Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2018

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018

A This return/report is for:
- ☐ a multiemployer plan
- ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
- ☒ a single-employer plan
- ☐ a DFE (specify) ____

B This return/report is:
- ☐ the first return/report
- ☐ the final return/report
- ☐ an amended return/report
- ☐ a short plan year return/report (less than 12 months)

C If the plan is a collectively-bargained plan, check here. . . . . ▶ ☐

D Check box if filing under:
- ☐ Form 5558
- ☐ automatic extension
- ☐ the DFVC program
- ☐ special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
THE DAVEY 401KSOP & ESOP

1b Three-digit plan number (PN) ▶ 004

1c Effective date of plan 01/01/2002

2a Plan sponsor's name (employer, if for a single-employer plan)
Mailing address (include room, apt., suite no. and street, or P.O. Box)
City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)
THE DAVEY TREE EXPERT COMPANY

1500 NORTH MANTUA STREET
KENT, OH 44240

2b Employer Identification Number (EIN)
34-0176110

2c Plan Sponsor's telephone number
330-673-9511

2d Business code (see instructions)
561730

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	06/25/2019	JOSEPH R PAUL
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a	Plan administrator's name and address [X] Same as Plan Sponsor	**3b**	Administrator's EIN
		3c	Administrator's telephone number
4	If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: **a** Sponsor's name **c** Plan Name	**4b**	EIN
		4d	PN
5	Total number of participants at the beginning of the plan year	**5**	5772
6	Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**).		
a(1)	Total number of active participants at the beginning of the plan year	**6a(1)**	4529
a(2)	Total number of active participants at the end of the plan year	**6a(2)**	4618
b	Retired or separated participants receiving benefits	**6b**	1
c	Other retired or separated participants entitled to future benefits	**6c**	1286
d	Subtotal. Add lines **6a(2)**, **6b**, and **6c**	**6d**	5905
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	21
f	Total. Add lines **6d** and **6e**.	**6f**	5926
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	5274
h	Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	102
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

2E 2F 2H 2J 2K 2O 2S 2T 3I

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply)		**9b** Plan benefit arrangement (check all that apply)	
(1)	[ ] Insurance	**(1)**	[ ] Insurance
(2)	[ ] Code section 412(e)(3) insurance contracts	**(2)**	[ ] Code section 412(e)(3) insurance contracts
(3)	[X] Trust	**(3)**	[X] Trust
(4)	[ ] General assets of the sponsor	**(4)**	[ ] General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- **(1)** [X] **R** (Retirement Plan Information)
- **(2)** [ ] **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- **(3)** [ ] **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- **(1)** [X] **H** (Financial Information)
- **(2)** [ ] **I** (Financial Information – Small Plan)
- **(3)** [ ] **A** (Insurance Information)
- **(4)** [X] **C** (Service Provider Information)
- **(5)** [X] **D** (DFE/Participating Plan Information)
- **(6)** [ ] **G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2018 Form M-1 annual report. If the plan was not required to file the 2018 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code_____

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2018** **This Form is Open to Public Inspection.**

For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018

A Name of plan
THE DAVEY 401KSOP & ESOP

B Three-digit plan number (PN) ▶ 004

C Plan sponsor's name as shown on line 2a of Form 5500
THE DAVEY TREE EXPERT COMPANY

D Employer Identification Number (EIN)
34-0176110

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions). . . . . [X] Yes [ ] No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

AMERICAN FUNDS

95-1411037

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

FRANKLIN TEMPLETON INVESTMENTS

13-2670991

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

JP MORGAN

13-2624428

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

METROPOLITAN WEST FUNDS

95-4597302

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

T ROWE PRICE

52-2264646

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

VANGUARD

23-1945930

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

WELLS FARGO BANK, N.A.

94-1347393

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 49 50 60 62 63 64	SERVICE PROVIDER	277838	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [ ] No [X]

(a) Enter name and EIN or address (see instructions)

ARGENT TRUST COMPANY

62-1437218

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
21 50	SERVICE PROVIDER	119378	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

MANAGEMENT PLANNING, INC.

1000 LENOX DRIVE
LAWRENCEVILLE, NJ 08648

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 50	SERVICE PROVIDER	62915	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

MAYER HOFFMAN MCCANN P.C.

43-1947695

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10 50	NONE	57500	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes [ ] No [ ]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes [ ] No [ ]	Yes [ ] No [ ]		Yes [ ] No [ ]

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2018

This Form is Open to Public Inspection.

For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018

A Name of plan
THE DAVEY 401KSOP & ESOP

B Three-digit plan number (PN) ▶ 004

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
THE DAVEY TREE EXPERT COMPANY

D Employer Identification Number (EIN)
34-0176110

Part I **Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)**
(Complete as many entries as needed to report all interests in DFEs)

a Name of MTIA, CCT, PSA, or 103-12 IE: WELLS FARGO STABLE RETURN FUND F

b Name of sponsor of entity listed in (a): WELLS FARGO BANK, N.A.

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
46-6933767-001	C	7206837

a Name of MTIA, CCT, PSA, or 103-12 IE: WELLS FARGO/BLACKROCK S&P MIDCAP IN

b Name of sponsor of entity listed in (a): WELLS FARGO BANK, N.A.

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
52-2265235-001	C	3195124

a Name of MTIA, CCT, PSA, or 103-12 IE: WELLS FARGO/BLACKROCK S&P 500 INDEX

b Name of sponsor of entity listed in (a): WELLS FARGO BANK, N.A.

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
94-3224211-001	C	8726171

a Name of MTIA, CCT, PSA, or 103-12 IE: WELLS FARGO/MFS VALUE CIT F

b Name of sponsor of entity listed in (a): WELLS FARGO BANK, N.A.

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
45-6648640-001	C	2397815

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2018

This Form is Open to Public Inspection

For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018

A Name of plan
THE DAVEY 401KSOP & ESOP

B Three-digit plan number (PN) ▶ 004

C Plan sponsor's name as shown on line 2a of Form 5500
THE DAVEY TREE EXPERT COMPANY

D Employer Identification Number (EIN)
34-0176110

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	3661133	3835573
(2) Participant contributions	1b(2)	337025	356675
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)	22704171	21525947
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	94300424	93305187
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)	119676903	112761132
	(2) Employer real property	1d(2)		
e	Buildings and other property used in plan operation	1e		
f	Total assets (add all amounts in lines 1a through 1e)	1f	240679656	231784514
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j		
k	Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	240679656	231784514

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

	Income		(a) Amount	(b) Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	3835730	
	(B) Participants	2a(1)(B)	9500974	
	(C) Others (including rollovers)	2a(1)(C)	3631480	
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		16968184
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
	(B) U.S. Government securities	2b(1)(B)		
	(C) Corporate debt instruments	2b(1)(C)		
	(D) Loans (other than to participants)	2b(1)(D)		
	(E) Participant loans	2b(1)(E)		
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		0
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)		
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	2292296	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		2292296
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)	17625454	
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)	16350051	
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		1275403
	(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
	(B) Other	2b(5)(B)	4191662	
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		4191662

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		-869100
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		-1732530
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		22125915
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	30456705	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		30456705
f Corrective distributions (see instructions)	2f		46720
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	517632	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		517632
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		31021057
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		-8895142
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [X] Unqualified **(2)** [ ] Qualified **(3)** [ ] Disclaimer **(4)** [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [ ] Yes [X] No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: MAYER HOFFMAN MCCANN P.C. **(2)** EIN: 43-1947695

d The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. **(2)** [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	

			Yes	No	Amount
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		4000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j	X		
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☐ Yes ☒ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? ..... ☐ Yes ☐ No ☐ Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year_____. (See instructions.)

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2018

This Form is Open to Public Inspection.

For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018

A Name of plan
THE DAVEY 401KSOP & ESOP

B Three-digit plan number (PN) ▶ 004

C Plan sponsor's name as shown on line 2a of Form 5500
THE DAVEY TREE EXPERT COMPANY

D Employer Identification Number (EIN)
34-0176110

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1** 0

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 41-6257133

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year **3**

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 **a** Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 **a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	**14a**	
b The plan year immediately preceding the current plan year	**14b**	
c The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

The Davey 401KSOP and ESOP

Financial Statements
and Supplemental Schedules

As of December 31, 2018 and 2017

The Davey 401KSOP and ESOP ("Plan")

Audited financial statements and supplemental schedules for the Plan prepared in accordance with the financial reporting requirements of the Employee Retirement Income Security Act of 1974, as amended, are filed herewith in lieu of an audited statement of financial condition and audited statement of income and changes in plan equity.

INDEX TO FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULES

	Page
Independent Auditors' Report	F-1
Financial Statements	
Statement of Net Assets Available for Benefits--December 31, 2018	F-2
Statement of Net Assets Available for Benefits--December 31, 2017	F-3
Statement of Changes in Net Assets Available for Benefits— Year ended December 31, 2018	F-4
Notes to Financial Statements--December 31, 2018	F-5
Supplemental Schedules	
Schedule H, Line 4i--Schedule of Assets (Held at End of Year)— December 31, 2018	F-11
Schedule H, Line 4j--Schedule of Reportable Transactions— December 31, 2018	F-12

Note: All other schedules are omitted as not applicable or not required.

4040 Embassy Parkway Ste 100 ▪ Akron, OH 44333
Main: 330.668.6500 ▪ Fax: 330.666.8789 ▪ www.mhmcpa.com

INDEPENDENT AUDITORS' REPORT

Plan Administrator
The Davey 401KSOP and ESOP
Kent, Ohio

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of **The Davey 401KSOP and ESOP** (the "Plan"), which comprise the statement of net assets available for benefits as of December 31, 2018 and 2017, and the related statement of changes in net assets available for benefits for the year ended December 31, 2018 and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Plan's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2018 and 2017, and the changes in net assets available for benefits for the year ended December 31, 2018, in accordance with accounting principles generally accepted in the United States of America.

Report on Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of assets held at end of year as of December 31, 2018, and reportable transactions for the year then ended, is presented for the purpose of additional analysis and is not a required part of the financial statements but is supplemental information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Mayer Hoffman McCann P.C.

Akron, Ohio
May 15, 2019

The Davey 401KSOP and ESOP
Statement of Net Assets Available for Benefits
December 31, 2018

	Nonparticipant Directed		
	The Davey Tree Expert Company Stock Fund	Participant Directed Investment Funds	Total December 31, 2018
Assets			
Investments, at fair value:			
Common shares, Davey Tree Expert Company	$ 99,192,474	$ 13,568,658	$ 112,761,132
Mutual funds	—	93,305,187	93,305,187
Common collective trust funds	—	21,525,947	21,525,947
Total investments	99,192,474	128,399,792	227,592,266
Receivables:			
The Davey Tree Expert Company contributions	3,835,573	—	3,835,573
Participants' contributions	—	356,675	356,675
Total receivables	3,835,573	356,675	4,192,248
Net assets available for benefits	$ 103,028,047	$ 128,756,467	$ 231,784,514

See notes to financial statements.

The Davey 401KSOP and ESOP
Statement of Net Assets Available for Benefits
December 31, 2017

	Nonparticipant Directed		
	The Davey Tree Expert Company Stock Fund	Participant Directed Investment Funds	Total December 31, 2017
Assets			
Investments, at fair value:			
Common shares, Davey Tree Expert Company	$ 106,969,268	$ 12,707,635	$ 119,676,903
Mutual funds	—	94,300,424	94,300,424
Common collective trust funds	—	22,704,171	22,704,171
Total investments	106,969,268	129,712,230	236,681,498
Receivables:			
The Davey Tree Expert Company contributions	3,661,133	—	3,661,133
Participants' contributions	—	337,025	337,025
Total receivables	3,661,133	337,025	3,998,158
Net assets available for benefits	$ 110,630,401	$ 130,049,255	$ 240,679,656

See notes to financial statements.

The Davey 401KSOP and ESOP
Statement of Changes in Net Assets Available for Benefits
Year ended December 31, 2018

	Nonparticipant Directed		
	The Davey Tree Expert Company Stock Fund	Participant Directed Investment Funds	Total Year Ended December 31, 2018
Additions to net assets attributed to:			
Contributions:			
Participants	$ —	$ 13,132,454	$ 13,132,454
The Davey Tree Expert Company, Common shares	3,835,730	—	3,835,730
Net appreciation (depreciation) in fair value of investments	5,467,065	(2,601,630)	2,865,435
Dividends	513,449	1,778,847	2,292,296
Total additions	9,816,244	12,309,671	22,125,915
Deductions from net assets attributed to:			
Distributions to participants:			
Cash	11,193,516	13,301,359	24,494,875
Common shares	5,934,194	74,356	6,008,550
Administrative expenses	290,888	226,744	517,632
Total deductions	17,418,598	13,602,459	31,021,057
Net decrease	(7,602,354)	(1,292,788)	(8,895,142)
Net assets available for benefits:			
Beginning of year	110,630,401	130,049,255	240,679,656
End of year	$ 103,028,047	$ 128,756,467	$ 231,784,514

See notes to financial statements.

