

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser authorised under the Financial Services and Markets Act 2000 immediately.

If you have sold or otherwise transferred all of your shares in Metro Bank PLC (**'Shares'**), please send this document, together with the accompanying documents, at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.



METRO BANK PLC

(A public limited company incorporated in England and Wales
on 6 November 2007 with registration number 6419578)

NOTICE OF 2021 ANNUAL GENERAL MEETING

Notice of the 2021 Annual General Meeting of Metro Bank PLC (the **'Company'**) to be held at the Company's registered offices located at First floor, One Southampton Row, London WC1B 5HA on 18 May 2021 at 2:00p.m. is set out on pages 7 to 9 of this document.

A form of proxy (**'Form of Proxy'**) for use at the Annual General Meeting is enclosed and, to be valid, should be completed and returned in accordance with the instructions printed on the form so as to be received by the Company's registrars, Equiniti, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, United Kingdom or by email to proxyvotes@equiniti.com as soon as possible but, in any event, so as to arrive no later than 2:00p.m. on 14 May 2021. **In light of the ongoing developments of COVID-19 and in order to comply with the Government's restrictions on non-essential travel and limiting indoor gatherings, shareholders will not be able to attend this year's Annual General Meeting (the 'AGM') in person. We invite shareholders to dial into the AGM, which will be accessible live via listen-only audio, further details are provided below. This means the completion and return of a Form of Proxy within the time period prescribed is required in order to represent your full voting entitlement at the AGM.**



NOTICE OF 2021 ANNUAL GENERAL MEETING
METRO BANK PLC

PART I
METRO BANK PLC

(incorporated in England and Wales under the Companies Act 2006 with registered number 6419578)

One Southampton Row
London
WC1B 5HA
United Kingdom

8 April 2021

Dear Shareholder,

Notice of 2021 Annual General Meeting

I am pleased to invite you to the 2021 AGM of Metro Bank PLC which will be held at the Company's registered offices located at First floor, One Southampton Row, London WC1B 5HA on 18 May 2021 at 2:00p.m.

The formal notice of AGM is set out on pages 7 to 9 of this document and an explanation of each of the resolutions to be considered at the AGM (the '**Resolutions**') may be found on pages 2 to 6 of this document. You will also find enclosed with this document a Form of Proxy to enable you to exercise your voting rights. Our 2020 Annual Report is available on our website at <https://www.metrobankonline.co.uk/investor-relations/>.

Attendance and Voting

In light of the ongoing developments of COVID-19 and in order to comply with the Government's restrictions on non-essential travel and limiting indoor gatherings, shareholders will not be able to attend this year's AGM in person. We hope to welcome shareholders to our AGM next year. There will only be two shareholders present in person at the AGM in order to comply with quorum requirements and so that the business of the AGM can be conducted. We are providing alternative means for shareholders to attend the AGM by telephone with the details of these below. If you wish to vote your shares, you must appoint a proxy (which will be the Chair of the meeting by default due to restricted attendance) by completing the enclosed Form of Proxy and returning it to the Company's registrars, Equiniti, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, United Kingdom or by email to proxylvotes@equiniti.com so that it arrives no later than 2:00p.m. on 14 May 2021.

All Resolutions will be put to a vote on a poll. The results of the voting will be published on our website www.metrobankonline.co.uk shortly after the conclusion of the AGM.

Your Directors (the 'Directors' and, together, the 'Board') consider that all of the Resolutions that are being proposed to the AGM are in the best interests of the Company and its shareholders as a whole and unanimously recommend that you vote in favour of them.

As physical attendance at this year's AGM is not possible, we invite shareholders to dial into the AGM, which will be accessible live via listen-only audio. To encourage shareholder engagement, shareholders can submit questions to the Directors in advance, and by no later than 2:00p.m. on 11 May 2021, by emailing companysecretary@metrobank.plc.uk. Where possible, questions received by verified shareholders within the time prescribed will be addressed by one of the Directors present after the formal business of the meeting has ended. Audio access to the AGM will be available on the day by using the following link: https://secure.emincote.com/client/metrobank/metro002/vip_connect

To comply with government restrictions on the number of people at gatherings and bearing in mind the importance of safeguarding the health of our colleagues and shareholders, we believe that these measures are necessary and appropriate in planning this year's AGM. The Company continues to monitor the evolving nature of the COVID-19 restrictions and will continue to do so up to the date of the AGM. Shareholders should monitor our website and regulatory news announcements for any Annual General Meeting updates.

I am immensely grateful for the support both I and management have received from stakeholders as we look to reposition the business and deliver profitable growth.

The Board, as always, remains committed to engaging with Shareholders. It is hoped that the 2022 AGM will be held in person.

Yours faithfully

Robert Sharpe
Chair



PART II EXPLANATORY NOTES TO THE RESOLUTIONS

The following pages give an explanation of the proposed Resolutions.

Resolutions 1 to 20 (inclusive) are proposed as ordinary resolutions, meaning that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution.

Resolutions 21 to 23 (inclusive) are proposed as special resolutions. This means that for each of those resolutions to be passed, at least three quarters of the votes cast must be in favour of the resolution.

Resolution 1: 2020 Annual Report and Accounts

The Directors are required to present the Company's annual report and accounts to the meeting. These are contained in the Annual Report and Accounts for the year ended 31 December 2020.

Resolution 2: Directors' Remuneration Policy

Shareholders are asked to approve the new Directors' Remuneration Policy which is set out on pages 135 to 147 of the 2020 Annual Report and Accounts. It is intended that this will take effect immediately after the AGM and be applied to awards in respect of the 2021 financial year. It will replace the existing policy that was approved by shareholders in 2020.

It is intended that the Directors' Remuneration Policy will be in force for three years although we will closely monitor regulatory changes and market trends and, if necessary, we may present a revised policy within that three-year period.

The Directors' Remuneration Policy has been developed taking into account the principles of the UK Corporate Governance Code (the 'Code') and the views of our major shareholders.

Resolution 3: Directors' Remuneration Report

The Directors' Remuneration Report is set out on pages 118 to 134 of the 2020 Annual Report. It relates to the year ended 31 December 2020 and has been prepared in accordance with Part 3 of Schedule 8 to The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended). The vote in respect of resolution 3 is advisory and the Directors' entitlement to receive remuneration is not conditional on it.

Resolution 4: Approval of the Metro Bank PLC Long Term Incentive Plan

The Board is asking shareholders to approve the adoption of the Metro Bank PLC Long Term Incentive Plan (the 'LTIP'). It has been designed in line with market best practice and takes account of current regulatory requirements. The LTIP will be pivotal in incentivising and motivating executives and colleagues to deliver the Bank's Strategic Plan and provide better alignment with shareholders. Details of the key terms of the LTIP are set out in Appendix 1.

