

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 notice or as to the action you should take, please take advice from a stockbroker, solicitor, accountant or other independent professional adviser.

If you have sold or otherwise transferred all of your 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.

Given the uncertainty around whether shareholders will be able to attend the Annual General Meeting in person, shareholders are encouraged to complete and submit a Proxy Form appointing the chair of the meeting in accordance with the instructions printed on the enclosed form. The Proxy Form must be received not less than 48 hours before the time of the holding of the Annual General Meeting (i.e. by 12 p.m. on Monday 17 May 2021).



Notice of Annual General Meeting

Notice of the Annual General Meeting of Funding Circle Holdings plc
to be held at the Company's offices at 71 Queen Victoria Street, London EC4V 4AY,
on Wednesday 19 May 2021 at 12 p.m.

Funding Circle Holdings plc

(incorporated and registered in England and Wales under number 07123934)

Letter from the Chairman

14 April 2021

Dear Shareholder

The Annual General Meeting ("AGM") of Funding Circle Holdings plc (the "Company") will be held at the Company's offices at 71 Queen Victoria Street, London EC4V 4AY, on Wednesday 19 May 2021 at 12 p.m.

The formal Notice of AGM is set out on the following pages of this document, detailing the resolutions that the shareholders are being asked to vote on, along with explanatory notes of the business to be conducted at the AGM.

AGM arrangements in light of the Covid-19 pandemic

Although it is anticipated that indoor meetings will be permitted from 17 May 2021 (subject to applicable government guidance), given the uncertainty surrounding public gatherings and the broader public health considerations, we recommend that shareholders do not attend the meeting in person. With this in mind, we have arranged for shareholders to raise questions in advance and listen to the meeting via video conference if they wish; further details are set out below.

Shareholders who still wish to attend the AGM in person, should this be possible, are asked to register their intention as soon as practicable by email to ir@fundingcircle.com to enable us to ensure the venue remains Covid-19 secure and the relevant risk assessments can be performed.

Given the constantly evolving nature of the situation, it is possible that as a result of government guidance in place at the time, shareholders will not be able to attend the meeting in person. We will provide an update on our website at <https://corporate.fundingcircle.com/investors/shareholder-meetings> and, where appropriate, by an announcement via a Regulatory Information Service, if any changes are required to the AGM arrangements.

Whatever scenario we are faced with, the Board remains committed to shareholder engagement and has made the arrangements set out below to help facilitate this.

Your vote

Given the uncertainty around whether shareholders will be able to attend the AGM in person, I would encourage you to appoint the chair of the meeting as proxy to vote as you direct at the AGM. A Proxy Form is enclosed with this Notice of AGM for you to complete and return or you can submit your Proxy Form electronically at www.sharevote.co.uk, through the CREST service or via the Proxymity platform. Alternatively, if you have already registered with our registrar's online portfolio service, Shareview, you can submit your proxy by logging on to your portfolio at www.shareview.co.uk using your usual user ID and password. For further details on appointing a proxy please see the notes to the Notice of the AGM starting on page 5. Please note that all Proxy Forms and appointments must be received by 12 p.m. on Monday 17 May 2021.

If I am appointed as proxy I will, of course, vote in accordance with any instructions given to me. If I am given discretion as to how to vote, I will vote in favour of each of the resolutions to be proposed at the AGM.

Voting on the business of the meeting will be conducted by way of a poll. The results of voting on the resolutions will be announced via a regulatory announcement and posted on the Company's website as soon as practicable after the AGM.

Listening to the meeting remotely

Shareholders are invited to listen to the formal proceedings of the meeting via video conference, although you will not be able to use this facility to vote, ask questions or table resolutions. If you wish to access this facility, please email ir@fundingcircle.com at least 24 hours before the meeting (specifying your name and shareholder reference number (as shown on your Proxy Form)) to obtain the required link and access code.

Your questions

The Board appreciates that the AGM is an important forum for shareholders to engage with the Board, and shareholders are therefore invited to submit questions on the business of the AGM in advance by emailing ir@fundingcircle.com. Questions must be received by no later than 5.30 p.m. on 10 May 2021. Please ensure you include your name and shareholder reference number (as shown on your Proxy Form) with your question. Responses to frequently asked questions across key themes relevant to the business of the meeting will be posted on our website prior to the last day for receipt of Proxy Forms as specified above.

Recommendation

The Board considers that the resolutions set out in the Notice of AGM are in the best interests of the Company and its shareholders as a whole. The Directors therefore recommend that shareholders vote in favour of each of the resolutions, as they intend to do in respect of their own shareholdings.

Yours faithfully

Andrew Learoyd

Chairman

Notice of the Annual General Meeting

NOTICE IS HEREBY GIVEN THAT THE ANNUAL GENERAL MEETING ("AGM") of Funding Circle Holdings plc (the "Company") will be held at the Company's offices at 71 Queen Victoria Street, London EC4V 4AY, on Wednesday 19 May 2021 at 12 p.m. to consider and, if thought appropriate, pass the following resolutions. Resolutions 1 to 14 and 19 will be proposed as ordinary resolutions and Resolutions 15 to 18 will be proposed as special resolutions.

