Senior Managers Regime

March 2019
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Parliament has given the Financial Conduct Authority (FCA) responsibility for ensuring that financial markets work well by providing an appropriate degree of protection for consumers, protecting and enhancing the integrity of the UK financial system and promoting effective competition. Parliament has granted us significant powers to help us achieve this. We also have statutory duties to ensure that our subsidiary, the Payment Systems Regulator (PSR), is able to discharge its important functions effectively.1

These important responsibilities are supported by a robust framework of accountability and transparency. We are accountable to the Treasury and to Parliament with detailed, public scrutiny exercised by the Treasury Select Committee. We are open and accountable to the public through the publication of our Annual Report and our annual public meeting. We are subject to examination and certification by the National Audit Office.

We publish minutes of our Board meetings as part of our commitment to transparency. If people have concerns about action we have, or have not, taken then these can be considered by the independent Complaints Commissioner. This robust system of checks and balances ensures that we use our powers responsibly and discharge our important role effectively.

We want all those involved in financial services to be able to trust that their regulator, and the firms it regulates, have their best interests at heart. That is why we believe our senior management should meet standards of professional conduct as exacting as those we require from regulated firms.

In March 2016, the Senior Managers and Certification Regime (the Regime) came into force for deposit takers and investment firms regulated by the FCA and Prudential Regulation Authority (PRA). As part of the Bank of England and Financial Services Act 2016, the Regime is also being extended to all FSMA authorised firms. The Regime is designed to raise standards of governance, increase individual accountability and help restore consumer confidence in the financial services sector.

These reforms emerged from a turbulent period in the financial services industry. Recent events have damaged consumer confidence and highlighted a disconnect between them and the firms that are supposed to serve them.

More than ever, society needs financial institutions that work effectively, innovatively and competitively, for today and the long term. This is essential for the health of the wider financial services industry and the interests of those who rely on it.

The Regime is a formal expression of the common sense, good governance practice that any organisation should adhere to. It was created against the backdrop of a clear and shared understanding that a culture of personal responsibility must be embedded at the heart of financial services. This is true of firms and regulators alike.

We are not formally subject to the Regime, but we uphold the highest professional values and our stakeholders including Parliament and the Treasury Select Committee rightly expect us to do so.2 In line with this, we have decided to apply the fundamental principles of the Regime to our senior staff.

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1 The Payment Systems Regulator is an independent subsidiary of the FCA, with its own statutory objectives and separate Senior Managers and Certification Regime documentation.

2 “The Committee recommends that the FCA, and the PRA, draw up a ‘Responsibilities Map’ which allocates key responsibilities to individuals in their respective organisations. This document should be published. It should be compliant as far as possible with the SMR that the regulators require of banks.” Para 184, www.publications.parliament.uk/pa/cm201415/cmselect/cmtreasy/881/881.pdf
We want to ensure clarity about how we are managed and governed. Embracing the principles of the Regime builds on our existing framework of accountability, will further bolster our transparency and reinforce the standards to which we hold ourselves.

This document provides a formal description of the core responsibilities of members of our Board, Executive Committees and those carrying out Senior Management Functions. These are contained within the FCA Statements of Responsibility and the FCA Management Responsibilities Map, which follow this foreword.

The way we apply the Regime reflects our specific functions as a public authority and regulator. It therefore inevitably differs from that of a regulated firm. For example, a number of Senior Management Functions and Prescribed Responsibilities that apply to firms do not apply to the FCA. Additionally, in a few cases, we have amended the wording of responsibilities to ensure it is relevant to the particular functions we have as a regulator.

This publication represents our commitment to individual accountability. By holding ourselves to the highest standards we reinforce our expectation that those who work in financial services do the same. Together this will help us to fulfil the purpose for which we have been established – to ensure that UK markets work well for the benefit of all who use them.

Chair

Charles Randell
Introduction

Applying the Senior Managers Regime

The Regime currently applies to deposit takers and investment firms regulated by the FCA and PRA. From 10 December 2018, it also applies to insurers and will apply to all other FSMA authorised firms that are regulated solely by the FCA in the future. The Regime aims to raise standards of governance, increase individual accountability and help restore confidence in the financial services sector.

We are adopting and applying the core principles of Management Responsibilities Maps to allocate key responsibilities to the senior individuals in the organisation. We also have senior managers’ Statements of Responsibilities. We are doing so to reflect our expectation that our senior management should meet standards of professional conduct as exacting as those required in regulated firms, and be held accountable for functions they personally direct.

Points to note

We are applying the core principles of Management Responsibilities Maps and senior managers’ Statements of Responsibilities largely in accordance with the policy and rules set out in the regulations. As a regulatory authority as opposed to a regulated firm this has required us to make some variations, mainly for, but not limited to (i) a number of Senior Management Functions (SMF) and Prescribed Responsibilities that apply to deposit taking firms but which do not apply to the FCA and (ii) a few cases where the wording of responsibilities has been amended to ensure relevance.

Delegation

The FCA’s governance and management framework allows for delegation of authority. However, the allocated Senior Manager retains ultimate and overall responsibility for the SMF, Prescribed Responsibility or Overall Responsibility assigned to them.

The PSR is an independent subsidiary of the FCA, set up by statute. The FCA must take such steps as are necessary to ensure that the PSR is, at all times, capable of exercising its statutory functions. The FCA’s Chief Executive has ultimate responsibility for ensuring this. As part of this obligation, we provide a number of services to the PSR. These services include the PSR being housed in the same building as the FCA, and the provision of IT, human resources, internal audit and finance. We also provide staff to the PSR.

1 The Regime will apply to firms regulated solely by the FCA at a date set by the Treasury. The Treasury will announce this start date in due course.
Allocation of Responsibilities

Introduction
Diagram of FCA allocation
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Introduction

The regime defines a set of SMFs which each include inherent responsibilities. The Prudential Regulation Authority (PRA) and FCA also define a set of Prescribed Responsibilities and allow for a set of Overall Responsibilities which must be allocated as appropriate to a Senior Manager performing a SMF.

A diagram of the FCA with the allocated SMFs, Prescribed Responsibilities and Overall Responsibilities is shown on the next page. Confirmation of the referenced SMF or responsibility is included in the subsequent sections.

This reflects the complete management structure of the FCA, defined as all senior persons reporting to the Chair or Chief Executive Officer.
The Payment Systems Regulator (PSR) is a wholly owned subsidiary of the FCA.

Hannah Nixon is MD until 5 April 2019, at which point Louise Buckley and Christopher Hemsley take on shared responsibility as interim MD.
### Senior Management Functions

<table>
<thead>
<tr>
<th>Senior Management Function</th>
<th>Allocation – FCA role</th>
<th>Allocation – name</th>
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</thead>
<tbody>
<tr>
<td>1 Chief Executive Function</td>
<td>Chief Executive Officer</td>
<td>Andrew Bailey</td>
</tr>
<tr>
<td>2 Chief Finance Function</td>
<td>Chief Operating Officer</td>
<td>Georgina Philippou</td>
</tr>
<tr>
<td>3 Executive Director</td>
<td>Executive Board Members</td>
<td>Christopher Woolard</td>
</tr>
<tr>
<td>4 Chief Risk Function</td>
<td>Director of Risk &amp; Compliance Oversight</td>
<td>Barbara Frohn</td>
</tr>
<tr>
<td>5 Head of Internal Audit</td>
<td>Director of Internal Audit</td>
<td>Lalitha Henry</td>
</tr>
<tr>
<td>6 Head of Key Business Area</td>
<td>Director of Enforcement &amp; Market Oversight</td>
<td>Mark Steward</td>
</tr>
<tr>
<td></td>
<td>Director of Supervision – Retail &amp; Authorisations</td>
<td>Jonathan Davidson</td>
</tr>
<tr>
<td></td>
<td>Director of Supervision – Investment, Wholesale &amp; Specialists</td>
<td>Megan Butler</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Senior Management Function</th>
<th>Allocation – FCA role</th>
<th>Allocation – name</th>
</tr>
</thead>
<tbody>
<tr>
<td>7 Group Entity Senior Manager</td>
<td>Not applicable</td>
<td>Not applicable</td>
</tr>
<tr>
<td>8 Credit Union SMF</td>
<td>Not applicable</td>
<td>Not applicable</td>
</tr>
<tr>
<td>9 Chairman</td>
<td>Chair</td>
<td>Charles Randell</td>
</tr>
<tr>
<td>10 Chair of Risk Committee</td>
<td>Chair of the External Risk &amp; Strategy Committee (RiskCo)</td>
<td>Amelia Fletcher</td>
</tr>
<tr>
<td>11 Chair of Audit Committee</td>
<td>Chair of the Audit Committee (AuditCo)</td>
<td>Catherine Bradley</td>
</tr>
<tr>
<td>12 Chair of Remuneration Committee</td>
<td>Chair of the Remuneration Committee (RemCo)</td>
<td>Baroness Sarah Hogg</td>
</tr>
<tr>
<td>13 Chair of Nominations Committee</td>
<td>Chair</td>
<td>Charles Randell</td>
</tr>
</tbody>
</table>
## Senior Management Functions

<table>
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<th>Senior Management Function</th>
<th>Allocation – FCA role</th>
<th>Allocation – name</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>14</strong> Senior Independent Director</td>
<td>Senior Independent Director</td>
<td>Baroness Sarah Hogg</td>
</tr>
<tr>
<td><strong>16</strong> Compliance Oversight</td>
<td>Not applicable&lt;sup&gt;3&lt;/sup&gt;</td>
<td>Not applicable</td>
</tr>
<tr>
<td><strong>17</strong> Money Laundering Reporting</td>
<td>Director of Enforcement &amp; Market Oversight</td>
<td>Mark Steward</td>
</tr>
<tr>
<td><strong>18</strong> Other Overall Responsibility function</td>
<td>International</td>
<td>Nausicaa Delfas</td>
</tr>
<tr>
<td></td>
<td>Director of Corporate Services</td>
<td>Simon Pearce</td>
</tr>
<tr>
<td></td>
<td>Chair of the Regulatory Decisions Committee</td>
<td>Tim Parkes</td>
</tr>
<tr>
<td></td>
<td>Chair of the Competition Decisions Committee</td>
<td>Appointed by the Chair when a CDC is formed&lt;sup&gt;5&lt;/sup&gt;</td>
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<td></td>
<td>Oversight Committee</td>
<td>Charles Randell</td>
</tr>
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### Notes

1. SMF6 has been applied to reflect the nature of the FCA business areas whilst recognising they do not meet the quantitative criteria that applies to firms.
2. No roles in the FCA reflect this SMF.
3. SMF16 relates to the individual responsible for reporting to a firm’s Board about the firm’s compliance with the regulations and rules that apply to firms as set out in the FCA and PRA Handbooks. This is not applicable to the FCA. Whilst compliance with the PRA and FCA handbooks is not applicable to the FCA, the organisation has a compliance oversight function focussing on non-FSMA compliance and critical internal policies.
4. Role is within scope as a result of responsibility for FCA Handbook. The application of a SMF to legal counsel is subject to consultation.
5. The Chair of the Competition Decisions Committee is appointed by the FCA Chair on each occasion that the committee is formed.
## Prescribed Responsibilities

<table>
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<tr>
<th>Description of Prescribed Responsibility</th>
<th>Allocation – FCA role</th>
<th>Allocation – name</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A</strong> Responsibility for the FCA’s performance of its obligations under the senior management regime</td>
<td>Chief Executive Officer</td>
<td>Andrew Bailey</td>
</tr>
<tr>
<td><strong>B</strong> Responsibility for the firm’s performance of its obligations under the employee certification regime</td>
<td>Not applicable</td>
<td>Not applicable</td>
</tr>
<tr>
<td><strong>C</strong> Responsibility for compliance with the requirements of the regulatory system about the management responsibilities map</td>
<td>Chief Executive Officer</td>
<td>Andrew Bailey</td>
</tr>
<tr>
<td><strong>D</strong> Overall responsibility for the FCA’s compliance with its obligations to report suspicions of money laundering under the Proceeds of Crime Act 2002¹</td>
<td>Director of Enforcement &amp; Market Oversight</td>
<td>Mark Steward</td>
</tr>
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<tr>
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<th>Allocation – FCA role</th>
<th>Allocation – name</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>E</strong> Responsibility for the allocation of all prescribed responsibilities</td>
<td>Chair⁴</td>
<td>Charles Randell</td>
</tr>
</tbody>
</table>
| **F** Responsibility for:  
(a) leading the development of; and  
(b) monitoring the effective implementation of; policies and procedures for the induction, training and professional development of all members of the FCA’s governing body | Chair | Charles Randell |
| **G** Responsibility for monitoring the effective implementation of policies and procedures for the induction, training and professional development of all persons performing designated senior management functions on behalf of the FCA other than members of the governing body | Chief Operating Officer | Georgina Philippou |
### Prescribed Responsibilities

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<thead>
<tr>
<th>Description of Prescribed Responsibility</th>
<th>Allocation – FCA role</th>
<th>Allocation – name</th>
</tr>
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<tr>
<td><strong>H</strong> Responsibility for overseeing the adoption of the FCA's culture in the day-to-day management of the FCA</td>
<td>Chief Executive Officer</td>
<td>Andrew Bailey</td>
</tr>
<tr>
<td><strong>I</strong> Responsibility for leading the development of the FCA's culture by the governing body as a whole</td>
<td>Chair</td>
<td>Charles Randell</td>
</tr>
<tr>
<td><strong>J</strong> Responsibility for: (a) safeguarding the independence of; and (b) oversight of the performance of; the internal audit function</td>
<td>Chair of Audit Committee</td>
<td>Catherine Bradley</td>
</tr>
<tr>
<td><strong>K</strong> Responsibility for: (a) safeguarding the independence of; and (b) oversight of the performance of; the compliance function</td>
<td>Not applicable</td>
<td>Not applicable</td>
</tr>
</tbody>
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<table>
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<th>Description of Prescribed Responsibility</th>
<th>Allocation – FCA role</th>
<th>Allocation – name</th>
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</thead>
<tbody>
<tr>
<td><strong>L</strong> Responsibility for: (a) safeguarding the independence of; and (b) oversight of the performance of; the risk function</td>
<td>Chair of Risk Committee</td>
<td>Amelia Fletcher</td>
</tr>
<tr>
<td><strong>M</strong> Responsibility for overseeing the development of, and implementation of, the FCA's remuneration policies and practices</td>
<td>Chair of Remuneration Committee</td>
<td>Baroness Sarah Hogg</td>
</tr>
<tr>
<td><strong>N</strong> Responsibility for the independence, autonomy and effectiveness of the FCA's policies and procedures on internal whistleblowing, including the procedures for protection of staff who raise concerns from detrimental treatment</td>
<td>Chair of Audit Committee</td>
<td>Catherine Bradley</td>
</tr>
<tr>
<td><strong>O</strong> Management of the allocation and maintenance of capital, funding and liquidity</td>
<td>Chief Operating Officer</td>
<td>Georgina Philippou</td>
</tr>
</tbody>
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<tr>
<td><strong>P</strong> The firm’s treasury management functions</td>
<td>Not applicable⁶</td>
<td>Not applicable</td>
</tr>
<tr>
<td><strong>Q</strong> The production and integrity of the FCA’s financial information</td>
<td>Chief Operating Officer</td>
<td>Georgina Philippou</td>
</tr>
<tr>
<td><strong>R</strong> Responsibility for developing and maintaining the firm’s recovery plan and resolution packs, and for overseeing the internal processes regarding their governance</td>
<td>Not applicable⁷</td>
<td>Not applicable</td>
</tr>
<tr>
<td><strong>S</strong> Responsibility for developing and maintaining the firm’s internal stress-tests and ensuring the accuracy and timeliness of information provided to the PRA and other regulatory bodies for the purpose of stress-testing</td>
<td>Not applicable⁸</td>
<td>Not applicable</td>
</tr>
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<th>Allocation – FCA role</th>
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</thead>
<tbody>
<tr>
<td><strong>T</strong> Responsibility for the development and maintenance of the FCA’s business model by the governing body</td>
<td>Chief Executive Officer</td>
<td>Andrew Bailey</td>
</tr>
<tr>
<td><strong>U</strong> Responsibility for the firm’s performance of its obligations under Fitness and Propriety (in the PRA Rulebook) in respect of its notified non-executive directors</td>
<td>Not applicable⁹</td>
<td>Not applicable</td>
</tr>
<tr>
<td><strong>V</strong> If the firm carries out proprietary trading, responsibility for the firm’s proprietary trading activities</td>
<td>Not applicable¹⁰</td>
<td>Not applicable</td>
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</table>
## Prescribed Responsibilities

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<th>Allocation – FCA role</th>
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</thead>
<tbody>
<tr>
<td>If the firm does not have an individual performing the Chief Risk function, overseeing and demonstrating that the risk management policies and procedures which the firm has adopted in accordance with SYSC 7.1.2 R to SYSC 7.1.5 R satisfy the requirements of those rules and are consistently effective in accordance with SYSC 4.1.1R</td>
<td>Not applicable&lt;sup&gt;11&lt;/sup&gt;</td>
<td>Not applicable</td>
</tr>
</tbody>
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<th>Allocation – FCA role</th>
<th>Allocation – name</th>
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</thead>
<tbody>
<tr>
<td>If the firm outsources its internal audit function taking reasonable steps to ensure that every person involved in the performance of the service is independent from the persons who perform external audit, including</td>
<td>Not applicable&lt;sup&gt;12&lt;/sup&gt;</td>
<td>Not applicable</td>
</tr>
<tr>
<td>(a) Supervision and management of the work of outsources internal auditors</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(b) Management of potential conflicts of interest between the provision of external audit and internal audit services</td>
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<tr>
<td>If the firm is a ring-fenced body, responsibility for ensuring that those aspects of the firm’s affairs for which a person is responsible for managing are in compliance with the ring-fencing requirements</td>
<td>Not applicable&lt;sup&gt;13&lt;/sup&gt;</td>
<td>Not applicable</td>
</tr>
<tr>
<td>Overall responsibility for the firm’s compliance with Client Assets Sourcebook (CASS)</td>
<td>Not applicable&lt;sup&gt;14&lt;/sup&gt;</td>
<td>Not applicable</td>
</tr>
</tbody>
</table>

