



THE ERM INTERNATIONAL GROUP LIMITED
(incorporated with limited liability in England & Wales –
Company number 13391605)

CONFIDENTIAL
OFFERING MEMORANDUM

23 August 2024

This document is important and requires your immediate attention.

The deadline to act or respond is 20 September 2024*

If you are in doubt as to the action you should take, you are recommended to seek your own independent financial and/or taxation advice. The Company is not authorised to provide you with financial or taxation advice. Any financial or taxation guidance included in this document is included for information purposes only as a general guide to potential financial and taxation implications and the Company accepts no duty of care nor does it grant any reliance to any person in respect of such information.

The securities offered hereunder are not registered under the U.S. Securities Act of 1933, as amended (the “US Securities Act”), and may not be sold or offered in the United States, except pursuant to an exemption from the registration requirements under the US Securities Act.

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EXHIBITS

1. [Articles of Association of the Company \(adopted on 13 October 2021\)](#)
2. [Summary of the ERM Employee Share Scheme dated 28 January 2022](#)
3. [The ERM International Group Limited's audited Consolidated Financial Statements for the fiscal period ended 31 March 2024](#)

NOTICE REGARDING CONFIDENTIALITY

This Offering Memorandum, including the Exhibits and Attachments hereto (collectively, the “***Offering Memorandum***”) and the related information available on Minerva and in the Offering Portal at <https://ca.linkgroup.eu/erm/> (together with the Offering Memorandum, collectively, the “***Offering Documents***”) contain confidential information and are being provided only to eligible individuals solely for the purpose of making a decision on whether to participate in ERM’s employee ownership programme pursuant to this Offering. By accepting the Offering Memorandum, you will be deemed to have agreed not to do any of the following:

- use the Offering Memorandum for any purpose other than evaluating whether to participate in the employee ownership programme pursuant to this Offering; and
- deliver or disclose the Offering Memorandum (in whole or in part), any reproduction thereof, or any confidential information contained in the Offering Memorandum, to any person, except for the sole purpose of obtaining legal, tax or investment advice in connection with making a decision of whether to participate in the employee ownership programme pursuant to this Offering (on the condition such advisors are likewise bound to treat such information as confidential).

If you do not accept the foregoing, do not proceed further and immediately return this document to the Company, under confidential cover and marked for the attention of the Group General Counsel, at the registered office address.

The ERM International Group Limited

Registered office: 2nd Floor, Exchequer Court, 33 St Mary Axe, London EC3A 8AA

SECTION 1 INTRODUCTION

1.1 The Company.

The ERM International Group Limited (“*the Company*”) (including its subsidiary undertakings as the context requires, “**ERM**”) is a global provider of environmental, health, safety, risk, social-consulting and sustainability-related services with approximately 8,000 employees and offices in over 40 countries and territories. The Company is incorporated under the laws of England and Wales with company number 13391605 and has its registered office at 2nd Floor, Exchequer Court, 33 St Mary Axe, London EC3A 8AA.

1.2 Ownership Structure.

The Company is the parent company of the ERM group of companies (the “**ERM Group**” or “**ERM**”). As at 30 June 2024 the ordinary shares of the Company are held:-

- 68.46% by Nature Topco UK Limited (“**Nature Topco**”), which is held by funds ultimately controlled by KKR & Co. Inc., a Delaware corporation publicly listed on the New York Stock Exchange (“**KKR**”), and its co-investors (together, the “**External Investors**”); and
- 31.54% by (i) existing ERM management shareholders who rolled over some or all of their previous investment in the ERM Group into this current investment cycle; and (ii) ERM management shareholders who have subsequently subscribed for new ordinary shares in the share offerings prior to this offering.

As at 30 June 2024, the total equity shareholdings of the Company (including ordinary and preference shares) are held 90.30% by Nature Topco, 8.07% by ERM management shareholders and 1.63% by the ERM Group Employee Benefit Trust (the “**Employee Benefit Trust**”).

SECTION 2 EMPLOYEE OWNERSHIP PROGRAMME

2.1 The Share Plan.

Since 2001, under successive private equity investment cycles, the ERM Group (as constituted from time to time) has operated an employee share ownership programme to allow its senior management employees to own an equity stake in the ERM Group. For the current investment cycle, the Company's Board of Directors (the "**Board**") have established the ERM Employee Share Scheme (the "**Share Plan**") in accordance with terms agreed with KKR, the lead external private equity investor in the Company. A summary of the Share Plan is attached as Exhibit 2. Pursuant to the Share Plan, the Company may, from time to time, offer A Ordinary Shares, C Ordinary Shares, D Ordinary Shares and A Preference Shares (each as described below in "**Description of Shares**") for purchase by certain senior management employees and directors of the ERM Group on terms set, from time to time, by the Remuneration Committee of the Board (the "**Remuneration Committee**"). The Company may also provide for bonuses to key employees in the form of offers of Ordinary Shares, in accordance with the terms of the Share Plan.

The Company is making this offering of A Ordinary Shares, C Ordinary Shares, D Ordinary Shares and A Preference Shares (this "**Offering**") accordingly.

References in this document to "**Ordinary Shares**" shall mean collectively or individually A Ordinary Shares and/or C Ordinary Shares and/or D Ordinary Shares, as may be relevant.

2.2 Purpose.

The purpose of the Share Plan is to promote the interests of the Company by providing incentives to certain senior management employees and directors of ERM through the opportunity to invest in the equity of the Group. By enabling such senior management employees and directors to acquire ownership of shares of the Company (the "**Shares**"), the Share Plan is intended to increase these employees' and directors' proprietary interest in the continued growth and success of ERM. In addition, the Share Plan is intended to promote the ability of ERM to recruit and retain talented individuals by providing them with an opportunity to own Shares and participate in the long-term future of the ERM Group as investors. For the purposes of this Offering Memorandum, the employees participating in this Offering are referred to individually as a "**Partner**" and collectively as "**Partners**."

2.3 Administration.

The Board and the Remuneration Committee have full and exclusive authority to administer the Share Plan, to determine the eligibility of employees to participate, to set the terms of participation in accordance with the Company's Articles of Association, as may be amended from time to time (the "**Articles of Association**"), and to alter the terms and conditions of the Share Plan including, without limitation, the price, payment terms and requirements regarding the transfer of Shares. Certain authorities in relation to the Share Plan have also been delegated to the Group CEO.

2.4 Eligibility.¹

Pursuant to the Articles of Association, the Company set aside for allotment as a ‘sweet equity pool’ of incentive shares to be offered to the employees from 13 October 2021 until 13 October 2026, up to 10,541,222 C Ordinary Shares. To date, 8,330,525 C Ordinary Shares have been issued. In addition, the Company has an additional class of D Ordinary Shares to be used in connection with corporate or business acquisitions which the Company may enter into. To date, 159,020 D Ordinary Shares have been issued. This Offering comprises an additional 1,978,549 C Ordinary Shares and an additional 47,136 D Ordinary Shares to be issued.

There are currently 2,108,060 A Ordinary Shares issued and held by existing shareholders in the Company (the “*Shareholders*”) and 154,473,852 A Preference Shares issued and held by the Shareholders. This Offering comprises an additional 135,000 A Ordinary Shares and an additional 5,348,479 A Preference Shares to be issued.

This pool of Shares is periodically replenished by Shares acquired by the Employee Benefit Trust as a result of Partners leaving the employment of the Company or wishing to reduce their Shareholdings. Specifically, for each issued A Ordinary Share, C Ordinary Share or A Preference Share that is acquired by the Employee Benefit Trust (and converted to Deferred Shares or Special Shares), the Company is authorised to allot one new Share of the same class as that which is acquired.

Generally, members of the ERM Executive Committee (as described in Section 9.3 Executive Committee. below) nominate employees to be offered Shares. The nominations are subsequently considered by the Group CEO, who in turn makes recommendations to the Remuneration Committee of the Board. The Remuneration Committee approves participation in the Share Plan.

¹ **Note to ERM:** ERM to confirm correct details.

SECTION 3 TERMS OF THIS OFFERING

3.1 The Share Portal.

Each Partner who elects to participate in the employee ownership programme pursuant to this Offering must complete the online Share Offer Form at <https://ca.linkgroup.eu/erm/> (the "**ERM Share Offering Portal**"), the details of which have been communicated to each Partner (the "**Share Offer Form**") evidencing that the Partner has elected to purchase the Shares offered to him or her in this Offering and agrees to be bound by the terms of this Offering Memorandum, the Share Offer Form and the Articles of Association.

3.2 Terms of Participation in the Offering.

Pursuant to the Share Plan, the Company is making available to eligible Partners through this Offering certain A Ordinary Shares, C Ordinary Shares, D Ordinary Shares and A Preference Shares (the "**Offered Shares**"). Each eligible Partner has received an invitation to participate in this share offering ("**Invitation**") as communicated to them via email on or around the date of this Offering Memorandum. The number and type of Shares available for purchase by each eligible Partner in this Offering is set forth in his or her individual Invitation. To participate in this Offering, a Partner must agree to purchase all of the Offered Shares set forth in his or her Invitation. This purchase requirement is intended to encourage participation at a level sufficient to justify the costs of conducting and administering this Offering and the employee ownership programme.

The Company, in its sole discretion, may determine whether to accept a Partner's participation in this Offering and the Share Plan and may reduce the amount of Offered Shares a Partner may purchase or withdraw and/or cancel any offering made prior to the end of the period for acceptance as stated herein. If an individual's participation is not accepted or is limited by the Company, any funds sent to the Company will be returned, in whole or in part, as applicable, to the individual without interest or deduction thereon.

3.2.1 Payment Options (non-Australian and non-South African Offerees).

This section is not applicable to Australian and South African offerees. If you are an offeree employed by or contracted to the ERM Group in South Africa or Australia, please read section 3.2.2.

Each Partner is encouraged to make full payment for all Offered Shares on or before the ROW Payment Deadline (as defined in Section 4 below). However, Partners may elect, in accordance with the terms of the Share Offer Form, either to make full payment before the ROW Payment Deadline or make an initial payment before the Initial Tranche Payment Deadline and defer payment of the balance until the Second Tranche Payment Deadline (as defined in Section 4 below).

On or before the Initial Tranche Payment Deadline, each Partner is required to make full cash payment to the Company for: (1) all offered Ordinary Shares and (2) at least one-third of the purchase price for the offered A Preference Shares (together, (1) and (2), the "**Initial Tranche**"). A Partner may elect, in accordance with the terms of the Share Offer Form, to defer until the Second Tranche Payment Deadline the payment for up to two-thirds of the purchase price for the offered A Preference Shares (the "**Second Tranche**"). A Partner contemplating

deferring payment of the Second Tranche should carefully consider the consequences of such deferral, which include:

- (a) the A Preference Shares in the Initial Tranche will not be issued to a Partner deferring payment until full payment for the Second Tranche;
- (b) a Partner deferring payment shall have no rights or entitlements as an A Preference Shareholder until full payment for the Second Tranche;
- (c) **a Partner deferring payment waives and forfeits all claims to any entitlements, including all dividend accrual, on all A Preference Shares included in the Offered Shares until full payment for all Offered Shares.** Thus, to the extent allowable under applicable law, a Partner forfeits the dividends that would otherwise have accrued pursuant to the Articles of Association on any A Preference Shares that the Partner pays for prior to full payment for all Offered Shares;
- (d) a Partner deferring payment risks forfeiture of all Offered Shares (including Ordinary Shares) unless and until full payment for all Offered Shares is made in accordance with the terms of this Offering;
- (e) the possibility that the due date for payment for the Second Tranche may be accelerated and brought forward or the opportunity to make further payments for the Second Tranche cancelled in the event of an initial public offering or sale of more than 50% of the shares of the Company, as more particularly described in Section 3.2.5 below; and
- (f) potential tax implications.

The conditions and consequences of payment deferral are described in more detail below and in the Share Offer Form.

If full payment for the Initial Tranche is not made on or before the Initial Tranche Payment Deadline, the Partner will be deemed to have declined the invitation to purchase Offered Shares. If full payment for the Second Tranche is not made on or before the Second Tranche Payment Deadline, the Company shall have the right to rescind the sale of any or all of the A Preference Shares to which the payment deadline applied and any or all of the A Preference Shares paid for, but not issued, prior to the Second Tranche Payment Deadline, and all Ordinary Shares comprised in the Initial Tranche shall be subject to the Call Option (described below). A Partner may at any time before the Second Tranche Payment Deadline make full payment for the Offered Shares in the Second Tranche (except in the circumstances described in Section 3.2.5 below).

For the avoidance of doubt, if your Offered Shares in this Offering comprise only Ordinary Shares (and no associated A Preference Shares), then the tranche payment option does not apply to you.

3.2.2 Payment (Australian and South African Offerees)

Details for how to make payment for Offered Shares are noted in Section 4 below. If accepting the offer, each Partner is required to make full payment for all Offered Shares so that

it is received on or before the close of business UK time on **20 September 2024** (the “**SA-AU Payment Deadline**” and together with the ROW Payment Deadline, the “**Payment Deadlines**”).

3.2.3 Share Issuance and Delivery of Share Certificates.

The Company will issue all of the Offered Shares to each Partner making full payment for all Offered Shares on the next business day in England & Wales following the Payment Deadlines and receipt of full payment in cleared funds and a duly completed Share Offer Form. Share certificates will be delivered as soon as practicable thereafter and reflect the relevant issue date.

The following two paragraphs of this section 3.2.3 are not applicable to Australian and South African offerees.

The Company will issue Ordinary Shares to each Partner deferring payment on the Second Tranche on the next business day following the Initial Tranche Payment Deadline and receipt of the relevant Initial Tranche Payment in cleared funds, a duly completed Share Offer Form and a duly completed Power of Attorney (as defined in Section 3.2.4 below). However, pursuant to the Call Option (described below), the Company will hold the certificates for the Ordinary Shares until full payment is received for all Offered Shares.

The Company will not issue any A Preference Shares to a Partner deferring payment on the Second Tranche until full payment for all Offered Shares is received on or before the Second Tranche Payment Deadline. Dividends on A Preference Shares begin accruing only upon issue of the A Preference Shares, following receipt of full payment for all Offered Shares.

3.2.4 Call Option

This section 3.2.4 is not applicable to Australian and South African offerees.

Pursuant to the terms of the Share Offer Form, a Partner electing to defer payment for any A Preference Shares grants a call option (and related power of attorney) (the “**Call Option**”) to the Company or its designee to repurchase any or all of the purchased Offered Shares if the Partner defaults on the Second Tranche payment obligation or ceases to be an employee of ERM before full payment for all Offered Shares is made.

The Call Option entitles the Company or its designee to purchase any or all of the Offered Shares at the purchase price paid by such Partner, (or, to the extent required by law, the purchase price will be the latest annual valuation or market value of such Offered Shares at the time the Call Option is exercised). Until full payment for all Offered Shares is made, the certificates representing any Offered Shares paid for by and issued to a Partner shall be held by the Company or its designee as security for the Partner’s Second Tranche payment obligation.

Pursuant to the terms of the Power of Attorney uploaded to the ERM Share Offering Portal (to be executed by each Partner deferring payment on the Second Tranche as a condition to acceptance of the Offering) (the “**Power of Attorney**”), a Leaver grants a power of attorney to the Company or its designee to effect the Call Option.

3.2.5 Acceleration or Partial Allotment.

This section 3.2.5 is not applicable to Australian and South African offerees.

If the Company decides to conduct an initial public offering or a sale of more than 50% of the aggregate issued ordinary share capital, then the Board may determine that either:

- (a) the amounts of any deferred purchases (i.e. any outstanding installment payments in respect of a Second Tranche) shall become immediately due and payable by the Partner (“**Acceleration**”). In the event that you do not then immediately pay the amounts of any deferred purchases, your Offered Shares may be forfeited and purchased by the Company pursuant to the Call Option as described above in Section 3.2.3.; or
- (b) it is unable to accept further Tranche Payments and allot further shares under the terms of the proposed initial public offering or sale, in which case it may apply the balance of the Tranche Payments already received to allot an equivalent number of A Preference Shares fully-paid (which may be less than the number of shares originally offered) and rescind any remaining tranche payment rights.

3.3 Termination of Employment/Partner Relationship.

If a Partner acquires any Shares pursuant to the employee share ownership programme and subsequently ceases to be an employee, consultant or director of an ERM company, the Articles of Association provide that the Company may require the compulsory transfer of such Partner’s Shares in accordance with the provisions relating to “**Leavers**”. The Articles provide that the Remuneration Committee has up to 11 months following such termination date to determine whether to buy back all or any of the Leavers’ shares. The Remuneration Committee may, in its sole discretion, permit a departing Partner (in certain circumstances and subject to certain conditions) to retain some or all of their Shares. See “**Description of Shares**” below.

