ABM INDUSTRIES INC /DE/
Form DEF 14A
February 04, 2014

Use these links to rapidly review the document
Table of Contents

Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant ý

Filed by a Party other than the Registrant o

Check the appropriate box:

o Preliminary Proxy Statement

o **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

ý Definitive Proxy Statement

o Definitive Additional Materials

o Soliciting Material under Rule 14a-12

ABM Industries Incorporated

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

ý No fee required.

o Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

o Fee paid previously with preliminary materials.

o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Table of Contents

551 Fifth Avenue, Suite 300
New York, New York 10176

February 4, 2014

Dear Fellow Shareholders:

You are cordially invited to attend the 2014 Annual Meeting of Shareholders of ABM Industries Incorporated at Hotel Sofitel New York, 45 West 44th Street, New York, New York 10036, on Wednesday, March 5, 2014, at 10:00 a.m. The Notice of Meeting and Proxy Statement and accompanying proxy card describe in detail the matters to be acted upon at the meeting.

Whether or not you plan to attend the meeting in person, please take the time to vote on the Internet, by telephone or by mailing your proxy card. As explained in the Proxy Statement, you may revoke your proxy at any time before it is actually voted at the meeting.

Only shareholders of record at the close of business on January 15, 2014 will be entitled to vote at the meeting and any adjournments thereof. A list of shareholders on that date will be available for inspection by any shareholder for ten days prior to the meeting during normal business hours at ABM's corporate headquarters located at 551 Fifth Avenue, Suite 300, New York, New York 10176. You may make an appointment to review the list of shareholders by contacting ABM at (212) 297-0200.

If you plan to attend the meeting in person and vote at the meeting, please remember to bring a form of personal identification with you. If you are acting as a proxy for another shareholder, please bring appropriate documentation from the record owner for whom you are acting as a proxy. If you will need any special assistance at the meeting, please contact ABM at (212) 297-0200 prior to the meeting.

We look forward to seeing you at the meeting.

Maryellen C. Herringer
Chairman of the Board of Directors

Henrik C. Slipsager
President and Chief Executive Officer

Table of Contents

551 Fifth Avenue, Suite 300
New York, New York 10176

2014 ANNUAL MEETING OF SHAREHOLDERS
WEDNESDAY, MARCH 5, 2014
10:00 A.M.
NOTICE OF MEETING AND PROXY STATEMENT

YOUR VOTE IS IMPORTANT

ABM Industries Incorporated (ABM or the Company) will hold its 2014 Annual Meeting of Shareholders at Hotel Sofitel New York, 45 West 44th Street, New York, New York 10036, on Wednesday, March 5, 2014, at 10:00 a.m. The items of business at the annual meeting are:

Item One: Election of three directors to serve three-year terms until the 2017 Annual Meeting and until their successors are duly elected and qualified. The Board recommends a vote **FOR** each of the nominees.

Item Two: Ratification of the selection of KPMG LLP as ABM's independent registered public accounting firm for the current year. The Board recommends a vote **FOR** this proposal.

Item Three: Advisory vote to approve executive compensation. The Board recommends a vote **FOR** this proposal.

Item Four: Approval of an amendment of the 2004 Employee Stock Purchase Plan. The Board recommends a vote of **FOR** this proposal.

Item Five: Transact such other business as may properly come before the meeting.

If you are a shareholder of record, you may vote in any one of four ways: in person by attending the Annual Meeting, by Internet, by telephone or by mail using the enclosed proxy card. Specific voting information is included under the caption "Voting Procedures." Only shareholders of record at the close of business on January 15, 2014, are entitled to vote. On that day 55,788,765 shares of ABM common stock were outstanding. Each share entitles the holder to one vote.

The ABM Board of Directors asks you to vote in favor of the director nominees, for the ratification of KPMG LLP as ABM's independent registered public accounting firm, for the approval, on an advisory basis, of the compensation of our executive officers and for approval of an amendment of the 2004 Employee Stock Purchase Plan. This Proxy Statement provides you with detailed information about each of these matters. We encourage you to read this Proxy Statement carefully. In addition, you may obtain information about ABM from our Annual Report on Form 10-K for the fiscal year ended October 31, 2013, and from the ABM 2013 Annual Report to Shareholders, as well as from additional documents that we have filed with the Securities and Exchange Commission that are available on ABM's website at www.abm.com.

Table of Contents

This Notice and Proxy Statement are dated February 4, 2014, and were first mailed, together with a proxy card, to shareholders on or about February 4, 2014.

Shareholders may obtain free of charge a copy of our latest annual report (without exhibits) as filed with the SEC by writing to: Investor Relations, ABM Industries Incorporated, Corporate Headquarters, 551 Fifth Avenue, Suite 300, New York, New York 10176 or calling (212) 297-0200. In addition, all of our public filings, including our Annual Report on Form 10-K, can be found free of charge on the SEC's website at www.sec.gov.

Important Notice Regarding the Availability of Proxy Materials for the Shareholder Meeting to Be Held on March 5, 2014

The Proxy Statement, Annual Report on Form 10-K for the fiscal year ended October 31, 2013 and ABM 2013 Annual Report to Shareholders and the means to vote by Internet are available at www.proxyvote.com.

Instead of receiving paper copies of future annual reports and proxy statements in the mail, you can elect to receive an e-mail that will provide an electronic link to these documents. Choosing to receive your proxy materials online will save us the cost of producing and mailing documents to you as well as conserve natural resources. With electronic delivery, we will notify you by e-mail as soon as the annual report and proxy statement are available on the Internet, and you can easily submit your shareholder vote online. If you are a shareholder of record, you may enroll in the electronic delivery service at the time you vote by marking the appropriate box on your proxy card, or by selecting electronic delivery if you vote on the Internet, and following the enrollment instructions. If you are a beneficial holder, you may also have the opportunity to receive annual meeting materials electronically. Please check the information provided in the proxy materials mailed to you by your brokerage firm, bank or trustee.

You may contact ABM at (212) 297-0200 to obtain directions to the site of the Annual Meeting.

Table of Contents

Table of Contents

Table of Contents

Proxy Statement Summary

This summary highlights information contained elsewhere in this proxy statement. You should read the entire proxy statement carefully before voting.

Annual Meeting of Shareholders

Time and Date:	10:00 a.m. Eastern Time, March 5, 2014
Place:	Hotel Sofitel New York 45 West 44th Street New York, New York 10036
Record Date:	January 15, 2014
Voting:	Shareholders

Meeting Agenda

- Election of three directors
- Ratification of the selection of KPMG LLP as ABM's independent registered public accounting firm for fiscal year 2014
- Non-binding advisory vote to approve executive compensation
- Approval of an amendment of the 2004 Employee Stock Purchase Plan
- Transact any other business that may properly come before the meeting

Voting Matters

Board Proposals	Board Vote Recommendation	Page Reference (for more detail)
Election of Directors	FOR EACH DIRECTOR NOMINEE	6
Ratification of the selection of KPMG LLP as our independent registered public accounting firm for fiscal year 2014	FOR	59
Non-binding advisory vote to approve executive compensation	FOR	60
Approval of an amendment of the 2004 Employee Stock Purchase Plan	FOR	60

Board Nominees

The following table provides summary information about each director who is nominated for election. Each director nominee will serve a three-year term expiring at the 2017 Annual Meeting of Shareholders.

Name	Age	Director Since	Occupation	Independent	Committee Assignments
Anthony G. Fernandes	68	2007	Former Chairman, CEO	X	Audit (Chair)
Maryellen C. Herringer	70	1993	Attorney at Law	X	Compensation
Stephen M. Kadenacy	45	2013	Chief Financial Officer	X	Audit

Table of Contents

VOTING PROCEDURES AND ANNUAL MEETING ATTENDANCE

Who may vote and how many votes do I have?

Shareholders of record at the close of business on the record date, January 15, 2014, may vote. On that date, there were 55,788,765 outstanding shares of ABM common stock.

All of the shares of ABM's common stock are entitled to vote at the meeting. Shareholders of record will have one vote for each share they hold.

How many votes must be present to hold the annual meeting?

A majority of the votes that may be cast (at least 27,894,383 votes), present in person or represented by proxy, is needed to hold the 2014 Annual Meeting. If you properly vote on any proposal, your shares will be included in the number of shares to establish a quorum for the annual meeting. Shares represented by proxy cards marked "*abstain*" or returned without voting instructions will be counted as present for the purpose of determining whether the quorum for the annual meeting is satisfied. In addition, if you hold shares through a bank or brokerage account, your shares will be counted as present for the purpose of determining whether the quorum for the annual meeting is satisfied, even if you do not provide voting instructions to your bank or brokerage firm. However, neither these shares nor any abstentions will count in the voting results.

We urge you to vote by proxy even if you plan to attend the meeting. That will help us to know as soon as possible that we have enough votes to hold the meeting. Returning your proxy card will not affect your right to revoke your proxy or to attend the 2014 Annual Meeting and vote in person.

How do I vote my shares?

You may vote at the annual meeting by proxy or in person.

If you are a "*holder of record*" (that is, if your shares are registered in your own name with our transfer agent), you have several options. You may vote by telephone, on the Internet or by attending the meeting and voting in person. In addition, you may vote by mail using the enclosed proxy card.

If you hold your shares in "*street name*" (that is, if you hold your shares through a broker, bank or other holder of record), you received this proxy statement and voting instruction card from your broker, bank or other holder of record. The voting instruction card explains which voting options are available to you. As the beneficial owner of shares held in street name, you have the right to direct your bank or broker how to vote your shares, and it is required to vote your shares in accordance with your instructions. If you do not give instructions to your bank or brokerage firm, it will nevertheless be entitled to vote your shares with respect to "routine" items, but it will not be permitted to vote your shares with respect to "non-routine" items. In the case of a non-routine item, your shares will be considered "broker non-votes" on that proposal. If you want to vote in person at the annual meeting, you must obtain a power of attorney or proxy from your broker, bank or other holder or record authorizing you to vote. You must bring this power of attorney or proxy to the meeting.

How do I attend the annual meeting?

All shareholders as of the record date, January 15, 2014, or their proxy holders, are welcome to attend the annual meeting. If you are voting by mail, by telephone or via the Internet, but still wish to attend the meeting, follow the instructions on your proxy card or via the Internet (www.proxyvote.com) to tell us that you plan to attend. When you arrive at the meeting, please look for the "Shareholders' Welcome Desk," where you will be asked for photo identification in order to receive your admittance card.

If you hold your shares in street name and you decide to attend, you must bring to the meeting a copy of your bank or brokerage statement evidencing your ownership of ABM Industries Incorporated common stock as of the record date. Please go to the "Shareholders' Welcome Desk" and provide the bank or brokerage statement, as well as your photo identification, in order to obtain an admittance card.

Table of Contents

What happens if the annual meeting is postponed or adjourned?

Your proxy will still be valid and may be voted at the postponed or adjourned meeting. You will still be able to change or revoke your proxy until it is voted.

