UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-Q

[X] Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended March 31, 2026

or

[ ] Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Commission File Number: 001-34084

POPULAR, INC.
(Exact name of registrant as specified in its charter)

Puerto Rico	**66-0667416**
(State or other jurisdiction of Incorporation or organization)	(IRS Employer Identification Number)
Popular Center Building **209 Muñoz Rivera Avenue** **Hato Rey, Puerto Rico**	**00918**
(Address of principal executive offices)	(Zip code)

(787) 765-9800
(Registrant's telephone number, including area code)
NOT APPLICABLE
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock ($0.01 par value)	BPOP	The NASDAQ Stock Market
6.125% Cumulative Monthly Income Trust Preferred Securities	BPOPM	The NASDAQ Stock Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
[X] Yes [ ] No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).
[X] Yes [ ] No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer", "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act:

Large accelerated filer [X] Accelerated filer [ ] Non-accelerated filer [ ]

Smaller reporting company [ ] Emerging growth company [ ]

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. [ ]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
[ ] Yes [X] No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: Common Stock, $0.01 par value, 64,537,709 shares outstanding as of May 5, 2026.

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Forward-Looking Statements

This Form 10-Q contains “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995, including, without limitation, statements about Popular, Inc.’s (the “Corporation,” “Popular,” “we,” “us,” “our”) business, financial condition, results of operations, plans, objectives and future performance. These statements are not guarantees of future performance, are based on management’s current expectations 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. Risks and uncertainties include without limitation the effect of competitive and economic factors, and our reaction to those factors, the adequacy of the allowance for loan losses, delinquency trends, market risk and the impact of interest rate changes (including on our cost of deposits), capital markets conditions, capital adequacy and liquidity, and the effect of legal and regulatory proceedings and new accounting standards on the Corporation’s financial condition and results of operations. All statements contained herein that are not clearly historical in nature are forward-looking, and the words “anticipate,” “believe,” “continues,” “expect,” “estimate,” “intend,” “project” and similar expressions and future or conditional verbs such as “will,” “would,” “should,” “could,” “might,” “can,” “may” or similar expressions are generally intended to identify forward-looking statements.

Various factors, some of which are beyond Popular’s control, could cause actual results to differ materially from those expressed in, or implied by, such forward-looking statements. Factors that might cause such a difference include, but are not limited to:

- the rate of growth or decline in the economy and employment levels, as well as general business and economic conditions in the geographic areas we serve and, in particular, in the Commonwealth of Puerto Rico (the “Commonwealth” or “Puerto Rico”), where a significant portion of our business is concentrated;

- adverse economic conditions, including high levels of inflation, and geopolitical conditions, including wars and conflicts, that adversely affect housing prices, the job market, consumer confidence and spending habits which may affect in turn, among other things, our level of non-performing assets, charge-offs and provision expense;

- changes in interest rates and market liquidity, which may reduce interest margins, impact funding sources, reduce loan originations, affect our ability to originate and distribute financial products in the primary and secondary markets and impact the value of our investment portfolio and our ability to return capital to our shareholders;

- the impact of bank failures or adverse developments at other banks and related negative media coverage of the banking industry in general on investor and depositor sentiment regarding the stability and liquidity of banks;

- the impact of the current fiscal and economic challenges of Puerto Rico and the measures taken and to be taken by the Puerto Rico Government and the Federally-appointed oversight board on the economy, our customers and our business;

- the amount of Puerto Rico public sector deposits held at the Corporation, whose future balances are uncertain and difficult to predict and may be impacted by factors such as the amount of Federal funds received by the P.R. Government and the rate of expenditure of such funds, as well as the financial condition, liquidity and cash management practices of the Puerto Rico Government and its instrumentalities;

- unforeseen or catastrophic events, including extreme weather events such as hurricanes and other natural disasters, man-made disasters, acts of violence, war or conflicts, or pandemics, epidemics and other health-related crises, or the fear of any such event occurring, any of which could cause adverse consequences for our business, including, but not limited to, disruptions in our operations;

- our ability to achieve the expected benefits from our transformation initiatives, including our ability to achieve projected earnings, efficiencies and return on tangible common equity and accurately anticipate costs and expenses associated therewith;

- our ability to execute capital actions, including with respect to share repurchases and dividends;

- the fiscal and monetary policies of the federal government and its agencies;
- changes in federal bank regulatory and supervisory policies, including required levels of capital, liquidity, resolution-related requirements and the impact of other proposed capital standards on our capital ratios;
- the impact of any future U.S. government shutdown;
- changes in and uncertainty regarding federal funding, tax and trade policies, and federal rulemaking, supervision, examination and enforcement priorities;
- adjustments to or additional Federal Deposit Insurance Corporation ("FDIC") assessments;
- regulatory approvals that may be necessary to undertake certain actions or consummate strategic transactions, such as acquisitions and dispositions;
- the relative strength or weakness of the consumer and commercial credit sectors and of the real estate markets in Puerto Rico and the other markets in which our borrowers are located;
- a deterioration in the credit quality of our clients, customers and counterparties;
- the performance of the stock and bond markets;
- competition in the financial services industry;
- possible legislative, tax or regulatory changes;
- a failure in or breach of our operational or security systems or infrastructure or those of Evertec, Inc., our provider of core financial transaction processing and information technology services, or of third parties providing services to us, including as a result of cyberattacks, e-fraud, denial-of-services and computer intrusion, that might result in, among other things, loss or breach of customer data, disruption of services, reputational damage or additional costs to Popular;
- changes in market rates and prices which may adversely impact the value of financial assets and liabilities;
- potential judgments, claims, damages, penalties, fines, enforcement actions and reputational damage resulting from pending or future litigation and regulatory or government investigations or actions;
- changes in accounting standards, rules and interpretations;
- our ability to grow our core businesses;
- decisions to downsize, sell or close branches or business units or otherwise change our business mix; and
- management's ability to identify and manage these and other risks.

Moreover, the outcome of any legal and regulatory proceedings, as discussed in "Part II, Item 1. Legal Proceedings," is inherently uncertain and depends on judicial interpretations of law and the findings of regulators, judges and/or juries. Investors should refer to the Corporation's Annual Report on Form 10-K for the year ended December 31, 2025 (the "2025 Form 10-K"), as well as "Part II, Item 1A" of our Quarterly Report on this Form 10-Q for a discussion of such factors and certain risks and uncertainties to which the Corporation is subject.

All forward-looking statements included in this Form 10-Q are based upon information available to Popular as of the date of this Form 10-Q, and other than as required by law, including the requirements of applicable securities laws, we assume no obligation to update or revise any such forward-looking statements to reflect occurrences or unanticipated events or circumstances after the date of such statements.

POPULAR, INC.
CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION
(UNAUDITED)

(In thousands, except share information)		March 31, 2026		December 31, 2025
Assets:				
Cash and due from banks	$	384,922	$	402,755
Money market investments:				
Time deposits with other banks		4,655,699		4,626,506
Total money market investments		4,655,699		4,626,506
Trading account debt securities, at fair value		30,449		36,569
Debt securities available-for-sale, at fair value:				
Pledged securities with creditors' right to repledge		30,289		30,687
Other debt securities available-for-sale		21,702,980		20,544,285
Debt securities available-for-sale		21,733,269		20,574,972
Debt securities held-to-maturity, at amortized cost:				
Pledged securities with creditors' right to repledge		4,705		9,298
Other debt securities held-to-maturity		6,957,954		7,318,231
Debt securities held-to-maturity (fair value 2026 - $6,963,223; 2025 - $7,363,587)		6,962,659		7,327,529
Less – Allowance for credit losses		5,900		5,812
Debt securities held-to-maturity, net		6,956,759		7,321,717
Equity securities (realizable value 2026 - $217,696; 2025 - $230,388)		217,167		229,848
Loans held-for-sale, at fair value		5,603		9,998
Loans held-in-portfolio		39,703,844		39,749,142
Less – Unearned income		414,142		421,624
Allowance for credit losses		823,729		808,056
Total loans held-in-portfolio, net		38,465,973		38,519,462
Premises and equipment, net		706,233		685,820
Other real estate		45,680		42,433
Accrued income receivable		308,617		300,824
Mortgage servicing rights, at fair value		94,232		96,356
Other assets		1,731,769		1,705,977
Goodwill		789,954		789,954
Other intangible assets		4,692		5,076
Total assets	$	76,131,018	$	75,348,267
Liabilities and Stockholders' Equity				
Liabilities:				
Deposits:				
Non-interest bearing	$	15,785,788	$	15,304,209
Interest bearing		51,825,528		50,885,884
Total deposits		67,611,316		66,190,093
Assets sold under agreements to repurchase		34,576		39,001
Other short-term borrowings		350,000		650,000
Notes payable		734,981		759,577
Other liabilities		1,089,059		1,460,517
Total liabilities		69,819,932		69,099,188
Commitments and contingencies (Refer to Note 18)				
Stockholders' equity:				
Preferred stock, 30,000,000 shares authorized; 885,726 shares issued and outstanding (2025- 885,726)		22,143		22,143
Common stock, $0.01 par value; 170,000,000 shares authorized; 104,936,510 shares issued (2025 - 104,921,229) and 64,654,788 shares outstanding (2025 - 65,719,385)		1,049		1,049
Surplus		4,928,636		4,924,296
Retained earnings		5,403,176		5,206,497
Treasury stock - at cost, 40,281,722 shares (2025 - 39,201,844)		(2,875,230)		(2,722,819)
Accumulated other comprehensive loss, net of tax		(1,168,688)		(1,182,087)
Total stockholders' equity		6,311,086		6,249,079
Total liabilities and stockholders' equity	$	76,131,018	$	75,348,267

The accompanying notes are an integral part of these Consolidated Financial Statements.

POPULAR, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	Quarters ended March 31,	
(In thousands, except per share information)	2026	2025
Interest income:		
Loans	$ 702,149	$ 666,673
Money market investments	44,240	70,166
Investment securities	200,827	180,159
Total interest income	947,216	916,998
Interest expense:		
Deposits	259,418	297,863
Short-term borrowings	5,703	1,426
Long-term debt	11,915	12,112
Total interest expense	277,036	311,401
Net interest income	670,180	605,597
Provision for credit losses	75,886	64,081
Net interest income after provision for credit losses	594,294	541,516
Non-interest income:		
Service charges on deposit accounts	38,766	39,054
Other service fees	102,921	94,508
Mortgage banking activities	4,213	3,689
Net gain (loss), including impairment on equity securities	1,029	(414)
Net gain on trading account debt securities	261	520
Adjustments to indemnity reserves on loans sold	35	173
Other operating income	18,401	14,531
Total non-interest income	165,626	152,061
Operating expenses:		
Personnel costs	216,069	212,713
Net occupancy expenses	27,299	27,218
Equipment expenses	5,229	5,302
Other taxes	17,677	18,725
Professional fees	25,553	26,825
Technology and software expenses	89,139	83,668
Processing and transactional services	39,087	37,781
Communications	4,509	4,904
Business promotion	22,860	23,675
Deposit insurance	9,917	10,035
Other real estate owned (OREO) expense (income)	(4,618)	(3,330)
Other operating expenses	14,205	22,899
Amortization of intangibles	384	597
Total operating expenses	467,310	471,012
Income before income tax	292,610	222,565
Income tax expense	46,936	45,063
Net Income	$ 245,674	$ 177,502
Net Income Applicable to Common Stock	$ 245,321	$ 177,149
Net Income per Common Share - Basic	$ 3.78	$ 2.56
Net Income per Common Share - Diluted	$ 3.78	$ 2.56

The accompanying notes are an integral part ofthese Consolidated Financial Statements.

POPULAR, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(UNAUDITED)

	Quarters ended March 31,	
(In thousands)	2026	2025
Net income	$ 245,674	$ 177,502
Other comprehensive income before tax:		
Foreign currency translation adjustment	(256)	(6,646)
Amortization of net losses of pension and postretirement benefit plans	2,258	2,273
Unrealized holding (losses) gains on debt securities arising during the period	(33,096)	165,984
Amortization of unrealized losses of debt securities transfer from available-for-sale to held-to-maturity	46,876	45,311
Other comprehensive income before tax	15,782	206,922
Income tax expense	(2,383)	(35,669)
Total other comprehensive income, net of tax	13,399	171,253
Comprehensive income, net of tax	$ 259,073	$ 348,755

Tax effect allocated to each component of other comprehensive income:	Quarters ended March 31,	
(In thousands)	2026	2025
Amortization of net losses of pension and postretirement benefit plans	(847)	(852)
Unrealized holding (losses) gains on debt securities arising during the period	7,839	(25,755)
Amortization of unrealized losses of debt securities transfer from available-for-sale to held-to-maturity	(9,375)	(9,062)
Income tax expense	$ (2,383)	$ (35,669)

The accompanying notes are an integral part of these Consolidated Financial Statements.

POPULAR, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(UNAUDITED)

(In thousands)	Common stock	Preferred stock	Surplus	Retained earnings	Treasury stock	Accumulated other comprehensive loss	Total
Balance at December 31, 2024	$ 1,048	$ 22,143	$ 4,908,693	$ 4,570,957	$ (2,228,535)	$ (1,661,240)	$ 5,613,066
Net income				177,502			177,502
Issuances of common stock	1		1,769				1,770
Dividends declared:							
Common stock[1]				(48,409)			(48,409)
Preferred stock				(353)			(353)
Common stock purchases[2]					(125,980)		(125,980)
Stock based compensation			2,424		8,422		10,846
Other comprehensive income, net of tax						171,253	171,253
Balance at March 31, 2025	$ 1,049	$ 22,143	$ 4,912,886	$ 4,699,697	$ (2,346,093)	$ (1,489,987)	$ 5,799,695
Balance at December 31, 2025	$ 1,049	$ 22,143	$ 4,924,296	$ 5,206,497	$ (2,722,819)	$ (1,182,087)	$ 6,249,079
Net income				245,674			245,674
Issuances of common stock			1,824				1,824
Dividends declared:							
Common stock[1]				(48,665)			(48,665)
Preferred stock				(353)			(353)
Common stock purchases[3]					(160,228)		(160,228)
Stock based compensation			2,516		7,817		10,333
Other comprehensive income, net of tax						13,399	13,399
Other adjustments				23			23
Balance at March 31, 2026	$ 1,049	$ 22,143	$ 4,928,636	$ 5,403,176	$ (2,875,230)	$ (1,168,688)	$ 6,311,086

[1] Dividends declared per common share during the quarter ended March 31, 2026 - $0.75 (2025 - $0.70).
[2] Includes common stock repurchases of $122.3 million as part of the 2024 common stock repurchase program. Refer to Note 15 for additional information.
[3] Includes common stock repurchases of $155.2 million as part of the 2025 common stock repurchase program. Refer to Note 15 for additional information.

POPULAR, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(UNAUDITED)

	For the period ended	
Disclosure of changes in number of shares:	March 31, 2026	March 31, 2025
Preferred Stock:		
Balance at beginning and end of period	885,726	885,726
Common Stock – Issued:		
Balance at beginning of period	104,921,229	104,849,460
Issuances of common stock	15,281	19,729
Balance at end of period	104,936,510	104,869,189
Treasury stock	(40,281,722)	(35,885,041)
Common Stock – Outstanding	64,654,788	68,984,148

The accompanying notes are an integral part of these Consolidated Financial Statements.

POPULAR, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	Quarters ended March 31,	
(In thousands)	2026	2025
Cash flows from operating activities:		
Net income	$ 245,674	$ 177,502
Adjustments to reconcile net income to net cash provided by operating activities:		
Provision for credit losses	75,886	64,081
Amortization of intangibles	384	597
Depreciation and amortization of premises and equipment	13,538	12,280
Net accretion of discounts and amortization of premiums and deferred fees	(57,477)	(68,861)
Interest capitalized on loans subject to the temporary payment moratorium or loss mitigation alternatives	(1,238)	(1,357)
Share-based compensation	16,228	11,028
Fair value adjustments on mortgage servicing rights	2,640	3,570
Adjustments to indemnity reserves on loans sold	(35)	(173)
Earnings from investments under the equity method, net of dividends or distributions	(12,968)	(8,621)
Deferred income tax (benefit) expense	(564)	8,109
Loss (gain) on:		
Disposition of premises and equipment and other productive assets	59	(42)
Sale of loans, including valuation adjustments on loans held-for-sale and mortgage banking activities	(317)	(194)
Sale of foreclosed assets, including write-downs	(2,309)	(1,033)
Acquisitions of loans held-for-sale	(3,583)	(810)
Proceeds from sale of loans held-for-sale	11,057	7,098
Net originations on loans held-for-sale	(10,194)	(6,741)
Net decrease (increase) in:		
Trading debt securities	17,573	6,071
Equity securities	(849)	508
Accrued income receivable	(7,770)	725
Other assets	(2,087)	12,864
Net (decrease) increase in:		
Interest payable	(7,280)	(7,370)
Pension and other postretirement benefits obligation	1,306	1,079
Other liabilities	(86,060)	(38,252)
Total adjustments	(54,060)	(5,444)
Net cash provided by operating activities	191,614	172,058
Cash flows from investing activities:		
Net (increase) decrease in money market investments	(29,624)	186,609
Purchases of investment securities:		
Available-for-sale	(10,385,670)	(9,425,086)
Equity	(10,139)	(9,224)
Proceeds from calls, paydowns, maturities and redemptions of investment securities:		
Available-for-sale	8,954,537	8,429,813
Held-to-maturity	409,096	152,441
Proceeds from sale of investment securities:		
Equity	23,670	13,361
Net repayments (disbursements) on loans	107,425	(118,418)
Proceeds from sale of loans	14,706	39,055
Acquisition of loan portfolios	(160,670)	(127,291)
Payments to acquire equity method investments	(1,000)	-
Acquisition of premises and equipment and other productive assets	(36,680)	(51,526)
Proceeds from sale of:		
Premises and equipment and other productive assets	277	197
Foreclosed assets	17,602	23,155
Net cash used in investing activities	(1,096,470)	(886,914)

Cash flows from financing activities:		
Net increase (decrease) in:		
Deposits	1,425,562	939,913
Assets sold under agreements to repurchase	(4,424)	2,435
Other short-term borrowings	(300,000)	(25,000)
Payments of notes payable	(25,000)	(63,522)
Principal payments of finance leases	(2,030)	(908)
Proceeds from issuances of common stock	1,823	1,770
Dividends paid	(49,949)	(49,899)
Net payments for repurchase of common stock	(154,742)	(125,341)
Payments related to tax withholding for share-based compensation	(4,648)	(3,376)
Net cash provided by financing activities	886,592	676,072
Net decrease in cash and due from banks, and restricted cash	(18,264)	(38,784)
Cash and due from banks, and restricted cash at beginning of period	412,989	429,406
Cash and due from banks, and restricted cash at the end of the period	$ 394,725	$ 390,622

The accompanying notes are an integral part of these Consolidated Financial Statements.

Notes to Consolidated Financial Statements (Unaudited)

Note 1 – Nature of Operations

Popular, Inc. (the "Corporation" or "Popular") is a diversified, publicly owned financial holding company subject to the supervision and regulation of the Board of Governors of the Federal Reserve System. The Corporation has operations in Puerto Rico, the mainland United States ("U.S.") and the U.S. and British Virgin Islands. In Puerto Rico, the Corporation provides retail, mortgage, and commercial banking services, as well as auto and equipment leasing and financing through its principal banking subsidiary, Banco Popular de Puerto Rico ("BPPR"), as well as broker-dealer and insurance services through specialized subsidiaries. In the U.S. mainland, the Corporation provides retail and commercial banking services, as well as equipment leasing and financing, through its New York-chartered banking subsidiary, Popular Bank ("PB" or "Popular U.S."), which has branches located in New York, New Jersey, and Florida.

Note 2 – Basis of Presentation

Basis of Presentation

The (unaudited) interim Consolidated Financial Statements are, in the opinion of management, a fair statement of the results for the periods reported. The consolidated statement of financial condition presented as of December 31, 2025 was derived from audited Consolidated Financial Statements of the Corporation for the year ended December 31, 2025.

Certain information and notes to the financial statements disclosures which would normally be included in financial statements prepared in accordance with Accounting Principles Generally Accepted in the United States of America (U.S. GAAP), have been condensed or omitted from the unaudited financial statements pursuant to the rules and regulations of the Securities and Exchange Commission. Accordingly, these financial statements should be read in conjunction with the audited Consolidated Financial Statements of the Corporation for the year ended December 31, 2025, included in the 2025 Form 10-K. Operating results for the interim periods disclosed herein are not necessarily indicative of the results that may be expected for a full year or any future period.

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 3 - New accounting pronouncements

Recently Adopted Accounting Standards Updates

Standard	*Description*	*Date of adoption*	*Effect on the financial statements*
FASB ASU 2025-05, Financial Instruments - Credit Losses (Topic 326) - Measurement of Credit Losses for Accounts Receivables and Contract Assets	The Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2025-05 in July 2025, which permits entities to elect a practical expedient when accounting for current accounts receivable and current contract assets arising from transactions accounted for under Accounting Standards Codification ("ASC") Topic 606, Revenue from Contracts with Customers. This practical expedient establishes that, in developing reasonable and supportable forecasts as part of estimating expected credit losses, entities assume that current conditions as of the balance sheet date do not change for the remaining life of the asset.	January 1, 2026	The Corporation was not impacted by the adoption of this ASU since the update does not require accounting changes or new presentation or disclosure requirements. The practical expedient was not applied.
FASB ASU 2024-04, Debt - Debt with Conversion and Other Options (Subtopic 470- 20) - Induced Conversions of Convertible Debt Instruments	The FASB issued ASU 2024-04 in November 2024, which clarifies the requirements for determining whether certain settlements of convertible debt instruments should be accounted for as an induced conversion. Also it makes additional clarifications to assist stakeholders in applying the guidance. The ASU clarifies that the incorporation, elimination, or modification of a volume-weighted average price ("VWAP") formula does not automatically cause a settlement to be accounted for as an extinguishment and that the induced conversion guidance applies to a convertible debt instrument that is not currently convertible as long as it had a substantive conversion feature as of both its issuance date and the date the inducement offer is accepted.	January 1, 2026	The Corporation was not impacted by the adoption of this ASU, but it will prospectively consider this guidance for any future transactions involving induced conversions.

Accounting Standards Updates Not Yet Adopted

Standard	*Description*	*Date of adoption*	*Effect on the financial statements*
FASB ASU 2026-01, Equity (Topic 505) - Initial Measurement of Paid-in-Kind Dividends on Equity-Classified Preferred Stock	The FASB issued ASU 2026-01 in April 2026, which establishes authoritative guidance on the initial measurement of paid-in-kind (PIK) dividends on equity-classified preferred stock. The update establishes a consistent measurement requirement for PIK dividends but does not address when such dividends should be recognized. It requires PIK dividends to be initially measured using the stated PIK dividend rate in the preferred stock agreement, generally applied to the liquidation preference of the preferred stock.	January 1, 2027	The Corporation is currently evaluating any impact that the adoption of this guidance will have on its financial statements and presentation and disclosures. This ASU is not expected to have a material impact.
FASB ASU 2025-10, Government Grants (Topic 832) - Accounting for Government Grants Received by Business Entities	The FASB issued ASU 2025-10 in December 2025, which establishes the accounting for government grants received by a business entity. The update establishes recognition, measurement, and disclosure requirements for government grants. It allows asset related grants to be recognized either as deferred income or as an adjustment to the cost basis of an asset and income-related grants as deferred income.	January 1, 2029	The Corporation is currently evaluating any impact that the adoption of this guidance will have on its financial statements and presentation and disclosures.
FASB ASU 2025-09, Derivatives and Hedging (Topic 815) - Hedge Accounting Improvements	The FASB issued ASU 2025-09 in November 2025, which aims to improve and broaden hedge accounting under ASC Topic 815 by allowing entities to group forecasted transaction with similar risk exposures, provides a model for hedging choose-your rate debt, expands hedge accounting for forecasted purchases and sales of non financial assets, eliminates net written option limitations for certain compound derivatives, and resolves recognition mismatches in dual hedging strategies involving foreign-currency-denominated debt.	January 1, 2027	The Corporation is currently evaluating any impact that the adoption of this guidance will have on its financial statements and presentation and disclosures.
FASB ASU 2025-08, Financial Instruments - Credit Losses (Topic 326) - Purchased Loans	The FASB issued ASU 2025-08 in November 2025, which aims to simplify and reduce the complexity of the accounting for purchased loans under ASC Topic 326. The update expands the population of loans subject to the gross-up approach to include purchased seasoned loans, regardless whether they had credit deterioration.	January 1, 2027	The Corporation is currently evaluating any impact that the adoption of this guidance will have on its financial statements and presentation and disclosures.

Accounting Standards Updates Not Yet Adopted

Standard	*Description*	*Date of adoption*	*Effect on the financial statements*
FASB ASU 2025-07, Derivatives and Hedging (Topic 815) and Revenue from Contracts with Customers (Topic 606) - Derivatives Scope Refinements and Scope Clarification for Share-Based Noncash Consideration from a Customer in a Revenue Contract	The FASB issued ASU 2025-07 in September 2025, which refines the scope of derivative accounting under ASC Topic 815 and clarifies the treatment of share-based noncash consideration under ASC Topic 606. The update reduces complexity and diversity in application. Narrows the scope of derivative accounting under ASC 815 for certain contracts whose underlyings are based on a party's own operations or activities; and clarifies that ASC 606 governs share-based noncash consideration received from a customer until the entity's right becomes unconditional.	January 1, 2027	The Corporation is currently evaluating any impact that the adoption of this guidance will have on its financial statements and presentation and disclosures.
FASB ASU 2025-06, Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40) - Targeted Improvements to the Accounting for Internal-Use Software	The FASB issued ASU 2025-06 in September 2025, which seeks to modernize the accounting for internal-use software under ASC Subtopic 350-40, Intangibles—Goodwill and Other—Internal-Use Software. The update replaces the traditional stage-based model (preliminary, development, post-implementation) with a principles-based framework that better reflects current software development practices, including agile and cloud-based approaches.	January 1, 2028	The Corporation is currently evaluating the impact that the adoption of this guidance will have on our accounting for internal use software considering our development practices which may include agile and cloud-based approaches.
FASB ASU 2025-04, Compensation - Stock Compensation (Topic 718) and Revenue from Contracts with Customers (Topic 606) - Clarifications to Share-Based Consideration Payable to a Customer	The FASB issued ASU 2025-04 in May 2025, which clarifies the accounting for share-based awards granted as consideration payable to a customer. The ASU expands the definition of performance condition for share-based consideration under ASC 718 and eliminates the forfeiture policy election for service conditions. It also confirms that the variable consideration constraint in ASC 606 does not apply to such awards.	January 1, 2027	The Corporation does not expect to be impacted by the adoption of this ASU since it does not grant share-based payment awards to customers.
FASB ASU 2025-03, Business Combinations (Topic 805) and Consolidation (Topic 810) - Determining the Accounting Acquirer in the Acquisition of a Variable Interest Entity	The FASB issued ASU 2025-03 in May 2025 which requires that an entity consider the factors in paragraphs 805-10-55-12 through 55-15 when it is involved in an acquisition transaction effected primarily by exchanging equity interests when the legal acquiree is a variable interest entity ("VIE") that meets the definition of a business to determine which entity is the accounting acquirer. This replaces the previous requirement that the primary beneficiary always is the acquirer.	January 1, 2027	The Corporation is currently evaluating any impact that the adoption of this guidance will have on its financial statements and presentation and disclosures.

Accounting Standards Updates Not Yet Adopted

Standard	*Description*	*Date of adoption*	*Effect on the financial statements*
FASB ASU 2024-03, Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40) - Disaggregation of Income Statement Expenses (As updated by ASU 2025-01)	The FASB issued ASU 2024-03 in November 2024, which requires public entities to disclose additional information about specific expense categories in the notes to financial statements at interim and annual reporting periods to improve financial transparency.	For fiscal years beginning on January 1, 2027 For interim periods within fiscal years beginning after January 1, 2028	The Corporation is currently evaluating the impact that the adoption of this guidance will have on its financial statements and presentation and disclosures.

Note 4 - Restrictions on cash and due from banks and certain securities

BPPR is required by regulatory agencies to maintain average reserve balances with the Federal Reserve Bank of New York (the "Fed") or other banks. Required average reserve balances in BPPR amounted to $2.8 billion at March 31, 2026 (December 31, 2025 - $ 2.7 billion). Cash and due from banks, as well as other highly liquid securities, are used to cover these required average reserves.

At March 31, 2026, the Corporation held $65 million in restricted assets in the form of funds deposited in money market accounts, debt securities available for sale and equity securities (December 31, 2025 - $64 million). The restricted assets held in debt securities available for sale and equity securities consist primarily of assets held for the Corporation's non-qualified retirement plans and fund deposits guaranteeing possible liens or encumbrances over the title of insured properties.

Note 5 – Debt securities available-for-sale

The following tables present the amortized cost, gross unrealized gains and losses, fair value, weighted average yield and contractual maturities of debt securities available-for-sale at March 31, 2026 and December 31, 2025.

	At March 31, 2026				
(In thousands)	Amortized cost	Gross unrealized gains	Gross unrealized losses	Fair value	Weighted average yield
U.S. Treasury securities					
Within 1 year	$ 10,459,758	$ 1,286	$ 1,727	$ 10,459,317	3.52 %
After 1 to 5 years	6,603,717	10,645	35,638	6,578,724	3.69
Total U.S. Treasury securities	17,063,475	11,931	37,365	17,038,041	3.59
Collateralized mortgage obligations - federal agencies					
Within 1 year	93	-	-	93	1.71
After 1 to 5 years	3,866	-	69	3,797	1.48
After 5 to 10 years	10,575	-	481	10,094	2.46
After 10 years	87,224	125	6,211	81,138	2.93
Total collateralized mortgage obligations - federal agencies	101,758	125	6,761	95,122	2.82
Mortgage-backed securities - federal agencies					
Within 1 year	869	-	7	862	2.04
After 1 to 5 years	87,724	15	2,689	85,050	2.22
After 5 to 10 years	1,093,830	162	83,023	1,010,969	1.75
After 10 years	4,289,433	708	787,666	3,502,475	1.77
Total mortgage-backed securities - federal agencies	5,471,856	885	873,385	4,599,356	1.77
Other					
Within 1 year	750	-	-	750	4.39
Total other	750	-	-	750	4.39
Total debt securities available-for-sale[1]	$ 22,637,839	$ 12,941	$ 917,511	$ 21,733,269	3.15 %

[1] Includes $15.1 billion pledged to secure government and trust deposits, credit facilities and loan servicing agreements that the secured parties are not permitted to sell or repledge the collateral, of which $13.9 billion serve as collateral for public funds. The Corporation had unpledged Available for Sale securities with a fair value of $6.6 billion that could be used to increase its borrowing facilities.

	At December 31, 2025				
(In thousands)	Amortized cost	Gross unrealized gains	Gross unrealized losses	Fair value	Weighted average yield
U.S. Treasury securities					
Within 1 year	$ 10,154,698	$ 4,716	$ 1,528	$ 10,157,886	3.44 %
After 1 to 5 years	5,555,079	29,795	19,306	5,565,568	3.70
Total U.S. Treasury securities	15,709,777	34,511	20,834	15,723,454	3.53
Collateralized mortgage obligations - federal agencies					
Within 1 year	152	-	1	151	1.97
After 1 to 5 years	4,879	-	88	4,791	1.49
After 5 to 10 years	11,524	-	482	11,042	2.45
After 10 years	90,018	180	5,941	84,257	2.92
Total collateralized mortgage obligations - federal agencies	106,573	180	6,512	100,241	2.80
Mortgage-backed securities - federal agencies					
Within 1 year	963	1	9	955	2.08
After 1 to 5 years	65,843	11	1,530	64,324	2.35
After 5 to 10 years	1,030,661	256	67,116	963,801	1.85
After 10 years	4,527,032	881	806,466	3,721,447	1.75
Total mortgage-backed securities - federal agencies	5,624,499	1,149	875,121	4,750,527	1.78
Other					
Within 1 year	750	-	-	750	4.43
Total other	750	-	-	750	4.43
Total debt securities available-for-sale[1]	$ 21,441,599	$ 35,840	$ 902,467	$ 20,574,972	3.07 %

[1] Includes $14.3 billion pledged to secure government and trust deposits, assets sold under agreements to repurchase, credit facilities and loan servicing agreements that the secured parties are not permitted to sell or repledge the collateral, of which $13.2 billion serve as collateral for public funds. The Corporation had unpledged Available for Sale securities with a fair value of $6.3 billion that could be used to increase its borrowing facilities.

The weighted average yield on debt securities available-for-sale is based on amortized cost; therefore, it does not give effect to changes in fair value.

Debt securities not due on a single contractual maturity date, such as mortgage-backed securities and collateralized mortgage obligations, are classified in the period of final contractual maturity. The expected maturities of collateralized mortgage obligations, mortgage-backed securities and certain other securities may differ from their contractual maturities because they may be subject to prepayments or may be called by the issuer.

At March 31, 2026, the Corporation did not intend to sell or believed it was more likely than not that it would be required to sell debt securities classified as available-for-sale. There were no debt securities sold during the quarters ended March 31, 2026 and 2025.

The following tables present the Corporation's fair value and gross unrealized losses of debt securities available-for-sale, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position at March 31, 2026 and December 31, 2025.

	At March 31, 2026					
	Less than 12 months		12 months or more		Total	
(In thousands)	Fair value	Gross unrealized losses	Fair value	Gross unrealized losses	Fair value	Gross unrealized losses
U.S. Treasury securities	$11,616,601	$ 17,111	$ 442,317	$ 20,254	$12,058,918	$ 37,365
Collateralized mortgage obligations - federal agencies	4,568	45	75,409	6,716	79,977	6,761
Mortgage-backed securities -federal agencies	212,099	9,678	4,335,138	863,707	4,547,237	873,385
Total debt securities available-for-sale in an unrealized loss position	$11,833,268	$ 26,834	$ 4,852,864	$ 890,677	$16,686,132	$ 917,511

	At December 31, 2025					
	Less than 12 months		12 months or more		Total	
(In thousands)	Fair value	Gross unrealized losses	Fair value	Gross unrealized losses	Fair value	Gross unrealized losses
U.S. Treasury securities	$ 992,083	$ 82	$ 943,699	$ 20,752	$ 1,935,782	$ 20,834
Collateralized mortgage obligations - federal agencies	1,481	3	83,266	6,509	84,747	6,512
Mortgage-backed securities - federal agencies	222,333	9,975	4,469,097	865,146	4,691,430	875,121
Total debt securities available-for-sale in an unrealized loss position	$ 1,215,897	$ 10,060	$ 5,496,062	$ 892,407	$ 6,711,959	$ 902,467

Debt securities available-for-sale in a continuous unrealized loss position for less than twelve months of $11.8 billion as of March 31, 2026, compared to $1.2 billion on December 31, 2025, primarily driven by an increase market rates, which resulted in a decline in the fair value of fixed-rate securities including U.S. Treasury securities and mortgage-backed securities.

As of March 31, 2026, the portfolio of available-for-sale debt securities reflects gross unrealized losses of $0.9 billion (December 31, 2025 - $0.9 billion), driven mainly by mortgage-backed securities, impacted by the higher-interest rate environment and the portfolio's longer duration. The portfolio of available-for-sale debt securities is comprised mainly of U.S Treasuries and obligations from the U.S. Government, its agencies or government sponsored entities, including Federal National Mortgage Association ("FNMA"), Federal Home Loan Mortgage Corporation ("FHLMC") and Government National Mortgage Association ("GNMA"). These securities carry an explicit or implicit guarantee from the U.S. Government, are highly rated by major rating agencies, and have a long history of no credit losses. Accordingly, the Corporation applies a zero-credit loss assumption.

Note 6 –Debt securities held-to-maturity

The following tables present the amortized cost, allowance for credit losses, gross unrealized gains and losses, approximate fair value, weighted average yield and contractual maturities of debt securities held-to-maturity at March 31, 2026 and December 31, 2025.

	At March 31, 2026							
(In thousands)	Amortized cost	Book[1] Value	Allowance for Credit Losses	Carrying Value Net of Allowance	Gross unrealized gains	Gross unrealized losses	Fair value	Weighted average yield
U.S. Treasury securities								
Within 1 year	$ 2,755,510	$ 2,717,438	$ -	$ 2,717,438	$ 1,757	$ 139	$ 2,719,056	1.15 %
After 1 to 5 years	4,403,161	4,195,564	-	4,195,564	4,137	-	4,199,701	1.30
Total U.S. Treasury securities	7,158,671	6,913,002	-	6,913,002	5,894	139	6,918,757	1.24
Obligations of Puerto Rico, States and political subdivisions								
Within 1 year	2,720	2,720	13	2,707	11	-	2,718	6.45
After 1 to 5 years	3,910	3,910	27	3,883	12	8	3,887	1.84
After 5 to 10 years	450	450	14	436	7	-	443	5.81
After 10 years	35,126	35,126	5,846	29,280	2,672	1,795	30,157	1.43
Total obligations of Puerto Rico, States and political subdivisions	42,206	42,206	5,900	36,306	2,702	1,803	37,205	1.83
Collateralized mortgage obligations - federal agencies								
After 10 years	1,491	1,491	-	1,491	-	190	1,301	2.87
Total collateralized mortgage obligations - federal agencies	1,491	1,491	-	1,491	-	190	1,301	2.87
Securities in wholly owned statutory business trusts								
After 5 to 10 years	5,960	5,960	-	5,960	-	-	5,960	6.33
Total securities in wholly owned statutory business trusts	5,960	5,960	-	5,960	-	-	5,960	6.33
Total debt securities held-to-maturity [2]	$ 7,208,328	$ 6,962,659	$ 5,900	$ 6,956,759	$ 8,596	$ 2,132	$ 6,963,223	1.25 %

[1] Book value includes $245 million of unrealized loss which remains in Accumulated other comprehensive (loss) income (AOCI) related to certain securities previously transferred from available-for-sale securities portfolio to the held-to-maturity securities portfolio.

[2] Includes $6.9 billion pledged to secure public and trust deposits that the secured parties are not permitted to sell or repledge the collateral. The Corporation had unpledged held-to-maturities securities with a fair value of $94.9 million that could be used to increase its borrowing facilities.

At December 31, 2025								
(In thousands)	Amortized cost	Book[1] Value	Allowance for Credit Losses	Carrying Value Net of Allowance	Gross unrealized gains	Gross unrealized losses	Fair value	Weighted average yield
U.S. Treasury securities								
Within 1 year	$ 2,558,293	$ 2,519,071	$ -	$ 2,519,071	$ 5,224	$ 110	$ 2,524,185	1.31 %
After 1 to 5 years	5,003,219	4,749,896	-	4,749,896	35,910	-	4,785,806	1.27
Total U.S. Treasury securities	7,561,512	7,268,967	-	7,268,967	41,134	110	7,309,991	1.28
Obligations of Puerto Rico, States and political subdivisions				`				
Within 1 year	2,605	2,605	5	2,600	4	-	2,604	6.43
After 1 to 5 years	12,508	12,508	39	12,469	24	87	12,406	3.49
After 5 to 10 years	450	450	15	435	15	-	450	5.81
After 10 years	35,544	35,544	5,753	29,791	2,908	1,829	30,870	1.43
Total obligations of Puerto Rico, States and political subdivisions	51,107	51,107	5,812	45,295	2,951	1,916	46,330	2.22
Collateralized mortgage obligations - federal agencies								
After 10 years	1,495	1,495	-	1,495	-	189	1,306	2.87
Total collateralized mortgage obligations - federal agencies	1,495	1,495	-	1,495	-	189	1,306	2.87
Securities in wholly owned statutory business trusts								
After 5 to 10 years	5,960	5,960	-	5,960	-	-	5,960	6.33
Total securities in wholly owned statutory business trusts	5,960	5,960	-	5,960	-	-	5,960	6.33
Total debt securities held-to-maturity [2]	$ 7,620,074	$ 7,327,529	$ 5,812	$ 7,321,717	$ 44,085	$ 2,215	$ 7,363,587	1.29 %

[1] Book value includes $293 million of unrealized loss which remains in Accumulated other comprehensive (loss) income (AOCI) related to certain securities previously transferred from available-for-sale securities portfolio to the held-to-maturity securities portfolio.

[2] Includes $7.3 billion pledged to secure public and trust deposits that the secured parties are not permitted to sell or repledge the collateral. The Corporation had unpledged held-to-maturities securities with a fair value of $98.8 million that could be used to increase its borrowing facilities.

Debt securities not due on a single contractual maturity date, such as collateralized mortgage obligations, are classified in the period of final contractual maturity. The expected maturities of collateralized mortgage obligations and certain other securities may differ from their contractual maturities because they may be subject to prepayments or may be called by the issuer.

Credit Quality Indicators

The following describes the credit quality indicators by major security type that the Corporation takes into account to develop the estimate of the allowance for credit losses for investment securities held-to-maturity.

As discussed in Note 2 of the 2025 Form 10-K, U.S. Treasury securities carry an explicit guarantee from the U.S. Government are highly rated by major rating agencies and have a long history of no credit losses. Accordingly, the Corporation applies a zero-credit loss assumption and no allowance for credit losses (“ACL”) for these securities has been established.

At March 31, 2026 and December 31, 2025, the “Obligations of Puerto Rico, States and political subdivisions” classified as held-to-maturity, included securities issued by municipalities of Puerto Rico that are generally not rated by a credit rating agency. The Corporation performs periodic credit quality reviews of these securities and internally assigns standardized credit risk ratings based on its evaluation. For the definitions of the obligor risk ratings, refer to the Credit Quality section of Note 8 to the Consolidated Financial Statements. This includes an amortized cost of $7.1 million of general and special obligation bonds issued by three municipalities of Puerto Rico, of which $6.3 million have a “Pass” rating, that are payable primarily from certain property taxes imposed by the issuing municipality (compared to $8.7 million and $7.9 million, respectively, at December 31, 2025).

At March 31, 2026, the portfolio of “Obligations of Puerto Rico, States and political subdivisions” also included $35.1 million in securities issued by the Puerto Rico Housing Finance Authority (“HFA”), a government instrumentality, for which the underlying source of payment is second mortgage loans in Puerto Rico residential properties (not the government), but for which HFA, provides a guarantee in the event of default and upon the satisfaction of certain other conditions (December 31, 2025 - $36 million). These securities are not rated by a credit rating agency. Refer to Note 18 to the Consolidated Financial Statements for additional information on the Corporation's exposure to the Puerto Rico Government.

