



Second
Quarter
2024

Quarterly Report



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Second Quarter - Corporate Periodic Report

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About Banco Popular

Banco Popular S.A. is a privately owned Colombian company with more than 70 years of experience in the financial market, during which time it has been committed to providing financial support and assistance to all its customers to help them achieve their goals. The bank is part of Conglomerate Financier Aval, one of the most representative financial groups in Colombia and one of the leading banking groups in Central America in terms of assets.

Banco Popular has consolidated its position as a customer-focused organization that builds trust, shares knowledge, develops its human talent and creates spaces for innovation and transformation. These characteristics have enabled it to offer a wide range of value-added services to its customers in the retail, small and medium-sized enterprises (SMEs), corporate and public sectors. The Bank has developed its leadership in serving pensioners, educators, formal workers and the public sector, and has established a solid relationship with the country's public and private entities.

In this way, through its business model and 2024 strategy, the bank continues to work towards its goal of being a sustainable company that creates experiences that make a positive difference in people's lives, and is therefore chosen, loved and recommended by people.

In August 2024, **BRC Ratings**, a **Standar & Poors Global company**, awarded high debt ratings, which remained at 'AAA' for long-term debt and 'BRC 1+' for short-term debt.

The rating agency's report also confirms the 'AAA' ratings for the long-term debt of the Ordinary Bonds and 'AA+' for the Subordinated Bonds of the Programme for the Issue and Placement of Ordinary Bonds and/or Subordinated Bonds of Banco Popular S.A.





1. Macroeconomic Environment

International Economic Environment

The second quarter of 2024 was dominated by market expectations for the first interest rate cut by the US Federal Reserve (Fed). Following the notable decline in inflation in 2023, the market had positioned itself for the Fed to announce the start of the cut cycle at the March 2024 meeting.

However, the inflation data has not reacted as expected, failing to break the 3% barrier, forcing the FED to postpone the start of rate cuts, with the first move not expected until the last quarter of the year. In the face of this change in interest rate expectations, the market is maintaining the high level of volatility seen over the last two years. In addition, the uncertainty of the international geopolitical context has caused concern among investors, who are paying close attention to how the Israeli-Palestinian conflict and the US elections unfold, as they could represent significant changes for international markets.

Inflation

After reaching its highest inflation rate in 40 years (9.10% p.a. in July 2022), the US Consumer Price Index (CPI) consolidated to a steep decline in 2023, closing the year at 3.1% p.a. The CPI decline benefited from the adjustment of domestic demand in the US following the Fed's rate hikes over the past 18 months. The fall in the CPI benefited from the adjustment in domestic demand in the US following the Federal Reserve's rate hikes over the past 18 months.

Despite this, inflation in the world's leading economy has not yet reached the Fed's monetary policy target (CPI of 2% p.a.), and the market expects the final leg of the adjustment to be much slower than observed so far. By the end of 2024, inflation is expected to be 2.4%, which will be the main factor influencing market performance in 2024.

Monetary Policy

Faced with the historic rise in global inflation, the central banks of the major economies were forced to change their monetary policy stance to bring inflation under control, in anticipation of permanent damage to the global economy. For example, the Federal Reserve of the United States (FED) significantly reduced liquidity and raised interest rates to reduce aggregate demand and encourage price declines.

The Fed's intervention rate rose from the 0-0.25% range at which it started in 2022 to 5.25%-5.50% in June 2023. The accelerated move of 550 basis points is one of the largest moves the Fed has made in its history and has caused considerable tension in international markets.



Although the Federal Reserve (FED) will stop raising interest rates in 2023, the market had priced in three FED rate hikes earlier this year, aiming for a rate of 4.75% at the end of 2024. However, continued surprises on the inflation front in the first quarter of 2024 have led the FED to postpone rate cuts. As of today, two 25bp cuts are expected over the course of 2024, bringing the Fed funds rate to 5.00%.

National Economic Context

In Colombia, 2023 was characterized by a sharp economic slowdown, affected by inflation that remained high. In fact, household consumption (which represents 70 % of GDP) went from growing at a rate of 8.5 % per year in 2022 to expanding by only 0.3 % per year in 2023, due to high inflation and interest rates, which would influence household consumption decisions. This resulted in GDP growth in 2023 of 0.6 % p.a., its lowest level this century, excluding the pandemic years.

For its part, the start of 2024 does not show that growth data is on a slowing trend: in the first quarter of the year, economic activity increased by 0.7 % p.a., while growth expectations for 2024 stand at 1.5 %, a low level compared to the country's potential growth (historically at 3.5 %).

The economic slowdown observed at the beginning of 2024 is reflected in the performance of several economic sectors, of particular concern being manufacturing, which contracted by 5.9% y-o-y in the first quarter of 2024, financial activities, which contracted by 3.00%, and trade, which fell by 0.77%. The economic slowdown has been reflected in a deterioration in unemployment, which stood at over 10 % in the first half of 2024.

In addition, the high inflation rate has acted as a cause and aggravator of the economic slowdown observed in recent years. In March 2023, Colombian inflation stood at 13.35%, the highest level observed in the country in the last 20 years. Although inflation has managed to slow down, the speed of inflationary convergence has not been as expected. At the end of June 2024, inflation stood at 7.18% and year-end expectations are 5.64%, far from the Bank of the Republic's target of 2%-4%.

Faced with the historic increase in inflation, the Banco de la República reacted by rapidly increasing the intervention rate to cool demand in the economy and curb inflation. In this way, the Bank increased its intervention rate from 4 to 13.25 % in 18 months.

Now, following the turnaround in the country's inflation data, the Banco de la República has been able to change its monetary stance by making regular cuts since December 2023. At year-end, the bank made cuts of 200 basis points, and the intervention rate is expected to stand at 8.50 % at the end of the year.



Dollar performance

On the exchange rate front, the dollar has been affected by the various events described throughout the chapter (international uncertainty, risk aversion, oil price changes and inflation). In 2022, the dollar in Colombia depreciated because of the strong political uncertainty that the country experienced in the first half of the year due to the election campaign.

After the 2022 election results, the dollar was affected by messages from the government, especially those related to the signing of new oil exploration contracts, which generated nervousness in the market. This caused the price of the dollar to rise by more than COP 1200, taking as a reference the exchange rate at the beginning of 2022 (COP 3981) and the price it reached in October 2022 (COP 5215).

Fortunately, at the end of 2023 and the beginning of 2024, the dollar behaved in the opposite way to that observed in 2022, due to new and more favourable prospects at the international level and higher levels of confidence of international investors in the country. In large part, the greater confidence of international agents is due to the strength of Colombian institutions, which have led to the search for agreements in the Congress of the Republic, avoiding drastic changes in the country's macroeconomic management. In this context, the price of the dollar reached COP\$3,750, something not seen since before the 2022 presidential elections.



