

## **MIDDLESEX WATER COMPANY**

### **COMPENSATION COMMITTEE**

#### **CHARTER**

There shall be a Committee of the Board of Directors (“Board”) titled the Compensation Committee (“Committee”).

The Committee oversees the compensation and benefits program for executive officers of the Company and the incentive compensation program for all participating employees. In addition, the Committee administers the Compensation program relative to the Board of Directors of the Company in consultation with the Corporate Governance and Nominating Committee. In all its actions, the Committee shall comply with the requirements, rules and regulations of NASDAQ Marketplace listing standards and all other applicable federal and state laws, rules and regulations.

#### **COMPOSITION AND TERM OF OFFICE**

The Committee shall be appointed by the Board and consist of at least three members, all of whom are independent directors of the Company, as defined by NASDAQ listing standards and all of which must qualify as “non-employee directors” for the purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”).

One member shall be appointed by the Board to serve as the Chairperson of the Committee. The members of the Committee shall serve one-year terms and shall be appointed annually on such date as the Board shall determine. The Board may remove any member of the Committee at any time with or without cause. Upon the removal, death or resignation of a member of the Committee, a replacement member may be appointed by the Board.

#### **STATEMENT OF PURPOSE**

The purpose of the Committee is to oversee the Company’s employee compensation philosophy generally; seek to ensure that compensation decisions both represent sound fiscal policy as well as enable the Company to attract and motivate qualified personnel; advise the Board on, and facilitate the Board’s oversight of, the compensation of the Company’s Chief Executive Officer and the other Executive Officers of the Company; administer the compensation program for all company employees and members of the Board; oversee the strategies, policies and programs related to human capital management and review and evaluate the Company’s human capital risk and, together with the Corporate Governance and Nominating Committee (in that Committee’s oversight of Director succession), succession planning.

As used in this charter, “Executive Officers” shall mean (i) the Chief Executive Officer of the Company; (ii) all executives who report directly to the Chief Executive Officer, and (iii) any other officers of the Company that the Board determines are subject to Section of the Exchange Act.

### **PROCEDURES AND ADMINISTRATION**

- The Committee shall meet at least two times each year.
- Special meetings of the Committee may be called as needed by the Chairman of the Committee, the Chairman of the Board or the Chief Executive Officer.
- The Committee may request that members of management or outside consultants be present to assist the Committee in the performance of its duties. However, the Chief Executive Officer may not be present during voting or deliberations on his or her compensation.
- Notice for any meeting shall be provided to members of the Committee at least twenty-four hours prior to the meeting (provided that participation in any meeting shall be deemed to constitute waiver of any deficiency in such notice).
- Minutes of each meeting will be kept and distributed to the full Board.
- Report at the next meeting of the Board all significant items discussed at any regular or special Committee meeting or actions otherwise taken by the Committee.
- Actions may be taken by the Committee upon the affirmative vote of a majority of the members of the Committee. Action may be taken by the Committee without a meeting if all of the members of the Committee indicate their approval thereof in writing.
- The Committee shall have the authority to delegate any of its responsibilities, along with the authority to take action in relation to such responsibilities, to one or more subcommittees as the Committee may deem appropriate.

### **RESPONSIBILITIES**

The Committee shall perform the following functions:

- Set and administer policies that govern compensation and benefits for the Chief Executive Officer and all other Executive Officers of the Company.
- Meet with the Chief Executive Officer to evaluate the performance of the other Executive Officers.

