

First Quarter 2021

INVESTOR PRESENTATION

Cautionary Note Regarding Forward-Looking Statements

This presentation contains “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. These statements are not guarantees of future performance, are based on the current expectations of Popular, Inc.’s (the “Corporation”) management and, by their nature, involve risks, uncertainties, estimates and assumptions. Potential factors, some of which are beyond the Corporation’s control, could cause actual results to differ materially from those expressed in, or implied by, such forward-looking statements. Such factors include, but are not limited to, the scope and duration of the COVID-19 pandemic (including the appearance of new strains of the virus), actions taken by governmental authorities in response thereto, and the direct and indirect impact of the pandemic on the Corporation, our customers, service providers and third parties. Information on the risks and important factors that could affect the Corporation’s future results and financial condition is included in our Annual Report on Form 10-K for the year ended December 31, 2020 and our Quarterly Report on Form 10-Q for the quarter ended March 31, 2021 to be filed with the Securities and Exchange Commission. Our filings are available on the Corporation’s website (www.popular.com) and on the Securities and Exchange Commission website (www.sec.gov). The Corporation assumes no obligation to update or revise any forward-looking statements which speak as of their respective dates.

Q1 2021 Highlights

Earnings

- Net income of \$263 million
- Net interest margin: Popular, Inc. 3.07%, BPPR 3.10%
- Provision for credit losses resulted in a benefit of \$82 million

Credit Metrics

- NPLs decreased \$40 million QoQ; ratio at 2.4%
- NCO ratio decreased to 0.29% from 0.58% the previous quarter
- ACL to loans held-in-portfolio of 2.75% compared to 3.05% in Q4 2020

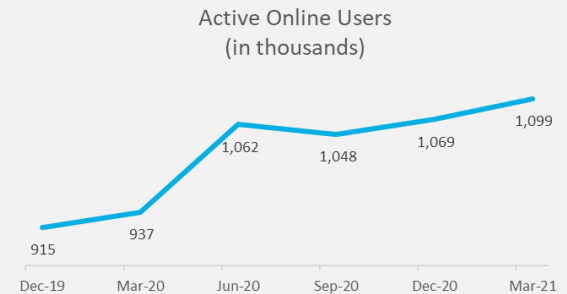
Capital

- Robust capital; Common Equity Tier 1 Capital ratio of 17.2%
- Tangible book value per share of \$61.42 compared to \$63.07 in Q4 2020
- Announced capital actions for 2021:
 - Increase quarterly dividend to \$0.45 per share
 - Repurchase up to \$350 million in common stock

Business Highlights

BPPR Customer Engagement

- 1.9 million customers as of March 2021 (increased by 112,000 since March 2020 and 12,000 since December 2020)
- 17% growth in active online users¹ since March 2020
- Captured 69% of deposits as of Q1 2021 through digital channels, compared to 56% in Q1 2020



Payment Protection Program

- Issued \$1.9 billion or 42,000 loans in both PPP rounds (\$1.4 billion in Round 1 and \$478 million in Round 2)
- \$650 million from Round 1 had been forgiven as of March 31, 2021
- PPP loans issued by BPPR represented 62% of the total PPP loans issued in P.R.

BPPR Business Metrics Q1 2021 vs Q1 2020

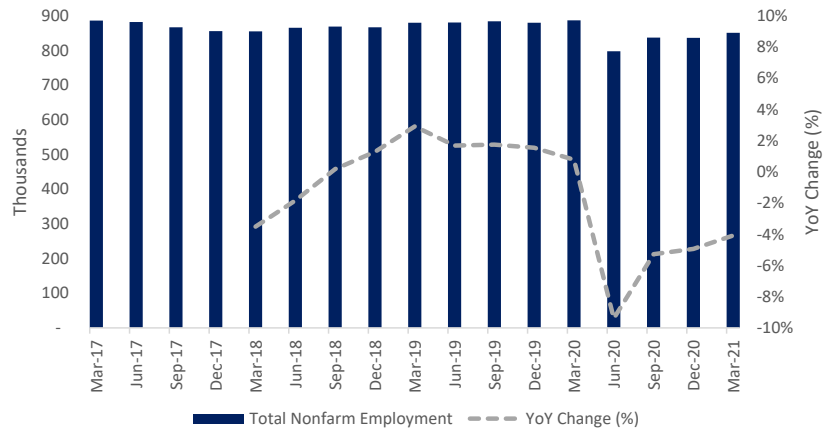
- Mortgage originations were higher by 127%
- Auto loans and lease originations increased 21%
- Deposits, excluding P.R. public funds, increased 31%
- Credit and debit card sales (\$) increased 39%

Puerto Rico – Key Indicators

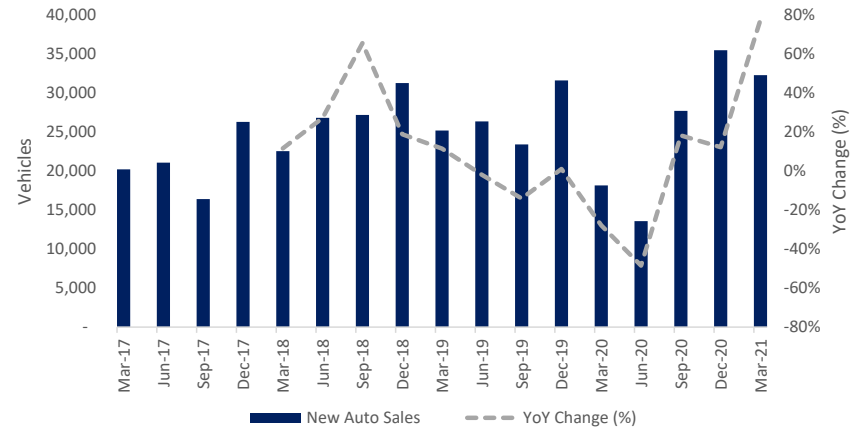
Economy

- Total nonfarm employment in March 2021 was 36,000 jobs below March 2020
- New auto sales continue to demonstrate strong consumer demand
- Credit and debit card volumes remain well above pre-pandemic levels