### Notes

1. For clarity, the wording of some Prescribed Responsibilities has been amended to reflect that the FCA is not a regulated firm e.g. replacing references to firm with FCA.
2. The FCA is not implementing the Certification Regime.
3. We have amended the description of this Prescribed Responsibility to reflect the FCA’s statutory obligations in relation to money laundering and financial crime.
4. As some of the Prescribed Responsibilities have been applied to members of the Board, Prescribed Responsibility E has been allocated to the Chair.
5. As the FCA is not a firm it does not have a comparable compliance function.
6. The FCA does not have a treasury function.
7. As the FCA is not a firm it does not have a resolution and recovery plan however it does have extensive business continuity plans in place.
8. As the FCA is not a firm it does not undertake stress testing in order to provide information to the PRA and other regulatory bodies.
9. The appointment of FCA Non-Executive Directors is made by HM Government, and therefore this responsibility does not lie within the FCA.
10. The FCA does not conduct proprietary trading.
11. The FCA has a Chief Risk function.
12. The FCA does not outsource its Internal Audit function.
13. The FCA is not a ring-fenced body.
14. The FCA does not have responsibilities relating to CASS.
## Overall Responsibilities

<table>
<thead>
<tr>
<th>Overall Responsibility</th>
<th>Allocation – FCA role</th>
<th>Allocation – name</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Responsibility for supervision of firms in the wholesale banking sector</td>
<td>Director of Supervision – Investment, Wholesale &amp; Specialists</td>
<td>Megan Butler</td>
</tr>
<tr>
<td>2 Responsibility for supervision of firms in the asset management sector</td>
<td>Director of Supervision – Investment, Wholesale &amp; Specialists</td>
<td>Megan Butler</td>
</tr>
<tr>
<td>3 Responsibility for supervision of firms in the pensions and retirement income sector</td>
<td>Director of Supervision – Investment, Wholesale &amp; Specialists</td>
<td>Megan Butler</td>
</tr>
<tr>
<td>4 Responsibility for supervision of firms in the retail investments sector</td>
<td>Director of Supervision – Investment, Wholesale &amp; Specialists</td>
<td>Megan Butler</td>
</tr>
<tr>
<td>5 Responsibility for supervision of firms in the wholesale markets sector</td>
<td>Director of Supervision – Investment, Wholesale &amp; Specialists</td>
<td>Megan Butler</td>
</tr>
<tr>
<td>6 Responsibility for the delivery and quality of execution of specialist supervision programmes in relation to financial crime, client assets, resolution, prudential, and technology, resilience and cyber</td>
<td>Director of Supervision – Investment, Wholesale &amp; Specialists</td>
<td>Megan Butler</td>
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<tbody>
<tr>
<td>7 Responsibility for delivery and quality of execution of specialist supervision programmes and activities in conduct, remuneration, consumer contracts and financial promotions</td>
<td>Director of Supervision – Retail &amp; Authorisations</td>
<td>Jonathan Davidson</td>
</tr>
<tr>
<td>8 Responsibility for supervision of firms in the general insurance and protection sector</td>
<td>Director of Supervision – Retail &amp; Authorisations</td>
<td>Jonathan Davidson</td>
</tr>
<tr>
<td>9 Responsibility for supervision of firms in the retail lending sector</td>
<td>Director of Supervision – Retail &amp; Authorisations</td>
<td>Jonathan Davidson</td>
</tr>
<tr>
<td>10 Responsibility for supervision of firms in the retail banking sector</td>
<td>Director of Supervision – Retail &amp; Authorisations</td>
<td>Jonathan Davidson</td>
</tr>
<tr>
<td>11 Responsibility for authorisations of firms, transactions and individuals for all routine cases</td>
<td>Director of Supervision – Retail &amp; Authorisations</td>
<td>Jonathan Davidson</td>
</tr>
<tr>
<td>12 Responsibility for regulatory policy – excluding enforcement and financial crime</td>
<td>Director of Strategy &amp; Competition</td>
<td>Christopher Woolard</td>
</tr>
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# Overall Responsibilities

<table>
<thead>
<tr>
<th>Overall Responsibility</th>
<th>Allocation – FCA role</th>
<th>Allocation – name</th>
</tr>
</thead>
<tbody>
<tr>
<td>13 Responsibility for regulatory policy in financial crime and client assets</td>
<td>Director of Supervision – Investment, Wholesale &amp; Specialists</td>
<td>Megan Butler</td>
</tr>
<tr>
<td>14 Responsibility for the FCA’s communications both internally and externally</td>
<td>Director of Strategy &amp; Competition</td>
<td>Christopher Woolard</td>
</tr>
<tr>
<td>15 Responsibility for competition and innovation</td>
<td>Director of Strategy &amp; Competition</td>
<td>Christopher Woolard</td>
</tr>
<tr>
<td>16 Responsibility for oversight and surveillance of market trading, and the UK Listing Authority (UKLA)</td>
<td>Director of Enforcement &amp; Market Oversight</td>
<td>Mark Steward</td>
</tr>
<tr>
<td>17 Responsibility for the enforcement of regulatory requirements</td>
<td>Director of Enforcement &amp; Market Oversight</td>
<td>Mark Steward</td>
</tr>
<tr>
<td>18 Responsibility for ensuring that the rules and guidance in the FCA Handbook are made in accordance with the requirements of the Financial Services and Markets Act 2000 and other relevant legal obligations</td>
<td>Chief Executive Officer</td>
<td>Andrew Bailey</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Overall Responsibility</th>
<th>Allocation – FCA role</th>
<th>Allocation – name</th>
</tr>
</thead>
<tbody>
<tr>
<td>19 Responsibility for market intelligence, data and analysis – excluding trading platforms</td>
<td>Director of Strategy &amp; Competition</td>
<td>Christopher Woolard</td>
</tr>
<tr>
<td>20 Responsibility for direct contact with consumers and firms via telephone and email correspondence to the agreed SLAs and the maintenance of the Financial Services Register</td>
<td>Director of Supervision – Retail &amp; Authorisations</td>
<td>Jonathan Davidson</td>
</tr>
<tr>
<td>21 Responsibility for managing the process of investigating complaints about the FCA under the Complaints Scheme</td>
<td>Director of Corporate Services</td>
<td>Simon Pearce</td>
</tr>
<tr>
<td>22 Responsibility for information technology, including cybersecurity</td>
<td>Chief Operating Officer</td>
<td>Georgina Philippou</td>
</tr>
<tr>
<td>23 Responsibility for business continuity planning</td>
<td>Chief Operating Officer</td>
<td>Georgina Philippou</td>
</tr>
<tr>
<td>24 Responsibility for human resources</td>
<td>Chief Operating Officer</td>
<td>Georgina Philippou</td>
</tr>
</tbody>
</table>
## Overall Responsibilities

<table>
<thead>
<tr>
<th>Overall Responsibility</th>
<th>Allocation – FCA role</th>
<th>Allocation – name</th>
</tr>
</thead>
<tbody>
<tr>
<td>25 Responsibility for the FCA’s engagement with international regulatory stakeholders</td>
<td>Director of International</td>
<td>Nausicaa Delfas</td>
</tr>
<tr>
<td>26 Responsibility for corporate social responsibility, including equality and diversity</td>
<td>Chief Operating Officer</td>
<td>Georgina Philippou</td>
</tr>
<tr>
<td>27 Responsibility for estate management, including facilities</td>
<td>Chief Operating Officer</td>
<td>Georgina Philippou</td>
</tr>
<tr>
<td>28 Responsibility for secretariat function for the FCA Board and Board Committees</td>
<td>Director of Corporate Services</td>
<td>Simon Pearce</td>
</tr>
<tr>
<td>29 Responsibility for secretariat function for the Executive Committee</td>
<td>Chief Executive Officer</td>
<td>Andrew Bailey</td>
</tr>
<tr>
<td>30 Responsibility for coordination with the Prudential Regulation Committee</td>
<td>Chief Executive Officer</td>
<td>Andrew Bailey</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Overall Responsibility</th>
<th>Allocation – FCA role</th>
<th>Allocation – name</th>
</tr>
</thead>
<tbody>
<tr>
<td>31 Responsibility for supporting the membership of the Financial Policy Committee</td>
<td>Director of Strategy &amp; Competition</td>
<td>Christopher Woolard</td>
</tr>
<tr>
<td>32 Responsibility for the FCA Corporate Strategy</td>
<td>Director of Strategy &amp; Competition</td>
<td>Christopher Woolard</td>
</tr>
<tr>
<td>33 Responsibility for enforcement strategy, policy and international engagement</td>
<td>Director of Enforcement &amp; Market Oversight</td>
<td>Mark Steward</td>
</tr>
<tr>
<td>34 Responsibility for the effective functioning of the Regulatory Decisions Committee</td>
<td>Regulatory Decisions Committee Chair</td>
<td>Tim Parkes</td>
</tr>
<tr>
<td>35 Responsibility for the effective functioning of the Competition Decisions Committee</td>
<td>Competition Decisions Committee Chair</td>
<td>Appointed by the Chair when a CDC is formed</td>
</tr>
</tbody>
</table>
## Overall Responsibilities

<table>
<thead>
<tr>
<th>Overall Responsibility</th>
<th>Allocation – FCA role</th>
<th>Allocation – name</th>
</tr>
</thead>
<tbody>
<tr>
<td>36 Overall Responsibility</td>
<td>Director of Supervision – Investment, Wholesale &amp; Specialists</td>
<td>Megan Butler</td>
</tr>
<tr>
<td>With respect to non-routine cases involving firms in the wholesale banking, asset management, pensions and retirement income, retail investments and wholesale markets sectors, including (re-) authorisation of such firms in the context of the UK’s withdrawal from the EU, responsibility for implementation of framework for assessment of and decision-making for such non-routine cases.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Overall Responsibility</th>
<th>Allocation – FCA role</th>
<th>Allocation – name</th>
</tr>
</thead>
<tbody>
<tr>
<td>37 Responsibility for authorisations of funds in the asset management sector</td>
<td>Director of Supervision – Investment, Wholesale &amp; Specialists</td>
<td>Megan Butler</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Overall Responsibility</th>
<th>Allocation – FCA role</th>
<th>Allocation – name</th>
</tr>
</thead>
<tbody>
<tr>
<td>38 Overall Responsibility</td>
<td>Director of Supervision – Retail &amp; Authorisations</td>
<td>Jonathan Davidson</td>
</tr>
<tr>
<td>With respect to non-routine cases involving firms in the wholesale banking, wholesale markets, asset management, pensions and retirement income and retail investment sectors, including (re-) authorisation of such firms in the context of the UK’s withdrawal from the EU, responsibility for design of framework for assessment of such non-routine cases</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Details of individuals

Individuals identified in the map
## Individuals identified in the map

Reasonable details for individuals identified in the FCA’s Responsibility Map are set out opposite.

<table>
<thead>
<tr>
<th>Role</th>
<th>Name</th>
<th>Reports to</th>
<th>Employment status</th>
<th>Other FCA Directorships</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chair</td>
<td>Charles Randell</td>
<td>Not applicable</td>
<td>Fixed Term Appointment – HM Treasury</td>
<td>PSR Board</td>
</tr>
<tr>
<td>Chief Executive Officer</td>
<td>Andrew Bailey</td>
<td>Chair</td>
<td>FCA employee – HM Treasury¹</td>
<td>None</td>
</tr>
<tr>
<td>Director of Strategy &amp; Competition</td>
<td>Christopher Woolard</td>
<td>Chief Executive Officer</td>
<td>FCA employee – HM Treasury¹</td>
<td>PSR Board</td>
</tr>
<tr>
<td>Chief Operating Officer</td>
<td>Georgina Philippou</td>
<td>Chief Executive Officer</td>
<td>FCA employee</td>
<td>None</td>
</tr>
<tr>
<td>Director of Supervision – Retail &amp; Authorisations</td>
<td>Jonathan Davidson</td>
<td>Chief Executive Officer</td>
<td>FCA employee</td>
<td>None</td>
</tr>
<tr>
<td>Director of Supervision – Investment, Wholesale &amp; Specialists</td>
<td>Megan Butler</td>
<td>Chief Executive Officer</td>
<td>FCA employee</td>
<td>None</td>
</tr>
</tbody>
</table>
Reasonable details for individuals identified in the FCA’s Responsibility Map are set out opposite.

<table>
<thead>
<tr>
<th>Role</th>
<th>Name</th>
<th>Reports to</th>
<th>Employment status</th>
<th>Other FCA Directorships</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Director of</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Enforcement &amp; Market</td>
<td>Mark Steward</td>
<td>Chief Executive</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Market Oversight</td>
<td></td>
<td>Officer</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Director of Risk &amp;</td>
<td>Barbara Frohn</td>
<td>Chief Executive</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Compliance Oversight</td>
<td></td>
<td>Officer</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Director of Internal</td>
<td>Lalitha Henry</td>
<td>Audit Committee Chair</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Audit</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Director of</td>
<td>Nausicaa Delfas</td>
<td>Chief Executive</td>
<td></td>
</tr>
<tr>
<td></td>
<td>International</td>
<td></td>
<td>Officer</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Corporate Services</td>
<td>Simon Pearce</td>
<td>Chair</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Regulatory Decisions</td>
<td>Tim Parkes</td>
<td>FCA Board Chair</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Committee Chair</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Non-Executive Director</td>
<td>Baroness Sarah Hogg</td>
<td>Not applicable</td>
<td></td>
</tr>
<tr>
<td></td>
<td>– Remuneration</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Committee Chair</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Financial Conduct Authority Senior Managers Regime
## Individuals identified in the map

Reasonable details for individuals identified in the FCA’s Responsibility Map are set out opposite.

<table>
<thead>
<tr>
<th>Role</th>
<th>Name</th>
<th>Reports to</th>
<th>Employment status</th>
<th>Other FCA Directorships</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Executive Director – Risk</td>
<td>Amelia Fletcher</td>
<td>Not applicable</td>
<td>Fixed Term Appointment – HM Government²</td>
<td>PSR Board</td>
</tr>
<tr>
<td>Committee Chair</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-Executive Director – Audit</td>
<td>Catherine Bradley</td>
<td>Not applicable</td>
<td>Fixed Term Appointment – HM Treasury</td>
<td>None</td>
</tr>
<tr>
<td>Committee Chair</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-Executive Director</td>
<td>Sam Woods</td>
<td>Not applicable</td>
<td>Fixed Term Appointment – HM Treasury</td>
<td>None</td>
</tr>
<tr>
<td>Non-Executive Director</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-Executive Director</td>
<td>Richard Lloyd</td>
<td>Not applicable</td>
<td>Fixed Term Appointment – HM Government²</td>
<td>None</td>
</tr>
<tr>
<td>Non-Executive Director</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-Executive Director</td>
<td>Nick Stace</td>
<td>Not applicable</td>
<td>Fixed Term Appointment – HM Treasury</td>
<td>PSR Board</td>
</tr>
</tbody>
</table>

### Notes

1. For individuals holding the SMF3 Executive Director function appointments to the FCA Board are made by HM Treasury.

2. Certain Non-Executive Appointments are made jointly by the Secretary of State for the Department for Business, Innovation and Skills and HM Treasury.
Governance and management arrangements

- FCA Corporate Governance
- Board and Board Committees
- FCA Committee Structures
- Diagram of FCA committee structures
- Matters reserved for the Board
- FCA Subsidiary companies
Governance and management arrangements

FCA Corporate Governance

‘S.3C of the Financial Services and Markets Act 2000 as amended (FSMA) states that, in managing its affairs, the FCA must have regard to such generally accepted principles of good corporate governance as it is reasonable to regard as applicable to it. As the FCA is a company limited by guarantee, it is not obliged to comply with the UK Corporate Governance Code. However, the Board is committed to meeting high standards of corporate governance and has decided that the FCA should comply with the Corporate Governance Code where appropriate and applicable.’

Source: ‘Corporate Governance of the Financial Conduct Authority’.

Board and Board Committees

The following tables list the Board and Board Committees along with where they are relevant to the Prescribed Responsibilities.

<table>
<thead>
<tr>
<th>Board</th>
<th>Relevant Prescribed Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board</td>
<td>I, T</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Committees of the Board</th>
<th>Relevant Prescribed Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit Committee</td>
<td>J, L, N</td>
</tr>
<tr>
<td>Competition Decisions Committee</td>
<td>None</td>
</tr>
<tr>
<td>External Risk &amp; Strategy Committee</td>
<td>L</td>
</tr>
<tr>
<td>Nominations Committee</td>
<td>None</td>
</tr>
<tr>
<td>Oversight Committee</td>
<td>None</td>
</tr>
<tr>
<td>Regulatory Decisions Committee</td>
<td>None</td>
</tr>
<tr>
<td>Remuneration Committee</td>
<td>M</td>
</tr>
</tbody>
</table>
FCA Committee Structures

A list of the FCA Board and Executive Committees with a short statement of purpose is set out opposite. A diagram of the committee structure is shown on the following pages.

