

# Funding Circle Holdings plc

(the Company)

MARKET DISCLOSURE COMMITTEE - TERMS OF REFERENCE  
adopted by the Board on 18 September 2018

## 1. Background

- 1.1 The board of directors of the Company (the *Board*) has resolved to establish a market disclosure committee (the *Committee*). These terms of reference replace any previous terms of reference for any market disclosure committee of the Board.
- 1.2 The Board has delegated to the Committee responsibility for overseeing the disclosure of information by the Company to meet its obligations under the Market Abuse Regulation and the Financial Conduct Authority's Listing Rules and Disclosure Guidance and Transparency Rules.
- 1.3 In this document '*Group*' means the Company and its subsidiary undertakings from time to time.

## 2. The Committee's Duties

The duties of the Committee include (without limitation):

- 2.1 To consider and decide whether information provided to the Committee is inside information and, if so, the date and time at which that inside information first existed within the Company.
- 2.2 To consider and decide whether inside information gives rise to an obligation to make an immediate announcement and, if so, the nature and timing of that announcement or whether it is permissible to delay the announcement.
- 2.3 When disclosure of inside information is delayed, to:
  - (a) maintain all required Company records;
  - (b) monitor the conditions permitting delay;
  - (c) prepare any required notification to the Financial Conduct Authority regarding the delay in disclosure; and



- (d) prepare any required explanation to the Financial Conduct Authority of how the conditions for delay were met.
- 2.4 To take external advice on the need for an announcement and the form of any announcement where it considers this is appropriate.
- 2.5 To consider the requirement for an announcement in the case of rumours about the Company or in the case of a leak of inside information and in particular, whether a holding statement should be made.
- 2.6 To review any announcement the Company proposes to make, other than an announcement of a routine nature or that has been considered by the Board.
- 2.7 To review and advise generally on the scope and content of disclosure by the Company.
- 2.8 To review the steps taken to ensure that any announcement is not incorrect, incomplete, misleading, false or deceptive and does not omit anything material.
- 2.9 To alert the Company Secretary to the existence of any inside information that may require an amendment to the Company's insider list.
- 2.10 To ensure that effective arrangements are in place to deny access to inside information to persons other than those who require it for the exercise of their functions in the Company or the Group.
- 2.11 To ensure that procedures are in place for employees with access to inside information to acknowledge the legal and regulatory duties that apply to them and to be aware of the sanctions attaching to the misuse or improper circulation of such information.
- 2.12 To approve and keep under review the design, implementation and evaluation of the Company's disclosure controls and procedures.
- 2.13 To monitor compliance with the Company's disclosure controls and procedures.
- 2.14 To review other public disclosures by the Company, including those that are part of the regular reporting cycle.
- 2.15 To approve and keep under review the Company's procedures for the issue of announcements.
- 2.16 To ensure that procedures are in place for notification of transactions by persons discharging managerial responsibilities and persons closely associated with them.
- 2.17 To review the Company's relationship with, and procedures for dealing with, investors and analysts.
- 2.18 To approve the Company's disclosure policy, for communications with the market.
- 2.19 To refer to the Board, if practicable, any decision to make an unplanned announcement about trading or about an event or development, or, if a meeting of the Board cannot be convened sufficiently quickly, to take such a decision.



- 2.20 To monitor the market's views about the Company (including those based on signals set by the Company) and its share price, including rumours.

### **3. Composition**

- 3.1 The Committee must have at least two members. At least one member must be an executive director. Members of the Committee are appointed by the Board.
- 3.2 As at the date on which these Terms of Reference are adopted, the members of the Committee are the Chair, the Group Chief Executive Officer, the Group Chief Financial Officer, the Global General Counsel and the Group Chief Risk Officer.
- 3.3 Only members of the Committee shall have the right to attend Committee meetings. The Committee may invite other individuals to attend Committee meetings, including but not limited to any director, officer or employee of the Company or any Group company and or any person whose advice is sought (including in particular the Group's legal advisers or brokers), to attend all or part of any meeting if it thinks it is appropriate or necessary.
- 3.4 The Board appoints the chair of the Committee. In the absence of the Committee chair and/or an appointed deputy, the remaining members present may elect one of their number to chair the meeting.

### **4. Quorum**

- 4.1 The quorum necessary for the transaction of business is two members, including at least one executive director.
- 4.2 A duly convened meeting of the Committee at which a quorum is present is competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

### **5. Meeting administration**

- 5.1 The Committee must meet whenever necessary to fulfil its responsibilities. The Committee may hold meetings by telephone or using any other method of electronic communication, and may take decisions without a meeting by unanimous written consent, when deemed necessary or desirable by the chair.
- 5.2 Meetings of the Committee are called by the secretary of the Committee at the request of any of its members and can be called on short or immediate notice.
- 5.3 Unless otherwise agreed, notice of each meeting confirming the venue, date and time, together with an agenda of items to be discussed and supporting papers, shall be forwarded to each member of the Committee, and to other attendees as appropriate, no later than 24 hours before the time proposed for the start of the meeting. The chair shall have the sole discretion to reduce the above notice period to whatever the chair considers appropriate in the circumstances.
- 5.4 It is recognised that the nature of the Committee's responsibilities are such that meetings may often need to be called on very short notice.



## **6. Secretary**

- 6.1 The Company Secretary or such person as the Company Secretary nominates acts as the secretary of the Committee.
- 6.2 The secretary must ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues.
- 6.3 The secretary must minute the proceedings and resolutions of all meetings of the Committee, including recording the names of those present and in attendance.
- 6.4 The secretary must ascertain, at the beginning of each meeting, whether any conflict of interest exist and, if so, minute them accordingly.
- 6.5 Draft minutes of Committee meetings must be sent promptly to all members of the Committee. Once approved, minutes must be sent to all members of the Board, unless the chair of the Committee thinks it is inappropriate to do so.

## **7. Self-evaluation**

- 7.1 The Committee must review its own performance, composition and terms of reference at least once a year and recommend to the Board any changes it considers necessary or desirable.

## **8. Reporting responsibilities**

- 8.1 After each Committee meeting, the chair must report formally to the Board on the Committee's proceedings and on how it has discharged its duties and responsibilities.
- 8.2 The Committee may make such recommendations to the Board it deems appropriate on any area within its remit where action or improvement is desirable.

## **9. Other matters**

- 9.1 The Committee must:
  - (a) have access to sufficient resources in order to carry out its duties, including access to the Company secretariat and external broker, legal and/or other professional advice for assistance as required on all Committee matters;
  - (b) give due consideration to laws and regulations, the provisions of the UK Corporate Governance Code, the requirements of the Financial Conduct Authority's Listing, Prospectus, Disclosure Guidance and Transparency Rules and any other applicable rules, as appropriate;
  - (c) oversee any investigation of activities which are within its terms of reference; and
  - (d) work and liaise as necessary with all other Board committees.



## **10. Authority**

10.1 The Board authorises the Committee to:

- (a) undertake any activity within its terms of reference;
- (b) seek any information from any Group employee or contractor that it requires to perform its duties;
- (c) obtain external legal or other professional advice on any matter within its terms of reference at the Company's expense, and to invite persons giving such advice to attend Committee meetings;
- (d) call any Group employee or contractor to be questioned at a Committee meeting, as and when required; and
- (e) delegate any of its powers to one or more of its members or the secretary.