Ordinary resolutions

Reports and accounts

1. To receive the annual report and the accounts for the Company for the year ended 31 December 2020 (the "Annual Report").

Directors' remuneration

2. To approve the Directors' Remuneration Report for the year ended 31 December 2020, (excluding the Directors' Remuneration Policy) set out on pages 78 to 98 of the Annual Report.
3. To approve the Directors' Remuneration Policy set out on pages 81 to 89 of the Annual Report.

Adoption of a new Deferred Bonus Plan

4. That the Funding Circle Holdings plc Deferred Bonus Plan ("DBP"), the principal terms of which are summarised in the Appendix to this notice and the rules of which are produced to the meeting initialled by the chair for the purpose of identification, be and is hereby approved and the Directors be and are hereby authorised to do all such other acts and things as they may consider appropriate to implement the DBP.

Auditors

5. To reappoint PricewaterhouseCoopers LLP as auditors of the Company to hold office from the conclusion of this AGM until the conclusion of the next annual general meeting at which accounts are laid before the Company.
6. To authorise the Audit Committee to fix the remuneration of the auditors.

Election of Directors

7. To re-elect Eric Daniels as a Director.
8. To re-elect Samir Desai as a Director.
9. To re-elect Geeta Gopalan as a Director.
10. To re-elect Andrew Learoyd as a Director.
11. To re-elect Hendrik Nelis as a Director.
12. To elect Oliver White as a Director.
13. To re-elect Neil Rimer as a Director.

Special business

Directors' authority to allot shares

14. To generally and unconditionally authorise the Directors pursuant to and in accordance with section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot shares or grant rights to subscribe for or to convert any security into shares in the Company:
 - (a) up to an aggregate nominal amount of £117,767; and
 - (b) comprising equity securities (as defined in section 560(1) of the 2006 Act) up to an aggregate nominal amount of £235,534 (including within such limit any shares issued or rights granted under paragraph (a) above) in connection with an offer by way of a rights issue,

such authorities to apply in place of all existing authorities pursuant to section 551 of the Companies Act 2006 and to expire at the end of the next annual general meeting of the Company or, if earlier, the close of business on 30 July 2022, but in each case so that the Company may make offers and enter into agreements during the relevant period 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 the authority expires, and the Directors may allot shares and grant rights in pursuance of that offer or agreement as if this 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) 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, 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 or any other matter.

Special resolutions

Disapplication of pre-emption rights

15. That if Resolution 14 is passed, the Board be generally empowered, in place of all existing powers, pursuant to section 570 and section 573 of the Companies Act 2006 to allot equity securities (as defined in the Companies Act 2006) for cash under the authority given by Resolution 14 as if section 561(1) of the Companies Act 2006 did not apply to any such allotment or sale, and such authority:

- (a) shall be limited to the allotment of equity securities in connection with an offer of equity securities (but in the case of the authority granted under paragraph (b) of Resolution 14, by way of a rights issue only):
1. to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
 2. 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,

and 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 or any other matter; and

- (b) in the case of the authority granted under paragraph (a) of Resolution 14, shall be limited to the allotment of equity securities (otherwise than pursuant to paragraph (a) above) up to a nominal amount of £17,665,

such authority to expire at the end of the next annual general meeting of the Company or, if earlier, the close of business on 30 July 2022 but, in each case, prior to its expiry the Company may 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 expires and the Board may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

The authority in this Resolution 15 applies in relation to a sale of shares which is an allotment of equity securities by virtue of section 560(3) of the Companies Act 2006 as if in the first paragraph of this resolution the words "under the authority given by Resolution 14" were omitted.

16. That if Resolution 14 is passed, the Board be generally empowered, in addition to any authority granted under Resolution 15, pursuant to section 570 and section 573 of the Companies Act 2006 to allot equity securities (as defined in the Companies Act 2006) for cash under the authority given by Resolution 14 as if section 561(1) of the Companies Act 2006 did not apply to any such allotment, such authority to be:

- (a) in the case of the authority granted under paragraph (a) of Resolution 14, limited to the allotment of equity securities for cash up to a nominal amount of £17,665; 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,

such authority to expire at the end of the next annual general meeting of the Company or, if earlier, the close of business on 30 July 2022 but, in each case, prior to its expiry the Company may 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 expires and the Board may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

The authority in this Resolution 16 applies in relation to a sale of shares which is an allotment of equity securities by virtue of section 560(3) of the Companies Act 2006 as if in the first paragraph of this resolution the words "under the authority given by Resolution 14" were omitted.

Notes to the Notice of Annual General Meeting

Special resolutions continued

Authority to purchase own ordinary shares

17. To unconditionally and generally authorise the Company for the purpose of section 701 of the Companies Act 2006 to make market purchases (as defined in section 693(4) of the Companies Act 2006) of ordinary shares of £0.001 each in the capital of the Company provided that:
- (a) the maximum number of ordinary shares which may be purchased is 35,330,154;
 - (b) the minimum price (exclusive of expenses) which may be paid for each share is £0.001;
 - (c) the maximum price (exclusive of expenses) which may be paid for an ordinary share is an amount equal to the higher of (i) 105% of the average of the closing price of the Company's ordinary shares as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which such ordinary share is contracted to be purchased and (ii) an amount equal to the higher of the price of the last independent trade of an ordinary share and the highest current independent bid for an ordinary share on the trading venue where the purchase is carried out; and
 - (d) this authority shall expire at the conclusion of the Company's next annual general meeting or, if earlier, the close of business on 30 July 2022 (except in relation to the purchase of ordinary shares, the contract for which was concluded before the expiry of such authority and which might be executed wholly or partly after such expiry).

