

SUSTAINABILITY REPORT

2024

THINKING BEYOND THE HORIZON

BRUNSWICK

ABOUT THIS REPORT

Scope of this Report

This report highlights the sustainability performance of the Brunswick Corporation in 2019. We have prepared this report in the context of a detailed materiality assessment and have concentrated our efforts on the resulting stakeholder priorities. Environmental data presented throughout the report covers all major Company operations except for small and mostly international facilities as well as our most recent acquisitions (which are also expected to be small contributors). The data on waste only refers to hazardous waste since non-hazardous waste streams are not currently consistently measured and characterized at most of our facilities. Our safety data applies to all facilities and employees. Our other employee-related data only applies to full-time employees because they represent more than 95% of our employee base. In the case of ethnic diversity, we include U.S. facilities only due to certain privacy-related reporting restrictions in some international locations. A detailed list of all facilities can be found in Appendix A of this report.

For an explanation of how we came to the final selection of topics covered in this report, please refer to Section 3.3.2 on our materiality analysis.

Unless otherwise indicated, we generally provide data and information for year 2019 and compare it to the year 2018.

Reporting Framework and Assurance

We are committed to expanding our reporting coverage and transparency over time. This report is prepared in accordance with the Global Reporting Initiative (GRI) Standards, Core-option. The GRI Content Index is available as a separate document at <https://www.brunswick.com/corporate-responsibility/sustainability>.

Our key sustainability data and processes have been reviewed by the Company's internal audit organization.

Availability of this Report

This is our inaugural enterprise-wide Sustainability Report. It was published in March 2020 and is available in digital format at <https://www.brunswick.com/corporate-responsibility/sustainability>. Sustainability related topics are also reflected in our annual report as well as in the Form 10-K. Both documents are published at <https://www.brunswick.com/investors>.

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1. FOREWORD

Dear Stakeholders,



I am pleased to share with you Brunswick's first comprehensive, enterprise-wide sustainability report. The report and associated Company initiatives are part of our broad commitment to continually enhance the Environmental, Social and Governance performance of our business.

Throughout its 175-year history, Brunswick and its employees have been dedicated to setting the highest standards of performance in the industries in which it has participated. Today, as the leader in the recreational marine industry, we dedicate ourselves to continuously innovating the future of the marine

business and marine experiences. In this context, Brunswick understands the impact its business has on the world and the opportunities we have to lead the way in sustainable, responsible practices. We are not only committed to meeting our fiscal responsibilities, but also to developing and manufacturing products that are safe, responsible, and supportive of enjoyment and quality of life.

Brunswick has modeled its enterprise approach to sustainability on the long-standing and highly recognized sustainability efforts of its largest division, Mercury Marine, which launched its sustainability initiative in 2010 and received the Wisconsin Green Masters award for the ninth time in 2019.

Our sustainability approach is based on four foundational pillars:

- Efficient consumption of energy
- Care for the environment
- Product stewardship
- Quality of life for all stakeholders

With the industry's most advanced innovation capabilities and the broadest portfolio of product solutions, technologies and shared-access businesses, all supported by a uniquely dedicated and talented organization, we challenge ourselves to uphold the highest standards and to proactively address improvement opportunities where we can make an impact.

Against this backdrop, I am pleased to introduce this report which outlines our historical performance against a number of important parameters that we will continue to use in the future to measure and report our progress. The report also includes several examples of the outstanding work underway in each of our businesses to make a positive impact. We believe that the report will offer richer insight into our business and the commitments we make to our customers, investors, employees, communities where we operate, and all our stakeholders.

My colleagues and I understand the unmistakable link between families and friends enjoying time on the water and the success of our sustainability efforts. It is a profound privilege and responsibility we accept and an opportunity we embrace.

David Foulkes
Chief Executive Officer

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2. EXECUTIVE SUMMARY

2.1 Introduction

Brunswick is a leader in the global recreational marine market. Our commitment to technology, innovation and design thinking uniquely position us to redefine the marine industry. We take pride in our commitment to sustainability as part of our overall Environmental, Social and Governance (ESG) focus for the Company. Brunswick understands the impact its business can have on the world and the opportunities we have to lead the way in sustainable business practices. We are committed to meeting our fiscal responsibilities while responsibly developing, manufacturing, distributing and servicing our products. We encourage our stakeholders to use our products in a manner that is safe, responsible, protective of natural resources and supports the enjoyment and quality of life.

Consistent with global standards, our sustainability efforts are guided by the framework of the United Nation's 17 Sustainable Development Goals (SDGs). We believe that we can contribute to improvement primarily in the following SDGs:

- **SDG 9:** Building resilient infrastructure, promoting inclusive and sustainable industrialization, and fostering innovation;
- **SDG 12:** Ensuring responsible production and consumption;
- **SDG 13:** Acting to combat climate change and its impacts; and
- **SDG14:** Conserving and sustainably using the oceans, seas and marine resources for sustainable development.

In line with our goal to define, create and continuously innovate the future of the recreational marine industry, we are committed to advancing this broad, enterprise-wide sustainability initiative. Leveraging the success of the program in place since 2010 at Mercury Marine, our largest division, our Sustainability Program is based on four pillars: Energy, Environment, Products and People. By measuring our performance and establishing this framework for continuous improvement, we will drive the behavior and values that are consistent with our goals. For each of the four pillars, our Sustainability Program framework is structured to promote specific actions and results in 2020 and beyond.

2.2 Environment

Brunswick will act to protect the environment by supporting activities and initiatives that strengthen the global response to the risk of climate change and encourage sustainable development. Reducing our energy consumption and increasing the energy efficiency in our operations is a key element of our sustainability strategy. In 2017, we initiated a program to measure our energy consumption with the goal to understand trends and usage patterns enabling us to reduce the energy intensity and cost of our operations over time. In 2019, our energy consumption of natural gas and electricity usage was 3% lower than 2018 levels. This also led to a reduction in our GHG emissions from energy consumption (Scope 1 and 2). We further aim to reduce our GHG emissions over time by integrating more renewable energy sources.

While we are still exploring how best to monitor our indirect Scope 3 emissions, we have taken decisive measures to reduce our climate impact in the value chain including reducing material use, increasing the use of sustainable materials, reducing the emissions and increasing the fuel economy of our fleet as well as exploring boat end-of-life solutions. We are proud that Mercury Marine received the Sustainability Process Award from the Wisconsin Sustainable Business Council for its aluminum recycling program in December 2019 along with its 9th consecutive Green Masters award for sustainability leadership in its home state of Wisconsin.

We consumed 510 MI (megaliters) of water in our major operations in 2019, which was 15% less than in 2018. Our water intensity, expressed in MI per millions of net sales (US dollars), decreased by 14%. This significant improvement was driven by effective measures to redesign certain processes and update our infrastructure to improve the efficiency of our operations as well as product portfolio actions taken over the last year to phase out of the Sea Ray Sport Yacht and Yacht product categories.

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In 2019, our facilities produced 257 tons of hazardous waste, relating to an intensity of 63 kilograms (kg) per millions of net sales (US dollars), a decrease of 16% from 2018. This reduction is largely related to the product portfolio actions mentioned earlier. We are constantly evaluating alternative low impact means of disposition and recycling of hazardous waste.

2.3 Social

We aim to improve the health, safety and well-being of our employees, to promote the safe and responsible use of our products by our customers and to support the communities where our products are made and used. In addition, we promote the development of human capital by providing opportunities for continuous development and education of our employees. We are committed to an enriching, inclusive environment without discrimination and encouraging diversity and inclusion. We are honored that Forbes named Brunswick among America's Best Employers for 2019 for the second consecutive year.

Our business has deep ties to the local communities where we operate and where our employees, customers, suppliers and their families live, work and play. We draw great talent and support from these communities and seek to cultivate a long-term relationship for our mutual benefit. We are active in our communities and along with financial support, we share the passion, experience and talent of our organization in a wide variety of community-support initiatives. We encourage our employees to be actively involved in our communities by participating in initiatives that contribute to a better quality of life. In 2019, across the entire organization, our employees dedicated an average of 4.8 hours in a wide variety of community service-related activities.

In 2019, the Brunswick Public Foundation distributed grants of US \$344,500. Since 2016, the Foundation has made grants of over US \$1.3 million to qualifying organizations which helped fund a variety of successful marine conservation and community welfare initiatives. The Brunswick Private Foundation addresses and supports causes or projects that complement the interests and values of our Company. The Brunswick Private Foundation made grants to these causes and programs of over US \$266,000 in 2019 and nearly US \$500,000 over the last two years.

At the close of 2019, we had 12,305 full time employees. We are committed to enhancing the diversity of our workforce by attracting, developing and retaining talented people who share our values and passion and have the experience, knowledge, energy and commitment to advance our success. We promote a diverse, ethical and respectful workplace culture across our global enterprise. Forbes and Statista recognized our diversity efforts, identifying Brunswick as one of the Best Employers for Diversity in 2020. In addition, Brunswick was honored as a 2019 Corporate Champion by the Women's Forum of New York for accelerating gender parity in the boardroom with 30% or more board seats held by women.

Safety is our top priority. The Brunswick Safety Management System (SMS) is our formal, organization-wide approach to managing safety risk in the workplace and assuring the effectiveness of risk mitigation and controls. Designed to correlate with globally recognized management systems standards, such as ISO 9000, ISO 14000 and ISO 45001, the SMS format is specifically fashioned from the ANSI Z10 standard occupational safety and health management systems. We embrace the principle that all workplace accidents can be prevented and have a strong teamwork-oriented culture where safety is everyone's responsibility. Keeping employees safe enables them to be productive members of their families, communities and Brunswick. Our global recordable incident rate is considerably lower than the U.S. Bureau of Labor Statistics benchmarks for operations like ours and has been steadily improving for more than a decade. While our ultimate goal is zero workplace incidents and injuries, we foster an environment that is committed to continuous improvement with a strong emphasis on understanding and proactively addressing potential risks in our business and operations. In 2019, we had a recordable incident rate of 2.33 compared to a rate of 2.61 in 2018, a 10.7% improvement and have also demonstrated considerable improvement in lost time incident and DART rates.

Our commitment to safety extends to our customers as well. In 2019, Brunswick was honored twice for its commitment to boating safety. These prestigious National Boating Industry Safety Awards were presented to Sea Ray and Freedom Boat Club.

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In 2017 we initiated the “Be Your Best” program. “Be Your Best” is a voluntary wellness-oriented program for employees and partners. The program uses advanced, secure interactive technology and is available through a mobile app, web browser and the Brunswick Intranet. On this platform, employees earn incentives upon achieving certain milestones or goals by taking steps to improve their physical, emotional, financial and work-engagement well-being. In 2018 and 2019, nearly 80% of Brunswick’s eligible employees enrolled and participated in this program.

2.4 Governance

Governance is an essential element of our Sustainability Program. In this report we limit the scope of reporting since the governance elements are reported through other means, including the annual Proxy Statement, Form 10-K, various regulatory filings, the Code of Conduct (Code) and other measures.

We maintain a strong commitment to conducting business with integrity. To ensure that all employees can make smart, ethical decisions, our Code serves as a practical guide. The Code covers a wide range of topics articulating our values and promoting legal compliance by educating employees in areas such as handling inside information, product safety, product quality and anti-corruption. These policies apply to all Brunswick employees and, to the extent applicable, to our board of directors, vendors, suppliers and agents.

Brunswick has pledged to be the innovation leader in the marine industry. Our dedication to innovation is in part reflected by our investment in Research and Development (R&D). Over the last decade, our marine R&D expenditures have increased annually, reaching US \$122 million in 2019 and over US \$560 million since 2015.

The effectiveness of the Company’s R&D investments is further evidenced by 173 granted patents across our marine operations in 2017 and 2018 – a record pace for the Company who was recognized by Crain’s Chicago Business among the top 25 Illinois companies receiving the greatest number of patents. The high number of granted patents reflect our broader commitment to expand our technology portfolio. We continually seek to develop and offer innovative customer solutions that we will effectively bring to market at an ever-increasing pace. Brunswick has successfully translated these technological advances into new and improved products that have met with strong commercial success.

Brunswick’s strong influence on advanced technology was recently featured in its debut presence at the 2020 CES event where the Company was recognized among technology leaders beyond the marine industry. We believe our Company’s investment in technology and shared access will further enhance sustainable boating enjoyment and safety to a broader range of consumers.

2.5 Future plans

This publication of this inaugural enterprise-wide sustainability report enables us to highlight the fine work underway in each of our businesses and to establish a baseline for targeted areas for improvement. To reach our long-term sustainability goals and to maintain our momentum, we are committed to:

- Incorporate improvement programs in business and operating plans with KPIs (Key Performance Indicators) on both a local and enterprise level;
- Fully integrate recent acquisitions into our sustainability framework;
- Actively share best practices across business units and functions;
- Evaluate the effectiveness of our improvement programs on a regular basis and adjust where and when necessary; and
- Regularly report our progress against our goals and objectives.

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3. INTRODUCTION

3.1 About Brunswick

Brunswick Corporation

Founded
By John Brunswick, a Swiss immigrant woodworker in 1845, in Cincinnati, Ohio, to make billiards tables.

Headquarters
Mettawa, Illinois,
A Chicago suburb

Employees
12,305 full time employees
As of December 31, 2019

Brunswick is the leader in the global recreational marine market. Our unmatched pace of new product development and commitment to technology, innovation and design thinking uniquely position us to redefine the marine industry.

We believe that innovative, customer insight-driven product solutions, strong brands and exceptional quality and service provide the foundation for customer satisfaction. We focus on seamless technology integration and dedicate our industry-leading resources and talent toward sustainable and responsible growth of our business and industry.

Geographic Reach and Employees

In 2019, Brunswick operated over 125 facilities¹ in 24 countries across North and South America, Europe and Asia Pacific and sold products in over 170 markets around the globe.



Figure 1: Geographic reach²

At the end of 2019, we employed 12,305 people in full-time, permanent positions. We also have approximately 500 temporary, contract or seasonal workers. For more details see Section 5.2.

¹ The facilities include sales offices, manufacturing facilities, distribution centers, engineering centers, service centers and facilities owned by the Freedom Boat Club.

² Brunswick, "Primary Locations", <https://www.brunswick.com/our-company/locations>

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Organizational Structure and Net Sales

Throughout 2019, Brunswick implemented strategic and organizational initiatives to sharpen the focus of the Company on the recreational marine market and adjacent opportunities. Starting in 2020, the Company's strategies are now focused in four business units – Propulsion, Parts and Accessories, Boats and Business Acceleration. Brunswick's integrated platform of businesses includes the most notable brand names across all major marine categories:



The Marine Propulsion business designs and manufactures advanced propulsion solutions under brands such as Mercury, Mercury Racing and Mercury MerCruiser.



