



ABM INDUSTRIES INCORPORATED

CORPORATE GOVERNANCE PRINCIPLES

As Amended on September 2, 2015

These Corporate Governance Principles have been adopted by the Board of Directors of ABM Industries Incorporated (“ABM” or the “Company”) in connection with its continuing efforts to enhance its corporate governance. The principles, in conjunction with our Restated Certificate of Incorporation, Amended and Restated Bylaws and Board Committee charters, form the framework for governance of the Company and are not intended to create legally binding obligations. The Board will review and amend these principles from time to time, as it deems appropriate.

A. BOARD COMPOSITION AND STRUCTURE

- 1. Chairman and Chief Executive Officer.** The positions of the Chairman of the Board and the Chief Executive Officer of ABM are currently held by different people in recognition of the differences between the two roles. This practice has served ABM well over a number of years. The Board recognizes that good governance is not tied to any one practice and that the best practice is often determined by facts and circumstances that may change from time to time. The Board annually elects an independent member of the Board to serve as Chairman. The current duties and responsibilities of the independent Chairman are set forth in the attached Annex A.
- 2. Size of the Board.** The Board periodically reviews the appropriate size of the Board. Generally the Board believes that it should have no fewer than eight or more than eleven members and the Company’s Bylaws reflect that range.
- 3. Independent Directors.** The Board must have a majority of independent directors. The Board will consider all relevant facts and circumstances in making an independence determination. To be considered “independent,” a director must meet the independence standards under the NYSE listing standards, and the Board must affirmatively determine that the director has no direct or indirect material relationship with ABM or with any executive officer of ABM. A relationship will be considered “material” if, in the judgment of the Board, it would interfere with a director's independent judgment.

- 4. Board Membership Criteria.** Nominees for Director shall be selected on the basis of their character, expertise, sound judgment, ability to make independent analytical inquiries, business experiences, understanding of the Company's business environment, ability to make time commitments to the Company, demonstrated teamwork, and ability to bring unique and diverse perspectives and understandings to the Board. The Board is committed to a diversified membership in terms of the individuals involved, their experiences and areas of expertise. The Governance Committee of the Board is responsible for reviewing with the Board the requisite skills and characteristics of new Board candidates in the context of the current composition of the Board. This assessment includes experience in industry, finance, administration, corporate governance, operations and marketing, as well as diversity. Director candidates should be able to provide insights and practical wisdom based on their experience and expertise. The Board seeks to balance the value that longevity of Director service can bring to the Company with the value of new ideas, perspectives and insights that can come from the addition to the Board of new members. Directors are expected to rigorously prepare for, attend and participate in Board meetings and meetings of the Committees of the Board of Directors on which they serve, to ask direct questions and require straight answers, and to spend the time needed and meet as frequently as necessary to properly discharge their responsibilities and duties as directors. Each Board member is expected to ensure that other existing and planned future commitments do not materially interfere with the member's service as an outstanding director.
- 5. Additional Board Service.** A director will notify the Governance Committee before accepting an invitation to serve on another board to enable ABM to consider whether (1) any regulatory issues or potential conflicts are raised by the director accepting such an invitation and (2) the director will have the time required for preparation, participation and attendance at Board meetings. Ordinarily, directors who are fulltime employees of ABM or who serve as chief executive officers or equivalent positions at other companies shall not serve on more than two other boards of publicly-traded companies. Other directors shall not serve on more than five boards of public companies (including the Board). Any Audit Committee member's service on more than three public company audit committees will be subject to the Board's determination that the member is able to serve effectively on the Company's Audit Committee and the disclosure of that determination shall be made in ABM's annual proxy statement. In calculating service on a public company board or audit committee, service on a board or audit committee of a parent and its substantially-owned subsidiary counts as service on a single board or audit committee. Service on other boards and other commitments are considered by the Governance Committee and the Board when reviewing Board candidates and in connection with the Board's annual self-assessment process.
- 6. Selection of New Director Candidates.** The Board is responsible for selecting director candidates. The Board delegates the screening process involved to the Governance Committee, with the expectation that other members of the Board

and executives will be requested to take part in the process as appropriate. The Governance Committee is responsible for reviewing the qualifications of potential candidates and making recommendations to the whole Board regarding candidates for election to the Board at the Company's annual meeting of stockholders and for candidates to fill vacancies on the Board that may occur between annual meetings of stockholders. At the discretion of the Board, candidates recommended by the Governance Committee may be appointed by the Board of Directors in the case of a vacancy or nomination by the Board of Directors for election by stockholders. Stockholder nominations for director candidates must be made in accordance with ABM's Bylaws.

