



Metro Bank Holdings PLC

Board Transformation Oversight Committee (“BTOC”)

Terms of Reference

Approved by the Board	2 December 2025
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## METRO BANK HOLDINGS PLC

### BOARD TRANSFORMATION OVERSIGHT COMMITTEE TERMS OF REFERENCE

#### 1. Constitution

1.1. Metro Bank Group (the “Group”) consists of Metro Bank Holdings Plc (the “Holding Company”) and its subsidiaries. The Metro Bank Holdings PLC Board of Directors (the “Board”) has established a Committee of the Board, known as the Board Transformation Oversight Committee (“BTOC” or the “Committee”). This document sets out the roles and responsibilities of the Committee.

#### 2. Role

2.1. The Committee shall be accountable to the Board and shall:

2.1.1. support the Board in overseeing, supporting, and challenging the actions being taken by Management in relation to the execution of the technology-related aspects of the Group’s strategy transformation, focused on the delivery and execution of material<sup>1</sup> technology-related change including any proposals in respect of material technology change related to cyber and outsourcing.

2.1.2. oversee implementation of Risk Oversight Committee (“ROC”)-approved action plans to remediate risks in relation to material technology-related change, including any proposed material technology- and cyber-related outsourcing.

2.2. Committee members will ensure that an operational resilience and ‘customer outcomes’ focus, as well as maintenance of effective cyber defence is applied to all deliberations.

#### 3. Membership

3.1. Members shall be appointed by the Board, on the recommendation of the Group Nomination Committee in consultation with

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<sup>1</sup> See appendix 1 for definition of Material Change.

the Committee Chair. The Committee shall comprise no fewer than three members, including the Committee Chair, all of whom should be independent Non-Executive Directors.

3.2. The Committee as a whole shall have an appropriate mix of skills and relevant experience.

3.3. Whilst only members of the Committee have the right to attend Committee meetings and vote on matters presented, any shareholder appointed Non-Executive Director may attend Committee meetings in the capacity of observer.

3.4. Depending on the subject matter under review, the Committee may invite any other director, officer, employee or external adviser to attend any meetings of the Committee. The following will usually be expected to be in regular attendance:

- Shareholder Nominated Non Executive Director (NED)
- The Chief Executive Officer;
- The Chief Financial Officer;
- The Chief Operating Officer;
- The Chief Risk Officer; and
- The Chief Internal Auditor.

3.5. The Committee may ask senior representatives of suppliers and partners to attend to support the understanding of agenda items.

3.6. The Committee may also ask external specialist advisers to attend meetings if it considers that necessary to understand technical issues.

3.7. The Committee may also consider appointing for a particular subject or technology area an adviser or group of advisers to work with the Committee for a fixed term where it considers additional briefing and advice necessary.

3.8. Appointments to the Committee shall be for a period of up to three years, extendable provided members still meet the criteria for membership of the Committee as set out in 3.1.

3.9. For continuity and alignment purposes, at least one member of the Committee should also be a member of the ROC.

#### **4. Chair**

- 4.1. On the recommendation of the Group Nomination Committee, the Board shall appoint the Committee Chair, who shall be an independent Non-Executive Director.
- 4.2. The Committee Chair should also be a member of the ROC.
- 4.3. In the absence of the Committee Chair, and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting.

#### **5. Secretary**

- 5.1. The Company Secretary, or their nominee, shall act as the Secretary of the Committee and will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues.

#### **6. Quorum**

- 6.1. The quorum necessary for the transaction of business shall be two members present throughout the meeting in person or via electronic means, at least 50% of whom must be independent Non-Executive Directors.
- 6.2. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

#### **7. Meetings**

- 7.1. The Committee shall meet as and when appropriate but not less than four times a year.
- 7.2. Meetings of the Committee shall be called by the Committee Secretary at the request of the Committee Chair, any of its members or standing attendees to consider such matters related to its responsibilities as they may consider desirable.
- 7.3. Unless otherwise agreed, notice of each meeting confirming the venue, time and date of the meeting, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and any other person required to attend, no later than five days before the date of the meeting. The agenda together with relevant supporting papers shall be sent to

Committee members and to other attendees as appropriate.

