

Free translation of the assurance report on the indicators of `Banco Popular Group's` 2007 Corporate Responsibility Report originally issued in Spanish. In the event of a discrepancy, the Spanish language version prevails.

INDEPENDENT ASSURANCE REPORT ON THE INDICATORS OF `BANCO POPULAR GROUP'S` 2007 CORPORATE RESPONSIBILITY REPORT

To `Banco Popular Group's` board of directors

1. We have performed the procedures previously agreed upon with you and described in paragraph 2 of this report to review the sustainability indicators included in `Banco Popular Group's` Corporate Responsibility Report for the year ended on 31 December 2007 (hereinafter "*2007 Corporate Responsibility Report*"), and identified in the enclosed annex. These indicators are those deemed most relevant by the management of `Banco Popular Group`, based on the indications established in the sustainability reporting guidelines of the Global Reporting Initiative (GRI), version G3.

The Management of `Banco Popular Group` is responsible for the information contained in the "*2007 Corporate Responsibility Report*" and for the design, implementation and maintenance of the processes for preparing such information, as well as for the bases and criteria for the preparation thereof.

The scope of our review, based on the procedures previously agreed upon with you and described in the paragraph 2 of this report, consisted in analyse:

- The reasonableness of the internal procedures and controls established for the preparation, compilation and aggregation of the information relating to the indicators subject to our review.
 - The reasonableness and consistency of the values obtained for these indicators.
 - Whether the "*2007 Corporate Responsibility Report*" follows the table of contents recommended in the G3 version of the sustainability reporting guidelines from the Global Reporting Initiative (GRI), version G3.
2. In general terms, the procedures previously agreed upon with you and applied in the scope of our review, have consisted of:
 - Conducting interviews with `Banco Popular Group's` personnel responsible for the compilation of the information and preparation of the indicators referred on our review.
 - Analyse relevant documentation and systems used to compile and aggregate the information.
 - Performing analyses to contrast the reasonableness of the criteria for preparation indicated in the "*2007 Corporate Responsibility Report*" and of the information relating to the indicators subject to review.
 - Comparing the table of contents indicated in the "*2007 Corporate Responsibility Report*" with the suggested table of contents recommended in the G3 version of the sustainability reporting guidelines from the Global Reporting Initiative (GRI), version G3.

3. The review performed according to the procedures previously agreed upon with you, has revealed that the internal procedures and controls established for the purpose of preparing, compiling and aggregating the information relating to the indicators subject of our review provide a reasonable basis for obtaining such information and that the indicators referred to have been prepared in agreement with the criteria for preparation indicated in the “2007 Corporate Responsibility Report”. Nothing has come to our attention that would lead us to believe that any significant departures exist with respect to the reasonableness and consistency of the values of the indicators subject to review.

The scope of the applied agreed internal procedures has consisted solely of the review of the indicators for 2007 and not the whole “2007 Corporate Responsibility Report”. If different or additional procedures had been applied, some other matters could have been identified of which we would have duly informed.

Madrid, 5 March 2008

Yours faithfully,

PricewaterhouseCoopers Asesores de Negocios, S.L.

Originally in Spanish signed by

Ramón Aznar Pascua
Partner

INDEPENDENT ASSURANCE REPORT ON THE INDICATORS OF THE `BANCO POPULAR GROUP'S` 2007 CORPORATE RESPONSIBILITY REPORT

Economic Performance Indicators				
Aspect		Code G3	Description	Type of review
ECONOMIC PERFORMANCE	Core	EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	Full
	Core	EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	Full
	Core	EC3	Coverage of the organization's defined benefit plan obligations.	Full
	Core	EC4	Significant financial assistance received from government.	Full
MARKET PRESENCE	Additional	EC5	Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation.	Full
	Core	EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	Full
	Core	EC7	Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation.	Full
INDIRECT ECONOMIC IMPACTS	Core	EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	Full
	Additional	EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	Full
Environmental Performance Indicators				
MATERIALS	Core	EN1	Materials used by weight or volume.	Full
	Core	EN2	Percentage of materials used that are recycled input materials.	Full
ENERGY	Core	EN3	Direct energy consumption by primary energy source.	Full
	Core	EN4	Indirect energy consumption by primary source.	Full
	Additional	EN5	Energy saved due to conservation and efficiency improvements.	Full (1)
	Additional	EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	Full (1)
	Additional	EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	Not applicable

WATER	Core	EN8	Total water withdrawal by source.	Partial
	Additional	EN9	Water sources significantly affected by withdrawal of water.	Not applicable
	Additional	EN10	Percentage and total volume of water recycled and reused.	Not applicable
BIODIVERSITY	Core	EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	Not applicable
	Core	EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	Not applicable
	Additional	EN13	Habitats protected or restored.	Not applicable
	Additional	EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	Not applicable
	Additional	EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	Not applicable
EMISSIONS, EFFLUENTS AND WASTE	Core	EN16	Total direct and indirect greenhouse gas emissions by weight.	Full
	Core	EN17	Other relevant indirect greenhouse gas emissions by weight.	Full
	Additional	EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	Full (1)
	Core	EN19	Emissions of ozone-depleting substances by weight.	Not applicable
	Core	EN20	NO, SO, and other significant air emissions by type and weight.	Not applicable
	Core	EN21	Total water discharge by quality and destination.	Not applicable
	Core	EN22	Total weight of waste by type and disposal method.	Full
	Core	EN23	Total number and volume of significant spills.	Not applicable
	Additional	EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	Full
	Additional	EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	Not applicable
PRODUCTS AND SERVICES	Core	EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	Full
	Core	EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	Not applicable