A deterioration of the Puerto Rico economy or of the fiscal health of the Government of Puerto Rico and/or its instrumentalities (including if any of the issuing municipalities become subject to a debt restructuring proceeding under the Puerto Rico Oversight Management and Economic Stability Act ("PROMESA") could adversely affect the value of these securities, resulting in losses to the Corporation.

At March 31, 2026, the portfolio of "Obligations of Puerto Rico, States and political subdivisions" had no securities issued by the HFA for which the underlying source of payment is U.S. Treasury securities (December 31, 2025 - $6.8 million). These securities were fully redeemed during this quarter. The Corporation applies a zero-credit loss assumption for these securities, and no ACL has been established for these securities given that U.S. Treasury securities carry an explicit guarantee from the U.S. Government, are highly rated by major rating agencies, and have a long history of no credit losses.

Delinquency status

At March 31, 2026 and December 31, 2025, there were no securities held-to-maturity in past due or non-performing status.

Allowance for credit losses on debt securities held-to-maturity

The allowance for credit losses related to the Obligations of Puerto Rico and the States and Political subdivisions securities at March 31, 2026 was $5.9 million (December 31, 2025 - $5.8 million).

Note 7 – Loans

For a summary of the accounting policies related to loans, interest recognition and allowance for credit losses refer to Note 2 – Summary of Significant Accounting Policies of the 2025 Form 10-K.

The following table presents the Corporation's loan purchases (including repurchases) for the quarters ended March 31, 2026 and 2025 by class of loans:

(In thousands)	For the quarters ended March 31, 2026	2025
Commercial	$ 55,006	$ 7,160
Mortgage	109,208	120,907
Ending balance	$ 164,214	$ 128,067

The following table presents the Corporation's whole-loan sales for the quarters ended March 31, 2026 and 2025 by class of loans:

(In thousands)	For the quarters ended March 31, 2026	2025
Commercial	$ 14,191	$ 26,349
Construction	-	9,338
Mortgage	11,035	6,937
Ending balance	$ 25,226	$ 42,624

Delinquency status

The following tables present the amortized cost basis of loans held-in-portfolio ("HIP"), net of unearned income, by past due status, and by loan class including those that are in non-performing status or that are accruing interest but are past due 90 days or more at March 31, 2026 and December 31, 2025.

March 31, 2026								
BPPR								
	Past due						Past due 90 days or more	
	30-59	60-89	90 days	Total			Non-accrual	Accruing
(In thousands)	days	days	or more	past due	Current	Loans HIP	loans	loans
Commercial multi-family	$ 2,717	$ 7,927	$ -	$ 10,644	$ 332,447	$ 343,091	$ -	$ -
Commercial real estate:								
Non-owner occupied	3,123	-	26,457	29,580	3,362,611	3,392,191	26,457	-
Owner occupied	2,114	664	14,192	16,970	1,131,241	1,148,211	14,192	-
Commercial and industrial	5,792	2,240	190,205	198,237	5,742,028	5,940,265	185,993	4,212
Construction	13,635	-	-	13,635	399,144	412,779	-	-
Mortgage	218,044	102,818	325,321	646,183	6,789,562	7,435,745	129,367	195,954
Leasing	21,261	3,938	8,892	34,091	1,952,074	1,986,165	8,892	-
Consumer:								
Credit cards	12,351	8,721	25,395	46,467	1,167,725	1,214,192	-	25,395
Home equity lines of credit	-	120	-	120	1,778	1,898	-	-
Personal	18,601	11,212	15,976	45,789	1,805,275	1,851,064	15,755	221
Auto	81,112	13,038	35,390	129,540	3,654,364	3,783,904	35,390	-
Other	574	135	4,663	5,372	162,036	167,408	4,227	436
Total	$ 379,324	$ 150,813	$ 646,491	$ 1,176,628	$ 26,500,285	$ 27,676,913	$ 420,273	$ 226,218

March 31, 2026								
Popular U.S.								
	Past due						Past due 90 days or more	
	30-59	60-89	90 days	Total			Non-accrual	Accruing
(In thousands)	days	days	or more	past due	Current	Loans HIP	loans	loans
Commercial multi-family	$ 5,733	$ -	$ 10,962	$ 16,695	$ 2,067,509	$ 2,084,204	$ 10,962	$ -
Commercial real estate:								
Non-owner occupied	10,282	1,930	6,987	19,199	2,132,061	2,151,260	6,987	-
Owner occupied	21,202	1,610	-	22,812	2,041,333	2,064,145	-	-
Commercial and industrial	11,660	4,404	6,693	22,757	2,602,537	2,625,294	6,524	169
Construction	6,903	-	-	6,903	1,254,511	1,261,414	-	-
Mortgage	25,877	1,552	9,700	37,129	1,239,487	1,276,616	9,700	-
Consumer:								
Credit cards	-	-	-	-	7	7	-	-
Home equity lines of credit	660	252	2,766	3,678	74,188	77,866	2,766	-
Personal	1,062	523	905	2,490	59,727	62,217	905	-
Other	2	-	-	2	9,764	9,766	-	-
Total	$ 83,381	$ 10,271	$ 38,013	$ 131,665	$ 11,481,124	$ 11,612,789	$ 37,844	$ 169

March 31, 2026								
Popular, Inc.								
	Past due						Past due 90 days or more	
(In thousands)	30-59 days	60-89 days	90 days or more	Total past due	Current	Loans HIP[2] [3]	Non-accrual loans	Accruing loans
Commercial multi-family	$ 8,450	$ 7,927	$ 10,962	$ 27,339	$ 2,399,956	$ 2,427,295	$ 10,962	$ -
Commercial real estate:								
Non-owner occupied	13,405	1,930	33,444	48,779	5,494,672	5,543,451	33,444	-
Owner occupied	23,316	2,274	14,192	39,782	3,172,574	3,212,356	14,192	-
Commercial and industrial	17,452	6,644	196,898	220,994	8,344,565	8,565,559	192,517	4,381
Construction	20,538	-	-	20,538	1,653,655	1,674,193	-	-
Mortgage[1]	243,921	104,370	335,021	683,312	8,029,049	8,712,361	139,067	195,954
Leasing	21,261	3,938	8,892	34,091	1,952,074	1,986,165	8,892	-
Consumer:								
Credit cards	12,351	8,721	25,395	46,467	1,167,732	1,214,199	-	25,395
Home equity lines of credit	660	372	2,766	3,798	75,966	79,764	2,766	-
Personal	19,663	11,735	16,881	48,279	1,865,002	1,913,281	16,660	221
Auto	81,112	13,038	35,390	129,540	3,654,364	3,783,904	35,390	-
Other	576	135	4,663	5,374	171,800	177,174	4,227	436
Total	$ 462,705	$ 161,084	$ 684,504	$ 1,308,293	$ 37,981,409	$ 39,289,702	$ 458,117	$ 226,387

[1] At March 31, 2026, mortgage loans held-in-portfolio include $3.3 billion of loans that carry certain guarantees from the FHA or the VA, for which the Corporation's policy is to exclude them from non-performing status, of which $196 million are 90 days or more past due. The portfolio of guaranteed loans includes $43 million of residential mortgage loans in Puerto Rico that are no longer accruing interest as of March 31, 2026. The Corporation has $26 million in reverse mortgage loans in Puerto Rico which are guaranteed by FHA, but which are currently not accruing interest at March 31, 2026.

[2] Loans held-in-portfolio are net of $414 million in unearned income and exclude $6 million in loans held-for-sale.

[3] Includes $22.9 billion pledged to secure credit facilities and public funds that the secured parties are not permitted to sell or repledge the collateral, of which $7.4 billion were pledged at the Federal Home Loan Bank ("FHLB") as collateral for borrowings and $15.5 billion at the Federal Reserve Bank ("FRB") for discount window borrowings. As of March 31, 2026, the Corporation had an available borrowing facility with the FHLB and the discount window of FRB of $4.2 billion and $12.2 billion, respectively.

December 31, 2025

BPPR

(In thousands)	Past due 30-59 days	Past due 60-89 days	Past due 90 days or more	Total past due	Current	Loans HIP	Past due 90 days or more Non-accrual loans	Past due 90 days or more Accruing loans
Commercial multi-family	$ 6,579	$ 155	$ 112	$ 6,846	$ 296,502	$ 303,348	$ 112	$ -
Commercial real estate:								
Non-owner occupied	2,457	299	35,692	38,448	3,356,682	3,395,130	35,692	-
Owner occupied	2,760	681	24,567	28,008	1,168,585	1,196,593	24,567	-
Commercial and industrial	8,864	3,760	187,222	199,846	5,770,227	5,970,073	183,914	3,308
Construction	17,283	-	-	17,283	340,258	357,541	-	-
Mortgage	261,145	133,124	329,613	723,882	6,624,085	7,347,967	132,373	197,240
Leasing	23,748	4,640	9,179	37,567	1,963,798	2,001,365	9,179	-
Consumer:								
Credit cards	13,700	10,617	27,529	51,846	1,204,885	1,256,731	-	27,529
Home equity lines of credit	-	-	-	-	1,908	1,908	-	-
Personal	19,608	11,894	19,082	50,584	1,785,818	1,836,402	18,863	219
Auto	109,103	25,495	52,200	186,798	3,633,014	3,819,812	52,200	-
Other	927	2,688	2,285	5,900	165,858	171,758	1,809	476
Total	$ 466,174	$ 193,353	$ 687,481	$ 1,347,008	$ 26,311,620	$ 27,658,628	$ 458,709	$ 228,772

December 31, 2025

Popular U.S.

(In thousands)	Past due 30-59 days	Past due 60-89 days	Past due 90 days or more	Total past due	Current	Loans HIP	Past due 90 days or more Non-accrual loans	Past due 90 days or more Accruing loans
Commercial multi-family	$ 9,500	$ -	$ 8,636	$ 18,136	$ 2,134,306	$ 2,152,442	$ 8,636	$ -
Commercial real estate:								
Non-owner occupied	-	1,600	7,020	8,620	2,139,534	2,148,154	7,020	-
Owner occupied	-	-	-	-	1,956,487	1,956,487	-	-
Commercial and industrial	7,608	928	6,686	15,222	2,622,117	2,637,339	6,498	188
Construction	-	-	-	-	1,317,358	1,317,358	-	-
Mortgage	15,596	6,400	13,422	35,418	1,266,055	1,301,473	13,422	-
Consumer:								
Credit cards	-	-	-	-	(14)	(14)	-	-
Home equity lines of credit	1,282	82	2,796	4,160	72,624	76,784	2,796	-
Personal	983	832	1,233	3,048	66,778	69,826	1,233	-
Other	-	-	29	29	9,012	9,041	29	-
Total	$ 34,969	$ 9,842	$ 39,822	$ 84,633	$ 11,584,257	$ 11,668,890	$ 39,634	$ 188

December 31, 2025

Popular, Inc.

(In thousands)	Past due 30-59 days	Past due 60-89 days	Past due 90 days or more	Total past due	Current	Loans HIP[2] [3]	Past due 90 days or more Non-accrual loans	Past due 90 days or more Accruing loans
Commercial multi-family	$ 16,079	$ 155	$ 8,748	$ 24,982	$ 2,430,808	$ 2,455,790	$ 8,748	$ -
Commercial real estate:								
Non-owner occupied	2,457	1,899	42,712	47,068	5,496,216	5,543,284	42,712	-
Owner occupied	2,760	681	24,567	28,008	3,125,072	3,153,080	24,567	-
Commercial and industrial	16,472	4,688	193,908	215,068	8,392,344	8,607,412	190,412	3,496
Construction	17,283	-	-	17,283	1,657,616	1,674,899	-	-
Mortgage[1]	276,741	139,524	343,035	759,300	7,890,140	8,649,440	145,795	197,240
Leasing	23,748	4,640	9,179	37,567	1,963,798	2,001,365	9,179	-
Consumer:								
Credit cards	13,700	10,617	27,529	51,846	1,204,871	1,256,717	-	27,529
Home equity lines of credit	1,282	82	2,796	4,160	74,532	78,692	2,796	-
Personal	20,591	12,726	20,315	53,632	1,852,596	1,906,228	20,096	219
Auto	109,103	25,495	52,200	186,798	3,633,014	3,819,812	52,200	-
Other	927	2,688	2,314	5,929	174,870	180,799	1,838	476
Total	$ 501,143	$ 203,195	$ 727,303	$ 1,431,641	$ 37,895,877	$ 39,327,518	$ 498,343	$ 228,960

[1] At December 31, 2025 mortgage loans held-in-portfolio include $3.2 billion of loans that carry certain guarantees from the FHA or the VA, for which the Corporation's policy is to exclude them from non-performing status, of which $197 million are 90 days or more past due. The portfolio of guaranteed loans includes $47 million of residential mortgage loans in Puerto Rico that are no longer accruing interest as of December 31, 2025. The Corporation has $27 million in reverse mortgage loans in Puerto Rico which are guaranteed by FHA, but which are currently not accruing interest at December 31, 2025.

[2] Loans held-in-portfolio are net of $422 million in unearned income and exclude $10 million in loans held-for-sale.

[3] Includes $22.7 billion pledged to secure credit facilities and public funds that the secured parties are not permitted to sell or repledge the collateral, of which $7.5 billion were pledged at the FHLB as collateral for borrowings and $15.2 billion at the FRB for discount window borrowings. As of December 31, 2025, the Corporation had an available borrowing facility with the FHLB and the discount window of FRB of $4.0 billion and $12.1 billion, respectively.

The following tables present the amortized cost basis of non-accrual loans as of March 31, 2026 and December 31, 2025 by class of loans:

March 31, 2026	BPPR		Popular U.S.		Popular, Inc.	
(In thousands)	Non-accrual with no allowance	Non-accrual with allowance	Non-accrual with no allowance	Non-accrual with allowance	Non-accrual with no allowance	Non-accrual with allowance
Commercial multi-family	$ -	$ -	$ 10,632	$ 330	$ 10,632	$ 330
Commercial real estate non-owner occupied	22,240	4,217	6,957	30	29,197	4,247
Commercial real estate owner occupied	6,617	7,575	-	-	6,617	7,575
Commercial and industrial	6,203	179,790	5,975	549	12,178	180,339
Mortgage	59,937	69,430	760	8,940	60,697	78,370
Leasing	542	8,350	-	-	542	8,350
Consumer:						
HELOCs	-	-	-	2,766	-	2,766
Personal	3,484	12,271	-	905	3,484	13,176
Auto	2,313	33,077	-	-	2,313	33,077
Other	363	3,864	-	-	363	3,864
Total	$ 101,699	$ 318,574	$ 24,324	$ 13,520	$ 126,023	$ 332,094

December 31, 2025	BPPR		Popular U.S.		Popular, Inc.	
(In thousands)	Non-accrual with no allowance	Non-accrual with allowance	Non-accrual with no allowance	Non-accrual with allowance	Non-accrual with no allowance	Non-accrual with allowance
Commercial multi-family	$ -	$ 112	$ 8,137	$ 499	$ 8,137	$ 611
Commercial real estate non-owner occupied	31,408	4,284	6,979	41	38,387	4,325
Commercial real estate owner occupied	16,576	7,991	-	-	16,576	7,991
Commercial and industrial	6,245	177,669	5,985	513	12,230	178,182
Mortgage	59,302	73,071	732	12,690	60,034	85,761
Leasing	771	8,408	-	-	771	8,408
Consumer:						
HELOCs	-	-	-	2,796	-	2,796
Personal	3,314	15,549	-	1,233	3,314	16,782
Auto	2,252	49,948	-	-	2,252	49,948
Other	378	1,431	-	29	378	1,460
Total	$ 120,246	$ 338,463	$ 21,833	$ 17,801	$ 142,079	$ 356,264

The Corporation has designated loans classified as collateral dependent for which the ACL is measured based on the fair value of the collateral less cost to sell, when foreclosure is probable or when the repayment is expected to be provided substantially by the sale or operation of the collateral and the borrower is experiencing financial difficulty. The fair value of the collateral is based on appraisals, which may be adjusted due to their age, type, location, and condition of the property or area or general market conditions to reflect the expected change in value between the effective date of the appraisal and the measurement date. Appraisals are updated every one to two years depending on the type of loan and the total exposure of the borrower.

Loans in non-accrual status with no allowance at March 31, 2026 include $126 million in collateral dependent loans (December 31, 2025 - $142 million). The Corporation recognized $7 million in interest income on non-accrual loans during the quarter ended March 31, 2026 (March 31, 2025 - $3 million).

The following tables present the amortized cost basis of collateral-dependent loans, for which the ACL was measured based on the fair value of the collateral less cost to sell, by class of loans and type of collateral as of March 31, 2026 and December 31, 2025:

	March 31, 2026				
(In thousands)	Real Estate	Auto	Equipment	Other	Total
BPPR					
Commercial multi-family	$ 1,189	$ -	$ -	$ -	$ 1,189
Commercial real estate:					
Non-owner occupied	97,743	-	-	-	97,743
Owner occupied	12,891	-	-	-	12,891
Commercial and industrial	2,355	-	4,433	2,578	9,366
Mortgage	50,344	-	-	-	50,344
Leasing	-	1,652	-	-	1,652
Consumer:					
Personal	3,316	-	-	-	3,316
Auto	-	16,905	-	-	16,905
Other	-	14	-	363	377
Total BPPR	$ 167,838	$ 18,571	$ 4,433	$ 2,941	$ 193,783
Popular U.S.					
Commercial multi-family	$ 16,379	$ -	$ -	$ -	$ 16,379
Commercial real estate:					
Non-owner occupied	65,608	-	-	-	65,608
Commercial and industrial	4,177	-	-	1,798	5,975
Mortgage	1,082	-	-	-	1,082
Total Popular U.S.	$ 87,246	$ -	$ -	$ 1,798	$ 89,044
Popular, Inc.					
Commercial multi-family	$ 17,568	$ -	$ -	$ -	$ 17,568
Commercial real estate:					
Non-owner occupied	163,351	-	-	-	163,351
Owner occupied	12,891	-	-	-	12,891
Commercial and industrial	6,532	-	4,433	4,376	15,341
Mortgage	51,426	-	-	-	51,426
Leasing	-	1,652	-	-	1,652
Consumer:					
Personal	3,316	-	-	-	3,316
Auto	-	16,905	-	-	16,905
Other	-	14	-	363	377
Total Popular, Inc.	$ 255,084	$ 18,571	$ 4,433	$ 4,739	$ 282,827

(In thousands)	December 31, 2025 Real Estate	Auto	Equipment	Other	Total
BPPR					
Commercial multi-family	$ 1,206	$ -	$ -	$ -	$ 1,206
Commercial real estate:					
Non-owner occupied	127,031	-	-	-	127,031
Owner occupied	23,014	-	-	-	23,014
Commercial and industrial	2,378	-	4,476	297	7,151
Mortgage	67,380	-	-	-	67,380
Leasing	-	1,925	-	-	1,925
Consumer:					
Personal	3,402	-	-	-	3,402
Auto	-	16,512	-	-	16,512
Other	-	31	-	363	394
Total BPPR	$ 224,411	$ 18,468	$ 4,476	$ 660	$ 248,015
Popular U.S.					
Commercial multi-family	$ 16,395	$ -	$ -	$ -	$ 16,395
Commercial real estate:					
Non-owner occupied	65,630	-	-	-	65,630
Commercial and industrial	4,187	-	-	1,798	5,985
Mortgage	1,398	-	-	-	1,398
Total Popular U.S.	$ 87,610	$ -	$ -	$ 1,798	$ 89,408
Popular, Inc.					
Commercial multi-family	$ 17,601	$ -	$ -	$ -	$ 17,601
Commercial real estate:					
Non-owner occupied	192,661	-	-	-	192,661
Owner occupied	23,014	-	-	-	23,014
Commercial and industrial	6,565	-	4,476	2,095	13,136
Mortgage	68,778	-	-	-	68,778
Leasing	-	1,925	-	-	1,925
Consumer:					
Personal	3,402	-	-	-	3,402
Auto	-	16,512	-	-	16,512
Other	-	31	-	363	394
Total Popular, Inc.	$ 312,021	$ 18,468	$ 4,476	$ 2,458	$ 337,423

Note 8 – Allowance for credit losses – loans held-in-portfolio

The Corporation follows the current expected credit loss ("CECL") model to establish and evaluate the adequacy of the ACL to provide for expected losses in the loan portfolio. This model establishes a forward-looking methodology that reflects the expected credit losses over the lives of financial assets starting when such assets are first acquired or originated. In addition, CECL provides that the initial ACL on PCD financial assets be recorded as an increase to the purchase price, with subsequent changes to the allowance recorded as a credit loss expense. The provision for credit losses recorded in current operations is based on this methodology. Loan losses are charged and recoveries are credited to the ACL. The Corporation's modeling framework includes internally developed quantitative models that generate lifetime default and prepayment estimates as well as other loan level techniques to estimate loss severity. These models combine credit risk factors which include the impact of loan modifications, with macroeconomic expectations to derive the lifetime expected loss.

At March 31, 2026, the Corporation estimated the ACL by weighting the outputs of optimistic, baseline, and pessimistic scenarios. The weightings applied are subject to evaluation on a quarterly basis as part of the ACL's governance process. During the first quarter of 2026, among the three scenarios evaluated to estimate the ACL, the baseline scenario was assigned the highest probability, followed by the pessimistic scenario, where weight was increased during 2025 in response to ongoing uncertainties.

At March 31,2026, the ACL increased by $15.6 million from December 31, 2025 to $823.7 million.

The following tables present the changes in the ACL of loans held-in-portfolio and unfunded commitments for the quarters ended March 31, 2026 and 2025.

For the quarter ended March 31, 2026

BPPR

(In thousands)	Beginning Balance	Provision for credit losses (benefit)	Allowance for credit losses - PCD Loans	Charge-offs	Recoveries	Ending Balance
Allowance for credit losses - loans:						
Commercial						
Commercial multi-family	$ 3,871	$ 831	$ -	$ -	$ 2	$ 4,704
Commercial real estate non-owner occupied	44,149	15,847	-	(11,131)	16	48,881
Commercial real estate owner occupied	34,722	326	-	(91)	446	35,403
Commercial and industrial	163,877	16,834	-	(2,618)	1,887	179,980
Total Commercial	246,619	33,838	-	(13,840)	2,351	268,968
Construction	4,488	1,268	-	-	11	5,767
Mortgage	70,674	764	7	(483)	2,799	73,761
Leasing	18,620	2,537	-	(4,085)	1,516	18,588
Consumer						
Credit cards	91,124	14,305	-	(19,235)	3,182	89,376
Home equity lines of credit	58	(82)	-	-	91	67
Personal	97,804	17,602	-	(20,744)	2,795	97,457
Auto	180,364	3,006	-	(21,150)	8,324	170,544
Other	8,169	60	-	(747)	225	7,707
Total Consumer	377,519	34,891	-	(61,876)	14,617	365,151
Total - Loans	$ 717,920	$ 73,298	$ 7	$ (80,284)	$ 21,294	$ 732,235
Allowance for credit losses - unfunded commitments:						
Commercial	$ 5,993	$ (603)	$ -	$ -	$ -	$ 5,390
Construction	2,570	721	-	-	-	3,291
Ending balance - unfunded commitments [1]	$ 8,563	$ 118	$ -	$ -	$ -	$ 8,681

[1] Allowance for credit losses of unfunded commitments is presented as part of Other Liabilities in the Consolidated Statements of Financial Condition.

For the quarter ended March 31, 2026					
Popular U.S.					
(In thousands)	Beginning Balance	Provision for credit losses (benefit)	Charge-offs	Recoveries	Ending Balance
Allowance for credit losses - loans:					
Commercial					
Commercial multi-family	$ 15,474	$ (109)	$ -	$ -	$ 15,365
Commercial real estate non-owner occupied	14,568	697	-	-	15,265
Commercial real estate owner occupied	13,729	1,869	-	115	15,713
Commercial and industrial	17,057	424	(29)	44	17,496
Total Commercial	60,828	2,881	(29)	159	63,839
Construction	9,338	55	-	-	9,393
Mortgage	9,880	(45)	(19)	47	9,863
Consumer					
Home equity lines of credit	1,277	(400)	-	234	1,111
Personal	8,808	(104)	(1,818)	396	7,282
Other	5	4	(13)	10	6
Total Consumer	10,090	(500)	(1,831)	640	8,399
Total - Loans	$ 90,136	$ 2,391	$ (1,879)	$ 846	$ 91,494
Allowance for credit losses - unfunded commitments:					
Commercial	$ 1,570	$ 232	$ -	$ -	$ 1,802
Construction	4,161	(222)	-	-	3,939
Consumer	144	(19)	-	-	125
Ending balance - unfunded commitments [1]	$ 5,875	$ (9)	$ -	$ -	$ 5,866

[1] Allowance for credit losses of unfunded commitments is presented as part of Other Liabilities in the Consolidated Statements of Financial Condition.

For the quarter ended March 31, 2026						
Popular Inc.						
(In thousands)	Beginning Balance	Provision for credit losses (benefit)	Allowance for credit losses - PCD Loans	Charge-offs	Recoveries	Ending Balance
Allowance for credit losses - loans:						
Commercial						
Commercial multi-family	$ 19,345	$ 722	$ -	$ -	$ 2	$ 20,069
Commercial real estate non-owner occupied	58,717	16,544	-	(11,131)	16	64,146
Commercial real estate owner occupied	48,451	2,195	-	(91)	561	51,116
Commercial and industrial	180,934	17,258	-	(2,647)	1,931	197,476
Total Commercial	307,447	36,719	-	(13,869)	2,510	332,807
Construction	13,826	1,323	-	-	11	15,160
Mortgage	80,554	719	7	(502)	2,846	83,624
Leasing	18,620	2,537	-	(4,085)	1,516	18,588
Consumer						
Credit cards	91,124	14,305	-	(19,235)	3,182	89,376
Home equity lines of credit	1,335	(482)	-	-	325	1,178
Personal	106,612	17,498	-	(22,562)	3,191	104,739
Auto	180,364	3,006	-	(21,150)	8,324	170,544
Other	8,174	64	-	(760)	235	7,713
Total Consumer	387,609	34,391	-	(63,707)	15,257	373,550
Total - Loans	$ 808,056	$ 75,689	$ 7	$ (82,163)	$ 22,140	$ 823,729
Allowance for credit losses - unfunded commitments:						
Commercial	$ 7,563	$ (371)	$ -	$ -	$ -	$ 7,192
Construction	6,731	499	-	-	-	7,230
Consumer	144	(19)	-	-	-	125
Ending balance - unfunded commitments [1]	$ 14,438	$ 109	$ -	$ -	$ -	$ 14,547

[1] Allowance for credit losses of unfunded commitments is presented as part of Other Liabilities in the Consolidated Statements of Financial Condition.

For the quarter ended March 31, 2025						
BPPR						
(In thousands)	Beginning Balance	Provision for credit losses (benefit)	Allowance for credit losses - PCD Loans	Charge-offs	Recoveries	Ending Balance
Allowance for credit losses - loans:						
Commercial						
Commercial multi-family	$ 2,783	$ 635	$ -	$ -	$ 2	$ 3,420
Commercial real estate non-owner occupied	44,852	(2,599)	-	(65)	660	42,848
Commercial real estate owner occupied	37,355	(1,742)	-	(89)	495	36,019
Commercial and industrial	130,136	(257)	-	(3,312)	4,840	131,407
Total Commercial	215,126	(3,963)	-	(3,466)	5,997	213,694
Construction	2,743	(24)	-	-	-	2,719
Mortgage	72,901	(1,118)	9	(435)	2,932	74,289
Leasing	16,419	7,059	-	(4,544)	1,272	20,206
Consumer						
Credit cards	99,130	13,822	-	(18,865)	2,436	96,523
Home equity lines of credit	54	(108)	-	(25)	139	60
Personal	91,296	16,828	-	(21,953)	3,615	89,786
Auto	165,995	19,471	-	(21,056)	7,569	171,979
Other	7,002	723	-	(880)	162	7,007
Total Consumer	363,477	50,736	-	(62,779)	13,921	365,355
Total - Loans	$ 670,666	$ 52,690	$ 9	$ (71,224)	$ 24,122	$ 676,263
Allowance for credit losses - unfunded commitments:						
Commercial	$ 6,725	$ 720	$ -	$ -	$ -	$ 7,445
Construction	1,663	(103)	-	-	-	1,560
Ending balance - unfunded commitments [1]	$ 8,388	$ 617	$ -	$ -	$ -	$ 9,005

[1]Allowance for credit losses of unfunded commitments is presented as part of Other Liabilities in the Consolidated Statements of Financial Condition.

For the quarter ended March 31, 2025					
Popular U.S.					
(In thousands)	Beginning Balance	Provision for credit losses (benefit)	Charge-offs	Recoveries	Ending Balance
Allowance for credit losses - loans:					
Commercial					
Commercial multi-family	$ 6,453	$ 3,627	$ -	$ 1	$ 10,081
Commercial real estate non-owner occupied	9,642	5,811	-	-	15,453
Commercial real estate owner occupied	12,473	1,209	(12)	523	14,193
Commercial and industrial	15,870	1,477	(1,147)	222	16,422
Total Commercial	44,438	12,124	(1,159)	746	56,149
Construction	8,521	(1,728)	-	-	6,793
Mortgage	9,508	47	-	185	9,740
Consumer					
Home equity lines of credit	1,449	(136)	(30)	267	1,550
Personal	11,440	2,200	(2,626)	637	11,651
Other	2	21	(29)	8	2
Total Consumer	12,891	2,085	(2,685)	912	13,203
Total - Loans	$ 75,358	$ 12,528	$ (3,844)	$ 1,843	$ 85,885
Allowance for credit losses - unfunded commitments:					
Commercial	$ 1,662	$ (32)	$ -	$ -	$ 1,630
Construction	5,409	(1,917)	-	-	3,492
Consumer	11	31	-	-	42
Ending balance - unfunded commitments [1]	$ 7,082	$ (1,918)	$ -	$ -	$ 5,164

[1] Allowance for credit losses of unfunded commitments is presented as part of Other Liabilities in the Consolidated Statements of Financial Condition.

For the quarter ended March 31, 2025						
	Popular Inc.					
(In thousands)	Beginning Balance	Provision for credit losses (benefit)	Allowance for credit losses - PCD Loans	Charge-offs	Recoveries	Ending Balance
Allowance for credit losses - loans:						
Commercial						
Commercial multi-family	$ 9,236	$ 4,262	$ -	$ -	$ 3	$ 13,501
Commercial real estate non-owner occupied	54,494	3,212	-	(65)	660	58,301
Commercial real estate owner occupied	49,828	(533)	-	(101)	1,018	50,212
Commercial and industrial	146,006	1,220	-	(4,459)	5,062	147,829
Total Commercial	259,564	8,161	-	(4,625)	6,743	269,843
Construction	11,264	(1,752)	-	-	-	9,512
Mortgage	82,409	(1,071)	9	(435)	3,117	84,029
Leasing	16,419	7,059	-	(4,544)	1,272	20,206
Consumer						
Credit cards	99,130	13,822	-	(18,865)	2,436	96,523
Home equity lines of credit	1,503	(244)	-	(55)	406	1,610
Personal	102,736	19,028	-	(24,579)	4,252	101,437
Auto	165,995	19,471	-	(21,056)	7,569	171,979
Other	7,004	744	-	(909)	170	7,009
Total Consumer	376,368	52,821	-	(65,464)	14,833	378,558
Total - Loans	$ 746,024	$ 65,218	$ 9	$ (75,068)	$ 25,965	$ 762,148
Allowance for credit losses - unfunded commitments:						
Commercial	$ 8,387	$ 688	$ -	$ -	$ -	$ 9,075
Construction	7,072	(2,020)	-	-	-	5,052
Consumer	11	31	-	-	-	42
Ending balance - unfunded commitments [1]	$ 15,470	$ (1,301)	$ -	$ -	$ -	$ 14,169

[1]Allowance for credit losses of unfunded commitments is presented as part of Other Liabilities in the Consolidated Statements of Financial Condition.

Modifications

A modification constitutes a change in loan terms in the form of principal forgiveness, an interest rate reduction, other than-insignificant payment delay, term extension or combination of the above made to a borrower experiencing financial difficulty.

The amount of outstanding commitments to lend additional funds to debtors with financial difficulties owing receivables whose terms have been modified during the quarter ended March 31, 2026 amounted to $69 million (during the year ended December 31, 2025 - $159 million), related to the commercial loan portfolios.

The following tables show the amortized cost basis of the loans modified to borrowers experiencing financial difficulties at the end of the reporting period disaggregated by class of financing receivable and type of concession granted for the quarters ended March 31, 2026 and 2025. Loans modified to borrowers experiencing financial difficulties that were fully paid down, charged-off or foreclosed upon by period end are not reported.

Loan Modifications Made to Borrowers Experiencing Financial Difficulty for the quarter ended March 31, 2026

Interest Rate Reduction

	BPPR		Popular U.S.		Popular, Inc.	
(Dollars in thousands)	Amortized Cost Basis at March 31, 2026	% of total class of Financing Receivable	Amortized Cost Basis at March 31, 2026	% of total class of Financing Receivable	Amortized Cost Basis at March 31, 2026	% of total class of Financing Receivable
Commercial and industrial	$ 743	0.01%	$ -	-%	$ 743	0.01%
Mortgage	74	-%	-	-%	74	-%
Consumer:						
Credit cards	79	0.01%	-	-%	79	0.01%
Personal	517	0.03%	-	-%	517	0.03%
Total	$ 1,413	0.01%	$ -	-%	$ 1,413	-%

Term Extension

	BPPR		Popular U.S.		Popular, Inc.	
(Dollars in thousands)	Amortized Cost Basis at March 31, 2026	% of total class of Financing Receivable	Amortized Cost Basis at March 31, 2026	% of total class of Financing Receivable	Amortized Cost Basis at March 31, 2026	% of total class of Financing Receivable
CRE non-owner occupied	$ 1,856	0.05%	$ -	-%	$ 1,856	0.03%
CRE owner occupied	1,321	0.12%	-	-%	1,321	0.04%
Commercial and industrial	56,240	0.95%	-	-%	56,240	0.66%
Mortgage	6,309	0.08%	-	-%	6,309	0.07%
Consumer:				-		
Personal	104	0.01%	11	0.02%	115	0.01%
Auto	51	-%	-	-%	51	-%
Total	$ 65,881	0.24%	$ 11	-%	$ 65,892	0.17%

Other-Than-Insignificant Payment Delays

	BPPR		Popular U.S.		Popular, Inc.	
(Dollars in thousands)	Amortized Cost Basis at March 31, 2026	% of total class of Financing Receivable	Amortized Cost Basis at March 31, 2026	% of total class of Financing Receivable	Amortized Cost Basis at March 31, 2026	% of total class of Financing Receivable
CRE owner occupied	$ 17,425	1.52%	$ -	-%	$ 17,425	0.54%
Commercial and industrial	155,817	2.62%	-	-%	155,817	1.82%
Total	$ 173,242	0.63%	$ -	-%	$ 173,242	0.44%

Combination - Term Extension and Interest Rate Reduction						
	BPPR		Popular U.S.		Popular, Inc.	
(Dollars in thousands)	Amortized Cost Basis at March 31, 2026	% of total class of Financing Receivable	Amortized Cost Basis at March 31, 2026	% of total class of Financing Receivable	Amortized Cost Basis at March 31, 2026	% of total class of Financing Receivable
Commercial and industrial	$ 109	-%	$ -	-%	$ 109	-%
Mortgage	2,195	0.03%	-	-%	2,195	0.03%
Consumer:						
Personal	2,838	0.15%	-	-%	2,838	0.15%
Auto	96	-%	-	-%	96	-%
Total	$ 5,238	0.02%	$ -	-%	$ 5,238	0.01%

Combination - Other-Than-Insignificant Payment Delays and Interest Rate Reduction						
	BPPR		Popular U.S.		Popular, Inc.	
(Dollars in thousands)	Amortized Cost Basis at March 31, 2026	% of total class of Financing Receivable	Amortized Cost Basis at March 31, 2026	% of total class of Financing Receivable	Amortized Cost Basis at March 31, 2026	% of total class of Financing Receivable
Commercial and industrial	$ 188	-%	$ -	-%	$ 188	-%
Consumer:						
Credit cards	2,447	0.20%	-	-%	2,447	0.20%
Total	$ 2,635	0.01%	$ -	-%	$ 2,635	0.01%

Loan Modifications Made to Borrowers Experiencing Financial Difficulty for the quarter ended March 31, 2025

Interest Rate Reduction

	BPPR		Popular U.S.		Popular, Inc.	
(Dollars in thousands)	Amortized Cost Basis at March 31, 2025	% of total class of Financing Receivable	Amortized Cost Basis at March 31, 2025	% of total class of Financing Receivable	Amortized Cost Basis at March 31, 2025	% of total class of Financing Receivable
Commercial and industrial	$ 1,272	0.02%	$ -	-%	$ 1,272	0.02%
Consumer:						
Credit cards	235	0.02%	-	-%	235	0.02%
Personal	1,215	0.07%	-	-%	1,215	0.07%
Other	5	-%	-	-%	5	-%
Total	$ 2,727	0.01%	$ -	-%	$ 2,727	0.01%

Term Extension

	BPPR		Popular U.S.		Popular, Inc.	
(Dollars in thousands)	Amortized Cost Basis at March 31, 2025	% of total class of Financing Receivable	Amortized Cost Basis at March 31, 2025	% of total class of Financing Receivable	Amortized Cost Basis at March 31, 2025	% of total class of Financing Receivable
CRE non-owner occupied	$ 1,005	0.03%	$ -	-%	$ 1,005	0.02%
CRE owner occupied	512	0.04%	-	-%	512	0.02%
Commercial and industrial	9,372	0.18%	-	-%	9,372	0.12%
Mortgage	9,971	0.14%	-	-%	9,971	0.12%
Consumer:						
Personal	239	0.01%	2	-%	241	0.01%
Auto	40	-%	-	-%	40	-%
Total	$ 21,139	0.08%	$ 2	-%	$ 21,141	0.06%

Other-Than-Insignificant Payment Delays

	BPPR		Popular U.S.		Popular, Inc.	
(Dollars in thousands)	Amortized Cost Basis at March 31, 2025	% of total class of Financing Receivable	Amortized Cost Basis at March 31, 2025	% of total class of Financing Receivable	Amortized Cost Basis at March 31, 2025	% of total class of Financing Receivable
CRE non-owner occupied	$ 4,454	0.13%	$ -	-%	$ 4,454	0.08%
CRE owner occupied	24,686	2.05%	-	-%	24,686	0.83%
Commercial and industrial	96,529	1.84%	-	-%	96,529	1.25%
Total	$ 125,669	0.48%	$ -	-%	$ 125,669	0.34%

Combination - Term Extension and Interest Rate Reduction

	BPPR		Popular U.S.		Popular, Inc.	
(Dollars in thousands)	Amortized Cost Basis at March 31, 2025	% of total class of Financing Receivable	Amortized Cost Basis at March 31, 2025	% of total class of Financing Receivable	Amortized Cost Basis at March 31, 2025	% of total class of Financing Receivable
Mortgage	$ 3,132	0.05%	$ -	-%	$ 3,132	0.04%
Consumer:						
Personal	3,209	0.18%	43	0.05%	3,252	0.18%
Total	$ 6,341	0.02%	$ 43	0.05%	$ 6,384	0.02%

Combination - Other-Than-Insignificant Payment Delays and Interest Rate Reduction

	BPPR		Popular U.S.		Popular, Inc.	
(Dollars in thousands)	Amortized Cost Basis at March 31, 2025	% of total class of Financing Receivable	Amortized Cost Basis at March 31, 2025	% of total class of Financing Receivable	Amortized Cost Basis at March 31, 2025	% of total class of Financing Receivable
Commercial and industrial	$ 567	0.01%	$ -	-%	$ 567	0.01%
Consumer:						
Credit cards	2,751	0.23%	-	-%	2,751	0.23%
Total	$ 3,318	0.01%	$ -	-%	$ 3,318	0.01%

The following tables describe the financial effect of the modifications made to borrowers experiencing financial difficulties:

For the quarter ended March 31, 2026

Interest rate reduction

Loan Type	Financial Effect
Commercial and industrial	Reduced weighted-average contractual interest rate from 22.6% to 9.9%.
Mortgage	Reduced weighted-average contractual interest rate from 7.3% to 5.4%.
Consumer:	
Credit cards	Reduced weighted-average contractual interest rate from 21.2% to 8.8%.
Personal	Reduced weighted-average contractual interest rate from 19.9% to 12.1%.
Auto	Reduced weighted-average contractual interest rate from 8.9% to 8.7%.

Term extension

Loan Type	Financial Effect
CRE Non-owner occupied	Added a weighted-average of 16 months to the life of loans.
CRE Owner occupied	Added a weighted-average of 4 years to the life of loans.
Commercial and industrial	Added a weighted-average of 5 months to the life of loans.
Mortgage	Added a weighted-average of 13 years to the life of loans.
Consumer:	
Personal	Added a weighted-average of 4 years to the life of loans.
Auto	Added a weighted-average of 19 months to the life of loans.

Other than insignificant payment delays

Loan Type	Financial Effect
CRE Owner occupied	Added a weighted-average of 10 months to the life of loans.
Commercial and industrial	Added a weighted-average of 10 months to the life of loans.
Consumer:	
Credit cards	Added a weighted-average of 17 months to the life of loans.

For the quarter ended March 31, 2025

Interest rate reduction

Loan Type	Financial Effect
Commercial and industrial	Reduced weighted-average contractual interest rate from 25.4% to 9.6%.
Mortgage	Reduced weighted-average contractual interest rate from 6.5% to 5.6%.
Consumer:	
Credit cards	Reduced weighted-average contractual interest rate from 21.3% to 8.2%.
Personal	Reduced weighted-average contractual interest rate from 21.6% to 11.7%.
Other	Reduced weighted-average contractual interest rate from 18.0% to 0.0%.

