



**INTERNATIONAL BUSINESS—CORRUPT PRACTICES AND
DEALINGS WITH NON-U.S. PERSONS**
Policy No. 114

Issued by: General Counsel
Issue Date: February 29, 2016

I. Introduction

Welbilt, Inc. (together with its subsidiaries and affiliates, the “Company”) will conduct every international business transaction with integrity, regardless of differing local manners and traditions, and will comply with: (a) the laws and regulations of each country in which it operates (except where doing so would result in a violation of U.S. law); and (b) the laws and regulations of the U.S., particularly the provisions of the Foreign Corrupt Practices Act (the “FCPA”). In an effort to ensure compliance with these laws and regulations, the directives set forth in Exhibits B and C and the directives for financial and accounting personnel found in the section of the Company’s Global Ethics Policy (Policy No. 101) captioned Financial and Accounting Directives shall be strictly adhered to.

II. Scope

This policy applies to all officers and employees of the Company, both within and outside the U.S. The provisions of this policy also apply to all distributors, agents, consultants, representatives, brokers or other persons or firms who have or are likely to have contact with a non-U.S. customer and are hired or otherwise retained by the Company (“Representatives” and, together with the officers and employees of the Company, “Covered Persons”).

II. Implementation

This policy contains three exhibits:

- Exhibit A contains a brief description of the FCPA.
- Exhibit B contains Operational Directives.
- Exhibit C provides Hospitality Directives for Entertaining Non-U.S. Persons.

In addition, the section of the Company’s Global Ethics Policy (Policy 101) captioned Financial and Accounting Directives provides directives for financial and accounting personnel. The directives and information contained in the exhibits to this policy and in the Company’s Global Ethics Policy are designed to ensure compliance by the Company with applicable laws and regulations and to provide assistance to all personnel in fulfilling their obligations under applicable law, this policy and the Company’s Global Ethics Policy.

The General Manager (or the equivalent senior management position) of each business unit of the Company shall be responsible for ensuring that all covered persons are fully informed as to the prohibitions of the FCPA and the requirements of this policy. In addition, such persons shall be responsible for adopting and enforcing appropriate controls and taking the steps necessary to effect compliance with this policy by all Covered Persons of all Company business units for which such person is responsible.

Any officer or employee who is aware of any violation of this policy must report the infraction to the General Counsel of the Company. The Company may take severe disciplinary action, up to and including dismissal, against any person who violates this policy.

All questions regarding this policy or the FCPA should be directed to the General Counsel of the Company.

Exhibit A
Description of the Foreign Corrupt Practices Act

Accounting and Recordkeeping Provisions of the Corporation

The FCPA requires a company to establish and keep books, records, accounts and controls that accurately reflect its transactions and dispositions of its assets. These controls are designed to prevent the use of “slush funds” and “off the books” accounts which have been used in the past by some companies as a means of facilitating and concealing questionable foreign payments.

Anti-Bribery Provisions

Under the FCPA it is illegal for a person to offer, promise, authorize or pay money or anything of value, directly or indirectly, to foreign officials for the purpose of obtaining, directing or retaining business or for obtaining some favorable consideration.

Also, it is illegal for any person (including any Representative) to pay anything of value to any person while knowing (or being aware of a high probability) that all or a portion of the payment was or will be offered, given or promised, directly or indirectly, to a Foreign Official, as defined below.

The prohibition against payments to Foreign Officials extends beyond money to the offering or giving of anything of value. The thing of value given can be of any kind and there is no minimum amount or threshold of value which must be exceeded before the “gift” becomes illegal.

Exceptions

The FCPA provides exceptions for (a) “reasonable and bona fide” expenditures, such as travel and lodging expenses, incurred by or on behalf of a Foreign Official that are directly related to the promotion, demonstration, or explanation of products or services; (b) payments to Foreign Officials that are lawful under the written laws and regulations of the Foreign Official's country; and (c) “facilitating payments” of modest size which are made to expedite or secure routine governmental action. These exceptions are not to be relied upon without first obtaining the written authorization of the General Counsel of the Company.

