

Fourth 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, June 30, 2021 and September 30, 2021 and in our Form 10-K for the year ended December 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.

2021 Highlights

Earnings

- Net income of \$935 million
- Net interest margin: Popular, Inc. 2.88%, BPPR 2.86%
- Provision for credit losses resulted in a benefit of \$194 million

Credit Metrics

- NPLs decreased \$190 million YoY; ratio at 1.9%, from 2.5% the prior year
- NCO ratio at 0.07% compared to 0.66% the previous year
- ACL to loans of 2.38% compared to 3.05% in 2020

Capital

- Common Equity Tier 1 Capital ratio of 17.5%
- Tangible book value per share of \$65.39 up 4% from 2020

Year Events

- Increased quarterly common stock dividend in Q2 2021 to \$0.45 per share
- Completed \$350 million common share repurchase in Q3 2021 at an average price of \$75.84
- Redeemed \$187 million 6.70% Trust Preferred Securities in Q4 2021
- Acquired healthcare leasing business in the U.S. in Q4 2021 with \$115 million in net assets

Q4 2021 Highlights

Earnings

- Net income of \$206 million
- Net interest margin: Popular, Inc. 2.78%, BPPR 2.73%
- Provision for credit losses resulted in a benefit of \$33 million

Credit Metrics

- NPLs decreased \$85 million QoQ; ratio at 1.9%, from 2.2% the prior quarter
- NCO ratio at (0.11%) compared to 0.12% the previous quarter
- ACL to loans of 2.38% compared to 2.49% in Q3 2021

Capital

- Common Equity Tier 1 Capital ratio of 17.5%
- Tangible book value per share of \$65.39 down 1% from Q3 2021

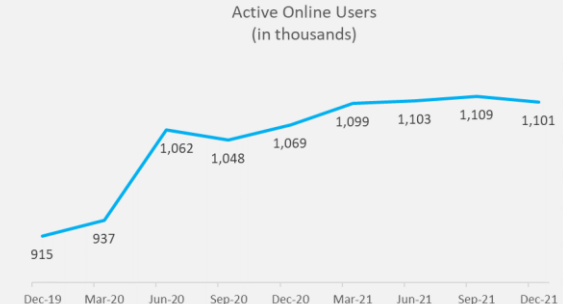
Recent Events

- Announced capital actions for 2022:
 - Increase in quarterly common stock dividend to \$0.55 per share beginning in Q2 2022
 - Repurchase up to \$500 million in common stock

Business Highlights

BPPR Customer Engagement

- 1.9 million customers as of December 2021 (increased 43,000 since December 2020 and 149,000 since December 2019)
- 3% growth in active online users¹ since December 2020 and 20% since December 2019
- Deposits captured through digital channels were 67% in 2021 and 2020, compared to 51% in 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 December 31, 2021:
 - Outstanding loans: \$65 million from Round 1 and \$288 million from Round 2
 - Recognized \$82 million during 2021 in income from program
 - \$18 million unamortized fee income remaining

Business Metrics

BPPR:

- Commercial loans, excluding PPP, increased \$23 million QoQ and \$243 million or 3% YoY
- Mortgage originations were 11% lower than Q3 2021; 28% higher for the year 2021
- Auto loans and lease originations decreased 11% in the quarter, while full year 2021 resulted in an increase of 23%
- Credit and debit card sales (in dollars) were 7% higher than Q3 2021; 25% higher for the full year
- Deposits, excluding P.R. public funds, increased 2% in the quarter and 13% versus 2020

Popular Bank:

- Commercial loans, excluding PPP, increased 13% in Q4 2021 and increased 15% YoY
- Continued decrease in total deposit cost to 0.40% in Q4 2021 vs. 0.43% in Q3 2021; full year 2021 total deposit cost was 0.46% vs. 0.93% in 2020

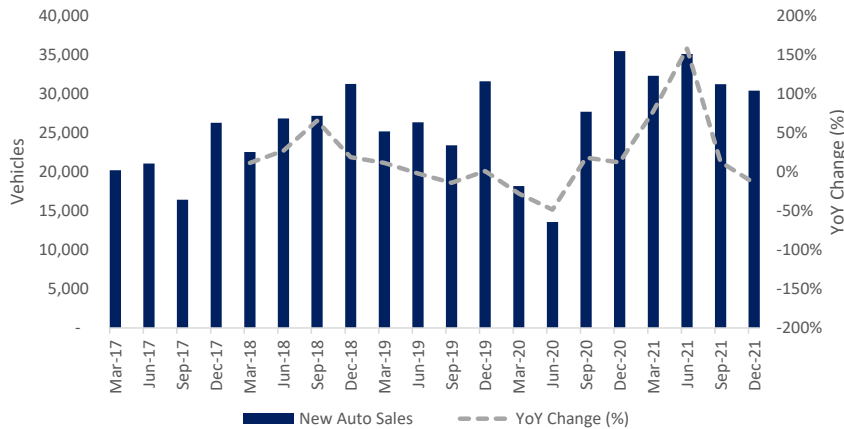
¹ Customers who have logged on to Popular's web and/or mobile platform in the past 30 days

