## (December 2017 Department of the Treasury

## **Report of Organizational Actions Affecting Basis of Securities**

▶ See separate instructions.

OMB No. 1545-0123

Internal Revenue Service Reporting Issuer Part 2 Issuer's employer identification number (EIN) Issuer's name Babcock & Wilcox Enterprises, Inc. 47-2783641 3 Name of contact for additional information Telephone No. of contact 5 Email address of contact Megan Wilson 704-625-4944 investors@babcock.com 6 Number and street (or P.O. box if mail is not delivered to street address) of contact 7 City, town, or post office, state, and ZIP code of contact 1200 East Market Street, Suite 650 Akron, OH 44305 8 Date of action 9 Classification and description September 30, 2021 Distribution on preferred stock 10 CUSIP number 11 Serial number(s) 12 Ticker symbol 13 Account number(s) **BW PRA** 05614L407 Organizational Action Attach additional statements if needed. See back of form for additional questions. Part II Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ► On September 2, 2021, Babcock & Wilcox Enterprises, Inc. ("BWE") declared a distribution of \$0.4843750 per share of its outstanding 7.75% Series A Cumulative Perpetual Preferred Stock, with a record date for the distribution of September 15, 2021. Payment of the distribution occurred on September 30, 2021. 15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ The distribution will be treated as a nontaxable return of capital to the extent of the shareholders' tax basis. Tax basis in the preferred shares will be reduced by the amount of the nontaxable portion of the distribution. Any amount in excess of a shareholder's basis will be treated as gain for U.S. federal income tax purposes. Shareholders should consult their own tax advisors to determine the income tax consequences of their specific situation. Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ► The taxability of the distribution is based on BWE's earnings and profits as computed for U.S. federal income tax purposes. BWE's calculation of estimated current and accumulated earnings and profits ("E&P") for the 2021 distributions resulted in an E&P deficit. This supports the characterization of the distribution as a nontaxable return of capital to the extent of the shareholders' tax basis.

Part I		<b>Organizational Action</b> (cont	tinued)				
		applicable Internal Revenue Code	section(s) and subsection(	s) upon which the tax t	reatment is ba	sed ▶	_
		nue Code Section 301(c)					
Internal	Reve	nue Code Section 316(a)					
							_
							_
							_
							_
							_
							_
							_
<b>18</b> Ca	an any	resulting loss be recognized? ▶	No loss can be recognize	ed as a result of the d	istribution.		
							_
							_
							_
							_
							_
							_
							_
							_
							_
<b>19</b> Pr	ovide	any other information necessary to	implement the adjustmer	it, such as the reportab	ole tax year ► F	Reportable tax year is 2021.	
		ding this Form for information pu			_		
tax advi	sors t	to determine the income tax cons	sequences of their speci	fic situation.			
							_
							_
							_
							_
							_
	Linda	r panalting of parium. I dealars that I ha	ave examined this return incl	iding accompanying acho	dulas and states	ments, and to the heat of my knowledge.	
		, it is true, correct, and complete. Decla				ments, and to the best of my knowledge and preparer has any knowledge.	1110
Sign		A (	W ~				
Here	Signa	ture >	1 Claren		Date ► 1	0/28/2021	
	Ū					Dunnidant Tou	
	rint	your name ► Susan M. Craven  Print/Type preparer's name	Preparer's signature	1	Title ► Vice Date	President, Tax	_
Paid		· · · · · · · · · · · · · · · · · · ·	,			Check if it is self-employed	
Prepa		Firm's name	1			Firm's EIN ▶	_
Use C	illy	Firm's address ▶				Phone no.	_
Send Fo	rm 89	37 (including accompanying stater	ments) to: Department of t	ne Treasury, Internal Re	evenue Service	*	_