The Parts and Accessories business serves OEMs, dealers and the aftermarket marine and adjacent industries. It consists of **Advanced Systems** featuring brands such as Attwood, Mastervolt, Blue Sea Systems and CZone. The **Parts and Distribution** business features brands such as Mercury Precision Parts, Quicksilver and Mercury Propellers along with the distribution business that include Land'N'Sea, Lankhort Taselaar and Kellogg Marine Supply.



The Boat Group designs and manufactures powerboats that serve a broad range of recreational applications including freshwater and saltwater fishing, cruising and tow sports. The boat group features 14 brands including some of the marine industry's most recognizable recreational marine brands such as Boston Whaler, Sea Ray, Lund and Harris.



Business Acceleration is focused on unique, value-added technologies, business models, services and solutions to advance Brunswick's market position and expand boating participation across a broader consumer base. Key Business Acceleration brands include Freedom Boat Club and NAUTIC-ON. The results for Business Acceleration are reflected in Boat Segment performance.

Effective January 1, 2020, the Company changed its management reporting and updated its reportable segments to Propulsion, Parts and Accessories and Boats to align with this strategy.

Figure 2: Global Net Sales Revenue by Segment – US \$4.1 Billion

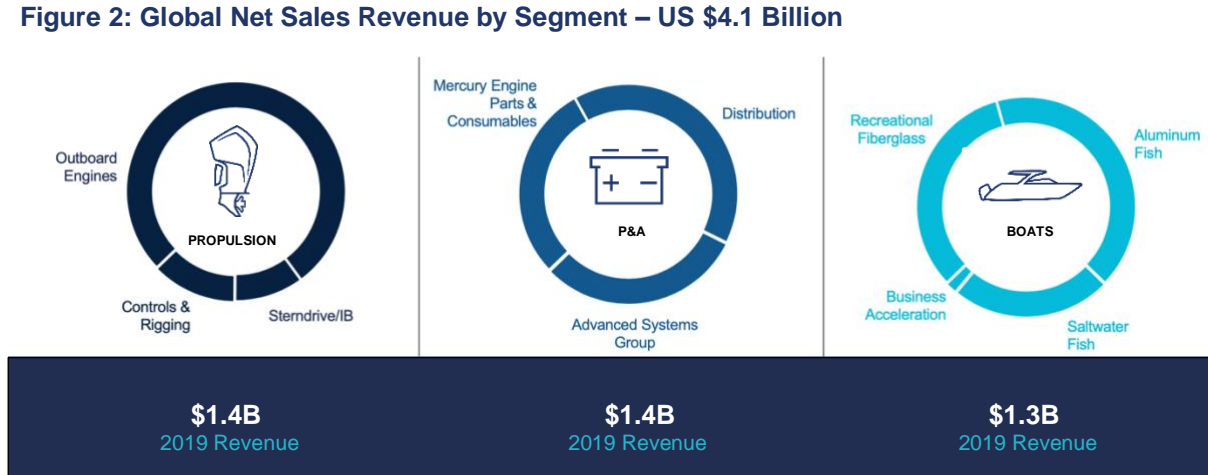


Figure 2 shows the 2019 business reporting segment mix of Brunswick's \$4.1B net sales revenue³.

³ Derived from Brunswick, "Form 10-K", [Form 10-K](#)
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Figure 3: Global Net Sales Revenue by Region

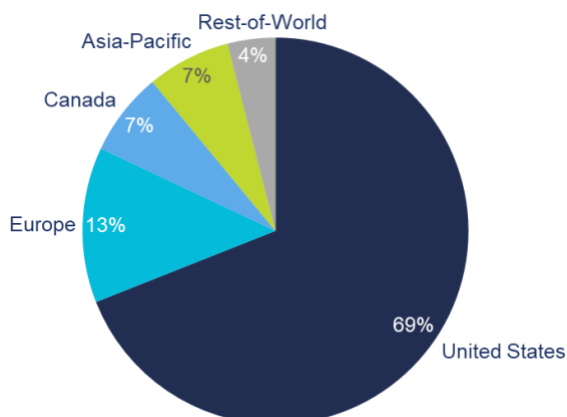


Figure 3 shows the 2019 regional mix of Brunswick's net sales revenue by region. Most of our revenue is generated in the US, followed by Europe and Canada. A full overview of our financial information can be found in our [Form 10-K](#).

3.2 Sustainability Highlights - 2019

This report will highlight the broad scope of our ESG commitment and improvement efforts. There are several notable programs for which we received recognition in 2019 including:

- For the second consecutive year, Forbes named Brunswick among America's Best Employers for 2019;
- Forbes and Statista recognized Brunswick as one of the Best Employers for Diversity. In addition, the Company was honored as a 2019 Corporate Champion by the Women's Forum of New York for its progress toward gender parity in the boardroom with 30% or more of board seats held by women;
- Mercury Marine received the Sustainability Process Award from the Wisconsin Sustainable Business Council for its aluminum recycling program in December 2019 along with being recognized with its 9th consecutive Green Masters award for sustainability leadership in its home state of Wisconsin;
- Through Brunswick's successful water conservation programs at our facilities in Fort Wayne, Indiana and Fond du Lac, Wisconsin, Brunswick reduced its water consumption by 15 percent since 2018;
- Freedom Boat Club and Sea Ray were each honored with Boating Industry Safety Awards for their development and promotion of innovative, consumer-oriented boating safety education campaigns. We believe that these programs are an important investment in the future of our industry and will continue to attract a broader range of consumers to on-water activities through both boat ownership and shared access; and
- Brunswick's strong influence on advanced technology was recently featured in its debut presence at the 2020 CES event where the Company was recognized among technology leaders beyond the marine industry.

3.3 Our Priorities

Brunswick's Sustainability Mission - Brunswick understands the impact its business can have on the world and the opportunities we have to lead the way in sustainable business practices. We are committed to meeting our fiscal responsibilities while responsibly developing and manufacturing products that are safe, responsible and supportive of enjoyment and quality of life.

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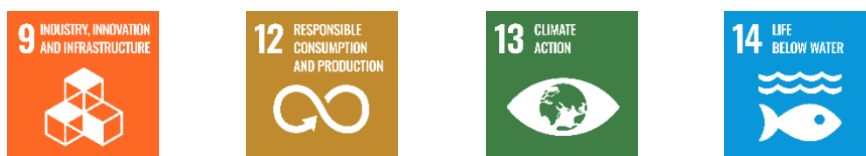
3.3.1 UN Sustainable Development Goals

Consistent with global standards, our sustainability efforts are guided by the framework of the United Nation's 17 Sustainable Development Goals (SDGs). We have adopted the SDG framework to help guide our priorities, actions, improvement targets and progress.



While we acknowledge the importance of all 17 SDG's, due to the nature of our business, we believe that we can contribute primarily to improvement in the following four SDGs:

- **SDG 9:** Building resilient infrastructure, promoting inclusive and sustainable industrialization and fostering innovation;
- **SDG 12:** Ensuring responsible production and consumption;
- **SDG 13:** Acting to combat climate change and its impacts; and
- **SDG 14:** Conserving and sustainably using the oceans, seas and marine resources for sustainable development.



These SDGs provide a framework for our ESG program where we aim to contribute positively to people's lives, to promote inclusive growth and to be a good steward of the environment.

3.3.2 Materiality Analysis

Our approach to establishing and pursuing our ESG priorities is to identify the issues most material to our stakeholders and the impact on sustainable development and growth. To optimize the impact of our business strategy, we identified the issues that are most material to our business through a detailed analysis of well recognized international sustainability framework structures (including GRI, CDP, UN Global Compact) and industry-specific disclosure standards (including the Sustainability Accounting Standards Board's Materiality Map⁴). We supplemented this analysis with stakeholder feedback from our investors, customers, employees, communities and leading NGOs, among others. The entire process is outlined in Appendix B.1.

⁴ Sustainability Accounting Standards Board, "SASB Materiality Map," <https://materiality.sasb.org/>. ©2020 Brunswick Co. Confidential and all rights reserved.

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Based on that materiality assessment we are concentrating our efforts in these fourteen areas:



Environment

- GHG Emissions
- Energy
- Water
- Waste
- Materials
- Environmental Compliance



Social

- Community Relations
- Employment
- Diversity and Inclusion
- Occupational Safety
- Occupational Health and Welfare



Governance

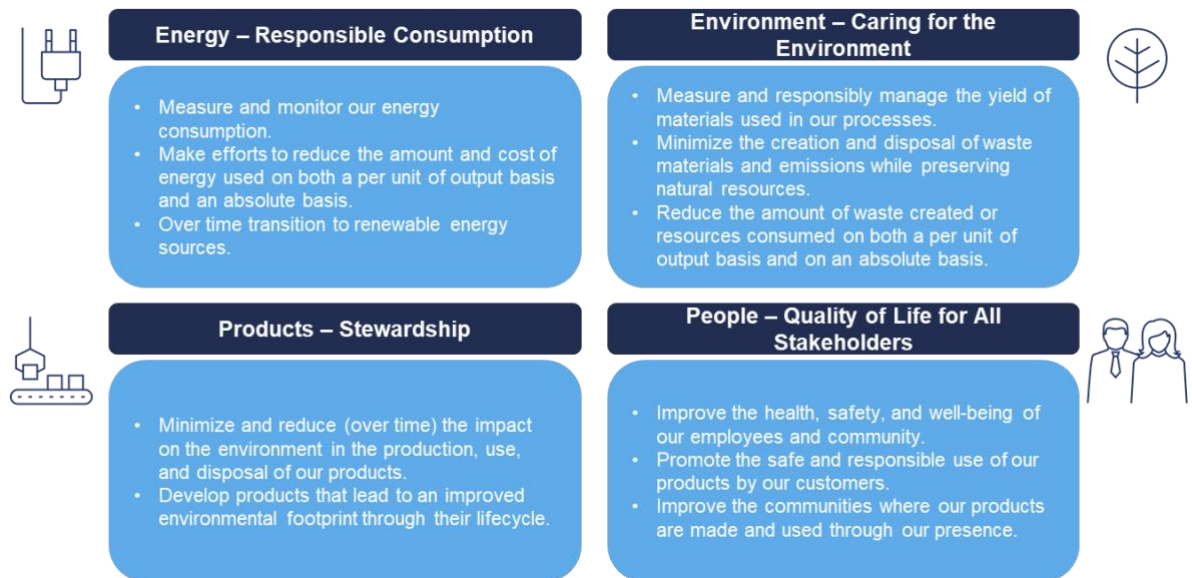
- R&D
- Business Ethics
- Customer Safety

The materiality assessment is an ongoing process and we will constantly monitor and update our analysis with the feedback and involvement of our stakeholders and focus our resources on the most significant improvement opportunities.

3.4 Our Sustainability Program

Aligned with our goal to define, create and continuously innovate the future of the recreational marine industry, we committed to undertaking this broad, enterprise-wide sustainability initiative in 2019. This initiative is fundamental to the future of our business and provides a significant opportunity to distinguish Brunswick as a leading employer, business partner, investment, supplier and neighbor of choice. Our Sustainability Program is based on four pillars: Energy, Environment, Products and People. By measuring our performance and establishing this framework for continuous improvement, we will drive the behavior and values that are consistent with our goals. For each of the four pillars, our Sustainability Program framework is structured to promote the following actions and results.

Figure 4: ESG Objectives



⁵ Waste includes hazardous waste and VOC emissions only.
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3.4.1 Next Steps

This formal publication of our first enterprise-wide sustainability report enables us to highlight the fine work underway in each of our businesses and establish a performance baseline for targeted improvement areas. To reach our long-term sustainability goals and to maintain the momentum created by this initiative, we plan on taking the following steps:

- Incorporate improvement programs in business and operating plans with KPIs on both a local and enterprise level;
- Fully integrate recent acquisitions into our sustainability framework;
- Actively share best practices across business units and functions;
- Evaluate the effectiveness of our improvement programs on a regular basis and adjust where and when necessary; and
- Regularly report our progress against our goals and objectives.

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4. ENVIRONMENT

Brunswick seeks to protect the environment by supporting initiatives that strengthen the global response to the risk of climate change and encourage sustainable development. We share the view of the Intergovernmental Panel on Climate Change (IPCC) that climate-related risks can be limited by the acceleration and effectiveness of technological innovation, changes to behavior and policies and investments toward mitigation and adaptation. We believe that we have the breadth, talent and technology to positively influence these elements within the global recreational marine market.

Our comprehensive environmental policy was launched in 2008. We will continue to adhere to these guidelines set forth in that policy:

- We will conduct activities in accordance with applicable environmental laws and regulations;
- We will continually strive to provide products that are designed to have the lowest practical impact on the environment;
- We will perform activities and operations, including the manufacturing of our products, in a manner that minimizes the use of natural resources, including energy;
- We will perform activities and operations, including the manufacturing of our products, in a manner that results in the minimization of waste, including the discharge of wastewater, the generation of solid waste and the emission of pollutants to the atmosphere;
- We will coordinate with applicable organizations on the development of technically feasible and financially responsible environmental laws and regulations;
- We will provide training and education to appropriate Brunswick personnel to ensure their adherence to this Policy; and
- We will perform our environmental management activities with a goal of continuous improvement.

Based on our materiality assessment, we are focusing on six areas of our operations that are consistent with this policy and our objectives. These areas are energy consumption, GHG emissions, water usage, waste generation, materials and environmental compliance.

4.1 Energy

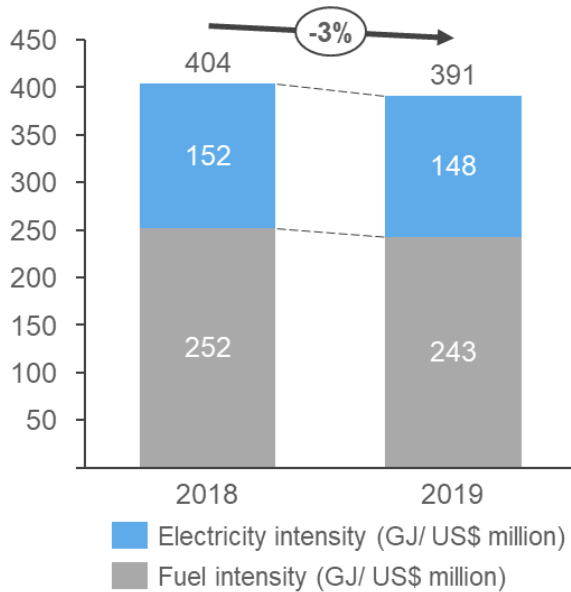
Reducing our energy consumption and increasing the energy efficiency in our operations is a key element of our sustainability strategy. In 2017, we initiated a program to measure our energy consumption with the goal to reduce the energy intensity and cost of our operations over time. As we develop a history of our energy use, we are actively identifying and analyzing trends related to production rates, weather patterns and other factors to enable us to better manage and control our energy use. In 2019, our energy consumption of natural gas and electricity usage was 3% lower than 2018 levels – largely as a result of lower production volumes.