Puerto Rico – Key Indicators

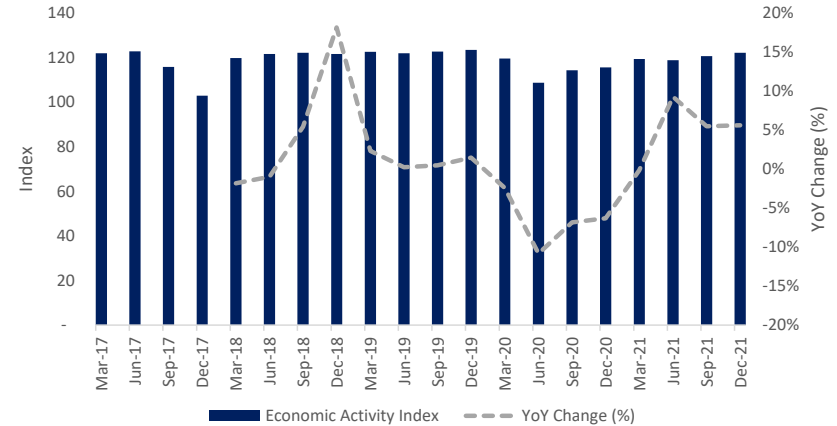
Economy

- New auto sales have leveled off but continue to demonstrate strong consumer demand
- The Puerto Rico Economic Activity index is now at pre-pandemic levels
- Total employment is trending steadily higher and is now above pre-pandemic levels

Quarterly New Auto Sales¹



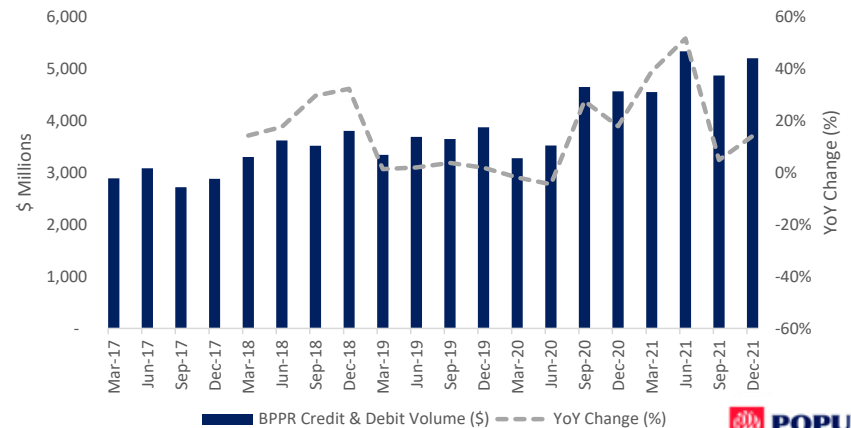
Economic Activity Index²



Total Employment³



Quarterly BPPR Credit & Debit Volume (\$)⁴



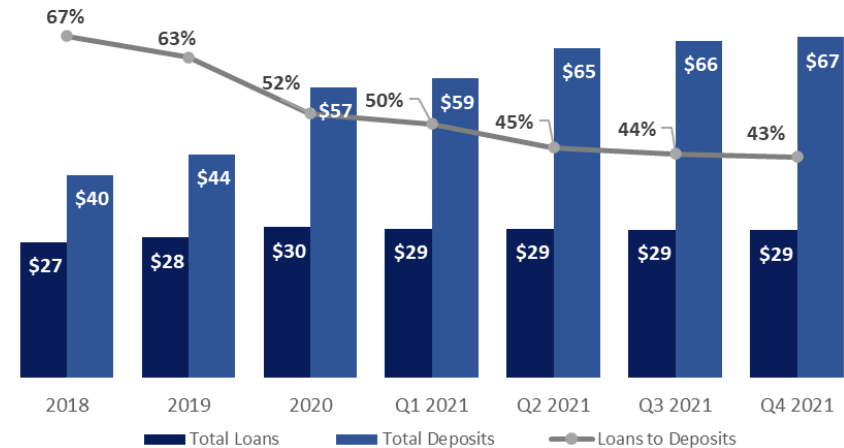
Financial Summary

<i>(Unaudited)</i>			
<i>(\$ in thousands)</i>	Q4 2021	Q3 2021	Variance
Net interest income	\$ 501,283	\$ 489,393	\$ 11,890
Service charges on deposits	41,613	41,312	301
Other service fees	83,793	80,445	3,348
Mortgage banking activities	17,035	8,307	8,728
Other non-interest income	22,236	39,194	(16,958)
Gross revenues	665,960	658,651	7,309
Provision for credit losses (benefit)	(33,050)	(61,173)	28,123
Net revenues	699,010	719,824	(20,814)
Personnel costs	160,472	157,647	2,825
Net occupancy expenses	26,755	24,896	1,859
Equipment expenses	25,180	22,537	2,643
Programming, processing and other technology services	69,647	69,221	426
Other professional fees	35,408	35,488	(80)
Business promotion	25,833	18,116	7,717
Amortization of intangibles	6,045	783	5,262
Other operating expenses	68,054	59,480	8,574
Total operating expenses	417,394	388,168	29,226
Income before income tax	281,616	331,656	(50,040)
Income tax expense	75,552	83,542	(7,990)
Net income	\$ 206,064	\$ 248,114	\$ (42,050)
EPS	\$ 2.59	\$ 3.09	\$ (0.50)
ROTE	15.66%	19.44%	(3.78)%

