

<b>Subject:</b> Insider Trading and Unauthorized Disclosures	<b>Policy Number:</b> L.01.01
<b>Department Name:</b> Law Department	<b>Page:</b> 1 of 7
<b>Original Issue Date:</b> July 30, 2002	<b>Revision Date:</b> October 2016
<b>Policy Owner:</b> General Counsel	

### **Purpose**

This Policy sets forth Brunswick's expectations regarding trading in Brunswick stock and unauthorized disclosure of material corporate information. This Policy covers important matters. Illegal insider trading can result in jail sentences and civil penalties, including triple damages, and violation of this Policy may also result in disciplinary action, up to and including termination of employment.

### **Applicability**

All Brunswick Employees and Directors, as well as anyone living in their households, including family members. Certain provisions apply only to Officers, Directors and Key Employees, as defined below.

### **Fundamental Principle**

You may not trade, or tip others to trade, Brunswick stock or the stock of any other company if

- you know Material Undisclosed Information or
- during a Blackout Period that applies to you

### **Definitions**

*Directors:* Members of Brunswick's Board of Directors and anyone living in their households, including family members.

*Employees:* Full and part-time Brunswick employees and anyone living in their households, including family members.

*Key Employees:* Brunswick Employees who, as a regular part of their jobs, routinely have knowledge of or access to Material Undisclosed Information concerning Brunswick. The Office of the General Counsel will designate certain employees as Key Employees based on job responsibilities and may notify them of their status and periodic Blackout Period restrictions as described below.

*Material Information:* Any information that could reasonably affect the market price of Brunswick stock (or the securities of any other company with which Brunswick does business) or that a reasonable investor is likely to consider important in deciding to buy, sell or hold

Brunswick stock (or the securities of any other company with which Brunswick does business). Material information can be positive or negative. Some examples of Material Information could include significant acquisitions, divestitures or mergers; tender offers; earnings; earnings guidance; changes in earnings estimates; financial liquidity problems; loss of key personnel; major transactions with other companies; stock splits or other similar transactions relating to Brunswick stock; and negotiation, execution or loss of significant contracts. In general, information should be considered material if there is any doubt as to whether or not it is material.

*Material Undisclosed Information:* Material Information about Brunswick (or any company with which Brunswick does business) that has not been broadly disclosed (such as by a press release or Securities and Exchange Commission (“SEC”) filing) to and absorbed by the investment community for at least one full business day. As used in this Policy, a “business day” means a day on which the New York Stock Exchange (“NYSE”) is open for trading.

*Officers:* Employees identified as Executive Officers in Brunswick’s most recent Annual Report on Form 10-K and anyone the Office of the General Counsel designates as an Executive Officer.

*You:* All Directors and Employees as defined by this Policy.

## **Policy**

### **No Transactions While in Possession of Material Undisclosed Information**

You may not: (a) directly or indirectly purchase or sell Brunswick stock when you know Material Undisclosed Information about the Company, including through entities you control, such as other companies, trusts or foundations; (b) disclose Material Undisclosed Information about Brunswick to anyone outside the Company, including family members, members of your household(s) or other Brunswick employees; or (c) recommend the purchase or sale of Brunswick stock to anyone when you are aware of Material Undisclosed Information about the Company. Illegal insider trading is against the Company’s Policy.

You may not buy or sell Brunswick stock until a full business day has passed following the release of Material Information, or as otherwise directed, to allow shareholders and the investing public time to receive and act on Material Information disclosed. For example:

- If Brunswick issues a press release containing Material Information at 6:00 p.m. on a Thursday, and the NYSE is open for trading on Friday, you may not trade in Brunswick stock until Monday.
- If Brunswick issues a press release at 7:00 a.m. on a Thursday, and the NYSE is open for trading on Thursday, you may not trade in Brunswick stock until Friday.
- If Brunswick issues a press release at 6:00 p.m. on a Friday, and the NYSE is open for trading on Monday, you may not trade in Brunswick stock until Tuesday.

