

## **BOARD OF DIRECTORS OF BRUNSWICK CORPORATION CHARTER OF THE HUMAN RESOURCES AND COMPENSATION COMMITTEE**

(As amended through December 7, 2004)

### **PURPOSE**

The Human Resources and Compensation Committee (the “Committee”) is appointed by the board of directors (the “Board”) of Brunswick Corporation (the “Corporation”), among other things, to: (a) discharge the Board's responsibilities relating to (i) compensation of the Corporation's executives, (ii) management development and (iii) executive benefits; and (b) produce an annual report on executive compensation for inclusion in the Corporation's Proxy Statement in accordance with the applicable Securities and Exchange Commission (“SEC”) rules and regulations. Unless otherwise defined in this Charter, capitalized terms will have the meanings given to such terms in the Corporation's Principles and Practices of the Board of Directors (the “Principles and Practices”).

### **MEMBERSHIP**

- The Committee shall be comprised of at least three members of the Board, one of whom shall be appointed as the chairman of the Committee (the “Chair”) and all of whom shall be capable of demonstrating that they qualify as Independent Directors as defined by the Principles and Practices.
- The Board will appoint the Chair and members of the Committee, following nomination by the Corporate Governance Committee.
- The Chair and members of the Committee will be rotated from time to time.

### **INDEPENDENT ADVICE; ENGAGEMENT OF CONSULTANTS**

- The Committee, at its sole discretion and the Corporation's expense, shall have the sole authority to obtain advice and assistance from independent legal, financial, accounting or other advisors, including but not limited to advisors retained to review the compensation of the Chief Executive Officer (“CEO”) or any other officer of the Corporation (“Senior Management”).
- No compensation consultant will be engaged to assist in the evaluation for any member of Senior Management without the prior approval of the Committee, except that Management may, in its discretion, engage compensation, benefit and other consultants to provide advice with respect to and assist with the development of broad-based compensation and benefit programs in which members of Senior Management participate on the same or similar basis as other employees of the Corporation.

### **COMMITTEE AUTHORITY AND RESPONSIBILITIES**

Among other items, the Committee shall:

- Develop and oversee a compensation philosophy for the Corporation that is performance-based and consistent with long-term strategic goals.
- In conjunction with the Corporate Governance Committee, annually review and approve corporate goals and objectives relating to the CEO, evaluate the CEO's performance in light of those criteria, and oversee management development and succession planning for the CEO's position.
- In the case of the CEO's death or inability to carry out his or her responsibilities, appoint an interim CEO pending selection of a new CEO by the Board.



- Review the CEO's compensation on an annual basis and recommend, based upon the CEO's performance, his or her salary, bonus and other cash compensation to the Board of Directors for approval.
- Annually review and approve goals and objectives relative to Senior Management; together with the CEO, evaluate Senior Management's performance in light of these criteria; and oversee management development and succession planning.
- Demonstrate Committee Member independence, hold executive sessions and follow governance procedures consistent with the Principles and Practices.
- Specifically approve the terms and conditions of any stock option and other equity-based compensation for the CEO, based upon the CEO's performance and consistent with the Board's general direction.
- Approve the compensation (including salary, bonus, stock options and other equity-based and other incentive compensation) to be paid to other members of Senior Management, and authorize Senior Management to approve awards to employees who are not members of Senior Management based upon criteria established by the Committee.
- Approve the appropriate compensation peer group for comparison with the Corporation.
- Approve benefit programs that specifically apply to Senior Management.
- Develop and oversee policies for the administration of compensation and benefit plans.
- Review and coordinate Board review of the Corporation's compensation and benefits plans for alignment with corporate objectives.
- Annually prepare the Board Compensation Committee report that is required to be included in the Corporation's Proxy Statement, and ensure that other required compensation disclosures are complete and accurate.
- Annually review and evaluate the Committee's Charter, operations and performance and, if necessary and appropriate, recommend changes to the Corporate Governance Committee of the Board.
- Monitor and consider developments and best practices in human resource and compensation matters.