The Davey 401KSOP and ESOP
Notes to Financial Statements
December 31, 2018

A. Description of the Plan

The following description of The Davey 401KSOP and ESOP (the "Plan") provides general information about the Plan's provisions. The Davey Tree Expert Company is the Plan Sponsor (the "Company" and "Sponsor"). Participants should refer to the Plan document for a more complete description of the Plan's provisions, copies of which may be obtained from the Plan Sponsor.

The Plan was established for the benefit of eligible employees as of January 1, 1979 and is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (sometimes referred to as "ERISA").

General--The Plan is a defined contribution plan covering substantially all eligible employees of the Company and each subsidiary of the Company that has adopted the Plan. The eligibility of employees to participate in the Plan is based, in general, on both attaining age 21 and completing one year of continuous service.

The Plan, known for periods prior to January 1, 1997 as The Davey Tree Expert Company Employee Stock Ownership Plan, was last amended and restated effective January 1, 2015. The portion of the Plan consisting of The Davey Tree Expert Company Stock Fund (the "ESOP feature") is an employee stock ownership plan within the meaning of Section 4975(e)(7) of the Internal Revenue Code (the "Code") as a stock bonus plan. The portion of the Plan that is not the ESOP feature is a profit-sharing plan that is intended to qualify under Section 401(a) of the Code and includes a cash or deferred arrangement intended to qualify under Section 401(k) of the Code.

Argent Trust Company ("Argent") serves as trustee for the assets of The Davey Tree Expert Company Stock Fund and Wells Fargo Bank Minnesota, N.A. ("Wells Fargo") serves as trustee for all other assets of the Plan. Wells Fargo provides custodial services, as well as other services, including executing all buy, sell and reinvestment transactions, and collecting and reporting all dividend and interest payments.

Contributions--Participating employees have the option to make elective contributions, subject to the limit allowed by the Code ($18,500 for 2018, excluding catch-up contributions), further limited by other maximum contribution limits established by federal law, and subject to a weekly minimum contribution of 1% of the participant's compensation. Newly eligible employees are automatically enrolled in the Plan at a 1% before-tax savings rate unless they indicate their desire not to make contributions or elect to enroll at a different percentage. Participants may also contribute amounts representing rollover distributions from other qualified plans (403(b) plans, 457 plans, conduit IRAs and other 401K plans). Additionally, participants who are 50 or older by the end of the calendar year are also allowed to make additional "catch-up" contributions on either a pre-tax basis or after-tax basis, up to $6,000 per year. The Plan provides for employer matching contributions of 100% for the first one percent and 50% of the next three percent, limited to the first four percent of the participant's compensation deferred each year.

Participant Accounts--Each participant's account is (a) credited with the participant's contribution and allocations of (i) the Company's contribution and (ii) plan earnings, and (b) charged with an allocation of administrative expenses. Allocations are based on the participant's selected investment mix. A participant is entitled to the benefit that can be provided from the participant's vested account balance.

Vesting--Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the Company's matching contribution plus actual earnings thereon is based on years of continuous service. A participant is 100% vested after three years of continuous service, retirement (at 65 years of age or early retirement), permanent disability or death.

Investment Options--Participants were provided with the following fund options, as of December 31, 2018, and related investment profiles (provided by the fund managers), including directing up to 25% of their total contributions to The Davey Tree Expert Company Stock Fund, subject to standard diversification provisions.

The Davey 401KSOP and ESOP
Notes to Financial Statements
December 31, 2018

A. Description of the Plan (continued)

Vanguard Target Retirement Income Fund--Invests in a diversified portfolio of money market funds, bonds and stocks (with a smaller focus on stocks and bonds). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2015 Fund--Invests in a diversified portfolio of bonds and stocks (with a larger focus on bonds). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2020 Fund--Invests in a diversified portfolio of bonds and stocks (with an equal focus on stocks and bonds). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2025 Fund--Invests in a diversified portfolio of bonds and stocks (with an equal focus on stocks and bonds). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2030 Fund--Invests in a diversified portfolio of bonds and stocks (with a larger focus on stocks). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2035 Fund--Invests in a diversified portfolio of bonds and stocks (with a larger focus on stocks). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2040 Fund--Invests in a diversified portfolio of bonds and stocks (with a larger focus on stocks). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2045 Fund--Invests in a diversified portfolio of bonds and stocks (with a heavy focus on stocks). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2050 Fund--Invests in a diversified portfolio of bonds and stocks (with a heavy focus on stocks). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2055 Fund--Invests in a diversified portfolio of bonds and stocks (with a heavy focus on stocks). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2060 Fund--Invests in a diversified portfolio of bonds and stocks (with a heavy focus on stocks). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2065 Fund--Invests in a diversified portfolio of bonds and stocks (with a heavy focus on stocks). Investments in asset classes consistent with the stated objectives and time horizon.

JPMorgan Large Cap Growth Fund--Invests primarily in equity securities of large well-established companies, with long-term capital growth potential.

American EuroPacific Growth Fund--Invests in common stocks of companies in Europe and the Pacific Basin.

Vanguard Total Stock Market Index Adm Fund--Invests in U.S. common stocks, designed to replicate the performance of the Wilshire 5000 Index.

Metropolitan West Total Return Bond Fund--Invests in investment-grade fixed income securities with long-term growth potential.

T. Rowe Price Small Cap Stock Fund--Invests in stocks of small sized companies with long-term capital growth potential.

The Davey 401KSOP and ESOP
Notes to Financial Statements
December 31, 2018

A. Description of the Plan (continued)

Franklin Mutual Global Discovery Fund--Invests in common and preferred stocks, debt securities and convertible securities of small-sized companies.

Wells Fargo Stable Return Fund F--Invests in high-grade money market instruments.

Wells Fargo Blackrock S&P Midcap Index CIT Fund--Invests in common stocks of mid-sized companies, designed to provide growth of capital and to replicate the performance of the Standard & Poor's Midcap Index.

Wells Fargo Blackrock S&P 500 Index CIT Fund--Invests in a diversified portfolio of common stocks included in the Standard and Poor's 500 Index designed to replicate the performance of the Standard & Poor's 500 Index.

Wells Fargo MFS Value CIT Fund--Invests in a diversified portfolio of large capitalization stocks with long-term growth potential.

The Davey Tree Expert Company Stock Fund--Invests in common shares of The Davey Tree Expert Company (with temporary investments made in a money market fund).

Participants may change their investment options daily.

Payments of Benefits--Participants who terminate may receive distributions of vested benefits either in cash or common shares of the Company based on the participant's specific investments in Plan options. Participants who terminate have one year after termination to receive distributions in cash or common shares but, if that one year lapses, then the participant's investment in the Company Stock Fund will be liquidated and reinvested in other funds. Former participants who receive a distribution of common shares of the Company have two 60-day put option periods in which they may require that the Company purchase those shares at a per share price equal to the value determined by an independent stock valuation firm as of the valuation date immediately preceding the exercise of the put option. Former participants wishing to sell their shares of the Company must offer such shares first to the Plan and then to the Company, although the Plan and the Company are under no obligation to repurchase the shares, other than pursuant to the put option. Should neither the Plan nor the Company desire to purchase the shares, former participants have the right to sell those shares to any other person.

Forfeited Accounts--Forfeited accounts arise from participants whose employment terminates before vesting occurs. However, if a former participant is rehired, in certain instances, forfeited accounts will be restored to the employee's Plan account. Amounts forfeited are used to restore previously forfeited accounts when necessary. Remaining amounts forfeited are used to offset future Company contributions. At December 31, 2018, forfeited accounts totaled $366,374. Forfeited amounts of $124,283 were used to reduce Employer matching contributions in 2018.

Voting Rights--Each participant is entitled to exercise voting rights attributable to the common shares of the Company allocated to his or her account and is notified by the Trustee at least thirty days prior to the time such rights are to be exercised. Participants are requested to instruct the Trustee as to how shares should be voted. If a participant does not provide the Trustee with instructions as to how shares should be voted, then such shares are voted, as provided in the Plan, proportionately in accordance with instructions received from other participants in the Plan.

B. Summary of Significant Accounting Policies

Basis of Financial Statement Presentation--These financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Use of Estimates--The preparation of financial statements in conformity with U.S. GAAP requires Plan management to make estimates and assumptions that affect reported amounts. Actual results could differ from those estimates.

The Davey 401KSOP and ESOP
Notes to Financial Statements
December 31, 2018

B. Summary of Significant Accounting Policies (continued)

Investment Valuation and Income Recognition--The investments of the Plan are reported at fair value.

The change in net unrealized appreciation or (depreciation) on investments is included in the statement of changes in net assets available for benefits. Net appreciation (depreciation) in the fair value of investments includes the realized gain or loss on investments sold and unrealized gains/losses on investments held during the year determined on a revalued cost basis.

Purchases and sales of securities are accounted for on the trade date. Dividend income is accounted for on the ex-dividend date.

Administrative Expenses--The costs of administering the Plan are paid by the Company, except for trustee and recordkeeping fees, Company stock valuation services and audit fees, which are paid by the Plan.

C. Fair Value Measurements

Financial Accounting Standards Board Accounting Standard Codification No. 820, "Fair Value Measurement ("Topic 820")" defines fair value based on the price that would be received to sell an asset or the exit price that would be paid to transfer a liability in an orderly transaction between market participants at the measurement date. Market participants are defined as buyers or sellers in the principal or most advantageous market for the asset or liability that are independent of the reporting entity, knowledgeable and able and willing to transact for the asset or liability.

Valuation Hierarchy--Topic 820 establishes a fair value hierarchy that prioritizes observable and unobservable inputs used to measure fair value. The hierarchy prioritizes the inputs into three broad levels:

Level 1 inputs are quoted prices in active markets for identical assets or liabilities that the entity has the ability to access.

Level 2 inputs are observable inputs other than prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated with observable market data.

Level 3 inputs are unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

Valuation Methodology and Valuation Hierarchy Classification

The following is a description of the valuation methodology used for the investments measured at fair value, including the general classification of the investments within the valuation hierarchy.

The Davey Tree Expert Company Common Stock Fund--The Davey Tree Expert Company Common Stock Fund is comprised of the Company's common shares and a small portion of short-term investments. The Company's common shares are not listed or traded on an established public trading market and market prices are, therefore, not available. Semiannually, for purposes of the Company's 401KSOP, the fair market value of the common shares is determined by an independent stock valuation firm, based upon Company performance and financial condition, using a peer group of comparable companies selected by that firm. The peer group at December 31, 2018 consisted of: ABM Industries Incorporated; Comfort Systems USA, Inc.; Dycom Industries, Inc.; MYR Group, Inc.; Quanta Services, Inc.; Rollins, Inc.; and Scotts Miracle-Gro Company. The semiannual valuations are effective for a period of six months and the per-share price established by those valuations is the price at which the Board of Directors of the Company has determined that the common shares will be bought and sold during that six-month period in transactions involving the

The Davey 401KSOP and ESOP
Notes to Financial Statements
December 31, 2018

C. Fair Value Measurements (continued)

Company or one of its employee benefit or stock purchase plans. Since 1979, the Company has provided a ready market for all shareholders through its direct purchase of their common shares, although the Company is under no obligation to do so (other than for repurchases pursuant to the put option, as described in Note A). The common share value is determined by an independent valuation.

Mutual Funds--Mutual funds are public investment vehicles valued using publicly-available net asset values ("NAV"). The NAV is a quoted price in an active market.

Common Collective Trust Funds--Common collective trust funds are stated at NAV as determined by the issuer of the common collective trust funds, based on the fair value of the underlying investments. The Wells Fargo common collective trust funds have no redemption restrictions within the plan.

The Plan's investments measured at fair value on a recurring basis at December 31, 2018 were as follows:

		Fair Value Measurements at December 31, 2018:		
Investments Recorded at Fair Value on a Recurring Basis	Total Carrying Value at December 31, 2018	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Common shares	$ 112,761,132	$ —	$ 112,761,132	$ —
Mutual funds	93,305,187	93,305,187	—	—
Common collective trust funds measured at net asset value (a)	21,525,947	—	—	—
	$ 227,592,266	$ 93,305,187	$ 112,761,132	$ —

The Plan's investments measured at fair value on a recurring basis at December 31, 2017 were as follows:

		Fair Value Measurements at December 31, 2017:		
Investments Recorded at Fair Value on a Recurring Basis	Total Carrying Value at December 31, 2017	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Common shares	$ 119,676,903	$ —	$ 119,676,903	$ —
Mutual funds	94,300,424	94,300,424	—	—
Common collective trust funds measured at net asset value (a)	22,704,171	—	—	—
	$ 236,681,498	$ 94,300,424	$ 119,676,903	$ —

(a) In accordance with Subtopic 820-10, certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The carrying value amounts presented in these tables are intended to provide reconciliation of the fair value hierarchy to the amounts presented in the Statements of Net Assets Available for Benefits.

