

Third 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. More 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, in our Form 10-Q for the quarters ended March 31, 2021 and June 30, 2021, and in our Form 10-Q for the quarter ended September 30, 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.

Q3 2021 Highlights

Earnings

- Net income of \$248.1 million
- Net interest margin: Popular, Inc. 2.77%, BPPR 2.75%
- Provision for credit losses resulted in a benefit of \$61.2 million

Credit Metrics

- NPLs decreased \$52.3 million QoQ; ratio at 2.2%, from 2.4% the prior quarter
- NCO ratio at 0.12% compared to (0.02%) the previous quarter
- ACL to loans of 2.49% compared to 2.70% in Q2 2021

Capital

- Common Equity Tier 1 Capital ratio of 17.4%
- Tangible book value per share of \$66.01 up \$2.77 from Q2 2021

Quarter Events

- Completed \$350 million Accelerated Share Repurchase program; repurchased 4.6 million shares at an average price of \$75.84
- Announced the redemption of outstanding \$187 million 6.70% Trust Preferred Securities, to be completed in Q4

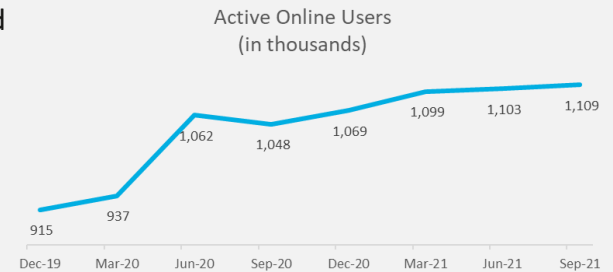
Business Highlights

Popular Bank

- On October 15, 2021, acquired healthcare leasing business with \$119 million in net assets for \$159 million in cash
- National leasing platform complements our existing healthcare lending niche business

BPPR Customer Engagement

- 1.9 million customers as of September 2021 (increased by 141,000 since March 2020 and 12,000 QoQ)
- 18% growth in active online users¹ since March 2020
- Captured 66% of Q3 2021 deposits through digital channels, compared to 56% in Q1 2020



BPPR Business Metrics

- Mortgage originations were lower than Q3 2020 by 3%; up 51% from Q3 2019
- Auto loans and lease originations decreased 3% compared to Q3 2020; 26% higher than Q3 2019
- Credit and debit card sales (in dollars) 5% higher versus Q3 2020; up 34% from Q3 2019
- Deposits, excluding P.R. public funds, increased 12% from Q3 2020; 50% higher than Q3 2019

Paycheck Protection Program (PPP)

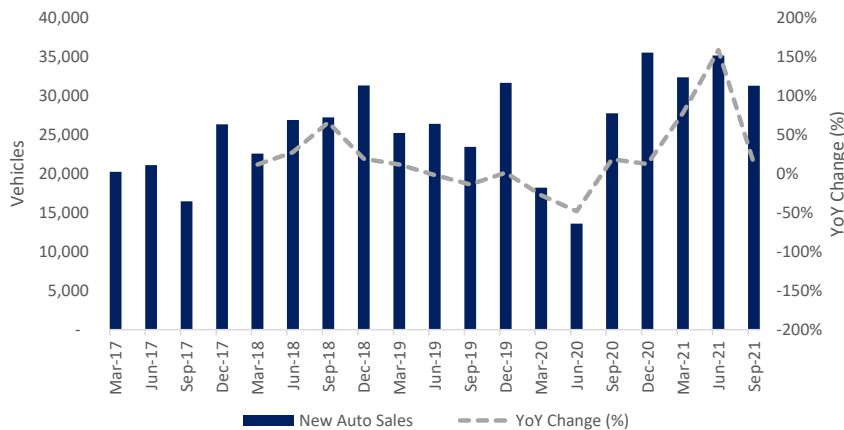
- Issued \$2.1 billion or 49,700 loans (\$1.4 billion in Round 1 and \$678 million in Round 2)
- As of September 30, 2021:
 - Outstanding loans: \$129 million from Round 1 and \$541 million from Round 2
 - Recognized \$59 million YTD in income from program
 - \$40 million unamortized fee income remaining

Puerto Rico – Key Indicators

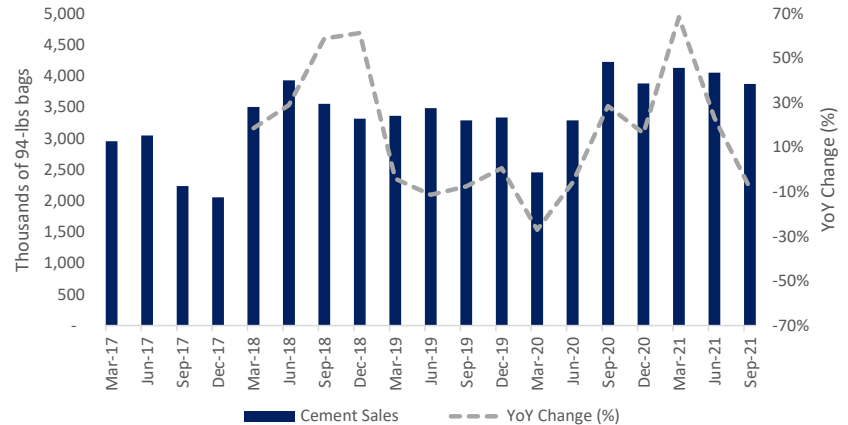
Economy

- New auto sales continue to demonstrate strong consumer demand
- Credit and debit card volumes remain above pre-pandemic levels
- Total employment is still below pre-pandemic levels

