

**CHARTER OF THE COMPENSATION COMMITTEE
OF THE BOARD OF DIRECTORS OF
TFS FINANCIAL CORPORATION**

I. Committee Authority

- a. TFS Financial Corporation's (the "Company") Board of Directors (the "Board"), by resolution dated November 29, 2005, established the Compensation Committee of the Board of Directors of the Company (the "Committee").
- b. The Board adopted this Compensation Committee Charter on January 18, 2006, and it was last amended on June 26, 2014.
- c. The Compensation Committee may form and delegate authority to subcommittees when appropriate.

II. Committee Purpose

- a. The Committee is appointed by the Board to discharge the Board's responsibilities relating to compensation of the Company's directors and officers.
- b. The Committee has overall responsibility for approving and evaluating the director and officer compensation plans, policies and programs of the Company.
- c. The Committee is also responsible for producing an annual report on executive compensation in accordance with applicable rules and regulations.

III. Committee Duties and Responsibilities The Committee shall have the following duties and responsibilities and the necessary power and authority, including budgetary and fiscal authority, to carry out such duties and responsibilities:

- a. The Committee shall review and determine on behalf of the Board incentive-compensation plans and comparable equity-based plans.
- b. The Committee shall review and approve the corporate goals and objectives relevant to Chief Executive Officer ("CEO") compensation, evaluate the CEO's performance in light of those goals and objectives. In determining compensation, the Compensation Committee will consider the Company's performance in relation to attainment of goals in the business plan. This includes performance items such as earnings, capital, regulatory assessment, customer service and consideration to peer comparisons. Additional performance considerations will include the assessment of the CEO and executives for managerial effectiveness, with input and recommendations from the CEO for the other executives, along with executive team interaction. In determining the CEO's long term incentive compensation, the Compensation Committee will consider the Company's performance, peer comparisons and the awards granted to the CEO in past years.
- c. The Committee shall annually review and approve, for the CEO and, with the CEO's input and recommendations for the other executive officers of the Company, (a) the annual base salary level, (b) the annual incentive opportunity level, (c) the long-term incentive opportunity level, and (d) any special or supplemental benefits. The CEO may not be present during voting or deliberations by the Committee on his or her compensation.
- d. The Committee shall approve and authorize the Company to enter into any employment

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agreements, severance arrangements, change in control agreements or provisions, or other compensation-related agreements, in each case as, when and if appropriate, with executive officers of the Company.

- e. The Committee shall periodically review the Company's policies on perquisites for executive officers.
- f. The Committee shall review and discuss with management the Company's Compensation Discussion and Analysis (CD&A) and recommend to the Board whether the CD&A should be included in the Company's annual report and/or proxy statement.
- g. The Committee shall review the results of any advisory shareholder vote on executive compensation as required by Section 14A of the Securities Exchange Act of 1934 ("Say-on-Pay Vote") and consider whether to make or recommend any adjustments to the Company's executive compensation plans, programs, policies, procedures and practices as a result of such vote.
- h. The Committee shall, at least once every six years, recommend for approval by the Board the frequency with which the Company will conduct its Say-on-Pay Votes, taking into account the results of the most recent vote on the frequency of Say-on-Pay Votes.
- i. The Committee shall recommend to the Board the form and amount of director compensation. The Compensation Committee shall conduct a review of director compensation at a minimum every other year.
- j. The Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
- k. The Committee shall perform an annual performance evaluation of the Committee and its members.
- l. The Committee shall perform any other duties or responsibilities expressly delegated to the Committee by the Board from time to time.

IV. Committee Structure and Operations

a. Committee Size

- i. The Committee shall consist of at least three directors.

b. Committee Member Qualifications

- i. All of the members of the Committee shall:
 - 1. Meet the independence requirements of the Nasdaq Stock Market ("Nasdaq") and the Board shall affirmatively determine that the members are independent under such requirements, and
 - 2. Be a "Non-Employee Director" as defined in Rule 16b-3 under the Securities Exchange Act of 1934, as amended.

c. Committee Member Appointment and Removal

- i. The members of the Committee and the Chair of the Committee shall be appointed by the Board.
- ii. Committee members may be replaced by the Board.

d. Committee Meetings

- i. The Committee shall generally meet quarterly or as needed.
- ii. Committee meetings shall have both a general session and an executive session.
- iii. Executives, management representatives, third-party service providers, and others, as needed and requested by the Committee, may attend the general and executive session portions of each meeting. However, it is the Committee's intent to maintain regular executive sessions at which executives, management representatives, third-party service providers, and other non-Committee members generally will be excluded.
- iv. The Committee may meet in person or by teleconference, video conference, email, facsimile or other means of electronic communication that enable the members to communicate effectively.
- v. A majority of the Committee members will be a quorum for the transaction of business.
- vi. The action of a majority of those present at a meeting at which a quorum is present will be the act of the Committee.
- vii. Any action required to be taken at a meeting of the Committee will be deemed the action of the Committee if all of the Committee members executed, either before or after the action is taken, a written consent and the consent is filed with the Company's Corporate Secretary.
- viii. The Director of Human Resources or the director's designee will be the management liaison to the Committee and will act as the Committee Secretary.
- ix. The Committee Secretary will keep minutes of all Committee meetings, which will be summarized and shared with all Board members.
- x. Regular meetings of the Committee shall be called according to the schedule approved by the Committee for the year. Special meetings of the Committee can be called by the Committee Chairman, a majority of the members of the Committee, the Chairman of the Board, or by a majority of the Board.
- xi. The Committee Secretary will prepare a preliminary agenda for regularly scheduled meetings. The Committee Chairman will make the final decision regarding the agenda for regularly scheduled meetings and shall develop the agenda for special meetings based on the information supplied by the party(ies) requesting the special meeting.
- xii. The agenda and all materials to be reviewed at the meetings should be received by the Committee members as far in advance of the meeting day as practicable (which for regularly scheduled meetings will normally be five days).
- xiii. The Committee Secretary should coordinate all mailings to the Committee members, to the extent practicable.

e. Committee Reporting to the Board

- i. The Committee shall make regular reports to the Board.

f. Use of Third-Party Service Providers

- i. In retaining or seeking advice from compensation consultants, outside counsel and other advisors, the Committee must take into consideration the factors specified in Nasdaq Listing Rule 5605(d)(3). The Committee may retain, or receive advice from, any compensation advisor they prefer, including ones that are not independent, after considering the specified factors. The Committee is not required to assess the independence of any compensation consultant or other advisor that acts in a role limited to consulting on any broad-based plan that does not discriminate in scope, terms or operation in favor of executive officers or directors and that is generally available to all salaried employees or providing information that is not customized for a particular company or that is customized based on parameters that are not developed by the consultant or advisor, and about which the consultant or advisor does not provide advice.
- ii. After considering the independence of a consultant including the factors identified by Nasdaq, the Committee shall have the sole authority, at the Company's expense, to retain, oversee and terminate any compensation consultant to be used to assist in the evaluation of director, CEO or other executive compensation and shall have sole authority to approve the consultant's fees and other retention terms.
- iii. After considering the independence of other external advisors including the factors identified by Nasdaq, the Committee shall also have authority, at the Company's expense, to obtain advice and assistance from internal or external legal, accounting or other advisors, including the sole authority to retain, oversee, terminate and approve the fees and other retention terms of any external legal, accounting or other advisors.
- iv. The Committee may request any officer or associate of the Company or the Company's outside counsel or other consultants to attend a meeting of the Compensation Committee or to meet with any members of, or consultants to, the Committee.