

**WELBILT, INC. UK SUB-GROUP TAX POLICY  
PURSUANT TO UK FINANCE ACT 2016, PART 2  
PUBLICATION OF TAX STRATEGIES**

The tax strategy for the UK sub-group of Welbilt, Inc. (“WBT UK Group”) is publicly provided pursuant to the UK Finance Act 2016, Part 2, paragraph 16 (2), prescribing information required to be published as provided in Part 2, paragraph 17, Content of group tax strategy.

Pursuant to the UK Finance Act 2016, Part 2, par. 17(1), the following principles are provided:

- (a) The approach of the WBT UK Group to risk management and governance arrangements in relation to UK taxation,
- (b) the attitude of the WBT UK Group towards tax planning (so far as affecting UK taxation),
- (c) the level of risk in relation to UK taxation the WBT UK Group is prepared to accept, and
- (d) the approach of the WBT UK Group towards its dealings with HMRC.

The Welbilt UK Group hereby documents its tax strategy principles with respect to UK taxation, as approved by the Welbilt, Inc. (“WBT”) Board of Directors in October 2017.

The Welbilt UK Group’s tax strategy (the “UK Tax Policy”) applies to all WBT UK Group employees and communicates its intent to act as a good corporate taxpayer by effectively managing its tax risks and governance arrangements.

The UK Tax Policy encompasses the following elements:

- Principles of WBT UK Group
- Risk governance
- OECD Alignment

**Principles of WBT UK Group**

The principles of WBT will be respected in all aspects of tax compliance, governance, and WBT UK Group relationships with Her Majesty’s Revenue and Customs (“HMRC”).

WBT compliance and governance principles are documented in global policies that include code of conduct, global ethics, international business practices including the Foreign Corrupt Practices Act, and tax audits.

All WBT UK Group employees are responsible for being in full compliance with WBT policies and procedures, including compliance requirements with respect to UK tax and anti-bribery legislation.

**Risk Governance**

Oversight and monitoring UK risks and governance arrangements are the responsibility of the WBT Corporate Tax Team, comprised of the VP Global Tax and other tax team members in the US and EMEA.

UK tax planning arrangements are aligned with the operational needs of our business, as tax is only one factor that is taken into account when making business decisions. Additionally, UK tax planning arrangements are reviewed and approved by WBT Corporate Tax (including applicable external tax advisors addressing UK tax concepts) and other related WBT HQ functions to ensure that the related WBT UK Group tax risks have been reviewed, minimized and are in alignment with WBT's global principles, including all aspects of tax governance and documentation.

Reputational risk governance and avoiding adverse reputational risks are embedded into the policies and procedures of WBT, in addition to internal policies, training and governance that are applicable for the WBT UK Group.

The WBT UK Group, in collaboration with external UK tax advisors, meet at least once per year with HMRC to review the UK business operations, tax compliance and governance arrangements. To the extent there are additional items identified during the year, a proactive approach is communicated with HMRC to ensure tax risk and governance alignment. As a result, the WBT UK Group and HMRC have maintained a consistent collaborative relationship that minimizes the level of risk in relation to UK taxation.

Transfer pricing for the WBT UK group is a centralized headquarters-led activity, supported by global external advisors, resulting in consistent transfer pricing methodologies and documentation. This centralized approach relies on the concept of arm's length pricing that minimizes unilateral, bilateral and multilateral transfer pricing tax risks that are inherent in the business operations.

**OECD Alignment**

WBT policies and governance are in alignment with the Organization for Economic Cooperation and Development ("OECD") Guidelines for Multinational Enterprises, 2011 Edition, Chapter XI, Taxation. Chapter XI provides guidance for corporate citizenship in taxation and includes the following commitments:

- Cooperation with HMRC and other tax authorities, providing information that is relevant or required by law,
- Timely payment of tax liabilities, and
- Transfer pricing methodologies based upon the arm's length principle, an internationally accepted standard.