In 2019, we consumed a total of 1,613 TJ (Terajoules) of energy across all major facilities. Of this total, 1,002 TJ was related to fuel consumption⁶ and 611 TJ due to electricity sourced from non-renewable sources.

⁶ Our fuel usage includes natural gas (majority), diesel and LPG (propane).
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Figure 5: Energy Intensity



Along with monitoring our absolute energy consumption across all major facilities, we also monitor the energy intensity of our operations by measuring the total energy consumption per million dollars of sales revenue.

In 2019, our electricity intensity of 148 GJ (Gigajoules) per million of net sales (US dollars) and a fuel intensity of 243 GJ per million of net sales represents a decrease of our energy intensity by 3% compared to 2018.

4.2 GHG Emissions

Our business depends on ready access to water and other natural resources. We use energy and raw materials in the production of our products which all influence the environment.

To measure and eventually reduce our climate impact, we monitor our Scope 1 and 2 GHG emissions⁷. We have mapped more than 95% of our Scope 1 and 2 emissions. A full list of included facilities can be found in Appendix A.1. While we are still exploring how best to monitor our Scope 3 emissions, we have taken decisive measures to reduce our climate impact in the value chain. These measures include:

- Reduced material use and increased use of sustainable materials (see Section 4.5);
- Continued development and introduction of advanced technology to increase the energy and emissions efficiency in our products and operations (see Case Study VII in Section 6.2); and
- Introduced strategic initiatives focused on improving our fleet fuel economy and on cooperating in the exploration and development of viable boat end-of-life solutions (see Section 7.1).

Since our Scope 1 and 2 climate impact is the result of our energy consumption, the same measures to reduce our non-renewable energy consumption (as described in Section 4.1) will reduce our climate impact contributing to SDG 13. Concurrently, we aim to reduce our GHG emissions by integrating more renewable energy sources, as shown in Case Study I.

⁷ Scope 1 emissions are direct emissions from owned or controlled sources. Scope 2 emissions are indirect emissions from the generation of purchased energy. Scope 3 emissions are all indirect emissions (not included in Scope 2) that occur in the value chain of the company, including both upstream and downstream emissions (<https://ghgprotocol.org/>).

CASE STUDY I



Mercury Marine: Our Company's first move into Renewable Energy Sources **Solar Panels in Belgium**

Mercury Marine's regional headquarters in Petit-Rechain, Belgium completed the installation of 1,890 solar panels in 2018 as part of the facility's roof refurbishment. Along with enhanced insulation and other energy conservation measures, the panels provide power for the plant, reduce Mercury Marine's annual energy costs and minimize its reliance on the traditional power grid.

The panels are expected to produce nearly 460,000 kW of power annually, yielding about one-third of what the operation in Petit-Rechain consumes in power during a typical year and providing about \$60,000 in annual savings. Through an arrangement with a third party, Mercury Marine also can sell any excess energy produced by the panels to the power grid. During the first 16 months of operation, the solar panels produced available power at 103% above average yield expectations.

As Mercury Marine requires less power from the grid, it is estimated that this reduced demand on traditional European power generation translates to a reduction of more than 430 tons of CO₂ emissions during the first 16 months of operation.

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Figure 6: Direct and Indirect CO₂ Emissions (Scope 1 and 2)

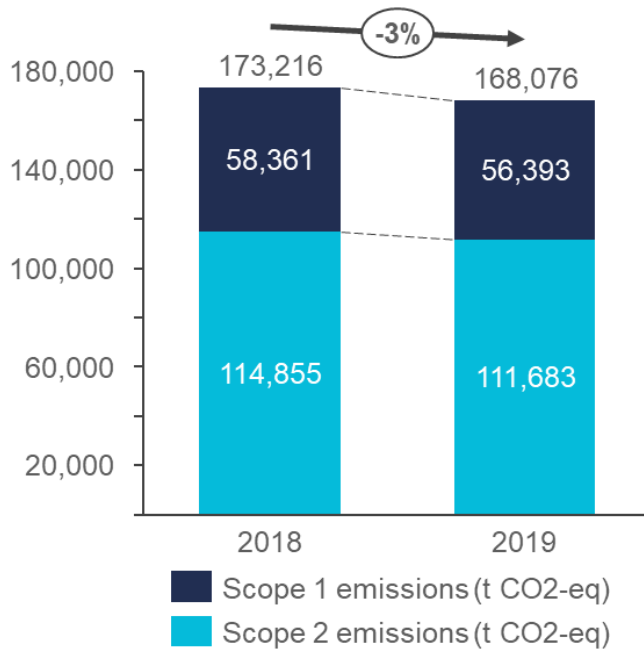
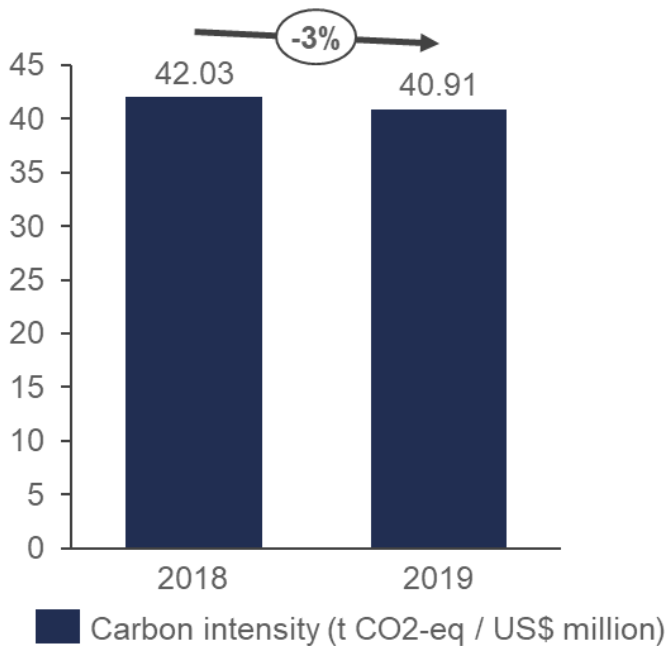


Figure 6 indicates that our Scope 1 emissions accounted for 56,393 t (tons) CO₂-equivalent in 2019, which is almost 2,000 tons less than in 2018. Our Scope 2 GHG emissions accounted for 111,683 t CO₂-eq in 2019 - over 3,000 t CO₂-eq less than in 2018. Overall, there was a reduction in our combined Scope 1 and 2 emissions of 3%. Although somewhat dependent on production volumes, over time, we aim to continue this improvement by increasing our energy efficiency and by integrating renewable sources of electricity into our operations.

Figure 7: Carbon Intensity Reflects CO₂ Emissions by Net Sales



In 2019, our operations emitted 40.91 tons of Scope 1 and Scope 2 CO₂ per millions of net sales (US dollars).⁸ Compared to the base year 2018, the carbon intensity decreased by almost 3%, as indicated in Figure 7.

⁸ We calculate the carbon intensity using the financial control approach. It is the ratio between our CO₂ emissions related to our fuel and electricity consumption and our net sales.

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4.3 Water

We are dedicated to delivering exceptional on-water experiences for our customers and we recognize that water is a critical resource to be conserved, preserved and enjoyed. Water is used in many parts of our operations from the manufacture of our products to employee hygiene. We aim to contribute to the UN Sustainability Goals by ensuring responsible production and consumption (SDG 12) and by conserving and sustainably using the oceans, seas and marine resources for sustainable development (SDG 14).

To determine our water-related impact, we measure and evaluate the water consumption and intensity at all our major facilities with the goal to minimize the amount of fresh water we consume and to optimize our ability to recycle water in our facilities.

We promote efficient process-water conservation through usage reduction, infrastructure improvement, process-water cooling, filtration and reuse. We have implemented water conservation practices in our facilities that include closed-loop wastewater systems, wastewater control, filtration and the elimination of once-through cooling. One example for the successful implementation of water conservation practices is given in Case Study II.

CASE STUDY II

Fort Wayne Water Conservation

Going a Step Further and Doing More with Less

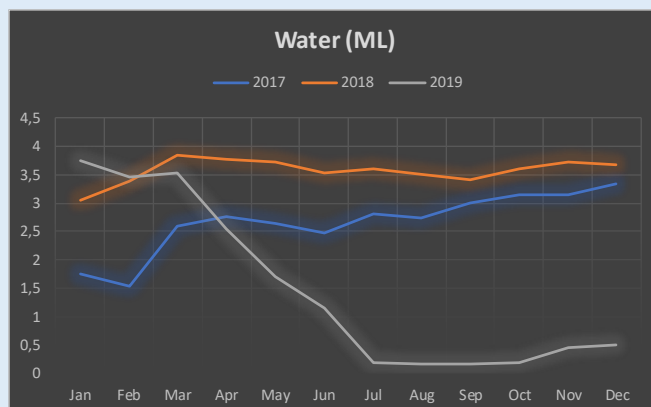
“Through our water reduction improvements, we have saved an estimated 1 million gallons of water per month at the Fort Wayne facility.”

– **Aaron Martin**
Environmental Health & Safety Manager,
Aluminum Boat Group

Brunswick Boat Group’s (BBG) Harris facility in Fort Wayne, Indiana, is pioneering sustainability in its manufacturing operations. The group aspires to be the industry leader for innovative and environmentally friendly boat production. Over the last year, the Harris sustainability committee, through several key initiatives, successfully enhanced policies and processes resulting in reduced costs, improved safety and enhanced culture and have a proven, consistent set of stewardship principles.

Sustainable Water Stewardship in Manufacturing Operations

The BBG Harris brand has long been recognized as an industry leader in the marine market for boats and its commitment to innovation. Using new data and insights, BBG is focused on pioneering sustainability in manufacturing operations. In 2019, Harris replaced an older water-cooled air compressor system and invested in new energy and resource-efficient air compressor systems to power factory equipment and tools. This resulted in lower water usage of approximately 3.8 MI-per-month in Harris’ operations.



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Figure 8: Water Usage Across the Organization

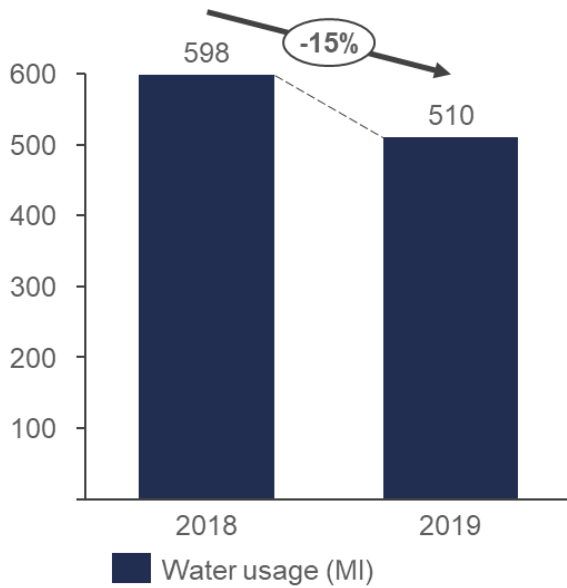
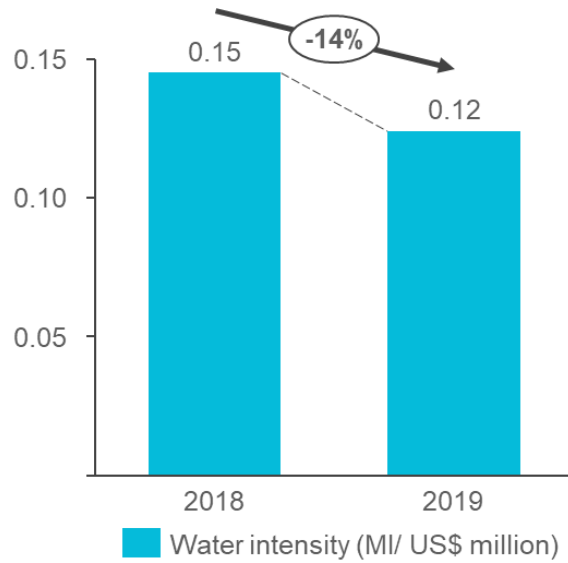


Figure 9: Water Intensity



We consumed 510 MI of water in our major operations in 2019 - 15% less than in 2018. Our water intensity, expressed in MI per millions of net sales (US dollars), decreased by 14%. This significant improvement was driven by effective measures to redesign certain processes and update our infrastructure to improve the efficiency of our operations as well as the product portfolio actions taken to phase out of the Sea Ray Sport Yacht and Yacht product categories and lower production volumes.

Following the significant success of our conservation efforts in 2019, we intend to share best practices across our operations to meet our objective of reducing the annual absolute and normalized consumption of water in our operations.

4.4 Waste

Our goal is to minimize the waste created in the operation of our business. We continuously monitor our facilities' hazardous waste generation and, in many cases, have begun to characterize non-hazardous waste with the intent to reduce our dependence on landfill disposition. We have also introduced a variety of waste reduction and recycling programs. For hazardous waste specifically, we continuously monitor the volume of waste created and the disposition of that material with the intent to minimize the impact on the environment. Over time, our ultimate goal is to significantly reduce our dependence on landfill disposition of our waste across the enterprise. Case Study III showcases an example our early efforts toward reaching that goal.

CASE STUDY III

Mercury Marine Plant 3 "Zero Waste to Landfill"

Environmental Stewardship, Waste Reduction and Recycling

"We will use the work we invested in this outcome as an inspiration and template for continued achievements in environmental stewardship."

- **Chris Drees**
President, Mercury Marine

In May 2019, Mercury Marine announced the designation of its Plant 3 distribution operations at the Fond du Lac, Wisconsin world headquarters as a Zero Waste to Landfill facility—the first facility in the company to achieve this milestone. This is a significant accomplishment in Mercury Marine's ongoing campaign to advance its sustainability mission, which includes a focus on protecting and preserving the environment.

A task force charged with achieving the Zero Waste to Landfill status for Plant 3 undertook a month-long process of defining standards, identifying measurements of waste output and enhancing initiatives that focus on reducing, reusing and recycling materials. To define Zero Waste to Landfill in the manufacturing and warehousing context, the team adopted standards set by the world's leading zero waste organizations.

Waste streams addressed in the initiative included cardboard, paper, plastic, metal, wood and other materials. The team developed procedures for the ongoing monitoring and measuring of waste stream materials generated as a result of the plant's operations and of the amount of these materials moved into the proper processes of reuse and recycling.

Mercury Marine's Plant 3 is the hub for the company's parts and accessories distribution, serving US customers and sister plants around the world. This function entails extensive use of packing materials and containers that—without focused efforts to reduce, reuse and recycle—could generate considerable landfill waste.