Term extension

Loan Type	Financial Effect
CRE Non-owner occupied	Added a weighted-average of 6 months to the life of loans.
CRE Owner occupied	Added a weighted-average of 3 months to the life of loans.
Commercial and industrial	Added a weighted-average of 1 year to the life of loans.
Mortgage	Added a weighted-average of 15 years to the life of loans.
Consumer:	
Personal	Added a weighted-average of 5 years to the life of loans.
Auto	Added a weighted-average of 3 years to the life of loans.

Other than insignificant payment delay

Loan Type	Financial Effect
CRE Non-owner occupied	Added a weighted-average of 10 months to the life of loans.
CRE Owner occupied	Added a weighted-average of 9 months to the life of loans.
Commercial and industrial	Added a weighted-average of 13 months to the life of loans.
Consumer:	
Credit cards	Added a weighted-average of 19 months to the life of loans.

The following tables present, by class, the performance of loans that have been modified during the twelve months preceding March 31, 2026. The past due 90 days or more categories include all loans modified classified as non-accruing at the time of the modification. These loans will continue in non-accrual status, and presented as past due 90 days or more, until the borrower has demonstrated a willingness and ability to make the restructured loan payments (at least six months of sustained performance after the modification or one year for loans providing for quarterly or semi-annual payments) and management has concluded that it is probable that the borrower would not be in payment default in the foreseeable future.

BPPR

March 31, 2026

(In thousands)	30-59 days	60-89 days	Past due 90 days or more	Total past due	Current	Total	Past Due 90 days or more [1] With Payment Default	Past Due 90 days or more [1] Without Payment Default
CRE non-owner occupied	$ -	$ -	$ 2,115	$ 2,115	$ 1,726	$ 3,841	$ -	$ 2,115
CRE owner occupied	485	-	2,741	3,226	58,227	61,453	-	2,741
Commercial and industrial	809	76	4,369	5,254	304,683	309,937	341	4,028
Mortgage	4,082	1,615	20,668	26,365	24,524	50,889	7,338	13,330
Consumer:								
Credit cards	751	454	1,139	2,344	6,755	9,099	869	270
Personal	695	197	1,328	2,220	12,195	14,415	60	1,268
Auto	-	-	-	-	458	458		-
Total	$ 6,822	$ 2,342	$ 32,360	$ 41,524	$ 408,568	$ 450,092	$ 8,608	$ 23,752

[1] Loans that were in non-accrual status at the time of modification are presented as past due until the borrower has demonstrated a willingness and ability to make the restructured loan payments. Payment default is defined as a restructured loan becoming 90 days past due after being modified, foreclosed or charged-off, whichever occurs first. The recorded investment as of period end is inclusive of all partial paydowns and charge-offs since the modification date. Loans modified with financial difficulty that were fully paid down, charged-off or foreclosed upon by period end are not reported.

Popular U.S.

March 31, 2026

(In thousands)	30-59 days	60-89 days	Past due 90 days or more	Total past due	Current	Total	Past Due 90 days or more [1] With Payment Default	Past Due 90 days or more [1] Without Payment Default
CRE non-owner occupied	$ -	$ -	$ -	$ -	$ 58,652	$ 58,652	$ -	$ -
Commercial and industrial	-	-	-	-	914	914	-	-
Mortgage	-	-	-	-	1,120	1,120	-	-
Consumer:								
Personal	-	-	33	33	75	108	33	-
Total	$ -	$ -	$ 33	$ 33	$ 60,761	$ 60,794	$ 33	$ -

[1] Loans that were in non-accrual status at the time of modification are presented as past due until the borrower has demonstrated a willingness and ability to make the restructured loan payments. Payment default is defined as a restructured loan becoming 90 days past due after being modified, foreclosed or charged-off, whichever occurs first. The recorded investment as of period end is inclusive of all partial paydowns and charge-offs since the modification date. Loans modified with financial difficulty that were fully paid down, charged-off or foreclosed upon by period end are not reported.

Popular Inc.

March 31, 2026

(In thousands)	30-59 days	60-89 days	Past due 90 days or more	Total past due	Current	Total	Past Due 90 days or more [1] With Payment Default	Past Due 90 days or more [1] Without Payment Default
CRE non-owner occupied	$ -	$ -	$ 2,115	$ 2,115	$ 60,378	$ 62,493	$ -	$ 2,115
CRE owner occupied	485	-	2,741	3,226	58,227	61,453	-	2,741
Commercial and industrial	809	76	4,369	5,254	305,597	310,851	341	4,028
Mortgage	4,082	1,615	20,668	26,365	25,644	52,009	7,338	13,330
Consumer:								
Credit cards	751	454	1,139	2,344	6,755	9,099	869	270
Personal	695	197	1,361	2,253	12,270	14,523	93	1,268
Auto	-	-	-	-	458	458	-	-
Total	$ 6,822	$ 2,342	$ 32,393	$ 41,557	$ 469,329	$ 510,886	$ 8,641	$ 23,752

[1] Loans that were in non-accrual status at the time of modification are presented as past due until the borrower has demonstrated a willingness and ability to make the restructured loan payments. Payment default is defined as a restructured loan becoming 90 days past due after being modified, foreclosed or charged-off, whichever occurs first. The recorded investment as of period end is inclusive of all partial paydowns and charge-offs since the modification date. Loans modified with financial difficulty that were fully paid down, charged-off or foreclosed upon by period end are not reported.

The following tables present, by class, the performance of loans that have been modified during the twelve months preceding March 31, 2025.

BPPR								
March 31, 2025								
							Past Due 90 days or more [1]	
(In thousands)	30-59 days	60-89 days	Past due 90 days or more	Total past due	Current	Total	With Payment Default	Without Payment Default
CRE non-owner occupied	$ -	$ -	$ 451	$ 451	$ 8,571	$ 9,022	$ -	$ 451
CRE owner occupied	85	113	2,137	2,335	45,631	47,966	257	1,880
Commercial and industrial	290	177	4,856	5,323	167,950	173,273	273	4,583
Mortgage	5,072	2,767	17,345	25,184	37,456	62,640	3,256	14,089
Consumer:								
Credit cards	699	536	845	2,080	4,690	6,770	503	342
Personal	391	129	1,887	2,407	12,584	14,991	136	1,751
Auto	-	-	-	-	119	119	-	-
Other	-	-	-	-	27	27	-	-
Total	$ 6,537	$ 3,722	$ 27,521	$ 37,780	$ 277,028	$ 314,808	$ 4,425	$ 23,096

[1] Loans that were in non-accrual status at the time of modification are presented as past due until the borrower has demonstrated a willingness and ability to make the restructured loan payments. Payment default is defined as a restructured loan becoming 90 days past due after being modified, foreclosed or charged-off, whichever occurs first. The recorded investment as of period end is inclusive of all partial paydowns and charge-offs since the modification date. Loans modified with financial difficulty that were fully paid down, charged-off or foreclosed upon by period end are not reported.

Popular U.S.								
March 31, 2025								
							Past Due 90 days or more [1]	
(In thousands)	30-59 days	60-89 days	Past due 90 days or more	Total past due	Current	Total	With Payment Default	Without Payment Default
Commercial multi-family	$ -	$ -	$ -	$ -	$ 5,804	$ 5,804	$ -	$ -
CRE owner occupied	-	-	-	-	5,953	5,953	-	-
Commercial and industrial	-	-	-	-	684	684	-	-
Mortgage	-	-	699	699	796	1,495	645	54
Consumer:								
Personal	14	-	-	14	221	235	-	-
Total	$ 14	$ -	$ 699	$ 713	$ 13,458	$ 14,171	$ 645	$ 54

[1] Loans that were in non-accrual status at the time of modification are presented as past due until the borrower has demonstrated a willingness and ability to make the restructured loan payments. Payment default is defined as a restructured loan becoming 90 days past due after being modified, foreclosed or charged-off, whichever occurs first. The recorded investment as of period end is inclusive of all partial paydowns and charge-offs since the modification date. Loans modified with financial difficulty that were fully paid down, charged-off or foreclosed upon by period end are not reported.

Popular Inc.								
March 31, 2025								
							Past Due 90 days or more [1]	
(In thousands)	30-59 days	60-89 days	Past due 90 days or more	Total past due	Current	Total	With Payment Default	Without Payment Default
Commercial multi-family	$ -	$ -	$ -	$ -	$ 5,804	$ 5,804	$ -	-
CRE non-owner occupied	-	-	451	451	8,571	9,022	-	451
CRE owner occupied	85	113	2,137	2,335	51,584	53,919	257	1,880
Commercial and industrial	290	177	4,856	5,323	168,634	173,957	273	4,583
Mortgage	5,072	2,767	18,044	25,883	38,252	64,135	3,901	14,143
Consumer:								
Credit cards	699	536	845	2,080	4,690	6,770	503	342
Personal	405	129	1,887	2,421	12,805	15,226	136	1,751
Auto	-	-	-	-	119	119	-	-
Other	-	-	-	-	27	27	-	-
Total	$ 6,551	$ 3,722	$ 28,220	$ 38,493	$ 290,486	$ 328,979	$ 5,070	$ 23,150

[1] Loans that were in non-accrual status at the time of modification are presented as past due until the borrower has demonstrated a willingness and ability to make the restructured loan payments. Payment default is defined as a restructured loan becoming 90 days past due after being modified, foreclosed or charged-off, whichever occurs first. The recorded investment as of period end is inclusive of all partial paydowns and charge-offs since the modification date. Loans modified with financial difficulty that were fully paid down, charged-off or foreclosed upon by period end are not reported.

Payment default is defined as a restructured loan becoming 90 days past due after being modified, foreclosed or charged-off, whichever occurs first. The following tables provide the outstanding balance of loans modified for borrowers under financial difficulties that were subject to payment default and that had been modified during the twelve months prior to default.

Amortized Cost Basis of Modified Financing Receivables That Subsequently Defaulted During the Quarter Ended March 31, 2026

(In thousands)	Interest Rate Reduction	Term Extension	Other-Than-Insignificant Payment Delays	Combination - Term Extension and Interest Rate Reduction	Combination - Other-Than-Insignificant Payment Delays and Interest Rate Reduction	Total
Commercial and industrial	$ 152	$ 40	$ 14	$ 96	$ 140	$ 442
Mortgage	-	7,741	109	736	-	8,586
Consumer:						
Credit cards	69	-	-	-	1,133	1,202
Personal	50	-	-	288	-	338
Total	$ 271	$ 7,781	$ 123	$ 1,120	$ 1,273	$ 10,568

Amortized Cost Basis of Modified Financing Receivables That Subsequently Defaulted During the Quarter Ended March 31, 2025

(In thousands)	Interest Rate Reduction	Term Extension	Other-Than-Insignificant Payment Delays	Combination - Term Extension and Interest Rate Reduction	Combination - Other-Than-Insignificant Payment Delays and Interest Rate Reduction	Total
CRE owner occupied	$ -	$ 89	$ 257	$ -	$ -	$ 346
Commercial and industrial	81	64	84	-	132	361
Mortgage	-	4,820	-	415	-	5,235
Consumer:						
Credit cards	178	-	-	-	454	632
Personal	85	11	-	67	-	163
Total	$ 344	$ 4,984	$ 341	$ 482	$ 586	$ 6,737

Credit Quality

The risk rating system provides for the assignment of ratings at the obligor level based on the financial condition of the borrower. The risk rating analysis process is performed at least once a year or more frequently if events or conditions change which may deteriorate the credit quality. In the case of consumer and mortgage loans, these loans are classified considering their delinquency status at the end of the reporting period.

The following tables present the amortized cost basis, net of unearned income, of loans held-in-portfolio based on the Corporation’s assignment of obligor risk ratings as defined at March 31, 2026 and December 31, 2025 and the gross charge-offs recorded by vintage year. For the definitions of the obligor risk ratings, refer to the Credit Quality section of Note 8 to the Consolidated Financial Statements included in the 2025 Form 10-K:

	March 31, 2026								
	Term Loans Amortized Cost Basis by Origination Year								
(In thousands)	2026	2025	2024	2023	2022	Prior Years	Revolving Loans Amortized Cost Basis	Revolving Loans Converted to Term Loans Amortized Cost Basis	Total
BPPR									
Commercial:									
Commercial multi-family									
Pass	$ 42,608	$ 11,093	$ 32,748	$ 36,284	$ 130,510	$ 65,455	$ 303	$ -	$ 319,001
Watch	-	-	15,710	-	518	3,654	-	-	19,882
Special Mention	-	220	-	-	-	193	-	-	413
Substandard	-	-	-	-	-	3,795	-	-	3,795
Total commercial multi-family	$ 42,608	$ 11,313	$ 48,458	$ 36,284	$ 131,028	$ 73,097	$ 303	$ -	$ 343,091
Commercial real estate non-owner occupied									
Pass	$ 82,203	$ 441,363	$ 401,447	$ 263,210	$ 782,917	$ 1,136,854	$ 5,267	$ -	$ 3,113,261
Watch	-	22,316	11,821	42,798	4,973	97,718	598	-	180,224
Special Mention	-	1,814	-	868	141	41,114	-	-	43,937
Substandard	-	-	723	8,367	17,435	28,244	-	-	54,769
Total commercial real estate non-owner occupied	$ 82,203	$ 465,493	$ 413,991	$ 315,243	$ 805,466	$ 1,303,930	$ 5,865	$ -	$ 3,392,191
Year-to-Date gross write-offs	$ -	$ -	$ -	$ -	$ 11,131	$ -	$ -	$ -	$ 11,131
Commercial real estate owner occupied									
Pass	$ 17,596	$ 153,564	$ 111,506	$ 48,190	$ 69,723	$ 422,574	$ 22,830	$ -	$ 845,983
Watch	-	6,194	26,562	6,166	34,427	93,078	1,049	-	167,476
Special Mention	190	-	-	1,484	2,935	17,345	1,500	-	23,454
Substandard	987	9,312	1,894	1,804	18,232	76,798	1,827	-	110,854
Doubtful	-	73	-	-	220	151	-	-	444
Total commercial real estate owner occupied	$ 18,773	$ 169,143	$ 139,962	$ 57,644	$ 125,537	$ 609,946	$ 27,206	$ -	$ 1,148,211
Year-to-Date gross write-offs	$ 1	$ -	$ -	$ -	$ -	$ 90	$ -	$ -	$ 91
Commercial and industrial									
Pass	$ 68,303	$ 1,310,651	$ 599,285	$ 642,805	$ 424,285	$ 518,898	$ 1,366,545	$ -	$ 4,930,772
Watch	7,479	34,152	93,292	18,274	32,820	17,092	204,257	-	407,366
Special Mention	1,342	20,675	25,617	9,852	1,791	4,476	22,278	-	86,031
Substandard	8,539	36,138	14,964	46,521	94,276	170,270	145,363	-	516,071
Loss	-	-	-	-	-	-	25	-	25
Total commercial and industrial	$ 85,663	$ 1,401,616	$ 733,158	$ 717,452	$ 553,172	$ 710,736	$ 1,738,468	$ -	$ 5,940,265
Year-to-Date gross write-offs	$ 322	$ 257	$ 161	$ 60	$ 14	$ 14	$ 1,790	$ -	$ 2,618
Construction									
Pass	$ 8,389	$ 34,849	$ 114,149	$ 77,267	$ -	$ 11,792	$ 71,895	$ -	$ 318,341
Watch	-	-	45,773	43,224	5,688	-	(247)	-	94,438
Total construction	$ 8,389	$ 34,849	$ 159,922	$ 120,491	$ 5,688	$ 11,792	$ 71,648	$ -	$ 412,779
Mortgage									
Pass	$ 191,448	$ 1,006,090	$ 855,964	$ 668,642	$ 382,160	$ 4,262,955	$ -	$ -	$ 7,367,259
Substandard	-	183	727	2,872	1,922	62,782	-	-	68,486
Total mortgage	$ 191,448	$ 1,006,273	$ 856,691	$ 671,514	$ 384,082	$ 4,325,737	$ -	$ -	$ 7,435,745
Year-to-Date gross write-offs	$ -	$ -	$ -	$ -	$ -	$ 483	$ -	$ -	$ 483

	March 31, 2026								
	Term Loans Amortized Cost Basis by Origination Year						Revolving Loans Amortized Cost Basis	Revolving Loans Converted to Term Loans Amortized Cost Basis	
(In thousands)	2026	2025	2024	2023	2022	Prior Years			Total
BPPR									
Leasing									
Pass	$ 202,295	$ 598,503	$ 498,463	$ 324,408	$ 225,282	$ 128,323	$ -	$ -	$ 1,977,274
Substandard	1	653	1,825	2,632	2,242	1,538	-	-	8,891
Total leasing	$ 202,296	$ 599,156	$ 500,288	$ 327,040	$ 227,524	$ 129,861	$ -	$ -	$ 1,986,165
Year-to-Date gross write-offs	$ 21	$ 1,064	$ 1,026	$ 1,082	$ 693	$ 199	$ -	$ -	$ 4,085
Consumer:									
Credit cards									
Pass	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,188,797	$ -	$ 1,188,797
Substandard	-	-	-	-	-	-	25,392	-	25,392
Loss	-	-	-	-	-	-	3	-	3
Total credit cards	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,214,192	$ -	$ 1,214,192
Year-to-Date gross write-offs	$ -	$ -	$ -	$ -	$ -	$ -	$ 19,235	$ -	$ 19,235
HELOCs									
Pass	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,898	$ -	$ 1,898
Total HELOCs	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,898	$ -	$ 1,898
Personal									
Pass	$ 238,029	$ 755,971	$ 361,303	$ 223,153	$ 111,867	$ 113,321	$ -	$ 31,028	$ 1,834,672
Substandard	-	1,644	2,772	2,475	1,246	6,432	-	1,800	16,369
Loss	-	-	9	1	-	13	-	-	23
Total Personal	$ 238,029	$ 757,615	$ 364,084	$ 225,629	$ 113,113	$ 119,766	$ -	$ 32,828	$ 1,851,064
Year-to-Date gross write-offs	$ -	$ 2,534	$ 3,780	$ 4,636	$ 1,937	$ 7,205	$ -	$ 652	$ 20,744
Auto									
Pass	$ 286,874	$ 1,082,045	$ 930,739	$ 647,257	$ 420,503	$ 372,300	$ -	$ -	$ 3,739,718
Substandard	20	4,671	12,133	10,915	8,074	8,326	-	-	44,139
Loss	-	29	16	-	-	2	-	-	47
Total Auto	$ 286,894	$ 1,086,745	$ 942,888	$ 658,172	$ 428,577	$ 380,628	$ -	$ -	$ 3,783,904
Year-to-Date gross write-offs	$ 82	$ 5,175	$ 7,130	$ 5,400	$ 2,516	$ 847	$ -	$ -	$ 21,150
Other consumer									
Pass	$ 5,899	$ 32,313	$ 23,730	$ 15,510	$ 14,353	$ 7,189	$ 63,737	$ -	$ 162,731
Substandard	-	-	10	2,242	128	45	436	-	2,861
Loss	-	-	-	-	1,025	791	-	-	1,816
Total Other consumer	$ 5,899	$ 32,313	$ 23,740	$ 17,752	$ 15,506	$ 8,025	$ 64,173	$ -	$ 167,408
Year-to-Date gross write-offs	$ -	$ 94	$ 34	$ 57	$ 94	$ 468	$ -	$ -	$ 747
Total BPPR	$ 1,162,202	$ 5,564,516	$ 4,183,182	$ 3,147,221	$ 2,789,693	$ 7,673,518	$ 3,123,753	$ 32,828	$ 27,676,913

(In thousands)	March 31, 2026 Term Loans Amortized Cost Basis by Origination Year 2026	2025	2024	2023	2022	Prior Years	Revolving Loans Amortized Cost Basis	Revolving Loans Converted to Term Loans Amortized Cost Basis	Total
Popular U.S.									
Commercial:									
Commercial multi-family									
Pass	$ 87,872	$ 350,606	$ 136,836	$ 118,464	$ 380,415	$ 736,267	$ 8,422	$ -	$ 1,818,882
Watch	-	-	2,460	20,354	71,147	137,773	-	-	231,734
Special Mention	-	-	-	2,702	-	2,053	-	-	4,755
Substandard	-	-	-	1,769	2,720	24,344	-	-	28,833
Total commercial multi-family	$ 87,872	$ 350,606	$ 139,296	$ 143,289	$ 454,282	$ 900,437	$ 8,422	$ -	$ 2,084,204
Commercial real estate non-owner occupied									
Pass	$ 23,820	$ 216,348	$ 163,271	$ 321,723	$ 460,793	$ 722,441	$ 7,065	$ -	$ 1,915,461
Watch	-	10,300	9,757	11,387	15,032	59,839	-	-	106,315
Special Mention	-	-	2,067	-	-	1,888	-	-	3,955
Substandard	-	-	-	-	6,854	118,675	-	-	125,529
Total commercial real estate non-owner occupied	$ 23,820	$ 226,648	$ 175,095	$ 333,110	$ 482,679	$ 902,843	$ 7,065	$ -	$ 2,151,260
Commercial real estate owner occupied									
Pass	$ 257,819	$ 562,643	$ 219,711	$ 155,809	$ 192,366	$ 399,096	$ 10,052	$ -	$ 1,797,496
Watch	-	-	35,238	55,274	25,253	32,158	1,600	-	149,523
Special Mention	-	-	17,890	-	-	10,816	-	-	28,706
Substandard	-	-	2,700	-	1,922	83,798	-	-	88,420
Total commercial real estate owner occupied	$ 257,819	$ 562,643	$ 275,539	$ 211,083	$ 219,541	$ 525,868	$ 11,652	$ -	$ 2,064,145
Commercial and industrial									
Pass	$ 7,653	$ 296,812	$ 363,946	$ 225,175	$ 273,167	$ 764,098	$ 338,795	$ -	$ 2,269,646
Watch	-	33,073	7,034	42,309	62,586	177,179	11,200	-	333,381
Special Mention	-	-	-	4,649	-	411	738	-	5,798
Substandard	-	-	5,441	1,070	3,906	1,506	4,546	-	16,469
Total commercial and industrial	$ 7,653	$ 329,885	$ 376,421	$ 273,203	$ 339,659	$ 943,194	$ 355,279	$ -	$ 2,625,294
Year-to-Date gross write-offs	$ -	$ -	$ -	$ -	$ -	$ 2	$ 27	$ -	$ 29
Construction									
Pass	$ 70,527	$ 356,131	$ 404,477	$ 214,892	$ 60,026	$ -	$ 12,491	$ -	$ 1,118,544
Watch	-	12,983	10,814	60,772	28,524	6,903	-	-	119,996
Special Mention	-	-	-	3,833	-	-	-	-	3,833
Substandard	-	-	7,526	2,912	8,603	-	-	-	19,041
Total construction	$ 70,527	$ 369,114	$ 422,817	$ 282,409	$ 97,153	$ 6,903	$ 12,491	$ -	$ 1,261,414
Mortgage									
Pass	$ 2,484	$ 96,739	$ 72,630	$ 77,522	$ 204,371	$ 813,170	$ -	$ -	$ 1,266,916
Substandard	-	-	-	644	-	9,056	-	-	9,700
Total mortgage	$ 2,484	$ 96,739	$ 72,630	$ 78,166	$ 204,371	$ 822,226	$ -	$ -	$ 1,276,616
Year-to-Date gross write-offs	$ -	$ -	$ -	$ -	$ -	$ 19	$ -	$ -	$ 19

	March 31, 2026								
	Term Loans Amortized Cost Basis by Origination Year								
(In thousands)	2026	2025	2024	2023	2022	Prior Years	Revolving Loans Amortized Cost Basis	Revolving Loans Converted to Term Loans Amortized Cost Basis	Total
Popular U.S.									
Consumer:									
Pass	$ -	$ -	$ -	$ -	$ -	$ -	$ 7	$ -	$ 7
Total credit cards	$ -	$ -	$ -	$ -	$ -	$ -	$ 7	$ -	$ 7
HELOCs									
Pass	$ -	$ -	$ -	$ -	$ -	$ 4,994	$ 61,077	$ 9,029	$ 75,100
Substandard	-	-	-	-	-	1,219	11	880	2,110
Loss	-	-	-	-	-	39	-	617	656
Total HELOCs	$ -	$ -	$ -	$ -	$ -	$ 6,252	$ 61,088	$ 10,526	$ 77,866
Personal									
Pass	$ 3,471	$ 16,383	$ 15,929	$ 10,265	$ 12,048	$ 3,216	$ -	$ -	$ 61,312
Substandard	-	77	149	182	165	273	-	-	846
Loss	-	-	11	-	-	48	-	-	59
Total Personal	$ 3,471	$ 16,460	$ 16,089	$ 10,447	$ 12,213	$ 3,537	$ -	$ -	$ 62,217
Year-to-Date gross write-offs	$ 30	$ 276	$ 554	$ 454	$ 300	$ 204	$ -	$ -	$ 1,818
Other consumer									
Pass	$ -	$ -	$ -	$ -	$ -	$ -	$ 9,766	$ -	$ 9,766
Total Other consumer	$ -	$ -	$ -	$ -	$ -	$ -	$ 9,766	$ -	$ 9,766
Year-to-Date gross write-offs	$ -	$ -	$ -	$ -	$ -	$ -	$ 13	$ -	$ 13
Total Popular U.S.	$ 453,646	$ 1,952,095	$ 1,477,887	$ 1,331,707	$ 1,809,898	$ 4,111,260	$ 465,770	$ 10,526	$ 11,612,789

	March 31, 2026								
	Term Loans Amortized Cost Basis by Origination Year								
(In thousands)	2026	2025	2024	2023	2022	Prior Years	Revolving Loans Amortized Cost Basis	Revolving Loans Converted to Term Loans Amortized Cost Basis	Total
Popular, Inc.									
Commercial:									
Commercial multi-family									
Pass	$ 130,480	$ 361,699	$ 169,584	$ 154,748	$ 510,925	$ 801,722	$ 8,725	$ -	$ 2,137,883
Watch	-	-	18,170	20,354	71,665	141,427	-	-	251,616
Special Mention	-	220	-	2,702	-	2,246	-	-	5,168
Substandard	-	-	-	1,769	2,720	28,139	-	-	32,628
Total commercial multi-family	$ 130,480	$ 361,919	$ 187,754	$ 179,573	$ 585,310	$ 973,534	$ 8,725	$ -	$ 2,427,295
Commercial real estate non-owner occupied									
Pass	$ 106,023	$ 657,711	$ 564,718	$ 584,933	$ 1,243,710	$ 1,859,295	$ 12,332	$ -	$ 5,028,722
Watch	-	32,616	21,578	54,185	20,005	157,557	598	-	286,539
Special Mention	-	1,814	2,067	868	141	43,002	-	-	47,892
Substandard	-	-	723	8,367	24,289	146,919	-	-	180,298
Total commercial real estate non-owner occupied	$ 106,023	$ 692,141	$ 589,086	$ 648,353	$ 1,288,145	$ 2,206,773	$ 12,930	$ -	$ 5,543,451
Year-to-Date gross write-offs	$ -	$ -	$ -	$ -	$ 11,131	$ -	$ -	$ -	$ 11,131
Commercial real estate owner occupied									
Pass	$ 275,415	$ 716,207	$ 331,217	$ 203,999	$ 262,089	$ 821,670	$ 32,882	$ -	$ 2,643,479
Watch	-	6,194	61,800	61,440	59,680	125,236	2,649	-	316,999
Special Mention	190	-	17,890	1,484	2,935	28,161	1,500	-	52,160
Substandard	987	9,312	4,594	1,804	20,154	160,596	1,827	-	199,274
Doubtful	-	73	-	-	220	151	-	-	444
Total commercial real estate owner occupied	$ 276,592	$ 731,786	$ 415,501	$ 268,727	$ 345,078	$ 1,135,814	$ 38,858	$ -	$ 3,212,356
Year-to-Date gross write-offs	$ 1	$ -	$ -	$ -	$ -	$ 90	$ -	$ -	$ 91
Commercial and industrial									
Pass	$ 75,956	$ 1,607,463	$ 963,231	$ 867,980	$ 697,452	$ 1,282,996	$ 1,705,340	$ -	$ 7,200,418
Watch	7,479	67,225	100,326	60,583	95,406	194,271	215,457	-	740,747
Special Mention	1,342	20,675	25,617	14,501	1,791	4,887	23,016	-	91,829
Substandard	8,539	36,138	20,405	47,591	98,182	171,776	149,909	-	532,540
Loss	-	-	-	-	-	-	25	-	25
Total commercial and industrial	$ 93,316	$ 1,731,501	$ 1,109,579	$ 990,655	$ 892,831	$ 1,653,930	$ 2,093,747	$ -	$ 8,565,559
Year-to-Date gross write-offs	$ 322	$ 257	$ 161	$ 60	$ 14	$ 16	$ 1,817	$ -	$ 2,647

March 31, 2026									
	Term Loans Amortized Cost Basis by Origination Year								
(In thousands)	2026	2025	2024	2023	2022	Prior Years	Revolving Loans Amortized Cost Basis	Revolving Loans Converted to Term Loans Amortized Cost Basis	Total
Popular, Inc.									
Construction									
Pass	$ 78,916	$ 390,980	$ 518,626	$ 292,159	$ 60,026	$ 11,792	$ 84,386	$ -	$ 1,436,885
Watch	-	12,983	56,587	103,996	34,212	6,903	(247)	-	214,434
Special Mention	-	-	-	3,833	-	-	-	-	3,833
Substandard	-	-	7,526	2,912	8,603	-	-	-	19,041
Total construction	$ 78,916	$ 403,963	$ 582,739	$ 402,900	$ 102,841	$ 18,695	$ 84,139	$ -	$ 1,674,193
Mortgage									
Pass	$ 193,932	$ 1,102,829	$ 928,594	$ 746,164	$ 586,531	$ 5,076,125	$ -	$ -	$ 8,634,175
Substandard	-	183	727	3,516	1,922	71,838	-	-	78,186
Total mortgage	$ 193,932	$ 1,103,012	$ 929,321	$ 749,680	$ 588,453	$ 5,147,963	$ -	$ -	$ 8,712,361
Year-to-Date gross write-offs	$ -	$ -	$ -	$ -	$ -	$ 502	$ -	$ -	$ 502
Leasing									
Pass	$ 202,295	$ 598,503	$ 498,463	$ 324,408	$ 225,282	$ 128,323	$ -	$ -	$ 1,977,274
Substandard	1	653	1,825	2,632	2,242	1,538	-	-	8,891
Total leasing	$ 202,296	$ 599,156	$ 500,288	$ 327,040	$ 227,524	$ 129,861	$ -	$ -	$ 1,986,165
Year-to-Date gross write-offs	$ 21	$ 1,064	$ 1,026	$ 1,082	$ 693	$ 199	$ -	$ -	$ 4,085

	March 31, 2026								
	Term Loans Amortized Cost Basis by Origination Year								
(In thousands)	2026	2025	2024	2023	2022	Prior Years	Revolving Loans Amortized Cost Basis	Revolving Loans Converted to Term Loans Amortized Cost Basis	Total
Popular, Inc.									
Consumer:									
Credit cards									
Pass	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,188,804	$ -	$ 1,188,804
Substandard	-	-	-	-	-	-	25,392	-	25,392
Loss	-	-	-	-	-	-	3	-	3
Total credit cards	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,214,199	$ -	$ 1,214,199
Year-to-Date gross write-offs	$ -	$ -	$ -	$ -	$ -	$ -	$ 19,235	$ -	$ 19,235
HELOCs									
Pass	$ -	$ -	$ -	$ -	$ -	$ 4,994	$ 62,975	$ 9,029	$ 76,998
Substandard	-	-	-	-	-	1,219	11	880	2,110
Loss	-	-	-	-	-	39	-	617	656
Total HELOCs	$ -	$ -	$ -	$ -	$ -	$ 6,252	$ 62,986	$ 10,526	$ 79,764
Personal									
Pass	$ 241,500	$ 772,354	$ 377,232	$ 233,418	$ 123,915	$ 116,537	$ -	$ 31,028	$ 1,895,984
Substandard	-	1,721	2,921	2,657	1,411	6,705	-	1,800	17,215
Loss	-	-	20	1	-	61	-	-	82
Total Personal	$ 241,500	$ 774,075	$ 380,173	$ 236,076	$ 125,326	$ 123,303	$ -	$ 32,828	$ 1,913,281
Year-to-Date gross write-offs	$ 30	$ 2,810	$ 4,334	$ 5,090	$ 2,237	$ 7,409	$ -	$ 652	$ 22,562
Auto									
Pass	$ 286,874	$ 1,082,045	$ 930,739	$ 647,257	$ 420,503	$ 372,300	$ -	$ -	$ 3,739,718
Substandard	20	4,671	12,133	10,915	8,074	8,326	-	-	44,139
Loss	-	29	16	-	-	2	-	-	47
Total Auto	$ 286,894	$ 1,086,745	$ 942,888	$ 658,172	$ 428,577	$ 380,628	$ -	$ -	$ 3,783,904
Year-to-Date gross write-offs	$ 82	$ 5,175	$ 7,130	$ 5,400	$ 2,516	$ 847	$ -	$ -	$ 21,150
Other consumer									
Pass	$ 5,899	$ 32,313	$ 23,730	$ 15,510	$ 14,353	$ 7,189	$ 73,503	$ -	$ 172,497
Substandard	-	-	10	2,242	128	45	436	-	2,861
Loss	-	-	-	-	1,025	791	-	-	1,816
Total Other consumer	$ 5,899	$ 32,313	$ 23,740	$ 17,752	$ 15,506	$ 8,025	$ 73,939	$ -	$ 177,174
Year-to-Date gross write-offs	$ -	$ 94	$ 34	$ 57	$ 94	$ 468	$ 13	$ -	$ 760
Total Popular Inc.	$ 1,615,848	$ 7,516,611	$ 5,661,069	$ 4,478,928	$ 4,599,591	$ 11,784,778	$ 3,589,523	$ 43,354	$ 39,289,702

	December 31, 2025								
	Term Loans Amortized Cost Basis by Origination Year								
(In thousands)	2025	2024	2023	2022	2021	Prior Years	Revolving Loans Amortized Cost Basis	Revolving Loans Converted to Term Loans Amortized Cost Basis	Total
BPPR									
Commercial:									
Commercial multi-family									
Pass	$ 12,328	$ 32,906	36,473	$ 131,276	$ 20,536	$ 47,303	107	$ -	$ 280,929
Watch	-	15,795	-	523	-	1,742	-	-	18,060
Special Mention	222	-	-	-	73	127	-	-	422
Substandard	-	-	-	-	-	3,937	-	-	3,937
Total commercial multi-family	$ 12,550	$ 48,701	$ 36,473	$ 131,799	$ 20,609	$ 53,109	$ 107	$ -	$ 303,348
Commercial real estate non-owner occupied									
Pass	$ 435,616	$ 447,234	265,238	$ 786,465	$ 484,427	$ 671,455	8,480	$ -	$ 3,098,915
Watch	23,801	11,965	43,001	5,140	34,140	69,153	-	-	187,200
Special Mention	933	-	872	144	23,724	18,398	-	-	44,071
Substandard	-	726	8,406	28,490	1,438	25,884	-	-	64,944
Total commercial real estate non-owner occupied	$ 460,350	$ 459,925	$ 317,517	$ 820,239	$ 543,729	$ 784,890	$ 8,480	$ -	$ 3,395,130
Year-to-Date gross write-offs	$ -	$ 13,356	$ -	$ 134	$ -	$ 86	$ -	$ -	$ 13,576
Commercial real estate owner occupied									
Pass	$ 157,288	$ 113,778	71,288	$ 55,715	$ 169,037	$ 278,495	20,468	$ -	$ 866,069
Watch	6,255	26,923	6,348	35,565	29,409	78,046	2,191	-	184,737
Special Mention	-	-	1,494	18,063	726	12,637	1,500	-	34,420
Substandard	9,405	1,879	1,839	19,190	7,386	71,358	-	-	111,057
Doubtful	75	-	-	-	62	173	-	-	310
Total commercial real estate owner occupied	$ 173,023	$ 142,580	$ 80,969	$ 128,533	$ 206,620	$ 440,709	$ 24,159	$ -	$ 1,196,593
Year-to-Date gross write-offs	$ -	$ -	$ -	$ -	$ -	$ 363	$ -	$ -	$ 363
Commercial and industrial									
Pass	$ 1,357,401	598,521	649,249	442,753	193,173	346,563	1,376,855	-	4,964,515
Watch	11,706	$ 92,478	$ 19,194	$ 43,529	$ 6,909	$ 19,218	$ 223,490	$ -	$ 416,524
Special Mention	4,991	26,356	10,178	6,857	454	4,338	14,957	-	68,131
Substandard	38,422	12,526	48,230	89,771	156,970	15,079	159,854	-	520,852
Doubtful	21	-	-	24	-	6	-	-	51
Total commercial and industrial	$ 1,412,541	$ 729,881	$ 726,851	$ 582,934	$ 357,506	$ 385,204	$ 1,775,156	$ -	$ 5,970,073
Year-to-Date gross write-offs	$ 1,587	$ 716	$ 1,643	$ 655	$ 21	$ 803	$ 9,320	$ -	$ 14,745
Construction									
Pass	$ 28,575	$ 99,963	70,674	$ -	$ 3,608	$ 9,692	52,758	$ -	$ 265,270
Watch	-	43,202	40,231	8,129	-	-	709	-	92,271
Total construction	$ 28,575	$ 143,165	$ 110,905	$ 8,129	$ 3,608	$ 9,692	$ 53,467	$ -	$ 357,541
Mortgage									
Pass	$ 986,795	$ 872,826	683,325	$ 386,318	$ 373,153	$ 3,977,979	-	$ -	$ 7,280,396
Substandard	-	151	3,115	1,915	764	61,626	-	-	67,571
Total mortgage	$ 986,795	$ 872,977	$ 686,440	$ 388,233	$ 373,917	$ 4,039,605	$ -	$ -	$ 7,347,967
Year-to-Date gross write-offs	$ 31	$ -	$ 1	$ -	$ -	$ 1,404	$ -	$ -	$ 1,436

(In thousands)	December 31, 2025								
	Term Loans Amortized Cost Basis by Origination Year						Revolving Loans Amortized Cost Basis	Revolving Loans Converted to Term Loans Amortized Cost Basis	Total
	2025	2024	2023	2022	2021	Prior Years			
BPPR									
Leasing									
Pass	$ 682,378	$ 535,227	354,748	$ 251,520	$ 135,973	$ 32,270	-	$ -	$ 1,992,116
Substandard	601	1,891	$ 2,424	2,249	1,302	585	$ -	-	9,052
Loss	175	-	22	-	-	-	-	-	197
Total leasing	$ 683,154	$ 537,118	357,194	$ 253,769	$ 137,275	$ 32,855	-	$ -	$ 2,001,365
Year-to-Date gross write-offs	$ 990	$ 4,449	$ 5,041	$ 4,541	$ 1,807	$ 28	$ -	$ -	$ 16,856
Consumer:									
Credit cards									
Pass	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,229,201	$ -	$ 1,229,201
Substandard	-	-	-	-	-	-	27,526	-	27,526
Loss	-	-	-	-	-	-	4	-	4
Total credit cards	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,256,731	$ -	$ 1,256,731
Year-to-Date gross write-offs	$ -	$ -	$ -	$ -	$ -	$ -	$ 75,428	$ -	$ 75,428
HELOCs									
Pass	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,908	$ -	$ 1,908
Total HELOCs	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,908	$ -	$ 1,908
Year-to-Date gross write-offs	$ -	$ -	$ -	$ -	$ -	$ -	$ 25	$ -	$ 25
Personal									
Pass	$ 842,532	$ 422,156	261,441	$ 132,551	$ 51,320	$ 77,214	-	$ 29,700	$ 1,816,914
Substandard	1,452	3,310	$ 3,509	1,632	618	6,654	$ -	2,278	19,453
Loss	-	4	7	12	-	12	-	-	35
Total Personal	$ 843,984	$ 425,470	264,957	$ 134,195	$ 51,938	$ 83,880	-	$ 31,978	$ 1,836,402
Year-to-Date gross write-offs	$ 2,597	$ 19,480	$ 33,310	$ 17,825	$ 4,576	$ 2,160	$ -	$ 3,031	$ 82,979
Auto									
Pass	$ 1,139,411	$ 995,283	702,884	$ 464,005	$ 314,721	$ 142,456	-	$ -	$ 3,758,760
Substandard	3,992	17,559	$ 14,881	11,699	7,590	5,306	$ -	-	61,027
Loss	-	-	-	-	19	6	-	-	25
Total Auto	$ 1,143,403	$ 1,012,842	$ 717,765	$ 475,704	$ 322,330	$ 147,768	$ -	$ -	$ 3,819,812
Year-to-Date gross write-offs	$ 6,682	$ 29,448	$ 20,777	$ 12,602	$ 5,203	$ 1,572	$ -	$ -	$ 76,284
Other consumer									
Pass	$ 35,716	$ 25,008	20,233	$ 15,243	$ 7,179	$ 1,756	64,322	$ -	$ 169,457
Substandard	-	45	$ 211	114	20	47	$ 476	-	913
Loss	-	-	-	1,025	363	-	-	-	1,388
Total Other consumer	$ 35,716	$ 25,053	$ 20,444	$ 16,382	$ 7,562	$ 1,803	$ 64,798	$ -	$ 171,758
Year-to-Date gross write-offs	$ 64	$ 226	$ 286	$ 254	$ 358	$ 1,960	$ -	$ -	$ 3,148
Total BPPR	$ 5,780,091	$ 4,397,712	$ 3,319,515	$ 2,939,917	$ 2,025,094	$ 5,979,515	$ 3,184,806	$ 31,978	$ 27,658,628

