



*The Pump People®*

## **The Gorman-Rupp Company Compensation Committee Charter**

### **Purpose**

The principal purposes of the Compensation Committee (the “Committee”) are to (a) assist the Board of Directors in fulfilling its responsibilities with respect to executive and director compensation for The Gorman-Rupp Company (the “Company”), (b) approve compensation arrangements for the executive officers elected by the Board, (c) periodically review compensation paid to non-employee Directors, (d) assist the Board in its oversight responsibilities with respect to the administration, funding and investment performance of the defined benefit (the “Pension Plans”) and defined contribution (the “401(k) Plans” and, together with the Pension Plan, the “Plans”) retirement plans of the Company and its subsidiaries and (e) prepare, with the assistance of the executive officers and outside legal counsel, the Committee’s report to be included in the Company’s annual proxy statement (the “Compensation Committee Report”).

### **Composition**

The size of the Committee will be determined by the Board, provided that the Committee will always have at least one member. The Board will appoint the members and the Chairman of the Committee. Each Committee member will serve at the pleasure of the Board for such term or terms as the Board may determine or until such Committee member is no longer a Director. Vacancies at any time occurring shall be filled by resolution of the Board.

Each Committee member shall meet the independence criteria of the rules of the U.S. Securities and Exchange Commission (the “SEC”) and any stock exchange upon which the shares of the Company are listed. Each Committee member must qualify as a “non-employee director” for the purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended and as an “outside director” for the purposes of Section 162(m) of the Internal Revenue Code, as amended.

### **Meetings**

The Committee will meet in person, by video, or telephone conference quarterly or as often as it deems necessary to carry out its responsibilities. The Chairman of the Committee shall, in consultation with the other members of the Committee and the executive officers of the Company, be responsible for calling meetings of the Committee, establishing agendas therefor and supervising the conduct thereof. The Committee may also take any action permitted hereunder by unanimous written consent.

For any meeting(s) at which the Chairman of the Committee is absent, the Chairman of the meeting shall be the person present who shall be decided upon by all members present. At a meeting, any decision shall be decided by a majority of the votes cast by members of the Committee, except where only one or two members are present, in which case any decision shall be decided unanimously.

The Committee shall keep such records as it may deem necessary of its proceedings. Unless otherwise determined by resolution of the Board, the Corporate Secretary of the Company or his/her delegate shall be the Secretary of the Committee. The Secretary will be responsible for recordkeeping for the Committee.

The Committee may invite management or any employee of the Company or the Company's outside legal counsel, consultants, investment advisors or others to attend a meeting of the Committee. The Committee shall, at its discretion, meet in executive session in the absence of management at any meeting.

### **Responsibilities**

The Committee shall carry out the duties and responsibilities set forth below. The Committee will have the authority to delegate any of its responsibilities to subcommittees as the Committee may deem appropriate.

#### 1. Compensation Advisors

- a. Retain or obtain the advice of any compensation consultant, independent legal counsel or other advisor. In retaining or seeking advice from compensation consultants, outside counsel and other advisors (other than the Company's in-house counsel), to the extent required by New York Stock Exchange ("NYSE") rules, the Committee must take into consideration the factors specified in Section 303A.05(c)(iv) of the NYSE Listed Company Manual. The Committee may retain, or receive advice from, any compensation advisor they prefer, including ones that are not independent, after considering the specified factors.
- b. Appoint, compensate and oversee the work of any compensation consultant, independent legal counsel or other advisors.

#### 2. Executive Officer Compensation

- a. Develop and implement the Company's compensation program for executive officers.
- b. Review and approve any proposed employment agreement with, and any proposed severance or retention plan, consulting agreement or other similar agreement with, any executive officer of the Company.
- c. Review and approve, at least annually, corporate goals and objectives relating to the compensation of the executive officers and evaluate the executive officers' respective performances in light of those goals. Based on the results of the foregoing review and a comparative evaluation of compensation of executive officers of companies of similar size in similar industries, the Committee will review and approve the compensation of the Company's executive officers.

#### 3. Incentive Stock Compensation

- a. Develop and implement the Company's incentive stock compensation program for employees, including the executive officers.

#### 4. Non-employee Director Compensation

- a. In consultation with the Board, develop and implement the Company's compensation program for non-employee Directors.
- b. Review and, as appropriate, make recommendations to the Directors regarding the compensation paid to the non-employee Directors. In its periodic evaluation of such Director compensation, the Committee will refer to the policy statement on Director compensation attached to this Charter as Appendix A.

5. Oversight of Plans

- a. Approve the appointment or removal of the fiduciaries for the Plans.
- b. Approve the appointment or removal of the auditors for the Plans.
- c. Review and approve material amendments to the Plan documents.
- d. On an annual basis, review and approve reports by either management and/or outside advisors, as deemed appropriate by the Committee, on the investment performance of the Plans.
- e. On an annual basis, review and approve the funding policies, and investment policies and objectives, for the Plans and, as appropriate during the year, the asset investment allocations to achieve objectives and assure adequate liquidity and asset diversification.
- f. At least annually, review and discuss with the Board the performance of the Plans' invested funds, any outside investment advisors, any outside fiduciaries, and the Company's fund management and administration of the Plans.

6. Oversight of Compliance

- a. With the assistance of the executive officers and any outside consultants the Committee deems appropriate, review and discuss the Company's proxy statement disclosures under "Compensation Discussion and Analysis."
- b. Discuss with the Company's executive officers legal and regulatory matters, including ERISA, which may have a material impact on (i) the Plans or (ii) the Company's compensation or compliance policies.

7. Other Responsibilities.

- a. Report its activities regularly to the Board in such manner and at such times as the Committee and the Board deem appropriate, but in no event less than once a year.
- b. At least annually, review and conduct the Committee's assigned enterprise risk management oversight responsibilities and report thereon to the Audit Committee or the Board as necessary.
- c. Prepare, with the assistance of the executive officers and outside legal counsel, the Compensation Committee Report.
- d. The Committee will conduct and review with the Board annually an evaluation of this Charter and recommend any changes to the Board. The Committee may conduct this evaluation in such manner as the Committee, in its business judgment, deems appropriate. In addition, the Committee will assure that the Charter will be published on the Company's website.
- e. The Committee will conduct and review with the Board annually an evaluation of the Committee's performance with respect to the requirements of this Charter. This evaluation will also set forth the goals and objectives of the Committee for the upcoming year. The Committee may conduct this performance evaluation in such manner as the Committee, in its business judgment, deems appropriate.
- f. Perform such other duties or responsibilities as the Board may from time to time delegate to it.

### **Resources and Authority**

The Committee will have appropriate resources and authority to discharge its responsibilities, including funding to compensate any consultants and any independent advisors retained by the Committee. The Committee shall have the authority to establish other rules and operating procedures in order to fulfill its obligations under this Charter and applicable rules or regulations.

Approved by the Board of Directors on October 24, 2024.

**Policy Statement on Director Compensation**

The Compensation Committee (the “Committee”) of The Gorman-Rupp Company (the “Company”) is responsible for periodically, as appropriate, reviewing the compensation of non-employee Directors (the “Directors”). Any suggested recommendations for changes will be submitted to the Directors for review. This Policy Statement has been adopted to suggest general principles that the Committee intends to follow.

1. The Committee, or a subcommittee designated by the Committee, with the assistance of outside compensation experts if needed, will periodically compare and evaluate the compensation of Directors against companies of similar size in similar industries.
2. Director compensation should be a combination of cash and Company shares and should periodically be reevaluated to determine appropriate percentages of cash and shares.
3. Directors should be reimbursed for their reasonable travel and other expenses related to Director services.