



**CODIGO DE ÉTICA PARA PROVEEDORES  
DEL GRUPO POPULAR Y SUS FILIALES**



## INTRODUCTION

Consistent with our Values-Based Culture and the Code of Ethics that guide all the policies and activities of Grupo Popular and its subsidiaries, as well as the Popular Model for Sustainable Action, which raises our actions as socially responsible companies, we implement this Code of Conduct. Ethics addressed to our SUPPLIERS, taking as a model the best practices, which are part of our usual purchasing and contracting exercise, so we seek to formalize these practices, through this document.

Grupo Popular and its subsidiaries, in compliance with the principles issued by the Global Pact of the United Nations, of which we are signatories, we are committed to support and comply with the essential principles of human rights, labor, environment, etc. Therefore, in undertaking this commitment, the institution invites all its SUPPLIERS to exercise their business activities respecting these principles and equalizing the commitment with responsible practices that are related to this code.

The general objective of this code is to establish the ethical principles and rules of conduct that should govern the commercial relations of our institution with each one of our SUPPLIERS.

The expectations contained in this Code are fundamental factors for our decision to initiate or extend commercial relations. Each SUPPLIER is responsible for ensuring that its employees, representatives and subcontractors understand and comply with this Code. Grupo Popular and its subsidiaries reserve the right not to contract or terminate the business relationship with those SUPPLIERS who are in breach of this Code.

Therefore, what is described in this Code does not replace specific contract requirements. On the contrary, this Code aims to complement the specific requirements of contracts. If a contract term is stricter than this Code, SUPPLIER must meet the strictest contractual requirement.

## **Article I. Human rights.**

We invite our SUPPLIERS to develop and maintain a work environment free from violations of human rights, preferably through written policies and mechanisms to ensure compliance, promoting respect and dignity and avoiding conduct related to harassment of any kind, including, but not limited to moral and sexual harassment, abuse, violence, Intimidation, corporal punishment, physical or mental coercion, verbal abuse and discrimination.

We encourage our SUPPLIERS to collaborate with their SUPPLIERS and subcontractors to ensure that they strive to fulfill and protect the human rights proclaimed in international principles and to ensure that they are not complicit in actions and abuses that affect or erode human rights.

## **Article II. Labor rights.**

We urge THE SUPPLIERS to comply with the labor laws that govern the country where they offer their services, in that sense, our Labor Code expresses in a transparent way the remunerations and benefits that should be received by employees of any company after having exhausted a working day.

### **Art. 2.1. Forced labor.**

We recommend our SUPPLIERS to develop fair practices when employing people to perform work activities in their companies. Forced labor is prohibited under any circumstances. SUPPLIERS should avoid any (guarantee or make sure their contractors do) that employs threats, force or any type of coercion, abduction, intimidation, reprisal or abuse of power for the purpose of exploitation, forced labor or slavery of an individual. Providers must respect laws that regulate and prohibit trafficking in persons and smuggling of migrants.

### **Art. 2.2. Child labor.**

We seek that our SUPPLIERS refrain from hiring people who have not reached the legal age allowed to work and for those who have reached it, to ensure that they do not perform jobs considered dangerous and unhealthy. The Dominican Constitution in its article 56 declares as a national priority the elimination of child labor and its worst forms. ILO Convention No.138 and 182 on minimum age and the worst forms of child labor, the Labor Code and the Code for the System of Protection and Fundamental Rights of Children and Teenagers establish the responsibilities to the competent authorities in case of breach of this provision, for this reason we urge our SUPPLIERS to keep Grupo Popular and its subsidiaries free and unscathed from any claim and liability for breach..

### **Art. 2.3. Gender equality.**

We suggest that our SUPPLIERS promote opportunities for both men and women to have access to decent and productive working conditions of freedom, equality, security and human dignity. Thus, within the concept of decent work for all, the ILO considers that gender equality is a key element for social and institutional change to generate equality and growth.

### **Art. 2.4. Discrimination at work.**

by race, color, country of origin, gender, sexual orientation, age, religion or disability. Discrimination in employment deprives people of opportunities and deprives society of what these people can and should contribute.

We urge our SUPPLIERS to promote camaraderie, teamwork, mutual respect and good communication with supervisors and other co-workers, maintaining a healthy work environment and a peaceful coexistence environment.