2. Bond Issues

OUTSTANDING BOND ISSUES IN CIRCULATION							
Clase	# Emisión	Fecha de emisión	Sub serie	Indicador	Fecha de vencimiento	Monto por serie	Tasa facial
BONOS SUBORDINADOS	PRIMERA SUBORDINADOS	12/10/2016	C10	IPC	12/10/2026	144.922.000.000	4,13%
BONOS ORDINARIOS	DECIMO QUINTA	4/02/2020	B5	Tasa Fija	4/02/2025	217.540.000.000	6,68%
			B7	IPC	4/02/2027	119.000.000.000	3,08%
BONOS ORDINARIOS	DECIMO SEXTA	15/07/2021	B5	Tasa Fija	15/07/2026	267.285.000.000	6,78%
			C5	IPC	15/07/2026	114.715.000.000	2,56%
			D3	IBR	15/07/2024	118.000.000.000	1,59%
BONOS ORDINARIOS	DECIMO SEPTIMA	11/11/2021	B3	Tasa Fija	11/11/2024	256.299.000.000	7,34%
			C5	IPC	11/11/2026	105.705.000.000	3,38%
BONOS ORDINARIOS	DECIMO OCTAVA	10/03/2022	B3	Tasa Fija	10/03/2025	332.948.000.000	10,20%
			C5	IPC	10/03/2027	53.102.000.000	3,84%



3. Separate Financial Results

3.1 Key Figures and Indicators

(Expressed in millions of Colombian pesos)

- Total Assets were \$30,408,471. Total liabilities were \$27.932.806.
- Gross Portfolio closed at \$21,527,683, down 0.6% compared to the first quarter of 2024 and 9.3% compared to the first half of 2023. The portfolio quality by seasonality reached a level of 4.5% and the Quality Indicator C, D, E, a total of 5.8%.
- The portfolio quality indicator for portfolio over 30 days was 4.5% and for portfolio over 90 days was 3.4%. The consolidated net cost of risk for the quarter was 0.7%.
- Deposits totaled \$24,196,031, representing 86.6% of total liabilities. Savings accounts contributed 43.0%, followed by CDTs with 39.8% of total liabilities, current accounts with 3.7% and other deposits with 0.2%.
- The Deposits to Net Portfolio ratio in the second quarter of 2024 was 1.20x.
- As of 30 June 2024, the Bank reported an accumulated net loss of \$156,477, resulting in a return on average assets (ROA) indicator for the first half of 2024 of -1.0% and return on average equity (ROE) of -11.5%.
- The Total Solvency Indicator was 12.3%, under Basel III standards, while Basic Solvency was 10.6%.
- The cumulative Net Interest Margin (NIM) was 2.7% on 30 June 2024, increasing 26 bps compared to the first quarter of 2024. Investment NIM was -0.7% and Portfolio NIM was 3.4%.
- The Fee Income Indicator for Q2 2024 was 5.0%, up 0.3% vs. Q1 2024.
- The cumulative Efficiency Ratio was 137.7% and the Operating Expense to Average Assets Ratio was 4.0% for Q2 2024. including quantitative and qualitative information.



Principales Indicadores	Junio de 2024	Marzo de 2024	Junio de 2023
Razones de Rentabilidad			
ROA	-1,0%	-1,2%	-1,3%
ROE	-11,5%	-14,6%	-14,3%
Eficiencia administrativa acumulada (Gastos administrativos+ personal sin depreciaciones/ Utilidad intereses e inversiones sin dividendos + comisiones netas + otros operacionales)	137,7%	148,6%	179,0%
Calidad Cartera			
Calidad de la cartera por temporalidad	4,5%	4,5%	3,6%
Calidad C, D, E, total	5,8%	5,6%	4,5%
Solvencia	12,3%	12,7%	10,4%

3.2 Financial Statement

BANCO POPULAR S.A.							
Estado Condensado Separado de Situación Financiera							
Millones de pesos colombianos	Junio de 2024	Marzo de 2024	Junio de 2023	Junio 2024 / Marzo 2024		Junio 2024 / Junio 2023	
				Abs	%	Abs	%
ACTIVOS							
Efectivo y equivalentes de efectivo	2.460.951	2.030.481	1.658.268	430.470	21,2%	802.683	48,4%
Activos financieros de inversión:							
Activos financieros mantenidos para negociar	688.060	563.670	453.725	124.390	22,1%	234.335	51,6%
Activos financieros disponibles para la venta	2.326.453	2.277.812	2.201.053	48.641	2,1%	125.400	5,7%
Activos financieros mantenidos hasta su vencimiento	1.807.329	1.816.883	1.825.019	(9.554)	-0,5%	(17.690)	-1,0%
Deterioro de activos financieros de inversión	(668)	(690)	(690)	22	-3,2%	22	-3,2%
Total activos financieros de inversión, neto	4.821.174	4.657.675	4.479.107	163.499	3,5%	342.067	7,6%
Cartera de créditos y leasing financiero, neto	20.219.644	20.292.497	22.435.850	(72.853)	-0,4%	(2.216.206)	-9,9%
Otras cuentas por cobrar, neto	312.003	337.872	328.961	(25.869)	-7,7%	(16.958)	-5,2%
Inversiones en compañías subsidiarias, asociadas y negocios conjuntos, neto	941.993	916.627	981.006	25.366	2,8%	(39.013)	-4,0%
Activos no corrientes mantenidos para la venta	18.722	21.082	6.822	(23.609)	11,2%	11.900	174,4%
Activos tangibles, neto	450.651	476.150	571.570	(25.499)	-5,4%	(120.919)	-21,2%
Activos intangibles, neto	375.160	368.436	323.381	6.724	1,8%	51.779	16,0%
Activo por impuesto a las ganancias							
Corriente	360.465	324.235	213.898	36.230	11,2%	146.567	68,5%
Diferido	445.160	394.439	208.358	50.721	12,9%	236.802	113,7%
Otros activos	2.548	2.378	1.386	170	7,1%	1.162	83,8%