Notice of general meeting

18. To authorise the Directors to call a general meeting, other than an annual general meeting, on not less than 14 clear days' notice.

Ordinary resolution

Political donations

19. That the Company, and all companies that are its subsidiaries, at any time during the period during which this resolution is in force, be and are hereby authorised, in aggregate, to:
- (a) make political donations to political parties and/or independent election candidates not exceeding £100,000 in total;
 - (b) make political donations to political organisations other than political parties not exceeding £100,000 in total; and
 - (c) incur political expenditure not exceeding £100,000 in total,
- provided that the total amount of all such donations and expenditure made by all companies to which this authority relates shall not exceed £100,000. This authority shall expire at the conclusion of the next annual general meeting, or the close of business on 30 July 2022, whichever is earlier. All existing authorisations and approvals relating to political donations or expenditure under Part 14 of the Companies Act 2006 are hereby revoked without prejudice to any donation made or expenditure incurred prior to the date hereof pursuant to such authorisation or approval.

For the purposes of this resolution the terms "political donation", "political parties", "independent election candidates", "political organisation" and "political expenditure" have the meanings given by sections 363 to 365 of the Companies Act 2006.

By order of the Board

Lucy Vernal
Company Secretary
14 April 2021

Funding Circle Holdings plc

Registered in England and Wales
No. 07123934

Registered office:
71 Queen Victoria Street
London
EC4V 4AY

Entitlement to attend and vote

1. Only those shareholders registered in the Company's register of members as at 6:30 p.m. on Monday 17 May 2021, or, if this meeting is adjourned, at 6:30 p.m. on the day which is two business days prior to the adjourned meeting, shall be entitled to attend and vote at the meeting (should attendance be permitted under the applicable Covid-19 restrictions). Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to vote at the meeting.
2. Given the uncertainty surrounding public gatherings and the broader public health considerations, it is recommended that shareholders do not attend the meeting in person. Shareholders who still wish to attend the AGM in person, should this be possible, are asked to register their attendance as soon as practicable by email to ir@fundingcircle.com to enable us to ensure the venue remains Covid-19 secure and the relevant risk assessments can be performed.
3. It is possible that as a result of government guidance in place at the time, shareholders will not be able to attend the meeting in person. We will provide an update on our website at <https://corporate.fundingcircle.com/investors/shareholder-meetings> and, where appropriate, by an announcement via a Regulatory Information Service if any changes are required to the AGM arrangements. Given the uncertainty around whether shareholders will be able to attend the AGM in person, shareholders are strongly advised to submit their proxy vote in advance of the AGM by appointing the chair of the meeting as proxy. In addition, the arrangements in place to enable shareholders to submit questions on the business of the AGM prior to the meeting and to view and listen to the formal proceedings of the meeting are set out in the Chairman's letter.

Entry to the AGM, security and health and safety arrangements and conduct of proceedings

4. Should attendance be permitted under the applicable Covid-19 restrictions, shareholders are requested to bring with them suitable evidence of their identity to facilitate entry to the meeting. Persons who are not shareholders of the Company (or their appointed proxy) will not be admitted to the AGM unless prior arrangements have been made with the Company. For security reasons, all hand luggage may be subject to examination prior to entry to the AGM. We ask all those present at the AGM to facilitate the orderly conduct of the meeting and comply with all reasonable health and safety requirements. If a shareholder is unable to meet such reasonable health and safety requirements or threatens the orderly conduct of the meeting due to their behaviour, we reserve the right to require that person to leave. In addition, if the meeting is already at capacity based on any limits on gathering imposed or recommended by the UK government at the time, we reserve the right to refuse entry to the meeting.

Website giving information regarding the meeting

5. A copy of this notice and other information regarding the meeting, including the information required by section 311A of the Companies Act 2006, can be found at <https://corporate.fundingcircle.com/investors/shareholder-meetings>. Shareholders may not use any electronic address provided in either this notice or any related documents (including the Proxy Form) to communicate with the Company for any purposes other than those expressly stated.