Resolution 5: Amendments to the Metro Bank PLC Deferred Variable Reward Plan

The Board is asking shareholders to approve two amendments to the Metro Bank PLC Deferred Variable Reward Plan (the 'Deferred Plan'). The first amendment is to the dilution limit to bring it in line with the new Directors' Remuneration Policy, the proposed LTIP and market best practice. In order to ensure that the Deferred Plan is sufficiently aligned with market best practice and current regulatory requirements in relation to Malus & Clawback the Deferred Plan will be amended so that the Malus & Clawback provisions in the LTIP will be replicated in the Deferred Plan. Details of the proposed amendments are set out in Appendix 2.

Resolutions 6 to 17: Re-election and election of Directors

Resolutions 6 to 17 relate to the re-election and election of the Directors. There has been one new appointment to the Board since the 2020 AGM. On 1 November 2020, Sir Michael Snyder stepped down as Interim Chair and resumed the role of Senior Independent Director. Following a robust and thorough search process, Robert Sharpe was appointed as Chair on 1 November 2020. Robert Sharpe will stand for election in accordance with the Company's articles of association (Resolution 6). In accordance with the recommendations of the Code, all other Directors will retire at the AGM and wishing to serve again offer themselves up for re-election.

The Chair and the Board are satisfied that each of the Directors continues to be effective, demonstrates commitment to the role and continues to be able to dedicate sufficient time to their duties. The Board also believes that the skills and experience of each of the Directors, as detailed in the biographies overleaf, are of benefit to the Board and the Company.

In line with the recommendations of the Code, during 2020 the Board carried out an externally facilitated Board evaluation, which was undertaken by Independent Audit. Following this evaluation, the Chair is satisfied that the Board as a whole continued to operate effectively, and that each Director continues to demonstrate commitment and effective contribution in their roles. We have made some changes to the membership of our Board committees. Anne Grim and Paul Thandi have stepped down from the Audit Committee, with Anne being appointed to the Remuneration Committee and Paul being appointed to the Nomination Committee. These changes have been made to improve the efficiency of the running of Audit Committee meetings and add important skills to the memberships of the Remuneration and Nomination Committees.



PART II EXPLANATORY NOTES TO THE RESOLUTIONS CONTINUED

The Nomination Committee assists the Board in reviewing the structure, size and composition of the Board. It is also responsible for reviewing succession plans for the Directors, including the Chair and Chief Executive Officer and other senior executives. In line with the Code all members of the Nomination Committee are independent non-executive directors. The Nomination Committee is chaired by Monique Melis and its other members are Sir Michael Snyder, Catherine Brown, Paul Thandi and Robert Sharpe.

The Chair is committed to ensuring that, in accordance with the recommendations of the Code, at least half of the Board (excluding the Chair) comprises Non-Executive Directors whom the Board considers independent and who objectively challenge management. As at the date of this document, the Board (excluding the Chair) is made up of 11 Directors, of which nine (82 per cent) are independent Non-Executive Directors and two are Executive Directors. The Board is also comprised of 33 per cent female Directors. The Board's composition is therefore meeting the targets set out within the Board Diversity Policy and more detail on this can be found in the 2020 Annual Report and Accounts.

Biographies of all the Directors are set out below.

Resolution 6: To elect Robert Sharpe as a Director

Age: 72

Role: Chair

Skills and experience: Robert has over 45 years' experience in retail banking. He is currently chairman at Hampshire Trust Bank plc, Honeycomb Investment Trust plc and Aspinall Financial Services Limited. He has had an extensive number of appointments both in the UK and the Middle East including chairman of Bank of Ireland UK plc, Vaultex Limited and RIAS plc. He has also been a Non-executive Director ('NED') at Aldermore Bank plc, George Wimpy plc, Barclays Bank UK Retirement Fund, LSL Properties plc, and several independent NED roles at banks in Qatar, UAE, Oman and Turkey. Robert was previously Chief Executive Officer at West Bromwich Building Society, a role he took to chart and implement its rescue plan. Prior to this, he was Chief Executive Officer at Portman Building Society, Bank of Ireland's consumer business in the UK and Bank of America's UK retail banking business. Robert was appointed to the Board on 1 November 2020.

Committee memberships: Nomination Committee

Resolution 7: To re-elect Sir Michael Snyder as a Director

Age: 70

Role: Senior Independent Non-Executive Director

Skills and experience: Michael has been a Non-Executive Director at Metro Bank since 2015 and served as interim Chair between October 2019 to November 2020. During his tenure as Chair the Bank has appointed a new CEO, strengthened its board, brought in greater gender balance to the board and refreshed its executive committee. He has also been responsible for setting a new five year strategy and helping the Bank to navigate COVID-19. Michael serves as Non-Executive Director of Mason Pearson Bros. Limited, Sumner Group Holdings Limited (a Jersey company) and is a Non-Executive Director and Audit Chair of Power By BritishVolt. He is an experienced business leader, having chaired GLE Loan Finance Ltd, been Co-Chairman of the government's Professional and Business Services Council, and Chair of the Association of Practising Accountants. He is Senior Partner of Bramdean Consultants LLP and an elected member of the City of London Corporation, which he led for five years as Chairman of the Policy and Resources Committee. Michael was appointed to the Board on 22 September 2015.

Committee memberships: Nomination Committee

Resolution 8: To re-elect Daniel Frumkin as a Director

Age: 56

Role: Chief Executive Officer

Skills and experience: Daniel is responsible for leading the Bank – with a focus on driving long-term growth by delivering great customer service at the right cost, to create even more FANS. Prior to joining Metro Bank, Daniel worked in America, the UK, Eastern Europe and Bermuda. He has performed business, risk, product and commercial executive level roles throughout his career. Most recently, Daniel was Group Chief Operating Officer at Butterfield Bank, with responsibility for eight jurisdictions across the globe covering a range of business and support areas. Daniel was appointed to the Board on 1 January 2020.

Committee memberships: None

Resolution 9: To re-elect David Arden as a Director

Age: 52

Role: Chief Financial Officer

Skills and experience: Prior to joining Metro Bank, David was CFO at Sainsbury's Bank and interim MD of Argos Financial Services, following the successful acquisition of Home Retail Group by J Sainsbury plc in September 2016. David joined Sainsbury's Bank from Shop Direct Financial Services, where he was CFO. In his 30-year career, he has held a number of senior positions including MD of RBS/NatWest credit cards and Finance and Risk Director for Tesco Bank. David was appointed to the Board on 29 March 2018.

