engaging with our colleagues...

Our colleagues
Our colleagues are our culture and they are the people who create our FANS. Being a great employer and hiring and developing fantastic people is core to who we are and helps Metro Bank stand apart from the rest.

For this reason, we are extremely proud that our CEO, Craig Donaldson, was Glassdoor’s most highly rated UK CEO for 2016, with a 99% approval rating in its Glassdoor Employees’ Choice Awards. Our Chief People Officer, Danielle Harmer, was ranked #30 among 2016 Most Influential HR Practitioners by HR, as well as being named in the 2016 Leading 50 Ally Executives by OUTstanding.

Metro Bank employs c.2,500 permanent colleagues. Over the year we have created over 500 new roles, and we’ve promoted over 500 colleagues. We focus all our colleagues on creating FANS and building Metro Bank for the long term, by hiring for attitude and training for skill, aligning our people to a simple purpose and making our colleagues owners through our share schemes.

We also run our annual Voice of the Colleague engagement survey, which over 90% of colleagues responded to in 2016. The outputs of the survey, including sophisticated text analytics, are used to inform continuous improvements in every aspect of our colleagues’ experiences. We also benchmark our scores against leading companies.

The headlines from our 2016 survey were:
• 97% of our people understand how their role contributes to the overall success of Metro Bank;
• over 94% of colleagues feel encouraged to "bump up" (escalate) issues;
• 94% of colleagues think that Metro Bank is a great place to work;
• more than 91% of our people recommend Metro Bank’s products and services to their friends and family;
• over 87% believe there are opportunities for career progression and promotion; and
• 87% would recommend Metro Bank as an employer to their friends and family.

We are also committed to hiring apprentices across the Bank. To date, we have hired 52 apprentices and plan to bring in a further 30 apprentices this year.
Culture and diversity
We value people from all backgrounds, and have an inclusive approach that celebrates diversity. Our colleague base is representative of the communities we serve. We know that our inclusive culture helps us to attract, retain and develop fantastic colleagues and encourages them to bring their whole selves to work.

We are also proud that our Black, Asian & Minority Ethnic (“BAME”) mix is representative of the communities we work in, with our BAME colleagues represented throughout the Bank.

<table>
<thead>
<tr>
<th>Group</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asian British</td>
<td>23.06%</td>
</tr>
<tr>
<td>Asian Other</td>
<td>6.11%</td>
</tr>
<tr>
<td>Black British</td>
<td>8.97%</td>
</tr>
<tr>
<td>Black Other</td>
<td>2.33%</td>
</tr>
<tr>
<td>Mixed British</td>
<td>2.25%</td>
</tr>
<tr>
<td>Mixed Other</td>
<td>1.87%</td>
</tr>
<tr>
<td>White British</td>
<td>39.60%</td>
</tr>
<tr>
<td>White Irish</td>
<td>0.50%</td>
</tr>
<tr>
<td>White Other</td>
<td>8.67%</td>
</tr>
<tr>
<td>Undisclosed</td>
<td>6.64%</td>
</tr>
</tbody>
</table>

Gender representation
Gender mix as at 31 December 2016:
- Directors reporting to CEO (Executive Leadership Team): 56% male/44% female.
- Senior managers reporting to Executive Leadership Team (Executive): 68% male/32% female.
- Total colleagues: 57% male/43% female.

Case study
MR, MRS AND NOW MX

In November, we were the first high street bank to give colleagues and customers who do not identify with a specific gender the option to choose Mx as a title.

We also introduced the choice of non-binary as a gender. This simple change was an opportunity to drive forward equality and take an active stance on an issue that is highly personal to a number of our FANS. Our “no stupid bank rules” approach meant Metro Bank was able to remove a barrier that had left some colleagues and customers feeling alienated and unrecognised.
...and the communities we serve

Our communities
We are an active member of the communities we serve and during 2016 we hosted more than 2,000 local events, from business networking and taking Metro Bank into businesses, through to financial education workshops, seasonal activities like pumpkin carving and Christmas crafts for kids, and store Grand Openings.