<table>
<thead>
<tr>
<th>Board</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board</td>
<td>The Board is the governing body of the FCA. It sets the FCA’s strategic direction and ensures the long term success of the FCA. It ensures that the necessary financial and human resources are in place for the FCA to meet its statutory objectives. It provides leadership of the organisation within a framework of prudent and effective controls which enables risk to be assessed and managed. It also reviews management performance.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Committees of the Board</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit Committee</td>
<td>The Audit Committee is responsible for the review and oversight of matters associated with the ability of the organisation to carry out its regulatory strategy (ie operational risk and execution risk) referred to as ‘internal’ risk, on behalf of the Board. In doing so it provides assurance to the Board on the effectiveness of the internal control framework.</td>
</tr>
<tr>
<td>Competition Decisions Committee</td>
<td>The Competition Decisions Committee is a Board authorised committee, which exercises decision making powers in Competition Act 1998 investigations on behalf of the FCA including decisions on whether there has been a competition law infringement and decisions on whether to impose a financial penalty in respect of an infringement.</td>
</tr>
</tbody>
</table>
A list of the FCA Board and Executive Committees with a short statement of purpose is set out opposite. A diagram of the committee structure is shown on the following pages.

<table>
<thead>
<tr>
<th>Committees of the Board</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>External Risk &amp; Strategy Committee</td>
<td>External Risk and Strategy Committee is responsible for the review and oversight of matters associated with the risk of harm hereafter referred to as 'external' risk, including, where appropriate, consideration of associated risks (ie operational risk and execution risk) on behalf of the Board. ERSC also provides oversight of the Regulatory Decisions Committee.</td>
</tr>
<tr>
<td>Nominations Committee</td>
<td>The Nominations Committee is responsible for making recommendations for maintaining an appropriate balance of skills on the FCA Board with a view to ensuring the continued ability of the organisation to meet its statutory objectives.</td>
</tr>
<tr>
<td>Oversight Committee</td>
<td>The Oversight Committee is responsible for providing support and advice to the Board on its relationship with the Money Advice Service (MAS) and its obligations under FSMA in respect of the MAS. The Committee has the ability to extend its scope to carry out other assignments as specifically mandated by the Board, for example, to review the plan and budget of the Financial Ombudsman Service and/or the Financial Services Compensation Scheme from time to time if required.</td>
</tr>
<tr>
<td>Regulatory Decisions Committee</td>
<td>The Regulatory Decisions Committee exercises certain regulatory powers on behalf of the FCA, including in relation to the giving of supervisory notices, warning notices and decision notices, as described in the FCA Handbook. The primary purpose of the Regulatory Decisions Committee is to advance the fairness of the FCA’s enforcement process by ensuring, in certain contested cases, separation between those who conduct investigations and those who decide whether a statutory notice should be given.</td>
</tr>
</tbody>
</table>
FCA Committee Structures

A list of the FCA Board and Executive Committees with a short statement of purpose is set out opposite. A diagram of the committee structure is shown on the following pages.

<table>
<thead>
<tr>
<th>Committees of the Board</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>Remuneration Committee</td>
<td>Remuneration Committee is responsible for ensuring there is a formal and transparent procedure for developing policy on executive remuneration and for agreeing the remuneration packages of individual directors. The Committee is also responsible for recommending to the Board the annual budget for pay and incentive awards and also the remuneration of members of associated bodies (such as the Money Advice Service (MAS), the Financial Ombudsman Service (FOS), Consumer Panel etc).</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Executive Committee</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Committee</td>
<td>The Executive Committee (ExCo) is one of the 2 highest ranking executive decision making bodies of the FCA, and discusses significant operational issues across all areas of the organisation. It oversees the strategy, direction and activity of the FCA in general, including delivery of the FCA’s annual Business Plan. It is responsible for monitoring the direction and performance of the organisation within the strategic framework set by the Board.</td>
</tr>
<tr>
<td>Executive Regulation &amp; Policy Committee</td>
<td>The Executive Regulation and Policy Committee is one of the 2 highest ranking executive decision making bodies of the FCA, and is responsible for taking decisions on significant regulatory and policy issues escalated to it from across the FCA. This may include but is not limited to firm, sector or product specific issues.</td>
</tr>
<tr>
<td>Executive Diversity Committee</td>
<td>The Executive Diversity Committee (EDC) is a sub-committee of ExCo and leads the FCA’s internal and external diversity agenda, in support of making the FCA an employer of choice and a more effective regulator. The EDC’s role includes providing direction and taking decisions on diversity related matters affecting the FCA and championing diversity within the FCA.</td>
</tr>
<tr>
<td>Executive Operations Committee</td>
<td>The Executive Operations Committee is a sub-committee of ExCo and is responsible for monitoring the FCA’s economic and efficient use of resources, internal risk management, people strategy and culture, and operating platform and resilience.</td>
</tr>
</tbody>
</table>
A list of the FCA Board and Executive Committees with a short statement of purpose is set out opposite. A diagram of the committee structure is shown on the following pages.

<table>
<thead>
<tr>
<th>Executive Committee</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>Policy Development Committee</td>
<td>The Policy Development Committee is a sub-committee of ERPC and is responsible for maintaining oversight of less significant policy initiatives within the FCA and overseeing certain draft guidance for consultation. It scrutinises and challenges the policy development process to ensure new policies within its remit are based on sound evidence and analysis eg economic and cost-benefit analysis.</td>
</tr>
<tr>
<td>Markets Regulatory Committee</td>
<td>The Markets Regulatory Committee is a sub-committee of ERPC and is responsible for taking decisions on official listing, suspension and removal of financial instruments from trading, short-selling and penalties for market abuse (where not reserved to the Regulatory Decisions Committee).</td>
</tr>
<tr>
<td>Regulatory Transactions Committee</td>
<td>The Regulatory Transactions Committee is a sub-committee of ERPC and is responsible for making decisions on authorisations, such as refusal to authorise, or to authorise subject to limitations, requirements or variations.</td>
</tr>
<tr>
<td>Information Governance Board</td>
<td>The Information Governance Board is a sub-committee of ERPC and is responsible for overseeing the implementation of the FCA’s data strategy.</td>
</tr>
</tbody>
</table>
Diagram of FCA committee structures

Corporate Governance

### Initials Full names
- **CR**: Charles Randell
- **AB**: Andrew Bailey
- **AF**: Amelia Fletcher
- **BF**: Barbara Frohn
- **CB**: Catherine Bradley
- **CW**: Christopher Woolard
- **LH**: Lalitha Henry
- **NS**: Nick Stace
- **RL**: Richard Lloyd
- **SH**: Baroness Sarah Hogg
- **SM**: Sean Martin
- **SP**: Simon Pearce
- **SR**: Simon Ricketts
- **SW**: Sam Woods

### Decisions Committees

- **AS**: Alasdair Smith
- **CR**: Caroline Ramsay
- **CLS**: Charlie Laughton-Scott
- **EN**: Dame Elizabeth Neville
- **DT**: David Thomas
- **EF**: Elizabeth France
- **IA**: Iraj Amiri
- **JC**: John Callender
- **JH**: John Hull
- **JH**: John Hull
- **JHe**: Julie Hepworth
- **KJ**: Karen Johnston
- **KB**: Kevin Brown
- **LA**: Lesley Ainsworth
- **MN**: Malcolm Nicholson
- **NL**: Nick Lord
- **PW**: Pauline Wallace
- **PM**: Philip Marsden
- **PC**: Peter Craddock
- **RM**: Robin Mason
- **SM**: Sidney Myers
- **SP**: Simon Polito
- **SMc**: Stuart McIntosh
- **TP**: Tim Parkes
- **TT**: Tim Tutton

### NOTE:
- (A) Indicates attendee

#### Remuneration Committee
- **SMFs**
  - SH (Chair), CR, AF, SP (A)
- **Non-SMFs**
- **Responsibilities** M

#### External Risk & Strategy Committee
- **SMFs**
  - AF (Chair), CB, SP (A), LH (A), BF (A)
- **Non-SMFs** RL, NS
- **Responsibilities** L

#### Competition Decisions Committee
- **SMFs**
  - MN, SMc, RM, PM, SP, LA, DT, TT, AS
- **Non-SMFs**
- **Responsibilities**

#### Oversight Committee
- **SMFs**
  - CR (Chair), CW, SH, CB, SP (A)
- **Non-SMFs** NS
- **Responsibilities**

#### Regulatory Decisions Committee
- **SMFs**
  - TP (Chair)
- **Non-SMFs** JC, PC, IA, CR, KB, EN, PW, EF, JH, MN, PM, RM, NL, KJ, SM, CLS, JHe, JN
- **Responsibilities**

#### Audit Committee
- **SMFs**
  - CB (Chair), AF, SP (A), LH (A), BF (A)
- **Non-SMFs** SR
- **Responsibilities** J, L, N

#### Nominations Committee
- **SMFs**
  - CR (Chair), SH, CB, AF, SP (A)
- **Non-SMFs** RL, NS
- **Responsibilities**
Diagram of FCA committee structures
Executive Governance

<table>
<thead>
<tr>
<th>Initials</th>
<th>Full names</th>
</tr>
</thead>
<tbody>
<tr>
<td>AB</td>
<td>Andrew Bailey</td>
</tr>
<tr>
<td>CW</td>
<td>Christopher Woolard</td>
</tr>
<tr>
<td>ND</td>
<td>Nausicaa Delfas</td>
</tr>
<tr>
<td>MB</td>
<td>Megan Butler</td>
</tr>
<tr>
<td>JD</td>
<td>Jonathan Davidson</td>
</tr>
<tr>
<td>MS</td>
<td>Mark Steward</td>
</tr>
<tr>
<td>BF</td>
<td>Barbara Frohn</td>
</tr>
<tr>
<td>SM</td>
<td>Sean Martin</td>
</tr>
<tr>
<td>GP</td>
<td>Georgina Philippou</td>
</tr>
</tbody>
</table>

NOTES:
(A) Indicates attendee
Diagram of FCA committee structures

Executive Governance

<table>
<thead>
<tr>
<th>Initials</th>
<th>Full names</th>
</tr>
</thead>
<tbody>
<tr>
<td>AB</td>
<td>Andrew Bailey</td>
</tr>
<tr>
<td>CW</td>
<td>Christopher Woolard</td>
</tr>
<tr>
<td>ND</td>
<td>Nausicaa Delfas</td>
</tr>
<tr>
<td>MB</td>
<td>Megan Butler</td>
</tr>
<tr>
<td>JD</td>
<td>Jonathan Davidson</td>
</tr>
<tr>
<td>MS</td>
<td>Mark Steward</td>
</tr>
<tr>
<td>BF</td>
<td>Barbara Frohn</td>
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<tr>
<td>SM</td>
<td>Sean Martin</td>
</tr>
<tr>
<td>GP</td>
<td>Georgina Philippou</td>
</tr>
</tbody>
</table>

Executive Regulation & Policy Committee

SMFs: AB (Chair), CW, MB, JD, MS, ND, SM(A), BF(A), GP

Information Governance Board

Regulatory Transactions Committee

Markets Regulatory Committee

Policy Development Committee

NOTES:
(A) Indicates attendee
Matters reserved for the Board

See Appendix 2.
The Financial Services (Banking Reform) Act 2013 required the FCA to incorporate The Payment Systems Regulator Limited (PSR). The PSR is a wholly-owned subsidiary of the FCA. There are no other subsidiary organisations.
Statements of Responsibility

Chair
Chief Executive Officer
Executive Committee Directors
Other Senior Management Functions
Board Committees
Chair

**Role holder:** Charles Randell

**Senior Management Functions**
- **Chair**
- **Chair of Nominations Committee**

<table>
<thead>
<tr>
<th>Ref</th>
<th>Prescribed Responsibility</th>
<th>Shared?</th>
</tr>
</thead>
<tbody>
<tr>
<td>E</td>
<td>Responsibility for the allocation of all prescribed responsibilities.</td>
<td>No</td>
</tr>
<tr>
<td>F</td>
<td>Responsibility for: (a) leading the development of; and (b) monitoring the effective implementation of; policies and procedures for the induction, training and professional development of all members of the FCA’s governing body.</td>
<td>No</td>
</tr>
<tr>
<td>I</td>
<td>Responsibility for leading the development of the FCA’s culture by the governing body as a whole.</td>
<td>No</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Ref</th>
<th>Overall Responsibility</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>None</td>
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</table>

<table>
<thead>
<tr>
<th>Ref</th>
<th>Other Responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Responsibility for ensuring the FCA Board appoints the Chairs of the FCA’s statutory enforcement decision making committees.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Ref</th>
<th>Any further details relevant to the above (e.g. if shared)</th>
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<tbody>
<tr>
<td></td>
<td>None</td>
</tr>
</tbody>
</table>
Chair

Role holder: Charles Randell

Senior Management Functions
- 9 Chairman
- 13 Chair of Nominations Committee

Supplementary information

The role title for the individual performing these SMFs
Chair and Chair of Nominations Committee

Role main purpose
The FCA Board sets the strategic direction and ensures the long term success of the FCA. The Chair is responsible for ensuring the FCA’s strategy is formulated clearly and well understood both internally and externally. The Chair has no executive responsibility for the day-to-day running of the FCA but as part of their responsibilities as Chair fosters the relationships between executive and Non-Executive Directors. Additionally, the Chair provides a source of counsel and challenge to the Chief Executive on how the FCA is run. The Chair has an important externally facing role with stakeholders.

The key responsibilities of the Chair of the Board are:
Leading an effective Board, in particular through:
- ensuring that the Board meets with sufficient frequency
- fostering an open, inclusive discussion which challenges executives, where appropriate
- ensuring that the Board devotes sufficient time and attention to the matters within its remit, including matters reserved for the Board
- ensuring that the Board and its members have the information necessary to its and their tasks
- effective decision-making processes
- evaluating the performance of the Board and individual directors

Leading an effective Nominations Committee, in particular through:
- safeguarding the independence and overseeing the performance of the Nominations Committee
- reporting to the Board on the Nominations Committee’s activities

Maintaining a productive relationship with the FCA’s Chief Executive.

With the Chief Executive, managing key relationships with a wide range of major stakeholders to raise the FCA’s profile and its policies.

Acting as a focus for the accountability of the FCA, for example, by chairing the FCA’s Annual Public Meeting, giving evidence to parliamentary select committees and communicating with Government ministers on significant issues.
## Chair

**Role holder:** Charles Randell

### Senior Management Functions
- **9** Chairman
- **13** Chair of Nominations Committee

### Supplementary information

#### Key Committees
- Chair – FCA Board
- Chair – Oversight Committee
- Chair – Nominations Committee
- Member – Remuneration Committee
- Chair – PSR Board
# Chief Executive Officer

**Role holder:** Andrew Bailey

## Senior Management Functions

<table>
<thead>
<tr>
<th>Ref</th>
<th>Prescribed Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Responsibility for the FCA’s performance of its obligations under the senior management regime.</td>
</tr>
<tr>
<td>C</td>
<td>Responsibility for compliance with the requirements of the regulatory system about the management responsibilities map.</td>
</tr>
<tr>
<td>H</td>
<td>Responsibility for overseeing the adoption of the FCA’s culture in the day-to-day management of the FCA.</td>
</tr>
<tr>
<td>T</td>
<td>Responsibility for the development and maintenance of the FCA’s business model by the governing body.</td>
</tr>
</tbody>
</table>

## Overall Responsibility

<table>
<thead>
<tr>
<th>Ref</th>
<th>Overall Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>18</td>
<td>Responsibility for ensuring that the rules and guidance in the FCA Handbook are made in accordance with the requirements of the Financial Services and Markets Act 2000 and other relevant legal obligations.</td>
</tr>
<tr>
<td>29</td>
<td>Responsibility for secretariat function for the Executive Committee.</td>
</tr>
<tr>
<td>30</td>
<td>Responsibility for coordination with the Prudential Regulation Committee.</td>
</tr>
</tbody>
</table>
### Chief Executive Officer

**Role holder:** Andrew Bailey

#### Senior Management Functions

<table>
<thead>
<tr>
<th>Ref</th>
<th>Other Responsibilities</th>
<th>Shared?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Member – Financial Policy Committee</td>
<td>No</td>
</tr>
<tr>
<td></td>
<td>Member – Prudential Regulation Authority Board</td>
<td>No</td>
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</tbody>
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<tr>
<td></td>
<td>None</td>
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</tbody>
</table>
Chief Executive Officer

Role holder: Andrew Bailey

Senior Management Functions

1. Chief Executive Function

### Supplementary information

#### The role title for the individual performing these SMFs

Chief Executive Officer. The individual reports to the Chair.

#### Role main purpose

The Chief Executive Officer is responsible for implementing the strategy agreed by the Board, in the formulation of which they will have played a major part. They are also responsible for the leadership of the organisation and managing it within the authorities delegated to them by the Board. All FCA staff other than the Chair’s immediate staff, the Director of Internal Audit and the Company Secretary, ultimately report to the Chief Executive Officer.