Appointment of proxies

6. A shareholder is entitled to appoint another person as their proxy to exercise all or any of their rights to attend and to speak and vote at the AGM. A proxy need not be a shareholder of the Company. A shareholder may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. As noted above, shareholders are strongly advised to appoint the chair of the meeting as their proxy. This will ensure that your vote is counted even if attendance at the meeting is restricted or you or any other proxy you appoint are unable to attend in person.
7. The appointment of a proxy will not preclude a shareholder from attending and voting in person at the AGM, should this be permitted under applicable Covid-19 restrictions.
8. A Proxy Form is enclosed with this notice. In the case of joint holders, any one holder may vote. If more than one holder votes on the shares, only the vote of the senior will be accepted, seniority being determined in the order in which the names appear on the register. A space has been included in the Proxy Form to allow members to specify the number of shares in respect of which that proxy is appointed. Shareholders who return the Proxy Form duly executed but leave this space blank will be deemed to have appointed the proxy in respect of all of their shares. Shareholders who wish to appoint more than one proxy in respect of their shareholding should contact the Company's registrar, Equiniti (EQ), on 0371 384 2030 or +44 (0)121 415 7047 if you are calling from outside the UK. Lines are open from 8:30 a.m. to 5:30 p.m., Monday to Friday (excluding public holidays in England and Wales). For additional Proxy Forms you may photocopy the Proxy Form provided with this document indicating on each copy the name of the proxy you wish to appoint and the number of ordinary shares in the Company in respect of which the proxy is appointed. All Proxy Forms should be returned together in the same envelope.
9. To appoint a proxy: either (a) the Proxy Forms, 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 deposited with the Company's registrar (EQ) by sending them to FREEPOST RTHJ-CLLL-KBKU, Aspect House, Spencer Road, Lancing, West Sussex BN99 8LU; or (b) the proxy appointment must be lodged using the CREST Proxy Voting Service in accordance with note 14 below; or the Proxymity platform in accordance with note 18 below; or (c) online proxies must be lodged in accordance with note 12 below, in each case so as to be received no later than 48 hours (excluding non-working days) before the time of the holding of the AGM or any adjournment thereof. Please note that all Proxy Forms and appointments, whether postal or electronic, must be received by 12 p.m. on Monday 17 May 2021.

Notes to the Notice of Annual General Meeting continued

Corporate representatives

10. A corporation which is a shareholder can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a shareholder. However, should more than one corporate representative purport to exercise powers over the same share or shares, the power is treated as not exercised if they do not purport to exercise the power in the same way as each other. As noted above, all shareholders (including those that are corporations) are strongly advised to appoint the chair of the meeting as their proxy to ensure their vote is counted, even if they, their corporate representative or any other proxy are unable to attend in person.

Nominated persons

11. 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.

Online appointment of proxies

12. The website address to appoint a proxy online is www.sharevote.co.uk. Shareholders will need to enter the voting ID, task ID and shareholder reference number as printed on the Proxy Form, and to agree to certain terms and conditions. Alternatively, if you have already registered with our registrar's (EQ) online portfolio service, Shareview, you can submit your Proxy Form by logging on to your portfolio at www.shareview.co.uk using your 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. Please note that all online proxy appointments and instructions must be received by EQ by 12 p.m. on Monday 17 May 2021.

Total voting rights

13. Holders of ordinary shares are entitled to attend and vote at general meetings of the Company. Each ordinary share confers one vote on a poll. The total number of issued ordinary shares in the Company on 26 March 2021, which is the latest practicable date before the publication of this document, is 353,301,542. Therefore, the total number of votes exercisable as at 26 March 2021 is 353,301,542.

CREST proxy instructions

14. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the AGM (and any adjournment of the meeting) by following the procedures described in the CREST Manual (available via www.euroclear.com). 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.
15. 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. 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 the issuer's agent (ID RA19) by the latest time(s) for receipt of proxy appointments specified in note 9 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 proxies appointed through CREST should be communicated to the appointee through other means.
16. 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 their 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 regard, 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.
17. 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.

Proxymity voting instructions

18. If you are an institutional investor you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the registrar. For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged by 12 p.m. on 17 May 2021 in order to be considered valid. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy.

Changing proxy instructions

19. Shareholders may change proxy instructions by submitting a new proxy appointment. Note that the cut-off time for receipt of proxy appointments also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded. Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact EQ at FREEPOST RTHJ-CLLL-KBKU, Aspect House, Spencer Road, Lancing, West Sussex BN99 8LU. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of proxy appointment

20. Shareholders may revoke a proxy instruction delivered to the Registrar, but to do so must inform the Company in writing by sending a signed hard copy notice clearly stating their intention to revoke the proxy appointment to EQ at FREEPOST RTHJ-CLLL-KBKU, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA. In the case of a shareholder which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice. The revocation notice must be received by the Company no later than 12 p.m. on 18 May 2021. If a shareholder attempts to revoke their proxy appointment but the revocation is received after this time, the original proxy appointment will remain valid unless the shareholder attends the AGM and votes in person, should this be possible.

Automatic poll voting and results

21. Each of the resolutions to be put to the meeting will be voted on by poll and not by show of hands. A poll reflects the number of voting rights exercisable by each member and so the Board considers it a more democratic method of voting. Should shareholders or their proxies or corporate representatives be able to attend the meeting in person, 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 announced through a Regulatory Information Service once the votes have been counted and verified.

Publication of audit concerns

22. Under section 527 of the Companies Act 2006 members meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (a) the audit of the Company's accounts (including the Auditors' Report and the conduct of the audit) that are to be laid before the AGM; or (b) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Companies Act 2006. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under section 527 of the Companies Act 2006, it must forward the statement to the Company's auditors not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on a website.