Pursuant to the terms of the Offering and the Share Offer Form, in such circumstances, then, unless the Remuneration Committee decides otherwise:

- (1) the Offered Shares paid for by, and issued to, such Partner prior to departure will be subject to compulsory transfer in accordance with the Articles of Association; and
- (2) the Partner will not be permitted to purchase any Offered Shares not paid for prior to the effective date of departure.

3.4 No ERISA Requirements.

For US resident Partners, the employee ownership programme is neither “qualified” under section 401(a) of the Internal Revenue Code of 1986, as amended (the “**Code**”), nor subject to the requirements of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

3.5 Share Subscription Price.

The Ordinary Shares comprised in this Offering are being offered at a subscription price of US\$1.00 per Ordinary Share. The subscription price for each Ordinary Share is comprised of US\$0.01 nominal and US\$0.99 of share premium. The A Preference Shares comprised in this Offering are being offered at a subscription price of US\$1.00 per A Preference Share. The

subscription price for each A Preference Share is comprised of US\$0.01 nominal and US\$0.99 of share premium. The share price of this Offering reflects the most recent valuation in respect of the Shares as reasonably determined by the Board of Directors (with advice from external valuation experts) in accordance with the Articles. Please refer to the comments on potential valuation for taxation purposes in SECTION 7 TAX below and the Risk Factors described in Section 10.3 Risks relating to an investment in the Offered Shares. below (and specifically 10.3.8).

3.6 General Notices.

THE OFFER OF SECURITIES OF THE COMPANY PURSUANT TO THIS OFFERING MEMORANDUM IS BEING MADE SOLELY TO THE NAMED RECIPIENT IN A PERSONAL CAPACITY, BASED UPON REPRESENTATIONS MADE BY THE RECIPIENT IN THE SHARE OFFER FORM. THE OFFER MAY NOT BE ASSIGNED TO OR ACCEPTED BY ANY OTHER PERSON (INCLUDING ANY FAMILY MEMBER OR TRUST OF THE NAMED RECIPIENT).

THIS OFFER MAY NOT BE COPIED, TRANSMITTED OR OTHERWISE REPRODUCED IN ANY MANNER WHATSOEVER. THIS OFFERING DOES NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY THE SECURITIES IN ANY STATE OR JURISDICTION IN WHICH THE OFFER OR SALE OF SECURITIES WOULD BE PROHIBITED OR IS NOT OTHERWISE AUTHORIZED.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE COMPANY AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. NONE OF THE US SECURITIES AND EXCHANGE COMMISSION, ANY U.S. FEDERAL GOVERNMENTAL AGENCY, ANY US STATE SECURITIES COMMISSION, ANY OTHER GOVERNMENTAL SECURITIES AUTHORITY NOR ANY INDEPENDENT PERSON HAS APPROVED OR DISAPPROVED THIS TRANSACTION OR PASSED UPON THE MERITS OR FAIRNESS OF SUCH TRANSACTION OR PASSED UPON THE COMPLETENESS, ADEQUACY, ACCURACY OR TRUTHFULNESS OF THE INFORMATION CONTAINED IN THE OFFERING DOCUMENTS. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

THE SECURITIES THAT MAY BE ISSUED PURSUANT TO THIS OFFERING MEMORANDUM HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE RELEVANT SECURITIES LAWS OF ANY JURISDICTION AND NO ARRANGEMENTS HAVE BEEN MADE, AND NONE ARE CONTEMPLATED, TO FACILITATE TRADING IN SUCH SECURITIES ON ANY RECOGNIZED INVESTMENT EXCHANGE OR OTHERWISE.

THE SECURITIES THAT MAY BE ISSUED PURSUANT TO THIS OFFERING MEMORANDUM ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT UNDER CERTAIN CONDITIONS AND AS PERMITTED UNDER APPLICABLE U.S. FEDERAL AND STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM.

YOUR PARTICIPATION IN THIS OFFERING MAY REQUIRE YOU TO MAKE CERTAIN FILINGS WITH LOCAL AUTHORITIES IN YOUR JURISDICTION OF RESIDENCE. YOU ARE ADVISED TO SEEK PROFESSIONAL ADVICE IN CONNECTION WITH ANY SUCH FILINGS, INCLUDING THE FORM AND TIMING OF SUCH FILINGS.

3.7 Notice to Persons who Reside in, or are Nationals of, the US.

The Shares offered in accordance with the Offering Memorandum will be sold pursuant to Rule 701 of the US Securities Act of 1933, as amended (or in certain cases, to Accredited Investors under applicable exemption from registration) (the "1933 Act") (including, without limitation, pursuant to Rule 70.1, Regulation D and Regulation S of the 1933 Act). Certificates representing the Shares shall bear the following legend:

The shares represented hereby have not been registered under the United States Securities Act of 1933, as amended (the "Securities Act"), or any applicable state securities laws of the United States of America ("US"). The following provision shall apply to shares offered, sold or otherwise transferred to any US resident. These shares have not been acquired with a view to distribution or resale, and may not be sold, assigned, exchanged, mortgaged, pledged, hypothecated or otherwise transferred or disposed of, by gift or otherwise, or in any way encumbered without an effective registration statement for such securities under the Securities Act and any applicable states securities laws or an opinion of counsel satisfactory to the Company that registration is not required under such act or under applicable state or other securities laws, should such exemptions be available. These shares may only be sold subject to the same securities law restrictions and to the restrictions on transferability referred to below.

The transferability of this certificate and the shares represented hereby are subject to the terms and conditions of the Articles of Association, as they may be amended from time to time. A copy of the current Articles of Association is on file at the registered office of the Company and will be made available to the holder of this certificate without charge upon request to the Company Secretary.

3.8 Notice to Persons who Reside outside of the US or are Nationals of Countries other than the US.

3.8.1 General.

Any offer to participate in the Employee Ownership Programme to a person who is resident in, or a citizen or national of, a jurisdiction other than the US may be affected by the laws of the relevant jurisdiction. Partners who are residents, citizens or nationals of jurisdictions other than the US should inform themselves about and observe any applicable legal requirements. It is the responsibility of any such person to satisfy himself or herself as to compliance with the laws of relevant jurisdictions in connection with the Employee Ownership Programme, including obtaining any governmental, exchange control or other consents that may be required, complying with other necessary formalities, and making payment of any issue, transfer or other taxes due in such jurisdiction.

Certificates representing the Shares shall bear the following legend:

The transferability of this certificate and the shares represented hereby are subject to the terms and conditions of the Articles of Association as they may be amended from time to time. A copy of the current Articles of Association is on file at the registered office of the Company and will be made available to the holder of this certificate without charge upon request to the Company Secretary.

If you are a resident of one of the following countries you acknowledge that the Company has advised you as indicated below:

3.8.2 European Economic Area.

This Offering Memorandum has been prepared on the basis that any offer of the Offered Shares in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “**Relevant Member State**”) will be made pursuant to an exemption under the Prospectus Directive from the requirement to publish a prospectus for offers of the Offered Shares. Accordingly, any offer in that Relevant Member State of shares which are the subject of the offering contemplated in this Offering Memorandum may only occur in circumstances in which no obligation arises for the Company to publish a prospectus pursuant to Article 3 of the Prospectus Directive, in relation to such offer. The Company has not authorized, nor do they authorize, the making of any offer of the Offered Shares in circumstances in which an obligation arises for the Company to publish a prospectus for such offer. The expression “Prospectus Directive” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression “2010 PD Amending Directive” means Directive 2010/73/EU.

3.8.3 Brazil.

The Offered Shares have not been and will not be registered with the Brazilian Securities and Exchange Commission (Comissão de Valores Mobiliários – “CVM”), to the extent that the Offered Shares have not been offered and distributed in the context of a public offering as defined under Brazilian laws and regulations and therefore is not subject to prior approval or registration under Law No. 6.385/76, as amended, and Instruction No. 400, issued by CVM on December 29, 2003, as amended. Subsequent trading of the Offered Shares in Brazil is allowed only by means of private transactions and is not subject to registration with the CVM to the extent that such trading also does not qualify as a public offering. You are advised to exercise caution in relation to the offer and make all arrangements necessary for the investment in the Offered Shares, including, but not limited to, engaging a foreign trader to represent and assist you in your participation in the Offering. Brazilian holders of the Offered Shares must also obtain all requisite approvals/exemptions from the relevant regulator authorities in Brazil and make all necessary reports to the Brazilian Central Bank (as may be applicable) and should independently consider the foreign investment/securities, tax and other legal implications. It should be noted that a seller of the Offered Shares may be asked by the purchaser to comply with procedural requirements to evidence previous title to the Offered Shares and may be subject to Brazilian tax on capital gains which may be withheld from the sale price. Persons wishing to offer or acquire the Offered Shares within Brazil should consult with their own counsel as to the applicability of these registration requirements of any exemption therefrom.

3.8.4 France.

The delivery of this Offering Memorandum relates to a private placement of the Shares exclusively reserved to the Partner, who is entitled to participate in this private placement only for his or her own account under the conditions set forth under Articles L. 411-2 and D. 411-4 of the Monetary and Financial Code. Such delivery does not constitute an offer or a sale of the Shares, directly or indirectly, to the public in France, and neither this Offering Memorandum nor any other offering material relating to the Shares have been or will be distributed to the public in France. Any such distributions, offers or sales will be made to the public in France, only in accordance with Articles L. 411-1, L. 411-2, L. 412-1 and L. 621-8 to L. 621-8-3 of the Financial and Monetary Code. This Offering Memorandum has not been and will not be submitted to the clearance procedures of the Autorité des marchés financiers.

3.8.5 Germany.

Any Shares which may be issued in connection with the employee share programme to persons resident in Germany will be issued in reliance on the exemption from the disclosure requirements of Art. 1 para. 4 lit. (b) of Regulation (EU) 2017/1129, as amended (the “**Prospectus Regulation**”). Therefore, this document is strictly for private use and the offer is only being made to recipients to whom the document is personally addressed and does not constitute an offer or advertisement to the public. Any resale of the shares in Germany may only be made in accordance with the Prospectus Regulation and other applicable laws.

3.8.6 United Kingdom.

The distribution of this document in the UK is restricted by section 21 of the Financial Services and Markets Act 2000. As such, this communication is made available only to and directed only at persons who are employees of the Company under Article 60 of the Financial Services and Markets Act (Financial Promotion) Order 2005 – Participation in Employee Share Schemes (“**Relevant Persons**”). No person, other than Relevant Persons, may act on this communication and any investment or investment activity to which this communication relates is available only to Relevant Persons and will be engaged in only with such persons. Persons of any other description in the UK may not receive and should not act or rely on this communication or any other promotional materials relating to the interests.

This Offering is not subject to a requirement to publish a prospectus under Regulation (EU) no 2017/1129 as it forms part of UK law by virtue of the European Union (withdrawal) Act 2018 and the Prospectus (amendment etc.) (EU Exit) Regulations 2019 on the basis that the offer is being made to less than 150 persons in the UK other than qualified investors and therefore an exemption to the obligation to publish a prospectus applies.

3.8.7 Hong Kong.

The contents of the Offering Memorandum have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of the Offering Memorandum, you should obtain independent professional advice.

3.8.8 Canada.

You acknowledge and agree that no prospectus has been or is intended to be filed by ERM with any securities regulatory authority in Canada in connection with the issuance of the Offered Shares pursuant to the Offering, that the issuance is intended to be exempted from or not otherwise subject to, as applicable, the prospectus and registration requirements of the applicable securities laws in Canada (the “Applicable Legislation”) and that as a consequence of acquiring any Offered Shares pursuant thereto:

- (i) you are restricted from using most of the civil remedies available under the Applicable Legislation;
- (ii) you may not receive information that would otherwise be required to be provided to you under the Applicable Legislation; and
- (iii) ERM is relieved from certain obligations that would otherwise apply under the Applicable Legislation.

You further acknowledge that ERM is not a “*reporting issuer*” (or equivalent thereof) in any jurisdiction, that the Offered Shares are subject to an indefinite restriction on resale (i.e. a “**hold period**”) under Applicable Legislation and that you will not be able to resell any of the Offered Shares until expiration of the applicable hold period (which hold period will not commence to run until ERM has become a “reporting issuer” in a jurisdiction of Canada (which ERM has no obligation to become)) other than in accordance with limited exemptions under the Applicable Legislation. Persons wishing to acquire the Offered Shares are advised to consult with their own counsel as to the applicability of these requirements or any exemption therefrom. You confirm that you are a director, officer, employee or consultant (as such terms are defined in the Applicable Legislation) of ERM (or a director, officer, employee or consultant of a related entity of ERM) and that your participation in the issuance of the Offered Shares pursuant to the Offering is voluntary.

3.8.9 Australia.

This Offering Memorandum is only made available in Australia to persons to whom a disclosure document is not required to be given under Chapter 6D of the Australian Corporations Act 2001 (Cth) (Corporations Act). This Offering Memorandum is not a prospectus, product disclosure statement or any other form of disclosure document under Chapter 6D of the Corporations Act and is not required to, and does not, contain all the information which would be required in a disclosure document under the Corporations Act.

This Offering Memorandum has not been and will not be lodged or registered with the Australian Securities and Investments Commission (ASIC), the Australian Securities Exchange or any other regulatory body or agency in Australia and the Company is not subject to the continuous disclosure requirements that apply in Australia.

Notwithstanding the above, if this Offering Memorandum is received in Australia, any offer pursuant to it is void and incapable of acceptance other than to the extent that it has been received by any person who is:

- (i) a ‘sophisticated investor’ under section 708(8) (a) or (b) of the Corporations Act; or
- (ii) a ‘sophisticated investor’ under section 708(8) (c) or (d) of the Corporations Act who has provided an accountant’s certificate to the Company which complied with the requirements of section 708(8)(c)(i) or (ii) of the Corporations Act; or
- (iii) a ‘professional investor’ within the meaning of section 708(11) of the Corporations Act; or

(iv) a ‘senior manager’ within the meaning of section 708(12) of the Corporations Act, being a person that is concerned in, or takes part in, the management of the Company or the relevant related body, regardless of the person’s designation and whether or not the person is a director or secretary of the Company or the relevant related body or a spouse, parent, child, brother or sister of the senior manager or an entity controlled by the senior manager or their spouse, parent, child, brother or sister.

The Shares must not be offered for sale or transferred to any person located in, or a resident of, Australia for a period of at least 12 months after the issue, except in circumstances where the person is a person to whom a disclosure document is not required to be given under Chapter 6D of the Australian Corporations Act or such offer of sale or transfer is made pursuant to a disclosure document which complies with Chapter 6D of the Australian Corporations Act. You hereby acknowledge these restrictions and, by applying for the securities under this Offering Memorandum, give an undertaking not to sell these securities (except in the circumstances referred to above) for 12 months after their issue.

No financial product advice is provided in the documentation related to this offer and nothing in the documentation should be taken to constitute a recommendation or statement of opinion that is intended to influence you in making a decision to participate in the Offering. Any advice contained in the documentation should be seen as general advice only and does not take into account the objectives, financial situation or needs of any particular person. Neither the Company nor any of its related bodies corporate is licensed to provide financial product advice and before acting on the information contained in the Offering Memorandum or making a decision to participate in the offer, you should consider seeking professional financial product advice from an independent person licensed by ASIC to give such advice. Neither a prospectus nor a product disclosure statement has been issued in relation to this Offer. No cooling-off regime applies to the financial products offered to you pursuant to this document or any accompanying documentation.

3.8.10 South Africa.

This Offering Memorandum is addressed to and for distribution only to persons who are employees of the Company or a subsidiary of the Company pursuant to an employee share scheme for the purposes of section 96(f) of the South African Companies Act No. 71 of 2008 (“**Companies Act**”) (all such persons together being referred to as “relevant persons”). The distribution of this Offering Memorandum to any person in the Republic of South Africa that is not a relevant person is not permitted by the Company and may contravene the Companies Act. This document is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons.

If you decide to participate in the Offering, you hereby represent and warrant that you are a “relevant person”, as defined above.

The Offering does not constitute an offer to the public by virtue of the fact that it is an employee share scheme that complies with section 97 of the Companies Act. Accordingly, no prospectus is required under the Companies Act.

Dealing in foreign currency or assets, the exportation of capital and/or revenue, incurring of liabilities by residents of South Africa to non-residents of South Africa and various other exchange control matters in South Africa are regulated by the Exchange Control

Regulations promulgated under section 9 of the Currency and Exchanges Act, 1933 as amended from time to time. We recommend that every relevant person consults their own adviser about the exchange control consequences in their particular situation.

