BRUNSWICK CORP
Form DEF 14A
March 22, 2017
UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant Filed by a Party other than the Registrant

Check the appropriate box:
Preliminary Proxy Statement
Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
Definitive Proxy Statement
Definitive Additional Materials
Soliciting Material Pursuant to §240.14a-12

BRUNSWICK CORPORATION

(Name of Registrant as Specified In Its Charter)
(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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2017

Proxy Statement and
Notice of Annual Meeting

March 22, 2017

Dear Brunswick Shareholder:

We are pleased to invite you to attend our Annual Meeting of Shareholders, to be held on Wednesday, May 3, 2017, at 9:00 a.m. CDT at the Four Seasons Hotel, 120 East Delaware Place, Chicago, Illinois 60611.

As a Brunswick shareholder, you have shared in our financial and operational successes. Our results for 2016 reflected outstanding revenue growth, earnings and strong free cash flow. Our Board of Directors, the management team and our over 14,000 global employees are dedicated to regularly adding value for our shareholders.

In 2016, we continued the successful execution of our growth strategy, emphasizing product leadership with innovative products coupled with software solutions and advanced features, as well as completing targeted, strategic acquisitions and expanding production capacity. We expect 2017 will reflect continued focus on growth, including new products, capacity, acquisitions, productivity and efficiency initiatives and other growth-related investments.

We will begin mailing a notice to our shareholders on March 22, 2017, containing instructions about online access to our 2017 Proxy Statement and our Annual Report on Form 10-K for the year ended December 31, 2016, as well as instructions regarding how to receive paper copies of these documents if you prefer.

Your vote is very important. Whether or not you plan to attend the meeting, we urge you to vote via the Internet, by telephone or by signing and returning a proxy card. Please vote as soon as possible so that your shares will be represented.

Thank you for your continued support of Brunswick.

Sincerely,

Mark D. Schwabero

Chairman and Chief Executive Officer

Brunswick Corporation 1 N. Field Court Lake Forest, IL 60045-4811
Telephone 847.735.4700

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Notice of Annual
Meeting of Shareholders

May 3, 2017

9:00 a.m. CDT

Four Seasons Hotel, 120 East Delaware Place, Chicago, Illinois

March 22, 2017

Dear Brunswick Shareholder:

The Annual Meeting of Shareholders of Brunswick Corporation will be held at the Four Seasons Hotel, 120 East Delaware Place, Chicago, Illinois, on Wednesday, May 3, 2017 at 9:00 a.m. CDT. At the Annual Meeting, we will consider and vote upon the following matters:

(1) The election to our Board of Directors of the three nominees named in the attached Proxy Statement;
(2) The approval of the compensation of our named executive officers on an advisory basis;
(3) The approval of the frequency with which the advisory vote on the compensation of our named executive officers should be held, also on an advisory basis;
(4) The ratification of the Audit Committee's appointment of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2017; and
(5) Any other business that may properly come before the meeting.

Sincerely,

Christopher F. Dekker
Secretary

Brunswick Corporation 1 N. Field Court Lake Forest, IL 60045-4811
Telephone 847.735.4700

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Proxy Summary

This summary highlights information contained elsewhere in this Proxy Statement. This summary does not contain all of the information that you should consider, and you should read the entire Proxy Statement carefully before voting. Page references are supplied to help you find further information in this Proxy Statement.

Eligibility to Vote

You can vote if you were a shareholder of record at the close of business on March 2, 2017.

How to Cast Your Vote

You can vote by any of the following methods:

- Internet (www.proxyvote.com) until 5:00 p.m. EDT on May 2, 2017;
- Telephone 1-800-690-6903 until 5:00 p.m. EDT on May 2, 2017;
- Completing, signing and returning your proxy or voting instruction card to arrive by May 2, 2017; or
- In person, at the Annual Meeting: If you are a shareholder of record, your admission ticket is attached to your proxy card. If your shares are held in the name of a broker, bank or other nominee, you must bring proof of ownership with you to attend the meeting.
- If you hold shares in the Brunswick Retirement Savings Plan or the Brunswick Rewards Plan, you must direct the trustee of these plans how to vote these shares by one of the above methods not later than 5:00 p.m. EDT on April 28, 2017.

Voting Matters

	Board Vote Recommendation	Page Reference (for more detail)
Election of Directors	FOR each Director Nominee	12

Advisory Vote to Approve Executive Compensation	FOR	46
Advisory Vote on the Frequency of Advisory Votes on Executive Compensation	ONE YEAR	47
Ratification of the Appointment of Auditors	FOR	50

Business Highlights

(for more detail please see our Annual Report on Form 10-K filed with the Securities and Exchange Commission (SEC) on February 17, 2017)

Our 2016 results represent the seventh consecutive year of strong improvements in operating performance. Achievements aganist our objectives in 2016 were as follows:

• *Deliver revenue growth*

Ended the year with a 9 percent increase in net sales when compared with 2015

• *Increase earnings before income taxes, as well as deliver slight improvements in both gross margin and operating margin percentages*

Reported earnings before income taxes of $389.7 million in 2016 compared with earnings before income taxes of $315.2 million in 2015(1)

Improved gross margin by 20 basis points when compared with 2015

• *Continue to generate strong free cash flow and execute against our capital strategy*

Generated strong free cash flow of $233.8 million in 2016, an increase of $41.2 million compared to 2015(1)

Funded investments in growth with $276.1 million invested in acquisitions, as well as capital expenditures, including investments in new products and capacity expansion projects focused in the engine and fitness businesses

Contributed $74.6 million to our defined benefit pension plans in 2016

Enhanced shareholder returns by repurchasing $120.3 million of Common Stock under our share repurchase program and increased cash dividends paid to shareholders to $55.4 million in 2016 from 48.3 million in 2015

(1) Please see the Appendix for a reconciliation of non-GAAP measures.

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We achieved strong Total Shareholder Return (TSR) for the 3 years ended December 31, 2016

•3-year TSR: 21.9%

STOCK PRICE HISTORY

*Closing stock price as reported on the New York Stock Exchange for each year.

Director Nominees (page 12)

Name	**Age**	**Director since**	**Occupation**	**Independent (Yes/No)**	**Committee Memberships**	**Other Public Company Boards**
Nancy E. Cooper	63	2013	Retired; Executive Vice President & Chief Financial Officer of CA Technologies, Inc.	Yes	• Audit (Chair) • Executive • Qualified Legal Compliance	• The Mosaic Company • Teradata Corporation
Ralph C. Stayer	73	2002	Chairman and retired President and Chief Executive Officer of Johnsonville Sausage, L.L.C.	Yes	• Audit • Finance	
Jane L. Warner	70	2015	Retired; Executive Vice President-Decorative Surfaces and Finishing Systems of Illinois Tool Works Inc.	Yes	• Nominating and Corporate Governance • Finance • Qualified Legal Compliance	• Regal Beloit Corporation • Tenneco Inc.

Governance Highlights

•Mark D. Schwabero serves as our Chairman and Chief Executive Officer (CEO)

- Manuel A. Fernandez serves as our Lead Independent Director
- 9 of 10 directors are independent under the Board's Principles and Practices and the NYSE Listed Company Manual
- All of the members of the Audit, Finance, Human Resources and Compensation, Nominating and Corporate Governance and Qualified Legal Compliance Committees are independent
- All of the Audit Committee members are "financial experts," as SEC rules define that term
- Our directors collectively attended 97 percent of the 2016 Board and committee meetings

The Board regularly conducts assessments of its performance and, in 2016, retained a third party to assist with the self-assessment as a mechanism to generate candid feedback on Board, committee and individual director performance.

The Board believes that having our CEO serve as Chairman of the Board is in the best interest of shareholders because this structure ensures a seamless flow of communication between management and the Board, in particular with respect to the Board's oversight of our strategic direction, as well as the Board's ability to ensure management's focused execution of our strategy. Our strong Lead Independent Director position ensures robust and independent Board oversight.

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Executive Compensation (page 27)

Compensation Element	Metric(s)	Role	How Designed and Determined
Base Salary	n/a	Foundation of total pay, as incentives and benefits are a function of base salary.	Reviewed annually, targeting median of market. We consider external competitiveness, individual performance and internal equity when determining executives' base salaries.
Annual Incentive Plan	• Earnings Per Share (EPS) • Divisional Earnings Before Interest and Taxes (EBIT)	Primary element used to reward accomplishments against established business and individual goals within a given year.	Target funding based on planned performance for the year, as approved by the Board of Directors, with actual funding tied to annual performance against target metrics and limited to no more than 200 percent of target funding.
Performance Shares	• Cash Flow Return On Investment (CFROI) • Operating Margin • Relative Total Shareholder Return (TSR)	Focus management team on creating and sustaining value for shareholders.	Annual Performance Share grants for named executive officers (NEOs) represent 50 percent of targeted equity value. Three-year performance plan with shares earned based on achievement of CFROI and Operating Margin targets and Brunswick's TSR performance relative to the TSR of an established peer group, as measured over a three-year period.
Restricted Stock Units (RSUs)	• Absolute TSR	Reinforce retention and reward sustained TSR.	Annual RSU grants for NEOs represent 50 percent of targeted equity value. RSUs cliff vest at the end of a three-year period.

WHAT WE DO

We base a very high percentage of executive pay on performance

We require executives to achieve performance-based goals tied to shareholder return

We target median compensation levels and review market data of our peer group when making executive compensation decisions

We apply strict share ownership guidelines to NEOs and directors

We disclose complete information on annual incentive plans

We require vested shares from our equity compensation programs to be held until share ownership guidelines are met

We consider, and attempt to mitigate, risk in our compensation program

WHAT WE DON'T DO

We have no tax gross-ups (including perquisites, excise tax)

We have no modified single-trigger or single-trigger CIC severance agreements (we only use double-trigger CIC severance provisions)

We expressly forbid option repricing without shareholder approval in all of our equity plans

All of our active equity plans expressly forbid exchanges of underwater options for cash

We do not allow hedging of shares by our directors or employees

We do not allow pledging of shares by our directors or employees

We do not pay dividends or dividend equivalents on unearned performance shares

We use an independent compensation consultant
We have an established clawback policy
Starting in 2016, we implemented double-trigger equity award vesting acceleration upon involuntary termination following a Change in Control (CIC)
We engage in a rigorous and thoughtful executive succession planning process with the Board

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2016 Executive Total Targeted Compensation Mix (page 29)

Component	CEO	Other NEOs
Base Salary	15 %	29 %
Annual Incentives	18 %	23 %
Long-Term Incentives	67 %	48 %

2016 Executive Compensation Summary (page 37)

Name and Principal Position	Year	Salary	Stock Awards	Non-Equity Incentive Plan Compensation	Change in Pension Value and Non-Qualified Deferred Compensation Earnings	All Other Compensation	Total
Mark D. Schwabero(1) Chairman and Chief Executive Officer	2016	$971,154	$4,500,562	$ 1,035,000	$ -	$ 195,732	**$6,702,448**
William L. Metzger Senior Vice President and Chief Financial Officer	2016	$505,000	$999,224	$ 430,500	$ 37,684	$ 169,272	**$2,141,680**
John C. Pfeifer Vice President and President – Mercury Marine	2016	$475,000	$999,224	$ 377,000	$ 323	$ 123,341	**$1,974,888**
Huw S. Bower Vice President and President – Boat Group	2016	$332,061	$448,768	$ 240,000	$ -	$ 301,434	**$1,322,263**
Christopher F. Dekker Vice President, General Counsel and Corporate Secretary	2016	$424,616	$499,612	$ 271,500	$ -	$ 75,048	**$1,270,776**
Dustan E. McCoy(2) Former Chairman and Chief Executive Officer	2016	$187,339	$-	$ -	$ 186,316	$ 307,258	**$680,913**

(1) The Board of Directors appointed Mr. Schwabero as Chairman and CEO effective February 11, 2016.

(2) Mr. McCoy retired as Chairman and CEO effective February 11, 2016.

Advisory Votes Regarding Executive Compensation (pages 46 and 47) and Ratification of Appointment of Auditors (page 50)

In addition to the election of directors, we are asking shareholders to approve our compensation programs for named executive officers ("say-on-pay vote") and to approve the frequency of say-on-pay votes, both on a non-binding advisory basis, as well as to ratify the Audit Committee's appointment of Deloitte & Touche LLP as our independent registered public accounting firm for fiscal year 2017.

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PROXY STATEMENT

The Board of Directors of Brunswick Corporation is soliciting proxies from Brunswick's shareholders on behalf of the Company for the annual meeting to be held at the Four Seasons Hotel, 120 East Delaware Place, Chicago, Illinois 60611, on Wednesday, May 3, 2017, at 9:00 a.m. CDT (the Annual Meeting). As required by SEC rules, we are making this Proxy Statement and our Annual Report on Form 10-K available to our shareholders electronically via the Internet. In addition, we are using the SEC's Notice and Access Rules to provide shareholders with more options for receipt of these materials. Accordingly, on March 22, 2017, we will begin mailing a Notice of Internet Availability of Proxy Materials (the Notice) to our shareholders containing instructions about how to access this Proxy Statement and Brunswick's Annual Report via the Internet, how to vote online or by telephone and how to receive paper copies of the documents and a proxy card.

ABOUT THE MEETING

What is the purpose of the Annual Meeting?

At the Annual Meeting, shareholders will act upon matters described in the Notice, including:

- The election to our Board of Directors of the three nominees named in this Proxy Statement
- An advisory say-on-pay vote to approve the compensation of our named executive officers
- An advisory vote to approve every one, two or three years as the frequency of the say-on-pay vote
- Ratification of the Audit Committee's appointment of Deloitte & Touche LLP (Deloitte) as our independent registered public accounting firm for the fiscal year ending December 31, 2017.

Who may vote at the Annual Meeting?

Only holders of one or more of the 89,439,717 shares of Brunswick common stock, par value $.75 per share (Common Stock), issued and outstanding as of the close of business on March 2, 2017 (the Record Date) will be entitled to vote at the Annual Meeting. Each holder as of the Record Date is entitled to one vote for each share of Brunswick Common Stock held.

Who can attend the Annual Meeting?

Only shareholders who owned Common Stock as of the Record Date, or their duly appointed proxies, will be entitled to attend the Annual Meeting. If you hold your shares through a broker, bank or other nominee, you will not be admitted to the Annual Meeting unless you bring a copy of a statement (such as a brokerage statement) from your nominee reflecting your stock ownership as of the Record Date.

How do I vote?

If you are a shareholder of record as of the Record Date, you can vote: (i) by attending the Annual Meeting; (ii) by following the instructions on your Notice for voting by telephone at 1-800-690-6903 or via the Internet at *www.proxyvote.com*; or (iii) by signing, dating and mailing in a proxy card. The deadline for voting by telephone or via the Internet is 5:00 p.m. EDT on May 2, 2017.

If you hold your shares through a broker, bank or other nominee, that institution will instruct you as to how your shares may be voted by proxy, including whether telephone or Internet voting options are available. If you hold your shares through a broker, bank or other nominee and would like to vote in person at the Annual Meeting, you must first obtain a proxy issued in your name from the institution that holds your shares.

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If you hold any shares in the Brunswick Retirement Savings Plan or the Brunswick Rewards Plan, you must direct the trustee of these plans how to vote these shares by following the instructions on your Notice for voting by telephone at 1-800-690-6903 or via the Internet at *www.proxyvote.com*, or by signing, dating and mailing in a proxy card. The deadline for voting shares held in the Brunswick Retirement Savings Plan or the Brunswick Rewards Plan is 5:00 p.m. EDT on April 28, 2017. The trustee will vote these shares as you direct. The trustee will vote allocated shares of Common Stock for which proxies are not received in direct proportion to voting by allocated shares for which proxies are received.

Can I change my vote after I have voted?

You may revoke your proxy and change your vote at any time before the final vote at the Annual Meeting, including voting via the Internet or by telephone (only your latest Internet or telephone proxy that is timely submitted prior to the meeting will be counted), by signing and returning a new proxy card with a later date, or by attending the meeting and voting in person. However, your attendance at the Annual Meeting will not automatically revoke your proxy unless you vote again at the meeting or specifically request in writing that your prior proxy be revoked.

Who will count the votes?

Brunswick's tabulator, Broadridge Financial Solutions, Inc., will count the votes. Representatives of Brunswick's Law Department will act as inspectors of election.

How will my shares be voted if I sign, date and return a proxy card?

If you sign, date and return a proxy card and indicate how you would like your shares to be voted, your shares will be voted as you have instructed. If you sign, date and return a proxy card but do not indicate how you would like your shares to be voted, your proxy will be voted in accordance with the Board's recommendations. With respect to any other matter that is properly brought before the meeting, the proxy holders will vote the proxies held by them in accordance with their best judgment.

What are the Board's recommendations?

For the election of the three director nominees named in this Proxy Statement

For the approval of the compensation of our named executive officers

For continued annual review (frequency of every one year) of the compensation of our named executive officers

For the ratification of the Audit Committee's appointment of Deloitte as our independent registered public accounting firm for the fiscal year ending December 31, 2017.

What vote is required to approve each matter to be considered at the Annual Meeting?

Election of Directors. Brunswick has adopted a majority voting standard for the uncontested election of directors and, therefore, the three director nominees shall be elected to the Board of Directors if they each receive a majority of the votes cast, in person or by proxy, at the Annual Meeting. Under Brunswick's majority voting standard for uncontested elections, if the number of votes cast "For" a director nominee's election does not exceed the number of votes cast "Against" election, then the director nominee must tender his or her resignation from the Board promptly after certification of the shareholders' vote. The Board will decide within 120 days of that certification, through a process managed by the Nominating and Corporate Governance Committee and excluding the director nominee in question, whether to accept the resignation. Because Brunswick has adopted a majority voting standard for the uncontested election of directors, abstentions will have no effect on the election of director nominees. If any one or more of the three director nominees is unable to serve, votes will be cast, pursuant to authority granted by the enclosed proxy, for the alternate individual or individuals the Board designates.

Advisory Approval of Executive Compensation. The affirmative vote of the holders of a majority of the shares having voting power, represented in person or by proxy, will be required for the approval of the non-binding

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resolution relating to the compensation of our named executive officers. Because approval of this resolution requires a majority of the shares having voting power and represented at the Annual Meeting, abstentions will have the same effect as votes against approval.

Frequency of Votes on Executive Compensation. You will have four choices with respect to this proposal: one year, two years, three years or you may abstain from voting on the proposal. The frequency receiving the greatest number of votes will be considered the frequency that shareholders approve. Abstentions will have no effect.

Ratification of the Appointment of Independent Registered Public Accounting Firm. The affirmative vote of the holders of a majority of the shares having voting power, represented in person or by proxy, will be required for the ratification of the Audit Committee's appointment of Deloitte as Brunswick's independent registered public accounting firm for the fiscal year ending December 31, 2017. Because the vote to ratify the independent registered public accounting firm requires a majority of the shares having voting power and represented at the Annual Meeting, abstentions will have the same effect as votes against ratification.

What constitutes a quorum?

