

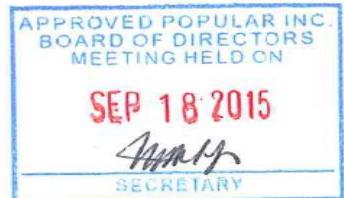


DIVERSITY POLICY

Responsible Units: BPPR's Our People and Procurement Divisions

Data Classification Level: 4 - Public

Original Approval Date: September 18, 2015



DIVERSITY POLICY

I. POLICY PURPOSE

Popular, Inc. and its subsidiaries ("Popular" or the "Company") recognize that diversity and inclusion are central to its Corporate Values. Diversity propels innovation and business success, promotes a broader service range, and allows for varying points of view which provide a larger pool of ideas and experiences from which organizations can benefit to meet business strategy needs and the needs of customers more effectively.

This Policy is intended to enhance Popular's long-standing commitment to foster a diverse culture at all levels, and also to comply with the requirements and standards of Section 342 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 ("Dodd-Frank") and the Final Interagency Policy Statement Establishing Joint Standards for Assessing the Diversity Policies and Practices of Entities Regulated by the Agencies of 2015 ("Final Interagency Policy Statement").

It is the policy of Popular to create, foster and maintain a positive work environment that values similarities and differences of individuals, so that all can reach their potential and maximize their contributions to our stakeholders, including our customers and the communities we serve. Along with Popular's existing policies and guidelines which promote equal opportunities for the advancement of minorities and women, among others, and prohibit discrimination and harassment against them -- Code of Ethics, Code of Ethics for Popular Service Providers, and Corporate Guidelines on Equal Employment Opportunity, and Discrimination and Harassment -- this Policy seeks to broaden the inclusion, employment, advancement and development of minorities and women in the workplace, as well as the utilization of service providers owned, controlled or operated by minorities and/or women.

II. DEFINITIONS

As used in this Policy:

"Popular" or "Company" means Popular, Inc. and all of its subsidiaries.

"Board of Directors" means the Board of Directors of Popular, Inc.

"Minorities" means, where applicable, Black Americans, Native Americans, Hispanic Americans, and Asian Americans.

"Diversity" means the inclusion of qualified minorities and women into Popular's employment population and pool of service providers.

"Diverse service provider" means a qualified corporation, entity or provider that is at least 51% owned, controlled and/or operated by minorities or women. "Control" in this context means exercising the power to make policy decisions. "Operate" in this context means actively involved in the day-to-day management.



III. CONTENT

A. LEGAL REFERENCES

The following are some of the most important laws and regulations concerning diversity standards:

- Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010
- Final Interagency Policy Statement Establishing Joint Standards for Assessing the Diversity Policies and Practices of Entities Regulated by the Agencies of 2015

B. POLICY PRINCIPLES

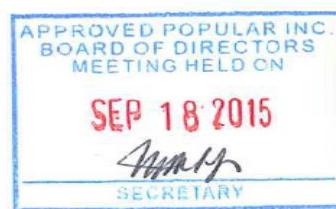
The principles or standards described below reiterate Popular's commitment to diversity and inclusion, focused on three main areas: attracting, retaining and developing a diverse employment population; fostering and procuring a work environment where employees are treated with respect and their differences are valued; and seeking, creating and maintaining mutually beneficial business relationships with diverse service providers.

Corporate Commitment to Diversity

- Promote the inclusion of diversity considerations in Popular's strategic plans.
- Create, implement and monitor a Diversity Policy and strategy that comprise all of Popular's diversity efforts and initiatives.
- Oversight of diversity strategy and related initiatives by the Board of Directors' Compensation Committee.
- Senior Management level support to all corporate efforts and initiatives to foster diversity and inclusion at all levels of the Company and through all business activities.
- Foster the hiring, retention, promotion and development of a diverse employment population, which includes minorities and women.
- Assure a work environment free from discrimination against minorities and women.
- Seek, encourage and maintain business relationships with diverse service providers.