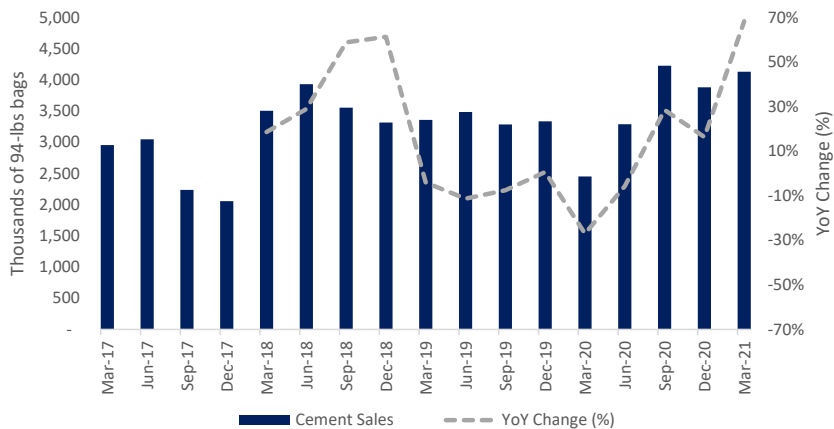
Total Nonfarm Employment ¹



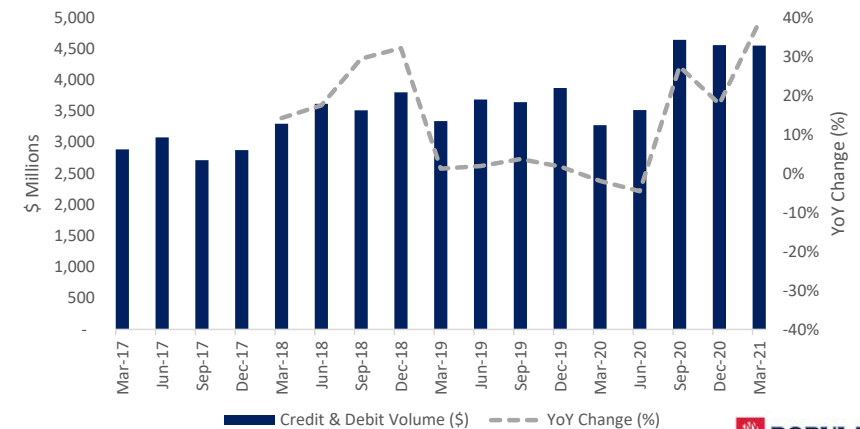
Quarterly New Auto Sales ²



Quarterly Cement Sales ³



Quarterly Credit & Debit Volume (\$) ⁴



¹ Source: U.S. Bureau of Labor Statistics (Seasonally Adjusted) as of March 2021; ² Source: United Automobile Importers Group (based on units); ³ Source: Puerto Rico Economic Development Bank; ⁴ Credit and debit card sales pertain to BPPR customers only

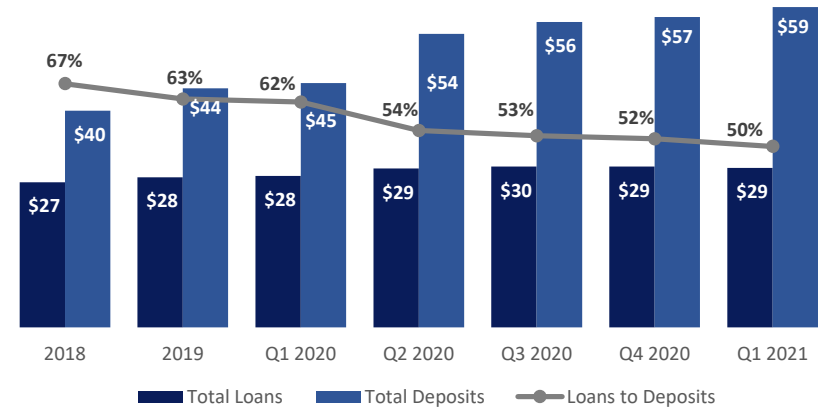
Financial Summary

<i>(Unaudited)</i>			
<i>(\$ in thousands)</i>	Q1 2021	Q4 2020	Variance
Net interest income	\$ 479,112	\$ 471,616	\$ 7,496
Service charges on deposits	39,620	39,152	468
Other service fees	70,628	71,156	(528)
Mortgage banking activities	17,343	9,730	7,613
Other non-interest income	26,062	24,809	1,253
Gross revenues	632,765	616,463	16,302
Provision (reversal) for credit losses	(82,226)	21,218	(103,444)
Net revenues	714,991	595,245	119,746
Personnel costs	159,479	142,267	17,212
Net occupancy expenses	26,013	42,793	(16,780)
Programming, processing and other technology services	66,366	66,483	(117)
Other professional fees	33,582	37,547	(3,965)
Business promotion	12,521	16,466	(3,945)
Other operating expenses	77,567	70,368	7,199
Total operating expenses	375,528	375,924	(396)
Income before income tax	339,463	219,321	120,142
Income tax expense	76,831	43,045	33,786
Net income	\$ 262,632	\$ 176,276	\$ 86,356