3.8.11 Japan.

The Shares have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended) (the “**FIEL**”). The Shares may not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any Resident of Japan (as defined under Article 6, Paragraph 1, Item 5 of the Foreign Exchange and Foreign Trade Law of Japan (Law No. 228 of 1949, as amended)) or to others for reoffering or resale, directly or indirectly, in Japan or to, or for the benefit of, any Resident of Japan, except pursuant to an exemption from the registration requirement of, and otherwise in compliance with the FIEL and all applicable laws, regulations and guidelines promulgated by the relevant Japanese governmental and regulatory authorities in effect at the relevant time.

3.8.11 Italy.

The Offering Memorandum and the Offering have not been and will not be registered with, approved or subject to any formal review or clearance by the Commissione Nazionale per le Società e la Borsa (“**CONSOB**”) (the Italian securities market regulator), pursuant to the applicable Italian securities legislation.

Accordingly, the Shares may not and will not be offered, sold, promoted, advertised or delivered, directly or indirectly, nor any copies of this Offering Memorandum or any other document relating to the Shares distributed in the Republic of Italy, other than to:

(i) a number of persons fewer than 150 natural or legal persons, pursuant to Article 1, paragraph 4(b), of the Prospectus Regulation;

(ii) qualified investors (investitori qualificati) as defined in Article 2, paragraph (e) of the Prospectus Regulation, pursuant to Article 1, paragraph 4(a), of the Prospectus Regulation; or

(iii) in other circumstances where an exemption from the rules governing offers of securities to the public applies, pursuant to Article 1 of the Prospectus Regulation and any other applicable laws and regulations,

and provided further that any such offer, sale, promotion, advertising or delivery of the Shares or distribution of this Offering Memorandum, or any part thereof, or of any other document or material relating to the Shares in Italy is made in compliance with the Italian securities, tax, exchange control and other applicable laws and regulations, and, in particular, is made:

(i) by soggetti abilitati (including investment firms, banks or financial intermediaries) permitted to conduct such activities in Italy in accordance with the Legislative Decree No. 58 of 24 February 1998, as amended from time to time (the “**Financial Services Act**”), Legislative Decree No. 385 of 1 September 1993, as amended from time to time, CONSOB Regulation No. 20307 of 15 February 2018, as amended from time to time, and any other applicable laws and regulations; and

(b) in compliance with any other applicable laws and regulations and relevant limitations or procedural requirements (including reporting requirements where applicable) that CONSOB, the Bank of Italy and any other competent authority may impose upon the offer or sale of the Shares.

Furthermore, in accordance with Article 5 of the Prospectus Regulation and Article 100-bis, paragraph 1, of the Financial Services Act, resale of the Shares on the secondary market in Italy constitutes a distinct and autonomous offer to be made in compliance with the public offer and prospectus requirement rules provided under the Prospectus Regulation, the Financial Services Act and the Issuers Regulation, unless an exemption applies. Failure to comply with such rules may result in the subsequent resale of the Shares being declared null and void and the intermediary transferring the Shares may be liable for any damage suffered by the investors.

3.8.11 Belgium.

This Offering Memorandum does not constitute a prospectus or information note for purposes of the Belgian Act dated 11 July 2018 concerning the public offer of investment securities and the admission of investment securities to trading on a regulated market (as amended, the “**Belgian Prospectus Act**”) or the Prospectus Regulation. This Offering Memorandum and any related offering materials have not been and will not be submitted nor approved by the Financial Services and Markets Authority (Autoriteit voor Financiële Diensten en Markten/Autorité des services et marchés financiers) or by any other authority in Belgium.

The Offering does not constitute a public offer. The Issuer will offer the Shares to fewer than 150 natural or legal persons in Belgium, in accordance with Article 27 of the Belgian Prospectus Act and Article 1 paragraph 4(b) of the Prospectus Regulation. The offering may not be advertised and the Shares may not be offered or sold, and this Offering Memorandum or any other offering material relating to the Shares may not be distributed, directly or indirectly, in any circumstances other than as set out in Article 27 of the Belgian Prospectus Act and Article 1 paragraph 4(b) of the Prospectus Regulation. This Offering Memorandum has been issued to the intended recipient for personal use only and exclusively for the purpose of the offering. Therefore it may not be used for any other purpose, nor passed on to any other person. Any resale of the Shares in Belgium may only be made in accordance with the Belgian Prospectus Act and other applicable laws.

3.8.12 The Netherlands.

Any Shares which may be issued in connection with the employee share programme to persons resident in the Netherlands will be issued in reliance on the exemption from the disclosure requirements of Art. 1 para. 4 lit. (b) of the Prospectus Regulation. Therefore, this document is strictly for private use and the offer is only being made to recipients to whom the document is personally addressed and does not constitute an offer or advertisement to the public. Any resale of the shares in the Netherlands may only be made in accordance with the Prospectus Regulation and other applicable laws.

3.8.13 Singapore

Any Shares which may be issued in connection with the employee share programme to persons resident in Singapore will be issued in reliance on the exemption under section 273(1)(i) of the Securities and Futures Act 2001. It is not made in or accompanied by a prospectus that is registered with the Monetary Authority of Singapore.

3.9 Tax Information Exchange Requirements – FATCA and CRS.

A number of tax information exchange agreements have been introduced in recent years. The first was the Foreign Account Tax Compliance Act (“**FATCA**”), which aims to gather financial information on US Persons (generally considered to be US citizens or residents) who hold investments / accounts outside of the US. FATCA requires Financial Institutions (“**FIs**”)

to report information annually to tax authorities on investors / account holders who are US Persons, or potentially face a 30% withholding tax on US source payments.

The OECD introduced the Common Reporting Standard (“**CRS**”) with effect from 1 January 2016 as a framework to facilitate the automatic exchange of information by FIs across the globe. Under CRS, FIs are required to report information annually to tax authorities on investors /account holders who are tax resident in a jurisdiction that has agreed to adopt CRS. Over 120 jurisdictions have agreed to implement CRS, including the most common investor jurisdictions.

To comply with the rules governing tax information exchange, ERM is required to collect certain information about each investor, including tax residency and, in certain cases, citizenship status. ERM may be obligated to report this information to HM Revenue & Customs (“**HMRC**”) and this information may also be transferred to the government of another territory in accordance with a relevant agreement. As a condition of acceptance of this Offering, you must complete and submit the Individual Self-Certification form incorporated in and forming part of the Share Offer Form and undertake to notify the Company immediately in future if any such details change whilst you continue to hold shares in ERM.

SECTION 4 ENROLLMENT PROCESS

The enrollment process is composed of two steps, each of which is described below, namely (1) election to participate, and (2) payment:

4.1 Election to Participate.

If you elect to participate in this Offering, you must properly complete the Share Offer Form and, if eligible and electing to defer payment on the Second Tranche, deliver a duly signed Power of Attorney by **20 September 2024** (the “**Enrollment Deadline**”).

Where you are eligible to defer payment on the Second Tranche and you elect to do so in your Share Offer Form, the Power of Attorney will be sent to you for review and signature (in front of a witness) via DocuSign and you must complete the execution process via DocuSign by the Enrollment Deadline.

If you elect not to participate in this Offering, the Company requests that you indicate this decision in the Share Offer Form.

Your written election to participate or decline to participate cannot be changed after you submit the Share Offer Form. **If your completed Share Offer Form (and Power of Attorney, where applicable) is not received on or before the Enrollment Deadline, you will be deemed to have declined the offer to purchase the Offered Shares (unless otherwise determined by the Board, in its discretion) and such Offering to you shall be cancelled.**

This Offering is personal to you as an employee of the ERM Group and, as such, can only be accepted by you and shares allotted to you in such personal capacity. You cannot accept this Offering and subscribe for the Shares in the name or on behalf of any third party or trust. The Articles provide for certain circumstances and conditions under which Shares once allotted may subsequently be transferred to permitted family members or trusts, subject to the discretion and consent of the Board.

4.2 Payment (non-Australian and South African Offerees).

This section 4.2 is not applicable to Australian and South African offerees. If you are an offeree employed by or contracted to the ERM Group in South Africa or Australia, please read section 4.3.

If you elect to participate in this Offering, you have two payment options. You are encouraged to make full payment for all Offered Shares on or before the ROW Payment Deadline (as defined below). However, if you are being offered Ordinary Shares and Preference Shares you may elect, in accordance with the terms of the Share Offer Form, to pay for the Initial Tranche on or before the Initial Tranche Payment Deadline and defer payment on the Second Tranche until the Second Tranche Payment deadline (as defined below).

4.2.1 Payment for all Offered Shares.

If (i) you have only been offered Ordinary Shares in this Offering or (ii) you have been offered Ordinary Shares and A Preference Shares in this Offering and do not elect to defer payment in accordance with the Share Offer Form and Section 4.2.2 below, you must deliver payment for all the Offered Shares in the amount set forth in your Invitation on or before close of business UK time on **20 September 2024** (the “**ROW Payment Deadline**”). **If your payment is not received on or before the ROW Payment Deadline, you will be deemed to have declined the offer to purchase Offered Shares (unless otherwise determined by the Board, in its discretion).**

If you are a **Partner resident in a country other than the US**, payment must be made by electronic transfer for receipt **on or before the ROW Payment Deadline** using the “**Non-US Wire Transfer Instructions**” in the table below:

Beneficiary Account Name	The ERM International Group Limited
Beneficiary Address	The ERM International Group Limited 2nd Floor Exchequer Court 33 St Mary Axe London EC3A 8AA United Kingdom
Account Number	89820402
Sort Code	40-12-76
IBAN	GB36HBUK40127689820402
SWIFT/BIC	HBUKGB4B
Bank Name	HSBC UK Bank PLC
Bank Address	1 Centenary Square Birmingham B1 1HQ United Kingdom
Payment Reference	SURNAME FIRSTNAME of Partner
Applicable Banking fees	You must pay all wiring fees charged by both the remitting and receiving bank.

If you are a **Partner resident in the US**, payment must be wired for receipt **on or before the ROW Payment Deadline** using the “**US Wire Transfer Instructions**” in the table below:

Beneficiary Account Name	The ERM International Group Limited
Beneficiary Address	The ERM International Group Limited 2nd Floor Exchequer Court 33 St Mary Axe London EC3A 8AA United Kingdom
Account Number	104041005
ABA Routing Number	021001088
Bank Name	HSBC Bank USA, N.A.
Bank Address	HSBC Bank USA, N.A. 95 Washington Street Buffalo NY 14203 USA
Payment Reference	SURNAME FIRSTNAME of Partner
Applicable Banking fees	You must pay all wiring fees charged by both the remitting and receiving bank.

Due to regulatory requirements, we are no longer able to take payments by credit or debit card. We also cannot accept any form of cash payment or cheques. Therefore, payment can only be made by bank transfer or wire transfer, as detailed above. In order to comply with anti-money laundering and other financial regulations, the payment should originate from an account in the name (or joint name) of the shareholder. If payment is made from a third party account, it may be subject to additional validation requirements and/or may not be accepted.

If you have any questions regarding the payments, please contact Group Treasury, via email at shareholder.response@erm.com.

4.2.2 Deferral or Payment for the Offered Shares.

If you have been offered the opportunity to subscribe for A Preference Shares and elect to defer payment in accordance with the terms of the Share Offer Form, you must deliver payment for (1) the Initial Tranche on or before close of business UK time on **20 September 2024** (the “**Initial Tranche Payment Deadline**”) and (2) the Second Tranche by the first anniversary of the Initial Tranche Payment Deadline i.e. on or before close of business UK time on **19 September 2025** (the “**Second Tranche Payment Deadline**”) in accordance with the relevant US Wire Transfer Instructions or the Non-US Wire Transfer Instructions above, as applicable to you. You are responsible for making payment for the Second Tranche on or before the Second Tranche Payment Deadline and are encouraged to pay for all of the unpaid Shares in the Second Tranche in one total payment. The Company is not obliged to remind you of your payment obligation or the approach of the deadline. The Second Tranche Payment Deadline may be accelerated and brought forward in the circumstances described in Section 3.2.4 above (and the definition of “**Second Tranche Payment Deadline**” shall therefore mean such accelerated due date). **If your payment of the Initial Tranche is not received on or before**

the Initial Tranche Payment Deadline, you will be deemed to have declined the offer to purchase Offered Shares. If your payment of the Second Tranche is not received by the Second Tranche Payment Deadline, the Offered Shares may be cancelled and rescinded (in respect of all or some of the A Preference Shares) and the Call Option exercised (in respect of the Ordinary Shares) and in each case monies paid returned without dividend or interest (unless otherwise determined by the Board, in its discretion).

4.3 Payment (Australian and South African Offerees).

If you elect to participate in this Offering, you must deliver payment for all the Offered Shares in the amount set forth in your Invitation on or before close of business UK time on the SA-AU Payment Deadline (as defined in section 3.2.2). **If your payment is not received on or before the SA-AU Payment Deadline, you will be deemed to have declined the offer to purchase Offered Shares (unless otherwise determined by the Board, in its discretion).**

Payment must be made by electronic transfer for receipt on or before the SA-AU Payment Deadline using the wire transfer instructions in the table below:

Beneficiary Account Name	The ERM International Group Limited
Beneficiary Address	The ERM International Group Limited 2nd Floor Exchequer Court 33 St Mary Axe London EC3A 8AA United Kingdom
Account Number	89820402
Sort Code	40-12-76
IBAN	GB36HBUK40127689820402
SWIFT/BIC	HBUKGB4B
Bank Name	HSBC UK Bank PLC
Bank Address	1 Centenary Square Birmingham B1 1HQ United Kingdom
Payment Reference	SURNAME FIRSTNAME of Partner
Applicable Banking fees	<u>You must pay all wiring fees charged by both the remitting and receiving bank.</u>

Due to regulatory requirements, we are no longer able to take payments by credit or debit card. We also cannot accept any form of cash payment or cheques. Therefore, payment can only be made by bank transfer or wire transfer, as detailed above. In order to comply with anti-money laundering and other financial regulations, the payment should originate from an account in the name (or joint name) of the shareholder. If payment is made from a third party account, it may be subject to additional validation requirements and/or may not be accepted.

If you have any questions regarding the payments, please contact Group Treasury, via email at shareholder.response@erm.com.

4.4 Acceptance.

To receive the Offered Shares, you must therefore (i) properly complete the Share Offer Form and, if eligible and electing to defer payment on the Second Tranche, deliver a duly signed Power of Attorney, and (ii) make payment for such shares, so that the appropriate amounts are received in full into the Company's relevant account shown above by the relevant due date. If the appropriate amount is not received in full by the relevant due date, such offering may be cancelled. Any payment received after the due date will not be accepted and will be returned. It is therefore in your interest to allow sufficient time for your payment to be received (bearing in mind that bank transfers may in some cases take several days) and to ensure that your payment instruction covers any bank charges or fees, so that the full net due amount is received in the Company's account.

SECTION 5 DESCRIPTION OF SHARES AND OTHER INFORMATION

The share capital of the Company consists of eight classes of Shares: A Preference Shares, B Preference Shares, A Ordinary Shares, B Ordinary Shares, C Ordinary Shares, D Ordinary Shares, Deferred Shares and Special Shares each with a nominal value of US\$0.01 per Share. The principal rights attaching to such classes of Shares are summarized below.

5.1 A Preference Shares.

ERM employees, consultants and directors and certain former ERM employees, consultants and directors hold all of the outstanding issued A Preference Shares.

As at 30 June 2024, there are 154,473,852 A Preference Shares in issue. In this Offering, the Company is offering up to an additional 5,348,479 A Preference Shares.

5.1.1 Ranking.

A Preference Shares rank pari passu with B Preference Shares and in priority to all other classes of Shares for distributions and for dividends.

5.1.2 Dividends and Return of Capital.

5.1.2.1 Dividends

The A Preference Shares carry a right to a fixed cumulative preferential dividend at a rate of 8% per annum. Such dividends are compounded quarterly on the amount paid or credited as paid up thereon (together with any premium paid at the date of issue). Such dividends accrue in arrears, and will be paid if and when declared by the Board to the extent that sufficient distributable reserves are available.