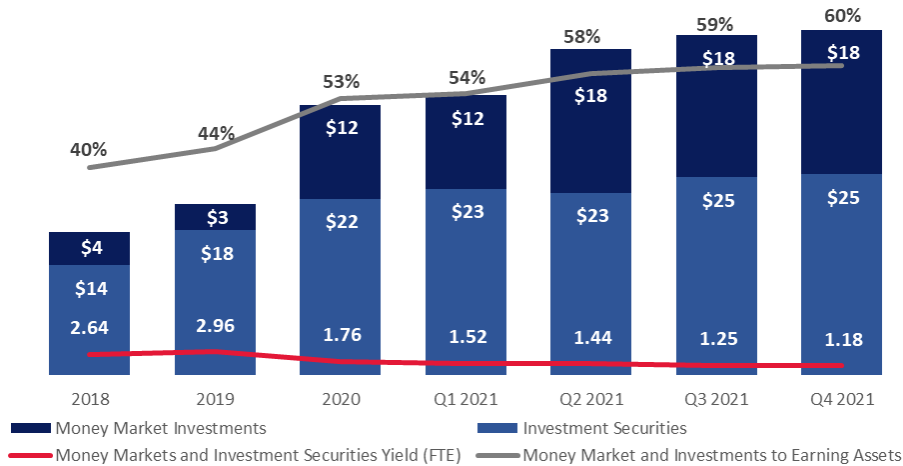
Net Interest Margin Dynamics

- Q4 2021 net interest margin at 2.78%; FTE¹ net interest margin at 3.02%
- Money market and investment securities to earning assets ratio at 60%
- FTE loan yield increased 11 basis points QoQ to 6.26%, driven by PPP income
- Total deposit cost flat quarter over quarter at 0.16%

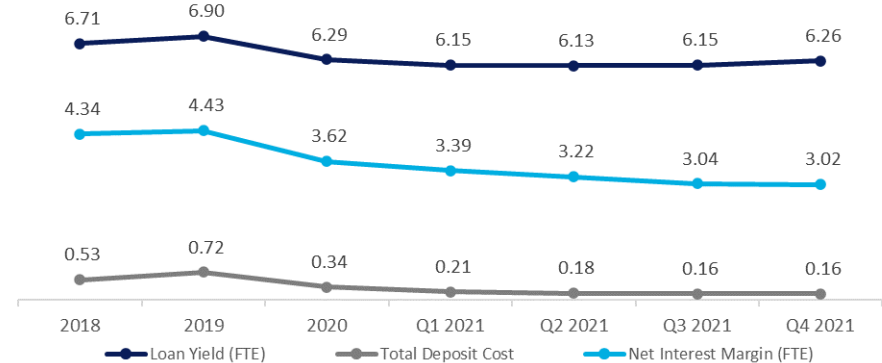
Total Loans and Deposits (\$ in billions)²



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



Loan Yields, Deposit Cost and NIM (FTE)



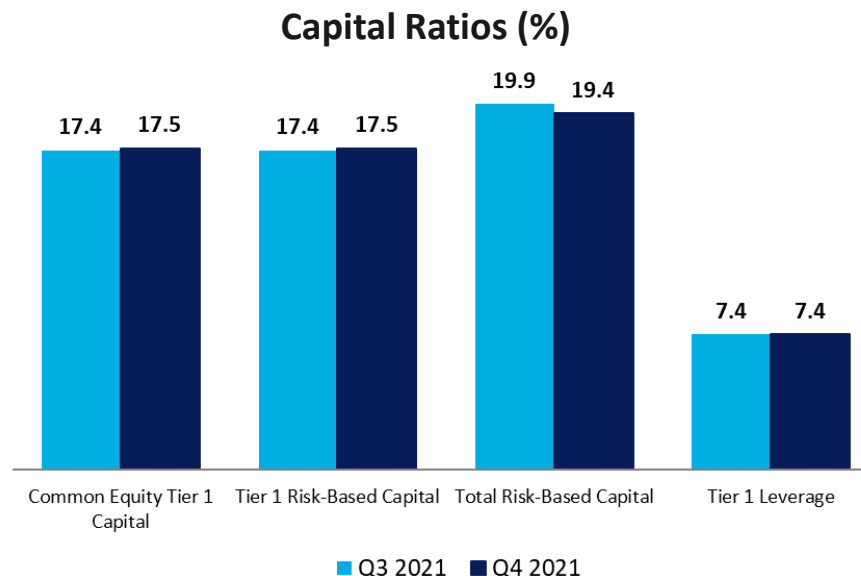
¹ FTE stands for fully taxable-equivalent basis. Represents a non-GAAP financial measure. See the Corporation's earnings press release, Form 10Q and Form 10K filed with the Securities and Exchange Commission for the applicable periods, for a GAAP to non-GAAP reconciliation

² Balances are at end of period

Differences due to rounding

Capital

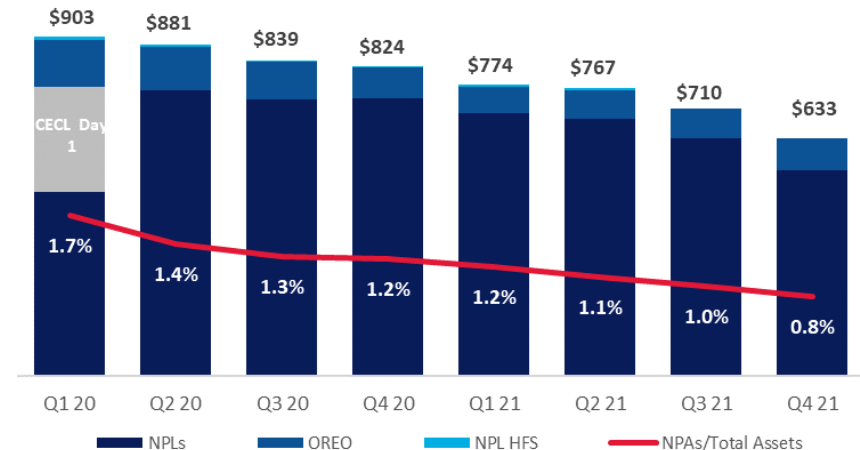
- Robust capital levels; Common Equity Tier 1 of 17.5%
- Leverage ratio of 7.4% impacted by the high proportion of zero-risk weighted assets on the balance sheet, which represented 46% of total assets
- Tangible book value per share of \$65.39 down 1% from Q3 2021
- Capital actions:
 - Redeemed outstanding \$187 million 6.70% Trust Preferred Securities, lowering Total Risk-Based Capital by 0.6%
 - Announced capital actions for 2022:
 - Increase in quarterly common stock dividend to \$0.55 per share beginning in Q2 2022
 - Repurchase up to \$500 million in common stock