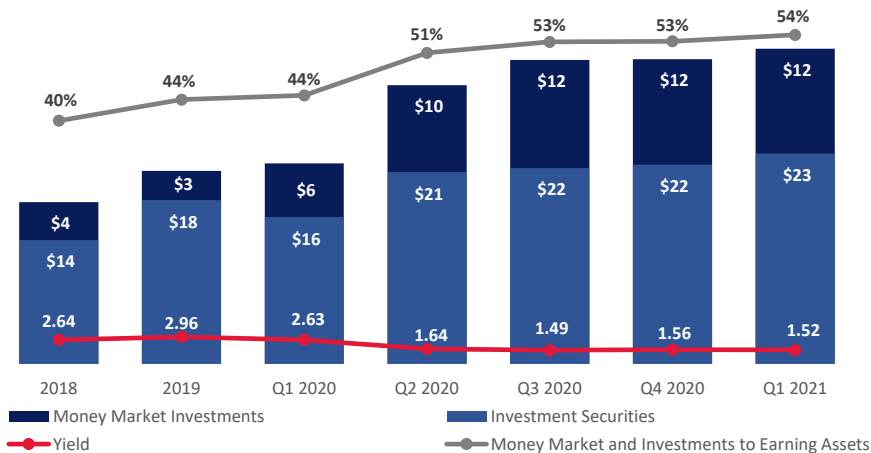
Net Interest Margin Dynamics

- Q1 2020 FTE¹ net interest margin at 3.39%
- Money market and investment securities to earning assets ratio at 54%
- FTE loan yield increased 15 basis points QoQ to 6.15%
- Total deposit cost QoQ decreased 11 basis points in the U.S. and 1 basis point in P.R.; consolidated total deposit cost for the quarter down 2 basis points to 0.21%

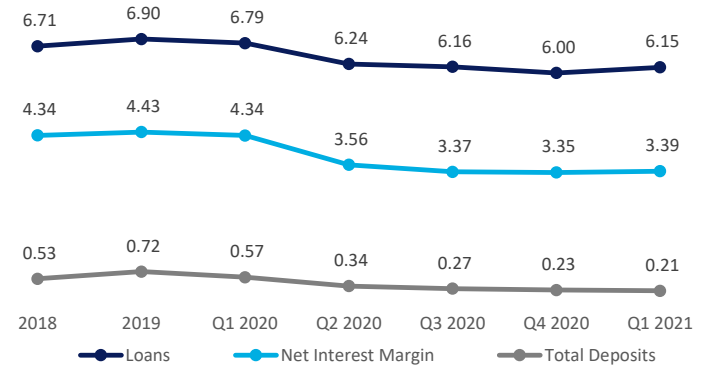
Total Loans and Deposits (\$ in billions)²



Money Market and Investment Securities (\$ in billions)²



Loan Yield, Deposit Cost and NIM (FTE)

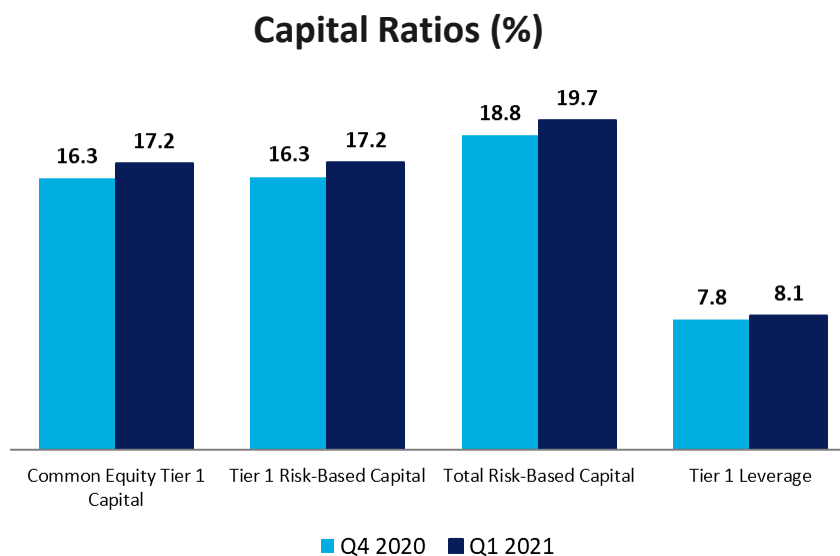


¹ FTE stands for fully taxable-equivalent basis. Represents a non-GAAP financial measure. See the Corporation's earnings press release, Form 10Q and Form 10K filed with the Securities and Exchange Commission for the applicable periods, for a GAAP to non-GAAP reconciliation

² Balances are at end of period
Differences due to rounding

Capital

- Robust capital levels; Common Equity Tier 1 of 17.2%
- Leverage ratio impacted by the high proportion of zero-risk weighted assets on the balance sheet
- Tangible book value per share of \$61.42 compared to \$63.07 in Q4 2020
- Announced capital actions for 2021:
 - Increase quarterly dividend to \$0.45 per share
 - Repurchase up to \$350 million in common stock