Penalties

Penalties for violating the anti-bribery provisions of the FCPA include severe fines and terms of imprisonment. The FCPA prohibits a company from reimbursing an officer, director, employee or Representative for the amount of the fine. Individuals are subject to criminal liability under the FCPA regardless of whether the Company has been found guilty or prosecuted for a violation.

Definition of “Foreign Official”

As used in this policy, “Foreign Official” means any officer or employee of a government, other than the United States, including:

- Members of its armed services;
- Members of its executive, judicial or legislative branches;
- Employees of any of its agencies or departments;
- Local officials (e.g., mayors, inspectors, etc.);

- Officers, directors or employees of any commercial enterprise controlled by a foreign government (e.g., airlines, utilities, public works companies, etc.);
- Any candidate for political office;
- A political party or any officer of a political party; and
- Any person acting in an official capacity or on behalf of any of the above.

EXHIBIT B

Operational Directives

Application

These Operational Directives apply to the Company and to all Covered Persons, both within and outside the U.S. These directives will control even though local law or custom may permit business standards that are less exacting.

Compliance with the Operational Directives may at times place the Company in a non-competitive position. However, strict compliance with the Operational Directives in spirit as well as in letter is of greater value to the Company than any business that may be lost.

Specific Prohibitions and Requirements

Except as provided herein, no offers, payments, promises to pay or authorizations to pay any money, make gifts or provide anything of value will be made by or on behalf of the Company to a Foreign Official, as defined in the Description of the Foreign Corrupt Practices Act (Exhibit A).

Payments to any non-U.S. foundation, charity or other cause are not permitted without the prior written authorization of the General Counsel of the Company.

No action which directly or indirectly or knowingly furthers any of the activities prohibited in this Exhibit B will be taken by or on behalf of the Company.

The provision of hospitality, transportation, meals, lodging, product models or mementos of reasonable value to Non-U.S. persons must comply with the Hospitality Directives for Entertaining Non-U.S. Persons (Exhibit C). No prior written approval of any person is required where the hospitality offered to Non-U.S. persons complies with the Hospitality Directives for Entertaining Non-U.S. Persons (Exhibit C).

Except for hospitality provided in conformity with the Hospitality Directives for Entertaining Non-U.S. Persons (Exhibit C), no person may rely on any of the FCPA's exceptions described in the Description of the Foreign Corrupt Practices Act (Exhibit A) without the prior written approval of the General Counsel of the Company.

The above prohibitions apply to payments and gifts on behalf of the Company regardless of whether they involve the use of Company resources.

EXHIBIT C

Hospitality Directives for Entertaining Non-U.S. Persons

All hospitality (including entertainment) extended to non-U.S. persons must be directly related to the business of the Company. Hospitality, in all cases, must be reasonable and bona fide, must be offered only in connection with the promotion, demonstration or explanation of Company products or services or in execution or performance of a contract and must be allowable under applicable local law.

Frequency of hospitality and cost must be carefully monitored, as the cumulative effect of frequent or costly hospitality may give rise to the appearance of improper conduct. The General Counsel of the Company must be consulted and prior written approval must be obtained when frequent or costly hospitality is anticipated.

All hospitality expenses related to plant visits are subject to these Hospitality Directives. In no case will payment or reimbursement be made directly to the individual. Such payment or reimbursement shall be made to the foreign government, agency or commercial enterprise employing the individual.

Refreshments, meals or mementos of reasonable value which are furnished in connection with the trade shows, association meetings, or ceremonial functions that are otherwise in conformity with these Hospitality Directives are permissible.

Product models or pictures of little or no intrinsic value bearing the Company logo or other items of small dollar value that are distributed for advertising or commemorative purposes are permitted. Gifts of substantial value must have the prior written approval of the General Counsel of the Company. Whenever it is appropriate, gifts should be made to the customer organization, and not to an individual.

Cash gifts or per diem payments are not permitted under any circumstances.

Prior written approval of the General Counsel of the Company is required for any hospitality offered to spouses, children or other guests of a Foreign Official.