

People- people banking

Introduction

This document presents the consolidated Pillar 3 disclosure of Metro Bank Holdings PLC and its subsidiaries as at 30 June 2023. This disclosure has been prepared in accordance with the Prudential Regulatory Authority's (PRA) Rulebook, and in line with the disclosure requirements set out in United Kingdom's Capital Requirements Regulation (UK CRR) Article 433c.

Insertion of Metro Bank Holdings PLC

To meet Bank of England's resolution requirements, on 19 May 2023, Metro Bank Holdings PLC was inserted as the new ultimate holding company and listed entity of the Group. Prior to this date Metro Bank PLC was both a banking entity and the ultimate parent company of the Group but has subsequently become a 100% subsidiary of Metro Bank Holdings PLC. In addition to the insertion of a new holding company the Group undertook a reduction in capital to provide the Group with distributable reserves. Further details on the insertion of Metro Bank Holdings PLC can be found in note 12 to the interim report for the half year ended 30 June 2023 and can be accessed at metrobankonline.co.uk/investor-relations/.

As a result of the change in group structure, the PRA have agreed the existing solo-consolidation waiver will apply to the new Group.

UK KM1 - Key Metrics

The table below summarises key regulatory metrics and are presented on a transitional basis.

	30 June 2023 £million	31 December 2022 £million	30 June 2022 £million
Available own funds (amounts)			
1 Common Equity Tier 1 (CET1) capital	813	819	816
2 Tier 1 capital	813	819	816
3 Total capital	1,030	1,069	1,065
Risk-weighted exposure amounts			
4 Total risk-weighted exposure amount	7,802	7,990	7,702
Capital ratios (as a percentage of risk-weighted exposure amount)			
5 Common Equity Tier 1 ratio (%)	10.4%	10.3%	10.6%
6 Tier 1 ratio (%)	10.4%	10.3%	10.6%
7 Total capital ratio (%)	13.2%	13.4%	13.8%
Additional own funds requirements based on SREP (as a percentage of risk-weighted exposure amount)			
UK 7a Additional CET1 SREP requirements (%)	0.2%	0.3%	0.3%
UK 7b Additional AT1 SREP requirements (%)	0.1%	0.1%	0.1%
UK 7c Additional T2 SREP requirements (%)	0.1%	0.1%	0.1%
UK 7d Total SREP own funds requirements (%)	8.4%	8.5%	8.5%
Combined buffer requirement (as a percentage of risk-weighted exposure amount)			
8 Capital conservation buffer (%)	2.5%	2.5%	2.5%
9 Institution specific countercyclical capital buffer (%)	1.0%	1.0%	0.0%
11 Combined buffer requirement (%)	3.5%	3.5%	2.5%
UK 11a Overall capital requirements (%)	11.9%	12.0%	11.0%
12 CET1 available after meeting the total SREP own funds requirements (%)	5.7%	5.5%	5.8%
Leverage ratio			
13 Total exposure measure excluding claims on central banks	18,550	19,348	18,809
14 Leverage ratio excluding claims on central banks (%)	4.4%	4.2%	4.3%
Liquidity Coverage Ratio¹			
15 Total high-quality liquid assets (HQLA) (Weighted value -average)	5,063	6,051	6,687
UK 16a Cash outflows - Total weighted value	2,568	2,729	2,623
UK 16b Cash inflows - Total weighted value	258	264	249
16 Total net cash outflows (adjusted value)	2,310	2,465	2,374
17 Liquidity coverage ratio (%)	219%	246%	282%
Net Stable Funding Ratio²			
18 Total available stable funding	18,564	18,903	
19 Total required stable funding	13,790	13,225	
20 NSFR ratio (%)	135%	143%	

- Liquidity coverage ratio is calculated based on a 12-month average.
- Net Stable Funding Ratio is based on a 4-quarter average.

Metro Bank Holdings PLC

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