

Risk Factors Comparison 2024-12-19 to 2023-12-18 Form: 10-K

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The following risks, some of which have occurred and any of which may occur in the future, could materially and adversely affect our business, financial condition, cash flows, results of operations, and / or the trading price of our common stock. The risks described below identify the material risks we face; however, our business could also be affected by factors that are not presently known to us or that we currently consider to be immaterial. You should carefully consider the risks described below in addition to the other information set forth in this Annual Report on Form 10- K, including “ Management’ s Discussion and Analysis of Financial Condition and Results of Operations ” (“ MD & A ”) and the consolidated financial statements and accompanying notes (the “ Financial Statements ”). Risks Relating to Our Strategy and Operations Our success depends on our ability to gain profitable business despite competitive market pressures. Each market we provide services for is highly competitive and such competition is based primarily on price, quality of service, reputation, and ability to anticipate and respond to industry changes. A majority of our revenue is derived from services that require competitive bids from multiple suppliers. The low barrier of entry in the facility services business results in a very competitive market. We compete mainly with regional and local owner- operated companies that may have more insight into local market dynamics and significantly lower operating costs, which could provide them with a competitive advantage in those regards. We also compete indirectly with companies that can perform for themselves one or more of the services we provide. Further, if we are unable to respond adequately to market shifts and changing technology, we may lose existing clients and fail to win future business opportunities. A failure to respond effectively to competitive pressures or failure in our ability to increase prices as costs rise could reduce margins and materially adversely affect our financial performance. Our results of operations can be adversely affected by labor shortages, turnover, and labor cost increases. We employ approximately ~~123~~ 117, 000 persons, and our operations depend on the services of a large and diverse workforce. We must attract, train, and retain a large and growing number of qualified employees while controlling related labor costs. Our ability to control labor and benefit costs is subject to numerous internal and external factors, including changes in the unemployment rate, changes in immigration policy, regulatory changes, prevailing wage rates, and competition we face from other companies for similarly skilled employees. Meaningful ~~During 2023, we continued to be impacted by~~ labor shortages, inflationary pressures on wages, and ~~an increasingly competitive labor market. Continued labor shortages~~ or increased turnover rates within our employee base could lead to increased costs, such as increased overtime incurred and / or increased usage of temporary labor to meet the demands of our customers, as well as increased wage rates to attract and retain employees. Further, many of our contracts provide that our clients pay certain costs at specified rates, such as insurance, healthcare costs, salary and salary- related expenses, and other costs. If actual costs exceed the rates specified in the contracts, our profitability may be negatively impacted. There is no assurance that in the future we will be able to attract or retain qualified employees or effectively manage labor and benefit costs, which could have a material adverse effect on our business, financial condition, and results of operations. We may not be able to attract and retain qualified personnel and senior management we need to support our business. Our future performance depends on the continuing efforts and contributions of our senior management and on our continued ability to attract and retain qualified personnel. Unplanned turnover in senior management or inability to attract and retain qualified personnel could have a negative effect on our results of operations. In addition, activities related to identifying, recruiting, hiring, and integrating qualified management employees may require significant time and expense. We may not be able to locate suitable replacements for any key employees who leave, or offer employment to potential replacements on reasonable terms, each of which may adversely affect our business and financial results. Investments in and changes to our businesses, operating structure, or personnel relating to our ELEVATE strategy, including the implementation of strategic transformations, enhanced business processes, and technology initiatives, may not have the desired effects on our financial condition and results of operations. We have made significant investments and expect to make additional investments in various initiatives intended to drive long- term profitable growth and increase operational efficiency. These investments in and changes to our business systems and processes may not create the growth, operational efficiencies, competitive advantage, or cost benefits that we expect and could result in unanticipated consequences, including disruptions to our back- office operations and service delivery. Moreover, the execution and / or benefits of our ELEVATE strategy may not be realized on the expected timeline and / or may result in expenses in excess of what is currently forecast, which could negatively affect our financial condition. Our ability to preserve long- term client relationships is essential to our continued success. We depend to a large extent on our relationships with clients and our reputation for quality integrated facility solutions. Maintaining our existing client relationships, particularly with our largest clients, is an important factor contributing to our business success. We primarily provide services pursuant to agreements that are cancelable by either party upon 30 to 90 days’ notice. As we generally incur higher initial costs on new contracts until the labor management and facilities operations normalize, our business associated with long- term client relationships is generally more profitable than short- term client relationships. If we lose a significant number of long- term clients and / or all or a portion of the services for our larger clients, our financial results could be negatively impacted. Our use of subcontractors or joint venture partners to perform work under customer contracts exposes us to liability and financial risk. We depend on subcontractors or other parties, such as joint venture partners, to perform work in situations in which we are not able to self- perform the work involved. Such arrangements may involve subcontracts or joint venture relationships where we do not have direct control over the performing party. We may be exposed to liability whenever one or more of our subcontractors or joint venture partners, for whatever reason, fails to perform or allegedly negligently performs the agreed- upon services. Although we have controls and programs in place to monitor the work of our subcontractors