#### The responsibilities include:

- reporting regularly to the Board with appropriate timely and quality information so the Board can discharge its responsibilities effectively
- informing and consulting the Chair on all matters of significance to the Board so that the Chair and the Board can properly discharge their responsibilities
- developing and delivering the strategic objectives agreed with the Board
- recommending to the Board significant operational changes and major capital expenditures where these are beyond the Chief Executive’s delegated authority
- assigning responsibilities clearly to senior management and overseeing the establishment of effective risk management and control systems
- recruiting, developing and retaining talented people to work at the FCA and, in particular, establishing a strong management team which is fairly and fully evaluated
- communicating throughout the FCA the strategic objectives and the values of the FCA agreed with the Board, and ensuring that these are achieved in practice
Chief Executive Officer

Role holder: Andrew Bailey

Senior Management Functions

1. Chief Executive Function

<table>
<thead>
<tr>
<th>Supplementary information</th>
</tr>
</thead>
<tbody>
<tr>
<td>• sharing with the Chair and with other members of the FCA senior management the responsibility for communicating the FCA’s messages externally</td>
</tr>
<tr>
<td>• representing the FCA on particular national and international financial institutions</td>
</tr>
<tr>
<td>• ensuring that the rules and guidance set out in the FCA Handbook are made in accordance with the requirements of the Financial Services and Markets Act 2000 and other relevant legal obligations</td>
</tr>
</tbody>
</table>

Key Committees

- Chair – Executive Committee
- Chair – Executive Regulation and Policy Committee
- Member – FCA Board
- Member – PSR Board
# Executive Committee Directors

## Strategy & Competition

**Role holder:** Christopher Woolard

### Senior Management Functions

<table>
<thead>
<tr>
<th>Ref</th>
<th>Overall Responsibility</th>
<th>Shared?</th>
</tr>
</thead>
<tbody>
<tr>
<td>12</td>
<td>Responsibility for regulatory policy – excluding enforcement and financial crime.</td>
<td>No</td>
</tr>
<tr>
<td>14</td>
<td>Responsibility for the FCA’s communications both internally and externally.</td>
<td>No</td>
</tr>
<tr>
<td>15</td>
<td>Responsibility for competition and innovation.</td>
<td>No</td>
</tr>
<tr>
<td>19</td>
<td>Responsibility for market intelligence, data and analysis – excluding trading platforms.</td>
<td>No</td>
</tr>
<tr>
<td>31</td>
<td>Responsibility for supporting the membership of the Financial Policy Committee.</td>
<td>No</td>
</tr>
<tr>
<td>32</td>
<td>Responsibility for the FCA Corporate Strategy.</td>
<td>No</td>
</tr>
</tbody>
</table>

### Other Responsibilities

None
## Executive Committee Directors
### Strategy & Competition

### Role holder:
Christopher Woolard

### Senior Management Functions
3 Executive Director

### Ref
Any further details relevant to the above (eg if shared)

| None |

### Supplementary information

**The role title for the individual performing this SMF**
Director of Strategy and Competition, leading the Strategy and Competition Division. The individual reports to the Chief Executive Officer.

**Role main purpose**
Responsible for market intelligence, the development of sector views and the development of FCA Corporate Strategy.

**Responsibility for**
- Policy, innovation, competition and the chief economist division.
- The communications function.

### Key Committees
- Member – FCA Board
- Member – Oversight Committee
- Member – Executive Committee
- Member – Executive Regulation and Policy Committee
- Chair – Executive Diversity Committee
- Member – PSR Board
Executive Committee Directors
Operations

Role holder: Georgina Philippou – COO

<table>
<thead>
<tr>
<th>Senior Management Functions</th>
<th>Ref</th>
<th>Prescribed Responsibility</th>
<th>Shared?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>G</td>
<td>Responsibility for monitoring the effective implementation of policies and procedures for the induction, training and professional development of all persons, other than members of the governing body, performing designated senior management functions on behalf of the FCA, other than members of the governing body.</td>
<td>No</td>
</tr>
<tr>
<td></td>
<td>O</td>
<td>Responsibility for the management of the allocation and maintenance of capital, funding and liquidity.</td>
<td>No</td>
</tr>
<tr>
<td></td>
<td>Q</td>
<td>Responsibility for the production and integrity of the FCA’s financial information.</td>
<td>No</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Ref</th>
<th>Overall Responsibility</th>
<th>Shared?</th>
</tr>
</thead>
<tbody>
<tr>
<td>22</td>
<td>Responsibility for information technology, including cyber security.</td>
<td>No</td>
</tr>
<tr>
<td>23</td>
<td>Responsibility for business continuity planning.</td>
<td>No</td>
</tr>
<tr>
<td>24</td>
<td>Responsibility for human resources.</td>
<td>No</td>
</tr>
<tr>
<td>26</td>
<td>Responsibility for corporate social responsibility, including equality and diversity.</td>
<td>No</td>
</tr>
<tr>
<td>27</td>
<td>Responsibility for estate management, including facilities.</td>
<td>No</td>
</tr>
</tbody>
</table>
Executive Committee Directors  
Operations

Role holder: Georgina Philippou – COO

Senior Management Functions

2. Chief Finance Function

Ref | Any further details relevant to the above (eg if shared)
--- | ---
| None

Supplementary information

The role title for the individual performing this SMF  
Chief Operating Officer, leading the Operations Division and encompassing ‘SMF2 – Chief Finance Function’. The individual reports to the Chief Executive Officer.

Role main purpose  
Responsible for the FCA’s operational functions which provide infrastructure and professional support services to enable delivery of the FCA’s objectives.

The individual is responsible for development and delivery across human resources, finance and operations, business and technology solutions, cyber and information security, procurement and corporate and social responsibility functions. Lead on the FCA’s Value for Money obligation.

Responsible for the provisions of human resources, finance, procurement, information technology and estate management services to the PSR.

Prescribed Responsibility G is also discharged on behalf of the PSR.

Key Committees

Member – Executive Committee
Chair – Executive Operations Committee
Member – Executive Diversity Committee
Chair – Staff Consultative Committee
Member - Executive Regulation and Policy Committee
# Executive Committee Directors
## Supervision – Retail & Authorisations

**Role holder:** Jonathan Davidson

### Senior Management Functions
- **Ref**
- **Prescribed Responsibility**
  - None

<table>
<thead>
<tr>
<th>Ref</th>
<th>Overall Responsibility</th>
<th>Shared?</th>
</tr>
</thead>
<tbody>
<tr>
<td>7</td>
<td>Responsibility for delivery and quality of execution of specialist supervision programmes and activities in conduct, remuneration, consumer contracts and financial promotions.</td>
<td>No</td>
</tr>
<tr>
<td>8</td>
<td>Responsibility for supervision of firms in the general insurance and protection sector.</td>
<td>No</td>
</tr>
<tr>
<td>9</td>
<td>Responsibility for supervision of firms in the retail lending sector.</td>
<td>No</td>
</tr>
<tr>
<td>10</td>
<td>Responsibility for supervision of firms in the retail banking sector.</td>
<td>No</td>
</tr>
<tr>
<td>11</td>
<td>Responsibility for authorisations of firms, transactions and individuals for all routine cases.</td>
<td>No</td>
</tr>
<tr>
<td>20</td>
<td>Responsibility for direct contact with consumers and firms via telephone and email correspondence to the agreed SLAs and the maintenance of the Financial Services Register.</td>
<td>No</td>
</tr>
<tr>
<td>38</td>
<td>With respect to non-routine cases involving firms in the wholesale banking, wholesale markets, asset management, pensions and retirement income and retail investment sectors, including (re-) authorisation of such firms in the context of the UK's withdrawal from the EU, responsibility for design of framework for assessment of such non-routine cases.</td>
<td>No</td>
</tr>
</tbody>
</table>
Executive Committee Directors
Supervision – Retail & Authorisations

Role holder: Jonathan Davidson

Senior Management Functions

6 Head of Key Business Area

<table>
<thead>
<tr>
<th>Ref</th>
<th>Other Responsibility</th>
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<tbody>
<tr>
<td></td>
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<tbody>
<tr>
<td></td>
<td>None</td>
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</tbody>
</table>

Supplementary information

**The role title for the individual performing this SMF**
Director of Supervision – Retail & Authorisations, leading the Supervision – Retail & Authorisations Division. The individual reports to the Chief Executive Officer.

**Role main purpose**
Responsible for the supervision of the following financial sectors: general insurance and protection, retail lending and retail banking.

Responsible for establishing and overseeing processes for the authorisation of all firms, transactions and individuals.

Responsible for ensuring effective input into authorisation decisions for all firms, transactions and individuals relating to firms under the individual’s supervision remit.

Responsible for the FCA Contact Centre.

Responsible for the engagement of specialist supervision functions where relevant to firms under the individual’s supervision remit.

The role operates within a supervisory decision and appetite framework that includes the Executive Regulation and Policy Committee and shares responsibility for implementation of the supervisory model with the Director or Supervision – Investment, Wholesale & Specialists.

**Key Committees**
- Member – Executive Committee
- Member – Executive Regulation and Policy Committee
- Chair – Regulatory Transactions Committee
# Executive Committee Directors

## Supervision – Investment, Wholesale & Specialists

**Role holder:** Megan Butler

### Senior Management Functions

<table>
<thead>
<tr>
<th>Ref</th>
<th>Prescribed Responsibility</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>None</td>
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<table>
<thead>
<tr>
<th>Ref</th>
<th>Overall Responsibility</th>
<th>Shared?</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Responsibility for supervision of firms in the wholesale banking sector.</td>
<td>No</td>
</tr>
<tr>
<td>2</td>
<td>Responsibility for supervision of firms in the asset management sector.</td>
<td>No</td>
</tr>
<tr>
<td>3</td>
<td>Responsibility for supervision of firms in the pensions and retirement income sector.</td>
<td>No</td>
</tr>
<tr>
<td>4</td>
<td>Responsibility for supervision of firms in the retail investments sector.</td>
<td>No</td>
</tr>
<tr>
<td>5</td>
<td>Responsibility for supervision of firms in the wholesale markets sector.</td>
<td>No</td>
</tr>
<tr>
<td>6</td>
<td>Responsibility for the delivery and quality of execution of specialist supervision programmes in relation to financial crime, client assets, resolution, prudential, and technology, resilience and cyber.</td>
<td>No</td>
</tr>
<tr>
<td>13</td>
<td>Responsibility for regulatory policy in financial crime and client assets.</td>
<td>No</td>
</tr>
<tr>
<td>36</td>
<td>With respect to non-routine cases involving firms in the wholesale banking, asset management, pensions and retirement income, retail investments and wholesale markets sectors, including (re-) authorisation of such firms in the context of the UK’s withdrawal from the EU, responsibility for implementation of framework for assessment of and decision-making for such non-routine cases.</td>
<td>No</td>
</tr>
<tr>
<td>37</td>
<td>Responsibility for authorisations of funds in the asset management sector.</td>
<td>No</td>
</tr>
</tbody>
</table>
Executive Committee Directors
Supervision – Investment, Wholesale & Specialists

Role holder: Megan Butler

Senior Management Functions
5. Head of Key Business Area

<table>
<thead>
<tr>
<th>Ref</th>
<th>Other Responsibilities</th>
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<tr>
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</thead>
<tbody>
<tr>
<td></td>
<td>None</td>
</tr>
</tbody>
</table>

Supplementary information

The role title for the individual performing this SMF

Director of Supervision – Investment, Wholesale & Specialists, leading the Supervision – Investment, Wholesale & Specialists Division. The individual reports to the Chief Executive Officer.

Role main purpose

Responsible for the supervision of the following financial sectors: wholesale banking, capital markets, investment management, retail investments, and pensions and retirement income.

Responsible for the provision of specialist supervision and operations functions which support the supervision of all firms under the FCA’s remit. The specialist supervision function consists of event supervision, financial crime, client assets supervision and prudential supervision (including the function of resolution). This includes the engagement of these functions where relevant to firms under the individual’s supervision remit.

Responsible for ensuring effective input into authorisation decisions for all firms transactions and individuals relating to firms under the individual’s supervision remit.

The role operates within a supervisory decision and appetite framework that includes the Executive Regulation and Policy Committee and shares responsibility for implementation of the supervisory model with the Director of Supervision – Retail & Authorisations.

Key Committees

Member – Executive Committee
Member – Executive Regulation and Policy Committee
Member – Markets Regulatory Committee
# Executive Committee Directors
## Enforcement & Market Oversight

**Role holder:** Mark Steward

### Senior Management Functions

<table>
<thead>
<tr>
<th>Ref</th>
<th>Senior Management Functions</th>
<th>Prescribed Responsibility</th>
<th>Shared?</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>Head of Key Business Area</td>
<td>Overall responsibility for the FCA's compliance with its obligations to report suspicions of money laundering under the Proceeds of Crime Act 2002.</td>
<td>No</td>
</tr>
<tr>
<td>17</td>
<td>Money Laundering Reporting</td>
<td></td>
<td></td>
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</tbody>
</table>

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<thead>
<tr>
<th>Ref</th>
<th>Overall Responsibility</th>
<th>Shared?</th>
</tr>
</thead>
<tbody>
<tr>
<td>16</td>
<td>Responsibility for oversight and surveillance of market trading, and the UK Listing Authority (UKLA).</td>
<td>No</td>
</tr>
<tr>
<td>17</td>
<td>Responsibility for the enforcement of regulatory requirements.</td>
<td>No</td>
</tr>
<tr>
<td>33</td>
<td>Responsibility for enforcement strategy, policy and international engagement.</td>
<td>No</td>
</tr>
</tbody>
</table>

### Other Responsibilities

- None

### Any further details relevant to the above (eg if shared)

- None
Executive Committee Directors
Enforcement & Market Oversight

Role holder: Mark Steward

Senior Management Functions
5  Head of Key Business Area
17 Money Laundering Reporting

Supplementary information

The role title for the individual performing these SMFs
Director of Enforcement & Market Oversight, leading the Enforcement & Market Oversight Division. The individual reports to the Chief Executive Officer.

Role main purpose
Responsible for the development and implementation of a strategy of deterrence taking effective and targeted action across the full range of regulatory responsibilities to support the FCA’s objectives.

Responsible for the identification and investigation of market abuse, the operation of the short-selling regime, and the functions of the UKLA.

Responsible for formal investigations into suspected misconduct and regulatory breaches, and bringing administrative, civil and criminal proceedings against firms and individuals in the enforcement of FSMA, the FCA rules and other statutory or regulatory requirements.

Responsible for oversight of the external whistleblowing program, including the responsibilities determined by The Public Interest Disclosure (Prescribed Persons) Order 2014 and the associated policies, processes, systems and resources.

Key Committees

Member – Executive Committee
Member – Executive Regulation and Policy Committee
Chair – Markets Regulatory Committee
# Executive Committee Directors
## International

**Role holder:** Nausicaa Delfas

### Senior Management Functions

<table>
<thead>
<tr>
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### Other Overall Responsibility Function

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<th>Overall Responsibility</th>
<th>Shared?</th>
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</thead>
<tbody>
<tr>
<td>25</td>
<td>Responsibility for the FCA's engagement with international regulatory stakeholders.</td>
<td>No</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Ref</th>
<th>Other Responsibilities</th>
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<tbody>
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<thead>
<tr>
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<tbody>
<tr>
<td></td>
<td>None</td>
</tr>
</tbody>
</table>
Executive Committee Directors
International

Role holder: Nausicaa Delfas

Senior Management Functions
18 Other Overall Responsibility

Role title for the individual performing this SMF
Director of International leading the International Division. The individual reports to the Chief Executive Officer.

Role main purpose
Responsible for the coordination and delivery of the FCA’s engagement with Europe and the international community. Facilitates the FCA’s influence over, and shaping of, the global regulatory agenda and international policy.

Supplementary information

Key Committees
- Member – Executive Committee
- Member – Executive Regulation and Policy Committee
## Other Senior Management Functions
### Internal Audit

**Role holder:** Lalitha Henry

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</table>
## Other Senior Management Functions

### Internal Audit

**Role holder:** Lalitha Henry

**Senior Management Functions**

5. Head of Internal Audit

### Supplementary information

#### The role title for the individual performing this SMF

Director of Internal Audit, leading the Internal Audit Division. The individual reports to the Audit Committee Chair and has an operational reporting line to the Chief Executive.

#### Role main purpose

Responsible for reviewing the adequacy and effectiveness of the organisation’s governance, processes, controls and risk management when implementing agreed strategies across the whole spectrum of the FCA’s activities.

Responsible for providing the Board, the Audit Committee and all levels of management with an objective opinion on the results of its reviews.

Responsible for the provision of internal audit services to the Payment Systems Regulator.

Responsible for investigating internal whistleblowing reportable concerns.

### Key Committees

- Attendee – Audit Committee
- Attendee – External Risk and Strategy Committee
### Other Senior Management Functions
#### Risk & Compliance Oversight

**Role holder:** Barbara Frohn

**Senior Management Functions**

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**Chief Risk Function**

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</table>
Other Senior Management Functions
Risk & Compliance Oversight

Role holder: Barbara Frohn

Senior Management Functions
4 Chief Risk Function

Supplementary information

The role title for the individual performing this SMF
Director of Risk & Compliance Oversight, leading the Risk & Compliance Oversight Division. The individual reports to the Chief Executive Officer.

Role main purpose
Responsible for defining and owning the overall FCA risk framework and development and ongoing maintenance of the FCA’s 3 lines of defence model. Accountable for the delivery of an enterprise-wide view of risk.

Responsible for reporting to the Executive Committee, Executive Regulation and Policy Committee and the Board on cross cutting risks and issues. Responsible for oversight of, and engagement on, the application of the FCA’s risk based approach.

Responsible for the organisation’s Compliance Oversight function focusing on non FSMA legislative compliance and compliance with critical internal policies.

Key Committees
Attendee – Executive Committee
Attendee – Executive Operations Committee
Attendee – Policy Development Committee
Attendee – Audit Committee
Attendee – External Risk and Strategy Committee
Attendee - Executive Regulation and Policy Committee
Attendee - Executive Diversity Committee
## Other Senior Management Functions

**Corporate Services**

**Role holder:** Simon Pearce

### Senior Management Functions

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<td>Other Overall Responsibility Function</td>
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### Prescribed Responsibility

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### Overall Responsibility

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<tr>
<td>21</td>
<td>Responsibility for managing the process of investigating complaints about the FCA under the Complaints Scheme.</td>
<td>No</td>
</tr>
<tr>
<td>28</td>
<td>Responsibility for secretariat function for the FCA Board and Board Committees.</td>
<td>No</td>
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### Other Responsibilities

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</table>
Other Senior Management Functions
Corporate Services

Role holder: Simon Pearce

Senior Management Functions
18 Other Overall Responsibility Function

Supplementary information

The role title for the individual performing this SMF
Director of Corporate Services, leading the Corporate Services Division. The individual reports to the Chair.

Role main purpose
Responsible for the effective management and support of the Board and its Committees, including the Regulatory Decisions Committee.

Responsible for managing the process of investigating complaints about the FCA under the Complaints Scheme.

Responsible for the organisation’s management of conflicts of interests and for managing the Conflict of Interests Policy.