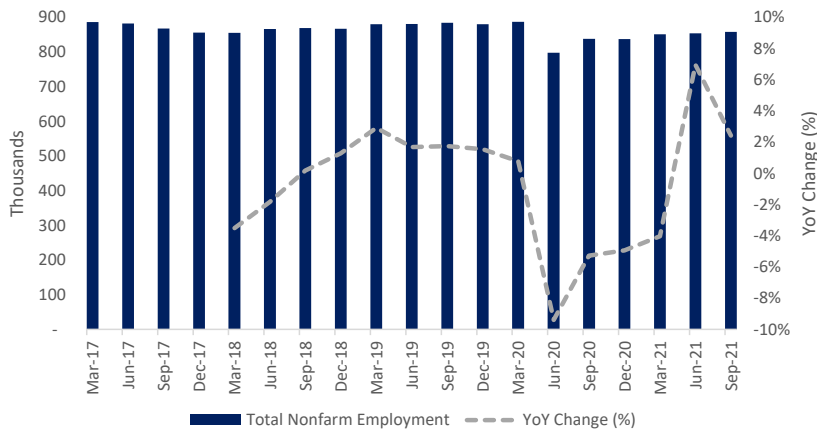
Quarterly New Auto Sales¹



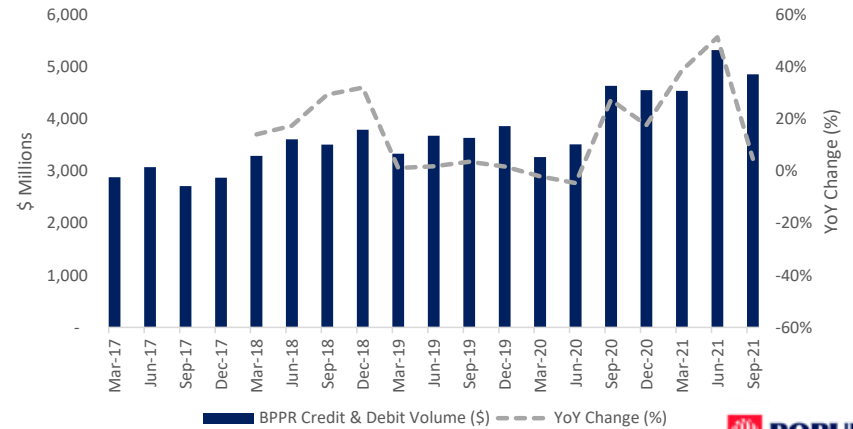
Quarterly Cement Sales²



Total Nonfarm Employment³



Quarterly BPPR Credit & Debit Volume (\$)⁴



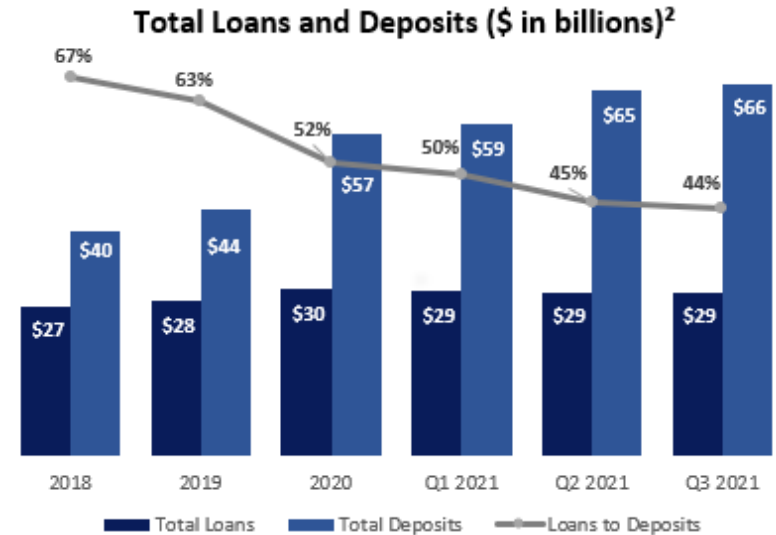
¹ Source: United Automobile Importers Group (based on units) as of September 2021; ² Source: Puerto Rico Economic Development Bank, Q3 2021 estimated based on July and August 2021 Actuals; ³ Source: U.S. Bureau of Labor Statistics (Seasonally Adjusted) as of August 2021; ⁴ Credit and debit card sales pertain to BPPR customers only as of September 2021