## **Article III. Business integrity and ethics**

### **Art. 3.1. Money laundering.**

We urge THE SUPPLIERS of Grupo Popular and its subsidiaries to comply with the provisions of Law No.155-17 against Money Laundering and the Financing of Terrorism and to ensure that its employees, officers, directors and authorized representatives comply with the guidelines and the provisions established in this Law, for the purpose of avoiding behaviors that typify money laundering, patrimonial increase, or terrorism arising from certain criminal activities and other related infractions.

### **Art. 3.2. Corruption and bribes.**

THE SUPPLIERS shall not participate in, or tolerate, any form of corruption, illegal payments, or the offering of gifts, favors, or entertainment, where the purpose is or appears to compel the recipient to meet with prebends.

THE SUPPLIERS shall not engage in extortion, fraud, embezzlement, bribery or illicit commission. A SUPPLIER should make every effort to understand and determine when it is dealing with a public or private official and when a payment may be legitimate or may constitute a bribe.

### **Art. 3.3. Compliance with applicable laws and regulations.**

All of THE SUPPLIERS of Grupo Popular and its subsidiaries must comply with regulations, laws and rules in the Dominican Republic, especially with the tax and fiscal laws, social security, etc. Also, THE SUPPLIERS must maintain accurate records that comply with the law.

#### **3.3.1 Communication channels in case of non-compliance detection.**

We invite our suppliers to establish a communication channel to be used by their personnel in the event of possible detection of non-compliance, fraud or questionable practices, to guarantee the integrity and security of the supplier, as well as of Grupo Popular and its subsidiaries.

#### **3.3.2 Disciplinary Measures for Failure to Comply with Applicable Laws and Regulations.**

Our suppliers undertake to define and implement disciplinary measures in the event of non-compliance, especially those related to money laundering and terrorist financing, fraud, dishonest practices, corruption, bribery, violation of the rights of their clients and personal financial information of the Bank customers.

### **Art. 3.4. Conflicts of interest.**

THE SUPPLIERS must disclose to Grupo Popular and its subsidiaries any possible conflict of interest, real and potential, and resolve it facing ethical and professional actions that aim to solve the conflict; at the same time THE SUPPLIER must inform if their companies have some sort of relationship with employees or officials of our institution that can produce decisions that affect the business of THE SUPPLIER.

### **Art. 3.5. Confidentiality and privileged information.**

THE SUPPLIER must protect and conserve the resources that the institution makes available to them and must use them only for the purposes authorized by it. THE SUPPLIERS recognize that the institution's information is a valuable asset and therefore must protect the company's confidential information and should not disclose or dispose of or misrepresent company information that is designated as confidential or Exclusive property or which any prudent business person would consider to be confidential, whether or not it was delivered or accessed in a verbal, written, electronic or visual form and whether or not it is classified as "confidential". Such information includes, but is not limited to, strategic, personal, financial or non-patented technology information.

### **Art. 3.6. Intellectual property and data privacy.**

THE SUPPLIERS shall protect and respect all intellectual property rights of Grupo Popular, its subsidiaries and third parties, including, but not limited to, proprietary information, copyrights, patents, trademarks and trade secrets.

**Art. 3.7. Fair competition.**

THE SUPPLIERS should avoid agreements or actions that unlawfully restrict trade or competition. We expect our THE SUPPLIERS to conduct their businesses in accordance with what is stated in our Constitution, which prohibits monopoly and unfair competition. We invite THE SUPPLIERS to act consistently in the direction of their companies and to foster fair and fair competition within the industry to which they belong and not take advantage of the social conditions of a country, company or person to achieve a competitive advantage unfair. We must treat our SUPPLIERS fairly, properly and not take advantage of our position in the market.

**Art. 3.8. Delivery of gifts and political contributions.**

Gifts and commissions to employees of Grupo Popular and its subsidiaries are prohibited, regardless of local customs. They are contained in our Code of Ethics and for that reason, in this code we mention it so that THE SUPPLIERS refrain from offering gifts, favors to officials and employees of the Popular Group and its subsidiaries, as well as, to make direct or indirect political contributions to the Government on behalf of Grupo Popular or any of its subsidiaries.

**Art. 3.9. Use of the social network.**

We invite all THE SUPPLIERS of the Grupo Popular and its subsidiaries to make good use of social networks and to refrain from making publications and comments that involve and affect the image and reputation of our institution.

