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## **CSE Independent Assurance Statement**

CSE has been engaged by ABM to provide independent assurance over the ABM 2017 Sustainability Report published on the ABM website. The aim of this process is to provide reassurance to ABM's stakeholders over the accuracy, reliability and objectivity of the reported information and the coverage of the material issues regarding the business and the stakeholders. The ABM 2017 Sustainability Report is in compliance with the 'in accordance – core' requirements of the GRI STANDARDS Guidelines.

### **Scope of work**

The scope of work included a review of the 2017 Sustainability Report activities and performance data related to the 2017 fiscal year that ended October 31, 2017. Specifically, this included:

1. Statements, information and performance data contained within the Sustainability report;
2. ABM's process for determining material aspects for reporting and the management approach to material issues; and
3. ABM's reported data and information as per the requirements of the Global Reporting Initiative (GRI) STANDARDS Sustainability Reporting Guidelines, as indicated in the GRI index.

The assurance process was conducted in line with the requirements of the AA1000 Assurance Standard (2008) and we applied a Type 2 moderate level of assurance.

### **General Conclusions**

With respect to the scope of work, we conclude that:

- the account of ABM's activities and performance during 2017 and the way they are presented in the 2017 Sustainability Report is accurate;
- ABM adheres to the principles of inclusivity, materiality and responsiveness as per the AA1000 Accountability Principles Standard 2008.

Any errors or misstatements identified during the engagement were corrected prior to the publication of the Sustainability Report.

### **Key observations and recommendations:**

Based on the observations and concluding remarks derived from the assurance engagement, our key observations and recommendations for the improvement of ABM's future Sustainability Reports are:

- With respect to the principle of inclusivity, ABM maintains a comprehensive communication process with its key stakeholders. It is suggested that ABM



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- continues to enhance this model in order to maximize its effectiveness and results.
- With respect to the principle of materiality, it is suggested that ABM considers expanding the scope of the materiality assessment process to other key stakeholder groups, such as distributors and local communities.
  - With respect to the principle of responsiveness, ABM has taken significant steps to incorporate the concerns and preferences of its key stakeholder groups, Vision, Purpose and Mission, as well as its Commitments to Shared Value.
  - ABM has taken significant steps to enhance its approach to business and sustainability. Specifically, 2017 ABM operated for the first time under the new 2020 Vision industry group organizational structure, with significant positive results for the organization.
  - Good practices have been demonstrated in a number of specific internal and external initiatives which have created positive results for ABM and its clients. For example, the provision of Green cleaning products (Green Seal certified) or environmentally preferable products in order to improve indoor environmental quality for building occupants, while the “GreenCare” program helps clients make improvements in environmental and social responsibility, employee productivity and retention, property protection and fiscal responsibility.
  - ABM demonstrated significant progress on its target for reducing its GHG emissions by 2020. Specifically, in 2017 there was a total of 147278.976lbs of CO<sub>2</sub> emissions avoid and a continuous reduction in Scope 1 emissions. ABM should seek to externally verifying its greenhouse gas emissions measurements and calculations.
  - With respect to performance indicators, it is recommended to show performance from previous years in all indicators in order to fully comply with the principle of comparability and to be able to show the progress made in managing material issues.

### **Findings and conclusions concerning adherence to the AA1000AS principles of Inclusivity, Materiality, Responsiveness and Specific Performance Information.**

**Inclusivity** – how the key stakeholder groups were identified and engaged regarding sustainability issues. All the key stakeholder groups were engaged. ABM applied widely accepted principles in developing its approach to stakeholder engagement and sustainability.

**Materiality** – how the assessment of the importance of each sustainability topic took place. The process for determining the material issues by ABM provides a balanced representation of the material issues regarding its sustainability performance and impacts.