The Annual Meeting will be held only if a quorum is present. A quorum will be present if a majority of the 89,439,717 shares of Common Stock issued and outstanding on the Record Date are represented, in person or by proxy, at the Annual Meeting. Shares represented by properly completed proxy cards or ballots marked "Abstain" or returned without voting instructions are counted as present for the purpose of determining whether a quorum is present. In addition, broker non-votes will be counted as present for quorum purposes.

How will broker non-votes be treated?

Broker non-votes occur when a broker lacks discretionary authority to vote on a proposal and the beneficial owner has not provided instructions about how to vote. Brunswick will treat broker non-votes as present to determine whether or not there is a quorum at the Annual Meeting, but they will not be treated as having voting power on the proposals, if any, for which the broker indicates it does not have discretionary authority. This means that broker non-votes will not have any effect on whether a proposal passes.

We expect that brokers will have discretionary authority with respect to the proposal to ratify the appointment of our independent registered public accounting firm but will lack discretionary authority with respect to the election of directors, the advisory vote to approve the compensation of our named executive officers and the advisory vote on the approval of the frequency of advisory votes to approve executive compensation. Accordingly, broker non-votes may occur as to these three proposals.

Will my vote be kept confidential?

Yes. As a matter of policy, shareholder proxies, ballots and tabulations that identify individual shareholders are kept confidential and are available only to our tabulator and inspectors of election, who are obligated to keep your vote confidential.

Who pays to prepare, mail and solicit the proxies?

Brunswick pays all of the costs of preparing, mailing and soliciting proxies. We ask brokers, banks, voting trustees and other nominees and fiduciaries to forward notices and, when requested, proxy materials to the beneficial owners and to obtain authority to execute proxies. We reimburse the brokers, banks, voting trustees and other nominees and fiduciaries upon request. In addition to solicitation by mail, telephone, facsimile, Internet or personal contact by our designated officers and employees (who will not receive additional compensation for their solicitation efforts), we have retained the services of Georgeson Inc. to solicit proxies for a fee of $9,900 plus expenses.

What if other matters come up during the Annual Meeting?

If any matters other than those referred to in the Notice properly come before the meeting, the individuals named in the accompanying form of proxy will vote the proxies held by them in accordance with their best judgment. We are not aware of any business other than the items referred to in the Notice that may be considered at the meeting.

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Why did I receive a one-page notice in the mail regarding the Internet availability of proxy materials instead of a full set of printed proxy materials?

Pursuant to SEC rules, we are required to provide access to our proxy materials via the Internet and have elected to use the SEC's Notice and Access Rules for soliciting proxies. Accordingly, we are sending a Notice to all of our shareholders as of the Record Date. All shareholders may access our proxy materials on the website referred to in the Notice. You may also request to receive a printed set of the proxy materials. You can find instructions regarding how to access our proxy materials via the Internet and how to request a printed copy in the Notice. Additionally, by following the instructions in the Notice, you may request to receive proxy materials in printed form by mail or electronically by e-mail on an ongoing basis. Choosing to receive your future proxy materials by e-mail will save us the cost of printing and mailing documents to you and will reduce the impact of our Annual Meetings on the environment. If you choose to receive future proxy materials by e-mail, you will receive an e-mail next year with instructions containing a link to those materials and a link to the proxy voting site. Your election to receive proxy materials by e-mail will remain in effect until you terminate it.

Multiple individuals residing in my home are beneficial owners of shares of Common Stock. Why did we receive only one mailing?

Brunswick is sending only one envelope with multiple Notices to you if you share a single address with another shareholder, unless we have received instructions to the contrary from you. This practice, known as "householding," is designed to eliminate duplicate mailings, conserve natural resources and reduce our printing and mailing costs. We will promptly deliver a separate Notice to you upon written or verbal request. If you wish to receive duplicate mailings in the future, you may contact Brunswick Shareholder Services by telephone at 847.735.4294, by mail at 1 N. Field Court, Lake Forest, IL 60045, or by e-mail at *services@brunswick.com*.

If you currently receive multiple Notices, you can request householding by contacting Shareholder Services as described above. If you own your shares through a broker, bank or other nominee, you can request householding by contacting the holder of record.

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PROPOSAL NO. 1: ELECTION OF DIRECTORS

At the Annual Meeting, shareholders will elect three individuals to serve on the Board of Directors. The current Board of Directors has nominated Nancy E. Cooper, Ralph C. Stayer and Jane L. Warner for election as directors to serve for terms expiring at the 2020 Annual Meeting or until their respective successors have been elected and qualified.

The Board of Directors currently has ten members divided among three classes, one of which consists of four directors and two of which consist of three directors. Biographical information follows for each nominee and each director whose term of office will continue after the Annual Meeting. Additional information is set forth below regarding the specific experience, qualifications, attributes or skills of each member of the Board of Directors that led the Board to conclude that such individual should serve on the Board in light of our business and leadership structure.

Nominees for Election for Terms Expiring at the 2020 Annual Meeting

Nancy E. Cooper

Director since 2013

Retired; Executive Vice President and Chief Financial Officer of CA Technologies, Inc., one of the largest independent software corporations in the world, 2006 to 2011; Chief Financial Officer of IMS Health, Inc., a global information and technology services company, 2001 to 2006; director of The Mosaic Company, Teradata Corporation and Guardian Life Insurance Company of America; age 63; serves as the Chair of the Audit Committee.

As the former Executive Vice President and Chief Financial Officer of CA Technologies, Ms. Cooper brings financial acumen and technology experience to our Board. Ms. Cooper's extensive experience as a Chief Financial Officer and her other financial leadership roles for several companies, as well as her service on the audit committees of two other public companies, assists the Board in several areas including finance, internal control and audit.

Ralph C. Stayer

Director since 2002

Chairman, Johnsonville Sausage, LLC, a maker of sausage products, since 1980; President and Chief Executive Officer of Johnsonville Sausage, LLC, 1980 to 2015; Founder of Leadership Dynamics, a consulting firm; Member of the Board of Trustees of Boston College; age 73.

As the leader of a successful consumer-focused private enterprise, Mr. Stayer brings extensive management experience to the Board in the areas of effective competition, production, distribution, marketing and financial matters. Additionally, Mr. Stayer's writing, teaching and consulting work relating to organizational development and leadership enable him to provide our management and Board with advice and guidance in relation to strategic, organizational and individual development.

Jane L. Warner

Director since 2015

Retired; Executive Vice President -Decorative Surfaces and Finishing Systems of Illinois Tool Works Inc., a diversified manufacturer of highly engineered components and industrial systems and consumables, 2007 to 2013; Group President of Global Finishing Systems of Illinois Tool Works Inc., 2005 to 2007; President of Plexus Systems, L.L.C. (now known as Plex), an online manufacturing software company, 2004 to 2005; Vice President of Electronic Data Systems, 2000 to 2004; Executive Vice President and President of Kautex North America and Randall divisions for Textron Automotive, 1994 to 1999. Formerly, Ms. Warner held executive positions in manufacturing, engineering and human resources over a 20-year span at General Motors Corporation; director of Regal Beloit Corporation and Tenneco Inc.; previously served as director of MeadWestvaco Corporation; age 70.

With almost 40 years of experience at global manufacturing and manufacturing information systems businesses, Ms. Warner has particular appreciation for the challenges facing our operations, distribution network and customers. Her leadership roles in these diverse companies, along with the financial understanding she has gained through her business unit leadership, assists our Board in working through the issues that confront our global businesses.

Your Board of Directors recommends a vote FOR the election of the nominees named above.

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Directors Continuing in Office until the 2018 Annual Meeting

Manuel A. Fernandez

Director since 1997

Retired; Executive Chairman of Sysco Corporation, a marketer and distributor of foodservice products, 2012 to 2013; Non-Executive Chairman of Sysco Corporation, 2009 to 2012; Managing Director, SI Ventures, LLC, a venture capital partnership, since 1998; Chairman, Chief Executive Officer and President of Gartner Group, a technology research and advisory firm, 1991 to 1999; previously served as President and Chief Executive Officer at Dataquest, Inc, Gavilan Computer Corporation and Zilog Incorporated; director of Leggett and Platt Incorporated and Time Inc.; previously served as Chairman of the University of Florida Board of Trustees, Chairman Emeritus of Gartner, Inc., director of Flowers Foods, Inc., Stanley Black & Decker, Inc. and Tibco Software, Inc.; age 70; serves as the Lead Independent Director and as Chair of the Nominating and Corporate Governance and Qualified Legal Compliance Committees.

As the former Executive Chairman of a foodservice products company and the Managing Director of a venture capital partnership, Mr. Fernandez brings significant experience and knowledge to our Board regarding strategic planning, acquisitions, corporate governance and human resources. Mr. Fernandez's extensive experience in information technology, including his prior role as Chairman and Chief Executive Officer of a leading information technology company, as well as with a variety of businesses with strong commercial product offerings, allows him to provide invaluable advice and guidance to our Company's management and Board regarding innovation, technology strategy and distribution.

Mark D. Schwabero

Director since 2014

Chairman and Chief Executive Officer of Brunswick Corporation since February 2016; President and Chief Operating Officer of Brunswick Corporation, 2014 to February 2016; Vice President and President — Mercury Marine, 2008 to 2014; President — Mercury Outboards, 2004 to 2008; previously served as President and Chief Executive Officer of Hendrickson International, President, Automotive Products and Regional President for Pilkington Libby-Owens Ford, President of Bosch Braking Systems, North America and positions of increasing responsibility in over 17 years with Navistar International; director of 1st Source Corporation; age 64.

As the Chairman and Chief Executive Officer and as the former President and Chief Operating Officer of Brunswick Corporation, Mr. Schwabero's roles have provided him with extensive knowledge of our businesses and industries and allow him to communicate effectively about our operations and business strategy with the Board. Mr. Schwabero has extensive knowledge of the Company and is uniquely qualified to assist the Board on strategic and operating issues facing the Company. Based on his various roles within Brunswick and prior experience, Mr. Schwabero brings comprehensive management and manufacturing experience to our Board and, as former Chairman of the National Marine Manufacturers Association, understands the operations, finances and marketing challenges facing companies in the marine market.

David V. Singer

Director since 2013

Retired; Chief Executive Officer of Snyder's-Lance, Inc., a leading snack food company, 2010 to 2013; President and Chief Executive Officer of Lance, Inc., 2005 to 2010; Executive Vice President and Chief Financial Officer of Coca-Cola Bottling Company Consolidated, 2001 to 2005; director of Flowers Foods, Inc., Hanesbrands, Inc. and SPX Flow, Inc.; previously served as director of Lance, Inc. and Snyder's-Lance, Inc.; age 61.

As the former Chief Executive Officer of a maker and marketer of snack foods throughout the world and through his director and public company audit committee roles, Mr. Singer brings extensive management and financial experience to our Board, as well as experience in supply chain, manufacturing, logistics and distribution matters. Mr. Singer's experience in corporate finance, governance and acquisitions, as well as his service on the audit committees of two other public companies, is beneficial to the Board in several areas including oversight of external auditors and internal controls.

J. Steven Whisler

Director since 2007

Retired; Chairman and Chief Executive Officer of Phelps Dodge Corporation, a mining and manufacturing company, 2000 to 2007; employed by Phelps Dodge Corporation in a number of positions since 1976, including President and Chief Operating Officer; director of CSX Corporation and lead director of International Paper Company; previously served as director of Burlington Northern Santa Fe Corporation and U.S. Airways Group; age 62; serves as the Chair of the Human Resources and Compensation Committee.

As the former Chairman and Chief Executive Officer of a mining and manufacturing company with operations on several continents, Mr. Whisler has extensive experience with international business operations and regulatory compliance matters. Additionally, Mr. Whisler's background enables him to provide strategic advice and guidance to our Company's management and Board regarding financial, human resources and risk oversight matters.

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Directors Continuing in Office until the 2019 Annual Meeting

Nolan D. Archibald

Director since 1995

Retired; Executive Chairman of Stanley Black & Decker, Inc., a consumer and commercial products company, 2010 to 2013; Chairman, President and Chief Executive Officer of The Black & Decker Corporation, 1986 to 2010; recipient of the American Marketing Association's Edison Achievement Award; director of Huntsman Corporation and Lockheed Martin Corporation; age 73; serves as the Chair of the Finance Committee.

As the former Executive Chairman and Chief Executive Officer of a global consumer and commercial products company, with more than 25 years of experience in those roles, Mr. Archibald brings significant experience and knowledge to our Board in the areas of business management, strategic planning, marketing and international business operations. Mr. Archibald is also well-suited to provide advice and guidance to our management and Board on a wide variety of financial issues.

David C. Everitt

Director since 2012

Retired; President, Agricultural and Turf Division - North America, Asia, Australia, and Sub-Saharan and South Africa, and Global Tractor and Turf Products of Deere & Company, the world's largest manufacturer of agricultural equipment and a major U.S. producer of construction, forestry and lawn and grounds care equipment, 2009 to 2012; President, Agricultural Division — North America, Australia, Asia and Global Tractor and Implement Sourcing, 2006 to 2009; President, Agricultural Division — Europe, Africa, South America and Global Harvesting Equipment Sourcing, 2001 to 2006; director of Agrium Inc., Allison Transmission Holdings, Inc. and Harsco Corporation; age 64.

As the former President of Deere & Company's largest division, Mr. Everitt brings his engineering experience, global expertise and extensive knowledge of dealer and distribution issues to our Board. Mr. Everitt also provides crucial operations, manufacturing and marketing experience.

Roger J. Wood

Director since 2012

Retired; President and Chief Executive Officer of Dana Holding Corporation, a world leader in the supply of axles, driveshafts, off-highway transmissions, sealing and thermal-management products and genuine service parts, 2011 to 2015; Group President, Engine of BorgWarner, Inc., a worldwide automotive industry components and parts supplier, 2010 to 2011; Executive Vice President of BorgWarner, Inc., 2009 to 2011; President of BorgWarner Turbo Systems Inc. and BorgWarner Emissions Systems Inc., 2005 to 2009; director of Tenneco Inc. and lead director of Fallbrook Technologies; previously served as director of Dana Holding Corporation; age 54.

As the former President and Chief Executive Officer of Dana, and given his many years of service at another Tier-1 automotive supplier, Mr. Wood has unique insight and brings significant knowledge to the Board in the areas of manufacturing operations, business management and strategic planning, enabling him to provide strategic advice and guidance on global operations and strategic planning.

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CORPORATE GOVERNANCE

Overview

The Board of Directors has adopted written Principles and Practices (the Principles) which are available on our website, *www.brunswick.com/ company/governance/principlespractices.php,* or in print upon request by any Brunswick shareholder. The Principles set the framework for our governance structure. The Board believes that good corporate governance is a source of competitive advantage for Brunswick. Good governance allows the skills, experience and judgment of the Board to support our executive management team, enabling management to improve our performance and maximize shareholder value.

As set forth in the Principles, the Board's responsibilities include overseeing and directing management in building long-term value for shareholders. The Chief Executive Officer (CEO) and the senior management team are responsible for managing day-to-day business operations and for presenting regular updates to the Board about our business. The Board offers the CEO and management constructive advice and counsel and may, in its sole discretion and at the Company's expense, obtain advice and counsel from independent legal, financial, accounting, compensation and other advisors.

The Board of Directors met six times during 2016. Our directors collectively attended 97 percent of the 2016 Board and committee meetings, with each director attending more than 80 percent of the aggregate of the Board meetings and meetings of committees of which he or she was a member during 2016. The Principles provide that all members of the Board are requested to attend Brunswick's Annual Meeting of Shareholders. All members of the Board then in office except one, who missed the meeting due to a previously scheduled conflict, attended the 2016 Annual Meeting of Shareholders.

The independent directors regularly meet in executive session without members of management present. The Lead Independent Director, Manuel A. Fernandez, presides and acts as the Board's leader when it meets in executive session or when the Chairman and CEO is unable to lead the Board's deliberations. Additionally, the Lead Independent Director serves as a liaison between management and the Board and is responsible for consulting with the Chairman and CEO regarding Board and committee meeting agendas and Board governance matters.

Board Composition and Qualifications

Among other things, the Board expects each director to understand our business and the markets in which we operate, monitor economic and business trends and use his or her perspective, background, experience and knowledge to provide management with insights and guidance. To that end, the Board is comprised of business savvy directors with strategic mindsets and meaningful operational skills. The Board continually monitors its members' skills and experience and considers its members' expertise for succession planning and committee assignments. As part of this evaluation process, the Board engages an outside consultant, on a triennial basis, to interview directors and assist with the Board, committee and director self-evaluations. This third party also provides feedback on Board performance relative to peers. In 2016, the Board again engaged a third party to conduct this assessment.

Director Experience and Qualifications

	N. Archibald	**N. Cooper**	**D. Everitt**	**M. Fernandez**	**M. Schwabero**	**D. Singer**	**R. Stayer**	**J. W**
Audit/Finance Experience								
Global Experience								
Operations/Manufacturing								
Marketing								
Technology								
Dealers/Distribution								
CEO Experience								
Marine/Fitness Industry Experience								
Public Company Board Experience								
Regulatory/Legal/ Governance								
Diversity								

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Board Selection and Refreshment

The Nominating and Corporate Governance Committee (Governance Committee) is responsible for, among other things, identifying, screening, personally interviewing and recommending director nominee candidates to the Board. The Governance Committee considers:

- Integrity
- Experience
- Achievements
- Judgment
- Intelligence
- Personal character
- Ability to make independent analytical inquiries
- Willingness to devote adequate time to Board duties
- Likelihood of Board tenure over a sustained period

Although we do not have a formal policy with respect to diversity as a consideration in the identification of nominees for the Board, the Board and the Governance Committee believe that diversity is important. Therefore, additional consideration is given to achieving an overall diversity of perspectives, backgrounds and experiences in Board membership. The Governance Committee may retain a third-party search firm to assist it with identifying qualified candidates that meet the needs of the Board at that time. The Principles require a non-employee director to retire from the Board at the first annual meeting of shareholders following his or her 75th birthday, and for an employee director to retire when he or she ceases employment with Brunswick.

The Governance Committee will consider qualified director candidates who shareholders suggest by written submissions to Brunswick’s Secretary at Brunswick Corporation, 1 N. Field Court, Lake Forest, Illinois 60045; Attention: Corporate Secretary’s Office (fax: 847.735.4433; e-mail *corporate.secretary@brunswick.com).* Any recommendation a shareholder submits must include the name of the candidate, a description of the candidate’s educational and professional background, contact information for the candidate and a brief explanation of why the shareholder believes the candidate is suitable for election. The Governance Committee will apply the same standards in considering director candidates recommended by shareholders that it applies to other candidates.

In addition to recommending director candidates to the Governance Committee, shareholders may also, pursuant to procedures established in our Amended By-Laws, directly nominate one or more director candidates to stand for election through our advance notice or proxy access procedures set forth in our Amended By-Laws. To nominate director candidates to stand for election at an annual meeting of shareholders without including them in our proxy materials, a shareholder must deliver written notice of the nomination to Brunswick's Secretary not less than 90 days nor more than 120 days prior to the anniversary date of the immediately preceding annual meeting of shareholders. For a special meeting of shareholders, a shareholder wishing to make such a nomination must deliver written notice of the nomination to Brunswick's Secretary no later than the close of business on the tenth day following the date on which notice of the meeting is first given to shareholders. In either case, a notice of nomination submitted by a shareholder must include information concerning the nominating shareholder and the shareholder's nominee(s) as required by our Amended By-Laws.

