## (December 2017) Department of the Treasury

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

► See separate instructions.

OMB No. 1545-0123

Internal Revenue Service Part Reporting Issuer 2 Issuer's employer identification number (EIN) ssuer's name Babcock & Wilcox Enterprises, Inc. 47-2783641 3 Name of contact for additional information 4 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 9 Classification and description 8 Date of action December 31, 2021 Distribution on preferred stock 10 CUSIP number 11 Serial number(s) 12 Ticker symbol 13 Account number(s) 05614L407 BW PRA Organizational Action Attach additional statements if needed. See back of form for additional guestions. 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 December 3, 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 December 15, 2021. Payment of the distribution occurred on December 31, 2021. 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 15 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		Organizational Action (conti	inued)		, ,	
<b>17</b> L	ist the	applicable Internal Revenue Code s	section(s) and subsection(s) upo	on which the tax treatment is	s based ►	
		enue Code Section 301(c)				
Interna	l Reve	enue Code Section 316(a)				
40 0			No. 1	and the state of the self-cuttors		
<b>18</b> C	an an	n any resulting loss be recognized? ► No loss can be recognized as a result of the distribution.				
<b>19</b> P	rovide	any other information necessary to	implement the adjustment, suc	ch as the reportable tax year	► Reportable tax year is 2021 for	
					gal or tax advice. Shareholders should	
consul	t their	own tax advisors to determine the	e income tax consequences o	of their specific situation.		
	Unde	er penalties of periury. I declare that I have	ve examined this return, including a	accompanying schedules and s	tatements, and to the best of my knowledge and	
		f, it is true, correct, and complete. Declar				
Sign						
Here	Signa	ature ►		Date ► F	ebruary 2, 2022	
	Print	your name ► Rodney E. Carlson			lice President, Corporate Treasurer	
Paid		Print/Type preparer's name	Preparer's signature	Date	Check if PTIN	
Prepa	arer				self-employed	
Use (		Firm's name ▶			Firm's EIN ▶	
		Firm's address ▶			Phone no.	
Send Fo	orm 89	937 (including accompanying statem	nents) to: Department of the Tre	easury, Internal Revenue Ser	vice, Ogden, UT 84201-0054	