Responsible for ensuring compliance with the Companies Act and provisions of UK Corporate Governance Code to the extent it is applicable.

Key Committees
Attendee – FCA Board
Attendee – Remuneration Committee
Attendee – Audit Committee
Attendee – External Risk and Strategy Committee
Attendee – Oversight Committee
Attendee – Nominations Committee
Attendee – PSR Board
## Board Committees
### Non-Executive Director – Chair of Audit Committee

**Role holder:** Catherine Bradley

### Senior Management Functions

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<tr>
<td>J</td>
<td>Responsibility for: (a) safeguarding the independence of; and (b) oversight of the performance of; the internal audit function.</td>
<td>No</td>
</tr>
<tr>
<td>L</td>
<td>Responsibility for: (a) safeguarding the independence of; and (b) oversight of the performance of; the risk function.</td>
<td>Yes</td>
</tr>
<tr>
<td>N</td>
<td>Responsibility for the independence, autonomy and effectiveness of the FCA’s policies and procedures on internal whistleblowing, including the procedures for protection of staff who raise concerns from detrimental treatment.</td>
<td>No</td>
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### Overall Responsibility

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### Other Responsibilities

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Board Committees
Non-Executive Director – Chair of Audit Committee

Role holder: Catherine Bradley

Senior Management Functions
Chair of Audit Committee

Ref | Any further details relevant to the above (eg if shared)
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L | This prescribed responsibility is shared with the Chair of the External Risk and Strategy Committee.

Supplementary information

The role title for the individual performing this SMF
Non-Executive Director – Chair of the Audit Committee.

Role main purpose
As a member of the FCA Board, responsible for setting the strategic direction and ensuring the long term success of the FCA.

Chair the Audit Committee which is responsible for the review and oversight of matters associated with the ability of the organisation to carry out its regulatory strategy (i.e. operational risk and execution risk) referred to as “internal” risk, on behalf of the Board. In doing so it provides assurance to the Board on the effectiveness of the internal control framework.

Oversight of the performance of the Director of Internal Audit.

The key responsibilities of the Chair of the Audit Committee are:
- ensuring that the committee meets with sufficient frequency
- fostering an open, inclusive discussion which challenges executives, where appropriate
- ensuring that the committee devotes sufficient time and attention to the matters within its remit
- helping to ensure that the committee and its members have the information necessary to its and their tasks

Key Committees
- Member – FCA Board
- Chair – Audit Committee
- Member – External Risk and Strategy Committee
- Member – Nominations Committee
- Member – Oversight Committee

• reporting to the main Board on the committee’s activities
• facilitating the running of the committee.
## Board Committees

### Non-Executive Director – Chair of Remuneration Committee

**Role holder:** Baroness Sarah Hogg

**Senior Management Functions**

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<tbody>
<tr>
<td>M</td>
<td>Responsibility for overseeing the development of, and implementation of, the FCA’s remuneration policies and practices.</td>
<td>No</td>
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**Ref**

12 Chair of Remuneration Committee

14 Senior Independent Director

**Ref**

Any further details relevant to the above (e.g. if shared)

None
### Board Committees
Non-Executive Director – Chair of Remuneration Committee

**Role holder:** Baroness Sarah Hogg

**Senior Management Functions**
- SMF12 Chair of Remuneration Committee
- SMF14 Senior Independent Director

**Senior Management Functions**

<table>
<thead>
<tr>
<th>SMF</th>
<th>Role title for the individual performing these SMFs</th>
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<tbody>
<tr>
<td>12</td>
<td>Chair of Remuneration Committee</td>
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<tr>
<td>14</td>
<td>Senior Independent Director</td>
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</table>

**Role main purpose**

As a member of the FCA Board, responsible for setting the strategic direction of the organisation and ensuring its long term success. As SMF14 act as the Senior Independent Director of the FCA.

As SMF12 chair the FCA Remuneration Committee which is responsible for ensuring there is a formal and transparent procedure for developing policy on executive remuneration and for agreeing the remuneration packages of individual directors. The Committee is also responsible for recommending to the Board the annual budget for pay and incentive rewards and also the remuneration of members of associated bodies (such as MAS, FOS, Consumer Panel etc).

**The key responsibilities of the Chair of the Remuneration Committee are:**

- ensuring that the committee meets with sufficient frequency
- fostering an open, inclusive discussion which challenges executives, where appropriate
- ensuring that the committee devotes sufficient time and attention to the matters within its remit
- helping to ensure that the committee and its members have the information necessary to its and their tasks
- reporting to the main Board on the committee’s activities
- facilitating the running of the committee

**The key responsibilities of the Senior Independent Director are to:**

- act as a channel of communication between the Non-Executive Directors and the Chairman, if required
- meet with the Non-Executive Directors at least once a year to appraise the Chairman’s performance
- chair the Nominations Committee when it is considering the succession to the role of the Chairman
- assist the Chairman in developing a formal internal Board effectiveness evaluation process, the themes to be discussed and agreed by the Board
- be available to the regulated firms, key stakeholders and the public if they have concerns which contact through the normal channels of Chairman, Chief Executive or other Executive Directors has failed to resolve or for which such contact is inappropriate
- deputise for the FCA Chair, as required

**Supplementary information**

<table>
<thead>
<tr>
<th>Role</th>
<th>Description</th>
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<tbody>
<tr>
<td>Chair of Remuneration Committee</td>
<td>Responsible for setting the strategic direction of the organisation and ensuring its long term success.</td>
</tr>
<tr>
<td>Senior Independent Director</td>
<td>Act as the sounding board to the Chairman and serve as an intermediary to other Directors as necessary.</td>
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**Financial Conduct Authority Senior Managers Regime**

[Back to diagram](#)
Board Committees
Non-Executive Director – Chair of Remuneration Committee

Role holder: Baroness Sarah Hogg

Senior Management Functions
12 Chair of Remuneration Committee
14 Senior Independent Director

Supplementary information

Key Committees
- Member – Board
- Chair – Remuneration Committee
- Member – Nominations Committee
- Member – Oversight Committee
### Board Committees
#### Non-Executive Director – Chair of External Risk & Strategy Committee

**Role holder:** Amelia Fletcher

**Senior Management Functions**

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<tbody>
<tr>
<td>L</td>
<td>Responsibility for: (a) safeguarding the independence of; and (b) oversight of the performance of; the risk function.</td>
<td>Yes</td>
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</table>

**Overall Responsibility**

None

**Other Responsibilities**

None

**Any further details relevant to the above (e.g. if shared)**

- L This prescribed responsibility is shared with the Chair of the Audit Committee.
Board Committees
Non-Executive Director – Chair of External Risk & Strategy Committee

Role holder: Amelia Fletcher

Senior Management Functions
Chair of Risk Committee

Supplementary information

The role title for the individual performing this SMF
Non-Executive Director – Chair of the External Risk & Strategy Committee.

Role main purpose
As a member of the FCA Board, responsible for setting the strategic direction and ensuring the long term success of the FCA.

Chair the External Risk and Strategy Committee which is responsible for the review and oversight of matters associated with the risk of harm hereafter referred to as “external” risk, including, where appropriate, consideration of associated risks (i.e. operational risk and execution risk) on behalf of the Board. The committee also provides oversight of the Regulatory Decisions Committee.

The key responsibilities of the Chair of the External Risk & Strategy Committee are:

- ensuring that the committee meets with sufficient frequency
- fostering an open, inclusive discussion which challenges executives, where appropriate
- ensuring that the committee devotes sufficient time and attention to the matters within its remit
- helping to ensure that the committee and its members have the information necessary to its and their tasks
- reporting to the main Board on the committee’s activities
- facilitating the running of the committee

Key Committees
- Member – FCA Board
- Chair – External Risk & Strategy Committee
- Member – Audit Committee
- Member – Nominations Committee
- Member – Remuneration Committee
- Member – PSR Board
# Board Committees
## Chair of the Regulatory Decisions Committee

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### Senior Management Functions

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<tr>
<td>34</td>
<td>Responsibility for the effective functioning of the Regulatory Decisions Committee.</td>
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Board Committees
Chair of the Regulatory Decisions Committee

Role holder: Tim Parkes

Senior Management Functions
18 Other Overall Responsibility Function

Supplementary information

The role title for the individual performing this SMF
Chair of the Regulatory Decisions Committee.

Role main purpose
The Chair is responsible for the effective functioning of the Regulatory Decisions Committee (RDC). The RDC exercises certain regulatory powers, on behalf of the FCA, including in relation to the giving of supervisory notices, warning notices and decision notices, as described in the FCA Handbook. The primary purpose of the Regulatory Decisions Committee is to advance the fairness of the FCA’s enforcement process by ensuring, in certain contested cases, separation between those who conduct investigations and those who decide whether a statutory notice should be given.

Key Committees
Chair – Regulatory Decisions Committee
# Board Committees
## Chair of the Competition Decisions Committee

### Role holder: Appointment by the Chair when a Competition Decisions Committee is formed

### Senior Management Functions

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<tr>
<td>35</td>
<td>Responsibility for the effective functioning of the Competition Decisions Committee.</td>
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# Board Committees

## Chair of the Competition Decisions Committee

**Role holder:** Appointment by the Chair when a Competition Decisions Committee is formed

**Senior Management Functions**

- 18 Other Overall Responsibility Function

## Supplementary information

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<th>The role title for the individual performing this SMF</th>
<th>Key Committees</th>
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<tr>
<td>Chair of the Competition Decisions Committee.</td>
<td>Chair – Competition Decisions Committee</td>
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**Role main purpose**

The Chair is responsible for the effective functioning of the Competition Decisions Committee (CDC). The CDC is a Board authorised committee, which exercises decision making powers in Competition Act 1998 investigations on behalf of the FCA including decisions on whether there has been a competition law infringement and decisions on whether to impose a financial penalty in respect of an infringement.
Appendices

- Maintenance of the Responsibilities Map
- Matters reserved for the Board
- Audit Committee Terms of Reference
- External Risk and Strategy Committee Terms of Reference
- Remuneration Committee Terms of Reference
- Nominations Committee Terms of Reference
- Oversight Committee Terms of Reference
- Regulatory Decisions Committee Terms of Reference
- Competition Decisions Committee Terms of Reference
1. Maintenance of the Responsibilities Map

The FCA’s application of the regime will be maintained on an ongoing basis.

The Responsibilities Map will be presented for information at the Executive Committee twice a year and to the Board once a year, or on request. It will be published on the FCA external website.
The FCA Board is committed to high standards of corporate governance as required by section 3C of the Financial Services and Markets Act 2000 (FSMA). The Board adopted this formal schedule of matters reserved to it for its decision on 1 April 2013 and subsequently reviewed and approved it on 25 February 2016.

Items marked * should not be delegated to a Board Committee for decision (because of the Companies Act, other statutory requirements, or UK Corporate Governance Code requirements). However, a specific committee (shown in brackets) may be given responsibility for that item although the final decision should be taken by the Board as a whole.

**Legislative functions**

1. Discharge the FCA’s legislative functions for:
   a. making rules (s. 137A FSMA)
   b. issuing codes under FSMA on:
      – conduct of approved persons (s. 64)
      – market abuse (s. 119)

   c. (i) issuing statements of policy under FSMA for:
      penalties imposed on persons performing a controlled function without approval (s. 63C):
      • penalties, suspensions or restrictions imposed on approved persons (s. 69)
      • penalties, suspensions or restrictions imposed on sponsors (s. 88C)
      • penalties, suspensions or restrictions imposed on primary information providers (s. 89S)
      • penalties imposed on issuers of listed securities or applicants for listing (s. 93)
      • penalties imposed for market abuse (s. 124)
      • penalties imposed for breach of short selling rules or for failure to provide information (s. 131J)
      • making temporary product intervention rules (s. 138N)
      • directing qualifying parent undertakings (s. 192H)
      • penalties imposed for contravention(s) by qualifying parent undertakings (s. 192N)
      • penalties, suspensions or restrictions imposed on authorised persons (s. 210)

   • penalties imposed on recognised investment exchanges (s. 312.1)
   • penalties imposed on auditors or actuaries (s. 345D)

   (ii) issuing statements of principle for the conduct of approved persons (s. 64 FSMA)

   (iii) issuing a statement of policy on its duty to investigate and report on possible regulatory failure (s. 80 Financial Services Act 2012)

   d. giving direction under the FCA’s FSMA powers for the Society of Lloyd’s:
      • underwriting (s. 316);
      • Council (s. 318); and
      • general prohibitions (s. 328)

As part of the functions set out above, the Board will also determine the general policy and principles by reference to which the FCA performs a particular function.
2. Terms of Reference for the Board and its Committees

2.1 Matters reserved for the Board

**Strategy and management**

2. Approve, amongst other things, the FCA’s:
   a. conduct Risk Outlook
   b. overall strategy
   c. 3 year plan
   d. annual Business Plan
   e. annual budget

3. Approve:
   a. the Financial Ombudsman Service’s annual budget (para 9 Sch. 17 FSMA)
   b. in cases where the FCA has power to do so under the FSMA 2000 (Financial Services Compensation Scheme) Order 2013, the Financial Services Compensation Scheme’s (FSCS) management expenses levy limit (s. 213 FSMA)
   c. the Money Advice Service (MAS) annual budget (para 7 Sch. 1A FSMA)

4. Review performance against the FCA’s strategy, objectives, business plan and budget and ensure any necessary corrective action is taken.

5. Monitor arrangements for management development.

6. Determine the broad policy in relation to all aspects of remuneration in conjunction with the (Remuneration Committee).*

7. Oversee the discharge of the FCA’s operations by executive management ensuring:
   a. competent and prudent management
   b. sound planning
   c. adequate accounting and other records
   d. compliance with statutory obligations

8. Approve major changes to the FCA’s corporate structure (e.g., the creation of a new business unit).

**Corporate structure**

9. Approve the Annual Report and Accounts including the:
   a. Directors’ Report
   b. Corporate Governance statement
   c. Strategic Report
   d. Remuneration Report (in conjunction with the Remuneration Committee)
   e. Financial Review
   f. Report to the Treasury on discharging the FCA’s functions under FSMA (para 11(1) Sch. 1ZA)

10. Approve any significant changes in accounting policies or practices. (Audit Committee).*

11. Undertake a regular review of the significant financial reporting issues and judgments made in connection with the preparation of the financial statements (Audit Committee).*
2. Terms of Reference for the Board and its Committees

2.1 Matters reserved for the Board

Internal controls and risk management

12. Ensure maintenance of a sound system of internal controls and internal risk management including:
   a. receiving reports on and reviewing the effectiveness of the FCA’s internal risk and controls processes to support its strategy and objectives (Audit Committee)*
   b. undertaking an annual assessment of these processes (Audit Committee)*
   c. approving an appropriate statement on internal controls and risk management (Audit Committee)*

13. Ensure the maintenance of an effective risk management system which both identifies and, where feasible, seeks to mitigate risks to the FCA’s statutory objectives (Risk Committee).*

14. Undertake an annual assessment of the effectiveness of internal control and risk management processes (including financial, operational, and compliance controls and risk management systems) (Audit Committee and Risk Committee).*

15. Regularly review the potential implications of legal action being taken against the FCA (Audit Committee).*

Financial authorities

16. Approve all transactions (within the Budget approved by the Board) that are in the ordinary course of business, and the value of which (including VAT) exceeds £5m. This applies to:
   a. capital and revenue items
   b. the total of closely-related transactions
   c. business as usual and project-related transactions.

17. Approve transactions (or related programmes of transactions) not in the ordinary course of business, or not within the Budget, and the value of which (including VAT) is in excess of £1m.

18. Approve all projects or programmes where the projected total project delivery cost over the life of the project or programme is greater than £10m (including VAT).