and our joint venture partners, there can be no assurance that these controls or programs will have the desired effect, and we may incur significant liability as a result of the actions or inactions of one or more of our subcontractors or joint venture partners. Our international business involves risks different from those we face in the United States that could negatively impact our results of operations and financial condition. We have business operations in jurisdictions outside of the United States, most significantly in the UK and Ireland. Our international operations are subject to risks that are different from those we face in the United States and subject us to complex and frequently changing laws and regulations, including differing labor laws and regulations relating to the protection of certain information that we collect and maintain about our employees, clients, and other third parties. Among these laws is the UK Modern Slavery Act, the Criminal Law (Human Trafficking) Act 2008 (Ireland), the UK Bribery Act, the Criminal Justice (Corruption Offences) Act 2018 (Ireland), and the UK and European Union General Data Protection Regulations (the “GDPR”). The failure to comply with these laws or regulations could subject us to significant litigation, monetary damages, regulatory enforcement actions, or fines in one or more jurisdictions. In addition, when we participate in joint ventures that operate outside of the United States where we are not a controlling party, we may have limited control over the joint venture. Any improper actions by our joint venture employees, partners, or agents, including, but not limited to, failure to comply with the U. S. Foreign Corrupt Practices Act, the UK Bribery Act, and / or laws relating to human trafficking, could result in civil or criminal investigations, monetary and non- monetary penalties, or other consequences, any of which could have an adverse effect on our financial position as well as on our reputation and ability to conduct business. Additionally, the operating results of our non- U. S. subsidiaries are translated into U. S. dollars, and those translations are affected by movements in foreign currencies relative to the U. S. dollar. There can be no assurance that the foregoing factors will not have a material adverse effect on our international operations or on our consolidated financial condition and results of operations.

Risks Relating to Market and Economic Conditions Decreases in commercial office space utilization due to hybrid work models **and increases in office vacancy rates** could adversely affect our financial condition. A key part of our business involves providing janitorial, facilities engineering, and parking services for commercial office building properties. Across the United States, **vacant hybrid work models remain prevalent and commercial office vacancy levels remain elevated** spaces have increased and total office space under construction has decreased, compared to pre- pandemic levels. **Reduced** Driven by lower in-office occupancy **occupancies**, lessees are projected to continue to **and any further deterioration in vacancy levels would likely** decrease their office space requirements as existing leases expire or are renewed and / or renegotiated over the next several years. As existing clients decrease office space, the areas that we service for those clients decreases as does the demand for our **facility services as well as the demand for** highly profitable supplemental services (“work orders”) requested by our clients outside the scope of our standard service specifications. As new tenants occupy vacant office spaces, there may be delays and additional expenses incurred in securing client relationships with such new tenants. These factors could adversely affect our revenues and financial results. Negative changes in general economic conditions, such as recessionary pressures, high interest rates, durable and non- durable goods pricing, changes in energy prices, or changes in consumer goods pricing could reduce the demand for our services and, as a result, reduce our revenue and earnings and adversely affect our financial condition. Slowing economic activity or other negative changes in global, national, and local economic conditions could have a negative impact on our business. These adverse economic conditions could cause a decline in our clients’ demand for our services and / or in scope of work, including work orders and our clients’ ability to pay for such services, or attempts by our clients to defer payments owed to us. Further, potential declines in economic conditions could result in depressed prices for our services, which could affect our financial condition. We offer a portfolio of capital projects, which are designed to reduce a client’ s overall consumption of **commodities energy**, such as electricity and natural gas. Downward fluctuations in **commodity energy** prices, and / or elevated interest rates, may reduce client demand for such projects. Additionally, we depend, in part, on federal and state legislation and policies that support energy efficiency projects. If current legislation or policies are amended, eliminated, or not extended beyond their current expiration dates, or if funding for energy incentives is reduced or delayed, it could also adversely affect our ability to obtain new capital projects. All of these factors could have an adverse effect on our financial condition, results of operations, and cash flows.