Committee memberships: None



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Resolution 10: To re-elect Anna (Monique) Melis as a Director

Age: 55

Role: Independent Non-Executive Director

Skills and experience: Monique is a Managing Director and the Global Service Line Head of Regulatory Consulting at Duff & Phelps (a Kroll Business) and is a member of Duff & Phelps' Luxembourg Management Company Board. With extensive financial services and regulatory experience across established and growth markets, her appointments have included Executive Board member at Kinetic Partners and roles at the Cayman Islands Regulator and Stock Exchange ('CSX'), the Financial Services Authority and the Securities and Futures Authority. Monique was appointed to the Board on 20 June 2017.

Committee memberships: Audit Committee, Nomination Committee (Chair)

Resolution 11: To re-elect Catherine Brown as a Director

Age: 55

Role: Independent Non-Executive Director

Skills and experience: Catherine holds various non-executive roles including: Non-Executive Director of FNZ (UK) Limited and Non-Executive Director of QBE Underwriting Limited and QBE UK Limited, and Chairman and Non-Executive Director of Additive Flow Limited and The Plastic Economy Limited. Until 31 March 2020, she was a Non-Executive Board Member at the Cabinet Office. Most recently, in mid-2019, she joined QBE Underwriting Limited (QBE UK Ltd), one of the world's leading international insurers, as a Non-Executive Director for the UK. She is a Trustee of Cancer Research UK, one of the UK's largest charities. Catherine has extensive experience in organisational transformation in financial services and a wide range of experience in leadership and operations. Her previous appointments include: Group Strategy Director at Lloyds Banking Group, Executive Director of Human Resources at the Bank of England and Chief Operating Officer at Apax Partners. Catherine was appointed to the Board on 1 October 2018.

Committee memberships: Nomination Committee, Remuneration Committee (Chair), Risk Oversight Committee

Resolution 12: To re-elect Paul Thandi as a Director

Age: 55

Role: Independent Non-Executive Director

Skills and experience: Paul is CEO of the NEC Group in Birmingham, where he has overseen the growth of one of the world's top venue management companies. He is also a CEO of West Midlands Growth Company Limited and Non-Executive Director of British Allied Trades Federation. Paul is an experienced CEO, Chair and Non-Executive Director with diverse international media and service-led experience with an emphasis on people, innovation, data and culture. Paul has over 20 years' experience in the media industry, including as executive director at CMP Information. He is Deputy Lieutenant of West Midlands Lieutenancy, representing the Queen in the region, and was appointed Commander of the Order of the British Empire ('CBE') in the New Year's Honours in January 2020 for his services to the economy through his 13-year leadership of the NEC. Paul was appointed to the Board on 1 January 2019.

Committee memberships: Nomination Committee, Remuneration Committee

Resolution 13: To re-elect Sally Clark as a Director

Age: 58

Role: Independent Non-Executive Director and designated NED for Workforce Engagement

Skills and experience: Sally is a Director at Acin, the data standards firm for non-financial risk and controls. She is also a Non-Executive Director of Frattina Services Ltd. Previously, she was Chief Internal Auditor at Barclays from 2014 to 2019. Her role was to run the 650-strong global function providing assurance to key stakeholders on the effectiveness of the control environment at Barclays. She was passionate about helping the bank succeed through the work undertaken by Barclays Internal Audit ('BIA') and through the continuous programme of improvement within the function itself. Before that she was the Chief of Administration for BIA. Her responsibilities revolved around strategy for the function along with professional practices including QA, training and development, BIA operations and communications. A qualified executive coach and Fellow of the Institute of Leadership and Management, Sally also mentored staff within Barclays and was the ExCo sponsor for the wellbeing agenda. Sally has a track record of success in developing and executing strategy, driving operational excellence and audit delivery. She served on the Council of the Institute of Internal Auditors for three years and was Deputy President in 2018/19. Sally was appointed to the Board on 1 January 2020.

Committee memberships: Audit Committee, Remuneration Committee

Resolution 14: To re-elect Michael Torpey as a Director

Age: 61

Role: Independent Non-Executive Director

Skills and experience: Michael retired from the position of Chief Executive of the Corporate & Treasury division and Member of the Group Executive Committee at Bank of Ireland in August 2018. He has extensive experience in senior roles across financial services. His past appointments include: Head of Banking at the National Treasury Management Agency in Ireland; Group Treasurer at Irish Life and Permanent plc; Senior Treasury Adviser at Irish Financial Regulator; Finance Director at Ulster Bank Group; and Finance Director at First Active plc. Michael was appointed to the Board on 1 September 2019.

Committee memberships: Audit Committee (Chair), Risk Oversight Committee



PART II
EXPLANATORY NOTES TO THE RESOLUTIONS CONTINUED

Resolution 15: To re-elect Nicholas Winsor as a Director

Age: 59

Role: Independent Non-Executive Director

Skills and experience: Nicholas is a Non-Executive Director of Schroder Oriental Income Limited, Chair of its Nomination and Remuneration Committee and a member of its Audit and Management Engagement committees. He also a Non-Executive Director of the States of Jersey Development Company, Chair of its Remuneration and Nomination Committee and a member of the Audit and Risk Committee and the Deal Advisory Panel. Nicholas has more than 35 years of international banking experience with HSBC Group in a number of markets: Brunei; Channel Islands; Hong Kong; India; Japan; Qatar; Singapore; Taiwan; United Arab Emirates and the United Kingdom. He was Chief Executive Officer and Vice President of HSBC Bank (Taiwan) Limited, Chief Executive Officer of HSBC's businesses in the Channel Islands and Isle of Man and a Director of HSBC Bank Middle East Limited. Nicholas is also Chair of Autism Jersey and was awarded an MBE for services to the community in the Queen's 2020 Birthday Honours List. He holds a Masters in Physics from Oxford University and is a Fellow of the Institute of Directors. Nicholas was appointed to the Board on 20 April 2020.

Committee memberships: Risk Oversight Committee

Resolution 16: To re-elect Anne Grim as a Director

Age: 60

Role: Independent Non-Executive Director

Skills and experience: Anne is currently a Non-Executive Director of Plus500, Non-Executive Director of Insight Investment Funds Management Limited and Non-Executive Director of Openwork Holdings Limited. Anne is an experienced executive turned advisor, consultant and non-executive director with more than 30 years in senior financial services leadership roles at Barclays, Wells Fargo, American Express, Mastercard and most recently as Chief Customer Officer at Fidelity International. Her expertise is in customer experience, strategic planning and execution, technology innovation and business transformation. In addition, she is currently an Advisor to the Investment Association's FinTech Engine, a Trustee on the UK board of Opportunity International and a Director of CXpertin Ltd. Anne was appointed to the Board on 20 April 2020.

