



2019 CORPORATE
RESPONSIBILITY SUMMARY



In 2019 Davey celebrated our 40th year of employee ownership with continued company growth and progress toward our Corporate Responsibility goals. You can view our full report at our website, responsibility.davey.com

OUR COMPANY

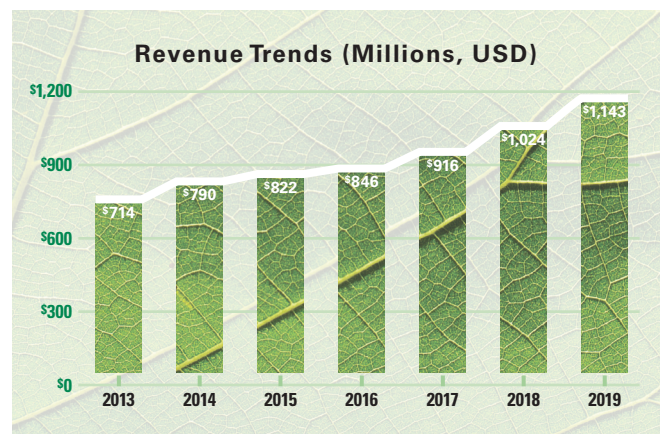
Founded in 1880, The Davey Tree Expert Company provides research-driven tree services, grounds maintenance and environmental solutions for residential, utility, commercial and environmental partners across North America. As one of the largest employee-owned companies in the U.S.,

Davey is dedicated to creating and delivering sustainable solutions and demonstrating environmental, social and economic (ESG) stewardship in everything we do. For a list of our affiliated organizations, please visit our website at responsibility.davey.com.

OUR APPROACH

Our four pillars of Safe Business Practices, Engaged Employees, Innovative Thinking, and Sustainable Environment are the core of our Corporate Responsibility strategy. From these pillars and in consultation with stakeholders we set goals that drive innovation while not limiting growth.

OUR PERFORMANCE



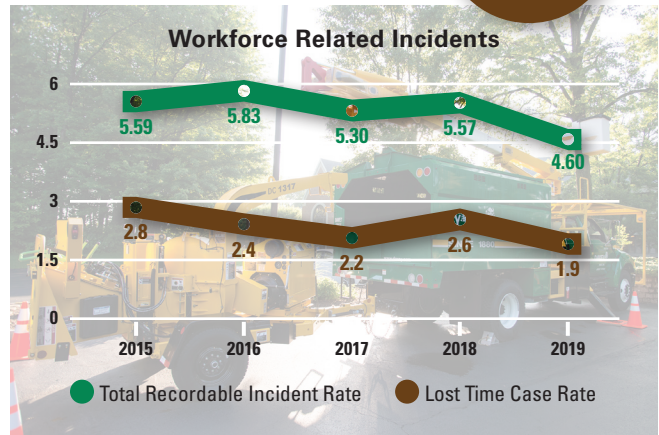
In 2019, Davey continued to grow, surpassing \$1.1 billion in sales.



SAFE BUSINESS PRACTICES

As one of our core values, safety lies at the heart of our company. From our CEO to each employee, we continue to drive our safety performance at every level of the company. Our safety strategy focuses on three core elements: communication, collaboration and consistency.

The Road to Zero journey is never over, and we work continuously to improve our safety management and performance.



New Safety Award

Safe crews now earn the greatest recognition in U.S. Residential/Commercial (R/C) services, as the service line introduced a new safety award to honor operations with a Total OSHA Recordable Incident Rate of 0.0 for the year. R/C services established the 0.0 Total Recordable Incident Rate (TRIR) Award to spotlight safe offices with no OSHA recordable incidents. Jed Day, vice president and general manager, Western operations, U.S. R/C services,

said the new award has quickly become the most coveted recognition in residential services. "We want our teammates to recognize their company puts their safety and well-being first and foremost," Day said. Recognizing safe crews with the R/C services' top award represents a shift from the past, Day said, because traditionally it's been the operations with the best operating profit that have earned the most recognition.



ENGAGED EMPLOYEES

Our people are the key to our success and sustainability as a company. We aim to engage and inspire our employees every day, providing them education and development opportunities to help them grow personally and professionally. Employee ownership has differentiated Davey in our industry and enables us to provide superior tree, landscape and environmental service to our clients.

To sustain our growth, we must invest in our employees' personal and professional development. For nearly 140 years, employee education has been foundational to our success, equipping each employee with the tools he or she needs to deliver the best possible care to our clients. In 2019, we hired Rachel Foot, Ph.D., as our Manager of Online Education. Her expertise in adult education and online curriculum development will help us reach more employees more effectively with our training programs.



Davey Comes Together for an Earth Day Celebration

Davey celebrated Earth Day in a big way this year with Woodlawn Cemetery. Located in The Bronx, New York, Woodlawn hosted an Earth Day event for over 300 children in grades three through five from area public schools. Davey held a planting demonstration, kids' climb stations and led the tree identification walks for the children. A total of 11 Davey employees from several different business segments and the safety department participated in the event. Woodlawn has multiple Davey service lines currently working on the property. Commercial Landscape Services performs grounds maintenance and planting services, and Residential/Commercial services performs tree care. Davey Resource Group and the National Business Development Team perform arboricultural consulting support services, and the Davey Institute performs Turf Growth Regulator tests and Automower® demonstrations.