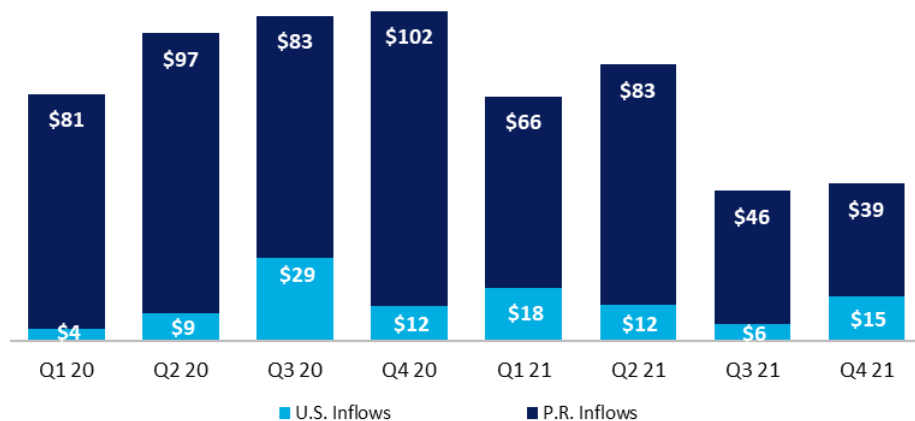
Non-Performing Assets

- NPAs and NPLs decreased by \$77 million and \$85 million QoQ, respectively
 - NPL inflows increased by \$3 million: P.R. down \$7 million while U.S. increased \$10 million
 - P.R. NPLs at \$514 million, or 2.5% of loans, down by \$95 million, driven by lower commercial, construction and mortgage NPLs
 - U.S. NPLs at \$34 million, or 0.4% of loans, up by \$10 million, mostly due to higher mortgage NPLs
- OREO increased by \$8 million QoQ mainly due to the end of the foreclosure moratorium period

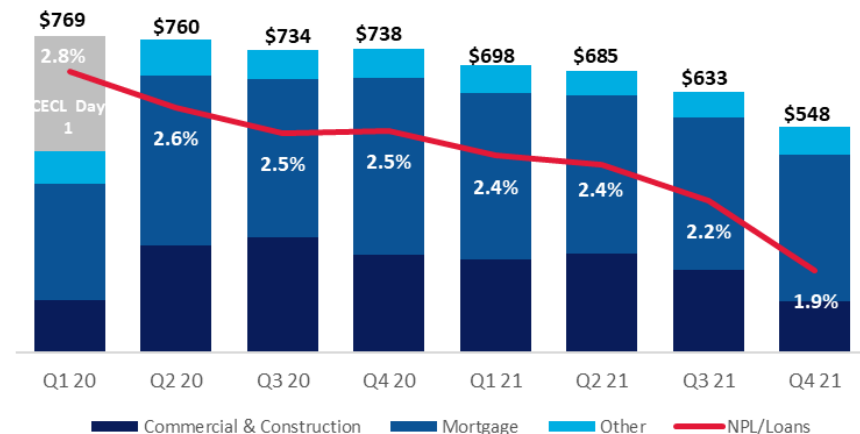
Non-Performing Assets*



Total NPL Inflows*



Non-Performing Loans*



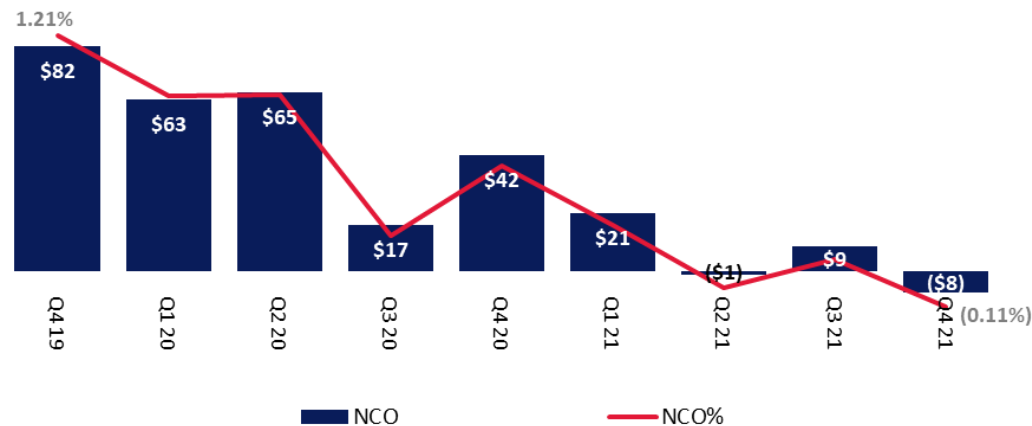
*Dollars in millions
Differences due to rounding