Information Technology and Cybersecurity We may experience breaches of, or disruptions to, our information technology systems or those of our third- party providers or clients, or other compromises of our data that could adversely affect our business. Our information technology systems and those of our third- party providers or clients could be the target of cyberattacks, ransomware attacks, hacking, unauthorized access, phishing, computer viruses, malware, or other intrusions, which could result in operational disruptions or information misappropriation, such as theft of intellectual property or inappropriate disclosure of confidential, proprietary, or personal information. We maintain confidential, proprietary, and personal information in our information technology systems and in systems of third- party providers relating to our current, former, and prospective employees, clients, and other third parties. We have experienced certain data and security breaches in the past and could experience future data or security breaches stemming from the intentional or negligent acts of our employees or other third parties. Furthermore, while we continue to devote significant resources to monitoring and updating our systems and implementing information security measures to protect our systems, there can be no assurance that the controls and procedures we have in place will be sufficient to protect us from future security breaches. **Emerging artificial intelligence technologies may intensify these cybersecurity risks.** As cyber threats are continually evolving, our controls and procedures may become inadequate, and we may be required to devote additional resources to modifying or enhancing our systems in the future. We may also be required to expend resources to remediate cyber- related incidents or to enhance and strengthen our cybersecurity. Any such disruptions to our information technology systems, breaches or compromises of data, and / or misappropriation of information could result in lost sales, negative publicity, litigation, violations of privacy and other laws, or business delays that could have a material adverse effect on our business. Additionally, we believe that along with the GDPR and the California Consumer Privacy Act, further increased regulation is likely in the area of data privacy. Compliance with this rapidly expanding area of law will require significant management and financial resources, and we could be subjected to

additional legal risk or financial losses if we are not in compliance. This expanding area of law may also lead to potentially significant additional claims, including class action claims, being alleged against us. Our ongoing implementation of new enterprise resource planning (“ ERP ”) and related boundary systems could adversely impact our ability to operate our business and report our financial results. We utilize multiple platforms and ERP systems to record transactions, provide information to management, and prepare our financial statements. We are in the process of transitioning our ERP and other key boundary systems. This transition began in the third quarter of 2023 and will continue for the next couple of years **with a large portion of our business transitioning to the new systems in the first quarter of 2025**. While we believe our new ERP and boundary systems will enhance and standardize our processes, allow better oversight, and improve our service to our customers, any disruption to this transition could impact our ability to send and track invoices, process vendor payments, pay employees, fulfill contractual obligations, report our financial results, or otherwise operate our business. Such disruption could adversely affect our profitability and reputation. Additionally, any disruption could **negatively impact the effectiveness of our controls. Refer to “ Risk Relating to Financial Matters ” below for further information on the internal controls.**