## **8. Minutes of Meetings**

- 8.1. The Committee Secretary shall minute the proceedings of all meetings of the Committee, including recording the names of those present and in attendance.
- 8.2. Draft minutes of Committee meetings shall be circulated to the Committee Chair for review ahead of submission to the Committee for approval. Once approved, the minutes should be tabled for noting at the next scheduled Board meeting, unless it would be inappropriate to do so in the opinion of Committee Chair.
- 8.3. The Committee Secretary shall record any conflicts of interest reported at the meeting.
- 8.4. The Committee Secretary will retain copies of the minutes and papers.

## **9. Duties**

In performing its duties, the Committee will comply with all applicable legal and regulatory requirements and fulfil its duties under these Terms of Reference through the following:

- 9.1. Oversee delivery execution of the Group's major strategic systems transformation and programmes, with high dependency on technology change, with a focus on ensuring these are the cost-effective and timely as well as aligned with the Group's strategic goals and objectives.
- 9.2. Oversee delivery execution of the Group's integrated Cyber Security Strategy and Plans, with a focus on ensuring these are the cost-effective and timely as well as aligned with the Group's strategic goals and objectives.
- 9.3. Oversee the Group's major transformation investment budget. Review and challenge management on the delivery of financial outcomes, efficiency and value for money across all areas of the investment spend.
- 9.4. Review and challenge management on the Group's change and execution capabilities and capacity to execute, to the

requisite standards and within risk appetite, the Group's strategic systems transformation and programmes with high dependency on technology change. Ensure that there is an appropriate balance of ambition and capability, and that sufficient focus is given to developing sustainable capability. Ensure that any identified Transformation risks are reported to ROC to ensure appropriate oversight.

- 9.5. Review and make recommendation/s to Board in respect of any proposed material change and technology-related outsourcing and/or third-party relationship.
- 9.6. Review and challenge management on the effectiveness of the Group's major technology delivery performance. Provide oversight to ensure that the impact of any lessons learned from significant incidents is considered in the Group's strategic plans.

## **10. Reporting Responsibilities**

- 10.1. The Committee Chair will report formally on the key aspects of the proceedings of the Committee to the subsequent full meeting of the Board.
- 10.2. Where required, the Committee Chair will report to the ROC as to the outcomes of Committee considerations to inform ROC consideration of the risks in respect of material technology transformation; any proposed material technology-related outsourcing; progress against cyber remediation activity; and delivery of any other material technology and/or cyber related projects as appropriate.
- 10.3. The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 10.4. The Committee shall produce a report of its activities to be included in the Group's financial statements, describing the work of the Committee.

## 11. Other Matters

The Committee shall:

- 11.1. have access to sufficient resources in order to carry out its duties, including access to the Company Secretariat for assistance as required.
- 11.2. be provided with appropriate and timely training, both in the form of an induction programme for new members, and on an on-going basis for all members.
- 11.3. give due consideration to laws, regulations, the provisions of the Code and any other applicable rules.
- 11.4. arrange for periodic review of its own performance and, at least annually, review its Terms of Reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

## APPENDIX

### Definition of Material Change (as set out in the Group's Transformation, Tech Change and Material IT Change Guidelines)

Material change is defined as planned change, intended by the Implementation Owner (responsible Senior Management Function holder), which will materially alter the Group's approach to or position with regards to its:

- Financial resilience and/or performance vs pre-set threshold
- Ability to safeguard the integrity, availability and confidentiality of data (including commercial, customer or personal data)
- Recovery and resolution plans, Operational Continuity In Resolution (OCIR) and resolvability
- Strategic (including reputational risk)
- Operational risk exposures and operational resilience (including important business services) including legal risk and financial crime risk
- Conduct risk (including customer treatment and outcomes, foreseeable harm, affordability and vulnerability)
- Ongoing legal and regulatory compliance (including ability to identify, monitor and manage risks, undertake assurance or audit activity).

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