	December 31, 2025								
	Term Loans Amortized Cost Basis by Origination Year								
(In thousands)	2025	2024	2023	2022	2021	Prior Years	Revolving Loans Amortized Cost Basis	Revolving Loans Converted to Term Loans Amortized Cost Basis	Total
Popular U.S.									
Commercial:									
Commercial multi-family									
Pass	$ 349,850	$ 138,662	118,143	$ 380,479	$ 274,195	$ 534,623	4,394	$ -	$ 1,800,346
Watch	-	2,468	$ 21,142	94,135	39,881	151,526	$ 1,249	-	310,401
Special Mention	-	-	2,711	7,840	-	4,560	-	-	15,111
Substandard	-	-	1,775	2,729	-	22,080	-	-	26,584
Total commercial multi-family	$ 349,850	$ 141,130	$ 143,771	$ 485,183	$ 314,076	$ 712,789	$ 5,643	$ -	$ 2,152,442
Year-to-Date gross write-offs	$ -	$ -	$ -	$ -	$ -	$ 563	$ -	$ -	$ 563
Commercial real estate non-owner occupied									
Pass	$ 216,537	$ 162,382	296,653	$ 467,811	$ 163,984	$ 582,004	6,024	$ -	$ 1,895,395
Watch	10,300	11,369	$ 11,441	15,141	9,333	65,750	$ 500	-	123,834
Special Mention	-	2,069	-	-	-	1,902	-	-	3,971
Substandard	-	-	-	5,973	4,726	114,255	-	-	124,954
Total commercial real estate non-owner occupied	$ 226,837	$ 175,820	$ 308,094	$ 488,925	$ 178,043	$ 763,911	$ 6,524	$ -	$ 2,148,154
Commercial real estate owner occupied									
Pass	$ 561,716	$ 198,946	192,174	$ 188,536	$ 180,981	$ 288,439	8,803	$ -	$ 1,619,595
Watch	-	48,837	$ 39,519	30,764	12,813	52,010	$ 3,179	-	187,122
Special Mention	-	17,946	-	-	-	10,944	-	-	28,890
Substandard	-	2,705	-	39,474	1,571	77,130	-	-	120,880
Total commercial real estate owner occupied	$ 561,716	$ 268,434	$ 231,693	$ 258,774	$ 195,365	$ 428,523	$ 11,982	$ -	$ 1,956,487
Year-to-Date gross write-offs	$ -	$ -	$ -	$ -	$ -	$ 27	$ -	$ -	$ 27

	December 31, 2025								
	Term Loans Amortized Cost Basis by Origination Year								
(In thousands)	2025	2024	2023	2022	2021	Prior Years	Revolving Loans Amortized Cost Basis	Revolving Loans Converted to Term Loans Amortized Cost Basis	Total
Popular U.S.									
Commercial and industrial									
Pass	$ 247,703	$ 357,722	230,702	$ 278,950	$ 249,467	$ 545,331	338,026	$ -	$ 2,247,901
Watch	34,700	5,196	$ 47,136	70,767	42,072	151,368	$ 15,650	-	366,889
Special Mention	-	-	4,649	63	284	198	738	-	5,932
Substandard	-	5,546	838	4,145	112	1,393	4,583	-	16,617
Total commercial and industrial	$ 282,403	$ 368,464	$ 283,325	$ 353,925	$ 291,935	$ 698,290	$ 358,997	$ -	$ 2,637,339
Year-to-Date gross write-offs	$ 100	$ 1,106	$ 483	$ -	$ 599	$ 25	$ 132	$ -	$ 2,445
Construction									
Pass	$ 358,475	$ 427,221	291,714	$ 85,385	$ -	$ 6,030	12,491	$ -	$ 1,181,316
Watch	1,366	15,771	$ 72,580	27,870	-	6,941	$ -	-	124,528
Special Mention	-	-	2,912	-	-	-	-	-	2,912
Substandard	-	-	-	8,602	-	-	-	-	8,602
Total construction	$ 359,841	$ 442,992	$ 367,206	$ 121,857	$ -	$ 12,971	$ 12,491	$ -	$ 1,317,358
Mortgage									
Pass	$ 100,210	$ 78,166	79,367	$ 205,446	$ 259,877	$ 564,985	-	$ -	$ 1,288,051
Substandard	-	-	$ 644	495	217	12,066	$ -	-	13,422
Total mortgage	$ 100,210	$ 78,166	$ 80,011	$ 205,941	$ 260,094	$ 577,051	$ -	$ -	$ 1,301,473

	December 31, 2025								
	Term Loans Amortized Cost Basis by Origination Year								
(In thousands)	2025	2024	2023	2022	2021	Prior Years	Revolving Loans Amortized Cost Basis	Revolving Loans Converted to Term Loans Amortized Cost Basis	Total
Popular U.S.									
Consumer:									
Credit cards									
Pass	$ -	$ -	$ -	$ -	$ -	$ -	$ (14)	$ -	$ (14)
Total credit cards	$ -	$ -	$ -	$ -	$ -	$ -	$ (14)	$ -	$ (14)
HELOCs									
Pass	$ -	$ -	$ -	$ -	$ -	$ 5,201	$ 59,363	$ 9,422	$ 73,986
Substandard	-	-	-	-	-	1,276	12	543	1,831
Loss	-	-	-	-	-	139	-	828	967
Total HELOCs	$ -	$ -	$ -	$ -	$ -	$ 6,616	$ 59,375	$ 10,793	$ 76,784
Year-to-Date gross write-offs	$ -	$ -	$ -	$ -	$ -	$ -	$ 84	$ -	$ 84
Personal									
Pass	$ 18,658	$ 17,906	$ 12,102	$ 15,593	$ 3,061	$ 1,272	$ -	$ -	$ 68,592
Substandard	74	329	309	153	55	256	-	-	1,176
Loss	10	-	-	-	-	48	-	-	58
Total Personal	$ 18,742	$ 18,235	$ 12,411	$ 15,746	$ 3,116	$ 1,576	$ -	$ -	$ 69,826
Year-to-Date gross write-offs	$ 37	$ 1,787	$ 2,212	$ 3,420	$ 638	$ 46	$ -	$ -	$ 8,140
Other consumer									
Pass	$ -	$ -	$ -	$ -	$ -	$ -	$ 9,012	$ -	$ 9,012
Substandard	-	-	-	-	-	-	1	-	1
Loss	-	-	-	-	-	-	28	-	28
Total Other consumer	$ -	$ -	$ -	$ -	$ -	$ -	$ 9,041	$ -	$ 9,041
Year-to-Date gross write-offs	$ -	$ -	$ -	$ -	$ -	$ -	$ 924	$ -	$ 924
Total Popular U.S.	$ 1,899,599	$ 1,493,241	$ 1,426,511	$ 1,930,351	$ 1,242,629	$ 3,201,727	$ 464,039	$ 10,793	$ 11,668,890

(In thousands)	2025	2024	2023	2022	2021	Prior Years	Revolving Loans Amortized Cost Basis	Revolving Loans Converted to Term Loans Amortized Cost Basis	Total
	December 31, 2025								
	Term Loans Amortized Cost Basis by Origination Year								
Popular, Inc.									
Commercial:									
Commercial multi-family									
Pass	$ 362,178	$ 171,568	$ 154,616	$ 511,755	$ 294,731	$ 581,926	$ 4,501	$ -	$ 2,081,275
Watch	-	18,263	21,142	94,658	39,881	153,268	1,249	-	328,461
Special Mention	222	-	2,711	7,840	73	4,687	-	-	15,533
Substandard	-	-	1,775	2,729	-	26,017	-	-	30,521
Total commercial multi-family	$ 362,400	$ 189,831	$ 180,244	$ 616,982	$ 334,685	$ 765,898	$ 5,750	$ -	$ 2,455,790
Year-to-Date gross write-offs	$ -	$ -	$ -	$ -	$ -	$ 563	$ -	$ -	$ 563
Commercial real estate non-owner occupied									
Pass	$ 652,153	$ 609,616	$ 561,891	$ 1,254,276	$ 648,411	$ 1,253,459	$ 14,504	$ -	$ 4,994,310
Watch	34,101	23,334	54,442	20,281	43,473	134,903	500	-	311,034
Special Mention	933	2,069	872	144	23,724	20,300	-	-	48,042
Substandard	-	726	8,406	34,463	6,164	140,139	-	-	189,898
Total commercial real estate non-owner occupied	$ 687,187	$ 635,745	$ 625,611	$ 1,309,164	$ 721,772	$ 1,548,801	$ 15,004	$ -	$ 5,543,284
Year-to-Date gross write-offs	$ -	$ 13,356	$ -	$ 134	$ -	$ 86	$ -	$ -	$ 13,576
Commercial real estate owner occupied									
Pass	$ 719,004	$ 312,724	$ 263,462	$ 244,251	$ 350,018	$ 566,934	$ 29,271	$ -	$ 2,485,664
Watch	6,255	75,760	45,867	66,329	42,222	130,056	5,370	-	371,859
Special Mention	-	17,946	1,494	18,063	726	23,581	1,500	-	63,310
Substandard	9,405	4,584	1,839	58,664	8,957	148,488	-	-	231,937
Doubtful	75	-	-	-	62	173	-	-	310
Total commercial real estate owner occupied	$ 734,739	$ 411,014	$ 312,662	$ 387,307	$ 401,985	$ 869,232	$ 36,141	$ -	$ 3,153,080
Year-to-Date gross write-offs	$ -	$ -	$ -	$ -	$ -	$ 390	$ -	$ -	$ 390
Commercial and industrial									
Pass	$ 1,605,104	$ 956,243	$ 879,951	$ 721,703	$ 442,640	$ 891,894	$ 1,714,881	$ -	$ 7,212,416
Watch	46,406	97,674	66,330	114,296	48,981	170,586	239,140	-	783,413
Special Mention	4,991	26,356	14,827	6,920	738	4,536	15,695	-	74,063
Substandard	38,422	18,072	49,068	93,916	157,082	16,472	164,437	-	537,469
Doubtful	21	-	-	24	-	6	-	-	51
Total commercial and industrial	$ 1,694,944	$ 1,098,345	$ 1,010,176	$ 936,859	$ 649,441	$ 1,083,494	$ 2,134,153	$ -	$ 8,607,412
Year-to-Date gross write-offs	$ 1,687	$ 1,822	$ 2,126	$ 655	$ 620	$ 828	$ 9,452	$ -	$ 17,190

(In thousands)	December 31, 2025 Term Loans Amortized Cost Basis by Origination Year 2025	2024	2023	2022	2021	Prior Years	Revolving Loans Amortized Cost Basis	Revolving Loans Converted to Term Loans Amortized Cost Basis	Total
Popular, Inc.									
Construction									
Pass	$ 387,050	$ 527,184	$ 362,388	$ 85,385	$ 3,608	$ 15,722	$ 65,249	$ -	$ 1,446,586
Watch	1,366	58,973	112,811	35,999	-	6,941	709	-	216,799
Special Mention	-	-	2,912	-	-	-	-	-	2,912
Substandard	-	-	-	8,602	-	-	-	-	8,602
Total construction	$ 388,416	$ 586,157	$ 478,111	$ 129,986	$ 3,608	$ 22,663	$ 65,958	$ -	$ 1,674,899
Mortgage									
Pass	$ 1,087,005	$ 950,992	$ 762,692	$ 591,764	$ 633,030	$ 4,542,964	$ -	$ -	$ 8,568,447
Substandard	-	151	3,759	2,410	981	73,692	-	-	80,993
Total mortgage	$ 1,087,005	$ 951,143	$ 766,451	$ 594,174	$ 634,011	$ 4,616,656	$ -	$ -	$ 8,649,440
Year-to-Date gross write-offs	$ 31	$ -	$ 1	$ -	$ -	$ 1,404	$ -	$ -	$ 1,436
Leasing									
Pass	$ 682,378	$ 535,227	$ 354,748	$ 251,520	$ 135,973	$ 32,270	$ -	$ -	$ 1,992,116
Substandard	601	1,891	2,424	2,249	1,302	585	-	-	9,052
Loss	175	-	22	-	-	-	-	-	197
Total leasing	$ 683,154	$ 537,118	$ 357,194	$ 253,769	$ 137,275	$ 32,855	$ -	$ -	$ 2,001,365
Year-to-Date gross write-offs	$ 990	$ 4,449	$ 5,041	$ 4,541	$ 1,807	$ 28	$ -	$ -	$ 16,856

(In thousands)	2025	2024	2023	2022	2021	Prior Years	Revolving Loans Amortized Cost Basis	Revolving Loans Converted to Term Loans Amortized Cost Basis	Total
	December 31, 2025								
	Term Loans Amortized Cost Basis by Origination Year								
Popular, Inc.									
Consumer:									
Credit cards									
Pass	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,229,187	$ -	$ 1,229,187
Substandard	-	-	-	-	-	-	27,526	-	27,526
Loss	-	-	-	-	-	-	4	-	4
Total credit cards	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,256,717	$ -	$ 1,256,717
Year-to-Date gross write-offs	$ -	$ -	$ -	$ -	$ -	$ -	$ 75,428	$ -	$ 75,428
HELOCs									
Pass	$ -	$ -	$ -	$ -	$ -	$ 5,201	$ 61,271	$ 9,422	$ 75,894
Substandard	-	-	-	-	-	1,276	12	543	1,831
Loss	-	-	-	-	-	139	-	828	967
Total HELOCs	$ -	$ -	$ -	$ -	$ -	$ 6,616	$ 61,283	$ 10,793	$ 78,692
Year-to-Date gross write-offs	$ -	$ -	$ -	$ -	$ -	$ -	$ 109	$ -	$ 109
Personal									
Pass	$ 861,190	$ 440,062	$ 273,543	$ 148,144	$ 54,381	$ 78,486	$ -	$ 29,700	$ 1,885,506
Substandard	1,526	3,639	3,818	1,785	673	6,910	-	2,278	20,629
Loss	10	4	7	12	-	60	-	-	93
Total Personal	$ 862,726	$ 443,705	$ 277,368	$ 149,941	$ 55,054	$ 85,456	$ -	$ 31,978	$ 1,906,228
Year-to-Date gross write-offs	$ 2,634	$ 21,267	$ 35,522	$ 21,245	$ 5,214	$ 2,206	$ -	$ 3,031	$ 91,119
Auto									
Pass	$ 1,139,411	$ 995,283	$ 702,884	$ 464,005	$ 314,721	$ 142,456	$ -	$ -	$ 3,758,760
Substandard	3,992	17,559	14,881	11,699	7,590	5,306	-	-	61,027
Loss	-	-	-	-	19	6	-	-	25
Total Auto	$ 1,143,403	$ 1,012,842	717,765	$ 475,704	$ 322,330	$ 147,768	$ -	$ -	$ 3,819,812
Year-to-Date gross write-offs	$ 6,682	$ 29,448	$ 20,777	$ 12,602	$ 5,203	$ 1,572	$ -	$ -	$ 76,284
Other consumer									
Pass	$ 35,716	$ 25,008	$ 20,233	$ 15,243	$ 7,179	$ 1,756	$ 73,334	$ -	$ 178,469
Substandard	-	45	211	114	20	47	477	-	914
Loss	-	-	-	1,025	363	-	28	-	1,416
Total Other consumer	$ 35,716	$ 25,053	$ 20,444	$ 16,382	$ 7,562	$ 1,803	$ 73,839	$ -	$ 180,799
Year-to-Date gross write-offs	$ 64	$ 226	$ 286	$ 254	$ 358	$ 1,960	$ 924	$ -	$ 4,072
Total Popular Inc.	$ 7,679,690	$ 5,890,953	$ 4,746,026	$ 4,870,268	$ 3,267,723	$ 9,181,242	$ 3,648,845	$ 42,771	$ 39,327,518

Note 9 – Other real estate owned

The following tables present the activity related to Other Real Estate Owned (“OREO”), for the quarters ended March 31, 2026 and 2025.

	For the quarter ended March 31, 2026		
(In thousands)	OREO Commercial/Construction	OREO Mortgage	Total
Balance at beginning of period	$ 4,911	$ 37,522	$ 42,433
Write-downs in value	(190)	(535)	(725)
Additions	974	11,394	12,368
Sales	(558)	(7,542)	(8,100)
Other adjustments	-	(296)	(296)
Ending balance	$ 5,137	$ 40,543	$ 45,680

	For the quarter ended March 31, 2025		
(In thousands)	OREO Commercial/Construction	OREO Mortgage	Total
Balance at beginning of period	$ 8,424	$ 48,844	$ 57,268
Write-downs in value	(29)	(1,199)	(1,228)
Additions	257	8,789	9,046
Sales	(1,541)	(11,229)	(12,770)
Other adjustments	-	(202)	(202)
Ending balance	$ 7,111	$ 45,003	$ 52,114

Note 10 − Other assets

The caption of other assets in the Consolidated Statements of Financial Condition consists of the following major categories:

(In thousands)	March 31, 2026	December 31, 2025
Net deferred tax assets (net of valuation allowance)	$ 811,150	$ 814,265
Investments under the equity method	280,246	261,687
Prepaid taxes	33,621	42,762
Other prepaid expenses	24,984	25,542
Capitalized software costs	193,973	183,381
Derivative assets	23,917	27,913
Trades receivable from brokers and counterparties	551	245
Principal, interest and escrow servicing advances	27,678	30,252
Guaranteed mortgage loan claims receivable	7,093	9,184
Operating ROU assets	97,803	95,234
Finance ROU assets	24,383	23,686
Assets for pension benefit	39,497	38,157
Others	166,873	153,669
Total other assets	$ 1,731,769	$ 1,705,977

The Corporation regularly incurs in capitalizable costs associated with software development or licensing which are recorded within the Other Assets line item in the accompanying Consolidated Statements of Financial Condition. In addition, the Corporation incurs costs associated with hosting arrangements that are service contracts that are also recorded within Other Assets. The hosting arrangements can include capitalizable implementation costs that are amortized during the term of the hosting arrangement. The following table summarizes the composition of acquired or developed software costs as well as costs related to hosting arrangements:

(In thousands)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Value
March 31, 2026			
Software development costs	$ 104,516	$ 37,735	$ 66,781
Software license costs	73,116	39,149	33,967
Cloud computing arrangements	111,549	18,324	93,225
Total Capitalized software costs [1] [2]	$ 289,181	$ 95,208	$ 193,973
December 31, 2025			
Software development costs	$ 103,628	$ 34,170	$ 69,458
Software license costs	46,538	24,475	22,063
Cloud computing arrangements	106,410	14,550	91,860
Total Capitalized software costs [1] [2]	$ 256,576	$ 73,195	$ 183,381

[1] Software intangible assets are presented as part of Other Assets in the Consolidated Statements of Financial Condition.

[2] The tables above exclude assets that have been fully amortized.

Total amortization expense for all capitalized software and hosting arrangement cost, reflected as part of technology and software expenses in the consolidated statement of operations, is as follows:

	Quarters ended March 31,	
(In thousands)	2026	2025
Software development and license costs	$ 23,956	$ 21,728
Cloud computing arrangements	3,601	1,366
Total amortization expense	$ 27,557	$ 23,094

Note 11 – Goodwill and other intangible assets

Goodwill

There were no changes in the carrying amount of goodwill for the quarters ended March 31, 2026 and 2025.

The following tables present the gross amount of goodwill and accumulated impairment losses by reportable segment (refer to Note 28 for the definition of the Corporation's reportable segments):

March 31, 2026			
(In thousands)	Balance at March 31, 2026 (gross amounts)	Accumulated impairment losses	Balance at March 31, 2026 (net amounts)
Banco Popular de Puerto Rico	$ 438,710	$ 3,801	$ 434,909
Popular U.S.	564,456	209,411	355,045
Total Popular, Inc.	$ 1,003,166	$ 213,212	$ 789,954

December 31, 2025			
(In thousands)	Balance at December 31, 2025 (gross amounts)	Accumulated impairment losses	Balance at December 31, 2025 (net amounts)
Banco Popular de Puerto Rico	$ 438,710	$ 3,801	$ 434,909
Popular U.S.	564,456	209,411	355,045
Total Popular, Inc.	$ 1,003,166	$ 213,212	$ 789,954

Other Intangible Assets

At March 31, 2026, the Corporation had intangible assets subject to amortization amounting to $3.9 million (December 31, 2025- $4.3 million), which will be amortized through the year 2029.

Note 12 – Deposits

Total deposits as of the end of the periods presented consisted of:

(In thousands)	March 31, 2026	December 31, 2025
Savings accounts	$ 14,632,435	$ 14,368,599
NOW, money market and other interest-bearing demand deposits	27,447,163	27,037,924
Total savings, NOW, money market and other interest-bearing demand deposits	42,079,598	41,406,523
Certificates of deposit:		
Under $250,000	5,616,700	5,564,615
$250,000 and over	4,129,230	3,914,746
Total certificates of deposit	9,745,930	9,479,361
Total interest-bearing deposits	$ 51,825,528	$ 50,885,884
Non- interest-bearing deposits	$ 15,785,788	$ 15,304,209
Total deposits	$ 67,611,316	$ 66,190,093

A summary of certificates of deposits by maturity at March 31, 2026 follows:

(In thousands)	
2026	$ 6,098,880
2027	1,807,034
2028	775,731
2029	453,492
2030	420,618
2031 and thereafter	190,175
Total certificates of deposit	$ 9,745,930

At March 31, 2026, the Corporation had brokered deposits amounting to $ 1.0 billion (December 31, 2025 - $1.0 billion).

The aggregate amount of overdrafts in demand deposit accounts that were reclassified to loans was $9.2 million at March 31, 2026 (December 31, 2025 - $10.7 million).

At March 31, 2026, Puerto Rico government deposits amounted to $19.7 billion. Puerto Rico government deposits are interest bearing accounts, which are indexed to short-term market rates and fluctuate in cost with changes in those rates, in accordance with contractual terms.

Note 13 – Borrowings

Assets sold under agreements to repurchase

Assets sold under agreements to repurchase amounted to $35 million at March 31, 2026 and $39 million at December 31, 2025.

The Corporation's repurchase transactions are overcollateralized with the securities detailed in the table below. The Corporation's repurchase agreements have a right of set-off with the respective counterparty under the supplemental terms of the master repurchase agreements. In an event of default, each party has a right of set-off against the other party for amounts owed in the related agreement and any other amount or obligation owed in respect of any other agreement or transaction between them. Pursuant to the Corporation's accounting policy, the repurchase agreements are not offset with other repurchase agreements held with the same counterparty.

The following table presents information related to the Corporation's repurchase transactions accounted for as secured borrowings that are collateralized with debt securities available-for-sale, debt securities held-to-maturity, and other assets held-for-trading purposes or which have been obtained under agreements to resell. It is the Corporation's policy to maintain effective control over assets sold under agreements to repurchase; accordingly, such securities continue to be carried on the Consolidated Statements of Financial Condition.

Repurchase agreements accounted for as secured borrowings

	March 31, 2026	December 31, 2025
(In thousands)	Repurchase liability	Repurchase liability
U.S. Treasury securities		
Within 30 days	$ 15,083	$ 29,356
After 30 to 90 days	19,493	9,645
Total U.S. Treasury securities	34,576	39,001
Total	$ 34,576	$ 39,001

Repurchase agreements in this portfolio are generally short-term, often overnight. As such our risk is very limited. We manage the liquidity risks arising from secured funding by sourcing funding globally from a diverse group of counterparties, providing a range of securities collateral and pursuing longer durations, when appropriate.

Other short-term borrowings

At March 31, 2026 and December 31, 2025, other short-term borrowings consisted of $350 million and $650 million, respectively, in FHLB Advances.

Notes Payable

The following table presents the composition of notes payable at March 31, 2026 and December 31, 2025.

(In thousands)		March 31, 2026		December 31, 2025
Advances with the FHLB with maturities ranging from 2026 through 2029 paying interest at monthly fixed rates ranging from 0.69% to 4.17%	$	139,620	$	164,620
Unsecured senior debt securities maturing on 2028 paying interest semi-annually at a fixed rate of 7.25%, net of debt issuance costs of $3,045		396,955		396,558
Junior subordinated deferrable interest debentures (related to trust preferred securities) maturing on 2034 with fixed interest rates ranging from 6.125% to 6.564%, net of debt issuance costs of $227		198,406		198,399
Total notes payable	$	734,981	$	759,577

Note: Refer to the 2025 Form 10-K for rates information at December 31, 2025.

A breakdown of borrowings by contractual maturities at March 31, 2026 is included in the table below.

(In thousands)		Assets sold under agreements to repurchase		Short-term borrowings		Notes payable		Total
2026		34,576		350,000		49,500		434,076
2027		-		-		6,113		6,113
2028		-		-		441,305		441,305
2029		-		-		39,657		39,657
Later years		-		-		198,406		198,406
Total borrowings	$	34,576	$	350,000	$	734,981	$	1,119,557

At March 31, 2026 and December 31, 2025, the Corporation had FHLB borrowing facilities whereby the Corporation could borrow up to $4.7 billion and $4.8 billion, respectively, of which $0.5 billion and $0.8 billion, respectively, were used. The FHLB borrowing facilities are collateralized with securities and loans held-in-portfolio, and do not have restrictive covenants or callable features.

Also, at March 31, 2026, the Corporation had borrowing facilities at the discount window of the Federal Reserve Bank of New York amounting to $12.2 billion (December 31, 2025 - $12.1 billion), which remained unused at March 31, 2026 and December 31, 2025. The facilities are a collateralized source of credit that is highly dependable even under difficult market conditions.

Note 14 − Other liabilities

The caption of other liabilities in the Consolidated Statements of Financial Condition consists of the following major categories:

(In thousands)	March 31, 2026	December 31, 2025
Accrued expenses	$ 232,452	$ 321,203
Accrued interest payable	58,961	66,240
Accounts payable	98,568	78,998
Dividends payable	48,665	49,596
Trades payable	297,657	595,911
Liability for GNMA loans sold with an option to repurchase	8,225	8,734
Reserves for loan indemnifications	2,624	2,704
Reserve for operational losses	21,344	20,723
Operating lease liabilities	107,396	104,958
Finance lease liabilities	27,525	27,389
Pension benefit obligation	4,624	4,739
Postretirement benefit obligation	104,477	103,974
Others	76,541	75,348
Total other liabilities	$ 1,089,059	$ 1,460,517

Note 15 – Stockholders' equity

As of March 31, 2026, stockholders' equity totaled $6.3 billion. During the quarter ended March 31, 2026, the Corporation declared cash dividends of $0.75 (2025 - $0.70) per common share amounting to $48.7 million (2025 - $48.4 million). The quarterly dividend of $0.75 per share declared to stockholders of record as of the close of business on March 18, 2026 was paid on April 1, 2026.

During the quarter ended March 31, 2026, the Corporation completed the repurchase of 1,155,398 shares of common stock for $155.2 million at an average price of $134.31 per share under the 2025 common stock repurchase program. As of March 31, 2026, $126.0 million remained available for stock repurchase under the 2025 common stock repurchase program. During the quarter ended March 31, 2025, the Corporation completed the repurchase of 1,270,569 shares of common stock for $122.3 million at an average price of $96.24 per share, as part of the 2024 common stock repurchase program.

Note 16 – Other comprehensive income (loss)

The following table presents changes in accumulated other comprehensive income (loss) by component for the quarters ended March 31, 2026 and 2025.

	Changes in Accumulated Other Comprehensive Income (Loss) by Component [1]				
		Quarters ended March 31,			
(In thousands)			2026		2025
Foreign currency translation	Beginning Balance	$	(85,282)	$	(71,365)
	Other comprehensive loss		(256)		(6,646)
	Net change		(256)		(6,646)
	Ending balance	$	(85,538)	$	(78,011)
Adjustment of pension and postretirement benefit plans	Beginning Balance	$	(91,155)	$	(94,692)
	Amounts reclassified from accumulated other comprehensive loss for amortization of net losses		1,411		1,421
	Net change		1,411		1,421
	Ending balance	$	(89,744)	$	(93,271)
Unrealized net holding losses on debt securities	Beginning Balance	$	(1,005,650)	$	(1,495,183)
	Other comprehensive (loss) income before reclassifications		(25,257)		140,229
	Amounts reclassified from accumulated other comprehensive loss for amortization of net unrealized losses of debt securities transferred from available-for-sale to held-to-maturity		37,501		36,249
	Net change		12,244		176,478
	Ending balance	$	(993,406)	$	(1,318,705)
	Total accumulated other comprehensive loss	$	(1,168,688)	$	(1,489,987)

[1] All amounts presented are net of tax.

The following table presents the amounts reclassified out of each component of accumulated other comprehensive loss during the quarters ended March 31, 2026 and 2025.

	Reclassifications Out of Accumulated Other Comprehensive Loss		
	Affected Line Item in the	Quarters ended March 31,	
(In thousands)	Consolidated Statements of Operations	2026	2025
Adjustment of pension and postretirement benefit plans			
Amortization of net losses	Other operating expenses	$ (2,258)	$ (2,273)
	Total before tax	(2,258)	(2,273)
	Income tax benefit	847	852
	Total net of tax	$ (1,411)	$ (1,421)
Unrealized holding losses on debts securities			
Amortization of unrealized net losses of debt securities transferred to held-to-maturity	Investment securities	$ (46,876)	$ (45,311)
	Total before tax	(46,876)	(45,311)
	Income tax benefit	9,375	9,062
	Total net of tax	$ (37,501)	$ (36,249)
	Total reclassification adjustments, net of tax	$ (38,912)	$ (37,670)

Note 17 – Guarantees

The Corporation has obligations upon the occurrence of certain events under financial guarantees provided in certain contractual agreements. Also, from time to time, the Corporation securitized mortgage loans into guaranteed mortgage-backed securities subject in certain instances, to lifetime credit recourse on the loans that serve as collateral for the mortgage-backed securities. The Corporation has not sold any mortgage loans subject to credit recourse since 2009. Also, from time to time, the Corporation may sell, in bulk sale transactions, residential mortgage loans and Small Business Administration ("SBA") commercial loans subject to credit recourse or to certain representations and warranties from the Corporation to the purchaser. These representations and warranties may relate, for example, to borrower creditworthiness, loan documentation, collateral, prepayment and early payment defaults. The Corporation may be required to repurchase the loans under the credit recourse agreements or representation and warranties.

At March 31, 2026, the Corporation serviced $414 million (December 31, 2025 - $429 million) in residential mortgage loans subject to credit recourse provisions, principally loans associated with FNMA and FHLMC residential mortgage loan securitization programs. In the event of any customer default, pursuant to the credit recourse provided, the Corporation is required to repurchase the loan or reimburse the third party investor for the incurred loss. The maximum potential amount of future payments that the Corporation would be required to make under the recourse arrangements in the event of nonperformance by the borrowers is equivalent to the total outstanding balance of the residential mortgage loans serviced with recourse and the interest, if applicable. During the quarter ended March 31, 2026, the Corporation repurchased approximately $0.2 million of unpaid principal balance in mortgage loans subject to the credit recourse provisions (March 31, 2025 - $0.3 million). In the event of nonperformance by the borrower, the Corporation has rights to the underlying collateral securing the mortgage loan. The Corporation suffers ultimate losses on these loans when the proceeds from a foreclosure sale of the property underlying a defaulted mortgage loan are less than the outstanding principal balance of the loan plus any uncollected interest advanced and the costs of holding and disposing the related property. At March 31, 2026, the Corporation's liability established to cover the estimated credit loss exposure related to loans sold or serviced with credit recourse amounted to $2 million (December 31, 2025 - $3 million).

From time to time, the Corporation sells loans and agrees to indemnify the purchaser for credit losses or any breach of certain representations and warranties made in connection with the sale.

Servicing agreements relating to the mortgage-backed securities programs of FNMA, FHLMC and GNMA, and to mortgage loans sold or serviced to certain other investors, including FHLMC, require the Corporation to advance funds to make scheduled payments of principal, interest, taxes and insurance, if such payments have not been received from the borrowers. At March 31, 2026, the Corporation serviced $8.0 billion in mortgage loans for third parties, including the loans serviced with credit recourse (December 31, 2025 - $8.2 billion). The Corporation generally recovers funds advanced pursuant to these arrangements from the mortgage owner, from liquidation proceeds when the mortgage loan is foreclosed or, in the case of FHA/VA loans, under the applicable FHA and VA insurance and guarantees programs. However, in the meantime, the Corporation must absorb the cost of the funds it advances during the time the advance is outstanding. The Corporation must also bear the costs of attempting to collect on delinquent and defaulted mortgage loans. In addition, if a defaulted loan is not cured, the mortgage loan would be canceled as part of the foreclosure proceedings and the Corporation would not receive any future servicing income with respect to that loan. At March 31, 2026, the outstanding balance of funds advanced by the Corporation under such mortgage loan servicing agreements was $28 million (December 31, 2025 - $30 million). To the extent the mortgage loans underlying the Corporation's servicing portfolio experience increased delinquencies, the Corporation would be required to dedicate additional cash resources to comply with its obligation to advance funds as well as incur additional administrative costs related to increases in collection efforts.

Popular, Inc. Holding Company ("PIHC") fully and unconditionally guarantees certain borrowing obligations issued by certain of its 100% owned consolidated subsidiaries amounting to $94 million at March 31, 2026 and December 31, 2025, respectively. In addition, at both March 31, 2026 and December 31, 2025, PIHC fully and unconditionally guaranteed on a subordinated basis $193 million of capital securities (trust preferred securities) issued by wholly-owned issuing trust entities to the extent set forth in the applicable guarantee agreement. Refer to Note 17 to the Consolidated Financial Statements in the 2025 Form 10-K for further information on the trust preferred securities.

Note 18 – Commitments and contingencies

Off-balance sheet risk

The Corporation is a party to financial instruments with off-balance sheet credit risk in the normal course of business to meet the financial needs of its customers. These financial instruments include loan commitments, letters of credit and standby letters of credit. These instruments involve, to varying degrees, elements of credit and interest rate risk in excess of the amount recognized in the Consolidated Statements of Financial Condition.

The Corporation's exposure to credit loss in the event of nonperformance by the other party to the financial instrument for commitments to extend credit, standby letters of credit and financial guarantees is represented by the contractual notional amounts of those instruments. The Corporation uses the same credit policies in making these commitments and conditional obligations as it does for those reflected on the Consolidated Statements of Financial Condition.

Financial instruments with off-balance sheet credit risk, whose contract amounts represent potential credit risk as of the end of the periods presented were as follows:

(In thousands)	March 31, 2026	December 31, 2025
Commitments to extend credit:		
Credit card lines	$ 6,514,524	$ 6,415,208
Commercial lines of credit	4,260,637	4,257,505
Construction lines of credit	1,139,056	1,197,319
Other consumer unused credit commitments	283,742	277,635
Commercial letters of credit	6,838	21,248
Standby letters of credit	97,235	111,554
Commitments to originate or fund mortgage loans	20,457	20,099

At March 31, 2026 and December 31, 2025, the Corporation maintained a reserve of $15 million and $14 million, respectively, for potential losses associated with unfunded loan commitments related to commercial and construction lines of credit.

Other commitments

At March 31, 2026 and December 31, 2025, the Corporation also maintained other non-credit commitments for $5 million and $7 million, respectively, primarily for the acquisition of other investments.

Business concentration

Since the Corporation's business activities are concentrated primarily in Puerto Rico, its results of operations and financial condition are dependent upon the general trends of the Puerto Rico economy and, in particular, the residential and commercial real estate markets. The concentration of the Corporation's operations in Puerto Rico exposes it to greater risk than other banking companies with a wider geographic base. Its asset and revenue composition by geographical area is presented in Note 28 to the Consolidated Financial Statements.

Puerto Rico has faced significant fiscal and economic challenges for over a decade. In response to such challenges, the U.S. Congress enacted PROMESA in 2016, which, among other things, established the Oversight Board and a framework for the restructuring of the debts of the Commonwealth, its instrumentalities and municipalities. The Commonwealth and several of its instrumentalities have availed themselves of debt restructuring proceedings under PROMESA. As of the date of this report, while municipalities have been designated as covered entities under PROMESA, no municipality has commenced or has been authorized by the Oversight Board to commence, any such debt restructuring proceeding under PROMESA.

At March 31, 2026, the Corporation's direct exposure to the Puerto Rico government and its instrumentalities and municipalities totaled $390 million, of which $340 million were outstanding ($391 million and $342 million at December 31, 2025). Of the outstanding amount, $333 million consists of loans and $7 million are securities ($333 million and $9 million at December 31, 2025). Substantially all of the amount outstanding at March 31, 2026 and December 31, 2025 were obligations from various Puerto Rico municipalities. In most cases, these were "general obligations" of a municipality, to which the applicable municipality has pledged its good faith, credit and unlimited taxing power, or "special obligations" of a municipality, to which the applicable municipality has pledged other revenues. At March 31, 2026, approximately 77% of the Corporation's exposure to municipal loans and securities was concentrated in the municipalities of San Juan, Guaynabo, Carolina and Caguas. The Corporation's exposure at March 31, 2026, included approximately $47.4 million in Automated Clearing House ("ACH") transaction settlement exposure, none of which was outstanding.

The following table details the loans and investments representing the Corporation's direct exposure to the Puerto Rico government according to their maturities as of March 31, 2026:

(In thousands)		Investment Portfolio		Loans		Total Outstanding		Total Exposure
Central Government								
Within 1 year	$	-	$	-	$	-	$	47,400
After 10 years		41		-		41		41
Total Central Government		41		-		41		47,441
Municipalities								
Within 1 year		2,720		11,574		14,294		16,294
After 1 to 5 years		3,910		166,515		170,425		170,425
After 5 to 10 years		450		124,087		124,537		124,537
After 10 years		-		30,991		30,991		30,991
Total Municipalities		7,080		333,167		340,247		342,247
Total Direct Government Exposure	$	7,121	$	333,167	$	340,288	$	389,688

In addition, at March 31, 2026, the Corporation had $201 million in loans insured or securities issued by Puerto Rico governmental entities but for which the principal source of repayment is non-governmental ($209 million at December 31, 2025). These included $166 million in residential mortgage loans insured by the Puerto Rico Housing Finance Authority ("HFA"), a governmental instrumentality that has been designated as a covered entity under PROMESA (December 31, 2025 - $167 million). These mortgage loans are secured by first mortgages on Puerto Rico residential properties and the HFA insurance covers losses in the event of a borrower default and upon the satisfaction of certain other conditions. The Corporation also had at March 31, 2026, $35 million in bonds issued by HFA which are secured by second mortgage loans on Puerto Rico residential properties, and for which HFA also provides insurance to cover losses in the event of a borrower default and upon the satisfaction of certain other conditions (December 31, 2025 - $36 million). In the event that the mortgage loans insured by HFA and held by the Corporation directly or those serving as collateral for the HFA bonds default and the collateral is insufficient to satisfy the outstanding balance of these loans, HFA's ability to honor its insurance will depend, among other factors, on the financial condition of HFA at the time such obligations become due and payable. The Corporation does not consider the government guarantee when estimating the credit losses associated with this portfolio. Although the Governor is currently authorized by local legislation to impose a temporary moratorium on the financial obligations of the HFA, a moratorium on such obligations has not been imposed as of the date hereof.

BPPR's commercial loan portfolio also includes loans to private borrowers who are service providers, lessors, suppliers or have other relationships with the government. For example, at March 31, 2026 BPPR had $178.4 million ($178.6 million at December 31, 2025) in exposure to borrowers that are independent power producers that generate and sell energy under Power Purchase Agreements to the Puerto Rico Electric Power Authority ("PREPA"), which is undergoing a debt restructuring process under Title III of PROMESA. Borrowers with exposure to the government could be negatively affected by the Commonwealth's fiscal crisis and the ongoing Title III proceedings under PROMESA. Similarly, BPPR's mortgage and consumer loan portfolios include loans to government employees and retirees, which could also be negatively affected by fiscal measures such as employee layoffs or furloughs or reductions in pension benefits.

In addition, $2.6 billion of residential mortgages and $84.8 million commercial loans were insured or guaranteed by the U.S. Government or its agencies at March 31, 2026 (compared to $2.5 billion and $80.5 million, respectively, at December 31, 2025). The Corporation also had U.S. Treasury and obligations from the U.S. Government, its agencies or government sponsored entities within the portfolio of available-for-sale and held-to-maturity securities as described in Note 5 and 6 to the Consolidated Financial Statements.

At March 31, 2026, the Corporation had operations in the United States Virgin Islands (the "USVI") and had $28 million in direct exposure to USVI government entities (December 31, 2025 - $28 million). The USVI has been experiencing a number of fiscal and economic challenges that could adversely affect the ability of its public corporations and instrumentalities to service their outstanding debt obligations. PROMESA does not apply to the USVI and, as such, there is currently no federal legislation permitting the restructuring of the debts of the USVI and its public corporations and instrumentalities.

At March 31, 2026, the Corporation had operations in the British Virgin Islands ("BVI") and it had a loan portfolio amounting to $197 million comprised of various retail and commercial clients, compared to a loan portfolio of $195 million at December 31, 2025. At March 31, 2026, the Corporation had no significant exposure to a single borrower in the BVI.

Legal Proceedings

The nature of Popular's business ordinarily generates claims, litigation, arbitration, regulatory and governmental investigations, and legal and administrative cases and proceedings (collectively, "Legal Proceedings"). Popular's Legal Proceedings may involve various lines of business and include claims relating to contract, torts, consumer protection, securities, antitrust, employment, tax and other laws. The recovery sought in Legal Proceedings may include substantial or indeterminate compensatory damages, punitive damages, injunctive relief, or recovery on a class-wide basis. When the Corporation determines that it has meritorious defenses to the claims asserted, it vigorously defends itself. The Corporation will consider the settlement of cases (including cases where it has meritorious defenses) when, in management's judgment, it is in the best interest of the Corporation and its stockholders to do so. On at least a quarterly basis, Popular assesses its liabilities and contingencies relating to outstanding Legal Proceedings utilizing the most current information available. For matters where it is probable that the Corporation will incur a material loss and the amount can be reasonably estimated, the Corporation establishes an accrual for the loss. Once established, the accrual is adjusted on at least a quarterly basis to reflect any relevant developments, as appropriate. For matters where a material loss is not probable, or the amount of the loss cannot be reasonably estimated, no accrual is established.

In certain cases, exposure to loss exists in excess of any accrual to the extent such loss is reasonably possible, but not probable. Management believes and estimates that the range of reasonably possible losses (with respect to those matters where such limits may be determined in excess of amounts accrued) for current Legal Proceedings ranged from $0 to approximately $6.3 million as of March 31, 2026. In certain cases, management cannot reasonably estimate the possible loss at this time. Any estimate involves significant judgment, given the varying stages of the Legal Proceedings (including the fact that many of them are currently in preliminary stages), the existence of multiple defendants in several of the current Legal Proceedings whose share of liability has yet to be determined, the numerous unresolved issues in many of the Legal Proceedings, and the inherent uncertainty of the various potential outcomes of such Legal Proceedings. Accordingly, management's estimate will change from time-to-time, and actual losses may be more or less than the current estimate.