Mercury Marine and Brunswick pledge to use the work it invested in this outcome as an inspiration and template for continued achievements in environmental stewardship and to share best practices with other facilities across the enterprise.

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Figure 10: Weight of Hazardous Waste

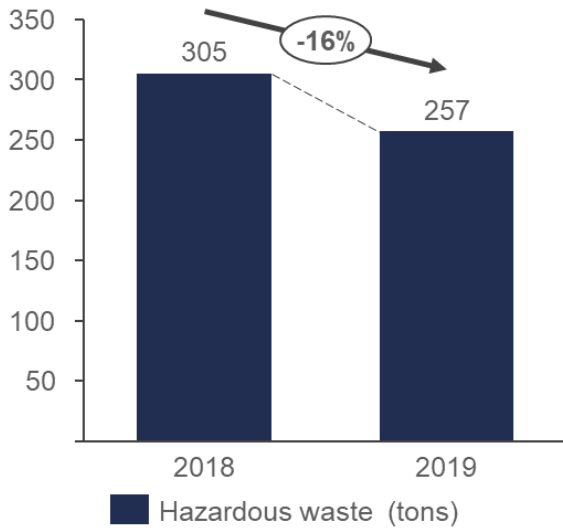
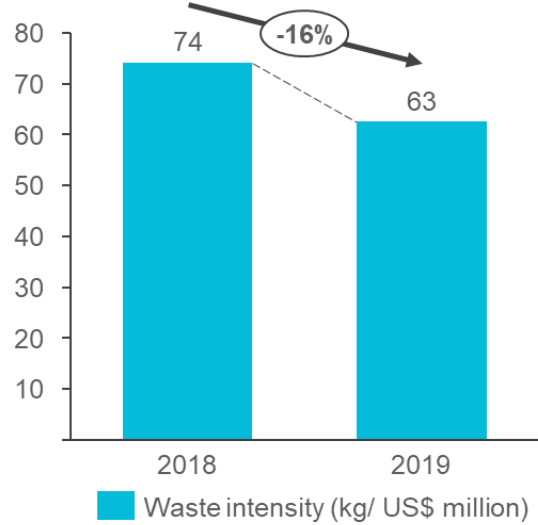
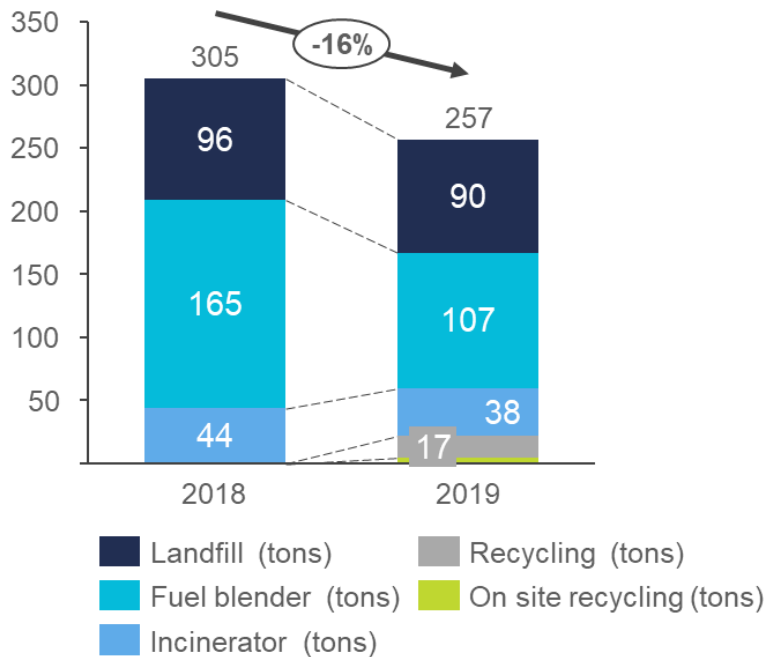


Figure 11: Hazardous Waste Intensity



In 2019, our facilities produced 257 tons of hazardous waste, relating to an intensity of 63 kg per millions of net sales (US dollars). Compared to 2018, our hazardous waste production decreased by 16% (both in absolute and relative terms) across all facilities. This reduction is largely related to the product portfolio actions mentioned earlier.

Figure 12: Hazardous Waste by Disposal Method



Most of our hazardous waste is blended into fuel which reduces fossil fuel consumption. While the 2019 volume of our landfill waste was 6% lower than in 2018, approximately 35% of our hazardous waste is disposed in this manner. We are continually evaluating alternative means of disposition or recycling for these materials as the following section on materials shows.

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The materials and processes used to produce our products result in certain volatile organic compound (VOC) emissions. Our Company is continuously evaluating new low emission materials and processes in an effort to reduce emissions while maintaining the quality, durability, performance and integrity of our products.

Figure 13: VOC Emissions

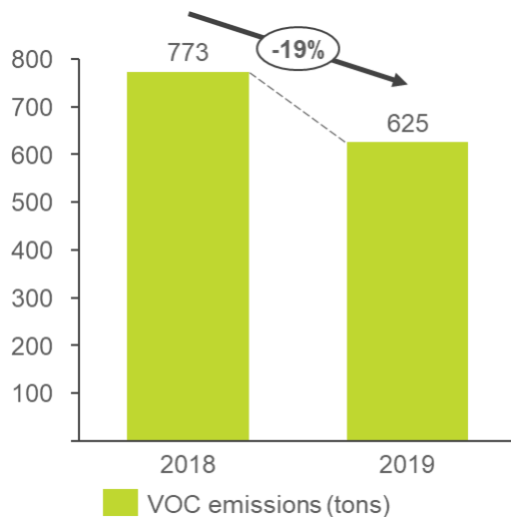
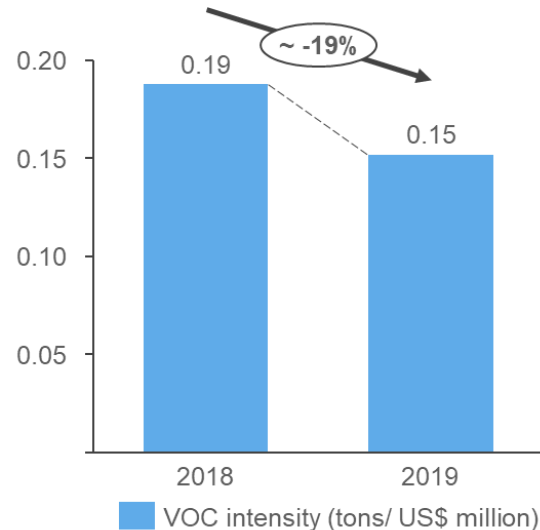


Figure 14: VOC Emission Intensity



In 2019, we emitted 625 tons of VOCs, a reduction of 19% from 2018 levels. Similarly, we reduced the VOC emissions intensity from 0.19 tons per millions of net sales (US dollars) in 2018 to 0.15 tons per millions of net sales (US dollars) in 2019. This reduction is the direct result of the product portfolio actions mentioned earlier, lower production volumes and a significant shift in marine engine technology toward higher efficiency, lower emission engines that resulted in a lower emission factor in 2019 – a trend that we expect will continue as the improved fuel and emission performance of new engines continue to positively influence our product mix.

4.5 Materials

Our environmental footprint is, to a large degree, influenced by the material content essential to fulfill the required performance specifications of our products along with the processes used to convert those materials into our finished products. Across our operations, we are pursuing a circular approach in our value chain. The central elements of this approach are to reduce, reuse, recycle and remanufacture in all processes involving the design, the material specification and the manufacture and distribution of our products. An essential element of this strategy includes a program that we have initiated in 2020 that involves collecting and monitoring data on the amount of materials used and the proportion of recycled input materials in our operations.

An example of the circular approach for aluminum is described in Case Study IV. We have opportunities to expand this practice across the enterprise with the adoption of a strategy to expand our recycling initiatives at all facilities worldwide. Over time, we intend to evaluate and where feasible replace materials and the product-conversion process with lower-impact alternatives. For example, we are actively transitioning from the use of a Balsa wood core used for added hull rigidity in many of our boats with a thermoplastic structural core material made of recycled plastic bottles. Several of our boat manufacturing facilities have completed the conversion with the balance to be completed in 2020. When full conversion is complete, the replacement of Balsa wood with the thermoplastic core material alternative in our boat production operations will consume the equivalent of about 4.7 million recycled plastic bottles and save 7,800 Balsa trees annually.

CASE STUDY IV

Aluminum Recycling

Environmental Stewardship Commitment Leads to Outstanding Environmental Achievements

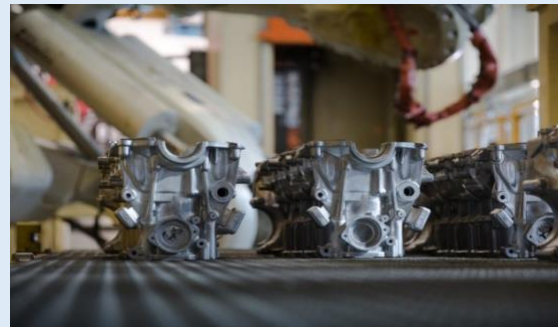
“Mercury won the 2019 Sustainable Process Award from the Wisconsin Sustainable Business Council for our stewardship of aluminum in creating engine blocks. We're certainly not the only manufacturer to use aluminum in building engine blocks, but Mercury stands out in how we strive to be environmentally responsible and derive the maximum sustainable benefit from our use of this material.”

- Scott Louks,
Sustainability Manager,
Mercury Marine

In 2019, Mercury Marine won the Sustainable Process Award from the Wisconsin Sustainable Business Council for Mercury Marine's responsible use of aluminum in the production of its marine engines. Mercury Marine utilized over 16,000 tons of recycled aluminum in its operations in 2019.

The Sustainable Process Award recognized the following sustainable practices in Mercury Marine's stewardship of aluminum:

- Mercury Marine uses only recycled sources of aluminum instead of prime aluminum derived from mined bauxite ore. The exclusive use of recycled aluminum avoids the adverse environmental effects of bauxite ore mining for Mercury Marine's aluminum needs.
- The use of recycled aluminum saves energy. The energy required to melt aluminum scrap is approximately 5% of that required to create primary aluminum from bauxite ore.
- Recycling aluminum emits only 5% of the GHG emitted in primary aluminum production.
- Mercury Marine uses an innovative technique to use less energy in melting recycled aluminum. The company redirects heat exhaust generated from melting aluminum through a stack heating device that preheats solid aluminum scrap as it waits to be melted in the furnace. This preheating process saves Mercury Marine 20% of the natural gas it would otherwise use to melt scrap aluminum.
- Mercury Marine uses patented aluminum alloys and an award-winning die-casting process to create engine blocks that weigh less, provide more corrosion protection and use less raw material without sacrificing durability and performance.
- The lightweight design of Mercury Marine's engine castings also translates into a final product with superior fuel efficiency. Its outboard engines are built on its new V-6 and V-8 platforms and demonstrate exceptional fuel efficiency in their respective classes. Less fuel burn means lower emissions and Mercury Marine's outboards carry a three-star, Ultra Low Emissions rating from the California Air Resources Board (CARB).
- Along with these efforts at Mercury, another 1,800 tons of aluminum were recycled in our boat operations.



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4.6 Environmental Compliance

Environmental Compliance Assessment Program

In advance of the introduction of our comprehensive environmental policy in 2008 (see introduction to Section 4), the Company implemented a formal Environmental Compliance Assessment (ECA) Program in 2006. The purpose of the ECA Program is to provide a framework and process for the ongoing, systematic and comprehensive review of facility operations and activities to ensure that Brunswick locations follow applicable federal, state and local environmental regulations and Brunswick Environmental Management Standards. In addition, the program allows for the identification and implementation of environmental improvement opportunities and leveraging of cross-business initiatives and best practices. The activities associated with the ECA Program are conducted under the guidance of Brunswick's Law Department and outside legal counsel. Included as part of the ECA Program is a process for ensuring the completion of corrective action plans to address identified issues and the assessment of the program under independent 3rd party oversight.

5. SOCIAL

We strive to improve the health, safety and well-being of our employees, to promote the safe and responsible use of our products by our customers and to support the communities where our products are made and used. In addition, we support the development of human capital by providing opportunities for continuous development and education of our employees. We are committed to an enriching, inclusive environment without discrimination that encourages diversity and inclusion.

5.1 Community Relations

Our business has deep ties to the local communities where we operate and where our employees, customers, suppliers and their families live, work and play. We draw great talent and support from these communities and seek to cultivate a long-term relationship for our mutual benefit. Besides the economic benefits of our presence, we recognize that we have a broader corporate citizenship responsibility. We are committed to contributing to the well-being of our community and to be a good neighbor.

Community Involvement Programs

We are active in our communities and along with financial support, we share the passion, experience and talent of our organization in a wide variety of community-support initiatives. We encourage our employees to be actively involved in our communities by participating in initiatives that contribute to a better quality of life. In 2019, across the entire organization, our employees dedicated an average of 4.8 hours in a wide variety of community service-related activities⁹. An example of our community outreach is provided in Case Study V (other examples can be found on our website.)¹⁰.

⁹ The calculation considers eligible and enrolled employees only.

¹⁰ Additional examples of our community outreach can be found on our [website](#).

CASE STUDY V

Edgewater Community Outreach

Community Engagement and Making a Positive, Long-lasting Impact

“At Boston Whaler, we pride ourselves on having a positive impact on the world around us. Our employees champion the spirit of community.”

– **Rebecca Crews**
Vice President, Strategic Engagement,
Boston Whaler

Boston Whaler has a legacy of strong leadership dedicated to responsible corporate citizenship. The company has been widely recognized for its many years of dedicated service, outreach initiatives and leadership in the community. Under the leadership of Rebecca Crews, Vice President of Strategic Engagement, Boston Whaler leaders and employees unite to directly engage in community involvement projects, serve as sponsors of community engagement safety training and work to improve the quality of life in the communities where our employees live, work and play.

Community Engagement

In 2018, Boston Whaler was awarded an Honorary Degree of Master of Business from the Southeast Volusia Chamber of Commerce for its many years of dedicated service and leadership in the community. In 2019, Boston Whaler’s Edgewater facility earned the Brunswick Safety Leadership Award for achieving no lost time incidents in 2018 and for ongoing efforts toward health and safety. Following the award, Boston Whaler donated the \$10,000 prize received with the award to two local charities, giving \$5,000 each to Burns Sci Tech School and the Edgewater Animal Shelter.

Throughout 2019, Boston Whaler supported numerous local charities and schools, always seeking opportunities to give back and reinvest in the community. In mid-2019, the company donated over \$1,000 to the Atlantic Center for the Arts (ACA) in support of the center’s community programs. The company also sponsored the local Chamber of Commerce 5K annual fundraiser with over 100 employees participating. Boston Whaler has partnered with the Coast Guard to provide safe boating classes for the community, employees and their families. In addition to monetary donations, Boston Whaler employees participated in numerous community fundraising campaigns, some of which included: Indian River Clean-Up, SEV Chamber Golf Tournament, Boat Parade, Boatload of Backpacks, Boston Whaler March, Veteran’s Appreciation Day, Go Red for Women’s Heart Health, Breast Cancer Awareness Month and school supply, toy and pet food drives.