Questions

23. Any shareholder attending the AGM has the right to ask questions. Given the uncertainty around whether shareholders will be able to attend the AGM in person, shareholders are invited to submit questions relating to the business of the AGM in advance by emailing ir@fundingcircle.com. Questions must be received by no later than 5.30 p.m. on 10 May 2021. Please ensure you include your name and shareholder reference number (as shown on your Proxy Form) with your question. Responses to frequently asked questions across key themes relevant to the business of the meeting will be posted on our website prior to the last day for receipt of Proxy Forms as specified above. The Company will not answer questions either at the AGM, if shareholders are able to attend in person, or those submitted in advance if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; or (b) the answer has already been given on a website in the form of an answer to a question; or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

Documents on display

24. Copies of Directors' service contracts or letters of appointment with the Company and the rules of the DBP will be available for inspection (should this be permitted under applicable Covid-19 restrictions) at the registered office of the Company during usual business hours on any weekday (Saturdays, Sundays and public holidays excluded) from the date of this notice until the date of the AGM and also at the place of the AGM from 15 minutes prior to the commencement of the meeting until the conclusion thereof. So that appropriate arrangements can be made for shareholders wanting to inspect documents, we request that shareholders contact ir@fundingcircle.com in advance of any visit to ensure that access can be arranged. Any such access will be subject to health and safety requirements, and any limits on gathering and social distancing and any other measures imposed or recommended by the UK government.

Explanatory Notes to the Notice of Annual General Meeting

The notes on the following pages give an explanation of the proposed resolutions.

Resolutions 1 to 14 and 19 are 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 15 to 18 are 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.

Resolution 1: Report and accounts

The first item of business is the receipt by the shareholders of the Annual Report and the accounts of the Company for the year ended 31 December 2020. The Directors' Report, the accounts and the report of the Company's auditors on the accounts and on those parts of the Directors' Remuneration Report that are capable of being audited are contained within the Annual Report.

Resolution 2: Directors' Remuneration Report

This resolution seeks shareholder approval of the Directors' Remuneration Report, excluding the Directors' Remuneration Policy, for the year ended 31 December 2020 as set out on pages 78 to 98 of the Annual Report.

This resolution is subject to an "advisory vote" by shareholders; in the event that the resolution is not passed, the Directors' Remuneration Policy would normally need to be reconsidered by shareholders at the next annual general meeting. As the Company is submitting its Directors' Remuneration Policy for shareholder approval at the AGM, the approval of the new policy (per Resolution 3 below) would remain in force notwithstanding any failure to pass this Resolution.

Resolution 3: Remuneration Policy

The Directors' Remuneration Policy is contained in the Directors' Remuneration Report and can be found on pages 81 to 89 of the Annual Report. It sets out the policy of the Company with respect to the making of remuneration payments and payments for loss of office to the Directors. Under section 439A of the Companies Act 2006, there must be a binding shareholder vote on the Directors' Remuneration Policy at least once every three years. The Directors' Remuneration Policy was previously approved by shareholders at the 2019 annual general meeting, but following an extensive review of the existing policy (including canvassing the opinion of its largest shareholders) the Directors are seeking the approval of a new Directors' Remuneration Policy which, if passed, will take effect at the conclusion of the meeting. Once effective, all future payments to Directors, past and present, must normally comply with the terms of the policy, unless specifically approved by shareholders at a general meeting.

Resolution 4: Adoption of a new Deferred Bonus Plan

Authority is sought to approve the adoption of the DBP. The DBP is a discretionary share plan under which the deferred part of an annual bonus may be delivered, the principal terms of which are summarised in the Appendix to this notice. The rules of the DBP will be available for inspection (should this be permitted under applicable Covid-19 restrictions) at the Company's registered office during usual business hours on any weekday (Saturdays, Sundays and public holidays excluded) and on its corporate website (<https://corporate.fundingcircle.com/investors/shareholder-meetings>) from the date of this notice until the close of the AGM and at the place of the AGM for at least 15 minutes before, and during, the AGM. See note 24 on page 7 for further details on how to arrange access to inspect documents on display prior to the AGM.

Resolution 5: Reappointment of auditors

The auditors of a company must be appointed or reappointed at each general meeting at which the accounts are laid. Resolution 5 proposes, on the recommendation of the Board, the appointment of PricewaterhouseCoopers LLP as the Company's auditors, until the conclusion of the next general meeting of the Company at which accounts are laid.

Resolution 6: Remuneration of auditors

This resolution seeks shareholder consent for the Audit Committee to fix the remuneration of the auditors.

Resolutions 7 to 13: Election of Directors

In accordance with the Company's Articles of Association and the UK Corporate Governance Code (the "Code"), each of the Directors is standing for election or re-election at the AGM, with the exception of Cath Keers, Bob Steel and Ed Wray who, as announced, are stepping down from the Board and will not, therefore, stand for re-election at the AGM. Oliver White was appointed as a Director by the Board in June 2020 and will be standing for election for the first time at the AGM.

As disclosed in the Annual Report, Helen Beck and Matthew King will be appointed as new independent Non-Executive Directors in 2021 and will stand for election at the Company's next annual general meeting in 2022.

Following a formal performance evaluation of the Directors during 2020 in relation to the fulfilment of their duties to act in the long-term interests of the Company, on behalf of its members, while also having due regard for other stakeholders, the election or re-election of each of the relevant Directors is recommended by the Board, each having demonstrated continued competence, commitment and effectiveness. Further details can be found in the Nomination Committee Report on pages 66 to 68 of the Annual Report.