Can I change or revoke my proxy?

Yes, you may change your vote or revoke your proxy at any time at or before the annual meeting. If you are a holder of record, you may change your vote or revoke your proxy through any of the following means:

- by casting a new vote by telephone or the Internet prior to the annual meeting, or by properly completing and signing another proxy card with a later date and returning the proxy card prior to the annual meeting;
- giving written revocation to our Corporate Secretary prior to the annual meeting directed to the address on page 4, or at the meeting; or
- voting in person at the annual meeting.

What if I do not indicate my vote for one or more of the matters on my proxy card?

If you are a registered shareholder and you return a proxy card without indicating your vote, your shares will be voted in accordance with the Board's recommendations for proposals described in this proxy statement.

What if I do not return a proxy card or vote at the annual meeting?

If you are a registered shareholder and you do not return a proxy card or vote at the annual meeting, your shares will not be voted and will not count towards the quorum requirement to hold the annual meeting. Your shares that are not voted will not affect the outcome of any of the Company's proposals.

What if my shares are held in "street name" and I do not give my bank or broker instructions on how to vote?

If your shares are held in "street name" and you do not give your bank or broker instructions on how to vote, your shares will be counted towards the quorum requirement for the annual meeting.

The failure to instruct your bank or broker how to vote will have one of two effects on the proposals for consideration at the annual meeting, depending upon the type of proposal. For the election of directors in Proposal 1, and for Proposals 3 and 4, absent instructions from you, the bank or broker may not vote your shares at all and your shares will be considered broker non-votes, which will have no effect on the outcome of the proposal. For Proposal 2, involving ratification of our independent registered public accounting firm for 2014, the broker may vote your shares at its discretion.

Will my vote be confidential?

Yes. Your vote is confidential and will not be disclosed to our directors or employees.

Will the Company's independent registered public accounting firm be present at the annual meeting?

Yes, representatives of KPMG LLP (KPMG) will attend the meeting. They will be available during the meeting to answer your questions and they will have the opportunity to make a statement, if they desire to do so. The Audit Committee of our Board has approved the appointment of KPMG as our independent registered public accounting firm for our 2014 fiscal year.

Will our directors attend the annual meeting?

It is expected that all of our directors will attend our annual meeting. All directors attended the 2013 Annual Meeting of Shareholders.

3

Table of Contents

Who will be soliciting proxies on our behalf?

The Company pays the cost of preparing proxy materials and soliciting your vote. Proxies may be solicited on our behalf by our directors, officers or employees by telephone, electronic or facsimile transmission or in person.

Who will count the vote?

Broadridge Financial Solutions, Inc. will be the proxy tabulator and IVS Associates, Inc. will act as the Inspector of Election.

What is "householding"?

Shareholders who hold their shares in the name of their bank or broker and live in the same household as other shareholders may receive only one copy of this Proxy Statement. This practice is known as "householding." If you hold your shares in your broker's name and would like additional copies of these materials, please contact your broker. If you receive multiple copies and would prefer to receive only one, please contact your broker. ABM does not use householding for the copies of the proxy statement that it delivers directly to shareholders.

SHAREHOLDER PROPOSALS, DIRECTOR NOMINATIONS AND COMMUNICATING WITH OUR BOARD

How do I submit a shareholder proposal or director nomination for consideration at the 2015 Annual Meeting?

Our 2015 Annual Meeting is currently scheduled for March 4, 2015. If you wish to submit a proposal to be included in the 2015 proxy statement, you must submit your proposal in writing so that we receive it no later than October 7, 2014. Proposals should be sent to the Corporate Secretary, Sarah H. McConnell, ABM Industries Incorporated, 551 Fifth Avenue, Suite 300, New York, New York 10176.

Under our Bylaws, any shareholder wishing to make a nomination for director or wishing to introduce any business at the 2015 Annual Meeting of Shareholders (other than a proposal submitted for inclusion in the Company's proxy materials) must provide the Company advance notice of such business which must be received by the Company no earlier than November 5, 2014 and no later than December 5, 2014. Nominations for director for consideration by the Governance Committee should include the candidate's name and qualifications for Board membership and fulfill all of the requirements set forth in the Company's Bylaws, and should be sent within the time frame specified in the Bylaws.

How do I communicate with the Board?

You may communicate with our entire Board or the independent directors as a group by sending an e-mail to boardofdirectors@abm.com or by writing to Board of Directors, ABM Industries Incorporated, 551 Fifth Avenue, Suite 300, New York, New York 10176. Our Corporate Secretary will forward all communications relating to ABM's interests, other than business solicitations, advertisements, job inquiries or similar communications, directly to the appropriate directors.

In addition, we maintain a Compliance Hotline that is available 24 hours a day, seven days a week, to receive calls, e-mails and letters to report a concern or complaint, anonymous or otherwise. The Compliance Hotline can be reached at 1-877-253-7804 or online at abmhotline.ethicspoint.com.

OUR BOARD OF DIRECTORS

General

Our Certificate of Incorporation provides that the Board of Directors shall be divided into three classes serving staggered three-year terms, each class to be as nearly equal in number as possible as the other two. Our Board of Directors is currently comprised of nine members: Linda Chavez, J. Philip Ferguson, Anthony G. Fernandes, Luke S. Helms, Maryellen C. Herringer, Stephen M. Kadenacy, Sudhakar

Table of Contents

Kesavan, Henrik C. Slipsager and William W. Steele. The terms of Ms. Herringer and Messrs. Fernandes and Kadenacy expire at the 2014 Annual Meeting.

Nominees

Our Board has proposed the following nominees for election as directors with three-year terms expiring at the Annual Meeting in 2017: Anthony G. Fernandes, Maryellen C. Herringer and Stephen M. Kadenacy. Mr. Kadenacy was elected by the Board to serve for his present term on December 8, 2013. Mr. Fernandes and Ms. Herringer were elected to serve for their present terms at the 2011 Annual Meeting of Shareholders. The other continuing directors will remain in office until the expiration of their terms at the 2015 or 2016 Annual Meeting, as the case may be. The Board expects each nominee for election as a director to serve if elected. If a nominee is unable or unwilling to serve, proxies will be voted in favor of the other nominees and may be voted for a substitute nominee. Each nominee elected as a director will continue in office until his or her successor has been duly elected and qualified, or until his or her earlier death, resignation or retirement as a director.

Each nominee was recommended by the Governance Committee, has been nominated by the Board of Directors for election and has consented to serve. In recommending Messrs. Fernandes and Kadenacy and Ms. Herringer for election as directors, the Governance Committee considered these directors' service to our Board, their independence, skills, contributions to the Board, current and previous occupations and current and former directorships with other public companies.

Our Board is composed of individuals who have experience as current or former chief executive officers, chief financial officers, current or former senior executives with significant operational, finance or audit responsibilities and individuals who have extensive experience in legal matters, investment management and finance, mergers and acquisitions, government and public policy as well as service on the boards of other public companies. As such, they have strong leadership skills and working knowledge of matters facing companies such as ours. The Board of Directors' Skills Matrix sets out selection criteria used by our Board in concluding that each nominee's service on the Board is appropriate and also reflects the current skills and experience of each of the other continuing members of our Board.

Board of Directors' Skills Matrix

Skills and Experience									
Operations Experience		ü	ü	ü		ü	ü	ü	ü
Compensation Expertise	ü	ü	ü		ü	ü	ü	ü	ü
Industry Experience						ü	ü	ü	ü
Board Experience	ü	ü	ü	ü	ü		ü	ü	ü
Financial Experience	ü	ü	ü	ü	ü	ü	ü	ü	ü
Mergers and Acquisitions Experience		ü	ü	ü	ü	ü	ü	ü	ü
Sales and Marketing		ü		ü		ü		ü	ü
Government/Government Relations	ü				ü	ü	ü		
Global			ü	ü	ü	ü	ü	ü	
Diversity	ü		ü	ü	ü		ü	ü	ü

Table of Contents

PROPOSAL 1 ELECTION OF DIRECTORS

THE BOARD OF DIRECTORS RECOMMENDS VOTES "FOR" THE ELECTION OF ALL OF THE NOMINEES AS DIRECTORS

The three persons who receive a plurality of the votes cast will be elected as directors. This means that the three director nominees with the most votes are elected. Only votes "For" affect the outcome. Withheld votes do not affect the voting calculation.

Nominees for Election as Directors with Terms Expiring in 2017

Anthony G. Fernandes	**Director Since 2007**	**Age 68**

Former Chairman, Chief Executive Officer and President of Philip Services Corporation

Mr. Fernandes served as chairman, chief executive officer and president of Philip Services Corporation from August 1999 to April 2002. Prior to joining Philip Services Corporation, Mr. Fernandes had a 30-year career with the Atlantic Richfield Company (ARCO), serving as executive vice president and director of ARCO from 1994 to 1999; president of ARCO Coal, a subsidiary of ARCO, from 1990 to 1994 and corporate controller of ARCO from 1987 to 1990. He was a member of the ARCO board of directors and chairman of ARCO Chemical Company, a NYSE company 80% owned by ARCO. From 2003 to 2007, he was a director of Tower Automotive, Inc. He also currently serves as a director of Baker Hughes Incorporated, Cytec Industries, and Black and Veatch Corporation.

Maryellen C. Herringer	**Director Since 1993**	**Age 70**

Non-Executive Chairman of the Board, ABM Industries Incorporated

Ms. Herringer is retired executive vice president, general counsel and secretary of APL Limited. She held various executive positions with APL Limited, an international provider of transportation and logistics, from 1991 to 1997 and was responsible at various times for overseeing functions including legal, risk management, corporate communications, human resources, internal audit, tax and community affairs. Prior to joining APL Limited, Ms. Herringer was a partner in the international law firm of Morrison & Foerster from 1989 to 1991. From 1981 to 1989, Ms. Herringer held various positions at Transamerica Corporation (insurance and financial services), including vice president and general counsel from 1981 to 1983 and senior vice president and general counsel from 1983 to 1989. Ms. Herringer also serves as a director of PG&E Corporation and Pacific Gas and Electric Company, a subsidiary of PG&E Corporation, and is chair of such companies' nominating and governance committees and serves on their audit and compensation committees. She served as interim lead director of PG&E Corporation and Pacific Gas and Electric Company and interim non-executive Chairman of the Board of Pacific Gas & Electric Company from May to September 2011. Ms. Herringer currently is a member of the Board of Trustees of Mills College, Vassar College and the San Francisco Museum of Modern Art and has served on the boards of numerous educational institutions and not-for-profit organizations. She is also a former chair of the Business Law Section of the State Bar of California.

Table of Contents

Stephen M. Kadenacy	**Director Since 2013**	**Age 45**

Chief Financial Officer, AECOM Technology Corporation

Mr. Kadenacy is executive vice president and chief financial officer of AECOM Technology Corporation, a position held since 2011. He also served as senior vice president of Corporate Finance from 2008 to 2011. Previously, Mr. Kadenacy served in several leadership roles at KPMG LLP from 1996 to 2008, including partner-in-charge of its Americas Global Transfer Pricing Services.