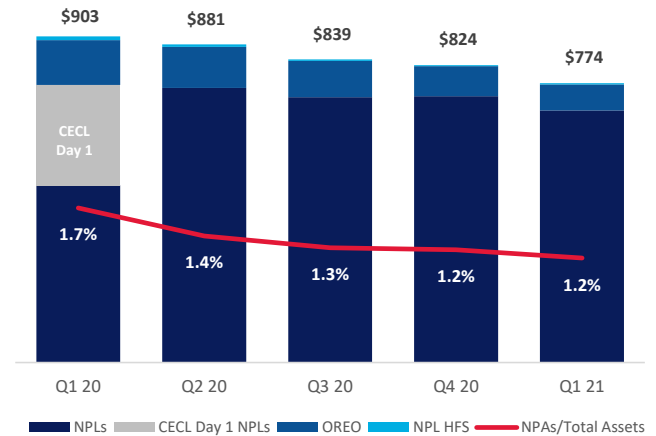
Note: Estimated for the current period

Non-Performing Assets

- NPAs decreased by \$50 million QoQ
- NPLs decreased by \$40 million QoQ
 - P.R. NPLs at \$666 million, or 3.1% of loans, down by \$34 million, driven by:
 - Lower mortgage NPLs by \$24 million, due to the resumption of loan payments after the end of the COVID-19 moratorium
 - Lower construction NPLs by \$7 million related to a loan partially charged-off during Q1 2021
 - U.S. NPLs at \$32 million, or 0.4% of loans, down by \$5 million, mainly driven by lower commercial NPLs
- OREOs down by \$11 million due to the resumption of sales and the suspension of foreclosure activity in response to the pandemic

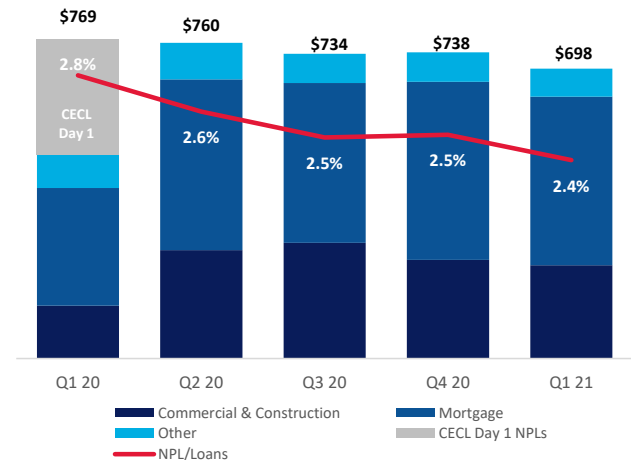
Non-Performing Assets

(\$ in millions)



Non-Performing Loans

(\$ in millions)

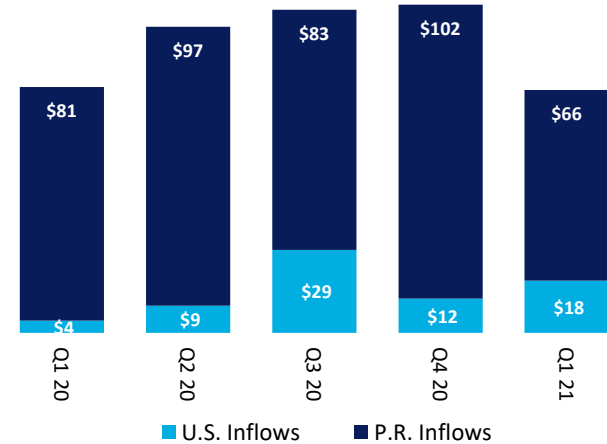


NPL Inflows

- Total NPL inflows decreased by \$30 million QoQ
- P.R. inflows decreased by \$36 million QoQ, primarily related to lower mortgage NPL inflows by \$32 million
- U.S. inflows increased by \$6 million QoQ, mostly related to a construction loan that reached 90 days during its renewal process. As of March 31, 2021, the loan was current

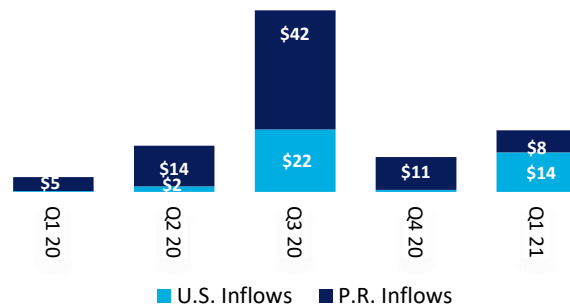
Total NPL Inflows

(\$ in millions)



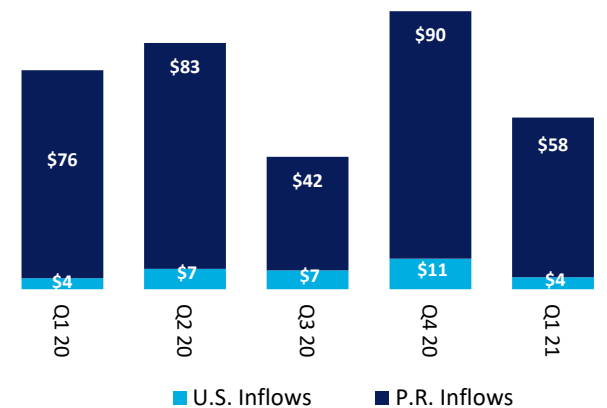
Commercial and Construction NPL Inflows

(\$ in millions)



Mortgage NPL Inflows

(\$ in millions)