In early 2020, in partnership with Daytona State College, Boston Whaler will launch a new community scholarship program referred to as the Federation Advanced Manufacturing Education, which will be the first cohort Sunshine Chapter to open in Florida. This program will drive education and studies to encourage careers in manufacturing and will support coursework toward related technical Associate Degrees. Boston Whaler will contribute to the training curriculum and provide training and internship opportunities at the Edgewater facility to support the program.



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Community Initiatives

Apart from dedicating time to community service-related activities, our Company makes monetary contributions to charitable causes. In 2018, Brunswick donated just under US \$500,000 across the organization¹¹. Additionally, our two foundations have funded grants of over US \$600,000 in 2019.

Brunswick Public Foundation

The Brunswick Public Foundation supports community development primarily through contributions to marine conservation organizations and to qualified United Way chapters or other charitable organizations that reflect the Foundation's Charter which is focused on Marine Conservation and community support. Established in 1997, the Brunswick Public Foundation is a nonprofit corporation that is unaffiliated with Brunswick Corporation. It is governed by a four-member board of directors (three members of the board are independent and not Brunswick employees).

Since 2016, the Foundation has made grants of over US \$1.3 million to qualifying organizations which helped fund a variety of successful Marine Conservation and community welfare initiatives.

Brunswick Private Foundation

The Brunswick Private Foundation was established in 1957. The Foundation addresses and supports causes or projects that complement the interests and values of our Company.

The Brunswick Foundation oversees three programs:

- The Sons and Daughters Scholarship Program, which awards single-year college scholarships to the children of Brunswick employees;
- The Dealer Sons and Daughters Scholarship Program, which awards single-year college scholarships to children of Brunswick Dealers; and
- The Dollars for Doers Program, which recognizes the volunteer efforts of Brunswick employees by issuing grants to 501(c)(3) organizations. The foundation awards grants to nonprofit organizations where an individual employee or group of employees has completed volunteer work, such as serving on a board of directors or participating in fundraising events.

In addition, the Foundation has funded grants to address the urgent and unexpected needs of the community such as donations to the local Children's Hospital Capital campaigns as well as to Hurricane or other natural disaster rescue and relief efforts.

The Brunswick Private Foundation made grants to these causes and programs of nearly US \$500,000 over the last two years.

5.2 Employment



At the close of 2019, we had 12,305 full time employees. Of our 8,784 U.S. employees, 2,053 (about 23%) were represented by unions. Over the past several years, Brunswick has creatively expanded its employee benefits package by, for example, including coverage for infertility treatments and implementing a paid parental leave program. In an effort to expand its talent pools, Brunswick has also invested in manufacturing automation and opened innovation labs in university and metropolitan areas. In 2019, for the second consecutive year, Forbes Magazine named Brunswick among America's Best Employers. That employee driven award is determined by an anonymous survey of employees and identifies companies that employees like to work for and would recommend to others.

¹¹ 2019 data is not yet available.

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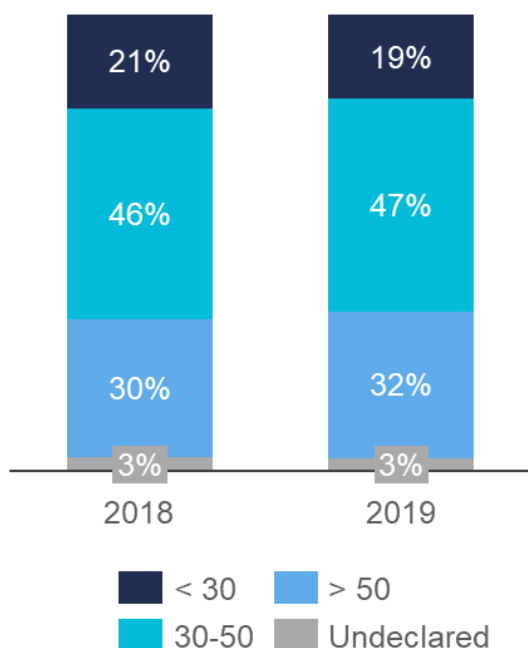
5.3 Diversity and Inclusion

We are dedicated to enhancing the diversity of our workforce by finding talented people from different backgrounds with varied experiences. We embrace our diverse workplace by promoting a global, ethical and respectful work culture. Our diverse workforce combined with strong collaborative processes create a competitive advantage that unlocks business potential to continue to innovate, remain resilient and outperform our competitors. Forbes and Statista recognized our diversity efforts by identifying Brunswick as one of the Best Employers for Diversity. In addition, Brunswick was honored as a 2019 Corporate Champion by the Women's Forum of New York for accelerating gender parity in the boardroom with 30% or more board seats held by women.



Our dedication to a diverse and inclusive workforce has encouraged us to monitor several key metrics related to our workforce in terms of age, gender and other diversity indicators¹².

Figure 15: Global Workforce by Age Distribution¹³



In 2019, the largest segment of employees (about 47%) was between the ages of 30 and 50, followed by employees older than 50. The remaining 19% of our workforce is younger than 30 years of age. The age composition of our workforce has not materially changed over the last 2 years.

Gender Diversity

Looking at the gender diversity of our workforce, 28% of the overall global workforce was female in 2019. The gender composition of our hourly or salaried employee base does not differ from the overall gender structure and has not changed when compared to 2018.

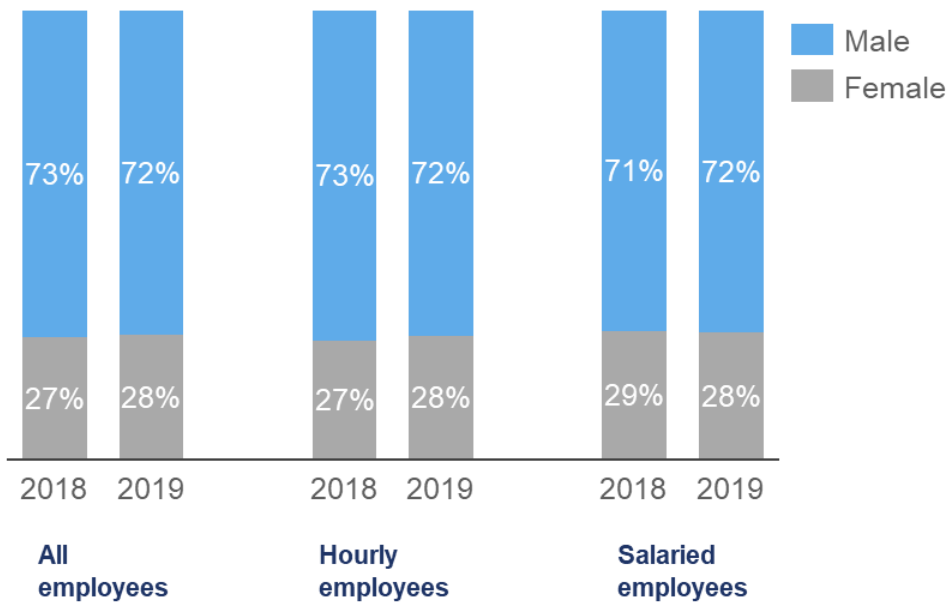
¹² Note that (other than safety) all other employee related stats exclude temporary workers. In our business they are a relatively small population and are typical seasonal. They make up roughly 4% of all workers.

¹³ Sum of shares in 2019 appear to equal 101%. This is due to rounding.

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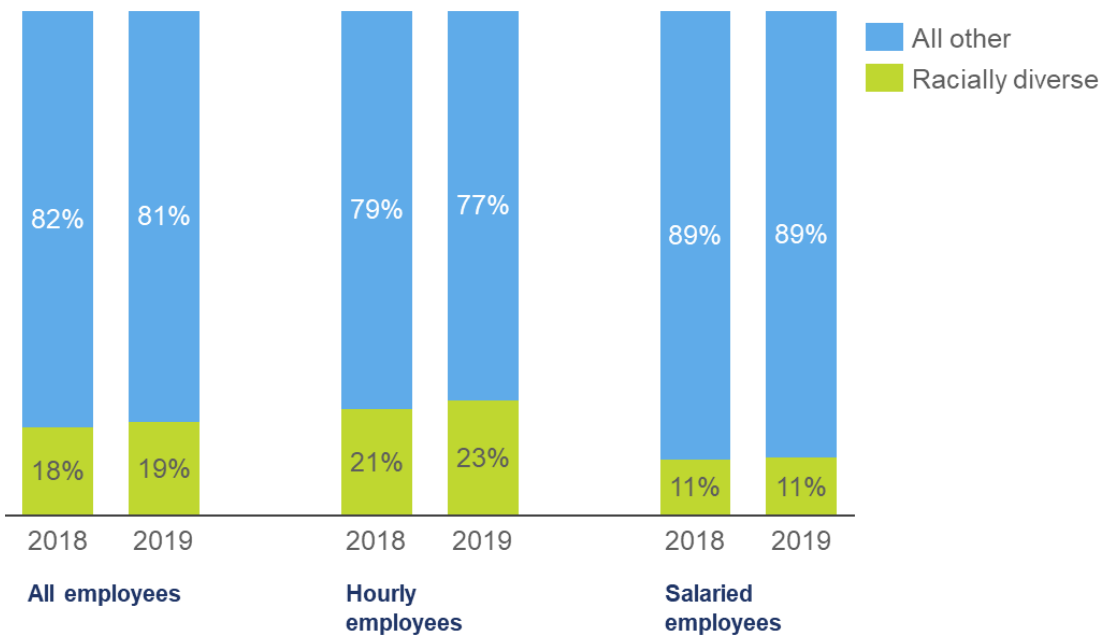
Figure 16: Global Workforce by Gender and Hourly/Salaried Category



Racial Diversity

In 2019, 19% of our US employees are racially diverse, whereas the balance self-identifies as Caucasian^{14,15}. This area remains an improvement opportunity to promote greater diversity among our workforce.

Figure 17: Racial Diversity of U.S. Workforce



¹⁴ Our diverse metric includes US employees only since Brunswick does not capture race and/or ethnicity data of our international workforce.

¹⁵ For further details on the definition of racial diversity see Appendix B.2.3.

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5.4 Occupational Safety

We embrace the principle that all workplace accidents can be prevented and have a strong teamwork-oriented culture where safety is everyone's responsibility. We extend considerable effort to ensure employee health and protect them from harm. Keeping employees safe enables them to be productive members of their families, communities and Brunswick.

Our global recordable incident rate is considerably lower than the U.S. Bureau of Labor Statistics benchmarks for similar businesses and operations and has been steadily improving for more than a decade. While our ultimate goal is to achieve zero incidents and injuries, we foster an environment that is committed to continuous improvement with a strong emphasis on understanding and proactively addressing potential risks in our business and operations.

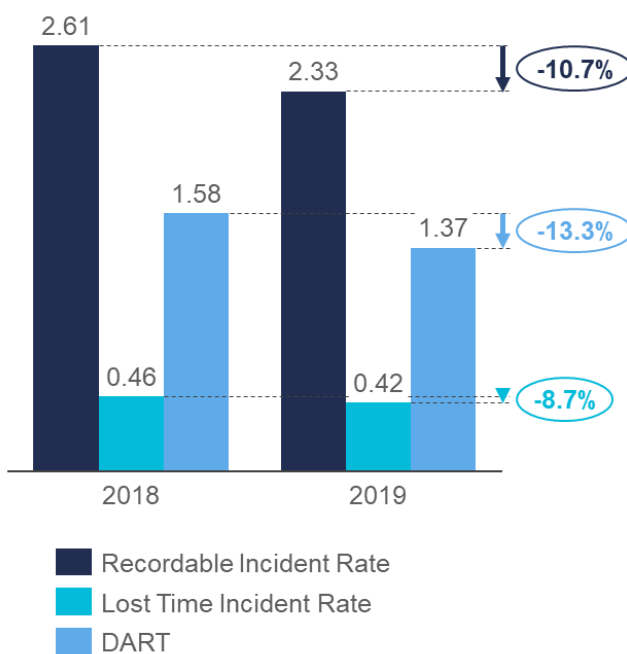
The Brunswick Safety Management System (SMS) is our formal, organization-wide approach to managing safety risk and assuring the effectiveness of risk mitigation and control. Designed to correlate with globally recognized management systems standards, such as ISO 9000, ISO 45001 and ISO 14000, the SMS format is specifically fashioned from ANSI Z10 standard occupational safety and health management systems. In connection with the SMS, the Company also annually recognizes the highest performing safety programs with awards and recognition that include a Company contribution to a charity chosen by the awarded location's personnel.

Since 2015, the number of Brunswick facilities using SMS has doubled to more than 50 and the effectiveness of the approach is apparent in the number of those facilities with an SMS score of 85 or higher, a benchmark score which has increased by 30 percent during the same time period. Eighty-nine percent of our permanent employees work at facilities using the Company SMS model.

We use our SMS to determine potential work-related hazards that pose a risk of high consequence of potential injury. The implementation of both processes and systems that meet SMS criteria result in less frequent and less severe work-related incidents and injuries.

In 2019, we had a global recordable incident rate of 2.33 compared to a rate of 2.61 in 2018, a 10.7% improvement and have demonstrated considerable improvement in lost time incident and DART rates^{16,17}.

Figure 18: Brunswick Marine Incident Rates



Case Study VI highlights the efforts our New York Mills team has dedicated to the development of their comprehensive operational safety program. The New York Mills initiative is a good example of the commitment and actions we have in place across the Company.

¹⁶ All rates are calculated based on 200,000 hours worked.

¹⁷ The calculated rates include data from all facilities including data on temporary workers.

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CASE STUDY VI

New York Mills Occupational Safety and Health Improvement

Implementing Safety Processes to Improve Environmental and Social Responsibility

“Worker safety and well-being are crucial elements of our sustainability efforts. We are very happy to receive so much recognition around safety improvement, but we are most proud of our team’s ability to sustain the pace of these improvements year after year.”