The Board confirms that the Directors each make a valuable contribution and together bring a depth and wide range of experience from a diverse range of backgrounds and countries. The biographical details of the Directors provided on pages 53 to 55 of the Annual Report illustrate this. Their balance of skills combined with their knowledge, diversity, industry expertise and business experience ensure the continued effective and successful functioning of the Board and its Committees.

The Board has carefully considered the guidance criteria on the independence of Directors given in the Code, and believes that each of the independent Directors seeking re-election remains independent in character and judgement, and that there are no relationships or circumstances that are likely to affect, or appear to affect, his or her judgement. Further details can be found in the Nomination Committee Report on pages 66 to 68 of the Annual Report.

Separate resolutions are proposed for each of the re-elections.

Resolution 14: Directors' authority to allot shares

Under the Companies Act 2006, the directors of a company may only allot new shares (or grant rights over shares) if authorised to do so by the shareholders in a general meeting (other than in connection with an employee share scheme). The authority which is sought in respect of this is dealt with in Resolution 14. The authority in paragraph (a) of the resolution will allow the Directors to allot new shares and grant rights to subscribe for, or convert other securities into, shares up to approximately one third (33.3%) of the total issued ordinary share capital of the Company which as at 26 March 2021, being the latest practicable date prior to publication of this notice of meeting, is equivalent to a nominal value of £117,767.

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 nominal value of £235,534, which is equivalent to approximately two thirds (66.6%) of the total issued ordinary share capital of the Company as at 26 March 2021. The Company currently holds no shares in treasury.

In total, the resolution will allow the Directors to allot a maximum aggregate of two thirds of the issued share capital of the Company and is considered routine by the Investment Association (as set out in its share capital management guidelines).

The Directors have no present intention to allot shares or grant rights to subscribe for or convert any security into shares pursuant to this authority. However, the Directors consider it desirable to have the flexibility to respond to market developments and to enable allotments to take place in appropriate circumstances.

If the resolution is passed, the authority will expire at the conclusion of the next annual general meeting, or close of business on 30 July 2022, whichever is earlier.

Resolutions 15 and 16: Disapplication of pre-emption rights

If the Directors wish to allot new shares and other equity securities, or sell treasury shares, for cash (other than in connection with an employee share scheme), company law requires that these shares are offered first to shareholders in proportion to their existing holdings. There may be circumstances, however, when it is in the interests of the Company to be able to allot new equity securities for cash other than on a pre-emptive basis.

Resolution 15 deals with the authority of the Directors to allot new shares or other equity securities pursuant to the authority given by Resolution 14, or sell treasury shares, for cash without the shares or other equity securities first being offered to shareholders in proportion to their existing holdings. Such authority shall only be used in connection with a pre-emptive offer, or otherwise, up to an aggregate nominal amount of £17,665, being approximately 5% of the total issued ordinary share capital of the Company as at 26 March 2021. The Company currently holds no treasury shares.

The Pre-Emption Group's Statement of Principles 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% of issued ordinary share capital, to be used only in connection with an acquisition or specified capital investment. The Pre-Emption Group's Statement of Principles defines "specified capital investment" as meaning one or more specific capital investment related uses for the proceeds of an issuance of equity securities, in respect of which sufficient information regarding the effect of the transaction on the company, the assets the subject of the transaction and (where appropriate) the profits attributable to them are made available to shareholders to enable them to reach an assessment of the potential return.

Accordingly, and in line with the template resolutions published by the Pre-Emption Group, Resolution 16 seeks to authorise the Directors to allot new shares and other equity securities pursuant to the authority given by Resolution 14, or sell treasury shares, for cash up to a further nominal amount of £17,655, being approximately 5% of the total issued ordinary share capital of the Company as at 26 March 2021, only in connection with an acquisition or specified capital investment which is announced contemporaneously with the allotment, or which has taken place in the preceding six-month period and is disclosed in the announcement of the issue. If the authority given in Resolution 16 is used, the Company will publish details of the placing in its next annual report.

If these resolutions are passed, the authorities will expire on the earlier of the next annual general meeting, or, if earlier, 30 July 2022.

The Board considers the authorities in Resolutions 15 and 16 to be appropriate in order to allow the Company to have the flexibility to finance business opportunities or to conduct a rights issue or other pre-emptive offer without the need to comply with the statutory pre-emption provisions, which can be done if shareholders have first given this limited waiver of their pre-emption rights.

Explanatory Notes to the Notice of Annual General Meeting continued

Resolutions 15 and 16: Disapplication of pre-emption rights continued

The Board intends to adhere to the provisions in the Pre-Emption Group's Statement of Principles not to allot shares for cash on a non-pre-emptive basis (other than pursuant to a rights issue or pre-emptive offer) in excess of an amount equal to 7.5% of the total issued ordinary share capital of the Company within a rolling three-year period other than: (i) with prior consultation with shareholders; or (ii) in connection with an acquisition or specified capital investment which is announced contemporaneously with the allotment or which has taken place in the preceding six-month period and is disclosed in the announcement of the allotment.