NCOs and Allowance for Credit Losses

- NCOs decreased by \$17 million QoQ to net recoveries of \$8 million, mostly driven by:
 - Lower commercial NCOs by \$16 million, mostly related to recoveries from the resolution of non-performing loans
- NCO ratio at (0.11%) vs. 0.12% in Q3 2021
- ACL decreased by \$23 million QoQ, driven by releases in qualitative reserves, improvements in credit quality, offset in part by changes in probability weights and higher loan volumes
- ACL-to-Loans ratio at 2.38% vs. 2.49% in Q3 2021 and 51 bps lower than CECL Day 1 ratio
- ACL-to-NPLs at 127% vs. 114% in Q3 2021

NCOs and NCO-to-Loan Ratio

(\$ in millions)



	Balance	CECL	Reserve	Balance	Reserve	Balance	ACL/Loan
(\$ in millions)	12/31/19	Day 1	Build (Release)	12/31/20	Build (Release)	12/31/21	12/31/21
Commercial	\$ 152	\$ 89	\$ 106	\$ 348	\$ (126)	\$ 221	1.53%
Mortgage	121	97	(2)	216	(61)	154	2.08%
Leases	11	(1)	7	17	2	19	1.35%
Consumer:							
Credit Cards	44	19	(16)	46	(3)	43	4.73%
Personal Loans	88	41	(24)	105	(17)	88	5.75%
Auto	53	66	31	150	5	154	4.53%
Other	9	5	1	15	1	16	12.06%
Total Consumer	193	130	(8)	316	(15)	301	5.03%
Total ACL	\$ 478	\$ 315	\$ 103	\$ 896	\$ (201)	\$ 695	2.38%

Allowance for Credit Losses – Q4 2021 Movement

ACL Movement:

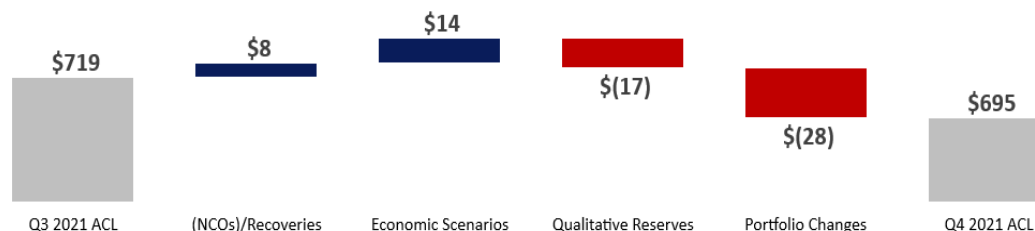
- Moody's November vintage continues to show a favorable economic scenario
- The probability assigned to the S3 scenario was increased to reflect uncertainty tied to epidemiological and fiscal assumptions. This contributed approximately \$13 million in additional reserves, which are reflected as part of the economic scenario impact
- 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
- 2022 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					
U.S.		Annual GDP Growth			
Projections at:	Scenario Description	2021	2022	2023	
3Q21	Baseline	6.3%	4.5%	2.6%	
	S1 - Stronger Near-Term Growth		6.5%	2.1%	
	S3 - Double Dip Recession		-0.5%	2.1%	
4Q21	Baseline	5.6%	4.6%	2.8%	
	S1 - Stronger Near-Term Growth		6.2%	2.7%	
	S3 - Double Dip Recession		0.0%	1.0%	
P.R.					
3Q21	Baseline	3.8%	4.0%	1.7%	
	S1 - Stronger Near-Term Growth		5.3%	1.4%	
	S3 - Double Dip Recession		0.6%	1.7%	
4Q21	Baseline	3.3%	4.0%	2.4%	
	S1 - Stronger Near-Term Growth		5.1%	2.3%	
	S3 - Double Dip Recession		1.0%	1.3%	

Unemployment Rates (UR)				
U.S.		Average UR		
Projections at:		2021	2022	2023
3Q21	Baseline	5.5%	3.7%	3.5%
	S1		3.1%	3.0%
	S3		8.5%	7.8%
4Q21	Baseline	5.4%	3.7%	3.5%
	S1		3.3%	3.0%
	S3		7.8%	8.2%
P.R.				
3Q21	Baseline	8.2%	7.2%	7.6%
	S1		6.7%	7.2%
	S3		9.9%	10.2%
4Q21	Baseline	8.4%	7.4%	7.6%
	S1		7.1%	7.2%
	S3		9.7%	10.5%

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

Capital

- Completed in 2021:
 - Increased quarterly dividend to \$0.45 per share
 - \$350 million Accelerated Share Repurchase program at an average price of \$75.84
 - Redeemed \$187 million 6.70% Trust Preferred Securities
- Announced capital actions for 2022:
 - Increase in quarterly common stock dividend to \$0.55 per share beginning in Q2 2022
 - Repurchase up to \$500 million in common stock

Additional Value

- Investments in Evertec and Banco BHD León

Fourth Quarter 2021

INVESTOR PRESENTATION

Appendix

Corporate Structure – Popular, Inc.