BANCO POPULAR S.A.							
Estado Condensado Separado de Situación Financiera							
Millones de pesos colombianos	Junio de 2024	Marzo de 2024	Junio de 2023	Junio 2024 / Marzo 2024		Junio 2024 / Junio 2023	
				Abs	%	Abs	%
Total activos	30.408.471	29.821.872	31.208.607	586.599	2,0%	(800.136)	-2,6%
PASIVOS Y PATRIMONIO							
PASIVOS							
Pasivos financieros a valor razonable	9.515	21.806	11.406	(12.291)	56,4%	(1.891)	-16,6%
Pasivos financieros a costo amortizado	27.162.025	26.552.512	27.659.447	609.513	2,3%	(497.422)	-1,8%
Cuentas por pagar y otros pasivos	351.089	314.605	369.799	36.484	11,6%	(18.710)	-5,1%
Provisiones	14.294	14.376	18.499	(82)	-0,6%	(4.205)	-22,7%
Beneficios de empleados	395.883	396.467	373.273	(584)	-0,1%	22.610	6,1%
Total pasivos	27.932.806	27.299.766	28.432.424	633.040	2,3%	(499.618)	-1,8%
PATRIMONIO							
Capital suscrito y pagado	77.253	77.253	77.253	-	-	-	-
Prima en colocación de acciones	63.060	63.060	63.060	-	-	-	-
Reservas y utilidades retenidas	2.303.079	2.367.834	2.662.703	(64.755)	-2,7%	(359.624)	-13,5%
Otros resultados integrales	32.273	13.959	(26.833)	18.314	131,2%	59.106	-220,3%
Patrimonio	2.475.665	2.522.106	2.776.183	(46.441)	-1,8%	(300.518)	-10,8%
Total pasivos y patrimonio	30.408.471	29.821.872	31.208.607	586.599	2,0%	(800.136)	-2,6%

Analysis of Statement of Financial Position

Assets

The Bank's assets were \$30,408,471 as of 30 June 2024, compared to assets recorded at 31 March 2024 of \$29,821,872, an increase of \$586,599, which in percentage terms represented a net increase of 2.0%.

Cash

On 30 June 2024, the balance of cash and deposits with central banks was \$2,460,951, an increase of 21.2% from 31 March 2024 and 48.4% from 30 June 2023.

Loan portfolio

The loan portfolio decreased by \$72,853 compared to 31 March 2024 and decreased by \$2,216,206 compared to 30 June 2023.



During the second quarter of 2024, the portfolio of promissory notes decreased by \$22,100, ordinary loans increased by \$40,734, credit cards and home mortgage letters decreased by \$31,118 and \$26,701, respectively.

On 30 June 2024, the consumer portfolio represented 67.8% of the total gross portfolio, followed by 26.9% in the commercial portfolio and 5.2% in the mortgage portfolio. Repos and Interbank closed at \$26,364, an increase of \$18,071 from 31 March 2024. The portfolio provision was \$1,308,039 on 30 June 2024, resulting in a net portfolio balance of \$20,219,644.

The following appendix provides additional details on the loan portfolio by product:

Clasificación Portafolio de Cartera							
Millones de pesos colombianos	Junio de 2024	Marzo de 2024	Junio de 2023	Junio 2024 / Marzo 2024		Junio 2024 / Junio 2023	
				Abs.	%	Abs.	%
Portafolio de Cartera y Leasing							
Comercial y Leasing Comercial	5.784.908	5.770.857	6.458.135	14.051	0,2%	(673.227)	-10,4%
Cartera Consumo y Leasing Consumo	14.601.588	14.722.896	15.828.774	(121.308)	-0,8%	(1.227.186)	-7,8%
Cartera Hipotecaria y Leasing Hipotecario	1.114.281	1.144.214	1.207.190	(29.933)	-2,6%	(92.909)	-7,7%
Cartera Microcréditos y Leasing Microcrédito	542	738	1.357	(196)	-26,6%	(815)	-60,1%
Total de Portafolio de Cartera y Leasing	21.501.319	21.638.705	23.495.456	(137.386)	-0,6%	(1.994.137)	-8,5%
Repos, Interbancarios y otros	26.364	8.293	231.229	18.071	217,9%	(204.865)	-88,6%
Total de Portafolio de Cartera y Leasing y otros	21.527.683	21.646.998	23.726.685	(119.315)	-0,6%	(2.199.002)	-9,3%
Provisión Portafolio de Cartera y Leasing	(1.308.039)	(1.354.501)	(1.290.835)	46.462	-3,4%	(17.204)	1,3%
Provisión Portafolio de Comercial y Leasing Comercial	(301.800)	(295.390)	(304.605)	(6.410)	2,2%	2.805	-0,9%
Provisión Portafolio de Consumo y Leasing Consumo	(969.119)	(1.021.666)	(950.663)	52.547	-5,1%	(18.456)	1,9%
Provisión Portafolio de Hipotecaria y Leasing Hipotecario	(37.051)	(37.367)	(35.454)	316	-0,8%	(1.597)	4,5%
Provisión Portafolio de Microcréditos y Leasing Microcrédito	(69)	(78)	(113)	9	-11,5%	44	-38,9%
Total de Portafolio de Cartera y Leasing a Costo Amortizado	20.219.644	20.292.497	22.435.850	(72.853)	-0,4%	(2.216.206)	-9,9%

Below is the distribution of the credit portfolio and leasing operations, according to their risk rating, in accordance with the standards established by the Financial Superintendency of Colombia.

Clasificación Portafolio de Cartera							
Millones de pesos colombianos	Junio de 2024	Marzo de 2024	Junio de 2023	Junio 2024 / Marzo 2024		Junio 2024 / Junio 2023	
				Abs.	%	Junio de 2024	Marzo de 2024
"A" Normal	19.939.428	20.110.620	22.180.164	(171.192)	-0,85%	(2.240.736)	-10,10%
"B" Aceptable	305.290	315.976	249.753	(10.686)	-3,38%	55.537	22,24%
"C" Deficiente	288.196	273.397	268.292	14.799	5,41%	19.904	7,42%
"D" Díficil Cobro	437.839	400.129	373.574	37.710	9,42%	64.265	17,20%
"E" incobrable	530.566	538.583	423.673	(8.017)	-1,49%	106.893	25,23%
Total Cartera de Créditos y Leasing Financiero	21.501.319	21.638.705	23.495.456	(137.386)	-0,63%	(1.994.137)	-8,49%
Repos, Interbancarios y otros	26.364	8.293	231.229	18.071	217,91%	(204.865)	-88,60%
Total de Portafolio de Cartera, Leasing y otros	21.527.683	21.646.998	23.726.685	(119.315)	-0,55%	(2.199.002)	-9,27%



The following are the main indicators of the loan portfolio:

Nombre del Indicador	Junio de 2024	Marzo de 2024	Junio de 2023
Cartera "C", "D" & "E" / Total Cartera	5,8%	5,2%	4,5%
Cartera Vencida a más de 30 días / Total Cartera	4,5%	4,2%	3,6%
Cartera Vencida a más de 90 días / Total Cartera	3,4%	3,0%	2,5%
Provisión de cartera / Cartera "C", "D" & "E"	104,1%	113,5%	121,1%
Provisión de cartera / Cartera Vencida a más de 30 días	134,6%	139,4%	150,7%
Provisión de cartera / Cartera Vencida a más de 90 días	177,6%	196,1%	217,3%
Provisión de cartera / Total Cartera	6,1%	5,9%	5,4%
Gasto de Provisión, neto / Cartera "C", "D" & "E"	12,4%	30,0%	14,9%
Gasto de Provisión, neto / Cartera Vencida a más de 30 días	16,0%	40,1%	18,5%
Gasto de Provisión, neto / Cartera Vencida a más de 90 días	21,1%	52,9%	26,7%
Gasto de Provisión, neto / Total Cartera Promedio	0,7%	1,3%	0,7%
Castigos / Total Cartera Promedio	0,5%	0,8%	0,7%

Investment Portfolio

As of 30 June 2024, the net investment portfolio closed at \$4,821,174, an increase of 3.5% compared to 31 March 2024 and an increase of 7.6% compared to 30 June 2023.

Available-for-sale financial assets represent 48.2% of the total portfolio, followed by held-to-maturity investments of 37.5% and financial assets held for trading 14.3%. The following table presents the investment portfolio:

Activos Financieros de Inversión							
Millones de pesos colombianos	Junio de 2024	Marzo de 2024	Junio de 2023	Junio 2024 / Marzo 2024		Junio 2024 / Junio 2023	
				Abs.	%	Abs.	%
Activos Financieros Mantenidos Para Negociar							
Inversiones en títulos de deuda	219.318	226.692	248.514	(7.374)	-3,3%	(29.196)	-11,7%
Inversiones en instrumentos de patrimonio	409.976	310.971	165.820	99.005	31,8%	244.156	147,2%
Instrumentos derivativos de negociación	58.766	26.007	39.391	32.759	126,0%	19.375	49,2%
Total Activos Financieros Mantenidos para Negociar	688.060	563.670	453.725	124.390	22,1%	234.335	51,6%
Activos Financieros Disponibles para la Venta							
Inversiones en títulos de deuda	2.119.996	2.081.604	2.026.628	38.393	1,8%	93.368	4,6%
Inversiones en instrumentos de patrimonio	206.457	196.208	174.425	10.249	5,2%	32.032	18,4%
Total Activos Financieros Disponibles para la venta	2.326.453	2.277.812	2.201.053	48.641	2,1%	125.400	5,7%
Inversiones Mantenidos Hasta el Vencimiento	1.807.329	1.816.883	1.825.019	(9.554)	-0,5%	(17.690)	-1,0%
Provisiones de inversiones	(668)	(690)	(690)	22	-3,2%	22	-3,2%
Total Activos Financieros de Inversión	4.821.174	4.657.675	4.479.107	163.499	3,5%	342.067	7,6%



Liabilities

The Bank reported \$27,932,806 of liabilities as at 30 June 2024, an increase of 2.3% compared to 31 March 2024 and a decrease of 1.8% compared to 30 June 2023.

The Bank's main source of funding is deposits, representing 89.1% of total financial liabilities at amortized cost, followed by bonds 7.4% and financial obligations 3.5%.

Deposits

Deposits were \$24,196,031 on 30 June 2024, increasing 3.4% compared to 31 March 2024 and decreasing 0.6% compared to 30 June 2023. For the first half of 2024, of the total financial liabilities at amortized cost, savings accounts represent 49.7%, CDTs 45.9% and current accounts 4.3%.

The composition of deposits is presented below:

Depósitos a Costo Amortizado							
Millones de pesos colombianos	Junio de 2024	Marzo de 2024	Junio de 2023	Junio 2024 / Marzo 2024		Junio 2024 / Junio 2023	
				Abs.	%	Abs.	%
Cuentas corrientes	1.032.419	987.279	1.270.843	45.140	4,6%	(238.424)	-18,8%
Certificados de depósitos a término	11.104.377	10.607.827	11.869.558	496.550	4,7%	(765.181)	-6,4%
Cuentas de ahorro	12.014.155	11.753.684	11.176.742	260.471	2,2%	837.413	7,5%
Otros depósitos	45.080	46.856	36.806	(1.776)	-3,8%	8.274	22,5%
Total Depósitos	24.196.031	23.395.646	24.353.949	800.385	3,4%	(157.918)	-0,6%

Due from Banks and Others

Letters of Credit - Overseas Banks, Banks and Correspondents and Lease Liabilities amounted to \$353,280 in the second quarter of 2024, increasing 6.5% compared to 31 March 2024 and 17.8% compared to 30 June 2023.

Total Equity and Regulatory Capital

Equity on 30 June 2024 was \$2,475,665, down 1.8% from 31 March 2024 and 10.8% from 30 June 2023.

The Bank's solvency indicators on 30 June 2024, under Basel III standards, were 12.3% for Total Solvency and 10.6% for Basic Solvency.

Core Ordinary Shareholders' Equity decreased by \$68,887 in the second quarter of 2024 compared to 31 March 2024, mainly due to the result for the year.

Additional Equity decreased by \$291 as compared to 31 March 2024, which corresponds to a decrease in the general loan portfolio provision.



Assets Weighted by Risk Level (APNR) increased \$138,668, mainly in the assets weighted at 100% for \$133,683, which are composed by the increase of; Investments at fair value through profit and loss for \$99,005 and deferred income tax for \$50,722.

The main solvency figures are as follows:

Relación de solvencia			
Millones de pesos colombianos	Junio de 2024	Marzo de 2024	Junio de 2023
Patrimonio Técnico	2.387.004	2.456.182	2.152.865
Total Patrimonio Básico	2.051.481	2.120.368	1.972.140
Patrimonio Adicional	335.523	335.814	180.725
Activos Ponderados por Nivel de Riesgo	19.393.269	19.358.489	20.764.982
Activos Ponderados por Riesgo Crediticio	17.044.143	16.905.475	17.725.098
Activos Ponderados por Riesgo de Mercado	795.221	918.348	1.324.144
Activos Ponderados por Riesgo Operativo	1.553.905	1.534.666	1.715.740
Índice de Solvencia Total	12,3%	12,7%	10,4%
Índice de Solvencia Básica	10,6	11,0%	9,5%