5.1.2.2 Return of Capital.

The assets of the Company remaining after the payment of all of the Company's debts, liabilities and costs associated with winding up the Company (the "*Surplus Assets*") upon a liquidation or return or reduction of capital of the Company shall be paid first to the holders of A Preference Shares in an amount equal to the amount paid up (including the premium (if any)) or credited as paid up on each A Preference Share (pari passu with the payment of the amount paid up (including the premium (if any)) or credited as paid up on each B Preference Share). After such amounts are paid, the holders of the A Preference Shares shall be paid an amount equal to all unpaid arrears or accruals of their A Preference Dividend (as described in 5.1.2.1 above) pari passu with the payment of the B Preference Dividend to the holders of B Preference Shares.

5.1.3 Voting.

Each A Preference Share entitles its holder to receive notice of and attend any general meeting of the Company, but does not entitle its holder to vote upon any resolution other than a resolution to wind up the Company, reduce the Company's share capital or vary the rights attaching to the A Preference Shares.

5.1.4 Redemption.

A Preference Shares are redeemable on a liquidation or on the day following the twentieth anniversary of the date of their issuance. Upon redemption, the holders of A Preference Shares shall receive a sum equal to the amount equivalent to the Subscription Price (as defined in the Articles of Association) paid up or credited as paid up on each A Preference Share (including any premium paid at the date of issue) together with a sum equal to all accrued but unpaid dividends on such Shares in accordance with Section 5.1.2.1 above.

5.2 B Preference Shares.

Nature Topco holds all of the outstanding issued B Preference Shares. As at 30 June 2024, there are 1,819,925,316 B Preference Shares in issue.

5.2.1 Ranking.

B Preference Shares rank pari passu with A Preference Shares and in priority to all other classes of Shares for distributions and for dividends.

5.2.2 Dividends and Return of Capital.

5.2.2.1 Dividends.

The B Preference Shares carry a right to a fixed cumulative preferential dividend at a rate of 8% per annum. Such dividends are compounded quarterly on the amount paid or credited as paid up thereon (together with any premium paid at the date of issue). Such dividends accrue in arrears, and will be paid if and when declared by the Board to the extent that sufficient distributable reserves are available.

5.2.2.2 Return of Capital.

The Surplus Assets upon a liquidation or return or reduction of capital of the Company shall be paid first to the holders of B Preference Shares in an amount equal to the amount paid up (including the premium (if any)) or credited as paid up on each B Preference Share (pari passu with the payment of the amount paid up (including the previous (if any) or credited as paid up on each A Preference Share).

5.2.3 Voting.

Each B Preference Share entitles its holder to receive notice of and attend any general meeting of the Company, but does not entitle its holder to vote upon any resolution other than a resolution to wind up the Company, reduce the Company's share capital or vary the rights attaching to the B Preference Shares.

5.2.4 Redemption.

B Preference Shares are redeemable on a liquidation or on the day following the twentieth anniversary of the date of their issuance. Upon redemption, the holders of B Preference Shares shall receive a sum equal to the amount equivalent to the Subscription Price (as defined in the Articles of Association) paid up or credited as paid up on each B Preference

Share (including any premium paid at the date of issue) together with a sum equal to all accrued but unpaid dividends on such Shares in accordance with Section 5.2.2.1 above.

5.3 A Ordinary Shares, B Ordinary Shares, C Ordinary Shares and D Ordinary Shares.

The A Ordinary Shares in issue were issued to and are held by those employees, consultants, directors and certain former employees who were formerly shareholders of ERM Worldwide Group Limited who elected to fully or partially roll-over their shareholdings into the Company pursuant to a Scheme of Arrangement effective 13 October 2021.

The B Ordinary Shares are issued to Nature Topco.

The C Ordinary Shares represent a class of shares which have been reserved for issue to employees and consultants of ERM Group and are sometimes referred to as the ‘sweet equity pool’.

The D Ordinary Shares are to be issued as required in connection with corporate or business acquisitions as consideration or otherwise.

As at 30 June 2024, there are 2,108,060 A Ordinary Shares, 27,574,262 B Ordinary Shares, 8,330,525 C Ordinary Shares and 159,020 D Ordinary Shares in issue.

In this Offering, the Company is offering up to an additional 135,000 A Ordinary Shares, 1,978,549 C Ordinary Shares and 47,136 D Ordinary Shares.

5.3.1 Ranking.

D Ordinary Shares rank ahead of A Ordinary Shares, B Ordinary Shares and C Ordinary Shares for the purpose of dividends and on a return of capital. A Ordinary Shares and B Ordinary Shares rank equally and ahead of C Ordinary Shares.

A Ordinary Shares, B Ordinary Shares, C Ordinary Shares and D Ordinary shares rank behind the A Preference Shares and the B Preference Shares.

5.3.2 Dividends and Return of Capital

5.3.2.1 Dividends.

A Ordinary Shares, B Ordinary Shares, C Ordinary Shares and D Ordinary Shares carry no right to a fixed dividend. However, if the Board in its discretion resolves to pay a dividend to the holders of such shares, the balance of any profits available for distribution following the payment of any fixed dividend to the holders of A Preference Shares and B Preference Shares as described above, the holders of D Ordinary Shares are entitled to receive the D Share Proportion (as defined in the Articles of Association) of the remaining profits approved for distribution in proportion to the number of D Ordinary Shares held by each. Following the payment of the D Share Proportion, 74% of the balance of the profits approved for distribution is payable to the holders of A Ordinary Shares and B Ordinary Shares on a pari passu basis as if the same constituted one class of Shares in proportion to the number of A Ordinary Shares and B Ordinary Shares held by each. The remaining 26% of the balance of the profits approved

for distribution is payable to the holders of C Ordinary Shares in proportion to the number of C Ordinary Shares held by each holder.

5.3.2.2 Return of Capital/Realisation.

After the payment in full to holders of A Preference Shares and B Preference Shares as set forth in paragraphs 5.1.2.2 and 5.2.2.2, the remaining balance of capital, if any, upon a liquidation or return or reduction of capital of the Company shall be paid first to the holders of any D Ordinary Shares in the amount of the D Share Proportion (as defined in the Articles of Association) of the capital balance respectively. Following distribution to holders of D Ordinary Shares, 74% of the remaining capital balance will be paid to holders of A Ordinary Shares and B Ordinary Shares on a pari passu basis as if the same constituted one class of Shares in proportion to the number of such Shares held by them. The remaining 26% of the capital balance will be paid to holders of C Ordinary Shares in proportion to the number of C Ordinary Shares held by each. In the case of a Realisation (as defined in the Articles of Association), the Special Shares will be redeemed (if not purchased) in accordance with the Articles of Association.

5.3.2.3 Sale.

The proceeds payable to shareholders on a Sale (as defined in the Articles of Association) shall be allocated amongst them on the same basis as is described in Section 5.3.2.2 above.

5.3.3 Voting.

Each A Ordinary Share, B Ordinary Share, C Ordinary Share and D Ordinary Share entitles its holder to receive notice of, attend and vote at any general meeting of the Company.

The C Ordinary Shares as a class shall have 26% of the aggregate voting rights of the A Ordinary Shares, B Ordinary Shares and C Ordinary Shares taken together on the basis that each A Ordinary Share, B Ordinary Share and C Ordinary Share is entitled to one vote. The A Ordinary Shares and B Ordinary Shares shall be entitled to the remaining voting rights in proportion to the number of A Ordinary Shares and B Ordinary Shares held by each of them as if they were all holders of Shares of the same class. Each D Ordinary Share shall be entitled to one vote. However, the votes of D Ordinary Shares shall be deemed to be cast in the same way as the votes of the holders of a majority of the A Ordinary Shares and C Ordinary Shares (taken together as if they constituted one class), provided that the consent of the holders of 50 per cent or more of the D Ordinary Shares shall be required to vary or abrogate any special rights attached to the D Ordinary Shares.

The holders of a majority of the A Ordinary Shares and the C Ordinary Shares (taken together as a single class) have the right to appoint up to five directors to the Board. In any resolution to remove any such director that is put before the Company's shareholders, the holders of A Ordinary Shares and the C Ordinary Shares (taken together as a single class) shall together have three times as many votes as all other shareholders combined.

The holders of a majority of the B Ordinary Shares have the right to appoint any such number of persons as they consider fit as directors to the Board. In any resolution to remove any such director that is put before the Company's shareholders, the holders of B Ordinary Shares shall together have three times as many votes as all other shareholders combined.

5.4 Deferred Shares and Special Shares.

The Deferred Shares carry no dividend rights or rights to receive notice of, attend or vote at, a general meeting of the Company. A Ordinary Shares, C Ordinary Shares, D Ordinary Shares or A Preference Shares acquired by the Employee Benefit Trust automatically convert into Deferred Shares (or Special Shares as described below) unless the Board or Remuneration Committee resolves otherwise. After the payment in full to holders of A Preference Shares, B Preference Shares, A Ordinary Shares, B Ordinary Shares, C Ordinary Shares and D Ordinary Shares as set forth in Section 5.1 and 5.2 above, the balance of the remaining capital will be used to redeem any Special Shares not previously redeemed and to pay holders of Deferred Shares after all other holders of Shares in the Company have had their capital repaid in full and the holders of A Ordinary Shares, B Ordinary Shares, C Ordinary Shares and D Ordinary Shares have received an additional amount of US\$10,000,000 per share.

When a Leaver (as defined in the Articles of Association) transfers A Preference Shares to the Employee Benefit Trust, one A Preference Share automatically converts to a Special Share unless the Board resolves otherwise in accordance with the Articles of Association. The Special Shares carry no dividend rights or rights to receive notice of, attend or vote at, a general meeting of the Company. The holder of such Special Shares is entitled to receive upon redemption or purchase on a Realisation an amount equal to the difference between the dividend which would have accrued on the A Preference Shares transferred (as applicable) and the interest paid and payable on any promissory note issued to the Leaver in accordance with the Leaver provisions set out in the Articles of Association (accruing at 3 per cent. per annum for Good Leavers and Intermediate Leavers and zero per cent. for Bad Leavers).

5.5 Transfers of Shares.

Pursuant to the Share Plan, and subject to the discretion of the Remuneration Committee, Shares which are sold to Partners in units consisting of a specified number of A Ordinary Shares, C Ordinary Shares and/or D Ordinary Shares, together with a specified number of A Preference Shares, may be transferred only in the same units. The rules for transfer of Shares are set forth in the Offering Documents and the Articles of Association.

C Ordinary Shares and D Ordinary Shares which are offered and purchased in this Offering without any attached A Preference Shares may be transferred on their own.

Shares are not freely transferable and may only be transferred as described in the Articles of Association. Share transfers are not permitted other than:

- (a) in accordance with certain permitted transfer provisions contained in the Articles of Association regarding transfers to certain affiliates, family members and family trusts; or
- (b) with the approval of (i) the majority of the holders of the A Ordinary Shares and the majority of the holders of B Ordinary Shares or (ii) the Remuneration Committee; or
- (c) in accordance with the tag along rights described in Section 5.5.1 below; or

- (d) in accordance with the drag along rights described in Section 5.5.2 below; or
- (e) in accordance with the leaver provisions described in Section 5.5.3 below; and
- (f) in all cases solely in accordance with applicable securities laws.

Additionally, transfers of Offered Shares are subject to the terms of participation in this Offering as described in the Offering Memorandum and set forth in the Share Offer Form and other documents to be executed in connection therewith.

Please note that, in order to maintain exemption from, or obtain relief from current or future US securities registration and reporting requirements (or similar securities registration and reporting requirements in other relevant jurisdictions), the Company may impose additional restrictions on transferability (in particular, to prohibit transfers among Partners), and if required, will seek shareholder approval to amend the Articles of Association as appropriate.

5.5.1 Right to Tag Along.

If any holder of B Ordinary Shares proposes to transfer such B Ordinary Shares or B Preference Shares held by them to a bona fide arm's length purchaser acting in good faith (the "**Third Party Purchaser**"), other than in accordance with the permitted transfer or drag-along provisions in the Articles of Association as described in Section 5.5.2 below, each holder of A Preference Shares, A Ordinary Shares, C Ordinary Shares and D Ordinary Shares may issue a notice requiring the Third Party Purchaser to purchase such A Preference Shares, A Ordinary Shares, C Ordinary Shares and D Ordinary Shares (as appropriate) on the same terms and conditions.

5.5.2 Drag Along Provisions.

If the holders of a majority of the B Ordinary Shares wish to transfer all their interest in Shares in the capital of the Company to a Third Party Purchaser, they will be entitled to require the remaining shareholders to sell on the same terms and conditions as the holders of Shares who are triggering the drag along right save that the price for each class of Share may vary to reflect the different entitlements of each class of Shares.

5.5.3 Leavers.

Under the Articles of Association, if a person ceases to be an employee or director of, or consultant to, an ERM company, that person and any family member or family trust of that person that holds A Preference Shares, A Ordinary Shares, C Ordinary Shares or D Ordinary Shares will be subject to compulsory transfer provisions whereby the Company can require him, her or them to transfer all or any such Shares to the Employee Benefit Trust. However, the Company may in its discretion determine to buy back all or any or none of such leaver's shares and has up to 11 months following the relevant termination date to so determine in accordance with the Articles of Association.

At certain times and in exceptional cases, where a person retires from the business and is not in competition or conflict with the interests of the Company, the Remuneration

Committee has the discretion to permit that person and his or her permitted transferees to retain some or all of their Shares. The Remuneration Committee may exercise such discretion as it considers appropriate in all the circumstances and there shall be no right or entitlement to retain any Shares, based on precedent or otherwise.

Where the Company exercises its right to require a Leaver to sell any such Shares, in the case of a person who is a Good Leaver (as defined below), the applicable price for (i) his or her Ordinary Shares will be the most recently determined Valuation Per Share (as defined in the Articles of Association); and (ii) his or her A Preference Shares will be the Subscription Price for such Shares plus accrued and unpaid dividends thereon. Payment for the Good Leaver's Shares shall be in the form of (a) an initial payment of 50% of the purchase price in cash payable on the completion of the transfer of the Shares and (b) a promissory note for the 50% balance of the purchase price on or immediately after completion of the transfer of the Shares with interest accruing at a rate of 3% per annum payable on the earlier of a Realisation Date (as defined in the Articles of Association) or two years after the date of the Partner's termination of employment with ERM (the "**Termination Date**").

In the case of a person who is an Intermediate Leaver (as defined below), the applicable price for (i) his or her Ordinary Shares will be the lower of the Subscription Price and the most recently determined Valuation Per Share; and (ii) his or her A Preference Shares will be the Subscription Price for such Shares plus accrued and unpaid dividends thereon. Payment for an Intermediate Leaver's Shares shall be in the form of (a) an initial payment of 50% of the purchase price in cash payable on the completion of the transfer of the Shares and (b) a promissory note for the 50% balance of the purchase price on or immediately after completion of the transfer of the Shares with interest accruing at a rate of 3% per annum payable on the earlier of a Realisation Date (as defined in the Articles of Association) or two years after the Termination Date.

In the case of a person who is a Bad Leaver (as defined below), the applicable price for (i) his or her Ordinary Shares will be the lower of the Subscription Price and the most recently determined Valuation Per Share; and (ii) his or her A Preference Shares will be the Subscription Price only (i.e. all of the accrued Preference Share dividend is forfeited). Payment for the Bad Leaver's Shares shall be all in the form of a promissory note with interest accruing at a rate of zero per cent. per annum payable on the earlier of a Realisation Date or seven years after the Termination Date.

A Good Leaver is defined in the Articles of Association as someone who becomes a Leaver by reason of:

- (a) death;
- (b) permanent ill-health or permanent disability (in each case, as confirmed by the Board);
- (c) retirement (as confirmed by the Board acting reasonably having regard to the laws and practices of the relevant jurisdiction where such Leaver is employed or engaged);
- (d) redundancy;

- (e) voluntary resignation where notice of such resignation is given on or after the date which is three years from the date the Leaver (or any of their permitted transferees such as family members and family trusts) is first issued any Shares; or
- (f) dismissal from employment other than for cause.

An Intermediate Leaver is defined in the Articles of Association as someone who becomes a Leaver by reason of voluntary resignation where notice of such resignation is given before the date which is three years from the date the Leaver (or any of their permitted transferees such as family members and family trusts) is first issued any Shares.

A Bad Leaver is defined in the Articles of Association as someone who is not a Good Leaver or an Intermediate Leaver.

The Remuneration Committee has discretion to waive certain provisions summarized in this Section 5.5.3. If a Leaver who is a Good Leaver or Intermediate Leaver solicits a customer or employee of the ERM Group or establishes a business in competition with ERM on or prior to the 24 month anniversary of their Termination Date, then such Leaver shall immediately become a Bad Leaver.

