

**MANITOWOC FOODSERVICE, INC.**

**Audit Committee Charter**

**Organization**

The Audit Committee of the Board of Directors shall consist of no less than three members of the Board, all of whom shall be independent. An Audit Committee member will be deemed “independent” only if he or she satisfies the Director Independence Criteria of the Company, the following additional independence criteria for Audit Committee members, and any applicable laws, rules and regulations.

**Additional Independence Criteria for Audit Committee Members**

In addition to the Director Independence Criteria, in order for a director who will serve on the Audit Committee of the Board to be considered an independent committee member, the director may not, other than in his or her capacity as a member of the Audit Committee, the Board or any other Board committee:

1. Accept directly or indirectly any consulting, advisory, or other compensatory fee from the Company, provided that compensatory fees do not include the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the Company (provided that such compensation is not contingent in any way on continued service); or
2. Be an affiliated person of the Company. (A director who sits on the board of directors of an affiliate of the Company is exempt from this requirement if the director, except for being a director on each such board, otherwise meets the independence requirements of paragraph 1 of this section for each such entity, including the receipt of only ordinary-course compensation for serving as a member of the board of directors, audit committee, or any other board committee of each such entity.)

The members of the committee, the designation of the committee chairperson and the term of membership shall be determined by the Board in accordance with the Company’s Corporate Governance Guidelines, taking into account the recommendations of the Chief Executive Officer and the Corporate Governance Committee. Any committee member may be removed or replaced at any time by the Board.

All members of the Audit Committee shall be financially literate, that is, each member shall have a working familiarity with basic finance and accounting practices, and at least one member of the Committee shall meet the requirements of an “audit committee financial expert” established by SEC regulations and applicable laws.

The Audit Committee will comply with the Company’s Corporate Governance Guidelines and with the rules and requirements of the New York Stock Exchange relating to audit committees, as they are amended from time to time.

## **Purpose**

The purpose of the Audit Committee is to (A) assist the Board of Directors in fulfilling its oversight of (1) the integrity of the Company's financial statements, (2) the Company's compliance with legal and regulatory requirements, (3) the independent auditor's qualifications and independence, (4) the performance of the Company's internal audit function and independent auditors, and (5) the risks across the organization and the management and/or mitigation of those risks; and (B) prepare the report that SEC rules require be included in the Company's annual proxy statement.

## **Meetings**

The Audit Committee shall meet at least three times a year, and more often as circumstances dictate.

## **Authority, Duties and Responsibilities**

The Audit Committee shall have the following authority, duties and responsibilities, as well as any others assigned by the Board of Directors from time to time or which may be consistent with the Audit Committee's purpose.

1. **Oversight of Independent Auditor.** Appoint, retain, terminate (with sole authority to do so subject to shareholder ratification if determined by the Board to submit the same to the shareholders), provide for the compensation of and oversee the work of the Company's independent auditors, including that it shall mediate disputes between management and the independent auditors regarding financial reporting and have sole authority to approve all engagement fees and terms.
2. **Annual Review of Independent Auditor Activities.** Review annually with Company management and the Company's independent auditor, their plans for the scope of the activities to be undertaken by the Company's independent auditor, including any contemplated performance by the Company's independent auditor of any permissible non-audit services and the fees anticipated to be incurred for those services. Preapprove all auditing services and non-audit services (other than those that are prohibited by applicable law, rule or regulation) provided to the Company by the Company's independent auditors. (The Audit Committee may delegate to one or more designated members of the Audit Committee the authority to grant preapprovals, provided that such decisions must be presented to the full Audit Committee at each of its scheduled meetings.)
3. **Annual Quality Control Report of Independent Auditor.** At least annually, obtain and review a report by the Company's independent auditor describing: (a) the independent audit firm's internal quality-control procedures; (b) any material issues raised by the most recent internal quality-control review, or peer review, of the independent audit firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the independent audit firm, and any steps taken to deal with any such issues; and (c)

(to assess the auditor's independence) all relationships between the independent auditor and the Company.

4. Evaluation of Independent Auditor. After reviewing the foregoing report and the independent auditor's work throughout the year, evaluate the qualifications, performance and independence of the Company's independent auditor and present the Audit Committee's conclusions from its evaluation to the full Board. (The evaluation should include the review and evaluation of the lead partner of the independent auditor. In making its evaluation, the Audit Committee should take into account the opinions of management and the Company's personnel responsible for the internal audit function. In addition to assuring the regular rotation of the lead audit partner as provided elsewhere in these duties and as required by law, the Audit Committee should further consider whether, in order to assure continuing auditor independence, there should be regular rotation of the audit firm itself.)
5. Hiring Policies for Former Auditor Employees. Set clear hiring policies for employees or former employees of the independent auditors.
6. Management Cooperation with Independent Auditor. Review with the Company's independent auditor the cooperation received from management during the course of the audit and any audit problems or difficulties and management's response, including any restrictions on the scope of the independent auditor's activities or on access to information and any significant disagreements with management.
7. Audit Partner Regulatory Compliance. Assure that the audit partners scheduled to perform an annual audit of the Company's financial statements satisfy applicable laws, rules and regulations governing audit partner rotation.
8. Management Review of Financial Statements. Review and discuss with management the Company's annual audited financial statements and quarterly financial statements, including all footnotes, and the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations."
9. Unusual Accounting Methods or Issues. Review (a) major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles, and major issues as to the adequacy of the Company's internal controls and any special audit steps adopted in light of material control deficiencies; (b) analyses prepared by management and/or the Company's independent auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements; (c) the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the financial statements of the Company; and (d) the matters required to be discussed with the Company's independent auditor by the Statement on Auditing Standards No. 61.