Financial Summary

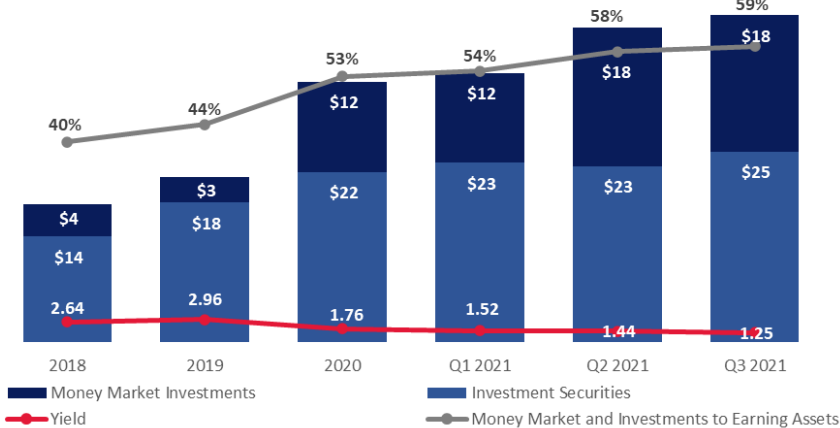
<i>(Unaudited)</i>			
<i>(\$ in thousands)</i>	Q3 2021	Q2 2021	Variance
Net interest income	\$ 489,393	\$ 487,802	\$ 1,591
Service charges on deposits	41,312	40,153	1,159
Other service fees	80,445	76,382	4,063
Mortgage banking activities	8,307	7,448	859
Other non-interest income	39,194	30,557	8,637
Gross revenues	658,651	642,342	16,309
Provision for credit losses (benefit)	(61,173)	(17,015)	(44,158)
Net revenues	719,824	659,357	60,467
Personnel costs	157,647	154,204	3,443
Net occupancy expenses	24,896	24,562	334
Programming, processing and other technology services	69,221	67,152	2,069
Other professional fees	35,488	34,001	1,487
Business promotion	18,116	16,511	1,605
Other operating expenses	82,800	71,755	11,045
Total operating expenses	388,168	368,185	19,983
Income before income tax	331,656	291,172	40,484
Income tax expense	83,542	73,093	10,449
Net income	\$ 248,114	\$ 218,079	\$ 30,035

Net Interest Margin Dynamics

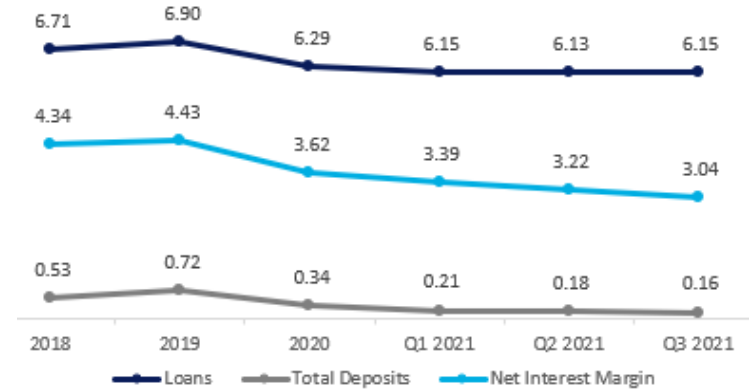
- Q3 2021 net interest margin at 2.77%; FTE¹ net interest margin at 3.04%
- Money market and investment securities to earning assets ratio at 59%
- FTE loan yield increased 2 basis points QoQ to 6.15%, driven by PPP income
- Total deposit cost for the quarter down 2 basis points to 0.16%; decreased 4 basis points in the U.S. and 1 basis point in P.R.



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



Loan Yields, Deposit Cost and NIM (FTE)

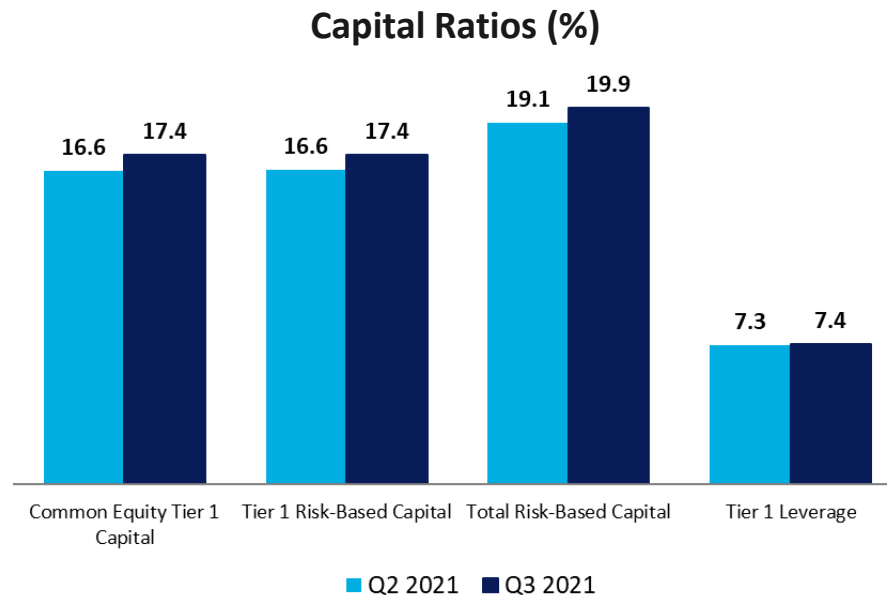


¹ FTE stands for fully taxable-equivalent basis. Represents a non-GAAP financial measure. See the Corporation's earnings press release, Form 10Q and Form 10K filed with the Securities and Exchange Commission for the applicable periods, for a GAAP to non-GAAP reconciliation

