

**UK Tax Policy Statement**  
**Altra Industrial Motion Corp. and Subsidiaries**  
**Financial Year ended 12/31/17**  
**Published on 4/10/2018**

**Overview**

Altra Industrial Motion Corp. (Nasdaq: AIMC) is headquartered in Braintree, MA USA and is the ultimate parent company of 18 UK subsidiaries, Bauer Gear Motor Limited, Bibby Group Ltd., Bibby Transmissions Ltd., Dynatork Air Motors Ltd., Dynatork Ltd., Hay Hall Holdings Ltd., Huco Engineering Industries Limited, Huco Power Transmission Ltd., Matrix International Ltd., Saftek Ltd., Stromag UK Ltd., The Hay Hall Group Ltd., Torsiflex Ltd., Turboflex Ltd., Twiflex Ltd., Warner Electric UK Group Ltd., Warner Electric UK Holding Ltd., and Wichita Company Ltd. This UK Tax Policy Statement is published to comply with guidance under Schedule 19 of the UK Finance Act 2016 for the entities and period stated above. The Altra Industrial Motion Corp. Code of Business Conduct and Ethics (the “Code”) provides a framework to guide the actions of all employees, officers and directors of Altra and each of its subsidiaries and affiliates (collectively “Altra”). The Code is intended to promote honest, ethical and lawful conduct. The Code is not limited in scope and therefore applies to UK tax matters, specifically Altra’s governance, risk management, tax planning and customer relationships which include those with Her Majesty’s Revenue and Customs (HMRC).

**Governance and Risk Management**

We are committed to complying with all applicable UK tax laws, filings and reporting disclosures. We have an established network of internal and external tax and finance professionals who are knowledgeable on the various direct and indirect UK taxes and who monitor ongoing tax law changes as well as changes in our business so that we may adapt our processes and deliverables accordingly. This network, along with our framework of internal policies and controls, seeks to ensure the complete and accurate communication of UK tax positions and risks to Altra’s leadership, board of directors and shareholders as needed through our established governance and reporting processes.

**Tax Planning and Risk**

Our approach to tax planning is to develop holistic tax-efficient solutions in response to business initiatives. We align tax planning to Altra’s operational objectives and goals in a manner that provides value by minimizing our consolidated tax risks and liabilities. The Code requires “honest, ethical, and lawful conduct” from all employees, officers and directors of Altra. We have a low tolerance for tax risk and strive to obtain certainty for our financial reporting obligations and prevent any potential negative impacts to our shareholders, Altra’s reputation and brands.

**Relationship with HMRC**

Altra is committed to fostering positive, transparent and respectful relationships with HMRC. We have a positive record of working collaboratively with HMRC to address inquiries and resolve any differences of opinion on the interpretation or application of tax law to our facts in an honest, ethical and cooperative manner and in line with established avenues of dispute resolution.