– **Brian Hines**

Vice President, Operations,
Aluminum Boat Group

Like all Company facilities, BBG’s New York Mills (NYM) production facility in Minnesota, home to Crestliner and Lund Boats, has a strong focus on safety founded on the belief that all injuries can be prevented. The NYM team has developed a comprehensive operational safety program that has had a proven track record of success year-over-year. NYM is the recipient of numerous safety performance awards and was also recently named in the Top 10 in the *Star Tribune’s* Top 150

The Relationship to Safety and Becoming an Employer of Choice

Occupational safety and health fits squarely within the social responsibility component of Brunswick’s sustainability strategy. The NYM safety improvement priorities were a key driver in developing new advanced manufacturing processes, systems and techniques that ensure daily engagement with employees to identify potential risks and ultimately create safer working conditions at the plant. In recent years, key priorities at NYM include driving safety and an industry-leading incident and injury rate. These efforts have resulted in a reduction of 71% in the facility’s Recordable Incident Rate since 2016 and 58% since 2018, making it among the safest boat manufacturing facilities in the world. This was accomplished while implementing a robust quality management system, delivering an annual 4% productivity rate enhancement, introducing new products, deploying an automation strategy for key processes and becoming an employer of choice in the community.

The successful implementation of these safety priorities had a significant material influence on the business and developed a workforce culture of trust, teamwork, transparency and innovation.

In recognition of its rate of improvement, NYM’s operation has earned several safety awards recognizing its success in implementing excellence in safety and health. In recent years, the company was recognized with the Chairman’s Safety Award for outstanding improvement in injury reduction and with the Meritorious Achievement Award for exemplary workplace safety efforts. NYM actively demonstrates its commitment to safety through a successful partnership with Minnesota Occupational Safety and Health, where it participates in a voluntary consulting program sharing best practices with other businesses. Additional awards include the Chairman’s Safety and Sustainability Award and the Minnesota Governor’s Safety Award, which is coordinated by the Minnesota Safety Council at the Minnesota Safety and Health conference.



MN Governor’s Award for Safety - MN Safety Council



Company Award for Sustained Safety Improvement

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NYM employees participated in an employee satisfaction survey conducted by the Minneapolis Star Tribune. The company ranked sixth in Minnesota overall.

Furthermore, we record incidents by type for all our facilities. The most common incidents recorded at Brunswick historically (including 2019) were due to strain and sprain related injuries. Many of these strain and sprain injuries are ergonomic in nature. In 2017, Brunswick engaged an ergonomics consultant to help identify and address the risks factors that lead to ergonomic injuries. Deepening our understanding of the nature of these incidents is an essential step toward their elimination.

5.5 Occupational Health and Welfare

To maintain a healthy, engaged workforce, Brunswick offers a robust wellness program that encourages employees to build and maintain healthy lifestyles.

In 2017, we initiated the "Be Your Best" program. This is a voluntary, formal wellness-oriented program for eligible employees and partners. The program uses advanced, secure interactive technology and is available through a mobile app, web browser and the Brunswick Intranet. On this platform, employees earn incentives upon achieving certain milestones or goals by taking steps to improve their physical, emotional, financial and work-engagement well-being. In 2018 and 2019, nearly 80% of Brunswick's eligible employees enrolled and participated in this program.

6. GOVERNANCE

Governance is an essential element of our Sustainability Program. In this report we limit the scope of reporting since the governance elements are reported through other means, including the annual Proxy Statement, Form 10-K, various regulatory filings and Code of Conduct (Code).

6.1 Corporate Governance at a Glance

We maintain a strong commitment to conducting business with integrity. To ensure all employees can make smart, ethical decisions, our Code serves as a practical guide complete with regular, mandatory training. The Code covers a wide range of topics articulating our values and promoting legal compliance by educating employees in areas such as handling insider information, product safety, product quality and anti-corruption. These policies apply to all Brunswick employees and, to the extent applicable, our board of directors, vendors, suppliers and agents.

Our annual report and Proxy include detailed explanations of the Company's governance structure¹⁸.

6.2 Research and Development

Brunswick has made a strong commitment to marine industry innovation leadership. Our dedication to innovation is in part reflected by our investment in R&D. We strive to improve our competitive position and influence the growth and development of our industry in all our segments and functions by continuously investing in R&D to drive innovation in our products and manufacturing technologies and to support the introduction of new, groundbreaking product and process technologies.

Over the last decade, our marine R&D expenditures have increased annually, reaching US \$122 million in 2019 and over US \$560 million since 2015.

The effectiveness of the Company's R&D investments is further evidenced by 173 granted patents across our marine operations in 2017 and 2018 – a record pace for the Company who was recognized by Crain's Chicago Business among the top 25 Illinois companies receiving the greatest number of patents. Although the final accounting for 2019 is not yet complete, we do not expect a reduction in the pace or intensity of our technology development and product launch activities¹⁹.

The Company has over 800 engineers, technologists and support personnel dedicated to technology development and refinement. Most of our resources are based in technology "Centers of Excellence" focused on propulsion, vessel design and advanced systems with active programs that enable cooperative development to deliver seamless, fully integrated solutions. Further, Brunswick has (over the last several years) progressively worked closely with academic institutions to tap into this rich source of creativity with the most prominent examples being the programs at the University of Illinois and MIT.

Brunswick's strong emphasis on advanced technology was recently featured in its debut presence at the 2020 CES event where the Company was recognized among technology leaders beyond the marine industry. Brunswick introduced and demonstrated a suite of technologies that we believe have the potential to redefine the future of boating. With advanced, fully integrated propulsion, boat and parts and accessories such as sophisticated sensor and communications technology, closed-loop optimization of fuel economy, emission control and stability, supported by intuitive control systems and operator assistance and intervention features, we believe our Company's investment in technology and shared access will further enhance sustainable boating enjoyment and safety.

Brunswick has successfully translated these technological advances into new and improved products that have met with strong commercial success. For example, a large number of the patents awarded to Mercury Marine were related to its release of nearly 20 next-generation V-8 and V-6 Four Stroke

¹⁸ All references to the governance documents can be found in Section 6.5

¹⁹ As soon as final accounting is complete, the number of granted patents will be updated for 2019.

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outboard engine models throughout 2018 and 2019. This collection of engines extends and fortifies our product and technological leadership in propulsion systems within the global marine industry. These engines are proving very popular in the marketplace and the Company's market position has been enhanced as a result with a growing proportion of our sales represented by recently introduced products.

These patents earned reflect our broader commitment to expand our industry-leading, consumer-focused technology portfolio. We continually seek to develop and offer innovative customer solutions that we will effectively bring to market at an ever-increasing pace.

CASE STUDY VII

Commitment to Engineering Fuel-Efficient, Low Emissions and Low Noise Marine Engines

"We prioritize and integrate sustainability at the most fundamental levels of decision-making and product design. The goal is to engineer products that delight boaters with outstanding performance while giving them products they can feel good about using in natural outdoor environments."

- **Tim Reid**

Vice President, Product Development & Engineering, Mercury Marine

Mercury Marine has made environmental friendliness a hallmark of its outboard engine technologies. The company's commitment to sustainable performance and dependability has never been more apparent than in its 175 hp – 300 hp outboards built on its V-6 and V-8 engine platforms.

These engines produce exemplary torque and other power output measurements even though they are among the lightest engines in their respective horsepower categories. Mercury Marine accomplished this using patented recycled aluminum alloys that weigh less and allow for less material to be used without sacrificing durability. Mercury Marine also adopted lightweight resins and composite materials to coat shrouds, intake manifolds and the midsection chaps. Additionally, the midsection's drive-shaft housing and oil sump units are engineered to be securely positioned using less metallic material to brace those components.

Fuel Efficiency

With their significantly lighter weight and exclusive closed-loop fuel-control system using a wide-band oxygen sensor, these engines have exceptional fuel efficiency. Mercury Marine's V-6 models are 12%-16% more fuel-efficient than the engines they replaced at cruising speeds and the V-8s are 8%-10% more fuel-efficient. These engines also come equipped with Mercury Marine's Advanced Range Optimization and Active Trim technologies, which automate fuel mixture and engine positioning to get the most mileage out of every drop of fuel. With the addition of a Mercury Marine EnerTia ECO propeller, boaters see additional fuel savings—up to 10% less fuel burn at cruise.

Lower Emissions

Mercury Marine's V-6 and V-8 engines received a three-star rating, Ultra Low Emissions, from CARB. These engines generate 45% and 65% fewer emissions, respectively, compared to the many two-star and one-star CARB-rated outboard engines. Consistent with Mercury Marine's other recently launched propulsion systems, in use these V-6 and V-8 Four-Stroke and Verado engines are expected to **save over 40 million pounds of GHG emissions** over the next 5 years in comparison to the engines they replaced. These engines are the latest example of Brunswick's commitment to improve fleet efficiency and performance.

Quiet Operation

The reduction of noise pollution is important to keep natural environments pristine and Mercury Marine's engineers developed exceptionally quiet outboard engines. For example, its 200 hp V-6 engine demonstrated noise reductions of 17% at idle, 22% at cruise and 31% at wide-open throttle in comparison to its closest competitor. The noise-abatement design innovations include multiple sealing features of the engine cowl, a multi-chamber air intake, fuel injector covers and tuned idle exhaust relief.



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6.3 Business Ethics

Brunswick is an ethical Company that is committed to conducting business with integrity. Integrity is central to our business and our reputation is central to our success. The Code serves as a practical guide for our employees and stakeholders to support the commitment to integrity and to act responsibly. All employees participate in mandatory Code of Conduct training annually.

Our Code supports all conditions of labor regulations and is complemented by human rights policies and procedures. The Code specifies compliance procedures related to anti-corruption, conflicts of interest and gifts, antitrust, lobbying and the workplace environment. Its guidelines on the workplace environment include topics such as equal employment opportunity, anti-harassment, as well as health, safety and the environment. All details of our compliance procedures and reporting procedures can be found in the [Code of Conduct](#).

In addition to the Code, Brunswick has implemented other governance policies that strengthen our efforts to be an ethical enterprise. These include the Financial Officer Code of Ethics, Conflict Minerals Policy, Conflict of Interest Policy, Whistleblower Policy and Supplier Code of Conduct²⁰. There are also policies addressing political involvement of Company leadership including political expenditures, lobbying activities, quality management, procedures for hazard identification and risk assessment as well as guidelines related to the supply chain management, such as the supplier quality and engagement.

6.4 Customer Safety

Customer safety is an important priority. As a leader in the global marine industry, Brunswick personnel work with agencies and regulatory organizations to establish product and customer safety and performance standards and policies for the industry. This includes membership and active leadership involvement in organizations including American Boat and Yacht Council, Center for Sportfishing Policy, International Council of Marine Industry Associations, National Association of State Boating Law Administrators, National Boating Safety Advisory Council, National Marine Manufacturers Association, National Safe Boating Council and Recreational Boating and Fishing Foundation.

The Freedom Boat Club, a recent Brunswick acquisition, is a major proponent of boater education and safety by providing free, unlimited training to members regarding the safe use and operation of its fleet. This generally includes classroom and on-water training activities. Members must complete this training course before reserving a boat. Detailed information about the Freedom Boat Club can be found on our [website](#). We believe that the “shared access” model of the Freedom Boat Club will significantly attract new consumers eager to experience recreational boating without the immediate commitment of boat ownership. With over 210 locations and a membership base growing beyond 30,000 active members (20,000 memberships), all supported by this commitment to comprehensive training and education, there is very strong potential for material improvements in operator-led, on-water safety awareness and risk avoidance.

In December 2019, Brunswick was honored twice for its commitment to boating safety. These prestigious National Boating Industry Safety Awards were presented to Sea Ray and Freedom Boat Club. Sea Ray was recognized for its comprehensive holiday social media and email campaigns that promoted responsible boating and water safety. Freedom Boat Club was honored for its adoption of a national, networkwide “Sober Skipper” campaign which calls on Freedom Boat Club dock staff to work one-on-one with club members in designating both a sober skipper and an official lookout/observer and to review important safety messaging prior to boat departure.

²⁰ All references to the documents can be found in Section 6.5.
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6.5 More Information

To maximize transparency, Brunswick published the following documents related to governance and policies on our [website](#):

Policies²¹

- [Insider Trading and Unauthorized Disclosures](#)
- [2018 Conflict Minerals Report](#)
- [Conflict Mineral Policy](#)
- [Conflict of Interest Policy](#)
- [Ethics Code of Conduct](#)
- [Related Person Transaction Policy](#)
- [Supplier Code of Conduct](#)
- [Whistleblower Policy](#)
- [Code of Ethics for Senior Financial Officers and Managers](#)
- [Anti-Corruption Overview](#)

Governance²²

- [Audit Committee Charter](#)
- [Nominating and Corporate Governance Committee Charter](#)
- [Finance Committee Charter](#)
- [Human Resources and Compensation Committee Charter](#)
- [By-Laws](#)
- [Certificate of Incorporation](#)
- [Principles and Practices of the Board of Directors](#)

²¹ Brunswick, Policies, Practices & Standards, <https://www.brunswick.com/corporate-responsibility/brunswick-policies-practices-standards>

²² Brunswick, Governance Documents, <https://www.brunswick.com/investors/corporate-governance/governance-documents>
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7. FUTURE PLANS

Consistent with our sustainability mission outlined in Section 3.3, we aim to drive continuous improvement in our ESG endeavors across the enterprise with a focused set of strategic initiatives that include the following:

Energy

- Pursue energy conservation measures aligned with business improvement targets and facility expansion plans
- Continue to employ best-in-class technology, equipment and design
- Seek opportunities to transition to renewable sources of electricity when justified with a goal to source 50% of our electricity needs from renewable sources by 2030

Environment

- Drive process-water conservation through usage reduction and process-water reuse, recycling and filtration
- Expand recycling programs at all facilities worldwide and eventually eliminate landfill waste disposition
- Employ technology to model virtual product and component testing to minimize physical on-water testing
- Target low emission material formulations and technologies to reduce emissions and employee exposure

Product

- Increase recycled content in line with product quality and business improvement goals
- Continue to advance our consumer-driven product development processes to address key areas of value to enhance the overall boating experience, including lower emissions and greater efficiency
- Commit to pursuing longer-term, industry-defining technology solutions and boater education programs consistent with our SDG goals to address these growing industry issues:
 - Invasive species control
 - Boat end-of-life solutions (see Section 7.1)
 - Fleet fuel and emission reductions (see Section 7.1)
 - Packaging waste

People

- Drive continuous improvement in employee safety and wellness
- Actively promote boating safety and awareness through education, experience and technology development
- Develop and promote active community support programs

Governance

- Maintain and fortify the highest standards of corporate governance
- Board committee oversight of Company ESG reporting and disclosures

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7.1 Initiatives Related to Scope 3 GHG Emissions

Fleet Fuel Economy Improvement

The age and technical diversity of our engine and vessel fleet (for example, fuel type and engine/vessel technology and design) and the application/duty cycle (for example, recreational or commercial) make the discreet calculation of a fleet fuel economy challenging. With our steadfast adherence to the policy to develop products that lead to an improved environmental footprint through their life cycle, we believe that we have and will continue to drive lower emissions and improved fuel economy of our products in use. Brunswick's comprehensive and fully integrated "helm to prop" systems solutions provide a broad landscape to develop and introduce groundbreaking technologies that set the standard for efficiency and performance. The Company's significant market position advancement through this prolific period of technology development is a strong testament to the positive influence on our improving fleet efficiency (see Case Study VII).