Risks Relating to Acquisitions, Divestitures, or Strategic Transactions Acquisitions, divestitures, and other strategic transactions could fail to achieve financial or strategic objectives, disrupt our ongoing business, and adversely impact our results of operations. In furtherance of our business strategy, we routinely evaluate opportunities and may enter into agreements for possible acquisitions, divestitures, or other strategic transactions. A significant portion of our growth has been generated by acquisitions, and we may continue to acquire businesses in the future as part of our growth strategy. However, we may encounter challenges identifying opportunities in a timely manner or on terms acceptable to us. Furthermore, there is no assurance that any such transaction will **deliver the anticipated result results in, including expected** synergistic benefits. A potential acquisition, divestiture, or other strategic transaction may involve a number of risks including, but not limited to: • the transaction may not effectively advance our business strategy, and its anticipated benefits may never materialize; • our ongoing operations may be disrupted, and management time and focus may be diverted; • clients or key employees of an acquired business may not remain, which could negatively impact our ability to grow that acquired business; • integration of an acquired business’ s accounting, information technology, **cybersecurity**, HR, and other administrative systems may fail to permit effective management and expense reduction; • unforeseen challenges may arise in implementing internal controls, procedures, and policies; • additional indebtedness incurred as a result of an acquisition may impact our financial position, results of operations, and cash flows; and • unanticipated or unknown liabilities may arise related to an acquired business. **Risks Relating to Information Technology and Cybersecurity** We may experience..... **the internal controls.**

Risks Relating to Insurance and Safety Matters We manage our insurable risks through a combination of third- party purchased policies and self- insurance, and we retain a substantial portion of the risk associated with expected losses under these programs, which exposes us to volatility associated with those risks, including the possibility that changes in estimates to our ultimate insurance loss reserves could result in material charges against our earnings. We use a combination of insured and self- insurance programs to cover workers’ compensation, general liability, automobile liability, property damage, and other insurable risks. We are responsible for claims both within and in excess of our retained limits under our insurance policies, and while we endeavor to purchase insurance coverage that is appropriate to our assessment of risk, we are unable to predict with certainty the frequency, nature, or magnitude of claims for direct or consequential damages. If our insurance coverage proves to be inadequate or unavailable, our business may be negatively impacted. The determination of required insurance reserves is dependent upon actuarial judgments. We use the results of actuarial studies to estimate insurance rates and insurance reserves for future periods and to adjust reserves, if appropriate, for prior years. Actual experience related to our insurance reserves can cause us to change our estimates for reserves and any such changes may materially impact results, causing significant volatility in our operating results. Should we be unable to renew our excess, umbrella, or other commercial insurance policies, it could have a material adverse impact on our business, as would the incurrence of catastrophic uninsured claims or the inability or refusal of our insurance carriers to pay otherwise insured claims. Further, to the extent that we self- insure our losses, deterioration in our loss control and / or our continuing claim management efforts could increase the overall cost of claims within our retained limits. A material change in our insurance costs due to changes in the frequency of claims, the severity of the claims, the costs of excess / umbrella premiums, or regulatory changes could have a material adverse effect on our financial position, results of operations, or cash flows. In 2015, we formed a wholly owned captive insurance company, IFM Assurance Company (“ IFM ”), which we believe has provided us with increased flexibility in the end- to- end management of our insurance program. There can be no assurance that IFM will continue to bring about the intended benefits or the desired flexibility in the management of our insurance programs, because we may experience unanticipated events that could reduce or eliminate expected benefits. Our risk management and safety programs may not have the intended effect of reducing our liability for personal injury or property loss. We attempt to mitigate risks relating to personal injury or property loss through the implementation of company- wide safety and loss control efforts designed to decrease the frequency of accidents or events that might increase our liability. However, incidents involving personal injury or property loss may be caused by multiple potential factors, a significant number of which are beyond our control. Therefore, there can be no assurance that our risk management and safety programs will have the desired effect of controlling costs and liability exposure.