3.3 Income Statement

BANCO POPULAR S.A.							
Estado Condensado Separado de Resultados							
Millones de pesos colombianos	Junio de 2024	Marzo de 2024	Junio de 2023	Junio 2024 / Marzo 2024		Junio 2024 / Junio 2023	
				Abs.	%	Abs.	%
Ingresos por intereses y similares	1.582.902	788.674	1.800.475	794.228	100,7%	(217.573)	-12,1%
Gastos por intereses y similares	(1.253.836)	(646.217)	(1.529.744)	(607.619)	94,0%	275.908	-18,0%
Ingreso neto por intereses y similares	329.066	142.457	270.731	186.609	131,0%	58.335	21,5%
Pérdidas por deterioro de activos financieros, neto	(143.858)	(95.954)	(143.321)	(47.904)	49,9%	(537)	0,4%
Ingresos netos por intereses después de pérdida por deterioro	185.208	46.503	127.410	138.705	298,3%	57.798	45,4%
Ingreso neto por comisiones y honorarios	44.717	21.721	35.157	22.996	105,9%	9.560	27,2%
Ingresos netos de activos y pasivos a valor razonable con cambios en resultados	25.286	28.266	60.446	(2.980)	-10,5%	(35.160)	-58,2%
Otros ingresos	71.053	30.456	48.123	40.597	133,3%	22.930	47,6%
Otros gastos	(602.708)	(294.071)	(659.742)	(308.637)	105,0%	57.034	-8,6%
Pérdida antes de impuestos a las ganancias	(276.444)	(167.125)	(388.606)	(109.319)	65,4%	112.162	-28,9%
Impuesto a las ganancias	119.967	(74.318)	171.093	194.285	-261,4%	291.060	-170,1%
Pérdida neta del período	(156.477)	(92.807)	(217.513)	(63.670)	68,6%	61.036	-28,1%

The cumulative net loss for the first half of 2024 was \$156,477, mainly explained by; net interest income \$329,066, impairment losses on financial assets of \$143,858, net fees \$44,717, net income from assets and liabilities at fair value through profit or loss \$25,286, other income \$71,043, other expenses \$602,708 and income tax income \$119,967.



Net Interest Income

Ingresos netos por intereses							
Millones de pesos colombianos	Junio de 2024	Marzo de 2024	Junio de 2023	Junio 2024 / Marzo 2024		Junio 2024 / Junio 2023	
				Abs.	%	Abs.	%
Ingresos por intereses							
Intereses sobre cartera de crédito	1.399.683	697.838	1.576.882	701.845	100,6%	(177.199)	-11,2%
Ingresos por depósitos	29	20	-	9	45,0%	29	-
Ingreso por Intereses otras cuentas por cobrar	17.403	8.098	20.219	9.305	114,9%	(2.816)	-13,9%
Intereses sobre inversiones en títulos de deuda	165.787	82.718	203.374	83.069	100,4%	(37.587)	-18,5%
Total ingresos por intereses	1.582.902	788.674	1.800.475	794.228	100,7%	(217.573)	-12,1%
Gastos por intereses y similares							
Cuentas corrientes	1.456	542	1.077	914	168,6%	379	35,2%
Depósitos de ahorro	439.303	225.409	508.182	213.894	94,9%	(68.879)	-13,6%
Certificados de depósito a termino	658.135	336.443	830.179	321.692	95,6%	(172.044)	-20,7%
Total Depósitos	1.098.894	562.394	1.339.438	536.500	95,4%	(240.544)	-18,0%
Obligaciones financieras							
Fondos Interbancarios y Overnight	5.009	3.389	16.737	1.620	47,8%	(11.728)	-70,1%
Créditos de Bancos y otros	11.178	6.812	15.089	4.366	64,1%	(3.911)	-25,9%
Bonos y Títulos de Inversión	104.308	55.627	126.597	48.681	87,5%	(22.289)	-17,6%
Obligaciones con entidades de redescuento	34.447	17.995	31.883	16.452	91,4%	2.564	8,0%
Total Obligaciones Financieras	154.942	83.823	190.306	71.119	84,8%	(35.364)	-18,6%
Total Gastos por Intereses y Similares	1.253.836	646.217	1.529.744	607.619	94,0%	(275.908)	-18,0%
Ingresos Neto de Intereses	329.066	142.457	270.731	186.609	131,0%	58.335	21,5%

Net interest income as of 30 June 2024 was \$329,066, increasing 21.5% compared to 30 June 2023 and 131.0% higher than in the first quarter of 2024.

There was a decrease of 18.0% in total interest and similar expenses, compared to 30 June 2023 and is mainly due to the reduction in the intervention rate of Banco de la República due to the decreasing trend of inflation in the first half of 2024.

Provisions for financial assets

Net provision expense increased 49.9% to \$143,858 compared to the first quarter of 2024, because of an increase in non-performing loans, especially in the consumer segment.

Provisiones netas por pérdidas por deterioro de cartera y otros activos							
Millones de pesos colombianos	Junio de 2024	Marzo de 2024	Junio de 2023	Junio 2024 / Marzo 2024		Junio 2024 / Junio 2023	
				Abs.	%	Abs.	%
Provisión para cartera de créditos e intereses por cobrar	158.293	102.893	158.930	55.400	53,8%	(637)	-0,4%
Recuperación de castigos	(14.435)	(6.940)	(15.610)	(7.495)	108,0%	1.175	-7,5%
Total Prov. Neta por pérdidas por deterioro de cartera y otros	143.858	95.953	143.321	47.905	49,9%	537	0,4%



Fee and commission income and other operating income

Gross fee and commission income accrued in the first half of 2024 was \$86,038, up 105.6% compared to 31 March 2024 and 7.1% compared to 30 June 2023, mainly from fees for banking services and credit and debit card transactions. Cumulative fee expense closed at \$41.321.

Net fee income for the first half of 2024 was \$44,717, up 105.9% from 31 March 2024 and 27.5% from 30 June 2023.

Other incomes of \$71,053, mainly from:

1. Equity method income and accrued dividends, \$32.345.
2. Net foreign exchange gain, \$22.037.
3. Gain on sale of property and equipment for own use, \$6.992.
4. Other operating income, \$8.885.

