FRANKLIN ELECTRIC CO., INC.
CORPORATE GOVERNANCE GUIDELINES

Effective: February 25, 2016

I. Principal Duties and Responsibilities of a Director and the Board of Directors of Franklin Electric Co., Inc. (the "Company")

The basic duties and responsibilities of the directors and the Board of Franklin Electric are defined in the Indiana Business Corporation Law (the "Act"), and are summarized below:

1. Role of the Board. The primary responsibility of the Board is to oversee the affairs of the Company for the benefit of the Company's shareholders in accordance with the Act.
2. Director Duty of Care. A director shall act in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances and in a manner the director reasonably believes to be in the best interests of the Company.
3. Director Duty of Loyalty. The duty of loyalty requires a director to act in the best interests of the Company without any conflicting personal interests.
4. Reliance. The Act permits a director, in discharging his or her duties, to rely on information, opinions and reports of, among others, corporate officers, legal counsel and public accountants.
5. Corporate Constituent Groups. A director, in considering the best interests of the Company and consistent with the Act, may (but is not required to) consider the effects of any action on employees, suppliers and customers of the Company, and communities in which the Company is located and any other factors the director considers pertinent.
6. Business Judgment. Under the business judgment rule, a director is presumed to have acted with due care, in good faith and in the best interests of shareholders. The business judgment rule is only applicable where a director has acted on an informed basis; that is, actually having exercised "business judgment."

II. Principal Functions of the Franklin Electric Board of Directors

The principal functions of the Board of Directors are to:

1. Review and approve the long-term strategic objectives and direction of the Company (the Board expects that the Chief Executive Officer and his management team will develop and articulate a strategic plan for the Company);
2. Select, advise, counsel, encourage, and evaluate, the Chief Executive Officer and to select his successor;
3. Review and support the actions required to provide the necessary resources to pursue the objectives, strategies and plans of the Company;
4. Evaluate the performance of senior management;
5. Review the way the Company operates to help assure that it is managed both effectively and responsibly; and

6. Nominate suitable candidates for election to the Board and to establish and carry out an effective system of board governance.

III. **Board Governance Policies**

1. General. The Board shall establish a set of policies for board governance and shall review and approve these policies annually.
2. Size of the Board. It is the sense of the Board that a smaller rather than a larger board is more effective for the needs of the Company. The Board believes that its current size of – seven (7) directors is appropriate, as it provides for a diversity of perspectives without hindering effective discussion. However, the Board recognizes that modest increases to the size the Board during board-member transition periods is appropriate. The Board, through the Corporate Governance Committee, periodically reviews the size of the Board and will consider adding other outstanding candidates to the Board under appropriate circumstances.
3. Independence. A majority of the Board will consist, at all times, of "independent directors," as defined under the applicable rules of The Nasdaq Stock Market ("Nasdaq") and any standards adopted by the Board from time to time. No director shall qualify as "independent" unless the Board of Directors affirmatively determines that the director (i) has no relationship which, in the Board's opinion, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director and (ii) otherwise complies with the requirements for independence under applicable Nasdaq rules.

   In general, the Board is committed to the present mix of management and independent directors. While the Board is willing to consider members of management in addition to the Chief Executive Officer as directors, the Board believes the Company's shareholders are best served by a significant majority of independent directors.

4. Candidates for Board Membership. The Corporate Governance Committee is responsible for identifying and recommending to the Board candidates for director. This responsibility includes periodically reviewing the make-up of the Board in terms of appropriate skills and required characteristics. This review should be made in consultation with the Lead Independent Director and Chief Executive Officer. The Board, as a whole, is responsible for selecting the candidates to be elected by the shareholders.

   Specifically, the Board, through the Corporate Governance Committee, seeks to identify as candidates for director, persons from diverse backgrounds and with a variety of life experiences with a reputation for and a record of integrity and good business judgment who have experience in highly responsible positions in industries or professions relevant to the conduct of the Company's business. In selecting new directors, the Board, through the Corporate Governance Committee, takes into account the current composition of the Board and the extent to which a candidate's particular expertise, experience and ability and willingness to make an appropriate time commitment will complement the expertise and experience of other directors. Candidates for directors should be free of conflicts of interest or relationships that may interfere with the performance of their duties.

