings, comradery, idea-shares and more, while remaining an independent business and carrying the responsibility of our decisions and impact.

Q Looking back at the last year at Asplundh, could you elaborate on some of the achievements and challenges you have experienced?

In Q1 last year, we published our first sustainability report. This offered transparency around our initiatives across our regions and provided insight on the material topics that stemmed from our materiality assessment that year. Our announcement to align with our customers around carbon reduction and work toward net zero by 2050 was an important theme of last year's report.

We started the year with the intention to dig into our baseline emissions across Scope 1, 2 and 3, and conducted an analysis over five months to examine our Scope 1 emissions across our fleet equipment and fuel management. We wanted to better understand usage, geographic positioning and the alternatives that exist in the marketplace across our regions.

This process uncovered many findings, including the recognition that the manufacturers of vehicles and equipment are generally still evolving to meet demand for the electrification of a fleet like ours, where medium to heavy duty categories are essential. What's more, original equipment manufacturers that do produce electric vehicles, such as light duty pickup trucks, are pausing production for an indeterminate period of time due to supply chain and production hurdles.

With these insights, we shifted toward an interim strategy to focus on hybrids, where possible, and to encourage innovation in the market.

The last item to note about 2023 relates to recognition. We were proud to receive Carlyle's ESG Fast Mover Award for the Americas last year. This award recognized Asplundh as the company that made the most progress in ESG-related work undertaken in the U.S. It reflects both the foundational work and the initiatives implemented to launch our program more formally over the last few years, while underscoring the focus of our leadership and employees to drive ESG forward.

In connection to this award, we were given an allocation of high-quality carbon removal credits from the Trees for Global Benefits project in Uganda. Trees for Global Benefits is an established community-led forestry program that combines activities to increase carbon sequestration, encourage sustainable land-use practices, and provide farmers with performance-based payments. The project engages approximately 15,000 smallholder farmer families across 73 communities.

Q What are some of your ambitions and goals for 2024?

This year and into 2025, we are advancing the steps taken last year, mainly in two areas, decarbonization and reporting. On decarbonization, we are in the middle of a thorough Scope 3 emissions analysis through which we are identifying areas for improvement, including with our suppliers and with employees, to reduce emissions in our day-to-day operations. It's a bit more challenging than our Scope 1 assessment but will allow us to make further progress on our interim and long-term goals.

As it relates to reporting, we spend a lot of time staying abreast of the regulatory environment in the U.S., Canada, Australia and New Zealand. We also keep pace with regulations in other countries given the impact they might have on assessments and global reporting frameworks. An essential part of this work is ensuring we have the appropriate tools in place to collect, manage and report. We are in the process of building a dashboard to provide transparency around material ESG metrics and KPIs, and ensuring we have the systems in place that will serve as a solid foundation going forward.

Q Finally, can you offer insight as to why this report is entitled, Sustainability in Action?

In the last year, we've actively focused on several important areas to further our work in ESG and sustainability such as transition of our fleet and equipment into alternative fuel. To highlight new alternative fuel vehicles, we created a design and tagline, Sustainability in Action, that now is visibly prominent on these vehicles. We also use Sustainability in Action as a mark of how our employees are putting sustainability into their lives, in the real world, at work and at home in their communities, which you will see throughout this report. Above all, our objective is to demonstrate that our actions marry our words: we are sustainability in action.

SUSTAINABILITY IN ACTION

Sustainability in Action is used throughout this report to highlight examples of how our employees are putting sustainability into practice at work and at home in their communities.



SUSTAINABILITY

GOVERNANCE

Our Board-level ESG Committee oversees the Company's ESG performance.

It has primary oversight of corporate sustainability issues, strategies 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.

BOARD

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

ESG SUB-COMMITTEE

Our ESG sub-committee is composed of six internal and external members of the Board and is chaired by the 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 the CEO and is composed 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

The Director of Sustainability & ESG leads Asplundh's ESG program and is responsible for the advancement of the Company's ESG strategy and the alignment of ESG objectives within the broader business strategy.

SUSTAINABILITY CONTINUED

OUR STRATEGY AND STAKEHOLDERS

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 utility vegetation management and infrastructure industries.

We strive to strengthen our ESG performance by assessing, reporting and integrating ESG considerations into our business strategy.

As a result, our sustainability approach is supported by a range of policies that demonstrate this commitment. Our sustainability roadmap details our objectives and commitments for the next few years. This serves 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 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 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 sustainability purpose is simple and central to what we do: serving our customers, communities and the environment with care and integrity.”



SUSTAINABILITY CONTINUED

MATERIALITY

In 2022, we undertook an extensive materiality assessment, interviewing representatives from our customer, supplier and investor bases, our key industry body and our investors.

We were also guided by the GRI Standards; the Sustainable Accounting Standards Boards (SASB) Standards: Electric Utilities and Power Generators Sustainability Accounting Standard and Engineering and Construction Services Sustainability Accounting Standard; and the guidance provided by the Electric Utility Industry Sustainable Supply Chain Alliance (SSCA).

This gave rise to 15 material issues, grouped under the headings of environment, social and governance.

In 2023, we reviewed these material issues again, taking into consideration:

- The ESG issues material to our geographies and sectors
- Current and emerging standards
- A review of customer and peer reporting on material issues
- Feedback from external stakeholders
- Views from executive leadership

This process resulted in an updated list of 14 material issues. Our strategy and framework consider all of these issues.

[Read more about our Sustainability Framework on page 11](#)



ENVIRONMENT

- 1 Setting emissions reduction targets and pursuing a transition to renewable energy sources
- 2 Addressing climate risk and embedding climate impact resilience
- 3 Supporting nature and biodiversity
- 4 Reducing waste

SOCIAL

- 1 Ensuring employee safety, health and well-being
- 2 Promoting DEI
- 3 Ensuring community safety and health
- 4 Pursuing employee engagement and development
- 5 Promoting supplier diversity and localization
- 6 Supporting energy system resilience and integrity

GOVERNANCE

- 1 Implementing effective risk management and risk mitigation
- 2 Upholding business ethics
- 3 Ensuring sustainable supply chains
- 4 Safeguarding cybersecurity and data privacy

SUSTAINABILITY CONTINUED

SUSTAINABILITY FRAMEWORK

We are committed to serving our employees, customers, communities and the environment with care and integrity.

In 2023, we reviewed and simplified our sustainability framework in line with our ESG strategy to focus on three core areas:

- Environment: Caring for the environment
- Social: Prioritizing our people
- Governance: Living strong governance

In each focus area, we have established goals and continue to align our key performance indicators to ensure we monitor, measure and manage these goals accordingly.



ENVIRONMENT

CARING FOR THE ENVIRONMENT

Towards net zero

- Commitment to net zero by 2050
- Responsible transition to BEVs and hybrids
- Ensuring climate adaption and resilience

Commitment to biodiversity

- Mitigating impacts
- Supporting biodiversity initiatives
- Environmental education
- Shift to zero waste

[Read more about how we care for the environment on page 13](#)



SOCIAL

PRIORITIZING OUR PEOPLE

Ensuring employee health and wellness

- Safety systems and procedures
- Safety training
- Enhancing physical and mental well-being
- DEI

Promoting workforce development

- Attracting and retaining talent
- Training and development
- Career development
- Promoting BRGs
- Collaborating with our communities

[Read more about how we prioritize our people on page 21](#)



GOVERNANCE

LIVING STRONG GOVERNANCE

Business ethics and conduct

- Ensuring regulatory compliance
- Upholding Code of Business Conduct and whistleblowing

Promoting sustainable supply chains

- Ensuring policies and monitoring
- Supplier engagement and education
- Improving supplier diversity