Franchise

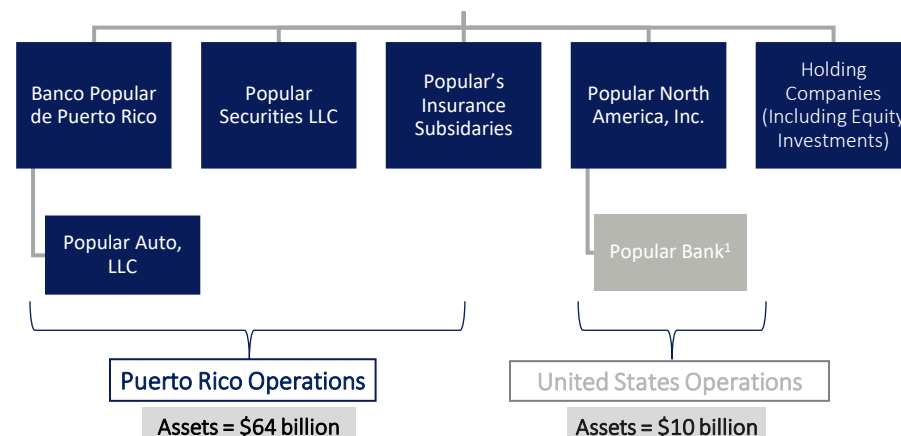
Industry	Financial services
Headquarters	San Juan, Puerto Rico
Assets	\$75 billion (among top 50 BHCs in the U.S.)
Loans	\$29 billion
Deposits	\$67 billion
Banking branches	159 in Puerto Rico, 39 in the U.S. (28 in New York and New Jersey and 11 in Florida) and 10 in the U.S. and British Virgin Islands
NASDAQ ticker symbol	BPOP
Market Cap	\$7 billion

Summary Corporate Structure



POPULAR

Assets = \$75 billion



Selected equity investments

EVERTEC and Banco BHD León under Corporate segment



- Transaction processing, business processes outsourcing
- 16.19% stake
- Adjusted EBITDA of \$70 million for the quarter ended September 30, 2021



Banco BHD León

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

2021 Financial Summary

<i>(Unaudited)</i> (\$ in thousands)	YTD 2021	YTD 2020	Variance
Net interest income	\$ 1,957,590	\$ 1,856,613	\$ 100,977
Service charges on deposits	162,698	147,823	14,875
Other service fees	311,248	257,892	53,356
Mortgage banking activities	50,133	10,401	39,732
Other non-interest income	118,049	96,196	21,853
Gross revenues	2,599,718	2,368,925	230,793
Provision for credit losses (benefit)	(193,464)	292,536	(486,000)
Net revenues	2,793,182	2,076,389	716,793
Personnel costs	631,802	564,205	67,597
Net occupancy expenses	102,226	119,345	(17,119)
Equipment expenses	92,097	88,932	3,165
Programming, processing and other technology services	272,386	253,565	18,821
Other professional fees	138,479	140,557	(2,078)
Business promotion	72,981	57,608	15,373
Amortization of intangibles	9,134	6,397	2,737
Other operating expenses	230,170	227,220	2,950
Total operating expenses	1,549,275	1,457,829	91,446
Income before income tax	1,243,907	618,560	625,347
Income tax expense	309,018	111,938	197,080
Net income	\$ 934,889	\$ 506,622	\$ 428,267
EPS	\$ 11.49	\$ 5.88	\$ 5.61
ROTE	18.47%	10.75%	7.72%

Business Segments

<i>(Unaudited)</i>	BPPR			Popular U.S.		
<i>(\$ in millions)</i> Financial Results	Q4 2021	Q3 2021	Variance	Q4 2021	Q3 2021	Variance
Net interest income	\$ 426	\$ 419	\$ 7	\$ 83	\$ 80	\$ 3
Non-interest income	148	146	2	7	6	1
Gross revenues	574	565	9	90	86	4
Provision for credit losses (benefit)	(32)	(37)	5	(1)	(24)	23
Operating expenses	359	336	23	53	52	1
Income before income tax	247	266	(19)	38	58	(20)
Income tax expense	66	65	1	10	18	(8)
Net income	\$ 181	\$ 201	\$ (20)	\$ 28	\$ 40	\$ (12)

<i>(\$ in millions)</i>	Q4 2021	Q3 2021	Variance	Q4 2021	Q3 2021	Variance
Balance Sheet Highlights	Q4 2021	Q3 2021	Variance	Q4 2021	Q3 2021	Variance
Total assets	\$64,337	\$63,476	\$ 861	\$10,390	\$10,338	\$ 52
Total loans	20,889	21,210	(321)	8,379	7,700	679
Total deposits	59,531	58,491	1,040	7,795	7,844	(49)

Asset Quality	Q4 2021	Q3 2021	Variance	Q4 2021	Q3 2021	Variance
Non-performing loans held-in-portfolio / Total loans held-in-portfolio	2.47%	2.88%	(0.41)%	0.40%	0.31%	0.09%
Non-performing assets / Total assets	0.93%	1.08%	(0.15)%	0.34%	0.25%	0.09%
Allowance for credit losses / Total loans held-in-portfolio	2.85%	2.92%	(0.07)%	1.21%	1.32%	(0.11)%

Net interest margin	2.73%	2.75%	(0.02)%	3.47%	3.36%	0.11%
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2021 Business Segments

<i>(Unaudited)</i>		BPPR			Popular U.S.		
<i>(\$ in millions)</i> Financial Results		YTD 2021	YTD 2020	Variance	YTD 2021	YTD 2020	Variance
Net interest income		\$ 1,675	\$ 1,594	\$ 81	\$ 321	\$ 303	\$ 18
Non-interest income		565	446	119	25	24	1
Gross revenues		2,240	2,040	200	346	327	19
Provision for credit losses (benefit)		(136)	211	(347)	(57)	81	(138)
Operating expenses		1,335	1,224	111	212	239	(27)
Income before income tax		1,041	605	436	191	7	184
Income tax expense		254	106	148	57	8	49
Net income (loss)		\$ 787	\$ 499	\$ 288	\$ 134	\$ (1)	\$ 135