Directors with Terms Expiring in 2015

Linda Chavez	**Director Since 1997**	**Age 66**

Chairman of the Board, Center for Equal Opportunity

Ms. Chavez is the founder of the Center for Equal Opportunity and currently serves as chairman, a position she has held since January 2006. Prior to her appointment as chairman, Ms. Chavez served as president of the Center for Equal Opportunity from January 1995 through December 2005. Ms. Chavez was a director of Pilgrim's Pride Corporation from 2004 to 2008 where she served on the audit committee. Previously, she was a director of Greyhound Lines, Inc. from 1995 to 1999, when it was acquired by another company. Ms. Chavez has held numerous appointed positions, including chief executive officer of the National Commission on Migrant Education from 1988 to 1992, chief executive officer of the U.S. Commission on Civil Rights from 1983 to 1985, and White House Director of Public Liaison in 1985. In 1992, she was elected by the United Nations Commission on Human Rights to serve a four-year term as U.S. Expert to the U.N. Sub-Commission on the Prevention of Discrimination and Protection of Minorities. She is a 2006 graduate of the UCLA Anderson Graduate School of Management Director Training and Certification Program and served on the advisory board of the Outstanding Directors Exchange in 2008 and 2009. Ms. Chavez serves on the board of Research Electro-Optics, a privately held company. Ms. Chavez also serves or has served on numerous non-profit boards, including the Campaign to Prevent Teen and Unplanned Pregnancies, and she is an author and nationally syndicated columnist and television commentator and writes extensively about public policy issues.

J. Philip Ferguson	**Director Since 2009**	**Age 68**

Former Vice Chairman, University of Texas Investment Management Company

Mr. Ferguson has spent 45 years in the investment management business, currently serving on the board of managers of Salient Partners, on the investment committee for Silver Ventures, and as non-executive chair of the investment committee of Ascendant Advisors. Mr. Ferguson served until April 2012, on the board of directors of the University of Texas Investment Management Company (UTIMCO), a position he held since August 2003. He chaired the UTIMCO compensation committee and served on its risk and policy committees. Mr. Ferguson also serves on the advisory committee of the MBA Investment Fund at the McCombs School of Business at the University of Texas-Austin, a position held since March 2005, and is a member of the advisory board of Murphree Venture Partners. Mr. Ferguson held various executive positions with AIM Capital Management, Inc. (now Invesco AIM) from 2000 to 2007, serving most recently as president and chief investment officer. Previously, he held senior positions at several investment management firms, including: managing partner at Beutel, Goodman & Company; senior vice president at Lehman Brothers, Inc.; and vice president of Goldman, Sachs & Company. Mr. Ferguson also serves or has served on various investment and civic boards, including the Investment Adviser Association, the Houston Ballet, the Memorial Hermann Foundation, Museum of Fine Arts, Houston, and on the Chancellor's Advisory Council, Texas Christian University.

Henrik C. Slipsager	**Director Since 2000**	**Age 59**

President and Chief Executive Officer, ABM Industries Incorporated

Mr. Slipsager is president and chief executive officer of the Company, a position held since November 2000. Previously, Mr. Slipsager served as executive vice president of the Company and president of ABM Janitorial Services from November 1999 to October 2000, and as senior vice president of the Company and executive vice president of ABM Janitorial Services from January 1997 to October 1999. From October 1994 to December 1996, he was president of 2M Invest of Denmark, a venture capital firm. Previously, he held executive roles at the ISS Group, a leading facility services company based in Denmark, which he joined in 1982 as corporate controller of ISS International. From 1984 to 1994, Mr. Slipsager served as chief financial officer, chief operating officer and later president and chief executive officer of ISS of America. Mr. Slipsager is a member of the board of directors of Briggs & Stratton Corporation, and serves on its audit and nominating and governance committees.

Table of Contents

Directors with Terms Expiring in 2016

Luke S. Helms **Director Since 1995** **Age 70**

Managing Director, Sonata Capital Group

Mr. Helms is the managing director of Sonata Capital Group, a privately owned, registered investment advisory firm, a position held since June 2000. Previously, Mr. Helms served as vice chairman of KeyBank from April 1998 to March 2000 and held various senior executive positions at Bank of America Corporation, including vice chairman from May 1993 to October 1998. He also served as president of Seafirst Bank from November 1987 to September 1990 and chief executive officer from September 1990 to May 1993. Mr. Helms was a director of Lifelock, Inc., a privately owned company, from 2007 to 2008 and has served as a director of Manulife Financial Corporation since 2007.

Sudhakar Kesavan **Director Since 2012** **Age 59**

Chairman and Chief Executive Officer, ICF International

Mr. Kesavan is chairman and chief executive officer of ICF International, a position held since 1999. He has also been a director of ICF International since June 1999. Previously, Mr. Kesavan served as the president of ICF Consulting Group, a subsidiary of ICF Kaiser from 1997 to 1999. Mr. Kesavan serves as chair of the Northern Virginia Technology Council. He also serves as board member emeritus of the Rainforest Alliance, a New York-based non-profit environmental organization.

William W. Steele **Director Since 1998** **Age 77**

Former President and Chief Executive Officer, ABM Industries Incorporated

Mr. Steele is a former officer and employee of the Company, who retired in October 2000 after 43 years of employment with the Company. Mr. Steele's positions with the Company included service as president from November 1991 to October 2000 and chief executive officer from November 1994 to October 2000. Mr. Steele also serves as a director of TrueBlue, Inc., a public company provider of blue-collar staffing, a position he has held since 2001, where he chairs its governance and nominating committee, is a member of its compensation committee, and has served as its lead independent director since October 2008.

CORPORATE GOVERNANCE

Corporate Governance Principles

Our Board of Directors has adopted Corporate Governance Principles that reflect our commitment to good corporate governance and the role of governance in building long-term shareholder value. As described below, our Board committee charters are designed to assure that our Board fully discharges its responsibilities, and our Board regularly reviews these charters and Corporate Governance Principles in response to changing regulatory requirements, evolving best practices and the concerns of our shareholders and other constituents. Our Corporate Governance Principles, which include our independence standards, are published on our website at http://investor.abm.com. Other information relating to our corporate governance is also available on our website at the same address, including our Code of Business Conduct (Code of Conduct), and the Charters of our Audit Committee, Compensation Committee, Corporate Citizenship and Communications Committee, and Governance Committee. These

Table of Contents

documents are also available in printed hard-copy format upon written request to the Corporate Secretary at the Company's corporate headquarters.

Governance Information

Director Independence

Our Corporate Governance Principles provide that a majority of our directors will be independent and that our Audit Committee, Compensation Committee and Governance Committee shall consist solely of independent directors and that the Corporate Citizenship and Communications Committee shall consist solely of non-management directors. Each year, our Governance Committee reviews the independence of each of our directors under the NYSE listing standards and considers any current or previous employment relationship as well as any transactions or relationships between our Company and our directors or any members of their immediate family (or any entity of which a director or an immediate family member is an executive officer, general partner or significant equity holder). The purpose of this review is to determine whether any relationships or transactions exist that preclude a director from being deemed independent under the NYSE listing standards or are otherwise inconsistent with a determination that the director is independent. To facilitate this process, our Governance Committee reviews directors' responses to our annual Directors' and Officers' Questionnaire, which requires disclosure of each director's, and his or her immediate family's relationships to our Company, as well as any potential conflicts of interest that may otherwise be brought to the attention of our Governance Committee.

In this context, our Governance Committee considered the retirement benefits of Mr. Steele that are described under "Transactions with Related Persons." Our Governance Committee determined that this relationship was not material. Based on its analysis and our independence standards, our Governance Committee concluded and recommended to our Board that this relationship did not impair the independence of this director, and our Governance Committee affirmatively determined and recommended to our Board, and the Board confirmed, that all of our directors, other than our Chief Executive Officer (CEO), should be designated as independent.

Board Leadership Structure

The Company currently has separate persons serving as its Chairman of the Board and CEO in recognition of the differences between the two roles. As set forth in the Company's Bylaws, the CEO has general and active management over the business and affairs of the Company, subject to the control of the Board. Our Chairman, on the other hand, is charged with presiding over all meetings of the Board and our shareholders, as well as providing advice and counsel to the CEO, coordinating the preparation of agendas, keeping directors informed of matters impacting the Company, and maintaining contact with the Company's General Counsel. Maryellen Herringer serves as Chairman of the Board, a position she has held since 2006. The Board of Directors believes that by separating the roles of CEO and Chairman, the CEO is better able to focus his time and energy on managing the Company's operations. The Board of Directors believes that at this time, the separate CEO/Chairman structure is the most appropriate and effective leadership structure for the Company and its shareholders.

The Board's Role in Risk Management

Our Company is subject to a number of risks. Our most significant risks are outlined in our Annual Report on Form 10-K for the fiscal year ended October 31, 2013. Our Board of Directors exercises oversight over the Company's strategic, operational and financial matters, as well as compliance and legal risks. In connection with this role, the Board oversees our Company's Enterprise Risk Management (ERM) process, under which it reviews our business risk framework. The ERM process is designed to strengthen our risk management capability as well as to monitor business risks. The Board, as permitted in the Company's Bylaws and committee charters, exercises its oversight, in part, through the Audit Committee,

Table of Contents

the Compensation Committee, the Corporate Citizenship and Communications Committee, and the Governance Committee. The Audit Committee reviews and discusses guidelines and policies with respect to risk assessment and risk management. The Compensation Committee annually reviews and assesses risks, if any, arising from the Company's compensation policies and practices for its employees and whether any such risks are reasonably likely to have a material adverse effect on the Company. The Corporate Citizenship and Communications Committee reviews and advises with respect to risks related to strategies, policies and communications targeted to various key constituencies. The Governance Committee considers risks in relationship to succession planning. The Board's role in risk oversight has not affected its leadership structure.

Executive Sessions of Directors

At least four times a year, after regularly scheduled and special Board meetings, our independent directors meet in executive session without management present and consider matters important to our Company and corporate governance. Executive sessions are chaired by our Chairman. During fiscal year 2013, our Board met in executive session seven times.

Code of Business Conduct

The Board of Directors has adopted the Code of Conduct. The Code of Conduct applies to all directors, officers and employees of ABM, including ABM's CEO, Chief Financial Officer (CFO) and Chief Accounting Officer. The Code of Conduct is available on ABM's website under "Governance" at http://investor.abm.com and in printed hard-copy format upon written request to the Corporate Secretary at the Company's corporate headquarters. If any amendments are made to the Code of Conduct or if any waiver, including any implicit waiver, of a provision of the Code of Conduct is granted to ABM's CEO, CFO or Chief Accounting Officer, ABM will disclose such amendment or the nature of such waiver on its website.