Resolution 17: Purchase of own shares

The effect of Resolution 17 is to grant authority to the Company to purchase its own ordinary shares, up to a maximum of 35,330,154 ordinary shares, until the annual general meeting in 2022, or 30 July 2022, whichever is earlier. This represents 10% of the ordinary shares in issue as at 26 March 2021, being the latest practicable date prior to the publication of this notice. The Company's exercise of this authority is subject to the stated upper and lower limits on the price payable, the upper limit being the price stipulated in Commission Delegated Regulation (EU) 2016/1052 as referred to in Article 5(6) of the EU Market Abuse Regulation and the Listing Rules.

Pursuant to the Companies Act 2006, the Company can hold any shares which are repurchased as treasury shares and either resell them for cash, cancel them, either immediately or at a point in the future, or use them for the purposes of its employee share schemes. Holding the repurchased shares as treasury shares will give the Company the ability to resell or transfer them in the future and will provide the Company with additional flexibility in the management of its capital base. No dividends will be paid on, and no voting rights will be exercised in respect of, treasury shares. Shares held as treasury shares will not automatically be cancelled and will not be taken into account in future calculations of earnings per share (unless they are subsequently resold or transferred out of treasury).

The Directors consider it desirable and in the Company's interests for shareholders to grant this authority. The Directors have no present intention to exercise this authority, and will do so only if they believe that to do so would be likely to promote the success of the Company for the benefit of its shareholders as a whole.

The Company will not, save in accordance with a predetermined, irrevocable and non-discretionary programme, repurchase shares in the period immediately preceding the preliminary announcement of its annual or interim results as dictated by the Listing Rules or Market Abuse Regulation or, if shorter, between the end of the financial period concerned and the time of a relevant announcement or, except in accordance with the Listing Rules and the Market Abuse Regulation, at any other time when the Directors would be prohibited from dealing in shares.

No shares were repurchased and cancelled during the period from 1 January to 26 March 2021.

As at 26 March 2021, being the latest practicable date prior to publication of this notice, awards over 25,449,242 ordinary shares were outstanding under the Company's share schemes, representing 7.2% of the Company's total issued ordinary share capital as at 26 March 2021, and 8% of the Company's total issued ordinary share capital if the full authority to purchase its own shares (as is being sought in Resolution 17) is used.

Resolution 18: Notice of general meetings

Under the Companies Act 2006, the notice period required for all general meetings of the Company is 21 clear days, though shareholders can approve a shorter notice period for general meetings that are not annual general meetings, which cannot, however, be less than 14 clear days. Resolution 18 seeks such approval. Annual general meetings will continue to be held on at least 21 clear days' notice. The shorter notice period would not be used as a matter of routine, but only where the flexibility is merited by the business of the general meeting to be held, and is thought to be to the advantage of shareholders as a whole. Shareholder approval will be effective until the Company's next annual general meeting, when it is intended that a similar resolution will be proposed.

Resolution 19: Political donations

Part 14 of the Companies Act 2006 requires companies to obtain shareholders' authority for donations to registered political parties and other political organisations in the EU totalling more than £5,000 in any 12-month period, and for any political expenditure in the EU, subject to limited exceptions. The definition of donation in this context is very wide and extends to bodies such as those concerned with policy review, law reform and the representation of the business community. There are further restrictions on companies incurring political expenditure (as defined in the Companies Act 2006) without first obtaining shareholders' consent. The Company has not made any and does not envisage making any political donations; however, this resolution is proposed for approval as a precaution in order to avoid inadvertent breach of the legislation as a result of the wide meanings given to the terms "political donations" and "political expenditure". This resolution, if passed, will authorise the Directors until the annual general meeting in 2022 to make donations and incur expenditure which might otherwise be caught by the terms of the Companies Act 2006, up to an aggregate amount of £100,000 for the Company and for subsidiary companies.

Appendix: Funding Circle Holdings plc Deferred Bonus Plan

Resolution 4: Adoption of a new Deferred Bonus Plan

The DBP is a discretionary share plan under which the deferred part of an annual bonus may be delivered. The DBP will be administered and operated by the Board or a duly authorised committee and references in this Appendix to the "Board" include any duly authorised committee. Decisions in relation to the participation in the DBP by the Executive Directors will be taken by the Remuneration Committee.

Eligibility

Any current or former employee (including a current or former Executive Director) of the Company or any of its subsidiaries will be eligible to participate in the DBP at the discretion of the Board.

Form of awards

Awards under the DBP may be in the form of either a conditional right to receive shares (a "conditional award") or a nil-cost or nominal-cost share option (an "Option") (together, "Awards").

Awards may be granted over newly issued ordinary shares, ordinary shares held in treasury or ordinary shares purchased in the market. Awards are not transferable (other than on death). No payment will be required for the grant of an Award. Awards will not form part of pensionable earnings.

Grant of Awards

The Board may determine that a proportion of an employee's annual bonus will be deferred into an Award. Deferral of Executive Directors' bonuses into Awards will be in line with the Directors' Remuneration Policy ("Policy"). The number of ordinary shares subject to an Award will be such number of ordinary shares as have a value (as determined by the Board) equal to the deferred bonus.