Commissions and other income are detailed below:

Ingresos netos por intereses							
Millones de pesos colombianos	Junio de 2024	Marzo de 2024	Junio de 2023	Junio 2024 / Marzo 2024		Junio 2024 / Junio 2023	
				Abs.	%	Abs.	%
Ingreso por Comisiones y Otros Servicios							
Comisiones de servicios bancarios	60.630	28.603	57.689	32.027	112,0%	2.941	5,1%
Comisiones de tarjetas de crédito y débito	24.704	12.887	21.858	11.817	91,7%	2.846	13,0%
Comisiones por giros, cheques y chequeras	518	256	585	262	102,3%	(67)	-11,5%
Servicios de la red de oficinas	186	93	232	93	100,0%	(46)	-19,8%
Total de Ingreso por Comisiones y Otros Servicios	86.038	41.839	80.364	44.199	105,6%	5.674	7,1%
Gasto por Comisiones y Otros Servicios	41.321	20.118	45.207	21.203	105,4%	(3.886)	-8,6%
Ingreso Neto por Comisiones y Otros Servicios	44.717	21.721	35.157	22.996	105,9%	9.560	27,2%
Ingresos netos de activos y pasivos a valor razonable con cambios en resultados	25.286	28.266	60.446	(2.980)	-10,5%	(35.160)	-58,2%
Ganancia neta sobre inversiones negociables	33.808	20.346	31.618	13.462	66,2%	2.190	6,9%
(Pérdida) ganancia neta sobre instrumentos financieros derivativos de negociación	(8.522)	7.920	28.828	(16.442)	-207,6%	(37.350)	129,6%
Otros Ingresos							
Ajustes en cambio	22.037	(1.401)	(19.612)	23.438	-	41.649	-
(Pérdida) utilidad neta en venta de inversiones	(9)	(9)	2.523	0	1.672,9%	(2.532)	212,4%
Ajuste a valor razonable de propiedades de inversión	748	734	430	14	0,0%	318	-
Dividendos y Método de Participación	32.345	24.969	45.941	7.376	1,9%	(13.596)	74,0%
Otros ingresos de operación	15.932	6.163	18.841	9.769	29,5%	(2.909)	-29,6%
Total Otros Ingresos	71.053	30.456	48.123	40.597	158,5%	22.930	-15,4%



4. Consolidated Financial Results

4.1 Statement of Financial Position

BANCO POPULAR S.A.							
Estado Condensado Consolidado de Situación Financiera							
	Junio de 2024 ⁽¹⁾	Marzo de 2024 ⁽¹⁾	Junio de 2023	Junio 2024 / Marzo 2024		Junio 2024 / Junio 2023	
				Abs	%	Abs	%
ACTIVOS							
Efectivo y equivalentes de efectivo	7.594.222	7.233.308	1.666.735	360.914	5,0%	5.927.487	355,6%
Activos negociables	4.930.441	4.851.968	553.685	78.473	1,6%	4.376.756	790,5%
Inversiones no negociables	9.035.034	8.346.123	4.016.400	688.911	8,3%	5.018.634	125,0%
Instrumentos derivados de coberturas	6.482	2.783	-	3.699	132,9%	6.482	-
Cartera de créditos y leasing financiero, neto	24.014.553	23.100.206	22.882.999	914.347	4,0%	1.131.554	4,9%
Otras cuentas por cobrar, neto	22.248.397	22.168.424	354.315	79.973	0,4%	21.894.082	6179,3%
Activos no corrientes mantenidos para la venta	19.001	21.360	6.822	(2.359)	-11,0%	12.179	178,5%
Inversiones en compañías subsidiarias, asociadas y negocios conjuntos, neto	968.216	861.261	703.161	106.955	12,4%	265.055	37,7%
Activos tangibles, neto	4.155.756	4.102.063	765.876	53.693	1,3%	3.389.880	442,6%
Contratos de concesión	13.881.675	13.568.427	-	313.248	2,3%	13.881.675	-!
Plusvalía	250.278	250.278	-	-	0,0%	250.278	-
Otros activos intangibles	607.022	596.776	330.083	10.246	1,7%	276.939	83,9%
Impuesto a las ganancias	1.285.883	1.062.661	286.107	223.222	21,0%	999.776	349,4%
Otros	305.201	303.790	1.717	1.414	0,5%	303.485	17675,3%
Total activos	89.302.161	86.469.428	31.567.900	(2.832.736)	-3,3%	(57.734.262)	-182,9%
PASIVOS Y PATRIMONIO							
PASIVOS							
Pasivos financieros negociables	124.330	212.144	11.406	(87.814)	-41,4%	112.924	990,0%
Instrumentos derivados de coberturas	13.866	14.299	-	(433)	-3,0%	13.866	0,0%
Depósitos de clientes	32.956.187	31.370.215	24.347.533	1.585.972	5,1%	8.608.654	35,4%
Obligaciones financieras	24.904.229	23.716.948	3.349.472	1.187.281	5,0%	21.554.757	643,5%
Provisiones	476.437	482.455	25.386	(6.018)	-1,2%	451.051	1776,8%
Impuesto a las ganancias	5.683.313	5.837.863	3.309	(154.550)	-2,6%	5.680.004	171653,2%
Beneficios a empleados	496.786	500.251	376.602	(3.465)	-0,7%	120.184	31,9%
Otros	6.655.198	6.438.211	391.762	216.987	3,4%	6.263.436	1598,8%
Total pasivos	71.310.346	68.572.386	28.505.470	2.737.960	4,0%	42.804.876	150,2%
PATRIMONIO							
Capital suscrito y pagado	77.253	77.253	77.253	0	0,0%	0	0,0%
Prima en colocación de acciones	61.297	61.926	63.060	(629)	-1,0%	(1.763)	-2,8%
Reservas y utilidades retenidas	2.488.446	2.585.271	2.903.890	(96.825)	-3,7%	(415.444)	-14,3%



BANCO POPULAR S.A.							
Estado Condensado Consolidado de Situación Financiera							
	Junio de 2024 ⁽¹⁾	Marzo de 2024 ⁽¹⁾	Junio de 2023	Junio 2024 / Marzo 2024		Junio 2024 / Junio 2023	
				Abs	%	Abs	%
Otros resultados integrales	62.994	54.845	(4.788)	8.149	14,9%	67.782	-1415,7%
Patrimonio de los intereses controlantes	2.689.990	2.779.295	3.039.415	(89.305)	-3,2%	(349.425)	-11,5%
Intereses no controlantes	15.301.825	15.117.747	23.016	184.078	1,2%	15.278.810	66386,3%
Total Patrimonio	17.991.815	17.897.042	3.062.430	94.773	0,5%	14.929.385	487,5%
Total pasivos y patrimonio	89.302.161	86.469.428	31.567.900	2.832.733	3,3%	57.734.261	182,9%

(1) Includes the consolidation of Corficolombiana as of 1 December 2023.