The Davey 401KSOP and ESOP
Notes to Financial Statements
December 31, 2018

D. Concentration of Market Risks and Other Uncertainties

The Plan had investments in the common stock of The Davey Tree Expert Company at December 31, 2018 of $112,761,132, approximating 48.6% of net assets, and at December 31, 2017 of $119,676,903, approximating 49.7% of net assets.

The investments in the common stock of The Davey Tree Expert Company are exposed to market risk--the potential economic loss that may result from adverse changes in fair value. Other investments of the Plan are also exposed to various risks, such as market risk, interest risk and credit risk.

Due to the level of risk associated with the common stock of The Davey Tree Expert Company and other investments of the Plan, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

E. Transactions with Party-in-Interest

Certain plan investment choices include funds managed by Wells Fargo Bank Minnesota, N.A., one of the trustees for the Plan, and, therefore, these transactions qualify as party-in-interest transactions, as defined by ERISA. Fees paid to trustees during 2018 totaled $397,217.

F. Termination of the Plan

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants become 100% vested in their accounts, to the extent not already vested.

G. Tax Status of the Plan

The Internal Revenue Service (the "IRS") has determined and informed the Company, in a letter dated September 12, 2016, that the Plan is qualified and the trust established under the Plan is tax-exempt under the appropriate sections of the Code. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. The Plan Sponsor believes that the Plan is operated in compliance with the applicable requirements of the Code and therefore, believes the Plan, is qualified and the related trust is tax exempt.

U.S. GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize tax liabilities in the financial statements if the Plan has taken uncertain tax positions that more-likely-than-not, based solely on technical merits, would not be sustained upon examination by the IRS. Plan management has evaluated the tax positions taken by the Plan, and has concluded that as of December 31, 2018, there are no uncertain tax positions taken or expected to be taken that would require recognition.

The Plan is subject to routine audits by tax jurisdictions for tax years for which the applicable statutes of limitations have not expired. Plan management believes it is no longer subject to income tax examinations for years prior to 2015. Currently, no audits relative to the Plan are in progress.

The Davey 401KSOP and ESOP
EIN: 34-0176110 Plan Number: 004
Schedule H, Line 4i--Schedule of Assets
(Held at End of Year)

December 31, 2018

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment	(d) Cost	(e) Current Value
*	The Davey Tree Expert Company (A)	Common Stock: 5,344,129 shares	$ 30,353,970	$ 112,761,132
	Mutual Funds:			
	Vanguard	Vanguard Target Retirement Income Fund--92,533 shares	**	1,179,798
	Vanguard	Vanguard Target Retirement 2015 Fund--92,454 shares	**	1,281,411
	Vanguard	Vanguard Target Retirement 2020 Fund--305,287 shares	**	8,740,376
	Vanguard	Vanguard Target Retirement 2025 Fund--297,416 shares	**	5,059,038
	Vanguard	Vanguard Target Retirement 2030 Fund--195,079 shares	**	6,012,340
	Vanguard	Vanguard Target Retirement 2035 Fund--307,494 shares	**	5,787,040
	Vanguard	Vanguard Target Retirement 2040 Fund--259,105 shares	**	8,371,681
	Vanguard	Vanguard Target Retirement 2045 Fund--314,675 shares	**	6,359,585
	Vanguard	Vanguard Target Retirement 2050 Fund--141,822 shares	**	4,612,063
	Vanguard	Vanguard Target Retirement 2055 Fund--56,139 shares	**	1,981,721
	Vanguard	Vanguard Target Retirement 2060 Fund--11,300 shares	**	352,232
	Vanguard	Vanguard Target Retirement 2065 Fund--1,044 shares	**	20,469
	JPMorgan	JPMorgan Large Cap Growth Fund--211,930 shares	**	7,220,444
	American	American EuroPacific Growth Fund--31,923 shares	**	1,436,207
	Vanguard	Vanguard Total Stock Market Index Adm Fund--106,121 shares	**	6,589,048
	Metropolitan West	Metropolitan West Total Return Bond Fund--469,063 shares	**	4,587,439
	T. Rowe Price	T. Rowe Price Small Cap Stock Fund--318,039 shares	**	13,128,670
	Franklin Templeton	Franklin Mutual Global Discovery Fund--394,104 shares	**	10,585,625
	Common Collective Trust Funds:			
*	Wells Fargo Bank Minnesota, N.A.	Wells Fargo Stable Return Fund F--659,502 units	7,073,641	7,206,837
*	Wells Fargo Bank Minnesota, N.A.	Wells Fargo Blackrock S&P Midcap Index CIT Fund--171,482 units	3,477,841	3,195,124
*	Wells Fargo Bank Minnesota, N.A.	Wells Fargo Blackrock S&P 500 Index CIT Fund--425,090 units	8,817,017	8,726,171
*	Wells Fargo Bank Minnesota, N.A.	Wells Fargo MFS Value CIT Fund--116,822 units	2,562,186	2,397,815
		Investments at Fair Value		$ 227,592,266

* A party-in-interest as defined by ERISA

** Cost information is not required for participant-directed investments

(A) Nonparticipant and participant directed

The Davey 401KSOP and ESOP
EIN: 34-0176110 Plan Number: 004
Schedule H, Line 4j--Schedule of Reportable Transactions

December 31, 2018

Identity of Party Involved	Description of Asset (Include Interest Rate and Maturity in Case of a Loan)	Purchase Price	Selling Price	Cost of Asset	Current Value of Asset on Transaction Date	Net Gain or (Loss)
Category 3 - Series of transactions in excess of 5% of plan assets						
**	Davey Tree Stock Fund	$ 5,390,576	$ —	$ 5,390,576	$ 5,390,576	$ —
**	Davey Tree Stock Fund	$ —	$ 17,307,963	$ 4,969,066	$ 17,307,963	$ 12,338,897

There were no category 1, 2 or 4 reportable transactions during 2018.

Columns for "Lease rental" and "Expense incurred with transaction" are not applicable.

** Transactions made on the market.

The Davey 401KSOP and ESOP

Financial Statements
and Supplemental Schedules

As of December 31, 2018 and 2017

The Davey 401KSOP and ESOP ("Plan")

Audited financial statements and supplemental schedules for the Plan prepared in accordance with the financial reporting requirements of the Employee Retirement Income Security Act of 1974, as amended, are filed herewith in lieu of an audited statement of financial condition and audited statement of income and changes in plan equity.

INDEX TO FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULES

	Page
Independent Auditors' Report	F-1
Financial Statements	
Statement of Net Assets Available for Benefits--December 31, 2018	F-2
Statement of Net Assets Available for Benefits--December 31, 2017	F-3
Statement of Changes in Net Assets Available for Benefits— Year ended December 31, 2018	F-4
Notes to Financial Statements--December 31, 2018	F-5
Supplemental Schedules	
Schedule H, Line 4i--Schedule of Assets (Held at End of Year)— December 31, 2018	F-11
Schedule H, Line 4j--Schedule of Reportable Transactions— December 31, 2018	F-12

Note: All other schedules are omitted as not applicable or not required.

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INDEPENDENT AUDITORS' REPORT

Plan Administrator
The Davey 401KSOP and ESOP
Kent, Ohio

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of **The Davey 401KSOP and ESOP** (the "Plan"), which comprise the statement of net assets available for benefits as of December 31, 2018 and 2017, and the related statement of changes in net assets available for benefits for the year ended December 31, 2018 and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Plan's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2018 and 2017, and the changes in net assets available for benefits for the year ended December 31, 2018, in accordance with accounting principles generally accepted in the United States of America.

Report on Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of assets held at end of year as of December 31, 2018, and reportable transactions for the year then ended, is presented for the purpose of additional analysis and is not a required part of the financial statements but is supplemental information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Mayer Hoffman McCann P.C.

Akron, Ohio
May 15, 2019

The Davey 401KSOP and ESOP
Statement of Net Assets Available for Benefits
December 31, 2018

	Nonparticipant Directed		
	The Davey Tree Expert Company Stock Fund	Participant Directed Investment Funds	Total December 31, 2018
Assets			
Investments, at fair value:			
Common shares, Davey Tree Expert Company	$ 99,192,474	$ 13,568,658	$ 112,761,132
Mutual funds	—	93,305,187	93,305,187
Common collective trust funds	—	21,525,947	21,525,947
Total investments	99,192,474	128,399,792	227,592,266
Receivables:			
The Davey Tree Expert Company contributions	3,835,573	—	3,835,573
Participants' contributions	—	356,675	356,675
Total receivables	3,835,573	356,675	4,192,248
Net assets available for benefits	$ 103,028,047	$ 128,756,467	$ 231,784,514

See notes to financial statements.

The Davey 401KSOP and ESOP
Statement of Net Assets Available for Benefits
December 31, 2017

	Nonparticipant Directed		
	The Davey Tree Expert Company Stock Fund	Participant Directed Investment Funds	Total December 31, 2017
Assets			
Investments, at fair value:			
Common shares, Davey Tree Expert Company	$ 106,969,268	$ 12,707,635	$ 119,676,903
Mutual funds	—	94,300,424	94,300,424
Common collective trust funds	—	22,704,171	22,704,171
Total investments	106,969,268	129,712,230	236,681,498
Receivables:			
The Davey Tree Expert Company contributions	3,661,133	—	3,661,133
Participants' contributions	—	337,025	337,025
Total receivables	3,661,133	337,025	3,998,158
Net assets available for benefits	$ 110,630,401	$ 130,049,255	$ 240,679,656

See notes to financial statements.

The Davey 401KSOP and ESOP
Statement of Changes in Net Assets Available for Benefits
Year ended December 31, 2018

	Nonparticipant Directed		
	The Davey Tree Expert Company Stock Fund	Participant Directed Investment Funds	Total Year Ended December 31, 2018
Additions to net assets attributed to:			
Contributions:			
Participants	$ —	$ 13,132,454	$ 13,132,454
The Davey Tree Expert Company, Common shares	3,835,730	—	3,835,730
Net appreciation (depreciation) in fair value of investments	5,467,065	(2,601,630)	2,865,435
Dividends	513,449	1,778,847	2,292,296
Total additions	9,816,244	12,309,671	22,125,915
Deductions from net assets attributed to:			
Distributions to participants:			
Cash	11,193,516	13,301,359	24,494,875
Common shares	5,934,194	74,356	6,008,550
Administrative expenses	290,888	226,744	517,632
Total deductions	17,418,598	13,602,459	31,021,057
Net decrease	(7,602,354)	(1,292,788)	(8,895,142)
Net assets available for benefits:			
Beginning of year	110,630,401	130,049,255	240,679,656
End of year	$ 103,028,047	$ 128,756,467	$ 231,784,514

See notes to financial statements.

The Davey 401KSOP and ESOP
Notes to Financial Statements
December 31, 2018

A. Description of the Plan

The following description of The Davey 401KSOP and ESOP (the "Plan") provides general information about the Plan's provisions. The Davey Tree Expert Company is the Plan Sponsor (the "Company" and "Sponsor"). Participants should refer to the Plan document for a more complete description of the Plan's provisions, copies of which may be obtained from the Plan Sponsor.

The Plan was established for the benefit of eligible employees as of January 1, 1979 and is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (sometimes referred to as "ERISA").

General--The Plan is a defined contribution plan covering substantially all eligible employees of the Company and each subsidiary of the Company that has adopted the Plan. The eligibility of employees to participate in the Plan is based, in general, on both attaining age 21 and completing one year of continuous service.

The Plan, known for periods prior to January 1, 1997 as The Davey Tree Expert Company Employee Stock Ownership Plan, was last amended and restated effective January 1, 2015. The portion of the Plan consisting of The Davey Tree Expert Company Stock Fund (the "ESOP feature") is an employee stock ownership plan within the meaning of Section 4975(e)(7) of the Internal Revenue Code (the "Code") as a stock bonus plan. The portion of the Plan that is not the ESOP feature is a profit-sharing plan that is intended to qualify under Section 401(a) of the Code and includes a cash or deferred arrangement intended to qualify under Section 401(k) of the Code.

Argent Trust Company ("Argent") serves as trustee for the assets of The Davey Tree Expert Company Stock Fund and Wells Fargo Bank Minnesota, N.A. ("Wells Fargo") serves as trustee for all other assets of the Plan. Wells Fargo provides custodial services, as well as other services, including executing all buy, sell and reinvestment transactions, and collecting and reporting all dividend and interest payments.