While the outcome of Legal Proceedings is inherently uncertain, based on information currently available, advice of counsel, and available insurance coverage, management believes that the amount it has already accrued is adequate and any incremental liability arising from the Legal Proceedings in matters in which a loss amount can be reasonably estimated will not have a material adverse effect on the Corporation's consolidated financial position. However, in the event of unexpected future developments, it is possible that the ultimate resolution of these matters in a reporting period, if unfavorable, could have a material adverse effect on the Corporation's consolidated financial position for that period.

Note 19 – Non-consolidated variable interest entities

The Corporation is involved with two statutory trusts which it created to issue trust preferred securities to the public. These trusts are deemed to be variable interest entities ("VIEs") since the equity investors at risk have no substantial decision-making rights. The Corporation does not hold any variable interest in the trusts, and therefore, cannot be the trusts' primary beneficiary. Furthermore, the Corporation concluded that it did not hold a controlling financial interest in these trusts since the decisions of the trusts are predetermined through the trust documents and the guarantee of the trust preferred securities is irrelevant since in substance the sponsor is guaranteeing its own debt.

Also, the Corporation is involved with various special purpose entities mainly in guaranteed mortgage securitization transactions, including GNMA and FNMA. The Corporation has also engaged in securitization transactions with FHLMC, but considers its exposure in the form of servicing fees and servicing advances not to be significantat March 31, 2026. These special purpose entities are deemed to be VIEs since they lack equity investments at risk. The Corporation's continuing involvement in these guaranteed loan securitizations includes owning certain beneficial interests in the form of securities as well as the servicing rights retained. The Corporation is not required to provide additional financial support to any of the variable interest entities to which it has transferred the financial assets. The mortgage-backed securities, to the extent retained, are classified in the Consolidated Statements of Financial Condition as available-for-sale or trading securities. The Corporation concluded that, essentially, these entities (FNMA and GNMA) control the design of their respective VIEs, dictate the quality and nature of the collateral, require the underlying insurance, set the servicing standards via the servicing guides and can change them at will, and can remove a primary servicer with cause, and without cause in the case of FNMA. Moreover, through their guarantee obligations, agencies (FNMA and GNMA) have the obligation to absorb losses that could be potentially significant to the VIE.

The Corporation holds variable interests in these VIEs in the form of agency mortgage-backed securities and collateralized mortgage obligations, including those securities originated by the Corporation and those acquired from third parties. Additionally, the Corporation holds agency mortgage-backed securities and agency collateralized mortgage obligations issued by third party VIEs in which it has no other form of continuing involvement. Refer to Note 21 to the Consolidated Financial Statements for additional information on the debt securities outstanding at March 31, 2026 and December 31, 2025, which are classified as available-for-sale and trading securities in the Consolidated Statements of Financial Condition. In addition, the Corporation holds variable interests in the form of servicing fees, since it retains the right to service the transferred loans in those government-sponsored special purpose entities ("SPEs") and may also purchase the right to service loans in other government-sponsored SPEs that were transferred to those SPEs by a third-party.

The following table presents the carrying amount and classification of the assets related to the Corporation's variable interests in non-consolidated VIEs and the maximum exposure to loss as a result of the Corporation's involvement as servicer of GNMA and FNMA loans at March 31, 2026 and December 31, 2025.

(In thousands)	March 31, 2026	December 31, 2025
Assets		
Servicing assets:		
Mortgage servicing rights	$ 73,947	$ 74,236
Total servicing assets	$ 73,947	$ 74,236
Other assets:		
Servicing advances	$ 3,456	$ 3,385
Total other assets	$ 3,456	$ 3,385
Total assets	$ 77,403	$ 77,621
Maximum exposure to loss	$ 77,403	$ 77,621

The size of the non-consolidated VIEs, in which the Corporation has a variable interest in the form of servicing fees, measured as the total unpaid principal balance of the loans, amounted to $5.9 billion at March 31, 2026 (December 31, 2025 - $6.0 billion).

The Corporation determined that the maximum exposure to loss includes the fair value of the MSRs and the assumption that the servicing advances at March 31, 2026 and December 31, 2025, will not be recovered. The agency debt securities are not included as part of the maximum exposure to loss since they are guaranteed by the related agencies.

ASU 2009-17 requires that an ongoing primary beneficiary assessment should be made to determine whether the Corporation is the primary beneficiary of any of the VIEs it is involved with. The conclusion on the assessment of these non-consolidated VIEs has not changed since their initial evaluation. The Corporation concluded that it is still not the primary beneficiary of these VIEs, and therefore, these VIEs are not required to be consolidated in the Corporation’s financial statements at March 31, 2026.

Note 20 – Related party transactions

Centro Financiero BHD, S.A.

At March 31, 2026, the Corporation had a 15.63% equity interest in Centro Financiero BHD, S.A. (“BHD”), one of the largest banking and financial services groups in the Dominican Republic. During the quarter ended March 31, 2026, the Corporation recorded $17.6 million in equity pickup (March 31, 2025 - $1.0 million), including the net impact of $13.0 million from net earnings (March 31, 2025 - $8.7 million), coupled with $4.6 million recorded through other comprehensive income (March 31, 2025 - ($9.7) million) related to foreign currency translation adjustments and changes in the fair value of available for sale securities. At March 31, 2026, the investment in BHD had a carrying amount of $267.0 million (December 31, 2025 - $249.4 million) and there were no dividends received by the Corporation during the quarters ended March 31, 2026 and 2025.

Note 21 – Fair value measurement

ASC Subtopic 820-10 "Fair Value Measurements and Disclosures" establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three levels in order to increase consistency and comparability in fair value measurements and disclosures. The hierarchy is broken down into three levels based on the reliability of inputs as follows:

- *Level 1* - Unadjusted quoted prices in active markets for identical assets or liabilities that the Corporation has the ability to access at the measurement date. Valuation on these instruments does not necessitate a significant degree of judgment since valuations are based on quoted prices that are readily available in an active market.
- *Level 2* - Quoted prices other than those included in Level 1 that are observable either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or that can be corroborated by observable market data for substantially the full term of the financial instrument.
- *Level 3* - Inputs are unobservable and significant to the fair value measurement. Unobservable inputs reflect the Corporation's own judgements about assumptions that market participants would use in pricing the asset or liability.

The Corporation maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the observable inputs be used when available. Fair value is based upon quoted market prices when available. If listed prices or quotes are not available, the Corporation employs internally-developed models that primarily use market-based inputs including yield curves, interest rates, volatilities, and credit curves, among others. Valuation adjustments are limited to those necessary to ensure that the financial instrument's fair value is adequately representative of the price that would be received or paid in the marketplace. These adjustments include amounts that reflect counterparty credit quality, the Corporation's credit standing, constraints on liquidity and unobservable parameters that are applied consistently. There have been no changes in the Corporation's methodologies used to estimate the fair value of assets and liabilities from those disclosed in the 2025 Form 10-K.

The estimated fair value may be subjective in nature and may involve uncertainties and matters of significant judgment for certain financial instruments. Changes in the underlying assumptions used in calculating fair value could significantly affect the results.

Fair Value on a Recurring and Nonrecurring Basis

The following fair value hierarchy tables present information about the Corporation's assets and liabilities measured at fair value on a recurring basis at March 31, 2026 and December 31, 2025:

At March 31, 2026					
(In thousands)	Level 1	Level 2	Level 3	Measured at NAV	Total
RECURRING FAIR VALUE MEASUREMENTS					
Assets					
Debt securities available-for-sale:					
U.S. Treasury securities	$ 6,996,073	$ 10,041,968	$ -	$ -	$ 17,038,041
Collateralized mortgage obligations - federal agencies	-	95,122	-	-	95,122
Mortgage-backed securities	-	4,598,973	383	-	4,599,356
Other	-	-	750	-	750
Total debt securities available-for-sale	$ 6,996,073	$ 14,736,063	$ 1,133	$ -	$ 21,733,269
Trading account debt securities, excluding derivatives:					
U.S. Treasury securities	$ 3,790	$ 350	$ -	$ -	$ 4,140
Obligations of Puerto Rico, States and political subdivisions	-	44	-	-	44
Collateralized mortgage obligations	-	550	-	-	550
Mortgage-backed securities	-	25,496	85	-	25,581
Other	-	-	95	-	95
Total trading account debt securities, excluding derivatives	$ 3,790	$ 26,440	$ 180	$ -	$ 30,410
Equity securities	$ -	$ 51,198	$ -	$ 1,135	$ 52,333
Mortgage servicing rights	-	-	94,232	-	94,232
Loans held-for-sale	-	5,603	-	-	5,603
Derivatives	-	23,956	-	-	23,956
Total assets measured at fair value on a recurring basis	$ 6,999,863	$ 14,843,260	$ 95,545	$ 1,135	$ 21,939,803
Liabilities					
Derivatives	$ -	$ (22,820)	$ -	$ -	$ (22,820)
Total liabilities measured at fair value on a recurring basis	$ -	$ (22,820)	$ -	$ -	$ (22,820)

(In thousands)	At December 31, 2025 Level 1	Level 2	Level 3	Measured at NAV	Total
RECURRING FAIR VALUE MEASUREMENTS					
Assets					
Debt securities available-for-sale:					
U.S. Treasury securities	$ 6,576,313	$ 9,147,141	$ -	$ -	$ 15,723,454
Collateralized mortgage obligations - federal agencies	-	100,241	-	-	100,241
Mortgage-backed securities	-	4,750,122	405	-	4,750,527
Other	-	-	750	-	750
Total debt securities available-for-sale	$ 6,576,313	$ 13,997,504	$ 1,155	$ -	$ 20,574,972
Trading account debt securities, excluding derivatives:					
U.S. Treasury securities	$ 12,450	$ 10	$ -	$ -	$ 12,460
Obligations of Puerto Rico, States and political subdivisions	-	45	-	-	45
Collateralized mortgage obligations	-	567	-	-	567
Mortgage-backed securities	-	23,314	84	-	23,398
Other	-	-	99	-	99
Total trading account debt securities, excluding derivatives	$ 12,450	$ 23,936	$ 183	$ -	$ 36,569
Equity securities	$ -	$ 50,632	$ -	$ 852	$ 51,484
Mortgage servicing rights	-	-	96,356	-	96,356
Loans held-for-sale	-	9,998	-	-	9,998
Derivatives	-	27,913	-	-	27,913
Total assets measured at fair value on a recurring basis	$ 6,588,763	$ 14,109,983	$ 97,694	$ 852	$ 20,797,292
Liabilities					
Derivatives	$ -	$ (25,740)	$ -	$ -	$ (25,740)
Total liabilities measured at fair value on a recurring basis	$ -	$ (25,740)	$ -	$ -	$ (25,740)

Loans held-for-sale measured at fair value

Loans held-for-sale measured at fair value were priced based on secondary market prices. These loans are classified as Level 2.

The following tables summarize the difference between the aggregate fair value and the aggregate unpaid principal balance for mortgage loans originated as held-for-sale measured at fair value as of March 31, 2026 and December 31, 2025.

(In thousands)	March 31, 2026 Fair Value	Aggregate Unpaid Principal Balance	Difference
Loans held for sale	$ 5,603	$ 5,586	$ 17

(In thousands)	December 31, 2025 Fair Value	Aggregate Unpaid Principal Balance	Difference
Loans held for sale	$ 9,998	$ 9,839	$ 159

No loans held-for-sale were 90 or more days past due or on nonaccrual status as of March 31, 2026 and December 31, 2025.

The fair value information included in the following tables is not as of period end, but as of the date that the fair value measurement was recorded during the quarters ended March 31, 2026 and 2025 and excludes nonrecurring fair value measurements of assets no longer outstanding as of the reporting date.

Quarter ended March 31, 2026					
(In thousands)	Level 1	Level 2	Level 3	Total	
NONRECURRING FAIR VALUE MEASUREMENTS					
Assets					Write-downs
Loans[1]	-	-	23,568	23,568	(541)
Other real estate owned[2]	$ -	$ -	$ 2,052	$ 2,052	$ (258)
Other foreclosed assets[2]	-	-	228	228	(60)
Total assets measured at fair value on a nonrecurring basis	$ -	$ -	$ 25,848	$ 25,848	$ (859)

[1] Relates mainly to certain impaired collateral dependent loans. The impairment was measured based on the fair value of the collateral, which is derived from appraisals that take into consideration prices in observed transactions involving similar assets in similar locations. Costs to sell are excluded from the reported fair value amount.

[2] Represents the fair value of foreclosed real estate and other collateral owned that were written down to their fair value. Costs to sell are excluded from the reported fair value amount.

Quarter ended March 31, 2025					
(In thousands)	Level 1	Level 2	Level 3	Total	
NONRECURRING FAIR VALUE MEASUREMENTS					
Assets					Write-downs
Loans[1]	$ -	$ -	$ 4,167	$ 4,167	$ (362)
Other real estate owned[2]	-	-	2,018	2,018	(485)
Other foreclosed assets[2]	-	-	133	133	(76)
Total assets measured at fair value on a nonrecurring basis	$ -	$ -	$ 6,318	$ 6,318	$ (923)

[1] Relates mainly to certain impaired collateral dependent loans. The impairment was measured based on the fair value of the collateral, which is derived from appraisals that take into consideration prices in observed transactions involving similar assets in similar locations. Costs to sell are excluded from the reported fair value amount.

[2] Represents the fair value of foreclosed real estate and other collateral owned that were written down to their fair value. Costs to sell are excluded from the reported fair value amount.

The following tables present the changes in Level 3 assets and liabilities measured at fair value on a recurring basis for the quarters ended March 31, 2026 and 2025.

Quarter ended March 31, 2026						
(In thousands)	MBS classified as debt securities available-for-sale	Other securities classified as debt securities available-for-sale	MBS classified as trading account debt securities	Other securities classified as trading account debt securities	Mortgage servicing rights	Total assets
Balance at December 31, 2025	$ 405	$ 750	$ 84	$ 99	$ 96,356	$ 97,694
Gains (losses) included in earnings	-	-	1	(4)	(2,639)	(2,642)
Gains (losses) included in OCI	3	-	-	-	-	3
Additions	-	-	-	-	515	515
Settlements	(25)	-	-	-	-	(25)
Balance at March 31, 2026	$ 383	$ 750	$ 85	$ 95	$ 94,232	$ 95,545
Changes in unrealized gains (losses) included in earnings relating to assets still held at March 31, 2026	$ -	$ -	$ -	$ -	$ (472)	$ (472)

(In thousands)	Quarter ended March 31, 2025 MBS classified as debt securities available-for-sale	Other securities classified as debt securities available-for-sale	MBS classified as trading account debt securities	Other securities classified as trading account debt securities	Mortgage servicing rights	Total assets
Balance at December 31, 2024	$ 484	$ 2,250	$ 84	$ 133	$ 108,103	$ 111,054
Gains (losses) included in earnings	-	-	-	(6)	(3,570)	(3,576)
Gains (losses) included in OCI	(2)	-	-	-	-	(2)
Additions	-	-	-	-	210	210
Settlements	(25)	-	-	-	-	(25)
Transfers out of Level 3	-	(1,500)	-	-	-	(1,500)
Balance at March 31, 2025	$ 457	$ 750	$ 84	$ 127	$ 104,743	$ 106,161
Changes in unrealized gains (losses) included in earnings relating to assets still held at March 31, 2025	$ -	$ -	$ -	$ 9	$ (1,325)	$ (1,316)

Gains and losses (realized and unrealized) included in earnings for the quarters ended March 31, 2026 and 2025 for Level 3 assets and liabilities included in the previous tables are reported in the consolidated statements of operations as follows:

(In thousands)	Quarter ended March 31, 2026 Total gains (losses) included in earnings	Changes in unrealized gains (losses) relating to assets still held at reporting date	Quarter ended March 31, 2025 Total gains (losses) included in earnings	Changes in unrealized gains (losses) relating to assets still held at reporting date
Mortgage banking activities	$ (2,639)	$ (472)	$ (3,570)	$ (1,325)
Trading account (loss) profit	(3)	-	(6)	9
Total	$ (2,642)	$ (472)	$ (3,576)	$ (1,316)

The following tables include quantitative information about significant unobservable inputs used to derive the fair value of Level 3 instruments, excluding those instruments for which the unobservable inputs were not developed by the Corporation such as prices of prior transactions and/or unadjusted third-party pricing sources at March 31, 2026 and 2025.

(In thousands)	Fair value at March 31, 2026	Valuation technique	Unobservable inputs	Weighted average (range) [1]
Other - trading	$ 95	Discounted cash flow model	Weighted average life	2 years
			Yield	12.0%
			Prepayment speed	10.8%
Loans held-in-portfolio	$ 23,568 [2]	External appraisal	Haircut applied on external appraisals	35.4% (5.0 - 5.0%)

[1]Weighted average of significant unobservable inputs used to develop Level 3 fair value measurements were calculated by relative fair value.
[2]Loans held-in-portfolio in which haircuts were not applied to external appraisals were excluded from this table.

(In thousands)	Fair value at March 31, 2025		Valuation technique	Unobservable inputs	Weighted average (range) [1]
Other - trading	$	127	Discounted cash flow model	Weighted average life	2 years
				Yield	12.0%
				Prepayment speed	10.8%
Loans held-in-portfolio	$	4,167 [2]	External appraisal	Haircut applied on external appraisals	7.5% (5.0.0% - 10.0.0%)

[1] Weighted average of significant unobservable inputs used to develop Level 3 fair value measurements were calculated by relative fair value.
[2] Loans held-in-portfolio in which haircuts were not applied to external appraisals were excluded from this table.

Note 22 – Fair value of financial instruments

The fair value of financial instruments is the amount at which an asset or obligation could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. For those financial instruments with no quoted market prices available, fair values have been estimated using present value calculations or other valuation techniques, as well as management's best judgment with respect to current economic conditions, including discount rates, estimates of future cash flows, and prepayment assumptions. Many of these estimates involve various assumptions and may vary significantly from amounts that could be realized in actual transactions.

The fair values reflected herein have been determined based on the prevailing rate environment at March 31, 2026 and December 31, 2025, as applicable. In different interest rate environments, fair value estimates can differ significantly, especially for certain fixed rate financial instruments. In addition, the fair values presented do not attempt to estimate the value of the Corporation's fee generating businesses and anticipated future business activities, that is, they do not represent the Corporation's value as a going concern. There have been no changes in the Corporation's valuation methodologies and inputs used to estimate the fair values for each class of financial assets and liabilities not measured at fair value.

The following tables present the carrying amount and estimated fair values of financial instruments with their corresponding level in the fair value hierarchy. The aggregate fair value amounts of the financial instruments disclosed do not represent management's estimate of the underlying value of the Corporation.

	March 31, 2026					
(In thousands)	Carrying amount	Level 1	Level 2	Level 3	Measured at NAV	Fair value
Financial Assets:						
Cash and due from banks	$ 384,922	$ 384,922	$ -	$ -	$ -	$ 384,922
Money market investments	4,655,699	4,645,897	9,802	-	-	4,655,699
Trading account debt securities, excluding derivatives[1]	30,410	3,790	26,440	180	-	30,410
Debt securities available-for-sale[1]	21,733,269	6,996,073	14,736,063	1,133	-	21,733,269
Debt securities held-to-maturity:						
U.S. Treasury securities	$ 6,913,002	$ -	$ 6,918,757	$ -	$ -	$ 6,918,757
Obligations of Puerto Rico, States and political subdivisions	36,306	-	-	37,205	-	37,205
Collateralized mortgage obligation-federal agency	1,491	-	1,301	-	-	1,301
Securities in wholly owned statutory business trusts	5,960	-	5,960	-	-	5,960
Total debt securities held-to-maturity	$ 6,956,759	$ -	$ 6,926,018	$ 37,205	$ -	$ 6,963,223
Equity securities:						
FHLB stock	$ 53,796	$ -	$ 53,796	$ -	$ -	$ 53,796
FRB stock	103,759	-	103,759	-	-	103,759
Other investments	59,611	-	51,198	7,808	1,135	60,141
Total equity securities	$ 217,166	$ -	$ 208,753	$ 7,808	$ 1,135	$ 217,696
Loans held-for-sale	$ 5,603	$ -	$ 5,603	$ -	$ -	$ 5,603
Loans held-in-portfolio	38,465,973	-	-	37,793,368	-	37,793,368
Mortgage servicing rights	94,232	-	-	94,232	-	94,232
Derivatives	23,956	-	23,956	-	-	23,956

	March 31, 2026					
(In thousands)	Carrying amount	Level 1	Level 2	Level 3	Measured at NAV	Fair value
Financial Liabilities:						
Deposits:						
Demand deposits	$ 57,865,386	$ -	$ 57,865,386	$ -	$ -	$ 57,865,386
Time deposits	9,745,930	-	9,528,676	-	-	9,528,676
Total deposits	$ 67,611,316	$ -	$ 67,394,062	$ -	$ -	$ 67,394,062
Assets sold under agreements to repurchase	$ 34,576	$ -	$ 34,580	$ -	$ -	$ 34,580
Other short-term borrowings[2]	350,000	-	350,000	-	-	350,000
Notes payable:						
FHLB advances	$ 139,620	$ -	$ 138,189	$ -	$ -	$ 138,189
Unsecured senior debt securities	396,955	-	418,624	-	-	418,624
Junior subordinated deferrable interest debentures (related to trust preferred securities)	198,406	-	199,020	-	-	199,020
Total notes payable	$ 734,981	$ -	$ 755,833	$ -	$ -	$ 755,833
Derivatives	$ 22,820	$ -	$ 22,820	$ -	$ -	$ 22,820

[1] Refer to Note 21 to the Consolidated Financial Statements for the fair value by class of financial asset and its hierarchy level.

[2] Refer to Note 13 to the Consolidated Financial Statements for the composition of other short-term borrowings.

	December 31, 2025					
(In thousands)	Carrying amount	Level 1	Level 2	Level 3	Measured at NAV	Fair value
Financial Assets:						
Cash and due from banks	$ 402,755	$ 402,755	$ -	$ -	$ -	$ 402,755
Money market investments	4,626,506	4,616,272	10,234	-	-	4,626,506
Trading account debt securities, excluding derivatives [1]	36,569	12,450	23,936	183	-	36,569
Debt securities available-for-sale [1]	20,574,972	6,576,313	13,997,504	1,155	-	20,574,972
Debt securities held-to-maturity:						
U.S. Treasury securities	$ 7,268,967	$ -	$ 7,309,991	$ -	$ -	$ 7,309,991
Obligations of Puerto Rico, States and political subdivisions	45,295	-	6,766	39,564	-	46,330
Collateralized mortgage obligation-federal agency	1,495	-	1,306	-	-	1,306
Securities in wholly owned statutory business trusts	5,960	-	5,960	-	-	5,960
Total debt securities held-to-maturity	$ 7,321,717	$ -	$ 7,324,023	$ 39,564	$ -	$ 7,363,587
Equity securities:						
FHLB stock	$ 68,422	$ -	$ 68,422	$ -	$ -	$ 68,422
FRB stock	102,665	-	102,665	-	-	102,665
Other investments	58,761	-	50,632	7,817	852	59,301
Total equity securities	$ 229,848	$ -	$ 221,719	$ 7,817	$ 852	$ 230,388
Loans held-for-sale	$ 9,998	$ -	$ 9,998	$ -	$ -	$ 9,998
Loans held-in-portfolio	38,519,462	-	-	37,858,044	-	37,858,044
Mortgage servicing rights	96,356	-	-	96,356	-	96,356
Derivatives	27,913	-	27,913	-	-	27,913

	December 31, 2025					
(In thousands)	Carrying amount	Level 1	Level 2	Level 3	Measured at NAV	Fair value
Financial Liabilities:						
Deposits:						
Demand deposits	$ 56,710,732	$ -	$ 56,710,732	$ -	$ -	$ 56,710,732
Time deposits	9,479,361	-	9,305,980	-	-	9,305,980
Total deposits	$ 66,190,093	$ -	$ 66,016,712	$ -	$ -	$ 66,016,712
Assets sold under agreements to repurchase	$ 39,001	$ -	$ 39,004	$ -	$ -	$ 39,004
Other short-term borrowings [2]	650,000	-	650,000	-	-	650,000
Notes payable:						
FHLB advances	$ 164,620	$ -	$ 163,417	$ -	$ -	$ 163,417
Unsecured senior debt securities	396,558	-	419,300	-	-	419,300
Junior subordinated deferrable interest debentures (related to trust preferred securities)	198,399	-	191,909	-	-	191,909
Total notes payable	$ 759,577	$ -	$ 774,626	$ -	$ -	$ 774,626
Derivatives	$ 25,740	$ -	$ 25,740	$ -	$ -	$ 25,740

[1] Refer to Note 21 to the Consolidated Financial Statements for the fair value by class of financial asset and its hierarchy level.

[2] Refer to Note 13 to the Consolidated Financial Statements for the composition of other short-term borrowings.

Refer to Note 18 to the Consolidated Financial Statements for the notional amount of commitments to extend credit, which represents the unused portion of credit facilities granted to customers, and letters of credit, which represent the contractual amount that is required to be paid in the event of nonperformance, at March 31, 2026 and December 31, 2025. The fair value of commitments to extend credit and letters of credit, which are based on the fees charged to enter into those agreements, are not material to Popular's financial statements.

Note 23 – Net income per common share

The following table sets forth the computation of net income per common share (“EPS”), basic and diluted, for the quarters ended March 31, 2026 and 2025:

	Quarters ended March 31,	
(In thousands, except per share information)	2026	2025
Net income	$ 245,674	$ 177,502
Preferred stock dividends	(353)	(353)
Net income applicable to common stock	$ 245,321	$ 177,149
Average common shares outstanding	64,818,440	69,280,137
Average potential dilutive common shares	39,168	27,544
Average common shares outstanding - assuming dilution	64,857,608	69,307,681
Basic EPS	$ 3.78	$ 2.56
Diluted EPS	$ 3.78	$ 2.56

For the quarters ended March 31, 2026 and 2025, the Corporation calculated the impact of potential dilutive common shares under the treasury stock method, consistent with the method used for the preparation of the financial statements for the year ended December 31, 2025. For a discussion of the calculation under the treasury stock method, refer to Note 30 of the Consolidated Financial Statements included in the 2025 Form 10-K.

Note 24 – Revenue from contracts with customers

The following table presents the Corporation's revenue streams from contracts with customers by reportable segment for the quarters ended March 31, 2026 and 2025.

	Quarters ended March 31,			
(In thousands)	2026		2025	
	BPPR	Popular U.S.	BPPR	Popular U.S.
Service charges on deposit accounts	$ 36,061	$ 2,705	$ 36,456	$ 2,598
Other service fees:				
Debit card fees	29,785	224	26,234	198
Insurance fees, excluding reinsurance	7,920	2,691	7,681	1,687
Credit card fees, excluding late fees and membership fees	27,186	347	25,385	405
Sale and administration of investment products	10,187	-	8,973	-
Trust fees	7,748	-	6,631	-
Total revenue from contracts with customers [1]	$ 118,887	$ 5,967	$ 111,360	$ 4,888

[1] The amounts include intersegment transactions of $0.5 million and $0.6 million, respectively, for the quarters ended March 31, 2026 and 2025.

Revenue from contracts with customers is recognized when, or as, the performance obligations are satisfied by the Corporation by transferring the promised services to the customers based on ASC 606 Revenue from Contracts with Customers. Revenue streams identified from contracts with customers, as listed above, will have certain timing for recognition based on the nature of the contract including when the obligation is satisfied and/or services are rendered. Service charges on deposit accounts, debit card fees, and credit card fees are recognized at a point in time, upon the occurrence of an activity or an event. Interchange fees on debit and credit card transactions are recognized upon settlement of the payment transaction. For more details over nature and timing of revenue streams from contracts with customers refer to Note 31 on the 2025 Form 10-K for a complete description of the nature and timing of revenue streams from contracts with customers.

Note 25 - Stock-based compensation

On May 12, 2020, the stockholders of the Corporation approved the Popular, Inc. 2020 Omnibus Incentive Plan, which permits the Corporation to issue several types of stock-based compensation to employees and directors of the Corporation and/or any of its subsidiaries (the "2020 Incentive Plan"). The 2020 Incentive Plan replaced the Popular, Inc. 2004 Omnibus Incentive Plan, which was in effect prior to the adoption of the 2020 Incentive Plan (the "2004 Incentive Plan" and, together with the 2020 Incentive Plan, the "Incentive Plan"). Participants under the Incentive Plan are designated by the Talent and Compensation Committee of the Board of Directors (or its delegate, as determined by the Board). Under the Incentive Plan, the Corporation has issued restricted stock and performance shares to its employees and restricted stock and restricted stock units ("RSUs") to its directors.

The restricted stock granted under the Incentive Plan to employees becomes vested based on the employees' continued service with Popular. Unless otherwise stated in an agreement, the compensation cost associated with the shares of restricted stock granted prior to 2021 was determined based on a two-prong vesting schedule. These grants include ratable vesting over five or four years commencing at the date of grant (the "graduated vesting portion") with a portion vested at termination of employment after attainment of 55 years of age and 10 years of service or 60 years of age and 5 years of service ("the retirement vesting portion"). The graduated vesting portion is accelerated at termination of employment after attaining the earlier of 55 years of age and 10 years of service or 60 years of age and 5 years of service. Restricted stock granted on or after 2021 have ratable vesting in equal annual installments over a period of 4 years or 3 years, depending on the classification of the employee. The vesting schedule is accelerated at termination of employment after attaining the earlier of 55 years of age and 10 years of service or 60 years of age and 5 years of service.

The performance share awards granted under the Incentive Plan consist of the opportunity to receive shares of Popular, Inc.'s common stock provided that the Corporation achieves certain goals during a three-year performance cycle. The goals will be based on two metrics weighted equally: the Relative Total Shareholder Return ("TSR") and the Absolute Return on Average Tangible Common Equity ("ROATCE"). The TSR metric is considered to be a market condition under ASC 718. For equity settled awards based on a market condition, the fair value is determined as of the grant date and is not subsequently revised based on actual performance. The ROATCE metric is considered to be a performance condition under ASC 718. For equity settled awards based on a performance condition, the fair value is determined based on the probability of achieving the ROATCE goal as of each reporting period. The TSR and ROATCE metrics are equally weighted and work independently. The number of shares that will ultimately vest ranges from 50% to a 150% of target based on both market (TSR) and performance (ROATCE) conditions. The performance shares vest at the end of the three-year performance cycle. If a participant terminates employment after attaining the earlier of 55 years of age and 10 years of service or 60 years of age and 5 years of service, the performance shares shall continue outstanding and vest at the end of the performance cycle.

The following table summarizes the restricted stock and performance shares activity under the Incentive Plan for members of management and employees.

(Not in thousands)	Shares		Weighted-Average Grant Date Fair Value
Non-vested at December 31, 2024	247,908	$	66.86
Granted	226,259		100.35
Performance Shares Quantity Adjustment	55,517		91.18
Vested	(293,939)		90.00
Forfeited	(8,787)		66.53
Non-vested at December 31, 2025	226,958	$	76.13
Granted	78,215		144.93
Performance Shares Quantity Adjustment	12,282		117.41
Vested	(90,475)		120.95
Forfeited	(788)		88.87
Non-vested at March 31, 2026	226,192	$	87.80

During the quarter ended March 31, 2026, 42,395 shares of restricted stock (March 31, 2025 - 72,619) and 35,820 performance shares (March 31, 2025 - 47,494) were awarded to employees under the Incentive Plan.

During the quarter ended March 31, 2026, the Corporation recognized $5.9 million of restricted stock expense related to employee incentive awards, with a tax benefit of $0.6 million (March 31, 2025 - $7.5 million, with a tax benefit of $0.6 million). For the quarter ended March 31, 2026, the fair market value of the restricted stock and performance shares vested was $8.3 million at grant date and $17.3 million at vesting date. This excess requires the recognition of a windfall tax benefit of $3.3 million that was recorded as a reduction in income tax expense. For the quarter ended March 31, 2026, the Corporation recognized $3.9 million of performance shares expense, with a tax benefit of $0.2 million (March 31, 2025 - $3.4 million, with a tax benefit of $0.4 million). The total unrecognized compensation cost related to non-vested restricted stock awards and performance shares to employees at March 31, 2026 was $13.5 million and is expected to be recognized over a weighted-average period of 1.56 years.

The following table summarizes the restricted stock activity under the Incentive Plan for members of the Board of Directors:

(Not in thousands)	RSUs / Restricted stock		Weighted-Average Grant Date Fair Value per Unit
Non-vested at December 31, 2024	-	$	-
Granted	24,476		101.33
Vested	(5,363)		104.33
Forfeited	-		-
Non-vested at December 31, 2025	19,113	$	100.49
Granted	1,166		125.96
Vested	(1,166)		125.96
Forfeited	-		-
Non-vested at March 31, 2026	19,113	$	100.49

The equity awards granted to members of the Board of Directors of Popular, Inc. (the "Directors") after May 2025 will vest and become non-forfeitable on the first anniversary of the grant date of such award. Equity awards granted to the Directors may be paid in either restricted stock or RSUs, at each Director's election. If RSUs are elected the Directors may defer the delivery of the shares of common stock underlying the RSUs award until after their retirement. To the extent that cash dividends are paid on the Corporation's outstanding common stock, the Directors will receive an additional number of RSUs that reflect reinvested dividend equivalent.

During the quarter ended March 31, 2026, 1,166 RSUs were granted to the Directors (March 31, 2025 - 1,546). During this period, the Corporation recognized $0.6 million of restricted stock expense related to these RSUs, with a tax benefit of $0.1 million (March

31, 2025 - $0.3 million, with a tax benefit of $48 thousand). The fair value at vesting date of the RSUs vested during the quarter ended March 31, 2026 for the Directors was $0.1 million.

Note 26 – Income taxes

For the quarter ended March 31, 2026, the Corporation recorded an income tax expense of $46.9 million with an effective tax rate ("ETR") of 16.0%, compared to $45.1 million with an ETR of 20.2% for the same period of year 2025. Lower ETR when compared to the first quarter of 2025 is driven by higher net exempt income. The Puerto Rico statutory tax rate is 37.5% for both periods.

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Significant components of the Corporation's deferred tax assets and liabilities at March 31, 2026, and December 31, 2025, were as follows:

(In thousands)	March 31, 2026 PR	US	Total
Deferred tax assets:			
Tax credits available for carryforward	$ 7,318	$ 54,154	$ 61,472
Net operating loss and other carryforward available	63,350	554,936	618,286
Postretirement and pension benefits	30,200	-	30,200
Allowance for credit losses	337,923	29,096	367,019
Depreciation	8,528	7,996	16,524
FDIC-assisted transaction	152,665	-	152,665
Lease liability	31,943	18,607	50,550
Unrealized net loss on investment securities	158,885	14,038	172,923
Mortgage Servicing Rights	15,413	-	15,413
Other temporary differences	33,150	7,515	40,665
Total gross deferred tax assets	839,375	686,342	1,525,717
Deferred tax liabilities:			
Intangibles	96,278	56,545	152,823
Right of use assets	29,162	16,922	46,084
Deferred loan origination fees/cost	18,941	2,278	21,219
Loans acquired	17,132	-	17,132
Other temporary differences	9,241	429	9,670
Total gross deferred tax liabilities	170,754	76,174	246,928
Valuation allowance	81,702	386,586	468,288
Net deferred tax asset	$ 586,919	$ 223,582	$ 810,501

(In thousands)	December 31, 2025 PR	US	Total
Deferred tax assets:			
Tax credits available for carryforward	$ 7,318	$ 46,632	$ 53,950
Net operating loss and other carryforward available	59,578	568,156	627,734
Postretirement and pension benefits	29,453	-	29,453
Allowance for credit losses	255,017	28,465	283,482
Deferred loan origination fees/cost	7,205	(2,474)	4,731
Depreciation	8,422	7,899	16,321
FDIC-assisted transaction	152,665	-	152,665
Lease liability	27,382	17,758	45,140
Unrealized net loss on investment securities	160,809	12,850	173,659
Difference in outside basis from pass-through entities	54,457	-	54,457
Mortgage Servicing Rights	15,375	-	15,375
Other temporary differences	26,347	7,586	33,933
Total gross deferred tax assets	804,028	686,872	1,490,900
Deferred tax liabilities:			
Intangibles	92,797	55,760	148,557
Right of use assets	24,846	15,875	40,721
Loans acquired	17,053	-	17,053
Other temporary differences	7,082	429	7,511
Total gross deferred tax liabilities	141,778	72,064	213,842
Valuation allowance	78,153	386,587	464,740
Net deferred tax asset	$ 584,097	$ 228,221	$ 812,318

The net deferred tax assets shown in the table above at March 31, 2026, is reflected in the Consolidated Statements of Financial Condition as $811.2 million in net deferred tax assets in the “Other assets” caption (December 31, 2025 - $814.2 million) and $649 thousand in deferred tax liabilities in the “Other liabilities” caption (December 31, 2025 - $1.9 million), reflecting the aggregate deferred tax assets or liabilities of individual tax-paying subsidiaries of the Corporation in their respective tax jurisdiction, Puerto Rico or the United States.

At March 31, 2026, the net deferred tax assets of the U.S. operations amounted to $610.2 million with a valuation allowance of approximately $386.6 million, for net deferred tax assets after valuation allowance of $223.6 million. The Corporation evaluates the realization of the deferred tax asset by taxing jurisdiction on a quarterly basis. The U.S. Operations have generated taxable income each of the last three years. The financial results for the first quarter of 2026 continue to show an upward trend similar to 2024 and 2025. These financial results are objectively verifiable positive evidence. Additionally, the Corporation considered as negative evidence inconsistency in performance trends, including lower than anticipated results in recent periods. Also, management considered the uncertainty in predicting future taxable income, as given the impact of external factors such as changes in macroeconomic conditions, geopolitical issues, and shifts in monetary policy. In addition, management evaluated the expiration period of the NOLs carried forward which begin to expire in 2028

As of March 31, 2026, after weighting all positive and negative evidence, the Corporation concluded that it is more likely than not that $223.6 million of the deferred tax assets from the U.S. operations, comprised mainly of net operating losses, will be realized. The Corporation based this determination on its estimated taxable income available to realize the deferred tax assets for the remaining carryforward periods, together with the historical level of book income adjusted by permanent differences and taxable income. Management will continue to monitor and review the U.S. operation’s results, including recent earnings trends, pre-tax earnings forecasts, new tax initiatives, and performance indicators, such as net income versus forecast, targeted loan growth, net interest income margin, changes in deposit costs, allowance for credit losses, charge-offs, NPLs inflows, and NPA balances. Significant changes, or a combination of changes, could positively or negatively impact the amount of deferred tax assets to be realized in the future.

At March 31, 2026, the Corporation’s net deferred tax assets related to its Puerto Rico operations amounted to $668.6 million. The Corporation’s Puerto Rico Banking operation has a historical record of profitability. This is considered as strong objectively verifiable positive evidence that outweighs any negative evidence considered by management in the evaluation of the realization of the deferred tax assets. Based on this evidence and management’s estimate of future taxable income, the Corporation has concluded that it is more likely than not that such net deferred tax assets of the Puerto Rico Banking operations will be realized.

The Holding Company operation has been in a cumulative loss position in recent years. Management expects these losses will be a trend in future years. This objectively verifiable negative evidence is considered by management strong negative evidence that suggests that income in future years will be insufficient to support the realization of all deferred tax assets. After weighting of all positive and negative evidence Management concluded, as of the reporting date, that it is more likely than not that the Holding Company will not be able to realize any portion of the deferred tax assets. Accordingly, the Corporation has maintained a valuation allowance on the deferred tax assets of $81.7 million as of March 31, 2026.

The Corporation and its subsidiaries file income tax returns in Puerto Rico, the U.S. federal jurisdiction, various U.S. states and political subdivisions, and foreign jurisdictions. At March 31, 2026, the following years remain subject to examination in the U.S. Federal jurisdiction, 2022 and thereafter; and in the Puerto Rico jurisdiction, 2019 and thereafter.

Note 27 – Supplemental disclosure on the consolidated statements of cash flows

Additional disclosures on cash flow information and non-cash activities for the quarters ended March 31, 2026 and March 31, 2025 are listed in the following table:

(In thousands)	March 31, 2026	March 31, 2025
Non-cash activities:		
Loans transferred to other real estate	$ 10,427	$ 7,067
Loans transferred to other property	21,752	24,673
Total loans transferred to foreclosed assets	32,179	31,740
Loans transferred to other assets	11,852	13,992
Financed sales of other real estate assets	783	1,932
Financed sales of other foreclosed assets	13,461	14,979
Total financed sales of foreclosed assets	14,244	16,911
Financed sale of premises and equipment	14,372	15,329
Transfers from loans held-in-portfolio to loans held-for-sale	9,094	-
Transfers from loans held-for-sale to loans held-in-portfolio	409	776
Loans securitized into investment securities [1]	11,453	1,718
Trades receivable from brokers and counterparties	51	936
Trades payable to brokers and counterparties	297,657	495,397
Net change in receivables from investments maturities	-	14,589
Recognition of mortgage servicing rights on securitizations or asset transfers	515	210
Loans booked under the GNMA buy-back option	3,483	1,921
Capitalization of lease right of use asset	10,396	7,288

[1] Includes loans securitized into trading securities and subsequently sold before quarter end.

The following table provides a reconciliation of cash and due from banks, and restricted cash reported within the Consolidated Statements of Financial Condition that sum to the total of the same such amounts shown in the Consolidated Statements of Cash Flows.

(In thousands)	March 31, 2026	March 31, 2025
Cash and due from banks	$ 378,866	$ 373,718
Restricted cash and due from banks	6,056	6,447
Restricted cash in money market investments	9,803	10,457
Total cash and due from banks, and restricted cash [2]	$ 394,725	$ 390,622

[2] Refer to Note 4 - Restrictions on cash and due from banks and certain securities for nature of restrictions.

Note 28 – Segment reporting

The Corporation's corporate structure consists of two reportable segments – Banco Popular de Puerto Rico and Popular U.S. Management determined the reportable segments based on the internal reporting used to evaluate performance and to assess where to allocate resources. The segments were determined based on the organizational structure, which focuses primarily on the markets the segments serve, as well as on the products and services offered by the segments.

The chief operating decision maker ("CODM") of the Corporation is the Chief Executive Officer ("CEO") who utilizes net income as one of the segment profitability measures, to evaluate the performance of each reportable segment and assess where to allocate resources effectively. The CEO receives profitability reports that include net income per segment, net interest income and other income and expense categories. The CODM uses the segment's net income and components of net income, including segment revenues and expenses to assess performance and to manage important aspects by each reportable segments, such as human capital, investment in technology, making budget allocations, as well as other strategic decisions.