Committee memberships: Remuneration Committee. Anne is also a Non-Executive Director of RateSetter.

Resolution 17: To re-elect Ian Henderson as a Director

Age: 60

Role: Independent Non-Executive Director

Skills and experience: Ian is currently Chief Executive Officer of Kyckr, an Australian listed RegTech business providing global KYC solutions to banks, payments services providers and other regulated businesses. He joined Kyckr after a 30-year career in retail & business banking and wealth management. He is also a Member Trustee of the Chartered Bankers Institute. Since 2012, he has been actively involved in the UK Challenger Bank sector holding CEO roles at Arbuthnot Latham & Co Limited; Kensington Mortgages; and Shawbrook Bank. Prior to this, he was Chief Operating Officer of the Private Banking Businesses in Barclays Wealth and before that he was with RBS for 21 years. His final role there was as Chief Executive Officer of RBS International. He also held the positions of Chief Operating Officer Retail Banking and Marketing Director RBS & NatWest. Ian holds degrees in Economics and Finance from Scottish and Canadian universities and an MBA. Ian was appointed to the Board on 20 April 2020.

Committee memberships: Audit Committee, Risk Oversight Committee (Chair)

Directors' interests

The interests of Directors and their connected persons in the issued share capital of the Company are set out in the Directors' Remuneration Report of the 2020 Annual Report.

Resolution 18: Re-appointment of the auditor

At each meeting at which the Company's accounts are presented to its members, the Company is required to appoint an external auditor to serve until the next such meeting. The Board, on the recommendation of the Audit Committee, recommends the re-election of the Company's auditors, PricewaterhouseCoopers LLP.

Resolution 19: Auditor remuneration

This Resolution follows best corporate governance practice in authorising the Audit Committee to determine the auditor's remuneration.

Resolution 20: Authority to allot Shares

The purpose of this Resolution is to renew the Directors' authority to allot Shares.

The authority in paragraph (a) will allow the Directors to allot new Shares and grant rights to subscribe for, or convert other securities into, Shares up to a nominal value of £56.89, which is equivalent to approximately 33 per cent of the total issued ordinary share capital of the Company, exclusive of treasury shares, as at 8 April 2021, being the last practicable date prior to the publication of this Notice.

The authority in paragraph (b) will allow the Directors to allot new Shares and grant rights to subscribe for, or convert other securities into, Shares only in connection with a rights issue up to a further nominal value of £56.89, which is approximately equivalent to an additional 33 per cent of the total issued ordinary share capital of the Company, exclusive of treasury shares, as at 8 April 2021, being the last practicable date prior to the publication of this Notice. This is in line with the Investment Association's Share Capital Management Guidelines issued in July 2016.



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At 8 April 2021, the Company did not hold any Shares in treasury.

This Resolution would give the Directors the maximum flexibility permitted by investor guidelines to respond to market developments, however, the Directors have no present intention of exercising this authority. If they do exercise the authority, the Directors intend to follow best practice as regards its use, as recommended by the Investment Association.

The authority sought under this Resolution will be effective until the Company's next AGM or at the close of business on 30 June 2022, whichever is the earlier.

Resolutions 21 and 22: Authority to dis-apply pre-emption rights (special resolutions)

Limbs (a)(i) and (b) of Resolution 21 seek shareholder approval to allot a limited number of ordinary shares or other equity securities, or sell treasury shares, for cash on a pre-emptive basis but subject to such exclusions or arrangements as the Directors may deem appropriate to deal with certain legal, regulatory or practical difficulties. For example, in a pre-emptive rights issue, there may be difficulties in relation to fractional entitlements or the issue of new shares to certain shareholders, particularly those resident in overseas jurisdictions.

In addition, there may be circumstances when the Directors consider it in the best interests of the Company to allot a limited number of ordinary shares or other equity securities, or sell treasury shares for cash on a non pre-emptive basis, without first offering them to existing shareholders. The Pre-Emption Group's Statement of Principles supports such an annual disapplication of pre-emption rights in respect of allotments of shares and other equity securities and sales of treasury shares for cash representing no more than 5 per cent of issued ordinary share capital (exclusive of treasury shares), without restriction as to the use of proceeds of those allotments. Accordingly, the purpose of limb (a)(ii) of Resolution 21 is to authorise the Directors to allot new Shares and other equity securities pursuant to the allotment authority given by Resolution 20, or sell treasury shares, for cash up to a nominal value of £8.62 which is equivalent approximately to an additional 5 per cent of the total issued share capital of the Company as at 8 April 2021, without the shares being offered to existing shareholders in proportion to their existing holdings.

The Pre-Emption Group's Statement of Principles also supports the annual disapplication of pre-emption rights in respect of allotments of shares and other equity securities and sales of treasury shares for cash representing no more than an additional 5 per cent of issued ordinary share capital (exclusive of treasury shares), to be used only in connection with an acquisition or specified capital investment announced at the same time as the allotment or which has taken place in the six months prior to, and is disclosed in, the announcement of the issue. Accordingly, and in line with the template resolutions published by the Pre-Emption Group, the purpose of Resolution 22 is to authorise the Directors to allot new Shares and other equity securities in connection with an acquisition or specified capital investment pursuant to the allotment authority given by Resolution 20, or sell treasury shares, for cash up to a further nominal value of £8.62, which is equivalent approximately to an additional 5 per cent of the total issued share capital of the Company as at 8 April 2021 without first offering them to existing shareholders. If the authority given in Resolution 22 is used, the Company will publish details of the placing in its next annual report.

The Board intends to adhere to the provisions in the Pre-emption Group's Statement of Principles and not to allot Shares or other equity securities or sell treasury shares for cash on a non-pre-emptive basis pursuant to the authority in Resolution 21 (a) (ii) in excess of an amount equal to 7.5 per cent of the total issued ordinary share capital of the Company, excluding treasury shares, within a rolling three-year period, other than:

- a) with prior consultation with shareholders; or
- b) in connection with an acquisition or specified capital investment as described above.

The Board considers the authorities in Resolutions 21 and 22 to be appropriate in order to allow the Company flexibility to finance business opportunities or to conduct a pre-emptive offer or rights issue without the need to comply with the strict requirements of UK statutory pre-emption provisions.

The authority sought under Resolutions 21 and 22 will be effective until the Company's next AGM, or at the close of business on 30 June 2022, whichever is the earlier.

Resolution 23: Notice of general meetings (special resolution)

Under the Act, the notice period required for all general meetings of the Company is 21 days. AGMs will always be held on at least 21 clear days' notice but shareholders can approve a shorter notice period for other general meetings, as long as this is not less than 14 clear days.