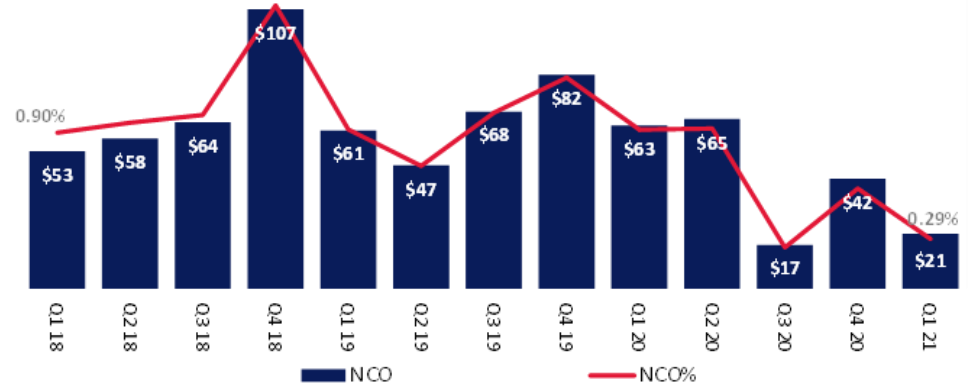


NCOs and Allowance for Credit Losses

- NCOs decreased by \$21 million QoQ, mostly driven by:
 - Lower commercial NCOs by \$17 million
 - Lower consumer NCOs by \$13 million, mostly driven by recoveries of \$8 million related to a sale of charged-off loans
 - Higher construction NCOs by \$6 million
- NCO ratio at 0.29% vs. 0.58% in Q4 2020
- ACL decreased by \$95 million QoQ, mainly prompted by improvements in the macroeconomic outlook
- ACL-to-Loans ratio at 2.75% vs. 3.05% in Q4 2020
- ACL-to-NPLs at 115% vs. 122% in Q4 2020

NCOs and NCO-to-Loan Ratio

(\$ in millions)

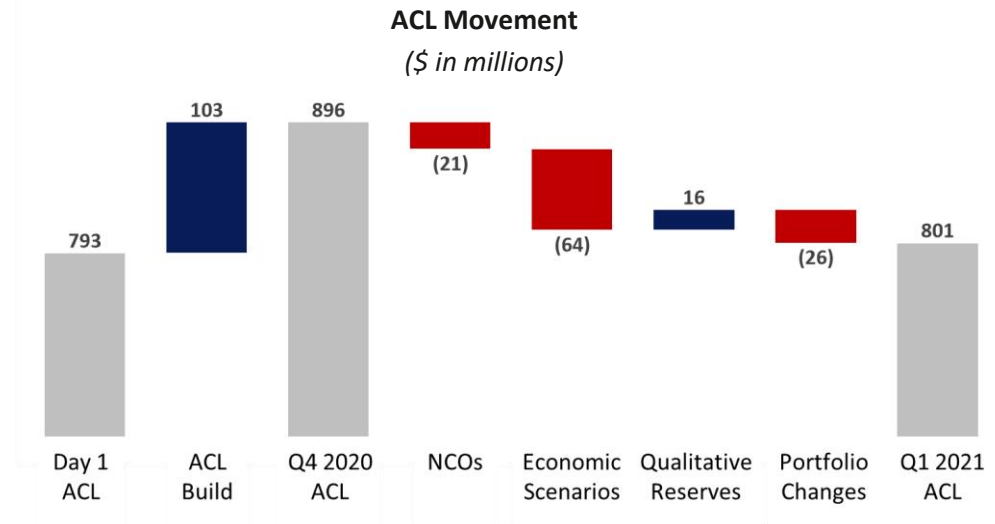


(\$ in millions)	Balance	Reserve Build	Balance	Reserve Build	Balance	ACL/Loan
	1/1/2020	Q1-Q4	12/31/2020	Build (Release)	3/31/2021	3/31/2021
Commercial	\$ 241.4	\$ 106.2	\$ 347.6	\$ (62.2)	\$ 285.4	1.99%
Mortgage	217.6	(1.9)	215.7	(13.6)	202.1	2.59%
Leases	10.1	6.8	16.9	(4.2)	12.7	1.02%
Consumer:						
Credit Cards	62.3	(15.9)	46.5	(2.4)	44	5.01%
Personal Loans	129.1	(24.1)	105.0	(13.7)	91	6.00%
Auto	118.6	31.1	149.7	1.1	151	4.71%
Other	13.7	1.1	14.9	(0.4)	14	11.37%
Total Consumer	323.8	(7.7)	316.1	(15.5)	300.6	5.25%
Total ACL	\$ 792.8	\$ 103.4	\$ 896.2	\$ (95.5)	\$ 800.8	2.75%

Allowance for Credit Losses – Q1 2021 Movement

ACL Movement:

- Improved economic scenario was the main driver of lower ACL
- Portfolio changes includes changes in volume mix and credit quality
- Additional qualitative reserves reflect potential risks to the scenarios, mainly related to U.S. CRE



Economic Scenario:

- Probability weighted approach combining Moody's February S1 (optimistic), Baseline, and S3 (pessimistic) scenarios
- Baseline scenario is assigned the highest probability, followed by the S3 scenario
- Moody's February vintage includes updates to economic stimulus assumptions that contribute to a more optimistic view of the economy compared to Q4 2020 scenarios
- Shows improvements in the expected 2021 GDP growth and unemployment rate