Upholding human rights

- Relevant policies and processes

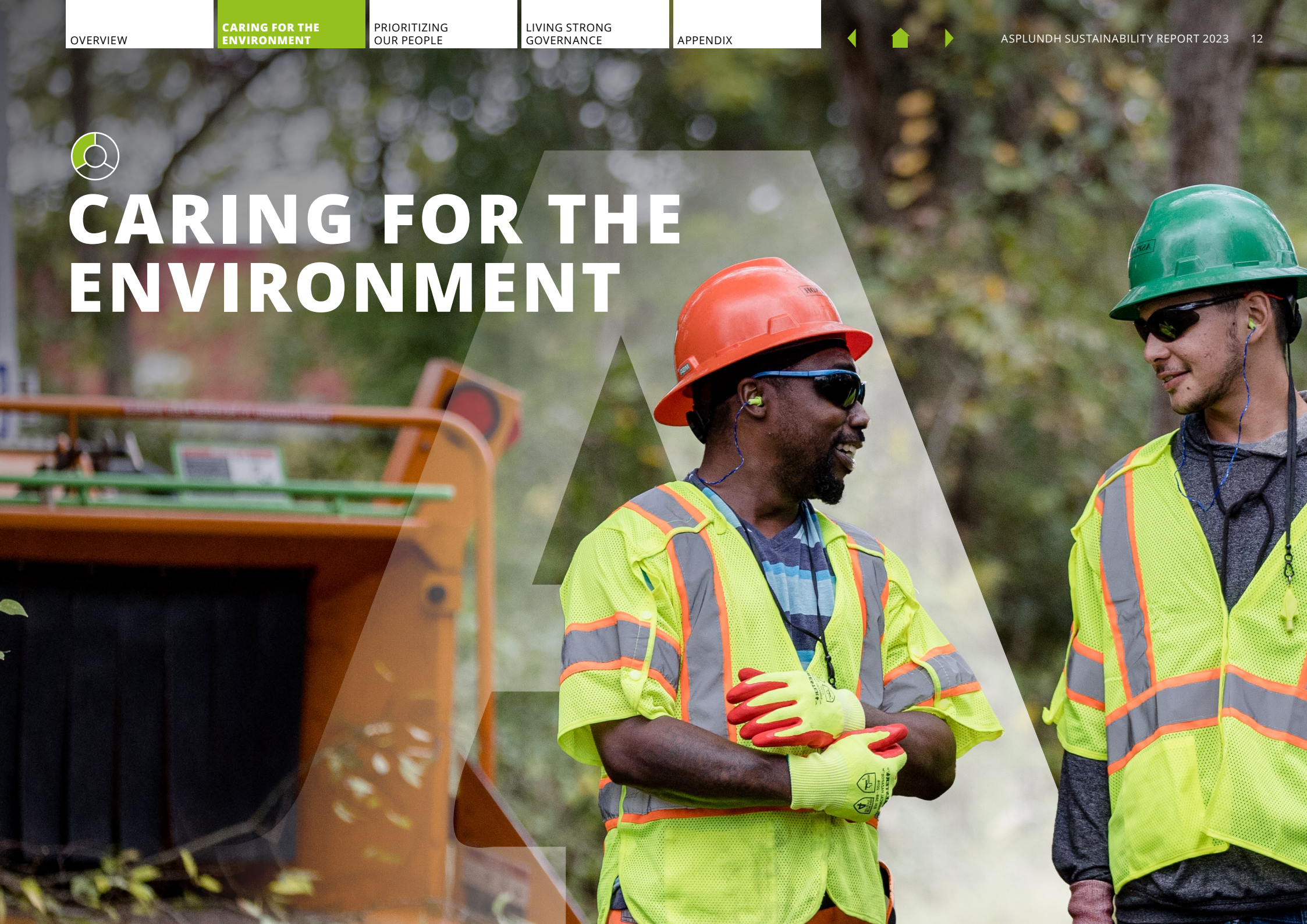
Safeguarding business continuity and cybersecurity

- Strengthening processes
- Education
- Technology enhancements

[Read more about our approach to governance on page 28](#)



CARING FOR THE ENVIRONMENT



OUR APPROACH

For Asplundh, the natural world is our workplace. As a result, we are acutely aware of the responsibility we share with all ethical companies to respect the environment. This responsibility is ingrained in our procedures and practices.



State Gamelands 33

For more than 70 years, we have served as a partner and sponsor of the Pennsylvania State Game Lands 33/Green Lane research project, which has actively demonstrated that using integrated vegetation management techniques on rights-of-way lowers the density of incompatible vegetation and increases biodiversity.



MATERIAL ISSUES

- Setting emissions reduction targets and pursuing a transition to renewable energy sources
- Addressing climate risk and embedding climate impact resilience
- Supporting nature and biodiversity
- Reducing waste

OUR APPROACH

Our commitment to deliver environmentally sustainable services is fundamental to our culture. It is executed through our environment, health and safety documentation, communications initiatives, ongoing training, and innovations to improve operations. Compliance with these policies is integrated into the responsibilities of the Vice Presidents of Environment, Health and Safety and management of operations across regions.

Actions that are taken include the following:

- Meeting or exceeding the requirements of all applicable environmental laws and regulations
- Assessing environmental risks in our operations and implementing countermeasures to mitigate environmental impacts
- Working with our customers to achieve their environmental objectives
- Responsibly using natural resources and continually improving the environmental performance of our facilities, fleet and operations

Additionally, our proprietary digital vegetation work management solution, Vegetation & Asset Management Solution, serves as an effective tool to meet our operational requirements, as it promotes information sharing, transparency, and accuracy in our field operations, while enabling field personnel with program-wide views of their work, increasing situational awareness and efficient decision-making in the field.

Across Asplundh, our environment-related work is divided into two primary categories: toward net zero and commitment to biodiversity. While toward net zero addresses our work in terms of emissions and waste reductions as well as climate adaptation and resilience, commitment to biodiversity includes all the work we do to protect and care for the rich and diverse natural world in which we operate.

Environmental stewardship is embedded in our environment, health and safety manual and in our compulsory Line Clearance Qualification Standard program, which guides the training our field employees receive. This program outlines proper procedures and practices for different scenarios, from equipment use to climbing practices and spills.

Updates made to this program in 2023 included training around specific environmental laws and regulations. We also began drafting our environmental policy, which clearly outlines the approach and intent behind our environmental work and how it should be implemented. This policy is still being finalized and will be released and executed across all operations in 2024.

We comply with environmental standards in every region in which we operate. For example, in Canada, we hold our certification for ISO 9001 and in the United States we adhere to the individual requirements of each state.

From a reporting and transparency perspective, many of our customers are members of the Sustainable Supply Chain Alliance (SSCA). The SSCA is an organization of utilities and suppliers that seek to advance sustainable practices in the utility supply chain and with its supplier networks. For several years, Asplundh has been a proud member of SSCA and participates as a supplier to the industry; we submit annually to The Sustainability Project, SSCA's sustainability assessment, to offer reporting and transparency on ESG and sustainability initiatives for customers and other requesting stakeholders.

TOWARD NET ZERO

Our most pertinent environmental commitment — the one around which most of our environmental initiatives coalesce — is our pledge to achieve net zero by 2050.



“We are conscious of the impacts of climate change; they are evident in our work every day.”

COMMITMENTS AND TARGETS

Our net zero goal

We aim to achieve our net zero goal by reducing our greenhouse gas (GHG) emissions and direct energy usage and mitigating our impacts on climate change.

We recognize that we have an ambitious path in front of us. The implementation of our ESG program echoes our commitment while demonstrating steady, incremental progress. We have also partnered with others to drive innovation that addresses demands stemming from carbon transition, as our path has many shared dependencies throughout the ecosystem.

Our GHG emissions and BEV processes

Our fleet remains our primary source of GHG emissions and a key focus area for our carbon reduction efforts.

We continue to use WEX fuel controls to track the GHG emissions created by the amount of gas and diesel fuel we consume. This process gives us data on our overall fuel consumption, which guides us on how to improve efficiencies, equipment cost per hour and equipment utilization. GPS telematics, fuel control and vehicle auxiliary systems further help us measure and reduce our fuel consumption and improve our GHG performance.