Banco Popular de Puerto Rico:
The Banco Popular de Puerto Rico reportable segment includes commercial, consumer and retail banking operations, as well as mortgage and auto lending operations conducted at BPPR, including U.S. based activities conducted through its New York Branch. Other financial services within the BPPR segment include the trust service units of BPPR, asset management services of Popular Asset Management and the brokerage operations of Popular Securities, and the insurance agency and reinsurance businesses of Popular Insurance, Popular Risk Services, Popular Life Re, and Popular Re.

Popular U.S.:
Popular U.S. reportable segment consists of the banking operations of Popular Bank (PB), Popular Insurance Agency, U.S.A., and PEF. PB operates through a retail branch network in the U.S. mainland under the name of Popular, and equipment leasing and financing services through PEF. Popular Insurance Agency, U.S.A. offers investment and insurance services across the PB branch network.

The Corporate group consists primarily of the holding companies Popular, Inc., Popular North America, Popular International Bank and certain of the Corporation's investments accounted for under the equity method, including BHD.

The accounting policies of the individual operating segments are the same as those of the Corporation. Transactions between reportable segments are primarily conducted at market rates, resulting in profits that are eliminated for reporting consolidated results of operations. Assets representing transactions between reportable segments or the Corporate group are also eliminated in the tables presented below.

The tables that follow present the results of operations and total assets by reportable segments:

2026

For the quarter ended March 31, 2026			
(In thousands)	BPPR	Popular U.S.	Intersegment Eliminations
Interest income	$ 748,501	$ 198,248	$ -
Interest expense	180,555	86,541	-
Net interest income	567,946	111,707	-
Provision for credit losses	73,533	2,383	-
Non-interest income	144,777	7,952	(21)
Personnel costs	152,634	25,147	(21)
Professional fees	11,966	2,649	-
Technology and software expenses	65,721	9,534	-
Processing and transactional services	38,457	607	-
Amortization of intangibles	240	144	-
Depreciation expense	10,966	2,189	-
Other operating expenses[1]	122,325	25,289	-
Total operating expenses	402,309	65,559	(21)
Income before income tax	236,881	51,717	-
Income tax expense	32,511	14,752	-
Net income	$ 204,370	$ 36,965	$ -
Segment assets	$ 60,785,767	$ 14,953,476	$ (49,214)

For the quarter ended March 31, 2026				
(In thousands)	Reportable Segments	Corporate	Eliminations	Total Popular, Inc.
Interest income	$ 946,749	$ 1,326	$ (859)	$ 947,216
Interest expense	267,096	10,799	(859)	277,036
Net interest income (expense)	679,653	(9,473)	-	670,180
Provision for credit losses (benefit)	75,916	(30)	-	75,886
Non-interest income	152,708	13,844	(926)	165,626
Personnel costs	177,760	38,338	(29)	216,069
Professional fees	14,615	11,347	(409)	25,553
Technology and software expenses	75,255	13,884	-	89,139
Processing and transactional services	39,064	23	-	39,087
Amortization of intangibles	384	-	-	384
Depreciation expense	13,155	383	-	13,538
Other operating expenses[1]	147,614	(63,662)	(412)	83,540
Total operating expenses	467,847	313	(850)	467,310
Income before income tax	288,598	4,088	(76)	292,610
Income tax expense	47,263	(327)	-	46,936
Net income	$ 241,335	$ 4,415	$ (76)	$ 245,674
Segment assets	$ 75,690,029	$ 5,797,656	$ (5,356,667)	$ 76,131,018

[1] Other operating expenses includes net occupancy expenses, equipment expense, excluding depreciation, other operating taxes, communications expense, business promotion expenses, deposit insurance costs and OREO expenses.

2025

For the quarter ended March 31, 2025

(In thousands)		BPPR		Popular U.S.		Intersegment Eliminations
Interest income	$	731,888	$	186,392	$	(1,681)
Interest expense		209,996		93,450		(1,681)
Net interest income		521,892		92,942		-
Provision for credit losses (benefit)		53,512		10,610		-
Non-interest income		137,505		6,143		-
Personnel costs		151,284		25,442		-
Professional fees		13,059		2,739		-
Technology and software expenses		64,151		10,088		-
Processing and transactional services		37,179		597		-
Amortization of intangibles		342		255		-
Depreciation expense		9,694		2,197		-
Other operating expenses[1]		128,754		25,619		-
Total operating expenses		404,463		66,937		-
Income before income tax		201,422		21,538		-
Income tax expense		35,443		6,722		-
Net income	$	165,979	$	14,816	$	-
Segment assets	$	59,288,907	$	14,529,602	$	(166,540)

For the quarter ended March 31, 2025

(In thousands)		Reportable Segments		Corporate		Eliminations		Total Popular, Inc.
Interest income		916,599		1,536		(1,137)		916,998
Interest expense		301,765		10,773		(1,137)		311,401
Net interest income (expense)	$	614,834	$	(9,237)	$	-	$	605,597
Provision for credit losses (benefit)		64,122		(41)		-		64,081
Non-interest income		143,648		9,029		(616)		152,061
Personnel costs		176,726		35,987		-		212,713
Professional fees		15,798		11,357		(330)		26,825
Technology and software expenses		74,239		9,429		-		83,668
Processing and transactional services		37,776		5		-		37,781
Amortization of intangibles		597		-		-		597
Depreciation expense		11,891		389		-		12,280
Other operating expenses[1]		154,373		(56,402)		(823)		97,148
Total operating expenses		471,400		765		(1,153)		471,012
Income before income tax		222,960		(932)		537		222,565
Income tax expense (benefit)		42,165		2,675		223		45,063
Net income	$	180,795	$	(3,607)	$	314	$	177,502
Segment assets	$	73,651,969	$	5,906,249	$	(5,519,612)	$	74,038,606

[1] Other operating expenses includes net occupancy expenses, equipment expense, excluding depreciation, other operating taxes, communications expense, business promotion expenses, deposit insurance costs and OREO expenses.

Geographic Information

The following information presents selected financial information based on the geographic location where the Corporation conducts its business. The banking operations of BPPR are primarily based in Puerto Rico, where it has the largest retail banking franchise. BPPR also conducts banking operations in the U.S. Virgin Islands, the British Virgin Islands and New York. BPPR's banking operations in the mainland United States include commercial lending activities in addition to periodic loan participations with PB. During the first quarter of 2026, BPPR did not participate in loans originated by PB (2025 - $ 6 million). Total assets for the BPPR segment related to its operations in the United States amounted to $1.4 billion (December 31, 2025 - $1.4 billion), including $102 million in multifamily loans (December 31, 2025 - $102 million), $413 million in commercial real estate loans (December 31, 2025 - $435 million), $735 million in C&I loans (December 31, 2025 - $714 million), and $31 million in unsecured personal loans (December 31, 2025 - $41 million). During the quarter ended March 31, 2026, the BPPR segment generated $21.5 million (March 31, 2025 - $26.3 million) in revenues from its operations in the United States, mainly from net interest income. In the Virgin Islands, the BPPR segment offers banking products, including loans and deposits. Total assets for the BPPR segment related to its operations in the U.S. and British Virgin Islands amounted to $1.1 billion (December 31, 2025 - $1.0 billion). The BPPR segment generated $13.6 million in revenues during the first quarter of 2026 (March 31, 2025 - $11.8 million) from its operations in the U.S. and British Virgin Islands.

Geographic Information

(In thousands)	Quarter ended March 31, 2026	March 31, 2025
Revenues:[1]		
Puerto Rico	$ 668,071	$ 609,961
United States	139,663	127,216
Other	28,072	20,481
Total consolidated revenues	$ 835,806	$ 757,658

[1] Total revenues include net interest income, service charges on deposit accounts, other service fees, mortgage banking activities, net (loss) gain, including impairment on equity securities, net gain on trading account debt securities, adjustments to indemnity reserves on loans sold and other operating income.

Selected Balance Sheet Information:

(In thousands)	March 31, 2026	December 31, 2025
Puerto Rico		
Total assets	$ 58,510,727	$ 57,955,465
Loans	25,884,571	25,853,231
Deposits	53,602,880	52,451,498
United States		
Total assets	$ 16,278,568	$ 16,101,705
Loans	12,894,276	12,966,468
Deposits	12,185,414	11,987,581
Other		
Total assets	$ 1,341,723	$ 1,291,097
Loans	516,458	517,817
Deposits[1]	1,823,022	1,751,014

[1]Represents deposits from BPPR operations located in the U.S. and British Virgin Islands.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This report includes management's discussion and analysis ("MD&A") of the consolidated financial position and financial performance of Popular, Inc. (the "Corporation" or "Popular"). All accompanying tables, financial statements and notes included elsewhere in this report should be considered an integral part of this analysis.

The Corporation is a diversified, publicly owned financial holding company subject to the supervision and regulation of the Board of Governors of the Federal Reserve System. The Corporation has operations in Puerto Rico, the United States ("U.S.") mainland and the U.S. and British Virgin Islands. In Puerto Rico, the Corporation provides retail, mortgage, commercial banking services and auto and equipment leasing and financing through its principal banking subsidiary, Banco Popular de Puerto Rico ("BPPR"), as well as broker-dealer and insurance services through specialized subsidiaries. In the U.S. mainland, the Corporation provides retail and commercial banking services, as well as equipment leasing and financing, through its New York-chartered banking subsidiary, Popular Bank ("PB" or "Popular U.S."), which has branches located in New York, New Jersey and Florida. Note 28 to the Consolidated Financial Statements presents information about the Corporation's business segments.

As a financial services company, the Corporation's earnings are significantly affected by general business and economic conditions in the markets which we serve. Lending and deposit activities and fee income generation are influenced by the level of business spending and investment, consumer income, spending and savings, capital market activities, competition, customer preferences, interest rate conditions and prevailing market rates on competing products.

The Corporation operates in a highly regulated environment and may be adversely affected by changes in federal and local laws and regulations. Also, competition with other financial institutions, as well as with non-traditional financial service providers and technology companies that provide electronic and internet-based financial solutions and services, could adversely affect its profitability.

The Corporation continuously monitors general business and economic conditions, industry-related indicators and trends, competition, interest rate volatility, credit quality indicators, loan, and deposit demand, operational and systems efficiencies, revenue enhancements and changes in the regulation of financial services companies.

The description of the Corporation's business contained in Item 1 of the 2025 Form 10-K, while not all inclusive, discusses additional information about the business of the Corporation. Readers should also refer to "Part I - Item 1A" of the 2025 Form 10-K and "Part II - Item 1A" of this Form 10-Q for a discussion of certain risks and uncertainties to which the Corporation is subject, many beyond the Corporation's control that, in addition to the other information in this Form 10-Q, readers should consider.

The Corporation's common stock is traded on the NASDAQ Global Select Market under the symbol BPOP.

OVERVIEW

Financial highlights for the quarter ended March 31, 2026

The Corporation's net income for the quarter ended March 31, 2026 amounted to $245.7 million, an increase of $68.2 million when compared to a net income of $177.5 million for the quarter ended March 31, 2025. Higher net income was mainly driven by higher net interest income of $64.6 million and lower operating expenses by $3.7 million.

Financial highlights for the quarter ended March 31, 2026 include:

- Net interest income amounted to $670.2 million, an increase of $64.6 million when compared to the quarter ended March 31, 2025, driven by loan growth and investments in U.S. Treasury securities at higher yields, and lower cost of deposits, mainly P.R. public deposits, partially offset by lower money market investments. Net interest income on a taxable equivalent basis for the first quarter of 2026 was $757.8 million, an increase of $93.9 million. Net interest margin expanded by 26 basis points to 3.66%. On a taxable equivalent basis, net interest margin expanded by 41 basis points to 4.14%.

- The provision for credit losses amounted to $75.9 million for the quarter ended March 31, 2026, an increase of $11.8 million when compared to the quarter ended March 31, 2025, driven by a higher provision at BPPR in the commercial and mortgage loans portfolio, partially offset by a lower provision for the leases and consumer loans portfolio due to improvements in credit quality metrics. Provision for credit losses decreased at PB primarily due to the higher qualitative reserves established during the first quarter of 2025 to maintain adequate ACL coverage, for certain portfolios, and improvements in overall credit quality.

- Non-interest income amounted to $165.6 million, an increase of $13.6 million when compared to the quarter ended March 31, 2025, mainly driven by higher credit and debit card fee income, higher asset management fees, and higher insurance fees.

- Operating expenses amounted to $467.3 million for the quarter, reflecting a decrease of $3.7 million when compared to the quarter ended March 31, 2025. The decrease was mainly driven by lower operational loss reserves and lower professional services expense, partially offset by higher technology and software expenses as a result of our continued investment in technology and higher personnel costs, mainly related to salaries, as well as the valuation of securities held for deferred benefit plans.

- Income tax expense of $46.9 million with an effective tax rate ("ETR") of 16.0% during the quarter ended March 31, 2026, compared to an income tax expense of $45.1 million with an ETR of 20.2% for the quarter ended March 31, 2025 due to higher income before tax, partially offset by higher exemptincome.

- At March 31, 2026, the Corporation's total assets amounted to $76.1 billion, compared to $75.3 billion at December 31, 2025. The increase of $782.8 million was primarily due to higher balance in the available-for-sale ("AFS") securities portfolio, driven by reinvestment in U.S. Treasury securities, and an increase in money market investments and other assets, partially offset by a decrease in held-to-maturity ("HTM") investment securities and a decrease in loan portfolio balances, mainly at PB.

- Deposits amounted to $67.6 billion at March 31, 2026, an increase of $1.4 billion from December 31, 2025, primarily driven by growth at BPPR across retail, corporate, and P.R. public deposits.

- Stockholders' equity amounted to $6.3 billion at March 31, 2026, compared to $6.2 billion at December 31, 2025. The Corporation and its banking subsidiaries continue to be well capitalized. As of March 31, 2026, the Corporation's tangible book value per common share was $84.98, an increase of $2.33 from December 31, 2025. The Common Equity Tier 1 Capital ratio at March 31, 2026 was 15.92%, compared to 15.72% at December 31, 2025.

Refer to Table 1 for selected financial data for the quarters ended March 31, 2026 and March 31, 2025.

Table 1 - Financial highlights

Financial Condition Highlights	Ending Balances at			Average for the quarter ended		
(In thousands)	March 31, 2026	December 31, 2025	Variance	March 31, 2026	March 31, 2025	Variance
Money market investments	$ 4,655,699	$ 4,626,506	$ 29,193	$ 4,850,141	$ 6,379,085	$ (1,528,944)
Investment securities	28,943,544	28,168,918	774,626	29,008,686	28,446,090	562,596
Loans[1]	39,295,305	39,337,516	(42,211)	39,270,501	37,006,149	2,264,352
Earning assets	72,894,548	72,132,940	761,608	73,129,328	71,831,324	1,298,004
Total assets	76,131,018	75,348,267	782,751	77,089,305	74,951,813	2,137,492
Deposits	67,611,316	66,190,093	1,421,223	67,364,627	65,858,092	1,506,535
Borrowings	1,119,557	1,448,578	(329,021)	1,335,239	959,211	376,028
Total liabilities	69,819,932	69,099,188	720,744	69,688,807	67,795,911	1,892,896
Stockholders' equity	6,311,086	6,249,079	62,007	6,289,337	7,155,902	(866,565)

Note: Average balances, for balances prior to the period ended March 31, 2026, exclude unrealized gains or losses on debt securities available-for-sale and the unrealized loss related to certain securities transferred from available-for-sale to held-to-maturity.

Operating Highlights	Quarter ended March 31,		
(In thousands, except per share information)	2026	2025	Variance
Net interest income	$ 670,180	$ 605,597	$ 64,583
Provision for credit losses	75,886	64,081	11,805
Non-interest income	165,626	152,061	13,565
Operating expenses	467,310	471,012	(3,702)
Income before income tax	292,610	222,565	70,045
Income tax expense	46,936	45,063	1,873
Net income	$ 245,674	$ 177,502	$ 68,172
Net income applicable to common stock	$ 245,321	$ 177,149	$ 68,172
Net income per common share - basic	$ 3.78	$ 2.56	$ 1.22
Net income per common share - diluted	$ 3.78	$ 2.56	$ 1.22
Dividends declared per common share	$ 0.75	$ 0.70	$ 0.05

	Quarter ended March 31,	
Selected Statistical Information	2026	2025
Common Stock Data		
End market price	$ 134.17	$ 92.37
Book value per common share at period end	97.27	83.75
Profitability Ratios		
Return on average assets	1.29 %	0.96 %
Return on average common equity	13.76	10.07
Net interest spread (non-taxable equivalent basis)	3.09	2.74
Net interest spread (taxable equivalent basis) -non-GAAP	3.57	3.07
Net interest margin (non-taxable equivalent basis)	3.66	3.40
Net interest margin (taxable equivalent basis) -non-GAAP	4.14	3.73
Capitalization Ratios		
Average equity to average assets	9.41 %	8.99 %
Common equity Tier 1 capital	15.92	16.11
Tangible common book value per common share (non-GAAP)[2]	84.98	72.02
Return on average tangible common equity[2]	15.46	11.36
Tier 1 capital	15.98	16.17
Total capital	17.71	17.92
Tier 1 leverage	8.60	8.50

[1] Includes loans held-for-sale.

[2] Refer to Table 10 for reconciliation to GAAP financial measures.

Non-GAAP Financial Measures

This Form 10-Q contains financial information prepared under accounting principles generally accepted in the United States ("U.S. GAAP") and non-GAAP financial measures. Management uses non-GAAP financial measures when it has determined that these measures provide meaningful information about the underlying performance of the Corporation's ongoing operations. Non-GAAP financial measures used by the Corporation may not be comparable to similarly named non-GAAP financial measures used by other companies.

Adjusted net income - Non-GAAP Financial Measure

In addition to analyzing the Corporation's results on a reported basis, management monitors whether the impact of certain non-recurring or infrequent transactions need to be excluded from the results of operations to present what is then considered to be "adjusted net income" of the Corporation. Management believes that the "adjusted net income" provides meaningful information about the underlying performance of the Corporation's ongoing operations. The "adjusted net income" is a non-GAAP financial measure.

There were no non-GAAP adjustments to net income for the quarters ended March 31, 2026 and March 31, 2025.

Net interest income on a taxable equivalent basis – Non-GAAP Financial Measure

Net interest income, on a taxable equivalent basis, is presented with its different components in Table 2 for the quarter ended March 31, 2026, as compared with the same period in 2025, segregated by major categories of interest earning assets and interest-bearing liabilities.

The main sources of tax-exempt interest income are certain loans and investments in obligations of the U.S. Government, its agencies and sponsored entities, and certain obligations of the Commonwealth of Puerto Rico and its agencies and assets held by the Corporation's international banking entities. On Table 2, the interest income has been converted to a taxable equivalent basis, using the applicable statutory income tax rates for each period net of interest expense that the Puerto Rico tax law requires to be disallowed, based on an equal proportion of tax-exempt assets to total assets, and by an allocation of general and administrative expenses attributable to exempt income, reducing the benefit of the tax-exempt income. The effective yield, on a taxable equivalent basis, will vary depending on the level of these expenses that are attributable to the available exempt income. Under Puerto Rico tax law, the exempt interest can be deducted up to the amount of taxable income. Management believes that this presentation provides meaningful information since it facilitates the comparison of revenues arising from taxable and exempt sources.

Tangible Common Equity and Tangible Assets

Tangible common equity, tangible common equity ratio, tangible assets and tangible book value per common share are non-GAAP financial measures. Tangible common equity ratio and tangible book value per common share should be used in conjunction with more traditional bank capital ratios commonly used by banks and analysts to compare the capital adequacy of banking organizations with significant amounts of goodwill or other intangible assets, typically stemming from the use of the purchase accounting method for mergers and acquisitions. Tangible common equity, tangible assets and other related measures should not be used in isolation or as a substitute for stockholders' equity, total assets or any other measure calculated in accordance with GAAP. Moreover, the way the Corporation calculates its tangible common equity, tangible assets and other related measures may differ from that of other companies reporting measures with similar names.

Table 8 provides a reconciliation of total stockholders' equity to tangible common equity and total assets to tangible assets as of March 31, 2026 and December 31, 2025.

CRITICAL ACCOUNTING POLICIES / ESTIMATES

The accounting and reporting policies followed by the Corporation and its subsidiaries conform to U.S. GAAP and general practices within the financial services industry. Various elements of the Corporation's accounting policies, by their nature, are inherently subject to estimation techniques, valuation assumptions and other subjective assessments.

Management has discussed the development and selection of the critical accounting estimates with the Corporation's Audit Committee. The Corporation has identified as critical accounting estimates those related to: (i) Fair Value Measurement of Financial Instruments; (ii) Loans and Allowance for Credit Losses; (iii) Income Taxes; (iv) Goodwill and Other Intangible Assets; and (v) Pension and Postretirement Benefit Obligations. For a summary of these critical accounting estimates, refer to the MD&A included in the 2025 Form 10-K. Also, refer to Note 2 to the Consolidated Financial Statements included in the 2025 Form 10-K for a summary of the Corporation's significant accounting policies and to Note 3 to the Consolidated Financial Statements included in this Form 10-Q for information on recently adopted accounting standard updates.

STATEMENT OF OPERATIONS ANALYSIS

NET INTEREST INCOME

Net interest income ("NII") for the quarter ended March 31, 2026 was $670.2 million an increase of $64.6 million, when compared to the same quarter in 2025. NII growth was attributable to lower cost of deposits by $38.4 million, primarily due to P.R. public deposits, loan growth and higher income from investments in U.S Treasury securities. Net interest income on a taxable equivalent basis for the first quarter of 2026 was $757.8 million, an increase of $94.0 million.

Net interest margin ("NIM") for the first quarter of 2026 was 3.66%, an increase of 26 basis points when compared to the first quarter of 2025. On a taxable equivalent basis, net interest margin for the first quarter of 2026 was 4.14%, higher by 41 basis points when compared to the first quarter of 2025, mainly due to higher level of tax-exempt securities and loans. NIM expansion, when compared to the same quarter of the previous year, was primarily due to lower deposit costs resulting from the repricing of market-linked high-cost deposits, mainly P.R. public deposits, and higher yields on U.S. Treasury securities. Total cost of deposits decreased 27 basis points to 1.56%. Excluding P.R. public deposits, total deposit costs decreased 8 basis points to 1.09% compared to the same quarter in 2025.

On a taxable equivalent basis, the main drivers of the increase for the first quarter of 2026 were:

- higher income from U.S. Treasury securities by $42.4 million or 44 basis points, attributable to higher investment activity at higher yields with average balances increasing by $2.0 billion supported by deposit growth and purchases completed in the third quarter of 2025 of approximately $2.5 billion of U.S. Treasury notes with an average duration of 1.4 years through a combination of approximately $1.0 billion in maturing U.S. Treasuries and a reduction of approximately $1.5 billion in overnight Fed funds;

- higher income from loans by $47.0 million or 5 basis points, mostly due to loan growth, average loan balances increased by $2.2 billion when compared to the same period in the previous year driven by commercial, construction and mortgage portfolio, along with higher yields from auto, leases and mortgage portfolios. Loan portfolio yields increased five basis points to 7.53%; and

- lower interest expense on deposits by $38.4 million or 27 basis points, when compared to the same quarter in 2025. The cost of interest-bearing deposits decreased by 35 basis points, driven by repricing of market-linked P.R. public deposits which decreased by 66 basis points to 2.66%, coupled with a decrease in Popular U.S. deposit costs attributable to repricing across most deposit products, mainly online savings and time deposits;

partially offset by:

- lower income from money market investments by $26.0 million or 76 basis points, as a result of lower average balances, driven by higher re-investment activity in U.S. Treasuries and loan growth as described above, coupled with lower yields resulting from declining short-term market rates during 2025.

Table 2 - Analysis of Levels & Yields on a Taxable Equivalent Basis (Non-GAAP)

Quarter ended March 31,

Average Volume			Average Yields / Costs				Interest			Variance Attributable to	
2026	2025	Variance	2026	2025	Variance		2026	2025	Variance	Rate	Volume
(In millions)							(In thousands)				
$ 4,850	$ 6,379	$ (1,529)	3.70 %	4.46 %	(0.76)%	Money market investments	$ 44,240	$ 70,166	$ (25,926)	$ (10,784)	$ (15,142)
29,810	28,415	1,395	3.52	3.14	0.38	Investment securities [1]	258,897	220,435	38,462	24,348	14,114
34	31	3	5.56	5.82	(0.26)	Trading securities	463	440	23	(20)	43
34,694	34,825	(131)	3.54	3.38	0.16	Total money market, investment and trading securities	303,600	291,041	12,559	13,544	(985)
						Loans:					
19,723	18,489	1,234	6.71	6.71	-	Commercial	326,387	305,968	20,419	3	20,416
1,697	1,309	388	8.14	8.11	0.03	Construction	34,068	26,190	7,878	102	7,776
1,985	1,930	55	7.35	7.14	0.21	Leasing	36,459	34,444	2,015	1,015	1,000
8,664	8,168	496	6.08	5.82	0.26	Mortgage	131,679	118,917	12,762	5,360	7,402
3,309	3,203	106	13.86	14.04	(0.18)	Consumer	113,129	110,859	2,270	(1,351)	3,621
3,892	3,907	(15)	9.33	9.12	0.21	Auto	89,496	87,850	1,646	1,980	(334)
39,270	37,006	2,264	7.53	7.48	0.05	Total loans	731,218	684,228	46,990	7,109	39,881
$ 73,964	$ 71,831	$ 2,133	5.66 %	5.49 %	0.17 %	Total earning assets	$ 1,034,818	$ 975,269	$ 59,549	$ 20,653	$ 38,896
						Interest bearing deposits:					
$ 8,554	$ 7,983	$ 571	1.62 %	1.73 %	(0.11)%	NOW and money market	$ 34,159	$ 34,002	$ 157	$ (4,227)	$ 4,384
14,633	14,507	126	0.77	0.87	(0.10)	Savings	27,714	31,280	(3,566)	(2,118)	(1,448)
8,714	8,400	314	2.99	3.22	(0.23)	Time deposits	64,243	66,681	(2,438)	(4,969)	2,531
20,362	20,286	76	2.66	3.32	(0.66)	P.R. public deposits	133,302	165,900	(32,598)	(33,046)	448
52,263	51,176	1,087	2.01	2.36	(0.35)	Total interest bearing deposits	259,418	297,863	(38,445)	(44,360)	5,915
15,101	14,682	419				Non-interest bearing demand deposits					
67,364	65,858	1,506	1.56	1.83	(0.27)	Total deposits	259,418	297,863	(38,445)	(44,360)	5,915
597	121	476	3.88	4.77	(0.89)	Short-term borrowings	5,703	1,426	4,277	(284)	4,561
772	862	(90)	6.26	5.66	0.60	Other medium and long-term debt	11,915	12,112	(197)	1,223	(1,420)
53,632	52,159	1,473	2.09	2.42	(0.33)	Total interest bearing liabilities (excluding demand deposits)	277,036	311,401	(34,365)	(43,421)	9,056
5,231	4,990	241				Other sources of funds					
$ 73,964	$ 71,831	$ 2,133	1.52 %	1.76 %	(0.24)%	Total source of funds	$ 277,036	$ 311,401	$ (34,365)	$ (43,421)	$ 9,056
			4.14 %	3.73 %	0.41 %	Net interest margin/ income on a taxable equivalent basis (Non-GAAP)	$ 757,782	$ 663,868	$ 93,914	$ 64,074	$ 29,840
			3.57 %	3.07 %	0.50 %	Net interest spread					
						Taxable equivalent adjustment	87,602	58,271	29,331		
			3.66 %	3.40 %	0.26 %	Net interest margin/ income non-taxable equivalent basis (GAAP)	$ 670,180	$ 605,597	$ 64,583		

Note: The changes that are not due solely to volume or rate are allocated to volume and rate based on the proportion of the change in each category.

[1] Average balances exclude unrealized gains or losses on debt securities available-for-sale and the unrealized loss related to certain securities transferred from available-for-sale to held-to-maturity.

Provision for Credit Losses - Loans Held-in-Portfolio and Unfunded Commitments

For the quarter ended March 31, 2026, the Corporation recorded a provision for credit losses of $75.8 million, an increase of $11.9 million when compared to the same quarter of the previous year. The provision for loan and lease losses was $75.7 million, an increase of $10.5 million, and the provision for unfunded commitments was $0.1 million, an unfavorable variance of $1.4 million, mainly driven by higher unfunded commitments in the Popular Bank.

As discussed in Note 8 to the Consolidated Financial Statements, the Corporation estimates the ACL by weighting the outputs of optimistic, baseline, and pessimistic scenarios. During the first quarter of 2026, among the three scenarios evaluated to estimate the ACL, the baseline scenario was assigned the highest probability, followed by the pessimistic scenario, which weight was increased during 2025 in response to ongoing uncertainty.

The major drivers of the changes in the provision for loan losses during the quarter by business segment when compared to the same quarter in 2025, were as follows:

- In the BPPR segment, the provision for loan losses was $73.3 million, an increase of $20.6 million when compared to the same quarter in 2025, driven by higher provision expense for the commercial portfolio by $39.1 million, primarily due to loan modifications, an additional specific reserve to a single borrower in the telecommunications industry, and higher net charge-offs due to an impairment recorded during the quarter of $11.1 million mainly due to a commercial real estate loan. Both the borrower with the specific reserve and the commercial real estate loan were classified as NPLs in the third quarter of 2025. Higher provisions were partially offset by decreases of $15.8 million and $4.5 million in the consumer loan and leases portfolios, respectively, showing improvement in credit quality.

- In the Popular U.S. segment, the provision for loans losses was $2.4 million, a decrease of $10.1 million when compared to the same quarter in 2025. The decrease was primarily driven by lower provision expense in both the commercial and consumer loan portfolio, with reductions of $7.5 million and $2.6 million, respectively. The reduction in the commercial loan segment was mainly driven by higher qualitative reserves established during the first quarter of 2025 to maintain adequate ACL coverage. The decrease in the consumer loan portfolio was mainly attributable to improvements in overall credit quality and lower ending balances.

At March 31, 2026, the total allowance for credit losses for loans held-in-portfolio amounted to $823.7 million, an increase of $15.6 million when compared to December 31, 2025. The ratio of the allowance for credit losses to loans held-in-portfolio was 2.10% at March 31, 2026 versus to 2.05% at December 31, 2025. Refer to Note 8 to the Consolidated Financial Statements for additional information on the Corporation's methodology to estimate its ACL. Refer to the Credit Risk section of this MD&A for a detailed analysis of net charge-offs, non-performing assets, the allowance for credit losses and selected loan losses statistics.

Non-Interest Income

Non-interest income amounted to $165.6 million for the first quarter of 2026, an increase of $13.6 million when compared with the same quarter for the previous year. The variance was primarily due to:

- higher other services fees by $8.4 million mainly due to $5.4 million in higher debit and credit card fees and higher asset management commissions by $1.2 million; and

- higher other operating income by $3.9 million mainly due to a $4.4 million increase in earnings from an investment under equity method.

Operating Expenses

Operating expenses for the first quarter of 2026 totaled $467.3 million, a decrease of $3.7 million when compared to the first quarter of 2025, mainly driven by:

- lower other operating expenses by $8.7 million mainly driven by lower reserves for operational losses and lower pension plan costs due to changes in actuarial assumptions;

- lower professional fees by $1.3 million due to lower costs associated with regulatory compliance activities; and
- net gains in other real estate owned (OREO) by $1.3 million due to fair value increases as well as higher gains on sale;

partially offset by:

- higher technology and software expenses, including software amortization, by $5.5 million mainly due to continuing investments in technology and transformation initiatives; and
- higher personnel costs of $3.4 million mainly due to increase in salaries expenses of $3.9 million driven by exempt employees as well higher valuation of securities held for deferred benefit plans.

Table 3 - Operating Expenses

(In thousands)	Quarters ended March 31, 2026	2025	Variance
Personnel costs:			
Salaries	$ 134,813	$ 130,950	$ 3,863
Commissions, incentives and other bonuses	40,185	37,986	2,199
Profit sharing	(1,203)	-	(1,203)
Pension, postretirement and medical insurance	14,896	14,566	330
Other personnel costs, including payroll taxes	27,378	29,211	(1,833)
Total personnel costs	216,069	212,713	3,356
Net occupancy expenses	27,299	27,218	81
Equipment expenses	5,229	5,302	(73)
Other taxes	17,677	18,725	(1,048)
Professional fees	25,553	26,825	(1,272)
Technology and software expenses	89,139	83,668	5,471
Processing and transactional services:			
Credit and debit cards	14,206	12,926	1,280
Other processing and transactional services	24,881	24,855	26
Total processing and transactional services	39,087	37,781	1,306
Communications	4,509	4,904	(395)
Business promotion:			
Rewards and customer loyalty programs	15,393	16,365	(972)
Other business promotion	7,467	7,310	157
Total business promotion	22,860	23,675	(815)
Deposit insurance	9,917	10,035	(118)
Other real estate owned (OREO) expense (income)	(4,618)	(3,330)	(1,288)
Other operating expenses:			
Operational losses	3,975	6,138	(2,163)
All other	10,230	16,761	(6,531)
Total other operating expenses	14,205	22,899	(8,694)
Amortization of intangibles	384	597	(213)
Total operating expenses	$ 467,310	$ 471,012	$ (3,702)

Income Taxes

For the quarter ended March 31, 2026, the Corporation recorded an income tax expense of $46.9 million with an ETR of 16.0%, compared to $45.1 million with an ETR of 20.2% for the same period of year 2025. Lower ETR when compared to the first quarter of 2025 is driven by higher net exempt income.

At March 31, 2026, the Corporation had a net deferred tax asset amounting to $810.5 million, net of a valuation allowance of $468.3 million. The net deferred tax asset related to the U.S. operations was $223.6 million, net of a valuation allowance of $386.6 million.

Refer to Note 26 to the Consolidated Financial Statements for additional information on deferred tax asset balances.

REPORTABLE SEGMENT RESULTS

The Corporation's reportable segments for managerial reporting purposes consist of Banco Popular de Puerto Rico and Popular U.S. A Corporate group has also been defined to support the reportable segments.

For a description and definition of the Corporation's reportable segments, including additional financial information and the underlying management accounting process, refer to Note 28 to the Consolidated Financial Statements.

The corporate group reported a net income of $4.4 million for the quarter ended March 31, 2026, compared with a net loss of $3.6 million for the same quarter of the previous year, mainly due to higher income from equity method investments. There were no intercompany distributions between the U.S. subsidiaries and the bank holding companies during the first quarters of 2026 or 2025.

Highlights on the earnings results for the reportable segments are discussed below:

Banco Popular de Puerto Rico

The Banco Popular de Puerto Rico ("BPPR") reportable segment's net income amounted to $204.4 million for the quarter ended March 31, 2026, higher by $38.4 million when compared to the same quarter of the previous year. The main drivers for a higher income included:

- net interest income of $567.9 million, an increase of $46.1 million, mainly driven by lower deposit cost by $29.4 million or 32 basis points. P.R. public deposits costs, which are market linked, decreased by $32.6 million or 66 basis points as the cost was favorably impacted by declines in short-term market rates during 2025. Additionally, higher income from loans by $20.1 million attributable to loan growth led by commercial, construction and mortgage portfolios during 2025, which resulted in higher average balances by $1.6 billion when compared to the first quarter of 2025. In addition, higher income from investment securities by $16.7 million or 16 basis points contributed to higher net interest income, due in part to higher investment activity in higher yielding U.S. Treasury securities. This was partially offset by lower income from money market investments by $20.2 million driven by lower average balances by $1.2 billion driven by the deployment of funds for loan growth and investments activity, and lower yields by 78 basis points due to declining short-term market rates. Net interest margin expanded 22 basis points to 3.85% when compared to the same quarter of 2025 drive by lower deposit costs;

- higher non-interest income by $7.3 million mainly due to higher service fees by $7.0 million mainly due to higher debit and credit card fees due to higher transaction volume, and higher asset management fees;

- lower operating expenses by $2.2 million mostly due to lower operational losses by $2.0 million mainly related to the mortgage servicing loss reserves and higher gains on repossessed unit sales by $1.3 million, lower professional fees by $1.1 million, partially offset by higher technology and software expenses by $1.6 million due to continuing investments in technology and transformation initiatives, higher personnel costs by $1.4 million mainly due to an increase in salaries expenses driven by exempt employees, and higher processing and transactional fees expenses by $1.3 million; and

- lower income tax expense by $2.9 million due mainly to higher exempt income;

partially offset by:

- provision for credit losses increased by $20.6 million to $73.3 million. Refer to section Provision for Credit Losses-Loans Held-in-Portfolio and Unfunded Commitments in this MD&A for more discussion over the drivers of the provision for credit losses by business segment.

Popular U.S.

For the quarter ended March 31, 2026, the reportable segment of Popular U.S. reported a net income of $37.0 million, compared with a net income of $14.8 million for the same quarter of the previous year. The main drivers for higher net income are the following:

- net interest income of $111.7 million, an increase of $18.8 million, driven by higher interest income from loans by $15.4 million or 22 basis points, primarily attributable to loan growth coupled with lower deposit cost driven by repricing in most deposit products, most notably in online savings and time deposits. Additionally, higher income from investment securities by $3.9 million in part due to higher investment activity in U.S. Treasury securities. This was partially offset by lower income from money market investments by $7.4 million due to lower average balances and an increase in short-term borrowings expense by $4.3 million resulting from higher FHLB advances when compared to the same period of 2025. Net interest margin at 3.15% expanded 41 basis points, driven by the earning assets mix and lower deposit costs; and

- provision for loan losses was $2.4 million, a decrease of $10.1 million when compared to the same quarter in 2025. Refer to section Provision for Credit Losses-Loans Held-in-Portfolio and Unfunded Commitments in this MD&A for more discussion over the drivers of the provision for credit losses by business segment;

partially offset by:

- higher income tax expense by $8.0 million due to higher income before tax.

STATEMENT OF FINANCIAL CONDITION ANALYSIS

Assets

The Corporation's total assets were $76.1 billion at March 31, 2026, compared to $75.3 billion at December 31, 2025. Higher total assets by $782.8 million was driven by an increase in AFS securities at both BPPR and PB segments, money market investments and other assets, partially offset by a decrease in HTM securities and lower loan balances at PB. Refer to the Consolidated Statements of Financial Condition included in this report and to the following narrative for additional information.

Money market investments and investment securities

Money market investments increased by $29.2 million as of March 31, 2026, when compared to December 31, 2025, mainly driven by higher deposit balances. AFS securities increased $1.2 billion, driven by investment in U.S. treasury securities of $1.3 billion, partially offset by maturities and principal paydowns, mainly in mortgage-backed securities ("MBS") and higher unrealized losses in AFS securities of $37.9 million. HTM securities decreased by $365.0 million driven by maturities and principal paydowns, partially offset by the accretion of $46.9 million of the discount related to U.S. Treasury securities previously reclassified from AFS to HTM. Refer to Note 5 and to Note 6 to the Consolidated Financial Statements for additional information with respect to the Corporation's debt securities available-for-sale and held-to-maturity.

Loans

Refer to Table 4 for a breakdown of the Corporation's loan portfolio. Also, refer to Note 7 in the Consolidated Financial Statements for detailed information about the Corporation's loan portfolio composition and loan purchases and sales.

Loans held-in-portfolio were $39.3 billion at March 31, 2026, a slight decrease of $37.8 million when compared to December 31, 2025. In the PB segment loan balances decreased by $56.1 million across the construction, mortgage and consumer portfolios, mainly due to paydowns in the construction segment and runoff from the exited residential mortgage business. In the BPPR segment, loan balances increased by $18.3 million with modest growth in the mortgage and commercial segments, partially offset by lower auto loans and leases lending activities.

At March 31, 2026, the Corporation's loans to non-depository financial institutions (''NDFIs'') amounted to $540.8 million, an decrease of $4.2 million, compared to December 31, 2025. At March 31, 2026, the Corporation's exposure to NDFIs was composed of approximately $266.1 million to insurance companies for general corporate purposes unrelated to lending activities, $105.5 million related to mortgage credit intermediaries, and $169.3 million to consumer and commercial credit intermediaries. All loans to NDFIs are current in their contractual payments and carry a 'pass' rating.

Table 4 - Loans Ending Balances

(In thousands)	March 31, 2026	December 31, 2025	Variance
Loans held-in-portfolio:			
Commercial			
Commercial multi-family	$ 2,427,295	$ 2,455,790	$ (28,495)
Commercial real estate non-owner occupied	5,543,451	5,543,284	167
Commercial real estate owner occupied	3,212,356	3,153,080	59,276
Commercial and industrial	8,565,559	8,607,412	(41,853)
Total Commercial	19,748,661	19,759,566	(10,905)
Construction	1,674,193	1,674,899	(706)
Mortgage	8,712,361	8,649,440	62,921
Leasing	1,986,165	2,001,365	(15,200)
Consumer			
Credit cards	1,214,199	1,256,717	(42,518)
Home equity lines of credit	79,764	78,692	1,072
Personal	1,913,281	1,906,228	7,053
Auto	3,783,904	3,819,812	(35,908)
Other	177,174	180,799	(3,625)
Total Consumer	7,168,322	7,242,248	(73,926)
Total loans held-in-portfolio	$ 39,289,702	$ 39,327,518	$ (37,816)
Loans held-for-sale:			
Mortgage	$ 5,603	$ 9,998	$ (4,395)
Total loans held-for-sale	$ 5,603	$ 9,998	$ (4,395)
Total loans	$ 39,295,305	$ 39,337,516	$ (42,211)

Other assets

Other assets amounted to $1.7 billion at March 31, 2026, an increase of $25.8 million when compared to December 31, 2025. The variance was mainly driven by an increase of $18.6 million in investments under the equity method, primarily due to the equity pickup from our investment in BHD, and an increase in capitalized software costs of $10.6 million related to technology modernization, partially offset by lower prepaid taxes of $9.1 million. Refer to Note 10 to the Consolidated Financial Statements for a breakdown of the principal categories that comprise the caption of "Other Assets" in the Consolidated Statements of Financial Condition at March 31, 2026 and December 31, 2025.