INNOVATIVE THINKING

Davey's commitment to innovation is fundamental to the success of our business. In 2019, we began testing robotic lawn mowers on client properties in Ohio, New York, and Michigan. Robotic lawn mowers reduce carbon emissions by up to 90 percent and enable employees to perform higher value work. We continue to collaborate with our supply chain looking at autonomous and battery technology to help meet our labor needs while maintaining the quality of work that our clients require.

In addition, we are exploring new ways to connect trees and landscapes to the Internet of Things (IoT). By incorporating sensors into landscapes, clients in our pilot program could eventually monitor their landscapes in real time through mobile technology. Sensors could also alert Davey to issues that enable us to proactively address environmental conditions, plant health and safety.

Electric Mowers Offer Sound of Silence

The only noise you'll hear from the lithium-ion battery powered commercial mowers Davey operates in Babcock Ranch, Florida, and Washington, D.C., is a faint whir when the blades are engaged. Jason Bassler, Southern regional manager, Commercial Landscape Services (CLS), said the new electric mowers eliminate emissions, oil, fuel and, most importantly, the sounds of a large four-stroke engine. Two CLS operations are piloting the new electric mowers on the properties of select clients this year. Previously, both operations had been using electric handheld tools such as trimmers, edgers and backpack blowers. Now, each location is fielding two electric mower units. The electric mowers are comparable to their gas-powered counterparts in terms of speed and power. Aside from the obvious environmental benefits, the electric mowers provide another advantage – differentiating Davey.





SUSTAINABLE ENVIRONMENT

Throughout our history, Davey has been synonymous with environmental awareness and stewardship. We hold ourselves accountable to managing and mitigating our impacts on the environment, and help our clients do the same.

Fuel Management

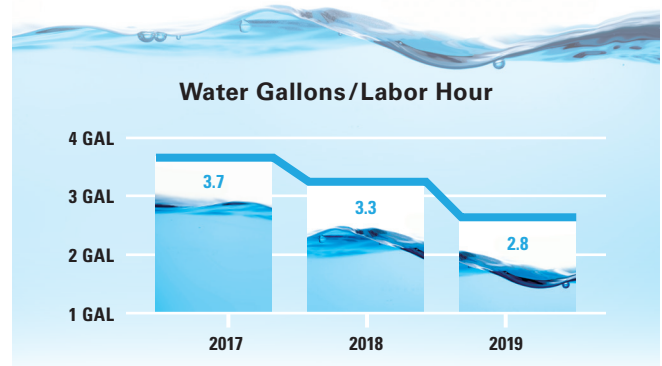
In 2017, we established a bold goal to reduce our global fleet fuel consumption by 35 percent per labor hour by 2023 from a 2017 baseline. In 2019, we started replacing our sales fleet with hybrid vehicles. Once this change is complete, we estimate it will save us 110,000 gallons of fuel per year. We continue to investigate alternative fuels and lithium ion technology for the right fit in our operations.

Global Fleet Fuel Use/Labor Hours			
	2017	2018	2019
Total Global Fleet Fuel Use (U.S. gallons)	10,349,703	10,863,598	12,642,575
Total Labor Hours	12,212,869	13,594,671	16,955,968
Global Fleet Fuel Use per Labor Hour (U.S. gallons per hour)	0.847	0.799	0.746

While analyzing our fuel data, we discovered bulk fuel was not being captured in our reporting system causing us to under report our fuel use. We have corrected this under reporting back to our 2017 baseline.

Water Management

Access to a clean and plentiful water supply continues to be a growing challenge for many of the communities in which we operate. We demonstrate our legacy of environmental stewardship through responsible water use and collaborate with our stakeholders to deliver solutions for their water management needs. As an essential element for plant health care, our commitment to water stewardship is critical for the continued success of our business.



Using our chemical inventory as a proxy, we calculate our 2019 field water use at 2.8 gallons per labor hour. This represents a 24 percent decrease from our 2017 baseline.

In 2019, we started implementation of the recommendations from our 2018 water audit. The efficiency of the water delivery system was increased by 40 percent by installing new irrigation heads in the front entrance area of the corporate office along with increased controls of when and how much water is delivered. Monitoring of soil moisture amounts was increased to better adjust the amount of irrigation watering to what the plants need.



Waste & Recycling

As a provider of scientifically based horticultural and environmental services, Davey generates a significant amount of wood waste, producing more than one million tons of wood waste each year. Wood waste accounts for nearly 100 percent of Davey’s total waste. As responsible stewards of our natural environment, we are committed to decreasing our waste footprint.

Annual Wood Waste (yards)

	Wood Waste Generated	Wood Waste Recycled
Landscaping	232,116 yards	85%
Tree Surgery	2,097,538 yards	85%
Utility	4,151,703 yards	98%

In several markets, our operations are consolidating wood waste and partnering with local mulching companies. In other markets, wood waste is diverted on a site-to-site basis. Often, Davey facilities will donate waste to local partners in need of wood, such as youth camps, or spread wood chips onto utility line rights-of-way.



Planting a tree for every employee

Davey has committed to plant one tree for each of our 10,500 employees with the Arbor Day Foundation through a donation to the #TeamTrees global reforestation effort. In 2019, Davey celebrated 40 years of employee ownership. To mark this milestone, the company committed \$10,500 to the Arbor Day #TeamTrees campaign. For every \$1 donated, Arbor Day will plant one tree in forests of high need in California, India and Kenya. “During a year of celebrations and milestones, it seemed appropriate to honor our employees by planting a tree for each of them,” said Sandra Reid, vice president of corporate communications and strategic planning administration.



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