UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended **April 02, 2022**

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from__________ to __________

Commission file number 001-01043

BRUNSWICK

Brunswick Corporation

(Exact name of registrant as specified in its charter)

Delaware	**36-0848180**
(State or other jurisdiction of incorporation or organization)	***(I.R.S. Employer Identification No.)***

26125 N. Riverwoods Blvd., Suite 500, Mettawa, IL 60045-3420

(Address of principal executive offices) (Zip code)

(847) 735-4700

(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	☒	Accelerated Filer	☐
Non-accelerated Filer	☐	Smaller reporting company	☐
Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes☐ No ☒

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common stock, par value $0.75 per share	BC	*New York Stock Exchange* *Chicago Stock Exchange*
6.500% Senior Notes due 2048	BC-A	*New York Stock Exchange*
6.625% Senior Notes due 2049	BC-B	*New York Stock Exchange*
6.375% Senior Notes due 2049	BC-C	*New York Stock Exchange*

The number of shares of Common Stock ($0.75 par value) of the registrant outstanding asof May 6, 2022 was 75,729,917.

BRUNSWICK CORPORATION
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April 2, 2022

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PART I - FINANCIAL INFORMATION

Item 1. Condensed Consolidated Financial Statements

BRUNSWICK CORPORATION
Condensed Consolidated Statements of Comprehensive Income
(Unaudited)

	Three Months Ended	
(in millions, except per share data)	**April 2, 2022**	**April 3, 2021**
Net sales	**$ 1,695.7**	$ 1,433.2
Cost of sales	**1,212.1**	1,015.9
Selling, general and administrative expense	**192.7**	150.8
Research and development expense	**51.4**	34.1
Restructuring, exit and impairment charges	**—**	0.5
Operating earnings	**239.5**	231.9
Equity earnings	**0.8**	0.8
Other expense, net	**(1.5)**	(1.3)
Earnings before interest and income taxes	**238.8**	231.4
Interest expense	**(18.4)**	(14.8)
Interest income	**0.1**	0.2
Loss on early extinguishment of debt	**(0.1)**	—
Earnings before income taxes	**220.4**	216.8
Income tax provision	**46.4**	47.4
Net earnings from continuing operations	**174.0**	169.4
Net earnings (loss) from discontinued operations, net of tax	**0.2**	(0.1)
Net earnings	**$ 174.2**	$ 169.3
Earnings per common share:		
Basic		
Earnings from continuing operations	**$ 2.26**	$ 2.17
Earnings (loss) from discontinued operations	**0.00**	(0.00)
Net earnings	**$ 2.26**	$ 2.17
Diluted		
Earnings from continuing operations	**$ 2.25**	$ 2.15
Earnings (loss) from discontinued operations	**0.00**	(0.00)
Net earnings	**$ 2.25**	$ 2.15
Weighted average shares used for computation of:		
Basic earnings per common share	**76.9**	78.2
Diluted earnings per common share	**77.4**	78.8
Comprehensive income	**$ 184.1**	$ 174.9

The Notes to Condensed Consolidated Financial Statements are an integral part of these condensed consolidated statements.

BRUNSWICK CORPORATION
Condensed Consolidated Balance Sheets
(Unaudited)

(in millions)	April 2, 2022	December 31, 2021	April 3, 2021
Assets			
Current assets			
Cash and cash equivalents, at cost, which approximates fair value	**$ 680.1**	$ 354.5	$ 471.9
Restricted cash	**12.2**	12.2	9.7
Short-term investments in marketable securities	**6.8**	0.8	7.3
Total cash and short-term investments in marketable securities	**699.1**	367.5	488.9
Accounts and notes receivable, less allowances of $11.2, $9.7, $9.8	**664.7**	485.3	539.1
Inventories			
Finished goods	**752.4**	685.5	463.7
Work-in-process	**195.4**	176.8	125.4
Raw materials	**397.9**	345.7	176.5
Net inventories	**1,345.7**	1,208.0	765.6
Prepaid expenses and other	**81.7**	63.8	42.1
Current assets	**2,791.2**	2,124.6	1,835.7
Property			
Land	**34.5**	34.7	17.6
Buildings and improvements	**497.5**	479.3	440.3
Equipment	**1,351.8**	1,332.4	1,198.2
Total land, buildings and improvements and equipment	**1,883.8**	1,846.4	1,656.1
Accumulated depreciation	**(1,002.3)**	(989.6)	(944.9)
Net land, buildings and improvements and equipment	**881.5**	856.8	711.2
Unamortized product tooling costs	**196.6**	190.1	161.2
Net property	**1,078.1**	1,046.9	872.4
Other assets			
Goodwill	**889.4**	888.4	422.7
Other intangibles, net	**1,038.4**	1,052.1	544.3
Deferred income tax asset	**137.9**	146.0	126.4
Operating lease assets	**92.4**	92.8	80.7
Equity investments	**48.1**	43.8	36.3
Other long-term assets	**17.5**	30.4	24.7
Other assets	**2,223.7**	2,253.5	1,235.1
Total assets	**$ 6,093.0**	$ 5,425.0	$ 3,943.2

The Notes to Condensed Consolidated Financial Statements are an integral part of these condensed consolidated statements.

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(in millions)	April 2, 2022	December 31, 2021	April 3, 2021
Liabilities and shareholders' equity			
Current liabilities			
Short-term debt and current maturities of long-term debt	**$ 2.3**	$ 37.4	$ 43.8
Accounts payable	**660.0**	693.5	532.4
Accrued expenses	**665.9**	711.3	552.8
Current liabilities	**1,328.2**	1,442.2	1,129.0
Long-term liabilities			
Debt	**2,498.2**	1,779.0	900.9
Postretirement benefits	**65.5**	66.5	72.3
Operating lease liabilities	**72.2**	75.5	64.9
Other	**149.0**	147.6	133.5
Long-term liabilities	**2,784.9**	2,068.6	1,171.6
Shareholders' equity			
Common stock; authorized: 200,000,000 shares, $0.75 par value; issued: 102,538,000 shares; outstanding: 76,338,000, 76,933,000 and 77,941,000 shares	**76.9**	76.9	76.9
Additional paid-in capital	**374.5**	394.5	371.2
Retained earnings	**2,866.3**	2,720.1	2,374.0
Treasury stock, at cost: 26,200,000, 25,605,000 and 24,597,000 shares	**(1,316.2)**	(1,245.8)	(1,142.4)
Accumulated other comprehensive loss	**(21.6)**	(31.5)	(37.1)
Shareholders' equity	**1,979.9**	1,914.2	1,642.6
Total liabilities and shareholders' equity	**$ 6,093.0**	$ 5,425.0	$ 3,943.2

The Notes to Condensed Consolidated Financial Statements are an integral part of these condensed consolidated statements.

BRUNSWICK CORPORATION
Condensed Consolidated Statements of Cash Flows
(Unaudited)

(in millions)	Three Months Ended April 2, 2022	Three Months Ended April 3, 2021
Cash flows from operating activities		
Net earnings	**$ 174.2**	$ 169.3
Less: net earnings (loss) from discontinued operations, net of tax	**0.2**	(0.1)
Net earnings from continuing operations, net of tax	**174.0**	169.4
Stock compensation expense	**4.4**	6.1
Depreciation and amortization	**53.6**	41.6
Pension funding, net of expense	**(0.2)**	(0.8)
Deferred income taxes	**4.5**	7.9
Changes in certain current assets and current liabilities	**(394.5)**	(236.2)
Long-term extended warranty contracts and other deferred revenue	**2.4**	2.4
Income taxes	**16.2**	29.6
Other, net	**(1.3)**	(2.7)
Net cash (used for) provided by operating activities of continuing operations	**(140.9)**	17.3
Net cash used for operating activities of discontinued operations	**(1.0)**	(9.0)
Net cash (used for) provided by operating activities	**(141.9)**	8.3
Cash flows from investing activities		
Capital expenditures	**(100.9)**	(42.9)
Purchases of marketable securities	**(6.0)**	—
Sales or maturities of marketable securities	**—**	49.4
Investments	**(4.2)**	(3.9)
Acquisition of businesses, net of cash acquired	**—**	(5.3)
Proceeds from the sale of property, plant and equipment	**2.2**	4.2
Cross currency swap settlement	**16.7**	—
Net cash (used for) provided by investing activities	**(92.2)**	1.5
Cash flows from financing activities		
Proceeds from issuances of short-term debt	**125.0**	—
Payments of short-term debt	**(125.0)**	—
Net proceeds from issuances of long-term debt	**741.8**	1.9
Payments of long-term debt including current maturities	**(57.1)**	(9.2)
Common stock repurchases	**(79.8)**	(15.9)
Cash dividends paid	**(28.0)**	(21.0)
Proceeds from share-based compensation activity	**—**	0.5
Tax withholding associated with shares issued for share-based compensation	**(15.8)**	(12.7)
Other, net	**(2.0)**	(0.1)
Net cash provided by (used for) financing activities	**559.1**	(56.5)
Effect of exchange rate changes	**0.6**	(2.0)
Net increase (decrease) in Cash and cash equivalents and Restricted cash	**325.6**	(48.7)
Cash and cash equivalents and Restricted cash at beginning of period	**366.7**	530.3
Cash and cash equivalents and Restricted cash at end of period	**692.3**	481.6
Less: Restricted cash	**12.2**	9.7
Cash and cash equivalents at end of period	**$ 680.1**	$ 471.9

The Notes to Condensed Consolidated Financial Statements are an integral part of these condensed consolidated statements.

Brunswick Corporation
Condensed Consolidated Statements of Shareholders' Equity
(Unaudited)

(in millions, except per share data)	Common Stock	Additional Paid-in Capital	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Income (Loss)	Total
Balance at December 31, 2021	$ 76.9	$ 394.5	$ 2,720.1	$ (1,245.8)	$ (31.5)	**$ 1,914.2**
Net earnings	—	—	174.2	—	—	**174.2**
Other comprehensive income	—	—	—	—	9.9	**9.9**
Dividends ($0.365 per common share)	—	—	(28.0)	—	—	**(28.0)**
Compensation plans and other	—	(20.0)	—	9.4	—	**(10.6)**
Common stock repurchases	—	—	—	(79.8)	—	**(79.8)**
Balance at April 2, 2022	$ 76.9	$ 374.5	$ 2,866.3	$ (1,316.2)	$ (21.6)	**$ 1,979.9**

(in millions, except per share data)	Common Stock	Additional Paid-in Capital	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Income (Loss)	Total
Balance at December 31, 2020	$ 76.9	$ 383.8	$ 2,225.7	$ (1,133.7)	$ (42.7)	**$ 1,510.0**
Net earnings	—	—	169.3	—	—	**169.3**
Other comprehensive income	—	—	—	—	5.6	**5.6**
Dividends ($0.27 per common share)	—	—	(21.0)	—	—	**(21.0)**
Compensation plans and other	—	(12.6)	—	7.2	—	**(5.4)**
Common stock repurchases	—	—	—	(15.9)	—	**(15.9)**
Balance at April 3, 2021	$ 76.9	$ 371.2	$ 2,374.0	$ (1,142.4)	$ (37.1)	**$ 1,642.6**

The Notes to Condensed Consolidated Financial Statements are an integral part of these condensed consolidated statements.

BRUNSWICK CORPORATION
Notes to Condensed Consolidated Financial Statements
(Unaudited)

Note 1 – Significant Accounting Policies

Interim Financial Statements. Brunswick's unaudited interim condensed consolidated financial statements have been prepared pursuant to Securities and Exchange Commission ("SEC") rules and regulations. Therefore, certain information and disclosures normally included in financial statements and related notes prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") have been condensed or omitted.

These financial statements should be read in conjunction with, and have been prepared in conformity with, the accounting principles reflected in the consolidated financial statements and related notes included in Brunswick's 2021 Annual Report on Form 10-K for the year ended December 31, 2021 (the 2021 Form 10-K). These results include, in management's opinion, all normal and recurring adjustments necessary to present fairly Brunswick's financial position, results of operations and cash flows. Due to the seasonality of Brunswick's businesses, the interim results are not necessarily indicative of the results that may be expected for the remainder of the year.

The Company maintains its financial records on the basis of a fiscal year ending on December 31, with the fiscal quarters spanning approximately thirteen weeks. The first quarter ends on the Saturday closest to the end of the first thirteen-week period. The second and third quarters are thirteen weeks in duration and the fourth quarter is the remainder of the year. The first quarter of fiscal year 2022 ended on April 2, 2022 and the first quarter of fiscal year 2021 ended on April 3, 2021.

Recently Issued Accounting Standards

Fair Value Hedge Accounting: In March 2022, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2022-01, *Fair Value Hedging — Portfolio Layer Method*, which clarifies the guidance in Accounting Standards Codification ("ASC") 815 on fair value hedge accounting of interest-rate risk for portfolios of financial assets. The ASU amends the guidance that established the “last-of-layer” method for making the fair value hedge accounting for these portfolios more accessible. The amendment is effective for financial statements for interim and annual periods beginning after December 15, 2022. The adoption of this standard is not expected to have a material impact on the Company's consolidated financial statements.

Note 2 – Revenue Recognition

The following table presents the Company's revenue in categories that depict how the nature, amount, timing, and uncertainty of revenue and cash flows are affected by economic factors:

	Three Months Ended April 2, 2022			
(in millions)	Propulsion	Parts & Accessories	Boat	Total
Geographic Markets				
United States	$ 452.7	$ 407.5	$ 368.4	**$ 1,228.6**
Europe	113.4	108.0	45.6	**267.0**
Asia-Pacific	63.3	52.9	9.1	**125.3**
Canada	33.2	30.5	62.2	**125.9**
Rest-of-World	43.3	18.9	7.5	**69.7**
Segment Eliminations	(109.2)	(11.6)	—	**(120.8)**
Total	$ 596.7	$ 606.2	$ 492.8	**$ 1,695.7**

	Three Months Ended April 3, 2021			
	Propulsion	Parts & Accessories	Boat	Total
Geographic Markets				
United States	$ 421.3	$ 312.3	$ 312.6	**$ 1,046.2**
Europe	109.0	63.5	41.6	**214.1**
Asia-Pacific	65.7	42.5	6.7	**114.9**
Canada	25.2	25.4	48.4	**99.0**
Rest-of-World	36.6	15.9	10.2	**62.7**
Segment Eliminations	(94.9)	(8.8)	—	**(103.7)**
Total	$ 562.9	$ 450.8	$ 419.5	**$ 1,433.2**

Notes to Condensed Consolidated Financial Statements
(unaudited)

(in millions)	Three Months Ended April 2, 2022 Propulsion	Parts & Accessories	Boat	Total
Major Product Lines				
Outboard Engines	$ 546.1	$ —	$ —	**$ 546.1**
Controls, Rigging, and Propellers	98.5	—	—	**98.5**
Sterndrive Engines	61.3	—	—	**61.3**
Distribution Parts & Accessories	—	203.5	—	**203.5**
Engine Parts & Accessories	—	125.6	—	**125.6**
Advanced Systems Group	—	151.9	—	**151.9**
Navico	—	136.8	—	**136.8**
Aluminum Freshwater Boats	—	—	220.6	**220.6**
Recreational Fiberglass Boats	—	—	164.4	**164.4**
Saltwater Fishing Boats	—	—	89.2	**89.2**
Business Acceleration	—	—	19.6	**19.6**
Boat Eliminations/Other	—	—	(1.0)	**(1.0)**
Segment Eliminations	(109.2)	(11.6)	—	**(120.8)**
Total	$ 596.7	$ 606.2	$ 492.8	**$ 1,695.7**

	Three Months Ended April 3, 2021 Propulsion	Parts & Accessories	Boat	Total
Major Product Lines				
Outboard Engines	$ 504.5	$ —	$ —	**$ 504.5**
Controls, Rigging, and Propellers	94.9	—	—	**94.9**
Sterndrive Engines	58.4	—	—	**58.4**
Distribution Parts & Accessories	—	200.6	—	**200.6**
Engine Parts & Accessories	—	124.2	—	**124.2**
Advanced Systems Group	—	134.8	—	**134.8**
Aluminum Freshwater Boats	—	—	177.8	**177.8**
Recreational Fiberglass Boats	—	—	135.4	**135.4**
Saltwater Fishing Boats	—	—	96.8	**96.8**
Business Acceleration	—	—	12.7	**12.7**
Boat Eliminations/Other	—	—	(3.2)	**(3.2)**
Segment Eliminations	(94.9)	(8.8)	—	**(103.7)**
Total	$ 562.9	$ 450.8	$ 419.5	**$ 1,433.2**

As of December 31, 2021, $142.1 million of contract liabilities associated with extended warranties and customer deposits were reported in Accrued expenses and Other Long-term liabilities, of which $14.3 million was recognized as revenue during the three months ended April 2, 2022. As of April 2, 2022, total contract liabilities were $152.0 million. The total amount of the transaction price allocated to unsatisfied performance obligations as of April 2, 2022 was $138.4 million for contracts greater than one year, which primarily relates to extended warranties. The Company expects to recognize $34.2 million of this amount in 2022, $30.4 million in 2023, and $73.8 million thereafter.