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Board Leadership Structure

- Mr. Schwabero serves as our Chairman and CEO
- Mr. Fernandez serves as our Lead Independent Director
- 9 of 10 directors are independent under the Board's Principles and Practices and the NYSE Listed Company Manual
- All of the members of the Audit, Finance, Human Resources and Compensation, Nominating and Corporate Governance and Qualified Legal Compliance Committees are independent
- All of the Audit Committee members are "financial experts," as SEC rules define that term

The Board of Directors believes that having the Company's CEO serve as Chairman of the Board is in the best interest of shareholders at this time because this structure ensures a seamless flow of communication between management and the Board, in particular with respect to the Board's oversight of our strategic direction, as well as the Board's ability to ensure management's focused execution of that strategy. Our strong Lead Independent Director position ensures that there are processes in place for robust and independent Board oversight.

The Board believes that the combined role of Chairman and CEO, together with the appointment of a Lead Independent Director by the other independent directors, a substantial majority of independent directors and the use of regular executive sessions of non-management directors achieves an appropriate balance between the effective development of key strategic and operational objectives and independent oversight of management's execution of those objectives.

Additionally, the Board believes that because the Chairman and CEO is the director most familiar with our business, industry and day-to-day operations, he is well-positioned to help the Board focus on those issues of greatest importance to the Company and its shareholders and to assist the Board with identifying our strategic priorities, as well as the short-term and long-term risks and challenges facing us. While independent directors have invaluable experience and expertise from outside the Company and its businesses, giving them different perspectives regarding the development of our strategic goals and objectives, the CEO is well-suited to bring Company-specific experience and industry expertise to his discussions with non-management directors.

Recent Focus Areas

Our Board is active and engaged, not only providing outstanding oversight and governance, but also refining procedures consistent with current best practices.

Proxy access implementation in 2016 (see Shareholder Engagement)

Leadership succession planning and execution, including the successful transitions of our Chairman and CEO and other Company officers

Acquisitions and strategic growth plans

Director Independence

The Principles require that independent directors must constitute a substantial majority of the Board and that no more than two members of management may serve on the Board at the same time. The Principles provide that a director shall be considered to be independent if he or she satisfies the general director independence standards established by the NYSE. The NYSE standards provide that a director will not be independent unless the Board affirmatively determines that the director has no material relationship with Brunswick (either directly or as a partner, shareholder or officer of an organization that has a relationship with Brunswick). In addition, the NYSE standards provide that a director is not independent if:

- The director is, or within the prior three years has been, a Brunswick employee, or a member of the director's immediate family is, or within the prior three years has been, an executive officer of Brunswick;
- The director or an immediate family member of the director has received, during any 12-month period within the prior three years, more than $120,000 in direct compensation from Brunswick (excluding fees for Board and Board committee service, pension or other forms of deferred compensation for prior service, provided such compensation is not contingent in any way on continued service);
- Certain specified relationships exist between the director, a member of the director's immediate family and a firm that serves or has served as Brunswick's internal or external auditor;
- The director is a partner or employee of a firm that is Brunswick's internal or external auditor;
- A member of the director's immediate family is a partner of a firm that is Brunswick's internal or external auditor, or is an employee of such a firm and personally works on Brunswick's audit;
- The director or an immediate family member was within the last three years a partner or employee of a firm that is or was Brunswick's internal or external auditor and personally worked on Brunswick's audit during that time;
- The director or a member of the director's immediate family is, or within the prior three years has been, employed as an executive officer of any other business organization in which any of Brunswick's current executive officers serve or served on that business organization's compensation committee; or

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- The director is an employee of, or a member of the director's immediate family is a director or an executive officer of, a business organization that has made payments to, or received payments from, Brunswick for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of $1.0 million or 2 percent of the business organization's consolidated gross revenues.

Applying the NYSE standards described above, and considering all relevant facts and circumstances, the Board has made an affirmative determination that none of the non-management directors has a material relationship with Brunswick and that all non-management directors, comprised of Mr. Archibald, Ms. Cooper, Mr. Everitt, Mr. Fernandez, Mr. Singer, Mr. Stayer, Ms. Warner, Mr. Whisler and Mr. Wood, are independent.

Shareholder Engagement

We conduct extensive shareholder outreach throughout the year, including face-to-face investor meetings, conferences and other events. This ensures that management and the Board understand, consider and address the issues that matter most to our shareholders. Our shareholders also have the power to amend our by-laws. Most recently, the Board adopted proxy access provisions in our Amended By-Laws in May 2016, providing that a shareholder or group of up to 20 shareholders owning 3% or more of our Common Stock continuously for at least 3 years may nominate director candidates to be included in the Proxy Statement, as explained in more detail in our Amended By-Laws. In order to be included in our Proxy Statement for an annual meeting, the nomination notice must be provided between 120 and 150 days before the anniversary date that we first mailed our Proxy Statement for the annual meeting of the previous year, and must comply with all applicable requirements in the Amended By-Laws.

Shareholder Communication with the Board

The Principles provide that our shareholders or other interested parties may, at any time, communicate in writing with the Board, the Lead Independent Director or the non-management directors as a group, by writing to:

Brunswick Corporation
1 N. Field Court
Lake Forest, IL 60045
Attention: Corporate Secretary's Office
fax: 847.735.4433
e-mail *corporate.secretary@brunswick.com*

The General Counsel will review and distribute to the Board, the Lead Independent Director or the non-management directors as a group, as appropriate, copies of written communications received by any of these means, depending on the subject matter and facts and circumstances described in the communication. Communications that are not related to the duties and responsibilities of the Board, or are otherwise considered to be improper for submission to the intended recipient(s), will not be forwarded to the Board, the Lead Independent Director or the non-management directors.

Board Committees

The Board of Directors has six committees: Audit, Finance, Human Resources and Compensation, Nominating and Corporate Governance, Qualified Legal Compliance and Executive. Each committee is comprised solely of independent directors, as that standard is determined by the Board's Principles and Practices (the Principles) and the New York Stock Exchange (NYSE) Listed Company Manual, with the exception of the Executive Committee, of which Mr. Schwabero is a member. Each of the committees may, at its sole discretion and at Brunswick's expense, obtain advice and assistance from outside legal, financial, accounting or other experts and advisors.

The following table shows the current membership of these committees:

Name	Audit	Finance	Human Resources and Compensation	Nominating and Corporate Governance	Qualified Legal Compliance	Executive
Nolan D. Archibald		Chair				X
Nancy E. Cooper	Chair				X	X
David C. Everitt			X	X	X	
Manuel A. Fernandez			X	Chair	Chair	X
Mark D. Schwabero						X
David V. Singer	X	X				
Ralph C. Stayer	X	X				
Jane L. Warner		X		X	X	
J. Steven Whisler			Chair	X	X	X
Roger J. Wood	X	X				

The principal responsibilities of each of these committees are described generally below and in detail in their respective committee charters, which are available at *www.brunswick.com/company/governance/committees.html*, or in print upon request by any Brunswick shareholder.

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Audit Committee

Members of the Audit Committee are Ms. Cooper (Chair), Mr. Singer, Mr. Stayer and Mr. Wood. The Board has determined that each member of the Audit Committee is a “financial expert” as that term is defined by SEC rules.

The Audit Committee assists the Board in overseeing Brunswick’s accounting, auditing and reporting practices, its independent registered public accounting firm, its system of internal controls and the completeness and integrity of its financial information and disclosures. The Committee reviews certain regulatory and compliance matters, policies regarding risk assessment and risk management, corporate tax strategy, cybersecurity and our Informantion Security Program. The Audit Committee maintains free and open communication, and meets separately at each regularly scheduled Board meeting with the Company’s independent registered public accounting firm, its internal auditors and management.

The Audit Committee met eleven times during 2016.

Finance Committee

Members of the Finance Committee are Mr. Archibald (Chair), Mr. Singer, Mr. Stayer, Ms. Warner and Mr. Wood. The Finance Committee assists the Board in overseeing Brunswick’s financial performance and financial structure, including debt structure, financial policies and procedures, capital expenditures and capital expenditure budgets. The Committee also reviews proposals for corporate financing, short-term and long-term borrowings, the declaration and distribution of dividends, material investments and divestitures, share repurchases, insurance coverage and related matters, as well as the funding and performance of Brunswick’s pension plans, derivatives and associated hedging practices.

The Finance Committee met six times during 2016.

Human Resources and Compensation Committee

Members of the Human Resources and Compensation Committee (the Compensation Committee) are Mr. Whisler (Chair), Mr. Everitt and Mr. Fernandez. The Compensation Committee’s responsibilities, among other duties, include the following:

- Annually review and approve goals and objectives for Brunswick’s senior executives; together with the CEO, evaluate the performance of senior executives in light of these criteria; and oversee management development and succession planning;

- Annually review and make recommendations to the Board of Directors about the compensation (including salary, annual incentive and other cash compensation) of the CEO and, together with the Nominating and Corporate Governance Committee, oversee the annual review of CEO’s performance;

- Approve equity awards to the CEO and compensation (including salary, annual incentive, stock options and other equity-based and other incentive compensation) to be paid to other senior executives, and authorize the CEO to approve awards to employees other than senior executives based on criteria established by the Compensation Committee; and

- Oversee the development of a compensation philosophy for the Company that is consistent with its long-term strategic goals and does not encourage unnecessary risk-taking.

The Compensation Committee meets in conjunction with regularly scheduled meetings of the Board of Directors and as otherwise required. The Chairman and CEO, as well as the Vice President and Chief Human Resources Officer, regularly attend meetings although they are not present for any discussions involving their own compensation or performance evaluations. At each meeting, the Committee meets in executive session.

The Chairman and CEO is responsible for establishing strategies to achieve the Company’s objectives. To ensure that executive compensation is consistent with those objectives, the Chairman and CEO is responsible for making recommendations to the Compensation Committee regarding the following: compensation goals and principles; the peer group of companies to be used to determine compensation ranges and prevailing compensation practices; selection of performance targets for incentive plans, with input from other senior executives; performance rating and compensation actions to be taken; and salary increases, incentive awards and equity grants for senior executives.

The Compensation Committee collaborates with the Chairman and CEO to develop incentive funding formulas for Brunswick divisions, and for conducting performance evaluations, talent development and succession planning for senior executives. The Committee establishes criteria pursuant to which Brunswick’s senior executives allocate equity awards to non-executive employees, and oversees Brunswick’s Human Resources Department in its administration of compensation and benefit plans.

The Compensation Committee continues to engage Frederic W. Cook & Co., Inc. (FW Cook) to provide advice on various aspects of Brunswick’s executive compensation programs. The Committee meets with FW Cook in executive session on a regular basis and FW Cook reports directly to the Committee. The Compensation Committee has assessed the independence of FW Cook pursuant to applicable SEC rules and NYSE listing standards and has concluded that FW Cook’s work for the Compensation Committee does not raise any conflict of interest.

The Compensation Committee met six times during 2016.

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Nominating and Corporate Governance Committee

Members of the Nominating and Corporate Governance Committee (Governance Committee) are Mr. Fernandez (Chair), Mr. Everitt, Ms. Warner and Mr. Whisler. The Governance Committee assists the Board in overseeing policies and programs designed to ensure Brunswick's adherence to high corporate governance and ethical standards and compliance with applicable legal and regulatory requirements. Together with the Compensation Committee, it oversees the annual review of the Chairman and CEO's performance. The Committee identifies, screens, interviews and recommends to the Board potential director nominees, and oversees other matters related to Board composition, performance, standards, size and membership, including ensuring appropriate diversity of perspective, background and experience in Board membership.

The Governance Committee has responsibility for making recommendations regarding director compensation design to the Board of Directors for review and action. Our Human Resources Department and outside consultants provide the Governance Committee with director compensation data as publicly reported, including data relating to peer group and other similarly-sized companies, as well as data from published surveys.

The Governance Committee met six times during 2016.

Qualified Legal Compliance Committee

Members of the Qualified Legal Compliance Committee are Mr. Fernandez (Chair), Ms. Cooper, Mr. Everitt, Ms. Warner and Mr. Whisler. The Qualified Legal Compliance Committee receives and investigates reports made to it concerning possible material violations of law or breaches of fiduciary duty by the Company or any of its officers, directors, employees or agents. During 2016, no reports were made to the Qualified Legal Compliance Committee and, therefore, it did not meet.

Executive Committee

In addition to its standing committees, the Board of Directors has an Executive Committee, comprised of the Chairman of the Board, the Lead Independent Director and the Chairs of the Audit, Finance, Compensation and Governance Committees. The Executive Committee meets from time to time at the request of the Chairman of the Board. The Executive Committee did not meet during 2016.

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OTHER GOVERNANCE POLICIES & PRACTICES

Brunswick Ethics Program

Brunswick has adopted the *Brunswick Code of Conduct* (the Code), which applies to all employees, officers and directors of the Company, and includes standards and procedures for reporting and addressing potential conflicts of interest, as well as a general code of conduct that provides guidelines regarding how to conduct business in an ethical manner. The Board has adopted an additional Code of Ethics for Senior Financial Officers and Managers (the Financial Officer Code of Ethics). The Financial Officer Code of Ethics applies to Brunswick's Chief Executive Officer, Chief Financial Officer, Vice President — Treasurer, Vice President — Tax, Vice President — Internal Audit, Vice President and Controller and other Brunswick employees designated by the Board, and sets forth standards to which these officers and employees are to adhere in areas such as conflicts of interest, disclosure of information and compliance with laws, rules and regulations. The Financial Officer Code of Ethics supplements the Code. The Governance Committee, Audit Committee and the Company's Ethics Office oversee and administer these policies. The Code and the Financial Officer Code of Ethics are available at *www.brunswick.com/company/ethics/codeofethics.php*, and any Brunswick shareholder may obtain them in print upon request. If Brunswick grants a waiver of the policies set forth in the Code or the Financial Officer Code of Ethics, or amends either, we will, to the extent required by applicable law, regulation or NYSE listing standard, disclose that waiver or amendment by making an appropriate statement on our website at *www.brunswick.com*.

Transactions with Related Persons

Pursuant to its charter, the Governance Committee is tasked with the recommendation and review of corporate governance principles, policies and programs designed to ensure our compliance with high ethical standards and with applicable legal and regulatory requirements, including those relating to conflicts of interest and other business practices that reflect upon our role as a responsible corporate citizen. The Governance Committee oversees the implementation of the *Brunswick Code of Conduct,* which contains our conflicts of interest policy. The Governance Committee reports on these compliance matters to the Board of Directors, which is ultimately responsible for overseeing the Company's ethical and legal compliance, including transactions with "related persons."

Our policy regarding related person transactions (the Related Person Transactions Policy) defines "related persons" to include all directors and executive officers of the Company, all beneficial owners of more than 5 percent of any class of voting securities of the Company and the immediate family members of any such persons. On a regular basis, we request directors and executive officers to complete a questionnaire including questions designed to identify related persons and any potential related person transactions. Our General Counsel and Controller, or their delegates, review and update a listing of those individuals identified as related persons on at least an annual basis and more often, as warranted. According to the Related Person Transactions Policy, a related person transaction includes certain transactions in which the Company is a participant and in which a related person has or will have a direct or indirect material interest, including any financial transaction, arrangement or relationship, or any series of similar transactions, arrangements or relationships. Certain transactions are excluded from this Related Person Transactions Policy.

If a related person transaction required to be disclosed pursuant to SEC rules is identified, the Related Person Transactions Policy requires that the General Counsel and Controller review the transaction and advise the Chair of the Governance Committee as well as the Chair of the Audit Committee, if appropriate. The Governance Committee may approve or ratify such transaction or, if it determines that the transaction should be considered by the Board of Directors, submit it for consideration by all disinterested members of the Board (the Reviewing Directors). In determining whether to approve or ratify a related person transaction, the Governance Committee and/or the Reviewing Directors will consider relevant factors, including:

- The size of the transaction and the amount payable to a related person;
- The nature of the interest of the related person in the transaction;
- Whether the transaction may involve a conflict of interest; and
- Whether the transaction involves the provision of goods or services to the Company that are also available from unaffiliated third parties and, if so, whether the terms of the transaction are at least as favorable to the Company as would be available in comparable transactions with unaffiliated third parties.

The Related Person Transactions Policy was formally codified in a written document in July 2010. Since January 1, 2016, no transaction has been identified as a related person transaction and, therefore, no transaction was referred to the Board or any Board committee for review in that time period.

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Risk Management

The Board of Directors has an active role in overseeing effective management of our risks and regularly reviews information regarding our credit, liquidity, cash flow and business operations, including any associated risks. The Board conducts an annual, in-depth review of our business, which includes detailed analysis and consideration of strategic, operational, financial, competitive, compliance and compensation risk areas. Although the Board as a whole has responsibility for risk oversight, each Board Committee addresses relevant risk topics as part of its Committee responsibilities. The Committees oversee our risk profile and exposures relating to matters within the scope of their authority and provide periodic reports to the full Board about their deliberations and recommendations. The Compensation Committee is responsible for overseeing the management of risks relating to our executive compensation plans and overall compensation philosophy.

Historically, in an ongoing effort to manage risk, we have maintained a level of financial prudence associated with our compensation programs which we plan to continue. In assessing whether risks arising from our compensation programs or policies were reasonably likely to have a material adverse effect on the Company, senior management reviewed our compensation programs and practices for all employees, the potential risk exposure presented by those programs and practices, and the factors, tools and processes that mitigate those risks. As part of its 2016 review, management considered the compensation arrangements currently in place for employees and officers and, following this review, management determined, and the Compensation Committee agreed, that none of our compensation programs or policies creates risks that are reasonably likely to have a material adverse effect on the Company.

As part of this review, management presented a summary to the Compensation Committee for discussion. The summary listed each compensation program and policy applicable to the various groups of Brunswick employees and officers, the potential risks presented by that program or policy and the risk mitigation tools or processes employed by the Company to mitigate the related risks.

The compensation programs and policies covered by the summary included payments in the forms of base salaries, annual incentive compensation and equity-based awards. The risk mitigation tools covered by the summary included the following: (1) the plans were capped at maximum payout levels that, while creating incentives for superior business performance, were not so great as to entice undue risk-taking; (2) the performance metrics to achieve above-target payouts under the plans were not unduly leveraged (that is, small increments of above-target performance would not result in disproportionate increases in calculated plan bonus amounts); and (3) the plans contain negative discretion provisions that can be (and have been) exercised to reduce or eliminate calculated payout results. This mechanism places final control of plan payouts with our Board of Directors.

In addition to senior management's review, members of our Human Resources Department conduct an annual assessment of all executive and non-executive incentive plans to ensure that they are aligned with our strategic business objectives. In 2016, in addition to its standard review process, our Human Resources representatives conducted a full review of the potential risks associated with our incentive plans and engaged in the following analysis:

- Identified the metrics governing each incentive-based compensation program;
- Assessed the performance metrics of the incentive programs to ensure that they are consistent with our short-term and long-term goals;
- Reviewed the potential range of payouts pursuant to the plans to confirm that payouts are reasonable in relation to the economic gain associated with achievement of the metrics;
- Ensured that the plans establish maximum payout amounts, or caps, for the calculation of payments, as appropriate; and
- Verified that our management team and/or the Board of Directors retain the right to modify, suspend and/or terminate the plans and corresponding payouts without prior notice.