This Resolution would, if passed, allow the Company flexibility to call general meetings, other than AGMs, on not less than 14 clear days' notice. The shorter notice period would not be used as a matter of routine for such meetings, but only where the flexibility is merited by the business of the meeting and is thought to be to the advantage of shareholders as a whole.

The approval will be effective until the Company's next AGM, or at the close of business on 30 June 2022, whichever is the earlier.



NOTICE OF 2021 ANNUAL GENERAL MEETING
METRO BANK PLC

PART III
METRO BANK PLC
NOTICE OF 2021 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the **ANNUAL GENERAL MEETING** of Metro Bank PLC will be held at the Company's offices located at First floor, 1 Southampton Row, London WC1B 5HA on 18 May 2021 at 2:00p.m. to consider and, if thought fit, pass the following Resolutions.

Resolutions 1 to 20 (inclusive) will be proposed as ordinary resolutions; for each of these Resolutions to be passed, more than half of the votes cast must be in favour of the Resolution.

Resolutions 21 to 23 (inclusive) will be proposed as special resolutions; for each of these Resolutions to be passed, at least three quarters of the votes cast must be in favour of the Resolution.

Ordinary Resolutions

Annual Report and Accounts

1. To receive, consider and adopt the Company's Annual Accounts for the year ended 31 December 2020, together with the Directors' Report and the Auditor's Report on those accounts and on the auditable part of the Annual Report on Remuneration.

Directors' Remuneration

2. To approve the binding Directors' Remuneration Policy which is set out in the Annual Report of the Company for the year ended 31 December 2020.
3. To approve the Directors' Remuneration Report, which is set out in the Annual Report of the Company for the year ended 31 December 2020.
4. To approve the Metro Bank PLC Long Term Performance Plan Rules produced in draft to this meeting and, for the purposes of identification, which are initialled by the Chair of the meeting.
5. To approve the amendments to dilution limit and Malus & Clawback provisions in the Metro Bank PLC Deferred Variable Reward Plan as set out in Appendix 2.

Re-election of Directors

6. To elect Robert Sharpe as a Director.
7. To re-elect Sir Michael Snyder as a Director.
8. To re-elect Daniel Frumkin as a Director.
9. To re-elect David Arden as a Director.
10. To re-elect Anna (Monique) Melis as a Director.
11. To re-elect Catherine Brown as a Director.
12. To re-elect Paul Thandi as a Director.
13. To re-elect Sally Clark as a Director.
14. To re-elect Michael Torpey as a Director.
15. To re-elect Nicholas Winsor as a Director.
16. To re-elect Anne Grim as a Director.
17. To re-elect Ian Henderson as a Director.

Re-appointment of the auditor

18. To re-appoint PricewaterhouseCoopers LLP as auditors of the Company to hold office until the conclusion of the next general meeting at which accounts are laid before the Company.

Auditor remuneration

19. To authorise the Audit Committee to determine the remuneration of the auditors.



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Authority to allot shares

20. THAT, in place of any existing authority conferred upon them for the purpose of Section 551 of the Companies Act 2006, the Directors be generally and unconditionally authorised pursuant to and in accordance with Section 551 of the Companies Act 2006 to exercise all powers of the Company to allot and to make offers or agreements to allot shares or grant rights to subscribe shares or convert any securities into shares:

- a) up to an aggregate nominal amount of £56.89; and
- b) up to a further aggregate nominal amount of £56.89 in connection with an offer by way of a rights issue,

provided that this authority shall (unless previously revoked or renewed) expire at the end of the next AGM or at the close of business on 30 June 2022, whichever is the earlier, but so that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted or rights to subscribe for or to convert any security into shares to be granted after such expiry and the Directors may allot shares or grant rights to subscribe for or convert securities into shares in pursuance of such offer or agreement as if the authority had not expired.

For the purposes of this Resolution, '**rights issue**' means an offer to: (i) ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and (ii) people who are holders of other equity securities if this is required by the rights of those securities or, if the Directors consider it necessary, as permitted by the rights of those securities, to subscribe for further securities by means of the issue of a renounceable letter (or other negotiable document) which may be traded for a period before payment for the securities is due, but subject in both cases to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in, or under the laws of, any territory.

Special Resolutions

Authority to dis-apply pre-emption rights

21. THAT, subject to the passing of Resolution 20 above, the Directors be authorised to make allotments of equity securities (as defined in Section 560(1) of the Companies Act 2006) wholly for cash:

- a) pursuant to the authority given in paragraph (a) of Resolution 20 above or where the allotment constitutes an allotment of equity securities by virtue of Section 560(3) of the Companies Act 2006 and, in each case:
 - (i) in connection with a pre-emptive offer; and
 - (ii) otherwise than in connection with a pre-emptive offer, up to an aggregate nominal amount of £8.62; and
- b) pursuant to the authority given in paragraph (b) of Resolution 20 in connection with a pre-emptive rights issue,

as if Section 561(1) of the Companies Act 2006 did not apply to any such allotment, and such authority shall (unless previously revoked or renewed) expire at the end of the next AGM or at the close of business on 30 June 2022, whichever is the earlier, save that the said authority shall permit the Company to make an offer or enter into an agreement before the expiry of such authority which would or might require equity securities to be allotted or treasury shares to be sold after such expiry and the Directors may allot equity securities and sell treasury shares in pursuance of such offer or agreement as if such authority conferred had not expired. For the purposes of this Resolution, the nominal amount of any securities shall be taken to be, in the case of rights to subscribe for or convert any securities into shares of the Company, the nominal amount of such shares which may be allotted pursuant to such rights.

For the purposes of this Resolution, '**pre-emptive offer**' means an offer of equity securities open for acceptance for a period fixed by the Directors to: (a) holders (other than the Company) on the register on a record date fixed by the Directors of ordinary shares in proportion to their respective holdings; and (b) other persons so entitled by virtue of the rights attaching to any other equity securities held by them, but subject in both cases to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in, or under the laws of, any territory.



NOTICE OF 2021 ANNUAL GENERAL MEETING
METRO BANK PLC

PART III
METRO BANK PLC
NOTICE OF 2021 ANNUAL GENERAL MEETING CONTINUED

22. THAT, subject to the passing of Resolution 20 above and in addition to the authority granted under Resolution 21 above, the Directors be authorised to allot equity securities (as defined in Section 560(1) of the Companies Act 2006) wholly for cash pursuant to the authority given by Resolution 20 above or where the allotment constitutes an allotment of equity securities by virtue of Section 560(3) of the Companies Act 2006 as if Section 561(1) of the Companies Act 2006 did not apply to any such allotment, such authority to be:

- a) limited to the allotment of equity securities or sale of treasury shares up to an aggregate nominal amount of £8.62; and
- b) used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Board determines to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this Notice,

provided that this authority shall (unless previously revoked or renewed) expire at the end of the next AGM or at the close of business on 30 June 2022, whichever is the earlier, but so that the Company may, before such expiry, make offers and enter into agreements which would, or might, require equity securities to be allotted and treasury shares to be sold after the authority given by this resolution has expired and the Directors may allot equity securities and sell treasury shares under any such offer or agreement as if the authority had not expired.