Note 3 – Acquisitions

2021 Acquisitions

On October 4, 2021, the Company acquired all the issued and outstanding shares of Marine Innovations Group AS, known as "Navico," for $ 1.094 billion net cash consideration. The Company used a combination of the Notes issued in the third quarter of 2021 and cash on hand to fund the acquisition.

Navico was a privately held global company based in Egersund, Norway, and is a global leader in marine electronics and sensors, including multi-function displays, fish finders, autopilots, sonar, radar, and cartography. The acquisition of Navico accelerates the Company's ACES ("Autonomy, Connectivity, Electrification, and Shared access") strategy and strengthens the Company's ability to provide complete, innovative digital solutions to consumers and comprehensive, integrated system offerings to our original equipment manufacturer customers. Navico is managed as part of the Company's Parts & Accessories segment.

The Company used the acquisition method of accounting in accordance with ASC 805, Business Combinations, with Brunswick being the acquiring entity, and reflecting estimates and assumptions deemed appropriate by Company management.

The purchase price allocation for certain deferred tax balances and contingency reserves is preliminary and subject to change within the allowed measurement period as the Company finalizes its fair value estimates. The following table is a summary of the assets acquired, liabilities assumed and net cash consideration paid, net of cash acquired, for the Navico acquisition:

(in millions)	**Fair Value**	**Useful Life**
Accounts and notes receivable	$ 59.3	
Inventory	161.7	
Goodwill (A) (B)	437.0	
Trade names	133.0	Indefinite
Developed technology	160.0	15 years
Customer relationships	185.0	15 years
Property and equipment	46.1	
Other assets	26.9	
Total assets acquired	1,209.0	
Accounts payable	66.0	
Accrued expenses (B)	46.6	
Other liabilities	24.0	
Total liabilities assumed	136.6	
Net cash consideration paid, net of cash acquired	$ 1,072.4	

(A) The goodwill recorded for the acquisition of Navico is partially deductible for tax purposes.
(B) Includes $1.5 million of purchase accounting adjustments in the first quarter of 2022 related to contingency reserves.

Pro Forma Financial Information (Unaudited)

The pro forma information has been prepared as if the Navico acquisition and the related debt financing had occurred on January 1, 2021. These pro forma results are based on estimates and assumptions which the Company believes to be reasonable. They are not the results that would have been realized had the acquisition actually occurred on January 1, 2021 and are not necessarily indicative of Brunswick's consolidated net earnings in future periods. The pro forma results include adjustments primarily related to the amortization of intangible assets of $5.8 million and interest expense on the Notes as defined in **Note 12 – Debt**. Additionally, the pro forma adjustments include transaction costs of $ 14.0 million and expenses related to inventory fair value adjustments of $ 9.0 million recognized as part of the application of purchase accounting, which are non-recurring.

(in millions)	Three Months Ended April 2, 2022	Three Months Ended April 3, 2021
Pro forma Net sales	$ 1,695.7	$ 1,573.8
Pro forma Net earnings	181.5	173.0

The pro forma results reflect a statutory income tax rate of 21 percent for the three months ended April 2, 2022 and April 3, 2021.

Other 2021 Acquisitions

On September 1, 2021, the Company acquired substantially all the net assets of RELiON Battery, LLC ("RELiON"). RELiON is a global provider of lithium batteries and related products to multiple industry sectors. The acquisition of RELiON complements the Company's existing portfolio of advanced battery and power management brands. On September 17, 2021, the Company acquired substantially all the net assets of SemahTronix, LLC, a global supplier of high-complexity electrical wiring harnesses for advanced products in the marine, mobile, and defense industries. The acquisition of the SemahTronix assets enhances the Company's integrated systems offerings by providing the Company's ASG organization and the Company's global customers access to high-quality, large, complex electrical wire harnessing systems that further enable the Company's end-to-end systems solutions and capabilities. These acquisitions are included as part of the Parts & Accessories segment.

On July 9, 2021, the Company acquired Fanautic Club, one of the largest European boat clubs with 23 locations in major coastal cities and tourist centers across Spain. The Company also acquired certain Freedom Boat Club franchise operations and territory rights in the United States during 2021. Acquiring such assets enables Brunswick to accelerate growth by increasing its investments in these markets. These acquisitions are included as part of the Boat segment.

The Company paid net cash consideration of $ 66.2 million for these acquisitions. The opening balance sheets, which are preliminary and subject to change within the measurement period as the Company finalizes the purchase price allocation and fair value estimates, include $36.8 million of goodwill and $ 24.1 million of identifiable intangible assets, including customer relationships and trade names of $17.2 million and $6.9 million, respectively. The amount assigned to customer relationships will be amortized over the estimated useful life of 10 years. These acquisitions are not material to our net sales, results of operations or total assets during any period presented. Accordingly, the Company's consolidated results of operations do not differ materially from historical performance as a result of the acquisitions, and pro forma results are not presented.

Note 4 – Financial Instruments

The Company operates globally with manufacturing and sales facilities around the world. Due to the Company's global operations, the Company engages in activities involving both financial and market risks. The Company utilizes normal operating and financing activities, along with derivative financial instruments, to minimize these risks. See Note 14 in the Notes to Consolidated Financial Statements in the 2021 Form 10-K for further details regarding the Company's financial instruments and hedging policies.

Cross-Currency Swaps. The Company enters into cross-currency swaps to hedge Euro currency exposures of the net investment in certain foreign subsidiaries. As of April 2, 2022 and December 31, 2021, the notional value of cross-currency swap contracts outstanding were $ 250.0 million and $200.0 million, respectively. There were no cross-currency swap contracts outstanding as of April 3, 2021. The cross-currency swaps were designated as net investment hedges, with the amount of gain or loss associated with the change in fair value of these instruments included within Accumulated other comprehensive loss and recognized upon termination of the respective investment. In the first quarter of 2022, the Company settled $200.0 million of cross-currency swap contracts resulting in a deferred gain of $16.7 million within Accumulated other comprehensive loss.

Commodity Price. The Company uses commodity swaps to hedge anticipated purchases of aluminum. As of April 2, 2022, December 31, 2021 and April 3, 2021, the notional value of commodity swap contracts outstanding was $19.3 million, $25.3 million and $14.0 million, respectively, and the contracts mature through 2022. The amount of gain or loss associated with the change in fair value of these instruments is deferred in Accumulated other comprehensive loss and recognized in Cost of sales in the same period or periods during which the hedged transaction affects earnings. As of April 2, 2022, the Company estimates that during the next 12 months it will reclassify approximately $4.6 million in net gains (based on current prices) from Accumulated other comprehensive loss to Cost of sales.

Foreign Currency Derivatives. Forward exchange contracts outstanding at April 2, 2022, December 31, 2021 and April 3, 2021 had notional contract values of $651.8 million, $519.8 million and $493.9 million, respectively. The forward contracts outstanding at April 2, 2022 mature through 2023 and mainly relate to the Euro, Australian dollar, Canadian dollar, and Swedish krona. As of April 2, 2022, the Company estimates that during the next 12 months, it will reclassify approximately $7.2 million of net gains (based on current rates) from Accumulated other comprehensive loss to Cost of sales.

Interest Rate Derivatives. The Company previously entered into fixed-to-floating interest-rate swaps to convert a portion of its long-term debt from fixed to floating rate debt. In the second half of 2019, the Company settled its fixed-to-floating interest-rate swaps, resulting in a net deferred gain of $ 2.5 million included within Debt. The Company will reclassify $0.7 million of net deferred gains from Debt to Interest expense during the next 12 months. There are no outstanding fixed-to-floating interest-rate swaps as of April 2, 2022, December 31, 2021 or April 3, 2021.

During the first quarter of 2021, the Company entered into forward-starting interest-rate swaps to hedge the interest-rate risk associated with anticipated debt issuances. On August 4, 2021, the company settled these interest-rate swaps, resulting in a net deferred loss of $1.6 million. As a result, there were no forward-starting interest-rate swaps outstanding as of April 2, 2022 and December 31, 2021. As of April 3, 2021, the outstanding forward-starting interest-rate swaps had a total notional contract value of $150.0 million.

During the first quarter of 2022, the Company entered into and settled a series of treasury-lock swaps to hedge the interest-rate risk associated with debt issuances, resulting in a net deferred gain of $5.1 million. As a result, there were no treasury-lock swaps outstanding as of April 2, 2022, December 31, 2021 or April 3, 2021. As of April 2, 2022, the Company had $2.9 million of net deferred gains associated with previously settled forward-starting interest-rate swaps and treasury-lock swaps and as of December 31, 2021 and April 3, 2021, the Company had $ 2.4 million and $8.6 million, respectively, of net deferred losses associated with previously settled forward-starting interest-rate swaps. These instruments were designated as cash flow hedges with gains and losses included in Accumulated other comprehensive loss. As of April 2, 2022, the Company estimates that during the next 12 months, it will reclassify approximately $ 0.4 million of net losses from Accumulated other comprehensive loss to Interest expense.

As of April 2, 2022, December 31, 2021 and April 3, 2021, the fair values of the Company's derivative instruments were:

(in millions)	Fair Value		
Asset Derivatives	**April 2, 2022**	**December 31, 2021**	**April 3, 2021**
Derivatives Designated as Cash Flow Hedges			
Foreign exchange contracts	**$ 9.4**	$ 8.8	$ 3.3
Commodity contracts	**4.6**	1.9	2.5
Interest rate contracts	**—**	—	9.8
Total	**$ 14.0**	$ 10.7	$ 15.6
Derivatives Designated as Net Investment Hedges			
Cross-currency swaps	**$ 0.1**	$ 14.3	$ —
Other Hedging Activity			
Foreign exchange contracts	**$ 0.1**	$ 0.1	$ 0.2
Liability Derivatives			
Derivatives Designated as Cash Flow Hedges			
Foreign exchange contracts	**$ 4.2**	$ 2.6	$ 6.9
Derivatives Designated as Net Investment Hedges			
Cross-currency swaps	**$ 1.0**	$ —	$ —
Other Hedging Activity			
Foreign exchange contracts	**$ 2.5**	$ 0.3	$ 0.4

Notes to Condensed Consolidated Financial Statements
(unaudited)

As of April 2, 2022, December 31, 2021 and April 3, 2021, asset derivatives are included within Prepaid expenses and other and Other long-term assets and liability derivatives are included within Accrued expenses and Other long-term liabilities in the Condensed Consolidated Balance Sheets.

The effect of derivative instruments on the Condensed Consolidated Statements of Comprehensive Income for the three months ended April 2, 2022 and April 3, 2021 is as shown in the tables below.

Gain on derivatives recognized in Accumulated other comprehensive loss was as follows:

(in millions) Derivatives Designated as Cash Flow Hedging Instruments	April 2, 2022	April 3, 2021
Interest rate contracts	**$ 5.3**	$ 9.8
Foreign exchange contracts	**2.6**	2.6
Commodity contracts	**5.0**	2.1
Total	**$ 12.9**	$ 14.5
Derivatives Designated as Net Investment Hedging Instruments		
Cross-currency swaps	**$ 1.4**	$ —

The amount of Gain (loss) reclassified from Accumulated other comprehensive loss into earnings was as follows:

(in millions) Derivatives Designated as Cash Flow Hedging Instruments	Location of Gain (Loss)	April 2, 2022	April 3, 2021
Interest rate contracts	Interest expense	**$ —**	$ (0.1)
Foreign exchange contracts	Cost of sales	**2.7**	(3.1)
Commodity contracts	Cost of sales	**1.6**	0.3
Total		**$ 4.3**	$ (2.9)
Derivatives Designated as Fair Value Hedging Instruments			
Interest rate contracts	Interest expense	**$ 0.2**	$ 0.2
Other Hedging Activity			
Foreign exchange contracts	Cost of sales	**$ (3.6)**	$ 1.8
Foreign exchange contracts	Other expense, net	**—**	(2.2)
Total		**$ (3.6)**	$ (0.4)

Fair Value of Other Financial Instruments. The carrying values of the Company's short-term financial instruments, including cash and cash equivalents and accounts and notes receivable, approximate their fair values because of the short maturity of these instruments. At April 2, 2022, December 31, 2021 and April 3, 2021, the fair value of the Company's long-term debt, including short-term debt and current maturities, was approximately $2,464.8 million, $1,914.7 million and $1,063.2 million, respectively, and was determined using Level 1 and Level 2 inputs described in Note 7 to the Notes to Consolidated Financial Statements in the 2021 Form 10-K. The carrying value of long-term debt, including short-term debt and current maturities, was $2,534.1 million, $1,843.1 million and $965.2 million as of April 2, 2022, December 31, 2021 and April 3, 2021, respectively.

Note 5 – Fair Value Measurements

The following table summarizes the Company's financial assets and liabilities measured at fair value on a recurring basis:

(in millions)		**Fair Value**		
Category	**Fair Value Level**	**April 2, 2022**	**December 31, 2021**	**April 3, 2021**
Cash equivalents	1	**$ 69.2**	$ 0.4	$ 0.2
Short-term investments in marketable securities	1	**6.8**	0.8	7.3
Restricted cash	1	**12.2**	12.2	9.7
Derivatives assets	2	**14.2**	25.1	15.8
Derivative liabilities	2	**7.7**	2.9	7.3
Deferred compensation	1	**1.2**	1.4	1.4
Deferred compensation	2	**17.7**	17.7	20.1
Liabilities measured at net asset value		**11.1**	10.2	9.7

In addition to the items shown in the table above, refer to Note 17 in the Notes to Consolidated Financial Statements in the 2021 Form 10-K for further information regarding the fair value measurements associated with the Company's postretirement benefit plans.

Note 6 – Share-Based Compensation

Under the Brunswick Corporation 2014 Stock Incentive Plan, the Company may grant stock appreciation rights ("SARs"), non-vested stock units, and performance awards to executives, other employees and non-employee directors from treasury shares and from authorized, but unissued, shares of common stock initially available for grant, in addition to: (i) the forfeiture of past stock units and awards; (ii) shares not issued upon the net settlement of SARs; or (iii) shares delivered to or withheld by the Company to pay the withholding taxes related to stock units and awards. As of April 2, 2022, 4.4 million shares remained available for grant.

Share grant amounts, fair values, and fair value assumptions reflect all outstanding stock units and awards for both continuing and discontinued operations.

Non-Vested Stock Units

The Company grants both stock-settled and cash-settled non-vested stock units to key employees as determined by management and the Human Resources and Compensation Committee of the Board of Directors. The Company granted 0.2 million of stock units during both the three months ended April 2, 2022 and April 3, 2021. The Company recognizes the cost of non-vested stock units on a straight-line basis over the requisite vesting period. Additionally, cash-settled non-vested stock units are recorded as a liability on the balance sheet and adjusted to fair value each reporting period through stock compensation expense. During the three months ended April 2, 2022 and April 3, 2021, the Company charged $3.7 million and $2.9 million, respectively, to compensation expense for non-vested stock units.

As of April 2, 2022, there was $26.9 million of total unrecognized compensation cost related to non-vested share-based compensation arrangements. The Company expects this cost to be recognized over a weighted average period of 1.6 years.