The Human Resources representatives considered all of the foregoing information, specifically assessing each of our incentive plans to identify any provisions that might cause employees to act in a manner that would create risks that are reasonably likely to have a material adverse effect on the Company. No such provisions were identified.

In addition, the Compensation Committee engages in a comprehensive annual review of the Brunswick Performance Plan (BPP), our primary annual incentive plan, and its performance measures. The Compensation Committee assesses the BPP in conjunction our overall strategic business objectives, as well as its forecast and budget. In 2016, the Committee also assessed each of our compensation programs, ensuring that they were consistent with and aligned with our short- and long-term business objectives. The Compensation Committee reviewed the 2016 BPP and determined that its plan design would effectively encourage employees to engage in appropriate and responsible behavior without unnecessary risk-taking that could have a negative impact on the Company. In addition, the BPP contains a negative discretion clause that expressly empowers the Compensation Committee to limit or reduce the BPP payout under the BPP's formula, based on extenuating circumstances and business outlook.

The majority of our non-executive incentive plans adopt the BPP's performance metrics, ensuring that the plans encourage and reward appropriate behavior throughout the organization. For those few incentive plans at the division level that do not mirror the BPP, Brunswick management performs a similar analysis of the plans on an annual basis in order to identify and remediate any potential negative behaviors that might result.

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DIRECTOR COMPENSATION

2016 Director Compensation Table

The table below summarizes the compensation we paid to non-employee directors for the fiscal year ended December 31, 2016.

Director[(1)]	**Fees Earned or Paid in Cash**[(2)]	**Stock Awards**[(3)]	**All Other Compensation**[(4)]	**Total**
Nolan D. Archibald	$90,000	$132,532	$ 30,000	$252,532
Nancy E. Cooper	$90,000	$146,256	$ 2,109	$238,365
David C. Everitt	$90,000	$132,524	$ 30,000	$252,524
Manuel A. Fernandez	$89,961	$207,997	$ 30,000	$327,958
David V. Singer	$89,961	$156,793	$ 30,000	$276,754
Ralph C. Stayer	$89,961	$156,793	$ 13,437	$260,191
Jane L. Warner	$89,961	$149,283	$ 9,368	$248,612
J. Steven Whisler	$90,000	$143,772	$ 30,000	$263,772
Roger J. Wood	$89,961	$156,793	$ 21,481	$268,235

(1) *Mark D. Schwabero, our Chairman and CEO, is not included in this table as he is an employee of the Company and receives no additional compensation for his service as a director. The compensation Mr. Schwabero received as a Company employee is shown in the Summary Compensation Table.*

(2) *Amounts in this column reflect the 2016 annual cash fees earned by each non-employee director. Mr. Fernandez, Mr. Singer, Mr. Stayer, Ms. Warner and Mr. Wood elected to receive the 2016 annual cash fees in the form of deferred Common Stock, with a 20 percent premium.*

(3) *This column represents the dollar amount recognized for financial statement reporting purposes with respect to the 2016 fiscal year in accordance with FASB ASC Topic 718. Amounts in this column represent the portion of fees required to be paid to Directors in the form of Common Stock, as well as the 20 percent premium that is received by those Directors who elected to receive the cash portion of their fees in the form of deferred Common Stock. For assumptions used in the valuation of such awards, see Note 18 to the financial statements included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2016. The grant date fair value of awards in this column is as follows:*

Name	**Grant Date Fair Values of Shares of**	**Grant Date Fair Values of Shares Attributable to 20% Premium**

	Common Stock	Applied to Deferral of Fees
Nolan D. Archibald	$132,532	$ -
Nancy E. Cooper	$146,256	$ -
David C. Everitt	$132,524	$ -
Manuel A. Fernandez	$189,983	$ 18,014
David V. Singer	$138,780	$ 18,014
Ralph C. Stayer	$138,780	$ 18,014
Jane L. Warner	$131,270	$ 18,014
J. Steven Whisler	$143,772	$ -
Roger J. Wood	$138,780	$ 18,014

The following table sets forth the aggregate number of outstanding stock awards held by each non-employee director as of December 31, 2016:

Name	Aggregate Number of Stock Awards Outstanding at December 31, 2016
Nolan D. Archibald	4,423
Nancy E. Cooper	-
David C. Everitt	-
Manuel A. Fernandez	4,423
David V. Singer	-
Ralph C. Stayer	4,423
Jane L. Warner	-
J. Steven Whisler	1,615
Roger J. Wood	-

(4) The amounts shown in this column include our cost of products provided during our fiscal year ended December 31, 2016.

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Narrative to Director Compensation Table

Annual Fees and Deferred Stock Awards. Non-employee directors are entitled to an annual retainer of $215,000, with $90,000 payable in cash and $125,000 payable in Common Stock. The Lead Independent Director, chairs of committees and members of certain committees receive additional annual retainers paid in Brunswick stock, as follows:

•Lead Director–$50,000

•Audit Committee Chair–$20,000

•Compensation Committee Chair–$15,000

•Finance Committee and Corporate Governance/Qualified Legal Compliance Chairs–$10,000

•Audit Committee members–$10,000

•Compensation Committee members–$7,500

•Finance and Governance Committee members–$5,000

For the portion of each director's total annual fee paid in Common Stock, the number of shares is determined by the closing price of Common Stock on the date of the award and is reported in the "Stock Awards" column of the Director Compensation Table. The receipt of these shares may be deferred until a director retires from the Board. Each director may elect to have the cash portion of the annual fee paid as follows:

•In cash;

•In Common Stock distributed currently; or

•In deferred Common Stock with a 20 percent premium.

For directors who elect to receive the cash portion in deferred Common Stock, the number of shares to be received upon retirement is determined by multiplying the cash amount by 1.2, then dividing that amount by the closing price of Common Stock on the date of the award.

Share Ownership Guidelines. As set forth in our Principles and Practices, within five years after the date on which a director first became a director, and thereafter for so long as each director is a director of the Company, each director is required to own Common Stock and deferred stock units of the Company equal to five times the amount of the director's annual cash retainer. Once having met this threshold, if a director falls below the threshold as a result of a decline in our stock price, the director shall have a two-year period within which to once again achieve the threshold. We calculate compliance with these guidelines annually, using the average Brunswick stock price for the prior calendar year. As of December 31, 2016, all directors were in compliance with the share ownership requirements.

Brunswick Product Program. Directors are encouraged to use Brunswick products to enhance their understanding and appreciation of Brunswick's business. Directors receive an annual allowance of up to $30,000 which may be applied to: (i) purchase Brunswick products at discounted rates; and/or (ii) fund expenses incurred with regard to the ownership of such products. The value of the products is included in the directors' taxable income. Directors may also purchase additional Brunswick products at their own expense, at discounted rates.

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Stock Held by Directors, Executive Officers and Principal Shareholders

Each director, each executive officer listed in the 2016 Summary Compensation Table and all directors and executive officers as a group, owned the number of shares of Common Stock set forth in the following table, with sole voting and investment power except as otherwise noted:

Name of Individual or Persons in Group	Number of Shares Beneficially Owned as of March 2, 2017		Percent of Class	
Nolan D. Archibald	83,015	(1)	*	
Nancy E. Cooper	7,846		*	
David C. Everitt	12,012	(1)	*	
Manuel A. Fernandez	90,966	(1)	*	
David V. Singer	10,102	(1)	*	
Ralph C. Stayer	45,492	(1)	*	
Jane L. Warner	9,529	(1)	*	
J. Steven Whisler	49,568	(1)	*	
Roger J. Wood	24,310	(1)	*	
Mark D. Schwabero(4)	290,516	(2)(5)	*	
William L. Metzger	210,483	(2)(5)	*	
John C. Pfeifer	61,642	(2)	*	
Huw S. Bower	1,199		*	
Christopher F. Dekker	9,158	(2)	*	
Dustan E. McCoy(3)	102	(2)(5)	*	
All directors and executive officers as a group	918,903	(2)	1.0	%

* *Less than 1 percent*

(1) *Includes the following shares of Brunswick Common Stock issuable to non-employee directors, receipt of which has been deferred until the date of the director's retirement from the Board: Mr. Archibald 70,533 shares, Mr. Everitt 12,012 shares, Mr. Fernandez 86,544 shares, Mr. Singer 1,487 shares, Mr. Stayer 17,170 shares, Ms. Warner 9,408 shares, Mr. Whisler 40,885 shares and Mr. Wood 24,245 shares.*

Excludes 5,948 shares of Brunswick Common Stock issuable to Mr. Singer and 68,680 shares issuable to Mr. Stayer, receipt of which has been deferred. Messrs. Singer and Stayer will be entitled to receive these deferred shares in predetermined installments, which will commence at varying times in accordance with their election following their retirement from the Board of Directors.

(2) *Includes the following shares of Brunswick Common Stock issuable pursuant to stock-settled SARs exercisable within 60 days of March 2, 2017: Mr. Schwabero 203,300 shares, Mr. Metzger 124,925 shares, Mr. Pfeifer 47,950 shares, Mr. Dekker 1,100 shares and all executive officers as a group 385,362 shares.*

Includes the following shares of Brunswick Common Stock held by the Brunswick Savings Plan as of December 31, 2016: Mr. Metzger 1,107 shares, Mr. Dekker 862 shares, Mr. McCoy 102 shares and all executive officers as a group 2,159 shares.

Excludes the following shares of Brunswick Common Stock issuable to officers, receipt of which has been deferred: Mr. Schwabero 50,913 shares and Mr. Pfeifer 6,930 shares. Messrs. Schwabero and Pfeifer will be entitled to receive these deferred shares in predetermined installments which will commence at varying times, in accordance *with plan terms.*

(3) *Mr. McCoy retired as Chairman and CEO effective February 11, 2016.*

(4) *The Board appointed Mr. Schwabero as Chairman and CEO effective February 11, 2016.*

(5) *Excludes Restricted Stock Units (RSUs) owned under the Rule of 70 or Age 62 but not distributable for three years from the grant date.*

Those shareholders known to us to beneficially own more than 5 percent of our outstanding Common Stock are:

Name and Address of Beneficial Owner	**Number of Shares Beneficially Owned**		**Percent of Class**	
Boston Partners One Beacon Street Boston, MA 02108	9,053,252	(1)	10.09	%
BlackRock, Inc. 55 East 52nd Street New York, NY 10055	7,154,579	(2)	8.00	%
The Vanguard Group, Inc. 100 Vanguard Blvd. Malvern, PA 19355	6,701,176	(3)	7.47	%
FMR LLC and certain of its affiliates 245 Summer Street Boston, MA 02210	4,759,084	(4)	5.31	%

(1) *This information is based solely upon a Schedule 13G/A filed by Boston Partners with the SEC on February 8, 2017. Boston Partners has sole voting power over 6,444,941 shares and sole dispositive power over 9,053,252 shares as of December 31, 2016.*

(2) *This information is based solely upon a Schedule 13G/A filed by BlackRock, Inc. (BlackRock) with the SEC on January 19, 2017. BlackRock has sole voting power over 6,769,191 shares and sole dispositive power over 7,154,579 shares as of December 31, 2016.*

(3) *This information is based solely upon a Schedule 13G/A filed by The Vanguard Group, Inc. (Vanguard) with the SEC on February 10, 2017. Vanguard has sole voting power over 53,053 shares, sole dispositive power over 6,642,142 shares and shared dispositive power over 59,034 shares as of December 31, 2016.*

(4) *This information is based solely upon a Schedule 13G/A filed by FMR LLC (FMR) with the SEC on February 14, 2017. The FMR reporting entities include FMR, which is the beneficial owner of 4,759,084 shares or 5.31% of the Common Stock outstanding at December 31, 2016 and Abigail P. Johnson. FMR has sole voting power over 1,069,488 shares and sole dispositive power over 4,759,084 shares as of December 31, 2016.*

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Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934, as amended, requires our directors, executive officers and beneficial owners of more than 10 percent of Common Stock to file initial reports of ownership and reports of changes in ownership with the SEC. Based on a review of the copies of such forms furnished to the Company and written representations from the Company's directors and executive officers, the Company believes that all forms were filed in a timely manner during 2016.

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EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

This Compensation Discussion and Analysis describes our overall executive compensation policies and practices and specifically analyzes the total compensation for the named executive officers (NEOs). The NEOs are:

- Mark D. Schwabero – Chairman and Chief Executive Officer[1]
- William L. Metzger – Senior Vice President and Chief Financial Officer
- John C. Pfeifer – Vice President and President – Mercury Marine
- Huw S. Bower – Vice President and President – Boat Group
- Christopher F. Dekker – Vice President, General Counsel and Corporate Secretary
- Dustan E. McCoy – Former Chairman and Chief Executive Officer[1]

(1) *Mr. McCoy retired as Chairman and CEO and Mr. Schwabero was appointed Chairman and CEO, both effective February 11, 2016. See the Current report on Form 8-K filed with the SEC on February 12, 2016 for additional information.*

Business Highlights

Our 2016 results represent the seventh consecutive year of strong improvements in operating performance. We sought to achieve the following financial objectives in 2016:

- Deliver revenue growth;
- Increase earnings before income taxes, as well as deliver slight improvements in both gross margin and operating margin percentages; and
- Continue to generate strong free cash flow and execute against our capital strategy.

Achievements against our financial objectives in 2016 were as follows:

Deliver revenue growth:

- Ended the year with a 9 percent increase in net sales when compared with 2015 due to the following:
  - Benefits from our acquisition strategy, particularly in the Fitness segment;
  - Strong growth rates in fiberglass outboard boats and marine parts and accessories, as well as solid performances in aluminum boats, outboard engines and fiberglass sterndrive/inboard boats;
  - The Marine Engine and Boat segments benefited from solid fundamentals and growth in the U.S. marine market, which was supported by stable boating participation, favorable replacement cycle dynamics and innovative products introduced throughout the marketplace;
  - Continued market share gains and mix benefits in both the Marine Engine and Boat segments including benefits from recent product introductions;
  - Fitness segment net sales benefited from solid demand, particularly in overall global commercial fitness markets;
  - Our international sales increased 6 percent in 2016 when compared with 2015 on a GAAP basis. On a constant currency basis, international net sales increased 7 percent, primarily due to increased sales in European and Asia-Pacific markets, partially offset by weak demand in certain markets such as Latin America and the Middle East and Africa.

Experience an increase in earnings before income taxes, as well as a slight improvement in both gross margin and operating margin percentages:

- Reported earnings before income taxes of $389.7 million in 2016 compared with earnings before income taxes of $315.2 million in 2015[1];
- Improved gross margin by 20 basis points when compared with 2015, driven by benefits from volume increases and cost reductions, including benefits from efficiency and sourcing initiatives as well as lower commodity costs, partially offset by the unfavorable impact from foreign exchange; and
- Improved operating margin by 100 basis points when compared with the prior year and benefited from decreased pension settlement charges, partially offset by increased restructuring, integration and impairment charges compared with the prior year.

Continue to generate strong free cash flow and execute against our capital strategy:

- Generated strong free cash flow of $233.8 million in 2016, an increase of $41.2 million compared to 2015[1], enabling us to continue executing our capital strategy as follows:

- Funded investments in growth:

  - Through acquisitions, including the $276.1 million invested in the Fitness, Boat and Marine Engine segments during 2016;

  - Organically through capital expenditures, which included investments in new products as well as capacity expansions focused in the engine and fitness businesses;

  - Contributed $74.6 million to our defined benefit pension plans; and

  - Enhanced shareholder returns by repurchasing $120.3 million of Common Stock under our share repurchase program and increased cash dividends paid to shareholders to $55.4 million.

- Ended the year with $458.2 million of cash and marketable securities, a net decrease of $210.6 million from the prior year.

(1) Please see the Appendix for a reconciliation of non-GAAP measures.

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Deliver Strong Return to Shareholders

Our compensation plans are intended to support our strategic focus and reward Company performance. Our compensation philosophy is to encourage and reward the creation of sustainable, long-term shareholder value. From a shareholder perspective, Brunswick performed well as illustrated by the total shareholder return (TSR) of 21.9 percent for the three years ended December 31, 2016. The table below highlights our stock price history over a five year period:

STOCK PRICE HISTORY

*Closing stock price as reported on the New York Stock Exchange for each year.

Consideration of 2016 Executive Compensation Vote

At its 2016 Annual Meeting, shareholders overwhelmingly approved our "say on pay" proposal (shareholders cast 95.55 percent of votes for the proposal). We were pleased with this significant vote of confidence in our pay practices and did not make any direct changes to our compensation programs as a result of the vote. Nevertheless, we did make some changes to our compensation programs in 2016 to further reinforce our pay-for-performance philosophy and align management compensation with shareholder interests.

Key Compensation Decisions in 2016

Annual Incentive Plan

For 2016, Earnings Before Interest and Taxes (EBIT) was used as the funding metric under the Brunswick Corporation Senior Management Incentive Plan (SMIP), the Company's Section 162(m) performance qualified annual incentive plan. Specifically, the SMIP pool was funded based on 2% of EBIT for the CEO and 1% of EBIT for each of the other NEOs. For purposes of distributing the funding earned under the SMIP, the Brunswick Performance Plan (BPP) is used. For 2016, we designed the BPP to include divisional EBIT to reward division performance, while maintaining a portion of the award tied to overall Brunswick Earnings Per Share (EPS). Specifically, the 2016 BPP for the NEOs contained performance measures attributable to each of the divisions in addition to corporate EPS. Actual performance in 2016 was below the performance targets set for the 2016 BPP, and we paid NEOs aggregate awards under the plan at approximately 92 percent of target opportunity. For additional information on the annual incentive plan, see “Achievement of Targeted Results” on page 32 below.

Long-Term Incentives

In 2016, we introduced double-trigger Change in Control equity vesting provision for equity grants beginning for those awards granted in 2016 and for future grants. We believe that this modification aligns with competitive best practice and shareholder interests.

We grant performance-based equity in the form of Performance Shares to certain key senior executives, including each of the NEOs. Starting with the awards granted in 2015, performance underlying the awards is measured based on Cash Flow Return on Investment (CFROI) and Operating Margin over a three-year performance period. We believe Performance Shares strengthen our pay-for-performance philosophy and align management’s long-term goals with our key strategic initiatives and delivering sustainable long-term value to shareholders.

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Equity Award for Mr. Bower

Due in part to the Board's succession planning process, in April 2016, Mr. Bower was promoted to Vice President and President of Boat Group. In consideration of this promotion, we increased Mr. Bower's annual long-term incentive target, which was determined based on competitive practice for comparable roles. As such, Mr. Bower received an additional equity grant in May 2016 to recognize his increased target. We prorated this award for the balance of 2016. Future awards to Mr. Bower will coincide with the regular annual grant, typically made in February of each year.

