

MALVERN BANCORP, INC.

Compensation Committee Charter (as of February 17, 2016)

I. Purpose

The purpose of the Committee shall be to discharge the responsibilities of the Board relating to compensation of the Company's executive officers; to oversee and advise the Board on the adoption of policies that govern the Company's annual compensation and stock ownership plans; if required by Item 402 of Regulation S-K, to review and discuss with management the compensation discussion and analysis (CD&A) for inclusion in the Company's public documents, and to produce the report of the Committee to accompany the CD&A, if applicable, in such documents.

II. Composition and Meetings

The Compensation Committee (the "Committee") of Malvern Bancorp, Inc. (the "Company") shall consist of at least three independent directors, including a chair and such other independent directors as the Board shall appoint upon recommendation by the Nominating and Corporate Governance Committee. An "independent director" is a director who meets The Nasdaq Stock Market definition of "independence," as determined by the Board. Additionally, members of the Committee must qualify as "non-employee directors" for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended (the "Exchange Act") and "outside directors" for purposes of Section 162(m) of the Internal Revenue Code.

The Committee shall meet as often as may be deemed necessary or appropriate in its judgment, but not less than one time per year, either in person or telephonically, and at such time and place as the Committee shall determine. The Committee shall make regular reports to the Board on its activities. These reports will generally occur after each Committee meeting or at such times at the Committee deems appropriate.

III. Philosophy

The Committee's compensation philosophy is intended to assist the Company in competing with similar businesses (including publicly held financial institutions) for the talent that the Company needs. The core of the Company's compensation philosophy shall be to pay for performance and to pay in a manner that is comparable and consistent with other similar financial services companies. The Company's compensation philosophy shall also take into account risk management, operational stability, and legal and regulatory compliance.

IV. Objectives of the Company's Compensation Programs

The primary objectives of the Company's executive compensation policies and programs are as follows:

1. To attract, retain and motivate an experienced, competent executive management team;
2. To ensure that compensation rewards are adequately balanced between short-term and long-term performance goals;
3. If and when stock-based benefit plans are available subsequent to shareholder approval, to encourage ownership of the Company's common stock through grants of stock-based awards to all levels of bank management; and
4. To maintain compensation levels that are competitive with other financial institutions particularly those considered the Company's peers based on asset size and market area.

V. Responsibilities and Duties

The Committee's duties and responsibilities shall include:

1. Overseeing compensation policies and plans for executive officers and other management employees and general compensating plans applicable to all employees.
2. Make recommendations to the Board with respect to the Company's incentive-compensation plans and, if applicable, stock-based plans that are subject to Board approval.
3. Overseeing the hiring, retention, and evaluation of senior officers with appropriate qualifications and expertise to operate the Company's business.
4. Reviewing and approving corporate goals and objectives to CEO compensation, evaluating the CEO's performance in light of those goals and objectives, and recommending to the independent members of the Board the CEO's compensation level based on this evaluation, consistent with the Company's compensation philosophy.
5. Recommending to the Board corporate goals for measurements of performance and approving achievements against those goals.
6. Approving the compensation of senior vice presidents, consistent with the Company's compensation philosophy, including any senior vice presidents who are deemed to be "executive officers" as defined in Rule 3b-7 under the Exchange Act.
7. Reviewing the compensation ranges for the Company's officers and other management group employees against the compensation of other financial institutions of similar asset size and geographic region.

8. Performing the functions assigned to it under the Company's various compensation and benefit plans and arrangements or by the Board with respect to those plans and arrangements.
9. Reviewing periodic reports from management on matters relating to the Company's personnel appointments and practices.
10. Periodically reviewing the Company's employee benefit and retirement programs.
11. If and when required by the rules of the Exchange Act, reviewing and discussing annually with management the CD&A required by Item 402 of Regulation S-K and, based on such review and discussion, determining whether to recommend to the Board that the CD&A be included in the Company's public documents.
12. Providing annually, over the names of the Committee's members, the required report of the Committee for the Company's proxy statement for its annual meeting of shareholders.
13. Annually evaluating the adequacy of this Charter.

VI. Outside advisors

The Committee shall have the authority to retain such outside counsel, experts, and other advisors as it determines appropriate to assist it in the full performance of its functions. The Company shall provide for appropriate funding, as determined by the Committee, for payment of compensation to any advisor retained by the Committee.