5. Service on Other Boards. The Board believes that independent directors of the Company should not serve on the boards of more than five (5) other publicly-held companies (service on the boards of the various funds of a mutual fund complex being considered service on the board of a single company for this purpose). The Board also believes that the CEO of the Company should not serve on the boards of more than two (2) other publicly-held companies (service on the boards of the various funds of a mutual fund complex being considered service on the board of a single company for this purpose). The Corporate Governance Committee will take into account, however, the competing demands on a person's time, including the demands of membership on other boards or board committees, in deciding whether or not to recommend to the Board such person's nomination or renomination as a director.

6. Term Limits. The Board believes that a term limit of 20 consecutive years for directors is appropriate and in the best interests of the Company in that it will ensure a regular turnover within the Board and thereby provide fresh insights and experiences.

7. Retirement. In accordance with the Company's By-laws, upon attaining the age of 72 years, a director shall submit a written notice of resignation effective, upon acceptance by the Board, as of the end of the next regularly scheduled meeting of the Board.

8. Change of Primary Employment Responsibility. Non-employee directors who change their primary employer or the nature of their employment shall promptly advise the Board of the change and should volunteer to resign from the Board, effective upon acceptance by the Board. It is not the sense of the Board that directors who retire or change from the position they held when they came on the Board should necessarily leave the Board, but rather that there should be an opportunity for the Board, through the Corporate Governance Committee, to review the appropriateness of continued board membership under the circumstances.

9. Chairman of the Board and Chief Executive Officer. The Board does not have a policy on whether or not the role of the Chief Executive Officer and Chairman of the Board should be separate or combined and, if it is to be separate, whether the Chairman should be selected from the non-employee directors or be an employee director. The Board wishes to be free to make this choice any way that seems best for the Company at a given point in time. When the roles of Chief Executive Officer and Chairman of the Board are shared by one person, a Lead Independent Director will be appointed.

10. Agenda for Board Meetings. The Board believes the present schedule for five regular board meetings a year is appropriate. The Board will hold additional meetings as the directors deem appropriate in the exercise of their business judgment. The Chairman of the Board and Chief Executive Officer will establish the agenda for each board meeting. Each board member is encouraged to suggest the inclusion of item(s) for the agenda of the Board. Meeting agendas will be circulated as far in advance of a meeting as reasonably possible under the circumstances.

11. Committees of the Board. The Committees of the Board are the Audit Committee, the Management Organization and Compensation Committee, and the Corporate Governance Committee. Service on these Committees will be limited to "independent directors," as defined under the applicable Nasdaq rules and any standards adopted by the Board from

time to time. The duties and responsibilities of these committees are set forth in committee charters and outlined in the annual proxy statement.

12. Committee Chairmen and Members. The Corporate Governance Committee reviews the committee structure of the Board and the membership of the various committees at least annually and makes recommendations for any changes to the Board. To the extent feasible and appropriate from a fiduciary perspective, the Chairmanship of committees shall rotate periodically, balancing the need for experience, expertise and continuity with the value of providing committee leadership opportunities for all Board members. The assignment of members to committees will be made with full consideration of the desires of individual board members as well as in consultation with the Chairman of the Board and the Chief Executive Officer.

13. Frequency and Length of Committee Meetings. The committee chairmen in consultation with the Chairman of the Board and committee members will determine the frequency, agendas and length of committee meetings. To the degree possible, the committee chairmen will publish an annual agenda schedule. Directors are expected to attend meetings of the Committees of which they are members and to spend the time necessary to discharge their responsibilities as members of those Committees.

14. Attendance at Annual Meetings of Shareholders. Directors are expected to attend the annual meetings of the Company's shareholders.