Scope 1

In 2023, we conducted a thorough evaluation of our Scope 1 emissions (fleet and fuel management) in search of areas for improvement. Our Scope 1 emissions totalled 449,464 tCO₂e in 2023. We have a Scope 1 intensity metric that tracks emissions (tons of carbon) against hours worked. At year end 2023, our Scope 1 emissions decreased by 4.4%, while hours worked increased 3.7% compared to a 2017 baseline. Our Scope 1 intensity metric favorably declined from 0.00707 in 2017 to 0.00652 in 2023.

SCOPE 1 EMISSIONS

-4.4%



HOURS WORKED

+3.7%



SCOPE 1 INTENSITY METRIC

-7.8%



Our Scope 1 intensity metric favorably declined from 0.00707 in 2017 to 0.00652 in 2023.

TOWARD NET ZERO CONTINUED

Conducting our Scope 1 analysis provided an inventory of alternative vehicles for each vehicle classification of Asplundh's fleet. We spent time with manufacturers to better understand their plans to develop and produce alternative vehicles, especially battery electric vehicles (BEVs). However, 2023 saw a slowdown in the delivery of BEVs required to meet Asplundh's needs. We have therefore largely pivoted to focus on hybrids. These vehicles meet our requirements and our timeline for implementation in the field.

Starting with our safety department, we deployed 32 hybrid vehicles for safety directors, vegetation managers and supervisors. Further deployments are planned for 2024. Some BEVs, particularly Ford F150-Lightnings, have been deployed to key regions, and several Ford Mustang Mach-Es have been added to the corporate pool of vehicles. We also piloted an Electric Power Take-Off (ePTO) for aerial devices and will deploy additional units in 2024.

We continue to engage with original equipment manufacturers to drive innovation and the production of cost-effective solutions.

Scope 2

While Asplundh's emissions are primarily composed of Scope 1 and Scope 3 emissions, we recognize all emission sources are important and that actions should be taken to reduce our carbon footprint throughout all scopes.

We report Scope 2 emissions for our main facility ("Home Office") which capture an estimated 32% of these emissions. Our reported Scope 2 emissions was 866 tCO₂e in 2023. We have reduced our Home Office electricity consumption by 42% compared to a 2017 baseline. This reduction is attributed to our conversion from fluorescent to LED lighting and the installation of HVAC control systems and timers on fans and lights. As we expand our Scope 2 reporting, we intend to leverage these successes in our regional offices.

Scope 3

In Q4 2023, we analyzed our Scope 3 emissions drivers to identify additional areas for reduction. Supply chain, fuel and energy constitute the largest areas to address for our business. At the time of publication, our steering committee was examining our supply chain and considering levers such as engagement with suppliers to drive long-term emissions decreases.

Climate adaptation and resilience

We are conscious of the impacts of climate change; they are evident in our work every day. We consider climate change risks an important part of our risk management processes and remain determined to mitigate our impacts wherever possible.

We are proud that our employees are often among the first to lend aid when communities need help in the wake of adverse weather events such as floods, hurricanes and wildfires.

Changing climate conditions have led us to routinely evaluate and revise our storm procedures, from how we identify potentially damaging storms as they develop to the methods we use to manage and deploy resources to address that damage. We are currently working to reorganize and consolidate storm response across all our many business lines, including vegetation, utility construction and department of transportation work (traffic lighting and signalization). We are focused on making our storm response more efficient and more robust.

While 2023 was a relatively quiet year in terms of storm response, we expect the frequency and strength of storms to increase and will continue to make sure our people can respond safely and effectively.



866 tCO₂e

Scope 2 emissions in 2023

↓ 42%

Reduction in Home Office electricity consumption since 2017

"We expect the frequency and strength of storms to increase and will continue to make sure our people can respond safely and effectively".

TOWARD NET ZERO CONTINUED

Our Home Office waste management provider has a zero waste to landfill initiative. In 2023, it diverted 56 million pounds of waste (90% of the waste it collected) from landfills and converted it to renewable energy. Through this initiative, nearly all the waste generated from our Home Office is converted to renewable energy, which is then distributed to power homes and businesses in the community.

Our Home Office is the source of most of our corporate waste, which we are seeking to limit as much as possible. Our regional offices create waste comparable to a single household. We also seek to minimize vegetation waste where possible and encourage our regions to recycle vegetation waste into mulch or browse.

ASPLUNDH TESTS VIATEC SMART PTO IN THE FIELD

In September 2023, Asplundh began to test Viatec's new Smart Power Take-Off (PTO) devices, which aim to reduce fossil fuel consumption and carbon emissions by converting tools and equipment to battery-powered options.

The 28.8 kWh battery-powered unit is designed to take the place of the traditional PTO units currently used on standard Asplundh trucks that require diesel or gas. It was determined that the 28.8 kWh test unit can power a full day's worth of activity without interruption, which will significantly help us reduce carbon emissions, an important step in our pathway toward net zero. Next steps include deployment of our second 28.8 kWh battery-powered unit into the field.

In addition, the SmartPTOs generate a lot less noise when in operation, resulting in a remarkably quiet worksite that presents safety and health benefits. Feedback we have received from employees on the ground so far has been overwhelmingly positive.

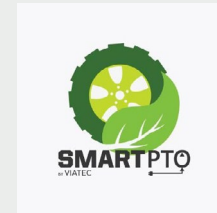
Asplundh has more than 8,000 conventional PTOs that could potentially be migrated to battery-powered units. Progress, however, will depend on finding the right balance of battery, work and partnership with each customer in order to accommodate charging and other considerations.

Asplundh is committed to uncovering that appropriate mix to reduce GHG emissions in alignment with our decarbonization goals.

8,000

Conventional PTOs that could potentially be migrated to battery-powered units

"The SmartPTOs generate a lot less noise when in operation, resulting in a remarkably quiet worksite."



SUSTAINABILITY IN ACTION

TOWARD NET ZERO CONTINUED



ASPLUNDH COMPANY KUPPER LEADS THE WAY WITH RENEWABLE NATURAL GAS FACILITY

Asplundh believes renewable natural gas will play a critical role in global decarbonization to help reach our collective climate goals.



According to the Environmental Protection Agency*, municipal waste landfills are the third largest source of methane emissions in the U.S., accounting for more than 14% of methane emissions in 2021. One of the most important ways we can cut GHG emissions is to reduce our reliance on landfills.

Kupper Engineering is a member of the Asplundh Infrastructure Group, a leading provider of infrastructure services and solutions for utilities, power producers and energy-intensive customers.

This year, Kupper was involved in the successful launch of the Limestone Renewable Natural Gas (RNG) Facility near Youngstown, Ohio. The facility is one of the largest of its kind in North America and captures and converts landfill gas into a “pipeline-grade” fuel or energy source.

The Company provided electrical engineering design, control system integration services, and electrical equipment supply, including a 69kV substation to upgrade an existing landfill gas-to-energy power plant to the RNG facility. Kupper will help bring 20 more similar facilities online over the next three years.

The new facility, which is designed to process and condition landfill gas — a by-product of naturally decomposing materials in landfill — is expected to ramp up to 1.7 million MMBtu (million British thermal units) of pipeline quality RNG in 2024. This will reduce emissions by 55,336 metric tons of CO₂e, the equivalent of removing the emissions from 13,170 passenger vehicles from our roads each year.

By capturing landfill gas that would otherwise be wasted, the new facility will convert it into a clean fuel source which can be used to power vehicles, heat homes through the natural gas system or generate electricity.



* <https://www.epa.gov/lmop/basic-information-about-landfill-gas>



COMMITMENT TO BIODIVERSITY

We conduct work across many miles of utility rights-of-way. At times, we encounter biodiverse, environmentally sensitive areas.

We recognize we have a responsibility to understand these areas, to minimize any impacts our work may have on their fauna and flora, and to work with specialists to ensure their preservation.

In conjunction with our customers, we make every effort to mitigate any potential impact before our operations take place. Also, our core training programs guide employees on how to engage with these ecosystems and conduct vegetation management with respect to all environments, especially protected and endangered species.

