

THE GORMAN-RUPP COMPANY

AUDIT COMMITTEE CHARTER

(Approved by Board of Directors October 26, 2023)

Purposes of the Committee

The principal purposes of the Audit Committee (the “Committee”) are to (a) assist the Board of Directors (the “Board”) in fulfilling its oversight responsibilities with respect to (i) the integrity of the financial statements of The Gorman-Rupp Company (the “Company”), (ii) the Company’s compliance with legal and regulatory requirements, (iii) the independent auditors’ qualifications and independence, (iv) the performance of the independent auditors and the Company’s internal audit function and (v) the Company’s compliance with its enterprise risk management process ; and (b) prepare, with the assistance of the executive officers, the independent auditors and outside legal counsel, the Committee’s report to be included in the Company’s annual proxy statement (the “Audit Committee Report”).

Authority of the Committee

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 has the sole authority to (a) appoint, retain and terminate the Company’s independent auditors, (b) pre-approve all audit engagement fees, terms and services and (c) pre-approve any non-audit engagements with the Company’s independent auditors. The independent auditors shall report directly to the Committee. The Committee shall exercise this authority in a manner consistent with applicable law and 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. The Committee may delegate the authority to grant any pre-approvals required by applicable law or rules to one or more members of the Committee as it designates, subject to the delegated member or members reporting any such pre-approvals to the Committee at its next scheduled meeting.

The Committee is further empowered to (a) resolve any disagreements between management and independent auditors regarding financial reporting, (b) conduct or authorize investigations into matters within its scope of responsibility, (c) solicit information from or meet with Company management, employees or agents, as necessary and (d) set hiring policies for employees or former employees of the independent auditors.

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.

Composition of the Committee

The size of the Committee will be determined by the Board, provided that the Committee will always have at least three members. The Board will appoint the members and the Chairman of

the Committee. Each Committee member will serve at the pleasure of the Board and 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 (a) meet the independence criteria of the rules of the SEC and any stock exchange upon which the shares of the Company are listed and (b) be financially literate. Additionally, at least one member of the Committee shall have accounting or related financial management expertise sufficient to meet the criteria of a “financial expert” within the meaning of the SEC rules.

Each Committee member shall serve on no more than three audit committees of public companies (including the Company).

Meetings of the Committee

The Committee generally will meet in person or by video or telephone conference quarterly, but as frequently as necessary, to carry out its responsibilities under this Charter. The Chairman of the Committee shall, in consultation with the other members of the Committee, the Company’s independent auditors and the executive officers of the Company, be responsible for calling meetings of the Committee, establishing agenda 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 or independent auditors 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.

Duties and Responsibilities of the Committee

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. Financial Statements

- a. Review and discuss with the executive officers of the Company and the independent auditors the annual audited and quarterly financial statements of the Company, including (i) the Company’s disclosures under “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” and

- (ii) the disclosures regarding internal controls and other matters required by applicable law and SEC rules.
- b. Review and discuss earnings and other financial press releases (including any use of “pro forma” or “adjusted” non-GAAP information), as well as financial information and earnings guidance provided to analysts and rating agencies (which review may occur after issuance and may be done generally as a review of the types of information to be disclosed and the form of presentation to be made).
- c. Review disclosures made by the Company’s CEO and CFO in connection with the Forms 10-K and 10-Q certification process concerning significant deficiencies in the design or operation of internal controls or any fraud that involves management or other employees who have a significant role in the Company’s internal controls.
- d. Review significant accounting, legal and reporting issues (including any significant changes in the selection or application of accounting principles), and understand their impact on the financial statement presentations.
- e. Review analyses prepared by management and/or the independent auditors (i) 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, and (ii) of the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the financial statements of the Company.

2. Internal Audit

- a. Approve the appointment and replacement of the internal auditor or outsourced internal audit service provider and review with the executive officers the compensation of the internal auditor. At least annually, evaluate the effectiveness of the internal audit function and consider the need to make changes to ensure that internal audit objectives are being met.
- b. Review and discuss with the internal audit staff the Internal Audit Charter and plans for and the scope of ongoing audit activities.
- c. Review and discuss with the internal audit staff risk assessment issues, the annual report of audit activities, and examinations and results thereof performed by the internal audit staff.
- d. Understand the scope of internal and independent auditors’ review of internal controls, and obtain reports on significant findings and recommendations, together with management’s responses.
- e. Review the adequacy and effectiveness of the Company’s internal control system, including information technology security and disaster recovery, and any special audit steps adopted in light of material control deficiencies.
- f. Meet separately with management to discuss any matters that the Committee or internal audit staff believes should be discussed privately.

3. Independent Audit

Review the performance of the independent auditors. In performing this review, the Committee shall, at least annually, obtain and review a report by the independent auditors describing (i) the audit firm's internal quality-control procedures and (ii) any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, with respect to one or more independent audits carried out by the firm, and any steps taken to deal with any such issues raised.

