

COMPENSATION AND HUMAN RESOURCE COMMITTEE OF THE BOARD OF DIRECTORS

CHARTER

COMMITTEE PURPOSE

The Compensation and Human Resource Committee (the “Committee”) will have the duties and carry out the responsibilities outlined in this Charter in order to assist the Board of Directors (the “Board”) of Regal Beloit Corporation (the “Company”) on matters fulfilling the Board’s responsibilities with regard to compensation, benefits and performance of the Chief Executive Officer and other Executive Officers (as defined below). In addition, the Committee will review and monitor succession and leadership development planning.

COMMITTEE COMPOSITION

The Committee shall be comprised of at least three members of the Board. The members shall be designated by the Board and each of them shall be independent in accordance with the standards of the New York Stock Exchange and shall satisfy the requirements to be considered “outside directors” within the meaning of Section 162(m) of the Internal Revenue Code of 1986. The Board will designate the Chairperson of the Committee. No Director may serve on the Committee unless he or she is a “Non-Employee Director” under the qualifications set forth in Rule 16b-3 of the Securities Exchange Act of 1934. The Corporate Vice President of Human Resources and the Chief Executive Officer will normally be in attendance at each meeting, excluding executive session discussions.

MEETINGS

The Committee will meet a minimum of three times annually or more frequently as deemed appropriate by the Committee. Teleconferences may be held as an acceptable method of discussing matters before the Committee. Two or more members present shall constitute a quorum. The Committee may from time to time request other members of management, outside consultants and other parties as are appropriate to be present to discuss matters under consideration. The Committee shall meet regularly in executive session, without Company management present.

DUTIES AND RESPONSIBILITIES OF THE COMMITTEE

The duties and responsibilities of the Committee shall include the following:

1. Determine the components of executive compensation consistent with the compensation philosophy determined by the Board, which may include salaries, annual bonuses, equity based incentives, retirement program, change of control agreements and perquisites, for the Chief Executive Officer and the other Board-appointed officers of the Company (together, the “Executive Officers”).

2. Determine the annual salary, bonus and other benefits of the Executive Officers. In connection therewith, (A) review and consider the Chief Executive Officer's compensation recommendations for each Executive Officer other than the Chief Executive Officer and (B) review and approve corporate goals and objectives relevant to each Executive Officer including the Chief Executive Officer. Review the Chief Executive Officer's compensation and performance in light of those goals and objectives and either as a Committee or together with the other independent directors on the Board (as directed by the Board), determine and approve the Chief Executive Officer's compensation level based on this evaluation.
3. Oversee, administer and interpret the Company's cash incentive plans applicable to the Executive Officers.
4. Oversee, administer and interpret the Company's equity-based plans. Make awards under the Company's equity-based plans, whether the awards relate to new hires, promotions, annual grants, or special recognitions. Review and approve all suggested modifications to the plan documents.
5. Review and approve the terms of offer letters, employment agreements, severance agreements, change-in-control agreements, indemnification agreements and other material agreements between the Company and the Executive Officers.
6. Review and evaluate the Chief Executive Officer's performance relative to the goals, objectives and performance parameters as set by the independent directors on the Board or by the Committee.
7. Review annually with the Chief Executive Officer the overall performance of the other Executive Officers.
8. Review the overall organization structure and the performance of the Company's top talent for purposes of organizational growth and succession planning.
9. Review and recommend to the Board the Compensation Discussion and Analysis required by Item 402 of Regulation S-K promulgated by the Securities and Exchange Commission (the "SEC"). Such Compensation Discussion and Analysis shall be included in the Company's Proxy Statement for the Annual Meeting of Shareholders.
10. As part of its review and determinations concerning compensation of the Executive Officers and the Compensation Discussion and Analysis, take into account the advisory shareholder vote on executive compensation (the "say on pay" vote) for the most recent and upcoming annual meetings of the Company in accordance with applicable laws and regulations (including voting standards) and prior say on pay votes.
11. Determine and recommend to the Board a desired frequency for say on pay votes to be proposed to the Company's shareholders at the annual meeting at least once every six years and in accordance with applicable laws, regulations and listing standards and prior shareholder votes.

12. Retain or obtain the advice of compensation consultants, legal counsel and other advisors as deemed appropriate and select, retain, terminate and approve the fees and other retention terms of such advisors as deemed appropriate, without approval of the Board or management of the Company. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any compensation consultant or other advisor so retained. The Committee will select a consultant or other advisor only after taking into consideration all factors relevant to that person's independence from the management of the Company, including the following: (A) the provision of other services to the Company by the person that employs the consultant or other advisor; (B) the amount of fees received from the Company by the person that employs the consultant or other advisor, as a percentage of the total revenue of the person that employs the consultant or other advisor; (C) the policies and procedures of the person that employs the consultant or other advisor that are designed to prevent conflicts of interest; (D) any business or personal relationship of the consultant or other advisor with a member of the Committee; (E) any stock of the Company owned by the consultant or other advisor; (F) any business or personal relationship of the consultant or other advisor, or the person employing the advisor, with an Executive Officer; and (G) any other factors bearing on the consultant's or other advisor's independence as determined by applicable rules; provided that nothing in the foregoing may be construed to require the Committee to implement or act consistently with the advice or recommendations of the consultant or other advisor or to affect the ability or obligation of the Committee to exercise its own judgment in fulfillment of its duties. The foregoing evaluation shall not apply to in-house legal counsel. The Company shall pay any fees or expenses, including the ordinary administrative expenses of the Committee that are necessary and appropriate in carrying out the Committee's duties and reasonable compensation for any consultant or other advisor retained by the Committee.

14. Review and approve the scope of work of any consultant selected by the Committee, both for duties provided to the Committee and for duties provided to the Company, if any; approve annually the consultant's fee structure for services rendered (with the Chairperson of the Committee reviewing and approving actual fees incurred); review annually the fees paid by the Company to the consultant for all services provided to the Company; maintain safeguards to ensure an independent consultant's independence; and determine whether, and under what circumstances, the consultant participates in Committee meetings and executive sessions.

15. On an annual basis, review and evaluate the Company's policies and practices in compensating employees, including non-Executive Officers, as they relate to risk management practices and risk-taking incentives.

16. Oversee and administer the Company's compensation recovery policy with respect to incentive-based compensation paid to the Company's officers in compliance with applicable law and listing standards.

17. Make regular reports to the Board.

18. Maintain Committee minutes recording the topics and activities of the Committee.

19. Review and evaluate annually the performance of the Committee and the adequacy of this Charter and make any recommendations to the Board that may be appropriate.

20. Delegate, from time to time, as it deems appropriate and to the extent permitted under applicable law, rules or listing requirements of the New York Stock Exchange, rules of the SEC and the Company's Articles of Incorporation and Bylaws, authority to the Executive Officers to act on specific matters, in accordance with these duties and responsibilities, or form and similarly delegate to one or more subcommittees such authority.

(January, 2018)