

**JOINT CHARTER FOR THE COMPENSATION/HUMAN RESOURCES COMMITTEES  
OF THE BOARDS OF DIRECTORS OF  
WILLIAM PENN BANK AND  
WILLIAM PENN BANCORPORATION**

**I. Purpose**

The Boards of Directors of William Penn Bank (“Bank”) and William Penn Bancorporation (“Company”) (collectively the “Board”) previously established a personnel committee for the Bank and the Company which is hereby reconstituted as the Compensation/Human Resources Committee for the Bank and the Company (collectively the “Committee”). The Committee will have the authority, responsibility and specific duties as described in this Charter. The primary purpose of the Committee is to assist the Board in discharging its responsibilities regarding the compensation and benefits of the Bank and Company Chief Executive Officer, other executive officers and Company and Bank non-employee directors.

**II. Composition**

The Committee shall consist of three or more directors each of whom shall be “independent” consistent with the current NASDAQ listing standards and any applicable Securities and Exchange Commission rules and regulations, free from any relationship that would interfere with the exercise of his or her independent judgment. The Committee meets as often as may be deemed necessary or appropriate in its judgment. Committee members are appointed by the Board and may be replaced by the Board.

A majority of members shall constitute a quorum to transact business. A majority of the members in attendance shall decide any question brought before any meeting of the Committee. Any action required or permitted to be taken at a meeting of the Committee may be taken without a meeting by unanimous written consent, including obtaining such unanimous written consent through electronic communications. The results of such action without meeting shall be filed with the minutes of proceedings of the Committee.

The Committee shall at all times remain free of conflicts of interest and conduct itself independent from executive management in its decision making process.

The Committee may form and delegate authority to subcommittees when appropriate.

**III. Structure and Meetings**

The Committee shall meet at least quarterly , 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. The Committee shall report to the Board at the regularly scheduled Board Meeting following each Committee meeting.

#### **IV. Responsibilities**

The specific authority and responsibilities of the Committee shall include, but are not limited to, the following:

- Establish, review and modify, as appropriate, an executive compensation philosophy for the Bank and Company.
- Monitor, review and evaluate the Chief Executive Officer's performance toward the established goals approved by the Committee and review, evaluate and determine cash and other compensation and benefits based on this annual evaluation, including but not limited to, base salary, short-term incentive arrangements and long term incentives.
- In collaboration with the Chief Executive Officer, review and evaluate executive and senior officers' performance toward established goals and approve such officers' cash and other compensation and benefits based on this annual evaluation, including but not limited to, base salary, short-term incentive arrangements and long term incentives.
- Review and approve all officer salary ranges including an evaluation of any exceptions to same approved by management.
- Review, evaluate and determine the compensation and benefits to be paid to non-employee directors of the Company and Bank for their service on the Board, including committee service.
- Periodically review and develop a Bank Succession Plan for the executive and senior team for approval by the Bank Board of Directors.
- Approve the terms of employment and severance agreements/arrangements, if any, with the executive team.
- Select type and amount of awards under Bank and Company incentive compensation plans and programs (cash and equity) consistent with the terms of such arrangements.
- Annually review the Bank's employee handbook
- In consultation with the Bank Chief Executive Officer and the Human Resources Department, annually review the Bank's tax-qualified plans and arrangements for compliance and plan design.

#### **V. Performance Evaluations**

The Committee shall review its performance on a regular basis and review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for approval.

#### **VI. Committee Resources**

The Committee shall have the authority to obtain advice and seek assistance from internal or external legal or other advisors. The Committee shall have available to it such support

personnel, including management staff, outside auditors, attorneys and consultants, as it deems necessary to discharge its responsibilities.

Approved by the Board on \_\_\_\_\_, 20\_\_\_\_