19. Approve project budget overruns of more than 5% on Board-approved projects (paras. 17 and 18).

20. Approve the delegation of financial authorities (within the finance policy).

Board membership and other appointments

21. Subject to the statutory requirements for the composition of the FCA’s Board (FSMA, Sch. 1ZA, para 2), make representation to the Treasury on the balance and composition of the Board to ensure there is adequate succession planning within it (Nominations Committee).*

22. Plan for succession of Executive Board members and senior staff (i.e. directors and above).

23. Appoint the members (and where applicable the Chair and Deputy Chair) of the following Committees:
   a. Audit Committee
   b. External Risk and Strategy Committee
   c. Remuneration Committee
   d. Nominations Committee
   e. Oversight Committee
   f. Regulatory Decisions Committee
   g. Competition Decisions Committee
   h. the members of any other committees established by the Board from time to time.
### 2. Terms of Reference for the Board and its Committees

#### 2.1 Matters reserved for the Board

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<td><strong>24.</strong></td>
<td>Appoint and remove the Company Secretary.</td>
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<td><strong>25.</strong></td>
<td>Subject to the requirements of FSMA, review the performance of the external auditors and determine their remuneration (Audit Committee).*</td>
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<tr>
<td><strong>26.</strong></td>
<td>Approve the creation of any senior roles including any Senior Directors and Staff Directors, for which terms refer to any senior managers with the title of ‘Director’ but who are not members of the Board.</td>
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<tr>
<td><strong>27.</strong></td>
<td>Appoint employer-nominated directors of the FCA Board pension trustee company and any successor bodies.</td>
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<td><strong>28.</strong></td>
<td>Appoint the members, and with Treasury approval, the Chairs of the following bodies:</td>
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<tr>
<td></td>
<td>a. the Practitioner Panel (s. 1N FSMA)</td>
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<td>b. the Smaller Business Practitioner Panel (s. 1O FSMA)</td>
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<td>c. the Markets Practitioner Panel (s. 1P FSMA)</td>
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<td>d. the Consumer Panel (s. 1Q FSMA)</td>
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<td><strong>29.</strong></td>
<td>Appoint the members of the Listing Authority Advisory Panel.</td>
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<td><strong>30.</strong></td>
<td>Agree and maintain a public statement of the pool of eligible practitioners which the Smaller Business Practitioner Panel will represent.</td>
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<td><strong>31.</strong></td>
<td>Appoint and remove members of the Board of the Financial Ombudsman Service (Sch. 17 s. 3(2) FSMA) with Treasury approval required for the Chair.</td>
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<tr>
<td><strong>32.</strong></td>
<td>Appoint and remove, in agreement with the Prudential Regulation Authority, members of the Board of the Financial Services Compensation Scheme (s 212(4) FSMA) with Treasury approval required for the Chair.</td>
</tr>
<tr>
<td><strong>33.</strong></td>
<td>Appoint and remove members of the Money Advice Service Board (Sch. 1A, s. 2(2) FSMA) with Treasury approval required for the Chair and Chief Executive.</td>
</tr>
<tr>
<td><strong>34.</strong></td>
<td>Appoint and remove members of the Payment Systems Regulator Board (Sch. 4, s. 2(2) FS(BR)A) with Treasury approval required for the Chair and Managing Director.</td>
</tr>
<tr>
<td><strong>35.</strong></td>
<td>In agreement with the Prudential Regulation Authority and the Bank of England, appoint and determine the remuneration of, an Independent Complaints Commissioner to conduct investigations within the Complaints Scheme (with Treasury approval) (s. 84(1)(b) Financial Services Act 2012).</td>
</tr>
<tr>
<td><strong>36.</strong></td>
<td>Appoint a ‘Chief Prosecutor’ and a ‘Deputy Prosecutor’ to exercise the FCA’s powers under the Serious Organised Crime and Police Act 2005 (s. 71(6a)) as amended by the Coroners and Justice Act 2009.</td>
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#### Delegation of authority

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<tr>
<td><strong>37.</strong></td>
<td>Approve the terms of reference of all Board Committees.</td>
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<tr>
<td><strong>38.</strong></td>
<td>Approve the basis of permissible delegation of the Board’s authority to any Committee or individual and review it periodically.</td>
</tr>
<tr>
<td><strong>39.</strong></td>
<td>Receive reports from Board Committees on their activities.</td>
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</table>
2. Terms of Reference for the Board and its Committees

2.1 Matters reserved for the Board

**Policies**

40. Approve, and agree any revisions to the following policies:
   a. Codes of Conduct for FCA staff, Non-Executive Directors and members of the Regulatory Decisions Committee and Competition Decisions Committee
   b. Corporate Responsibility Policy
   c. Health and Safety Policy
   d. Communications Policy
   e. Remuneration Policy
   f. Business Continuity Management Policy
   g. Finance Policy (including the schedule of delegated authorities) (Audit Committee)*
   h. Procurement Policy

Approval of these policies must include appropriate equality and diversity considerations.

**Corporate governance matters**

41. On an annual basis undertake a formal and rigorous review of its own performance, its committees and individual Executive and Non-Executive Directors (or report on why this has not occurred in any particular year).

42. Review the FCA’s overall corporate governance arrangements (s. 3C FSMA) (Audit Committee).*

**Other**

43. Approve the prosecution, defence and settlement of litigation (if involving more than £2m or otherwise material to the interests of the FCA).

44. Discuss any novel or contentious matters (which in the opinion of the Board or executive management it would be appropriate for the Board to consider).

45. Approve major changes to the rules of the FCA’s Pension Plan.

46. Agree, and review on an annual basis, the operation of the Memorandum of Understanding between the FCA and the Prudential Regulation Authority (PRA). A summary of the key points from each reviews will be included in the FCA’s Annual Report (para 11(1)(g) Sch. 1ZA FSMA).

47. Appoint a senior executive to be responsible for the quarterly review of the co-ordination between the Authority and the Prudential Regulation Authority (PRA) as set out in the Memorandum of Understanding.

48. Agree, and review on an annual basis, all Memorandums of Understanding which are required by statute between the FCA and any third parties.

49. Agree to the postponement of the start, or suspension of, an investigation into possible regulatory failure if it is necessary to do so to avoid a material adverse effect on the exercise by it of its other functions (s 78(3) Financial Services Act 2012).
2. Terms of Reference for the Board and its Committees
2.1 Matters reserved for the Board

50. Provisionally decide to make a market investigation reference to the Competition and Markets Authority under section 131 Enterprise Act 2002, to consult on that decision, and to formally decide to make such a reference.

51. Agree changes to the Articles of Association, as required by those Articles, of the following bodies:
   a. Financial Ombudsman Service
   b. Financial Services Compensation Scheme
   c. Money Advice Service
   d. Payment Systems Regulator.

52. Agree the remuneration of the Directors of the following bodies:
   a. Financial Ombudsman Service (Remuneration Committee)*
   b. Financial Services Compensation Scheme (Remuneration Committee)*
   c. Money Advice Service (Remuneration Committee)*
   d. Payment Systems Regulator (Remuneration Committee)*.

53. Agree the remuneration of the following bodies:
   a. Consumer Panel (Remuneration Committee)*
   b. Smaller Business Practitioner Panel (Remuneration Committee)*
   c. FSA Pension Plan Trustee Ltd (Remuneration Committee)*
   d. Regulatory Decisions Committee (Remuneration Committee)*
   e. Competition Decisions Committee (Remuneration Committee)*
2.2 Board Committee Terms of Reference
2.2.1 Audit Committee Terms of Reference

Purpose

1. The Audit Committee (AuditCo) has oversight of and carries out duties for the Financial Conduct Authority (FCA).
2. AuditCo is responsible for the review and oversight of matters associated with the ability of the organisation to carry out its regulatory strategy (i.e. operational risk and execution risk) hereafter referred to as “internal” risk, on behalf of the Board.
3. AuditCo provides assurance to the Board on the effectiveness of the internal control framework.
4. AuditCo also provides assurance on any additional matters as instructed or delegated by the Board.

Duties

5. The duties of AuditCo are as follows:

Financial reporting

6. Monitor the integrity of the organisation’s financial statements, including its annual report and any other formal statements relating to financial performance, and review and report to the Board on significant financial reporting issues and judgments which those statements contain having regard to the matters communicated to it by the National Audit Office (NAO).
7. In particular the committee shall review and challenge where necessary:
   a. the application of significant accounting policies and any changes to them
   b. the identification of financial, pension, credit and fixed asset risks, and the executive’s management of these risks, and seek assurance from the executive that the principal risks have been appropriately identified, prioritised and have mitigations in place
   c. the methods used to account for significant or unusual transactions where different approaches are possible
   d. whether the organisation has adopted appropriate accounting standards and made appropriate estimates and judgments, taking into account the NAO’s views on the financial statements
   e. all material information presented with the financial statements, including the strategic report and the corporate governance statements relating to the external audit or to internal risk management.
8. Where AuditCo is not satisfied with any aspect of the proposed financial reporting it shall report its views to the Board
9. Where requested by the Board, review the content of the annual report and accounts and advise the Board on whether, taken as a whole, it is fair, balanced and understandable and provides the information necessary for stakeholders to assess the organisation’s performance, business model and strategy and whether it informs the Board’s statement in the annual report on these matters that is required under the UK Corporate Governance Code.
10. To monitor the position in relation to the funding and investment strategy of the closed defined benefit section of the Pension Plan.

Financial policies & transactions

11. To monitor and, if it sees fit, make recommendations to the Board on the organisation’s financial policies.
12. To review and, if it sees fit, make recommendations to the Board, on transactions which meet the financial thresholds for Board approval.
2.2 Board Committee Terms of Reference
2.2.1 Audit Committee Terms of Reference

**Internal controls and risk management**

13. Keep under review the organisation’s internal control and risk management processes that identify, assess, manage and monitor internal risks.

14. Seek assurance from the executive that the principal internal risks have been appropriately identified, prioritised and have mitigations in place.

15. Review and approve the statements to be included in the annual report concerning internal controls and operational risk management and the viability statement.

16. Advise the Board on the organisation’s internal risk strategy, with reference to the internal audit plan and enterprise risk management report.

17. Review the findings, recommendations and any other relevant reports of the Director of Risk and Compliance Oversight, in so far as they relate to internal risks.

18. Review and monitor the executive’s responsiveness to the findings and recommendations of the Director of Risk and Compliance Oversight, in so far as they relate to internal risks.

19. The risks included in the enterprise risk management report should be categorised, as is practicable, so that either AuditCo or ERSC take primary oversight responsibility. Should any cases of doubt arise, such responsibility will be agreed between the chairs of the two Committees or, in the absence of agreement, by the Chair of the organisation.

**Compliance and internal whistleblowing**

20. Review the adequacy and security of the internal whistleblowing arrangements for employees and contractors to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters. The committee shall ensure that these arrangements allow proportionate and independent investigation of such matters and appropriate follow up action.

21. Review compliance activities and receive reports on non-compliance against high risk internal policies and standards, and compliance assurance.

**Internal Audit**

22. Approve the appointment or termination of appointment of the Director of Internal Audit.

23. Review and approve the role and mandate of Internal Audit ensuring it is appropriate for the needs of the organisation.

24. Review and approve the internal audit universe and internal audit plan (including review of its annual budget) to ensure it is aligned to the key risks of the organisation and receive regular reports on work carried out.

25. Review and monitor the executive’s responsiveness to the findings and recommendations of the internal auditor.

26. Review the findings, recommendations and any other relevant reports of the internal auditor.

27. Ensure Internal Audit has unrestricted scope, the necessary resources and access to information to enable it to fulfil its mandate.

28. Ensure there is open communication between different functions and that Internal Audit evaluates the effectiveness of these functions as part of its internal audit plan.
29. Ensure Internal Audit is equipped to perform in accordance with appropriate professional standards for internal auditors.

30. Ensure the Director of Internal Audit has direct access to the Chair of the organisation and the AuditCo Chair, providing independence from the executive and accountability to the Board and AuditCo.

31. Carry out an annual assessment of the effectiveness of Internal Audit and as part of this assessment.
   a. meet the Director of Internal Audit, without the presence of the executive, to discuss the effectiveness of the Internal Audit function
   b. review and assess the annual internal audit work plan
   c. receive a report on the results of the internal auditor’s work
   d. determine whether it is satisfied that the quality, experience and expertise of Internal Audit is appropriate for the organization
   e. review the actions taken by the executive to implement the recommendations of Internal Audit and to support the effective working of the Internal Audit function

32. Consider whether an independent, third party review of processes is appropriate.

33. The Comptroller and Auditor General has been appointed as auditor to the FCA (FSMA Sch1ZA paragraph 15) and PSR (FSBRA Sch 4 paragraph 8). The Companies Act provisions for the appointment and removal of auditors are therefore disapplied.

34. Oversee the relationship with the NAO.

35. Assess annually the auditor’s independence and objectivity taking into account relevant UK law, regulation, the Ethical Standard and other professional requirements and the group’s relationship with the auditor as a whole, including any threats to the auditor’s independence and the safeguards applied to mitigate those threats including the provision of any non-audit services.

36. Satisfy itself that there are no relationships between the NAO and the organisation (other than in the ordinary course of business) which could adversely affect the NAO’s independence and objectivity.

37. Agree with the Board a policy on the employment of former employees of the NAO, taking into account the Ethical Standard and legal requirements, and monitor the application of this policy.

38. Monitor the NAO’s processes for maintaining independence, its compliance with relevant UK law, regulation, other professional requirements and the Ethical Standard, including guidance on the rotation of audit partner and staff.

39. Monitor the level of fees paid to the NAO in the context of the relevant legal, professional and regulatory requirements, guidance and the Ethical Standard.

40. Annually assess the expertise, resources and independence of the NAO and the effectiveness of the external audit process, which shall include a report from the NAO on their own internal quality procedures.

41. Seek to ensure co-ordination of the external audit with the activities of the Internal Audit function.

42. Evaluate the risks to the quality and effectiveness of the financial reporting process in the light of the NAO’s communications with AuditCo.

43. Meet regularly with the NAO, including once at the planning stage before the audit and once after the audit at the reporting stage, and at least once a year, without the executive being present, to discuss the
2.2 Board Committee Terms of Reference
2.2.1 Audit Committee Terms of Reference

44. Discuss with the NAO the factors that could affect audit quality and review and approve the annual audit plan, ensuring it is consistent with the scope of the audit engagement, having regard to the seniority, expertise and experience of the audit team.

45. Review the findings of the audit with the NAO. This shall include, but not be limited to, the following:

46. A discussion of any major issues which arose during the audit:
   a. The auditor’s explanation of how the risks to the audit quality were addressed
   b. Key accounting and audit judgments
   c. The NAO’s view of their interactions with senior executives
   d. Levels of errors identified during the audit

47. Review any representation letters requested by the NAO before they are signed by the executive.

48. Review the management letter and the executive’s response to the NAO’s findings and recommendations.

49. Review any other relevant reports by the NAO.

50. Review the effectiveness of the external audit process, including an assessment of the quality of the audit, the handling of key judgements by the NAO, the quality of the NAO’s response to questions from AuditCo.

Chair’s expenses

51. Review the expenses incurred by the Chair of the organisation, by an annual summary, showing separately travel, entertainment and any other significant items of expense.

Potential implications of legal action

52. Monitor and, if it sees fit, make recommendations to the Board on the potential implications of legal action taken against the organisation, based on litigation reports received from the General Counsel’s Division and Human Resources Division.

Codes of conduct

53. Review compliance with the organisation’s codes of conduct and, if it sees fit, make recommendations to the Board.

54. AuditCo shall comprise at least three members, one of whom must be the Chair of the External Risk and Strategy Committee.

55. Members of AuditCo shall be appointed by the Board, on the recommendation of the Nominations Committee and, in consultation with the AuditCo Chair.

56. All members of AuditCo shall be independent Non-Executive Directors at least one of whom shall have recent and relevant financial experience and with competence in accounting and/or auditing.

57. The Chair of the organisation shall not be a member of AuditCo.

58. Only members of AuditCo have the right to attend committee meetings. However, the following individuals, or their nominee, will be invited to attend meetings on a regular basis:
   a. Chair of the organisation
   b. Chief Executive
   c. Chief Operating Officer
   d. Director of Internal Audit
2.2 Board Committee Terms of Reference
2.2.1 Audit Committee Terms of Reference

e. Director of Risk & Compliance Oversight
f. Director of Finance
g. National Audit Office
h. A representative from the PSR

59. Other individuals may be invited, by the committee Chair, to attend all or part of any meeting as and when appropriate.

60. The Board shall appoint the AuditCo Chair. In the absence of the committee Chair the remaining members present shall elect one of themselves to chair the meeting.

61. Committee members should declare any interests in the matters to be discussed in accordance with the Code of Conduct for Non-Executive Directors.

Secretary

62. The Company Secretary, or their nominee, shall act as the Secretary of AuditCo (the Secretary).

Quorum

63. The quorum necessary for the transaction of business shall be two members.

Frequency of meetings

64. AuditCo shall meet at least four times a year at appropriate times in the reporting and audit cycle and otherwise as required.

65. These meetings will be scheduled as far in advance as possible, to co-ordinate with the meetings of the External Risk and Strategy Committee and the Board as required.

Notice of meetings

66. Meetings of AuditCo shall be called by the Secretary at the request of any of its members or at the request of the external audit lead partner or the Directors of Internal Audit, Risk & Compliance Oversight or Finance respectively if they consider it necessary.

67. Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of AuditCo, and any other person required to attend, no later than five working days before the date of the meeting. Supporting papers shall be sent to AuditCo members and to other attendees as appropriate, at the same time.

68. Notice, agendas and supporting papers shall normally be sent in electronic form where the recipient has agreed to receive documents in such a way.

69. Meetings may also be held by telephone or electronically.

Minutes of meetings

70. The Secretary, or their nominee, shall minute the proceedings and resolutions of all meetings of AuditCo, including recording the names of those present and in attendance.

71. The Secretary shall ascertain, at the beginning of each meeting, the existence of any interests in the matters to be discussed, advise on how to manage them and minute the outcome accordingly.

72. Draft minutes of AuditCo meetings shall be agreed with the committee Chair and circulated promptly to all committee members and other individuals unless it would be inappropriate to do so in the opinion of the committee Chair.

Annual Public Meeting

73. The AuditCo Chair, or their nominee, shall attend the
2.2 Board Committee Terms of Reference
2.2.1 Audit Committee Terms of Reference

Reporting responsibilities

74. The AuditCo Chair, or their nominee, shall report to the Board on its proceedings after each meeting.

75. AuditCo shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

76. AuditCo shall compile a report on its activities to be included in the organisation’s Annual Report. The report should include an explanation of how AuditCo has addressed the effectiveness of the external audit process, the significant issues it considered in relation to the financial statements and how these issues were addressed, having regard to matters communicated to it by the NAO and all other information requirements set out in the UK Corporate Governance Code.

77. AuditCo is responsible for advising the Board on compliance with the UK Corporate Governance Code.

Authority

78. AuditCo is authorised:

a. to seek any information it requires from any employee to perform its duties
b. to obtain, at the organisation’s expense, outside legal or other professional advice on any matter within its terms of reference
c. to request the attendance of any employee at a meeting of the committee as and when required
d. to publish in the Annual Report, details of any issues that cannot be resolved between AuditCo and the Board

d. be responsible for co-ordination of the internal and external auditors

e. oversee any investigation of activities that are within its terms of reference

f. work and liaise as necessary with all other Board committees

g. arrange for periodic review of its own performance and at least once a year review its terms of reference and recommend any changes it considers necessary to the Board for approval

h. have a private session to discuss committee matters at every scheduled AuditCo meeting (unless agreed otherwise)

Other matters

79. AuditCo shall:

a. have access to sufficient resources to carry out its duties, including access to the Board Secretariat for assistance as required
b. be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members
c. give due consideration to laws and the provisions of the UK Corporate Governance Code as appropriate
2.2 Board Committee Terms of Reference
2.2.2 External Risk & Strategy Committee Terms of Reference

Purpose

1. The External Risk and Strategy Committee (ERSC) has oversight of and carries out duties for the Financial Conduct Authority (FCA).