For more than 70 years, we have served as a partner and sponsor of ecological research on rights-of-way with Pennsylvania State University. The Pennsylvania State Game Lands 33/Green Lane research project has actively demonstrated that using integrated vegetation management techniques on rights-of-way lowers the density of incompatible vegetation and increases biodiversity.

Studies have shown that controlling incompatible vegetation through selective treatments benefits a wide variety of species, from rabbits, grouse and deer to pollinators, amphibians and reptiles. Compared to mature forest nearby, animal populations in rights-of-way areas are comparatively rich.

Interesting results have also been found in areas where Asplundh has introduced the wire zone/ border zone concept of managing rights-of-way. Wire zones are areas within rights-of-way in which vegetation is typically managed to waist height, though higher vegetation is permitted on either side where compatible with our customers' utility vegetation management programs.

70 years

Serving as a partner and sponsor of ecological research on rights-of-way with Pennsylvania State University.

ASPLUNDH LOVES ZOOS



Asplundh regularly partners with zoos across the U.S. to deliver browse, vegetation and trimmings. These contributions are used as an additional food source for the animals.

Some of the recent zoos we've worked with include Cheyenne Mountain Zoo in Colorado, Lincoln Park Zoo in Illinois, Henry Vilas Zoo in Wisconsin, and Fort Wayne Children's Zoo and Potawatomi Zoo in Indiana. In some instances, we also donate logs and stumps.

"We are so grateful to ATC, and their contractor Asplundh, for bringing their specialized equipment and staff to the zoo to place these huge logs and stumps in some of our animal exhibits," said Beth Petersen, general curator of animals at Henry Vilas Zoo. "As a free zoo, it is vital for us to have strong community partnerships like these that have an immediate benefit to animal welfare."

"We are so grateful to ATC, and their contractor Asplundh, for bringing their specialized equipment and staff to the zoo to place these huge logs and stumps in some of our animal exhibits."

Beth Petersen
Henry Vilas Zoo



**SUSTAINABILITY
IN ACTION**

COMMITMENT TO BIODIVERSITY CONTINUED

By using the wire zone/border zone concept of integrated vegetation management, biodiversity and species richness increases, particularly for nesting birds within the border zone. Recently, a reduction of the border zone in a right-of-way habitat reduced nesting birds the following year. It was observed in subsequent years that the nesting bird populations returned to levels observed before the critical management of the border zone. Additionally, recent research on ground beetles, which are most likely to interact with the herbicides we use, has returned preliminary data that indicates a high diversity and species richness of ground beetles. Publication of that study is anticipated in 2024.

These results are no surprise to us because our management techniques that include herbicides use them in very small amounts. When herbicides are needed to manage incompatible vegetation on rights-of-way, we use EPA registered products that target only incompatible vegetation and allow compatible vegetation to remain undisturbed. With modern formulations, ounces of herbicide can control acres of incompatible vegetation for several years when used in an integrated vegetation management program.

We target zero environmental violations and zero preventable reportable environmental incidents and take significant preventative measures to achieve event-free performance.

THE MIDWEST BAT

Recently, a species of bat was placed on the endangered species list in the areas where we operate in the Midwest.

To protect this flying mammal, we conducted training among our field teams to help them identify it and preserve its natural habitat.

Our investigations and training have taught us that the bat roosts in dead trees at particular times of the year. This led to an adjustment in our program. Now, if we need to remove dead trees in certain areas, we only do so when we know the bats will not be nesting.



"If we need to remove dead trees in certain areas, we only do so when we know the bats will not be nesting."



**SUSTAINABILITY
IN ACTION**



PRIORITIZING OUR PEOPLE



OUR APPROACH

As a family-owned, service-driven company, Asplundh prioritizes its people above all else. Our employees, contractors, and the communities of which they are a part are central to our business, and we have an unwavering commitment to treat them fairly and with respect.



MATERIAL ISSUES

- Ensuring employee safety, health and well-being
- Promoting DEI
- Ensuring community safety and health
- Pursuing employee engagement and development
- Promoting supplier diversity and localization
- Supporting energy system resilience and integrity

OUR APPROACH

Our people are the cornerstone of our company. We take our responsibility to prioritize their safety, health and wellness seriously. This involves providing resources to support them physically, mentally and financially. Our approach to how we manage and care for our people is holistic; we endeavor to support every aspect of their well-being.

Our Code of Business Conduct guides our employment practices, ensuring that we hire in an ethical and transparent way. Our Employee Handbook, Safety Management Process and each region's Policy Manual support our code and inform our employees how they can expect to be treated and how we expect them to treat each other. Respect, integrity, fairness and dignity are among our core principles and are central to our company culture.

We divide our people-related initiatives into two primary categories: ensuring employee health and wellness and promoting workforce development. Ensuring employee health and wellness covers our safety and health and DEI efforts. Workforce development includes attracting and retaining talent, training and development, and our community development projects.

The nature of our work poses certain risks to our employees' physical safety and health. As a result, we operate in strict compliance with the Occupational Safety and Health Act, the American National Standard Institute standards, our internal training publications in the U.S., and with other relevant regulations in Canada, Australia and New Zealand. These standards serve as our compliance benchmark. In addition, we keep abreast of the latest developments and innovations in terms of safety and health to provide our people with the very best care.

Our work in the communities we serve falls under our workforce development because our employees drive many of our social initiatives. They guide us on projects that are important to them, and which are likely to effect meaningful change in the areas in which they live and work.

ENSURING EMPLOYEE HEALTH AND WELLNESS

The safety and health of our employees is non-negotiable.



“Our primary goal has always been, and remains, the pursuit of safe operations.”

SAFETY AND HEALTH

Since the origins of our company more than 95 years ago, our primary goal has always been, and remains, the pursuit of safe operations and the continued improvement of our safety and health performance.

Our safety intent is to provide every employee with a safe place to work, free from all recognized hazards. Our employees know that they have the right to call an “All Stop” if they feel unsafe or if they identify that any of our safety procedures are not being adhered to correctly.

Our safety management process directs our safety program and is overseen by leadership, led by senior management, and implemented by line management. Our incident prevention program is a top priority and safety action plans are in place to help us identify areas for improvement and to guide the implementation of new procedures, equipment, technology and innovation.

We also maintain a comprehensive safety management and training program that is compulsory for all vegetation management employees who work in the field. They also receive on-the-job training and thorough supervision during the workday.

Our teams are equipped with all the tools and personal protective equipment they need to keep themselves and their colleagues safe and injury free.

Our ongoing efforts to modernize our fleet are likely to improve employee health by reducing their exposure to emissions and noise, as discussed in our case study on SmartPTO devices.

Supporting our employees’ total well-being, including physical, mental and financial health, continues to be a top priority for Asplundh. In 2023 we published a four-page spotlight in our company magazine that included educational material aimed at breaking down the stigma associated with seeking support for mental health and highlighted free and confidential resources provided through the company’s Employee Assistance Program (EAP). Educational sessions for supervisory employees were held via webinars and at our annual Safety Summit to raise mental health awareness and understanding of our EAP resources.

Our retirement programs are a cornerstone of support for employee financial health. Asplundh helps prepare employees for retirement and the security of financial well-being through company sponsored retirement plans and provides many educational resources through our retirement plan sponsors and EAP program.

Programs vary by country yet share a common focus on employee health and well-being.

ENSURING EMPLOYEE HEALTH AND WELLNESS CONTINUED

DIVERSITY, EQUITY AND INCLUSION

We strongly value the diversity of our employees and strive to create working environments where each individual feels valued, respected and empowered to bring their authentic selves to work.

Employing a diverse workforce is not only the right thing to do, but also a critical part of our business success. Employees with varied backgrounds, experiences and approaches expand our levels of expertise and fuel innovation and growth. We therefore prioritize the recruitment of individuals who vary in race, ethnicity, gender, sexual orientation, background, age and place of birth.