Notice of General Meetings

23. THAT a general meeting of the Company (other than an annual general meeting) may be called on not less than 14 clear days' notice.

By Order of the Board,

Melissa Conway

Company Secretary
8 April 2021

Registered office:
One Southampton Row
London
WC1B 5HA
United Kingdom



ADMINISTRATIVE NOTES

Proxy appointment

1. A member is entitled to appoint another person as his/her proxy to exercise all or any of his/her rights to attend and vote at the AGM. In light of the ongoing developments of COVID-19 and in order to comply with the Government's restrictions on non-essential travel and limiting indoor gatherings, shareholders will not be able to attend this year's AGM and vote in person. Therefore, the completion and return of a Form of Proxy within the time period prescribed is strongly recommended in order to represent your full voting entitlement at the AGM. Due to attendance restrictions, the Chair of the AGM, by default, will be deemed the appointed proxy.
2. A Form of Proxy is enclosed.
3. To appoint a proxy, the Form of Proxy and any power of attorney or other authority under which it is executed (or a duly certified copy of any such power or authority) must be (a) returned to the Company's registrars, Equiniti, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, United Kingdom, or (b) the proxy appointment must be lodged using the CREST Proxy Voting Service in accordance with Note 9 below or (c) by email to proxyvotes@equiniti.com, in each case so as to arrive no later than 2:00p.m. on 14 May 2021. Shareholders who would prefer to register the appointment of their proxy electronically via the internet can do so through the Sharevote website, www.sharevote.co.uk, using their personal Authentication Reference Number (this is the series of numbers printed under the headings Voting ID, Task ID and Shareholder Reference Number on the Form of Proxy). Alternatively, shareholders who have already registered with Equiniti Registrars' online portfolio service, Shareview, can appoint their proxy electronically by logging on to their portfolio at www.shareview.co.uk by using their usual user ID and password. Once logged in, simply click 'view' on the 'My Investments' page, click on the link to vote and then follow the on screen instructions. Full details and instructions on these electronic proxy facilities are given on the respective websites.
4. ShareBuy participants will be sent a Form of Direction and are requested to:
 - (a) complete and sign the Form of Direction in order to instruct Equiniti Share Plan Trustees Limited how you would like them to vote on your behalf. Completed Forms of Direction should be returned to Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA as soon as possible and in any event so as to be received by Equiniti Limited no later than 2:00p.m. on 13 May 2021; or
 - (b) register their votes electronically via the internet at www.sharevote.co.uk. Please note that the personalised numbers printed at the top of the Form of Direction will be required to register your vote online and instructions must be received by no later than 2:00p.m. on 13 May 2021.If you are a ShareBuy participant and you also own shares in your own right, then you will need to complete both the form of Direction and the Form of Proxy and submit them both, either online or by post.
5. In the case of joint holders, the vote of the senior holder who tenders a vote by proxy shall be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the relevant joint holding.

Nominated persons

6. The right to appoint a proxy does not apply to persons whose Shares are held on their behalf by another person and who have been nominated to receive communications from the Company in accordance with Section 146 of the Companies Act 2006 ('Nominated Persons'). Nominated Persons may have a right under an agreement with the member who holds the Shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if Nominated Persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the Shares as to the exercise of voting rights.

Information about Shares and voting

7. Holders of Shares are entitled to vote at general meetings of the Company. The total number of issued ordinary shares in the Company on 8 April 2021, being the latest practicable date before the publication of this document, was 172,420,458, and each Share carries one vote on a poll. Therefore, the total number of votes exercisable as at 8 April 2021 was 172,420,458.

Right to attend and vote

8. Entitlement to vote at the meeting, and the number of votes which may be cast at the meeting, will be determined by reference to the Company's register of members at 6:30p.m. on 14 May 2021 or, if the meeting is adjourned, 48 hours before the time fixed for the adjourned meeting (as the case may be). In each case, changes to the register of members after such time will be disregarded. As noted above, due to the Government's restrictions on gatherings, shareholders (other than those required to meet a quorum) will not be permitted to attend this year's AGM in person to vote. Shareholders must vote by proxy if they wish to cast their votes. Please see Note 14 for further information on joining the AGM by phone and engaging with the Directors in advance of the meeting.



ADMINISTRATIVE NOTES CONTINUED

CREST members

- 9.** CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting (and any adjournment of the meeting) by following the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members (and those CREST members who have appointed a voting service provider) should refer to their CREST sponsor or voting service provider, who will be able to take the appropriate action on their behalf.
- 10.** In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual (available via www.euroclear.com). The message (regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy) must, in order to be valid, be transmitted so as to be received by Equiniti (ID RA19) by the latest time for receipt of proxy appointments specified in Note 3 above. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to a proxy appointed through CREST should be communicated to him by other means.
- 11.** CREST members (and, where applicable, their CREST sponsors or voting service providers) should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that his/her CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members (and, where applicable, their CREST sponsors or voting service providers) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
- 12.** The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Corporate representatives

- 13.** Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member, provided that they do not do so in relation to the same Shares.

Questions

- 14.** As physical attendance at this year's AGM is not possible, we invite shareholders to dial into the AGM, which will be accessible live via listen-only audio. To encourage shareholder engagement, shareholders can submit questions to the Directors in advance, and by no later than 2:00p.m. on 11 May 2021, by emailing companysecretary@metrobank.plc.uk. Where possible, questions received by verified shareholders within the time prescribed will be addressed by one of the Directors present after the formal business of the meeting has ended. Audio access details to the AGM are detailed on page 1 of this document.

Website information

- 15.** A copy of this notice and other information required by Section 311A of the Companies Act 2006 can be found at www.metrobankonline.co.uk.

Voting by poll

- 16.** Each of the Resolutions to be put to the meeting will be voted on by poll. A poll reflects the number of voting rights exercisable by each member and so the Board considers it a more democratic method of voting. Members and proxies will be asked to complete a poll card to indicate how they wish to cast their votes. These cards will be collected at the end of the meeting. The results of the poll will be published on the Company's website and notified to the UK Listing Authority once the votes have been counted and verified.