2. ERSC is responsible for the review and oversight of matters associated with the risk of harm hereafter referred to as “external” risk, including, where appropriate, consideration of associated risks (i.e. operational risk and execution risk) on behalf of the Board.

3. ERSC provides oversight of the Regulatory Decisions Committee (RDC).

4. ERSC also provides assurance on any additional matters as instructed or delegated by the Board.

Duties

5. The duties of ERSC are as follows:

   **Internal controls & risk management**

   6. Keep under review the FCA’s internal control and risk management processes that identify, assess, manage and monitor external risks.

   7. Seek assurance from the executive that the principal external risks have been appropriately identified, prioritised and have mitigations in place.

   8. Advise the Board on the FCA’s external risk strategy, with reference to the sector views and enterprise risk management report.

   9. Review and approve the role and mandate of the risk management function ensuring it is appropriate for the needs of the organisation.

   10. Review the findings, recommendations and any other relevant reports of the Director of Risk and Compliance Oversight, in so far as they relate to external risks.

   11. Review and monitor the executive’s responsiveness to the findings and recommendations of the Director of Risk and Compliance Oversight, in so far as they relate to external risks.

   12. Ensure the Director of Risk and Compliance Oversight has direct access to the FCA and ERSC chairs, providing independence from the executive and accountability to the Board and ERSC.

   13. The risks included in the enterprise risk management report should be categorised, as far as is practicable, so that either ERSC or AuditCo take primary oversight responsibility. Should any cases of doubt arise, such responsibility will be agreed between the chairs of the two committees or, in the absence of such agreement, by the Chair of the FCA.

**Regulatory Decisions Committee (RDC)**

14. Oversee the effective operation of the RDC.

**Membership and Committee Proceedings**

15. ERSC shall comprise at least three members, one of whom must be the Chair of the Audit Committee.

16. Members of ERSC shall be appointed by the Board, on the recommendation of the Nominations Committee and, in consultation with the ERSC Chair.

17. All members of ERSC shall be independent Non-Executive Directors.

18. The FCA Chair shall not be a member of ERSC.

19. Only members of ERSC have the right to attend committee meetings. However the following individuals, or their nominee, will be invited to attend meetings on a regular basis:

   a. FCA Chair
2.2 Board Committee Terms of Reference
2.2.2 External Risk & Strategy Committee Terms of Reference

b. Chief Executive

c. Chief Operating Officer

d. Director of Risk & Compliance Oversight

e. Director of Internal Audit

f. A representative from the PSR

20. Other individuals may be invited, by the committee Chair, to attend all or part of any meeting as and when appropriate.

21. The Board shall appoint the ERSC Chair. In the absence of the committee Chair the remaining members present shall elect one of themselves to chair the meeting.

22. Committee members should declare any interests in the matters to be discussed in accordance with the Code of Conduct for Non-Executive Directors.

Secretary

23. The Company Secretary, or their nominee, shall act as the Secretary of ERSC (the Secretary).

Quorum

24. The quorum necessary for the transaction of business shall be two members.

Frequency of meetings

25. ERSC shall meet at least four times a year at appropriate times to coincide with key dates in the risk review process and otherwise as required.

26. These meetings will be scheduled as far in advance as possible, to co-ordinate with meetings of the Audit Committee and the Board as required.

Notice of meetings

27. Meetings of ERSC shall be called by the Secretary at the request of any of its members or at the request of the Directors of Risk & Compliance Oversight or Internal Audit respectively if they consider it necessary.

28. Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of ERSC and any other person required to attend, no later than five working days before the date of the meeting. Supporting papers shall be sent to ERSC members and to other attendees as appropriate, at the same time.

29. Notice, agendas and supporting papers shall normally be sent in electronic form where the recipient has agreed to receive documents in such a way.

30. Meetings may also be held by telephone or electronically.

Minutes of meetings

31. The Secretary, or their nominee, shall minute the proceedings and resolutions of all meetings of ERSC, including recording the names of those present and in attendance.

32. The Secretary shall ascertain, at the beginning of each meeting, the existence of any interests in the matters to be discussed, advise on how to manage them and minute the outcome accordingly.

33. Draft minutes of ERSC meetings shall be agreed with the committee Chair and circulated promptly to all committee members and other individuals unless it would be inappropriate to do so in the opinion of the committee Chair.
2.2 Board Committee Terms of Reference
2.2.2 External Risk & Strategy Committee Terms of Reference

Annual Public Meeting
34. The ERSC Chair, or their nominee, shall attend the Annual Public Meeting prepared to respond to any stakeholder questions on the committee’s activities.

Reporting responsibilities
35. The ERSC Chair, or their nominee, shall report to the Board on its proceedings after each meeting.
36. ERSC shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
37. ERSC shall compile a report on its activities and the FCA’s external risk management and strategy to be included in the FCA’s Annual Report.

Authority
38. ERSC is authorised:
   a. to seek any information it requires from any employee of the FCA in order to perform its duties
   b. to obtain, at the FCA’s expense, outside legal or other professional advice on any matter within its terms of reference
   c. to request the attendance of any FCA employee at a meeting of the committee as and when required
   d. to the right to publish in the Annual Report, details of any issues that cannot be resolved between ERSC and the Board.

Other matters
39. ERSC shall:
   a. have access to sufficient resources to carry out its duties, including access to the Board Secretariat for assistance as required
   b. be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members
   c. oversee any investigation of activities that are within its terms of reference
   d. work and liaise as necessary with all other Board committees
   e. arrange for periodic reviews of its own performance and at least once a year, review its terms of reference and recommend any changes it considers necessary to the Board for approval
   f. have a private session to discuss committee matters at every scheduled ERSC meeting (unless agreed otherwise).
### Purpose

1. The Remuneration Committee (RemCo) has oversight of and carries out duties for the FCA.

2. RemCo is responsible for ensuring that there is a formal and transparent procedure for developing policy on executive remuneration and for agreeing the remuneration packages of individual directors. This includes recommending to the Board, the annual budget for pay and incentive awards and also the remuneration of members of associated bodies (such as Money Advice Service, Financial Ombudsman Service, Consumer Panel etc.).

### Duties

3. The duties of RemCo are as follows:

4. Reviewing the FCA’s broad employment framework (which includes policies on all aspects of remuneration, performance and reward) and making recommendations to the Board for approval. The objective of the framework and associated policies is to ensure that the FCA’s employees are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their contribution to the success of the FCA.

5. Reviewing, and by reference to the broad framework applying from time-to-time, and determining:
   a. the terms of any contract of employment
   b. the remuneration arrangements, including any pay in relation to performance against objectives and any annual or longer-term incentive packages and pensions rights of persons who fall within the scope of the Senior Managers Regime.

6. Monitoring against the broad employment framework to ensure application of the policy across the FCA is transparent, fair and consistent.

7. Reviewing the FCA’s redundancy policy.

8. Approving both the policy and any compensation packages or arrangements following the severance of the service contract applicable to persons who fall within the scope of the Senior Managers Regime.

9. Approving the policy covering the involvement of the Chair and Executive Board members in relation to the treatment of fees arising from any outside appointment offered to them.

10. Approving a policy for authorising claims for expenses for the Chief Executive and Chair.

11. Selecting, appointing and determining the terms of reference of any independent remuneration consultants appointed to advise RemCo on remuneration policies, levels of remuneration and the terms of contract of employment applicable to those individuals for whom RemCo has responsibility. RemCo may commission independent legal advice, as necessary.

12. Reviewing, from time to time, the remuneration of the directors of the following bodies and recommending to the FCA Board for agreement:
   a. Financial Ombudsman Service
   b. Financial Services Compensation Scheme
   c. Money Advice Service

13. Reviewing, from time to time, the remuneration of the chair and members of the following bodies and recommending to the FCA Board for agreement:
   a. the Consumer Panel
   b. the Smaller Business Practitioner Panel
   c. the Regulatory Decisions Committee
   d. the Competition Decisions Committee
2.2 Board Committee Terms of Reference

2.2.3 Remuneration Committee Terms of Reference

e. the Pension Plan Trustee Company

14. Reviewing the Executive’s recommendations for the annual budget for pay and incentive awards for recommendation to the Board.

Membership

15. RemCo shall comprise at least four Non-Executive Director members.

16. Members of RemCo shall be appointed by the Board, on the recommendation of the Nominations Committee and in consultation with the committee Chair.

17. Only members of RemCo have the right to attend committee meetings. However the following individuals will be invited to attend meetings on a regular basis:

a. The Chief Operating Officer
b. The Director of Human Resources
c. The Company Secretary

18. Other individuals may be invited, by the committee Chair, to attend all or part of any meeting as and when appropriate.

19. The Board shall appoint the Remuneration Committee Chair. In the absence of the committee Chair the remaining members present shall elect one of themselves to chair the meeting.

Secretary

20. The Company Secretary, or their nominee, shall act as the Secretary of RemCo.

Quorum

21. The quorum necessary for the transaction of RemCo business shall be two members.

Frequency of meetings

22. RemCo shall meet at least twice a year at appropriate intervals.

23. These meetings will be scheduled as far in advance as possible, to co-ordinate with meetings of the Board as required.

Notice of meetings

24. Meetings of RemCo shall be convened by the Secretary at the request of any of its members.

25. Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of RemCo, and any other individuals required to attend, no later than five working days before the date of the meeting. Supporting papers shall be sent to RemCo members and to other attendees as appropriate, at the same time.

26. Notice, agendas and supporting papers may be sent in electronic form where the recipient has agreed to receive documents in such a way.

27. Meetings may also be held by telephone or electronically.

Minutes of meetings

28. The Secretary shall minute the proceedings and resolutions of all RemCo meetings, including recording the names of those present and in attendance.

29. The Secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest, advise on how to manage them and minute the outcome accordingly.

30. Draft minutes of RemCo meetings shall be agreed with the committee Chair and circulated promptly to all committee members and other individuals unless
2.2 Board Committee Terms of Reference
2.2.3 Remuneration Committee Terms of Reference

Annual Public Meeting

31. The RemCo Chair or their nominee shall attend the Annual Public Meeting prepared to respond to any stakeholder questions on the committee's activities.

Reporting responsibilities

32. The RemCo Chair shall report to the Board on its proceedings after each meeting.

33. RemCo shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

34. RemCo shall compile a report on its activities to be included in the company’s Annual Report.

Authority

35. RemCo is authorised to:

a. seek any information it requires from any employee of the company in order to perform its duties

b. obtain, at the company’s expense, outside legal, accounting or other professional advice on any matter within its terms of reference

c. call any employee to be questioned at a RemCo meeting as and when required

to the Board for approval

Other matters

36. RemCo shall:

a. have access to sufficient resources in order to carry out its duties, including access to the Board Secretariat for assistance as required

b. be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members

c. give due consideration to laws and the provisions of the UK Corporate Governance Code as appropriate

d. oversee any investigation of activities that are within its terms of reference

e. work and liaise as necessary with all other Board committees, taking particular account of the impact of risk management and internal controls being delegated to different committees

f. arrange for periodic reviews of its own performance and at least once a year, review its terms of reference and recommend any changes it considers necessary
2.2 Board Committee Terms of Reference
2.2.4 Nominations Committee Terms of Reference

**Purpose**

1. The Nominations Committee (NomCo) has oversight of and carries out duties for the FCA.

2. NomCo is responsible for making recommendations to the Board on maintaining an appropriate balance of skills on the FCA and PSR Boards with a view to ensuring the continued ability of the organisations to meet their statutory objectives.

3. All members of the FCA Board are appointed by Her Majesty's Treasury (the Treasury), except two who are appointed by the Secretary of State for Business, Energy and Industrial Strategy and the Treasury.

4. All members of the PSR Board are appointed by the FCA Board, with the Chair and two executive directors (including the Managing Director) requiring approval of the Treasury.

**Duties**

5. The duties of NomCo are as follows:

   a. Regularly review the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and its committees and make recommendations to the Board with regard to any changes.

   b. Give full consideration to succession planning for directors to the Board and persons who fall within the scope of the Senior Managers Regime, taking into account the challenges and opportunities facing the company, and the skills and expertise needed on the Board in the future.

   c. Keep under review the leadership needs of the company, both executive and non-executive, with a view to ensuring the continued ability of the company to deliver its objectives.

   d. Set performance objectives of the Chief Executive/Managing Director (as appropriate) and persons who fall within the scope of the Senior Managers Regime.

   e. Be responsible for approving the appointment of the persons who fall under the scope of the Senior Managers Regime.

   f. Before the start of any appointment process to either Board or of persons who fall within the scope of the Senior Managers Regime, evaluate the balance of skills, knowledge, experience and diversity, and, in the light of this evaluation, provide input to a job specification, including a description of the role, the capabilities and the time commitment required for a particular appointment.

   g. Where required, provide to the Treasury (and, where applicable, the Secretary of State) NomCo's suggestions for a job specification, including the time commitment expected.

   h. Ensure that on appointment to the Board, non-executive directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, committee service and involvement outside of Board meetings.

   i. Review the results of the Board performance evaluation process that relate to the composition of the Board.

   j. Ensure annual formal evaluations of the Chair (by the Senior Independent Director) and non-executive directors (by the Chair) are appropriately conducted.

   k. Review annually the time required from non-executive directors. Performance evaluation should be used to assess whether the non-executive directors are spending enough time to fulfil their duties.

   l. Consider and approve, acting in consultation with the Treasury and the Secretary of State, as necessary, the taking of any other appointments by non-executive directors.

6. NomCo shall also make recommendations to the
2.2 Board Committee Terms of Reference

2.2.4 Nominations Committee Terms of Reference

Board concerning:

a. Formulating plans for succession for both executive and non-executive directors and in particular for the key roles of Chair and Chief Executive/Managing Director in discussion with the Treasury.

b. The responsibilities that the Senior Independent Director should hold.

c. The re-appointment of any non-executive director at the conclusion of their specified term of office having given due regard to their performance and ability to continue to contribute to the Board in the light of knowledge, skills and experience required.

d. Any matters relating to the continuation in office of any director at any time including the suspension or termination of service of an executive director as an employee of the company subject to the provisions of the law and their service contract.

e. The internal and external consultation required in relation to the appointment of any director to executive or other office.

f. Ensure, in discussion with the Chief Executive/Managing Director, that appropriate succession arrangements are in place for senior roles.

Membership

7. NomCo shall comprise all the non-executive directors of the FCA Board.

8. Only members of NomCo have the right to attend committee meetings. However the following individuals will be invited to attend meetings on a regular basis:

   a. The Chief Executive of the FCA
   b. The Director of Human Resources
   c. The Company Secretary

9. Other individuals may be invited, by the committee Chair, to attend all or part of any meeting as and when appropriate.

10. The Chair of the Board shall be the committee Chair. In the absence of the committee Chair the remaining members present shall elect one of themselves to chair the meeting. The Chair of the Board shall not chair the committee when it is dealing with matters relating to the chairmanship of the company.

Secretary

11. The Company Secretary, or their nominee, shall act as the Secretary of NomCo.

Quorum

12. The quorum necessary for the transaction of NomCo business shall be three members.

Frequency of meetings

13. NomCo shall meet at least once a year and otherwise as required.

14. These meetings will be scheduled as far in advance as possible, to co-ordinate with meetings of the Board.

Notice of meetings

15. Meetings of NomCo shall be convened by the Secretary at the request of any of its members.

16. Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each committee member and any other individuals required to attend, no later than five working days before the date of the meeting. Supporting papers shall be sent to committee members and to other attendees as appropriate, at the same time.

17. Notice, agendas and supporting papers may be sent in electronic form where the recipient has agreed to receive documents in this way.
Meetings may also be held by telephone or electronically.

**Minutes of meetings**

19. The Secretary shall minute the proceedings and resolutions of all NomCo meetings, including recording the names of those present and in attendance.

20. The Secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest, advise on how to manage them and minute the outcome accordingly.

Draft minutes of NomCo meetings shall be agreed with the committee Chair and circulated promptly to all committee members and other individuals unless it would be inappropriate to do so in the opinion of the committee Chair.

**Annual Public Meeting**

22. The NomCo Chair or their nominee shall attend the Annual Public Meeting prepared to respond to any stakeholder questions on the committee’s activities.

**Reporting responsibilities**

23. The NomCo Chair shall report to the Board on its proceedings after each meeting.

24. NomCo shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

25. NomCo shall include a report on its activities in the company’s annual report.

**Authority**

26. NomCo is authorised to:

   a. seek any information it requires from any company employee in order to perform its duties
   b. obtain, at the company’s expense, outside legal, accounting or other professional advice on any matter within its terms of reference
   c. call any employee to be questioned at a NomCo meeting as and when required.

   in the form of an induction programme for new members and on an ongoing basis for all members

   c. give due consideration to laws and the provisions of the UK Corporate Governance Code as appropriate
   d. oversee any investigation of activities that are within its terms of reference
   e. work and liaise as necessary with all other Board committees, taking particular account of the impact of risk management and internal controls being delegated to different committees
   f. arrange for periodic reviews of its own performance and at least once a year, review its terms of reference and recommend any changes it considers necessary to the Board for approval

**Other matters**

27. NomCo shall:

   a. have access to sufficient resources in order to carry out its duties, including access to the Board Secretariat for assistance as required
   b. be provided with appropriate and timely training, both
2.2 Board Committee Terms of Reference
2.2.5 Oversight Committee Terms of Reference

**Purpose**

1. The Oversight Committee (the Committee) provides support and advice to the Board on its relationships with the Money Advice Service (MAS), the Financial Ombudsman Service (FOS) and Financial Services Compensation Scheme (FSCS) in regards to its obligations in respect of each, including its statutory duties set out in FSMA.