Overall Philosophy and Objectives of Our Executive Compensation Programs

The overall philosophy of our compensation programs for the NEOs and other senior executives is to encourage and reward the creation of sustainable, long-term shareholder value. Specifically, we have identified the following objectives to help realize this goal:

- *Alignment with Shareholders' Interests* - Reward performance in a given year and achievements over a sustained period that are aligned with the interests of our shareholders;
- *Motivate Achievement of Financial and Strategic Goals* - Ensure that compensation structure reinforces achievement of business objectives and execution of our overall strategy;
- *Remain Competitive* - Attract, retain and motivate the talent required to ensure our continued success; and
- *Reward Superior Performance* - Reinforce our pay-for-performance culture.

Compensation Design Principles

In support of the objectives identified above, the framework of our executive compensation programs incorporates the following compensation design principles:

Focus on the Creation of Long-Term Shareholder Value

Our senior executives are responsible for achieving long-term strategic goals. Accordingly, compensation is weighted towards rewarding long-term value creation for shareholders. For Mr. Schwabero in 2016, approximately 67 percent of targeted total compensation was based on long-term performance, and for our other NEOs, it was approximately 48 percent. For Mr. Schwabero, approximately 18 percent of targeted total compensation was based on annual performance against established performance criteria, and for our other NEOs it was approximately 23 percent. The balance consisted of base salary (15 percent for Mr. Schwabero and 29 percent for the other NEOs in 2016).

Our emphasis on long-term shareholder value creation is best illustrated in the following chart, which shows the portion of total targeted compensation that is attributable to our long-term incentive compensation and the portion attributable to other key elements of our compensation programs. As shown in the chart, long-term incentive compensation accounts for the largest percentage of overall compensation when compared to base salary and annual incentives (bonus). In addition, as a result of the compensation structure, a majority of senior executive compensation is deemed performance-based or “at risk,” with such amounts constituting approximately 85 percent of Mr. Schwabero’s total compensation and approximately 71 percent of total compensation for our other NEOs in 2016.

Below is a chart comparing the targeted compensation mix of the CEO and other NEOs, excluding Mr. McCoy, who retired in February 2016:

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WHAT WE DO	WHAT WE DON'T DO
We base a very high percentage of executive pay on performance	We have no tax gross-ups (including perquisites, excise tax)
We require executives to achieve performance-based goals tied to shareholder return	We have no modified single-trigger or single-trigger CIC severance agreements (we only use double-trigger CIC severance provisions)
We target median compensation levels and review market data of our peer group when making executive compensation decisions	We expressly forbid option repricing without shareholder approval in all of our equity plans
We apply strict share ownership guidelines to NEOs and directors	All of our active equity plans expressly forbid exchanges of underwater options for cash
We disclose complete information on annual incentive plans	We do not allow hedging of shares by directors or employees
We require vested shares from our equity compensation programs to be held until share ownership guidelines are met	We do not allow pledging of shares by directors or employees
We consider, and attempt to mitigate, risk in our compensation program	We do not pay dividends or dividend equivalents on unearned performance shares
We use an independent compensation consultant	
We have an established clawback policy	
Starting in 2016, we implemented double-trigger equity award vesting acceleration upon involuntary termination following a Change in Control (CIC)	
We engage in a rigorous and thoughtful executive succession planning process with the Board	

Provide Incentives for Achievement of Our Goals

In addition to achieving our long-term and strategic goals, we charge our senior executives with the responsibility for meeting our financial and operational goals. As a result, we have linked executive compensation to business performance by establishing measurable business metrics against which performance is measured, and which the Board of Directors has determined are important to our key stakeholders.

We establish variable compensation targets (including individual BPP targets) for NEOs and other employees with reference to market median total direct compensation (base salary plus annual bonus plus long-term incentive) minus base salary. This amount is then split between annual and long-term incentives at a ratio that the Compensation Committee feels is appropriate for a company like Brunswick.

Annual incentive metrics are based on a combination of division and overall Brunswick results. Long-term incentives are based on our consolidated results and total shareholder return.

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Competitive Compensation

We recognize that, in order to attract and retain the level of talent that is essential to achieving our established objectives, we must maintain a competitive executive compensation program.

Each year, Frederic W. Cook & Co., Inc., the Compensation Committee's independent compensation consultant, provides a detailed analysis, utilizing a peer group of 17 publicly-traded companies with annual revenue levels comparable to ours, regarding proposed CEO compensation levels and other plan design elements. Criteria used to identify the peer group include:

- Size: Companies with revenues that generally range from one-half to two times our total annual revenue;
- Business Focus: Publicly-traded manufacturing companies; and
- Consistency: The peer group should be relatively stable. Companies historically have been eliminated if they were acquired or if their revenue was outside the range referenced above.

Brunswick's peer group in 2016 consisted of the following companies:

•Carlisle	•Curtiss-Wright	•Harman International	•Mattel	•Regal-Beloit Corp
•Colfax Corp	•Dana Holding	•Hasbro	•Meritor Inc	•Snap-On Tools
•Crane	•Flowserve Corp	•Leggett & Platt	•Oshkosh	•Timken
	•Harley-Davidson		•Polaris Industries	

Consistent with past practice, we assessed the appropriateness of the peer group during 2015, which resulted in changes to the peer group composition. The result of these peer company changes took effect for 2016 compensation benchmarking and planning. We will review the peer group again this year.

We are the largest domestic, publicly-traded company in the recreational marine industry, with total revenues approximately 20 times those of the next largest publicly-traded U.S. recreational boat manufacturer as of December 31, 2016. As a result, there are no direct competitors in the compensation peer group.

For all other NEOs, we assess the competitiveness of executive compensation every two years using manufacturing industry survey data purchased from Aon Hewitt. Each position is benchmarked based on scope of responsibilities, revenue size of applicable business unit, and level within the organizational hierarchy. Our target pay mix and total compensation opportunities are designed to approximate the median of the market. In 2015, we completed a competitive benchmark assessment which confirmed that, on average, our target total direct compensation (base salary, annual bonus and long-term incentives) for senior management positions, including the NEOs, approximates the median of competitive practice. We will complete the analysis again this year.

The chart below summarizes the CEO's total direct compensation as compared to the median of the market data for his role as well as the average NEO total direct compensation compared to the average applicable market data job matches for each of their roles. This chart reinforces that we follow our philosophy to target executive compensation to the median of the market.

AVERAGE NEO TARGET DIRECT COMPENSATION VS. MARKET MEDIAN

Internal Equity

We establish compensation ranges for positions with similar characteristics and scope of responsibility, including NEO positions. Balancing competitiveness with internal equity helps support management development and movement of talent throughout our worldwide operations. Differences in actual compensation between employees in similar positions result from individual performance, future potential and division financial results. This effort also helps us promote talented managers to positions with increased responsibilities and provides meaningful developmental opportunities for our employees.

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Reward Corporate, Division and Individual Performance

Recognizing corporate, division and individual performance in compensation helps reinforce the importance of working together and furthers our pay-for-performance philosophy. For 2016, we funded incentives for all participants based on the achievement of corporate and division performance goals and allocated incentives based on individual contributions. For those NEOs with division responsibility, we focused incentives on the financial performance of their divisions, but also included a significant portion tied to overall corporate results.

What Is Rewarded?

We design NEO compensation to reward achievement of budgeted financial results, namely EPS, EBIT, Cash Flow Return on Investment (CFROI) and Operating Margin, Brunswick total shareholder return (both absolute and on a relative basis) and individual performance.

Achievement of Targeted Results

Earnings Per Share, Earnings Before Interest and Taxes, Cash Flow Return on Investment, Operating Margin and Relative Total Shareholder Return

We established the 2016 BPP annual incentive formula to recognize and reward outstanding performance by both the overall Company and our divisions. Specifically, the BPP for the NEOs provides that funding is based on the achievement of corporate EPS and division-specific EBIT. For Corporate NEOs (Messrs. Schwabero, Metzger and Dekker), 2016 BPP was weighted 50 percent on overall Brunswick EPS performance and 50 percent on the EBIT performance of the divisions. In this calculation, each of the divisions was equally weighted. For Division NEOs (Messrs. Pfeifer and Bower), 2016 BPP was weighted 50 percent on overall Brunswick EPS performance but the remaining 50 percent was based solely on their respective division EBIT.

The following chart shows the relative weighting of the performance measures used under the BPP for NEOs.

	Corporate Results	**Division Results**	
Corporate Participants (Messrs. Schwabero, Metzger and Dekker)	50% EPS	Boat Group	16.67% EBIT

		Mercury Marine	16.67% EBIT
		Life Fitness	16.67% EBIT
Division Participants (Messrs. Pfeifer (Mercury) and Bower (Boat Group))	50% EPS	50% EBIT of their Division	

Each of the NEOs also participate in the performance share plan which rewards performance based on the achievement of both CFROI and Operating Margin over a three-year period in addition to a potential modifier at the end of the performance period based on Brunswick's three year TSR performance against the TSR of certain companies in the Global Industry Classification Standard (GICS) "Leisure Products" sub-industry.

The Compensation Committee believes that EPS and division EBIT are appropriate measures to be used in our annual incentive plan. Earnings figures, specifically EPS, are widely tracked and reported by analysts and used as a measure to evaluate our performance. Division EBIT is important as it shows each division's contribution to our overall earnings performance. Both CFROI and Operating Margin are important within the long-term performance share plan to measure how effectively we manage our cash and business to create long-term sustainable performance for our shareholders.

Our grants of Performance Shares and RSUs inherently reward absolute TSR because the ultimate earned value of each share will depend on our TSR during the performance/vesting period. In addition, the number of Performance Shares actually earned will depend on our relative TSR performance against other leisure products companies. Both absolute and relative TSR metrics are used because they align the earned compensation amounts with our market performance and our shareholders' experience.

Stock Price Appreciation

Stock price appreciation is a significant component of total shareholder return and thus shareholder value creation. Stock price appreciation affects the value of our equity grants, including Stock Appreciation Rights (SARs), Restricted Stock Units (RSUs) and Performance Shares.

Individual Performance

We assess individual performance via the Performance Management Process (PMP). The PMP was created to help employees better understand Brunswick and division-specific goals, and to define their role in and contribution towards achieving these goals. We believe that the PMP is an effective tool in assessing performance against individual goals.

Once Brunswick and division goals are established, salaried employees (including NEOs) work with their supervisors to set individual goals aligned with the Company's strategic direction. Employees establish goals for specific initiatives, major responsibilities key to their positions and individual developmental requirements, and their managers identify specific core competencies that employees are expected to achieve. The Compensation Committee and the Governance Committee of the Board of Directors jointly assess the CEO's performance with input from all members of the Board of Directors. The CEO assesses performance of other NEOs with review by the Compensation Committee.

Individual performance affects base salary increases, annual incentives and equity grant decision-making. As part of the PMP process, managers have the ability to adjust all elements of compensation based on the individual's attainment of annual goals and performance against critical competencies, which determines the content of the individual's annual performance review and the overall PMP rating.

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Compensation Elements

We structure our compensation to reflect our business objectives and compensation philosophy. The particular elements that comprise our compensation programs for senior executives are summarized below, along with an explanation of why we selected each compensation element, how the amount and formula are determined and how decisions regarding that compensation element fit into our overall compensation objectives and programs.

Base Salary

Base salary is fixed compensation for our NEOs. It is designed to provide a minimum level of pay that reflects each executive's position and scope of responsibility, leadership skills and individual performance, as demonstrated over time. When establishing an executive's base salary, we also target the median pay level within the market for positions with similar responsibilities and business size. A competitive base salary is important for attracting and retaining the executives needed to lead the business.

We review salaries on an annual basis to ensure they are externally competitive, reflect individual performance and are internally equitable in relation to other Brunswick executives. We make salary adjustments on a periodic basis in response to market practices and to provide merit increases. Additionally, the base salary component serves as the foundation of executives' total pay, as incentives and benefits are generally computed as a function of base salary, which allows us to link performance and pay. As illustrated by the following chart, the average merit increase, excluding promotional or market adjustments, of NEO salary from 2014 to 2016 was 3.2 percent.

	2014	**2015**	**2016**	**Avg**
Schwabero	10.0%	3.1%	0.0%	4.4%
Metzger	5.4%	4.1%	0.0%	3.2%
Pfeifer	0.0%	9.2%	0.0%	3.1%
Bower	2.5%	2.9%	0.0%	1.8%
Dekker	3.3%	2.5%	4.9%	3.6%
Average Merit Increase				3.2%

Annual Incentive Plan

Our annual incentive plan, the BPP, is the primary compensation element used to reward accomplishments against established business goals within a given year.

We set the BPP target funding based on planned performance for the year, as approved by the Board of Directors. The BPP limits funding to no more than 200 percent of target funding, with the Compensation Committee approving amounts within a range from 0 percent to 200 percent based on its review of our performance against pre-established targets. Target funding is equal to salary paid in the year multiplied by the target percentage for each participant. For 2016, the percentage of salary targets under the BPP for NEOs ranged from 75 percent to 125 percent.

We determine individual awards using: overall funding as approved by the Compensation Committee; the individual's pro-rata portion of approved funding as adjusted for individual performance; and other factors deemed to be relevant. For 2016, the Compensation Committee approved NEO payouts ranging from 85 percent to 121 percent of target opportunity. The performance measures required to support funding at 100 percent of target opportunity for all NEOs in 2016 were Earnings Per Share of $3.42 and the following internal EBIT target levels for the business units: Mercury Marine: $358.1 million; Boat Group: $84.3 million; and Life Fitness: $143.6 million. The BPP plays an important role in our overall compensation structure, as it signals "what is important" and "what is expected" for the year from the standpoint of corporate, division and/or individual results. Additionally, the BPP serves to focus executives on achieving current objectives, which are deemed necessary to attain long-term goals, and it establishes appropriate performance and annual incentives by rewarding divisions and individuals within those units for actual performance.

The design of the 2017 annual incentive plan is similar to that of 2016, except threshold will be 25% of final blended corporate and division performance. We engaged in an in-depth analysis of the annual incentive plan design during 2016 to ensure that the plan was aligned to shareholder interests and driving the right behaviors to achieve performance goals. We determined after input from various stakeholders that the plan was aligned to the overall business strategy and the key drivers of business success.

Long-Term Incentives

We continually monitor what might be the most appropriate design of our long-term incentive plans, taking into consideration both competitive practice and what would drive the most appropriate behavior of the participants. Prior to 2010, we used SARs as the sole award used to provide annual long-term incentive opportunities to better align the interests of management with those of shareholders. Since then, there has been a shift in long-term incentive mix. To reinforce the use of performance-based compensation, since the 2013 annual grant, certain senior executives, including the NEOs, have had 50 percent of their target long-term incentive opportunity granted in Performance Shares and the balance in RSUs. This progressive transition to incorporate RSUs and Performance Shares into our long-term incentive mix was designed to align our incentive program with competitive pay practices and to reinforce pay for performance and an element of retention due to the three-year cliff vesting schedule for RSUs.

Performance Shares

In 2016, all NEOs were granted Performance Share awards, with the exception of Mr. McCoy, who retired in February 2016. The 2016 Performance Shares are earned over a three-year performance period based on achievement of two financial metrics, with payout between 0 percent and 200 percent of the target opportunity. At the end of the three years, 75 percent of the award will be based on three-year average CFROI achievement and 25 percent will be earned based on three-year average Operating Margin attainment. The level of performance required for target payout is based on three-year strategic plan targets. The Compensation Committee believes these targets are challenging yet reasonably attainable. The final payout at the end of the three-year period may be increased or decreased by an additional 20 percent based on Brunswick's three-year TSR performance against the TSR of certain companies in the Global Industry Classification Standard (GICS) "Leisure Products" sub-industry. Performance in the bottom quartile against the GICS comparator group reduces the Performance Share award payout by 20 percent and performance in the top quartile increases the Performance Share award payout by 20 percent, with a payout cap of 200 percent of target. Performance between the 25th and 75th percentile of the GICS comparator group results in no modification of the award payout. The design of the Performance Share award provides multiple benefits, including focusing management on the success of key strategic initiatives and their impact on CFROI and Operating Margin metrics, as well as strengthening the alignment with long-term shareholder interests with the TSR modifier at the conclusion of the three-year performance period.

The design of the 2017 Performance Share award is similar to that of 2016.

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Other Long-Term Incentives

In addition to Performance Shares, we currently utilize RSUs. We believe that RSUs are an important component of our compensation structure because each award increases linkage to shareholders' interests by rewarding stock price appreciation and tying wealth accumulation to performance. Additionally, RSUs help to reinforce team performance, encourage senior executives to focus on long-term performance and function as a retention incentive through the vesting period. The 2014 Stock Incentive Plan does not permit the "re-pricing" of stock options or SARs, including the cancellation of underwater stock options or SARs for cash or another award, without the approval of our shareholders. Although we believe SARs are an effective way to align executives with shareholders, we have not granted SARs since 2013 and have, rather, granted a higher proportion of Performance Shares to better reinforce our pay-for-performance philosophy.

We base the size of long-term incentive awards for NEOs on the following factors:

- Market median total direct target compensation minus target cash compensation (base salary plus individual BPP target cash incentive targets). This determines a reference point for the dollar value of the total equity grant target and is consistent with targeting median pay for consistently solid Company and individual performance.
- Grant size is based on a fixed dollar target that is established every two years when competitive benchmark compensation information is updated. The actual share award amounts for each NEO was determined using a Monte Carlo valuation for Performance Shares and the Company's stock price on the date of the grant for RSUs.

Share Ownership Requirements

In order to ensure continual alignment with its shareholders, we maintain share ownership requirements for our officers. This share ownership policy calculates minimum required ownership levels as a multiple of the officer's base salary.

The current NEO share ownership requirements are as follows:

Tier	**Management Level**	**NEO**	**Ownership Requirement**
I	Chief Executive Officer	Schwabero	5.0 times salary
II	Chief Financial Officer and Designated Executive Officers	Metzger, Pfeifer, Bower	3.0 times salary
III	Other Executive Officers	Dekker	2.0 times salary

Officers not meeting the ownership requirements are required to retain shares having a value equal to 50 percent of the after-tax profit from the Common Stock acquired under our equity plans. For purposes of calculating compliance with the requirements, “shares owned” include shares directly owned, shares owned by immediate family members residing in the same household, shares held in trust, share equivalents held in our tax-qualified defined contribution plans and deferred compensation plans and RSUs. Unexercised stock options and SARs and outstanding Performance Shares do not count as “shares owned.” For those officers approaching retirement, ownership requirements will be reduced as follows: 80 percent of target for those age 63; 60 percent of target for those age 64; and 50 percent of target for those age 65 and above.

The Compensation Committee reviews compliance with these share ownership requirements on an annual basis. All NEOs, except for Mr. Bower, who was promoted to his current role during 2016, are currently in compliance with the stated requirements. Therefore, Mr. Bower will be subject to the retention ratio until he achieves the required ownership level. Please see the Narrative to Director Compensation Table for information regarding share ownership guidelines for directors.

Clawbacks

The Compensation Committee can require the repayment of all or a portion of previous BPP awards as it deems appropriate in the event of certain misconduct, including misconduct that causes a restatement of financial results. In addition, for those who have entered into Terms and Conditions of Employment with Brunswick, including each of the NEOs, the Compensation Committee has expanded the types of payments the Company can recover in the event of a violation of the restrictive covenants set forth in the Terms and Conditions of Employment to include any severance payments received by the executive and any gain realized as a result of the exercise or vesting of equity awards beginning 12 months prior to termination.