Contributions--Participating employees have the option to make elective contributions, subject to the limit allowed by the Code ($18,500 for 2018, excluding catch-up contributions), further limited by other maximum contribution limits established by federal law, and subject to a weekly minimum contribution of 1% of the participant's compensation. Newly eligible employees are automatically enrolled in the Plan at a 1% before-tax savings rate unless they indicate their desire not to make contributions or elect to enroll at a different percentage. Participants may also contribute amounts representing rollover distributions from other qualified plans (403(b) plans, 457 plans, conduit IRAs and other 401K plans). Additionally, participants who are 50 or older by the end of the calendar year are also allowed to make additional "catch-up" contributions on either a pre-tax basis or after-tax basis, up to $6,000 per year. The Plan provides for employer matching contributions of 100% for the first one percent and 50% of the next three percent, limited to the first four percent of the participant's compensation deferred each year.

Participant Accounts--Each participant's account is (a) credited with the participant's contribution and allocations of (i) the Company's contribution and (ii) plan earnings, and (b) charged with an allocation of administrative expenses. Allocations are based on the participant's selected investment mix. A participant is entitled to the benefit that can be provided from the participant's vested account balance.

Vesting--Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the Company's matching contribution plus actual earnings thereon is based on years of continuous service. A participant is 100% vested after three years of continuous service, retirement (at 65 years of age or early retirement), permanent disability or death.

Investment Options--Participants were provided with the following fund options, as of December 31, 2018, and related investment profiles (provided by the fund managers), including directing up to 25% of their total contributions to The Davey Tree Expert Company Stock Fund, subject to standard diversification provisions.

The Davey 401KSOP and ESOP
Notes to Financial Statements
December 31, 2018

A. Description of the Plan (continued)

Vanguard Target Retirement Income Fund--Invests in a diversified portfolio of money market funds, bonds and stocks (with a smaller focus on stocks and bonds). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2015 Fund--Invests in a diversified portfolio of bonds and stocks (with a larger focus on bonds). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2020 Fund--Invests in a diversified portfolio of bonds and stocks (with an equal focus on stocks and bonds). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2025 Fund--Invests in a diversified portfolio of bonds and stocks (with an equal focus on stocks and bonds). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2030 Fund--Invests in a diversified portfolio of bonds and stocks (with a larger focus on stocks). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2035 Fund--Invests in a diversified portfolio of bonds and stocks (with a larger focus on stocks). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2040 Fund--Invests in a diversified portfolio of bonds and stocks (with a larger focus on stocks). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2045 Fund--Invests in a diversified portfolio of bonds and stocks (with a heavy focus on stocks). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2050 Fund--Invests in a diversified portfolio of bonds and stocks (with a heavy focus on stocks). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2055 Fund--Invests in a diversified portfolio of bonds and stocks (with a heavy focus on stocks). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2060 Fund--Invests in a diversified portfolio of bonds and stocks (with a heavy focus on stocks). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2065 Fund--Invests in a diversified portfolio of bonds and stocks (with a heavy focus on stocks). Investments in asset classes consistent with the stated objectives and time horizon.

JPMorgan Large Cap Growth Fund--Invests primarily in equity securities of large well-established companies, with long-term capital growth potential.

American EuroPacific Growth Fund--Invests in common stocks of companies in Europe and the Pacific Basin.

Vanguard Total Stock Market Index Adm Fund--Invests in U.S. common stocks, designed to replicate the performance of the Wilshire 5000 Index.

Metropolitan West Total Return Bond Fund--Invests in investment-grade fixed income securities with long-term growth potential.

T. Rowe Price Small Cap Stock Fund--Invests in stocks of small sized companies with long-term capital growth potential.

The Davey 401KSOP and ESOP
Notes to Financial Statements
December 31, 2018

A. Description of the Plan (continued)

Franklin Mutual Global Discovery Fund--Invests in common and preferred stocks, debt securities and convertible securities of small-sized companies.

Wells Fargo Stable Return Fund F--Invests in high-grade money market instruments.

Wells Fargo Blackrock S&P Midcap Index CIT Fund--Invests in common stocks of mid-sized companies, designed to provide growth of capital and to replicate the performance of the Standard & Poor's Midcap Index.

Wells Fargo Blackrock S&P 500 Index CIT Fund--Invests in a diversified portfolio of common stocks included in the Standard and Poor's 500 Index designed to replicate the performance of the Standard & Poor's 500 Index.

Wells Fargo MFS Value CIT Fund--Invests in a diversified portfolio of large capitalization stocks with long-term growth potential.

The Davey Tree Expert Company Stock Fund--Invests in common shares of The Davey Tree Expert Company (with temporary investments made in a money market fund).

Participants may change their investment options daily.

Payments of Benefits--Participants who terminate may receive distributions of vested benefits either in cash or common shares of the Company based on the participant's specific investments in Plan options. Participants who terminate have one year after termination to receive distributions in cash or common shares but, if that one year lapses, then the participant's investment in the Company Stock Fund will be liquidated and reinvested in other funds. Former participants who receive a distribution of common shares of the Company have two 60-day put option periods in which they may require that the Company purchase those shares at a per share price equal to the value determined by an independent stock valuation firm as of the valuation date immediately preceding the exercise of the put option. Former participants wishing to sell their shares of the Company must offer such shares first to the Plan and then to the Company, although the Plan and the Company are under no obligation to repurchase the shares, other than pursuant to the put option. Should neither the Plan nor the Company desire to purchase the shares, former participants have the right to sell those shares to any other person.

Forfeited Accounts--Forfeited accounts arise from participants whose employment terminates before vesting occurs. However, if a former participant is rehired, in certain instances, forfeited accounts will be restored to the employee's Plan account. Amounts forfeited are used to restore previously forfeited accounts when necessary. Remaining amounts forfeited are used to offset future Company contributions. At December 31, 2018, forfeited accounts totaled $366,374. Forfeited amounts of $124,283 were used to reduce Employer matching contributions in 2018.

Voting Rights--Each participant is entitled to exercise voting rights attributable to the common shares of the Company allocated to his or her account and is notified by the Trustee at least thirty days prior to the time such rights are to be exercised. Participants are requested to instruct the Trustee as to how shares should be voted. If a participant does not provide the Trustee with instructions as to how shares should be voted, then such shares are voted, as provided in the Plan, proportionately in accordance with instructions received from other participants in the Plan.

B. Summary of Significant Accounting Policies

Basis of Financial Statement Presentation--These financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Use of Estimates--The preparation of financial statements in conformity with U.S. GAAP requires Plan management to make estimates and assumptions that affect reported amounts. Actual results could differ from those estimates.

The Davey 401KSOP and ESOP
Notes to Financial Statements
December 31, 2018

B. Summary of Significant Accounting Policies (continued)

Investment Valuation and Income Recognition--The investments of the Plan are reported at fair value.

The change in net unrealized appreciation or (depreciation) on investments is included in the statement of changes in net assets available for benefits. Net appreciation (depreciation) in the fair value of investments includes the realized gain or loss on investments sold and unrealized gains/losses on investments held during the year determined on a revalued cost basis.

Purchases and sales of securities are accounted for on the trade date. Dividend income is accounted for on the ex-dividend date.

Administrative Expenses--The costs of administering the Plan are paid by the Company, except for trustee and recordkeeping fees, Company stock valuation services and audit fees, which are paid by the Plan.

C. Fair Value Measurements

Financial Accounting Standards Board Accounting Standard Codification No. 820, "Fair Value Measurement ("Topic 820")" defines fair value based on the price that would be received to sell an asset or the exit price that would be paid to transfer a liability in an orderly transaction between market participants at the measurement date. Market participants are defined as buyers or sellers in the principal or most advantageous market for the asset or liability that are independent of the reporting entity, knowledgeable and able and willing to transact for the asset or liability.

Valuation Hierarchy--Topic 820 establishes a fair value hierarchy that prioritizes observable and unobservable inputs used to measure fair value. The hierarchy prioritizes the inputs into three broad levels:

Level 1 inputs are quoted prices in active markets for identical assets or liabilities that the entity has the ability to access.

Level 2 inputs are observable inputs other than prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated with observable market data.

Level 3 inputs are unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

Valuation Methodology and Valuation Hierarchy Classification

The following is a description of the valuation methodology used for the investments measured at fair value, including the general classification of the investments within the valuation hierarchy.

The Davey Tree Expert Company Common Stock Fund--The Davey Tree Expert Company Common Stock Fund is comprised of the Company's common shares and a small portion of short-term investments. The Company's common shares are not listed or traded on an established public trading market and market prices are, therefore, not available. Semiannually, for purposes of the Company's 401KSOP, the fair market value of the common shares is determined by an independent stock valuation firm, based upon Company performance and financial condition, using a peer group of comparable companies selected by that firm. The peer group at December 31, 2018 consisted of: ABM Industries Incorporated; Comfort Systems USA, Inc.; Dycom Industries, Inc.; MYR Group, Inc.; Quanta Services, Inc.; Rollins, Inc.; and Scotts Miracle-Gro Company. The semiannual valuations are effective for a period of six months and the per-share price established by those valuations is the price at which the Board of Directors of the Company has determined that the common shares will be bought and sold during that six-month period in transactions involving the

The Davey 401KSOP and ESOP
Notes to Financial Statements
December 31, 2018

C. Fair Value Measurements (continued)

Company or one of its employee benefit or stock purchase plans. Since 1979, the Company has provided a ready market for all shareholders through its direct purchase of their common shares, although the Company is under no obligation to do so (other than for repurchases pursuant to the put option, as described in Note A). The common share value is determined by an independent valuation.

Mutual Funds--Mutual funds are public investment vehicles valued using publicly-available net asset values ("NAV"). The NAV is a quoted price in an active market.

Common Collective Trust Funds--Common collective trust funds are stated at NAV as determined by the issuer of the common collective trust funds, based on the fair value of the underlying investments. The Wells Fargo common collective trust funds have no redemption restrictions within the plan.

The Plan's investments measured at fair value on a recurring basis at December 31, 2018 were as follows:

		Fair Value Measurements at December 31, 2018:		
Investments Recorded at Fair Value on a Recurring Basis	Total Carrying Value at December 31, 2018	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Common shares	$ 112,761,132	$ —	$ 112,761,132	$ —
Mutual funds	93,305,187	93,305,187	—	—
Common collective trust funds measured at net asset value (a)	21,525,947	—	—	—
	$ 227,592,266	$ 93,305,187	$ 112,761,132	$ —

The Plan's investments measured at fair value on a recurring basis at December 31, 2017 were as follows:

		Fair Value Measurements at December 31, 2017:		
Investments Recorded at Fair Value on a Recurring Basis	Total Carrying Value at December 31, 2017	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Common shares	$ 119,676,903	$ —	$ 119,676,903	$ —
Mutual funds	94,300,424	94,300,424	—	—
Common collective trust funds measured at net asset value (a)	22,704,171	—	—	—
	$ 236,681,498	$ 94,300,424	$ 119,676,903	$ —

(a) In accordance with Subtopic 820-10, certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The carrying value amounts presented in these tables are intended to provide reconciliation of the fair value hierarchy to the amounts presented in the Statements of Net Assets Available for Benefits.

The Davey 401KSOP and ESOP
Notes to Financial Statements
December 31, 2018

D. Concentration of Market Risks and Other Uncertainties

The Plan had investments in the common stock of The Davey Tree Expert Company at December 31, 2018 of $112,761,132, approximating 48.6% of net assets, and at December 31, 2017 of $119,676,903, approximating 49.7% of net assets.

The investments in the common stock of The Davey Tree Expert Company are exposed to market risk--the potential economic loss that may result from adverse changes in fair value. Other investments of the Plan are also exposed to various risks, such as market risk, interest risk and credit risk.

Due to the level of risk associated with the common stock of The Davey Tree Expert Company and other investments of the Plan, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

E. Transactions with Party-in-Interest

Certain plan investment choices include funds managed by Wells Fargo Bank Minnesota, N.A., one of the trustees for the Plan, and, therefore, these transactions qualify as party-in-interest transactions, as defined by ERISA. Fees paid to trustees during 2018 totaled $397,217.

F. Termination of the Plan

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants become 100% vested in their accounts, to the extent not already vested.

G. Tax Status of the Plan

The Internal Revenue Service (the "IRS") has determined and informed the Company, in a letter dated September 12, 2016, that the Plan is qualified and the trust established under the Plan is tax-exempt under the appropriate sections of the Code. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. The Plan Sponsor believes that the Plan is operated in compliance with the applicable requirements of the Code and therefore, believes the Plan, is qualified and the related trust is tax exempt.

U.S. GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize tax liabilities in the financial statements if the Plan has taken uncertain tax positions that more-likely-than-not, based solely on technical merits, would not be sustained upon examination by the IRS. Plan management has evaluated the tax positions taken by the Plan, and has concluded that as of December 31, 2018, there are no uncertain tax positions taken or expected to be taken that would require recognition.