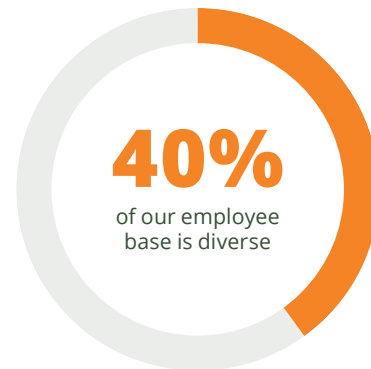
In 2023, we developed and launched a comprehensive DEI policy across the Company that outlines our objectives, strategies and guidelines for promoting DEI at Asplundh. It provides detailed commitments in terms of training and education, recruitment and hiring, performance evaluation and promotions, leadership commitment, accountability and reporting, and non-retaliation.

This policy has already been rolled out in practice, and unconscious bias training formed part of our revised training modules during the year. At year end, all senior executives, regional managers and Home Office employees received unconscious bias training across the Company, with additional sessions planned for the future. Going forward, our training sessions will also include other DEI-focused topics, such as 2024's Focusing on Inclusion and Belonging training.

Asplundh operates in a historically male-dominated industry, and dismantling the beliefs and structures that limit the advancement of women is an ongoing priority. In 2023, we joined Women in Utilities, a 100-year-old organization that recognizes and develops women working in the utilities sector. Women comprise 5% of our workforce and 15% of our executive team.

In 2023, Andrea Moseley joined Asplundh as its Chief Financial Officer to oversee all company financial operations, including accounting, financial reporting, tax, treasury, and financial planning and analysis, along with leading mergers and acquisitions.

Nearly 40% of our employee base is diverse; our Board of Directors is approximately 15% diverse, including members from Asian American and African American communities.



"In 2023, we developed and launched a comprehensive DEI policy across the Company."

WORKFORCE DEVELOPMENT

The quality of the people we attract and retain reflects the quality of service we can provide to our customers. We therefore remunerate our employees fairly and competitively and provide them with supportive and fulfilling work environments.

ATTRACTING AND RETAINING TALENT

New recruits are drawn to us not only for our compensation and benefits packages, but for our culture, leadership style and our established reputation in the industry.

Our attraction and retention efforts are fundamentally related to our DEI practices and approach to ethics and governance. Our people feel proud to work at Asplundh, where respect and working with integrity are fundamental tenets.

2023 saw important improvements to our talent strategy for our regional managers and supervisors. To enhance the capabilities of these employees, we identified six main competencies that are critical for these roles, including safety, sales and growth, customer focus, talent development, business acumen, and project management.

By assessing our managers and supervisors against these criteria, we invest in their future success. Where gaps are identified, training is provided to offer career development and essential tools and knowledge for the employee's growth.

In 2023, we launched our first business resource group (BRG) for women at the Company's Home Office. BRGs are community groups whose purpose is to support and build relationships for members of that community. Based on feedback, the Company is sponsoring additional BRGs focused on other groups in the coming years.

32% of our labor is covered under labor agreements in the U.S. and Canada. In 2023, we appointed a Vice President of Labor Relations, David Gillis, to guide our collective bargaining processes and to serve as our representative to unions.



ROUNDING CARDS

Asplundh recently introduced "Rounding Cards" to its teams in the field.

These cards, containing a short list of prompts and reminders, are the size of a credit card and enable employees to insert into their wallets, attach to their lanyards, keep in their vehicles, or more sustainably, to take a picture which they access on their phone or laptop.

The importance of Rounding Cards is simple: Each one of us has a responsibility to check in with those around us, and to recognize excellent performance, good attitude and the accomplishments of others. Though this might seem a small gesture, it has made a substantial impact in improving our teams' comradery and boosting morale, which contributes to the mental well-being of our employees.

"Our attraction and retention efforts are fundamentally related to our DEI practices and approach to ethics and governance."

WORKFORCE DEVELOPMENT CONTINUED

TRAINING AND DEVELOPMENT

Effective and ongoing training also feeds into our talent attraction and retention efforts. It is both an essential part of our safety requirements and integral to our work culture more broadly.

Our Line Clearance Qualification Standard is our workforce readiness program and reflects the guidelines in the Arborist Apprenticeship Program. The U.S. Department of Labor (USDOL) formally adopted it as guideline standards in 2018. We also have a formal apprenticeship program at Utility Lines Construction Services, which is registered with USDOL and comprises 78 modules.

Our field employees are also equipped with the resources they need to enhance their expertise through courses in safety, electrical hazards awareness, herbicide application, chainsaw and chipper use, crane operation and more. Programs in advanced tree felling, advanced rigging and stationary rope system climbing are available for more experienced employees.

In 2023, our Home Office hosted 11 training sessions for supervisory-level employees. This included eight general foreperson training program sessions, one for an AIG group, one for supervisors, and one for regional administrators.

COLLABORATING WITH OUR COMMUNITIES

The nature of our services demands that we nurture and maintain the public's trust. As a result, we feel a moral obligation to the communities in which we operate.

Our community efforts tend to be decentralized and guided by employees and customers, which we encourage. Because they are living and working in our local communities, they are best placed to help us select meaningful projects to invest in and act on.

Throughout 2023, our employees volunteered their time with a variety of organizations. Examples include Saluting Branches Day of Service, where a team of 12 in Biloxi, Mississippi trimmed trees at a veteran's cemetery to show support and appreciation for members of the Armed Forces. Another team in Eden, North Carolina took part in the annual Touch-a-Truck event hosted by the City of Eden. This event served as a school supply drive for children in need. You can read further examples of Asplundh's community involvement in the case studies contained in this report.

Asplundh increased corporate giving by nearly 20% year-over-year. These donations went to various organizations, primarily those that operate in the health and community sectors. Sponsorship donations were also prioritized.

EMPLOYMENT RESOURCE PARTNERSHIP SUCCESS IN CHICAGO



The attraction and retention of employees is critical to Asplundh. In the northern Illinois region that includes Chicago, Asplundh recently partnered with The Saint Sabina Employment Resource Center.

This employment and social services center serves the Auburn Gresham and Englewood neighborhoods, two predominantly Black, working-class communities in the South Side of Chicago.

By partnering with a trusted community resource, we were able to set up a job fair to reach potential hires in the vicinity. The event was a success, with more than 50 community members attending to learn about Asplundh and future career possibilities available to them. Eight of the attendees already had commercial driver's licenses and more than 25 were hired for various entry-level jobs.

"A big part of the job fair was to relate the successes of current staff, including myself," said Bobby Winton, Manager of the Northern Illinois Region. "I joined Asplundh in 1999 at the age of 19 without a college degree. In 23 years, I've risen through the ranks and now oversee a region that covers the third most populous metropolitan area in the U.S."

"We want people to know that Asplundh isn't just a job, it's a career. People work here and get promoted. They qualify for a mortgage. More than 60% of our employees own their own homes. When you tell people that, you see their eyes light up."

50

Community members attended our job fair

25

Attendees were hired for various entry-level jobs



SUSTAINABILITY IN ACTION

WORKFORCE DEVELOPMENT CONTINUED

ASPLUNDH DEMONSTRATES COLLECTIVE COMMUNITY SUPPORT

Asplundh's diverse teams never cease to unite in their volunteering efforts. Here are some examples where they found ways to work with their colleagues to make life better in their communities.

Festive surprise for children in North Carolina

Asplundh Engineering Services in North Carolina started working with the Children's Home Society, a nonprofit that provides support to foster and adoptive children, three years ago to raise money and supplies.

In 2023, the team collected holiday gifts for 10 children, including jackets, pants, shoes, sports equipment, books and board games. The items were placed in new duffle bags for the children, who often need good bags to move from one home to another.

Kupper supports environmental advocacy

In November 2023, Kupper Engineering, an Asplundh Infrastructure Group company, sponsored and took part in a golf tournament to raise funds for an organization called the Environmental Justice Journalism Initiative (EJJI). Based in Baltimore, the EJJI helps young people tell stories of environmental inequalities in their neighborhoods.