Anti-Hedging and Anti-Pledging Policy

No director, NEO or other employee may engage in hedging or monetization transactions or similar arrangements with respect to Common Stock, including the purchase or sale of puts, calls or options on Common 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 the Common Stock. In addition, no director, NEO or other employee may pledge Common Stock as collateral.

Post-Employment Compensation

Post-employment compensation elements that are not currently offered to salaried employees in general are summarized below.

Supplemental Pension Plan

Of the NEOs, only Mr. Metzger participates in, or has a balance in, the non-qualified defined benefit retirement plan (the Supplemental Pension Plan). Effective December 31, 2009, we froze the Supplemental Pension Plan and ceased all benefit accruals. Participation thereafter in any supplemental pension benefit has been through the Brunswick Restoration Plan.

The Supplemental Pension Plan ensures that employees with covered compensation or pension benefits above Internal Revenue Service (IRS) qualified defined benefit plan limits receive the full amount of their intended pension benefits. Pursuant to the Supplemental Pension Plan, we pay, on a non-qualified basis, the difference between an employee's earned defined benefit pension and the level of benefits that is permissible by IRS qualified limits. The Supplemental Pension Plan provides a retirement benefit that is consistent with those who are not affected by the IRS compensation and benefit limits and reflects an individual's full career and covered pay earned.

Brunswick Restoration Plan

All NEOs participate in the Brunswick Restoration Plan. The Restoration Plan ensures that employees with covered compensation or retirement plan contributions above IRS qualified defined contribution plan limits receive the full amount of their intended retirement benefits. If an employee elects to participate in the Restoration Plan, 401(k) contributions and Brunswick's match on these contributions above the IRS limit are credited to this plan. In addition, Brunswick's variable retirement contributions for eligible employees are automatically credited to their Restoration Plan accounts. This is a non-qualified plan.

The Restoration Plan provides a retirement benefit consistent with that of employees who are not affected by the IRS compensation and benefit limits.

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The 2005 Elective Deferred Incentive Compensation Plan

Mr. Schwabero and Mr. Pfeifer currently maintain balances in the 2005 Elective Deferred Incentive Compensation Plan. The 2005 Elective Deferred Incentive Compensation Plan provided eligible employees the opportunity to save in a tax-deferred manner. In 2008, we suspended participation in the plan. The Compensation Committee will continue to assess the competitive and regulatory landscape to determine if future enrollment in this plan is warranted.

The 2005 Automatic Deferred Compensation Plan

The 2005 Automatic Deferred Compensation Plan defers payment of certain compensation that would otherwise be non-tax-deductible to Brunswick by reason of Section 162(m) of the Internal Revenue Code until six months after employment ends. The 2005 Automatic Deferred Compensation Plan preserves our ability to take a tax deduction for senior executives' compensation. Senior executives are required to defer receipt of non-deductible compensation in excess of $1.5 million in order to limit non-deductible compensation under Section 162(m) of the Internal Revenue Code. For amounts deferred in cash, financial returns on automatic deferrals are based on either: (i) an interest rate equal to the greater of the prime rate at J.P. Morgan Chase plus two percentage points, or Brunswick's short-term borrowing rate; or (ii) securities selected by the participant. The two percentage point increment is used to recognize that the NEO defers the receipt of earned compensation until sometime in the future, typically upon retirement or other termination of employment. For amounts deferred in stock, the account is credited with the number of share units equal to the number of shares of Company stock as of the date on which the shares would otherwise have been paid. As of December 31, 2016, Mr. Schwabero and Mr. Pfeifer were the only participants with automatic deferrals under this plan.

Life Insurance Policies

Of the NEOs, only Mr. Metzger has a Split-Dollar Life Insurance replacement policy (Replacement Policy). The Replacement Policy provides an insured death benefit and allows for capital accumulation. The Sarbanes-Oxley Act of 2002 prohibits loans to executive officers and, as a result of this loan prohibition, combined with changes in taxation of split-dollar life insurance, we restructured the Replacement Policy in 2004 such that the net present value cost to Brunswick did not increase. Although we continue to cover the costs of the Replacement Policy, Mr. Metzger is now responsible for the actual payment of the annual premium and keeping his policy current.

Pre-2003 loans on these policies were grandfathered under Sarbanes-Oxley and remain outstanding. The loans must be repaid to Brunswick at the scheduled rollout date or upon death (whichever occurs first) per the terms of the Split Dollar agreement. Executives with split-dollar life insurance replacements do not receive Company-provided basic life insurance coverage. Executives hired since 2003 receive basic life insurance coverage under the same terms as other salaried employees, except that the Company continues to pay for a life insurance policy for Mr. Schwabero that was provided by his former employer. These are grandfathered benefits and would not be applicable to new NEOs.

Terms and Conditions of Employment

All NEOs maintain agreements setting forth their terms and conditions of employment (Agreements). The Agreements memorialize the “at will” nature of the employment relationship, and describe each executive’s duties, compensation, benefits and perquisites. Additionally, the Agreements consolidate the restrictive covenants that exist during and after employment (e.g., non-competition, confidentiality, non-solicitation).

Finally, the Agreements establish and limit the compensation and benefits to which an executive is entitled in the event of termination.

We believe that offering Agreements to our executives helps to ensure the retention of executive experience, skills, knowledge and background for the benefit of the Company, and the efficient achievement of our long-term goals and strategy. Additionally, the Agreements reinforce and encourage the executives’ continued attention and dedication to duties without the distraction arising from the possibility of a Change in Control. The Agreements do not provide excise tax gross-ups.

Perquisites

We extend certain benefits to NEOs that we do not offer to salaried employees in general. These programs help NEOs enhance their understanding of our products, protect their physical health and maximize their productivity.

Executive Product Program

The product program is designed to encourage the use of Brunswick products to enhance understanding and appreciation of our businesses and identify product and business development opportunities. The program provides a product allowance equal to $30,000 for all participants. We do not reimburse the participant for the tax liability associated with the program. The allowance may be applied toward the purchase of Brunswick products at the discounted rates established pursuant to the Brunswick Employee Purchase Program, which is available to all Brunswick employees, as well as any freight costs, parts and accessories, service fees and other expenses related to the ownership of the Brunswick products purchased.

Executive Physical Program

We provide a physical examination program to senior executives that is intended to protect the health of such executives and our investment in our leadership team. The Compensation Committee requires senior executives to have an annual physical examination and, as part of this program, they have immediate access to healthcare providers.

Personal Aircraft Use

The Chairman and CEO may use Company aircraft for personal use on a limited basis. This benefit allows for the effective use of the Chairman and CEO’s limited personal time. Other NEOs may use the Company aircraft for personal use with prior approval from the Chairman and CEO.

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Determining Executive Compensation

Decisions with respect to specific BPP awards, equity awards and base salary increases for the current year are normally made at the first Compensation Committee and Board meeting of each year. At this meeting, the Compensation Committee and the Board of Directors also make decisions with respect to the prior year's performance and BPP funding. Base salary increases are generally effective as of the first full pay period in April.

The Compensation Committee reviews and approves equity grant terms and conditions and grant size for NEOs and other senior executives at its first meeting of the year, which is generally held following our public disclosure of our financial results for the prior year.

Human Resources and Compensation Committee Report

The Human Resources and Compensation Committee reviewed and discussed this Compensation Discussion and Analysis with management.

Based on that review and discussion, the Human Resources and Compensation Committee recommended to the Board of Directors of Brunswick Corporation that the Compensation Discussion and Analysis be included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2016, and the Company's Proxy Statement to be filed in conjunction with the Company's 2017 Annual Meeting.

J. Steven Whisler, *Chair*
David C. Everitt
Manuel A. Fernandez

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2016 Summary Compensation Table

The table below summarizes the total compensation earned by each of our NEOs for the years ended December 31, 2016, 2015 and 2014.

Name and Principal Position	Year	Salary[1]	Stock Awards[2]	Non-Equity Incentive Plan Compensation[3]	Change in Pension Value and Non-qualified Deferred Compensation Earnings[4]	All Other Compensation[5]	Total
Mark D. Schwabero[7]	**2016**	**$971,154**	**$4,500,562**	**$ 1,035,000**	**$ -**	**$ 195,732**	**$6,702,448**
Chairman and Chief	2015	744,231	2,502,375	784,000	-	181,097	4,211,703
Executive Officer	2014	598,077	1,455,188	702,000	-	163,496	2,918,761
William L. Metzger	**2016**	**$505,000**	**$999,224**	**$ 430,500**	**$ 37,684**	**$ 169,272**	**$2,141,680**
Senior Vice President and	2015	517,500	1,000,904	545,000	29,292	121,285	2,213,981
Chief Financial Officer	2014	478,269	899,926	563,000	270,642	105,388	2,317,225
John C. Pfeifer	**2016**	**$475,000**	**$999,224**	**$ 377,000**	**$ 323**	**$ 123,341**	**$1,974,888**
Vice President and	2015	479,423	1,000,904	429,000	191	115,019	2,024,537
President – Mercury Marine	2014	396,538	671,388	370,000	-	105,230	1,543,156
Huw S Bower[8]	**2016**	**$332,061**	**$448,768**	**$ 240,000**	**$ -**	**$ 301,434**	**$1,322,263**
Vice President and President – Boat Group							
Christopher F. Dekker[8]	**2016**	**$424,616**	**$499,612**	**$ 271,500**	**$ -**	**$ 75,048**	**$1,270,776**
Vice President, General Counsel and Corporate Secretary							
Dustan E. McCoy[6]	**2016**	**$187,339** [9]	**$-**	**$ -**	**$ 186,316**	**$ 307,258**	**$680,913**
Former Chairman and Chief	2015	1,125,000	6,500,604	1,777,000	188,089	452,777	10,043,470
Executive Officer	2014	1,050,000	5,248,048	1,853,000	122,184	518,441	8,791,673

(1) *The amounts shown in this column constitute actual base salary paid. For 2015, these amounts reflect that there was an additional pay period in 2015 due to the overlay of biweekly pay periods on calendar years. Annual salaries as of December 31, 2016 were:*

Schwabero	Metzger	Pfeifer	Bower	Dekker
$1,000,000	$505,000	$475,000	$360,000	$430,000

(2) *The amounts shown in this column constitute the aggregate grant date fair value of restricted stock units and Performance Shares granted under the Brunswick Corporation 2014 Stock Incentive Plan during the applicable*

year, computed in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718 – Compensation – Stock Compensation (FASB ASC Topic 718). For assumptions used in the valuation of such awards, see Note 18 to the financial statements included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2016. If the highest achievement level is attained, the maximum amounts that would be received with respect to the 2016 Performance Shares, calculated using the December 31, 2016 closing share price are as follows: Mr. Schwabero $6,370,272; Mr. Metzger, $1,418,040; Mr. Pfeifer, $1,418,040; Mr. Bower, $587,941 and Mr. Dekker, $709,020. For further information on these awards, see the Grants of Plan-Based Awards table.

(3) *The amounts shown in this column constitute payments made under the annual Brunswick Performance Plan (BPP).*

(4) *The amounts shown in this column include:*

For Mr. McCoy in 2014, 2015 and 2016 and for Mr. Pfeifer in 2015 and 2016, above-market interest paid on required automatic cash deferrals under the 2005 Automatic Deferred Compensation Plan. Interest earned on investment alternatives selected by the officer in the Restoration Plan is a market rate of return and is therefore not included in this column.

For Mr. Metzger, the actuarial value of benefits under Brunswick's qualified pension plans and the Supplemental Pension Plan on December 31, 2016 compared to December 31, 2015 was as follows:

Name	**Plan Name**	**Present Value of Accumulated Benefit @ 12/31/2015**	**Present Value of Accumulated Benefit @ 12/31/2016**	**Change in Pension Value**
William L. Metzger	Supplemental Pension Plan	$ 512,911	$ 550,595	$ 37,684

(5) *The amounts shown in this column include the following for fiscal year 2016:*

Defined Contribution Plan Contributions: *Brunswick contributions to defined contribution programs, including both qualified and non-qualified programs (to provide for contributions in excess of IRS limits) per the contribution formulas detailed in the Narrative to Non-Qualified Deferred Compensation Table are as follows:*

	Schwabero	**Metzger**	**Pfeifer**	**Bower**	**Dekker**	**McCoy**
Qualified	$ 26,500	$ 26,500	$ 23,100	$ 24,700	$ 26,500	$ 26,500
Non-Qualified	$ 130,480	$ 95,204	$ 64,025	$ 21,327	$ 42,698	$ 230,754

Amounts contributed to the qualified plan include Company match and a variable retirement contribution of four percent and six percent, respectively, on qualified plan limit earnings.

Product Program: *Brunswick provides a product program for Company officers. This program is designed to encourage the use of our products to enhance understanding and appreciation of our businesses and identify product integration opportunities. Each year, officers are eligible to select products with an aggregate annual value of up to $30,000. The allowance may be applied toward the purchase of our products at the discounted rates established pursuant to the Brunswick Employee Purchase Program, as well as any freight costs, parts and accessories, service fees and other expenses related to the ownership of the Brunswick products purchased. However, we do not reimburse executives for the associated tax liability as a result of the purchases or value received from the program.*

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The incremental cost of products selected, which is based on the discounted prices established pursuant to the Brunswick Employee Purchase Program, is as follows:

Schwabero	Metzger	Pfeifer	Bower	Dekker	McCoy
$ 21,822	$ 30,000	$ 30,000	27,113	$ -	$ 30,000

Life Insurance: *The Sarbanes-Oxley Act of 2002 prohibits loans to executive officers. As a result of this loan prohibition, combined with changes in taxation of split-dollar life insurance, we restructured existing split-dollar life insurance policies in 2004 such that the net present value cost to Brunswick did not increase. Mr. Metzger is now responsible for payment of the annual premium and keeping his policy current. Annual payments to Mr. Metzger in connection with his payment of premiums are:*

	Metzger
	$ 11,980
Policy Maturity Date	07/01/2026

Mr. Metzger is not provided any life insurance through the Company's basic life program for employees.

Brunswick pays an annual premium of $9,300 for Mr. Schwabero to continue the life insurance policy provided by his former employer.

Personal Usage of Company Aircraft: *Mr. Schwabero and Mr. McCoy utilized the Company aircraft for personal use on a limited basis. The incremental cost to Brunswick for such usage during 2016 was $2,267 for Mr. Schwabero and $20,005 for Mr. McCoy. This incremental cost to the Company for use of the corporate aircraft is based on the variable operational costs of all flights, including fuel, maintenance, flight crew travel expense, catering, communications and fees, including flight planning, ground handling and landing permits.*

Relocation: *Upon his appointment to his new role, Mr. Bower relocated to the Lake Forest, Illinois area from Edgewater, Florida. The incremental cost to Brunswick of his relocation was $222,444.*

Other Benefits: *Each of the NEOs received the following perquisites and other personal benefits, none of which exceeded $25,000: (a) an annual executive physical examination; and (b) a service providing 24-hour access to immediate healthcare.*

There are no tax gross-ups related to any executive benefits.

(6) *Mr. McCoy resigned as Chairman and CEO effective February 11, 2016.*
(7) *Mr. Schwabero was appointed Chairman and CEO effective February 11, 2016.*
(8) *Mr. Bower and Mr. Dekker were not NEOs in 2014 or 2015. Therefore, this table does not provide 2014 or 2015 data for them.*
(9) *Salary for Mr. McCoy includes $13,877 of accrued vacation, which was payable upon the separation of his employment.*

2016 Grants of Plan-Based Awards

Name	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards[1] Threshold	Target	Maximum	Estimated Future Payouts Under Equity Incentive Plan Awards[2] Threshold	Target	Maximum	All Other Stock Awards: Number of Shares of Stock or Units[3]	Grant Date Fair Value of Stock Awards[4]
Mark D. Schwabero	1/1/2016	$-	$1,213,942	$2,427,885					
	2/10/2016				-	58,400	116,800		$2,250,736
	2/10/2016							56,900	$2,249,826
William L. Metzger	1/1/2016	$-	$505,000	$1,010,000					
	2/10/2016				-	13,000	26,000		$501,020
	2/10/2016							12,600	$498,204
John C. Pfeifer	1/1/2016	$-	$380,000	$760,000					
	2/10/2016				-	13,000	26,000		$501,020
	2/10/2016							12,600	$498,204
Huw S. Bower	1/1/2016	$-	$228,405	$456,810					
	2/10/2016				-	1,390	2,780		$52,486
	2/10/2016							1,390	$54,961
	5/4/2016				-	4,000	8,000		$154,160
	5/4/2016							3,900	$187,161
Christopher Dekker	1/1/2016	$-	$318,462	$636,923					
	2/10/2016				-	6,500	13,000		$250,510
	2/10/2016							6,300	$249,102

(1) *Consists of threshold, target and maximum awards under the 2016 BPP.*
(2) *Consists of performance shares awarded under the Brunswick Corporation 2014 Stock Incentive Plan. Performance Shares vest and convert to shares of Brunswick Common Stock at the end of the three-year performance period based on the final plan performance.*
(3) *Consists of RSUs awarded under the Brunswick Corporation 2014 Stock Incentive Plan. Awards vest on the third anniversary of the grant date.*

(4) *The amounts shown in this column constitute the aggregate grant date fair value of equity awards granted under the Brunswick Corporation 2014 Stock Incentive Plan during 2016, computed in accordance with FASB ASC Topic 718. For assumptions used in the valuation of such awards, see Note 18 to the financial statements included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2016.*

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Equity Compensation Plan Information and Awards

Brunswick granted RSUs and Performance Shares to all NEOs, other than Mr. McCoy, in 2016 pursuant to the Brunswick Corporation 2014 Stock Incentive Plan. Brunswick generally grants RSUs annually and they typically vest 100 percent on the third anniversary of the grant date. Performance Shares are generally granted annually and, if earned, typically vest 100 percent at the end of a three-year performance period. The terms of the awards reflect the use of the “Rule of 70 or Age 62” (as described below), along with the inclusion of an additional provision that would pro-rate the grant in the event of termination prior to the first anniversary of the date of grant, provided the participant had met the appropriate retirement definition in the terms and conditions of the award. Providing for a “prorated” grant serves to keep the decision about retirement timing independent of the vesting schedule of equity-based compensation. Of the NEOs, Mr. Schwabero and Mr. Metzger meet the Rule of 70 or Age 62 provision. Please see the “Other Potential Post-Employment Payments” section for a description of the treatment of equity awards following an involuntary termination of employment or a Change in Control.

Rule of 70 or Age 62

The terms and conditions of SARs, RSUs and Performance Shares each provide for forfeiture of the award if an executive terminates employment before the end of the vesting period, except if: (i) the sum of the individual’s age plus years of service being equal to or greater than 70; or (ii) age 62 (Rule of 70 or Age 62). Once the Rule of 70 or Age 62 is met, and if the employee’s employment is terminated (other than for cause or due to death or permanent disability) the applicable awards are treated as follows:

- SARs - If termination occurs on or after the first anniversary of the grant, vesting continues on the normal vesting schedule. If termination occurs prior to the first anniversary of the grant, a pro-rata portion of the grant will vest pursuant to the normal vesting schedule.