Economic Activity				Unemployment Rates (UR)		
U.S.		Annual GDP Growth		U.S.		Average UR
Projections at:	Scenario Description	2021	2022	Projections at:	2021	2022
4Q20	Baseline	4.1%	4.7%	4Q20 Baseline	7.4%	6.2%
	S1 - Stronger Near-Term Growth	6.6%	5.0%	S1	6.3%	4.4%
	S3 - Double Dip Recession	0.0%	2.3%	S3	9.5%	9.4%
1Q21	Baseline	4.9%	5.2%	1Q21 Baseline	6.1%	4.9%
	S1 - Stronger Near-Term Growth	5.9%	6.4%	S1	5.4%	3.7%
	S3 - Double Dip Recession	1.7%	1.0%	S3	7.6%	8.7%
P.R.				P.R.		
4Q20	Baseline	2.5%	3.4%	4Q20 Baseline	8.3%	8.1%
	S1 - Stronger Near-Term Growth	4.1%	3.6%	S1	7.9%	7.2%
	S3 - Double Dip Recession	(0.3%)	1.8%	S3	9.2%	9.7%
1Q21	Baseline	3.4%	3.9%	1Q21 Baseline	8.0%	7.5%
	S1 - Stronger Near-Term Growth	4.1%	4.7%	S1	7.7%	6.8%
	S3 - Double Dip Recession	1.4%	1.0%	S3	8.7%	9.5%

Driving Value

Franchise

- Leading market position in Puerto Rico
 - Well positioned to take advantage of economic recovery
 - Focus on customer service supported by broad branch network
 - Differentiated digital offering for retail and commercial customers
 - Diversified fee income driven by unmatched product breadth and depth
 - Strong risk-adjusted loan margins driven by a well-diversified portfolio
 - Substantial liquidity with low deposit beta
- Mainland U.S. banking operation provides geographic diversification
 - Commercial led strategy focused on small and medium-sized businesses
 - Branch footprint in South Florida and New York Metro
 - National niche banking focus in homeowners' associations, healthcare and non-profit organizations

Capital

- Announced capital actions for 2021:
 - Increase quarterly dividend to \$0.45 per share
 - Repurchase up to \$350 million in common stock

Additional Value

- Investments in Evertec and Banco BHD León

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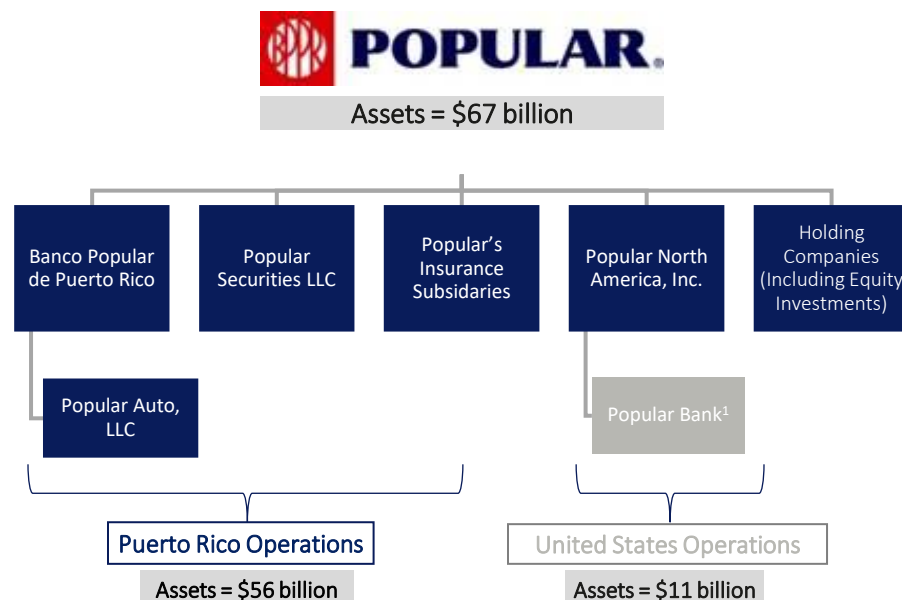
Appendix

Corporate Structure – Popular, Inc.

Franchise

Industry	Financial services
Headquarters	San Juan, Puerto Rico
Assets	\$67 billion (among top 50 BHCs in the U.S.)
Loans	\$29 billion
Deposits	\$59 billion
Banking branches	160 in Puerto Rico, 39 in the U.S. (28 in New York and New Jersey and 11 in Florida) and 10 in the Virgin Islands
NASDAQ ticker symbol	BPOP
Market Cap	\$6 billion

Summary Corporate Structure



Selected equity investments

EVERTEC and Banco BHD León under Corporate segment



- Transaction processing, business processes outsourcing
- 16.15% stake
- Adjusted EBITDA of \$64 million for the quarter ended December 31, 2020



- Dominican Republic bank
- 15.84% stake
- 2020 net income of \$163 million



Business Segments

<i>(Unaudited)</i>	BPPR		
<i>(\$ in millions)</i> Financial Results	Q1 2021	Q4 2020	Variance
Net interest income	\$ 410	\$ 402	\$ 8
Non-interest income	135	130	5
Gross revenues	545	532	13
Provision (reversal) for credit losses	(46)	30	(76)
Operating expenses	320	306	14
Income before income tax	271	196	75
Income tax expense	59	37	22
Net income	\$ 212	\$ 159	\$ 53

Popular U.S.		
Q1 2021	Q4 2020	Variance
\$ 79	\$ 80	\$ (1)
6	5	1
85	85	-
(37)	(9)	(28)
56	71	(15)
66	23	43
18	7	11
\$ 48	\$ 16	\$ 32

<i>(\$ in millions)</i>	Q1 2021	Q4 2020	Variance
Balance Sheet Highlights	Q1 2021	Q4 2020	Variance
Total assets	\$55,991	\$55,354	\$ 637
Total loans	21,378	21,633	(255)
Total deposits	50,833	49,312	1,521

Q1 2021	Q4 2020	Variance
\$10,558	\$10,256	\$ 302
7,801	7,815	(14)
8,097	7,772	325