Risks Relating to Labor, Legal Proceedings, Tax, and Regulatory Matters Unfavorable developments in our class and representative actions and other lawsuits alleging various claims could cause us to incur substantial liabilities. Our business involves employing tens of thousands of employees, many of whom work at our clients’ facilities. We incur risks relating to our employment of these workers, including, but not limited to: claims by our employees of discrimination, harassment, violations of wage and hour requirements, or violations of other federal, state, or local laws; claims of misconduct or negligence on the part of our employees; and claims related to the employment of unlicensed personnel. We also incur risks and claims related to the imposition on our employees of policies or practices of our clients that may be different from our own. Some or all of these claims may lead to litigation, including class action litigation, and these matters may cause us to incur negative publicity with

respect to alleged claims. Additionally, there are risks to all employers in some states, such as California, resulting from **large collective, class, Private Attorneys General Act actions, as well as from** new and unanticipated judicial interpretations of existing laws and the application of those new interpretations against employers on a retroactive basis, **which could involve substantial claims and significant defense costs**. It is not possible to predict the outcome of these lawsuits or any other proceeding, and our insurance may not cover all claims that may be asserted against us. These lawsuits and other proceedings may consume substantial amounts of our financial and managerial resources. An unfavorable outcome with respect to these lawsuits and any future lawsuits may, individually or in the aggregate, cause us to incur substantial liabilities that could have a material adverse effect upon our business, reputation, financial condition, results of operations, or cash flows. We are subject to extensive legal and regulatory requirements, which could limit our profitability by increasing the costs of legal and regulatory compliance. Our business is subject to a complicated set of federal, state, and local laws and regulations as well as stakeholder views addressing, among other things, wage and hour standards, employment and labor relations, **ESG-various Corporate Responsibility**- related practices, leave of absence, cybersecurity, data privacy and protection, occupational health and safety, environmental matters, anti- competition, anti- corruption, and government contracting. Many of these laws and regulations may have differing or conflicting legal standards or legal interpretations across jurisdictions, increasing the complexity and cost of compliance. When federal, state, local, or foreign minimum wage rates increase, we may have to increase the wages of both minimum wage employees and employees whose wages are above the minimum wage. We may also face increased operating costs resulting from changes in federal, state, or local laws and regulations relating to employment matters, including those relating to meal and rest breaks, eligibility for overtime, pay transparency and reporting, sick pay, and predictive scheduling requirements. In addition, we expect there will likely be increasing **and evolving** levels of regulation, disclosure- related and otherwise, with respect to **ESG-Corporate Responsibility (including environmental)** matters, and increased regulation will likely lead to increased compliance costs as well as scrutiny that could heighten all of the risks identified in this risk factor. Increased costs of legal and regulatory compliance with this constantly evolving legal and regulatory environment could reduce our profitability and adversely affect our financial condition. A significant number of our employees are covered by collective bargaining agreements that could expose us to potential liabilities in relation to our participation in multiemployer pension plans, requirements to make contributions to other benefit plans, and the potential for strikes, work slowdowns, or similar activities, and union organizing drives. We participate in various multiemployer pension plans that provide defined pension benefits to employees covered by collective bargaining agreements. Because of the nature of multiemployer pension plans, there are risks to us associated with participation in these plans that differ from single- employer plans. Assets contributed by an employer to a multiemployer pension plan are not segregated into a separate account and are not restricted to provide benefits only to employees of that contributing employer. In the event another participating employer in a multiemployer pension plan no longer contributes to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers, including us. In the event of the termination of a multiemployer pension plan or a complete or partial withdrawal from a multiemployer pension plan, under applicable law we could incur material withdrawal liabilities. We further discuss our participation in multiemployer pension and postretirement plans in Note 12, "Employee Benefit Plans," in the Notes to consolidated financial statements. In addition, the terms of collective bargaining agreements require us to contribute to various fringe benefit plans, including health and welfare, pension, and training plans, all of which require us to have appropriate systems in place to assure timely and accurate payment of contributions. The failure to make timely and accurate contributions as a result of a systems failure could have a negative impact on our financial position. At October 31, **2023-2024**, approximately **37-42** % of our employees were subject to various local collective bargaining agreements, some of which will expire or become subject to renegotiation during **2024-2025**. In addition, at any given time we may face union organizing activity. When one or more of our major collective bargaining agreements becomes subject to renegotiation or when we face union organizing drives, any disagreement between us and the union on important issues may lead to a strike, work slowdown, or other job actions at one or more of our locations. In a market where we are unionized but competitors are not unionized, we could lose clients to such competitors. A strike, work slowdown, or other job action could disrupt our services, resulting in reduced revenues or contract cancellations. Moreover, negotiating a first time collective bargaining agreement or renegotiating an existing agreement could result in increases in labor and benefits expenses that we may be unable to pass through to clients. Our business may be materially affected by changes to fiscal and tax policies. Negative or unexpected tax consequences could adversely affect our results of operations. We are subject to a variety of taxes and tax collection and remittance obligations in the United States and foreign jurisdictions, primarily the UK and Ireland. We compute our income tax provision based on enacted tax rates in the jurisdictions in which we operate. As tax rates vary among taxing jurisdictions, a change in earnings attributable to the various jurisdictions in which we operate could result in an unfavorable change in our overall tax provision. Additionally, at any point in time, we may be under examination from taxing jurisdictions. We regularly assess the likelihood of adverse outcomes resulting from these audits to determine the adequacy of our income tax related provision. We may recognize additional tax expense, be subject to additional tax liabilities, or incur losses and penalties due to adverse outcomes in tax audits or changes in laws, regulations, treaties, administrative practices, principles, assessments by authorities, and interpretations related to tax laws, including tax rules in various jurisdictions, which could have an adverse effect on our operating results and financial condition.