15. Interaction with Directors. To assure the widest, complete and most in-depth exchange of information, ideas and views between the Board of Directors and the management of the Company, the Board encourages frequent interaction among the Board, management and other employees of the Company. As a minimum, this interaction should include all officers, other direct reports of the Chief Executive Officer and other key managers worldwide, as well as a broad spectrum of other employees at all levels of the Company. While most of these interactions will be formal presentations by management to the Board, ample opportunities should be made for other formal and informal exchanges as well. Specifically, this should include annual operations visits worldwide, pre-board meeting dinners, an annual dinner meeting with key managers, as well as attendance by members of management at board meetings.

16. Executive Sessions of Independent Directors. Independent directors will meet, outside the presence of any non-independent directors and management, in at least two regularly scheduled executive sessions per year (or as otherwise required under applicable Nasdaq rules). Usually, such executive sessions will take place in conjunction with Board meetings, but they may take place at any time. The Lead Independent Director shall preside at these executive sessions of the independent directors.

17. Communications with Directors. The Company discloses in its annual proxy statement and on its website one or more methods by which shareholders and other interested persons may communicate directly with the Board of Directors.

18. Board Oversight of the Management of the Company. While it is an important duty of both the Board as a whole and of individual directors to maintain vigilant oversight of the conduct of the affairs of the Company, the Board also recognizes the special responsibilities of the Audit Committee of the Board to assist it in this oversight duty.

To assist the Audit Committee in this duty, the Board explicitly expects the Chief Executive Officer and his management team to maintain an open, "in the sunlight" environment throughout the Company with respect to all information which can assist the Board in conducting its affairs.

The Board also specifically expects the Company's Internal Audit Department to maintain first loyalty to the Board of Directors through the Audit Committee.

19. Access to Employees and Independent Advisors. The Board and its Committees shall have full and open access to any of the Company's employees. The Board has the authority to engage, at the Company's expense, such independent legal, financial, accounting or other advisors as it believes necessary or appropriate to assist it in the fulfillment of its responsibilities, without consulting with, or obtaining the advance approval, of any Company officer.

20. Evaluation of the Performance of the Chief Executive Officer. The independent members of the Board shall review the performance of the Chief Executive Officer once a year as part of the agenda of a regularly scheduled Board meeting. This portion of the meeting will be chaired by the Lead Independent Director, who will give a report of these discussions to the Chief Executive Officer.

21. Management Succession Planning and Management Development. There should be an annual review by the Chief Executive Officer, first with the Management Organization and Compensation Committee, and then with the full Board on succession planning. This report should include the Chief Executive Officer's recommendation as to his successor should he become disabled.

22. Board Compensation. The Board, upon the advice and recommendation of the Corporate Governance Committee, has responsibility for establishing board compensation and reviewing board compensation at least annually. In order to attract and retain a world class board, it shall be the policy of the Board to maintain board compensation at or about the 65th percentile of public United States domiciled manufacturing companies of approximately the same size as Franklin Electric. Further, it shall be the policy of the Board to structure Board compensation so as to generally align the financial interests of the Board with those of the Company's shareholders.

23. Director Orientation and Education. All new directors are required to participate in an orientation program, which is generally conducted within four months of the annual meeting at which new directors are elected. The orientation includes (a) the introduction of the new directors to the Company's management, (b) presentations by management designed to familiarize new directors with the Company's strategic plans, and (c) a tour of the Company's headquarters.

24. Annual Performance Evaluation. The Board shall conduct an annual review of its own performance to determine whether the Board and its committees are functioning effectively and in compliance with this Governance Policy. The Corporate Governance Committee is responsible for organizing and overseeing the review process and for soliciting the input of all of the directors and others as it deems appropriate. As part of that review, the Corporate Governance Committee (a) shall review the continuing

independence of the Company's outside directors and report its findings to the Board, and (b) may review, in its discretion, the performance of individual directors at the time of the annual review or in connection with the director nomination process when a director comes up for re-election to the Board.

25. Review of Governance Guidelines. The Corporate Governance Committee of the Board shall periodically review and reassess this Governance Policy and recommend to the Board for its approval any changes that it believes necessary or advisable.