**3.10 Professional development and behavior.**

We recommend that all our SUPPLIERS define the development and professional behavior of their employees in a general sense, taking into account ethical and moral values, personal integrity, and likewise promote these guidelines in front of their related parties and SUPPLIERS.

**3.11 Establish a correct use of Grupo Popular resources.**

We ask our SUPPLIERS to make the correct use of the resources of Grupo Popular and its subsidiaries, as well as to establish and implement mechanisms that ensure transparency in the businesses related to the services provided.

**3.12 Duties of the shareholders, representatives and/or agents belonging to the SUPPLIERS:**

- Reveal to Grupo Popular relevant personal or professional situations that could impact the stability of the service offered, for its performance.
- Exploitation of business opportunities.
- Non-use of assets belonging to Grupo Popular and its subsidiaries for their own benefit.

**Article IV. Discipline in the Execution of the Requirements.**

We recommend to our THE SUPPLIERS to collaborate with the fulfillment in the execution of the requirements that our institution demands to satisfy the services that we offer our clients, in that sense we propose that they carry out strategic plans, an adequate planning and creation of plans of Contingencies, in order to comply with the time established in each requirement, so that its companies maintain their credibility, their good image and the care of their reputation, as well as that of our institution.

**4.1 Define principles regarding the treatment and protection of the user of the products and services offered, covering aspects such as:**

- Appropriate design and distribution of products and services.
- Prevention of over-indebtedness.
- Transparency.
- Responsible prices.
- Fair and respectful treatment of users.
- User data privacy.
- Mechanisms for the resolution of complaints.
- Probity and professional responsibility.
- Conflict of interests.

#### **Article V. Safety and health at work.**

THE SUPPLIERS must undertake to respect the laws and labor regulations of the country where they provide the service for which they were hired, as stipulated in regulation 522-06 of the year 2007 on occupational safety and health, in which obligations of the employer regarding the reduction of occupational risks, hygiene and health are contemplated. THE SUPPLIERS are expected to promote safe and healthy workplaces and to do their utmost to reduce the risk of accidents, injuries and exposure of their employees, especially if hazardous materials are used, for which they must have well-established safety procedures, preventive maintenance and protective equipment in compliance with what is established by law.

#### **Article VI. Responsibility towards the environment.**

We request all SUPPLIERS of Grupo Popular and its subsidiaries to respect and comply with all environmental laws, including those related to hazardous materials, waste water, solid waste and emissions to the atmosphere, maintaining a preventive approach that reduces the environmental impact of its operations and safeguard the natural resources on which we all depend. That they have practices and mechanisms that allow them to operate in an environmentally responsible and sustainable manner, developing initiatives that promote greater social responsibility and promoting the development and diffusion of a 3R culture (Reduce, Reuse and Recycle), as well as the use of technologies that respect environment.

#### **Article VII. Social responsibility**

**Art. 7.1. Develop policies that strengthen performance in Social Responsibility.** We invite our SUPPLIERS to develop policies that strengthen the performance of their companies through the social aspect of CSR, which is nothing more than corporate philanthropy, which is another way to act socially responsible.

When a company incorporates within its good practices the elements of CSR and gets involved with the community, it improves its competitiveness, as it manages to attract and retain talent, increases quality and productivity, improves the company's image and contributes to the development Socioeconomic level of the community, which benefits the company in several aspects, among others: increase of potential clients, greater capacity to hire qualified people, etc.

#### **Art. 7.2. Promote the use of socially responsible products and services.**

We induce our SUPPLIERS to produce or receive from their supply chains socially responsible goods and services, doing so without endangering the environment and meeting our needs and extending that satisfaction to our customers.

##### **Art. 7.2.1 3R culture practices**

We encourage our SUPPLIERS to implement a policy of caring for the environment in their company whose practices are based on a 3R culture. We recommend instituting habits such as:

- Optimization and rationalization of water
- Recycle paper
- Proper use and handling of materials
- Transport and sustainable mobility
- Management and rationalization of electricity
- Implementation of the use of alternative energy

#### **Art. 7.2.2 United Nations Principles of Responsible Banking**

We propose to our SUPPLIERS, to emulate the practice and implement in their supply chain, the 6 Principles of Responsible Banking of the United Nations, namely:

1. Alignment commitment: Align all its business activities with the Sustainable Development Goals (SDG) and the Paris Agreement on Climate Change.
2. Impact: Continuously increase our positive impacts, reducing the negative ones.
3. Clients: Work responsibly with all its clients, in order to generate shared prosperity.
4. Interest group: Consult, involve and collaborate with the relevant interest groups to achieve the objectives of the company.
5. Governance and target setting: Implement commitments through effective governance systems and set relevant impact targets.
6. Transparency and responsibility: Bet on transparency with responsibility.