- RSUs - If termination occurs on or after the first anniversary of the grant, all of the award will be distributed three years from grant date. If termination occurs prior to the first anniversary of the grant, a pro-rata portion of the award will be distributed three years from grant date.

- Performance Shares - If termination occurs on or after the first anniversary of the grant, grantee will receive the entire award at the end of the performance period, calculated as if the grantee had remained employed throughout the entire performance period and based on actual performance. If termination occurs prior to the first anniversary of the grant, the grantee will receive a pro-rata portion of the earned award at the end of the performance period.

Please see the "Compensation Discussion and Analysis" section of this Proxy Statement for a detailed description of awards granted to the NEOs during 2016.

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2016 Outstanding Equity Awards at Fiscal Year-End

The table below provides information regarding each NEO’s outstanding equity awards as of December 31, 2016. The equity awards in this table consist of stock-settled stock appreciation rights (options), restricted stock units and performance shares.

	Option Awards[1]						Stock Awards[2]		
Name	Grant Date	Number of Securities Underlying Unexercised Options Exercisable	Number of Securities Underlying Unexercised Options Unexercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options	Option Exercise Price	Option Expiration Date	Number of Shares or Units of Stock Held That Have Not Vested[3]	Market Value of Shares or Units of Stock Held That Have Not Vested	Equit Incen Plan Numl Unea Share Units Other Right Have Veste
Mark D. Schwabero	2/9/2009	35,000	-		$3.71	2/9/2019			
	5/12/2009	65,000	-		$5.86	5/12/2019			
	2/9/2010	62,000	-		$11.08	2/9/2020			
	2/8/2011	28,000	-		$21.52	2/8/2021			
	2/14/2012	13,300	-		$23.79	2/14/2022			
	2/3/2014						11,475	$625,847	10,79
	5/6/2014						7,220	$393,779	6,831
	2/11/2015						23,746	$1,295,107	27,13
	2/10/2016						57,641	$3,143,740	58,40
William L. Metzger	2/9/2009	13,125	-		$3.71	2/9/2019			
	5/12/2009	35,000	-		$5.86	5/12/2019			
	2/9/2010	45,000	-		$11.08	2/9/2020			
	2/8/2011	23,000	-		$21.52	2/8/2021			
	2/14/2012	8,800	-		$23.79	2/14/2022			
	2/3/2014						11,475	$625,847	10,79
	2/11/2015						9,519	$519,166	10,83
	2/10/2016						12,764	$696,149	13,00
John C. Pfeifer	2/9/2009	8,750	-		$3.71	2/9/2019			
	5/12/2009	12,500	-		$5.86	5/12/2019			
	2/9/2010	24,000	-		$11.08	2/9/2020			
	2/8/2011	15,750	-		$21.52	2/8/2021			
	2/14/2012	8,200	-		$23.79	2/14/2022			
	2/3/2014						5,582	$304,442	2,673

	5/6/2014					4,538	$247,503	4,257
	2/11/2015					9,519	$519,166	10,83
	2/10/2016					12,764	$696,149	13,00
Huw S.	2/3/2014					1,788	$97,518	
Bower	2/11/2015					921	$50,231	1,095
	2/10/2016					1,408	$76,792	1,390
	5/4/2016					3,937	$214,724	4,000
Christopher	2/8/2011	1,000	-	$21.52	2/8/2021			
Dekker	2/14/2012	1,100	-	$23.79	2/14/2022			
	2/3/2014					2,812	$153,366	
	7/22/2014					1,466	$79,956	
	2/11/2015					4,708	$256,774	5,477
	2/10/2016					6,382	$348,074	6,500
Dustan E.	2/3/2014					67,092	$3,659,198	62,76
McCoy	2/11/2015					61,718	$3,366,100	70,46

(1) *Stock Appreciation Rights (SARs) vest at a rate of 25 percent per year over the first four years of the 10-year option term.*

(2) *The market value of shares or units of stock that have not vested reflects a stock price of $54.54, the closing stock price on December 31, 2016.*

(3) *RSU grants vest 100 percent on the third anniversary of the date of grant. Amounts include reinvested dividends.*

(4) *Represents the calculation of the 2014 performance share awards which were based on one-year Cash Flow Return on Investment performance for the 2014 fiscal year with an additional two-year vesting period. Resulting TSR performance against the established peer group for the performance period did not result in additional modification of +/- 20% the award. Mr. Bower and Mr. Dekker did not receive 2014 performance share grants as they were both in different roles at that time and were therefore ineligible.*

(5) *2015 performance share awards are subject to a three-year performance period and may be subject to additional modification of +/- 20% based on TSR performance against the established peer group, as described in the Compensation Discussion & Analysis. The number of shares listed are based on performance through December 31, 2016. Mr. Bower's performance share grant does not include the TSR modifier as he was not eligible for this plan feature at the time of his grant.*

(6) *2016 performance share award grants are subject to a three-year performance period and may be subject to additional modification of +/- 20% based on TSR performance against the established peer group, as described in the Compensation Discussion & Analysis. Mr. Bower's February performance share grant does not include the TSR modifier as he was not eligible for this plan feature at the time of his grant. His May performance share grant includes the TSR modifier.*

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2016 Option Exercises and Stock Vested

	Option Awards		Stock Awards(1)(2)	
Name	Number of Shares Acquired on Exercise	Value Realized on Exercise	Number of Shares Acquired on Vesting	Value Realized on Vesting
Mark D. Schwabero	-	$-	30,695	$1,225,247
William L. Metzger	38,000	$946,040	30,695	$1,225,247
John C. Pfeifer	5,000	$72,000	10,155	$407,134
Huw S. Bower	1,849	$57,037	-	$-
Christopher F. Dekker	9,400	$245,801	3,242	$131,009
Dustan E. McCoy	917,800	$22,219,148	167,240	$6,675,576

(1) *Includes the following number of vested PSUs awarded on February 4, 2013, which vested on February 10, 2016, using a market price of $39.54 per share:*

	Schwabero	Metzger	Pfeifer	Bower	Dekker	McCoy
Shares	17,400	17,400	3,712	-	-	94,934
Value	$ 687,996	$687,996	$146,772	$ -	$ -	$3,753,690

(2) *Includes the following number of vested RSUs awarded on February 4, 2013, which vested on February 4, 2016, using a market price of $40.41 per share:*

	Schwabero	Metzger	Pfeifer	Bower	Dekker	McCoy
Shares	13,295	13,295	6,443	-	3,242	72,306
Value	$ 537,251	$537,251	$260,362	$ -	$131,009	$2,921,885

2016 Pension Benefits

Name	Plan Name	Number of Years Credited Service	Present Value of Accumulated Benefit	Payment During Last Fiscal Year
William L. Metzger	Supplemental Pension Plan	21.33	$ 550,595	$ -

Narrative to Pension Benefits Table

Supplemental Pension Plan

Effective December 31, 2009, the Company froze the Supplemental Pension Plan and ceased all benefit accruals. Participation thereafter in any supplemental pension plan has been through the Brunswick Restoration Plan.

The Supplemental Pension Plan ensures that employees with covered compensation or pension benefits above IRS qualified defined benefit plan limits receive the full amount of their intended pension benefits. Under the Supplemental Pension Plan, the Company pays, on a non-qualified basis, the difference between an employee's earned defined benefit pension and that permissible by IRS qualified limits, and this amount is subject to the claims of creditors. The Supplemental Pension Plan provides a retirement benefit that is consistent with those who are not affected by the IRS compensation and benefit limits and reflects an individual's full career and covered pay earned.

The formula for determining benefits under the Supplemental Pension Plan is the same formula used for the qualified pension plans, specifically a formula based upon age, years of participation in the plan up to 30 years and the average of the three highest consecutive years' earnings (salaries, annual BPP and commissions, but excluding payouts under the Strategic Incentive Plan, which has been eliminated).

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2016 Non-Qualified Deferred Compensation

RESTORATION PLAN

Name	Executive Contributions **in Last FY(1)**	Company Contributions **in Last FY(2)**	Aggregate Earnings **in Last FY(3)**	Aggregate Withdrawals/ Distributions	Aggregate Balance **at Last FYE(4)**
Mark D. Schwabero	$ 89,409	$ 130,480	$ 308,050	$ -	$ 5,070,019
William L. Metzger	$ 39,250	$ 95,204	$ 23,926	$ -	$ 667,410
John C. Pfeifer	$ 72,400	$ 64,025	$ 103,716	$ -	$ 1,233,586
Huw S. Bower	$ 36,206	$ 21,327	$ 8,711	$ -	$ 141,810
Christopher F. Dekker	$ 56,300	$ 42,698	$ 23,289	$ -	$ 338,056
Dustan E. McCoy	$ 84,967	$ 230,754	$ 1,375,839	$ (7,462,586)	$ -

2005 ELECTIVE DEFERRED INCENTIVE COMPENSATION PLAN

Name	**Executive Contributions in Last FY(1)**	**Company Contributions in Last FY(2)**	**Aggregate Earnings in Last FY(3)**	**Aggregate Withdrawals/ Distributions**	**Aggregate Balance at Last FYE(4)**
Mark D. Schwabero	$ -	$ -	$ 45,246	$ -	$ 668,497
William L. Metzger	$ -	$ -	$ -	$ -	$ -
John C. Pfeifer	$ -	$ -	$ 11,797	$ -	$ 137,114
Huw S. Bower	$ -	$ -	$ -	$ -	$ -
Christopher F. Dekker	$ -	$ -	$ -	$ -	$ -
Dustan E. McCoy	$ -	$ -	$ 66,273	$ (938,096)	$ -

2005 AUTOMATIC DEFERRED COMPENSATION PLAN

Name	Executive Contributions **in Last FY(5)**	Company Contributions **in Last FY(2)**	Aggregate Earnings **in Last FY(3)**	Aggregate Withdrawals/ Distributions	Aggregate Balance **at Last FYE(4)**
Mark D. Schwabero	$ 658,154	$ -	$ 468,440	$ -	$ 1,157,673
William L. Metzger	$ -	$ -	$ -	$ -	$ -
John C. Pfeifer	$ -	$ -	$ 619	$ -	$ 11,598
Huw S. Bower	$ -	$ -	$ -	$ -	$ -
Christopher F. Dekker	$ -	$ -	$ -	$ -	$ -
Dustan E. McCoy	$ -	$ -	$ 5,122,241	$ (22,561,073)	$ -

(1)

100 percent of the amount for each NEO in this column represents deferrals of salary and BPP and is reported in the "Salary" and "Non-Equity Incentive Plan Compensation" columns of the Summary Compensation Table.

(2) *100 percent of the amount for each NEO in this column is reported in the "All Other Compensation" column of the Summary Compensation Table.*

(3) *Amounts in this column include above-market interest reported in the "Change in Pension Value and Non-Qualified Deferred Compensation Earnings" column of the Summary Compensation Table.*

(4) *The following amounts were previously reported as compensation to the NEOs in past Summary Compensation Tables. These amounts consist of Executive and Company Contributions and above-market interest as follows:*

Schwabero	Metzger	Pfeifer	Bower	Dekker	McCoy
$ 432,037	$206,205	$160,553	$ -	$ -	$8,808,916

(5) *The amount for Mr. Schwabero in this column represents deferrals of RSUs and Performance Shares granted on February 4, 2013 and distributable on February 4, 2016 and February 10, 2016, respectively.*

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Narrative to Non-Qualified Deferred Compensation Tables

The Non-Qualified Deferred Compensation tables show amounts deferred in 2016 under the Elective Deferred Incentive Compensation, Restoration (non-qualified plan to provide for contributions in excess of IRS limits) and Automatic Deferred Compensation plans and includes previous deferrals.

Under the 2005 Elective Deferred Incentive Compensation Plan, participants were allowed to defer up to 100 percent of BPP awards in either cash or stock. The Company calculated the value of cash deferrals based on the rate of return of mutual funds selected by the participant. The investment options mirror those of the qualified 401(k) plan and participants manage fund elections in the same manner. The Company calculated the value of stock deferrals on the same basis as Brunswick Common Stock. In 2008, the Company suspended participation in the plan. Distributions under the 2005 Elective Deferred Incentive Compensation Plan will be made as soon as administratively practicable after the participant's termination from the Company or in accordance with the participant's stated elections.

Under the Restoration Plan, participants may defer up to 40 percent of their base salary and BPP awards. These deferrals are credited with earnings and losses based on the rate of return of mutual funds selected by the participant. The investment options and Company matching formula mirror those of the qualified 401(k) plan, which the participant manages in the same manner. Brunswick contributes to this plan according to the following formula:

- One dollar for every dollar contributed by the employee, up to 3 percent of annual pay, and 50 cents for every dollar on the next 2 percent, plus an annual variable retirement contribution of up to 9 percent based on Company performance. Distributions under the Restoration Plan will be made as soon as administratively practicable after the six-month anniversary from the participant's date of termination.

The rates of return in 2016 for each fund in the 2005 Elective Deferred Incentive Compensation Plan and the Restoration Plan are indicated in the following table:

Fund	**Rate of Return**	
Brunswick ESOP Co Stock	9.09	%
Extended Mkt Index Inst	16.15	%
Federal Money Mkt Fund	0.30	%
Inst. Index Fund Inst	11.93	%
MainStay Large Cap Growth R6	-2.17	%
Retire Savings Trust III	2.02	%
Target Retirement Trust 2010 II	5.32	%
Target Retirement Trust 2015 II	6.25	%
Target Retirement Trust 2020 II	7.02	%
Target Retirement Trust 2025 II	7.51	%

Target Retirement Trust 2030 II	7.93	%
Target Retirement Trust 2035 II	8.37	%
Target Retirement Trust 2040 II	8.79	%
Target Retirement Trust 2045 II	8.91	%
Target Retirement Trust 2050 II	8.95	%
Target Retirement Trust 2055 II	8.97	%
Target Retirement Trust 2060 II	8.95	%
Target Retirement Inc Trust II	5.25	%
TCW Core Fixed-Income I	2.28	%
Templeton Instl Foreign Eq Ser Primary	1.30	%
Total Intl Stock Ix Inst	4.70	%
Total Bond Mkt Index Inst	2.61	%
Wells Fargo Advantage Common Stock I	14.45	%
Windsor II Fund Adm	13.49	%

Under the 2005 Automatic Deferred Compensation Plan, participants are required to defer certain compensation in excess of $1.5 million to protect the tax deductibility to the Company of such compensation under Section 162(m) of the Internal Revenue Code. For cash balances, deferred cash equivalent balances are credited with: (i) an interest rate equal to the greater of the prime rate at JP Morgan Chase plus two percent, or Brunswick’s short-term borrowing rate; or (ii) returns on securities selected by the executive. For amounts deferred in stock, the account is credited with the number of share units equal to the number of shares of Company stock as of the date on which the shares would otherwise have been paid.

Distributions of deferrals are made as soon as reasonably practicable after the six-month anniversary of the participant’s date of termination.

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Other Potential Post-Employment Payments

Brunswick has entered into severance and Change in Control agreements with each of the NEOs which are incorporated in the Terms and Conditions of Employment (Agreements).

Terms and Conditions of Employment

The Agreements confirm that employment is at will and outline the NEO's roles and responsibilities and compensation, benefits and eligibility for certain perquisites provided in exchange for their services. The Agreements also contain provisions regarding termination of employment and reflect a "double-trigger" Change in Control severance and equity provision (effective upon termination of employment by the Company following a Change in Control of the Company) for all NEOs, including the Chairman and CEO.

The Company modified its equity vesting provision for 2016 equity grants such that they will be subject to double-trigger vesting. Therefore a termination must occur following a Change in Control in order for the equity awards to vest. This modification is to align with competitive best practice. Legacy award grants (prior to 2016) still have single-trigger vesting upon a Change in Control, but this will no longer apply in 2018 after the 2015 awards vest, as they were the last awards granted with single trigger vesting.

Change in Control and Severance

Each NEO is entitled to certain severance benefits in the event of a Change in Control (as defined below), if Brunswick terminates his employment for reasons other than for Cause (as defined below) or disability or if the executive terminates for Good Reason (as defined below):

- Qualifying termination within 24 months following a Change in Control:
  - Severance payment of three times for Messrs. Schwabero, Metzger, and Pfeifer and two times for Messrs. Bower and Dekker the sum of: (i) annual salary; (ii) the larger of targeted annual award under BPP for the year of termination or the year in which the Change in Control occurs; and (iii) the Company's 401(k) match, variable retirement contribution and other Company contributions made on his behalf to the Company's tax-qualified and non-qualified defined contribution plans during the 12-month period prior to the date of termination,
  - All equity awards held by the executive will become fully vested and, if applicable, immediately exercisable and will remain outstanding pursuant to their terms; and

– Other benefits (including the continuation of medical, dental, vision and prescription coverage) for up to the length of the severance period.

The three (3) times severance calculation is a grandfathered practice and new officers to the Company are set at two (2) times severance calculation following a Change in Control.

• Qualifying termination other than following a Change in Control:

– For the Chairman and CEO, severance payment equal to two times the sum of: (i) annual salary; (ii) the targeted annual award under BPP for the year of termination; and (iii) the Company's 401(k) match, variable retirement contribution and other Company contributions made on his behalf to the Company's tax-qualified and non-qualified defined contribution plans during the 12-month period prior to the date of termination;

– For the other NEOs, severance payment equal to one and one half times the sum of: (i) annual salary; and (ii) the Company's 401(k) match, variable retirement contribution and other Company contributions made on his behalf to the Company's tax-qualified and non-qualified defined contribution plans during the 12-month period prior to the date of termination. Any award under the BPP can be made at the CEO's discretion;

– Other benefits (including the continuation of medical, dental, vision and prescription coverage) for up to 24 months for the Chairman and CEO and up to 18 months for other NEOs; and

– All equity awards held by the executive vest according to the terms and conditions of the underlying plans.

In addition to the payments described above, in each scenario, the NEO would be entitled to receive any annual BPP award earned for the preceding year that had not yet been paid at the time of termination as well as outplacement services.

In 2012, we eliminated the practice of providing indemnification or any "gross-up" of taxes imposed by Section 4999 of the Internal Revenue Code on "excess parachute payments" (as defined in Section 280G of the Internal Revenue Code). As a result, all executives at Brunswick who have an Agreement, including each NEO, are no longer entitled to a gross-up for any excise tax imposed on "excess parachute payments." Instead, such executives will either be required to pay the excise tax or have their payments reduced if it would be more favorable to them on an after-tax basis.

Brunswick may terminate the Agreements upon six months' notice, except that after a Change in Control, Brunswick may not terminate the Agreements until the second anniversary of the Change in Control.

The Agreements contain non-competition and non-solicitation restrictive covenants effective during the two-year period following termination of employment for the CEO, and for 18 months following termination for all other NEOs, and non-disclosure and non-disparagement restrictive covenants effective at all times. Upon termination following a Change in Control, the non-competition and non-solicitation restrictive covenants are not applicable. In the event of a violation of the restrictive covenants, we may recover any severance payments received by the executive and any gain realized as a result of the exercise or vesting of equity awards beginning 12 months prior to termination and ending on the date that the Company makes full recovery of such payments. The terms of the Agreements require the NEOs to execute a general release.

Severance benefits are not available for those individuals terminating due to death, long-term disability or for Cause.