Mandatory Retirement

On December 9, 2013, the Board adopted a mandatory retirement policy for non-employee directors. Under this policy, a director who attains the age of 73 during his or her current term must resign from the Board effective upon the conclusion of the annual shareholders meeting next following his or her 73rd birthday. However, if a director was elected to the Board prior to the adoption of this policy, and the director had attained the age of 73 at the time he or she was last elected to the Board, the director may continue to serve as director until his or her current term expires or is terminated.

Meetings and Attendance

During fiscal year 2013, the Board of Directors met eight times, with an average attendance rate of over 98% for all directors. During this period, each of the Company's directors attended all of the meetings of the committees on which he or she served.

Table of Contents

Committees

The following table sets forth the current membership on each committee of the Board and the number of committee meetings held in fiscal year 2013.

Director	&zwsp;	Audit Committee	&zwsp;	Compensation Committee	&zwsp;	Corporate Citizenship and Communications Committee	&zwsp;	Governance Committee	&zwsp;
Linda Chavez				ü		ü		ü	
J. Philip Ferguson		ü				ü		ü	
Anthony G. Fernandes		ü(C)				ü			
Luke S. Helms		ü		ü				ü(C)	
Maryellen C. Herringer				ü					
Stephen M. Kadenacy		ü							
Sudhakar Kesavan				ü(C)					
Henrik C. Slipsager									
William W. Steele						ü(C)			
Number of meetings in fiscal year 2013		7		6		4		8	

ü = Member

C = Chairman

Audit Committee

Responsibilities. The Audit Committee of the Board of Directors performs the responsibilities set forth in its Charter, which include overseeing the Company's financial reporting process and the internal and independent audits of ABM and the communication process among the Board, management and ABM's independent registered public accounting firm. The responsibilities of the Audit Committee include:

- assisting the Board with respect to the Company's compliance with legal and regulatory requirements;
- selecting the independent registered public accounting firm;
- approving the fees for the independent registered public accounting firm;
- ensuring the independence of the independent registered public accounting firm;
- overseeing the work of the independent registered public accounting firm;
- reviewing ABM's system of internal accounting controls;
- obtaining assurances from the independent auditor that no acts have been detected, or have otherwise come to the attention of the independent auditors, that would require disclosure to the Audit Committee under Section 10A(b) of the Securities

Exchange Act of 1934, as amended (the Securities Exchange Act); and

reviewing policies with respect to risk assessment and risk management and the Company's major financial risk exposures.

Table of Contents

Meetings. Meeting agendas are developed by the Audit Committee chair in consultation with committee members and senior management, who regularly attend the meetings. On a regular basis, the committee holds executive sessions without members of management and it also meets privately with representatives of the Company's independent registered public accounting firm and separately with each of our CFO, our senior vice president, general counsel and corporate secretary, and our vice president-internal audit.

Members. The members of the Audit Committee are: Mr. Fernandes, Chair, and Messrs. Ferguson, Helms and Kadenacy. Each member of the Audit Committee has been determined to be independent under the standards for independence for audit committee members established by the NYSE. In addition, the Board of Directors has determined that each member of the Committee is financially literate and that each qualifies as an "audit committee financial expert" under the definition promulgated by the Securities and Exchange Commission (SEC).

Compensation Committee

Responsibilities. The Compensation Committee performs the responsibilities set forth in its Charter, which include:

- providing direction to the Company in the area of executive compensation;
- annually reviewing and approving corporate goals and objectives relevant to the CEO's compensation, and evaluating the CEO's performance;
- recommending for approval to the directors who are both independent under applicable NYSE and SEC rules and "outside" directors under Section 162(m) of the Internal Revenue Code of 1986, the CEO's compensation, including equity grants;
- reviewing the Company's compensation structure and approving the compensation of all other employees of the Company who are executive officers of the Company;
- with the assistance of an outside consultant retained directly by the Committee, conducting a review of all executive incentive plans at least once every three years and making recommendations to the Board with respect to compensation plans for the Company;
- making awards under and overseeing the administration of the Company's executive benefit and equity-based compensation plans;
- reviewing the CEO's employment agreement and recommending the terms of the CEO's employment agreement to the independent and outside directors;
- reviewing and approving the Company's form of employment agreements for executive officers, other than the CEO;
- reviewing and recommending to the Board severance and other terms in any change-in-control agreements and policies;
- reviewing and discussing with management the Company's disclosures in respect of the "Compensation Discussion and Analysis" required under the Securities Exchange Act rules and recommending to the Board that the Compensation Discussion and Analysis reviewed by the Committee be included in the Company's Proxy Statement and Annual Report on Form 10-K;
- preparing the Compensation Committee Report required under Securities Exchange Act rules; and

reviewing and assessing risks, if any, arising from the Company's compensation policies and practices.

Meetings. Meeting agendas are developed by the Compensation Committee chair in consultation with committee members and senior management, who regularly attend each meeting. In addition, the

Table of Contents

committee's independent compensation consultant regularly attends meetings. The Committee meets in executive session without the CEO when discussing the CEO's compensation and certain other matters, including, from time to time, the compensation of other executives.

Members. The members of the Compensation Committee are: Mr. Kesavan, Chair, Mss. Chavez and Herringer and Mr. Helms. As described above, each member of the Compensation Committee has been determined to be independent.

Corporate Citizenship and Communications Committee

Responsibilities. The Corporate Citizenship and Communications Committee is responsible for providing board-level oversight and advice on various matters, including the following:

- equal opportunity employer;
- crisis management planning and communications;
- sustainability and environmental and green energy issues;
- health and safety issues;
- public affairs, public policy and government relations;
- political action committee activities, if any;
- marketing, branding and communications; and
- corporate philanthropy.

Meetings. Meeting agendas are developed by the Corporate Citizenship and Communications Committee chair in consultation with senior management.

Members. The members of the Corporate Citizenship and Communications Committee are: Mr. Steele, Chair, Ms. Chavez, Messrs. Ferguson and Fernandes. Each member of the Corporate Citizenship and Communications Committee has been determined to be independent.

Governance Committee

Responsibilities. The Governance Committee performs the responsibilities set forth in its Charter, which include:

- making recommendations to the Board as to the optimal number of directors on the Board;
- reviewing and recommending criteria and candidates for selection of new directors and the reelection of incumbent directors;
- reviewing and recommending executive officer succession;

- making equity grants to nonemployee directors;
- reviewing and recommending to the Board any changes in cash compensation of nonemployee directors; and
- other matters of corporate governance.

Meetings. Meeting agendas are developed by the Governance Committee chair in consultation with the chairman of the Board, the CEO and the Senior Vice President, General Counsel and Corporate Secretary.

Table of Contents

Members. The members of the Governance Committee are: Mr. Helms, Chair, Ms. Chavez and Mr. Ferguson. As described above, each member of the Governance Committee has been determined to be independent.

Executive Committee

In September 2013, the Board reviewed its Committee structure and determined that an Executive Committee of the Board no longer served the needs of the Company. Accordingly, effective September 9, 2013, the Board eliminated the Executive Committee. Prior to this action, the members of the Executive Committee were: Mr. Steele, Chair, Ms. Herringer and Messrs. Helms and Slipsager. The committee did not meet in fiscal year 2013.

Compensation Committee Interlocks and Insider Participation

None of the members of the Compensation Committee during fiscal year 2013 or as of the date of this Proxy Statement is or has been an officer or employee of the Company, and no executive officer of the Company served on the compensation committee or board of any company that employed any member of the Company's Compensation Committee or Board of Directors.

Identifying and Evaluating Nominees for Directors

Our Board is responsible for selecting nominees for election as directors. The Board delegates the screening process to the Governance Committee with the expectation that other members of the Board, including the CEO, are asked to take part in the process as appropriate. Candidates recommended by the Governance Committee are subject to approval by the Board. Our Governance Committee regularly assesses the appropriate size of the Board, and whether any vacancies on the Board are expected because of retirement or otherwise. In the event that any vacancy is anticipated, or otherwise arises, the Governance Committee considers various potential candidates for director.

Our Governance Committee recommends to the Board the criteria for director candidates, and the Board establishes the criteria. The Governance Committee of the Board is responsible for reviewing with the Board the requisite skills and characteristics of new Board candidates and current Board members in the context of the current composition of the Board.

In analyzing director nominations and director vacancies, our Governance Committee seeks to recommend candidates for director positions who will create a collective membership on the Board with varied experience and perspectives and who maintain a Board that reflects diversity, including, but not limited to, gender, ethnicity, background and experience. We do not have a policy that requires specified types of diverse backgrounds. The Governance Committee strives to recommend candidates who demonstrate leadership and significant experience in a specific area or endeavor, understand the role of a public company director, and can provide insights and practical wisdom based on their experience and expertise.

The Governance Committee and the Board of Directors focus on the areas set forth in the Board of Directors' Skills Matrix when analyzing whether directors and nominees have the requisite experience, qualifications, attributes and skills, taken as a whole, to enable the Board of Directors to satisfy its oversight responsibilities effectively in light of the Company's business and structure. The Governance Committee utilizes a variety of methods for identifying and evaluating nominees for director, such as search firms and the relationships of current directors. Candidates may also come to the attention of the Governance Committee through shareholders or other persons. These candidates are evaluated at regular or special meetings of the Governance Committee and may be considered at any point during the year.

Our Directors are expected to prepare for, attend and participate in Board meetings and meetings of the Committees of the Board on which they serve and to spend the time needed and to meet as frequently as necessary to properly discharge their responsibilities and duties as directors. Each Board member is

Table of Contents

expected to arrange his or her schedule so that other existing and planned future commitments do not materially interfere with the member's service as a director. Ordinarily, directors who are full-time employees of ABM or who serve as chief executive officers or in equivalent positions at other companies may not serve on the boards of more than two other publicly traded companies. Other directors may not serve on the boards of more than four other publicly traded companies. Service on other boards and other commitments are considered by the Governance Committee and the Board when reviewing Board candidates.

DIRECTOR COMPENSATION FOR FISCAL YEAR 2013

Director Compensation Elements

ABM compensates non-employee directors through a combination of annual cash retainers, fees relating to service on a committee, and equity grants. Our non-employee director compensation policy for fiscal year 2013 is described below.

Fiscal 2013 Director Compensation

Cash compensation

Annual retainer of $70,000.

For each member of the Audit Committee, an annual retainer of $20,000; for each member of the Compensation Committee, an annual retainer of $12,500; for each member of the Governance Committee, an annual retainer of $7,500; and for each member of the Corporate Communications and Citizenship Committee, an annual retainer of $5,000.

For the Chairman of the Board, an additional retainer of $75,000 per year.

For the Chair of the Audit Committee, an additional retainer of $15,000 per year; for the Chair of the Compensation Committee, an additional retainer of $10,000 per year; for the Chair of the Governance Committee, an additional retainer of $7,500 per year; and for the Chairs of the Corporate Citizenship and Communications Committee and the Executive Committee, an additional retainer of $5,000 per year. Because the Executive Committee was eliminated in September 2013, the retainer for the Chair of the Executive Committee was prorated through September 9, 2013.