7. **Retirement and Term Limits.** On December 9, 2013, the Board adopted a policy providing that the mandatory retirement age for non-employee directors is 73. 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 stockholders 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 such director had attained the age of 73 at the time he or she was last elected to the Board, such director may continue to serve as director until his or her current term expires or is terminated.

The Board believes that firsthand experience as a director of ABM has been invaluable to the Company's success and that it would be unwise to discard such value through an automatic termination of the service of any director based on term limits. However, to ensure that the Board continues to remain composed of effective members able to keep their commitments to Board service, the Governance Committee will evaluate the qualifications and performance of each incumbent director before recommending the nomination of that director for an additional term.

8. **Directors Who Change Responsibilities.** When a director's principal occupation or business association changes substantially during his or her tenure as a director, that director shall promptly notify the Chairman of the Board and the Chairman of the Governance Committee so that such change can be considered as to its potential impact on the Board and/or the Company.
9. **Board Compensation.** The form and amount of director compensation shall be determined by the Board based upon the recommendation of the Governance Committee. Directors who are ABM employees do not receive compensation for Board service. The Board believes that the compensation of non-employee directors of ABM should be a combination of cash and stock-based components and that such compensation should take into consideration the responsibilities of the directors and the fees and other forms of compensation being paid by other companies comparable to ABM. The Governance Committee annually reviews the status of non-employee director compensation relative to comparable companies.

B. RESPONSIBILITIES OF THE BOARD OF DIRECTORS

- 1. Responsibilities of Directors.** The basic duty of ABM directors is to exercise their business judgment to act in what the Board reasonably believes to be in the best interests of ABM and its stockholders. The primary responsibilities of the Board are providing oversight, counseling and direction to the management of the Company in the interest and for the benefit of the Company's stockholders. The Board may fulfill its responsibilities directly or through its Committees. The Board's detailed responsibilities include:
 - (a)** Selecting, evaluating and setting the compensation for the Chief Executive Officer and approving the compensation of other senior executives;
 - (b)** Planning for succession with respect to the Chief Executive Officer and monitoring management's succession planning for other senior executives;
 - (c)** Reviewing and, where appropriate, approving the Company's major financial objectives, strategic and operating plans and actions;
 - (d)** Overseeing the conduct of the Company's business to evaluate whether (i) the business is being properly managed and (ii) systemic risks are being addressed;
 - (e)** Overseeing the processes for maintaining the integrity of the Company with regard to its financial statements and other public disclosures, and compliance with law and ethics; and
 - (f)** Developing, monitoring, and evaluating its own actions and processes to ensure that the Board and its Committees fulfill their duties and responsibilities to ABM's stockholders.

In discharging its responsibilities and duties, the Board is empowered to investigate any matter brought to its attention that it determines to be within the scope of its authority with full access to all books, records, facilities and personnel of the Company. The Board has the power to retain consultants, outside counsel or other experts as the Board may deem appropriate in its sole discretion, and shall receive funding from the Company to engage such advisors, and have sole authority to approve related fees and retention terms.

The Board of Directors has delegated certain of its responsibilities to its Committees. The Board of Directors has delegated to the Chief Executive Officer, working with the other executive officers of ABM, the authority and responsibility for managing the business of ABM in a lawful and ethical manner, consistent with the standards, policies and procedures of ABM, and in accordance with any specific plans, instructions or directions of the Board. The Chief Executive Officer and the other executive officers are required to seek the advice and, in appropriate situations, the approval of the Board with respect to certain major decisions in both the ordinary and extraordinary course of business.

