

**HV BANCORP, INC. AND  
HUNTINGDON VALLEY BANK  
JOINT COMPENSATION COMMITTEE CHARTER**

**I. Joint Compensation Committee Charter**

The Boards of Directors of HV Bancorp, Inc. and Huntingdon Valley Bank have established a Joint Compensation Committee (the “Compensation Committee” or the “Committee”) and have adopted this Joint Compensation Committee Charter to govern the Committee’s operation. Where applicable, references in this charter to the “Company” include HV Bancorp, Inc. and Huntingdon Valley Bank, and references to the “Board of Directors” include the Boards of Directors of HV Bancorp, Inc. and Huntingdon Valley Bank.

**II. Purpose**

The Compensation Committee is responsible for human resource policies, salaries and benefits, incentive compensation, executive development and management succession planning.

**III. Organization**

The Committee shall consist of three or more directors, each of whom shall satisfy the definition of independent director, as defined in any qualitative listing requirements for Nasdaq Stock Market, Inc. (“NASDAQ”) issuers and any applicable Securities and Exchange Commission rules and regulations. In addition, all members of the Committee shall be “non-employee directors” as defined by Securities and Exchange Commission Rule 16b-3 under the Securities Exchange Act of 1934, as amended. To the extent required by the listing rules, in affirmatively determining the independence of any director who will serve on the Committee, the Board of Directors must consider all factors specifically relevant to determining whether a director has a relationship to the Company that is material to the director’s ability to be independent from management in connection with the duties of a Committee member, including, but not limited to: (i) the source of compensation of the director, including any consulting, advisory or other compensatory fee paid by the Company to the director; and (ii) whether the director is affiliated with the Company, a subsidiary of the Company or an affiliate of a subsidiary of the Company. In determining the independence of any director who will serve on the Committee, the Board of Directors should also consider fees received by the director as: (i) a member of the Committee, the Board of Directors or any other committee of the Board of Directors; and (ii) fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the Company. These fees should be considered in the aggregate with all other sources of compensation of the director to determine whether the compensation would impair the director’s judgment as a member of the Committee.

Committee members shall be elected by the Board of Directors on an annual basis. Members shall serve until their successors are appointed. The Committee’s chairperson shall be designated by the full Board of Directors or, if it does not do so, the Committee members shall elect a chairperson by vote of a majority of the full Committee. The Chief Executive Officer (the “CEO”) will meet often with the Committee, but the CEO will not serve as a member of the Committee. The Board of Directors shall appoint a new member or members in the event that there is a vacancy on the Committee that reduces the number of members below three (3), or in the event that the Board of Directors determines that the number of members on the Committee should be increased.

The entire Committee or any individual Committee member may be removed without cause by the affirmative vote of a majority of the Board of Directors. Any Committee member may resign effective upon giving written notice to the Chairman of the Board of Directors, the Corporate Secretary or the Board of Directors. The Board of Directors shall elect a successor to take office when a removal or resignation becomes effective.

The Committee may form and delegate authority to subcommittees when appropriate, including, if deemed necessary or appropriate, a subcommittee consisting of those members who qualify as "outside directors" under Section 162(m) of the Internal Revenue Code and/or as "non-employee directors" under Rule 16b-3 of the SEC Regulations, which subcommittee shall be authorized to take all actions permitted to the Committee under this Charter.

#### **IV. Structure and Meetings**

The Committee shall meet at least annually, or more frequently as circumstances dictate. The chairperson of the Committee will preside at each meeting and, in consultation with the other members of the Committee, will set the frequency and length of each meeting and the agenda of items to be addressed at each meeting. The chairperson of the Committee shall ensure that the agenda for each meeting is circulated to each Committee member in advance of the meeting. The Committee shall keep written minutes of all meetings.

#### **V. Goals and Responsibilities**

In carrying out its responsibilities, the Committee shall have the responsibility for:

- Establishing, reviewing, and modifying from time to time as appropriate the overall compensation philosophy of the Company.
- Developing and maintaining an executive compensation policy that creates a relationship between pay levels and corporate performance and returns to shareholders. The Committee shall monitor the results of the policy to assure that the compensation payable to the Company's executive officers provides overall competitive pay levels, creates proper incentives to enhance shareholder value, rewards superior performance, and is justified by the returns available to shareholders.
- Approving and reviewing base compensation, compensation and benefit plans, and other arrangements, or recommending base compensation, compensation and benefit plans, and other arrangements for approval by the full Board of Directors. Compensation and benefit plans and other arrangements may include amendments to existing plans, cash- and equity-based incentive compensation plans, and non-qualified deferred compensation and retirement plans, as well as employment and severance agreements or arrangements.
- Overseeing the administration of the Company's benefit programs.
- Establishing annually subjective and objective criteria to serve as the basis for the CEO's compensation and evaluating the CEO's performance in light of those criteria and determining, or recommending to the Board of Directors, the CEO's

compensation based on that evaluation. The CEO shall not be present during voting or deliberations on his compensation.

- Reviewing, evaluating and recommending succession planning and management development for executive officers, including the CEO.
- Establishing annually subjective and objective criteria to serve as the basis for the other executive officers' compensation, and evaluating the other executive officers' performance in light of those criteria and determining the other executive officers' compensation based on that evaluation. The Committee may consult with the CEO with respect to the compensation of other executive officers.
- Administering any stock benefit plans of the Company adopted and maintained by the Company.
- Reviewing and recommending to the Board of Directors the compensation of non-employee directors.
- Providing, over the names of the Committee members, any required Compensation Committee report for the Company's annual meeting proxy statement.

## **VI. Performance Evaluations**

The Committee shall conduct an annual performance evaluation and review and reassess the adequacy of this Charter and recommend any proposed changes to the Board of Directors for approval. The Chairman of the Committee shall lead the Committee in the annual evaluation of its performance. The Chairman shall also discuss the Committee's performance with each member of the Committee.

## **VII. Committee Resources**

The Committee shall have the authority to obtain advice and seek assistance from internal or external legal advisors, compensations consultants or other advisors in accordance with the applicable NASDAQ rules. The Committee shall have available to it the support personnel, including management staff, outside auditors, attorneys and consultants as it deems necessary to discharge its responsibilities. The Committee shall have the sole authority to retain and terminate any compensation consultant used to assist the Committee in evaluating executive compensation, including sole authority to approve the consultant's fees and other retention terms. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any compensation consultant, legal advisor or other advisors retained by the Committee. The Company shall provide the Committee with appropriate funding, as determined by the Committee, to compensate any compensation consultant, legal advisor or other advisor retained by the Committee.

## **VII. Prior Considerations**

Prior to the selection of, or receiving advice from, a compensation consultant, legal counsel or other adviser, the Committee must consider the following factors, as well as any other factors identified by the stock exchange on which HV Bancorp, Inc.'s shares are listed:

- (i) The provision of other services to the Company by the person that employs the compensation consultant, legal counsel or other adviser;
- (ii) 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;
- (iii) 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;
- (iv) Any business or personal relationship of the compensation consultant, legal counsel or other adviser with a member of the Committee;
- (v) Any stock of HV Bancorp, Inc. owned by the compensation consultant, legal counsel or other adviser; and
- (vi) 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.

Approved: December 21, 2016