Performance Awards

The Company granted 0.2 million performance shares to certain senior executives for each of the three months ended April 2, 2022 and April 3, 2021. Performance share awards are based on three performance measures: a cash flow return on investment ("CFROI") measure, an operating margin ("OM") measure and a total shareholder return ("TSR") modifier. Performance shares are earned based on a three-year performance period commencing at the beginning of the calendar year of each grant. The performance shares earned are then subject to a TSR modifier based on the Company's stock returns measured against stock returns of a predefined comparator group over a three-year performance period. Additionally, in February 2022 and 2021, the Company granted 24,320 and 24,560 performance shares, respectively, to certain officers and certain senior managers based on the respective measures and performance periods described above but excluding the TSR modifier. During the three months ended April 2, 2022 and April 3, 2021, the Company recognized a charge of $0.6 million and $3.2 million, respectively, to compensation expense based on projections of probable attainment of the performance measures and the projected TSR modifier used to determine the performance awards.

The fair values of the senior executives' performance share award grants with a TSR modifier for grants in 2022 and 2021 were $ 94.59 and $91.44, respectively, which were estimated using the Monte Carlo valuation model, and incorporated the following assumptions:

	2022	2021
Risk-free interest rate	**1.7 %**	0.2 %
Dividend yield	**1.5 %**	1.2 %
Volatility factor	**54.8 %**	65.6 %
Expected life of award	**2.9 years**	2.9 years

The fair value of certain officers' and certain senior managers' performance awards granted based solely on the CFROI and OM performance factors was $91.62 and $87.48 in 2022 and 2021, respectively, which was equal to the stock price on the date of grant in 2022 and 2021, respectively, less the present value of expected dividend payments over the vesting period.

As of April 2, 2022, the Company had $ 13.2 million of total unrecognized compensation cost related to performance awards. The Company expects this cost to be recognized over a weighted average period of 1.5 years.

Director Awards

The Company issues stock awards to non-employee directors in accordance with the terms and conditions determined by the Nominating and Corporate Governance Committee of the Board of Directors. A portion of each director’s annual fee is paid in Brunswick common stock, the receipt of which may be deferred until a director retires from the Board of Directors. Each director may elect to have the remaining portion paid in cash, in Brunswick common stock distributed at the time of the award, or in deferred Brunswick common stock with a 20 percent premium.

Note 7 – Commitments and Contingencies
Product Warranties

The following activity related to product warranty liabilities was recorded in Accrued expenses during the three months ended April 2, 2022 and April 3, 2021:

(in millions)	April 2, 2022	April 3, 2021
Balance at beginning of period	**$ 129.3**	$ 115.9
Payments - Recurring	**(14.3)**	(14.5)
Provisions/additions for contracts issued/sold	**21.2**	18.7
Aggregate changes for preexisting warranties	**(0.7)**	0.2
Foreign currency translation	**—**	(0.5)
Other	**(0.2)**	(1.9)
Balance at end of period	**$ 135.3**	$ 117.9

Extended Product Warranties

The following activity related to deferred revenue for extended product warranty contracts was recorded in Accrued expenses and Other long-term liabilities during the three months ended April 2, 2022 and April 3, 2021:

(in millions)	April 2, 2022	April 3, 2021
Balance at beginning of period	**$ 99.5**	$ 87.4
Extended warranty contracts sold	**7.8**	7.2
Revenue recognized on existing extended warranty contracts	**(5.5)**	(4.8)
Foreign currency translation	**0.2**	0.1
Other	**(0.1)**	(0.1)
Balance at end of period	**$ 101.9**	$ 89.8

Note 8 – Goodwill and Other Intangibles

Changes in the Company's goodwill during the three months ended April 2, 2022 and April 3, 2021, by segment, are summarized below:

(in millions)	Propulsion	Parts & Accessories	Boat	Total
December 31, 2021	$ 14.7	$ 814.9	$ 58.8	$ 888.4
Adjustments	—	0.7	0.3	1.0
April 2, 2022	**$ 14.7**	**$ 815.6**	**$ 59.1**	**$ 889.4**
December 31, 2020	$ 15.3	$ 372.5	$ 29.9	$ 417.7
Acquisitions	—	—	5.3	5.3
Adjustments	(0.3)	—	—	(0.3)
April 3, 2021	**$ 15.0**	**$ 372.5**	**$ 35.2**	**$ 422.7**

Adjustments in both periods include the effect of foreign currency translation on goodwill denominated in currencies other than the U.S. dollar. In addition, adjustments during the three months ended April 2, 2022 also include $1.9 million purchase accounting adjustments from 2021 acquisitions. There was no accumulated impairment loss on Goodwill as of April 2, 2022, December 31, 2021 or April 3, 2021.

The Company's intangible assets, included within Other intangibles, net on the Condensed Consolidated Balance Sheets as of April 2, 2022, December 31, 2021 and April 3, 2021, are summarized by intangible asset type below:

	April 2, 2022		December 31, 2021		April 3, 2021	
(in millions)	Gross Amount	Accumulated Amortization	Gross Amount	Accumulated Amortization	Gross Amount	Accumulated Amortization
Intangible assets:						
Customer relationships	**$ 889.1**	**$ (351.9)**	$ 889.4	$ (340.9)	$ 687.7	$ (314.3)
Trade names	**305.9**	**—**	306.1	—	166.2	—
Developed technology	**160.0**	**(5.3)**	160.0	(2.7)	—	—
Other	**64.1**	**(23.5)**	62.0	(21.8)	18.5	(13.8)
Total	**$ 1,419.1**	**$ (380.7)**	$ 1,417.5	$ (365.4)	$ 872.4	$ (328.1)

Other intangible assets primarily consist of software, patents and franchise agreements. Gross amounts and related accumulated amortization amounts include adjustments related to the impact of foreign currency translation. Aggregate amortization expense for intangibles was $15.9 million and $8.0 million for the three months ended April 2, 2022 and April 3, 2021, respectively.

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The Company's intangible assets, included within Other intangibles, net on the Condensed Consolidated Balance Sheets as of April 2, 2022, December 31, 2021 and April 3, 2021, are summarized by segment below:

	April 2, 2022		December 31, 2021		April 3, 2021	
(in millions)	Gross Amount	Accumulated Amortization	Gross Amount	Accumulated Amortization	Gross Amount	Accumulated Amortization
Propulsion	**$ 1.0**	**$ (0.5)**	$ 1.0	$ (0.5)	$ 1.0	$ (0.5)
Parts & Accessories	**1,135.3**	**(167.8)**	1,134.8	(153.4)	618.7	(119.9)
Boat	**260.3**	**(211.2)**	260.1	(210.5)	252.7	(207.7)
Corporate	**22.5**	**(1.2)**	21.6	(1.0)	—	—
Total	**$ 1,419.1**	**$ (380.7)**	$ 1,417.5	$ (365.4)	$ 872.4	$ (328.1)

The Company tests its intangible assets for impairment during the fourth quarter of each year, or whenever a significant change in events and circumstances (triggering event) occurs that indicates the fair value of intangible assets may be below their carrying values. The Company did not record an impairment charge during the three months ended April 2, 2022 or April 3, 2021.

Note 9 – Segment Data

Reportable Segments

The Company's segments are defined by management's reporting structure and operating activities. The Company's reportable segments are the following:

Propulsion. The Propulsion segment manufactures and markets a full range of outboard, sterndrive, and inboard engines, as well as propulsion-related controls, rigging, and propellers. These products are principally sold directly to boat builders, including Brunswick's Boat segment, and through marine retail dealers worldwide. The Propulsion segment primarily markets under the Mercury, Mercury MerCruiser, Mariner, Mercury Racing, and Mercury Diesel brands. The segment's engine manufacturing plants are located mainly in the United States and China, along with a joint venture in Japan, with sales mainly to markets in the Americas, Europe, and Asia-Pacific.

Parts & Accessories. The Parts & Accessories ("P&A") segment consists of the Engine Parts and Accessories and the Advanced Systems Group operating segments, which are aggregated and presented as a single reportable segment. The P&A segment also includes Navico, which was acquired in October 2021.

The P&A segment manufactures, markets, and supplies parts and accessories for both marine and non-marine markets. These products are designed for and sold mostly to aftermarket retailers, distributors, and distribution businesses, as well as original equipment manufacturers (including Brunswick brands). Branded parts and accessories include consumables, such as engine oils and lubricants, and are sold under the Mercury, Mercury Precision Parts, Quicksilver, and Seachoice brands. The P&A segment includes distribution businesses such as Land 'N' Sea, Kellogg Marine Supply, Lankhorst Taselaar, BLA, and Payne's Marine Group, which distribute third-party and Company products. These businesses are leading distributors of marine parts and accessories throughout North America, Europe, and Asia-Pacific. The P&A segment also includes businesses operating under the Ancor, Attwood, BEP, Blue Sea Systems, CZone, Del City, Garelick, Lenco Marine, Marinco, Mastervolt, MotorGuide, ParkPower, ProMariner, RELiON, Whale, and ASG Connect brand names. Products include marine electronics and control systems, instruments, trolling motors, fuel systems, and electrical systems, as well as specialty vehicle, mobile, and transportation aftermarket products. The P&A segment also includes Navico, a global leader in marine electronics and sensors, including multi-function displays, fish finders, autopilots, sonar, radar, and cartography operating under the B&G, C-MAP, Lowrance and Simrad brand names.

The P&A segment's manufacturing and distribution facilities are primarily located in North America, Europe, Australia and New Zealand.

Boat. The Boat segment designs, manufactures and markets the following boat brands and products: Sea Ray sport boats and cruisers; Bayliner sport cruisers, runabouts, and Heyday wake boats; Boston Whaler fiberglass offshore boats; Lund fiberglass fishing boats; Crestliner, Cypress Cay, Harris, Lowe, Lund and Princecraft aluminum fishing, utility, pontoon boats, and deck boats; and Thunder Jet heavy-gauge aluminum boats. The Boat segment procures substantially all of its outboard engines, gasoline sterndrive engines, and gasoline inboard engines from Brunswick's Propulsion segment. The Boat segment also includes Brunswick boat brands based in Europe and Asia-Pacific, which include Quicksilver, Uttern, and Rayglass (including Protector and Legend). The Boat segment's products are manufactured mainly in the United States, Europe and Mexico and sold through a global network of dealer and distributor locations, primarily in North America and Europe.

The Boat segment includes Business Acceleration which, through innovative service models, shared access solutions, including the Freedom Boat Club business acquired in 2019, dealer services and emerging technology, aims to provide exceptional experiences to attract a wide range of customers to the marine industry and shape the future of boating.

The Company evaluates performance based on segment operating earnings. Segment operating earnings do not include the expenses of corporate administration, impairments or gains on the sale of equity investments, earnings from unconsolidated affiliates, other expenses and income of a non-operating nature, transaction financing charges, interest expense, and income or provisions or benefits for income taxes.

Corporate/Other results include items such as corporate staff and administrative costs, investments in technology solutions, business development and other growth-related expenses, including IT enhancements. Corporate/Other total assets consist of mainly cash, cash equivalents and investments in short-term marketable securities, restricted cash, income tax balances and investments in unconsolidated affiliates.

Segment eliminations adjust for sales between the Company's reportable segments and primarily relate to the sale of engines and parts and accessories to various boat brands, which are consummated at established arm's length transfer prices as the intersegment pricing for these engines and parts and accessories are based upon and consistent with selling prices to third party customers.

Information about the operations of Brunswick's reportable segments is set forth below:

	Net Sales		Operating Earnings (Loss)	
(in millions)	**April 2, 2022**	**April 3, 2021**	**April 2, 2022**	**April 3, 2021**
Propulsion	**$ 705.9**	$ 657.8	**$ 125.3**	$ 124.5
Parts & Accessories	**617.8**	459.6	**91.6**	91.9
Boat	**492.8**	419.5	**45.3**	40.8
Corporate/Other	**—**	—	**(22.7)**	(25.3)
Segment Eliminations	**(120.8)**	(103.7)	**—**	—
Total	**$ 1,695.7**	$ 1,433.2	**$ 239.5**	$ 231.9

	Total Assets		
(in millions)	**April 2, 2022**	**December 31, 2021**	**April 3, 2021**
Propulsion	**$ 1,358.0**	$ 1,225.2	$ 1,039.2
Parts & Accessories	**3,091.1**	2,939.4	1,634.9
Boat	**673.7**	609.9	540.2
Corporate/Other	**970.2**	650.5	728.9
Total	**$ 6,093.0**	$ 5,425.0	$ 3,943.2

Note 10 – Comprehensive Income

Accumulated other comprehensive loss in the Condensed Consolidated Balance Sheets includes foreign currency cumulative translation adjustments; prior service costs and credits and net actuarial gains and losses for defined benefit plans; and unrealized derivative gains and losses, all net of tax. Changes in the components of Accumulated other comprehensive loss, all net of tax, for the three months ended April 2, 2022 and April 3, 2021 are as follows:

(in millions)	**April 2, 2022**	**April 3, 2021**
Net earnings	**$ 174.2**	$ 169.3
Other comprehensive income (loss):		
Foreign currency cumulative translation adjustment	**2.1**	(7.5)
Net change in unamortized prior service credits	**—**	(0.2)
Net change in unamortized actuarial losses	**0.2**	0.2
Net change in unrealized derivative losses	**7.6**	13.1
Total other comprehensive income	**9.9**	5.6
Comprehensive income	**$ 184.1**	$ 174.9

The following table presents the changes in Accumulated other comprehensive loss by component, all net of tax, for the three months ended April 2, 2022:

(in millions)	**Foreign currency translation**	**Prior service credits**	**Net actuarial losses**	**Unrealized investment gains**	**Net derivative losses**	**Total**
Beginning balance	$ (34.5)	$ (3.7)	$ (3.4)	$ 0.2	$ 9.9	**$ (31.5)**
Other comprehensive income before reclassifications (A)	2.1	—	—	—	10.8	**12.9**
Amounts reclassified from Accumulated other comprehensive loss (income) (B)	—	—	0.2	—	(3.2)	**(3.0)**
Net other comprehensive income	2.1	—	0.2	—	7.6	**9.9**
Ending balance	$ (32.4)	$ (3.7)	$ (3.2)	$ 0.2	$ 17.5	**$ (21.6)**

(A) The tax effects for the three months ended April 2, 2022 were $1.6 million for foreign currency translation and $(3.5) million for derivatives.
(B) See the table below for the tax effects for the three months ended April 2, 2022.

The following table presents the changes in Accumulated other comprehensive loss by component, all net of tax, for the three months ended April 3, 2021:

(in millions)	Foreign currency translation	Prior service credits	Net actuarial losses	Net derivative losses	Total
Beginning balance	$ (15.1)	$ (3.5)	$ (8.9)	$ (15.2)	**$ (42.7)**
Other comprehensive (loss) income before reclassifications [(A)]	(7.5)	—	—	11.0	**3.5**
Amounts reclassified from Accumulated other comprehensive loss[(B)]	—	(0.2)	0.2	2.1	**2.1**
Net other comprehensive (loss) income	(7.5)	(0.2)	0.2	13.1	**5.6**
Ending balance	$ (22.6)	$ (3.7)	$ (8.7)	$ (2.1)	**$ (37.1)**

(A) The tax effects for the three months ended April 3, 2021 were $0.9 million for foreign currency translation and $(3.6) million for derivatives.
(B) See the table below for the tax effects for the three months ended April 3, 2021.

The following table presents reclassification adjustments out of Accumulated other comprehensive loss during the three months ended April 2, 2022 and April 3, 2021:

Details about Accumulated other comprehensive income (loss) components (in millions)	April 2, 2022	April 3, 2021	Affected line item in the statement where net income is presented
Amortization of defined benefit items:			
Prior service credits	**$ —**	$ 0.2	Other expense, net
Net actuarial losses	**(0.2)**	(0.2)	Other expense, net
	(0.2)	—	Earnings before income taxes
	—	—	Income tax provision
	$ (0.2)	$ —	Net earnings from continuing operations
Amount of gain (loss) reclassified into earnings on derivative contracts:			
Interest rate contracts	**$ —**	$ (0.1)	Interest expense
Foreign exchange contracts	**2.7**	(3.1)	Cost of sales
Commodity contracts	**1.6**	0.3	Cost of sales
	4.3	(2.9)	Earnings before income taxes
	(1.1)	0.8	Income tax provision
	$ 3.2	$ (2.1)	Net earnings from continuing operations

Note 11 – Income Taxes

The Company recognized an income tax provision for the three months ended April 2, 2022 and April 3, 2021 of $ 46.4 million and $47.4 million, respectively. The income tax provision of $46.4 million included a net benefit of $2.5 million primarily associated with the net excess tax benefits related to share-based compensation and valuation-allowance adjustments. The income tax provision of $47.4 million included a net benefit of $3.0 million primarily associated with the net excess tax benefits related to share-based compensation and valuation-allowance adjustments. The excess tax benefit for the three months ended April 2, 2022 and April 3, 2021 was $2.8 million and $1.5 million, respectively. The effective tax rate, which is calculated as the income tax provision as a percentage of earnings before income taxes, for the three months ended April 2, 2022 was 21.1 percent. The effective tax rate for the three months ended April 3, 2021 was 21.9 percent.