4.2 Income Statement

Estado Condensado Consolidado de Resultados							
	Junio de 2024 ⁽¹⁾	Marzo de 2024 ⁽¹⁾	Junio de 2023	Junio 2024 / Marzo 2024		Junio 2024 / Junio 2023	
				Abs	%	Abs	%
Ingresos por intereses	2.130.326	1.061.695	1.753.103	1.068.630	100,7%	377.223	21,5%
Gastos por intereses	(2.830.972)	(1.453.691)	(1.531.104)	(1.377.280)	94,7%	(1.299.868)	84,9%
Resultado neto por intereses	(700.646)	(391.996)	221.999	(308.650)	78,7%	(922.645)	-415,6%
Pérdidas por deterioro de activos financieros, neto	(160.338)	(77.767)	(107.746)	(82.572)	106,2%	(52.592)	48,8%
Ingresos netos por intereses después de pérdida por deterioro	(860.984)	(469.763)	114.253	(391.222)	83,3%	(975.237)	-853,6%
Ingresos por comisiones y honorarios	216.714	103.081	134.126	113.633	110,2%	82.588	61,6%
Gastos por comisiones y honorarios	(50.101)	(24.570)	(45.347)	(25.531)	103,9%	(4.754)	10,5%
Ingresos netos de contratos por comisiones y honorarios	166.613	78.511	88.779	88.102	112,2%	77.834	87,7%
Ingresos por venta de bienes y servicios	5.124.042	2.542.014	-	2.582.028	101,6%	5.124.042	-
Costo por venta de bienes y servicios	(3.503.903)	(1.638.715)	-	(1.865.188)	113,8%	(3.503.903)	-
Ingresos netos por venta de bienes y servicios	1.620.139	903.299	-	716.840	79,4%	1.620.139	-
Utilidad neta de instrumentos financieros negociables	249.192	100.290	68.212	148.903	148,5%	180.980	265,3%
Ingreso neto de instrumentos financieros a valor razonable diferentes de negociables	186.630	104.484	-	82.146	78,6%	186.629	-
Otros ingresos	176.207	234.147	49.787	(57.941)	-24,7%	126.419	253,9%
Otros gastos	(863.462)	(418.034)	(724.634)	(445.427)	106,5%	-138.826	19,2%
Resultado antes de impuestos a las ganancias	674.335	532.934	(403.602)	141.401	26,5%	1.077.938	-267,1%
Impuesto a las ganancias	333.232	203.468	(172.749)	129.764	63,8%	505.981	-292,9%
Resultado del período	341.103	329.466	(230.853)	11.637	3,5%	571.957	-247,8%
Resultado neto atribuibles a controlantes	(176.274)	(80.919)	(224.600)	(95.355)	117,8%	48.326	-21,5%
Resultado neto atribuibles a no controlantes	517.377	410.385	(6.253)	106.992	26,1%	523.630	-8.374,1%
Resultado neto	341.103	329.466	(230.853)	11.637	3,5%	571.956	-247,8%



5. 2 Risk Management System

For the Integrated Risk Management dimension, the following are the material changes during the second quarter of 2024 (Apr - Jun):

5.1 Market Risk

In the second quarter Value at Risk (VaR), using the standard methodology, reached a value of \$78,369 million, \$4,201 million lower than the average of the previous quarter, this result is mainly due to i) a lower exposure to interest rates; ii) the increase in volatility linked to expectations of the evolution of inflation and changes in the monetary policies of central banks and iii) the political tensions in the world.

By market risk factor, VaR continues to be mainly the result of the interest rate risk factor, and its value remains moderate relative to the size of the balance sheet.

During the quarter, operational conditioning activities were carried out to incorporate the guidelines established in External Circular 011 of 2023 of the Superintendency of Finance, which modifies the calculation of credit exposure for operations with derivative financial instruments and integrates better international standards and practices. The implementation of the new guidelines allowed lower capital consumption for this type of operation.

During this quarter, the indicators defined in the Risk Appetite Statement were updated, aligning them with Grupo Aval's guidelines.

Additionally, the controls established in market risk management were carried out, ensuring that the positions and results remained within the approved limits. Likewise, so that market risk activities may be adequately monitored, periodic follow-up and control reports were distributed to senior management and other stakeholders, both internal and external, and continuity was given to the standards established in the Market Risk Management System that allow for adequate measurement and control of market risk.

5.2 Credit Risk

Credit Risk Management System (CRMS)

For the first half of 2024, the Bank continued to strengthen the Credit Risk Management System (SARC), aligned with the organisation's strategic objectives and in compliance with the regulatory framework of the financial system.



Portfolio quality

The Bank's loan portfolio balance has had a reduction during the last year of 8.61%, because of lower levels of disbursements, in line with the performance of the economy, as well as the strengthening of lending policies that seek to improve the profile of new customers and maintain the risk level of the portfolios.

So far in the first half of 2024, the Bank shows a slight increase in credit risk, in consumer credit, with respect to the second half of 2023, mainly due to the impact on the disposable income of customers, given the macroeconomic conditions of lower growth, inflation outside the expected range, the growth of unemployment and the slow decline in interest rates by Banco de la República. At the end of June 2024, the consumer portfolio in terms of the CDE risk indicator reached 5.61%, 95 basis points higher than the indicator at the end of 2023 (4.66%). The coverage by seasonality of the consumer portfolio closed at 137%. As for recent placements for the consumer portfolio, it is observed that they present a better level of risk compared to those of 2022 and the first half of 2023.

For the month of May 2024, the Bank took advantage of the Transitional Circular 017 of the SFC, to apply the methodology for calculating provisions in decumulative phase, mitigating the current impact on the credit cycle while maintaining adequate levels of provisions and coverage.

The commercial and housing loan portfolios continue to show stability in their risk indicators, maintaining a good performance as in previous years.

Non-Performing Loan Portfolio Indicators (NPL) by type of loan

As a result of the credit risk management described above, the Bank closed in June 2024 with the following results:

- ✓ Commercial credit (NPL): 3.02%.
- ✓ Consumer credit (NPL): 4.71%.
- ✓ Housing credit (NPL): 6.87%.
- ✓ Total Bank (NPL): 4.37%.

5.3 Liquidity Risk

During the second quarter of 2024, the Bank maintained a solid liquidity position with good liquidity indicators. The Bank maintained average high quality liquid assets of \$5.4 billion during the quarter. The average thirty-day liquidity coverage ratio, using the standard methodology, reached 158.9%, 21.39% higher than the average of the previous quarter, mainly because of a lower liquidity requirement due to contractual maturity and a larger liquid asset size due to higher levels of deposits. The Net Stable Funding ratio stood at 118.4%, mainly due to the improvement in Funding due to a better maturity profile and a higher weighting of institutional deposits.

In this quarter the indicators defined in the Risk Appetite Statement were updated and aligned with Grupo Aval's guidelines.



During the quarter, the Liquidity Contingency Plan was tested to ensure its adequacy and effectiveness, with satisfactory results.

The controls established in liquidity risk management were carried out, ensuring that the limits and alerts remained within the approved limits and thresholds. In addition, continuity was given to the standards established in the Integrated Risk Management System, which allow for adequate measurement and control of liquidity risk.