5.5.4 Discretionary Transfers.

Partners may make an application to the Remuneration Committee to realise up to 20% of their investment in the Shares by means of transfer to the Employee Benefit Trust. Any such applications are subject to the discretion and approval of the Remuneration Committee and the Employee Benefit Trust and subject to the Employee Benefit Trust having sufficient funds available to fund the purchase. No more than 20% of a Partner's Shares may be transferred to the Employee Benefit Trust in any calendar year and no Partner may realise more than up to 50% of their investment in their Shares in aggregate in the course of the KKR investment cycle (the length of which is currently unknown). It should be noted that the Remuneration Committee and Employee Benefit Trust may determine in their absolute discretion whether to allow any such transfers, taking into account any personal or special circumstances of individuals and Partners shall have no right or entitlement to make such transfer, based on precedent or otherwise.

5.6 Investment Agreement.

In connection with the recent investment in ERM by Nature Topco, the Company entered into an agreement (“**Investment Agreement**”) which sets out the basis on which Nature Topco will invest in ERM and regulates certain aspects of the relationship between the management and administration of the affairs of the Group.

Certain matters shall not be undertaken by ERM without the consent of Nature Topco. They include but are not limited to the following:

- making any material amendment to the annual business plan of the Group or adopt any plan or take any action materially inconsistent with such annual business plan;
- allowing the borrowings of the Group to exceed the limits permitted under any bank facilities obtained by the Group;

- the creation of any mortgage or charge or standard security over any material assets;
- making any material change in the nature of the business carried on by the Group;
- entering into any transaction out of the ordinary course of business;
- disposing of all or a substantial part of the Group’s undertaking and assets; and
- subject to certain exceptions, making any changes in the share capital and the rights attaching to any class of shares of the Company.

Certain matters shall not be undertaken by the Group without the prior written consent of the holders of 50% or more of the A Ordinary Shares and C Ordinary Shares (voting as a single class) or the majority of the members of the Executive Committee (as defined in Section 9.3 below). These include but are not limited to the following:

- making any material change in the nature of the business carried on by the Company;
- entering into any transaction out of the ordinary course of business;
- effecting a listing of the Company; and
- merging or combining any business of any Group Company with any other business or company in which an External Investor has an interest (whether direct or indirect) which competes with the business of the Group.

5.7 Refinancing of the Group’s bank debt facilities.

Between October 2021 and February 2024, the Group carried out several amendments (the “**Amendments**”) to its existing credit facilities with a syndicate of lenders, led by KKR Capital Markets Partners LLP. As at 30 June 2024, these current credit facilities are for a total amount of up to approximately US\$1.042 billion, comprised of first tier facilities of approximately US\$510.4 million and EUR495 million, and a revolving credit facility (“**RCF**”) of up to US\$238 million to fund general corporate purposes, working capital needs, investments and any other purposes not prohibited by the terms of the agreements (collectively, the “**Credit Facilities**”). The Credit Facilities expire and are due to be repaid in full from July 2027 (in respect of the RCF) to July 2029 (in respect of the first tier facilities).

SECTION 6 DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS

This Offering Memorandum contains forward-looking statements, including statements concerning possible or assumed future results of the Company. All statements other than statements of historical fact included in this document may be forward-looking statements. Forward-looking statements include statements preceded by, followed by or that include the words “intends”, “believes”, “expects”, “anticipates”, “may”, “will”, “should” or similar expressions. By their nature, forward-looking statements involve known or unknown risks, uncertainties and other factors because they relate to events and depend on circumstances that all occur in the future. Forward-looking statements are not guarantees of future performance. The forward-looking statements have not been reviewed by the auditors of the Company and actual results may differ materially from those expressed in the forward-looking statements depending on a number of factors, including but not limited to those listed below, those described under the heading “Risk Factors”, and others mentioned elsewhere in this Offering Memorandum:

- risks associated with significant debt service requirements;
- dependence on significant client relationships;
- dependence on oil and gas, manufacturing, chemical, pharmaceutical, mining, power and infrastructure industries;
- the effects of competition in the market for environmental services and the behaviour of other market participants;
- access to capital;
- foreign exchange rate fluctuations;
- risks of an international business working in multiple jurisdictions;
- regulatory risks, including the pace of issuance of new regulations and enforcement of regulations;
- the risk of a recession in the US, Latin American, European, Asia-Pacific and/or global economy;
- turbulence and uncertainty in the global economy arising from the Russia-Ukraine conflict;
- turbulence and uncertainty in the global economy arising from the Israel-Gaza conflict;
- political uncertainty arising from governmental regime changes across the globe;
- customers’ commercial activity;
- risks associated with rapid growth in a professional services business;
- risks of professional liability, pollution liability and other types of liability arising from ERM’s operations, and risks relating to reputational damage;

- risks associated with cybersecurity and data breaches relating to the ERM Group's IT systems;
- dependence on key personnel;
- appropriate consultation with employee representatives;
- risks from government contracts, such as fines and penalties;
- risks from fixed-price contracts; and
- possible limitations on the ability to obtain contracts from governmental agencies of a particular country (including the US) arising out of majority ownership by persons not resident or citizens of such country.

Many of these risks and uncertainties relate to factors that are beyond the Company's abilities to control or estimate precisely, such as future market conditions and the behaviour of other market participants. Additionally, there are other factors that are currently not identifiable or quantifiable that could arise or become known in the future. A forward-looking statement speaks only as of the date the statement is made. Shareholders should not place undue reliance on such forward-looking statements and the Company assumes no obligation and is not obligated to publicly update or revise any forward-looking statement, whether as a result of new information, future results or for any other reason except as required pursuant to applicable law.

The Board has obtained independent valuation advice and has determined its valuation of the shares comprised in this Offering in accordance with the Articles of Association based on such advice, the current and forecast performance of the business of the ERM Group and market factors.

SECTION 7 TAX

You are strongly urged to seek your own independent personal tax advice. The Company does not accept any duty of care or grant any reliance to any person in relation to the information set out in this paragraph 7, which is given for information purposes only.

7.1 US Taxpayer Employees.

Any discussion of US federal tax issues in this document is not intended or written to be relied upon, and can not be relied upon, by taxpayers for the purpose of avoiding penalties that may be imposed on taxpayers under the Code. In respect of all of the matters addressed in these Offering Documents, taxpayers should seek advice based on their particular circumstances from an independent tax advisor.

The following paragraphs are intended as a general summary of the US tax issues relevant to individuals who are citizens or resident aliens of the US for US federal tax purposes, who qualify for the benefits of the US-UK tax treaty (the “*Treaty*”), and who are employees or consultants to ERM and who live and work solely in the US (“**US Taxpayer Employees**”). The summary does not purport to cover all tax consequences, and is not intended as tax advice, but is intended as a general guide to US tax in relation to participation in the employee ownership programme. Moreover, statutory provisions are subject to change, as are their interpretations, and their applications may vary in individual circumstances. Finally, the tax consequences under applicable state and local tax laws may not be the same as under the US federal tax laws.

In addition, US Taxpayer Employees participating in this Offering are urged to consider the US federal tax consequences of making an election under section 83(b) of the Code within 30 days of the issuance of any Ordinary Shares acquired pursuant to this Offering (i.e. for shares issued on **26 September 2024** as described in Section 3.2.2 above, the election should be made by no later than **25 October 2024**). When considering such an election, US Taxpayer Employees are also urged to review all of the conditions related to the Offered Shares and, in particular, Sections 5.5 and 10.3.4 of this Offering Memorandum. You should consult a professional tax advisor in order to obtain advice in relation to your personal tax position and the consequences of making an election under section 83(b) of the Code and therefore whether an election under section 83(b) of the Code would be of benefit to you.

You are strongly urged to consult your own tax advisor prior to purchasing any Shares in this Offering to determine the particular US federal, state or local or non-US income or other tax consequences in connection with Shares offered in this Offering.

US Taxpayer Employees who own sufficient interest in foreign entities may be subject to substantial disclosure requirements in the US and should consult their own tax advisors to determine the extent to which such reporting applies to them.

7.1.1 US Tax Issues Relating to US Taxpayer Employees.

The description of the federal income tax consequences of participating in the Employee Ownership Programme set forth below is necessarily general in nature and does not purport to be complete. The following discussion summarizes certain material US federal income tax provisions applicable to US Taxpayer Employees in connection with the receipt of Shares being offered as part of the Employee Ownership Programme and the holding and disposition of Shares. This discussion does not address all aspects of income tax that may be important to a

shareholder or prospective shareholder in light of the shareholder's particular circumstances or to a shareholder subject to special rules, including any US Taxpayer Employee, if any, who owns more than 5% of the outstanding Shares. For example, this summary does not address the Medicare tax, net investment income tax, alternative minimum tax, any non-income tax (such as gift and estate taxes) or any state, local or non-US income tax consequences. This discussion is based on the Code, applicable US Treasury regulations, administrative interpretations and court decisions as in effect as of the date of this document, all of which are subject to change, possibly with retroactive effect.

7.1.2 Compensation Income.²

The Company has urged all US Taxpayer Employees receiving this Offering to consider the US federal tax consequences of making an election pursuant to section 83(b) of the Code in respect of all Offered Shares acquired pursuant to this Offering. When considering such an election the Company has also urged all US Taxpayer Employees to review all the conditions relating to the Offered Shares and, in particular, Sections 5.5 and 10.3.4 of this Offering Memorandum.

The Company intends to take the position, for the purposes of income and employment tax withholding and reporting, that it has determined that the fair market value ("FMV") of each A Ordinary Share, C Ordinary Share and D Ordinary Share is US\$1.00 and of each A Preference Share is US\$1.00 at the time of this Offering. The Company has determined that the appropriate valuation for the purposes of this Offering and any transfers should be at the prevailing US\$1.00 per share value (including share premium as applicable). However, the Company's position that the FMV of the Offered Shares does not exceed US\$1.00 in each case is not binding on the US Internal Revenue Service ("IRS"), and the IRS may challenge the Company's determination.

Should the IRS successfully challenge the Company's determination of the FMV per Share and determine that the FMV of the Offered Shares at the time of this Offering was higher than US\$1.00 for each A Ordinary, C Ordinary Share and/or D Ordinary Share and/or A Preference Share, you would be deemed to have had additional compensation income realized at the time of your purchase of such Offered Shares. The difference in price between the FMV of the Shares purchased and your purchase price is compensation income realized at the time of your purchase of the Shares. Underpayment interest and penalties may apply if there is an IRS adjustment to the price per Share used for this Offering. The Company cannot guarantee that US\$1.00 for each A Ordinary, C Ordinary Share, D Ordinary Share and A Preference Share is the correct FMV for the Offered Shares, and events that occur subsequent to this Offering may cause the IRS to take the position that the FMV is significantly higher than US\$1.00 for each A Ordinary, C Ordinary Share, D Ordinary Share and A Preference Share.

In addition, if you elect to pay for Offered A Preference Shares in tranches, as described in Sections 3 and 4 above, and in the Share Offer Form, the Company intends to take the position that you will have compensation income upon the issuance of the A Preference Shares (following payment in full for the Second Tranche) in an amount equal to the excess, if any, of the FMV of the A Preference Shares on such date over the amount paid for them. The FMV of the A Preference Shares on such date cannot be determined at this time.

² **Note to ERM:** ERM to confirm the FMV of the shares.

7.1.3 Dividends on Shares.

Subject to the comments below, and assuming that the Shares are not treated as compensatory in nature (which should only be the case if the Shares are treated as restricted and a section 83(b) election is not made in accordance with 7.1 above), dividends declared and paid on the Ordinary Shares, if any, generally will be treated as dividend income to the US Taxpayer Employee for US federal tax purposes, to the extent of the Company's current and accumulated earnings and profits. Any such dividend income will be included in the holder's gross income as ordinary income from foreign sources in the taxable year in which the dividend is actually or constructively received. Dividends in excess of the Company's current and accumulated earnings and profits will be treated as a non-taxable return of capital to the extent of the holder's adjusted tax basis in the Shares held with any excess being treated as capital gains. The Company will provide the US Taxpayer Employee with a voucher/certificate for any dividends declared and paid.

Dividends paid by the Company generally will be taxable to a US Taxpayer Employee at the preferential rates normally applicable to long-term capital gains provided that the requirements of section 1(h)(11) of the Code are satisfied. In addition to the U.S. federal income tax, the US Taxpayer Employee's dividend income may be subject to state and local income tax in the state, county and city of residence. Such tax rates vary.

7.1.4 Status of the Company as a controlled foreign corporation or a passive foreign investment company.

Special tax rules apply to US persons who own stock in non-US corporations that are "controlled foreign corporations" or "passive foreign investment companies", also known as CFCs or PFICs, respectively. In order to be a CFC more than 50% of the ownership of the Company would have to be held by US persons/US shareholders, each of whom owns more than 10% of the voting or value interest in of the Company. A US shareholder can have a direct interest in a CFC or they may have an indirect interest through a foreign entity (foreign corporation, foreign partnership or foreign trust or foreign estate). In addition, a US shareholder can have constructive ownership based on certain relationships that need to be considered in a CFC determination. In order to be a PFIC, more than 75% of the Company's gross income, on a consolidated basis, would have to come from passive investment type income, or more than 50% of its assets on a consolidated basis would have to be held to produce such types of income.

As at the date of this Offering Memorandum, the Company considers that it would be considered to be a CFC. US Taxpayer Employees are therefore advised to seek external advice to determine any personal tax implications of this.

7.1.5 Disposition of Shares.

A US Taxpayer Employee who holds Shares as a capital asset generally will be treated as having recognised a capital gain or loss on the sale, exchange or other taxable disposition of the Shares to the extent that the amount realized upon such disposition differs from the holder's adjusted tax basis in the Shares (typically the purchase price plus the amount of compensation income upon receipt of such Shares, if any, less dividends previously received by the holder treated as a non-taxable return of capital, if any). Any capital gain or loss would be long-term if the Shares have been held for more than one year before the disposition and is generally

subject to US federal tax at preferential rates. Capital losses may generally be used to offset any capital gains recognised in the current year or, in certain instances, carried forward to offset future year capital gains. The ability to utilize capital losses to offset ordinary income is subject to limitations.

The characterization of accrued dividends as capital gain or ordinary (dividend) income for US tax purposes should depend on the particular circumstances of the disposition and should be determined by your tax advisor.

To the extent that Shares are redeemed in exchange for a promissory note, the gain may not have to be recognized immediately but rather in proportion to the receipt of installment payments under the terms of the note.

7.1.6 Information Reporting and Backup Withholding.

Information returns may be required to be filed with the IRS in connection with dividends paid to a US Taxpayer Employee, as well as in connection with the proceeds from the sale, exchange or other taxable disposition of Shares by a US Taxpayer Employee, unless the US Taxpayer Employee establishes that it is exempt from the information reporting rules. If a US Taxpayer Employee does not establish that it is exempt from these rules, it may be subject to backup withholding on these payments if it fails to provide its taxpayer identification number or otherwise comply with the backup withholding rules. Backup withholding is not an additional tax. The amount of any backup withholding from a payment to a US Taxpayer Employee will be allowed as a credit against the US federal tax liability applicable to such payment, and such US Taxpayer Employee may be entitled to a refund, provided that the required information is timely furnished to the IRS.

US Taxpayer Employees should consult their own tax advisor regarding any reporting obligations they may have as a result of their acquisition, ownership or disposition of the Shares. Failure to comply with certain reporting obligations could result in the imposition of substantial penalties.

7.1.7 Foreign Financial Asset Reporting.

Certain individuals, including US Taxpayer Employees, who own “specified foreign financial assets” with an aggregate value in excess of US\$50,000 on the last day of the tax year or more than US\$75,000 at any time during the tax year (or such larger values as specified in relevant legislation) are generally required to file information reports with respect to such assets with their US federal tax returns. “Specified foreign financial assets” include any financial accounts maintained by foreign financial institutions, as well as any of the following, but only if they are held for investment and not held in accounts maintained by certain financial institutions: (i) stocks and securities issued by non-US persons, (ii) financial instruments and contracts that have non-U.S. issuers or counterparties and (iii) interests in non-US entities. The Shares generally will be treated as specified foreign financial assets subject to these reporting requirements. Therefore, you may be subject to this information reporting regime and required to file IRS Form 8938 (Statement of Specified Foreign Financial Assets) listing these assets with your US federal tax return for each year in which you hold the Shares. Failure to file information reports may subject you to penalties. You are urged to consult your own tax advisor regarding your obligations to file information reports with respect to the Shares, including the significant penalties for non-compliance.