No deferred income taxes have been provided as of April 2, 2022, December 31, 2021 or April 3, 2021 on the applicable undistributed earnings of the non-U.S. subsidiaries where the indefinite reinvestment assertion has been applied. If at some future date these earnings cease to be indefinitely reinvested and are repatriated, the Company may be subject to additional U.S. income taxes and foreign withholding taxes on such amounts. The Company continues to provide deferred taxes, as required, on the undistributed net earnings of foreign subsidiaries and unconsolidated affiliates that are not deemed to be indefinitely reinvested in operations outside the United States.

As of April 2, 2022, December 31, 2021 and April 3, 2021, the Company had $ 10.3 million, $10.1 million and $4.5 million of gross unrecognized tax benefits, including interest, respectively. The Company believes it is reasonably possible that the total amount of gross unrecognized tax benefits as of April 2, 2022 could decrease by approximately $0.1 million in the next 12 months due to settlements with taxing authorities or lapses in the applicable statute of limitations. Due to the various jurisdictions in which the Company files tax returns and the uncertainty regarding the timing of the settlement of tax audits, it is possible that there could be significant changes in the amount of unrecognized tax benefits in 2022, but the amount cannot be estimated at this time.

The Company is regularly audited by federal, state and foreign tax authorities. The Internal Revenue Service ("IRS") has completed its field examination and has issued its Revenue Agents Report through the 2014 tax year and all open issues have been resolved. The Company is currently open to tax examinations by the IRS for the 2018 through 2020 tax years. Primarily as a result of filing amended returns, which were generated by the closing of federal income tax audits, the Company is still open to state and local tax audits in major tax jurisdictions dating back to the 2014 taxable year. The Company is no longer subject to income tax examinations by any major foreign tax jurisdiction for years prior to 2013.

Note 12 – Debt

The following table provides the changes in the Company's long-term debt for the three months ended April 2, 2022:

(in millions)	**Current maturities of long-term debt**	**Long-term debt**	**Total**
Balance as of December 31, 2021	$ 37.4	$ 1,779.0	**$ 1,816.4**
Proceeds from issuances of long-term debt	—	741.8	**741.8**
Repayments of long-term debt	(35.5)	(21.5)	**(57.0)**
Other	0.4	(1.1)	**(0.7)**
Balance as of April 2, 2022	**$ 2.3**	**$ 2,498.2**	**$ 2,500.5**

As of April 2, 2022, Brunswick was in compliance with the financial covenants associated with its debt.

2032 and 2052 Notes

In March 2022, the Company issued aggregate principal amount of $ 450.0 million of 4.400% Senior Notes due 2032 (the "2032 Notes") and $ 300.0 million of 5.100% Senior Notes due 2052 (the "2052 Notes" and, together with the 2032 Notes, the "Notes") in a public offering, which resulted in aggregate net proceeds to the Company of $741.8 million. The Company intends to use the net proceeds from the sale of the Notes for general corporate purposes.

The 2032 Notes bear interest at a rate of 4.400% per year and the 2052 Notes bear interest at a rate of 5.100% per year. Interest on the 2032 Notes is payable semiannually in arrears on March 15 and September 15 of each year, and the first interest payment date will be September 15, 2022. Interest on the 2052 Notes is payable semiannually in arrears on April 1 and October 1 of each year, and the first interest payment date will be October 1, 2022. The 2032 Notes will mature on September 15, 2032, and the 2052 Notes will mature on April 1, 2052.

The Company may redeem the Notes of each series, in whole or in part, at any time and from time to time prior to maturity. If the Company elects to redeem the Notes at any time prior to (i) with respect to the 2032 Notes, June 15, 2032 (the date that is three months prior to the maturity of the 2032 Notes) or (ii) with respect to the 2052 Notes, October 1, 2051 (the date that is six months prior to the maturity of the 2052 Notes), it will pay a “make-whole” redemption price set forth in the Fifth Supplemental Indenture dated as of March 29, 2022 ("Fifth Supplemental

Indenture"). On or after June 15, 2032, in the case of the 2032 Notes, or October 1, 2051, in the case of the 2052 Notes, the Company may, at its option, redeem the Notes of each series, in whole or in part at any time and from time to time, at a redemption price equal to 100% of the principal amount thereof. In addition to the redemption price, the Company will pay accrued and unpaid interest, if any, to, but not including, the redemption date.

If the Company experiences a change of control triggering event with respect to a series of Notes, as defined in the Fifth Supplemental Indenture, each holder of such series of Notes may require the Company to repurchase some or all of its Notes at a price equal to 101% of their principal amount, plus accrued and unpaid interest to, but not including, the repurchase date.

Term Loan

During the first three months of 2022, the Company made the remaining principal repayments totaling $ 56.3 million of its 2023 floating-rate term loan. The term loan was redeemed at 100 percent of the principal amount plus accrued interest, in accordance with the redemption provisions of the term loan. The Company recognized a loss on early extinguishment of debt of $0.1 million related to the term loan redemption.

Credit Facility

The Company maintains a Revolving Credit Agreement ("Credit Facility"). In March 2022, the Company amended its Credit Facility with certain wholly-owned subsidiaries of the Company as subsidiary borrowers and lenders as parties, and JPMorgan Chase Bank, N.A., as administrative agent. This amends and restates the Credit Facility, dated as of March 21, 2011, as amended and restated through July 16, 2021. The amended Credit Facility increases the revolving commitments to $750.0 million, with the capacity to add up to $ 100.0 million of additional revolving commitments, and amends the Credit Facility in certain respects, including, among other things:

- Extending the maturity date to March 31, 2027, with up to two one-year extensions available.
- Transitioning the reference rate for loans denominated in U.S. dollars from the London interbank offered rate ("LIBOR") to the term Secured Overnight Financing Rate ("SOFR"), with a credit spread adjustment of 10 basis points to be added to the reference rate for borrowings of U.S. dollar loans for each interest period.

During the first three months of 2022, gross borrowings under the Credit Facility totaled $ 125.0 million. As of April 2, 2022 there were no borrowings outstanding, and available borrowing capacity totaled $747.2 million, net of $2.8 million of letters of credit outstanding, under the Credit Facility. The maximum amount utilized under the Credit Facility during the three months ended April 2, 2022, including letters of credit outstanding under the Credit Facility, was $127.8 million. There were no borrowings under the Credit Facility during the three months ended April 3, 2021. Refer to Note 16 in the Notes to Consolidated Financial Statements in the 2021 Form 10-K for details regarding Brunswick's Credit Facility.

Commercial Paper

In December 2019, the Company entered into an unsecured commercial paper program ("CP Program") pursuant to which the Company may issue short-term, unsecured commercial paper notes ("CP Notes"). Amounts available under the CP Program may be borrowed, repaid and re-borrowed from time to time, with the aggregate principal amount of CP Notes outstanding under the CP Program at any time not exceeding the lower of $300.0 million or the available borrowing amount under the Amended Credit Facility. Refer to Note 16 in the Notes to Consolidated Financial Statements in the 2021 Form 10-K for details regarding Brunswick's CP Program. During the first three months of 2022, borrowings under the CP Program totaled $500.0 million, all of which were repaid during the period. During the three months ended April 2, 2022, the maximum amount utilized under the CP Program was $300.0 million.

Note 13 – Subsequent Events

In April and early May of 2022, the Company acquired certain Freedom Boat Club franchise operations and territory rights, as well as certain marine assets in the Southeast United States. These acquisitions enable opportunities across a wide spectrum, building upon the growth Brunswick has cultivated throughout our shared access portfolio and new digital platforms. These acquisitions will be included as part of the Company's Boat segment.

The Company paid net cash consideration of approximately $ 100.0 million for these acquisitions. Given the recent dates of the closing, a preliminary purchase price allocation has not yet been completed as of the date these financial statements were issued. Transaction costs associated with these acquisitions of $1.2 million were expensed as incurred within Selling, general and administrative expense during the quarter ended April 2, 2022.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Certain statements in Management's Discussion and Analysis of Financial Condition and Results of Operations of Brunswick Corporation (we, us, our) are forward-looking statements. Forward-looking statements are based on current expectations, estimates, and projections about our business and by their nature address matters that are, to different degrees, uncertain. Actual results may differ materially from expectations and projections as of the date of this filing due to various risks and uncertainties. For additional information regarding forward-looking statements, refer to ***Forward-Looking Statements*** below.

Certain statements in Management's Discussion and Analysis are based on non-GAAP financial measures. GAAP refers to generally accepted accounting principles in the United States. A "non-GAAP financial measure" is a numerical measure of a registrant's historical or future financial performance, financial position or cash flows that excludes amounts, or is subject to adjustments that have the effect of excluding amounts, that are included in the most directly comparable measure calculated and presented in accordance with GAAP in the consolidated statements of operations, balance sheets or statements of cash flows of the issuer; or includes amounts, or is subject to adjustments that have the effect of including amounts, that are excluded from the most directly comparable measure so calculated and presented. For example, the discussion of our cash flows includes an analysis of free cash flows and total liquidity; the discussion of our net sales includes net sales on a constant currency basis; the discussion of our net sales includes net sales excluding acquisitions; the discussion of our earnings includes a presentation of operating earnings and operating margin excluding restructuring, exit and impairment charges, purchase accounting amortization, acquisition-related costs and other applicable charges and of diluted earnings per common share, as adjusted. Non-GAAP financial measures do not include operating and statistical measures.

We include non-GAAP financial measures in Management's Discussion and Analysis as management believes these measures and the information they provide are useful to investors because they permit investors to view our performance using the same tools that management uses to evaluate our ongoing business performance. In order to better align our reported results with the internal metrics management uses to evaluate business performance as well as to provide better comparisons to prior periods and peer data, non-GAAP measures exclude the impact of purchase accounting amortization related to acquisitions, among other adjustments.

We do not provide forward-looking guidance for certain financial measures on a GAAP basis because we are unable to predict certain items contained in the GAAP measures without unreasonable efforts. These items may include restructuring, exit and impairment costs, special tax items, acquisition-related costs, and certain other unusual adjustments.

Impact of COVID-19

The full extent of the impact of COVID-19 on our business, operations, and financial results will depend on evolving factors that we cannot accurately predict. We will continue to actively monitor the impact of COVID-19 and may take further actions that alter business operations as legally required, or that we determine are in the best interests of our employees, customers, dealers, suppliers, and other stakeholders. Refer to **Part I. Item 1A. Risk Factors** in the 2021 Form 10-K for further information.

All global manufacturing and distribution facilities remain focused on rigorously applying, evolving, and automating COVID-19 mitigation procedures, while continuing to ramp-up global production to meet strong demand. Despite elevated production levels, the persistent demand environment combined with supply chain disruptions continues to drive historically low pipeline inventory levels with 6 percent fewer boats in dealer inventory at the end of the first quarter versus the same period last year.

Impact of Russia-Ukraine Conflict

We continue to monitor the conflict in Ukraine and the potential impact to our operations. Our cessation of business in Russia, Belarus, Crimea and the disputed territories has had no significant, direct, financial impact on our business.

Acquisitions

On October 4, 2021, we completed the acquisition of Navico for $1.094 billion net cash consideration. Navico was a privately held global company based in Egersund, Norway, and is a global leader in marine electronics and sensors, including multi-function displays, fish finders, autopilots, sonar, radar, and cartography. We also completed the acquisitions of substantially all the net assets of RELiON Battery, LLC, SemahTronix, LLC, Fanautic Club, and certain Freedom Boat Club franchise operations and territory rights in the United States during 2021 for net cash consideration of $66.2 million. Refer to **Note 3 – Acquisitions** in the Notes to Condensed Consolidated Financial Statements for further information.

Overview

Net sales increased 18 percent during the first quarter of 2022 when compared with the first quarter of 2021, primarily attributable to outstanding operating performance across all segments together with strong global demand for marine products. All segments reported substantial net sales increases during the quarter when compared to the first quarter of 2021. In the Propulsion segment, we continue to expand outboard propulsion retail market share, especially in higher horsepower categories where we have focused higher levels of investment in recent years. In the Parts and Accessories segment, we continue our robust performance, collectively delivering our highest ever first quarter revenue as both aftermarket and OEM channels prepare for the prime boating season. Boat segment sales also increased when compared to the first quarter of 2021, particularly in Aluminum Freshwater which had outsized revenue growth, while our Recreational Fiberglass brands also posted a strong quarter. Our international net sales increased 20 percent and 24 percent in the first quarter on a GAAP and constant currency basis, respectively, seeing growth in all regions.

Operating earnings in the first quarter of 2022 were $239.5 million and $267.5 million on a GAAP and As Adjusted basis, respectively. This compares to operating earnings during the first quarter of 2021 of $231.9 million and $243.0 million on a GAAP and an As Adjusted basis, respectively.

Matters Affecting Comparability

Changes in Foreign Currency Rates. Percentage changes in net sales expressed in constant currency reflect the impact that changes in currency exchange rates had on comparisons of net sales. To determine this information, net sales transacted in currencies other than the U.S. dollar have been translated to U.S. dollars using the average exchange rates that were in effect during the comparative period. The percentage change in net sales expressed on a constant currency basis better reflects the changes in the underlying business trends, excluding the impact of translation arising from foreign currency exchange-rate fluctuations. Approximately 26 percent of our annual net sales are transacted in a currency other than t he U.S. dollar. Our most material exposures include sales in Euros, Canadian dollars, Australian dollars and Brazilian real.

The table below summarizes the impact of changes in currency exchange rates and also the impact of acquisitions on our net sales:

	Three Months Ended				
	Net Sales		2022 vs. 2021		
(in millions)	April 2, 2022	April 3, 2021	GAAP	Currency impact	Acquisition Benefit
Propulsion	**$ 705.9**	$ 657.8	7.3 %	(1.3) %	— %
Parts & Accessories	**617.8**	459.6	34.4 %	(1.4) %	32.8 %
Boat	**492.8**	419.5	17.5 %	(0.8) %	0.8 %
Segment Eliminations	**(120.8)**	(103.7)	16.5 %	(0.4) %	3.1 %
Total	**$ 1,695.7**	$ 1,433.2	18.3 %	(1.3) %	10.5 %

Results of Operations

Consolidated

The following table sets forth certain amounts, ratios and relationships calculated from the Condensed Consolidated Statements of Comprehensive Income for the three months ended:

(in millions, except per share data)	April 2, 2022	April 3, 2021	$ Change	% Change
Net sales	**$ 1,695.7**	$ 1,433.2	$ 262.5	18.3%
Gross margin(A)	**483.6**	417.3	66.3	15.9%
Restructuring, exit and impairment charges	**—**	0.5	(0.5)	NM
Operating earnings	**239.5**	231.9	7.6	3.3%
Net earnings from continuing operations	**174.0**	169.4	4.6	2.7%
Diluted earnings per common share from continuing operations	**$ 2.25**	$ 2.15	$ 0.10	4.7%
Expressed as a percentage of Net sales:				
Gross margin (A)	**28.5 %**	29.1 %		(60) bps
Selling, general and administrative expense	**11.4 %**	10.5 %		90 bps
Research and development expense	**3.0 %**	2.4 %		60 bps
Operating margin	**14.1 %**	16.2 %		(210) bps

bps = basis points
NM = not meaningful

(A) Gross margin is defined as Net sales less Cost of sales as presented in the Condensed Consolidated Statements of Comprehensive Income.