In addition, if, in the course of working for or providing services to Brunswick, you learn of Material Undisclosed Information about any other company with which Brunswick does

business (including any customer, supplier, alliance partner or other company with which Brunswick may have a contractual relationship or be negotiating a transaction), you may not: (a) trade in that company's securities as long as such information remains material and until such information has been publicly disclosed and absorbed by the market; (b) disclose such Material Undisclosed Information to anyone outside of Brunswick; or (c) recommend the purchase or sale of such other company's securities to anyone so long as such information remains material and until such information has been publicly disclosed and absorbed by the market (at least one full business day).

These prohibitions also apply to anyone living in your household, including family members, and to anyone else whose relationship with Brunswick gives him or her access to Material Undisclosed Information.

### **No Trading by Directors, Officers or Key Employees During Blackout Periods**

Earnings Blackout Period. Brunswick typically releases its earnings results approximately four weeks after the close of each calendar quarter. The period immediately preceding an earnings release is generally considered a time during which Directors, Officers and Key Employees are more likely to be in possession of Material Undisclosed Information. To avoid the risk of non-compliance with securities laws, Directors, Officers and Key Employees (as well as anyone living in their households, including family members) may not purchase or sell Brunswick stock during the period immediately preceding Brunswick's earnings release. This period (the "Earnings Blackout Period") will commence at the close of business on the fifteenth of March, June, September and December, and will continue until a full business day has passed following the public disclosure of the next earnings release.

Other Blackout Periods. From time to time the General Counsel may impose other Blackout Periods in anticipation of the release of potentially Material Information (for example, interim earnings guidance) or as the result of the occurrence of a potentially material event (for example, negotiation of a major transaction, a suspension of 401(k) plan transactions, etc.). Such Blackout Periods will continue so long as the information or event remains material and until the information or event has been publicly disclosed and absorbed by the market (at least one business day). Directors and any Employees who are advised of the Blackout Period by the General Counsel (as well as anyone living in their households, including family members) may not trade in Brunswick stock during that Blackout Period. The existence of the Blackout Period will not be announced, other than to those who are aware of the information or event giving rise to it and who are therefore subject to it. If any Director or Officer who is not advised of the Blackout Period requests that the General Counsel approve a trade of Brunswick stock during the Blackout Period, the General Counsel will not approve the trade and will inform the Director or Officer of the existence of the Blackout Period, without disclosing the reason for it. Anyone made aware of a Blackout Period may not disclose its existence to anyone else.

The absence of a specified Blackout Period does not obviate the need to follow all other restrictions in this Policy. For example, trading in Brunswick stock when you are aware of Material Undisclosed Information about the Company is prohibited, regardless of your position or the existence of a prescribed Blackout Period.

## **No Trading by Any Director or Officer Without General Counsel Pre-Approval**

Directors and Officers (as well as anyone living in their households, including family members) must receive pre-approval from the Office of the General Counsel before buying or selling Brunswick stock, regardless of whether or not a Blackout Period is in effect. Directors or Officers must submit requests for such pre-approval to the Office of the General Counsel at least two days prior to the proposed transaction. Pre-approval of a transaction does not constitute a recommendation by Brunswick or any of its employees or agents that the Director or Officer engage in the transaction. If pre-approval is denied, the Director or Officer must keep that denial confidential. Any pre-approval is valid for a reasonable period, after which the Director or Officer must again request pre-approval for the proposed transaction. If Material Undisclosed Information comes to the Director or Officer's attention after the pre-approval but before the trade, s/he may not make the trade.

## **10b5-1 Plans and Other Stock Trading Plans**

SEC Rule 10b5-1 was designed to protect insiders from liability for transactions pursuant to a previously established written trading plan. Under a properly established Rule 10b5-1 plan, transactions in Brunswick stock may take place at any time, including during Blackout Periods and when one possesses Material Undisclosed Information.

Transactions under a pre-approved Rule 10b5-1 plan that specifies the dates, prices and amounts of the contemplated trades or establishes a formula for determining such dates, prices and amounts do not require further approval by the Office of the General Counsel at the time of each trade and are not subject to this Policy's trading restrictions.

Company Pre-Approval. Directors, Officers and Key Employees ("Eligible Individuals") may enter into Rule 10b5-1 trading plans in accordance with this Policy if pre-approved in writing by the Office of the General Counsel at least five business days prior to entering into the plan. The Office of the General Counsel will assist with the preparation of Eligible Individuals' 10b5-1 plans.