Use of electronic address

- 17.** Members may not use any electronic address provided in either this notice of meeting or any related documents (including the enclosed Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.

Documents available for inspection

- 18.** Copies of the following documents may be inspected during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the registered office of the Company at One Southampton Row, London WC1B 5HA:
- the executive directors' service contracts; and
 - letters of appointment of the non-executive directors.
- 19.** A copy of the Metro Bank PLC Long Term Incentive Plan Rules will be available for inspection at the registered office of the Company at One Southampton Row, London WC1B 5HA during normal business hours on any weekday (English public holidays excepted) until the close of the Annual General Meeting and at the place of the Annual General Meeting for at least 15 minutes prior to and during the Annual General Meeting.



NOTICE OF 2021 ANNUAL GENERAL MEETING
METRO BANK PLC

Appendix 1

The Metro Bank PLC Long Term Incentive Plan

Operation

The Remuneration Committee of the Board (the 'Committee') will supervise the operation of the Metro Bank PLC Long Term Incentive Plan (hereinafter the 'Plan').

Eligibility

Any employee (including an executive director) of the Company and its subsidiaries will be eligible to participate in the Plan at the discretion of the Committee.

Grant of Awards

The Committee may grant awards which are structured as conditional share awards, nil (or nominal) cost options, and which may be either subject to a performance-related condition ('Performance Share Awards') or subject only to time and continued service conditions ('Restricted Share Awards').

Restricted Share Awards shall ordinarily be granted only in exceptional circumstances such as recruitment or, in the case of eligible employees other than executive directors, retention.

The Committee may also grant cash-based awards of an equivalent value to share-based awards or to satisfy share-based awards in cash, although it does not currently intend to do so.

Timing of grants

The Committee may grant Awards within six weeks following the announcement of the Company's results for any period. The Committee may also grant Awards within six weeks of shareholder approval of the Plan or at any other time when the Committee considers there are sufficiently exceptional circumstances which justify the granting of Awards.

An Award may not be granted more than 10 years after shareholder approval of the Plan.

No payment is required for the grant of an Award. Awards are not transferable, except on death. Awards are not pensionable.

The first Awards under the Plan would be made within six weeks following shareholder approval of the Plan or as soon as reasonably practicable thereafter.

Individual limit

An employee may not receive Performance Share Awards or Restricted Share Awards in any financial year of shares having a market value in excess of 100% (or such other limit permitted by the applicable shareholder approved Directors' Remuneration Policy) of their annual base salary in that financial year.

Market value for the purposes of the above limit shall be based on the market value of shares on the dealing day immediately preceding the grant of the Award or by reference to a short averaging period not exceeding 5 dealing days and ending with the dealing day immediately preceding the grant.

Performance conditions

The extent of vesting of Performance Share Awards will be subject to performance conditions set by the Committee.

For the first Performance Share Awards granted under the Plan, the vesting of such Performance Share Awards will be subject to the satisfaction of performance conditions comprising measures of Return on Tangible Equity, Relative Total Shareholder Return and Risk and Regulatory.

Fuller details of such performance conditions are explained in the Directors' remuneration report within the Company's Annual Report and Accounts.

The terms of the performance conditions for Performance Share Awards to the Company's executive directors shall be set in line with the applicable Directors' Remuneration Policy from time to time.

The Committee may vary the performance conditions applying to any Performance Share Award if an event occurs which causes the Committee to consider that it would be appropriate to amend the performance conditions, provided the Committee considers the varied conditions are not materially less difficult to satisfy than the original conditions would have been but for the event in question and if the Committee acts fairly and reasonably in varying the conditions.

Vesting of Awards

Awards shall vest on the third anniversary of grant (the fourth anniversary of grant in respect of the initial awards) or, if later (i) in respect of Performance Share Awards, when the Committee determines the extent to which any performance conditions have been satisfied or (ii) in line with any later vesting required by any regulation or enactment. The Committee may specify different vesting periods for Restricted Share Awards.



ADMINISTRATIVE NOTES CONTINUED

Where Awards are granted in the form of options, once vested, such options will then be exercisable up until the tenth anniversary of grant (or such shorter period specified by the Committee at the time of grant) unless they lapse earlier. Shorter exercise periods shall apply in the case of 'good leavers' and/or vesting of Awards in connection with corporate events.

The Committee shall retain discretion in respect of Awards to reduce vesting (including to nil) if exceptional circumstances exist that would otherwise make the level of vesting inappropriate.

Holding Period

The terms of the Plan require that all participants will ordinarily be required to retain any vested shares (on an after-tax basis) acquired under the Plan (or, where relevant, the full number of the vested shares whilst held under an unexercised but vested Award) until at least the fifth anniversary of the grant of the relevant Award (or 12 months after the vesting of the Award if later in the case of an Award held by a material risk taker).

Exceptionally, the Committee may, in its discretion, allow such participants to sell, transfer, assign or dispose of some or all of these shares before the end of the holding period, subject to such additional terms and conditions that the Committee may specify.

Dividend equivalents

In the case of an Award granted as an option, the Committee may decide that participants will receive a payment (in cash and/or shares) of an amount equivalent to the dividends that would have been payable on an Award's vested shares between the date of vesting of the Award and the expiry of the holding period (or the exercise of the option if earlier). This amount may assume the reinvestment of dividends and shall be paid at the same time as the delivery of the related vested shares (or cash payment as relevant). Dividend equivalents do not apply to the vesting period in line with regulatory requirements.

Leaving employment

As a general rule, an Award will lapse upon a participant ceasing to hold employment or be a director within the Company's group. However, if a participant ceases to be an employee or a director because of death, injury, disability, their employing company or the business for which they work being sold out of the Company's group or in other circumstances at the discretion of the Committee, then their Award will normally vest on the date when it would have vested if they had not ceased such employment or office.

Alternatively, if a participant ceases to be an employee or director in the Company's group for one of the 'good leaver' reasons specified above (including in the case of a discretionary good leaver), the Committee can decide that their Award will vest when they leave.

In either case, the extent to which an Award will vest in these situations will depend upon two factors: (i) the extent to which the performance conditions (if any) have, in the opinion of the Committee, been satisfied over the original performance measurement period, and (ii) pro-rating of the Award to reflect the reduced period of time between its grant and vesting, although the Committee can decide to pro-rate an Award to a lesser extent (including as to nil) if it regards it as appropriate to do so in the particular circumstances.

Corporate events

In the event of a takeover or winding up of the Company (not being an internal corporate reorganisation) all Awards will vest early subject to: (i) the extent that the performance conditions (if any) have been satisfied at that time; and (ii) pro-rating of the Awards to reflect the reduced period of time between their grant and vesting, although the Committee can decide not to pro-rate an Award (or pro-rate to a lesser extent) if it regards it as appropriate to do so in the particular circumstances.