A month later, another group of employees took part in a cleanup day for Friends of the Wissahickon, a nonprofit organization that supports the Wissahickon section of

Philadelphia's Fairmount Park. These efforts provide an important way for our employees to make a difference as a team outside of the workplace.

HQ sets an example

Last year, Asplundh's Home Office took part in two blood drives for the Red Cross, and volunteered for a day of packing care packages for new mothers whose newborns were receiving hospital care. They also raised more than \$6,000 in research and support funds for amyotrophic lateral sclerosis (ALS), a rare and terminal neurodegenerative disease. The amount raised was matched by the Company.

Philabundance

In November 2023, office staff also collected 1,800 pounds of food donations — enough to fill the chip box of a bucket truck — for Preston and Steve's Camp Out for Hunger. The food drive is the nation's largest single food collection event. Last year, it collected more than 1.7 million pounds of food, all of which was donated to Philabundance, a food bank that distributes food to people in need throughout the greater Philadelphia region.



Asplundh contributed to

1.7m

pounds of food donated to Philabundance



**SUSTAINABILITY
IN ACTION**



LIVING STRONG GOVERNANCE



OUR APPROACH

Asplundh is committed to upholding the highest levels of governance. Our ongoing success as a business for more than 95 years would not be possible without this singularly critical tenet and its practical execution.

MATERIAL ISSUES

- Implementing effective risk management and risk mitigation
- Upholding business ethics
- Ensuring sustainable supply chains
- Safeguarding cybersecurity and data privacy

OUR APPROACH

Asplundh is built on integrity. As a family-owned and service-oriented business, the Company has always prioritized the values it stands for and the reputation it holds among its employees, communities, customers, suppliers and other stakeholders. Being a safe, compliant, ethical and reputable business is non-negotiable and underscores every decision we make and every action we take.

Ethics and governance matters are overseen by management, but a collaborative interdisciplinary group provides additional support, monitoring all relevant issues and lending its expertise and advice when required. This group includes members of our ESG, legal, risk, compliance, finance and HR departments.

Together, our teams ensure that, at a minimum, we uphold all national, federal, state and local laws and regulations in the regions where we operate. Beyond that, we follow governance best practice and ensure that we stay up to date with the changes impacting this evolving space.

A cornerstone of our approach to ethical governance is the responsibilities we share with our employees. While Asplundh commits to providing a safe, supportive and inclusive working environment, we expect our employees to behave with integrity and honesty, both as individuals and as a group. These commitments and expectations are outlined in our Code of Business Conduct and other supporting documents.





AN INTERVIEW WITH THOMAS MOORE

In October 2023, Thomas Moore joined Asplundh as its Director of Corporate Compliance. His experience spans more than 15 years and includes overseeing compliance at government and privately funded healthcare and insurance providers, and leading risk management and corporate compliance in the U.S. for a global retailer.



At Asplundh, Thomas leads a team of compliance professionals who conduct investigations, perform annual audits, and ensure that our employees have legal status for employment in their respective locations. He also fine-tunes and establishes other aspects of Asplundh's compliance program and is currently focused on setting up a multi-channel compliance and ethics reporting system, performing enterprise-wide risk assessments, and reinforcing various compliance priorities through training.

"A third-party provider is responsible for the development of our compliance and ethics reporting system," Thomas explains. "They are ensuring that all conversations will be

anonymous and confidential and will be available across a variety of platforms." This project is expected to be complete during 2024.

Looking ahead, Thomas believes that there is an opportunity for compliance and ethics to be understood, embraced and enforced throughout Asplundh. "We all need to understand what compliant and ethical behavior looks like," he says, "so that we hold ourselves accountable in the same way. Refining Asplundh's compliance program and drawing up a public-facing compliance plan will be critical to this execution and the continued success of Asplundh."



"We need to understand what compliant and ethical behavior looks like so that we hold ourselves accountable in the same way."



BUSINESS ETHICS AND CONDUCT



Asplundh abides by a Code of Business Conduct that guides the behavior of our leadership, management and employees. It outlines the standards we expect them to uphold and details our positions on issues like equal opportunity; diversity, equity and inclusion; conflict of interest and gifts; harassment; workplace violence; forced labor; and substance abuse.

Additional documents, including our Employee Handbook, Safety Management Process and each region's Policy Manual supplement and support our Code of Business Conduct. We also have a dedicated Supplier Code of Conduct in place for our suppliers.

Our Code of Business Conduct is a living document, one that we periodically revise and update in line with regulatory and best practice developments. In the last year, we added information on the U.S. Foreign Corrupt Practices Act, which will strengthen our awareness of corruption and bribery issues and ensure we operate in strict compliance with relevant laws and regulations.

Our management team and employees are required to attend annual online training on our Code of Business Conduct and ethics. These sessions cover all relevant topics, focusing especially on any new developments. In recent years, training on DEI unconscious bias, as well as human trafficking, slavery, forced labor and child labor have been formally integrated into our sessions. Non-management employees also receive in-person training on ethics-related matters from their immediate supervisors.

A key hire in 2023 was our Director of Corporate Compliance, Thomas Moore. Thomas is responsible for compliance policies, procedures, technology and business guidelines across the Company and will work to make sure the Compliance Department aligns with globally recognized standards.

Asplundh has a formal whistleblowing system in place, run by our Compliance Department. Concerns can be raised anonymously, and each case is assessed individually. After each case is thoughtfully evaluated, appropriate next steps and recommendations are made and may include advice on whether further investigation is warranted or if suspension, termination or prosecution might be necessary. Details on our whistleblowing policy are provided in both our internal and supplier codes of conduct.

Our whistleblowing policy is very important to our company. We look to our team members to be our eyes and ears on the ground and to have the confidence to report any issues of concern as a matter of urgency in an environment in which they do not fear retaliation.

With recognition that many employees work in the field with little access to the educational material displayed in office locations, we have designed a new whistleblowing hotline process with a six-month awareness-raising campaign specifically focused on our fieldworkers that will be phased in over 2024.

"Our Code of Business Conduct is a living document, one that we periodically revise and update in line with regulatory and best practice developments."

PROMOTING SUSTAINABLE SUPPLY CHAINS

Our partnerships with ethical suppliers, with whom we strive to nurture strong and sustainable relationships, are critical to our business.



"We are actively engaging our suppliers to move toward a more circular environment."

We will not compromise our ethics to work with suppliers that do not meet the stringent governance requirements we have in place. We expect them to comply with all applicable laws and regulations and to follow standards we have recently formalized in our Supplier Code of Conduct.

We also strive to build a supply chain that represents the communities in which we and our customers operate. This involves a deliberate prioritization of diverse, local suppliers that are committed to partnering with us to create a healthy and sustainable supply chain. This work is in line with our Supplier Diversity Statement, which is provided to all suppliers.

While these activities have been part of our modus operandi for years, our supplier diversity policy statement has made them more prominent both within our business and externally. Today, we regularly engage with our peers and industry leaders at events on supplier diversity.

Our expenditures across diverse suppliers increased nearly 15% from calendar year 2022 versus 2023. Additionally, we added requirements in our contracts for diversity spend for our suppliers and subcontractors.

Finally, we are actively engaging our suppliers to move toward a more circular environment. Regular conversations are had, for example, to assess how we can better dispose of some of the products our business uses once they have reached end of life. We are pushing for greater emphasis for these materials to be reused, repurposed and recycled.

33%

One third of our 2023 expenditure was with diverse suppliers

PROMOTING SUSTAINABLE SUPPLY CHAINS CONTINUED

SUPPLIER CODE OF CONDUCT

Our Supplier Code of Conduct outlines the policies and practices expected from our suppliers which underscore ethical and lawful business practices.

The Code is in addition to legal contracts to ensure that fair labor practices, human rights, anti-corruption policies and other ethical standards that are material priorities for our stakeholders are in place.

Our Supplier Code of Conduct is shared with our suppliers in two ways:

- New subcontractors are given our Supplier Code of Conduct as part of their formal contract agreement. As we move our suppliers onto the new purchasing system we have recently adopted, we will track that they have acknowledged receipt of the code.
- We have a dedicated supplier webpage to which we direct our suppliers as part of the registration and engagement process. Both our Supplier Code of Conduct and our supplier diversity policy statement are housed on this site.