COMPLIANCE	Core	EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	Full
TRANSPORT	Additional	EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	Not applicable
OVERALL	Additional	EN30	Total environmental protection expenditures and investments by type.	Full
Social Performance Indicators				
Labor Practices and Decent Work Performance Indicators				
EMPLOYMENT	Core	LA1	Total workforce by employment type, employment contract, and region.	Full
	Core	LA2	Total number and rate of employee turnover by age group, gender, and region.	Full
	Additional	LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	Full
LABOR/MANAGEMENT RELATIONS	Core	LA4	Percentage of employees covered by collective bargaining agreements.	Full
	Core	LA5	Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements.	Full
OCCUPATIONAL HEALTH AND SAFETY	Additional	LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	Full
	Core	LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of workrelated fatalities by region.	Full
	Core	LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	Full
	Additional	LA9	Health and safety topics covered in formal agreements with trade unions.	Full

TRAINING AND EDUCATION	Core	LA10	Average hours of training per year per employee by employee category.	Full
	Additional	LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Full
	Additional	LA12	Percentage of employees receiving regular performance and career development reviews.	Full
DIVERSITY AND EQUAL OPPORTUNITY	Core	LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.	Full
	Core	LA14	Ratio of basic salary of men to women by employee category.	Full
Human Rights Performance Indicators				
INVESTMENT AND PROCUREMENT PRACTICES	Core	HR1	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.	Full
	Core	HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.	Partial
	Additional	HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	Partial
NON-DISCRIMINATION	Core	HR4	Total number of incidents of discrimination and actions taken.	Full
FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING	Core	HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.	Full

CHILD LABOR	Core	HR6	Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor.	Full
FORCED AND COMPULSORY LABOR	Core	HR7	Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor.	Full
SECURITY PRACTICES	Additional	HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	Full
INDIGENOUS RIGHTS	Additional	HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	Full
Society Performance Indicators				
COMMUNITY	Core	SO1	Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.	Partial
CORRUPTION	Core	SO2	Percentage and total number of business units analyzed for risks related to corruption.	Full
	Core	SO3	Percentage of employees trained in organization's anti-corruption policies and procedures.	Full
	Core	SO4	Actions taken in response to incidents of corruption.	Full
PUBLIC POLICY	Core	SO5	Public policy positions and participation in public policy development and lobbying.	Full
	Additional	SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	Full
ANTI-COMPETITIVE BEHAVIOR	Additional	SO7	Total number of legal actions for anticompetitive behavior, anti-trust, and monopoly practices and their outcomes.	Full
COMPLIANCE	Core	SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	Full

Product Responsibility Performance Indicators				
CUSTOMER HEALTH AND SAFETY	Core	PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	Not applicable
	Additional	PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	Full
PRODUCT AND SERVICE LABELING	Core	PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	Full
	Additional	PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	Full
	Additional	PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	Full
MARKETING COMMUNICATIONS	Core	PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	Full
	Additional	PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	Full
CUSTOMER PRIVACY	Additional	PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	Full
COMPLIANCE	Core	PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	Full

(1) Only qualitative information included, based in the G3 Materiality Principle.

FINANCIAL SERVICES SECTOR SUPPLEMENT

Corporate Social Responsibility (CSR) Management		
Code	Indicador	Conclusion
CSR1	CSR Policy	Full
CSR2	CSR Organisation	Full
CSR3	CSR Audits	Full
CSR4	Management of Sensitive Issues	Full
CSR5	Non-Compliance	Partial
CSR6	Stakeholder Dialogue	Full
Internal Social Performance		
INT 1	Internal CSR Policy	Full
INT 2	Staff Turnover and Job Creation	Full
INT 3	Employee Satisfaction	Full
INT 4	Senior Management Remuneration	Full
INT 5	Bonuses Fostering Sustainable Success	Partial
INT 6	Female-Male Salary Ratio	Full
INT 7	Employee Profile	Full
Performance to Society		
SOC 1	Charitable Contributions	Full
SOC 2	Economic Value Added	Full
Suppliers		
SUP 1	Screening of Major Suppliers	Full
SUP 2	Supplier Satisfaction	Full
Retail Banking		
RB 1	Retail Banking Policy (socially relevant elements)	Full
RB 2	Lending Profile	Full
RB 3	Lending with High Social Benefit	Full
Investment Banking		
IB 1	Investment Policy (socially relevant elements)	Full
IB 2	Customer Profile: Global Transaction Structure	Partial
IB 3	Transactions with High Social Benefit	Full
Asset Management		
AM 1	Asset Management Policy (socially relevant elements)	Full
AM 2	Assets under Management with High Social Benefit	Full
AM 3	SRI Oriented Shareholder Activity	Full
Insurance		
INS 1	Underwriting Policy (socially relevant elements)	Full
INS 2	Customer Profile	Full
INS 3	Customer Complaints	Full
INS 4	Insurance with High Social Benefit	Full

TYPES OF REVIEW USED:

- **Full review:** review of the calculations for quantitative indicators and of qualitative aspects, and of the appropriate compilation thereof based on the data supplied by the various 'Banco Popular' units and external information sources.
- **Partial review:** it was not possible to review all the aspects related to the GRI indicator, however a part of information is provided and for this part a review of the calculations for quantitative indicators and of qualitative aspects was performed, as well as the appropriate compilation thereof based on the data supplied by the various 'Banco Popular' units and external information sources.
- **Not available:** 'Banco Popular' Group does not have the necessary information relating to this indicator.
- **Not applicable:** due to the nature of the 'Banco Popular' Group's activities, the information related to this indicator does not apply.