The Plan is subject to routine audits by tax jurisdictions for tax years for which the applicable statutes of limitations have not expired. Plan management believes it is no longer subject to income tax examinations for years prior to 2015. Currently, no audits relative to the Plan are in progress.

The Davey 401KSOP and ESOP
EIN: 34-0176110 Plan Number: 004
Schedule H, Line 4i--Schedule of Assets
(Held at End of Year)

December 31, 2018

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment	(d) Cost	(e) Current Value
*	The Davey Tree Expert Company (A)	Common Stock: 5,344,129 shares	$ 30,353,970	$ 112,761,132
	Mutual Funds:			
	Vanguard	Vanguard Target Retirement Income Fund--92,533 shares	**	1,179,798
	Vanguard	Vanguard Target Retirement 2015 Fund--92,454 shares	**	1,281,411
	Vanguard	Vanguard Target Retirement 2020 Fund--305,287 shares	**	8,740,376
	Vanguard	Vanguard Target Retirement 2025 Fund--297,416 shares	**	5,059,038
	Vanguard	Vanguard Target Retirement 2030 Fund--195,079 shares	**	6,012,340
	Vanguard	Vanguard Target Retirement 2035 Fund--307,494 shares	**	5,787,040
	Vanguard	Vanguard Target Retirement 2040 Fund--259,105 shares	**	8,371,681
	Vanguard	Vanguard Target Retirement 2045 Fund--314,675 shares	**	6,359,585
	Vanguard	Vanguard Target Retirement 2050 Fund--141,822 shares	**	4,612,063
	Vanguard	Vanguard Target Retirement 2055 Fund--56,139 shares	**	1,981,721
	Vanguard	Vanguard Target Retirement 2060 Fund--11,300 shares	**	352,232
	Vanguard	Vanguard Target Retirement 2065 Fund--1,044 shares	**	20,469
	JPMorgan	JPMorgan Large Cap Growth Fund--211,930 shares	**	7,220,444
	American	American EuroPacific Growth Fund--31,923 shares	**	1,436,207
	Vanguard	Vanguard Total Stock Market Index Adm Fund--106,121 shares	**	6,589,048
	Metropolitan West	Metropolitan West Total Return Bond Fund--469,063 shares	**	4,587,439
	T. Rowe Price	T. Rowe Price Small Cap Stock Fund--318,039 shares	**	13,128,670
	Franklin Templeton	Franklin Mutual Global Discovery Fund--394,104 shares	**	10,585,625
	Common Collective Trust Funds:			
*	Wells Fargo Bank Minnesota, N.A.	Wells Fargo Stable Return Fund F--659,502 units	7,073,641	7,206,837
*	Wells Fargo Bank Minnesota, N.A.	Wells Fargo Blackrock S&P Midcap Index CIT Fund--171,482 units	3,477,841	3,195,124
*	Wells Fargo Bank Minnesota, N.A.	Wells Fargo Blackrock S&P 500 Index CIT Fund--425,090 units	8,817,017	8,726,171
*	Wells Fargo Bank Minnesota, N.A.	Wells Fargo MFS Value CIT Fund--116,822 units	2,562,186	2,397,815
		Investments at Fair Value		$ 227,592,266

* A party-in-interest as defined by ERISA

** Cost information is not required for participant-directed investments

(A) Nonparticipant and participant directed

The Davey 401KSOP and ESOP
EIN: 34-0176110 Plan Number: 004
Schedule H, Line 4j--Schedule of Reportable Transactions

December 31, 2018

Identity of Party Involved	Description of Asset (Include Interest Rate and Maturity in Case of a Loan)	Purchase Price	Selling Price	Cost of Asset	Current Value of Asset on Transaction Date	Net Gain or (Loss)
Category 3 - Series of transactions in excess of 5% of plan assets						
**	Davey Tree Stock Fund	$ 5,390,576	$ —	$ 5,390,576	$ 5,390,576	$ —
**	Davey Tree Stock Fund	$ —	$ 17,307,963	$ 4,969,066	$ 17,307,963	$ 12,338,897

There were no category 1, 2 or 4 reportable transactions during 2018.

Columns for "Lease rental" and "Expense incurred with transaction" are not applicable.

** Transactions made on the market.

The Davey 401KSOP and ESOP

Financial Statements
and Supplemental Schedules

As of December 31, 2018 and 2017

The Davey 401KSOP and ESOP ("Plan")

Audited financial statements and supplemental schedules for the Plan prepared in accordance with the financial reporting requirements of the Employee Retirement Income Security Act of 1974, as amended, are filed herewith in lieu of an audited statement of financial condition and audited statement of income and changes in plan equity.

INDEX TO FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULES

	Page
Independent Auditors' Report	F-1
Financial Statements	
Statement of Net Assets Available for Benefits--December 31, 2018	F-2
Statement of Net Assets Available for Benefits--December 31, 2017	F-3
Statement of Changes in Net Assets Available for Benefits— Year ended December 31, 2018	F-4
Notes to Financial Statements--December 31, 2018	F-5
Supplemental Schedules	
Schedule H, Line 4i--Schedule of Assets (Held at End of Year)— December 31, 2018	F-11
Schedule H, Line 4j--Schedule of Reportable Transactions— December 31, 2018	F-12

Note: All other schedules are omitted as not applicable or not required.

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INDEPENDENT AUDITORS' REPORT

Plan Administrator
The Davey 401KSOP and ESOP
Kent, Ohio

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of **The Davey 401KSOP and ESOP** (the "Plan"), which comprise the statement of net assets available for benefits as of December 31, 2018 and 2017, and the related statement of changes in net assets available for benefits for the year ended December 31, 2018 and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Plan's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2018 and 2017, and the changes in net assets available for benefits for the year ended December 31, 2018, in accordance with accounting principles generally accepted in the United States of America.

Report on Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of assets held at end of year as of December 31, 2018, and reportable transactions for the year then ended, is presented for the purpose of additional analysis and is not a required part of the financial statements but is supplemental information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Mayer Hoffman McCann P.C.

Akron, Ohio
May 15, 2019

The Davey 401KSOP and ESOP
Statement of Net Assets Available for Benefits
December 31, 2018

	Nonparticipant Directed		
	The Davey Tree Expert Company Stock Fund	Participant Directed Investment Funds	Total December 31, 2018
Assets			
Investments, at fair value:			
Common shares, Davey Tree Expert Company	$ 99,192,474	$ 13,568,658	$ 112,761,132
Mutual funds	—	93,305,187	93,305,187
Common collective trust funds	—	21,525,947	21,525,947
Total investments	99,192,474	128,399,792	227,592,266
Receivables:			
The Davey Tree Expert Company contributions	3,835,573	—	3,835,573
Participants' contributions	—	356,675	356,675
Total receivables	3,835,573	356,675	4,192,248
Net assets available for benefits	$ 103,028,047	$ 128,756,467	$ 231,784,514

See notes to financial statements.

The Davey 401KSOP and ESOP
Statement of Net Assets Available for Benefits
December 31, 2017

	Nonparticipant Directed		
	The Davey Tree Expert Company Stock Fund	Participant Directed Investment Funds	Total December 31, 2017
Assets			
Investments, at fair value:			
Common shares, Davey Tree Expert Company	$ 106,969,268	$ 12,707,635	$ 119,676,903
Mutual funds	—	94,300,424	94,300,424
Common collective trust funds	—	22,704,171	22,704,171
Total investments	106,969,268	129,712,230	236,681,498
Receivables:			
The Davey Tree Expert Company contributions	3,661,133	—	3,661,133
Participants' contributions	—	337,025	337,025
Total receivables	3,661,133	337,025	3,998,158
Net assets available for benefits	$ 110,630,401	$ 130,049,255	$ 240,679,656

See notes to financial statements.

The Davey 401KSOP and ESOP
Statement of Changes in Net Assets Available for Benefits
Year ended December 31, 2018

	Nonparticipant Directed		
	The Davey Tree Expert Company Stock Fund	Participant Directed Investment Funds	Total Year Ended December 31, 2018
Additions to net assets attributed to:			
Contributions:			
Participants	$ —	$ 13,132,454	$ 13,132,454
The Davey Tree Expert Company, Common shares	3,835,730	—	3,835,730
Net appreciation (depreciation) in fair value of investments	5,467,065	(2,601,630)	2,865,435
Dividends	513,449	1,778,847	2,292,296
Total additions	9,816,244	12,309,671	22,125,915
Deductions from net assets attributed to:			
Distributions to participants:			
Cash	11,193,516	13,301,359	24,494,875
Common shares	5,934,194	74,356	6,008,550
Administrative expenses	290,888	226,744	517,632
Total deductions	17,418,598	13,602,459	31,021,057
Net decrease	(7,602,354)	(1,292,788)	(8,895,142)
Net assets available for benefits:			
Beginning of year	110,630,401	130,049,255	240,679,656
End of year	$ 103,028,047	$ 128,756,467	$ 231,784,514

See notes to financial statements.

The Davey 401KSOP and ESOP
Notes to Financial Statements
December 31, 2018

A. Description of the Plan

The following description of The Davey 401KSOP and ESOP (the "Plan") provides general information about the Plan's provisions. The Davey Tree Expert Company is the Plan Sponsor (the "Company" and "Sponsor"). Participants should refer to the Plan document for a more complete description of the Plan's provisions, copies of which may be obtained from the Plan Sponsor.

The Plan was established for the benefit of eligible employees as of January 1, 1979 and is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (sometimes referred to as "ERISA").

General--The Plan is a defined contribution plan covering substantially all eligible employees of the Company and each subsidiary of the Company that has adopted the Plan. The eligibility of employees to participate in the Plan is based, in general, on both attaining age 21 and completing one year of continuous service.

The Plan, known for periods prior to January 1, 1997 as The Davey Tree Expert Company Employee Stock Ownership Plan, was last amended and restated effective January 1, 2015. The portion of the Plan consisting of The Davey Tree Expert Company Stock Fund (the "ESOP feature") is an employee stock ownership plan within the meaning of Section 4975(e)(7) of the Internal Revenue Code (the "Code") as a stock bonus plan. The portion of the Plan that is not the ESOP feature is a profit-sharing plan that is intended to qualify under Section 401(a) of the Code and includes a cash or deferred arrangement intended to qualify under Section 401(k) of the Code.

Argent Trust Company ("Argent") serves as trustee for the assets of The Davey Tree Expert Company Stock Fund and Wells Fargo Bank Minnesota, N.A. ("Wells Fargo") serves as trustee for all other assets of the Plan. Wells Fargo provides custodial services, as well as other services, including executing all buy, sell and reinvestment transactions, and collecting and reporting all dividend and interest payments.

Contributions--Participating employees have the option to make elective contributions, subject to the limit allowed by the Code ($18,500 for 2018, excluding catch-up contributions), further limited by other maximum contribution limits established by federal law, and subject to a weekly minimum contribution of 1% of the participant's compensation. Newly eligible employees are automatically enrolled in the Plan at a 1% before-tax savings rate unless they indicate their desire not to make contributions or elect to enroll at a different percentage. Participants may also contribute amounts representing rollover distributions from other qualified plans (403(b) plans, 457 plans, conduit IRAs and other 401K plans). Additionally, participants who are 50 or older by the end of the calendar year are also allowed to make additional "catch-up" contributions on either a pre-tax basis or after-tax basis, up to $6,000 per year. The Plan provides for employer matching contributions of 100% for the first one percent and 50% of the next three percent, limited to the first four percent of the participant's compensation deferred each year.

Participant Accounts--Each participant's account is (a) credited with the participant's contribution and allocations of (i) the Company's contribution and (ii) plan earnings, and (b) charged with an allocation of administrative expenses. Allocations are based on the participant's selected investment mix. A participant is entitled to the benefit that can be provided from the participant's vested account balance.

Vesting--Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the Company's matching contribution plus actual earnings thereon is based on years of continuous service. A participant is 100% vested after three years of continuous service, retirement (at 65 years of age or early retirement), permanent disability or death.

Investment Options--Participants were provided with the following fund options, as of December 31, 2018, and related investment profiles (provided by the fund managers), including directing up to 25% of their total contributions to The Davey Tree Expert Company Stock Fund, subject to standard diversification provisions.