² Balances are at end of period
Differences due to rounding

Capital

- Robust capital levels; Common Equity Tier 1 of 17.4%
- Leverage ratio of 7.4% impacted by the high proportion of zero-risk weighted assets on the balance sheet, which represented 46% of total assets
- Tangible book value per share of \$66.01 up \$2.77 from Q2 2021
- Capital actions:
 - Completed \$350 million Accelerated Share Repurchase program; repurchased 4.6 million shares at an average price of \$75.84
 - Announced the redemption of outstanding \$187 million 6.70% Trust Preferred Securities, to be completed in Q4

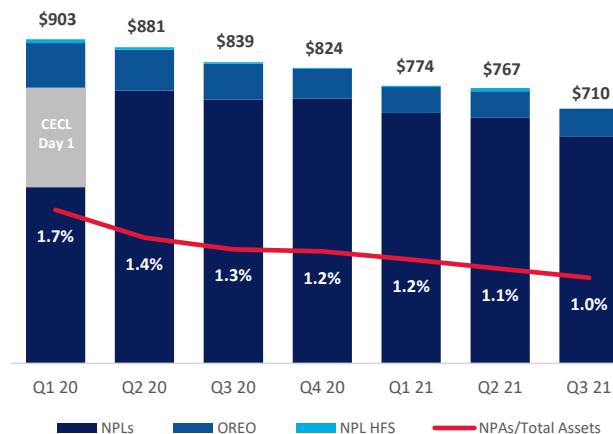


Non-Performing Assets

- NPAs decreased by \$57 million QoQ
- NPLs decreased by \$52 million QoQ
 - P.R. NPLs at \$609 million, or 2.9% of loans, down by \$48 million, driven by:
 - Lower commercial NPLs by \$34 million, mainly due to payment activity
 - Lower mortgage NPLs by \$16 million, driven by lower inflows
 - U.S. NPLs at \$24 million, or 0.3% of loans, down by \$4 million, mostly related to a commercial loan pay-off during the quarter
- Held for sale NPLs decreased by \$9 million QoQ

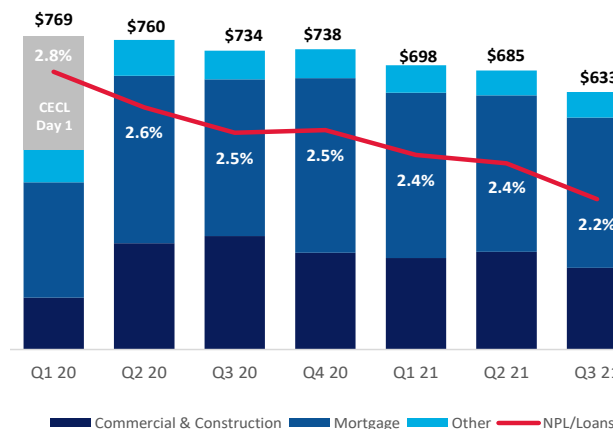
Non-Performing Assets

(\$ in millions)



Non-Performing Loans

(\$ in millions)

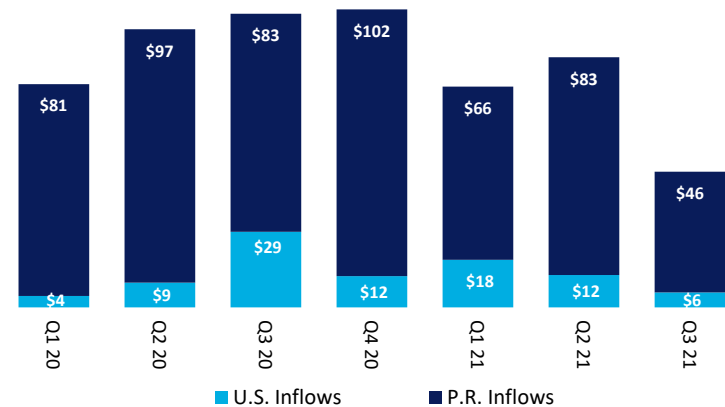


NPL Inflows

- Total NPL inflows decreased by \$43 million QoQ
- P.R. inflows decreased by \$37 million QoQ, as the prior quarter included a \$32 million commercial relationship
- U.S. inflows decreased by \$7 million QoQ, driven by lower commercial inflows

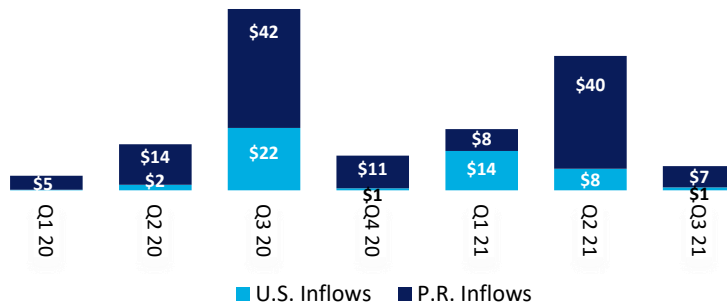
Total NPL Inflows

(\$ in millions)