Equity compensation

Annual grant of Director Restricted Stock Units (RSUs) on the date of the Annual Meeting of Shareholders, with the number of shares calculated by dividing $90,000 by the closing price of ABM common stock on the date of the grant. The Director RSUs vest in equal annual installments over three years.

Directors appointed during the year receive a prorated portion of Director RSUs in connection with their appointment.

Director RSUs are credited with dividend equivalents that are converted to Director RSUs on the same terms and conditions as the underlying Director RSUs.

As discussed above, on December 9, 2013, the Board adopted a mandatory retirement policy. In connection with this policy, any unvested RSUs (granted after the adoption of this policy) of a director who retires under this policy will immediately vest on the date of his or her retirement. In addition, the Board provided, in connection with future equity grants to directors, that unvested RSUs of a director will immediately vest in the event of such director's death or disability.

Table of Contents

The Governance Committee may recommend to the Board that directors who invest significant time above and beyond the normal requirements of service on the Board, or a committee thereof, receive $2,000 per day for such service. ABM reimburses its non-employee directors for their out-of-pocket expenses incurred in attending Board and committee meetings. The Board may also determine from time to time that it is appropriate to compensate Board members who are not serving on a particular committee of the Board for attendance at such committee's meetings if the Board member's attendance has been requested by the Chair of that committee. In such cases, the Board member will receive $2,000 for each such meeting attended.

2013 Non-Employee Director Compensation Table

The following table shows fiscal year 2013 compensation for ABM's non-employee directors based on the SEC's compensation disclosure requirements. Our CEO, Mr. Slipsager, does not receive additional compensation for his services as a director. Mr. Kadenacy was named to the Board in fiscal year 2014 and therefore is not included in this table.

Name of Director	Fees Earned or Paid in Cash[(1)] ($)	Stock Awards[(2)] ($)	All Other Compensation[(3)] ($)	Total ($)
Linda Chavez	107,444	89,989	4,437	201,870
J. Philip Ferguson	102,500	89,989	4,437	196,926
Anthony G. Fernandes	109,053	89,989	0	199,042
Luke S. Helms	121,500	89,989	4,437	215,926
Maryellen C. Herringer	175,500	89,989	2,020	267,509
Sudhakar Kesavan	100,944	89,989	228	191,161
William W. Steele	97,389	89,989	4,437	191,815

(1) Amount includes retainers and Board and Committee meeting fees as well as amounts paid in connection with the performance of services beyond the normal requirements of Board service, under our policy described above.

(2) The value of stock awards shown in the "Stock Awards" column is based on grant date fair value computed in accordance with FASB ASC Topic No. 718. The grant date fair value of the equity awards shown in the "Stock Awards" column is based on the closing price of the Company's common stock on the date of grant of the equity award. A director who becomes a Board member following the date of the last-held annual meeting of shareholders receives a grant of RSUs pro rated to the next annual meeting. The grant for 2013 for each director on March 5, 2013 was 4,083 RSUs, which was calculated by dividing $90,000 by $22.04, which was the closing price of ABM common stock on March 5, 2013. As of October 31, 2013, the aggregate number of RSUs held by each current director was: Ms. Chavez 9,731; Mr. Ferguson 7,690; Mr. Fernandes 26,467; Mr. Helms 13,087; Ms. Herringer 21,267; Mr. Kesavan 5,600; and Mr. Steele 14,861. As of October 31, 2013, the aggregate number of stock options held by each current director was: Ms. Chavez 26,000; Mr. Helms 32,000; Ms. Herringer 32,000; and Mr. Steele 20,000.

(3) Amounts shown represent dividend equivalents paid with respect to prior Director RSU awards that were paid to non-employee directors in fiscal year 2013. Dividend equivalents are settled in Company stock when the underlying RSUs vest.

Director Stock Ownership and Retention Guidelines

The Board of Directors believes that directors more effectively represent ABM's shareholders, whose interests they are charged with protecting, if they are shareholders themselves. Directors are expected to hold shares equal to five times the value of his or her annual cash retainer fee for service on the Board. For purposes of this calculation, RSUs are counted as shares. Directors who are not at their targeted stock ownership level must hold at least 50% of any net shares realized until they reach their target. "Net shares realized" means unrestricted shares acquired by a director under the 2006 Equity Incentive Plan, or shares acquired pursuant to the exercise of an option, net of any shares sold to pay the exercise price (if any) and

17

an amount equal to the taxes that would have been withheld by ABM were the director an employee. The Governance Committee periodically assesses the guidelines and directors' ownership relative to these guidelines and makes recommendations as appropriate.

Director Deferred Compensation Plan

Non-employee directors are eligible to participate in the ABM Deferred Compensation Plan for Non-Employee Directors (Directors Deferred Compensation Plan). Plan participants may elect to defer receipt of all or any portion of their annual cash retainers and meeting fees until they cease to be members of the Board, or to specified withdrawal dates (at least three years after the election), in accordance with the terms of the Directors Deferred Compensation Plan. The amounts held in each director's account are credited with interest quarterly at a rate based on the prime interest rate published in the *Wall Street Journal* on the last business day coinciding with or next preceding the valuation date. Any prime rate up to 6% will be considered in full and $^1/_2$ of any prime rate over 6% will be considered; except that the interest rate will not exceed 120% of the long-term applicable federal rate as published by the Internal Revenue Service. In addition, this plan permits directors to defer the settlement of Director RSUs to a date later than the vesting date. Values presented in the table on the previous page include any deferred amounts.

Other Arrangements

ABM has entered into indemnification agreements with its directors. Among other things, these agreements require ABM to indemnify its directors against certain liabilities that may arise in connection with their services as directors to the fullest extent provided by Delaware law. In addition, during fiscal year 2013, ABM permitted non-employee directors who were members of the Board on or before October 31, 2012 to participate in ABM's health benefit plans. Directors who elected to participate paid the entire direct costs of participation in such plans. This benefit is not available to directors who join the Board after October 31, 2012.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Policy for the Review, Approval or Ratification of Transactions with Related Persons

The Board of Directors has adopted a written policy for review of transactions involving more than $120,000 in any fiscal year in which ABM or its subsidiaries are a participant and in which any director, executive officer, holder of more than 5% of the outstanding shares of ABM common stock or any immediate family member of any of these persons has a direct or indirect material interest. Such transactions may include employment or consulting relationships with a related person or contracts under which ABM receives goods or services from (or provides goods and services to) a related person or a company for which the related person is an employee or otherwise affiliated. Directors and executive officers are required to inform ABM of any such transaction promptly after they become aware of it, and ABM also collects information from directors and executive officers about their affiliations and the affiliations of their family members. The policy does not require review of the following transactions:

- the compensation of executive officers and directors approved in accordance with ABM Corporate Governance Principles and the Governance and Compensation Committee charters;

- transactions with entities where the sole interest of the director, executive officer, more than 5% shareholder or immediate family member is as a director of the entity;

- transactions with entities where the sole interest of the director, executive officer, more than 5% shareholder or immediate family member arises from direct or indirect ownership, together with any other related persons, of less than 10% equity interest in such entity (other than partnerships);

- transactions with entities where the sole interest of the director, executive officer, more than 5% shareholder or immediate family member arises from such person's position as a limited partner in

18

Table of Contents

- a partnership in which the person and all other related parties have an interest of less than 10%, and the person is not a general partner and does not hold another position in the partnership; and

- transactions in which all security holders receive proportional benefits.

Generally, transactions that are determined by ABM's General Counsel to be covered by the policy are subject to a determination of materiality by the Board and, if so determined to be material to the related party, must be approved or ratified by the Board. The Board approves or ratifies a transaction if it determines, in its business judgment based on the available information, that the transaction is fair and reasonable to ABM and consistent with the best interests of ABM.

Transactions with Related Persons

The General Counsel informed the Board, based on a review of potential transactions with related persons, that there were no transactions involving related persons requiring review by the Board in fiscal year 2013 under the terms of the Related Party Transactions Policy.

Mr. Steele is a current director. He retired as an officer and employee of ABM in October 2000. Pursuant to his previous employment agreement, ABM provides Mr. Steele with $150,000 in life insurance coverage for the remainder of his life and pays certain club dues for Mr. Steele, which in fiscal year 2013 amounted to approximately $2,053.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act requires ABM's directors, officers and persons who own more than 10% of a registered class of ABM's securities to file reports of beneficial ownership and changes in ownership with the Securities and Exchange Commission. Based solely on a review of the reporting forms and representations of its directors and officers, ABM believes that during fiscal year 2013 all forms required to be filed by its executive officers and directors under Section 16(a) were filed on a timely basis.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

This Compensation Discussion and Analysis (CD&A) provides information about our executive compensation program and the amounts shown in the executive compensation tables that follow. In this proxy statement, the term "Named Executive Officers" or "NEOs" means our President and Chief Executive Officer (CEO), our Executive Vice President and Chief Financial Officer (CFO), our two other Executive Vice Presidents, and our Senior Vice President and General Counsel. These five executive officers are named in the compensation tables of this proxy statement. "Compensation Committee" or "Committee" means the Compensation Committee of our Board of Directors.

Executive Summary

Fiscal Year 2013 Performance Highlights

Financial Results. ABM delivered outstanding results in fiscal year 2013, reflecting the contributions of our strategic acquisitions at the beginning of the fiscal year, organic growth during the year and effective cost controls. In particular:

- revenues reached a record high of $4.81 billion, an 11.8% increase over fiscal year 2012 revenues of $4.30 billion;

- income from continuing operations and net income each increased to $72.9 million, representing a 16.3% and 16.5% increase over fiscal year 2012, respectively;

- adjusted income from continuing operations,[1] a financial measure we use to show underlying operational results and trends, was 11.7% higher than fiscal year 2012;
- adjusted EBITDA,[2] a key metric we use to measure performance under our performance share programs, was $205.9 million, or up 16.7% over fiscal year 2012;
- we experienced organic growth of 2.1%; and
- we returned approximately $32.9 million to shareholders in the form of cash dividend payments.

Key Business Drivers. The improvements we saw in fiscal year 2013 were the product of several key drivers that we intend to continue in fiscal year 2014, including:

- realignment of our businesses to capture market opportunities;
- leveraging our shared enterprise technology platforms to improve customer and point-of-sale interaction and reduce costs;
- continued investment in our sales and marketing functions to accelerate organic growth;
- expansion and maximization of our vertical market expertise;
- pursuit of strategic acquisitions to build vertical market strengths; and
- continued adherence to our current business risk profile.

Realignment of Business Operations. In fiscal year 2013, we revised our reportable segments to align them with the reorganization of our operations to an onsite, mobile, and on-demand market-based structure as follows:

- our onsite businesses (reporting to James P. McClure, Executive Vice President) consist of the following:
  - Janitorial;
  - Facility Services;
  - Parking; and
  - Security;
- our mobile and on-demand businesses (reporting to Tracy K. Price, Executive Vice President) consist of the following:

Building & Energy Solutions (including HHA Services, Inc.); and

certain unconsolidated affiliates that provide facility solutions, primarily to the U.S. Government, which complement the other operations of the Building & Energy Solutions segment; and

our new segment, Other, is comprised of Air Serv.