The following is a summary of Adjusted operating earnings and Adjusted diluted earnings per common share from continuing operations for the three months ended April 2, 2022 when compared with the same prior year comparative period:

	Operating Earnings		Diluted Earnings (Loss) Per Share	
(in millions, except per share data)	April 2, 2022	April 3, 2021	April 2, 2022	April 3, 2021
GAAP	**$ 239.5**	$ 231.9	**$ 2.25**	$ 2.15
Restructuring, exit, and impairment charges	**—**	0.5	**—**	—
Purchase accounting amortization	**23.0**	7.5	**0.23**	0.07
Acquisition, integration, and IT related costs	**5.0**	1.3	**0.05**	0.01
Sport Yacht & Yachts	**—**	2.5	**—**	0.03
Palm Coast reclassified from held-for-sale	**—**	0.8	**—**	0.01
Gain on sale of assets	**—**	(1.5)	**—**	(0.01)
Special tax items	**—**	—	**—**	(0.02)
As Adjusted	**$ 267.5**	$ 243.0	**$ 2.53**	$ 2.24
GAAP operating margin	**14.1 %**	16.2 %		
Adjusted operating margin	**15.8 %**	17.0 %		

Net sales increased 18 percent during the first quarter of 2022 when compared with the same prior year period. Refer to the Propulsion, Parts and Accessories, and Boat segments for further details on the drivers of net sales changes.

Gross margin percentage decreased 60 basis points in the first quarter of 2022 when compared with the same prior year period, with inflationary pressures and supply chain inefficiencies more than offsetting increased sales across all segments.

Selling, general and administrative expense ("SG&A") increased during the first quarter of 2022 when compared with the same prior year period, primarily due to the businesses acquired during 2021. Excluding certain one-time items presented above, SG&A as a percentage of sales was higher in the first quarter of 2022 compared with the same prior year period, reflecting increased spending on sales and marketing, ACES programs, and other growth initiatives, partially offset by increased net sales. Research and development expense increased in 2022 versus 2021, reflecting continued investment in new products in all segments.

We did not record any restructuring, exit and impairment charges during the three months ended April 2, 2022 and recorded $0.5 million during the three months ended April 3, 2021.

We recorded Equity earnings of $0.8 million in each of the three months ended April 2, 2022 and April 3, 2021, which wer e mainly related to our marine and technology-related joint ventures.

We recognized $(1.5) million and $(1.3) million in Other expense, net in the three months ended April 2, 2022 and April 3, 2021, respectively. Other expense, net primarily includes remeasurement gains and losses resulting from changes in foreign currency rates and other postretirement benefit costs.

Net interest expense increased for the three months ended April 2, 2022 when compared with the same prior year period due to an increase in average daily debt outstanding, which was influenced by the timing of debt issuances. Refer to **Note 12 – Debt** in the Notes to Condensed Consolidated Financial Statements and Note 16 in the Notes to Consolidated Financial Statements in the 2021 Form 10-K.

We recognized an income tax provision for the three months ended April 2, 2022 of $46.4 million, a decrease of $1.0 million when compared to the tax provision for the three months ended April 3, 2021 of $47.4 million.

The effective tax rate, which is calculated as the income tax provision as a percentage of earnings before income taxes, for the three months ended April 2, 2022 and April 3, 2021 was 21.1 percent and 21.9 percent, respectively.

Due to the factors described in the preceding paragraphs, operating earnings, net earnings from continuing operations, and diluted earnings per common share from continuing operations increased during the first quarter of 2022 when compared with the same prior year period.

Propulsion Segment

The following table sets forth Propulsion segment results for the three months ended:

(in millions)	April 2, 2022	April 3, 2021	$ Change	% Change
Net sales	**$ 705.9**	$ 657.8	$ 48.1	7.3 %
Operating earnings	**125.3**	124.5	0.8	0.6 %
Operating margin	**17.8 %**	18.9 %		(110) bps

bps = basis points

Propulsion segment net sales increased $48.1 million, or 7 percent, in the first quarter of 2022 compared to the first quarter of 2021 as strong global demand for all product categories, together with market share gains and increased pricing, drove higher sales which continue to be enabled by increased production levels.

International sales were 36 percent of the segment's net sales through the first quarter of 2022 and increased 7 percent from the prior year on a GAAP basis. On a constant currency basis, international net sales increased 9 percent, with increases across all regions except Asia-Pacific.

Propulsion segment operating earnings in the first quarter of 2022 wer e $125.3 million, an increase of 1 percent when compared to the first quarter of 2021, as a result of sales volumes and pricing, partially offset by higher manufacturing costs, primarily caused by inflation and continued investment in capacity and product development.

Parts & Accessories Segment

The following table sets forth Parts & Accessories ("P&A") segment results for the three months ended:

(in millions)	April 2, 2022	April 3, 2021	$ Change	% Change
Net sales	**$ 617.8**	$ 459.6	$ 158.2	34.4 %
GAAP operating earnings	**$ 91.6**	$ 91.9	$ (0.3)	(0.3 %)
Restructuring, exit and impairment charges	**—**	0.5	(0.5)	(100.0 %)
Purchase accounting amortization	**22.4**	7.2	15.2	NM
Acquisition, integration, and IT related costs	**2.6**	—	2.6	NM
Gain on sale of assets	**—**	(1.5)	1.5	(100.0 %)
Adjusted operating earnings	**$ 116.6**	$ 98.1	$ 18.5	18.9 %
GAAP operating margin	**14.8 %**	20.0 %		(520) bps
Adjusted operating margin	**18.9 %**	21.3 %		(240) bps

NM = not meaningful
bps = basis points

P&A segment net sales increased $158.2 million, or 34 percent in the first quarter of 2022 versus the first quarter of 20 21 due in large part to the acquisitions of Navico, RELiON and SemahTronix. Excluding the impact from acquisitions, P&A revenues grew by 2 percent despite sales and earnings being impacted by supply chain constraints leading to increased sales backlogs, and a slower start to the 2022 boating season in northern U.S. and Canadian markets due to unfavorable weather conditions.

International sales were 34 percent of the P&A segment's net sales in the first quarter of 2022 and increased 43 percent year over year on a GAAP basis. On a constant currency basis, international net sales increased 47 percent, with increases across all regions.

P&A segment operating earnings in the first quarter of 2022 were $91.6 million, a nominal decrease when compared to the first quarter of 2 021. Contributing to the decrease were the one-time items in the table above, as well as inflationary pressures and increased input costs, partially offsett by strong sales increases.

Boat Segment

The following table sets forth Boat segment results for the three months ended:

(in millions)	April 2, 2022	April 3, 2021	$ Change	% Change
Net sales	**$ 492.8**	$ 419.5	$ 73.3	17.5 %
GAAP operating earnings	**$ 45.3**	$ 40.8	$ 4.5	11.0 %
Acquisition, integration, and IT related costs	**2.4**	1.3	1.1	84.6 %
Purchase accounting amortization	**0.6**	0.3	0.3	100.0 %
Sport Yacht & Yachts	**—**	2.5	(2.5)	(100.0 %)
Palm Coast reclassified from held-for-sale	**—**	0.8	(0.8)	(100.0 %)
Adjusted operating earnings	**$ 48.3**	$ 45.7	$ 2.6	5.7 %
GAAP operating margin	**9.2 %**	**9.7 %**		(50) bps
Adjusted operating margin	**9.8 %**	**10.9 %**		(110) bps

NM = not meaningful
bps = basis points

Boat segment net sales increased $73.3 million, or 18 percent, in the first quarter of 2022 versus the first quarter of 202 1 due to increased sales volume and pricing, primarily in aluminum freshwater, including our pontoon businesses, and our recreational fiberglass brands.

International sales were 25 percent of the segment's net sales in the first three months of 2022 and increased 16 percent on a GAAP basis. On a constant currency basis, international sales increased 20 percent, with increases across all regions except Rest-of-World.

Boat segment operating earnings in the first quarter of 2022 were $45.3 million, an increase of $4.5 million when compared to the first quarter of 2021, due to increased sales, partially offset by material inflation, higher costs due to manufacturing inefficiencies resulting from supply chain disruption, and ramp-up costs at Boston Whaler's Flagler facility.

Corporate/Other

The following table sets forth Corporate/Other results for the three months ended:

(in millions)	April 2, 2022	April 3, 2021	$ Change	% Change
Operating loss	**$ (22.7)**	$ (25.3)	$ 2.6	(10.3 %)

Corporate operating expenses in the first quarter of 2022 were $22.7 million, a decrease of $2.6 million when compared to the first quarter of 2021, primarily due to a decrease in variable compensation expense and favorable mark-to-market adjustments for deferred compensation arrangements, partially offset by an increase in investments in enterprise growth initiatives.

Cash Flow, Liquidity and Capital Resources

The following table sets forth an analysis of free cash flow for the three months ended:

(in millions)		April 2, 2022		April 3, 2021
Net cash (used for) provided by operating activities of continuing operations	**$**	**(140.9)**	$	17.3
Net cash (used for) provided by:				
Plus: Capital expenditures		**(100.9)**		(42.9)
Plus: Proceeds from the sale of property, plant and equipment		**2.2**		4.2
Plus: Effect of exchange rate changes		**0.6**		(2.0)
Total free cash flow [(A)]	**$**	**(239.0)**	$	(23.4)

(A) We define "Free cash flow" as cash flow from operating and investing activities of continuing operations (excluding cash provided by or used for acquisitions, investments, purchases or sales/maturities of marketable securities and other investing activities) and the effect of exchange rate changes on cash and cash equivalents. Free cash flow is not intended as an alternative measure of cash flow from operations, as determined in accordance with GAAP in the United States. We use this financial measure both in presenting our results to shareholders and the investment community and in our internal evaluation and management of our businesses. Management believes that this financial measure and the information it provides are useful to investors because it permits investors to view our performance using the same tool that management uses to gauge progress in achieving its goals. Management believes that the non-GAAP financial measure "Free cash flow" is also useful to investors because it is an indication of cash flow that may be available to fund investments in future growth initiatives.

Our major sources of funds for capital investments, acquisitions, share repurchase programs and dividend payments are cash generated from operating activities, available cash and marketable securities balances, divestitures and borrowings. We evaluate potential acquisitions, divestitures and joint ventures in the ordinary course of business.

2022 Cash Flow

Net cash used for operating activities of continuing operations in the first three months of 2022 totaled $140.9 million versus $17.3 million provided by operating activities in the comparable period of 2021. The decrease is primarily due to unfavorable working capital trends, partially offset by higher net earnings during the quarter.

The primary drivers of net cash used for operating activities of continuing operations in 2022 were increases in working capital, offset by net earnings, net of non-cash items. Working capital is defined as Accounts and notes receivable, Inventories and Prepaid expenses and other, net of Accounts payable and Accrued expenses as presented in the Condensed Consolidated Balance Sheets, excluding the impact of acquisitions and non-cash adjustments. Accounts and notes receivable increased $179.8 million primarily due to increased sales across all segments. Inventory increased $138.5 million, driven by increases to support higher production volumes in advance of the marine selling season. Accrued expenses decreased $62.3 million, primarily driven by payment of prior year variable compensation which had been accrued as of December 31, 2021.

Net cash used for investing activities of continuing operations was $92.2 million, which included $100.9 million of capital expenditures and $6.0 million of purchases of marketable securities, partially offset by $16.7 million of cross-currency swap settlements. Our capital spending was focused on investments in new products and technologies.

Net cash provided by financing activities was $559.1 million and primarily related to proceeds of issuances of long-term debt, partially offset by common stock repurchases, payments of long-term debt including current maturities, and cash dividends paid to common shareholders. Refer to **Note 12 – Debt** in the Notes to Condensed Consolidated Financial Statements for further details on our debt activity during the quarter.

2021 Cash Flow

Net cash provided by operating activities of continuing operations in the first three months of 2021 totaled $17.3 million versus $83.9 million used for operating activities in the comparable period of 2020. The increase is primarily due to higher net earnings during the quarter.

The primary drivers of net cash provided by operating activities of continuing operations in 2021 were net earnings, net of non-cash items, partially offset by an increase in working capital. Accounts and notes receivable increased $202.0 million primarily due to increased sales across all segments. Inventory increased $57.9 million, driven by increases to support higher production volumes in advance of the marine selling season. Accounts payable increased $78.6 million primarily due to timing of payments and higher inventory levels across all reportable segments. Accrued expenses decreased $47.0 million, primarily driven by payment of prior year variable compensation, which had been accrued as of December 31, 2020.

Net cash provided by investing activities of continuing operations was $1.5 million, which primarily included sales of marketable securities of $49.4 million offset by capital expenditures of $42.9 million. Our capital spending was focused on investments in new products and technologies.

Net cash used for financing activities was $56.5 million and primarily related to cash dividends paid to common shareholders, common stock repurchases, and payments of long-term debt including current maturities. Refer to **Note 12 – Debt** in the Notes to Condensed Consolidated Financial Statements for further details on our debt activity during the quarter.

Liquidity and Capital Resources

We view our highly liquid assets as of April 2, 2022, December 31, 2021 and April 3, 2021 as:

(in millions)	April 2, 2022	December 31, 2021	April 3, 2021
Cash and cash equivalents	**$ 680.1**	$ 354.5	$ 471.9
Short-term investments in marketable securities	**6.8**	0.8	7.3
Total cash, cash equivalents and marketable securities	**$ 686.9**	$ 355.3	$ 479.2

The following table sets forth an analysis of total liquidity as of April 2, 2022, December 31, 2021 and April 3, 2021:

(in millions)	April 2, 2022	December 31, 2021	April 3, 2021
Cash, cash equivalents and marketable securities	**$ 686.9**	$ 355.3	$ 479.2
Amounts available under lending facility (A)	**747.2**	497.2	397.2
Total liquidity (B)	**$ 1,434.1**	$ 852.5	$ 876.4

(A) See **Note 12 – Debt** in the Notes to Condensed Consolidated Financial Statements for further details on our lending facility.

(B) We define Total liquidity as Cash and cash equivalents and Short-term investments in marketable securities as presented in the Condensed Consolidated Balance Sheets, plus amounts available for borrowing under its lending facilities. Total liquidity is not intended as an alternative measure to Cash and cash equivalents and Short-term investments in marketable securities as determined in accordance with GAAP in the United States. We use this financial measure both in presenting our results to shareholders and the investment community and in our internal evaluation and management of our businesses. Management believes that this financial measure and the information it provides are useful to investors because it permits investors to view our performance using the same metric that management uses to gauge progress in achieving our goals. Management believes that the non-GAAP financial measure “Total liquidity” is also useful to investors because it is an indication of our available highly liquid assets and immediate sources of financing.

Cash, cash equivalents and marketable securities totaled $686.9 million as of April 2, 2022, an increase of $331.6 million from $355.3 million as of December 31, 2021, and an increase of $207.7 million from $479.2 million as of April 3, 2021. Total debt as of April 2, 2022, December 31, 2021 and April 3, 2021 was $2,500.5 million, $1,816.4 million and $944.7 million, respectively. Our debt-to-capitalization ratio was 56 percent as of April 2, 2022, an increase from 49 percent as of December 31, 2021 and from 37 percent as of April 3, 2021.

We borrowed $125.0 million under the Credit Facility during the first three months of 2022, all of which was repaid and thus we did not have any borrowings outstanding as of April 2, 2022. Available borrowing capacity totaled $747.2 million, net of $2.8 million of letters of credit outstanding under the Credit Facility. During the first three months of 2022, the maximum amount utilized under the CP Program was $300.0 million. Refer to **Note 12 – Debt** in the Notes to Condensed Consolidated Financial Statements and **Note 16 - Debt** in the Notes to Consolidated Financial Statements in the 2021 Form 10-K, for further details.

The level of borrowing capacity under our Amended Credit Facility and CP Program is limited by both a leverage and interest coverage test. These covenants also pertain to termination provisions included in our wholesale financing joint venture arrangements with Wells Fargo Distribution Finance. Based on our anticipated earnings generation throughout the year, we expect to maintain sufficient cushion against the existing debt covenants.

2022 Capital Strategy

We continue to plan for capital expenditures in the range of $375 million - $425 million to support growth initiatives throughout our organization. The issuance of additional long-term debt in the first quarter, coupled with a pullback in long-term debt retirement to $57 million, has increased our estimate of full year interest expense to approximately $95 million. Our decision to accelerate share repurchases given the current market dislocation will result in total targeted share repurchases for 2022 of approximately $300 million, lowering our average diluted shares outstanding for the year to between 76 million and 76.5 million shares. Additionally, we anticipate higher build in working capital for the year, primarily related to our businesses holding higher levels of inventory to ensure consistent production levels.