- a. In connection with the retention of the Company's independent auditors, at least annually, review and discuss the information provided by management and the auditors relating to the independence of the audit firm, including, among other things, information related to the non-audit services provided and expected to be provided by the auditors and all other relationships between the independent auditors and the Company.
- b. Review and discuss with the independent auditors the plans for, and the scope of, the annual audit and other examinations, including the adequacy of staffing and compensation.
- c. Review and discuss with the independent auditors the matters required to be discussed by PCAOB AS 1301 in the Auditing Standards relating to the conduct of the audit, as well as any audit problems or difficulties and management's response.
- d. Review and discuss with the independent auditors (i) the report of their annual audit, or proposed report of their annual audit, (ii) the accompanying management letter, if any, (iii) their reviews of the Company's interim financial statements conducted in accordance with PCAOB AS 4105 of the Auditing Standards and (iv) the reports of the results of such other examinations outside of the course of the independent auditors' normal audit procedures that the independent auditors may from time to time undertake.
- e. Approve the rotation of the principal independent audit partner in conformity with the requirements of the SEC.
- f. Obtain assurance from the independent auditors that in the course of conducting the audit, there have been no acts detected or that have otherwise come to the attention of the audit firm that require disclosure to the Committee under Section 10A(b) of the Securities Exchange Act of 1934, that have not been so disclosed.
- g. Review and discuss any filing with the SEC in which the independent auditor has been involved with respect to preparation or review.
- h. Review and discuss with the internal audit staff recommendations made by the independent auditors.
- i. Meet separately with the independent auditors to discuss any matters that the Committee or the independent auditors believe should be discussed privately.

4. Compliance

- a. Periodically obtain reports from management that the Company and its subsidiary/foreign affiliated entities are in conformity with applicable legal requirements and the Company's Code of Ethics.
- b. Establish procedures for (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal controls or auditing matters, (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters as required by applicable law and the SEC and any stock exchange upon which the shares of the Company are listed and (iii) the confidential receipt, retention and consideration of any report of evidence of a material violation (within the meaning of Rule 205 of the Rules of Practice of the SEC).
- c. Discuss with the Company's executive officers legal and regulatory matters that may have a material impact on the Company's financial statements or compliance policies.

5. Hedging Strategies

- a. Oversee the development and implementation of the Company's hedging strategies.
- b. Oversee the development and implementation of, and review and approve, any Company policies regarding the use of hedging transactions, including without limitation policies governing the use of swaps, as defined in Section 1a(47) of the Commodity Exchange Act and applicable regulations and rules ("Swaps"), and Swaps that are exempt from the requirements of Section 2(h)(1) and 2(h)(8) of the Commodity Exchange Act ("Exempt Swaps"), pursuant to Section 2(h)(7) of the Commodity Exchange Act (the "End-User Exception"), and review and approve such policies at least annually and more frequently if necessary or advisable due to changes in the Company's policies or otherwise.
- c. Review, evaluate, authorize, approve and determine any hedging transactions to be entered into by the Company, including without any limitation any Swaps, Exempt Swaps and use of the End-User Exemption, and any and all matters incident to the Company's hedging strategies, including without limitation the amount, timing, rates, spreads and other terms and conditions of any Swap or other hedging transaction, the payment of any consideration, fees and/or commissions and the preparation and execution of any documents in connection therewith, and all such other actions as the Committee deems necessary, appropriate or desirable in connection therewith, all of which authority may be delegated by the Committee to the President and Chief Executive Officer, the Chief Financial Officer, the General Counsel and Corporate Secretary, and/or the Treasurer through Company policies or otherwise.

6. Reporting to the Board

- 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, including without limitation those related to cybersecurity and disaster recovery, and report thereon to the Board as necessary.
 - c. At least annually, evaluate with management the Company's enterprise risk management process to assess and manage the Company's exposure to risk, including the specific risks facing the Company and management's plans for addressing these risks and mitigating their potential effects, and report thereon to the Board.
7. Other Delegated Duties or Responsibilities
- a. Review and discuss such other matters that relate to the accounting, auditing and financial reporting practices and procedures of the Company as the Committee may, in its own discretion, deem desirable in connection with the review functions described above.
 - b. Review the appropriateness of the expertise, experience and adequacy of resources of the company finance function.
 - c. Perform such other duties or responsibilities as the Board may from time to time delegate to it.

Audit Committee Report

The Committee will prepare, with the assistance of the executive officers, the independent auditors and outside legal counsel, the Audit Committee Report.

Limitations of the Audit Committee's Role

While the Audit Committee has all of the responsibilities and authorities set forth in this Charter, it is not the duty of the Audit Committee to conduct audits, or to determine that the Company's financial statements and disclosures are fairly stated in all material respects and are in accordance with GAAP and applicable rules and regulations. These are the responsibilities of management and the independent auditor.

Annual Review of Charter

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.

Annual Performance Evaluation

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.