Executive Compensation Design: Emphasis on Performance

The Committee's emphasis on performance within our executive compensation program is evidenced by a program design which includes both objective financial goals (in the case of our annual cash bonus and the vesting of performance shares) and subjective evaluation criteria. This

---

(1) Adjusted income from continuing operations is a non-GAAP financial measure. See Appendix A for a reconciliation of non-GAAP financial measures to our results as reported under GAAP.

(2) Adjusted EBITDA is a non-GAAP financial measure. See Appendix A for a reconciliation of non-GAAP financial measures to our results as reported under GAAP.

program combines internally measured performance (represented by our financial performance against our financial targets) and externally measured performance (represented by stock price as reflected in stock options and RSUs) and provides both short-term and long-term performance components in the compensation structure of our NEOs.

Our compensation program's focus on performance aligns our compensation structure with our shareholders' long-term interests because achievement (or lack of achievement) of our financial objectives would be expected to be reflected in the market price of our stock. Because a material portion of compensation for each NEO is in the form of equity, a significant portion of each NEO's compensation is inherently tied to stock price movement and the achievement of shareholder value.

Our quantitative performance metrics are meaningful measures of our performance that require good decision-making by our NEOs.

The Committee reviews the nature and mix of compensation elements, as well as compensation plan design and award terms, to ensure that our compensation program does not inadvertently include incentives for the NEOs to take inappropriate business risks.

Leading Executive Compensation Practices

The Company implements and maintains leading practices in its executive compensation programs. These practices include the following:

we prohibit our executives and directors from hedging or pledging Company shares;

a significant portion of each executive's total direct compensation varies with performance and is therefore at risk;

our equity incentive plan prohibits the repricing of equity awards;

we do not provide tax gross-ups to our executive officers;

our annual equity award grants typically provide for vesting over four years, in the case of RSUs and stock options, and three years, in the case of performance share grants;

in fiscal year 2014, we are replacing stock option grants with a performance share program based on relative total shareholder return;

we can recover cash or equity-based compensation paid to executives in various circumstances, including where the compensation is based upon the achievement of specified financial results that are the subject of a subsequent restatement (see "Compensation Recoupment Policy" below);

our executive compensation program includes a number of controls that mitigate risk, such as guidelines for executive stock ownership and our ability to recover compensation paid to executives in certain circumstances, as mentioned above;

"double trigger" accelerated vesting for equity awards under our 2006 Equity Incentive Plan in the event of a change in control of the Company, meaning that vesting is accelerated only if an individual's employment is terminated following the change in control or if the acquiring company does not assume the equity award; and the Committee has engaged an independent compensation consultant that has no other ties to the Company or its management (see "Role of Compensation Consultants" below).

****

We have organized our CD&A into four parts which describe how we compensate our NEOs.

Table of Contents

Part 1. Our Compensation Philosophy and Overall Goals

Our compensation philosophy, which is determined by the Compensation Committee, is to align each executive's compensation with ABM's short-term and long-term performance, and to provide the compensation and incentives needed to attract, motivate and retain executives who are key to the Company's long-term success. The Committee believes that our executive compensation program achieves the goals of our executive compensation philosophy.

Compensation is provided in the form of salary, annual cash performance incentives, equity awards and benefits. A significant portion of the total compensation opportunity for each of our NEOs is directly related to ABM's stock price performance and to other performance factors that measure our progress against the goals of our short-term and long-term performance programs. Generally, total compensation opportunity is weighted toward incentive compensation linked to the financial performance of the Company and to individual performance that contributes to the Company's strategic initiatives. Our executive compensation programs are designed to achieve the following goals, as demonstrated by the characteristics of our pay for performance program (all as further described in this CD&A):

- enhance long-term shareholder value by providing compensation that reflects the performance of the Company and its executives;
- provide compensation opportunities that compare reasonably with those of relevant peer group companies;
- motivate and reward achievement of business objectives, as well as individual contributions;
- attract and retain executives with the qualifications, skills and experience required to provide high-quality leadership;
- link executive rewards to the creation of shareholder value; and
- encourage executive stock ownership.

Part 2. Our Executive Compensation Process

The roles of management, our Compensation Committee and our Board of Directors in recommending or approving actions relating to the compensation of our executive officers are summarized in the table below. The narrative following this table provides more detail about their respective roles and

Table of Contents

responsibilities. To the extent that our Board is involved in making decisions with respect to executive compensation for our CEO, only those members of the Board who are both independent and "outside" directors for purposes of Section 162(m) of the Internal Revenue Code may take part in these decisions. In this proxy statement, we refer to those directors as the "CEO Committee." In fiscal year 2013, the CEO Committee consisted of all of our directors except Messrs. Slipsager and Steele.

Action	&zwsp;	**For the CEO**	&zwsp;	**For Other Executive Officers**	&zwsp;
Design compensation program		Compensation Committee		Compensation Committee	
Establish target and maximum incentive plan awards		Compensation Committee		Compensation Committee	
Recommend annual cash incentive awards		Compensation Committee		CEO, with Compensation Committee review and discretion to revise	
Approve annual cash incentive compensation		CEO Committee		Compensation Committee	
Recommend equity grants		Compensation Committee		CEO, with Compensation Committee review and discretion to revise	
Approve equity grants		CEO Committee		Compensation Committee	
Performance appraisal		Compensation Committee, after consultation with the independent members of our Board of Directors		CEO, with Compensation Committee review and discretion to revise	
Base salary		CEO Committee		Compensation Committee	

The Compensation Committee annually reviews and assesses all components of pay in connection with the executive compensation program, including base salary, annual incentives, equity compensation (including accumulated vested and unvested equity compensation) and the value of benefits (including potential severance benefits) and perquisites, while taking into consideration our desire to improve Company profitability and control costs. It also bases its assessment in part on tally sheets prepared by management for each NEO. Tally sheets give the Compensation Committee detail with respect to the totality of each executive's compensation, as well as the components that comprise the overall compensation package, and how compensation earned by each executive compares to the compensation earned by others. The tally sheets also help the Compensation Committee understand the effect that changing any element of pay will have on total compensation.

Commencing at the end of each fiscal year, the CEO's performance is evaluated by the Committee, in consultation with the Board. Our Compensation Committee considers the Board's assessment and makes recommendations about the CEO's compensation to the CEO Committee. The CEO is not present during the deliberations about his performance or his compensation. This process is discussed in greater detail in Part 3 in connection with CEO compensation.

Annually, our CEO provides the Compensation Committee with a performance assessment and compensation recommendation for each NEO, other than himself. This performance assessment is based on the individual's self-assessment and the CEO's assessment of the individual's achievements, strengths and weaknesses as well as the performance of the individual's business unit or department and other considerations. The Compensation Committee considers the recommendations of the CEO, together with information it may request from its consultant or management, with respect to the level of base salary, the annual cash incentive awards and long-term equity incentive awards for those NEOs. The Compensation Committee also considers information about compensation levels and programs that it receives from the Senior Vice President of Human Resources, other members of management from whom it may request information and such consultants as may be engaged by the Compensation Committee or management from time to time. The Compensation Committee approves any changes to levels of compensation for the NEOs, other than the CEO, in its sole discretion.

At the Company's annual meeting of shareholders held in March 2013, a substantial majority of the votes cast on the annual advisory vote to approve executive compensation proposal were voted in favor of the proposal. The Compensation Committee believes that the favorable vote supports the Company's approach to executive compensation, and after considering the outcome of the advisory vote, no significant changes to the executive compensation program were made by the Compensation Committee for fiscal year 2013. The Compensation Committee will continue to consider the outcome of the Company's say-on-pay votes when making future compensation decisions for the NEOs.

Role of Compensation Consultants

The Compensation Committee has exclusive authority under its charter to retain and approve fees and other terms of engagement for consultants to assist it in the evaluation of the compensation for our executive officers. The Committee has engaged the Semler Brossy Consulting Group, LLC (Semler Brossy), represented by Marc Baranski, as the Committee's independent compensation consultant. In connection with this engagement, the Compensation Committee reviewed Semler Brossy's independence and concluded that its engagement did not raise any conflicts of interest.

The Committee's compensation consultant reports directly to the Compensation Committee. Under the direction of the Compensation Committee, the Committee's compensation consultant may work with management in connection with gathering information and reviewing our compensation programs and compensation levels. The Compensation Committee's consultant is expected to fulfill the following responsibilities:

- attend meetings of the Committee;
- provide advice and ongoing recommendations concerning executive compensation programs, including advice related to employment agreements with the CEO and the other NEOs;
- advise the Committee on management proposals, as requested;
- undertake special projects at the request of the Committee;
- review the Company's compensation philosophy, peer group and competitive positioning and advise the Committee on their reasonableness and appropriateness;
- communicate with the chair of the Committee, as requested;
- provide advice and assistance with respect to the design of our executive compensation programs;
- provide general insight into executive compensation practices across markets that are relevant to the Company; and
- provide support with respect to technical matters that impact executive compensation and benefits.

In addition to the foregoing, from time to time, at the request of the Governance Committee, and with the approval of the Compensation Committee, Semler Brossy also provides information to the Board related to Board compensation.

The Company retains Towers Watson to advise management on such matters as program design and evolving practices and trends.

Table of Contents

Use of Market Data and Benchmarking

The Compensation Committee uses benchmarking as one of its tools in connection with its assessment of our executive compensation programs and levels of compensation. Working with its compensation consultant, the Committee regularly reviews the various criteria by which it benchmarks the Company's pay practices. Generally, the Committee aims for consistency by retaining as many of the same companies in this group as possible from year to year, after giving due consideration to changes at the Company level or within the peer group. The peer group companies are generally selected with reference to the following criteria:

- companies, like ABM, that provide business-to-business services, such as outsourcing, logistics management, food service, staffing, freight service, cleaning and pest control;

- companies in other industries (e.g., restaurant, hotel management) that have a high ratio of employees to revenue or market capitalization; and

- companies that generate between $2.5 billion and $5 billion in annual revenue.

In October 2012, as part of its annual assessment of peer group companies, the Compensation Committee reviewed the peer group selected for fiscal year 2012 compensation decisions and, with the assistance of an analysis by its independent compensation consultant, determined that certain changes in the peer group were appropriate in connection with fiscal year 2013 executive compensation practices. The Committee decided that both Johnson Controls and Manpower Inc. should be removed from the 2013 peer group, since the revenues of these companies were significantly larger than those of the Company, and that Fiserv Inc. and Hub Group Inc. should also be removed because those companies, unlike the Company, do not pay a dividend and therefore reflect a different growth and investor profile than that of the Company. The Committee also decided to add Insperity, Inc. to its peer group companies as this company met revenue size and other relevant criteria for peer group inclusion.