Risks Relating to Financial Matters- Future increases in the level of our borrowings **and or in** interest rates could affect our results of operations. **Any future** ~~The Federal Reserve Board increased~~ interest rates in 2022 and 2023, and these increases may continue in 2024 and beyond. Such rate increases **would** have corresponding impact to our costs of borrowing and may have an adverse impact on our ability to raise funds through the offering of our securities or through the issuance of debt due to higher debt capital costs, diminished credit availability, and less favorable equity markets. Any significant **additional** federal fund rate increases may have a material adverse effect on our business, results of operations, and financial condition, and may cause our customers to implement cost saving strategies that could reduce the demand of our services. Our future ability to make payments

on our debt, fund our other liquidity needs, and make planned capital expenditures will depend on our ability to generate cash. Our ability to generate cash, to a certain extent, is subject to general economic, financial, competitive, and other factors that are beyond our control. We cannot guarantee that our business will generate sufficient cash flow from our operations or that future borrowings will be available to us in an amount sufficient to enable us to service our debt, fund other liquidity needs, make planned capital expenditures, or continue our dividend. The degree to which we are leveraged could have important consequences for shareholders. For example, being highly leveraged could: require us to dedicate a substantial portion of our cash flows from operations to the payment of debt service, reducing the availability of our cash flow to fund working capital, share repurchases, capital expenditures, acquisitions, and other general corporate purposes; limit our availability to obtain additional financing in the future to enable us to react to changes in our business; and place us at a competitive disadvantage compared to businesses in our industry that have less debt. Further, our credit facility contains both financial covenants and other covenants that limit our ability to engage in specific transactions. Any failure to comply with covenants in the credit facility could result in an event of default that, if not cured or waived, would have a material adverse effect on us. Impairment of goodwill and long-lived assets could have a material adverse effect on our financial condition and results of operations. We evaluate goodwill for impairment annually, in the fourth quarter, or more often if impairment indicators exist. We also review long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If the fair value of one of our reporting units is less than its carrying value, or if as a result of a recoverability test we conclude that the projected undiscounted cash flows are less than the carrying amount, we would record an impairment charge related to goodwill or long-lived assets, respectively. (For example, during the second quarter of 2020, given the general deterioration in economic and market conditions arising from the COVID-19 pandemic **Pandemic** (“the Pandemic”), we identified a triggering event that resulted in the impairment of goodwill and intangible assets.) The assumptions used to determine impairment require significant judgment, and the amount of the impairment could have a material adverse effect on our reported financial results for the period in which the charge is taken. If we fail to maintain proper and effective internal control over financial reporting in the future, our ability to produce accurate and timely financial statements could be negatively impacted, which could harm our operating results and investor perceptions of our Company and as a result may have a material adverse effect on the value of our common stock. Pursuant to Section 404 of the Sarbanes-Oxley Act of 2002 and related rules, our management is required to report on, and our independent registered public accounting firm is required to attest to, the effectiveness of our internal control over financial reporting. The rules governing the standards that must be met for management to assess our internal control over financial reporting are complex and require significant documentation, testing, and, in some instances, remediation. We have acquired entities that had no publicly traded debt or equity and therefore were not previously required to conform to the rules and regulations