Our Supplier Code of Conduct is also a response to questions received from customers and other entities about our policies and procedures. These inquiries offer additional insight into issues that concern our stakeholders, and they encourage us to ensure that we have the policies, systems and processes in place to operate responsibly and with transparency.

SAFETY INTERVENTIONS

We regularly seek opportunities for partnership with our suppliers to identify shared risks and solutions that offer a meaningful improvement to our work.

We recently partnered with our largest supplier of lift equipment (buckets) to integrate a safety interlock. This feature prevents the bucket from moving unless the operator's harness is properly clipped onto it. It helps to ensure our employees are always in a harness and that the harness is safely secured so the employee cannot fall from height.

This feature has become standard in every lift we receive.

Another innovation involved working with a small team of safety experts to redesign the climbing harnesses we use. The new design is easier to get into, secures better and is more comfortable to wear. This reduces fatigue and the risk of injury. We made the adjustments to the design and asked a supplier to build the new harnesses accordingly.

Our strong relationships with suppliers are critical to ensure that these are successfully developed and executed.



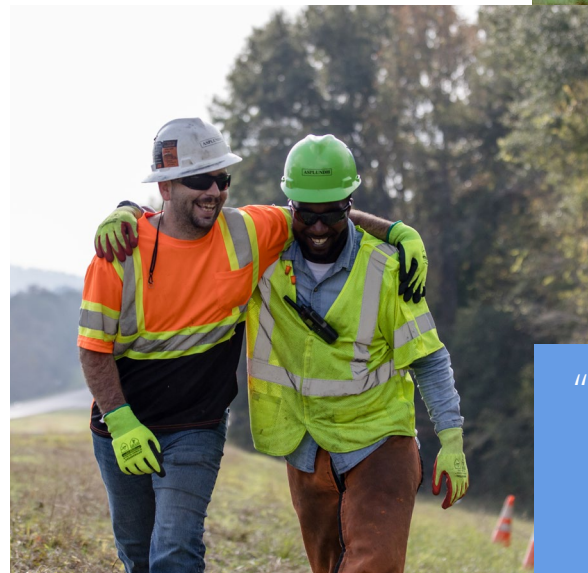
UPHOLDING HUMAN RIGHTS

Our employees, contractors and customers, together with their communities, are at the heart of our business.

Our responsibility extends to all of these people and we are committed to respecting and upholding their human rights.

To this end, we create working environments that are free from exploitation, human trafficking, slavery, forced labor of any kind and unlawful child labor. We actively endorse and apply human rights guidelines in our business dealings and focus on suppliers and partners who also demonstrate these commitments. To this end, we created our Supplier Sustainability Policy to clearly outline expectations and requirements. This Policy was finalized in early 2024 and is provided to all suppliers on an annual basis.

Recent adjustments to our Code of Business Conduct training have included the introduction of sessions on human trafficking, slavery, forced labor and child labor.



“We apply human rights guidelines across our business, as a supplier and with our own suppliers.”

SAFEGUARDING BUSINESS CONTINUITY AND CYBERSECURITY

Our operations depend on robust business continuity and high security processes. We are uncompromising in our pursuit of excellence. Our cybersecurity and continuity standards exceed those of many of our peers, putting us at a strategic advantage in doing business with our utility customers.



Several external organizations regularly evaluate the efficacy of our business continuity and cybersecurity processes and a third-party conducts an annual audit. All relevant policies and documentation are reviewed during the audit to confirm that the appropriate controls and risk management procedures are in place and upheld.

On a regular basis, we review the risks present in our business, making iterative adjustments and improvements to ensure that new risks are assessed and appropriate responses developed.

Our data recovery centers are located in various regions to ensure business continuity across operations in the event of a business disruption.

In 2023 we began the process to secure our ISO 27001 certification, which is the world's best-known standard for information security management systems and considered the gold standard across many industries, including our own. The process of securing this certification requires significant administration and documentation. While we have many of the requirements in place, we are demonstrating their existence and effectiveness to our business. Once completed, the ISO 27001 certification will be a strong recognition that distinguishes us from the competition.

We have a comprehensive risk register in place that continuously evaluates any risks to which we may be vulnerable, prompting us to develop preemptive prevention and mitigation measures. We run vulnerability scans every month and have external providers, including forensic experts, on hand to consult should we require their expertise.

Cybersecurity and security awareness training are conducted with all new employees and on an ongoing basis with existing employees. With many employees in the field, we deliberately explore how these risks might manifest across different devices and platforms. Our training programs are regularly updated based on how cybersecurity threats evolve and mature. At times, specific sessions are run to make employees aware of new risks.

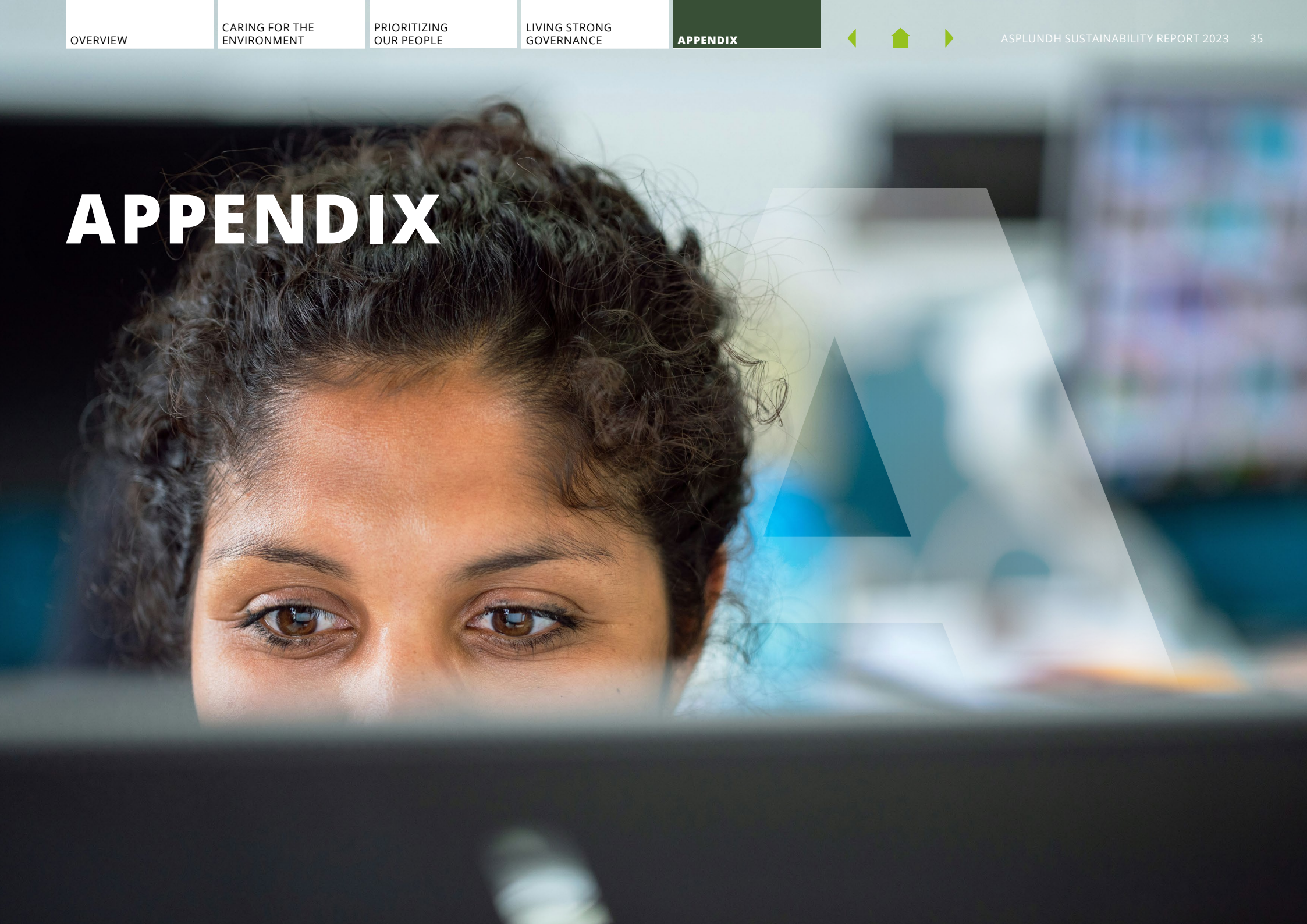
No data breaches, security incidents or cyberattacks were reported in 2023.