Personnel Profile and Employment Practices

- Promote a diverse workforce by fostering and monitoring the hiring, promotion and development of minorities and women through all levels of the Company.
- Ensure equal employment opportunities for all current and prospective employees, as well as for job applicants, integrating diversity considerations into the processes.
- Carry out all employment actions, including hiring, promotion, training, compensation, transfers, discipline, and terminations, while ensuring a work environment free from discrimination against minorities and women.
- Regularly review and modify, as necessary, existing employment policies, procedures, guidelines or practices to assure that they foster equality within the employment population and advancement of minorities and women.
- Regularly evaluate and assess workforce diversity and inclusion efforts through qualitative and quantitative metrics, including those contained in the annual EEO-1 Reports or Affirmative Action Plans.



Service Providers

- Carry out efforts and initiatives to promote and foster business relationships with diverse service providers.
- Assess the Company's procurement and business practices to ensure that they seek and promote business relationships with diverse service providers.
- Provide a fair and equal opportunity to diverse service providers to compete for becoming part of Popular's pool of service providers.
- Create and enhance liaisons with external organizations which may assist Popular in identifying diverse service providers.
- Regularly evaluate through qualitative and quantitative metrics the Company's supply and use of diverse service providers.

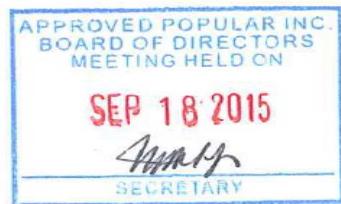
Self – Assessment and Monitoring

- Perform a self-assessment analysis to identify the composition of Popular's current employees and service providers.
- Establish methods to regularly self-assess the Company's employment and procurement procedures and practices to assure they are aligned with Popular's diversity strategy.
- Regularly monitor and evaluate the performance and results of Popular's diversity strategy.

C. DIVERSITY OFFICER

The Our People Division Manager of Banco Popular de Puerto Rico ("BPPR") will serve as the Corporate Diversity Officer with the following duties and responsibilities:

- Develop, implement and monitor a diversity strategy that comprises all diversity efforts and initiatives of Popular in compliance with this Policy.
- Create and implement any diversity procedures needed to comply with the Diversity Policy and strategy.
- Develop metrics to assess implementation progress regarding the Company's diversity strategy.
- Regularly review progress against the Company's diversity strategy.
- Share best diversity practices across the Company.
- Delegate to the different units or officers of the Company any of his/her duties or responsibilities, as necessary.
- Provide annual progress reports concerning the Company's diversity efforts to the Board of Directors' Compensation Committee.
- Perform any other related duty or responsibility as assigned from time to time.



D. SCOPE

This Policy applies to all Popular employees, and each one of them is expected to read, understand and comply with the standards set forth in this Policy.

E. SANCTIONS

Violations to this Policy may result in disciplinary action, up to and including termination of employment or relationship with Popular. These sanctions may apply not only to those who expressly violate the Policy, but also to those who know of, but fail to report, violations of this Policy and those who seek to retaliate against those who report such violations.

F. NON-COMPLIANCE NOTIFICATIONS

Any Popular employee who violates this Policy or any related policy, guideline, procedure, law or regulation, or knows of any such actual or perceived violation, must report the situation immediately to the Our People Division. Employees may also report any such violation anonymously through EthicsPoint at www.popular.com/ethicspoint-en (English), www.popular.com/ethicspoint (Spanish), or by calling 1-866-737-6813 (from Puerto Rico or the United States) or 866-737-6850, preceded by the country's long distance code, if elsewhere. Popular does not permit retaliation of any kind for good faith reports of violations or misconduct of others.

IV. DELEGATION OF AUTHORITY/RESPONSIBILITIES

Board of Directors. The Board of Directors is charged with the responsibility to approve this Policy and has designated its Compensation Committee with the responsibility to oversee compliance with this Policy.

Board of Directors' Compensation Committee. This Committee has been designated by the Board of Directors with the responsibility to oversee compliance with this Policy.

Corporate Diversity Officer. The Corporate Diversity Officer is principally responsible for developing, implementing, monitoring and enforcing Popular's diversity strategy. Other duties are described above in Section III(C).

Procurement Division. BPPR's Procurement Division is principally responsible for assuring compliance with this Policy as it relates to service providers.

Our People Division. BPPR's Our People Division is principally responsible for assuring compliance with this Policy as it relates to employment matters concerning minorities and women.

Corporate Ethics Officer. The Corporate Ethics Officer is responsible for receiving reports of possible violations of this Policy, investigating actual or suspected violations to this Policy, and recommending measures to address or remedy any such situation.