2. **Ethical Conduct.** Directors shall act at all times in accordance with the requirements of ABM's Code of Business Conduct, which shall be applicable to each director and employee of the Company in connection with his or her activities on behalf of or relating to ABM. This obligation includes adherence to ABM's policies with respect to conflicts of interest, confidentiality, and protection of ABM's assets, ethical conduct in business dealings and respect for and compliance with applicable law. Any waiver of the requirements of the Code of Business Conduct with respect to any individual director must be approved by the Board of Directors.
3. **Stock Ownership.** The Board is committed to fostering compensation programs and policies designed to encourage ownership of ABM stock by directors and executive officers over the long-term. In addition, the Board has adopted stock ownership requirements for directors and certain senior executives. In the view of the Board, such programs and stock ownership requirements will help align the interests of ABM's directors and executive officers with those of our stockholders.
4. **Access to Independent Advisors.** The Board is authorized to retain independent legal, financial or other outside advisors as it deems necessary. ABM shall make payment or reimbursement, as determined by the Board, for the costs of such independent advisors.
5. **Access to Employees.** Directors have unrestricted access to all employees of ABM. Any meetings or contacts that a director wishes to initiate may be arranged through the Chief Executive Officer's secretary, the Corporate Secretary or directly by the director. Directors will use their judgment to ensure that any such contact is not disruptive to the organization or business of ABM and will, if appropriate under the circumstances, copy the Chief Executive Officer on any written communications between that director and any employee of the Company. Officers who report to the Chief Executive Officer regularly attend Board meetings in which matters under their supervision and control are under discussion. Furthermore, the Board encourages these officers to bring managers into Board meetings from time to time who (a) can provide additional insight into the matters under discussion, or (b) are themselves managers with future potential who should be given exposure to the Board.
6. **Director Orientation and Continuing Education.** All new directors must participate in an orientation program, which is generally conducted within three months of the director's joining the Board. This orientation will include meetings with the Chief Executive Officer, the Chief Financial Officer and at least one other executive officer to familiarize the new director with ABM's business and financial statements, strategic plans, financial controls, reporting systems and compliance programs, and the Code of Business Conduct. The Board believes that continuing education is important for maintaining an effective Board. The Board encourages directors to participate in ongoing education as well as to participate in director education programs. The Board will reimburse directors for expenses incurred in connection with these education programs.

C. BOARD MEETINGS AND MATERIALS

1. **Scheduling.** Board meetings are scheduled in advance and typically the Board meets seven times each year, including an annual strategy session. In addition to regularly scheduled meetings, additional Board meetings may be called upon appropriate notice at any time to address specific needs of the Company. When it is impracticable to meet in person, the Board may convene by telephonic conference. The Board may also take action from time to time by unanimous written consent.
2. **Board Agenda.** The Chairman of the Board, in consultation with the other members of the Board, establishes the agenda for regular Board meetings and distributes it in advance to the Board. Any director may recommend agenda items, request the presence of or a report by any member of the Company's management, or raise subjects that are not on the agenda.

At the beginning of each year, the Board establishes a schedule of agenda topics to be discussed during the year, which is subject to change as matters arise during the year. The Board has regularly scheduled presentations from the Executive Vice Presidents in charge of ABM's major-business segments and operations, as well as the Chief Financial Officer and General Counsel, and in addition, reviews and, where appropriate, approves ABM's major operational, administrative, financial, marketing and strategic plans and actions.

3. **Information to Board.** Information that is important to the understanding of the business to be conducted at any Board or Committee meeting should generally be distributed in writing to the applicable directors before that meeting. These materials should be informative but concise, and directors are expected to review these materials in advance of the meeting. Supplemental materials are provided to the Board on a periodic basis and at any time upon request of Board members. Directors are expected to review these materials prior to the Board or Committee meeting.
4. **Executive Sessions of Non-Management Directors and Independent Directors.** The non-management Directors shall meet in executive session at least four times each year in connection with regularly scheduled Board meetings, and, at the request of any non-management director, the non-management directors will meet in executive session at any specially-called Board meeting. The independent Directors shall meet in executive session at regularly scheduled Board meetings at least once during each fiscal year and, at the request of any independent Director, the independent directors shall meet in executive session at any specially-called Board meeting.