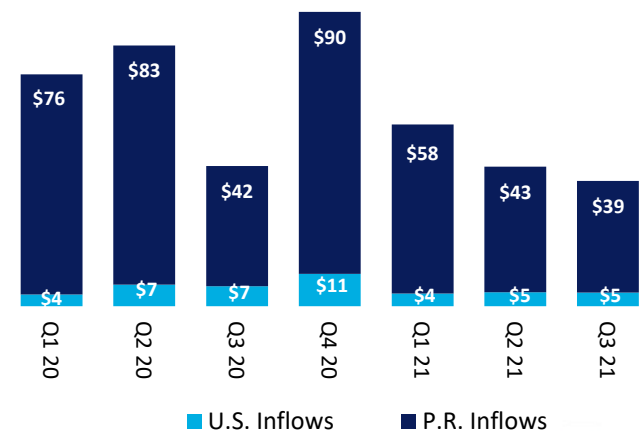
Commercial and Construction NPL Inflows

(\$ in millions)



Mortgage NPL Inflows

(\$ in millions)

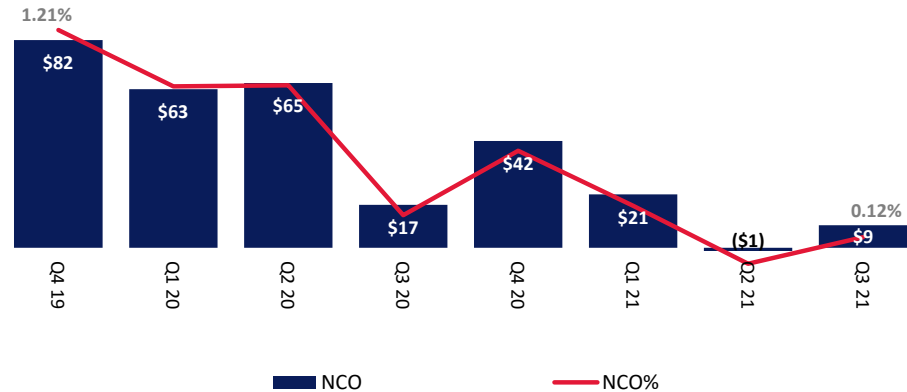


NCOs and Allowance for Credit Losses

- NCOs increased by \$10 million QoQ, mostly driven by:
 - Higher commercial NCOs by \$14 million, mostly due to the effect of recoveries of \$8 million in Q2 2021 from an NPL resolution
 - Lower mortgage NCOs by \$3 million
- NCO ratio at 0.12% vs. (0.02%) in Q2 2021
- ACL decreased by \$67 million QoQ, driven by changes in the economic scenarios and credit quality
- ACL-to-Loans ratio at 2.49% vs. 2.70% in Q2 2021
- ACL-to-NPLs at 114% vs. 115% in Q2 2021

NCOs and NCO-to-Loan Ratio

(\$ in millions)



(\$ in millions)	Reserve			Reserve			ACL/Loan
	Balance	CECL	Build	Balance	Build	Balance	
	12/31/19	Day 1	(Release)	12/31/20	(Release)	9/30/21	9/30/21
Commercial	\$ 152	\$ 89	106	\$ 348	\$ (103)	\$ 245	1.73%
Mortgage	121	97	(2)	216	(45)	170	2.26%
Leases	11	(1)	7	17	(5)	12	0.86%
Consumer:							
Credit Cards	44	19	(16)	46	(7)	40	4.50%
Personal Loans	88	41	(24)	105	(23)	82	5.58%
Auto	53	66	31	150	4	154	4.57%
Other	9	5	1	15	1	16	12.26%
Total Consumer	193	130	(8)	316	(24)	292	4.98%
Total ACL	\$ 478	\$ 315	103	\$ 896	\$ (178)	\$ 719	2.49%

Allowance for Credit Losses – Q3 2021 Movement

ACL Movement:

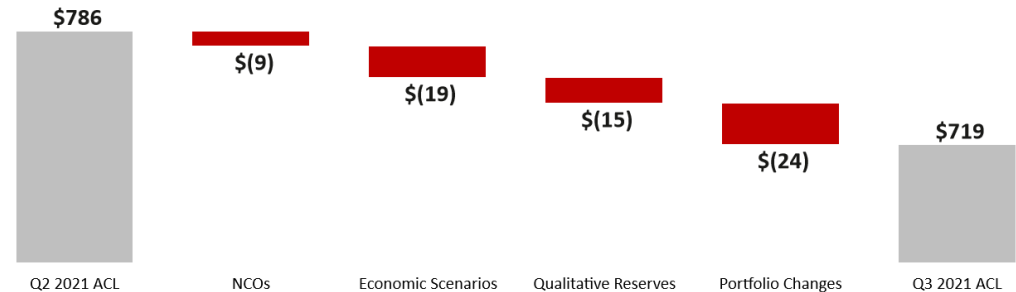
- Moody's August vintage continues to show a favorable economic scenario. Changes in the forecast of income-based variables contributed to the reduction in ACL
- Stability in the economic outlook and borrower performance contributed to the reductions in qualitative reserves
- Portfolio changes include changes in credit quality and volume mix

Economic Scenario:

- Probability weighted Moody's scenarios
- Baseline scenario is assigned the highest probability, followed by the S3 scenario
- P.R. and U.S. Baseline forecast for GDP growth remained consistent QoQ
- The unemployment rate in U.S. and P.R. shows improvement through 2022

ACL Movement

(\$ in millions)



Economic Activity				Unemployment Rates (UR)		
U.S.		Annual GDP Growth		U.S.		Average UR
Projections at:	Scenario Description	2021	2022	Projections at:	2021	2022
2Q21	Baseline	6.8%	4.8%	2Q21 Baseline	5.4%	3.7%
	S1 - Stronger Near-Term Growth	7.3%	6.5%	S1	5.3%	3.0%
	S3 - Double Dip Recession	4.9%	-0.2%	S3	6.9%	8.9%
3Q21	Baseline	6.3%	4.5%	3Q21 Baseline	5.5%	3.7%
	S1 - Stronger Near-Term Growth	6.5%	6.5%	S1	5.4%	3.1%
	S3 - Double Dip Recession	5.7%	-0.5%	S3	6.0%	8.5%
P.R.				P.R.		
2Q21	Baseline	3.8%	4.2%	2Q21 Baseline	8.4%	7.2%
	S1 - Stronger Near-Term Growth	4.2%	5.3%	S1	8.3%	6.7%
	S3 - Double Dip Recession	2.6%	0.8%	S3	9.2%	10.2%
3Q21	Baseline	3.8%	4.0%	3Q21 Baseline	8.2%	7.2%
	S1 - Stronger Near-Term Growth	3.9%	5.3%	S1	8.2%	6.7%
	S3 - Double Dip Recession	3.3%	0.6%	S3	8.5%	9.9%

Driving Value

Franchise

- Market leader 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
 - 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
 - Acquired a leasing business that complements existing healthcare lending focus

Capital

- Completed \$350 million Accelerated Share Repurchase program; repurchased 4.6 million shares at an average price of \$75.84
- Announced the redemption of outstanding \$187 million 6.70% Trust Preferred Securities, to be completed in Q4

Additional Value

- Investments in Evertec and Banco BHD León

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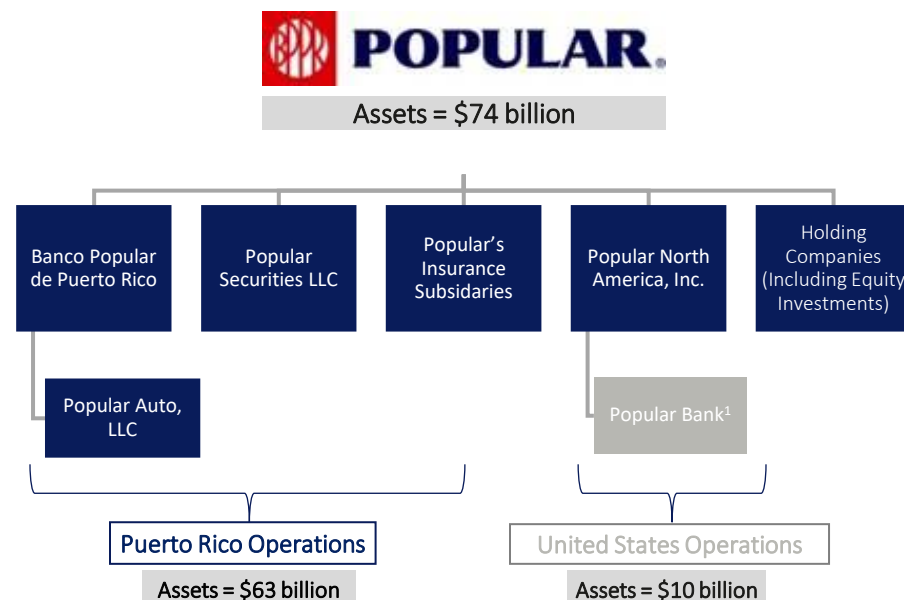
Appendix

Corporate Structure – Popular, Inc.

Franchise

Industry	Financial services
Headquarters	San Juan, Puerto Rico
Assets	\$74 billion (among top 50 BHCs in the U.S.)
Loans	\$29 billion
Deposits	\$66 billion
Banking branches	159 in Puerto Rico, 39 in the U.S. (28 in New York and New Jersey and 11 in Florida) and 10 in the U.S. and British 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
- 16.19% stake
- Adjusted EBITDA of \$80 million for the quarter ended June 30, 2021



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

Business Segments

<i>(Unaudited)</i>	BPPR		
<i>(\$ in millions)</i> Financial Results	Q3 2021	Q2 2021	Variance
Net interest income	\$ 419	\$ 419	\$ -
Non-interest income	146	136	10
Gross revenues	565	555	10
Provision for credit losses (benefit)	(37)	(22)	(15)
Operating expenses	336	320	16
Income before income tax	266	257	9
Income tax expense	65	64	1
Net income	\$ 201	\$ 193	\$ 8

Popular U.S.		
Q3 2021	Q2 2021	Variance
\$ 80	\$ 79	\$ 1
6	5	1
86	84	2
(24)	5	(29)
52	50	2
58	29	29
18	10	8
\$ 40	\$ 19	\$ 21