Commencement of Transactions ("Cooling Off" Periods). No sales can be made pursuant to Eligible Individual 10b5-1 plans until 30 days after the plan's effective date. The Office of the General Counsel may require a longer "cooling off" period under certain circumstances.

Modifications. Eligible Individuals may modify a 10b5-1 plan no more than once in any six-month period, only with the prior written consent of the Office of the General Counsel and only during an open trading window. Transactions may not resume until 30 days after the effective date of the modification.

Termination of Plan. An Eligible Individual should enter into a 10b5-1 plan with the expectation that it will not be terminated prior to its stated term. Written consent of the Office of the General Counsel is required to terminate a 10b5-1 plan before its term expires. A termination request made when an Eligible Individual is in possession of Material Undisclosed Information is unlikely to be approved, depending on the circumstances and nature of the information. An Eligible Individual who terminates a Rule 10b5-1 plan must wait at least 30 days before trading

in Company stock and at least six months before entering into a new trading plan. Specific transactions pursuant to a Rule 10b5-1 plan may not be canceled.

Restrictions. Eligible Individuals may not enter into or modify a Rule 10b5-1 trading plan when they are in possession of Material Undisclosed Information about the Company or during any Blackout Period. Other than establishing a 10b5-1 plan reviewed and pre-approved by the Office of the General Counsel, Eligible Individuals may not establish a stock trading plan that might result in trading of Brunswick stock during a Blackout Period. Eligible Individuals may enter into only one 10b5-1 trading plan at a time. Eligible Individuals with Rule 10b5-1 plans may trade Company stock outside of their trading plans only with prior written approval from the office of the General Counsel, except that payment or automatic reinvestment of dividends relating to existing shares held by Eligible Individuals and release or granting of shares pursuant to the Company's Stock Incentive Plan (or similar plan) do not require prior written approval.

Disclosure. The adoption, modification or termination of an Eligible Individual's 10b5-1 plan may be disclosed by the Company through a press release or SEC filings.

### **Trading by Directors and Officers During Any Six-Month Period**

Directors and Officers should not purchase and sell, or sell and purchase, Brunswick stock within any six-month period in instances in which there may be liability under Section 16 of the Securities Exchange Act.

Section 16 requires Directors and Officers to pay Brunswick any "short-swing profit" realized on Brunswick stock. A "short-swing profit" is a profit realized on a purchase and subsequent sale, or a sale and subsequent purchase, within less than six months (even if the sale and purchase are of different blocks of stock). For example, if a person sells Brunswick stock at a time when s/he has not made any non-exempt purchase for more than six months, there is no "short-swing profit." If, however, within less than six months after the sale the person purchases stock in a non-exempt transaction at a price lower than that sale price, there is a "short-swing profit." Section 16 applies to any purchase that can be matched with any sale, or any sale that can be matched with any purchase, within any six-month period. In addition, Section 16 applies to transactions in Brunswick stock under a Rule 10b5-1 plan.

For purposes of Section 16, certain transactions are considered exempt and thus are not subject to "short-swing profit" treatment. These include primarily those transactions between Brunswick and a Director or Officer in which no open market transactions occur (e.g., stock option awards, exercise of a stock option with no subsequent sale of the stock purchased, etc.). Directors and Officers must secure pre-approval from the Office of the General Counsel prior to engaging in any Brunswick stock transaction, in part to confirm it is not subject to "short-swing" treatment.

### **No Selective Disclosure of Material Undisclosed Information**

SEC Regulation FD requires Brunswick to avoid selective disclosure of Material Undisclosed Information about the Company. Brunswick has established procedures for releasing Material Information in a manner that is designed to achieve broad public dissemination of the information immediately upon release. Accordingly, you may not disclose Material Undisclosed

Information to anyone outside of the Company (including anyone living in your household, family members and friends) other than in accordance with the Company's established procedures. In addition, Directors, Officers and Key Employees may not discuss confidential or proprietary information about the Company or its business in any internet chat room or any other similar internet-based forum.