As a result of the process described above, the following 21 companies (the Peer Group) were selected by the Compensation Committee as ABM's primary peer group in reviewing pay and making compensation decisions for fiscal year 2013.

Arkansas Best Corporation	Corrections Corporation of America	Rent-A-Center
Brinker International, Inc.	Emcor Group, Inc.	Republic Services, Inc.
The Brink's Company	G&K Services, Inc.	Robert Half International Inc.
C. H. Robinson Worldwide, Inc.	Insperity, Inc.	Rollins Inc.
Cintas Corporation	Iron Mountain Inc.	Standard Parking Corporation
Convergys Corporation	J.B. Hunt Transport Services, Inc.	URS Corporation
Con-Way Inc.	Kelly Services, Inc.	Werner Enterprises, Inc.

The Compensation Committee's decisions relating to NEO pay are informed by its review of the compensation practices reported in the proxy statements filed by the companies in the Peer Group, as compiled for the Committee by its compensation consultant. The proxy analysis reviewed by the Committee in fiscal year 2013 compared base salaries, short-term incentives, long-term incentives and total compensation to corresponding Peer Group practices. Although the results of the Peer Group analysis are considered important by the Compensation Committee, it does not determine or change compensation in reaction to market data alone. Instead, it takes this information into account as one of several considerations which it uses to inform its decisions relating to compensation levels. This information provides the framework for the analysis the Committee uses to assess the competitiveness of NEO pay.

The Compensation Committee believes that the proxy data reviewed provides a reasonable indicator of total compensation paid by companies that recruit executives with skill sets similar to those that we seek in our executives. Compensation for our executives is generally managed within the ranges of compensation paid by companies in the Peer Group and the general industry community. While the Compensation

Table of Contents

Committee normally references the benchmark group median (50^{th} percentile) for each compensation element, the Committee uses its judgment to determine pay levels necessary to pay for performance and attract and retain executive talent. In exercising its judgment, the Committee looks beyond the competitive data and places significant weight on individual job performance (based on specific financial and operating objectives for each executive, as well as leadership skills), experience, compensation history, future potential, internal comparisons, affordability, retention risk, and, in the case of new hires, compensation at former employers, as well as, in the case of executives other than the CEO, the CEO's recommendations. The Compensation Committee's independent compensation consultant reported that target compensation levels in fiscal 2013 were within the range of benchmark norms, which the Committee generally considers to be between the 25^{th} and 75^{th} percentiles for the Peer Group companies.

Peer Group Changes for Fiscal Year 2014

In October 2013, the Compensation Committee reviewed the Peer Group selected for fiscal year 2013 compensation decisions and, with the assistance of an analysis by its independent compensation consultant, determined that certain minor changes in the Peer Group were desirable in connection with fiscal year 2014 executive compensation practices. The Committee decided that G&K Services, Inc. should be removed from the 2013 Peer Group, since its revenues were significantly smaller than those of ABM. The Committee added Healthcare Services Group, Inc. based on the comparability of its revenues and business to ABM.

Pay for Performance Alignment

The following graph illustrates three-year realizable compensation of our NEOs in relationship to NEO compensation of our Peer Group. Each point on the graph represents three-year realizable compensation of the NEOs in our Peer Group relative to his or her company's three-year performance in Total Shareholder Return (TSR) over the 2010-2012 year period.

Table of Contents

Peer Group Pay vs. Performance Analysis

Three-Year Named Executive Officer Realizable Pay

About this graph:

This graph is based on the 2013 proxy filings reflecting 2012 compensation of our Peer Group.

TSR reflects share price appreciation, adjusted for dividends and stock splits.

Realizable pay consists of: 1) actual base salary paid over the three-year period; 2) actual short-term incentive payouts over the three-year period; and 3) the 12/31/2012 market value of equity grants as listed below:

- in-the-money value of stock options granted over the three-year period;
- service-based restricted stock awards granted over the three-year period; and
- performance-based incentives: i) as achieved, for performance cycles that have been completed through 2012; and ii) as granted, for performance cycles that have not yet been completed, assuming target performance.

In order to provide additional information about the relationship between our performance-based compensation and realized compensation, we have prepared a Realized Pay Table, that appears on page 41 of this Proxy Statement, and which is intended to supplement the 2013 Summary Compensation Table that appears on page 45. The Realized Pay Table shows compensation actually realized in fiscal years 2013, 2012, and

2011 by our NEOs.

Table of Contents

Part 3. Elements of Compensation and Fiscal Year 2013 Awards

Elements of Compensation

The following table provides information regarding the elements of our fiscal 2013 executive compensation program:

Type of Compensation	&zwsp;	Form of Compensation	&zwsp;	Rationale	&zwsp;
Base Salary		Cash		Attract and retain high quality executives to drive our success Provide competitive fixed pay based on role, responsibility and experience	
Annual Incentive Bonus		Cash		Drive Company and business unit performance Encourage Company, business unit and individual performance Provide competitive opportunities by targeting total cash (base salary + target bonus) around the median range of peers	
Long-Term Incentive Compensation		Performance shares, stock options		Align interests of executives with shareholders Drive Company performance	
Other Equity Awards		Restricted stock units		Retain executives through long-term vesting and potential wealth accumulation Align interests of executives with shareholders	
Perquisites and Other Executive Benefits		Various (see discussion below)		Provide limited but competitive benefits	
Deferred compensation		401(k) plan; deferred compensation plan		Provide tax-deferred methods for savings, including for retirement	
General		Health and welfare plans, employee stock purchase plan		Offer competitive benefits that are generally offered to a broad base of our employees	

The Compensation Committee believes that each of these elements supports one or more of our compensation objectives and considers each element to be part of a total compensation package. For this reason, the Committee considers the impact of each of these elements on an NEO's total compensation when making decisions regarding compensation. The use of each compensation element is based on a subjective determination by the Committee of the importance of each compensation element in supporting ABM's business and talent strategies, as well as the prevalence, weight and value of these elements for executives at other companies. The Committee believes that the overall mix among base salary, cash and noncash incentives effectively balances short- and long-term performance objectives.

2013 Base Salary

The Compensation Committee typically reviews total compensation, including base salaries, for executives in the first quarter of each fiscal year and, as needed, in connection with recruitment, promotions or other changes in responsibilities. Base salary amounts affect potential annual cash performance incentive

Table of Contents

payments and equity awards described in the following sections, because these other elements are based on a percentage of base salary. In general, base salaries are set at a level that the Committee believes will effectively reward, attract and retain necessary talent, considering the factors described previously. In January 2013, each NEO's base salary was increased by 2%, which was in line with recommended increases for management employees across the Company. The following table shows, for each NEO, the 2012 base salary, the January 2013 increase, and the base salary for fiscal year 2013 effective following the January 2013 increase.

NEO	&zwsp;	2012 Annual Base Salary	&zwsp;	January 2013 Increase	&zwsp;	2013 Annual Base Salary	&zwsp;
Mr. Slipsager	$	850,000		2%	$	867,000	
Mr. Lusk	$	535,000		2%	$	545,700	
Mr. McClure	$	645,000		2%	$	657,900	
Mr. Price	$	645,000		2%	$	657,900	
Ms. McConnell	$	450,000		2%	$	459,000	

2013 Annual Cash Incentive Overview

The Committee determines each NEO's target bonus (as a percentage of base salary at fiscal year-end) and maximum bonus opportunity in light of the NEO's role and responsibilities. The CEO has the highest target bonus, because the Committee believes the CEO's compensation should be most heavily weighted toward performance. Messrs. McClure and Price have the next highest target bonuses, because they are in charge of the operational aspects of the business. The Committee also references the Peer Group median when it establishes the target bonus. The Committee believes that each NEO's annual incentive cash payment should be significantly weighted towards objective financial performance metrics. This is reflected in the NEO's overall bonus targets and weightings.

The target bonuses, maximum bonuses, performance factors and weightings, along with the actual fiscal year 2013 bonus awards for the NEOs, are set forth in the table below. A description of how fiscal year 2013 bonus awards were achieved follows the table.

Fiscal Year 2013 Bonus Targets, Weighting, and Awards

Named Executive Officer	Base Salary ($)	Target Bonus (as Percentage of Salary) (%)	Target Bonus ($)	Maximum Bonus[(1)] ($)	Performance Factors and Weighting	Achievement (%)	Fiscal Year 2013 Bonus as Percentage of Target (%)[(2)]	Fiscal Year 2013 Bonus ($)
Henrik C. Slipsager, Chief Executive Officer	867,000	100	867,000	1,603,950	CEO Financial Objectives, 70%	150.4	150.3	1,303,448
					CEO Nonfinancial Objectives, 30%	150.0		
James S. Lusk, Executive Vice President & Chief Financial Officer	545,700	70	381,990	706,682	Corporate Results, 70%	140.8	140.6	537,078
					Department/Individual Results, 30%	140.0		
James P. McClure, Executive Vice President	657,900	75	493,425	925,172	Corporate Results, 50%	140.8	138.6	683,657
					Business Unit Results, 25%	106.2		
					Individual Results, 25%	150.0		
Tracy K. Price, Executive Vice President	657,900	75	493,425	925,172	Corporate Results, 50%	140.8	138.4	682,900
					Business Unit Results, 25%	152.0		
					Individual Results, 25%	120.0		
Sarah H. McConnell,	459,000	60	275,400	509,490	Corporate Results, 70%	140.8	134.6	370,688
						120.0		

Senior Vice President	Department/Individual Results, 30%

(1) The maximum bonus for the CEO, CFO and Senior Vice President is 185% of target, while the maximum bonus for each of the other Executive Vice Presidents is 187.5% of target.

(2) Percentages are rounded to the nearest tenth of a percent.

Table of Contents

Annual Cash Incentive Payments for Our CEO

Henrik C. Slipsager, President and CEO

Mr. Slipsager has 30 years' experience in the facility services industry. He has been President and CEO of the Company since 2000. In light of his significant role in shaping the direction of the Company, the Committee bases its recommendations with respect to his annual incentive compensation on financial and individual performance objectives, which are generally established by the Committee in the first quarter of the fiscal year, after consultation with other members of the Board of Directors. The Committee also considers the advice of its compensation consultant with respect to Mr. Slipsager's objectives and it may make changes to these objectives during the year or at the end of the year to take into consideration other factors that the Committee, in its discretion, believes are important to a consideration of the CEO's annual cash incentive compensation. The Committee may change, from fiscal year to fiscal year, the basis upon which it determines the CEO's annual cash incentive compensation. As further described below, Mr. Slipsager's annual cash incentive payment for fiscal year 2013 was $1,303,448.