In response to the dramatic surge in AI tools and platforms, we have developed a policy in collaboration with our legal team to leverage AI as a tool when appropriate. This policy has been incorporated into our broader set of IT security policies. As this area continues to evolve, our IT and Digital Innovation teams will further examine its potential for relevance across our business.

“On a regular basis, we review the risks present in our business, making iterative adjustments and improvements.”



APPENDIX



GRI CONTENT INDEX

Asplundh has reported with reference to the Global Reporting Initiative (GRI) Standards Content Index for the period January 1 to December 31, 2023, using GRI 1: Foundation 2021.

Asplundh is a private company and certain financial and governance information is not made public. This is denoted with an asterisk in the table below.

GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE TITLE	SECTION	PAGE
GRI 2: General Disclosures 2021				
	2-1	Organizational details	About Asplundh	03
	2-2	Entities included in the organization's sustainability reporting	About this report	02
	2-3	Reporting period, frequency and contact point	About this report	02
	2-4	Restatements of information	None	–
	2-5	External assurance	This report has not been externally assured	–
	2-6	Activities, value chain, and other business relationships	About Asplundh	03
	2-7	Employees	About Asplundh	03
	2-8	Workers who are not employees	Asplundh employs contractors for seasonal work	–
	2-9	Governance structure and composition	Sustainability governance	08
	2-10	Nomination and selection of the highest governance body	Not applicable*	–
	2-11	Chair of the highest governance body	Sustainability governance	08
	2-12	Role of the highest governance body in overseeing the management of impacts	Sustainability governance	08
	2-13	Delegation of responsibility for managing impacts	Sustainability governance	08
	2-14	Role of the highest governance body in sustainability reporting	Sustainability governance	08
	2-15	Conflicts of interest	Business ethics and conduct	30
	2-16	Communication of critical concerns	Our strategy and stakeholders	09
	2-17	Collective knowledge of the highest governance body	Not applicable*	–
	2-18	Evaluation of the performance of the highest governance body	Not applicable*	–
	2-19	Remuneration policies	Not applicable*	–
	2-20	Process to determine remuneration	Not applicable*	–
	2-21	Annual total compensation ratio	Not applicable*	–
	2-22	Statement on sustainable development strategy	Our strategy and stakeholders	09
	2-23	Policy commitments	Our strategy and stakeholders Letter from the CEO	09 05
	2-24	Embedding policy commitments	Letter from the CEO Caring for the environment Prioritizing our people Living strong governance	05 13 21 28
	2-25	Processes to remediate negative impacts	Business ethics and conduct	28



GRI CONTENT INDEX CONTINUED

GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE TITLE	SECTION	PAGE
	2-26	Mechanisms for seeking advice and raising concerns	Business ethics and conduct	28
	2-27	Compliance with laws and regulations	No significant instances of non-compliance with laws and regulations for which fines or non-monetary sanctions were incurred	
	2-28	Membership associations	The Electric Utility Industry Sustainable Supply Chain Alliance, the National Association for EH&S Management, the Edison Electrical Institute, and the Women's International Network of Utility Professionals	
	2-29	Approach to stakeholder engagement	Toward net zero Prioritizing our people Promoting sustainable supply chains	14 21 31
	2-30	Collective bargaining agreements	We have collective bargaining agreements in place at business level	
GRI 3: Material topics 2021				
	3-1	Process to determine material topics	Materiality	10
	3-2	List of material topics	Materiality	10
	3-3	Management of material topics	Throughout this report	-
GRI 204: Procurement practices 2016				
	204-1	Proportion of spending on local suppliers	Information unavailable	-
GRI 205: Anti-corruption 2016				
	205-1	Operations assessed for risks related to corruption	All operations are assessed for risks related to corruption, and no significant risks were identified	
	205-2	Communication and training about anti-corruption policies and procedures	Business ethics and conduct Supplier code of conduct Upholding human rights	28 32 33
	205-3	Confirmed incidents of corruption and actions taken	Information unavailable*	-
GRI 304: Biodiversity 2016				
	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Not applicable	-
	304-2	Significant impacts of activities, products and services on biodiversity	Commitment to biodiversity	18-19
	304-3	Habitats protected or restored	Commitment to biodiversity	19
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Not applicable	-
GRI 305: Emissions 2016				
	305-1	Direct (Scope 1) GHG emissions	Toward net zero	14
	305-2	Energy indirect (Scope 2) GHG emissions	Toward net zero	14-15
	305-3	Other indirect (Scope 3) GHG emissions	Toward net zero	15
	305-4	GHG emissions intensity	Not applicable*	-
	305-5	Reduction of GHG emissions	Toward net zero	14
	305-6	Emissions of ozone-depleting substances	Not applicable	-
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Not applicable	-
GRI 306: Waste 2020				
	306-1	Waste generation and significant waste-related impacts	Asplundh is exploring zero waste programs	-
	306-2	Management of significant waste-related impacts	Asplundh seeks to proactively minimize waste, including waste from operations	-
	306-3	Waste generated	Information not available	-



GRI CONTENT INDEX CONTINUED

GRI STANDARD	DISCLOSURE NUMBER	DISCLOSURE TITLE	SECTION	PAGE
	306-4	Waste diverted from disposal	Information not available	-
	306-5	Waste directed to disposal	Information not available	-
GRI 403: Occupational health and safety 2018				
	403-1	Occupational health and safety management system	Prioritizing our people Ensuring employee health and wellness	21 22
	403-2	Hazard identification, risk assessment, and incident investigation	Ensuring employee health and wellness	22
	403-3	Occupational health services	Ensuring employee health and wellness	22
	403-4	Worker participation, consultation, and communication on occupational health and safety	Ensuring employee health and wellness	22
	403-5	Worker training on occupational health and safety	Ensuring employee health and wellness	22
	403-6	Promotion of worker health	Ensuring employee health and wellness	22
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Safety interventions	32
	403-8	Workers covered by an occupational health and safety management system	Information unavailable	-
	403-9	Work-related injuries	Information unavailable	-
	403-10	Work-related ill health	Information unavailable	-
GRI 404: Training and education 2016				
	404-1	Average hours of training per year per employee	Training is undertaken on a decentralized basis and not collated at a group level	-
	404-2	Programs for upgrading employee skills and transition assistance programs	Prioritizing our people Diversity, equity and inclusion Workforce development Training and development	21 23 24 25
	404-3	Percentage of employees receiving regular performance and career development reviews	Information unavailable	-
GRI 405: Diversity and Equal Opportunity 2016				
	405-1	Diversity of governance bodies and employees	Diversity, equity and inclusion	23
	405-2	Ratio of basic salary and remuneration of women to men	Information unavailable*	-
GRI 413: Local communities 2016				
	413-1	Operations with local community engagement, impact assessments, and development programs	Collaborating with our communities	25
	413-2	Operations with significant actual and potential negative impacts on local communities	None	-
GRI 414: Supplier social assessment 2016				
	414-1	New suppliers that were screened using social criteria	Prioritizing our people Living strong governance	21 28
	414-2	Negative social impacts in the supply chain and actions taken	None	-
GRI 416: Customer health and safety 2016				
	416-1	Assessment of the health and safety impacts of product and service categories	This is included in our standard operating procedures	-
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Not applicable	-
Customer privacy				
	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Safeguarding business continuity and cybersecurity	34



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