<i>(\$ in millions)</i>	Q3 2021	Q2 2021	Variance
Balance Sheet Highlights			
Total assets	\$63,476	\$62,105	\$ 1,371
Total loans	21,210	21,188	22
Total deposits	58,491	57,260	1,231

Q3 2021	Q2 2021	Variance
\$10,338	\$10,197	\$ 141
7,700	7,923	(223)
7,844	7,739	105

Asset Quality	Q3 2021	Q2 2021	Variance
Non-performing loans held-in-portfolio / Total loans	2.87%	3.10%	(0.23)%
Non-performing assets / Total assets	1.08%	1.17%	(0.09)%
Allowance for credit losses / Total loans	2.91%	3.12%	(0.21)%

Q3 2021	Q2 2021	Variance
0.31%	0.36%	(0.05)%
0.25%	0.38%	(0.13)%
1.32%	1.56%	(0.24)%

Net interest margin	2.75%	2.91%	-0.16%
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3.36%	3.33%	0.03%
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P.R. Public Sector Exposure

The Corporation does not own any loans issued by the P.R. central government or its public corporations. As of September 30, 2021, our direct exposure to P.R. municipalities was \$346 million, down by \$29 million QoQ

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

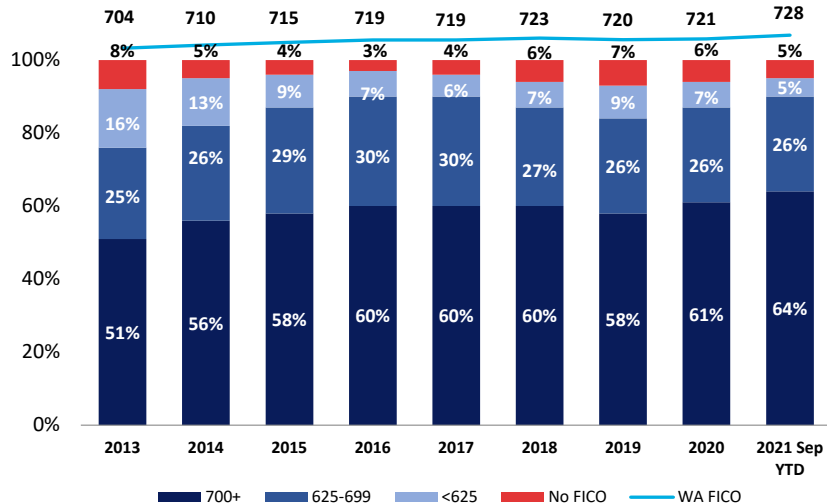
Municipalities	\$	316	\$	30	\$	346
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Indirect Exposure	\$	253	\$	44	\$	296
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FICO Mix of Consumer Originations

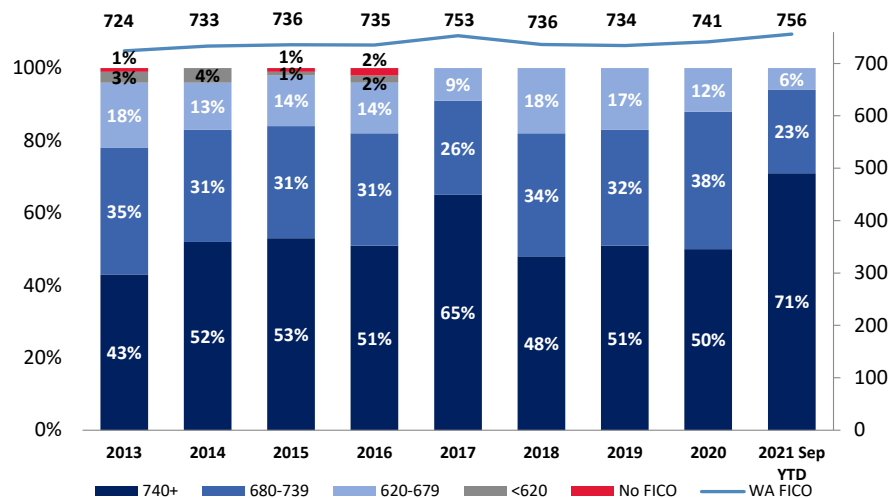
Auto Loans

FICO Mix of Originations (% of Approved Amount)

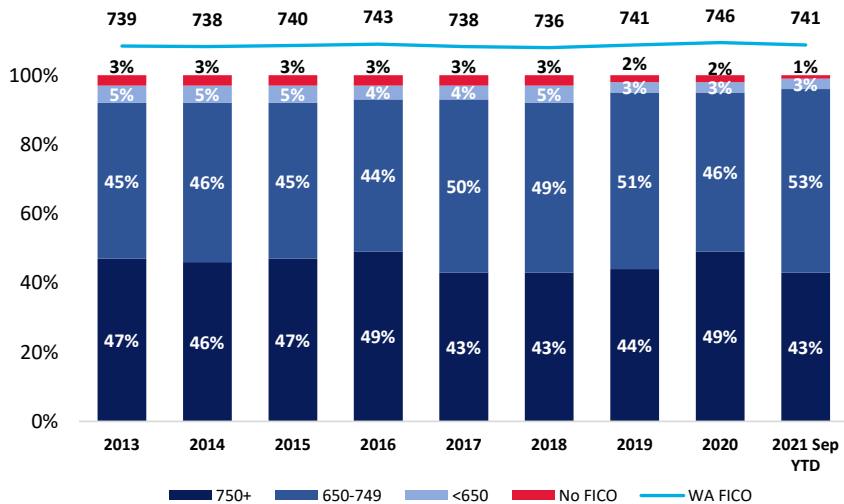


PR Mortgage Originations (Non-Conforming)