CEO's 2013 Financial Objectives. In connection with the determination of the attainment of the CEO's financial performance objectives, the Compensation Committee first established a threshold which, if not achieved, would result in the CEO not receiving any payment in respect of his financial objectives, thereby putting 70% of his annual target cash incentive compensation at risk if these financial objectives were not met. The Committee determined that in order to receive any payment with respect to the financial objectives, actual income from continuing operations before taxes for fiscal year 2013 had to equal or exceed both 80% of the fiscal year 2013 budget and 80% of actual fiscal year 2012 results. For fiscal year 2013, actual income from continuing operations before taxes of $112.5 million was approximately 110% of budget and 121% of actual fiscal year 2012 results, so this threshold was met.

Mr. Slipsager's 2013 fiscal year financial objectives are summarized in the following table.

CEO Financial Objectives	&zwsp;	Target Level	&zwsp;	Actual Results	&zwsp;	Actual as a % of Target[1]	&zwsp;	Preliminary Bonus Funding[2]	&zwsp;
Pre-tax income from continuing operations		$102.7 million		$112.5 million		110%		123.9%	
EBITDA margin[3]		3.8%		3.9%		103%		106.6%	
Earnings per share from continuing operations Diluted[4]		$1.33		$1.52		114%		135.7%	
Operating cash flow		$141.9 million		$135.3 million		95%		88.4%	
Pro forma organic revenue growth		3.5%		3.1%[5]		89%		71.4%	
Return on equity[6]		8.6%		9.7%		113%		132.0%	
Average								109.7%	

(1) Rounded.

(2) The methodology relating to preliminary bonus funding levels is described below.

(3) EBITDA refers to earnings before interest, taxes, depreciation and amortization.

(4) Excludes items impacting comparability.

(5) Excludes business related to the U.S. government in light of impacts relating to the U.S. government shutdown in October 2013.

(6) The return on equity target excludes items impacting comparability.

In determining the bonus funding for the CEO related to his financial performance objectives, the Committee decided to utilize the same award funding approach as that utilized for the Corporate Results in the annual performance incentive program (PIP) in the table captioned "2013 Fiscal Year

Table of Contents

PIP-Corporate Results Possible Funding Award". The actual achievement as a percent of target for each measure shown above was applied to the award funding set forth in this table as a percent of budget to calculate the preliminary bonus funding in the table above. The Committee then determined that on an overall basis, on average, the financial objectives had been achieved at 109.7%. In making this determination, the Committee gave equal weight to each financial objective.

The Committee then took into account the fact that the 2013 Fiscal Year PIP-Corporate Results Possible Funding Award table provides for an upper funding level of 175% for financial performance metrics while the maximum funding for the CEO for his financial performance objectives for fiscal year 2013 was 200%. Accordingly, the Committee adjusted for this difference by applying a factor of approximately 1.14 (which is derived by dividing 200 by 175), to 109.7%, which results in an adjusted preliminary funding level of 125.37%. Consistent with the design of the PIP program, this preliminary funding level can be modified, in the discretion of the Committee, by a multiplier in the range of 0.8 to 1.2 to reflect various factors that contributed to the financial results. In determining whether to apply a multiplier, the Committee considered the quality and breadth of the financial results and Mr. Slipsager's role in providing strategic direction to the Company, which it believed strongly contributed to these results. In light of these considerations, the Committee adjusted the preliminary bonus funding of 125.37% by a factor of 1.2, resulting in an achievement level of 150.4%, which, as noted previously, is given a 70% weight in connection with the determination of the CEO's annual cash incentive payment.

CEO's 2013 Nonfinancial Objectives. Mr. Slipsager's fiscal year 2013 nonfinancial performance objectives involved strategy development and communication with the Board, succession planning and acquisition and integration activity.

As previously noted, the Committee uses a consultative process involving other Board members in connection with its assessment of the CEO's achievement of his nonfinancial objectives. The Committee informally uses a numerical scoring procedure to help it in its deliberations, although its assessment is discretionary. After taking into account the views of the Committee and other Board members (other than the CEO), the Committee determined that Mr. Slipsager had significantly exceeded target for each of his nonfinancial objectives. In particular, the Committee noted that Mr. Slipsager successfully executed important strategic matters, such as the acquisition and subsequent integration of Air Serv Corporation and HHA Services, Inc., proactively led the succession planning process, and effectively communicated with the Board on a regular basis. Accordingly, the Committee determined that Mr. Slipsager had achieved 150% of target in relationship to his nonfinancial objectives.

Overall Bonus Determination. For fiscal year 2013, based upon the weightings of the achievement of the CEO's financial (70%) and nonfinancial (30%) objectives, the Committee determined that his overall funding level was achieved at approximately 150.3%. Therefore, the Committee recommended, and the CEO Committee agreed, that Mr. Slipsager receive an annual cash incentive payment of $1,303,448 (approximately 150.3% of his target).

Annual Cash Incentive Payments for Our Other NEOs

Annual cash incentive payments for Messrs. Lusk, McClure, Price and Ms. McConnell are governed by the PIP. The PIP is an incentive cash program for executives and key employees that is designed to motivate and reward achievement of annual financial and individual performance objectives and provide a competitive total compensation opportunity in support of our compensation objectives.

The Committee assigns a relative weight to the different components of the bonus amount. In the case of Messrs. McClure and Price, who have responsibility for business units, awards under the PIP are based on the Company's financial performance (50%), business unit performance (25%), and individual performance (25%). We refer to Company financial performance as "Corporate Results", business unit performance as "Business Unit Results", and individual performance as "Individual Results". In the case of Mr. Lusk, our CFO, and Ms. McConnell, our General Counsel, awards under the PIP are based on

Table of Contents

Corporate Results (70%), the performance of the department or function for which they are responsible and individual results (30%) (Department/Individual Results).

The CEO approves the individual performance objectives for these NEOs. Generally, the performance criteria associated with the Company and business unit performance are objective, while those associated with department results and individual performance are more subjective in nature.

Following the end of the fiscal year, Corporate Results and Business Unit Results are determined and submitted to the Committee. The CEO provides the Committee with his assessment of the other NEOs' achievement of Department Results and Individual Results. The Committee discusses these assessments with the CEO and has discretion to modify his assessments. The Committee may adjust Corporate Results and Business Unit Results to take into consideration unusual items such as acquisitions or divestitures. Determining Individual Results and Department Results involves subjective judgments by the Committee.

2013 Corporate Results

Fiscal 2013 Corporate Results were measured by the Company's fiscal year 2013 income from continuing operations relative to (1) fiscal year 2013 budget and (2) fiscal year 2012 results, each weighted equally. At the beginning of the fiscal year, the Committee determines possible award funding with respect to Corporate Results. As reflected in the table below, if Corporate Results equaled or exceeded both 125% of budget for 2013 and 125% of actual results for the prior year, possible award funding for Corporate Results would be 175% of target. On the other hand, if Corporate Results were less than 80% of budget for 2013 and less than 80% of prior year actual, possible award funding would be 0%.

	2013 Fiscal Year PIP	Corporate Results Possible Award Funding				&zwsp;
% Budget for Fiscal Year 2013	**&zwsp;**	**% Prior Fiscal Year**	**&zwsp;**	**Award Funding**	**Corporate**	**&zwsp;**
≥125%		≥125%		175%		
≥120%		≥120%		150%		
≥100%		≥100%		100%		
≥80%		≥80%		50%		
<80%		<80%		0%		

The tables below show target and actual Corporate Results for fiscal year 2013.

	Corporate Results (50%)	2013 Actual vs. 2013 Budget		&zwsp;
2013 Actual Income from Continuing Operations	**2013 Budget**	**2013 Actual Income from Continuing Operations Compared to 2013 Budget**	**Bonus Funding**	
$72.9 million	$62.6 million	116.4%	141.0%	

		Corporate Results (50%)		2013 Actual vs. 2012 Actual			&zwsp;
2013 Actual Income from Continuing Operations	**&zwsp;**	**2012 Actual**	**&zwsp;**	**2013 Actual Income from Continuing Operations Compared to 2012 Actual**	**&zwsp;**	**Bonus Funding**	**&zwsp;**
$72.9 million		$62.7 million		116.2%		140.5%	

Because each of the above metrics is weighted equally, the total bonus funding level for Corporate Results was 140.8%.

Table of Contents

Determination of Each NEO's Performance and Bonus

James S. Lusk, Executive Vice President and Chief Financial Officer

Mr. Lusk joined the Company in 2007 and has served as our CFO since January 2008. Before joining the Company, Mr. Lusk served in senior leadership positions with various other companies, including Avaya, BioScrip/MIM and Lucent Technologies. Mr. Lusk's annual cash incentive compensation was based 70% on Corporate Results (as described above) and 30% on Department/Individual Results. As further described below, Mr. Lusk's annual cash incentive payment for fiscal 2013 was $537,078.

Department/Individual Results. Mr. Lusk's individual and department-related objectives included components relating to general management, customer relations/market development, and compliance and administration. In assessing Mr. Lusk's performance, the CEO noted Mr. Lusk's outstanding performance in all areas. In particular, his achievements included excellent cash management, the paying down of over $100 million of the $200 million borrowed at the beginning of fiscal year 2013 to fund acquisitions, and returning more cash to shareholders in the form of dividends. The CEO recommended, and the Committee approved, a funding level of 140.0% for Department/Individual Results, weighted at 30%.

Total Payment Determination. Mr. Lusk's total PIP target was 70% of his base salary of $545,700, or $381,990. Because Corporate Results (weighted 70%) resulted in a funding level of 140.8%, and Individual/Department Results (weighted 30%) resulted in a funding level of 140.0%, the Committee approved Mr. Lusk's PIP payment for fiscal year 2013 in the amount of $537,078.

James P. McClure, Executive Vice President, Business Leader for Onsite Services

Mr. McClure has over 30 years' experience with the Company, serving in various senior leadership roles. Most recently, as part of the reorganization of our businesses, Mr. McClure became the business leader having principal responsibility for our Onsite Services business. In light of this responsibility, Mr. McClure's annual cash incentive compensation was based 50% on Corporate Results (as described above), 25% on Business Unit Results for the Onsite Services business and 25% on Individual Results. As further described below, Mr. McClure's annual cash incentive payment for fiscal 2013 was $683,657.

Business Unit Results. Mr. McClure's Business Unit Results were based on the Onsite Services business's 2013 fiscal year operating profit relative to (1) budget for fiscal year 2013 and (2) 2013 fiscal year results, with the two factors being weighted equally. As reflected in the table below, if Business Unit Results equaled or exceeded both 125% of budget for 2013 and 120% of actual results for the prior year, possible award funding for Business Unit Results would be 175% of target. On the other hand, if Business Unit Results were less than 85% of budget for 2013 and less than 85% of prior year actual, possible award funding would be 0%.

	Onsite Services	Possible Award Funding			&zwsp;
Actual 2013 Operating Profit as % of Budget for Fiscal Year 2013	&zwsp;	**Actual 2013 Operating Profit as % of Prior Fiscal Year Operating Profit**	&zwsp;	**Award Funding**	&zwsp;
≥125%		≥120%		175%	
≥120%		≥115%		150%	
≥100%		≥105%		100%	