In the event of an internal corporate UK spelling reorganisation, or a decision by the Committee that rollover should apply, Awards will be replaced by equivalent new Awards over shares in a new holding company unless the Committee decides that Awards should vest on the basis which would apply in the case of a takeover.

If a demerger, special dividend or other similar event is proposed which, in the opinion of the Committee, would affect the market price of shares to a material extent, then the Committee may decide that Awards will be adjusted or vest on such reasonable basis as it decides.

Participants' rights

Awards settled in shares will not confer any shareholder rights until the Awards have vested or the options have been exercised as relevant and the participants have received their shares.

Rights attaching to shares

Any shares allotted when an Award vests or is exercised will rank equally with shares then in issue (except for rights arising by reference to a record date prior to their allotment).

Variation of capital

In the event of any variation of the Company's share capital or in the event of a demerger, payment of a special dividend or similar event which materially affects the market price of the shares, the Committee may make such adjustment as it considers appropriate to the number of shares subject to an Award and/or the exercise price payable (if any).



NOTICE OF 2021 ANNUAL GENERAL MEETING
METRO BANK PLC

Overall Plan limits

The Plan may operate over new issue shares, treasury shares or shares purchased in the market.

In any 10 calendar year period, the Company may not grant Awards if the allocation of shares in connection with such Awards would result in the issue of (or grant rights to issue) more than:

- (i) 10% of the issued ordinary share capital of the Company under the Plan and any other employee share plan adopted by the Company (including the Metro Bank PLC Deferred Variable Reward Plan prior to the date of the AGM); and
- (ii) 5% of the issued ordinary share capital of the Company under the Plan and any other executive share plan adopted by the Company (including the Metro Bank PLC Deferred Variable Reward Plan on or after the date of the AGM).

Treasury shares will count as new issue shares for the purposes of these limits unless institutional investor guidelines provide that they need not count.

Alterations to the Plan

The Committee may, at any time, amend the Plan in any respect, provided that the prior approval of shareholders is obtained for any amendments that are to the advantage of participants in respect of the rules governing eligibility, limits on participation, the overall limits on the issue of shares or the transfer of treasury shares, the basis for determining a participant's entitlement to, and the terms of, the shares or cash to be acquired and the adjustment of Awards.

The requirement to obtain the prior approval of shareholders will not, however, apply to any minor alteration made to benefit the administration of the Plan, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants or for any company in the Company's group. Shareholder approval will also not be required for any amendments to any performance condition applying to an Award varied on its terms.

Malus & Clawback

The Committee may apply the Plan's Malus & Clawback provisions to an Award if, at any point prior to the later of: (i) the third anniversary of the date of vesting of an Award; or (ii) or where required by legislation or regulation up to seven years from the grant date (or within 10 years of the grant date where an investigation is underway for senior manager function roles), it is discovered that there has been: (a) a material misstatement of the Company's financial results or an error of calculation; (b) participant conduct resulting in significant losses for the Company; (c) a failure to meet appropriate standards of fitness and propriety; (d) misconduct or serious error; (e) a material downturn in business performance; (f) a significant failure of risk management; (g) corporate failure; (h) substantial reputational damage as a result of conduct or a failure to act; (i) a regulatory censure as a result of a material failure in control; or (j) the Award is not sustainable when assessing the overall financial viability of the Company.

The recovery and withholding may be satisfied by way of a reduction in the amount of any future bonus, subsisting award or future awards and/or a requirement to make a cash payment.

Overseas plans

The shareholder resolution to approve the Plan will allow the Board to establish further plans (or schedules) for overseas territories, any such plan to be similar to the Plan, but modified to take account of local tax, exchange control or securities laws, provided that any shares made available under such further plans (or schedules) are treated as counting against the limits on individual and overall participation in the Plan.



NOTICE OF 2021 ANNUAL GENERAL MEETING
METRO BANK PLC

Appendix 2

The Metro Bank PLC Deferred Variable Reward Plan

Two minor amendments are proposed to the Metro Bank PLC Deferred Variable Reward Plan (the 'Deferred Plan') to ensure consistency with the proposed Metro Bank PLC Long Term Incentive Plan (the 'LTIP').

Amendment 1 – Dilution Limit

Currently the Deferred Plan provides for a 10% dilution limit. The Deferred Plan will be amended so that Awards granted on or after the date of the AGM under the Deferred Plan are subject to the same 5% executive plan dilution limit as the LTIP.

This change reflects the fact that Awards under the Deferred Plan will be made to a narrower set of participants going forward.

Revised Dilution Limit

The Plan may operate over new issue shares, treasury shares or shares purchased in the market.

In any 10 calendar year period, the Company may not grant Awards if the allocation of shares in connection with such Awards would result in the issue of (or grant rights to issue) more than:

- (i) 10% of the issued ordinary share capital of the Company under the Plan and any other employee share plan adopted by the Company (including the Metro Bank PLC Deferred Variable Reward Plan prior to the date of the AGM); and
- (ii) 5% of the issued ordinary share capital of the Company under the Plan and any other executive share plan adopted by the Company (including the Metro Bank PLC Deferred Variable Reward Plan on or after the date of the AGM).

Treasury shares will count as new issue shares for the purposes of these limits unless institutional investor guidelines provide that they need not count.

Amendment 2 – Malus & Clawback

In order to ensure that the Deferred Plan is sufficiently aligned with market best practice and current regulatory requirements in relation to Malus & Clawback the Deferred Plan will be amended so that the Malus & Clawback provisions in the LTIP will be replicated in the Deferred Plan.

Revised Malus & Clawback

The Committee may apply the Plan's Malus & Clawback provisions to an Award if, at any point prior to the later of: (i) the third anniversary of the date of vesting of an Award; or (ii) or where required by legislation or regulation up to seven years from the grant date (or within ten years of the grant date where an investigation is underway for senior manager function roles), it is discovered that there has been: (a) a material misstatement of the Company's financial results or an error of calculation; (b) participant conduct resulting in significant losses for the Company; (c) a failure to meet appropriate standards of fitness and propriety; (d) misconduct or serious error; (e) a material downturn in business performance; (f) a significant failure of risk management; (g) corporate failure; (h) substantial reputational damage as a result of conduct or a failure to act; (i) a regulatory censure as a result of a material failure in control; or (j) the Award is not sustainable when assessing the overall financial viability of the Company.

The recovery and withholding may be satisfied by way of a reduction in the amount of any future bonus, subsisting award or future awards and/or a requirement to make a cash payment.