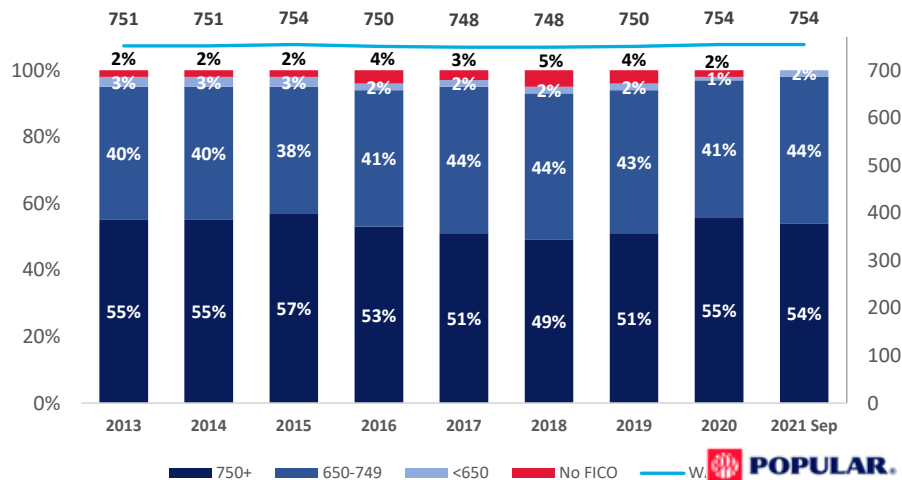
By Year and Original FICO (% of Mortgage Amount)



PR Unsecured Personal Installment Loans
FICO Mix of Originations (% of Approved Amount)

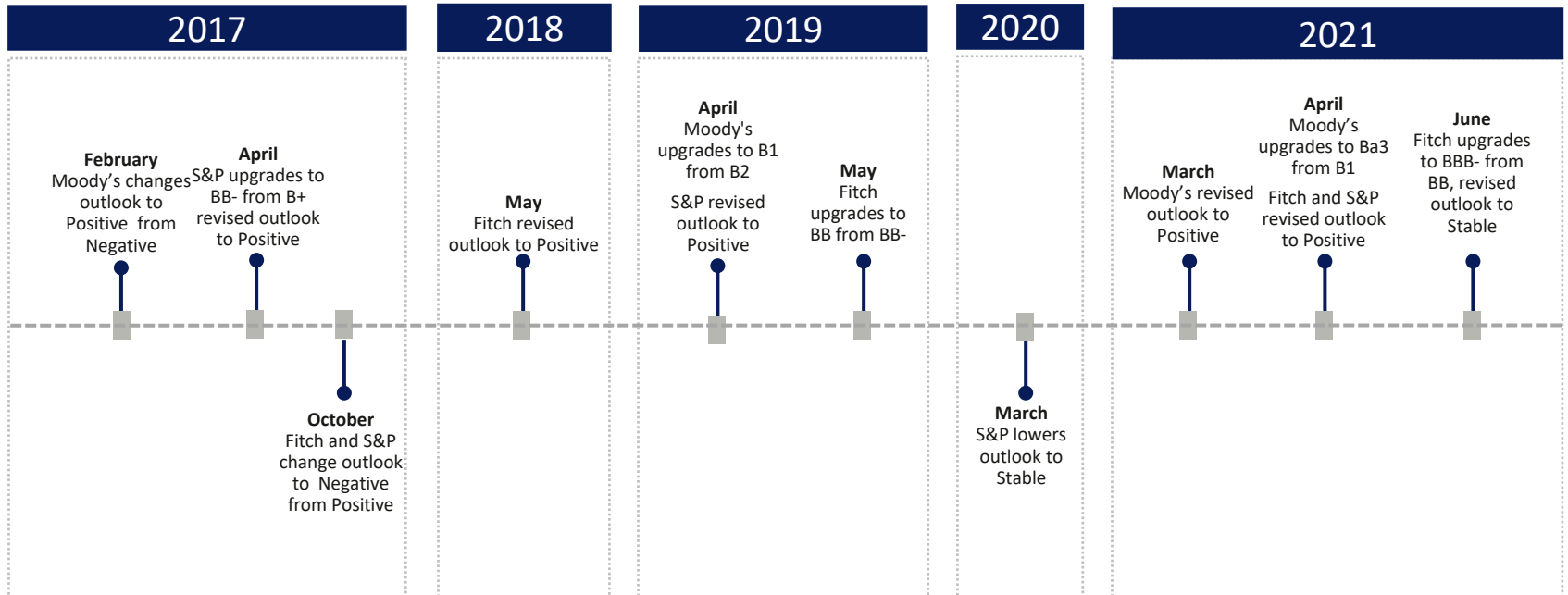


Credit Cards
FICO Mix of Originations (% of Approved Amount)



Popular, Inc. Credit Ratings

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



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