Boat End-of-Life Solutions

The decommissioning of aging, derelict fiberglass boats, or the end of life portion of a fiberglass craft's product life cycle, is a growing issue in the global marine community. We recognize this challenge by supporting the efforts to responsibly and efficiently explore and pursue solutions beyond traditional landfill alternatives. Over the last 2 years, through the Brunswick Public Foundation, we have actively supported (with funding and talent) the Rhode Island Fiberglass Vessel Recycling Pilot Project initiated by the Rhode Island Marine Trades Association. The project involves exploring solutions for the sustainable disposal of fiberglass boats by dismantling and re-processing fiberglass hulls into alternative materials or as a potential high-energy fuel source as an alternative to landfill and to reduce the use of fossil fuels. Apart from that, the processes being explored in the pilot, can potentially extend well beyond the disposal of boats and create solutions for how to reuse many types of fiberglass waste as well as alternate materials.

We believe that the proof of concept efforts currently underway to demonstrate the technology and value-chain at a commercial scale in 2020 are potentially important developments that will help determine the viability of the pilot solutions and Brunswick will mobilize its considerable resources and scale to support the advanced adoption of viable and responsible disposition technologies. Beyond this promising pilot program in the U.S., the Company is active in similar programs in Europe as well as exploring other alternatives.

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APPENDIX

Appendix A: Scope of the ESG report

A.1 Facility List²³

Facility	Environment								Social							
	Energy		GHG Emissions		Water	Hazardous Waste		VOC	Diversity			Occup. Safety			Health & welfare	
	Electri-city	Fuel	Scope 1	Scope 2		Total	By disposal method		Age	Gender	Ethnic	Recod. Incident Rate	Lost Time Incident Rate	DART	Recod. Incidents by type	"Be Your Best"
Marine Engines																
Fresno, California*	x			x		x	x		x	x	x	x	x	x	x	x
Lake Suzy, FL	x			x		x	x		x	x	x	x	x	x	x	x
Miramar, FL	x			x		x	x		x	x	x	x	x	x	x	x
Panama City, FL	x	x	x	x	x	x	x		x	x	x	x	x	x	x	x
St. Cloud, FL	x			x	x	x	x		x	x	x	x	x	x	x	x
Atlanta, GA*	x	x	x	x	x	x	x		x	x	x	x	x	x	x	x
Stillwater, OK						x	x		x	x	x	x	x	x	x	x
Brookfield, WI	x	x	x	x	x	x	x		x	x	x	x	x	x	x	x
Fond du Lac, WI	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Oshkosh, WI	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Taycheedah, WI	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Langley, BC	x	x	x	x					x	x		x	x	x	x	
Milton, ON	x	x	x	x	x				x	x		x	x	x	x	
Coomera, Australia	x			x					x	x		x	x	x	x	
Dandenong, Australia	x			x	x				x	x		x	x	x	x	

²³ Facilities denoted by * represent Mercury Marine distribution centers that are combined with Land N' Sea operations.

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Auckland, New Zealand	x			x					x	x		x	x	x	x	
Singapore	x			x	x				x	x		x	x	x	x	
Petit Rechain, Belgium	x	x	x	x	x				x	x		x	x	x	x	
Suzhou, China	x	x	x	x	x				x	x		x	x	x	x	
Juarez, MX	x	x	x	x	x				x	x		x	x	x	x	
Palcoa, Brazil									x	x		x	x	x	x	
Marine Parts and Accessories																
Old Lyme, CT	x	x	x	x		x	x		x	x	x	x	x	x	x	x
Largo, FL						x	x		x	x	x	x	x	x	x	x
Pompano Beach, FL	x			x		x	x		x	x	x	x	x	x	x	x
Stuart, FL						x	x		x	x	x	x	x	x	x	x
Shreveport, LA	x	x	x	x	x	x	x		x	x	x	x	x	x	x	x
Clinton Township, MI						x	x		x	x	x	x	x	x	x	x
Grand Rapids, MI						x	x		x	x	x	x	x	x	x	x
Lowell, MI				x	x	x			x	x	x	x	x	x	x	x
Eagan, MN						x	x		x	x	x	x	x	x	x	x
St. Paul Park, MN	x	x	x	x	x	x	x		x	x	x	x	x	x	x	x
Kansas City, MO	x	x	x	x		x	x		x	x	x	x	x	x	x	x
Reno, NV						x	x		x	x	x	x	x	x	x	x
Houston, TX	x			x		x	x		x	x	x	x	x	x	x	x
Norfolk, VA	x	x	x	x		x	x		x	x	x	x	x	x	x	x
Bellingham, WA						x	x		x	x	x	x	x	x	x	x
Kent, WA	x	x	x	x		x	x		x	x	x	x	x	x	x	x
Menomonee Falls, WI						x	x		x	x	x	x	x	x	x	x
Whale, UK	x	x	x	x					x	x		x	x	x	x	
Victoria, BC									x	x		x	x	x	x	
Burnaby, BC									x	x		x	x	x	x	
Oakville, ON												x	x	x	x	
Brisbane, Australia									x	x		x	x	x	x	
Auckland, New Zealand	x			x	x				x	x		x	x	x	x	

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Bangor, Northern Ireland	x	x	x	x					x	x		x	x	x	x	
Amsterdam, Netherlands									x	x						
Heerenveen, Netherlands									x	x		x	x	x	x	
Juarez, MX									x	x		x	x	x	x	
Boats																
Edgewater, FL	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Merritt Island, FL	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Fort Wayne, IN	x	x	x	x	x	x	x		x	x	x	x	x	x	x	x
New York Mills, MN	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Lebanon, MO	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Dandridge, TN	x	x	x	x		x	x		x	x	x	x	x	x	x	x
Greeneville, TN	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Vonore, TN	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Clarkston, WA	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Steinbach, MB	x	x	x	x					x	x		x	x	x	x	
Princeville, QB	x	x	x	x					x	x		x	x	x	x	
Reynosa, MX									x	x		x	x	x	x	
Vila Nova de Cerveira, Portugal	x			x	x				x	x		x	x	x	x	
Auckland, New Zealand	x			x					x	x						
Other																
26 Owned FBC locations									x	x	x	x	x	x	x	x
Administrative office facilities									x	x	x	x	x	x	x	x

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A.2 Specific in/out of Scope per KPI

Temporary Workers

Note that (other than safety) all other employee related stats exclude temporary workers. In our business they are a relatively small population and are typical seasonal.

Throughout 2019 the average number of temporary, contract and season workers was about 500, roughly 4% of the total permanent employee population.

Other Out of Scope Categories and Rationale

KPI	Out of Scope	Reason
Energy consumption	Small and mostly international facilities & recent acquisitions	Only account for small amounts of energy consumption
GHG emissions	Small and mostly international facilities & recent acquisitions	Contribution to overall GHG is very small
Water	Small and mostly international facilities & recent acquisitions	Contribution to overall water consumption is very small
Waste		
- Hazardous Waste	Small and mostly international facilities & recent acquisitions	Inconsistent international VOC and waste classifications. Contribution to overall hazardous waste generation is very small
- Non-Hazardous Waste	Most facilities	Need to establish processes to measure and characterize non-hazardous waste consistently across all facilities
Employee diversity	Seasonal, temporary and contract personnel	No data available, impact is limited since it only is 4% of FTE
Employee diversity – Racial diversity	International facilities	No data available on racial background for facilities outside the United States
Occupational Health & Welfare	Seasonal workers	No data available, impact is limited since it only is 4% of FTE

Appendix B: Detailed Information and Reporting Principles

B.1 Materiality Assessment

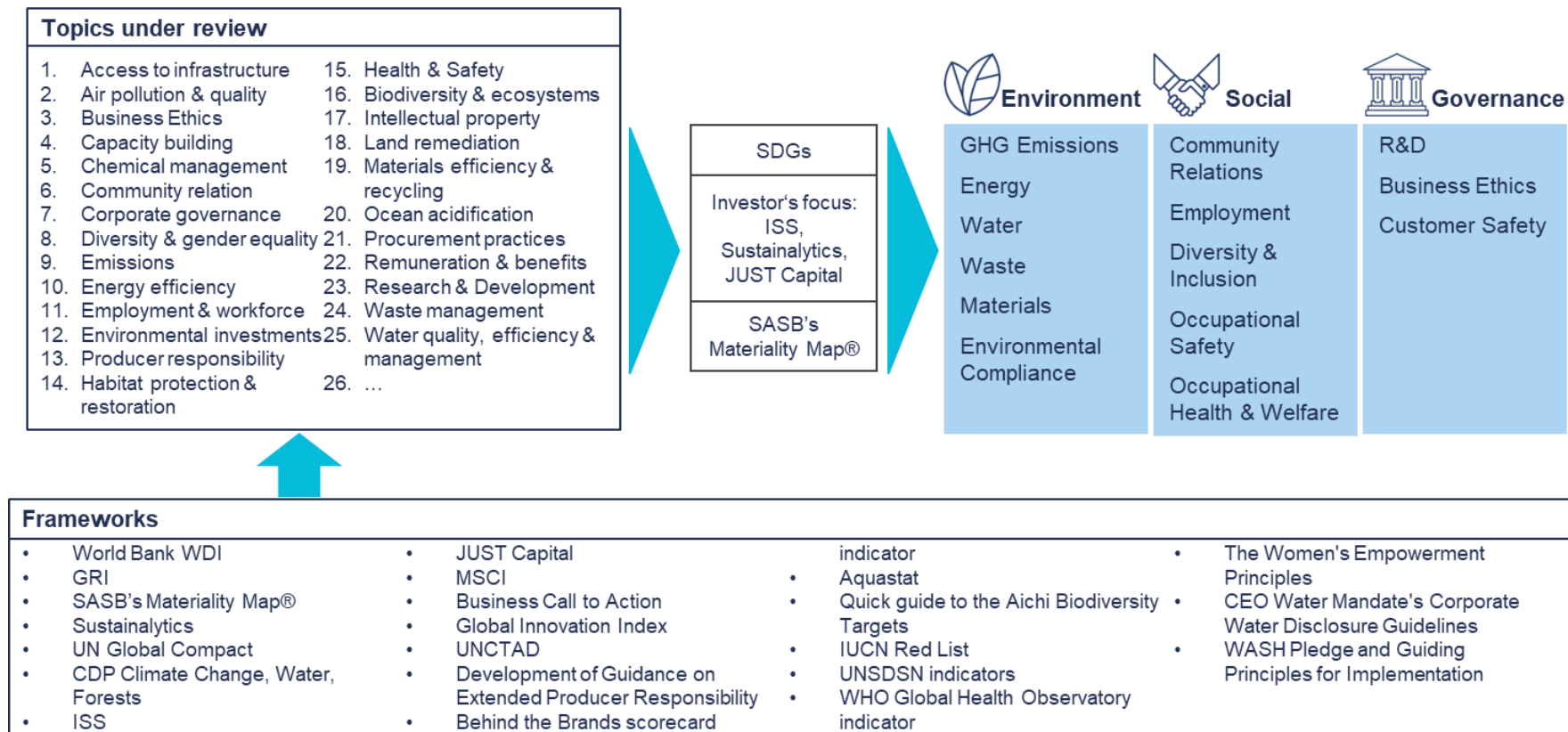


Table 1: Process outline of materiality assessment

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The following table maps the result of our materiality assessment against our four pillars and the related UN Sustainable Development Goals.

Four pillars	Material topics	Relevant SDGs
Energy	<ul style="list-style-type: none"> Energy 	
Environment	<ul style="list-style-type: none"> Waste Water Environmental Compliance 	
People	<ul style="list-style-type: none"> Community Relations Employment Diversity and Inclusion Occupational Safety Occupational Health and Welfare Business Ethics 	
Product	<ul style="list-style-type: none"> Materials Research and Development Customer Safety 	

Table 2: Result of Materiality Assessment by Pillar and Related SDGs

B.2 Methodologies

B.2.1 Energy

[GRI 103-2] The management approach and its components

In mid-2017, we initiated a program to regularly measure our energy consumption with the goal to reduce the energy intensity and cost of our operations. Since that time, we are accumulating monthly consumption metrics to actively monitor & analyze trends as well as report and target improvement opportunities. The consumption metrics include the energy consumed in terajoules for electricity, natural gas and other fuels.

[GRI 103-3] Evaluation of the management approach

In order to evaluate our progress toward our long-term goal of the majority of our electricity needs being fulfilled by renewable sources by 2030, we compare both our energy consumption as well as our energy intensity on a yearly basis, but also relative to the base year of 2018. In addition, we will evaluate whether our annual reduction is in line with our long-term goal. If we are below our projected target, we intend to analyze the reasons for failing to meet expectations and consider contingency measures.

[GRI 302-1] Energy consumption within the organization

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Internally we track our energy consumption in kWh, both for natural gas, electricity and other fuels. In order to convert kWh to terajoules, we use the standard conversion factor of 0.0000036 TJ/kWh. 1TJ = 1,000GJ.

[GRI 302-3] Energy intensity

We choose net sales revenue in millions of US dollar as the denominator. The considered energy consumption includes our natural gas, diesel and LPG and electricity use in all major Company operations.

B.2.2 Emissions

[GRI 305-1] Direct (Scope 1) GHG emissions

We calculate our direct (Scope 1) GHG emissions based on our fuel consumption and the respective emission factors from the cross-sector tools provided by Greenhouse Gas Protocol²⁴ and using the global warming potential (GWP) rates from the IPCC assessment reports based on a 100-year timeframe. Since we use natural gas, diesel and LPG in our production, we use our monthly consumption per fuel type and the respective emission factors for CO₂, CH₄ and N₂O to calculate our Scope 1 GHG emissions.

[GRI 305-2] Energy indirect (Scope 2) GHG emissions

We account our energy-related indirect (Scope 2) GHG emissions from our electricity consumption based on a location-based method that reflects the average GHG emissions intensity of grids on which our energy consumption occurs. We include CO₂, CH₄ as well as N₂O in our Scope 2 GHG emissions. The emission factors for the US reflect the eGRID subregion level factors with SAR published by the EPA (2016). For all locations outside the US we use IEA country level factors (2015) and for our Canadian locations we use the NIR emission factors. The GWP rates are from the IPCC assessment reports based on a 100-year timeframe.

Since we started in mid-2017 to systematically measure its energy consumption for all facilities in scope, we chose the first full year of data - 2018 as the as base year for our emissions calculation.

B.2.3 Racial Diversity

Our racially diverse workforce includes all employees who identify as one of the following:

- American Indian or Alaska Native
- Asian
- Black or African American
- Hispanic or Latino
- Native Hawaiian or other Pacific Islander
- Two or more races

Our diverse workforce includes our US workforce only as Brunswick does not capture ethnic makeup of our international workforce.