The Davey 401KSOP and ESOP
Notes to Financial Statements
December 31, 2018

A. Description of the Plan (continued)

Vanguard Target Retirement Income Fund--Invests in a diversified portfolio of money market funds, bonds and stocks (with a smaller focus on stocks and bonds). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2015 Fund--Invests in a diversified portfolio of bonds and stocks (with a larger focus on bonds). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2020 Fund--Invests in a diversified portfolio of bonds and stocks (with an equal focus on stocks and bonds). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2025 Fund--Invests in a diversified portfolio of bonds and stocks (with an equal focus on stocks and bonds). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2030 Fund--Invests in a diversified portfolio of bonds and stocks (with a larger focus on stocks). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2035 Fund--Invests in a diversified portfolio of bonds and stocks (with a larger focus on stocks). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2040 Fund--Invests in a diversified portfolio of bonds and stocks (with a larger focus on stocks). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2045 Fund--Invests in a diversified portfolio of bonds and stocks (with a heavy focus on stocks). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2050 Fund--Invests in a diversified portfolio of bonds and stocks (with a heavy focus on stocks). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2055 Fund--Invests in a diversified portfolio of bonds and stocks (with a heavy focus on stocks). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2060 Fund--Invests in a diversified portfolio of bonds and stocks (with a heavy focus on stocks). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2065 Fund--Invests in a diversified portfolio of bonds and stocks (with a heavy focus on stocks). Investments in asset classes consistent with the stated objectives and time horizon.

JPMorgan Large Cap Growth Fund--Invests primarily in equity securities of large well-established companies, with long-term capital growth potential.

American EuroPacific Growth Fund--Invests in common stocks of companies in Europe and the Pacific Basin.

Vanguard Total Stock Market Index Adm Fund--Invests in U.S. common stocks, designed to replicate the performance of the Wilshire 5000 Index.

Metropolitan West Total Return Bond Fund--Invests in investment-grade fixed income securities with long-term growth potential.

T. Rowe Price Small Cap Stock Fund--Invests in stocks of small sized companies with long-term capital growth potential.

The Davey 401KSOP and ESOP
Notes to Financial Statements
December 31, 2018

A. Description of the Plan (continued)

Franklin Mutual Global Discovery Fund--Invests in common and preferred stocks, debt securities and convertible securities of small-sized companies.

Wells Fargo Stable Return Fund F--Invests in high-grade money market instruments.

Wells Fargo Blackrock S&P Midcap Index CIT Fund--Invests in common stocks of mid-sized companies, designed to provide growth of capital and to replicate the performance of the Standard & Poor's Midcap Index.

Wells Fargo Blackrock S&P 500 Index CIT Fund--Invests in a diversified portfolio of common stocks included in the Standard and Poor's 500 Index designed to replicate the performance of the Standard & Poor's 500 Index.

Wells Fargo MFS Value CIT Fund--Invests in a diversified portfolio of large capitalization stocks with long-term growth potential.

The Davey Tree Expert Company Stock Fund--Invests in common shares of The Davey Tree Expert Company (with temporary investments made in a money market fund).

Participants may change their investment options daily.

Payments of Benefits--Participants who terminate may receive distributions of vested benefits either in cash or common shares of the Company based on the participant's specific investments in Plan options. Participants who terminate have one year after termination to receive distributions in cash or common shares but, if that one year lapses, then the participant's investment in the Company Stock Fund will be liquidated and reinvested in other funds. Former participants who receive a distribution of common shares of the Company have two 60-day put option periods in which they may require that the Company purchase those shares at a per share price equal to the value determined by an independent stock valuation firm as of the valuation date immediately preceding the exercise of the put option. Former participants wishing to sell their shares of the Company must offer such shares first to the Plan and then to the Company, although the Plan and the Company are under no obligation to repurchase the shares, other than pursuant to the put option. Should neither the Plan nor the Company desire to purchase the shares, former participants have the right to sell those shares to any other person.

Forfeited Accounts--Forfeited accounts arise from participants whose employment terminates before vesting occurs. However, if a former participant is rehired, in certain instances, forfeited accounts will be restored to the employee's Plan account. Amounts forfeited are used to restore previously forfeited accounts when necessary. Remaining amounts forfeited are used to offset future Company contributions. At December 31, 2018, forfeited accounts totaled $366,374. Forfeited amounts of $124,283 were used to reduce Employer matching contributions in 2018.

Voting Rights--Each participant is entitled to exercise voting rights attributable to the common shares of the Company allocated to his or her account and is notified by the Trustee at least thirty days prior to the time such rights are to be exercised. Participants are requested to instruct the Trustee as to how shares should be voted. If a participant does not provide the Trustee with instructions as to how shares should be voted, then such shares are voted, as provided in the Plan, proportionately in accordance with instructions received from other participants in the Plan.

B. Summary of Significant Accounting Policies

Basis of Financial Statement Presentation--These financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Use of Estimates--The preparation of financial statements in conformity with U.S. GAAP requires Plan management to make estimates and assumptions that affect reported amounts. Actual results could differ from those estimates.

The Davey 401KSOP and ESOP
Notes to Financial Statements
December 31, 2018

B. Summary of Significant Accounting Policies (continued)

Investment Valuation and Income Recognition--The investments of the Plan are reported at fair value.

The change in net unrealized appreciation or (depreciation) on investments is included in the statement of changes in net assets available for benefits. Net appreciation (depreciation) in the fair value of investments includes the realized gain or loss on investments sold and unrealized gains/losses on investments held during the year determined on a revalued cost basis.

Purchases and sales of securities are accounted for on the trade date. Dividend income is accounted for on the ex-dividend date.

Administrative Expenses--The costs of administering the Plan are paid by the Company, except for trustee and recordkeeping fees, Company stock valuation services and audit fees, which are paid by the Plan.

C. Fair Value Measurements

Financial Accounting Standards Board Accounting Standard Codification No. 820, "Fair Value Measurement ("Topic 820")" defines fair value based on the price that would be received to sell an asset or the exit price that would be paid to transfer a liability in an orderly transaction between market participants at the measurement date. Market participants are defined as buyers or sellers in the principal or most advantageous market for the asset or liability that are independent of the reporting entity, knowledgeable and able and willing to transact for the asset or liability.

Valuation Hierarchy--Topic 820 establishes a fair value hierarchy that prioritizes observable and unobservable inputs used to measure fair value. The hierarchy prioritizes the inputs into three broad levels:

Level 1 inputs are quoted prices in active markets for identical assets or liabilities that the entity has the ability to access.

Level 2 inputs are observable inputs other than prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated with observable market data.

Level 3 inputs are unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

Valuation Methodology and Valuation Hierarchy Classification

The following is a description of the valuation methodology used for the investments measured at fair value, including the general classification of the investments within the valuation hierarchy.

The Davey Tree Expert Company Common Stock Fund--The Davey Tree Expert Company Common Stock Fund is comprised of the Company's common shares and a small portion of short-term investments. The Company's common shares are not listed or traded on an established public trading market and market prices are, therefore, not available. Semiannually, for purposes of the Company's 401KSOP, the fair market value of the common shares is determined by an independent stock valuation firm, based upon Company performance and financial condition, using a peer group of comparable companies selected by that firm. The peer group at December 31, 2018 consisted of: ABM Industries Incorporated; Comfort Systems USA, Inc.; Dycom Industries, Inc.; MYR Group, Inc.; Quanta Services, Inc.; Rollins, Inc.; and Scotts Miracle-Gro Company. The semiannual valuations are effective for a period of six months and the per-share price established by those valuations is the price at which the Board of Directors of the Company has determined that the common shares will be bought and sold during that six-month period in transactions involving the

The Davey 401KSOP and ESOP
Notes to Financial Statements
December 31, 2018

C. Fair Value Measurements (continued)

Company or one of its employee benefit or stock purchase plans. Since 1979, the Company has provided a ready market for all shareholders through its direct purchase of their common shares, although the Company is under no obligation to do so (other than for repurchases pursuant to the put option, as described in Note A). The common share value is determined by an independent valuation.

Mutual Funds--Mutual funds are public investment vehicles valued using publicly-available net asset values ("NAV"). The NAV is a quoted price in an active market.

Common Collective Trust Funds--Common collective trust funds are stated at NAV as determined by the issuer of the common collective trust funds, based on the fair value of the underlying investments. The Wells Fargo common collective trust funds have no redemption restrictions within the plan.

The Plan's investments measured at fair value on a recurring basis at December 31, 2018 were as follows:

		Fair Value Measurements at December 31, 2018:		
Investments Recorded at Fair Value on a Recurring Basis	Total Carrying Value at December 31, 2018	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Common shares	$ 112,761,132	$ —	$ 112,761,132	$ —
Mutual funds	93,305,187	93,305,187	—	—
Common collective trust funds measured at net asset value (a)	21,525,947	—	—	—
	$ 227,592,266	$ 93,305,187	$ 112,761,132	$ —

The Plan's investments measured at fair value on a recurring basis at December 31, 2017 were as follows:

		Fair Value Measurements at December 31, 2017:		
Investments Recorded at Fair Value on a Recurring Basis	Total Carrying Value at December 31, 2017	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Common shares	$ 119,676,903	$ —	$ 119,676,903	$ —
Mutual funds	94,300,424	94,300,424	—	—
Common collective trust funds measured at net asset value (a)	22,704,171	—	—	—
	$ 236,681,498	$ 94,300,424	$ 119,676,903	$ —

(a) In accordance with Subtopic 820-10, certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The carrying value amounts presented in these tables are intended to provide reconciliation of the fair value hierarchy to the amounts presented in the Statements of Net Assets Available for Benefits.

The Davey 401KSOP and ESOP
Notes to Financial Statements
December 31, 2018

D. Concentration of Market Risks and Other Uncertainties

The Plan had investments in the common stock of The Davey Tree Expert Company at December 31, 2018 of $112,761,132, approximating 48.6% of net assets, and at December 31, 2017 of $119,676,903, approximating 49.7% of net assets.

The investments in the common stock of The Davey Tree Expert Company are exposed to market risk--the potential economic loss that may result from adverse changes in fair value. Other investments of the Plan are also exposed to various risks, such as market risk, interest risk and credit risk.

Due to the level of risk associated with the common stock of The Davey Tree Expert Company and other investments of the Plan, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

E. Transactions with Party-in-Interest

Certain plan investment choices include funds managed by Wells Fargo Bank Minnesota, N.A., one of the trustees for the Plan, and, therefore, these transactions qualify as party-in-interest transactions, as defined by ERISA. Fees paid to trustees during 2018 totaled $397,217.

F. Termination of the Plan

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants become 100% vested in their accounts, to the extent not already vested.

G. Tax Status of the Plan

The Internal Revenue Service (the "IRS") has determined and informed the Company, in a letter dated September 12, 2016, that the Plan is qualified and the trust established under the Plan is tax-exempt under the appropriate sections of the Code. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. The Plan Sponsor believes that the Plan is operated in compliance with the applicable requirements of the Code and therefore, believes the Plan, is qualified and the related trust is tax exempt.

U.S. GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize tax liabilities in the financial statements if the Plan has taken uncertain tax positions that more-likely-than-not, based solely on technical merits, would not be sustained upon examination by the IRS. Plan management has evaluated the tax positions taken by the Plan, and has concluded that as of December 31, 2018, there are no uncertain tax positions taken or expected to be taken that would require recognition.

The Plan is subject to routine audits by tax jurisdictions for tax years for which the applicable statutes of limitations have not expired. Plan management believes it is no longer subject to income tax examinations for years prior to 2015. Currently, no audits relative to the Plan are in progress.

The Davey 401KSOP and ESOP
EIN: 34-0176110 Plan Number: 004
Schedule H, Line 4i--Schedule of Assets
(Held at End of Year)

December 31, 2018

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment	(d) Cost	(e) Current Value
*	The Davey Tree Expert Company (A)	Common Stock: 5,344,129 shares	$ 30,353,970	$ 112,761,132
	Mutual Funds:			
	Vanguard	Vanguard Target Retirement Income Fund--92,533 shares	**	1,179,798
	Vanguard	Vanguard Target Retirement 2015 Fund--92,454 shares	**	1,281,411
	Vanguard	Vanguard Target Retirement 2020 Fund--305,287 shares	**	8,740,376
	Vanguard	Vanguard Target Retirement 2025 Fund--297,416 shares	**	5,059,038
	Vanguard	Vanguard Target Retirement 2030 Fund--195,079 shares	**	6,012,340
	Vanguard	Vanguard Target Retirement 2035 Fund--307,494 shares	**	5,787,040
	Vanguard	Vanguard Target Retirement 2040 Fund--259,105 shares	**	8,371,681
	Vanguard	Vanguard Target Retirement 2045 Fund--314,675 shares	**	6,359,585
	Vanguard	Vanguard Target Retirement 2050 Fund--141,822 shares	**	4,612,063
	Vanguard	Vanguard Target Retirement 2055 Fund--56,139 shares	**	1,981,721
	Vanguard	Vanguard Target Retirement 2060 Fund--11,300 shares	**	352,232
	Vanguard	Vanguard Target Retirement 2065 Fund--1,044 shares	**	20,469
	JPMorgan	JPMorgan Large Cap Growth Fund--211,930 shares	**	7,220,444
	American	American EuroPacific Growth Fund--31,923 shares	**	1,436,207
	Vanguard	Vanguard Total Stock Market Index Adm Fund--106,121 shares	**	6,589,048
	Metropolitan West	Metropolitan West Total Return Bond Fund--469,063 shares	**	4,587,439
	T. Rowe Price	T. Rowe Price Small Cap Stock Fund--318,039 shares	**	13,128,670
	Franklin Templeton	Franklin Mutual Global Discovery Fund--394,104 shares	**	10,585,625
	Common Collective Trust Funds:			
*	Wells Fargo Bank Minnesota, N.A.	Wells Fargo Stable Return Fund F--659,502 units	7,073,641	7,206,837
*	Wells Fargo Bank Minnesota, N.A.	Wells Fargo Blackrock S&P Midcap Index CIT Fund--171,482 units	3,477,841	3,195,124
*	Wells Fargo Bank Minnesota, N.A.	Wells Fargo Blackrock S&P 500 Index CIT Fund--425,090 units	8,817,017	8,726,171
*	Wells Fargo Bank Minnesota, N.A.	Wells Fargo MFS Value CIT Fund--116,822 units	2,562,186	2,397,815
		Investments at Fair Value		$ 227,592,266

* A party-in-interest as defined by ERISA

** Cost information is not required for participant-directed investments

(A) Nonparticipant and participant directed

The Davey 401KSOP and ESOP
EIN: 34-0176110 Plan Number: 004
Schedule H, Line 4j--Schedule of Reportable Transactions

December 31, 2018

Identity of Party Involved	Description of Asset (Include Interest Rate and Maturity in Case of a Loan)	Purchase Price	Selling Price	Cost of Asset	Current Value of Asset on Transaction Date	Net Gain or (Loss)
Category 3 - Series of transactions in excess of 5% of plan assets						
**	Davey Tree Stock Fund	$ 5,390,576	$ —	$ 5,390,576	$ 5,390,576	$ —
**	Davey Tree Stock Fund	$ —	$ 17,307,963	$ 4,969,066	$ 17,307,963	$ 12,338,897

There were no category 1, 2 or 4 reportable transactions during 2018.