**Duties**

2. The Committee is advisory in nature and has no delegated decision-making duties or powers.

3. The principal duties of the Committee shall be:
   a. to provide advice and support to the Board in relation to whether each of the MAS, FOS and FSCS are capable of exercising their functions under FSMA; and
   b. in respect of the FOS, whether it meets – and continues to meet – the quality requirements in Chapter II of Directive 2013/11/EU on alternative dispute resolution for consumer disputes.

4. The Committee’s specific duties in respect of each of the MAS, FOS and FSCS respectively are listed below:

**Money Advice Service**

5. review and challenge the basis of preparation, underlying assumptions and predicted outcome of the Annual Budget of the MAS

6. review and challenge the basis of preparation, underlying assumptions and proposals for the application and execution of the Annual Plan of the MAS

7. recommend to the Board whether it should approve the Annual Budget and Annual Plan

8. provide such other advice and support to the Board as may be required to assist it in satisfying its legal obligations, and exercising its powers, in relation to the MAS

**Financial Ombudsman Service**

9. review and challenge the basis of preparation, underlying assumptions and predicted outcome of the Annual Budget of the FOS

10. recommend to the Board whether it should approve the FOS Annual Budget

11. review the information the FOS must provide every two years under the Alternative Dispute Resolution for Consumer Disputes (Competent Authorities and Information) Regulations 2015/542 (the ‘Regulations’) and recommend to the Board whether it should decide the FOS still meets the requirements to be an ADR entity under the Regulations

12. provide such other advice and support to the Board as may be required to assist it in satisfying its legal obligations, and exercising its powers, in relation to the FOS

**Financial Services Compensation Scheme**

13. review and challenge the basis of the preparation, underlying assumptions and predicted outcomes of the management expenses budget of the FSCS

14. recommend to the Board the amount at which the management expenses levy limit of the FSCS should be fixed

15. provide such other advice and support to the FCA Board as may be required to assist it in satisfying its legal obligations, and exercising its powers, in relation to the FSCS

**Membership and Committee Proceedings**

16. The Committee shall comprise at least four
2.2 Board Committee Terms of Reference
2.2.5 Oversight Committee Terms of Reference

members, the majority of whom shall be members of the Board. The Chief Executive or his nominee shall be a member of the Committee.

17. Members of the Committee shall be appointed by the Board, on the recommendation of the Nominations Committee.

18. Only members of the Committee have the right to attend committee meetings.

19. Other individuals may be invited, by the committee Chair, to attend all or part of any meeting as and when appropriate.

20. The Board shall appoint the Committee Chair. In the absence of the Committee Chair the remaining members present shall elect one of themselves to chair the meeting.

21. Committee members should declare any interests in the matters to be discussed in accordance with the codes of conduct for staff and non-executive directors.

Secretary

22. The Company Secretary, or their nominee, shall act as the Secretary of the Committee (the Secretary).

Quorum

23. The quorum necessary for the transaction of business shall be two members.

Frequency of meetings

24. The Committee shall meet as regularly as required to discharge its duties.

25. These meetings will be scheduled as far in advance as possible.

Notice of meetings

26. Meetings of the Committee shall be convened by the Secretary at the request of any of its members.

27. Unless otherwise agreed, notice of each meeting confirming the venue, time and date 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 working days before the date of the meeting. Supporting papers shall be sent to the Committee members and to other attendees as appropriate, at the same time.

28. Notice, agendas and supporting papers shall normally be sent in electronic form where the recipient has agreed to receive documents in such a way.

29. Meetings may also be held by telephone or electronically.

Minutes of meetings

30. The Secretary shall minute the proceedings and resolutions of all meetings of the Committee, including recording the names of those present and in attendance.

31. The Secretary shall ascertain, at the beginning of each meeting, the existence of any interests in the matters to be discussed, advise on how to manage them and minute the outcome accordingly.

32. Draft minutes of Committee meetings shall be agreed with the committee Chair and circulated promptly to all committee members and other individuals unless it would be inappropriate to do so in the opinion of the committee Chair.

Annual Public Meeting

33. The Committee Chair, or their nominee, shall attend the Annual Public Meeting prepared to respond to any stakeholder questions on the committee’s activities.

Reporting responsibilities
2.2 Board Committee Terms of Reference
2.2.5 Oversight Committee Terms of Reference

34. The Committee Chair, or their nominee, shall report to the Board on its proceedings after each meeting.

35. The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

36. The Committee shall compile a report on its activities to be included in the organisation’s Annual Report.

Authority

37. The Committee is authorised:
   a. to seek any information it requires from any employee to perform its duties
   b. to obtain, at the organisation’s expense, outside legal or other professional advice on any matter within its terms of reference
   c. to request the attendance of any employee at a meeting of the committee as and when required.
   d. to publish in the Annual Report, details of any issues that cannot be resolved between the Committee and the Board.

Other matters

38. The Committee shall:
   a. have access to sufficient resources to carry out its duties, including access to the Board Secretariat for assistance as required
   b. be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members
   c. oversee any investigation of activities that are within its terms of reference
   d. work and liaise as necessary with all other Board committees
   e. arrange for periodic review of its own performance and at least once a year review its terms of reference and recommend any changes it considers necessary to the Board for approval
   f. have a private session to discuss committee matters as and when required
Background and purpose

1. The Regulatory Decisions Committee (RDC) is a committee of the FCA Board that exercises certain regulatory powers on behalf of the FCA, including in relation to the giving of supervisory notices, warning notices and decision notices. Annexes 1 and 2 of the Decision Procedure and Penalties manual (DEPP) set out a list of actions that the FCA may take under the Financial Services and Markets Act 2000 (FSMA) and other legislation which require a statutory notice to be given, and specify those for which the RDC is the relevant decision-maker.

2. The primary purpose of the RDC is to advance the fairness of the FCA’s enforcement process by ensuring, in certain contested cases, separation between those who conduct investigations and those who decide whether a statutory notice should be given. To this end:
   a. The RDC is separate from the FCA’s executive management structure. It comprises a Chair appointed by the Board, who is an employee of the FCA, and other members appointed by the Board who are not employees of the FCA, including one or more Deputy Chairs.
   b. All members of the RDC are appointed for fixed periods. The Board may remove a member of the RDC, but only in the event of that member’s misconduct or incapacity.
   c. The RDC has its own legal advisers and support staff (the Secretariat), who are separate from the FCA staff involved in conducting investigations and making recommendations to the RDC.
   d. The RDC is not involved in deciding which cases to investigate and only becomes involved in a case after the relevant division of the FCA has concluded that it is appropriate for the FCA to use certain regulatory powers against a firm or individual and makes a recommendation to the RDC.

3. The RDC is accountable to the Board, through the External Risk and Strategy Committee, in respect of its procedures, policies, operational arrangements and decisions generally, but this does not affect its independence in relation to its individual decisions.

Functions

4. The RDC’s functions are:
   a. To consider whether the material on which a recommendation is based is adequate to support it and whether the action recommended is appropriate in all the circumstances.
   b. To consider any representations made (whether written, oral or both) and any comments made by FCA staff or others in respect of those representations.
   c. To decide whether to give statutory and other notices in cases which are described as within its scope by the Handbook or any regulatory guide, including in particular DEPP and the Enforcement Guide (EG), and the terms of any notice given.
   d. To take any other decisions which are described as within its scope by the Handbook or any regulatory guide.
   e. To take decisions associated with the matters which are within its scope.

5. In addition, DEPP and EG provide that certain decisions will or may be taken by the RDC Chair or a Deputy Chair. Further, the RDC Chair or a Deputy Chair may, on behalf of the RDC, take the decisions associated with the matters which are within the RDC’s scope.

Operation of the RDC

6. The RDC will operate in accordance with chapter 3 of DEPP. In particular, DEPP 3.2 provides details in respect of the following matters:
2.2 Board Committee Terms of Reference
2.2.6 Regulatory Decisions Committee Terms of Reference

a. RDC meetings and composition of panels.
b. Conflicts of interest.
c. The RDC’s general procedure.
d. The RDC’s procedure in relation to warning notices and supervisory notices.
e. The RDC’s procedure in relation to representations.
f. The RDC’s procedure in relation to decision notices and second supervisory notices.

7. The RDC may determine its own procedures where they are not specified in DEPP.

Notice of meetings

8. The Secretariat shall make the arrangements for each meeting, including confirming the availability of each relevant RDC member.

Records of decisions

9. The Secretariat will make and retain appropriate records of the decisions taken by the RDC.

Reporting responsibilities

10. The Chair of the RDC will report on a quarterly basis to the External Risk and Strategy Committee and at least annually to the Board.

Resources

11. The RDC shall have access to sufficient resources in order to carry out its duties, including, in particular, the resources of the Secretariat.

12. The RDC may require any employee of the FCA to attend one or more of its meetings.

Review

13. The RDC shall, at least once a year, review its own performance and terms of reference and recommend any changes it considers necessary to the Board for approval.

14. The RDC shall, each year, produce an Annual Review, to be published alongside the FCA’s Annual Report.

15. The RDC shall also, each year, review the FCA’s enforcement settlement process, and publish any recommendations arising out of its review in its Annual Review.
Background and purpose

1. The Competition Act 1998 (Competition and Markets Authority’s Rules) Order 2014 (CMA Rules) requires separation between (a) the person(s) who oversees an investigation and decides to issue a notice setting out a proposed finding of infringement of the Competition Act 1998 (CA98) (i.e. the Statement of Objections) and (b) the person who decides whether any supplementary Statement of Objections is required, whether there has in fact been such an infringement and whether to impose a penalty under the CMA Rules. It also requires that the person in (b) comprises at least two persons.

2. To meet the requirement of separation of decision-making, the Board of the Financial Conduct Authority (FCA) has authorised a pool of persons (CDC Panel) who can be appointed to a Competition Decisions Committee (CDC) to act as decision-makers in any particular CA98 investigation following the issuing of a Statement of Objections.

3. The CDC is a Board-authorised committee comprising three persons appointed from the CDC Panel. It exercises certain decision-making powers in CA98 investigations on behalf of the FCA: see paragraph 6 for its specific functions.

4. A CDC will be appointed to be the final decision-makers each time the FCA has issued a Statement of Objections. This means that there may be more than one CDC in place at any one time.

5. The CDC and CDC Panel are separate from the FCA’s executive management structure. All members of the CDC Panel are appointed for fixed periods by the Board. The Board may remove a member of the CDC Panel, but only in the event of that member’s misconduct or incapacity.

Functions of the CDC

6. The CDC’s functions are:

   a. To decide whether to issue any letter of facts (setting out any new evidence on which the CDC proposes to rely to support existing allegations in a Statement of Objections in order to establish that an infringement has been committed);

   b. To decide whether to issue any supplementary Statement of Objections (setting out any new or amended allegations from the original Statement of Objections and supporting evidence);

   c. Based on its review of the facts and arguments presented, to decide whether to issue an infringement decision (other than in settlement cases) or ‘no grounds for action’ decision;

   d. To give notice of and decide on the appropriate level of any penalty for an infringement, having regard to the penalty guidance in force for the time being under s38 CA98, based on a proposal put forward by the case team; and

   e. If it has found an infringement of CA98, to decide whether to impose directions under s32 or s33 CA98 and, if so, what directions to impose.

7. In exercising its functions, the CDC will consider the Statement of Objections, documents on the case file, the written and/or oral representations of the party/parties and any representations received from third parties on the Statement of Objections and any other supplementary notices issued by the FCA (see paragraphs 6.1 and 6.2 above). CDC members will attend any oral hearing(s) on liability and on penalty, described below, or review transcripts of such hearings (in the event that a member of the CDC changes after the oral hearing has taken place).

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1. SI 2014/458.
2. Rule 3(2) of the CMA Rules.
3. That is, cases where the infringing party admits the infringement and agrees to a streamlined administrative process (the governance and process for which are set out in FG15/8 The FCA’s concurrent competition enforcement powers for the provision of financial services).
4. Which could include a non-infringement decision.
8. Before deciding whether to issue an infringement or ‘no grounds for action’ decision and/or to issue a draft penalty statement, the CDC may ask the case team to:
   a. provide a further explanation of the Statement of Objections or any aspect of any FCA staff recommendation (for example, in relation to penalties) or accompanying papers;
   b. explain or provide any other additional information about the matter;
   c. investigate any matter further; and/or
   d. issue a letter of facts and/or supplementary Statement of Objections under its direction.

9. The CDC will take a decision based on all the relevant information available to it, including the views of FCA staff about the relative quality of the evidence.

10. The CDC will direct the case team in the drafting of any letter of facts, supplementary Statement of Objections, draft penalty statement, and/or infringement decision or ‘no grounds for action’ decision.

11. The CDC does not take any of the following decisions:
   a. Closing a case on grounds of administrative priority
   b. Accepting commitments under s31A CA98
   c. Issuing interim measures under s35 CA98
   d. Settling a case (including taking the infringement decision following any such settlement); or
   e. Imposing a penalty under s40A CA98 relating to failures of parties to comply with the FCA’s information-gathering powers in CA98 investigations.

12. The CDC is not appointed and does not have a role in the case before a Statement of Objections is issued.

13. In addition, it is the case team and Case Sponsor who are responsible for resolving any issues raised by parties relating to access to file and redaction of confidential information, both in relation to disclosure to addressee(s) of a Statement of Objections and in relation to the publication of any final infringement decision. Such issues are subject to parties’ rights to raise complaints with the FCA’s Procedural Officer.

14. The CDC is accountable to the Board in respect of its procedures, policies and general arrangements, but this does not affect its independence in relation to its decisions.

15. The CDC is appointed from the CDC Panel when the FCA has issued a Statement of Objections setting out its provisional finding of infringement against one or more parties. The Executive Regulation and Policy Committee (ERPC) shall make the appointment, after considering the recommendation of the Procedural Officer as to its composition.

16. CDC Panel members can be a member of more than one CDC at any one time.

17. If a member of the CDC Panel has a potential conflict of interest in any matter in which s/he is asked to participate, s/he will disclose the conflict to the Decision-Making Committees Secretariat (the Secretariat) and to the Regulatory Decisions Committee (RDC) Chairman. The RDC Chairman, in conjunction with other FCA staff, will decide whether it is appropriate for the CDC Panel member to act on the CDC for the matter in question.
2.2 Board Committee Terms of Reference
2.2.7 Competition Decisions Committee Terms of Reference

**CDC membership and quorum**

18. The CDC is composed of three members of the CDC Panel, who are appointed to act as CDC in any particular case. If a CDC member needs to leave his or her position on the CDC before an investigation is closed, a new member will generally be appointed by ERPC, after considering a recommendation from the Procedural Officer.

19. Each CDC will typically include at least one lawyer and one economist.

20. Decisions require at least two members of the CDC to be in agreement. Dissenting opinions will not be published.

**Case team and party liaison**

21. One member of the CDC in any particular case will be designated as the main liaison point for the FCA case team.

22. The party or parties under investigation will not engage with the CDC directly; day-to-day contact will continue to take place through the case team (under the guidance of the Case Sponsor overseeing the investigation).

**Oral hearings and report of the Procedural Officer**

23. Addressee(s) of the Statement of Objections are invited to make oral submissions to the CDC, but they are not obliged to do so. Any oral hearing will be chaired by the Procedural Officer, in accordance with the CMA Rules.

24. The CDC will determine the format and timing of the oral hearing (which could include a multi-party hearing).

25. During the oral hearing, both the CDC and FCA staff present may ask questions about the addressee’s representations or questions of clarification. There is no obligation on the addressee to respond, and it may respond to questions in writing after the hearing.

26. Following the oral hearing, the Procedural Officer will report to the CDC, indicating any procedural issues that have been brought to the attention of the Procedural Officer during the investigation and confirming whether the parties’ right to be heard has been respected, including an assessment of the fairness of the procedure followed in the oral hearing.

**Legal and economic input**

27. The CDC will be advised by the legal and economic advisers to the case team, though it may choose to obtain advice from a new adviser from within the FCA or externally if it feels that this is required in order to reach its final view on infringement.

**Resources**

28. The CDC shall have access to sufficient resources in order to carry out its functions including, in particular, the resources of the Secretariat. However, final decisions on case team resources (to do things as directed by the CDC) will be taken by FCA executives. If the CDC has concerns that the available resources are insufficient to enable the CDC to discharge its functions, it should raise this with the executive who will consider whether to make available additional resources or, ultimately, whether closure of the case on grounds of administrative priority is more appropriate.

**Notice of Meetings**

29. The Secretariat shall make the arrangements for each meeting, including confirming the availability of each CDC member. This includes meetings of the CDC, meetings of the CDC with the case team and meetings of the CDC with the case team and parties.
30. Unless otherwise agreed, confirmation of the arrangements for each meeting shall be forwarded to each CDC member and any other relevant person as soon as practicable before the date of the meeting, together with the papers to be considered at the meeting.

31. Attendance at meetings may be by telephone or similar facility, so far as practicable, albeit that all CDC members are expected to attend oral hearings in person. Decisions may also be taken in writing including email or other electronic means. The CDC meets in private.

**Records of decisions**

32. The Secretariat will make and retain appropriate records of the decisions taken by the CDC.

**Duties of the CDC Panel**

33. Each CDC Panel member has agreed to comply with the FCA and PSR Decision-Making Committee Members Code of Conduct. The Secretariat will record and document all disclosures of potential conflicts of interest and the steps taken to manage them.

34. Each CDC Panel member must make him or herself reasonably available to attend training in relation to their role as a CDC Panel member regardless of whether they are currently sitting on a CDC.

**Review**

35. The Procedural Officer will review the terms of reference of the CDC annually or within three months of the closing of an investigation (whether the CDC has adopted a decision or not) as he considers appropriate. The Procedural Officer will discuss any recommendations for changes to the Terms of Reference of the CDC with FCA staff (including the case team and the Secretariat) before recommending any such changes to the Board.