B.2.4 Occupational Safety

All rates are calculated based on 200,000 hours worked. The calculated rates include data from all facilities including data on temporary workers.

²⁴ <http://www.ipcc-nggip.iges.or.jp/public/2006gl/vol2.html>; https://ghgprotocol.org/calculation-tools#cross_sector_tools_id

GRI Content Index

GRI Standard	Disclosure	Disclosed in Sustainability Report 2019	Page numbers	Additional information	Omission			SDGs
					Part Omitted	Reason	Explanation	
GRI 101: Foundation 2016								
General Disclosures								
Organizational profile								
102-1	Name of the organization	3.1 About Brunswick	p. 5	Form 10-K 2019				
102-2	Activities, brands, products, and services	3.1 About Brunswick	p.6	Form 10-K 2019				
102-3	Location of headquarters	3.1 About Brunswick	p. 5	Form 10-K 2019				
102-4	Location of operations	3.1 About Brunswick	p.5	Form 10-K 2019				
102-5	Ownership and legal form			Form 10-K 2019				
102-6	Markets served	3.1 About Brunswick	p. 5-7	Form 10-K 2019				
102-7	Scale of the organization	3.1 About Brunswick	p. 6-7	Form 10-K 2019				
102-8	Information on employees and other workers	3.1 About Brunswick; 5.2 Employment; 5.3 Diversity and Inclusion; Appendix A.2	p. 5, 24-26, 40					SDG 5, 8, 10
102-9	Supply chain			Form 10-K 2019				
102-10	Significant changes to the organization and its supply chain			Form 10-K 2019				
102-11	Precautionary Principle or approach	4. Environment; 4.6 Environmental Compliance	p. 11, 21					
102-12	External initiatives			Global Reporting Initiative (GRI Standards), UN Sustainability Development Goals (SDG)				
102-13	Membership of associations	6.4 Customer Safety	p. 33					
Strategy								
102-14	Statement from senior decision-maker	1. Foreword	p.1					
Ethics and integrity								
102-16	Values, principles, standards, and norms of behavior	6.1 Corporate Governance at a Glance; 6.3 Business Ethics; 6.5	p. 30, 33-34	Standards Governance Documents				SDG 16
Governance								
102-18	Governance structure	6.1 Corporate Governance at a Glance	p. 30	Form 10-K 2019				
Stakeholder engagement								

GRI 102: General Disclosures 2016

102-40 List of stakeholder groups			Brunswick's most important stakeholder groups are: Customers, shareholders, investors, employees, contractors, suppliers, local governments and regulatory bodies, communities near our operations, NGOs, media, the general public				SDG 8, 16, 17
102-41 Collective bargaining agreements	5.2 Employment	p. 24	Form 10-K 2019				SDG 8, 16, 17
102-42 Identifying and selecting stakeholders			Brunswick's process of identifying and selecting stakeholders is not explicitly explained. Nevertheless, our most important stakeholder groups are: Customers, shareholders, investors, employees, contractors, suppliers, local governments and regulatory bodies, communities near our operations, NGOs, media, the general public	Process of identifying and selecting stakeholders	Not applicable	No formal process	SDG 8, 16, 17
102-43 Approach to stakeholder engagement	3.3 Our Priorities; 3.3.2 Materiality Analysis; 3.4 Our Sustainability Program	p. 7-9					SDG 8, 16, 17
102-44 Key topics and concerns raised	3.3.2 Materiality analysis	p.8-9					SDG 8, 16, 17
Reporting practice							
102-45 Entities included in the consolidated financial statements			Form 10-K 2019				
102-46 Defining report content and topic Boundaries	3.1.3 Our priorities; Appendix A & B	p. 7-9, 37-40					
102-47 List of material topics	3.3.2 Materiality analysis; Appendix B.1 Materiality Assessment	p.8-9, 41-42					
102-48 Restatements of information			No restatement of information as this is our first report				
102-49 Changes in reporting			There were no significant changes from previous reporting periods in the list of material topics nor topic boundaries since this is our first report				
102-50 Reporting period			2019				
102-51 Date of most recent report			No previous report				
102-52 Reporting cycle			Annual reporting cycle				
102-53 Contact point for questions regarding the report			Kevin Grodzki (Kevin.Grodzki@brunswick.com)				
102-54 Claims of reporting in accordance with the GRI Standards	About this Report						
102-55 GRI content index			This index serves as the GRI content index.				

	102-56 External assurance			Our key sustainability data and processes have been reviewed by the Company's internal audit organization.				

Material Topics
300 series (Environmental topics)

Materials (material topic)

GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	3.3.2 Materiality analysis; 4.5 Materials	p. 8-9, 19-20				
	103-2 The management approach and its components	4.5 Materials	p. 19-20				
	103-3 Evaluation of the management approach	4.5 Materials	p. 19-20				
GRI 301: Materials 2016	301-1 Materials used by weight or volume	4.5 Materials	p. 19-20				SDG 8, 12
	301-2 Recycled input materials used	4.5 Materials	p. 19-20				SDG 8, 12

Energy (material topic)

GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	3.3.2 Materiality Analysis; 4.1 Energy; Appendix B.2.1	p. 8-9, 11-12, 42-43				
	103-2 The management approach and its components	4.1 Energy; Appendix B.2.1	p. 11-12, 42-43				
	103-3 Evaluation of the management approach	4.1 Energy; Appendix B.2.1	p. 11-12, 42-43				
GRI 302: Energy 2016	302-1 Energy consumption within the organization	4.1 Energy; Appendix B.2.1	p. 11-12, 42-43		Total fuel consumption from renewable sources; heating, cooling and steam consumption; energy sold	Information unavailable	Company-wide data unavailable; No energy is sold
	302-3 Energy intensity	4.1 Energy; Appendix B.2.1	p. 11-12, 42-43				SDG 7, 8, 12, 13
	302-4 Reduction of energy consumption	4.1 Energy; Appendix B.2.1	p. 11-12, 42-43				SDG 7, 8, 9, 12, 13

Water (material topic)

GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	3.3.2 Materiality Analysis; 4.3 Water	p. 8-9, 15-16				
	103-2 The management approach and its components	4.3 Water	p. 15-16				
	103-3 Evaluation of the management approach	4.3 Water	p. 15-16				

GRI 303: Water and Effluents 2018	303-5 Water consumption	4.3 Water			Total water consumption from all areas with water stress; change in water storage	Information unavailable	No data available	SDG 12
	Emissions (material topic)							
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	3.3.2 Materiality Analysis; 4.2 GHG Emissions	p. 8-9, 12-14					
	103-2 The management approach and its components	4.2 GHG Emissions; Appendix B.2.2	p. 12-14, 43					
	103-3 Evaluation of the management approach	3.4 Our Sustainability Program; 4.2 GHG Emissions; Appendix B.2.2	p. 9, 12-14, 43					
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	4.2 GHG Emissions	p. 12-14, 43		Biogenic CO2 emissions; emissions from non-U.S. plants	Specific Legal Prohibition	In general, non-U.S. plants were omitted as they are subject to local regulation, some of which may differ than U.S. criteria. In all cases and measures however, the in-scope facilities represent the greatest influence on our business and performance and about 95 percent of our global scope 1 and scope 2 emissions.	SDG 3, 12, 13, 14, 15
	305-2 Energy indirect (Scope 2) GHG emissions	4.2 GHG Emissions; Appendix B.2.2	p. 12-14, 43		Market-based energy indirect GHG emissions; emissions from non-U.S. plants	Information unavailable	Market-based emissions will be considered in the future; non-U.S. plants were omitted as they are subject to local regulation see above	SDG 3, 12, 13, 14, 15
	305-4 GHG emissions intensity	4.2 GHG Emissions; Appendix B.2.2	p. 12-14, 43					SDG 13, 14, 15
	305-5 Reduction of GHG emissions	4.2 GHG Emissions	p. 12-14					SDG 13, 14, 15
Effluents and Waste (material topic)								
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	3.3.2 Materiality Analysis; 4.4 Waste	p. 8-9, 16-19					
	103-2 The management approach and its components	4.4 Waste	p. 16-19					
	103-3 Evaluation of the management approach	4.4 Waste	p. 16-19					

GRI 306: Effluents and Waste 2016	306-2 Waste by type and disposal method	4.4 Waste	p. 16-19		No data on non-hazardous waste, nor on recycling, composting or on-site storage	Information unavailable	We still work toward characterizing our waste streams	SDG 3, 12
Environmental Compliance (material topic)								
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	3.3.2 Materiality Analysis; 4.6 Environmental Compliance	p. 8-9, 21					
	103-2 The management approach and its components	4.6 Environmental Compliance	p. 21					
	103-3 Evaluation of the management approach	4.6 Environmental Compliance	p. 21					
GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	4.6 Environmental Compliance	p. 21		The organization has not identified any significant fines and non-monetary sanctions for non-compliance with environmental laws and/or regulations			SDG 16
400 series (Social topics)								
Occupational Health and Safety (material topic)								
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	3.3.2 Materiality Analysis; 5.4 Occupational Safety; 5.5 Occupational Health and Welfare	p. 8-9, 27-29					
	103-2 The management approach and its components	5.4 Occupational Safety; 5.5 Occupational Health and Welfare	p. 27-29					
	103-3 Evaluation of the management approach	5.4 Occupational Safety; 5.5 Occupational Health and Welfare	p. 27-29					
GRI 403:	403-1 Occupational health and safety management system	5.4 Occupational Safety; 5.5 Occupational Health and Welfare	p. 27, 29					SDG 3, 8
	403-2 Hazard identification, risk assessment, and incident investigation	5.4 Occupational Safety	p. 27					SDG 3, 8
	403-3 Occupational health services	5.5 Occupational Health and Welfare	p. 29					SDG 3, 8
	403-4 Worker participation, consultation, and communication on occupational health and safety	5.5 Occupational Health and Welfare	p. 29					SDG 3, 8
	403-6 Promotion of worker health	5.5 Occupational Health and Welfare	p. 29					SDG 3, 8

Occupational Health and Safety 2018	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	5.4 Occupational Safety; 5.5 Occupational Health and Welfare	p. 27-29					SDG 3, 8
	403-8 Workers covered by an occupational health and safety management system	5.4 Occupational Safety; 5.5 Occupational Health and Welfare	p. 27, 29	89% of our 12,305 full time employees are covered by the Brunswick SMS (Safety Management System) Protocol.				SDG 3, 8
	403-9 Work-related injuries	5.4 Occupational Safety	p. 27		Numbers for all workers who are not employees but whose work and/or workplace is controlled by the organization	Not applicable		SDG 3, 8
Diversity and Equal Opportunity (material topic)								
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	3.3.2 Materiality Analysis, 5.3 Diversity and Inclusion	p. 8-9, 25-26					
	103-2 The management approach and its components	5.3 Diversity and Inclusion	p. 25-26					
	103-3 Evaluation of the management approach	5.3 Diversity and Inclusion	p. 25-26					
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	5.3 Diversity and Inclusion	p. 25-26		Percentage of individuals within the organization's governance bodies in each diversity category			SDG 5, 8, 10
Local Communities (material topic)								
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	3.3.2 Materiality Analysis; 5.1 Community Relations	p. 8-9, 22					
	103-2 The management approach and its components	5.1 Community Relations	p. 22-24					
	103-3 Evaluation of the management approach	5.1 Community Relations	p. 22-24					
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessment, and development programs	5.1 Community Relations	p. 22-24	https://www.brunswick.com/corporate-responsibility/community	Exact percentage of operations with implemented local community engagement, impact assessments, and/or development programs	Information unavailable	Percentage can only be broadly estimated; instead we provide case studies on our local community engagement	SDG 11, 13
Customer Health and Safety								
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	3.3.2 Materiality Analysis; 6.4 Customer Safety	p. 8-9, 33					SDG 4, 11, 12
	103-2 The management approach and its components	6.4 Customer Safety	p. 33					SDG 4, 11, 12

Approach 2016	103-3 Evaluation of the management approach	6.4 Customer Safety	p. 33					SDG 4, 11, 12
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	6.4 Customer Safety	p. 33		Quantitative assessment	Information unavailable	Only qualitative description is available	SDG 4, 11, 12
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services			Brunswick has not identified any non-compliance with regulations or voluntary codes.				SDG 4, 11, 12

Reasons for omission:

Reasons for omission can be used if, in exceptional cases, an organization cannot report a disclosure that is required for reporting in accordance with the GRI Standards (either Core or Comprehensive option).

How to include Reasons for omission for the applicable disclosures (for instance see Disclosure 202-2):

Go to the cell of Disclosure 202-2 in the Content Index Template Tab. Right click and select "Delete Comment". Click on the Merge & Center button in the Home menu of Excel to unmerge the cells. The pre-defined fields for Omission should appear.

 Comprehensive version

TABLE 3: REQUIRED GENERAL STANDARD DISCLOSURES		
General Standard Disclosures	'In accordance' – Core (This information should be disclosed in all cases)	'In accordance' – Comprehensive (This information should be disclosed in all cases)
Strategy and Analysis	G4-1	G4-1, G4-2
Organizational Profile	G4-3 to G4-16	G4-3 to G4-16
Identified Material Aspects and Boundaries	G4-17 to G4-23	G4-17 to G4-23
Stakeholder Engagement	G4-24 to G4-27	G4-24 to G4-27
Report Profile	G4-28 to G4-33	G4-28 to G4-33
Governance	G4-34	G4-34 G4-35 to G4-55(*)
Ethics and Integrity	G4-56	G4-56 G4-57 to G4-58(*)
General Standard Disclosures for Sectors	<i>Required, if available for the organization's sector(*)</i>	<i>Required, if available for the organization's sector(*)</i>

TABLE 4: REQUIRED SPECIFIC STANDARD DISCLOSURES (DMA AND INDICATORS)		
Specific Standard Disclosures	'In accordance' – Core	'In accordance' – Comprehensive
Generic Disclosures on Management Approach	For material Aspects only(*)	For material Aspects only(*)

Indicators	At least one Indicator related to each identified material Aspect(*)	All Indicators related to each identified material Aspect(*)
Specific Standard Disclosures for Sectors	<i>Required, if available for the organization's sector and if material(*)</i>	<i>Required, if available for the organization's sector and if material(*)</i>

BRUNSWICK

INNOVATION + INSPIRATION ON THE WATER

Brunswick Corporation is a publicly held company listed on the New York and Chicago stock exchanges, with sales over \$4.1 billion annually. While we are family to more than 12,000 employees around the world, four divisions in more than 24 countries create a local environment. Our global headquarters is located in the Chicago suburb of Mettawa, Illinois.

Since Brunswick was founded in 1845, the Company has grown to become a world leader in: marine propulsion, boats, and parts and accessories. We've been successful in the market for so long because we maintain a focus on driving innovation, while leveraging best practices and veteran industry knowledge.

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