Liabilities

The Corporation's total liabilities were $69.8 billion at March 31, 2026, an increase of $720.7 million, when compared to December 31, 2025. The following is a discussion of the significant changes in liabilities.

Deposits and Borrowings

Total Deposits

The Corporation's deposits totaled $67.6 billion as of March 31, 2026, compared to $66.2 billion as of December 31, 2025. Ending deposit balances increased by $1.4 billion mainly from higher retail and commercial deposits in BPPR in part due to seasonal tax refunds. Excluding P.R. public deposits, customer deposits increased by $1.2 billion. Average deposits increased by $1.1 billion, or $383.5 million when excluding P.R. public deposits.

At the end of the first quarter of 2026, Puerto Rico public deposits were $19.7 billion, representing 30% of total deposits and are expected to continue to range in the short term between $18 billion and $20 billion. However, the rate at which public deposit balances may change is uncertain and difficult to predict. The amount and timing of any such change is likely to be impacted by, for example, the level of federal assistance and speed at which it is distributed, the use of local funds to cover federal assistance programs during the U.S. government shutdown, the financial condition, liquidity and cash management practices of the Puerto Rico Government and its instrumentalities, and the implementation of fiscal and debt adjustment plans approved pursuant to PROMESA or other actions mandated by the Fiscal Oversight and Management Board for Puerto Rico (the "Oversight Board"). Additionally, the Trump Administration is conducting a review of federal funding, which could entail a reduction in federal funding available for Puerto Rico. P.R public deposits costs are generally indexed to changes in short-term market rates with a one-quarter lag, in accordance with contractual terms. As a result, these deposits' costs have typically lagged variable asset repricing. These deposits require that the bank pledge high credit quality securities as collateral; therefore, liquidity risks arising from deposit outflows are lower.

The volume and cost of P.R. public deposits and the proportion of high-cost deposits in the U.S, directly impact the balance and mix of earning assets and therefore represent a key factor in the Corporation's ability to expand its net interest margin.

Refer to Table 5 for a breakdown of the Corporation's deposits at March 31, 2026 and December 31, 2025.

Table 5 - Deposits Ending Balances

(In thousands)	March 31, 2026	December 31, 2025	Variance
Deposits excluding P.R. public deposits:			
Demand deposits	$ 15,778,435	$ 15,298,712	$ 479,723
Savings, NOW and money market deposits (non-brokered)	23,208,340	22,655,936	552,404
Savings, NOW and money market deposits (brokered)	82,417	87,566	(5,149)
Time deposits (non-brokered)	7,958,260	7,861,848	96,412
Time deposits (brokered CDs)	914,526	866,772	47,754
Sub-total deposits excluding P.R. public deposits	47,941,978	46,770,834	1,171,144
P.R. public deposits:			
Demand deposits [1]	11,967,888	11,534,301	433,587
Savings, NOW and money market deposits (non-brokered)	6,828,306	7,134,217	(305,911)
Time deposits (non-brokered)	873,144	750,741	122,403
Sub-total P.R. public deposits	19,669,338	19,419,259	250,079
Total deposits	$ 67,611,316	$ 66,190,093	$ 1,421,223

[1] Includes interest bearing demand deposits.

Borrowings

The Corporation’s borrowings totaled $1.1 billion at March 31, 2026, a decrease of $329.0 million when compared to December 31, 2025. The decrease was mainly related to lower FHLB advances by $325.0 million, mainly at PB. Refer to Note 13 to the Consolidated Financial Statements for detailed information on the Corporation’s borrowings. Also, refer to the Liquidity section in this MD&A for additional information on the Corporation’s funding sources.

Stockholders’ Equity

Stockholders’ equity totaled $6.3 billion at March 31, 2026, an increase of $62.0 million when compared to December 31, 2025. The increase was principally due to net income for the quarter ended March 31, 2026 of $245.7 million, coupled with the after-tax effect of the amortization of unrealized losses from securities previously reclassified to HTM of $37.5 million, partially offset by an increase in treasury stock of $152.4 million, mainly due to common stock repurchases, the common and preferred dividends declared of $48.9 million, and an increase in net unrealized losses in the portfolio of AFS securities of $25.3 million. Refer to the Consolidated Statements of Financial Condition, Comprehensive Income and Changes in Stockholders’ Equity for information on the composition of stockholders’ equity.

During the quarter ended March 31, 2026, Popular repurchased 1,555,398 shares of common stock for $155.2 million at an average price of $134.31 per share. As of March 31, 2026, $126.0 million remained available for stock repurchase under the currently active authorization.

The composition of the Corporation’s financing to total assets at March 31, 2026 and December 31, 2025 is included in Table 6.

Table 6 - Financing to Total Assets

(Dollars in millions)	March 31, 2026	December 31, 2025	% (decrease) increase from 2025 to 2026	% of total assets 2026	% of total assets 2025
Non-interest-bearing core deposits	$ 15,785	$ 15,304	3.1 %	20.7 %	20.3 %
Interest-bearing core deposits	45,872	46,017	(0.3)	60.3	61.1
Interest-bearing other deposits	5,954	4,869	22.3	7.8	6.4
Repurchase agreements	35	39	(10.3)	-	0.1
Other short-term borrowings	350	650	(46.2)	0.5	0.9
Notes payable	735	760	(3.3)	1.0	1.0
Other liabilities	1,089	1,460	(25.4)	1.4	1.9
Stockholders' equity	6,311	6,249	1.0	8.3	8.3

CAPITAL

Regulatory Capital

The Corporation, BPPR and PB are subject to regulatory capital requirements established by the Federal Reserve Board. The risk-based capital standards applicable to the Corporation, BPPR and PB ("Basel III capital rules") are based on the final capital framework for strengthening international capital standards, known as Basel III, of the Basel Committee on Banking Supervision. As of March 31, 2026, the Corporation's, BPPR's and PB's capital ratios continue to exceed the minimum requirements for being "well-capitalized".

The risk-based capital ratios presented in Table 7, which include common equity tier 1, Tier 1 capital, total capital and leverage capital as of March 31, 2026 and December 31, 2025.

Table 7 - Capital Adequacy Data

(Dollars in thousands)	March 31, 2026	December 31, 2025
Common equity tier 1 capital:		
Common stockholders' equity - U.S. GAAP basis	$ 6,288,943	$ 6,226,936
AOCI related adjustments due to opt-out election	1,083,150	1,096,805
Goodwill, net of associated deferred tax liability (DTL)	(637,705)	(639,734)
Intangible assets, net of associated DTLs	(4,692)	(5,076)
Deferred tax assets and other deductions	(209,380)	(215,404)
Common equity tier 1 capital	$ 6,520,316	$ 6,463,527
Additional tier 1 capital:		
Preferred stock	22,143	22,143
Additional tier 1 capital	$ 22,143	$ 22,143
Tier 1 capital	$ 6,542,459	$ 6,485,670
Tier 2 capital:		
Trust preferred securities subject to phase in as tier 2	192,674	192,674
Other inclusions (deductions), net	515,782	517,723
Tier 2 capital	$ 708,456	$ 710,397
Total risk-based capital	$ 7,250,915	$ 7,196,067
Minimum total capital requirement to be well capitalized	$ 4,095,067	$ 4,112,375
Excess total capital over minimum well capitalized	$ 3,155,848	$ 3,083,692
Total risk-weighted assets	$ 40,950,669	$ 41,123,753
Total assets for leverage ratio	$ 76,104,777	$ 74,661,894
Risk-based capital ratios:		
Common equity tier 1 capital	15.92 %	15.72 %
Tier 1 capital	15.98	15.77
Total capital	17.71	17.50
Tier 1 leverage	8.60	8.69

The Basel III capital rules provide that a depository institution is deemed to be well capitalized if it maintains a leverage ratio of at least 5%, a common equity Tier 1 ratio of at least 6.5%, a Tier 1 capital ratio of at least 8% and a total risk-based ratio of at least 10%. The Corporation, BPPR and PB leverage ratio, common equity Tier 1 ratio and Tier 1 capital ratio, respectively as of March 31, 2026, continue to exceed the minimum requirements for being "well-capitalized" under the Basel III capital rules.

The increase in the common equity Tier I capital ratio, Tier I capital ratio, and total capital ratio as of March 31, 2026 as compared to December 31, 2025 was mainly due to the quarter's earnings, and lower risk weighted assets driven by the decrease in loans held-in-portfolio and lower non-performing loans held-in-portfolio, partially offset by the repurchase of common stock and common stock dividends. The decrease in the leverage ratio was driven by higher total assets which are impacted by zero-risk weighted assets that did not have a significant impact on the risk weighted assets, partially offset by the quarter's earnings.

Reconciliation to Tangible Common Equity and Tangible Assets

Table 8 provides a reconciliation of total stockholders' equity to tangible common equity and total assets to tangible assets as of March 31, 2026, and December 31, 2025.

Table 8 - Reconciliation of Tangible Common Equity and Tangible Assets

(In thousands, except share or per share information)		March 31, 2026			December 31, 2025	
Total stockholders' equity	$	6,311,086		$	6,249,079	
Less: Preferred stock		(22,143)			(22,143)	
Less: Goodwill		(789,954)			(789,954)	
Less: Other intangibles		(4,692)			(5,076)	
Total tangible common equity	$	5,494,297		$	5,431,906	
Total assets	$	76,131,018		$	75,348,267	
Less: Goodwill		(789,954)			(789,954)	
Less: Other intangibles		(4,692)			(5,076)	
Total tangible assets	$	75,336,372		$	74,553,237	
Tangible common equity to tangible assets		7.29	%		7.29	%
Common shares outstanding at end of period		64,654,788			65,719,385	
Tangible book value per common share	$	84.98		$	82.65	

		Quarterly average				
Total stockholders' equity	$	6,289,337		$	6,938,571 [1]	
Less: Preferred Stock		(22,143)			(22,143)	
Less: Goodwill		(789,954)			(789,954)	
Less: Other intangibles		(4,944)			(5,328)	
Total tangible equity before adjusting for the impact of unrealized losses on AFS securities including those transferred to HTM	$	5,472,296		$	6,121,146	
Return on average tangible common equity before adjusting for the impact of unrealized losses on AFS securities including those transferred to HTM		18.18	%		15.14	%
Add: Average unrealized losses on AFS securities		743,809			56,761	
Add: Average unrealized losses on AFS securities transferred to HTM		221,114			259,058	
Total tangible equity after add back of impact of unrealized losses on AFS securities, including those transferred to HTM	$	6,437,219		$	6,436,965	
Return on average tangible common equity after add back of impact of unrealized losses on AFS securities including those transferred to HTM ("ROTCE")		15.46	%		14.39	%

[1] Average balances exclude certain unrealized gains or losses on debt securities available-for-sale.

RISK MANAGEMENT

Market / Interest Rate Risk

The Corporation's assets that are mainly subject to market valuation risk are debt securities classified as available-for-sale. Refer to Notes 5 and 6 to the Consolidated Financial Statements for further information on the debt securities available-for-sale and held-to-maturity portfolios. Debt securities classified as available-for-sale and held-to-maturity amounted to $21.7 billion and $7.0 billion, respectively, as of March 31, 2026. Other assets subject to market risk include mortgage servicing rights ("MSRs") with a fair value of $94.2 million as of March 31, 2026.

Interest Rate Risk ("IRR")

The Corporation's net interest income is subject to various categories of interest rate risk, including repricing, basis, yield curve and option risks. In managing interest rate risk, management may alter the mix of floating and fixed rate assets and liabilities, change pricing schedules, adjust maturities through sales and purchases of investment securities, and enter into derivative contracts, among other alternatives.

Management utilizes various tools to assess IRR, including Net Interest Income ("NII") simulation modeling, static gap analysis, and Economic Value of Equity ("EVE") to monitor the risk arising from the dynamic characteristics of assets and liabilities subject to IRR. The three methodologies complement each other and are used jointly in the evaluation of the Corporation's IRR. NII simulation modeling, by legal entity and on a consolidated basis, is prepared for a five-year period, which in conjunction with the EVE analysis, provides management a better view of long-term IRR.

The Corporation processes NII simulations under interest rate scenarios in which the yield curve is assumed to rise and decline by the same magnitude (parallel shifts). The rate scenarios considered in these market risk simulations include instantaneous parallel changes of -100, -200, +100, and +200 basis points during the succeeding twelve-month period. Assumptions included in these analyses include that the balance sheet remains flat, relative levels of market interest rates across all yield curve points and indexes, interest rate spreads, loan prepayments and deposit elasticity. Thus, they should not be relied upon as indicative of actual results and do not contemplate actions that management may engage in as a response to future changes in interest rates. Additionally, the Corporation is also subject to the risk inherent in the use of different rate indexes for the repricing of assets and liabilities, as well as the risk of pricing lags due to contractual or timing differences between the market and management response to changes in the rate environment. These forward-looking computations are management's best estimate based on known and available information and actual results may differ.

The following table presents the results of the simulations at March 31, 2026 and December 31, 2025, assuming a static balance sheet and parallel changes over flat spot rates over a one-year time horizon:

Table 9 - Net Interest Income Sensitivity (One Year Projection)

	March 31, 2026		December 31, 2025	
(Dollars in thousands)	Amount Change	Percent Change	Amount Change	Percent Change
Change in interest rate				
+200 basis points	17,583	0.61	(7,520)	(0.27)
+100 basis points	8,316	0.29	(4,379)	(0.16)
-100 basis points	(10,053)	(0.35)	2,691	0.10
-200 basis points	(17,168)	(0.60)	7,488	0.27

As of March 31, 2026, NII simulations showed that the Corporation's sensitivity position was asset sensitive. Compared to the results as of December 31, 2025, the variation in sensitivity and the resulting profile was mainly due to an increase in U.S. Treasury Bills as a result of a rise in non-interest bearing and low-cost interest-bearing deposits in Puerto Rico offset in part by the purchase of two-to-three-year U.S. Treasury Notes. The profile reflects that in rising rate scenarios, Popular's net interest income would increase during the one-year horizon due to the larger volume of assets repricing and generating more interest income, while interest expense increases modestly due to the high proportion of low-cost deposits.

The Corporation's loan and investment portfolios are subject to prepayment risk. Prepayment risk also could have a significant impact on the duration of mortgage-backed securities and collateralized mortgage obligations.

Trading

The Corporation engages in trading activities in the ordinary course of business at its subsidiaries, BPPR and Popular Securities. Popular Securities' trading activities consist primarily of market-making activities to meet expected customers' needs related to its retail brokerage business, and purchases and sales of U.S. Government and government sponsored securities with the objective of realizing gains from expected short-term price movements. BPPR's trading activities consist primarily of holding U.S. Government sponsored mortgage-backed securities and economic hedges of the related market risk with "TBA" (to-be-announced) market transactions. In addition, BPPR uses forward contracts or TBAs that have characteristics similar to that of the forecasted security and its conversion timeline to hedge its securitization pipeline.

At March 31, 2026, the Corporation held trading securities with a fair value of $30.4 million, representing 0.04% of the Corporation's total assets, compared with $36.6 million and 0.05%, respectively, at December 31, 2025.

The Corporation's trading activities are limited by internal policies. For each of the two subsidiaries, the market risk assumed under trading activities is measured by the 5-day net value-at-risk ("VAR"), with a confidence level of 99%. The VAR measures the maximum estimated loss that may occur over a 5-day holding period, given a 99% probability. .

In the opinion of management, the size and composition of the trading portfolio does not represent a significant source of market risk for the Corporation.

Liquidity

Liquidity Risk Management Process

The Corporation has adopted policies and limits to monitor the Corporation's liquidity position and that of its banking subsidiaries. Refer to the Enterprise Risk Management section of Management's Discussion and Analysis included in the 2025 Form 10-K for information on the framework in place to monitor, review, and approve policies to measure, limit and manage funding activities and strategies impacting liquidity risk. Additionally, contingency funding plans are used to model various stress events of different magnitudes that affect different time horizons, to assist management in evaluating the size of the liquidity buffers needed if those events occur. However, such models may not predict accurately how the market and customers might react to every event and are dependent on many assumptions. The objective of effective liquidity management is to ensure that the Corporation has sufficient liquidity to meet all its financial obligations, finance expected future growth, fund planned capital distributions and maintain a reasonable safety margin for cash needs under both normal and stressed market conditions.

Sources of Liquidity

Deposits, including customer deposits, brokered deposits and public funds deposits, continue to be the most significant source of funds for the Corporation, representing 89% and 88% of funding of the Corporation's total assets at March 31, 2026 and December 31, 2025, respectively. The ratio of total ending loans to deposits was 58% and 59% at March 31, 2026 and December 31, 2025, respectively. In addition to traditional deposits, the Corporation maintains borrowing arrangements, which amounted to $1.1 billion in outstanding balances at March 31, 2026 (December 31, 2025 - $1.4 billion). A detailed description of the Corporation's borrowings, including their terms, is included in Note 13 to the Consolidated Financial Statements. Also, the Consolidated Statements of Cash Flows in the accompanying Consolidated Financial Statements provide information on the Corporation's cash inflows and outflows.

The following sections provide further information on the Corporation's major funding activities and needs, as well as the risks involved in these activities.

Banking Subsidiaries

Primary sources of funding for the Corporation's banking subsidiaries (BPPR and PB or, collectively, "the banking subsidiaries") include retail, commercial and public sector deposits, brokered deposits, unpledged investment securities, mortgage loan securitization and, to a lesser extent, loan sales. In addition, the Corporation maintains borrowing facilities with the FHLB and at the discount window of the Federal Reserve Bank of New York (the "FRB") and has a considerable amount of collateral pledged that can be used to raise funds under these facilities.

At March 31, 2026, the Corporation's available liquidity increased to $27.7 billion from $27.0 billion on December 31, 2025. During the first quarter of 2026, the Corporation had no material incremental use of its available liquidity sources. The liquidity sources of the Corporation at March 31, 2026 are presented in Table 10 below:

Table 10 - Liquidity Sources

(In thousands)	March 31, 2026 BPPR	March 31, 2026 Popular U.S.	March 31, 2026 Total	December 31, 2025 BPPR	December 31, 2025 Popular U.S.	December 31, 2025 Total
Unpledged securities and unused funding sources:						
Money market (excess funds at the Federal Reserve Bank)	$ 3,635,635	$ 1,010,262	$ 4,645,897	$ 3,595,806	$ 1,020,478	$ 4,616,284
Unpledged securities	5,617,332	1,051,193	6,668,525	5,215,981	1,057,129	6,273,110
FHLB borrowing capacity	3,315,007	927,693	4,242,700	3,291,672	692,744	3,984,416
Discount window of the Federal Reserve Bank borrowing capacity	8,365,380	3,788,737	12,154,117	8,472,866	3,644,486	12,117,352
Total available liquidity	$ 20,933,354	$ 6,777,885	$ 27,711,239	$ 20,576,325	$ 6,414,837	$ 26,991,162

Refer to Note 13 to the Consolidated Financial Statements for additional information of the Corporation's borrowing facilities available through its banking subsidiaries.

The principal uses of funds for the banking subsidiaries include loan originations, investment portfolio purchases, loan purchases and repurchases, repayment of outstanding obligations (including deposits), advances on certain serviced portfolios and operational expenses. Also, the banking subsidiaries assume liquidity risk related to collateral posting requirements for certain activities mainly in connection with contractual commitments, recourse provisions, servicing advances, derivatives and credit card licensing agreements.

The banking subsidiaries maintain sufficient funding capacity to address large increases in funding requirements such as deposit outflows. The Corporation has established liquidity guidelines that require the banking subsidiaries to have sufficient liquidity to cover all short-term borrowings and a portion of deposits.

Deposits are a key source of funding. Refer to Table 5 for a breakdown of deposits by major types. Core deposits are generated from a large base of consumer, corporate and public sector customers. Core deposits include certificates of deposit under $250,000, all interest-bearing transactional deposit accounts, non-interest-bearing deposits, and savings deposits. Core deposits exclude brokered deposits and certificates of deposit over $250,000. Core deposits, excluding P.R. public deposits, which are fully collateralized, have historically provided the Corporation with a sizable source of relatively stable and low-cost funds. P.R. public deposits, while linked to market interest rates, provide a stable source of funding with an attractive earning spread. As of March 31, 2026, total Puerto Rico public sector deposits were $19.7 billion, compared to $19.4 billion at December 31, 2025.

Core deposits represent 91% of total deposits at $61.7 million, as of March 31, 2026, compared with 92% at $60.9 billion as of December 31, 2025. Core deposits financed 85% of the Corporation's earning assets at March 31, 2026, compared to 85% at December 31, 2025.

The Corporation had $1.0 billion in brokered deposits at March 31, 2026, which financed approximately 1% of its total assets (December 31, 2025 - $1.0 billion and 1%, respectively).

The distribution by maturity of certificates of deposit with denominations of $250,000 and over at March 31, 2026 is presented in the table that follows:

Table 11 - Distribution by Maturity of Certificates of Deposit of $250,000 and Over

(In thousands)	
3 months or less	$ 2,600,756
Over 3 to 12 months	1,109,024
Over 1 year to 3 years	299,828
Over 3 years	119,622
Total	$ 4,129,230

As of March 31, 2026, the banking subsidiaries had sufficient current and projected liquidity sources to meet their anticipated cash flow obligations, as well as special needs and off-balance sheet commitments, in the ordinary course of business and have sufficient liquidity resources to address stress events. Although the banking subsidiaries have historically been able to replace maturing deposits and advances, no assurance can be given that they would be able to replace those funds in the future if the Corporation's financial condition or general market conditions were to deteriorate. The Corporation's financial flexibility would be severely constrained if the banking subsidiaries are unable to maintain access to funding or if adequate funding is not available to accommodate future financing needs at acceptable interest rates. The banking subsidiaries also are required to deposit cash or qualifying securities to meet margin requirements on repurchase agreements, deposit agreements and other collateralized borrowing facilities. To the extent that the value of securities previously pledged as collateral declines because of market changes, the Corporation will be required to deposit additional cash or securities to meet its margin or collateral requirements and would need to rely more heavily on alternative funding sources. In these scenarios, the Corporation's financial flexibility and ability to grow revenues may not increase proportionately to cover costs and profitability would be adversely affected.

The Corporation considers balances in excess of $250,000 to have a higher potential liquidity risk. Table 12 reflects the aggregate balance in deposit accounts in excess of $250,000, including collateralized public funds and deposits outside of the U.S. and its territories. Collateralized public funds, as presented in Table 12, represent public deposit balances from governmental entities in the U.S. and its territories, including Puerto Rico and the United States Virgin Islands, collateralized based on such jurisdictions' applicable collateral requirements.

Table 12 - Deposits

(Dollars in thousands)	31-Mar-26 BPPR	% of Total	Popular U.S.	% of Total	Popular, Inc. (Consolidated)	% of Total
Deposits:						
Deposits balances under $250,000 [1]	$ 24,374,849	44 %	$ 8,292,411	68 %	$ 32,667,260	48 %
Transactional deposits balances over $250,000	8,431,271	15 %	2,845,596	23 %	11,276,867	17 %
Time deposits balances over $250,000	2,386,858	4 %	521,619	4 %	2,908,477	4 %
Uninsured foreign deposits	444,415	1 %	-	-%	444,415	1 %
Collateralized public funds	20,048,501	36 %	265,796	2 %	20,314,297	30 %
Intercompany deposits	200,890	- %	305,233	3 %	-	-%
Total deposits	$ 55,886,784	100 %	$ 12,230,655	100 %	$ 67,611,316	100 %

[1] Includes the first $250,000 in balances of transactional and time deposit accounts with balances in excess of $250,000.

(Dollars in thousands)	31-Dec-25 BPPR	% of Total	Popular U.S.	% of Total	Popular, Inc. (Consolidated)	% of Total
Deposits						
Deposits balances under $250,000 [1]	$ 23,873,328	44 %	$ 8,283,967	69 %	$ 32,157,295	49 %
Transactional deposits balances over $250,000	8,254,961	15 %	2,341,365	19 %	10,596,326	16 %
Time deposits balances over $250,000	2,182,301	4 %	794,183	7 %	2,976,484	4 %
Uninsured foreign deposits	446,360	1 %	-	-%	446,360	1 %
Collateralized public funds	19,748,934	36 %	264,694	2 %	20,013,628	30 %
Intercompany deposits	235,251	- %	349,483	3 %	-	-%
Total deposits	$ 54,741,135	100 %	$ 12,033,692	100 %	$ 66,190,093	100 %

[1] Includes the first $250,000 in balances of transactional and time deposit accounts with balances in excess of $250,000.

Bank Holding Companies

The principal sources of funding for the BHCs, which are Popular, Inc. (holding company only) and PNA, include cash on hand, investment securities, dividends received from banking and non-banking subsidiaries, asset sales, credit facilities available from affiliate banking subsidiaries and proceeds from potential securities offerings. Dividends from banking and non-banking subsidiaries are subject to various regulatory limits and authorization requirements imposed by banking regulators, including the FED and the NYDFS, that may limit the ability of those subsidiaries to act as a source of funding to the BHCs.

The principal uses of these funds include the repayment of debt, interest payments to holders of senior debt and junior subordinated deferrable interest debentures (related to trust preferred securities), the payment of dividends to common stockholders, repurchases of the Corporation’s securities and capitalizing its subsidiaries.

The outstanding balance of notes payable at the BHCs amounted to $595 million at March 31, 2026 and $595 million at December 31, 2025.

The contractual maturities of the BHCs notes payable at March 31, 2026 are presented in Table 13.

Table 13 - Distribution of BHC's Notes Payable by Contractual Maturity

Year	(In thousands)
2028	$ 396,955
Later years	198,406
Total	$ 595,361

As of March 31, 2026, the BHCs had cash and money markets investments totaling $1.6 million and borrowing potential of $165 million from its secured facility with BPPR. The BHCs' liquidity position continues to be adequate with sufficient cash on hand, investments and other sources of liquidity that are expected to be sufficient to meet all interest payments and dividend obligations for the foreseeable future. Additionally, the Corporation's latest quarterly paid dividend was $0.75 per share or approximately $48 million per quarter.

The BHCs have in the past borrowed in the corporate debt market primarily to finance their non-banking subsidiaries and refinance debt obligations. These sources of funding are more costly given that two out of three principal credit rating agencies rate the Corporation's debt securities below "investment grade". The Corporation has a shelf registration statement filed and effective with the Securities and Exchange Commission, which permits the Corporation to issue an unspecified amount of debt or equity securities.

Non-Banking Subsidiaries

The principal sources of funding for the non-banking subsidiaries include internally generated cash flows from operations, loan sales, repurchase agreements, capital injections and borrowed funds from their direct parent companies or the holding companies. The principal uses of funds for the non-banking subsidiaries include repayment of maturing debt, operational expenses and payment of dividends to the BHCs.

Dividends

During the quarter ended March 31, 2026, the Corporation declared cash dividends of $0.75 per common share outstanding ($49 million in the aggregate). The dividends for the Corporation's Series A preferred stock amounted to $0.4 million.

During the quarter ended March 31, 2026, the BHCs received dividends and distributions amounting to $175 million from BPPR, and $12 million from its other non-banking subsidiaries. Dividends from BPPR constitute Popular, Inc.'s primary source of liquidity. In addition, during the quarter ended March 31, 2026, PIBI, a wholly owned subsidiary of Popular, Inc., had no dividends.

In addition to regulatory limits previously discussed, the ability of a bank subsidiary to up-stream dividends to its BHC could be impacted by its financial performance and capital, including tangible and regulatory capital, thus potentially limiting the amount of cash up streamed to the BHCs from the banking subsidiaries. This could, in turn, affect BHC's ability to declare dividends on its outstanding common and preferred stock, repurchase its securities or meet its debt obligations. At March 31, 2026, BPPR could declare a dividend of up to approximately $13 million without prior approval of the Federal Reserve Board due to its retained income, declared dividend activity and transfers to statutory reserves over the measurement period. In addition, pursuant to the FRB requirements, PB may not declare or pay a dividend without the prior approval of the Federal Reserve Board and the NYSDFS.

Other Funding Sources and Capital

In addition to cash reserves held at the FRB that totaled $4.7 billion at March 31, 2026, debt securities provide an additional source of liquidity, which may be realized through either securities sales, collateralized borrowings or repurchase agreements. The Corporation's debt securities portfolio consists primarily of liquid U.S. government debt securities and U.S. government sponsored agency mortgage-backed securities that can be used to raise funds in the repo markets. The availability of repurchase agreements would be subject to having sufficient unpledged collateral available at the time the transactions are consummated, in addition to overall liquidity and risk appetite of the various counterparties. Refer to Table 10 for details of the Corporation's unpledged debt securities and available credit facilities with the FHLB and the discount window of the Federal Reserve Bank. A substantial portion of these debt securities could be used to raise financing in the U.S. money markets or from secured lending sources, subject to changes in their fair market value and customary adjustments (haircuts).

Additional liquidity may be provided through loan maturities, prepayments and sales. The loan portfolio provides a source of collateral to secure the available credit facilities with the FHLB and the discount window of the Federal Reserve Bank. The loan portfolio can also be used to obtain funding in the capital markets. Mortgage loans and some types of consumer loans, have secondary markets which the Corporation could use.

Off-Balance Sheet Arrangements and Other Commitments

In the ordinary course of business, the Corporation engages in financial transactions that are not recorded on the balance sheet or may be recorded on the balance sheet in amounts that are different than the full contract or notional amount of the transaction. As a provider of financial services, the Corporation routinely enters into commitments with off-balance sheet risk to meet the financial needs of its customers. Refer to Note 18 to the Consolidated Financial Statements for information on the Corporation's commitments to extent credit and other non-credit commitments.

Other types of off-balance sheet arrangements that the Corporation enters in the ordinary course of business include derivatives, operating leases and provision of guarantees, indemnifications, and representation and warranties. Refer to Note 17 to the Consolidated Financial Statements for a detailed discussion related to the Corporation's guarantees, indemnifications obligations, and representation and warranties arrangements.

The Corporation monitors its cash requirements, including its contractual obligations and debt commitments.

Financial Information of Guarantor and Issuers of Registered Guaranteed Securities

The principal sources of funding for Popular, Inc. Holding Company ("PIHC") and Popular North America, Inc. ("PNA") have included dividends received from their banking and non-banking subsidiaries subject to statutory provisions that limit dividends paid by the banking subsidiary without regulatory approval, asset sales and proceeds from the issuance of debt and equity.

The Corporation ("PIHC") is the parent holding company of Popular North America ("PNA") and operates financial services through its subsidiaries. PNA, a wholly owned subsidiary of Popular, Inc., manages entities such as Equity One, Inc., and PB, including PB's subsidiaries: Popular Equipment Finance, LLC, Popular Insurance Agency, U.S.A., and E-LOAN, Inc.

PNA has issued junior subordinated debentures guaranteed by PIHC (the "obligor group"), purchased by statutory trusts established by the Corporation using proceeds from trust preferred securities ("capital securities") and common securities of the trusts.

PIHC guarantees the junior subordinated debentures issued by PNA. If PIHC fails to make interest payments on the debentures held by the trust, the trust will not distribute payments on the capital securities. The guarantee ranks subordinate and junior in right of payment to all other liabilities of PIHC and equally with all other PIHC-issued guarantees, allowing direct legal action against PIHC without involving other entities.

Funding for PIHC and PNA includes dividends from subsidiaries, asset sales, and proceeds from debt and equity issuance. Statutory provisions limit the dividends an insured depository institution can pay to its holding company without regulatory approval.

The summarized financial information below shows the combined financial position of the obligor group as of March 31, 2026 and December 31, 2025, and the results of their operations for the quarters ended March 31, 2026 and March 31, 2025. Excluded are investments and equity in earnings from subsidiaries and affiliates outside the obligor group.

Intercompany balances and transactions within the obligor group have been eliminated. Material amounts due from, due to, and transactions with subsidiaries and affiliates are shown separately. Related party transactions are also presented separately.

Table 14 - Summarized Statement of Condition

(In thousands)		March 31, 2026		December 31, 2025
Assets				
Cash and money market investments	$	468,987	$	524,882
Investment securities		39,780		38,656
Accounts receivables from non-obligor subsidiaries		15,521		12,798
Other loans (net of allowance for credit losses of $102 (2025 - $132))		23,844		24,169
Investment in equity method investees		5,145		5,145
Other assets		103,289		91,618
Total assets	$	656,566	$	697,268
Liabilities and Stockholders' deficit				
Accounts payable to non-obligor subsidiaries	$	11,998	$	7,669
Notes payable		595,362		594,958
Other liabilities		108,959		135,785
Stockholders' deficit		(59,753)		(41,144)
Total liabilities and stockholders' deficit	$	656,566	$	697,268

Table 15 - Summarized Statement of Operations

		For the quarters ended		
(In thousands)		March 31, 2026		March 31, 2025
Income:				
Dividends from non-obligor subsidiaries	$	187,000	$	206,000
Interest income from non-obligor subsidiaries and affiliates		904		1,181
Other operating income		1,281		838
Total income	$	189,185	$	208,019
Expenses:				
Services provided by non-obligor subsidiaries and affiliates (net of reimbursement by subsidiaries for services provided by parent of $69,903 (2025 - $61,777))	$	5,126	$	3,903
Other expenses		5,694		7,339
Income tax (benefit) expense		(323)		2,679
Total expenses	$	10,497	$	13,921
Net income	$	178,688	$	194,098

Risk to Liquidity

The Corporation's liquidity may come under pressure if it experiences significant unexpected cash outflows due to deposit withdrawals, which could arise from various factors like economic conditions, loss of depositor confidence, competition, exogenous events, regulatory requirements or changes, a downgrade in credit rating, or other events causing counterparties to avoid exposure.

Investors should refer to Liquidity Risks section of "Part I, Item 1A" of 2025 Form 10-K for an additional discussion of liquidity risks to which the Corporation is subject.

Credit Risk

Geographic and Government Risk

The Corporation is exposed to geographic and government risk. The Corporation's assets and revenue composition by geographical area and by business segment reporting are presented in Note 32 to the Consolidated Financial Statements. Readers should refer to Economic and Market Risk section and Business Risk Section of "Part I, Item 1A" of the 2025 Form 10-K for an additional discussion on how the Corporation is impacted by global and local economic and market conditions, including weakness in the economy, particularly in Puerto Rico, where a significant portion of our business is concentrated. This section also addresses how our credit risk and credit losses can increase to the extent our loans are concentrated on borrowers engaged in the same or similar activities or in borrowers who as a group may be uniquely or disproportionately affected by certain economic or market conditions.

Commonwealth of Puerto Rico

A significant portion of our financial activities and credit exposure is concentrated in the Commonwealth of Puerto Rico ("Puerto Rico") which has faced severe economic and fiscal challenges in the past and may face additional challenges in the future.

Economic Performance

The latest estimates from the Puerto Rico Planning Board (the "Planning Board") indicate that real GNP grew by 2.1% during fiscal year 2024 (July 2023-June 2024) and by 1.1% in fiscal year 2025 (July 2024-June 2025). For fiscal year 2026 (July 2025-June 2026), the Planning Board forecasts more modest GNP growth of 0.5%. Meanwhile, the Puerto Rico Economic Activity Index reflected a 1.1% year-over-year increase in December 2025, with no change on a month-over-month basis. While this index is not a direct measure of real GNP, it serves as an indicator of ongoing economic activity.

In 2021 and 2022, inflation rose sharply in the U.S. and Puerto Rico due to post-pandemic demand and supply chain disruptions. Inflation began to decrease by mid-2022 as the Federal Reserve raised interest rates, largely stabilizing by September 2024, leading to a series of rate reductions by the Federal Reserve for the first time in four years. As of March 2026, the U.S. Consumer Price Index reflected a 3.3% year-over-year increase, which, while below peak 2022 levels, remains above the Federal Reserve's 2% target. The year-over-year increase accelerated from 2.4% in February 2026 to 3.3% in March 2026, primarily driven by higher energy and gasoline prices resulting from the recent geopolitical conflict involving Iran. In Puerto Rico, the Consumer Price Index reflected a year-over-year increase of 2.5% in March 2026, up from 2.3% in February 2026. It is still too early to determine the full extent to which the conflict involving Iran and its indirect impacts may impact the global and Puerto Rico economies.

Fiscal Challenges of Puerto Rico and its Municipalities

As Puerto Rico's economy contracted in the 2000s, public debt increased rapidly due to borrowing to cover deficits to pay debt service, pension benefits, and other expenditures. By 2016, the government had over $120 billion in combined debt and unfunded pension liabilities, lost access to capital markets, and faced a fiscal crisis.

In response, the U.S. Congress enacted PROMESA in June 2016. PROMESA established an Oversight Board with significant control over Puerto Rico's fiscal and economic affairs, including those of its public corporations, instrumentalities and municipalities (collectively, "PR Government Entities").

In August 2025, President Donald J. Trump dismissed six of the seven members of the Oversight Board, reportedly due to inefficient leadership and excessive spending. Three of the dismissed members subsequently filed suit in federal court challenging the legality of their dismissal. On October 3, 2025, the court issued a preliminary injunction that effectively reinstated such members and barred the seating of replacement members while the case proceeds. Such ruling was appealed to the United States Court of Appeals for the First Circuit on December 3, 2025, and the appeal remains pending as of March 31, 2026. It is still too early to determine what impact these developments may have on Puerto Rico's fiscal and economic affairs.

Under PROMESA, the Oversight Board will remain in place until market access is restored and balanced budgets are achieved for at least four consecutive years. PROMESA also established two mechanisms for the restructuring of the obligations of PR Government Entities: (a) Title III, an in-court process akin to that of the U.S. Bankruptcy Code and which permits adjustment of a broad range of obligations, and (b) Title VI, a largely out-of-court process through which a supermajority of creditors can accept modifications to debt and bind holdouts.

Since 2017, Puerto Rico and several of its instrumentalities have availed themselves of these mechanisms. The Puerto Rico government exited Title III in March 2022, and several instrumentalities, such as the Government Development Bank and the Puerto Rico Highways and Transportation Authority have also completed debt restructurings under Titles III or VI of PROMESA. However, the Puerto Rico Electric Power Authority is still undergoing its debt restructuring.

Puerto Rico's economic difficulties have also impacted its municipalities. Historically, the central government provided significant municipal subsidies. However, these have decreased pursuant to fiscal measures required by the Oversight Board. This decline has been partly offset by federal disaster and COVID-relief funding received by municipalities in recent years. The latest Puerto Rico fiscal plan proposes a restructured grant system to enhance municipal services and encourage accountability through performance metrics.

Municipalities are subject to PROMESA, and the Oversight Board has required certain municipalities to submit fiscal plans and annual budgets for review and approval. Municipalities are also required to seek Oversight Board approval to issue, guarantee or modify their debts and to enter into significant contracts. To date no municipality has availed itself of the debt restructuring mechanisms available to them under PROMESA.

Exposure of the Corporation

The credit quality of BPPR's loan portfolio is closely tied to the economic conditions in Puerto Rico. Deterioration in the Puerto Rico economy could potentially increase delinquencies and charge-offs, thereby impacting the Corporation's financial health. The Corporation has direct exposure to P.R. Government Entities, which are mainly concentrated in obligations from various Puerto Rico municipalities. Additionally, the Corporation holds loans and securities insured by P.R. Government Entities, such as the Housing Finance Authority, whose ability to honor guarantees depends on its financial condition. BPPR's commercial, mortgage, and consumer loan portfolios are also exposed to risks from private borrowers who are service providers or have other relationships with the Puerto Rico government and government employees who could be negatively affected by Puerto Rico's fiscal challenges. For further discussion of the Corporation's direct and indirect exposure to the Puerto Rico government and its instrumentalities and municipalities, please refer to Note 18 – Commitments and Contingencies to the Consolidated Financial Statements.

The Corporation also maintains significant deposits from P.R. Government Entities, with future balances subject to various uncertainties. Further information on Puerto Rico Government deposits is included in Note 12 – Deposits to the Consolidated Financial Statements.

United States Virgin Islands

The Corporation has operations in the United States Virgin Islands ("USVI") and has credit exposure to USVI government entities. For further discussion of the Corporation's direct and indirect exposure to USVI government entities, please refer to Note 18 – Commitments and Contingencies to the Consolidated Financial Statements.

Non-Performing Assets

Non-performing assets ("NPAs") include primarily past-due loans that are no longer accruing interest, renegotiated loans, and real estate property acquired through foreclosure. A summary, including certain credit quality metrics, is presented in Table 16.

During the first quarter of 2026, the Corporation's credit quality metrics remained stable. The Corporation continues to closely monitor the economic landscape and borrower performance, as macro-economic uncertainty and increased volatility remain key considerations. Management believes that the improvements in risk management practices over recent years and the overall credit risk profile of the loan portfolio position the Corporation to continue to operate successfully in the current environment.

Total NPAs of $503.8 million as of March 31, 2026 decreased by $37.0 million when compared with December 31, 2025. BPPR's NPLs decreased by $38.4 million, primarily driven by reductions in commercial, consumer and mortgage NPLs of $17.6 million, $17.5 million and $3.0 million, respectively. The decrease in commercial NPLs was mainly driven by an $11.1 million charge-off related to a commercial real estate facility classified as NPL in the third quarter of 2025. The improvement in consumer NPLs was primarily due to a $16.8 million reduction in auto NPLs driven by increased payment activity. Popular U.S. NPLs decreased by $1.8 million, mostly driven by a decrease of $3.7 million in the mortgage NPLs.

On March 31, 2026, the ratio of NPLs to total loans held-in-portfolio was 1.17%, compared to 1.27% on December 31, 2025. Other real estate owned loans ("OREOs") totaled $45.7 million, an increase of $3.2 million from December 31, 2025.

The Corporation's commercial loan portfolio secured by real estate ("CRE") amounted to $11.2 billion on March 31, 2026, of which $3.2 billion was secured with owner occupied properties, compared with $11.2 billion and $3.2 billion, respectively, on December 31, 2025.

CRE NPLs amounted to $58.6 million at March 31, 2026, compared with $76.0 million at December 31, 2025, driven by the $11.1 million net charge off on the CRE facility discussed above. The CRE NPL ratios for the BPPR and Popular U.S. segments were 0.83% and 0.28%, respectively, on March 31, 2026, compared with 1.23% and 0.25%, respectively, on December 31, 2025.