10. Earnings Releases and Other Public Communications. Review and discuss earnings press releases (paying particular attention to any use of “pro-forma,” or “adjusted” non-GAAP, information), as well as financial information and earnings guidance provided to analysts and rating agencies. (This may be done generally (*i.e.*, discussion of the types of information to be disclosed and the type of presentation to be made) and the Audit Committee need not discuss in advance each earnings release or each instance in which a company may provide earnings guidance.)
11. Risk Assessment and Risk Management. Discuss policies with respect to risk assessment and risk management. This discussion should include a discussion of the Company’s major risks (of whatever nature) and the steps that Company management has taken or is taking to monitor and manage those risks within acceptable levels.
12. Review of Audit-Related Risks. Review and evaluate from time-to-time the Company’s process for managing and mitigating those Company risks assigned by the Board to the Audit Committee for review and evaluation.
13. Internal Controls and Disclosure Controls and Procedures. Discuss with Company management, the Company’s director of internal audit, and the Company’s independent auditors, the Company’s internal controls and the Company’s disclosure controls and procedures, including the quarterly and annual assessments of such controls and procedures required by applicable laws, rules and regulations.
14. Internal Audit Function. See that the Company maintains an active internal audit function; approve the annual budget for the Company’s internal audit function; review and discuss the annual plans for the scope of the activities to be undertaken by the internal auditors and the results of those internal audit activities; and review the staffing of the Company’s internal audit function, and in particular, review and approve the appointment, performance and, if applicable, replacement of the Company’s director of the internal audit function.
15. Separate Meetings with Key Audit Participants. Meet at least annually with management, independent auditors and those responsible for the internal audit function in separate sessions to discuss any matters that the Audit Committee or any of these groups believe should be discussed separately.
16. Internal Complaint Procedures. Establish procedures for (a) the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
17. Independent Advisors. When the Audit Committee determines it is necessary or appropriate to carry out the Audit Committee’s duties, obtain advice and assistance from independent legal, accounting or other advisors, without seeking Board approval for the same.
18. Board Reports. Report regularly to the full Board.

19. Annual Report to Shareholders. Prepare an annual report of the Audit Committee to the Company's shareholders as required by applicable laws, rules and regulations.
20. Financial Oversight. Provide oversight and guidance with respect to the policies, practices, and strategies that relate to the management of the financial affairs of the Company, including, without limitation, the following as requested by the Board:
  - Review for and recommend to the Board policies that maintain and improve the financial health and integrity of the organization.
  - Review and recommend to the Board the long-range financial plan for the organization.
  - Review and recommend to the Board an annual operating budget and annual capital budget consistent with the long-range financial plan and financial policies.
  - Review and recommend to the Board capital expenditures and unbudgeted operating expenditures that exceed management's spending authority.
  - Review and approve capital expenditures and unbudgeted operating expenses that, per Board-approved policy, are above management's authority but below the threshold required for Board approval.
  - Review the financial aspects of major proposed transactions, new programs and services, as well as proposals to discontinue programs or services, and making action recommendations to the Board.
  - Monitor the financial performance of the Company as a whole and its major subsidiary organizations or business lines against approved budgets, long-term trends, and industry benchmarks.
  - Require and monitor corrective actions to bring the Company into compliance with its budget and other financial targets.
  - Review and recommend to the Board policies governing investments and pension plans.
  - Approving the selection of independent investment advisers and managers.
  - Review reports from independent investment advisers and managers or reports from management summarizing the investment advisers and managers' reports.
  - Review and report to the Board annually on investment and benefit plan performance.
  - Review and recommend the Company's dividend policy.
  - Review and recommend policies and guidelines relating to the Company's capital structure and strategy, including the capital allocation strategy (including the cost of capital).
  - Review polices and guidelines regarding derivatives.
  - Review periodically, the Company's investor relations program and function.

21. Committee Self-Assessment. Conduct an annual performance evaluation of the Audit Committee.

22. Charter Review. Review and discuss this Charter at least annually for conformance with applicable laws, rules and regulations.

### **Separation of Responsibilities**

While the Audit Committee has the authority, responsibilities and duties set forth in this Charter, it is not the duty of the Audit Committee to plan or conduct audits or to determine whether the Company's financial statements are complete and accurate and are in accordance with generally accepted accounting principles. Nor is it the duty of the Audit Committee to conduct investigations, to resolve disputes or disagreements, if any, between management and the Company's independent auditor, or to assure compliance with laws and regulations and the Company's code of business conduct.