5.4 Operational Cybersecurity, Information Security & Privacy Risk

According to the latest measures of information, security and cybersecurity risks carried out in the second quarter, these are within the limits accepted by the Bank, with no significant alert situations having been identified. In addition, at the end of June there was no evidence or report of situations that could be classified as information security and/or cybersecurity incidents.

5.5 Money Laundering and Terrorist Financing Risk

For the second quarter of 2024, the bank continued to comply with the application of the regulations of the Superintendency of Finance in the bank's procedures. In this way, the development of risk assessment, monitoring and awareness activities has been maintained. The management indicators evaluated during the second quarter of 2024 are within the appetite threshold and there is a low residual risk report, in accordance with the limits approved by the Board of Directors.

5.6 Business continuity

During the second quarter of 2024, there were no deviations in the continuity risk appetite indicators.

The following is a summary of the most relevant issues managed during the period:

- A joint test was conducted involving the process recovery plan (BCP) with the participation of 24 critical processes with the different recovery strategies and the technology recovery plan (DRP) with the mobilization of 36 critical and non-critical IT services, to the Alternate Data Processing Centre (CAPD) with successful results.
- The business continuity plan readiness status of 86% of critical suppliers has been confirmed during the evaluation period and their commitment to maintain the provision of their services to the bank has been confirmed. In addition, the plan established for the testing of some suppliers has been satisfactorily implemented.



6. Corporate Governance

In relation to what was disclosed in the last Quarterly Periodic Report, it is reported that during the second quarter of 2024, the following material corporate governance issues were presented in Banco Popular S.A:

Changes in the Senior Management structure

On May 10, 2024, the Bank's Board of Directors approved adjustments to the Senior Management structure, which have been implemented since June 17, 2024, to carry out the transition process led by the Bank's President. The new senior management structure is as follows:



The above information was disclosed to the market through the Superintendency of Finance and the Bank's website.

Appointments of senior management member

On May 10, 2024, the Bank's Board of Directors appointed Dr. Álvaro Andrés De la Rosa Martínez, as Vice President of Corporate Affairs and Sustainability, Mateo Ravagli Torres, as Vice President of Strategy and Transformation, Oscar Rocha Murgas, as Vice President of Treasury and Subsidiaries. Likewise, the information was disclosed to the market through the Superintendency of Finance's web page and the Bank's web page.

Resignation of Legal Vice President - General Secretary

On June 11, 2024, the Board of Directors of the Bank accepted the resignation of Dr. Orlando Lemus González as legal representative of the Bank in the position of Legal Vice President - Secretary General, effective as of June 17, 2024. Likewise, it approved that the functions of legal representative and Legal Vice President - General Secretary, which were being performed by Dr. Orlando Lemus González, be assumed by the Vice President of Corporate Affairs and Sustainability, Dr. Álvaro Andrés De la Rosa Martínez, once he is duly sworn in before the Supervisor.



The information was disclosed to the market through the web page of the Superintendency of Finance and the Bank's web page.

Additionally, it is reported that after the cut-off date of this report, the following material Corporate Governance issues were presented.

Vice President, Corporate and Government Banking

On July 5, 2024, the Bank's Board of Directors accepted the resignation of Dr. Sergio Restrepo Álvarez as Vice President of Corporate and Government Banking, effective August 1, 2024. Likewise, on July 29, 2024, the Bank's Board of Directors appointed Dr. María Mercedes Machado Ángel as Vice President of Corporate and Government Banking, who will begin her duties as of August 1, 2024, and those of legal representation once she is sworn in before the Superintendency of Finance. The information was disclosed to the market through the Superintendency of Finance's web page and the Entity's web page.

7. Sustainable Management (ESG)

In relation to what was disclosed in the last Sustainable Management Report 2023, it is reported that during the second quarter of 2024, Banco Popular S.A. presented the following advances in the different strategic fronts of Sustainability:

Innovation with a Social Focus - Plated Solutions.

The Laboratory of the Inter-American Development Bank (IDB) and the German Cooperation Agency recognized Banco Popular and ADL Digital LAB for the initiative presented in the call for the "Silver Solutions" program. The proposal consists of the design of a hybrid environment, with physical and digital components (phygital) to serve people over 50 years old, accompanying their digital procedures in the access and use of financial services. The recognition awarded to Banco Popular and ADL Digital Lab will have specialized support for the proper implementation of this pioneering solution in the country.

Diversity and Inclusion - Women's Participation on the Board of Directors The 30% Club" Recognition

Banco Popular has been recognized by the International Organization "The 30% Club" for its progress in female participation on the Board of Directors of Banco Popular.

To date, the participation of women on the Bank's Board of Directors is 33%, consolidating Banco Popular as one of the companies in the financial sector that has reached this important milestone of equity and inclusion. The Bank will continue to promote this practice to ensure that all its human resources, men and women, have the same opportunities and conditions under the principle of equity.



Implementation of the Principles for Responsible Banking (PRB) - Second Report

Banco Popular has published its second report on the Principles of Responsible Banking (PRB) of the United Nations Environment Programmed Finance Initiative (UNEP FI).

Its contents address progress in the implementation of the six principles:

i. Alignment, ii. Impact and target setting, iii. Customers and consumers, iv. Stakeholders, v. Governance and culture and vi. Transparency and accountability, aligning it with the development and consolidation of Banco Popular's strategy.

Financial Education Strategy 2024 - 2025

From the "Let's Learn More" pillar of our Sustainability Model, the Bank has defined its Financial Education Strategy 2024 - 2025.

Through the Trainer of Trainers Program, called "Ambassadors of Financial Well-being", we seek to train and teach Human Talent in topics related to finances for life, savings with purpose and digital channels.

On the other hand, in the second quarter of 2024, Financial Education Content was launched in Social Networks, increasing the participation and interactions of users and customers.

8. Glossary

Process Recovery Plan (BCP): A documented set of procedures, resources and information required for the recovery of critical processes in the event of an unexpected disruption.

Disaster Recovery Plan (DRP): A documented set of procedures and information that is developed, compiled and kept available for use in an incident or disruption to the technology platform affecting business operations.

Contingency Operation Center (COC): Generic term that normally refers to an alternate facility that can be used in the event of an event that disables the main facility where processes or services operate.

Alternate Data Processing Center (ADPC): Place where an entity's information is processed when it is not possible to do so in the DPC, which may be owned by the entity or by a third party.

Main Data Processing Center (DPC): Place where the resources necessary for the processing of an entity's information are concentrated, which may be owned by the entity or by a third party.

ABAC Anti-Bribery and Anti-Corruption: - Anti-Bribery and Anti-Corruption.



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