of the SEC, especially related to their internal control structure. When we acquire such entities, they may not have in place all the necessary controls as required by the Public Company Accounting Oversight Board. Integrating acquired entities into our internal control over financial reporting has required and will continue to require significant time and resources from our management and other personnel, which increases our compliance costs. We are required to include our assessment of the effectiveness of the internal controls over financial reporting of entities we acquire in our overall assessment, so we must plan to complete the evaluation and integration of internal controls over financial reporting and report our assessment within the required time frame. In addition, with the increasing frequency of cyber-related frauds perpetrated to obtain inappropriate payments, we need to ensure our internal controls related to authorizing the transfer of funds and changing our vendor master files are adequate. Furthermore, the introduction of new, and changes to existing, ERP and financial reporting information systems create implementation and change management risks that require effective internal controls to mitigate. Failure to maintain an effective internal control environment could have a material adverse effect on our ability to accurately report our financial results, the market’s perception of our business, and our stock price. General Risk Factors Our business may be negatively impacted by adverse weather conditions. Weather conditions such as snow storms, heavy flooding, hurricanes, and fluctuations in temperatures can negatively impact portions of our business. Within our Technical Solutions segment, cooler than normal temperatures in the summer could reduce the need for servicing of air conditioning units, resulting in reduced revenues and profitability. Within Parking and Aviation services and portions of our Technical Solutions business, adverse weather conditions can lead to reduced activity, as well as increases in certain costs, both of which negatively affect gross profit. On the other hand, the absence of snow during the winter could cause us to experience reduced revenues in our B & I segment, as many of our contracts specify additional payments for snow-related services. Catastrophic events, disasters, pandemics, and terrorist attacks could disrupt our services. We may encounter disruptions involving power, communications, transportation or other utilities, or essential services depended upon by us or by third parties with whom we conduct business. This could include disruptions due to disasters, pandemics, weather-related or similar events (such as fires, hurricanes, blizzards, earthquakes, and floods), political instability, labor strikes, or war (including acts of terrorism or hostilities) that could impact our markets. If a disruption occurs in one location and persons in that location are unable to communicate with or travel to or work from other locations, our ability to service and interact with our clients and others may suffer, and we may not be able to successfully implement contingency plans that depend on communications or travel. These events may increase the volatility of financial results due to unforeseen costs with partial or no corresponding compensation from clients. There also can be no assurance that the disaster recovery and crisis management procedures we employ will suffice in any particular situation to avoid a significant loss. In addition, to the extent centralized administrative locations are disabled for a long period of time, key business processes, such as accounts payable, information technology, payroll, and general management operations, could be interrupted. Actions of activist investors could disrupt our business. Public companies have been the target of activist investors. In the event that a third party, such as an activist investor, proposes to change our governance policies, board of directors, or other aspects of our operations or strategy, our review and consideration of such proposals may create a significant distraction for our management and employees. This could negatively

impact our ability to execute various strategic initiatives and may require management to expend significant time and resources responding to such proposals. Such proposals may also create uncertainties with respect to our financial position and operations and may adversely affect our ability to attract and retain key employees.