7.2 UK Taxpayer Employees.

The following paragraphs are intended as a general guide to the position under current UK legislation and current HMRC practice and summarize only certain limited aspects of the UK tax treatment of individuals who acquire Shares in ERM as an investment and who are resident in the UK for tax purposes and who are employees and/or directors of a company or companies within the ERM group of companies (“**UK Taxpayer Employees**”).

The summary does not purport to cover all tax consequences, and is not intended as tax advice, but is intended as a general guide to UK tax in relation to participation in the Employee Ownership Programme by UK Taxpayer Employees. Moreover, statutory provisions are subject to change, as are their interpretations, and their applications may vary in individual circumstances.

You are strongly urged to consult your own tax advisor prior to purchasing any Shares to determine the particular tax consequences of your making such an acquisition and the reporting obligations arising therefrom.

7.2.1 Income Tax on Acquisition of Shares.

The Shares that you may acquire as part of this Offering should be treated by HMRC as restricted securities for UK tax purposes. This is because the Shares are subject to a number of restrictions that HMRC contend affects their value (for example, restrictions of transfer and certain leaver provisions).

A restricted security has an unrestricted market value (“**UMV**”) and an actual market value (“**AMV**”). The UMV is the value of a share ignoring all the restrictions. The AMV is the value of a share taking all the restrictions into account.

The Company has determined that the UMV of each A Ordinary Share, C Ordinary Share and D Ordinary Share is US\$1.00 and of each A Preference Share is US\$1.00 at the time of this Offering. It has not made any determination as to the AMV of each such Share. The Company cannot guarantee that US\$1.00 for each A Ordinary Share, C Ordinary Share, D Ordinary Share and A Preference Share is the correct UMV of each such Share.

The tax treatment of restricted securities depends on how much you pay for your Shares in relation to the UMV and AMV, and whether you have signed a special form of tax election, known as a Section 431 election (pursuant to section 431 of the Income Tax (Earnings and Pensions) Act 2003 (“**ITEPA**”), prior to or within 14 days after the date of acquisition of your Shares. It is a requirement of the Offering that you sign such an election before acquiring any Shares pursuant to the Offering or within 14 days after the acquisition. For administrative ease, by participating in the Offering you authorize an appropriate ERM director or officer (to be determined by the Board) to sign the election on your behalf, jointly with your employing company in respect of any securities acquired as part of this Offering that are “restricted securities” as defined in Chapter 2 of Part 7 of ITEPA.

Should HMRC successfully challenge the Company’s determination of the UMV per A Ordinary Share, C Ordinary Share, D Ordinary Share or A Preference Share and determine that the UMV at the time of this Offering was higher than US\$1.00 for each A Ordinary Share, C Ordinary Share, D Ordinary Share or A Preference Share, you would be deemed to have had

additional employment income realized at the time of your purchase of such Offered Shares equal to the difference in value between the actual UMV per Share and your purchase price.

Note that any employment income arising in the circumstances referred to above should be charged at your marginal rate of tax and payable under the UK Pay As You Earn (“**PAYE**”) system. Employee National Insurance Contributions (“**NIC**”) would also be due on the same amount. You would need to reimburse your employer for this amount, either by way of deduction from salary or as otherwise agreed. You should further note that should such a PAYE or NIC liability arise and you fail to reimburse ERM for the PAYE or NIC tax due within 90 days from the end of the tax year in which such liability arises, then you will incur an additional tax liability resulting from the benefit you received by not having paid the original PAYE or NIC tax owed to your employer. This tax liability will remain even if you subsequently do reimburse the PAYE tax owed to your employer. By participating in this Offering, you hereby agree to indemnify your employing company, other appropriate ERM company, or the trustees of the Employee Benefit Trust (as the case may be), for any amounts that each entity is liable to account to HMRC under PAYE in respect of income tax and/or employees’ national insurance contributions in relation to any securities acquired in the Offering.

7.2.2 Stamp Duty and Stamp Duty Reserve Tax.

No stamp duty or stamp duty reserve tax is payable as a result of the issue of Shares.

7.2.3 Dividends on Shares.

Dividends declared and paid on Shares acquired by a UK Taxpayer Employee, if any, should be treated as distributions taxable as a dividend to a UK Taxpayer Employee in the UK.

For the tax year 2024/2025, there is a tax-free dividend allowance of £500 which can be used against dividend income received. This means that a UK Taxpayer Employee will not have to pay tax on the dividend income falling within the tax-free dividend allowance that they receive in a tax year regardless of their other sources of income. Any dividend income received in excess of this amount in a tax year will be taxed at the following rates:

8.75% on dividend income within the basic rate band;

33.75% on dividend income within the higher rate band; and

39.35% on dividend income within the additional rate band.

Dividends received within the dividend allowance will still count towards the basic or higher rate bands and may therefore affect the rate of tax that is payable on dividends received in excess of the tax-free dividend allowance. Under the rules in place since 6 April 2024, there will be no dividend tax credit.

These rates are based on the UK tax legislation in effect for the tax year 2024/25 as at the date of this Offering Memorandum. The rates for future tax years may differ from the rates referenced above.

7.2.4 Disposition of Shares.

A UK Taxpayer Employee who holds Shares as a capital asset should have a capital gain or loss on the sale of the Shares to the extent that the amount realized on a disposition differs from the holder's base cost. Any capital gain should therefore be subject to capital gains tax at the rates applicable in the year of disposal, dependent upon the UK Taxpayer Employee's personal circumstances, including the availability of exemptions, reliefs and any allowable losses.

Depending upon the specific circumstances applying to a UK Taxpayer Employee, various anti-avoidance legislation could theoretically operate so as to deny capital gains tax treatment on the disposition of Shares. The precise UK tax implications of any disposition should be discussed with your own UK personal tax advisor.

7.3 All Shareholders.

The Company has determined that the UMV of each A Ordinary Share, C Ordinary Share and D Ordinary Share is US\$1.00 and of each A Preference Share is US\$1.00 at the time of this Offering. It has not made any determination as to the AMV of each such Share. The Company cannot guarantee that US\$1.00 for each A Ordinary Share, C Ordinary Share, D Ordinary Share and A Preference Share is the correct UMV of each Share.

Should a taxing authority successfully challenge the Company's determination of the UMV per A Ordinary Share, C Ordinary Share, D Ordinary Share or A Preference Share and determine that the UMV at the time of this Offering was higher than US\$1.00 for each A Ordinary Share, C Ordinary Share, D Ordinary Share or A Preference Share, you may be deemed to have had additional employment income realized at the time of your purchase of such Offered Shares equal to the difference in value between the actual UMV per Share and your purchase price. The Share Offer Form provides that you would indemnify the Company and its affiliates for any costs or liabilities that it or its affiliate might incur as a result of any action by any taxing authority relating to your purchase of Shares in the Offering.

Dividends declared and paid on Shares, if any, are expected to be treated as a dividend for UK tax purposes. The UK does not currently impose a withholding tax on dividends paid to non-UK residents. Consequently, a non-UK resident holder of Ordinary Shares should receive the dividends free of deduction of any UK tax.

Please refer to Section 3.9 of this Offering Memorandum for details of the tax information exchange requirements.

The above descriptions are not intended to constitute a complete analysis of all tax consequences relating to acquisition, ownership and disposition of your Shares. You should consult your own personal tax advisor concerning the tax consequences of your particular situation.

SECTION 8 BUSINESS

8.1 General.

The Company is a global provider of environmental, health, safety, risk, social consulting and sustainability related services with offices in over 40 countries and territories, across North America, Europe, the Middle East, Africa, Asia-Pacific and Latin America.

The Company assists governments and managers of facilities, such as oil & gas exploration and production, refineries, mining and manufacturing plants, with environmental regulatory compliance, data management and waste management cost reduction. The Company advises on the clean-up of sites that have been contaminated by past industrial, transport or other operations. For clients seeking to develop new oil & gas or mining projects, industrial facilities, roads, railways or pipelines, the Company advises on the potential issues relating to such development, the likely community concerns, and ways to eliminate or mitigate potential negative impact of such development on the environment and, in some instances, stakeholders. The Company advises on potential liabilities and health and safety risks associated with the operation, acquisition or disposition of a business. The Company offers advice with respect to how environmental and natural resource issues will affect a client's business or operations under current environmental regulations and requirements and in the future. The Company also provides design, construction, construction management, and remediation consulting services, as well as advice on building conditions, planning and permitting. Additionally, the Company's broad range of services includes climate change services and environmental, social and health impact assessments and consultancy on sustainability and environmental, social and governance (ESG). A key element of the Company's strategy involves harnessing and applying technology and data to drive efficiency in consulting, delivering integrated data and analytics services, utilising data in business decision-making and delivering new digital revenue streams from, *inter alia*, data services.

8.2 Strategy.

The Company believes that demand for environmental services is driven by the needs of companies to comply with environmental regulations, to avoid pollution incidents, to reduce costs, to protect their reputations and to manage environmental projects effectively and sustainably. The Company believes its good reputation, technical expertise and experience positions it to serve the needs of multinational companies for environmental services throughout the world. The strategy of the Company includes further developing key account relationships on a worldwide basis, enhancing the global provision of services by building appropriate expertise in each office, and developing new high-value services. The Company also intends to seek opportunities to grow the size of the business, potentially involving selective business acquisitions.

SECTION 9 MANAGEMENT

9.1 Board of Directors.

The Company is managed by the Board. Pursuant to the Articles of Association and the Investment Agreement, the External Investors have the right to appoint such number of persons as they consider fit as directors to the Board. The holders of a majority of the A Ordinary and C Ordinary Shares (taken together as a single class) have the right to appoint up to five members of the Board. The directors appointed by the External Investors are referred to as ‘Investor Directors’. All directors who are not members of management are generally referred to as “non-executive directors”. An independent, non-executive director can be appointed with the approval of the Investor Directors and the Group CEO and CFO.

The Board is currently comprised of the following persons:

Tom Reichert (Group CEO)
David McArthur (Executive Director & Special Adviser)
Sabine Hoefnagel (Global Leader of Sustainability & Risk)
Tim Strawn (Regional CEO, EMEA)
Susan Angyal (Regional CEO, North America)
Mattia Caprioli (Investor Director)
Rami Bibi (Investor Director)
Michaela Wood (Investor Director)
Tomas Hevia Armengol (Investor Director)
Dr. Lars Kolks (Investor Director)

Angela Mullany is the appointed Company Secretary.

9.2 Board Committees.

The Remuneration Committee of the Board is responsible for implementing compensation policies and procedures and for administering employee incentive programmes, including the employee ownership programme. The Audit Committee of the Board is responsible for selecting independent auditors, reviewing the financial statements, and related matters and an Operational Committee responsible for advising the Board and coordinating with the executive management team on day-to-day operational matters relating to the ERM business. The Board has also appointed an Executive Committee (known as ‘ExComm’) – see below for details.

9.3 Executive Committee.

In addition, the Company is managed on a day-to-day basis by members of the ERM Executive Committee who are:

Group CEO – Tom Reichert
Group General Counsel – Angela Mullany
Chief People Officer – Ellis Griffith
Chief Information Officer – Gerard Spans
Chief Operating Officer – Steve Maaseide

Chief Commercial Officer – Liam Walsh
Regional CEO Europe, Middle East & Africa – Tim Strawn
Regional CEO North America – Susan Angyal
Regional CEO Latin America and Caribbean – Carlos Pereyra
Regional CEO Asia-Pacific – Nat Vanitchyangkul
Global Leader of Sustainability & Risk – Sabine Hoefnagel
Global Leader of Services & Innovation – Jaideep Das
Global Leader of Clients & Sectors – James Stacey
Global Head of Corporate Development – Samer Ghosn
Global Head of Digital Products & Data Analytics – Thomas Achhorner

SECTION 10 RISK FACTORS

An investment in ERM involves a high degree of risk and the possible loss of the entire investment. Before deciding to participate in the Employee Ownership Programme pursuant to this Offering, Partners should carefully review the information set forth in the following paragraphs in addition to other considerations presented or incorporated by reference in this document. The risks and uncertainties summarized below are not exhaustive and additional risks and uncertainties not presently known, or currently deemed immaterial, may impair ERM's business operations. If any of the following risks or such additional risks actually occur, ERM's business, financial condition or results of operations could be materially adversely affected. In such case, the value of the Shares could decline, and you may lose all or part of your investment.

10.1 Risks relating to ERM's financial condition.

10.1.1 Substantial indebtedness could hamper ERM's ability to use its capital for operational purposes, obtain new business, attract additional equity or debt financing and compete effectively in the market for environmental consulting services.

ERM's indebtedness, and any recurring debt servicing obligations which require a substantial portion of cash flow from operations to be dedicated to the payment of interest or the repayment of principal, could lead to serious negative consequences, including, but not limited to, the following:

- reduced availability of cash flow for working capital, capital expenditures, acquisitions and general corporate purposes;
- increased vulnerability to periods of lower revenue resulting from periodic downturns in the environmental services industry or the global or regional economies generally;
- competitive disadvantage relative to less-leveraged competitors;
- diminished ability to obtain performance and other surety bonds, which could impair ERM's ability to qualify for many governmental projects and construction services engagements;
- reduced flexibility in planning for, reacting to, or taking advantage of changes in the environmental services industry or the global or regional economies generally; and
- limited ability to borrow additional funds or raise additional equity investment.

Where the Board of Directors believes it may be advantageous to do so, due to market conditions or otherwise, the Company may seek to refinance its existing debt facilities to secure enhanced terms, increased facility levels, funding for acquisitions or otherwise as the Directors reasonably believe to be in the best interests of the Company.

10.1.2 ERM may be unable to service or refinance its substantial debt obligations.

ERM's ability to make interest and principal payments on its indebtedness depends on its ability to generate cash in the future. There can be no assurance that ERM will be able to meet its debt service obligations, including obligations to pay principal and interest. If ERM's cash, cash equivalents, short-term investments and operating cash flows are inadequate to meet its obligations, it could face substantial liquidity problems. If ERM is unable to generate sufficient cash flow or otherwise obtain funds necessary to meet its obligations, it would be in default under the terms of such debt, which would permit the holders of its debt to accelerate maturities, and which could also cause defaults under any future indebtedness it may incur. Any such default would have a material adverse effect on ERM's business, prospects, financial condition and operating results. There can be no certainty that ERM would be able to repay amounts due if payment were to be accelerated following the occurrence of an event of default. Moreover, there can be no certainty that in such circumstances ERM would be able to obtain an adequate amount of replacement debt, and if an adequate replacement can be obtained, the terms of such replacement facilities may be materially worse than the terms of the ERM'S current facilities.

10.1.3 The Investment Agreement and ERM's debt facilities impose significant restrictions and covenants with which ERM may not be able to comply and which may impair its operations, its ability to compete and its ability to make distributions to its shareholders.

The Investment Agreement, and the terms of its debt facilities, restrict ERM's ability, among other things, to:

- sell assets;
- acquire the assets of, or merge or consolidate with, other companies;
- declare or pay dividends to, make distributions to, or pay interest to its shareholders;
- repurchase or redeem its share capital;
- make extraordinary capital expenditures;
- incur additional indebtedness or contingent obligations or repay certain indebtedness, including redemption of, and accrued dividends on, A Preference Shares and/or B Preference Shares;
- lend money or incur guarantee obligations, including surety bonding;
- grant security interests or incur liens on its assets;
- engage in transactions not in the ordinary course of business; and
- engage in transactions with its affiliates other than on an arm's length basis.

In addition, ERM's debt facilities impose certain financial ratios that it may not be able to maintain. Covenants in its debt facilities may impair its ability to finance future operations or capital expenditure needs or to engage in other business activities. ERM intends to comply with any covenants and restrictions contained in its debt facilities; however, its ability to do so

may be affected by events beyond its control, including prevailing economic, financial and industry conditions. If ERM breaches any of these covenants or restrictions, it could be in default under such debt facilities. If a default occurs under such debt facilities, the lenders could elect to declare all ERM's outstanding borrowings, as well as accrued interest and fees, to be due and payable and require ERM to apply all of its available cash to repay those borrowings. The lending banks could also refuse to extend further credit to ERM.

If ERM is unable to repay its debt to the lending banks, such banks could proceed against the collateral that secures the debt. ERM's debt facilities are secured by substantially all of its assets. There can be no certainty that ERM's assets could be sold quickly enough or for sufficient amounts to enable it to meet its obligations, including obligations in connection with all of its indebtedness. Furthermore, substantial portions of its assets are, and may continue to be, intangible assets. Therefore, it may be difficult for ERM to pay its obligations in the event of an acceleration of some or all of its indebtedness.