Columns for "Lease rental" and "Expense incurred with transaction" are not applicable.

** Transactions made on the market.

The Davey 401KSOP and ESOP

Financial Statements
and Supplemental Schedules

As of December 31, 2018 and 2017

The Davey 401KSOP and ESOP ("Plan")

Audited financial statements and supplemental schedules for the Plan prepared in accordance with the financial reporting requirements of the Employee Retirement Income Security Act of 1974, as amended, are filed herewith in lieu of an audited statement of financial condition and audited statement of income and changes in plan equity.

INDEX TO FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULES

	Page
Independent Auditors' Report	F-1
Financial Statements	
Statement of Net Assets Available for Benefits--December 31, 2018	F-2
Statement of Net Assets Available for Benefits--December 31, 2017	F-3
Statement of Changes in Net Assets Available for Benefits— Year ended December 31, 2018	F-4
Notes to Financial Statements--December 31, 2018	F-5
Supplemental Schedules	
Schedule H, Line 4i--Schedule of Assets (Held at End of Year)— December 31, 2018	F-11
Schedule H, Line 4j--Schedule of Reportable Transactions— December 31, 2018	F-12

Note: All other schedules are omitted as not applicable or not required.

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INDEPENDENT AUDITORS' REPORT

Plan Administrator
The Davey 401KSOP and ESOP
Kent, Ohio

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of **The Davey 401KSOP and ESOP** (the "Plan"), which comprise the statement of net assets available for benefits as of December 31, 2018 and 2017, and the related statement of changes in net assets available for benefits for the year ended December 31, 2018 and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Plan's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2018 and 2017, and the changes in net assets available for benefits for the year ended December 31, 2018, in accordance with accounting principles generally accepted in the United States of America.

Report on Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of assets held at end of year as of December 31, 2018, and reportable transactions for the year then ended, is presented for the purpose of additional analysis and is not a required part of the financial statements but is supplemental information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Mayer Hoffman McCann P.C.

Akron, Ohio
May 15, 2019

The Davey 401KSOP and ESOP
Statement of Net Assets Available for Benefits
December 31, 2018

	Nonparticipant Directed		
	The Davey Tree Expert Company Stock Fund	Participant Directed Investment Funds	Total December 31, 2018
Assets			
Investments, at fair value:			
Common shares, Davey Tree Expert Company	$ 99,192,474	$ 13,568,658	$ 112,761,132
Mutual funds	—	93,305,187	93,305,187
Common collective trust funds	—	21,525,947	21,525,947
Total investments	99,192,474	128,399,792	227,592,266
Receivables:			
The Davey Tree Expert Company contributions	3,835,573	—	3,835,573
Participants' contributions	—	356,675	356,675
Total receivables	3,835,573	356,675	4,192,248
Net assets available for benefits	$ 103,028,047	$ 128,756,467	$ 231,784,514

See notes to financial statements.

The Davey 401KSOP and ESOP
Statement of Net Assets Available for Benefits
December 31, 2017

	Nonparticipant Directed		
	The Davey Tree Expert Company Stock Fund	Participant Directed Investment Funds	Total December 31, 2017
Assets			
Investments, at fair value:			
Common shares, Davey Tree Expert Company	$ 106,969,268	$ 12,707,635	$ 119,676,903
Mutual funds	—	94,300,424	94,300,424
Common collective trust funds	—	22,704,171	22,704,171
Total investments	106,969,268	129,712,230	236,681,498
Receivables:			
The Davey Tree Expert Company contributions	3,661,133	—	3,661,133
Participants' contributions	—	337,025	337,025
Total receivables	3,661,133	337,025	3,998,158
Net assets available for benefits	$ 110,630,401	$ 130,049,255	$ 240,679,656

See notes to financial statements.

The Davey 401KSOP and ESOP
Statement of Changes in Net Assets Available for Benefits
Year ended December 31, 2018

	Nonparticipant Directed		
	The Davey Tree Expert Company Stock Fund	Participant Directed Investment Funds	Total Year Ended December 31, 2018
Additions to net assets attributed to:			
Contributions:			
Participants	$ —	$ 13,132,454	$ 13,132,454
The Davey Tree Expert Company, Common shares	3,835,730	—	3,835,730
Net appreciation (depreciation) in fair value of investments	5,467,065	(2,601,630)	2,865,435
Dividends	513,449	1,778,847	2,292,296
Total additions	9,816,244	12,309,671	22,125,915
Deductions from net assets attributed to:			
Distributions to participants:			
Cash	11,193,516	13,301,359	24,494,875
Common shares	5,934,194	74,356	6,008,550
Administrative expenses	290,888	226,744	517,632
Total deductions	17,418,598	13,602,459	31,021,057
Net decrease	(7,602,354)	(1,292,788)	(8,895,142)
Net assets available for benefits:			
Beginning of year	110,630,401	130,049,255	240,679,656
End of year	$ 103,028,047	$ 128,756,467	$ 231,784,514

See notes to financial statements.

The Davey 401KSOP and ESOP
Notes to Financial Statements
December 31, 2018

A. Description of the Plan

The following description of The Davey 401KSOP and ESOP (the "Plan") provides general information about the Plan's provisions. The Davey Tree Expert Company is the Plan Sponsor (the "Company" and "Sponsor"). Participants should refer to the Plan document for a more complete description of the Plan's provisions, copies of which may be obtained from the Plan Sponsor.

The Plan was established for the benefit of eligible employees as of January 1, 1979 and is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (sometimes referred to as "ERISA").

General--The Plan is a defined contribution plan covering substantially all eligible employees of the Company and each subsidiary of the Company that has adopted the Plan. The eligibility of employees to participate in the Plan is based, in general, on both attaining age 21 and completing one year of continuous service.

The Plan, known for periods prior to January 1, 1997 as The Davey Tree Expert Company Employee Stock Ownership Plan, was last amended and restated effective January 1, 2015. The portion of the Plan consisting of The Davey Tree Expert Company Stock Fund (the "ESOP feature") is an employee stock ownership plan within the meaning of Section 4975(e)(7) of the Internal Revenue Code (the "Code") as a stock bonus plan. The portion of the Plan that is not the ESOP feature is a profit-sharing plan that is intended to qualify under Section 401(a) of the Code and includes a cash or deferred arrangement intended to qualify under Section 401(k) of the Code.

Argent Trust Company ("Argent") serves as trustee for the assets of The Davey Tree Expert Company Stock Fund and Wells Fargo Bank Minnesota, N.A. ("Wells Fargo") serves as trustee for all other assets of the Plan. Wells Fargo provides custodial services, as well as other services, including executing all buy, sell and reinvestment transactions, and collecting and reporting all dividend and interest payments.

Contributions--Participating employees have the option to make elective contributions, subject to the limit allowed by the Code ($18,500 for 2018, excluding catch-up contributions), further limited by other maximum contribution limits established by federal law, and subject to a weekly minimum contribution of 1% of the participant's compensation. Newly eligible employees are automatically enrolled in the Plan at a 1% before-tax savings rate unless they indicate their desire not to make contributions or elect to enroll at a different percentage. Participants may also contribute amounts representing rollover distributions from other qualified plans (403(b) plans, 457 plans, conduit IRAs and other 401K plans). Additionally, participants who are 50 or older by the end of the calendar year are also allowed to make additional "catch-up" contributions on either a pre-tax basis or after-tax basis, up to $6,000 per year. The Plan provides for employer matching contributions of 100% for the first one percent and 50% of the next three percent, limited to the first four percent of the participant's compensation deferred each year.

Participant Accounts--Each participant's account is (a) credited with the participant's contribution and allocations of (i) the Company's contribution and (ii) plan earnings, and (b) charged with an allocation of administrative expenses. Allocations are based on the participant's selected investment mix. A participant is entitled to the benefit that can be provided from the participant's vested account balance.

Vesting--Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the Company's matching contribution plus actual earnings thereon is based on years of continuous service. A participant is 100% vested after three years of continuous service, retirement (at 65 years of age or early retirement), permanent disability or death.

Investment Options--Participants were provided with the following fund options, as of December 31, 2018, and related investment profiles (provided by the fund managers), including directing up to 25% of their total contributions to The Davey Tree Expert Company Stock Fund, subject to standard diversification provisions.

The Davey 401KSOP and ESOP
Notes to Financial Statements
December 31, 2018

A. Description of the Plan (continued)

Vanguard Target Retirement Income Fund--Invests in a diversified portfolio of money market funds, bonds and stocks (with a smaller focus on stocks and bonds). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2015 Fund--Invests in a diversified portfolio of bonds and stocks (with a larger focus on bonds). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2020 Fund--Invests in a diversified portfolio of bonds and stocks (with an equal focus on stocks and bonds). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2025 Fund--Invests in a diversified portfolio of bonds and stocks (with an equal focus on stocks and bonds). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2030 Fund--Invests in a diversified portfolio of bonds and stocks (with a larger focus on stocks). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2035 Fund--Invests in a diversified portfolio of bonds and stocks (with a larger focus on stocks). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2040 Fund--Invests in a diversified portfolio of bonds and stocks (with a larger focus on stocks). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2045 Fund--Invests in a diversified portfolio of bonds and stocks (with a heavy focus on stocks). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2050 Fund--Invests in a diversified portfolio of bonds and stocks (with a heavy focus on stocks). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2055 Fund--Invests in a diversified portfolio of bonds and stocks (with a heavy focus on stocks). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2060 Fund--Invests in a diversified portfolio of bonds and stocks (with a heavy focus on stocks). Investments in asset classes consistent with the stated objectives and time horizon.

Vanguard Target Retirement 2065 Fund--Invests in a diversified portfolio of bonds and stocks (with a heavy focus on stocks). Investments in asset classes consistent with the stated objectives and time horizon.

JPMorgan Large Cap Growth Fund--Invests primarily in equity securities of large well-established companies, with long-term capital growth potential.

American EuroPacific Growth Fund--Invests in common stocks of companies in Europe and the Pacific Basin.

Vanguard Total Stock Market Index Adm Fund--Invests in U.S. common stocks, designed to replicate the performance of the Wilshire 5000 Index.

Metropolitan West Total Return Bond Fund--Invests in investment-grade fixed income securities with long-term growth potential.

T. Rowe Price Small Cap Stock Fund--Invests in stocks of small sized companies with long-term capital growth potential.

The Davey 401KSOP and ESOP
Notes to Financial Statements
December 31, 2018

A. Description of the Plan (continued)

Franklin Mutual Global Discovery Fund--Invests in common and preferred stocks, debt securities and convertible securities of small-sized companies.

Wells Fargo Stable Return Fund F--Invests in high-grade money market instruments.

Wells Fargo Blackrock S&P Midcap Index CIT Fund--Invests in common stocks of mid-sized companies, designed to provide growth of capital and to replicate the performance of the Standard & Poor's Midcap Index.

Wells Fargo Blackrock S&P 500 Index CIT Fund--Invests in a diversified portfolio of common stocks included in the Standard and Poor's 500 Index designed to replicate the performance of the Standard & Poor's 500 Index.

