Oriental

COMPENSATION COMMITTEE CHARTER

I. PURPOSE

The Compensation Committee (the "Committee") of the Board of Directors (the "Board") of OFG Bancorp and Oriental Bank (collectively, the "Company") shall (a) discharge the Board's responsibilities relating to compensation and benefits of the Chief Executive Officer (the "CEO") and members of the CEO's designated Executive Team, (b) provide general oversight of the Company's compensation philosophy and practices and benefit program, (c) oversee the Company's leadership development plans, including recommendations regarding CEO succession as well as the Leadership Team's succession.

Additionally, the Committee shall be responsible for: (a) establishing directors' compensation, (b) producing a Company's Compensation Discussion and Analysis report on executive compensation as required by the Securities and Exchange Commission (the "SEC") to be included in the Company's annual proxy statement or annual report on Form 10-K filed with the SEC; and (c) conducting an annual performance evaluation of the Committee.

The Committee shall report to the Board and be a resource to the CEO in ensuring that the Company provides a compensation and benefits program appropriate to maintain and develop management personnel of a caliber capable of ensuring their continued success. In addition, the Committee shall serve as a resource for the CEO to ensure that such program is appropriate to attract and retain the services of key employees whose judgement, interest and effort drive the successful conduct of the Company's business.

II. COMPOSITION

The Committee shall be composed of three or more directors recommended by the Corporate Governance and Nominating Committee and appointed annually by the Board. The Board shall designate a Committee member to serve as the Committee's Chairperson, and another to serve as Vice Chairperson as established in the Corporate Governance Principles and Guidelines. The Lead Independent Director shall be a voting member of the Committee.

Each member of the Committee shall be an independent director within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934, or any successor rule or regulation. In addition, each member shall satisfy the independence requirements established by Rules 303A.01 and 303A.02 of the New York Stock Exchange.

III. MEETINGS

The Committee shall meet as often as it deems necessary to fulfill its duties, with at least one meeting scheduled before the Company's annual report and proxy statement are filed to review and discuss the proposed Compensation Committee report, including the Compensation Discussion and Analysis and other compensation-related disclosures.

The Committee's Secretary shall prepare the minutes of each meeting, identifying the topics discussed and the decisions made with sufficient detail. Once approved by the Committee, the minutes will be submitted to the Board at its next meeting. The Chairperson shall present to the Board a brief summary of the highlights discussed in Committee meetings.

A majority of the Committee members shall constitute a quorum for the transaction of business. Participation via telephone or video conference is permitted, provided all participants can hear each other.

The Committee shall set aside sufficient time during its meetings to deliberate and determine the compensation levels of the CEO and Executive Team without the presence of the CEO or other executive officers.

The Committee may invite members of management, outside consultants, or other members of the Board to its meetings as it may deem desirable. Upon prior notification to the Chairperson, independent directors may attend meetings as guests.

IV. DUTIES AND RESPONSIBILITIES

In carrying out its purposes, the Committee shall have the following duties, responsibilities and authority:

1. Establish and periodically review the Company's executive and director compensation strategies and the specific plans and policies adopted to implement such strategies.

2. Ensure that the Company's compensation policies and procedures are in full compliance with all relevant regulations, including those issued by the SEC and other federal or local governing bodies, as well as any pertinent listing standards.

3. Make awards under the Company's incentive compensation plans and equity-based plans, oversee generally the administration of those plans, and discharge any responsibilities imposed on the Committee by any of those plans.

4. Make recommendations to the Board regarding the CEO base compensation, taking into consideration the Board's assessment of the CEO's performance, the Company's overall performance and stockholders' return, the compensation of chief executive officers of comparable companies, the awards given to the CEO in past years, and other relevant factors such as institutional ethical conduct and culture and compliance with laws and regulations. Review and agree upon goals and objectives for the CEO for the upcoming year and recommend to the Board the approval of such goals and objectives.

5. Review and discuss with management the Compensation Committee report and approve its inclusion in the Company's proxy statement.

6. Review and approve the Company's Corporate Scorecard.

7. Execute in its sole discretion the powers and duties vested in it by the terms of any corporate qualified or non-qualified pension, savings, stock option, restricted stock or deferred compensation plan affecting employees of the Company or any of its subsidiaries, including an annual review of the operations of the Company's qualified plans.

8. Receive and review all aspects of compensation of the Company's Executive Team taking into account corporate and individual performance, as well as peer group practices and any special considerations.

9. Produce an annual report on executive compensation for inclusion in the Compensation Discussion and Analysis section of the Company's annual proxy statement or annual report on Form 10-K in accordance with applicable SEC rules and regulations.

10. Review and evaluate the Company's succession plans for the Leadership Team.

11. Review and evaluate the Committee's annual performance. The evaluation will compare the performance of the Committee with the requirements of this Charter. It may be conducted in any manner that the Committee deems appropriate. The report to the Board may take the form of an oral report by the Chairperson of the Committee or any other Committee member designated to make the report.

12. Report to the Board on a regular basis with such recommendations and other matters as the Committee may deem appropriate, so that the Board is informed of the Committee's activities.

13. Perform such functions as may be assigned to it from time to time by the Board or as may be required by applicable rules or regulations.

14. Annually review and reassess the adequacy of this Charter and recommend any proposed changes for the consideration of the Board's Corporate Governance and Nominating Committee.

V. RESOURCES AND AUTHORITY

The Committee shall have the authority and resources appropriate to discharge its duties and responsibilities, including the authority to retain independent legal counsel, and other experts or consultants at the Company's expense. The Committee shall have the authority to select and retain a consultant to assist in the evaluation of director or senior executive compensation, to terminate the services of any such consultant, and to approve the consultant's fees and other retention terms.

Prior to retaining any advisor, the Committee must evaluate all factors pertinent to the advisor's independence from management, including those specified in Section 303A.05(c) of the NYSE Listed Company Manual, provided that the Committee is not required to engage independent advisors. The Committee shall be responsible for the appointment, compensation, and oversight of any advisor it retains.