**Responsiveness** – how the company responded to the issues that were pointed out by each stakeholder group, and how this response is described in the sustainability report. ABM has responded in a sufficient manner to the issues that were of high concern to the stakeholders. This response is presented in an appropriate and sufficient manner in ABM’s 2017 sustainability report.



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Specific Performance Information – The quantitative data relative to GRI Indicators have been collected and presented in the 2017 sustainability report in a way that the requirements of the GRI STANDARDS are met, the principles are applied, providing a holistic description of the ABM's sustainability performance.

- Evidence and documentation regarding the employee breakdown (position, gender, age), the percentage of employees in unions and the full-time/part-time breakdown of employees in order to verify the data/information in the 2017 sustainability report
- Evidence and documentation regarding the company's plan liabilities, 401k eligibility, company match, and employee benefits in order to verify the data/information in the 2017 sustainability report
- Evidence and documentation regarding percentage of the procurement budget used for local suppliers in order to verify the data/information in the 2017 sustainability report
- Evidence and documentation regarding the company's secure shredding and recycling of paper in order to verify the data/information in the 2017 sustainability report
- Evidence and documentation regarding ABM's energy/fuel (electricity, motor gasoline, diesel, biogasoline, natural gas) consumption in order to verify the data/information in the 2017 sustainability report
- Evidence and documentation regarding ABM's greenhouse gas emissions, greenhouse gas emissions intensity (scope 1, 2 and 3), and greenhouse gas emissions reduction in order to verify the data/information in the 2017 sustainability report
- Evidence and documentation regarding employee hires and turnover (per employment type, gender, age, minority) during 2017 in order to verify the data/information in the 2017 sustainability report
- Evidence and documentation regarding employee health & safety (per gender, days away from work, job transfer or restriction, other recordable cases, deaths) in order to verify the data/information in the 2017 sustainability report
- Evidence and documentation regarding OSHA rates (TRC 2017 YTD, DAFW 2017 YTD, DART 2017 YTD) in order to verify the data/information in the 2017 sustainability report
- Evidence and documentation regarding employee training (hours of training) and programs for skills management and lifelong training that took place during 2016 in order to verify the data/information in the 2017 sustainability report
- Evidence and documentation regarding the percentage of employees that received regular performance reviews during 2017 in order to verify the data/information in the 2017 sustainability report
- Verification of the number of discrimination incidents in 2017 and the relative actions taken



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- Verification of the number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services (OSHA citations)
- Verification that during 2017 ABM did not receive any significant fines or non-monetary sanctions for non-compliance with laws and/or regulations in the social and economic areas
- Verification that during 2017 ABM did not receive any substantiated complaints concerning breaches of customer privacy (e.g. leaks, thefts or loss of customer data)

## **Methodology**

We undertook the following activities to inform our assurance engagement:

- Conducted document reviews, data sampling and associated reporting systems as they relate to selected content and performance data;
- Reviewed a selection of external media reports relating to ABM to evaluate the coverage of topics within the Sustainability pages of the ABM website;
- Reviewed the outcomes of ABM's stakeholder engagement activities in 2017;
- Reviewed the materiality analysis and its outputs
- Evaluated ABM's public disclosures against the GRI STANDARDS Sustainability Reporting Guidelines.

## **Exclusions and Limitations**

Excluded from the scope of our work is information relating to:

- Activities outside the defined reporting period or scope;
- Company position statements
- Financial data taken from ABM's Annual Report and Accounts 2017 which is audited by an external financial auditor;
- Content of external websites or documents

This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist within the sustainability report. The scope of our work was defined and agreed in consultation with ABM.

## **Statement of CSE Independence, Impartiality and Competence**

This is the sixth year that CSE has provided independent assurance services in relation to the ABM Sustainability Report. Our assurance team completing the work for ABM has extensive knowledge of conducting assurance over environmental, social, health, safety and ethical information and systems, and through its combined experience in this field, an excellent understanding of good practice in corporate responsibility reporting and assurance.



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On behalf of the Assurance Team

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President CSE



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