Asset Quality	Q1 2021	Q4 2020	Variance
Non-performing loans held-in-portfolio / Total loans	3.12%	3.24%	(0.12)%
Non-performing assets / Total assets	1.32%	1.41%	(0.09)%
Allowance for credit losses / Total loans	3.19%	3.42%	(0.23)%
Net interest margin	3.10%	3.07%	0.03%

Q1 2021	Q4 2020	Variance
0.41%	0.48%	(0.07)%
0.35%	0.41%	(0.06)%
1.53%	2.00%	(0.47)%
3.35%	3.35%	0.00%

P.R. Public Sector Exposure

The Corporation does not own any loans issued by the P.R. central government or its public corporations. Our direct exposure to P.R. municipalities was \$375 million, down by \$2 million, from Q4 2020

Municipalities

Obligations of municipalities are backed by real and personal property taxes, municipal excise taxes, and/or a percentage of the sales and use tax

Indirect Exposure

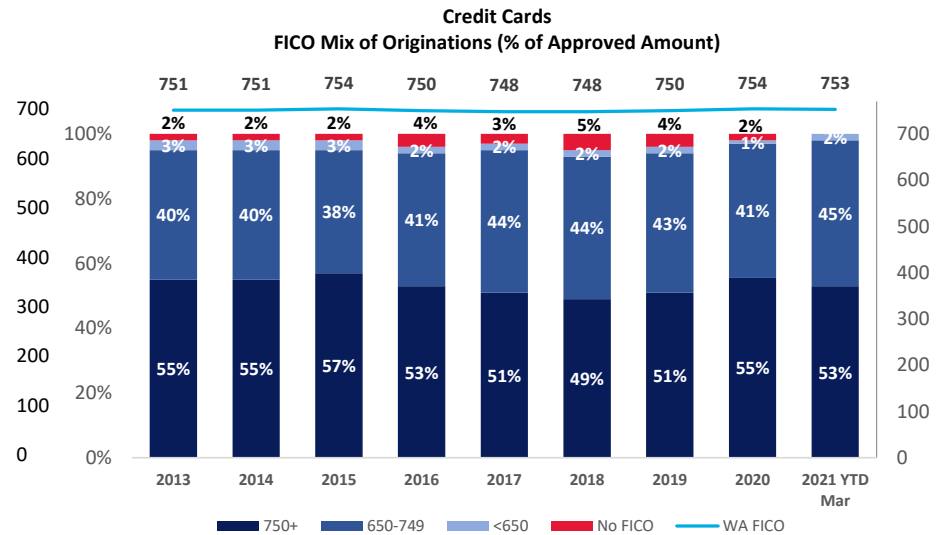
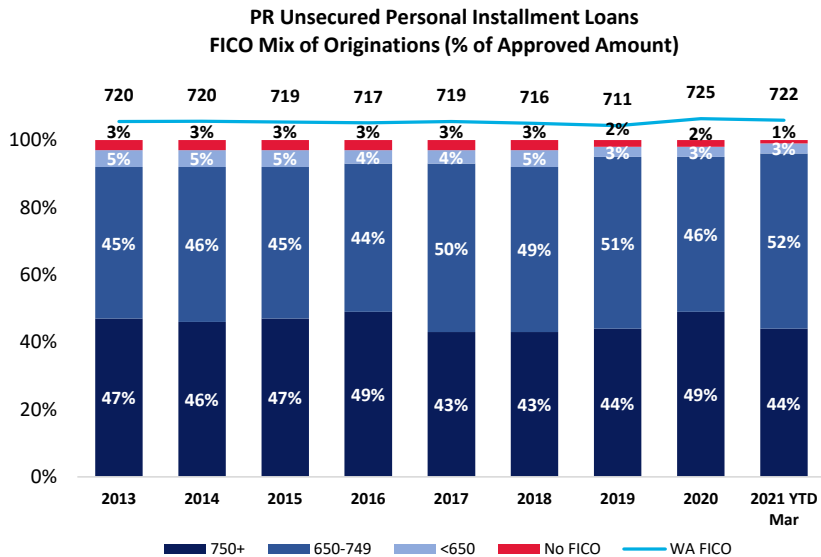
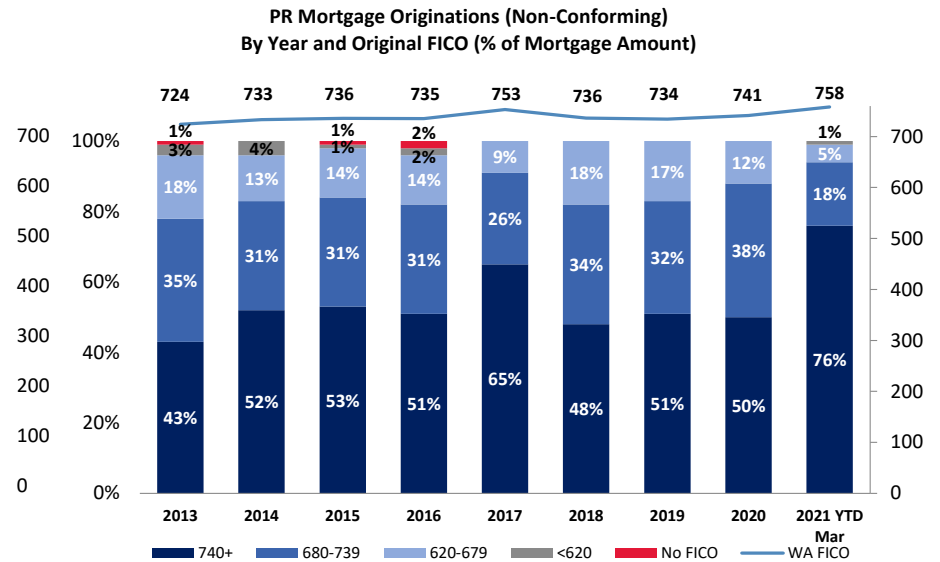
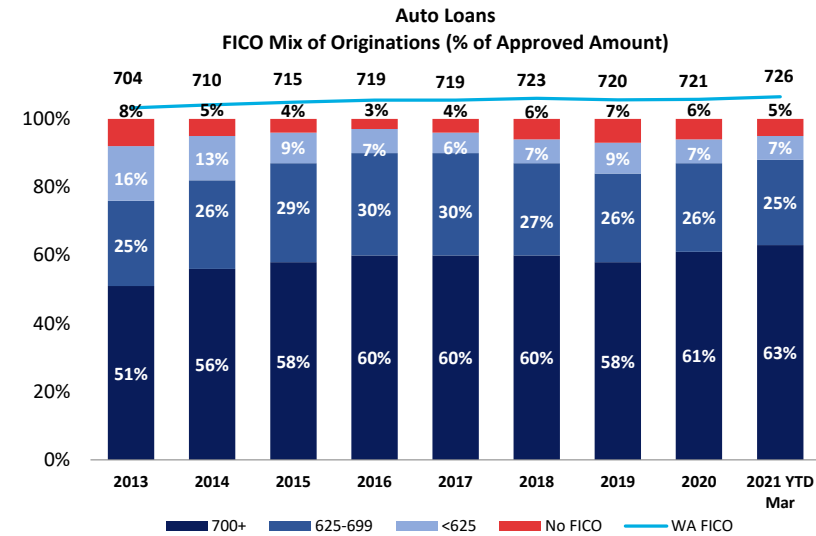
Indirect exposure includes loans or securities that are payable by non-governmental entities, but which carry a government guarantee to cover any shortfall in collateral in the event of borrower default. Majority are single-family mortgage related