We continue to partner with Battersea Dogs and Cats Home and children’s charity Place2Be. Place2Be helps children and young people in primary and secondary schools to build mental health resilience, and underlines Metro Bank’s commitment to the wellbeing of children and young people in the UK. Both charities, along with Alzheimer’s Research UK, receive customer donations via our Magic Money Machines.

Throughout 2016 our colleagues took part in a number of events and money-raising initiatives. Every colleague at Metro Bank is given a day a year to support community and charity causes that are important to them, through Metro Bank’s Days to Amaze. Days to Amaze in 2016 ranged from school career days to charity car washes and abseiling. We also raised £40,000 for The Prince’s Trust via the Million Makers initiative.

We continue our relationship with Fulham Football Club, as its community banking partner. The partnership allows us to offer a number of our customers the opportunity for their children to join a specialist football skills programme with Fulham FC coaches and to see a game with their family.

Our impact on the environment
It is our responsibility to manage our environmental footprint and reduce our impact where possible.

Greenhouse gas (GHG) mandatory disclosure
We have reported on our emissions in line with the requirements of the Companies Act 2006 (Strategic and Directors’ Reports) Regulations 2013.

Summary table of GHG emissions for 2016

<table>
<thead>
<tr>
<th>GHG emissions</th>
<th>Tonnes CO2e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope 1 emissions</td>
<td>1,160</td>
</tr>
<tr>
<td>Scope 2 emissions</td>
<td>5,044</td>
</tr>
<tr>
<td>Total Scope 1 and Scope 2 emissions</td>
<td>6,204</td>
</tr>
<tr>
<td>Number of FTE at 31 December 2016</td>
<td>2,417</td>
</tr>
<tr>
<td>Total Scope 1 and 2 emissions per FTE</td>
<td>2.57</td>
</tr>
</tbody>
</table>
This is our first year of reporting, which also forms our baseline year, running in conjunction with our financial year, 1 January 2016 to 31 December 2016.

Metro Bank has chosen operational control as our consolidation approach and our boundary includes all entities and facilities either owned or under our operational control.

The methodology used to calculate our CO₂ (equivalent) emissions is the operational control approach on reporting boundaries as well as utilising the carbon emissions methodology as defined by the World Resources Institute/World Business Council for Sustainable Development (WRI/WBCSD) Greenhouse Gas Protocol (GHG): A Corporate Accounting and Reporting Standard, Revised Edition.

Where properties are covered by Metro Bank’s consolidated financial statements but are leased to tenants who are invoiced for utilities, these emissions are not included in the GHG calculations.

For properties where Metro Bank is the tenant, the landlords of these properties provide Metro Bank with utility bills which are included in our emissions reporting.

Scope 1 covers direct combustion of fuels, predominantly mains gas, fuel use within Company-owned vehicles and hire cars, as well as refrigerant use and associated fugitive emissions.

Scope 2 covers the emissions from electricity purchased for own use.

This report was approved by the Board and was signed on its behalf by:

Craig Donaldson
Chief Executive Officer
2 March 2017

Case study
IT’S ALL ABOUT THE MONEY

Metro Bank is passionate about the communities we serve

We established Money Zone in 2011, an education programme for children and young people that introduces them to financial skills and helps them understand how money, saving and banking work.

In 2016, we hosted over 800 sessions, reaching over 24,000 young people. Aimed at students in Years 4 and 5 (Key Stage 2) our colleagues deliver the programme over four sessions split between the classroom and our stores. With a full range of resources, notes and activities, it has proven a valuable support for teachers in educating their pupils in this important area of finance. Becoming a “Money Zone Prefect” is a highlight for colleagues and a great opportunity to share our culture. This engaging approach has led to a growing cohort of young people who are financially literate and prepared for their financial future; and is just another way Metro Bank works at the heart of every community it serves.