ERM is subject to interest and exchange rate exposure in relation to its debt service obligations. ERM's ability to service its debt and to maintain certain financial ratios set forth in its debt facilities is linked to US dollar base rates. Given the recent and significant rise in the US dollar and Euro benchmark interest rates, this has resulted in an increase in ERM's interest charge, which might make it harder for ERM to meet its debt service obligations, and which could materially and adversely affect its business, prospects, financial condition and operating results. ERM has bank debt denominated in US Dollars and Euros. ERM receives revenue in currencies other than US dollars, for example, Euros, GBP, Australian Dollars, etc. ERM is required to sell these other currencies for US dollars and Euros in order to service its debt obligations. Should the US dollar exchange rate strengthen significantly against the currencies in which revenue is received, it may be harder for ERM to meet its debt service obligations, which could materially and adversely affect its business, prospects, financial condition and operating results.

10.1.4 ERM's financial performance is highly dependent on its subsidiaries.

ERM and certain ERM companies have no direct operations and no significant assets other than the share capital of their subsidiaries. They conduct their operations through operating subsidiaries, and as a result depend on those entities for dividends and other payments to generate the funds necessary to meet their financial obligations, including obligations in connection with the Offered Shares. There can be no certainty that the earnings from, or other available assets of, these operating subsidiaries net of payment obligations and other liabilities of the subsidiaries will be sufficient to make distributions or payments to enable the relevant ERM Group company to pay interest or principal when due under debt facilities or payment obligations in connection with the Offered Shares.

10.1.5 Actual financial results may differ materially from certain forward looking financial information that may be available to you.

The Management Accounts contain internal estimates by senior management of operating results for the fiscal year 2024/25 (FY25). They are subject to audit and final approval by the Board of Directors.

The budget for the Company and its subsidiaries for the fiscal year ending 31 March 2025 was approved by the Board on 28 June 2024. For information relating to the budget,

contact your Regional Finance Director. This budget includes the internal estimates prepared by senior management of forecast operating results for the fiscal year ending 31 March 2025.

All these estimates were prepared for internal management reporting and/or budgeting purposes and should not be relied upon as an accurate prediction of financial results for the fiscal year ending 31 March 2025. Nor should they be regarded as a representation by the Company or any of its affiliates or representatives that the budgeted results will be achieved for the fiscal year ending 31 March 2025.

The numbers in the estimates have not and will not be updated to reflect any difference between the estimates and the actual financial results for the year ending 31 March 2025. ERM's senior management does not intend to make available any update or other revisions to the estimates set forth in the budget to reflect any circumstances existing after the date they were prepared or to reflect the occurrence of future events for the purposes of this Offering. Monthly management accounts will continue to be made available through Partnerspace.

The estimates were prepared by ERM's senior management. Deloitte, ERM's independent auditor, has not examined or compiled such financial information and, accordingly, has expressed no opinion or any other form of assurance with respect thereto.

10.2 Risks relating to ERM's business.

10.2.1 ERM faces a highly competitive market with relatively low barriers to entry.

The market for environmental consulting services is highly competitive. Many firms offer services that are directly competitive with some of the services that ERM offers. Some of ERM's current and potential competitors may have greater financial, marketing, technical and other competitive resources or better access to project financing, bonding and insurance markets at lower costs than ERM can obtain.

As a result, competitors may be able to adapt more quickly to changes in customer requirements or new or emerging technologies and devote greater resources to the promotion and delivery of their services. Some of ERM's current and potential competitors may have lower overhead costs or less debt or might be more willing to assume risk. Consequently, they may be able to offer a lower overall price on their services. In addition, ERM's services compete with those provided by an increasing number of entities, including firms that traditionally have not provided environmental consulting, such as insurance brokering, accounting, architectural and engineering firms, equipment suppliers, boutique specialty firms and disposal/treatment firms. As ERM seeks to expand its business geographically and broaden its service offerings to compete in the marketplace it faces the risk that such locations or service offerings will not succeed or will result in risks that were unforeseen or underestimated.

Changes in client procurement procedures and competitors' willingness to compete on contractual terms and pricing structure could result in changes in some of ERM's markets, including, among other things:

- lower contract profit margins;
- more fixed price or unit price contracts;

- increasing prevalence of contract terms that require ERM to indemnify clients against damages or injuries to third parties and property, including damages arising from such clients' negligence, and environmental fines and penalties; and
- the increasing inability to obtain contract terms that limit ERM's exposure to direct and consequential damages.

In addition, some consolidation among firms in the environmental consulting industry has occurred. Current or future competitors may develop or offer services that are comparable or superior to those provided by ERM at a lower price, which could significantly decrease ERM's revenues.

There can be no certainty that ERM will continue to be able to compete successfully in the market for environmental consulting services, which could have a material adverse effect on its business, prospects, financial condition and operating results.

10.2.2 Risks associated with the level of environmental spending by clients.

ERM's profits are partly dependent on the level of environmental spending by clients, which is partly associated with general economic conditions in the countries in which those clients operate. These economic conditions include the level of corporate profits, the price of oil and natural resources, the level of economic confidence and public sentiment and the availability and pricing of debt. Economic conditions in one country are often linked to the performance of the economy in other countries around the world, including the economy in the US. In particular, ERM's profits could be adversely affected by low oil price and commodity prices leading to both consequent reduced spending by producers and adverse economic impact in countries with economies heavily reliant on those sections, as well as general economic recession or slowdown in economic growth and demand globally or in certain regions or countries. The timing of national, state and local elections also affects the level of environmental spending by clients, as does the approach governments choose to take to environmental legislation. More or less robust environmental regulation in a jurisdiction may lead to greater or lesser client environmental spending in that jurisdiction.

10.2.3 ERM is exposed to significant liabilities in connection with its business.

ERM provides environmental consulting services, environmental remediation services and construction management on a worldwide basis. These services include assisting companies with environmental regulatory compliance, directing environmental investigations of properties, advising on and consulting in connection with the clean-up of sites contaminated by industrial, commercial or transport operations, and counselling on mitigating environmental effects of developmental and potential environmental liabilities associated with the operation, acquisition or disposal of a business.

In connection with the business of providing environmental services for clients, ERM may become liable to its clients, third parties, or regulatory authorities for claims of breach of contract, violations of laws or regulations, personal injury, property damage, negligence and other causes of action. These damages could be significant and could include consequential damages.

Numerous U.S. federal laws, including the Resource Conservation and Recovery Act of 1976, as amended (“**RCRA**”), and the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (“**CERCLA**”), state and local laws, and the laws of certain other jurisdictions regulate the handling, removal and treatment of hazardous substances or arranging therefor. Any violation of such environmental laws might cause ERM to be liable for civil or criminal penalties. In addition, ERM’s failure to comply with licenses or permits issued to it could cause it to lose its privileges to provide certain services or perform certain work.

CERCLA, RCRA, other U.S. federal laws, certain US state laws, and certain laws in other jurisdictions also impose liability for environmental contamination including potential strict liability. ERM’s provision of environmental services exposes it to potential claims for damages under these laws, particularly in the event of a release of hazardous substances resulting from a project performed for a client. For example, ERM might be subject to allegations that environmental contractors are owners or operators of facilities where they perform work, or that they arrange for treatment, transportation or disposal of hazardous substances at a facility, and are thus liable parties under CERCLA or RCRA. If an environmental contractor is determined to be a liable party under CERCLA or RCRA, it might be forced to bear the liability for cleaning up such facility by itself, notwithstanding the potential availability of contribution or indemnification from other parties.

Other theories of liability might be applied to ERM and might also cause it to retain liability exposure for long periods of time. For example, if ERM were to fail to discover and identify contamination in connection with an environmental site assessment of a property, a subsequent third party purchaser or lender might allege that ERM is liable for actual and consequential damages under an intended beneficiary theory. This liability might not arise until a significant period of time following completion of the assessment.

Another source of potential liability is the propensity among some clients, particularly in connection with projects involving large scale clean-ups, of seeking to shift to environmental consultants such as ERM the risks associated with identifying and delineating contamination and implementing clean-ups if the contamination is either more expensive or more difficult to resolve than originally anticipated. In such cases, ERM might have contractual liabilities to its clients more extensive than those that would apply or be applicable by operation of law.

10.2.4 Significant liability or reputational damage.

Historically, ERM has been involved in claims, litigation, and international or regulatory compliance matters relating to environmental, health and safety, personal injury, employment, compliance, and other legal issues. To date, past claims, litigations, or compliance matters have not had a material adverse effect on its business, financial condition or results of operations. However, ERM is likely to be subject to similar claims and litigation in the future, some of which may be expensive and protracted. Any violation of law, failure to comply with a license or permit, or liability associated with project work could have a material adverse effect on ERM’s business, financial condition and results of operations. In particular, damage to ERM’s reputation, significant health and safety issues or involvement in a compliance matter can adversely impact client willingness to retain ERM. Further, reputational damage, litigation, health and safety concerns or compliance matters in one jurisdiction can have an impact on ERM operations in other jurisdictions, including but not limited to exclusion of ERM from future bidding with international clients. Reputational damage may occur from involvement in

litigation, health and safety or compliance matters even if ERM is not at fault and even if ERM ultimately prevails on the matter.

10.2.5 Liability for potential claims or pending claims may substantially exceed ERM's insurance coverage, or no insurance coverage may exist for such claims.

ERM's consulting practice involves professional judgments about the nature of environmental conditions, including the existence, nature and extent of hazardous and toxic materials on project sites, and about the probable effect of procedures to identify, quantify, mitigate or otherwise deal with such conditions. If the judgments and the recommendations based upon those judgments are incorrect, ERM may be liable for resulting damages that its clients or third parties incur.

Certain claims are pending against ERM alleging, inter alia, breaches of contract, breach of duty and/or negligence in connection with its performance of professional services. In certain jurisdictions, if a claim reaches litigation, plaintiffs may seek punitive or extraordinary damages. Liability for claims may substantially exceed ERM's insurance coverage or may not be covered by its insurance. If ERM sustains damages greater than its insurance coverage or that are not covered by its insurance coverage, there could be a material adverse impact on its business, prospects, financial condition and operating results.

Although ERM maintains insurance and risk management programmes designed to reduce its exposure to potential liabilities, there can be no assurance that such programmes will be sufficient or effective to minimize the risks and liabilities to which it is and will continue to be subject given the nature of its business. It is possible that at some time in the future, ERM could suffer unfavourable outcomes and claims that, individually or in the aggregate, are substantial, and could cause a material adverse impact on its financial condition and its ability to obtain insurance coverage, including Professional Liability and Contractors' Pollution Liability, on a commercially reasonable basis. ERM's inability to obtain or maintain insurance coverage that is adequate, or a material increase in insurance premiums, could have a material adverse impact on its operations and financial condition.

10.2.6 ERM may have underestimated the costs associated with certain of its fixed price contracts.

ERM enters into various types of contracts with clients, including fixed price contracts. Under fixed price contracts, it estimates the cost of the project and agrees to deliver the project for a definite, predetermined payment regardless of ERM's actual costs incurred over the life of the project. Fixed price contracts protect clients, but expose ERM to a number of risks, including:

- underestimation of costs;
- problems with the appropriate choice of technologies;
- problems with subcontractors and third party suppliers;
- unforeseen costs or difficulties;
- delays beyond ERM's control; and

- economic and other changes that may occur during the contract period.

There can be no assurance that the fixed fees negotiated for such projects will adequately cover ERM's actual costs and desired profit margins for such projects, which might lead to losses or low profit margins.

In addition, contracts with clients frequently contain provisions that permit termination by the client without cause. Termination of contracts or losses on fixed price contracts could have a material adverse effect on ERM's business.

10.2.7 ERM's failure to meet schedule or performance requirements of its contracts could adversely affect ERM.

In certain circumstances, ERM warrants project completion by a date certain or achievement of certain acceptance and performance measurements. Failure to meet any such schedule or performance requirements could result in additional costs, and the amount of such additional costs could reduce or eliminate project profit margins. Performance problems for existing and future contracts could cause actual results of operations to differ materially from those anticipated by ERM and could cause ERM to suffer losses and damage to its reputation within its industry and its client base. Failure to meet schedule or performance requirements may also subject ERM to breach of contract claims and litigation.

10.2.8 ERM may incur costs associated with the insolvency of a client or non-performance of a subcontractor.

From time to time, ERM has been unable to recover payment for services performed by it for a client due to the client's insolvency. As a provider of services to clients in industries that are financially impacted by economic markets and trends, world events, and regulatory and legal actions, payment for services on significant projects is sometimes at risk. Also, ERM has and in the future may incur costs and liability as the results of its subcontractors' inability to complete projects, remit payment to lower tiered subcontractors on projects, or make ERM whole for costs and liability ERM incurs to its clients as a result of its subcontractors' performance of, or failure to perform, services.

10.2.9 ERM may incur unanticipated costs associated with the remediation and clean-up of certain environmental sites.

In response to changes in its marketplace, ERM is undertaking and actively pursuing projects where it shares project site environmental risks with its clients or agrees to allow its clients to transfer such risks to it. ERM Business Units charge a fixed price to clients and endeavor to manage their risks by including in the fixed fees a fee for the transfer of risks, fees to cover contingencies, and, in some instances, the purchase of remediation cost cap and pollution legal liability insurance policies from insurance companies.

ERM's ability to be profitable in the risk transfer market depends in part on its ability to accurately estimate the cost of clean-up involved in a particular project and efficiently manage the project. Although ERM performs engineering and cost analysis and seeks the benefit of cost cap insurance to address overruns in remediation costs, if it materially underestimates the required costs of remediation, and fails or is unable to be appropriately insured for such underestimation, its financial condition could be materially adversely affected.

10.2.10 ERM's future success will depend on its ability to manage its growth and key client relationships.

ERM is increasing the geographic distribution of its operations and service offerings to serve its clients. Accordingly, as appropriate, its officers and other key employees will need to continue to implement and develop its operational, client service, and financial control and other systems and to effectively expand, train and manage its employee base. Such systems, their maintenance and development, are generally highly dependent on the ability to manage effectively the integrity, deployment, continuity and development of IT software, hardware and networks. Further, ERM expects that it will be required to manage an increasing number of relationships with various customers, vendors and other third parties. This growth will place increased demands on its infrastructure, management, internal controls and financial systems. There is no assurance that ERM will be able to effectively manage its present growth or future expansion. ERM has focused significant time and effort on developing and maintaining key clients. The multinational operations of such clients require that all ERM Business Units consistently deliver excellent services and conduct business in a manner that protects ERM's reputation. Continuing good relationships with key clients is dependent on each ERM Business Unit fulfilling its responsibility to safeguard such relationships.

10.2.11 ERM may face challenges in maintaining a high degree of utilisation of its consultants.

An inability to maintain a high level of utilization of ERM's billable consultants may adversely affect its operating results. ERM's clients can cancel or reduce the scope of their engagements with it on short notice. If they do so, ERM may be unable to reassign its professionals to new engagements without delay. Personnel and related costs constitute a substantial portion of ERM's operating expenses. Because these expenses are relatively fixed, and because ERM establishes the levels of these expenses well in advance of any particular financial reporting period, under utilisation of its professional services employees could occur, causing significant reductions in its operating results for a particular financial reporting period. Although it is making efforts to achieve both top line and bottom line growth, there is no assurance that ERM will achieve such growth, and its failure to do so could have material adverse consequences.

10.2.12 ERM's future success will depend on its ability to attract and retain key personnel.

ERM's success in providing services to clients and maintaining a competitive position in the market for environmental consulting services will depend, in part, on its ability to attract and retain qualified personnel. Although ERM has enjoyed success in adding key employees in the past, the market for talented professionals is competitive and no assurance can be given that it will be able to continue to attract or retain such personnel. The departure, death or disability of key employees could have a material adverse effect on ERM, including its ability to secure and complete engagements.

ERM relies on the experience and ability of senior management. The loss of its key senior managers could have a material adverse effect on it. There can be no assurance that key senior managers will continue in the employ of ERM. The loss of key senior managers could have a material adverse effect on ERM's business, prospects, financial condition and operating results. In addition, future changes to the senior management team may result in variations to

the overall corporate and business strategy of the Group and no assurances can be given that previous statements relating to such matters will be representative of the actual strategy of the Group in the future.

10.2.13 ERM's business is subject to various laws and regulations favouring governmental entities' contractual positions; ERM's failure to comply with such laws and regulations as a government contractor could harm its business.

ERM markets its services to governmental entities, although government contracts did not represent a significant percentage of revenue for the financial year ended 31 March 2024. Under its contracts to provide services to governmental entities, ERM is subject to certain risks arising under government contracts, including the risk of substantial civil and criminal fines and penalties for violations of applicable laws and regulations and the risk of negative publicity regarding, and public scrutiny of, ERM's performance of services at high-profile sites.

