

METRO BANK PLC MODERN SLAVERY STATEMENT

This Statement is Metro Bank PLC's (the 'Bank', 'we' or 'us') statement on slavery, servitude, forced and compulsory labour and human trafficking ('modern slavery') and is published under the Modern Slavery Act 2015.

INTRODUCTION

Since opening our doors on the High Street in 2010, the Bank's vision has remained the same, to create FANS by providing each and every customer with unparalleled levels of service and convenience. We are equally committed to conducting our business in a manner that prevents modern slavery.

ORGANISATION STRUCTURE & BUSINESS

We are committed to making a difference and delivering a different type of banking, keeping our products and services as straightforward as possible. We now have 56 stores based, mainly, in London and the South East and our Head Office is at One Southampton Row, London, WC1B 5HA. We also have the following subsidiary companies:-

- SME Invoice Finance Limited
- SME Asset Finance Limited
- RDM Factors Limited

We continue to source goods and services from a variety of suppliers based both in the UK and internationally, including for:-

- IT - software and hardware
- Facilities
- Construction and architectural design
- Operational Services such as cash, card and payment services etc
- Professional services such as marketing, legal, financial etc

OUR POLICY ON MODERN SLAVERY

Our Modern Slavery Policy (the 'Policy'), approved by the Board in May 2017, confirms that we will conduct all business with integrity and that we have a zero tolerance approach to modern slavery. We continue to be committed to acting professionally and fairly in all our business dealings and relationships wherever we operate, including enforcing appropriate systems and controls to ensure, on a risk basis, that modern slavery is not taking place in our business or supply chains.

We also operate a Whistleblowing Policy which encourages disclosure from any person, internal and external. The Bank thoroughly investigates any disclosure, overseen by the Whistleblowing Champion, who is a member of the Board and reports, at least annually, to the Board on the effectiveness of the Whistleblowing Policy.

We have also appointed a Modern Slavery Champion, who is a member of the Board. A statement of responsibilities has been approved by the Board and is annexed to the Policy as an Appendix.

DUE DILIGENCE

As part of our Policy we now undertake increased due diligence in respect of our business and supply chains. During 2017, as promised, we put in place systems and processes to help us to:-

- Identify and assess potential risks
- Mitigate those risks
- Monitor those risks
- Where appropriate, seek further assurance from suppliers regarding modern slavery

SUPPLIER ADHERENCE

To ensure all those in our business and supply chains comply with our Policy, during 2017, again as promised, we put in place a supplier assurance programme including:-

- Participation in the Financial Services Supplier Qualification System ('FSQS'). FSQS is a system used by us and other UK banks to monitor and carry out due diligence on suppliers, including compliance with modern slavery legislation
- A risk based approach to supplier engagement and management

We operate a triaging approach to our supply chains to identify specific areas of risk to be further investigated. In addition, the following teams continue to be involved in supplier engagement and contracts, including due diligence:-

- Respective business owners of the supplier relationship
- Procurement
- Legal
- Compliance

During 2017, a new Supplier Assurance function, within Procurement, has been developed to further facilitate the Bank's risk based approach to supplier due diligence, including, in relation to modern slavery.

As part of the Bank's developing supplier assurance programme, we are engaging with our key suppliers, through FSQS, to identify those who:-

- have modern slavery guidelines in their organisation policies
- have included modern slavery guidelines in their standard terms and conditions
- conduct regular risk assessments against criteria including modern slavery
- train their employees on modern slavery
- attest that they have not previously been investigated or convicted for any activities relating to modern slavery

In addition, our increased due diligence has highlighted 85 of our key suppliers have revenue of more than £36M and, of those, 51 have published a Modern Slavery Statement and 6 intend to publish a Statement. During the next year we will start the process of following up, on a risk based approach, with those suppliers who have not published a Statement.

ACTION PLAN

The Modern Slavery Champion continues to monitor and drive an annual Modern Slavery Action Plan and will update the Board on progress against the Plan on, at least, an annual basis.

TRAINING

To ensure that all colleagues are fully aware of our zero tolerance position and commitment to ensuring that there is no modern slavery in our supply chains we introduced, during 2017, a computer based training package on modern slavery. This was rolled out to our entire colleague population in December 2017 and will be completed annually.

We will continue to develop our approach to demonstrating the effectiveness of our policy on modern slavery and remain committed to ensuring, in high risk areas, that modern slavery is not taking place in our business or supply chains.

This statement is made pursuant to Section 54(1) of the Modern Slavery Act 2015 and constitutes our Modern Slavery Statement for the financial year ended 31 December 2017. It has been approved by the Bank's Board and will be reviewed at least annually.

SIGNED.....

CRAIG DONALDSON, CEO

DATE.....26/6/.....2018