<i>(\$ in millions)</i>		YTD 2021	YTD 2020	Variance	YTD 2021	YTD 2020	Variance
Balance Sheet Highlights							
Total assets		\$64,337	\$55,354	\$ 8,983	\$10,390	\$10,256	\$ 134
Total loans		20,889	21,633	(744)	8,379	7,815	564
Total deposits		59,531	49,312	10,219	7,795	7,772	23

		YTD 2021	YTD 2020	Variance	YTD 2021	YTD 2020	Variance
Asset Quality							
Non-performing loans held-in-portfolio / Total loans held-in-portfolio		2.47%	3.25%	(0.78)%	0.40%	0.48%	(0.08)%
Non-performing assets / Total assets		0.93%	1.41%	(0.48)%	0.34%	0.41%	(0.07)%
Allowance for credit losses / Total loans held-in-portfolio		2.85%	3.43%	(0.58)%	1.21%	2.00%	(0.79)%

Net interest margin	2.86%	3.40%	(0.54)%	3.39%	3.21%	0.18%
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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 December 31, 2021, our direct exposure to P.R. municipalities was \$349 million, up by \$3 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

\$

318

\$

30

\$

349

Indirect Exposure

\$

232

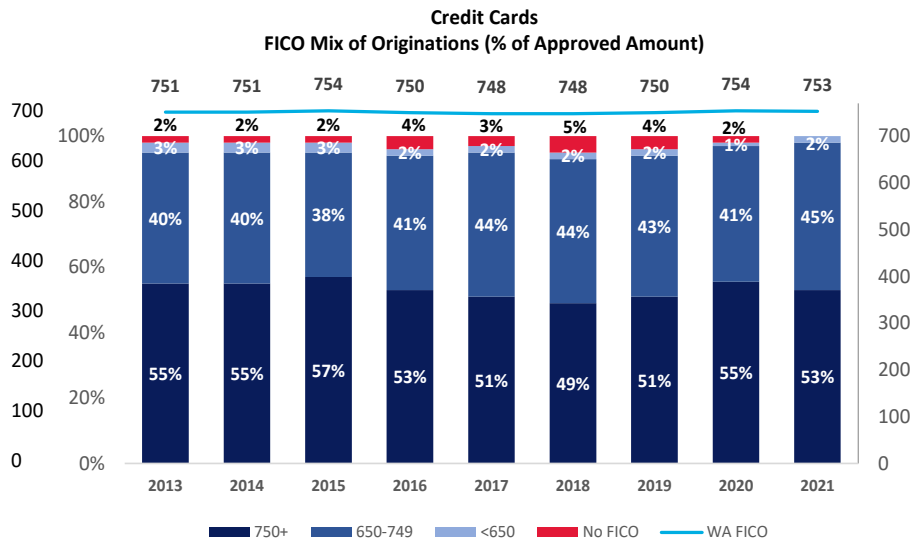
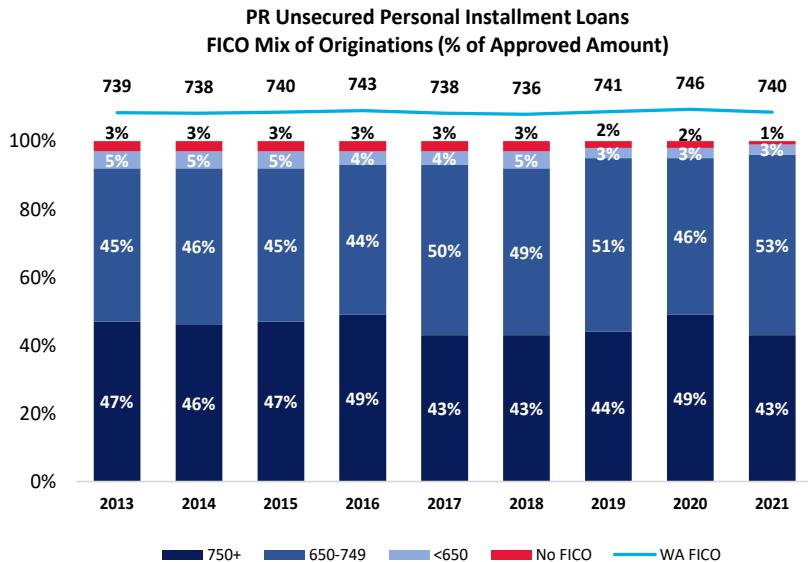
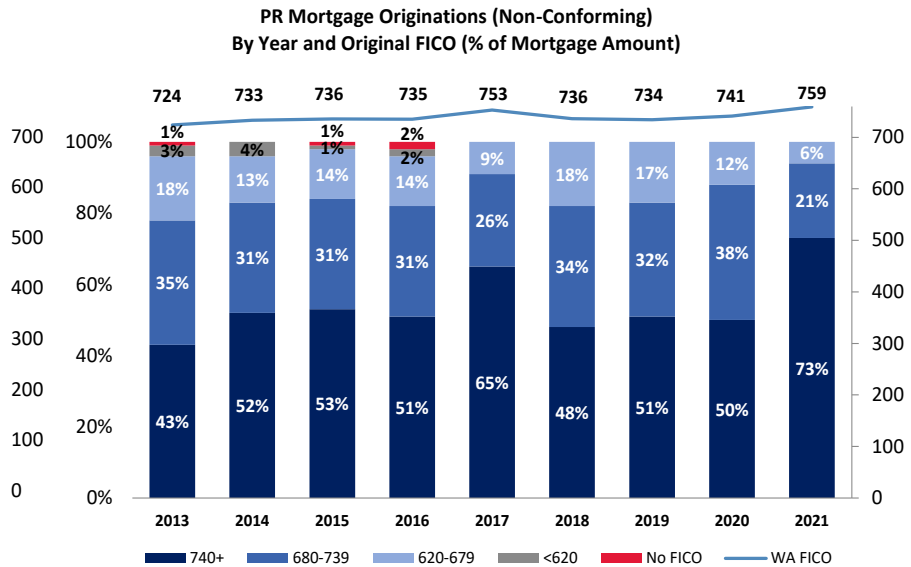
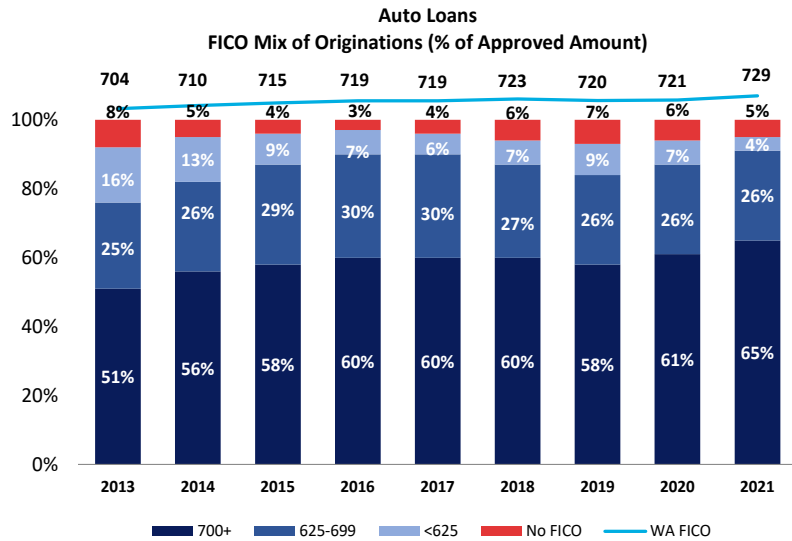
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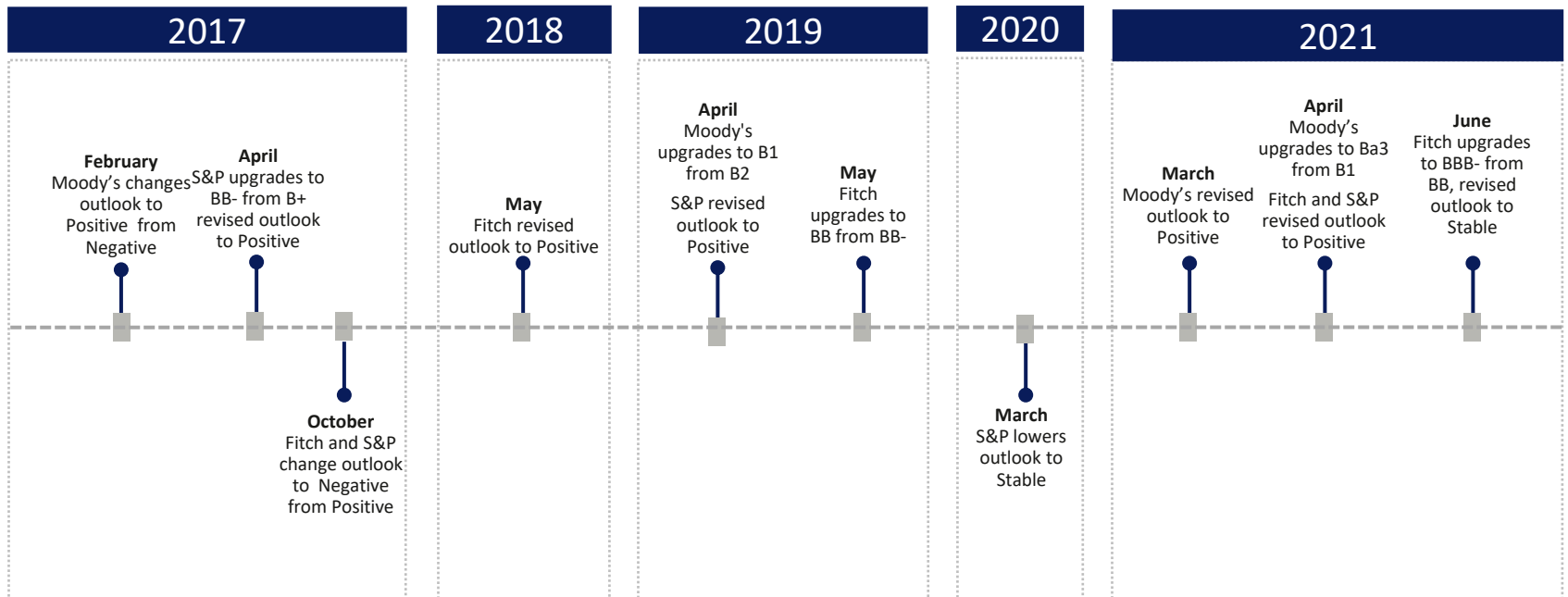
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FICO Mix of Consumer Originations



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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