D. BOARD COMMITTEES

1. **Number of Committees.** The current Committees of the Board are the Audit Committee, the Compensation Committee, the Governance Committee, and the Corporate Citizenship and Communications Committee (the “CCC Committee”). The Audit, Compensation, and Governance Committee must be composed entirely of independent directors. The CCC Committee must be comprised entirely of non-management directors.

Each of the Audit, Compensation, Governance and CCC Committees has a written charter approved by the Board, which sets forth its authority, responsibilities and duties. Committees may only act by a vote or unanimous written consent of the appointed Committee members. Each Committee conducts an annual review of its charter and works with the Governance Committee and the full Board to make such revisions as are considered appropriate. Each Committee regularly reports to the Board concerning the Committee's activities.

Each Committee of the Board is authorized to retain independent legal, financial or other outside advisors as it deems necessary. ABM shall make payment or reimbursement, as determined by the Committee, for the costs of such independent advisors.

2. **Audit Committee.** Among other responsibilities outlined in its Charter, the Audit Committee is responsible for the hiring, oversight and compensation of the independent certified public accountants that audit the Company's financial statements and for monitoring the Company's internal financial and accounting organization, controls and financial reporting.
3. **Compensation Committee.** Among other responsibilities outlined in its Charter, the Compensation Committee reviews and determines salaries and other matters relating to compensation of ABM's executive officers and administers the Company's stock option plans, including the review and granting of stock options to eligible employees.
4. **Governance Committee.** Among other responsibilities outlined in its Charter, the Governance Committee makes recommendations to the Board regarding the size and composition of the Board, establishes procedures for the nomination process, recommends candidates for election to the Board, and reviews and recommends executive officer succession. The Governance Committee reviews and makes recommendations to the Board concerning non-employee director compensation. This Committee regularly reviews the structure of the Board and its committees to assure their effectiveness for accomplishing the Board's work. It also reviews and reports to the Board on matters of corporate governance and reviews and addresses these principles and recommends revisions as appropriate. The Governance Committee reviews all proposals submitted by stockholders for action at the Annual Stockholders' Meeting, and recommends action by the Board with regards to each such proposal.

5. **Corporate Citizenship and Communications Committee.** Among other responsibilities outlined in its Charter, the CCC Committee reviews and advises on strategies, policies and practices primarily involving the Company's external outreach activities and communications targeted to various key audiences such as potential clients, public policy officials and stockholders. The Committee also oversees the Company's philanthropic and other corporate citizenship initiatives targeted to the communities and constituencies it oversees.
6. **Committee Membership.** The Governance Committee recommends to the Board the composition of the Committees, including the Chairs of the Committees with the expectation that other members of the Board will be consulted as to preferences. The recommendations of the Governance Committee are subject to approval by the Board.
7. **Committee Agendas.** The Committee Chair, in consultation with the members of that Committee, determines the frequency and duration of the Committee meetings and develops the Committee's agenda. At the beginning of the year, each of the Audit, Compensation, Governance and CCC Committees establishes a schedule of agenda subjects to be discussed during the year, which is subject to change as matters arise during the year. The agendas and meeting minutes of the Committees are furnished to all directors. Other Board members may attend committee meetings at the invitation of the Committee Chair.

E. MANAGEMENT AND BOARD REVIEW AND RESPONSIBILITY

1. **Chief Executive Officer Performance Evaluation and Compensation.** The full Board participates in the development of annual performance objectives for the Chief Executive Officer and, without the Chief Executive Officer present, reviews the corporate goals and objectives relevant to the CEO's compensation. The CEO's annual performance objectives are approved by the Compensation Committee, after consultation with the Board. The Board meets annually without the Chief Executive Officer present to discuss the Compensation Committee's evaluation of the CEO's performance and the Compensation Committee's recommendation for the CEO's compensation. Following this meeting, the independent and outside directors of the Board consider for approval the CEO's compensation based on the Compensation Committee's evaluation of the CEO's performance. Both objective and subjective criteria may be used to evaluate the CEO's performance.
2. **Succession Planning and Management Development.** The Governance Committee ensures a process exists for the development by the Chief Executive Officer of an executive officer succession plan. The Board annually reviews and approves the plan. The plan will include contingencies in the event of the death or disability of the Chief Executive Officer. The Chief Executive Officer reviews management development with the Board on an annual basis.

