

Assessment Period 2 (July 1st, 2019 – September 30th, 2019)**Metro – £120m Grant**

We have continued to make good progress toward meeting our Public Commitments under the Scheme in the last quarter. The updates below reflect status as at 30th September 2019.

COMMITMENT 1: WE WILL RADICALLY TRANSFORM THE UK SME BANKING EXPERIENCE

Commitment 1 is on track. Metro Bank was ranked number 2 in the most recent CMA service rankings (August 2019). Results of the next survey are announced in February 2020.

COMMITMENT 2: WE WILL PROVIDE A “METRO MULTIPLIER” TO C&I FUNDING

Commitment 2 is on track. Metro Bank remains committed to spending ~£2 of its own funds for every pound it receives from the Capability & Innovation fund over the life of the C&I programme.

COMMITMENT 3: WE WILL OPEN 30 NEW METRO BANK STORES IN THE NORTH BY THE END OF 2025

Commitment 3 is on track. Our first two stores in the North in Manchester and Liverpool are on track to open in December 2019. Construction is underway in Sheffield and we expect to be on site in Bradford in early November.

COMMITMENT 4: IN DELIVERING OUR PLANS WE WILL CREATE OVER 750 NEW JOBS IN THE NORTH – OUR CONTRIBUTION TO POWERING THE NOTHERN POWERHOUSE

Commitment 4 is on track. Nine colleagues have joined Metro Bank with a further 29 due to join in October, including four apprentices. A further 26 vacancies are in the process of being filled. As new store locations are secured, more positions will be advertised.

COMMITMENT 5: WE WILL BUILD A RANGE OF GAME-CHANGING DIGITAL CAPABILITIES TO HELP SMEs THRIVE

Commitment 5 is on track. Our artificial-intelligence led Business Insights capability was launched in September and our mobile cash pick up and drop off service MCash has completed a Proof of Concept and will launch to SME customers by the end of this year.

Work continues on our straight-through business current account online application and this will be available to customers in 2020. Our new tax submission, bookkeeping, invoicing and receipts mobile and online banking proposition together with our cloud accounting service have both completed Proofs of Concept and will launch to SME customers in 2020. Work on our end-to-end payments and accounts receivable solution will begin this year and is on track to deliver in 2021.

COMMITMENT 6: WE WILL BUILD THE CAPABILITIES NECESSARY TO SUPPORT LARGER AND MORE COMPLEX SMEs

Commitment 6 is on track. The launch of our Trade Services capabilities with partner Conance went live on September 30th, 2019. Looking towards 2020, there have been changes to the order in which some planned initiatives will land. This is to allow for the development of the required credit decisioning engine and to enable full integration with Metro Bank’s online banking platform. The impacted initiatives will still deliver in 2020. Our new Small Business Loan platform will be delivered one quarter earlier than originally planned, going live in Q2 2020 instead of Q3. Our new SME

overdraft proposition has moved from Q1 to Q2 2020 and the enhanced commercial credit card proposition has moved to Q3 2020 instead of Q1 as originally planned.

New liquidity management tools will be made available to SME customers, starting in 2020 as planned. Work will start on both the Revolving Credit Facility and the Secured Lending platform in late 2019 and early 2020 with both initiatives expected to deliver in line with plan.

COMMITMENT 7: WE WILL HELP 10+ INNOVATIVE UK SMEs SCALE BY PARTNERING WITH THEM TO DELIVER OUR BID COMMITMENTS

Commitment 7 is on track. We have partnered with three UK SMEs so far – Conance, Funding Options and DueDil - and are working with a further 5 to deliver our bid commitments. We will work with more UK SMEs as additional initiatives are mobilised.

COMMITMENT 8: WE WILL PROVIDE BCR LTD AND OUR CUSTOMERS WITH UNPRECEDENTED TRANSPARENCY ON OUR PROGRESS TOWARDS DELIVERING ON OUR COMMITMENTS

Commitment 8 is on track. Metro Bank continues to provide BCR Ltd with access to real-time Microsoft Power BI dashboards to track our progress against agreed project milestones. In line with the first reporting period, we will publish a BCR Commitments Update to our public website in November so that stakeholders can monitor our progress.