Awards may only be granted within the six week period beginning on: the date on which the DBP is approved by shareholders; the day on which the Policy is approved by shareholders; the announcement of the Company's results for any period; and any day on which the Board determines that exceptional circumstances exist which justify the grant of an Award; or any day on which a restriction on the grant of Awards is lifted.

Overall limits on the grant of Awards

In any 10 year period, the number of ordinary shares which may be issued under the DBP, together with any other employee share plan adopted by the Company, may not exceed 10 percent of the issued ordinary share capital of the Company from time to time.

Ordinary shares transferred from treasury will be treated as newly issued for the purpose of this limit until such time as guidelines published by institutional investor representative bodies determine otherwise. Shares issued or to be issued pursuant to awards granted before the Company's listing will not count towards these limits.

This limit aligns with the 10 percent limit included in the Company's Long Term Incentive Plan adopted at IPO in 2018. As explained in the Company's Prospectus published at the time, the 10 percent limit was included as awards may be granted to employees across the organisation.

Vesting and exercise

Awards will usually vest on the third anniversary of the determination of the relevant bonus (or on such other date as the Board determines). Options will then normally be exercisable until the tenth anniversary of the grant date, or such earlier date as the Board determines.

Dividend Equivalents

On the vesting of an Award (or on the exercise of an Award granted in the form of an Option), the Company may provide additional ordinary shares to the participant based on the value of dividends paid (including or excluding special dividends as determined by the Board) on vested ordinary shares over the vesting period. The Board shall determine the basis on which this amount is calculated which may assume the reinvestment of the dividends into ordinary shares.

Settlement of Awards

Before ordinary shares have been delivered, the Board may decide to pay a cash amount equal to the value of some or all of the ordinary shares the participant would otherwise have received.

Recovery provisions (malus and clawback)

At any time prior to the later of: (i) the third anniversary of the date on which the relevant bonus is determined; and (ii) the vesting date, the Board may reduce the number of ordinary shares to which the Award relates, cancel the Award or impose further conditions on it (if ordinary shares have not been delivered in respect of it). If shares have been delivered the Board may require the participant to make a payment to the Company in respect of some or all of the ordinary shares acquired or require the participant to transfer some or all of the shares acquired for nil consideration.

These malus and clawback provisions may be applied in the event of: a material misstatement of audited accounts; an error in assessing a performance measure or underpin or an error in the information or assumptions on which the Award was granted or vests; a material failure of risk management; serious reputational damage; gross misconduct on the part of the participant; or material corporate failure.

Cessation of employment – unvested Awards

If a participant ceases employment for any reason other than death and gross misconduct their unvested Award will usually continue and vest in full on the normal vesting date, unless the Board determine that the Award should vest on the leaving date.

If a participant leaves to accept a role with a business that, in the opinion of the Board, competes (or intends to compete) with any Group Company and the Board has determined that the Award should vest early on the leaving date, then if the Board determines it appropriate, it may determine that the Award will instead vest subject to time pro rating by reference to the period between the grant date and the participant's leaving date.

If a participant dies their unvested Award will vest in full as soon as practicable following death.

If a participant is dismissed for gross misconduct the Award will always lapse.

An Award held by a leaver in the form of an Option may normally be exercised within six months (twelve months for death) of the vesting date, after which time it will lapse.

Appendix: Funding Circle Holdings plc Deferred Bonus Plan continued

Corporate events

In the event of a takeover of the Company, unvested Awards will normally vest in full at the time of the relevant event. Alternatively, the Board may permit participants to exchange Awards for equivalent awards which relate to ordinary shares in a different company (and, ordinarily, will require this if the takeover is an internal reorganisation).

If other events occur such as a variation of the Company's share capital, winding-up of the Company, demerger, delisting, special dividend, or other event which, in the opinion of the Board, may materially affect the current or future value of ordinary shares, the Board may determine that Awards will vest.

Adjustments

In the event of a variation of the Company's share capital, the number of ordinary shares which are the subject of an Award and/or any applicable (nominal value) exercise price may be adjusted.

The number of ordinary shares subject to an Award and /or any applicable (nominal value) exercise price may also be adjusted in the event of a demerger, delisting, special dividend, rights issue or other event, which may, in the Board's opinion, affect the current or future value of ordinary shares.

Amendment and termination

The Board may amend the DBP or the terms of any Award at any time, provided that the approval of the Company's shareholders in a general meeting will be required for any amendments to the advantage of participants relating to (i) eligibility; (ii) limits; (iii) the basis for determining a participant's entitlement to, and the terms of, the ordinary shares or cash comprised in an Award; and (iv) the impact of any variation of capital, to become effective.

However, any minor amendment to benefit administration, to take into account legislative changes, or to obtain or maintain favourable tax treatment, exchange control or regulatory treatment may be made by the Board without shareholder approval. The Board may establish further schedules, for overseas territories, similar to the plan.

No amendment may be made to the material disadvantage of participants who hold existing Awards unless consent is sought from the affected participants and given by a majority of participants.

The DBP will usually terminate on the tenth anniversary of its adoption by the Board but the rights of existing participants will not be affected by any termination.



Funding Circle Holdings plc
71 Queen Victoria Street
London
EC4V 4AY

corporate.fundingcircle.com/investors