Financing Joint Venture

On March 10, 2021, through our Brunswick Financial Services Corporation subsidiary, we entered into an amended and restated joint venture agreement with Wells Fargo Commercial Distribution Finance to extend the term of our financial services joint venture, Brunswick Acceptance Company, LLC ("BAC"), through December 31, 2025. The amendment did not otherwise materially change the terms of the agreement. BAC is detailed further in the 2021 Form 10-K.

Off-Balance Sheet Arrangements and Contractual Obligations

Our off-balance sheet arrangements and contractual obligations as of December 31, 2021 are detailed in the 2021 Form 10-K. There have been no material changes in these arrangements and obligations outside the ordinary course of business since December 31, 2021.

Environmental Regulation

There were no material changes in our environmental regulatory requirements since the filing of our 2021 Form 10-K.

Critical Accounting Policies

There were no further material changes in our critical accounting policies since the filing of our 2021 Form 10-K.

As discussed in the 2021 Form 10-K, the preparation of the consolidated financial statements in conformity with GAAP requires management to make certain estimates and assumptions that affect the amount of reported assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and revenues and expenses during the periods reported. Actual results may differ from those estimates.

Recent Accounting Pronouncements

Recent accounting pronouncements that have been adopted during the three months ended April 2, 2022, or will be adopted in future periods, are included in **Note 1 – Significant Accounting Policies** in the Notes to Condensed Consolidated Financial Statements.

Forward-Looking Statements

Certain statements in this Quarterly Report on Form 10-Q are forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on current expectations, estimates, and projections about Brunswick’s business and by their nature address matters that are, to different degrees, uncertain. Words such as "may," "could," "should," "expect," "anticipate," "project," "position," "intend," "target," "plan," "seek," "estimate," "believe," "predict," "outlook," and similar expressions are intended to identify forward-looking statements. Forward-looking statements are not guarantees of future performance and involve certain risks and uncertainties that may cause actual results to differ materially from expectations as of the date of this quarterly report. These risks include, but are not limited to: the effect of adverse general economic conditions, including the amount of disposable income consumers have available for discretionary spending; fiscal and monetary policy concerns; adverse capital market conditions; changes in currency exchange rates; higher energy and fuel costs; competitive pricing pressures; interest-rate risk related to our debt; the coronavirus (COVID-19) pandemic and the emergence of variant strains; actual or anticipated increases in costs, disruptions of supply, or defects in raw materials, parts, or components we purchase from third parties, including as a result of pressures due to the pandemic; supplier manufacturing constraints, increased demand for shipping carriers, and transportation disruptions; managing our manufacturing footprint; adverse weather conditions, climate change events and other catastrophic event risks; international business risks, geopolitical tensions or conflicts, sanctions, embargoes, or other regulations; our ability to develop new and innovative products and services at a competitive price; our ability to meet demand in a rapidly changing environment; loss of key customers; absorbing fixed costs in production; risks associated with joint ventures that do not operate solely for our benefit; our ability to integrate acquisitions, including Navico, and the risk for associated disruption to our business; the risk that unexpected costs will be incurred in connection with the Navico transaction or the possibility that the expected synergies and value creation from the transaction will not be realized or will not be realized within the expected time period; our ability to successfully implement our strategic plan and growth initiatives; attracting and retaining skilled labor, implementing succession plans for key leadership, and executing organizational and leadership changes; our ability to identify, complete, and integrate targeted acquisitions; the risk that strategic divestitures will not provide business benefits; maintaining effective distribution; risks related to dealers and customers being able to access adequate financing; requirements for us to repurchase inventory; inventory reductions by dealers, retailers, or independent boat builders; risks related to the Freedom Boat Club franchise business model; outages, breaches, or other cybersecurity events regarding our technology systems, which could affect manufacturing and business operations and could result in lost or stolen information and associated remediation costs; our ability to protect our brands and intellectual property; changes to U.S. trade policy and tariffs; any impairment to the value of goodwill and other assets; product liability, warranty, and other claims risks; legal, environmental, and other regulatory compliance, including increased costs, fines, and reputational risks; changes in income tax legislation or enforcement; managing our share repurchases; and risks associated with certain divisive shareholder activist actions.

Additional risk factors are included in the 2021 Form 10-K. Forward-looking statements speak only as of the date on which they are made, and Brunswick does not undertake any obligation to update them to reflect events or circumstances after the date of this Quarterly Report on Form 10-Q.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to market risk from changes in foreign currency exchange rates, interest rates and commodity prices. We enter into various hedging transactions to mitigate these risks in accordance with guidelines established by our management. We do not use financial instruments for trading or speculative purposes. Our risk management objectives are described in **Note 4 – Financial Instruments** in the Notes to Condensed Consolidated Financial Statements and Note 14 in the Notes to Consolidated Financial Statements in the 2021 Form 10-K.

There have been no significant changes to our market risk since December 31, 2021. For a discussion of exposure to market risk, refer to Part II, Item 7A – Quantitative and Qualitative Disclosures about Market Risk, set forth in the 2021 Form 10-K.

Item 4. Controls and Procedures

Under the supervision and with the participation of our management, including the Chief Executive Officer and the Chief Financial Officer (our principal executive officer and principal financial officer, respectively), we have evaluated our disclosure controls and procedures (as defined in Securities Exchange Act Rules 13a-15(e) and 15d-15(e)) as of the end of the period covered by this Quarterly Report. Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures are effective. Except for the Navico acquisition, there were no changes in our internal control over financial reporting during the fiscal quarter covered by this report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1A. Risk Factors

There have been no material changes from the risk factors previously disclosed in Part I, "Item 1A. Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2021.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

During the first quarter of 2022, we repurchased approximately $79.8 million of stock, and as of April 2, 2022, the remaining authorization was $266.6 million.

We repurchased the following shares of common stock during the three months ended April 2, 2022:

Period	Total Number of Shares Purchased	Weighted Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Program	Maximum Amount of Dollars that May Yet Be Used to Purchase Shares Under the Program
January 1 to January 29	338,610	$ 88.07	338,610	
January 30 to February 26	248,356	91.86	248,356	
February 27 to April 2	312,375	87.03	312,375	
Total	899,341	$ 88.76	899,341	$ 266,641,007

Item 5. Other Information

At the May 4, 2022 Annual Meeting of Shareholders of the Company ("Annual Meeting"), Nancy E. Cooper, David C. Everitt, Reginald Fils-Aime, Lauren P. Flaherty, David M. Foulkes, Joseph W. McClanathan, David V. Singer, J. Steven Whisler, Roger J. Wood, and MaryAnn Wright were elected as directors of the Company for terms expiring at the 2023 Annual Meeting of Shareholders of the Company. The number of shares voted with respect to these directors were:

Nominee	For	Against	Abstain	Broker Non-votes
Nancy E. Cooper	67,644,924	710,400	33,087	2,969,186
David C. Everitt	65,402,080	2,953,341	32,990	2,969,186
Reginald Fils-Aime	68,232,258	120,420	35,733	2,969,186
Lauren P. Flaherty	67,649,259	706,006	33,146	2,969,186
David M. Foulkes	68,250,780	103,826	33,805	2,969,186
Joseph W. McClanathan	68,258,640	96,311	33,460	2,969,186
David V. Singer	68,219,051	127,796	41,564	2,969,186
J. Steven Whisler	65,946,125	2,394,694	47,592	2,969,186
Roger J. Wood	67,343,627	1,011,232	33,552	2,969,186
MaryAnn Wright	68,282,128	72,782	33,501	2,969,186

At the Annual Meeting, shareholders voted for a non-binding resolution approving the compensation of the Company's named executive officers pursuant to the following vote:

	Number of Shares
For	63,426,137
Against	4,885,209
Abstain	77,065
Broker Non-votes	2,969,186

At the Annual Meeting, shareholders ratified the Audit Committee's appointment of Deloitte & Touche LLP as the independent registered public accounting firm for the Company and its subsidiaries for the fiscal year ending December 31, 2022 pursuant to the following vote:

	Number of Shares
For	70,991,446
Against	334,099
Abstain	32,052
Broker Non-votes	—

Item 6. Exhibits

4.1	Base Indenture, dated as of October 3, 2018, between the Company and U.S. Bank National Association, as trustee, filed as Exhibit 4.1 to the Company’s Current Report on Form 8-K filed October 3, 2018, and hereby incorporated by reference
4.2	Fifth Supplemental Indenture, dated as of March 29, 2022, between the Company and U.S. Bank Trust Company, National Association, as successor in interest to U.S. Bank National Association, as trustee, filed as Exhibit 4.2 to the Company's Current Report on Form 8-K as filed with the Securities and Exchange Commission on March 29, 2022, and hereby incorporated by reference
10.1*	2022 Brunswick Performance Plan Summary Terms and Conditions
10.2*	2022 Stock-Settled Restricted Stock Unit Grant Terms and Conditions Pursuant to the Brunswick Corporation 2014 Stock Incentive Plan
10.3*	2022 Performance share Grant Terms and Conditions Pursuant to the Brunswick Corporation 2014 Stock Incentive Plan--TSR Participants
10.4	Amended and Restated Credit Agreement, dated as of March 21, 2011, as amended and restated as of June 26, 2014, as further amended and restated as of June 30, 2016, as further amended as of July 13, 2018, as further amended and restated as of September 26, 2018, as further amended as of November 12, 2019, as further amended and restated as of July 16, 2021, and as further amended and restated as of March 31, 2022, among Brunswick Corporation, the subsidiary borrowers party thereto, the lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent, filed as Exhibit 10.1 to the Company's Current Report on Form 8-K as filed with the Securities and Exchange Commission on March 31, 2022, and hereby incorporated by reference
31.1	Certification of CEO Pursuant to 15 U.S.C. Section 7241, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of CFO Pursuant to 15 U.S.C. Section 7241, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certification of CEO Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certification of CFO Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Management contract or compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

BRUNSWICK CORPORATION

May 10, 2022

By: /s/ RANDALL S. ALTMAN
Randall S. Altman
Vice President and Controller*

*Mr. Altman is signing this report both as a duly authorized officer and as the principal accounting officer.

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Exhibit 10.1

2022 Brunswick Performance Plan (BPP)
Summary Terms and Conditions

Purpose	Reward achievement of annual goals
Eligibility	Officers of the Company as approved by the Board of Directors
Performance Period	2022 fiscal year.

Performance Measures	Bonuses based 100% on achievement against the following financial measures as of the end of the performance period.
	
	• For Enterprise-level and Business Acceleration Officers,
	  ◦ 75% based on Earnings Per Share (“EPS” (ex. items)), and
	  ◦ 25% based on overall Brunswick Free Cash Flow (“FCF”),
	
	• For Presidents of Mercury, Advanced Systems Group (“ASG”) and Boat Group,
	  ◦ 50% based on EPS (ex. items),
	  ◦ 25% based on overall Brunswick FCF, and for the following:
	    ▪ President, Mercury Marine
	      • 25% Mercury Earnings Before Interest and Taxes (“EBIT”)
	    ▪ President, ASG
	      • 25% ASG EBIT
	    ▪ President, Boat Group
	      • 25% Boat Group EBIT
	
	FCF is consistent with external reporting definition.
	
	FCF, EPS (ex. items) and EBIT (ex. items) from continuing operations results for the year will be adjusted for:
	• Restructuring, exit, integration, and impairment costs (including debt issuance and extinguishment costs) and associated savings - variance from budget;
	• Acquisition/sale of “strategic” assets (e.g., transformational or material acquisitions) not contemplated in the budget;
	• Impact of any “unusual in nature” or “infrequently occurring” charges or impacts related to changes in accounting principles;
	• Impact of unplanned financing arrangements (including debt issuance, off-balance sheet leasing and factoring);
	• Cash taxes – variance from budget;
	• Impact of change in tax law or statutory rates – variance from budget; and
	• Unusual tax items (i.e., FIN 48, Discrete Tax Items, Valuation Allowance Reversals, etc.).
	Performance results may be adjusted, as appropriate, for extraordinary or unanticipated items.
	
	The Committee will determine the applicable performance goals and the bonuses payable upon attainment of such goals, which determinations shall be conclusive and binding on all interested parties.
	
	Notwithstanding the above, no award shall be payable unless the blended performance metrics above are attained at a level that is at least 25% of the Enterprise-wide target payout level, as certified by the Committee.

Funding Review and Approval	The following steps will be taken to review and approve funding: • CFO will review performance to evaluate required accruals; • CEO will review performance at end of performance period and recommend bonuses to the Committee as appropriate; and • The Committee will review and approve bonuses as deemed appropriate.
Individual Awards	Individual awards will be determined on a discretionary basis using overall approved funding, evaluation of individual performance for the performance period, target incentives as a percentage of salary and covered salary (actual paid for year). In no case shall an award exceed 200% of an individual's target incentive opportunity. Individuals must be employed at the end of the performance period to be eligible for an award, with ultimate payout at the discretion of the Committee. Those employees whose employment terminates due to death, permanent and total disability, or as a result of restructuring activities or plant shutdown will be eligible to receive individual awards solely at the discretion of the CEO and Executive Vice President and Chief Human Resources Officer. In addition, if an employee retires later than June 30th of the performance period and after either the sum of the employee's age and years of continuous service from his or her latest hire date equals 70 or more or the employee's age is 62 or more, provided that for purposes of age 62, participant must have at least 3 years of continuous service from their latest hire date, then, subject to prior approval by the Executive Vice President and Chief Human Resources Officer or, in the case of the Corporation's executive officers, the Committee, in its sole discretion, such employee may be eligible for a prorated payout, based on the number of days of employment in the performance period completed prior to the date of retirement. Any awards payable in the event of termination due to death, permanent disability, as a result of restructuring activities or plant shutdown, or retirement shall be subject to the achievement of the applicable performance conditions and shall be paid as specified under "Timing and Form of Award Payments."
Timing and Form of Award Payments	In 2023, after financial results are confirmed and appropriate approvals are obtained; provided, however, that any such award shall be paid to U.S.-based employees (including any U.S.-based former employees who are eligible for payment following their termination of employment as described under "Individual Awards" above) by no later than March 15, 2023. Payment may be made in cash, shares of Brunswick common stock granted under the Brunswick Corporation 2014 Stock Incentive Plan, a combination of cash or stock, or an alternate form of equity, as determined by the Committee. All amounts payable under the BPP shall be subject to all applicable taxes and withholdings.

Claw Back	The Committee will evaluate the facts and circumstances of any restatement of earnings due to fraud or intentional misconduct that results in material noncompliance with any financial reporting requirement and, in its sole discretion, may require the repayment of all or a portion of bonus awards from individual(s) responsible for the restatement and others assigned to salary grade 21 and above, including senior executives, as deemed appropriate by the Committee. In addition, bonus awards shall be subject to forfeiture, recovery by Brunswick or other action pursuant to any other clawback or recoupment policy which Brunswick may adopt from time to time, including without limitation any such policy which Brunswick may be required to adopt under the Dodd-Frank Wall Street Reform and Consumer Protection Act and implementing rules and regulations thereunder, or as otherwise required by law.
Additional Terms & Conditions	Payment of any bonus is in the sole discretion of the Committee. The Committee of the Board administers this plan. The Committee may interpret this plan, and adopt, amend and rescind administrative guidelines and other rules with respect to this plan as deemed appropriate. The Committee may modify, revise, discontinue, cancel or terminate this plan or any payments associated with this plan at any time, without notice. The BPP will be governed by the laws of the State of Illinois, without regard to the conflict of law provisions of any jurisdiction. To the extent permitted by applicable law, Brunswick shall have the right to offset from any amount distributable hereunder any amount that the employee owes to Brunswick or any affiliate thereof without the consent of the employee (or his or her beneficiary, in the event of the employee's death). The opportunity to receive a bonus hereunder does not guarantee any person the right to or expectation of any future bonus opportunities under the BPP or any future incentive plan adopted by Brunswick.

Nothing contained in these materials constitutes or is intended to create a promise of an individual incentive award or a contract of continued employment. Employment is at-will and may be terminated by either the employee or Brunswick for any reason at any time.