The non-owner occupied CRE portfolio was $5.5 billion at March 31, 2026, split between $3.4 billion in BPPR and $2.2 billion in Popular U.S. This portfolio is diversified across sectors: retail (33%), hotels (19%), and office space (12%), which together represent two-thirds of total non-owner occupied CRE exposure. Specifically, office space leasing accounts for just 1.7% ($673.6 million) of the total loan portfolio, mainly comprising mid-rise properties with an average loan size of $3 million, and is well diversified by tenant type.

Within CRE, the commercial multi-family portfolio is $2.4 billion (approximately 6% of total loans), concentrated in New York Metro ($1.4 billion), South Florida ($664.6 million) and Puerto Rico ($238.5 million) regions. In the New York Metro, there is no exposure to rent-controlled buildings, and rent-stabilized units make up less than 40% of total units, with most originated after 2019.

In addition to the NPLs included in Table 16, on March 31, 2026 there were $593.2 million of performing loans, mostly commercial loans, which in management's opinion, are currently subject to potential future classification as non-performing (December 31, 2025 - $499.6 million).

The following table presents the Corporation's NPAs as of March 31, 2026 and December 31, 2025:

Table 16 - Non-Performing Assets

(Dollars in thousands)	March 31, 2026 BPPR	March 31, 2026 Popular U.S.	March 31, 2026 Popular, Inc.	March 31, 2026 As a % of loans HIP by category	December 31, 2025 BPPR	December 31, 2025 Popular U.S.	December 31, 2025 Popular, Inc.	December 31, 2025 As a % of loans HIP by category
Commercial								
Commercial multi-family	$ -	$ 10,962	$ 10,962	0.5 %	$ 112	$ 8,636	$ 8,748	0.4 %
Commercial real estate non-owner occupied	26,457	6,987	33,444	0.6	35,692	7,020	42,712	0.8
Commercial real estate owner occupied	14,192	-	14,192	0.4	24,567	-	24,567	0.8
Commercial and industrial	185,993	6,524	192,517	2.2	183,914	6,498	190,412	2.2
Total Commercial	226,642	24,473	251,115	1.3	244,285	22,154	266,439	1.3
Mortgage	129,367	9,700	139,067	1.6	132,373	13,422	145,795	1.7
Leasing	8,892	-	8,892	0.4	9,179	-	9,179	0.5
Consumer								
Home equity lines of credit	-	2,766	2,766	3.5	-	2,796	2,796	3.6
Personal	15,755	905	16,660	0.9	18,863	1,233	20,096	1.1
Auto	35,390	-	35,390	0.9	52,200	-	52,200	1.4
Other	4,227	-	4,227	2.4	1,809	29	1,838	1.0
Total Consumer	55,372	3,671	59,043	0.8	72,872	4,058	76,930	1.1
Total non-performing loans held-in-portfolio	420,273	37,844	458,117	1.2 %	458,709	39,634	498,343	1.3 %
Other real estate owned ("OREO")	45,176	504	45,680		41,929	504	42,433	
Total non-performing assets[1]	$ 465,449	$ 38,348	$ 503,797		$ 500,638	$ 40,138	$ 540,776	
Accruing loans past due 90 days or more[2]	$ 226,218	$ 169	$ 226,387		$ 228,772	$ 188	$ 228,960	
Ratios:								
Non-performing assets to total assets	0.78%	0.24%	0.66%		0.85%	0.25%	0.72%	
Non-performing loans held-in-portfolio to loans held-in-portfolio	1.52	0.33	1.17		1.66	0.34	1.27	
Allowance for credit losses to loans held-in-portfolio	2.65	0.79	2.10		2.60	0.77	2.05	
Allowance for credit losses to non-performing loans, excluding held-for-sale	174.23	241.77	179.81		156.51	227.42	162.15	

[1] There were no non-performing loans held-for-sale as of March 31, 2026 and December 31, 2025.

[2] It is the Corporation's policy to report delinquent residential mortgage loans insured by FHA or guaranteed by the VA as accruing loans past due 90 days or more as opposed to non-performing since the principal repayment is insured. These balances include $43 million of residential mortgage loans insured by FHA or guaranteed by the VA that are no longer accruing interest as of March 31, 2026 (December 31, 2025 - $47 million). Furthermore, the Corporation has $26 million in reverse mortgage loans which are guaranteed by FHA, but which are currently not accruing interest. Due to the guaranteed nature of the loans, it is the Corporation's policy to exclude these balances from non-performing assets (December 31, 2025 - $27 million).

For the quarter ended March 31, 2026, total inflows of NPLs held-in-portfolio, excluding consumer loans, increased by $4.2 million, compared to the same period in 2025. Inflows of NPLs held-in-portfolio at the BPPR segment increased by $6.4 million, compared to the same period in 2025, mainly driven by higher mortgage inflows by $7.2 million. Inflows of NPLs held-in-portfolio at the Popular U.S. segment decreased by $2.3 million from the same period in 2025, mainly driven by lower commercial inflows by $2.1 million.

Tables 17 to 22 present the Corporation's inflows to NPLs for the quarters ended March 31, 2026 and 2025.

Table 17 - Activity in Non-Performing Loans Held-in-Portfolio (Excluding Consumer Loans)

	For the quarter ended March 31, 2026		
(Dollars in thousands)	BPPR	Popular U.S.	Popular, Inc.
Beginning balance - NPLs	$ 376,658	$ 35,576	$ 412,234
Plus:			
New non-performing loans	43,461	5,733	49,194
Advances on existing non-performing loans	-	181	181
Less:			
Non-performing loans transferred to OREO	(3,111)	-	(3,111)
Non-performing loans charged-off	(12,201)	(24)	(12,225)
Loans returned to accrual status / loan collections	(48,798)	(7,293)	(56,091)
Ending balance - NPLs	$ 356,009	$ 34,173	$ 390,182

Table 18 - Activity in Non-Performing Loans Held-in-Portfolio (Excluding Consumer Loans)

	For the quarter ended March 31, 2025		
(Dollars in thousands)	BPPR	Popular U.S.	Popular, Inc.
Beginning balance - NPLs	$ 209,543	$ 53,544	$ 263,087
Plus:			
New non-performing loans	37,023	8,158	45,181
Advances on existing non-performing loans	-	18	18
Less:			
Non-performing loans transferred to OREO	(2,555)	-	(2,555)
Non-performing loans charged-off	(927)	(1,130)	(2,057)
Loans returned to accrual status / loan collections	(51,981)	(13,996)	(65,977)
Ending balance - NPLs	$ 191,103	$ 46,594	$ 237,697

Table 19 - Activity in Non-Performing Commercial Loans Held-In-Portfolio

	For the quarter ended March 31, 2026		
(In thousands)	BPPR	Popular U.S.	Popular, Inc.
Beginning balance - NPLs	$ 244,285	$ 22,154	$ 266,439
Plus:			
New non-performing loans	5,004	3,205	8,209
Advances on existing non-performing loans	-	170	170
Less:			
Non-performing loans transferred to OREO	(650)	-	(650)
Non-performing loans charged-off	(11,661)	(3)	(11,664)
Loans returned to accrual status / loan collections	(10,336)	(1,053)	(11,389)
Ending balance - NPLs	$ 226,642	$ 24,473	$ 251,115

Table 20 - Activity in Non-Performing Commercial Loans Held-In-Portfolio

	For the quarter ended March 31, 2025		
(In thousands)	BPPR	Popular U.S.	Popular, Inc.
Beginning balance - NPLs	$ 51,101	$ 23,654	$ 74,755
Plus:			
New non-performing loans	5,781	5,413	11,194
Advances on existing non-performing loans	-	17	17
Less:			
Non-performing loans transferred to OREO	(120)	-	(120)
Non-performing loans charged-off	(739)	(1,130)	(1,869)
Loans returned to accrual status / loan collections	(13,426)	(10,447)	(23,873)
Ending balance - NPLs	$ 42,597	$ 17,507	$ 60,104

Table 21 - Activity in Non-Performing Mortgage Loans Held-in-Portfolio

	For the quarter ended March 31, 2026		
(Dollars in thousands)	BPPR	Popular U.S.	Popular, Inc.
Beginning balance - NPLs	$ 132,373	$ 13,422	$ 145,795
Plus:			
New non-performing loans	38,457	2,528	40,985
Advances on existing non-performing loans	-	11	11
Less:			
Non-performing loans transferred to OREO	(2,461)	-	(2,461)
Non-performing loans charged-off	(540)	(21)	(561)
Loans returned to accrual status / loan collections	(38,462)	(6,240)	(44,702)
Ending balance - NPLs	$ 129,367	$ 9,700	$ 139,067

Table 22 - Activity in Non-Performing Mortgage Loans Held-in-Portfolio

	For the quarter ended March 31, 2025		
(Dollars in thousands)	BPPR	Popular U.S.	Popular, Inc.
Beginning balance - NPLs	$ 158,442	$ 29,890	$ 188,332
Plus:			
New non-performing loans	31,242	2,745	33,987
Advances on existing non-performing loans	-	1	1
Less:			
Non-performing loans transferred to OREO	(2,435)	-	(2,435)
Non-performing loans charged-off	(188)	-	(188)
Loans returned to accrual status / loan collections	(38,555)	(3,549)	(42,104)
Ending balance - NPLs	$ 148,506	$ 29,087	$ 177,593

Loan Delinquencies

Another key measure used to evaluate and monitor the Corporation's asset quality is loan delinquencies. Loans delinquent 30 days or more, as a percentage of their related portfolio category on March 31, 2026 and December 31, 2025, are presented below.

Table 23 - Loan Delinquencies

(Dollars in thousands)	March 31, 2026			December 31, 2025		
	Loans delinquent 30 days or more	Total loans	Total delinquencies as a percentage of total loans	Loans delinquent 30 days or more	Total loans	Total delinquencies as a percentage of total loans
Commercial						
Commercial multi-family	$ 27,339	$ 2,427,295	1.13 %	$ 24,982	$ 2,455,790	1.02 %
Commercial real estate non-owner occupied	48,779	5,543,451	0.88	47,068	5,543,284	0.85
Commercial real estate owner occupied	39,782	3,212,356	1.24	28,008	3,153,080	0.89
Commercial and industrial	220,994	8,565,559	2.58	215,068	8,607,412	2.50
Total Commercial	336,894	19,748,661	1.71	315,126	19,759,566	1.59
Construction	20,538	1,674,193	1.23	17,283	1,674,899	1.03
Mortgage						
Mortgage insured[1]	395,379	3,281,279	12.05	429,796	3,166,679	13.57
Mortgage uninsured	287,933	5,431,082	5.30	329,504	5,482,761	6.01
Total Mortgage	683,312	8,712,361	7.84	759,300	8,649,440	8.78
Leasing	34,091	1,986,165	1.72	37,567	2,001,365	1.88
Consumer						
Credit cards	46,467	1,214,199	3.83	51,846	1,256,717	4.13
Home equity lines of credit	3,798	79,764	4.76	4,160	78,692	5.29
Personal	48,279	1,913,281	2.52	53,632	1,906,228	2.81
Auto	129,540	3,783,904	3.42	186,798	3,819,812	4.89
Other	5,374	177,174	3.03	5,929	180,799	3.28
Total Consumer	233,458	7,168,322	3.26	302,365	7,242,248	4.18
Loans held-for-sale	-	5,603	-	-	9,998	-
Total	$ 1,308,293	$ 39,295,305	3.33 %	$ 1,431,641	$ 39,337,516	3.64 %

[1] Loans that carry certain guarantees from FHA or the VA. Refer to Note 7 to the Consolidated Financial Statements for additional information of guaranteed loans.

Allowance for Credit Losses Loans Held-in-Portfolio

The ACL represents management's estimate of expected credit losses through the remaining contractual life of the different loan segments, impacted by expected prepayments. The ACL is maintained at a sufficient level to provide for estimated credit losses on collateral dependent loans as well as loans modified for borrowers with financial difficulties separately from the remainder of the loan portfolio. The Corporation's management evaluates the adequacy of the ACL on a quarterly basis. In this evaluation, management considers current conditions, macroeconomic economic expectations through a reasonable and supportable period, historical loss experience, portfolio composition by loan type and risk characteristics, results of periodic credit reviews of individual loans, and regulatory requirements, amongst other factors.

The Corporation must rely on estimates and exercise judgment regarding matters where the ultimate outcome is unknown, such as economic developments affecting specific customers, industries, or markets. Other factors that can affect management's estimates are recalibration of statistical models used to calculate lifetime expected losses, changes in underwriting standards, financial accounting standards and loan impairment measurements, among others. Changes in the financial condition of individual borrowers, in economic conditions, and in the condition of the various markets in which collateral may be sold, may also affect the required level of the allowance for credit losses. Consequently, the business financial condition, liquidity, capital, and results of operations could also be affected.

At March 31, 2026, the ACL increased by $15.6 million from December 31, 2025 to $823.7 million. The increase in ACL was driven by a combination of changes in the economic scenario, loan volumes and increases in qualitative reserves. The ACL for BPPR increased by $14.3 million when compared to December 31, 2025 due to a $22.3 million increase in reserves for commercial loans driven by higher specific reserves for a single-borrower exposure in non-accrual, a $11.1 million net charge off related to a commercial real estate facility classified as NPL in the third quarter of 2025, and other loan modifications. The ACL for mortgage loans increased by $3.1 million, mostly due to changes in the macroeconomic scenarios. These increases were partially offset by a $12.4 million decrease in the ACL for consumer loans, mainly in the auto portfolio, reflecting improvements in credit quality. In the PB segment, the ACL remained stable, increasing by $1.4 million from the previous quarter.

The Corporation's ratio of the allowance for credit losses to loans held-in-portfolio was 2.10% on March 31, 2026 compared to 2.05% on December 31, 2025. The ratio of the allowance for credit losses to NPLs held-in-portfolio stood at 179.81%, compared to 162.15% on December 31, 2025.

Refer to Note 8 – Allowance for credit losses – loans held-in-portfolio to the Consolidated Financial Statements, and to the Provision for Credit Losses section of this MD&A for additional information.

Tables 24 and 25 detail the allowance for credit losses by loan categories and the percentage it represents of total loans held-in-portfolio and NPLs. The breakdown is made for analytical purposes, and it is not necessarily indicative of the categories in which future loan losses may occur.

Table 24 - Allowance for Credit Losses - Loan Portfolios

	March 31, 2026				
(Dollars in thousands)	Total ACL	Total loans held-in-portfolio	ACL to loans held-in-portfolio	Total non-performing loans held-in-portfolio	ACL to non-performing loans held-in-portfolio
Commercial					
Commercial multi-family	$ 20,069	$ 2,427,295	0.83 %	$ 10,962	183.08 %
Commercial real estate non-owner occupied	64,146	5,543,451	1.16 %	33,444	191.80 %
Commercial real estate owner occupied	51,116	3,212,356	1.59 %	14,192	360.17 %
Commercial and industrial	197,476	8,565,559	2.31 %	192,517	102.58 %
Total Commercial	$ 332,807	$ 19,748,661	1.69 %	$ 251,115	132.53 %
Construction	15,160	1,674,193	0.91 %	-	-
Mortgage	83,624	8,712,361	0.96 %	139,067	60.13 %
Leasing	18,588	1,986,165	0.94 %	8,892	209.04 %
Consumer					
Credit cards	89,376	1,214,199	7.36 %	-	-
Home equity lines of credit	1,178	79,764	1.48 %	2,766	42.59 %
Personal	104,739	1,913,281	5.47 %	16,660	628.69 %
Auto	170,544	3,783,904	4.51 %	35,390	481.90 %
Other	7,713	177,174	4.35 %	4,227	182.47 %
Total Consumer	$ 373,550	$ 7,168,322	5.21 %	$ 59,043	632.67 %
Total	$ 823,729	$ 39,289,702	2.10 %	$ 458,117	179.81 %

Table 25 - Allowance for Credit Losses - Loan Portfolios

	December 31, 2025				
(Dollars in thousands)	Total ACL	Total loans held-in-portfolio	ACL to loans held-in-portfolio	Total non-performing loans held-in-portfolio	ACL to non-performing loans held-in-portfolio
Commercial					
Commercial multi-family	$ 19,345	$ 2,455,790	0.79 %	$ 8,748	221.14 %
Commercial real estate non-owner occupied	58,717	5,543,284	1.06 %	42,712	137.47 %
Commercial real estate owner occupied	48,451	3,153,080	1.54 %	24,567	197.22 %
Commercial and industrial	180,934	8,607,412	2.10 %	190,412	95.02 %
Total Commercial	$ 307,447	$ 19,759,566	1.56 %	$ 266,439	115.39 %
Construction	13,826	1,674,899	0.83 %	-	-
Mortgage	80,554	8,649,440	0.93 %	145,795	55.25 %
Leasing	18,620	2,001,365	0.93 %	9,179	202.85 %
Consumer					
Credit cards	91,124	1,256,717	7.25 %	-	-
Home equity lines of credit	1,335	78,692	1.70 %	2,796	47.75 %
Personal	106,612	1,906,228	5.59 %	20,096	530.51 %
Auto	180,364	3,819,812	4.72 %	52,200	345.52 %
Other	8,174	180,799	4.52 %	1,838	444.72 %
Total Consumer	$ 387,609	$ 7,242,248	5.35 %	$ 76,930	503.85 %
Total	$ 808,056	$ 39,327,518	2.05 %	$ 498,343	162.15 %

Annualized net charge-offs (recoveries)

The following table presents annualized net charge-offs (recoveries) ("NCOs") to average loans held-in-portfolio ("HIP") by loan category for the quarters ended March 31, 2026 and 2025.

Table 26 - Annualized Net Charge-offs (Recoveries) to Average Loans Held-in-Portfolio

	Quarter ended March 31, 2026			Quarter ended March 31, 2025		
	BPPR	Popular U.S.	Popular, Inc.	BPPR	Popular U.S.	Popular, Inc.
Commercial	0.42 %	(0.01)%	0.23 %	(0.10)%	0.02 %	(0.05)%
Construction	(0.01)	—	—	—	—	—
Mortgage	(0.13)	(0.01)	(0.11)	(0.15)	(0.06)	(0.13)
Leasing	0.52	—	0.52	0.68	—	0.68
Consumer	2.68	3.09	2.69	2.82	3.90	2.85
Total annualized net charge-offs to average loans held-in-portfolio	0.85 %	0.04 %	0.61 %	0.72 %	0.07 %	0.53 %

NCOs for the quarter ended March 31, 2026 amounted to $60.0 million, increasing by $10.9 million when compared to the same period in 2025. The BPPR segment increased by $11.9 million mainly driven by higher commercial NCOs by $14.0 million, mostly due to the above referenced $11.1 million NCO. The PB segment NCOs decreased by $1.0 million.

Loan Modifications

For the quarter ended March 31, 2026, modified loans to borrowers with financial difficulty amounted to $248.4 million, of which $240.0 million were in accruing status. The BPPR segment's modifications to borrowers with financial difficulty amounted to approximately $248.4 million, mainly comprised of commercial and mortgage loans of $233.7 million and $8.6 million, respectively. A total of $3.5 million of the mortgage modifications were related to government guaranteed loans.

Refer to Note 8 to the Consolidated Financial Statements for additional information on modifications made to borrowers experiencing financial difficulties.

ADOPTION OF NEW ACCOUNTING STANDARDS AND ISSUED BUT NOT YET EFFECTIVE ACCOUNTING STANDARDS

Refer to Note 3, "New Accounting Pronouncements" to the Consolidated Financial Statements.

Item 3. <u>Quantitative and Qualitative Disclosures About Market Risk</u>

Quantitative and qualitative disclosures for the current period can be found in the Market Risk section of this report, which includes changes in market risk exposures from disclosures presented in the 2025 Form 10-K.

Item 4. <u>Controls and Procedures</u>

Disclosure Controls and Procedures

The Corporation's management, with the participation of the Corporation's Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Corporation's disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (the "Exchange Act") as of the end of the period covered by this report. Based on such evaluation, the Corporation's Chief Executive Officer and Chief Financial Officer have concluded that, as of the end of such period, the Corporation's disclosure controls and procedures are effective in recording, processing, summarizing and reporting, on a timely basis, information required to be disclosed by the Corporation in the reports that it files or submits under the Exchange Act and such information is accumulated and communicated to management, as appropriate, to allow timely decisions regarding required disclosures.

Internal Control Over Financial Reporting

The Company continues to implement new business systems and solutions, including an enterprise resource planning ("ERP") system, which are expected to improve the efficiency of certain financial and related business processes.

On January 1, 2026, the Corporation implemented a new ERP system, replacing our previous ERP system that had supported a significant portion of our transactional records and general ledger. As a result of this implementation, we modified certain existing controls and implemented new controls and procedures to maintain appropriate internal control over financial reporting and will continue to evaluate the design and operating effectiveness of these controls.

Except as described above, there have been no changes in the Corporation's internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the quarter ended March 31, 2026 that have materially affected, or are reasonably likely to materially affect, the Corporation's internal control over financial reporting.

Part II - Other Information

Item 1. Legal Proceedings

For a discussion of Legal Proceedings, see Note 18 to the Consolidated Financial Statements.

Item 1A. Risk Factors

In addition to the other information set forth in this report, you should carefully consider the risk factors discussed under "Part I - Item 1A - Risk Factors" in our 2025 Form 10-K. These factors could materially adversely affect our business, financial condition, liquidity, results of operations and capital position, and could cause our actual results to differ materially from our historical results or the results contemplated by the forward-looking statements contained in this report. Also refer to the discussion in "Part I - Item 2 – Management's Discussion and Analysis of Financial Condition and Results of Operations" in this report for additional information that may supplement or update the discussion of risk factors below and in our 2025 Form 10-K.

There have been no material changes to the risk factors previously disclosed under Item 1A of the Corporation's 2025 Form 10-K.

The risks described in our 2025 Form 10-K and in this report are not the only risks facing us. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition, liquidity, results of operations and capital position.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The Corporation did not have any unregistered sales of equity securities during the quarter ended March 31, 2026.

Issuer Purchases of Equity Securities

The following table sets forth the details of purchases of common stock by the Corporation and its affiliated purchasers during the quarter ended March 31, 2026:

Issuer Purchases of Equity Securities

Not in thousands

Period	Total Number of Shares Purchased [1]	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs [2]	Approximate Dollar Value of Shares that May Yet be Purchased Under the Plans or Programs [2]
January 1 - January 31	306,003	$ 127.73	301,380	$242,576,163
February 1 - February 28	345,242	143.58	344,075	$193,162,299
March 1 - March 31	540,114	132.49	509,943	$125,867,052
Total	1,191,359	$ 134.48	1,155,398	$125,867,052

[1] Includes 4,623, 1,167, and 30,171 shares of the Corporation's common stock acquired by the Corporation during January, February, and March 2026, respectively, in connection with the satisfaction of tax withholding obligations on vested awards of restricted stock or restricted stock units granted to directors and certain employees under the Corporation's Omnibus Incentive Plan. The acquired shares of common stock were added back to treasury stock.

[2] As part of its capital plan, in July 2025, the Corporation announced plans to repurchase up to $500 million in common stock, in addition to the $500 million in common stock repurchase program announced in July 2024. As of March 31, 2026, and since the first authorization in 2024, the Corporation had repurchased 8,071,942 shares of common stock for $874 million at an average price of $108.27 per share, as part of the 2024 and 2025 common stock repurchase programs.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Rule 10b5-1 Trading Plans or Other Preplanned Trading Arrangements

Certain of our officers or directors have made and may from time to time make elections to participate in, and are participating in, our dividend reinvestment and purchase plan, the Company stock fund associated with our 401(k) plans and/or the Company stock fund associated with our non-qualified deferred compensation plans and have shares withheld to cover withholding taxes upon the vesting of equity awards, which may be designed to satisfy the affirmative defense conditions of Rule 10b5-1 under the Exchange Act or may constitute non-Rule 10b5–1 trading arrangements (as defined in Item 408(c) of Regulation S-K).

Item 6. Exhibits

Exhibit Index

Exhibit No	Exhibit Description
10.1	Form of Popular, Inc. 2026 Long-Term Equity Incentive Award and Agreement [1][*]
22.1	Issuers of Guaranteed Securities (Incorporated by reference to Exhibit 22.1 of Popular, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2025)
31.1	Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002[1]
31.2	Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002[1]
32.1	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002[1]
32.2	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 [1]
101. INS	XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline Document.
101.SCH	Inline Taxonomy Extension Schema Document[1]
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document[1]
101.DEF	Inline XBRL Taxonomy Extension Definitions Linkbase Document[1]
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document[1]
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document[1]
104	The cover page of Popular, Inc. Quarterly Report on Form 10-Q for the quarter ended March 31, 2026, formatted in Inline XBRL (included within the Exhibit 101 attachments)[1]

(1) Included herewith

* This exhibit is a management contract or compensatory plan or arrangement.

Popular, Inc. has not filed as exhibits certain instruments defining the rights of holders of debt of Popular, Inc. not exceeding 10% of the total assets of Popular, Inc. and its consolidated subsidiaries. Popular, Inc. hereby agrees to furnish upon request to the Commission a copy of each instrument defining the rights of holders of senior and subordinated debt of Popular, Inc., or of any of its consolidated subsidiaries.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

POPULAR, INC.

(Registrant)

Date: May 8, 2026

By: /s/ Jorge J. García

Jorge J. García

Executive Vice President &

Chief Financial Officer

Date: May 8, 2026

By: /s/ Denissa M. Rodríguez

Denissa M. Rodríguez

Senior Vice President & Corporate Comptroller

Exhibit 10.1

FORM OF POPULAR, INC.
2026 LONG-TERM EQUITY INCENTIVE AWARD
AND AGREEMENT

Recipient:

The Talent and Compensation Committee of the Board of Directors of Popular, Inc. (the "Committee") awarded you on February 25, 2026 (the "Grant Date") a Long-Term Incentive Award consisting of Restricted Stock ("Restricted Stock") and Performance Shares ("Performance Shares" and, in conjunction with the Restricted Stock, the "Award").

This award agreement (the "Award Agreement"), dated as of the Grant Date, sets forth the terms and conditions of your Award. This Award is made under the Popular, Inc. 2020 Omnibus Incentive Plan, as amended (the "Plan"), and, except as otherwise provided herein, is subject to the terms of the Plan. Capitalized terms used but not otherwise defined in this Award Agreement have the meanings given in the Plan.

1. Award. The number of shares of Restricted Stock and Performance Shares subject to this Award is set forth in Annex 1 hereto. The Award will vest as set forth below.

2. Vesting; Payout.

Subject to Section 6 of this Agreement, you will be entitled to the following:

(a) Restricted Stock Vesting. Except as otherwise stated in this Section 2, your Restricted Stock shall vest in four substantially equal annual installments on each of the dates specified in Annex 1 (each of the dates described therein, a *"Restricted Stock Vesting Date*").

(b) Performance Shares Vesting. Except as otherwise stated in this Section 2, you shall become vested in the Performance Shares on the day of the first scheduled meeting of the Committee taking place in the month of February 2029, subject to the achievement by Popular, Inc. of the Performance Goals specified in Annex 1 during the Performance Cycle, as certified by the Committee in such meeting (hereinafter the "Performance Shares Vesting Date" and, together with the Restricted Stock Vesting Date, the "Vesting Date"). The Performance Goals will be based on two performance metrics weighted equally: the Relative Total Shareholder Return (the "TSR") and the Absolute Average Return on Tangible Common Equity (the "ROTCE") goals. The Performance Cycle is a three (3) year period beginning on January 1 of the calendar year of the Grant Date and ending on December 31 of the third year. Each Performance Goal will have a defined minimum threshold (i.e., minimum result for which an incentive would be earned), target (i.e., result at which 100% of the incentive would be earned) and maximum level of performance (i.e., result at which 1.5 times the incentive target would be earned).

(c) Approved Retirement. Upon an Approved Retirement after attaining (x) age 55 with 10 years of service with Popular, Inc. or its subsidiaries (the "Corporation") or (y) age 60 with 5 years of service with the Corporation: 1) your outstanding Restricted Stock shall fully vest; (2) your outstanding Performance Shares shall continue outstanding and vest in full on the Performance

Shares Vesting Date in accordance with the actual results of the Performance Goals during the Performance Cycle.

(d) Vesting upon Retirement on or after age 50 before attaining age 55 and 10 years of service. The Committee, at its discretion, may accord the same treatment accorded in Section 2(c) above if you retire from your employment on or after age 50, and before attaining age 55 and 10 years of service, provided the sum of your age and years of service is at least 75.

(e) Death. Provided that on the date of your death you are still employed by the Corporation and your rights in respect of your Award have not been previously terminated, any then unvested outstanding Award shall immediately vest and be paid to the representative of your estate promptly after your death. In the case of the Performance Shares, the number of shares will be calculated as if the target number of Performance Shares had in fact been earned

(f) Disability. If you become subject to Disability while you are still employed by the Corporation, any then unvested outstanding Award shares shall vest and shall be paid to you promptly after you become subject to Disability. In the case of the Performance Shares, the number of shares will be calculated as if the target number of Performance Shares had in fact been earned.

(g) Change of Control. If your employment is terminated by the Corporation or any successor entity thereto without Cause, or if you terminate your employment for Good Reason, in each case upon or within two years after a Change of Control, prior to a Vesting Date, and provided your rights in respect of the shares of your unvested Award have not previously terminated, the shares of your unvested Award shall immediately vest and be delivered to you promptly after such termination of employment; *provided that*, as of the Change of Control date, any outstanding Performance Shares shall be deemed earned at the greater of the target level or actual performance level through the Change of Control date (or if no target level is specified, the maximum level) with respect to all open performance periods and such Performance Shares shall be subject to time-based vesting through the end of the original Performance Cycle for each such Award, subject to accelerated vesting in accordance with the first sentence of this clause.

(h) Termination without Cause. If the Corporation terminates your employment without Cause you will receive payment of the Award on a prorated basis based on the number of full months in the vesting schedule in which you were an active employee (with a partial month worked counted as a full month if you were an active employee for 15 days or more in the month) and such reduced Award will vest immediately upon your termination of employment, calculated in the case of Performance Shares as if the target number of Performance Shares had in fact been earned, as provided in the Plan.

(i) Payout. The transfer restrictions on the applicable number of whole shares of Restricted Stock shall lapse on each Vesting Date or such other vesting date as determined in this Section 2 and in the terms of the Plan. The payout with respect to vested Performance Shares shall be made on the Performance Shares Vesting Date, on which date the Committee shall determine the total number of shares earned based upon the actual performance results during the Performance Cycle. The vested shares will be delivered to you as soon as administratively practicable, generally within 45 days following each Vesting Date.

3. Termination of Award.

(a) Except as provided herein, your rights in respect of your outstanding unvested Award shares shall immediately terminate, and no shares shall be paid in respect thereof, if at any time prior to the respective Vesting Date you terminate your employment.

(b) If the Corporation terminates your employment for Cause, your Award shares shall be cancelled and the provisions under the Plan will apply.

4. Non-transferability. This Award (or any rights and obligations hereunder) may not be sold, exchanged, transferred, assigned, pledged, hypothecated or otherwise disposed of or hedged, in any manner (including through the use of any cash-settled instrument), whether voluntarily or involuntarily and whether by operation of law or otherwise, other than by will or by the laws of descent and distribution.

5. Withholding, Consents and Legends.

(a) You shall be solely responsible for any applicable taxes (including, without limitation, income and excise taxes) and penalties, and any interest that accrues thereon, incurred in connection with your Award. The Corporation will withhold shares of Common Stock for the payment of taxes in connection with the vesting of your Award or upon the occurrence of any other event that, in accordance with applicable law, will generate a tax liability with regards to your Award. The Corporation will withhold shares of Common Stock with a value equal to the amount of taxes that the Corporation determines it is required to withhold under applicable laws (with such withholding obligation determined based on any applicable minimum statutory withholding rates). The Corporation will use the Fair Market Value of the Common Stock on the Vesting Date or such other date, as applicable, in order to determine the number of shares to be withheld. If you wish to remit cash to the Corporation (through payroll deduction or otherwise), in each case in an amount sufficient in the opinion of the Corporation to satisfy such withholding obligation, you must notify the Corporation in advance and do so in compliance with all applicable laws and pursuant to such rules as the Corporation may establish from time to time, including, but not limited to, the Corporation's Insider Trading Policy.

(b) Your right to receive shares pursuant to the Award is conditioned on the receipt to the reasonable satisfaction of the Committee of any required consent that the Committee may reasonably determine to be necessary or advisable. By accepting delivery of the shares, you acknowledge that you are subject to the Corporation's Insider Trading Policy.

6. Restrictive Covenants.

(a) In consideration of the terms of the Award, you agree to the restrictive covenants and associated remedies as set forth below, which exist independently of and in addition to any obligation to which you are subject under the terms of any other agreement you may have with the Corporation or any of its subsidiaries ("*Popular*").

(b) For a period of one year immediately following termination of your employment with Popular for any reason, you will not do any of the following, either directly or indirectly or through associates, agents, or employees:

(i) solicit, recruit or assist in the solicitation or recruitment of any employee or consultant of Popular (or who was an employee or consultant of Popular within the prior six months) for the purpose of encouraging that employee or consultant to leave Popular's employ or sever an agreement for services; or

(ii) solicit, participate in or assist in the solicitation of any of Popular's customers serviced by you or with whom you had Material Contact and/or regarding whom you received Confidential Information (as defined in Popular's Code of Ethics) during the three-year period prior to your employment termination who were still customers of Popular during the immediately preceding 12-month period, for the purpose of providing products or services in competition with Popular's products or services. "Material Contact" means interaction between you and the customer within the three-year prior to your last day as a team member which takes place to manage, service or further the business relationship.

The term "Solicit", when used in this section, will mean any direct or indirect communication of any kind regardless of who initiates it, that in any way invites, advises, encourages or requests any person to take any action; provided that such term will not be deemed to include solicitation by public advertisement media of general distribution (i.e., not targeted to present employees, consultants or customers of Popular) without specific instruction or direction by you.

If you breach any of the terms of this restrictive covenant, all outstanding Restricted Stock and Performance Shares awarded hereunder, whether vested or unvested, held by you shall be immediately and irrevocably forfeited for no consideration. For any Restricted Stock and Performance Shares awarded hereunder that vested within one (1) year prior to the termination of your employment with Popular or at any time between your termination of employment and the date of said breach, you shall be required to repay or otherwise reimburse Popular an amount having a value equal to the aggregate fair market value (determined as of the date of vesting) of such vested shares. This paragraph does not constitute Popular's exclusive remedy for violation of your restrictive covenant obligations, and Popular may seek any additional legal or equitable remedy, including injunctive relief, for any such violation.

7. Section 409A. Shares awarded under this Award Agreement are intended to be exempt from Section 409A of the U.S. Code, to the extent applicable, and this Award Agreement is intended to, and shall be interpreted, administered and construed consistent therewith. The Committee shall have full authority to give effect to the intent of this Section 7.

8. No Rights to Continued Employment. Nothing in this Award Agreement shall be construed as giving you any right to continued employment by the Corporation or any of its affiliates or affect any right that the Corporation or any of its affiliates may have to terminate or alter the terms and conditions of your employment.

9. Successors and Assigns of the Corporation. The terms and conditions of this Award Agreement shall be binding upon, and shall inure to the benefit of, the Corporation and its successor entities.

10. Committee Discretion. Subject to the terms of the Plan, the Committee shall have full discretion with respect to any actions to be taken or determinations to be made in connection with this Award Agreement, and its determinations shall be final, binding and conclusive.

11. Amendment. The Committee reserves the right at any time to amend the terms and conditions set forth in this Award Agreement; *provided* that, notwithstanding the foregoing, no such amendment shall materially adversely affect your rights and obligations under this Award Agreement without your consent (or the consent of your estate, if such consent is obtained after your death), and *provided*, *further*, that the Committee may not postpone the payout of shares to occur at any time after the applicable time provided for in this Award Agreement. Any amendment of this Award Agreement shall be in writing signed by an authorized member of the Committee or a person or persons designated by the Committee.

12. Adjustment; Other Plan Provisions. Subject to Section 11, the Committee shall adjust equitably the terms of this Award in accordance with Section 5.3 of the Plan, if applicable. Subject to the terms of this Award Agreement, the Restricted Stock shall be subject to the terms of the Plan, including, but not limited to, the provisions of Section 8.4 related to dividends and voting rights. Cash dividends paid on the Restricted Stock and on all of the Common Stock that may be subsequently acquired with such cash dividends, will be invested in the purchase of additional shares of Common Stock of the Corporation in accordance with the Popular, Inc. Dividend Reinvestment and Stock Purchase Plan (the "*DRIP*"); such shares are not subject to the restrictions and are immediately vested. The Restricted Stock shall be held in custody by the Fiduciary Services Division of Banco Popular de Puerto Rico.

Performance Shares will accrue Dividend Equivalents prior to the Performance Shares Vesting Date. Accrued Dividend Equivalents with respect to the Performance Shares will be invested in additional shares of Common Stock of the Corporation in accordance with the formula set forth in the DRIP. All shares of Common Stock acquired pursuant to the reinvestment of dividends will be subject to the terms and conditions of Section 2 and will be paid out on the Performance Shares Vesting Date based on the actual number of Performance Shares earned on that date.

13. Governing Law. This award shall be governed by and construed in accordance with the laws of Puerto Rico, without regard to principles of conflicts of laws.

14. Incentive Recoupment. This award shall be subject to the terms of the Popular, Inc. Incentive Recoupment Guideline in effect as of the Grant Date and as such guideline may be required to be modified in accordance with applicable law or regulation.

15. Headings. The headings in this Award Agreement are for the purpose of convenience only and are not intended to define or limit the construction of the provisions hereof.

IN WITNESS WHEREOF, POPULAR, INC. and the Recipient caused this Award Agreement to be duly executed and delivered as of the Grant Date.

POPULAR, INC.

By: [Insert Name of Representative]
Title: [Insert Name of Representative]

____
Signature

ACCEPTED:

By: [Insert Name of Recipient]
Title: [Insert Name of Recipient]

____
Signature

ANNEX 1

POPULAR, INC.

2026 LONG-TERM EQUITY INCENTIVE AWARD

Recipient:

Employee Number:

Grant Date:

Total Dollar Value of Award: $ «M__C__Total_LTI_»

Common Stock Market Price as of closing on Grant Date: $

Restricted Stock

Dollar Value of Restricted Stock Award: $«M__D__Restricted_Stock_Award_Value»

Common Stock Market Price as of closing on Grant Date: $

Total Shares of Restricted Stock Awarded:

Restricted Stock Vesting Dates:

«M__F__2232027»[_____] Shares [_____] Shares [_____] Shares [_____] Shares	February 23, 2027 February 23, 2028 February 23, 2029 February 23, 2030

Performance Shares

Dollar Value of Performance Shares Award:

Common Stock Market Price as of closing on Grant Date:

Total Target Number of Shares: *(50% Total Shareholder Return / 50% ROATCE)*

Relative Total Shareholder Return (TSR)[1] –	**Percentile Rank among Comparator Group**	**Shares Earned (% of Target)**
Opening Price =	75th Percentile or above *(maximum)*	*(1.5x target shares)*
	50th Percentile *(target)*	*(1x target shares)*
	25th Percentile *(threshold)*	*(0.5x target shares)*
	Below 25th Percentile	0
Absolute Return on Average Tangible Common Equity (ROATCE)[2] –	**ROATCE**	**Shares Earned (% of Target)**
3-year simple average ROATCE 2023-2025	14.30% or above *(maximum)*	*(1.5x target shares)*
	12.75% *(target)*	*(1x target shares)*
	9.30% *(threshold)*	*(0.5x target shares)*
	Lower than 9.30%	0
Results between threshold, target and maximum performance will be interpolated to determine vesting award		

[1] TSR will be calculated as [(Closing Price at end of period * (1 + number of shares purchased assuming reinvestment of dividends))/Opening Price at beginning of period] – 1

- Closing Price and Opening Price are based on the preceding 60 trading days average daily close price to mitigate against share price volatility of point-in-time metrics.
  - Opening price = average price 10/05/2023 – 12/31/2023
  - Closing price = average price based on the 60-day trading period ending December 31, 2026
- TSR calculations shall assume that dividends are reinvested on the ex-dividend date (i.e., the date a dividend asset is guaranteed).

Comparator Group -- U.S. Banks (GICS Code 401010) with Assets between $25B - $500B – Performance will be based on the composition of the group at the beginning of the 3-year Performance Cycle. If a company has been acquired as of the end of the performance period, the company will be removed from the index. If a company goes bankrupt during the performance period, the company will be included in the ranking at -100%.

If Popular's absolute TSR is negative, payout will be limited to a maximum of 100% of target.

[2] 3-year simple average ROATCE for 3 years (2024-2026). The Committee may adjust the goal or results to reflect a core profitability that would not be unduly inflated or deflated by certain transactions that do not reflect the underlying performance of Popular's ongoing operations, including, but not limited to, the impact of significant tax reform, sales of non-earning assets, sales of branches or other businesses, unanticipated changes in capital actions, certain business acquisition costs and revenues, extraordinary events or charitable contributions, severance costs and certain litigation and settlement costs, among others.

POPULAR, Inc.

CERTIFICATION **EXHIBIT 31.1**

I, Javier D. Ferrer, certify that:

1. I have reviewed this report on Form 10-Q of Popular, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: May 8, 2026

By: /s/ Javier D. Ferrer

Javier D. Ferrer

President and Chief
Executive Officer

POPULAR, Inc.

CERTIFICATION **EXHIBIT 31.2**

I, Jorge J. Garcia, certify that:

1. I have reviewed this report on Form 10-Q of Popular, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: May 8, 2026

By: /s/ Jorge J. García

Jorge J. García

Chief Financial Officer

EXHIBIT 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. Section 1350

Pursuant to 18 U.S.C. Section 1350, the undersigned officer of Popular, Inc. (the "Company"), hereby certifies that the Company's Report on Form 10-Q for the quarter ended March 31, 2026 (the "Report") fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934 and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 8, 2026

By: /s/ Javier D. Ferrer
Name: Javier D. Ferrer
Title: President and Chief Executive Officer

A signed original of this written statement has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

POPULAR, Inc.

EXHIBIT 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. Section 1350

Pursuant to 18 U.S.C. Section 1350, the undersigned officer of Popular, Inc. (the "Company"), hereby certifies that the Company's Report on Form 10-Q for the quarter ended March 31, 2026 (the "Report") fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934 and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 8, 2026

By: /s/ Jorge J. García
Name: Jorge J. García
Title: Chief Financial Officer

A signed original of this written statement has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.