- Meet to evaluate the performance of the Chief Executive Officer based upon criteria established by the Committee, and recommend to the Board for determination, the compensation of the Chief Executive Officer and all other Executive Officers of the Company. The Chief Executive Officer cannot be present during any voting or deliberations by the Committee on her or his compensation.
- Review, and recommend to the Board to approve, incentive compensation plans and equity-based plans, and, where appropriate or required, recommend for approval by the stockholders of the Company, which includes the ability to adopt, amend and terminate such plans. The Committee shall also have the authority to administer the Company's incentive compensation plans and equity-based plans, including designation of the employees to whom the awards are to be granted, the amount of the award or equity to be granted and make terms and conditions applicable to each award or grant, subject to the provisions of the plan. In making recommendations regarding incentive compensation plans and equity-based plans, the Committee shall consider the results of the most recent Say on Pay Vote.
- Collaborate with the Corporate Governance & Nominating Committee on selection and use of consistent peer groups, consultants and overall compensation philosophy with respect to the Compensation Committee's oversight of matters concerning Executive Officer compensation and the Corporate Governance & Nominating Committee's oversight of Director compensation.
- In determining the compensation of the Chief Executive Officer and the other Executive Officers of the Company, the Committee shall consider the results of the most recent stockholder advisory vote on executive compensation ("Say on Pay Vote") required by Section 14A of the Exchange Act.
- Review and recommend to the Board for approval the frequency with which the Company will conduct Say on Pay Votes taking into account the results of the most recent stockholder advisory vote on frequency of Say on Pay votes required by Section 14A of the Exchange Act, and review and approve proposals regarding the Say on Pay Vote and the frequency of the Say on Pay Vote to be included in the Company's proxy statement.
- Oversee, review, discuss with Company management and approve the Compensation, Discussion & Analysis ("CD&A") to be included in the Company's annual proxy statement or annual report.
- Oversee, review and approve the Committee's report included in any public filings.
- Determine stock ownership guidelines for the Chief Executive Officer and the other Executive Officers and monitor compliance with such guidelines.

- Make recommendations to the Board on matters concerning the offering, amending or terminating of any executive compensation and benefits, with the understanding that the administration of any pension or welfare plans shall be at the purview of the separate Pension Committee;
- Review and, when appropriate, recommend to the Board for approval, the adoption, amendment or termination of any employment agreements and any severance arrangements or plan, including any benefits to be provided in connection with a change of control, for the Chief Executive Officer and the other Executive Officers,
- Review, evaluate and make recommendations to the Board concerning the Company's human capital management and risk, including how the Company's compensation policies and decisions affect the Company's risk profile.
- Exercise Board level oversight of, review and assess matters of belonging and inclusion as it relates to the Company's employees.
- Develop and recommend to the Board for approval, an officer succession plan (the "Succession Plan"), review the Succession Plan periodically with the Chief Executive Officer, develop and evaluate candidates for executive positions and recommend to the Board any changes to, and any candidates for succession under the Succession Plan.
- Exercise any fiduciary, administrative or other functions as assigned to it by the Board or the Chairman of the Board.

#### **OTHER RESPONSIBILITIES**

- Report to the Board all significant items discussed at any regular or special Committee meeting.
- Review and reassess the adequacy of this Charter and the performance of the Committee on an annual basis and make recommendations to the Board for changes hereto as appropriate.
- Take such further actions or provide such further advice as the Board may from time to time delegate to the Committee.

## COMMITTEE RESOURCES

The Committee may, in its sole discretion, retain or obtain the advice of a compensation consultant, legal counsel or other adviser. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any compensation consultant, legal counsel and other adviser retained by the Committee. The Company must provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to a compensation consultant, legal counsel or any other adviser retained by the Committee.

In determining to select, or receive advice from, a compensation consultant, legal counsel or other adviser, the Committee, other than with respect to in-house legal counsel, shall consider the independence of such consultant, legal counsel or adviser, including the following factors:

- the provision of other services to the Company by the person that employs the compensation consultant, legal counsel or other adviser;
- the amount of fees received from the Company by the person that employs the compensation consultant, legal counsel or other adviser, as a percentage of the total revenue of the person that employs the compensation consultant, legal counsel or other adviser;
- the policies and procedures of the person that employs the compensation consultant, legal counsel or other adviser that are designed to prevent conflicts of interest;
- any business or personal relationship of the compensation consultant, legal counsel or other adviser with a member of the Committee;
- any stock of the Company owned by the compensation consultant, legal counsel or other adviser; and
- any business or personal relationship of the compensation consultant, legal counsel, other adviser or the person employing the adviser with an Executive Officer of the Company.

**Most Recently Reviewed and Approved:** February 28, 2025