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Exhibit 10.2

2022 Stock-Settled Restricted Stock Unit Grant Terms and Conditions
Pursuant to the Brunswick Corporation 2014 Stock Incentive Plan (the "Plan")

Purpose	To encourage retention of key managers so as to support the execution of business strategies in order to encourage and reward the creation of sustainable, long-term shareholder value and achieve future goals. Any capitalized terms used but not defined herein shall have the meaning given to such terms in the Plan.
Restricted Stock Units	Restricted Stock Units valued on the same basis as Brunswick Corporation ("Brunswick") common stock ("Stock") where one unit equals one share. Dividend equivalents will be reinvested in additional Restricted Stock Units, which will be subject to the same vesting conditions applicable to (and settled at the same time as) the underlying Restricted Stock Units. There are no voting rights or any other rights as a stockholder attached to Restricted Stock Units.
Grant Date	____________, 2022
Award	____________ Restricted Stock Units.
Normal Vesting	Restricted Stock Units will vest and be distributed three years after the Grant Date, subject to the Grantee's continued employment through such date.
Vesting Upon Retirement (as defined below)	• Upon a termination of employment due to Retirement (as defined below) on or after the first anniversary of the Grant Date, and prior to a Change in Control (as defined in the Plan), all of the award will become fully vested as of the date of Retirement and be distributed as of the third anniversary of the Grant Date. • Upon a termination of employment due to Retirement prior to the first anniversary of the Grant Date, and prior to a Change in Control, a pro-rata portion of the award will be vested as of the date of Retirement and be distributed as of the third anniversary of the Grant Date. For purposes of the foregoing sentence, a "pro-rata portion" will mean the product of (i) the number of restricted stock units awarded that would have vested on the normal vesting date and (ii) a fraction, the numerator of which is the number of days that have elapsed since January 1 of the year of grant through the date of termination of the Grantee's employment, provided such number does not exceed 365, and the denominator of which is 365 • The award shall be forfeited in its entirety upon a termination for Cause, even if the Grantee would otherwise be eligible for Retirement.
Prorated Vesting Upon Involuntary Termination Without Cause	If the Grantee's employment is terminated by Brunswick for a reason other than Cause or Permanent Disability, and the Grantee is not eligible for Retirement, a pro-rata portion of the award will be vested as of the date of such termination of employment and be distributed as of the third anniversary of the Grant Date. For purposes of the foregoing sentence, a "pro-rata portion" will mean the product of (i) the number of Restricted Stock Units awarded that would have vested on the normal vesting date and (ii) a fraction, the numerator of which is the number of days that have elapsed since the Grant through the date of termination of the Grantee's employment, and the denominator of which is 1,095.
Vesting Upon Death or Permanent Disability	In the case of a termination of employment due to death or a Permanent Disability, the award will become fully vested and distributed as of the date of such death or Permanent Disability.

Vesting Upon Termination After Change in Control	• If the award is effectively assumed or continued by the surviving or acquiring corporation in a Change in Control and (i) the Grantee's employment terminates due to Retirement (and not for Cause or due to Permanent Disability), (ii) Brunswick terminates the Grantee's employment without Cause or (iii) the Grantee resigns for Good Reason (as defined below), then in each case all of the award will be vested and distributed as of the date of such termination of employment; provided, however, that if the award is considered "nonqualified deferred compensation" within the meaning of Internal Revenue Code Section 409A with respect to the Grantee and (A) the Change in Control was not a "change in control event" within the meaning of Internal Revenue Code Section 409A or (B) the termination of employment occurred more than two years following the occurrence of the "change in control event," then the vested award shall be distributed three years after the Grant Date • If the award is not effectively assumed or continued by the surviving or acquiring corporation in a Change in Control, the award shall vest in full and be distributed as of the date of the Change in Control; provided, however, that if the award is considered "nonqualified deferred compensation" within the meaning of Internal Revenue Code Section 409A with respect to the Grantee and the Change in Control was not a "change in control event" within the meaning of Internal Revenue Code Section 409A or to the extent distribution would be impermissible under Internal Revenue Code Section 409A, then the vested award shall be distributed three years after the Grant Date. • Determinations as to whether the award has been effectively assumed or continued by the surviving or acquiring corporation shall be made by the Human Resources and Compensation Committee, as constituted prior to the Change in Control.
Forfeiture Upon Termination	Except as otherwise provided herein, Restricted Stock Units will be forfeited upon a termination of employment prior to vesting.
Timing and Form of Distribution	Upon distribution, shares will be deposited to Grantee's brokerage account on record with Shareholder Services. Distributions will occur as soon as practicable, but no later than 30 days after the distribution date provided above, except that if the Grantee is a "specified employee" (as such term is defined under Internal Revenue Code Section 409A) as of the date of his or her "separation from service" (as such term is defined under Internal Revenue Code Section 409A), then to the extent any amount to be distributed in connection with the settlement of the award is payable upon the Grantee's "separation from service" and constitutes the payment of nonqualified deferred compensation, within the meaning of Internal Revenue Code Section 409A, the distribution will not be made before 6 months after separation from service (or, if earlier, death).
Tax Withholding	For those becoming eligible for Retirement or whose employment is terminated by Brunswick for a reason other than Cause or Permanent Disability prior to the year of a scheduled distribution, tax withholding liability to meet required FICA must be paid via payroll or participant check by i) the end of the year of becoming eligible for Retirement or terminating employment, as the case may be, or ii) at the Company's discretion, collected during the first calendar quarter of the next year. Subsequent Federal, state and local income tax withholding must be paid via share reduction upon distribution. For all others, tax withholding liability (to meet required FICA, Federal, state, and local withholding) must be paid via share reduction upon distribution.

Definitions	"<u>Cause</u>" shall mean the Grantee's: a. Conviction of a crime, including by a plea of guilty or nolo contendere, involving theft, fraud, perjury, or moral turpitude; b. 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; c. Willful omission or dereliction of any statutory or common law duty of loyalty to the Company or a Related Company; d. A willful and material violation of the Company's Code of Conduct or any other written Company policy; or e. Repeated failure to carry out the material components of the Grantee's duties despite specific written notice to do so by the Chief Executive Officer, other than any such failure as a result of incapacity due to physical or mental illness. "<u>Good Reason</u>" shall have the meaning set forth in the employment agreement, if any, between the Grantee and Brunswick as in effect on the Grant Date, provided that if the Grantee is not a party to an employment agreement that contains such definition, then Good Reason means the occurrence of any of the following events without the Grantee's express written consent: (a) a material breach by Brunswick of any provision of this Agreement; (b) Brunswick's failure to pay any portion of Grantee's compensation when due or to include Grantee in any bonus or incentive plan that applies to similarly situated employees of Brunswick; (c) Brunswick's failure to provide, or continue to provide, Grantee with either the perquisites or employee health and welfare benefits (including, without limitation, life insurance, medical, dental, vision, long-term disability and similar benefits), generally provided to similarly situated employees of Brunswick; (d) a Reduction in Authority or Responsibility of the Grantee (as defined below); (e) a Reduction in Compensation (as defined below); and (f) a Business Relocation Beyond a Reasonable Commuting Distance (as defined below); <u>provided</u>, <u>however</u>, that the occurrence of any such condition shall not constitute Good Reason unless (x) the Grantee provides written notice to Brunswick of the existence of such condition not later than 60 days after the Grantee knows or reasonably should know of the existence of such condition, (y) Brunswick fails to remedy such condition within 30 days after after receipt of such notice and (z) Grantee resigns due to the existence of such condition within 60 days after the expiration of the remedial period described in clause (y) hereof. For purposes of this definition: [Continued]

Definitions, Continued	• Whether a Reduction in Authority or Responsibility of the Grantee has occurred shall be determined in accordance with the criteria set forth below in the definition of Reduction in Authority or Responsibility; provided, however, that (A) a change in the Grantee's reporting relationship to another employee who is within the same reporting level (as that term is used in Brunswick's Delegation of Authority Policy or any successor policy); or (B) a reduction in the Grantee's business unit's budget or a reduction in the Grantee's business unit's head count or number of direct reports, by themselves, shall not constitute Good Reason. • "Reduction in Authority or Responsibility" shall mean the assignment to the Grantee of any duties that are materially inconsistent in any respect with the Grantee's position (which may include status, offices, titles, and reporting requirements), authority, duties, or responsibilities as in effect immediately prior to such assignment. It is intended by this definition that a Change in Control by itself, absent a Reduction in Authority or Responsibility as described above, will not constitute Good Reason. • "Reduction in Compensation" shall mean (i) a reduction in the Grantee's total annual compensation (defined as the sum of the Grantee's base salary and target annual bonus) for any calendar or fiscal year, as applicable, to an amount that is less than the Grantee's total annual compensation in effect immediately prior to such reduction, (ii) the elimination of any Brunswick incentive compensation plan in which Grantee is a participant without the adoption of a substantially comparable replacement plan, or (iii) the failure to provide Grantee with equity compensation opportunities or long-term cash incentive compensation opportunities that have a value that is substantially comparable to the value of the equity compensation opportunities provided to the Grantee immediately prior to the Change in Control. • "Business Relocation Beyond a Reasonable Commuting Distance" shall mean that, as a result of either a relocation of Brunswick or a reassignment of the Grantee, a change occurs in the Grantee's principal work location to a location that (i) is more than fifty (50) highway miles from the Grantee's principal work location immediately prior to the relocation, and (ii) increases the Grantee's commuting distance in highway mileage. "Permanent Disability" means the Grantee is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months. "Retirement" shall mean that the Grantee's employment terminates for a reason other than Cause on or after the date on which either (i) the Grantee has either attained age 62, provided that for purposes of age 62, participant must have at least 3 years of continuous service from their latest hire date or (ii) the sum of the Grantee's age plus years of continuous service from his or her latest hire date equals 70 or more. Notwithstanding anything to the contrary in these terms and conditions, for purposes of applying the favorable Retirement vesting terms set forth herein to grants made to residents of the European Union, the Grantee shall be deemed to be eligible for Retirement if, and only if, the Grantee has attained the retirement date specified in the retirement plan in which such Grantee participates.

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Additional Terms and Conditions	This award is subject to the terms of the Plan. The Plan and these Terms and Conditions together constitute the entire agreement of the parties with respect to the subject matter specifically addressed herein. To the extent any provision herein conflicts with the Plan, the Plan shall govern. The Human Resources and Compensation Committee of the Board administers the Plan. The Committee may interpret the Plan and adopt, amend and rescind administrative guidelines and other rules as deemed appropriate. Committee determinations are conclusive and binding on all interested parties. This award and any shares delivered pursuant to this award are subject to forfeiture, recovery by Brunswick or other action pursuant to any clawback or recoupment policy which Brunswick may adopt from time to time, including without limitation any such policy which Brunswick may be required to adopt under the Dodd-Frank Wall Street Reform and Consumer Protection Act and implementing rules and regulations thereunder, or as otherwise required by law. To the extent permitted by applicable law, Brunswick shall have the right to offset from any amount distributable hereunder any amount that the Grantee owes to Brunswick or any affiliate thereof without the consent of the Grantee (or his or her beneficiary, in the event of the Grantee's death). The grant of this award does not guarantee the Grantee the right to or expectation of any future awards under the Plan or any future incentive plan adopted by Brunswick, and the value of the Restricted Stock Units is not part of his or her normal or expected compensation for purposes of calculating any severance, retirement, welfare, insurance or other similar employee benefit. The Plan may be amended, suspended or terminated at any time. The Plan, these Terms and Conditions, and the Restricted Stock Units will be governed by the laws of the State of Illinois, without regard to the conflict of law provisions of any jurisdiction.

* * * * *

Nothing contained in these Terms and Conditions or the Plan constitutes or is intended to create a contract of continued employment. Employment is at-will and may be terminated by either the employee or Brunswick (including affiliates) for any reason at any time.

For questions and or a copy of the Prospectus, please contact: *Ed Dabrowski,*
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Suite 500
Mettawa, Illinois 60045
847-735-4082
ed.dabrowski@brunswick.com

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Exhibit 10.3

2022 Performance Share Grant Terms and Conditions
Pursuant to the Brunswick Corporation 2014 Stock Incentive Plan (the "Plan")

Purpose	To provide incentives to (i) support the execution of Brunswick Corporation's business strategies and (ii) more closely align the interests of the award recipient with those of Brunswick Corporation's stockholders. Any capitalized terms used but not defined herein shall have the meaning given to such terms in the Plan.
Grant Date	__________, 2022
Performance Shares	Shares of Brunswick Corporation ("Brunswick") common stock ("Common Stock") where the number of shares of Common Stock delivered is based on attainment of Performance Criteria set forth herein. Shares of Common Stock subject to this Grant shall be referred to herein as "Performance Shares."
Target Award	[_______] is the target number of Performance Shares with respect to which the Performance Criteria set forth below shall apply.
Performance Period	For purposes of these Terms and Conditions, "Performance Period" shall mean the three-year performance period commencing January 1, 2022 and ending December 31, 2024.

Performance Criteria	a. CFROI: 75% of the Performance Shares shall be earned, if at all, based on the three-year average of Brunswick's annual CFROI, as defined in Appendix A attached hereto, with payout between 0% and 200% of such percentage of the target number of Performance Shares, based solely on CFROI performance over the Performance Period, as set forth in Appendix A attached hereto. b. Operating Margin: 25% of the Performance Shares shall be earned, if at all, based on the three-year average of Brunswick's annual Operating Margin, as defined in Appendix A attached hereto, with payout between 0% and 200% of such percentage of the target number of Performance Shares, based solely on Operating Margin performance over the Performance Period, as set forth in Appendix A attached hereto c. TSR Modifier: Performance Shares calculated based on CFROI and Operating Margin performance (the "CFROI/OM Earned Award") shall be subject to a +/- 20% modifier for Brunswick's TSR Performance against TSR Comparator Group. i. If Brunswick's TSR Performance is equal to or below the 25th percentile of the TSR Performance of the TSR Comparator Group over the Performance Period, then the CFROI/OM Earned Award shall be reduced by 20%. ii. If Brunswick's TSR Performance is equal to or greater than the 75th percentile of the TSR Performance of the TSR Comparator Group over the Performance Period, then the CFROI/OM Earned Award shall be increased by 20%; provided that in no event shall the number of Performance Shares that become payable exceed 200% of the target number of Performance Shares. iii. The CFROI/OM Earned Award shall not be modified for Brunswick's TSR Performance between the 25th and 75th percentile of the TSR Performance of the TSR Comparator Group over the Performance Period. iv. See Appendix A attached hereto for the definitions of "TSR Performance" and "TSR Comparator Group." d. Notwithstanding the level of performance achieved, the number of shares of Common Stock delivered pursuant to the "Timing of Distribution" discussed below shall not exceed the number of shares having a Fair Market Value, as of the date of distribution, equal to 400% of the target dollar value of the award as of the Grant Date, as set forth in the award notice given to the Grantee in connection with the award.
Vesting Upon Death, Permanent Disability or Retirement (as defined below)	• In the case of a termination of employment (other than for Cause (as defined below)) on or after the first anniversary of the beginning of the Performance Period and prior to a Change in Control due to (i) death, (ii) Permanent Disability (as defined below) or (iii) Retirement (as defined below), the Grantee or his or her estate or personal representative shall receive the award, calculated as if the Grantee had remained employed throughout the entire Performance Period and based on actual CFROI, Operating Margin and TSR Performance. The Performance Shares shall be distributed to the Grantee in accordance with the terms of this award under "Timing of Distribution. • In the case of a termination of employment (other than for Cause) prior to the first anniversary of the beginning of the Performance Period and prior to a Change in Control due to (i) death, (ii) Permanent Disability or (iii) Retirement, a pro-rata portion of the award will be distributed to the Grantee or his or her estate or personal representative in accordance with the terms of this award under "Timing of Distribution." For purposes of the foregoing sentence, a "pro-rata portion" will mean the product of (x) the number of Performance Shares that would otherwise be paid out at the end of the Performance Period based on actual CFROI, Operating Margin and TSR Performance and (y) a fraction, the numerator of which is the number of days that have elapsed since the beginning of the Performance Period through the date of termination of the Grantee's employment, and the denominator of which is 365. All remaining Performance Shares shall be forfeited. • The Performance Shares shall be forfeited in their entirety upon any termination for Cause, even if the Grantee would otherwise be eligible for Retirement.