Wells Fargo MFS Value CIT Fund--Invests in a diversified portfolio of large capitalization stocks with long-term growth potential.

The Davey Tree Expert Company Stock Fund--Invests in common shares of The Davey Tree Expert Company (with temporary investments made in a money market fund).

Participants may change their investment options daily.

Payments of Benefits--Participants who terminate may receive distributions of vested benefits either in cash or common shares of the Company based on the participant's specific investments in Plan options. Participants who terminate have one year after termination to receive distributions in cash or common shares but, if that one year lapses, then the participant's investment in the Company Stock Fund will be liquidated and reinvested in other funds. Former participants who receive a distribution of common shares of the Company have two 60-day put option periods in which they may require that the Company purchase those shares at a per share price equal to the value determined by an independent stock valuation firm as of the valuation date immediately preceding the exercise of the put option. Former participants wishing to sell their shares of the Company must offer such shares first to the Plan and then to the Company, although the Plan and the Company are under no obligation to repurchase the shares, other than pursuant to the put option. Should neither the Plan nor the Company desire to purchase the shares, former participants have the right to sell those shares to any other person.

Forfeited Accounts--Forfeited accounts arise from participants whose employment terminates before vesting occurs. However, if a former participant is rehired, in certain instances, forfeited accounts will be restored to the employee's Plan account. Amounts forfeited are used to restore previously forfeited accounts when necessary. Remaining amounts forfeited are used to offset future Company contributions. At December 31, 2018, forfeited accounts totaled $366,374. Forfeited amounts of $124,283 were used to reduce Employer matching contributions in 2018.

Voting Rights--Each participant is entitled to exercise voting rights attributable to the common shares of the Company allocated to his or her account and is notified by the Trustee at least thirty days prior to the time such rights are to be exercised. Participants are requested to instruct the Trustee as to how shares should be voted. If a participant does not provide the Trustee with instructions as to how shares should be voted, then such shares are voted, as provided in the Plan, proportionately in accordance with instructions received from other participants in the Plan.

B. Summary of Significant Accounting Policies

Basis of Financial Statement Presentation--These financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Use of Estimates--The preparation of financial statements in conformity with U.S. GAAP requires Plan management to make estimates and assumptions that affect reported amounts. Actual results could differ from those estimates.

The Davey 401KSOP and ESOP
Notes to Financial Statements
December 31, 2018

B. Summary of Significant Accounting Policies (continued)

Investment Valuation and Income Recognition--The investments of the Plan are reported at fair value.

The change in net unrealized appreciation or (depreciation) on investments is included in the statement of changes in net assets available for benefits. Net appreciation (depreciation) in the fair value of investments includes the realized gain or loss on investments sold and unrealized gains/losses on investments held during the year determined on a revalued cost basis.

Purchases and sales of securities are accounted for on the trade date. Dividend income is accounted for on the ex-dividend date.

Administrative Expenses--The costs of administering the Plan are paid by the Company, except for trustee and recordkeeping fees, Company stock valuation services and audit fees, which are paid by the Plan.

C. Fair Value Measurements

Financial Accounting Standards Board Accounting Standard Codification No. 820, "Fair Value Measurement ("Topic 820")" defines fair value based on the price that would be received to sell an asset or the exit price that would be paid to transfer a liability in an orderly transaction between market participants at the measurement date. Market participants are defined as buyers or sellers in the principal or most advantageous market for the asset or liability that are independent of the reporting entity, knowledgeable and able and willing to transact for the asset or liability.

Valuation Hierarchy--Topic 820 establishes a fair value hierarchy that prioritizes observable and unobservable inputs used to measure fair value. The hierarchy prioritizes the inputs into three broad levels:

Level 1 inputs are quoted prices in active markets for identical assets or liabilities that the entity has the ability to access.

Level 2 inputs are observable inputs other than prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated with observable market data.

Level 3 inputs are unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

Valuation Methodology and Valuation Hierarchy Classification

The following is a description of the valuation methodology used for the investments measured at fair value, including the general classification of the investments within the valuation hierarchy.

The Davey Tree Expert Company Common Stock Fund--The Davey Tree Expert Company Common Stock Fund is comprised of the Company's common shares and a small portion of short-term investments. The Company's common shares are not listed or traded on an established public trading market and market prices are, therefore, not available. Semiannually, for purposes of the Company's 401KSOP, the fair market value of the common shares is determined by an independent stock valuation firm, based upon Company performance and financial condition, using a peer group of comparable companies selected by that firm. The peer group at December 31, 2018 consisted of: ABM Industries Incorporated; Comfort Systems USA, Inc.; Dycom Industries, Inc.; MYR Group, Inc.; Quanta Services, Inc.; Rollins, Inc.; and Scotts Miracle-Gro Company. The semiannual valuations are effective for a period of six months and the per-share price established by those valuations is the price at which the Board of Directors of the Company has determined that the common shares will be bought and sold during that six-month period in transactions involving the

The Davey 401KSOP and ESOP
Notes to Financial Statements
December 31, 2018

C. Fair Value Measurements (continued)

Company or one of its employee benefit or stock purchase plans. Since 1979, the Company has provided a ready market for all shareholders through its direct purchase of their common shares, although the Company is under no obligation to do so (other than for repurchases pursuant to the put option, as described in Note A). The common share value is determined by an independent valuation.

Mutual Funds--Mutual funds are public investment vehicles valued using publicly-available net asset values ("NAV"). The NAV is a quoted price in an active market.

Common Collective Trust Funds--Common collective trust funds are stated at NAV as determined by the issuer of the common collective trust funds, based on the fair value of the underlying investments. The Wells Fargo common collective trust funds have no redemption restrictions within the plan.

The Plan's investments measured at fair value on a recurring basis at December 31, 2018 were as follows:

		Fair Value Measurements at December 31, 2018:		
Investments Recorded at Fair Value on a Recurring Basis	Total Carrying Value at December 31, 2018	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Common shares	$ 112,761,132	$ —	$ 112,761,132	$ —
Mutual funds	93,305,187	93,305,187	—	—
Common collective trust funds measured at net asset value (a)	21,525,947	—	—	—
	$ 227,592,266	$ 93,305,187	$ 112,761,132	$ —

The Plan's investments measured at fair value on a recurring basis at December 31, 2017 were as follows:

		Fair Value Measurements at December 31, 2017:		
Investments Recorded at Fair Value on a Recurring Basis	Total Carrying Value at December 31, 2017	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Common shares	$ 119,676,903	$ —	$ 119,676,903	$ —
Mutual funds	94,300,424	94,300,424	—	—
Common collective trust funds measured at net asset value (a)	22,704,171	—	—	—
	$ 236,681,498	$ 94,300,424	$ 119,676,903	$ —

(a) In accordance with Subtopic 820-10, certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The carrying value amounts presented in these tables are intended to provide reconciliation of the fair value hierarchy to the amounts presented in the Statements of Net Assets Available for Benefits.

The Davey 401KSOP and ESOP
Notes to Financial Statements
December 31, 2018

D. Concentration of Market Risks and Other Uncertainties

The Plan had investments in the common stock of The Davey Tree Expert Company at December 31, 2018 of $112,761,132, approximating 48.6% of net assets, and at December 31, 2017 of $119,676,903, approximating 49.7% of net assets.

The investments in the common stock of The Davey Tree Expert Company are exposed to market risk--the potential economic loss that may result from adverse changes in fair value. Other investments of the Plan are also exposed to various risks, such as market risk, interest risk and credit risk.

Due to the level of risk associated with the common stock of The Davey Tree Expert Company and other investments of the Plan, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

E. Transactions with Party-in-Interest

Certain plan investment choices include funds managed by Wells Fargo Bank Minnesota, N.A., one of the trustees for the Plan, and, therefore, these transactions qualify as party-in-interest transactions, as defined by ERISA. Fees paid to trustees during 2018 totaled $397,217.

F. Termination of the Plan

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants become 100% vested in their accounts, to the extent not already vested.

G. Tax Status of the Plan

The Internal Revenue Service (the "IRS") has determined and informed the Company, in a letter dated September 12, 2016, that the Plan is qualified and the trust established under the Plan is tax-exempt under the appropriate sections of the Code. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. The Plan Sponsor believes that the Plan is operated in compliance with the applicable requirements of the Code and therefore, believes the Plan, is qualified and the related trust is tax exempt.

U.S. GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize tax liabilities in the financial statements if the Plan has taken uncertain tax positions that more-likely-than-not, based solely on technical merits, would not be sustained upon examination by the IRS. Plan management has evaluated the tax positions taken by the Plan, and has concluded that as of December 31, 2018, there are no uncertain tax positions taken or expected to be taken that would require recognition.

The Plan is subject to routine audits by tax jurisdictions for tax years for which the applicable statutes of limitations have not expired. Plan management believes it is no longer subject to income tax examinations for years prior to 2015. Currently, no audits relative to the Plan are in progress.

The Davey 401KSOP and ESOP
EIN: 34-0176110 Plan Number: 004
Schedule H, Line 4i--Schedule of Assets
(Held at End of Year)

December 31, 2018

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment	(d) Cost	(e) Current Value
*	The Davey Tree Expert Company (A)	Common Stock: 5,344,129 shares	$ 30,353,970	$ 112,761,132
	Mutual Funds:			
	Vanguard	Vanguard Target Retirement Income Fund--92,533 shares	**	1,179,798
	Vanguard	Vanguard Target Retirement 2015 Fund--92,454 shares	**	1,281,411
	Vanguard	Vanguard Target Retirement 2020 Fund--305,287 shares	**	8,740,376
	Vanguard	Vanguard Target Retirement 2025 Fund--297,416 shares	**	5,059,038
	Vanguard	Vanguard Target Retirement 2030 Fund--195,079 shares	**	6,012,340
	Vanguard	Vanguard Target Retirement 2035 Fund--307,494 shares	**	5,787,040
	Vanguard	Vanguard Target Retirement 2040 Fund--259,105 shares	**	8,371,681
	Vanguard	Vanguard Target Retirement 2045 Fund--314,675 shares	**	6,359,585
	Vanguard	Vanguard Target Retirement 2050 Fund--141,822 shares	**	4,612,063
	Vanguard	Vanguard Target Retirement 2055 Fund--56,139 shares	**	1,981,721
	Vanguard	Vanguard Target Retirement 2060 Fund--11,300 shares	**	352,232
	Vanguard	Vanguard Target Retirement 2065 Fund--1,044 shares	**	20,469
	JPMorgan	JPMorgan Large Cap Growth Fund--211,930 shares	**	7,220,444
	American	American EuroPacific Growth Fund--31,923 shares	**	1,436,207
	Vanguard	Vanguard Total Stock Market Index Adm Fund--106,121 shares	**	6,589,048
	Metropolitan West	Metropolitan West Total Return Bond Fund--469,063 shares	**	4,587,439
	T. Rowe Price	T. Rowe Price Small Cap Stock Fund--318,039 shares	**	13,128,670
	Franklin Templeton	Franklin Mutual Global Discovery Fund--394,104 shares	**	10,585,625
	Common Collective Trust Funds:			
*	Wells Fargo Bank Minnesota, N.A.	Wells Fargo Stable Return Fund F--659,502 units	7,073,641	7,206,837
*	Wells Fargo Bank Minnesota, N.A.	Wells Fargo Blackrock S&P Midcap Index CIT Fund--171,482 units	3,477,841	3,195,124
*	Wells Fargo Bank Minnesota, N.A.	Wells Fargo Blackrock S&P 500 Index CIT Fund--425,090 units	8,817,017	8,726,171
*	Wells Fargo Bank Minnesota, N.A.	Wells Fargo MFS Value CIT Fund--116,822 units	2,562,186	2,397,815
		Investments at Fair Value		$ 227,592,266

* A party-in-interest as defined by ERISA

** Cost information is not required for participant-directed investments

(A) Nonparticipant and participant directed

The Davey 401KSOP and ESOP
EIN: 34-0176110 Plan Number: 004
Schedule H, Line 4j--Schedule of Reportable Transactions

December 31, 2018

Identity of Party Involved	Description of Asset (Include Interest Rate and Maturity in Case of a Loan)	Purchase Price	Selling Price	Cost of Asset	Current Value of Asset on Transaction Date	Net Gain or (Loss)
Category 3 - Series of transactions in excess of 5% of plan assets						
**	Davey Tree Stock Fund	$ 5,390,576	$ —	$ 5,390,576	$ 5,390,576	$ —
**	Davey Tree Stock Fund	$ —	$ 17,307,963	$ 4,969,066	$ 17,307,963	$ 12,338,897

There were no category 1, 2 or 4 reportable transactions during 2018.

Columns for "Lease rental" and "Expense incurred with transaction" are not applicable.

** Transactions made on the market.