#### **Art. 7.3 Promote the practice of Institutional Values.**

We invite our SUPPLIER to identify and promote the five pillars that support the management of our company and frame the daily decision-making of each of its members. We encourage all our SUPPLIERS to define and foster an organizational culture attached to values. The fundamental values on which we base our management are:

1. **Integrity:** We show our consistency in decision making and in the way we act. We recognize that transparency adds value to our business relationships and is a key aspect of relationships with our customers, employees, shareholders and SUPPLIERS in each of the daily interactions.
2. **Innovation:** We create continuously new and better ways to develop our work. We understand that the value of innovation is an attribute of successful organizations enabling them to revise themselves, adapt to changes and refocus according to their visionary nature and market trends.
3. **Teamwork:** We provide mutual support, build effective teams and head towards the same north. We value teamwork as a driving force to achieve the objectives.
4. **Satisfaction of GRUPO POPULAR:** We strive to provide customers and colleagues a memorable service, characterized by efficiency, courtesy and commitment to their needs. We are aware that the satisfaction of the customer is the way to ensure their loyalty and trust to the Popular brand and each of us as its ambassadors.
5. **Respect:** We treat with consideration, courtesy and empathy all of our internal and external customers. We recognize that the exercise of respect towards customers, shareholders, SUPPLIERS and to our company coworkers is an essential element of successful relationships.

#### **Art. 7.4 Encourage the practice of the Standards of Service.**

It is a commitment of all to be able to cultivate standards that guarantee an efficient and quality service; therefore our SUPPLIERS shall contribute by encouraging all their employees to develop strategic plans, in which the rules of services put underway in their companies can be clearly demonstrated. We recommend to all our SUPPLIERS to have within their guidelines, rules that

guarantee an efficient service, both internally and externally of their companies, namely: courtesy, efficiency, commitment, reliability and anticipation.

1. **Reliability.** Ability of people, processes and channels of providing a safe and error-free service, which generates the tranquility of our customers in each of their transactions. **Customer wants that your bank... makes you feel confident that you act in their best interest.**
2. **Courtesy.** The ability of people processes and channels to generate friendly service for customers. It is to provide a warm welcome and show empathy for each interaction. **Customer wants that your bank ... provide you with a respectful and warm treatment in each interaction.**
3. **Efficiency.** The ability of people, processes and channels to generate a service that meets the requirements of GRUPO POPULAR in terms of time and solution. **Customer wants that your bank... saves you time by responding quickly when needed, that it's easily accessible and provides you with accurate information.**
4. **Commitment.** Evident demonstration of the value we give to the relationships with GRUPO POPULAR represented by the interest in taking care of you and accompany you hand in hand in the materialization of your dreams. **Customer wants that your bank ... is committed in achieving your goals and recognize the value of your relationship.**
5. **Anticipation.** Know the preferences of GRUPO POPULAR and anticipate ourselves to their needs to surprise them, giving more. **Customer wants that your bank ... anticipate your needs by offering innovative products and services.**



## CONCLUSION

It is of great interest for Grupo Popular and its subsidiaries to maintain an appropriate climate of contractual relations and services with each of CISs. In this sense we try to establish the guidelines that will lead us to strengthen the bonds that unite us with each one of our allies in business. With this code, our institution is strengthened and opens the doors so that each SUPPLIER is in compliance with the general principles of ethics, good conduct and fair practices, guaranteeing more sustainable companies and human resources more committed to society.

Our institution, through the SUPPLIER Recruitment and Development Department, will ensure that existing SUPPLIERS, as well as new ones, comply with the provisions of this code. SUPPLIERS will be responsible for monitoring and maintaining documentation regarding their level of compliance, as well as making their best efforts to promote its application within their supply chains and throughout their facilities.

Grupo Popular and its subsidiaries have the right to investigate cases of non - compliance by CIS of which they have proof. Non-compliance may be grounds for Grupo Popular or its subsidiaries to nullify or cancel contractual obligations with any SUPPLIER. This code will be reviewed at least once every three years with the purpose of updating it in the face of new times and the changes and demands of fair practices that our country demands every day.