Prorated Vesting Upon Involuntary Termination Without Cause	• If the Grantee's employment is terminated by Brunswick for a reason other than Cause or Permanent Disability, and the Grantee is not eligible for Retirement, a pro-rata portion of the award will be vested as of the date of such termination of employment and be distributed following the end of the Performance Period, subject to certification in writing of Brunswick's attainment of the Performance Criteria, as described under "Timing of Distribution". For purposes of the foregoing sentence, a "pro-rata portion" will mean the product of (x) the number of Performance Shares that would otherwise be paid out at the end of the Performance Period based on actual CFROI, Operating Margin and TSR Performance and (y) a fraction, the numerator of which is the number of days that have elapsed since the beginning of the Performance Period through the date of termination of the Grantee's employment, and the denominator of which is 1,095. All remaining Performance Shares shall be forfeited.
Other Terminations of Employment	• The Performance Shares shall be forfeited in their entirety in the event the Grantee's employment terminates prior to the end of the Performance Period and prior to a Change in Control for a reason other than death, Permanent Disability (as defined below), Retirement or a termination by Brunswick for a reason other than Cause.

Change in Control	a. In the event of a Change in Control prior to the end of the Performance Period, the Performance Criteria shall be deemed to be achieved at target (and the remainder of the award shall be forfeited) and: i. If the award is effectively assumed or continued by the surviving or acquiring corporation and the Grantee remains continuously employed through the last day of the Performance Period, then the Performance Shares shall be distributed to Grantee in accordance with the terms of the award under "Timing of Distribution," provided that: 1. In the event of Grantee's termination of employment (other than for Cause) (i) due to death or Permanent Disability, (ii) Retirement, or (iii) by Brunswick without Cause or by the Grantee for Good Reason (as defined below), the vested portion of the award shall be distributed to the Grantee or his or her estate or personal representative within thirty (30) days following Grantee's death or termination of employment (or, in the case of termination due to death, Permanent Disability or Retirement that had occurred prior to the Change in Control, within 30 days following the Change in Control to the extent permitted by Internal Revenue Code Section 409A); provided, however, that if the award is considered "nonqualified deferred compensation" and (x) the Change in Control was not a "change in control event" within the meaning of Internal Revenue Code Section 409A or (y) the termination of employment occurred more than two years following the occurrence of such "change in control event," then the vested portion of the award shall be distributed to Grantee in accordance with the terms of this award under "Timing of Distribution ii. If the award is not effectively assumed or continued by the surviving or acquiring corporation, then the vested portion of the award shall be distributed within thirty (30) days of such Change in Control; provided, however, if the award is considered "nonqualified deferred compensation" within the meaning of Internal Revenue Code Section 409A with respect to the Grantee and the Change in Control was not a "change in control event" within the meaning of Internal Revenue Code Section 409A or to the extent distribution would be impermissible under Internal Revenue Code Section 409A, then the vested portion of the award shall be distributed to Grantee in accordance with the terms of this award under "Timing of Distribution. • Determinations as to whether the award has been effectively assumed or continued by the surviving or acquiring corporation shall be made by the Human Resources and Compensation Committee, as constituted prior to the Change in Control. • The Performance Shares shall be forfeited in their entirety upon any termination for Cause, even if the Grantee would otherwise be eligible for Retirement.
Timing of Distribution	Except as otherwise provided for herein, shares of Common Stock shall be delivered to the Grantee in settlement of the award within 60 days after the end of the Performance Period, subject to certification in writing of Brunswick's attainment of the Performance Criteria. If you are a "specified employee" (as such term is defined under Internal Revenue Code Section 409A) as of the date of your "separation from service" (as such term is defined under Internal Revenue Code Section 409A), then to the extent any amount to be distributed in connection with the settlement of the award is payable upon the Grantee's "separation from service" and constitutes the payment of nonqualified deferred compensation, within the meaning of Internal Revenue Code Section 409A, the distribution will not be made before 6 months after separation from service (or, if earlier, death). In all cases, fractional shares shall be rounded down to the nearest whole share.

Tax Withholding	Tax withholding liability (to meet required FICA, Federal, state, and local withholding) must be paid via share reduction upon distribution.
Form of Distribution	Shares will be deposited to your brokerage account on record with Brunswick's stock plan administrator.
Definitions	"Cause" shall mean the Grantee's: a. Conviction of a crime, including by a plea of guilty or nolo contendere, involving theft, fraud, perjury, or moral turpitude; b. 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; c. Willful omission or dereliction of any statutory or common law duty of loyalty to the Company or a Related Company; d. A willful and material violation of the Company's Code of Conduct or any other written Company policy; or e. Repeated failure to carry out the material components of the Grantee's duties despite specific written notice to do so by the Chief Executive Officer, other than any such failure as a result of incapacity due to physical or mental illness. "Good Reason" shall have the meaning set forth in the employment agreement, if any, between the Grantee and Brunswick as in effect on the Grant Date, provided that if the Grantee is not a party to an employment agreement that contains such definition, then Good Reason means the occurrence of any of the following events without the Grantee's express written consent: (a) a material breach by Brunswick of any provision of this agreement; (b) Brunswick's failure to pay any portion of Grantee's compensation when due or to include Grantee in any bonus or incentive plan that applies to similarly situated employees of Brunswick; (c) Brunswick's failure to provide, or continue to provide, Grantee with either the perquisites or employee health and welfare benefits (including, without limitation, life insurance, medical, dental, vision, long-term disability and similar benefits), generally provided to similarly situated employees of Brunswick; (d) a Reduction in Authority or Responsibility of the Grantee (as defined below); (e) a Reduction in Compensation (as defined below); or (f) a Business Relocation Beyond a Reasonable Commuting Distance (as defined below; provided, however, that the occurrence of any such condition shall not constitute Good Reason unless (x) the Grantee provides written notice to Brunswick of the existence of such condition not later than 60 days after the Grantee knows or reasonably should know of the existence of such condition, (y) Brunswick fails to remedy such condition within 30 days after receipt of such notice and (z) Grantee resigns due to the existence of such condition within 60 days after the expiration of the remedial period described in clause (y) hereof.

Definitions, Continued	• Whether a Reduction in Authority or Responsibility of the Grantee has occurred shall be determined in accordance with the criteria set forth below in the definition of Reduction in Authority or Responsibility; provided, however, that (A) a change in the Grantee's reporting relationship to another employee who is within the same reporting level (as that term is used in Brunswick's Delegation of Authority Policy or any successor policy); or (B) a reduction in the Grantee's business unit's budget or a reduction in the Grantee's business unit's head count or number of direct reports, by themselves, shall not constitute Good Reason. • "Reduction in Authority or Responsibility" shall mean the assignment to the Grantee of any duties that are materially inconsistent in any respect with the Grantee's position (which may include status, offices, titles, and reporting requirements), authority, duties, or responsibilities as in effect immediately prior to such assignment. It is intended by this definition that a Change in Control by itself, absent a Reduction in Authority or Responsibility as described above, will not constitute Good Reason. • "Reduction in Compensation" shall mean (i) a reduction in the Grantee's total annual compensation (defined as the sum of the Grantee's base salary and target annual bonus) for any calendar or fiscal year, as applicable, to an amount that is less than the Grantee's total annual compensation in effect immediately prior to such reduction, (ii) the elimination of any Brunswick incentive compensation plan in which Grantee is a participant without the adoption of a substantially comparable replacement plan, or (iii) the failure to provide the Grantee with equity compensation opportunities or long-term cash incentive compensation opportunities that have a value that is substantially comparable to the value of the equity compensation opportunities provided to the Grantee immediately prior to the Change in Control. • "Business Relocation Beyond a Reasonable Commuting Distance" shall mean that, as a result of either a relocation of Brunswick or a reassignment of the Grantee, a change occurs in the Grantee's principal work location to a location that (i) is more than fifty (50) highway miles from the Grantee's principal work location immediately prior to the relocation, and (ii) increases the Grantee's commuting distance in highway mileage. "Permanent Disability" means the Grantee is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months.

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Definitions, Continued	"Retirement" shall mean that the Grantee's employment terminates for a reason other than Cause on or after the date on which either (i) the Grantee has either attained age 62, provided that for purposes of age 62, participant must have at least 3 years of continuous service from their latest hire date or (ii) the sum of the Grantee's age plus years of continuous service from his or her latest hire date equals 70 or more. Notwithstanding anything to the contrary in these terms and conditions, for purposes of applying the favorable Retirement vesting terms set forth herein to grants made to residents of the European Union, the Grantee shall be deemed to be eligible for Retirement if, and only if, the Grantee has attained the retirement date specified in the retirement plan in which such Grantee participates.
Additional Terms and Conditions	This award is subject to the terms of the Plan. The Plan and these Terms and Conditions together constitute the entire agreement of the parties with respect to the subject matter specifically addressed herein. To the extent any provision herein conflicts with the Plan, the Plan shall govern. The Human Resources and Compensation Committee of the Board administers the Plan. The Committee may interpret the Plan and adopt, amend and rescind administrative guidelines and other rules as deemed appropriate. Committee determinations are conclusive and binding on all interested parties. This award and any shares delivered pursuant to this award are subject to forfeiture, recovery by Brunswick or other action pursuant to any clawback or recoupment policy which Brunswick may adopt from time to time, including without limitation any such policy which Brunswick may be required to adopt under the Dodd-Frank Wall Street Reform and Consumer Protection Act and implementing rules and regulations thereunder, or as otherwise required by law. To the extent permitted by applicable law, Brunswick shall have the right to offset from any amount distributable hereunder any amount that the Grantee owes to Brunswick or any affiliate thereof without the consent of the Grantee (or his or her beneficiary, in the event of the Grantee's death). The grant of this award does not guarantee the Grantee the right to or expectation of any future awards under the Plan or any future incentive plan adopted by Brunswick, and the value of the Performance Shares is not part of his or her normal or expected compensation for purposes of calculating any severance, retirement, welfare, insurance or other similar employee benefit. The Plan may be amended, suspended or terminated at any time. The Plan, these Terms and Conditions, and the Performance Shares will be governed by the laws of the State of Illinois, without regard to the conflict of law provisions of any jurisdiction.

* * * * *

Nothing contained in these Terms and Conditions or the Plan constitutes or is intended to create a contract of continued employment. Employment is at-will and may be terminated by either the employee or Brunswick (including affiliates) for any reason at any time.

For questions and or a copy of the Prospectus, please contact: *Ed Dabrowski*
Brunswick Corporation
26125 N. Riverwoods Blvd.
Suite 500
Mettawa, Illinois 60045
847-735-4082
ed.dabrowski @brunswick.com

2022 Performance Share Grant
Appendix A – Performance Criteria

<table>
<tr>
<td rowspan="4">Annual Cash Flow Return on Investment (CFROI): Applicable to 75% of Performance Shares

CFROI defined as Adjusted Free Cash Flow divided by Operating Capital Employed.

Adjusted Free Cash Flow is defined as Free Cash Flow consistent with the external reporting definition excluding the impact of cash tax payments or refunds.

Operating Capital Employed defined as total assets less current liabilities excluding cash, debt, tax balances and lease assets and liabilities related to ASC 842. Operating Capital Employed will be calculated on a two point basis

Adjusted Free Cash Flow and Operating Capital Employed will be adjusted for the following variances from plan:
• Acquisition/sale of “strategic” assets (e.g., transformational or material acquisitions) not contemplated in the plan;
• Restructuring, integration, and exit activities;
• Impact of unplanned financing arrangements (including debt issuance, off-balance sheet leasing and factoring);
• Impact of change in accounting standards; and
• Executive deferred compensation payouts not included in plan.

Performance results may be adjusted, as appropriate, for extraordinary or unanticipated items.</td>
<td></td>
<td>Payout as a % of Target [1]</td>
<td>2022 - 2024 Average</td>
</tr>
<tr>
<td>Threshold</td>
<td>0%</td>
<td>XX.X%</td>
</tr>
<tr>
<td>Target</td>
<td>100%</td>
<td>YY.Y%</td>
</tr>
<tr>
<td>Maximum</td>
<td>200%</td>
<td>ZZ.Z%</td>
</tr>
</table>

<table>
<tr><td rowspan="4">Annual Operating Margin: Applicable to 25% of Performance Shares

Operating Margin defined as Operating Earnings (ex. items) divided by Sales.

Operating Earnings and Sales are consistent with reporting definitions.

Operating Earnings (on an ex. items basis) and Sales will be adjusted for the following variances from plan:
• Acquisition/sale of “strategic” assets (e.g., transformational or material acquisitions) not contemplated in the plan;
• Restructuring, exit, integration and impairment activities;
• Impact of any “unusual in nature” or “infrequently occurring” charges or impacts related to changes in accounting principles; and
• Impact of unplanned financing arrangements (including debt issuance, off-balance sheet leasing and factoring).

Performance results may be adjusted, as appropriate, for extraordinary or unanticipated items.</td><td></td><td>Payout as a % of Target [1]</td><td>2022 - 2024 Average</td></tr>
<tr><td>Threshold</td><td>0%</td><td>X.X%</td></tr>
<tr><td>Target</td><td>100%</td><td>Y.Y%</td></tr>
<tr><td>Maximum</td><td>200%</td><td>Z.Z%</td></tr>
</table>

[1] If performance is between the threshold and maximum levels set forth above, then the payout as a percentage of target shall be interpolated appropriately. No payout below threshold.

The following definitions shall apply for purpose of applying the TSR modifier:

“Average Stock Price” means the average of the closing transaction prices of a share of common stock of a company, as reported on the principal national stock exchange on which such common stock is traded, for the 20 business days immediately preceding the date for which the Average Stock Price is being determined.

“TSR Comparator Group” means the S&P 400 Consumer Discretionary index group. For purposes of determining TSR Performance with respect to the Performance Period, the companies included in the S&P 400 Consumer Discretionary index group shall be determined at the beginning of the Performance Period, excluding those entities that are bankrupt, listed on the pink sheets or not listed at all. Should a company within the TSR Comparator Group become bankrupt after the start of the Performance Period, they shall be assigned a TSR of -100%. Companies emerging from bankruptcy shall not be tracked for purposes of the current Performance Period. If two companies within the TSR Comparator Group merge, only the surviving entity shall be counted. Should a company within the TSR Comparator Group merge with a company outside of the TSR Comparator Group, then that entity shall be excluded from the final calculation.

“TSR Performance” means a company’s cumulative total shareholder return as measured by dividing (A) the sum of (i) the cumulative amount of dividends for the Performance Period, assuming dividend reinvestment, and (ii) the increase or decrease in the Average Stock Price from the first day of the Performance Period to the last day of the Performance Period, by (B) the Average Stock Price determined as of the first day of the Performance Period.

Exhibit 31.1

Certification Pursuant to
Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Amended

I, David M. Foulkes, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Brunswick Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

	BRUNSWICK CORPORATION
May 10, 2022	By: /s/ DAVID M. FOULKES
	David M. Foulkes
	Chief Executive Officer

Exhibit 31.2

Certification Pursuant to
Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Amended

I, Ryan M. Gwillim, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Brunswick Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

BRUNSWICK CORPORATION

May 10, 2022

By: /s/ RYAN M. GWILLIM
Ryan M. Gwillim
Executive Vice President and Chief Financial Officer

Exhibit 32.1

Certification Pursuant to Section 1350 of Chapter 63
of Title 18 of the United States Code

I, David M. Foulkes, Chief Executive Officer of Brunswick Corporation, certify that: (i) Brunswick Corporation's Quarterly Report on Form 10-Q for the quarterly period ended April 02, 2022 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and (ii) the information contained in Brunswick Corporation's Quarterly Report on Form 10-Q for the quarterly period ended April 02, 2022 fairly presents, in all material respects, the financial condition and results of operations of Brunswick Corporation.

	BRUNSWICK CORPORATION
May 10, 2022	By: /s/ DAVID M. FOULKES
	David M. Foulkes
	Chief Executive Officer

Exhibit 32.2

Certification Pursuant to Section 1350 of Chapter 63
of Title 18 of the United States Code

I, Ryan M. Gwillim, Chief Financial Officer of Brunswick Corporation, certify that: (i) Brunswick Corporation's Quarterly Report on Form 10-Q for the quarterly period ended April 02, 2022 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and (ii) the information contained in Brunswick Corporation's Quarterly Report on Form 10-Q for the quarterly period ended April 02, 2022 fairly presents, in all material respects, the financial condition and results of operations of Brunswick Corporation.

BRUNSWICK CORPORATION

May 10, 2022

By: /s/ RYAN M. GWILLIM
Ryan M. Gwillim
Executive Vice President and Chief Financial Officer