Termination for "Cause" means the NEO's:

- Conviction of a crime, including by a plea of guilty or nolo contendere, involving theft, fraud, perjury or moral turpitude;
- Intentional or grossly negligent disclosure of confidential or trade secret information of the Company or a related company to anyone not entitled to such information;
- Willful omission or dereliction of any statutory or common law duty of loyalty to the Company or a related company;
- Willful and material violation of the Company's Code of Conduct or any other written Company policy; or
- Repeated failure to carry out the material components of the executive's duties despite specific written notice to do so by the CEO other than any such failure as a result of incapacity due to physical or mental illness.

"Good Reason" means any of the following without the NEO's express written consent:

- Material breach of provisions of the Agreement;
- Failure to provide benefits generally provided to similarly-situated senior executives;

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- Reduction in authority or responsibility;
- Reduction in compensation not applicable to similarly-situated senior executives;
- Relocation beyond a reasonable commuting distance; or
- Following a Change in Control, failure to obtain a satisfactory agreement from any successor to assume and agree to abide by employment agreement terms.

The Good Reason provision protects executives from being effectively demoted or having their pay reduced in an effort to force them to quit.

The definition of Change in Control includes: (i) the acquisition of 25 percent or more of the outstanding voting stock of Brunswick by any person other than an employee benefit plan of Brunswick; (ii) the failure of the incumbent Board of Directors to constitute a majority of Brunswick's Board, excluding new directors who (a) are approved by a vote of at least 50 percent of the members of the incumbent Board and (b) did not join the Board following a contested election of directors; (iii) a merger of Brunswick with another corporation, other than a merger in which Brunswick's shareholders receive at least 60 percent of the voting stock outstanding after the merger or a merger effected to implement a recapitalization of Brunswick in which no person acquires more than 25 percent of Brunswick's voting stock and the Board is comprised of a majority incumbent directors; or (iv) a complete liquidation or dissolution of Brunswick.

Payment Obligations under Termination Scenarios

The following tables show our estimated payment obligations resulting from effective termination before and after a Change in Control, using December 31, 2016 as the hypothetical termination date.

INVOLUNTARY TERMINATION OTHER THAN FOR DEATH, DISABILITY, OR CAUSE

Name	**Severance**(1)	**Welfare Benefits**(2)	Total	**BPP**(3)
Mark D. Schwabero	$ 4,813,960	$ 40,491	$4,854,451	$-
William L. Metzger	$ 940,056	$ 48,180	$988,236	$505,000
John C. Pfeifer	$ 843,188	$ 48,180	$891,368	$380,000
Huw S. Bower	$ 609,041	$ 35,681	$644,722	$270,000
Christopher F. Dekker	$ 748,798	$ 31,136	$779,933	$322,500

TERMINATION FOLLOWING A CHANGE IN CONTROL

Name	**Severance**(4)	**Welfare Benefits**(2)	Long-Term **Incentives**(5)	Total
Mark D. Schwabero	$ 7,220,941	$ 45,981	$ 139,727	$7,406,649
William L. Metzger	$ 3,074,833	$ 78,861	$ 35,342	$3,189,036
John C. Pfeifer	$ 2,826,376	$ 78,861	$ 248,449	$3,153,686
Huw S. Bower	$ 2,028,081	$ 44,771	$ 186,798	$2,259,650
Christopher F. Dekker	$ 1,292,034	$ 44,771	$ 279,181	$1,615,986

(1) *Amounts in this column represent severance payments equal to two times the sum of salary, BPP and defined contribution plan contributions for Mr. Schwabero and one and one-half times the salary and defined contribution plan contributions for the other NEOs.*

(2) *Amounts in this column represent the estimated present value of Company-provided outplacement services and continuation of benefits provided during the severance period, based on current COBRA rates.*

(3) *Amounts in this column represent full payment of BPP. For NEOs other than Mr. Schwabero, payment of the BPP upon a termination preceding a Change in Control is at the discretion of the Chairman and CEO.*

(4) *Amounts in this column represent severance payments equal to three times for Messrs. Schwabero, Metzger, and Pfeifer and two times for Messrs. Bower and Dekker, the sum of the NEO's salary, BPP and defined contribution plan contributions. Payments are reduced, where appropriate, in order to avoid excise taxes under Section 280G of the Internal Revenue Code so as to place the NEO in a "best after tax" situation.*

(5) *Amounts in this column reflect the long-term incentive awards for which vesting would be accelerated following termination upon a Change in Control in accordance with the terms and conditions of the awards.*

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PROPOSAL NO. 2: ADVISORY VOTE TO APPROVE EXECUTIVE COMPENSATION

Pursuant to Section 14A of the Securities Exchange Act of 1934, as amended, we seek your advisory vote to approve our compensation programs for our named executive officers (commonly referred to as a "say-on-pay vote"). We encourage shareholders to review the Compensation Discussion and Analysis on pages 27 to 45 of this Proxy Statement. We ask that you approve the compensation of our named executive officers as disclosed in the Compensation Discussion and Analysis and the accompanying tables contained in this Proxy Statement. Because this vote is advisory in nature, it will not be binding on the Board of Directors, the Compensation Committee or the Company; however, the Board and the Compensation Committee will review the voting results and carefully consider the outcome of the vote when making future decisions regarding executive compensation.

Consistent with the direction of our shareholders at our 2011 annual meeting, the say-on-pay vote has been held on an annual basis. We are once again asking our shareholders to approve the frequency of our say-on-pay votes at the Annual Meeting (every one, two or three years), as described in Proposal No. 3 below. At our 2016 annual meeting, we received overwhelming shareholder approval on the "say on pay" proposal (95.55 percent of votes were cast for the proposal). We were pleased with this significant vote of confidence in our pay practices and made no direct changes to our compensation programs as a result of this vote.

We have a long-standing tradition of delivering financial results for our shareholders and our customers and aligning pay with those results. We are a market leader in the marine and fitness industries, with business locations in many countries. Our executive team continues to successfully execute its growth plan, generating strong free cash flow and demonstrating outstanding operating leverage.

We have designed our executive compensation programs to drive these strong financial results and to attract, reward and retain a highly experienced, successful senior management team to achieve our corporate objectives and increase shareholder value. We believe these programs are structured in the best manner possible to support our Company and our business objectives and we believe that they strike an appropriate balance between implementing responsible, measured pay practices and providing effective incentives designed to encourage our executives to perform at their best. This balance is illustrated by the following factors, which we urge you to consider:

- A significant part of our executive compensation is structured as performance-based incentives. Our compensation programs are substantially linked to our key business objectives, so that if the value we deliver to our shareholders declines, so does the compensation we deliver to our executives.
- We have multiple-year award and payout cycles which serve as a retention tool.
- We respond to economic conditions appropriately, such as reducing and/or limiting bonuses of the named executive officers in years when performance is not strong.
- We monitor the executive compensation programs and pay levels of companies of similar size and industry to ensure that our compensation programs are comparable to, and competitive with, our peer group and general market

practices.

- The Board, the Compensation Committee, our Chairman and Chief Executive Officer and our Vice President and Chief Human Resources Officer engage in a rigorous talent review process annually to address succession planning and executive development for our Chief Executive Officer and other key executives.

Accordingly, we ask our shareholders to vote "FOR" the following resolution:

"RESOLVED, that the Company's shareholders approve, on an advisory basis, the compensation of the named executive officers, as disclosed in this Proxy Statement pursuant to the compensation disclosure rules of the Securities and Exchange Commission, including the Compensation Discussion and Analysis, the Summary Compensation Table and the other related tables and disclosure in this Proxy Statement."

Your Board of Directors recommends a vote FOR the approval of the compensation of our named executive officers.

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PROPOSAL NO. 3: ADVISORY VOTE TO APPROVE THE FREQUENCY OF THE ADVISORY VOTE ON EXECUTIVE COMPENSATION

Pursuant to Section 14A of the Exchange Act of 1934, as amended, we seek your advisory vote to approve whether the say-on-pay vote should occur every one, two or three years. While we will continue to monitor developments in this area, the Board of Directors asks that you support a frequency period of one year (an annual vote) for future non-binding shareholder votes on the compensation of our named executive officers. Because this vote is advisory in nature, it will not be binding on the Board of Directors, which may decide that it is in the best interest of our shareholders to hold an advisory vote on executive compensation more or less frequently than the option approved by our shareholders; however, the Board will review the voting results and carefully consider the outcome of the vote when making future decisions regarding the frequency of advisory votes on executive compensation.

The say-on-pay vote is very important to Brunswick and our Board of Directors, as well as the Compensation Committee, which administers our executive compensation programs. Consistent with the direction of our shareholders, the say-on-pay vote has been held on an annual basis. We believe that say-on-pay votes should be conducted every year so that our shareholders have an opportunity to express their views on our executive compensation programs, policies and practices, as described in our Proxy Statement, on an annual basis. Setting a one-year period for shareholder advisory votes on executive compensation will provide you with an opportunity to annually assess the effectiveness of our executive compensation programs, while providing us with timely feedback from our shareholders about our compensation structure. An annual advisory vote will provide the highest level of accountability and communication, as it gives us an opportunity each year to engage in a dialogue with our shareholders to better understand the results of the advisory vote and to respond swiftly to your feedback by making adjustments to our compensation practices, as appropriate. We also believe that from a corporate governance perspective, an annual vote would ensure procedural consistency from year to year.

The Board will consider the option of one, two or three years that receives the highest number of votes cast by shareholders as the shareholders' recommendation on the frequency of future say-on-pay votes. You also have the option to abstain from this vote.

Your Board of Directors recommends a vote for continuing to hold advisory votes regarding executive compensation annually (ONE YEAR).

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EQUITY COMPENSATION PLAN INFORMATION

The following table provides information as of December 31, 2016 regarding Common Stock that may be issued under equity compensation plans currently maintained by Brunswick.

Plan Category	A Number of securities to be issued upon the exercise of outstanding options, warrants and rights	B Weighted-average exercise price of outstanding options, warrants and rights	C Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by security holders[(1)]	**2,281,362[(2)(3)]**	**$14.43[(4)]**	**5,511,613[(5)]**
Equity compensation plans not approved by security holders	-	-	-

(1) Our shareholders have approved the 2014 Stock Incentive Plan.

(2) Includes 978,080 shares of Common Stock subject to outstanding stock appreciation rights, 25,085 shares of Common Stock subject to deferred obligations to issue shares of Common Stock, 436,324 shares of Performance Share obligations to issue shares of Common Stock and 841,873 shares of restricted stock obligations to issue shares of Common Stock.

(3) Shares represented by Performance Share awards may be adjusted depending on performance.

(4) The weighted average exercise price was calculated solely with respect to outstanding stock appreciation rights. Deferred and restricted stock obligations to issue shares of Common Stock have been disregarded for purposes of calculating the weighted average exercise price because no exercise price is associated with those obligations.

(5) All shares are available under the 2014 Stock Incentive Plan.

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AUDIT-RELATED MATTERS

Report of the Audit Committee

To the Shareholders of Brunswick Corporation:

The following is the Audit Committee report with respect to Brunswick's audited financial statements for the fiscal year ended December 31, 2016.

Overview of Audit Committee Function

The Audit Committee oversees Brunswick's financial reporting process. Management has the primary responsibility for the financial statements and the reporting process, including the system of internal controls.

Audit Committee Charter

The Audit Committee operates pursuant to a written charter, a copy of which is available on Brunswick's website, *www.brunswick.com.*

Independence of Audit Committee Members

The Board of Directors has determined that all members of the Audit Committee are independent, within the meaning of the New York Stock Exchange Listed Company Manual.

Review with Management

The Audit Committee has reviewed and discussed Brunswick's audited financial statements with management.

Review and Discussions with Independent Auditors

The Audit Committee has discussed with Deloitte, Brunswick's independent registered public accounting firm for the fiscal year ended December 31, 2016, who is responsible for expressing an opinion on the conformity of those audited financial statements with generally accepted accounting principles and on the effectiveness of Brunswick's internal control over financial reporting, the matters required to be discussed by Auditing Standard No. 1301, "Communications with Audit Committees," as amended, as adopted by the Public Company Accounting Oversight Board, and other professional standards and regulatory requirements currently in effect. Auditing Standard No. 1301 requires an auditor to discuss with the audit committee, among other things, the auditor's judgments about the quality, not just the acceptability, of the accounting principles applied in the company's financial reporting.

The Audit Committee has also received the written disclosures from Deloitte required by the applicable requirements of the Public Company Accounting Oversight Board regarding Deloitte's communications with the Audit Committee concerning independence, and has discussed with Deloitte its independence from Brunswick. The Audit Committee has also reviewed the non-audit services Deloitte provided and has considered whether the provision of those services was compatible with maintaining Deloitte's independence.

Conclusion

Based on the review and discussions referred to above, the Audit Committee recommended to Brunswick's Board of Directors that the audited financial statements be included in Brunswick's Annual Report on Form 10-K for the fiscal year ended December 31, 2016, for filing with the Securities and Exchange Commission.

Submitted by the Members of the Audit Committee of the Board of Directors.

Nancy E. Cooper *(Chair)*

David V. Singer

Ralph C. Stayer

Roger J. Wood

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Fees Incurred for Deloitte Services

Brunswick incurred the following fees for services rendered by Deloitte, our current independent registered public accounting firm, during the fiscal years ended December 31, 2015 and 2016:

	2015	**2016**
Audit Fees[(1)]	3,950,336	4,099,015
Audit-Related Fees	198,777	92,494
Tax Fees[(2)]	1,886,666[(3)]	1,546,714

(1) *Audit Fees: The aggregate fees billed to Brunswick for professional services rendered for the audit of our annual financial statements included in our Annual Reports on Form 10-K, reviews of the financial statements included in our Quarterly Reports on Form 10-Q and accounting and financial reporting consultations.*

(2) *Tax Fees: Tax fees include tax compliance and consulting services.*

(3) *A $167,575 difference from the amount reported in last year's Proxy Statement is due to a clarification in fees following the 2016 Annual Meeting.*

Approval of Services Provided by Independent Registered Public Accounting Firm

The Audit Committee is responsible for pre-approving all audit and non-audit services our independent registered public accounting firm performs; accordingly, the committee pre-approved Deloitte's services in 2015 and 2016. The Audit Committee has adopted a two-tiered approach for pre-approving fees. Each year it approves an overall budget for specified audit and non-audit services, after which the Audit Committee must pre-approve either: (i) any proposed specified service that would result in total fees exceeding the budget; or (ii) any proposed service not specified in the budget.

PROPOSAL NO. 4: RATIFICATION OF THE APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE FISCAL YEAR ENDING DECEMBER 31, 2017

The Audit Committee has appointed Deloitte as the independent registered public accounting firm for Brunswick and its subsidiaries for our fiscal year ending December 31, 2017. Although we are not required to seek shareholder approval of this appointment, the Board of Directors has determined that, in keeping with the principles of sound corporate governance, the appointment will be submitted for ratification by the shareholders. The Board of Directors and the Audit Committee recommend that shareholders ratify the appointment of Deloitte as the independent registered accounting firm for Brunswick and its subsidiaries for the fiscal year ending December 31, 2017. If our shareholders do not ratify the appointment, the Audit Committee will investigate the basis for the negative vote and will reconsider its appointment in light of the results of such investigation.

Representatives of Deloitte will be present at the Annual Meeting and will be afforded an opportunity to make a statement, if they desire to do so, and to respond to questions from shareholders.

2017 will be the fourth year that Deloitte will serve as the independent registered public accounting firm for Brunswick and its subsidiaries.

Your Board of Directors and the Audit Committee recommend a vote FOR the approval and ratification of the appointment of Deloitte & Touche LLP as the Company's Independent Registered Public Accounting Firm for the fiscal year ending December 31, 2017.

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SUBMISSION OF SHAREHOLDER PROPOSALS FOR 2018 ANNUAL MEETING

In order to be considered for inclusion in Brunswick's proxy materials for our 2018 annual meeting, a shareholder proposal must be received at Brunswick's principal executive offices at 1 N. Field Court, Lake Forest, Illinois 60045-4811 (fax: 847.735.4433; e-mail *corporate.secretary@brunswick.com)* by November 22, 2017. We plan to move our principal headquarters to Mettawa, Illinois by September 2017. Please visit our website at www.brunswick.com for our new address when available.

Shareholders who intend to submit director nominees for inclusion in our proxy materials for the 2018 annual meeting must comply with the requirements of proxy access as set forth in our Amended By-Laws. The shareholder or group of shareholders who wish to submit director nominees pursuant to proxy access must deliver the required materials to Brunswick between October 23, 2017 and November 22, 2017.

In addition, a shareholder may wish to have a proposal presented at the 2018 annual meeting (including director nominations), but not to have such proposal included in Brunswick's proxy materials relating to that meeting. Brunswick's Amended By-Laws establish an advance notice procedure for shareholder proposals to be brought before an annual meeting of shareholders. Pursuant to the Amended By-Laws, a shareholder proposal or nomination intended to be brought before the 2018 annual meeting must be delivered to Brunswick's Secretary between January 3, 2018 and February 2, 2018.

Brunswick encourages you to vote on the matters that will be presented to Brunswick shareholders at the Annual Meeting. Please vote as soon as possible so that your shares will be represented.

By order of the Board of Directors,

Christopher F. Dekker

Secretary

Lake Forest, Illinois

March 22, 2017

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APPENDIX

FREE CASH FLOW

	Year Ended December 31, 2016	**Year Ended December 31, 2015**
Net cash provided by operating activities of continuing operations	$425.7	338.3
Net cash provided by (used for):		
Capital expenditures	(193.9)	(132.5)
Proceeds from the sale of property, plant and equipment	1.9	2.4
Effect of exchange rate changes on cash and cash equivalents	0.1	(15.6)
Total Free Cash Flow	**233.8**	**192.6**

EARNINGS BEFORE INCOME TAXES

	Year Ended December 31, 2016	**Year Ended December 31, 2015**
Earnings before income taxes	389.7	315.2
Pension settlement charge	55.1	82.3
Restructuring, integration and impairment charges	15.6	12.4
Adjusted pretax earnings	460.4	409.9

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Explore Brunswick

Scan these QR codes with a smart device or use the URLs to learn more about us:

Read our online Annual Report	http://www.brunswick.com/investors/publications-and-filings/annualreports.php
Visit our Investor Relations website	http://www.brunswick.com/investors
Download our Investor Relations app	

The Brunswick Story

Headquartered in Lake Forest, Ill., Brunswick Corporation's leading consumer brands include Mercury and Mariner outboard engines; Mercury MerCruiser sterndrives and inboard engines; MotorGuide trolling motors; Attwood, Garelick and Whale marine parts and accessories; Land 'N' Sea, Kellogg Marine, Payne's Marine and BLA parts and accessories distributors; Bayliner, Boston Whaler, Brunswick Commercial and Government Products, Crestliner, Cypress Cay, Harris, Lowe, Lund, Meridian, Princecraft, Quicksilver, Rayglass, Sea Ray, Thunder Jet and Uttern; Life Fitness, Hammer Strength, Cybex, Indoor Cycling Group and SCIFIT fitness equipment; InMovement products and services for productive well-being; and Brunswick billiards tables, accessories and game room furniture. For more information, visit *http://www.brunswick.com.*

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