



Asplundh has been charged by the U.S. Department of Justice (“DoJ”) with one misdemeanor count of accepting fraudulent employee documentation prior to 2014. We accept responsibility for the charges as outlined, and we apologize to our customers, associates and all other stakeholders for what has occurred. Upon first learning of the investigation in 2015, we took immediate corrective action, including:

- i. Appointing a Compliance Specialist in each Asplundh region nation-wide, trained in ID examination.
- ii. Reviewing the ID of every Asplundh employee nation-wide in connection with implementation of a photo ID card system which includes the same face recognition software utilized by the U.S. Immigration and Customs Enforcement Agency (ICE) itself.
- iii. Revising hiring procedures to verify each ID examination for every new hire.
- iv. Investigating every complaint of potentially undocumented workers.
- v. Retaining a third party consultant to initially review our actions and procedures.
- vi. Presenting our compliance program to ICE for their review.

Consequently, the circumstances and practices of the past, which gave rise to the investigation, have been addressed and eliminated going forward.

Asplundh is dedicated to compliance with the law and while this matter with the DoJ has concluded, we will continue to be vigilant and investigate all potential compliance and hiring issues to ensure this situation does not re-occur. As a 90-year old company, our business is strong and we remain committed to providing the same quality of service that all of our customers have come to expect from us.

A handwritten signature in black ink, appearing to read "Scott M. Asplundh", written in a cursive style.

*-Scott Asplundh
Chairman and CEO*