### **Transactions Under Company Plans**

Options Granted by Company. You may exercise stock options (i.e., purchase the shares and hold them) granted by the Company at any time regardless of whether there is a Blackout Period in effect or you are aware of Material Undisclosed Information. However, the shares received upon exercise of the options (including any sale of stock as part of a cashless exercise of an option) may be sold only in accordance with this Policy.

The exercise of an in-the-money stock option (i.e., the purchase of the shares) granted by the Company is an exempt purchase for purposes of the short-swing profit provisions under Section 16 of the Securities Exchange Act. However, Directors and Officers must report the exercise of the option on Form 4. The sale of any stock received on exercise of the option (including any sale of stock as part of a cashless exercise of an option) will be a sale for purposes of computing short-swing profit and also must be reported on Form 4.

401(k) and Restoration Plans. This Policy does not apply to purchases of Brunswick stock in the Company's 401(k) plans (the Brunswick Retirement Savings Plan and the Brunswick Rewards Plan) or the Brunswick Restoration Plan resulting from periodic contributions of money to the plans pursuant to pre-existing payroll deduction elections. The restrictions of this Policy, however, do apply to certain elections under the 401(k) plans, including: (a) an election to increase or decrease the percentage of periodic contributions that will be allocated to the Brunswick stock fund; (b) an election to make an intra-plan transfer of an existing account balance into or out of the Brunswick stock fund; (c) an election to borrow money against a 401(k) plan account if the loan will result in a liquidation of some or all of the Brunswick stock fund balance; and (d) an election to pre-pay a plan loan if the pre-payment will result in an allocation of loan proceeds to the Brunswick stock fund.

Direct Stock Purchase and Dividend Reinvestment Plan. This Policy does not apply to purchases of Brunswick stock through pre-existing periodic contributions by eligible Employees, or reinvestment of dividends paid on Brunswick stock, as part of the Direct Stock Purchase and Dividend Reinvestment Plan. The Policy does apply, however, to an election to participate in the plan, a change in contribution amount and to sales of Brunswick stock purchased pursuant to the plan.

### **No Hedging Transactions**

You may not engage in hedging or monetization transactions or similar arrangements with respect to Brunswick stock, including the purchase or sale of puts, calls or options on Brunswick stock (other than options granted by Brunswick), or the use of any other derivative instruments to hedge or offset any decrease in the market value of Brunswick stock.

### **No Margin Purchases**

You may not purchase Brunswick stock on margin.

### **No Short Sales**

You may not sell Brunswick stock short or “against the box” (i.e., sell the stock if you do not own the stock or, if owning it, you do not deliver it against such sale within 20 days).

### **No Pledges**

You may not pledge Brunswick stock as collateral for a loan, in part because that stock may be sold without your consent by the lender in foreclosure if you default. If such a sale occurred when you were aware of Material Undisclosed Information, it could, under certain circumstances, be considered unlawful insider trading.

### **Post-Termination Transactions**

If you are aware of Material Undisclosed Information at the time you cease to be a Director or Brunswick Employee, you may not trade in Brunswick stock as long as that information remains material and until that information has been publicly disclosed and absorbed by the market (generally one full business day).

For a period of time after ceasing to be a Brunswick Director or Officer, a Director or Officer may have certain filing obligations under Section 16, and must pay Brunswick any “short-swing profit” with respect to a purchase or sale of Brunswick stock made while a Director or Officer and any matching sale or purchase made after ceasing to be a Director or Officer.

In all other respects, this Policy will cease to apply upon the expiration of any applicable Blackout Period in effect at the time your service as a Director or your Brunswick employment ends.

### **Reporting**

If you have reason to believe that Material Undisclosed Information has been inappropriately disclosed, report it to the Office of the General Counsel immediately.

### **Company Assistance**

Any questions about this Policy or its application to any proposed transaction should be directed to the Office of the General Counsel. Ultimately, however, the responsibility for adhering to this Policy and avoiding unlawful transactions rests with each individual. Violations of this Policy may result in discipline, up to and including termination of employment.

### **Exceptions**

N/A

### **Related Documents**

Brunswick Corporation Code of Conduct