Government contracting requirements are complex, highly technical and subject to varying interpretations. Under the typical "cost-reimbursable" government contracts entered into by ERM, only those costs that are reasonable, allocable and allowable are recoverable in accordance with applicable acquisition regulations and cost-accounting standards. Most government contracts are subject to government audit. Government auditors may disallow ERM's costs if they find such costs have not been accounted for in accordance with the government mandated standard. Consequently, there may be a downward adjustment in revenues if actual costs exceed recoverable costs.

A dispute over the services provided to a government client or an allegation that ERM did not perform in accordance with the contract might give rise to negative publicity or damage ERM's business reputation. Also, failure to comply with the terms of one or more of its government contracts could result in ERM's being suspended or barred from government contract projects for a significant period of time, which could have a material adverse effect on its business.

10.2.14 The loss of government contracts or significant reductions in spending by governmental (including parastatal and other international) agencies could have a material adverse effect on ERM's business.

The demand from governments (including parastatal and other international) agencies for ERM's services is directly related to the level of government programme funding. Business from government agencies depends upon the continued funding of government programmes and upon ERM's ability to participate in these government programmes. There can be no assurance that governments will have the available resources to fund these programmes, that these programmes will continue to be funded even if governments have available financial resources, or that ERM will continue to win government contracts under these or other programmes. Some of these government contracts are subject to renewal or extension annually, so there can be no assurance of continued work under these contracts in the future. In addition, government agencies can terminate these contracts at their convenience, as is typical in the environmental consulting business. Consequently, ERM may incur costs in connection with the termination of these contracts.

10.2.15 ERM's business is concentrated in certain industries and its growth strategy is to develop its relationships with a concentrated number of clients.

ERM's business is derived in large part from the petroleum, manufacturing, chemical, pharmaceutical, mining, power and infrastructure industries. A major change in one or more of these industries could result in significant changes in the market for environmental services and ERM's business, which could give rise to temporary or long-term challenges or setbacks for ERM, which may adversely affect operations, financial condition and results of operations. ERM's Key Client Program is principally built around developing close relationships with about 100 major national or multinational corporations. Approximately half of ERM's global business comes from its top 100 clients. As ERM depends on a decreasing number of clients, it becomes more vulnerable to the loss of major client relationships. A key client's dissatisfaction with services provided by one ERM Business Unit could result in a number of Business Units suffering the loss of business from the key client.

10.3 Risks relating to an investment in the Offered Shares.

10.3.1 By investing in your employer, you are subject to a greater concentration of financial risk.

By investing in the parent company of your employer, you are at risk financially by having your investment and employment resources tied up in a single economic enterprise. If ERM becomes insolvent or ceases its business operations, you would lose your source of employment income and could lose some or all of your investment in the Offered Shares.

10.3.2 By acquiring the Offered Shares you are investing in US dollar denominated shares and may be subject to significant foreign exchange losses.

If the currency of your home country is not US dollars (or 100% pegged to the US dollar) you may be exposed to currency fluctuations on your investment. If the US dollar weakens against the currency of your home country then the value of your investment, in terms of your home country currency, will be significantly impacted.

10.3.3 There is no public market for any of the Company's securities.

There is no public market for any of the Company's securities, including the Offered Shares, and there can be no assurance that any market will develop in the future. Holders of the Offered Shares, therefore, may find it difficult or impossible to liquidate their holdings at a time when they desire to do so and, consequently, must be prepared to hold the Offered Shares for an indefinite period of time.

10.3.4 The Offered Shares are subject to significant restrictions on transfer.

All Offered Shares are subject to transfer restrictions set forth in the Articles of Association, which materially limit your ability to sell Offered Shares, the timing of any such sale, and the price at which you may sell Offered Shares. Please note that, in order to obtain relief from possible future US securities registration and reporting requirements, the Company may seek Partner approval to amend the Articles of Association to impose additional restrictions on transferability (in particular, to prohibit transfers among Partners).

The Offered Shares have not been registered under the US Securities Act or any securities laws of any US state or other jurisdiction. Accordingly, the Offered Shares initially sold in or into the United States will constitute “restricted securities” as defined in Rule 144 promulgated under the US Securities Act, and may not be offered, sold or otherwise transferred, encumbered or hypothecated unless registered under the US Securities Act and any applicable state securities laws or unless exempt from such registration.

The holders of Offered Shares will have no rights to require the Company to register the Offered Shares under the US Securities Act or any other applicable regulation.

Further, if you are a resident or national of certain other jurisdictions, you may be subject under applicable governing law to limitations on your ability to offer, sell, or otherwise transfer, encumber or hypothecate the Offered Shares.

If you are a national of, or reside in, countries other than the US, you should consider what restrictions, if any, apply or might apply to you if you wish to sell Offered Shares. Even if no restrictions exist at this time, restrictions under the laws to which you are subject might be introduced at some time in the future prior to any decision or opportunity to sell Offered Shares.

10.3.5 If you have been offered A Preference Shares and you elect to defer payment for part of the Offered Shares, then until you pay for all of the Offered Shares set forth in your Invitation, all of the Offered Shares you have paid for are subject to the Call Option or rescission, no A Preference Shares will be issued to you, and no dividends will accrue, any of which may materially jeopardize your ability to realize a return on your investment in the Offered Shares.

This section 10.3.5 is not applicable to Australian and South African offerees.

If you elect to participate in this Offering, you are required to purchase all of the Offered Shares set forth in your Invitation. Although you are encouraged to pay for all of your Offered Shares on or before the Payment Deadlines, if you have been offered A Preference Shares, you are permitted to defer payment on the Second Tranche. If you elect to defer payment, all of the Offered Shares you have paid for are subject to the Call Option or rescission until you pay for all of your Offered Shares. If full payment for the Second Tranche is not made on the Second Tranche Payment Deadline, the Company has the right to rescind the sale of any or all of the A Preference Shares to which the payment deadline applied and any or all of the A Preference Shares paid for, but not issued, prior to rescission. The Call Option is exercisable by the Company if you default on the Second Tranche payment obligation or cease to be a Partner prior to full payment for all Offered Shares. The Call Option entitles the Company to purchase your Offered Shares at the price the Offered Shares were issued to you, (or, to the extent required by law, the purchase price will be the latest annual valuation or market value of such Offered Shares at the time the Call Option is exercised). In addition, until you pay for all of your Offered Shares, you are waiving all claims to any entitlements, including all dividend accrual, on all A Preference Shares purchased in this Offering. Dividends on the A Preference Shares begin accruing only after full payment for all Offered Shares. To the extent allowable under applicable law, a Partner forfeits the dividends that would otherwise have accrued on any A Preference Shares that the Partner pays for prior to full payment for all Offered Shares. Any or all of these features may materially jeopardize your ability to realize a return on your investment in the Offered Shares.

Pursuant to the Articles of Association, if for any reason your employment with ERM terminates, you may be required to sell any Shares owned by you to the Company, the Employee Benefit Trust or to other shareholders of the Company at a price determined in accordance with the Articles of Association. In addition, if you cease to be a Partner prior to full payment for all Offered Shares, the Company may rescind the sale of the A Preference Shares you have yet to pay for and the A Preference Shares you have paid for, but that have not yet been issued to you. Because you are waiving your rights to dividends on all of your A Preference Shares purchased in connection with this Offering until you have paid for all Offered Shares, if your employment with ERM terminates prior to full payment for all Offered Shares, the price at which you may be required to sell your Offered Shares to the Company, the Employee Benefit Trust or to other shareholders of the Company will not reflect any dividend accrual on any of your A Preference Shares purchased in this Offering.

10.3.6 The External Investors hold a significant stake in ERM, including preferential rights, and may have interests that conflict with the interests of the holders of the Offered Shares.

Nature Topco holds all of the B Ordinary Shares and has important rights set forth in the Investment Agreement, including the right to representation on the Board. As a result, the External Investors may be able to exert significant influence and control over ERM and its operational and financial decisions.

The interests of the External Investors may, in some instances, conflict with the interests of other shareholders. There is a risk that the External Investors may exercise their rights in favour of decisions that could materially disadvantage other shareholders. In addition, Nature Topco may sell its shares at any time without the consent of the holders of A Ordinary Shares, C Ordinary Shares, D Ordinary Shares and A Preference Shares and may exercise the rights referred to in paragraph 5.5.2 above to require holders of these classes of shares to sell their shares in connection with any such sale (provided that Nature Topco's right to do so is in certain circumstances subject to rights and protections in favour of holders of A Ordinary Shares, C Ordinary Shares, D Ordinary Shares and A Preference Shares). There is a risk that the timing and terms of any such sale could materially disadvantage other shareholders.

10.3.7 Subsequent purchasers of ERM shares may realize a better investment return.

ERM has the right and intends to issue from time to time in the future Ordinary Shares either alone and/or as part of a Unit with A Preference Shares. If Ordinary Shares are issued to a future purchaser with A Preference Shares attached, such purchaser will obtain preferential rights to dividends and capital in respect of such A Preference Shares and thus could potentially realize a better investment return than a Partner investing pursuant to this Offering.

10.3.8 The value of the Offered Shares now or after the date you elect to participate in this Offering may be lower than the price you agree to pay.

The issue price per Share for the C Ordinary Shares, the D Ordinary Shares and the A Preference Shares may not necessarily bear any relationship to the assets, book value, potential earnings or net worth of the Company or any other recognized criteria of value, and should not be considered to be an indication of the actual value of the Company. The future per share value of C Ordinary Shares, D Ordinary Shares and A Preference Shares, might be higher or lower than the issue price depending on numerous factors, including ERM's financial

performance and general economic conditions. The value may also vary according to currency fluctuations among the US dollar, GBP and other currencies. By agreeing to purchase the Offered Shares pursuant to this Offering, you are agreeing to pay the full purchase price for all such Offered Shares even if the economic value of such Offered Shares decreases between the enrollment and payment deadline. The Company carries out valuations in accordance with the Articles of Association based on valuation advice and using a valuation methodology provided by external advisers to the Company.

10.3.9 Future acquisitions could disrupt our business, cause dilution to our shareholders, reduce our financial resources and result in increased expenses.

ERM anticipates acquiring other businesses as part of its plan to grow. ERM may not be able to find suitable acquisition candidates and may not be able to complete acquisitions on favourable terms, if at all. If it does complete acquisitions, ERM may not strengthen its competitive position or achieve its goals, or these acquisitions may be viewed negatively by ERM clients, employees or investors. In addition, any acquisitions made could lead to difficulties in integrating personnel from the acquired businesses and in retaining and motivating key personnel from these businesses. Acquisitions may disrupt ongoing operations, divert management from day-to-day responsibilities, and increase expenses. Acquisitions may reduce the cash available for operations and other uses, and could result in an increase in amortization expense related to identifiable assets acquired, potentially dilutive issuances of equity securities, or the incurrence of debt, all of which could have a material adverse effect on ERM's financial condition and operating results.

10.4 Risks relating to political and regulatory factors.

10.4.1 Changes in environmental laws, regulations and government policy may adversely affect ERM's business.

A substantial portion of the demand for ERM's services arises in connection with efforts to comply with or enforce environmental laws, regulations and policies (both foreign and domestic, as well as on the national, state and local level). The following could have a material adverse effect on ERM's business:

- a decrease in the number and complexity of environmental laws and regulations;
- a decrease or relaxation of governmental enforcement of environmental laws and regulations; and
- limitations on the ability of governments or private parties to seek remediation of hazardous and toxic waste sites or conditions or to recover for environmental damages.

10.4.2 Foreign political or economic instability may have an adverse effect on ERM's business, financial condition or results of operations.

ERM conducts projects in a number of countries in North America, Europe, the Middle East, Africa, Asia-Pacific and Latin America. Certain risks are inherent in international operations, including the risk of war, armed conflict, terrorist attacks, civil disturbance, embargoes, the instability of certain economies, currency fluctuations and devaluation and adverse tax policies. ERM's operations are also subject to the risk that governmental activities may limit or disrupt

markets, restrict payments or funds movements, or result in the deprivation of contract rights or the expropriation of funds or property. ERM's insurance coverage for operations in certain countries is limited. Also, ERM's ability to compete in certain countries might be adversely affected by governmental regulations that encourage or mandate the hiring of local contractors, or by regulations that require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction. The current macroeconomic and geopolitical uncertainty arising from the Russia-Ukraine and Israel-Gaza conflicts have brought additional turbulence and uncertainty to the global economy in which ERM operates. Inflationary conditions and rising energy prices could also adversely affect ERM's cost base.

ERM is subject to tax in many jurisdictions, and the final determination of its tax liabilities involves interpretation of the statutes and requirements of various domestic and foreign taxing authorities. Income tax returns of foreign subsidiaries and related entities are routinely examined by foreign tax authorities, which may result in significant expense to ERM and time spent by ERM management.

ERM's revenues are typically received in the local currency of the jurisdiction in which the ERM Business Unit providing, or contracting for, the services is located. ERM's financial statements are reported in US dollars. ERM has numerous fixed costs denominated in GBP. Fluctuations in the relative values of the US dollar or GBP versus other currencies, or the US dollar versus the GBP, could have an adverse effect on ERM's financial condition and results of operation, including by making it more expensive in real terms to pay for fixed costs, making it more difficult to meet or maintain debt service obligations and ratios, and resulting in foreign currency transaction losses in ERM's financial statements. The Company will be conducting its valuations in accordance with the Articles of Association and using a valuation methodology provided by external advisers to the Company.

10.4.3 ERM may incur significant expense and exposure to liability relating to compliance with laws and regulations.

ERM is subject to a myriad of complex, and sometimes conflicting, laws and regulations, and limited resources with which to comply with them. Additionally, ERM's client base consists of many large multinational corporations that demand that all their vendors comply with all applicable laws and regulations and adhere to high ethical and health and safety standards. A material breach of a law, regulation or standard could have a significant negative impact on ERM's business and financial condition.

10.4.4 ERM may be exposed to the ongoing adverse impacts arising from the UK's exit from the EU.

The terms and the impact of the withdrawal of the UK from the EU have caused certain adverse effects on European and UK economic conditions and labour markets (including the availability of and competition for labour as a result of changes in immigration laws) and continue to have adverse effects on levels of economic activity in the UK and Europe.

The terms of the withdrawal from the EU may continue to cause volatility in the financial markets. The recent rises in interest rates may affect ERM's business operations by increasing the cost of servicing its substantial debt obligations. Such volatility may also affect exchange rates, which will affect ERM. In addition, the UK's exit from the EU may result in new barriers to trade and increased exchange rate fluctuation between GBP and other currencies

which may further impact the business of ERM. These factors may have a significant adverse impact on the business, results of operations, financial condition and/or prospects of ERM.

10.4.5 The impact of the Coronavirus pandemic and various government restrictions on business activities.

The Coronavirus pandemic led to restrictions on movement and business activities in almost all the jurisdictions in which ERM operates. There was at times a consequent reduction in demand for ERM's services from clients and markets. The Group implemented measures, both operationally and financially, to manage the risks associated with the Coronavirus pandemic but, whilst the volatility associated with the Coronavirus pandemic appears to have stabilised, the unpredictable nature of pandemics means that there can be no assurances that the Coronavirus pandemic, or another pandemic or epidemic, will not significantly and adversely impact the sales, revenue and profits of the business in the future. Any such pandemic or epidemic may also have the effect of heightening many of the other risks described in this Section 10.

SECTION 11 FINANCIAL INFORMATION

The Financial Statements for The ERM International Group Limited and its consolidated group for the fiscal period ended 31 March 2024, prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, are made available to each Partner eligible to participate in this offering and through the Partnerspace section of Minerva, or your Regional Finance Director. Unaudited Management Accounts for the three months ended 30 June 2024 and certain other unaudited financial information is also available to Partners through the Partnerspace section of Minerva or through Regional Finance Directors.

Note to Persons who reside in, or are nationals of, the US: In certain respects, IFRS in the EU differ from generally accepted accounting principles in the US, and the differences may be material. The Company is not, and currently does not intend to become, subject to US securities registration and reporting requirements.

SECTION 12 ADDITIONAL INFORMATION

Additional information concerning the Share Plan, the Company, its business operations, plans and results of operations, as well as other information that you may reasonably require in order to understand the terms of your participation in this Offering, and the actions you are being asked to take in connection therewith, is available from the Company, upon request, by contacting any of the following:

Tom Reichert <i>Group Chief Executive Officer</i>	Ellis Griffith <i>Chief People Officer</i>	Angela Mullany <i>Group General Counsel & Company Secretary</i>
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