3. **Board and Committee Evaluations.** The Board, under the auspices of the Governance Committee, will conduct an annual Board performance self-evaluation. The assessment will focus on the Board's contribution to ABM and specifically concentrate on areas in which the Board believes that it could improve. In addition, each Committee of the Board will prepare an annual performance self-evaluation and report to the Board on the evaluation.

F. STAKEHOLDER COMMUNICATIONS

1. The Chief Executive Officer is responsible for establishing effective communications with ABM's stakeholders: stockholders, customers, employees, communities, suppliers and creditors. This policy does not preclude directors from meeting with stakeholders, but in appropriate circumstances, the Board suggests that, as a courtesy, its members inform the Chief Executive Officer of such meetings. Each director is encouraged to attend the Annual Meeting of Stockholders.
2. Individuals who wish to communicate directly with the non-management directors may contact them by email addressed to: nonmanagementdirectors@abm.com or by mail addressed to: Non-Management Directors, ABM Industries Incorporated, 551 Fifth Avenue, Suite 300, New York, NY 10176. Our Corporate Secretary will initially receive and process communications before forwarding them to the addressee. We generally will not forward to the directors a communication that we determine to be primarily commercial in nature or related to an improper or irrelevant topic, or that requests general information about the Company.

G. DISCLOSURE OF CORPORATE GOVERNANCE PRINCIPLES

These Principles shall be made available on the Company's website.

H. AMENDMENTS

The Governance Committee reviews these Principles annually and recommends amendments to the Board as necessary or appropriate.

The duties and responsibilities of the Chairman of the Board are set forth below. In addition to these duties and responsibilities, the Board may assign other duties and responsibilities to the Chairman from time to time.

<i>Board Agendas, Meetings and Schedules</i>	<ul style="list-style-type: none"> ● Oversees the preparation of agendas for meetings of the Board, in consultation with the CEO, the General Counsel, and other Board members, and ultimately approves the agenda for each Board meeting. ● Provides feedback on the timeliness of information flow from management. ● Approves meeting schedules to assure that there is sufficient time for discussion of all agenda items. ● Presides at all meetings of the Board, including Executive Sessions of the Independent Directors. ● In consultation with the CEO and the General Counsel, determines who attends Board meetings, including management and outside advisors.
<i>Board Executive Sessions</i>	<ul style="list-style-type: none"> ● Has the authority to call special Board meetings, including executive sessions of the Board. ● Provides feedback to the CEO as a result of Executive Sessions, as appropriate.
<i>Committee Meetings</i>	<ul style="list-style-type: none"> ● Serves as an <i>ex officio</i> member of the Committees of the Board of Directors.
<i>Outside Advisors to the Board</i>	<ul style="list-style-type: none"> ● Recommends, as appropriate, independent outside advisors and consultants to report to the Board on issues of importance to the Board.
<i>Communicating with the Board and Management</i>	<ul style="list-style-type: none"> ● Maintains contact with the CEO and the General Counsel between meetings of the Board to stay current on developments and to determine when it may be appropriate to alert the other members of the Board to significant pending developments. ● Acts as liaison between the Independent Directors and the CEO when special circumstances exist or communication out of the ordinary course is advisable. ● Facilitates the functioning of the Board independent of management, and provides leadership conducive to a thorough and candid consideration of issues and matters brought to the Board's attention. ● Sets the "tone" for the Board to foster ethical and responsible decision-making.
<i>Communicating with Stakeholders</i>	<ul style="list-style-type: none"> ● As necessary, meets with stockholders or other external parties, after discussions with the CEO or the Board. ● At the request of the CEO or the Board, serves as the Company's representative at public or private forums. ● Is regularly apprised of inquiries from stockholders and involved in correspondence responding to these inquiries. ● Under applicable guidelines for handling communications to the Board, is advised promptly of any communications directed to the Board or any member of the Board that allege misconduct on the part of company management, or raise legal, ethical or compliance concerns about company policies or practices.