Outstanding P.R. government exposure

(\$ in millions)

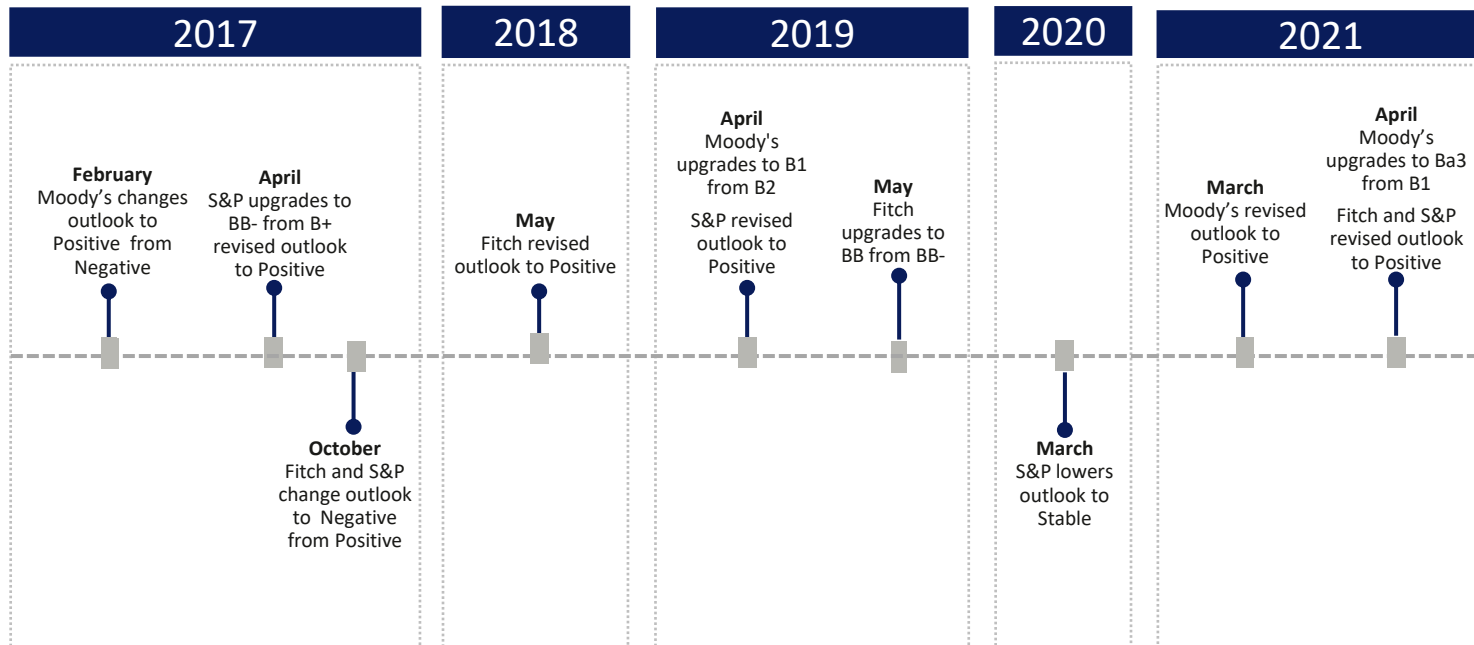
	Loans	Securities	Total
Municipalities	\$ 342	\$ 33	\$ 375
Indirect Exposure	\$ 265	\$ 46	\$ 311

FICO Mix of Consumer Originations



Popular, Inc. Credit Ratings

Senior Unsecured Ratings		
Moody's	Ba3	Stable Outlook
Fitch	BB	Positive Outlook
S&P	BB-	Positive Outlook



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