



Annual disclosure

Harbour Rock Capital Limited

For year ending 31 March 2024

Introduction

These disclosures set out Harbour Rock Capital Limited's annual public disclosures as required under MIFIDPRU 8 for the year ending 31 March 2024.

Scope and application of disclosure

These disclosures relate to Harbour Rock Capital Limited which is a Small Non-Interconnected (SNI) MIFIDPRU Investment firm, authorised and regulated by the Financial Conduct Authority.

Harbour Rock Capital is required to disclose on an individual firm basis and these disclosures have been prepared in line with the requirements of MIFIDPRU 8.

As an SNI MIFIDPRU firm under IFPR, Harbour Rock Capital is required to disclose remuneration information regarding its remuneration policy and practices under MIFIDPRU 8 as set out below.

Qualitative disclosures

(MIFIDPRU 8.6.2R)

A MIFIDPRU investment firm must disclose a summary of:

- (1) its approach to remuneration for all staff;
- (2) the objectives of its financial incentives;
- (3) the decision-making procedures and governance surrounding the development of the remuneration policies and practices the firm is required to adopt in accordance with the MIFIDPRU Remuneration Code, to include, where applicable:
 - a) the composition of and mandate given to the remuneration committee; and
 - b) details of any external consultants used in the development of the remuneration policies and practices.

(MIFIDPRU 8.6.5R)

A MIFIDPRU investment firm must disclose the key characteristics of its remuneration policies and practices in sufficient detail to provide the reader with:

- (1) an understanding of the risk profile of the firm and/or the assets it manages; and
- (2) an overview of the incentives created by our remuneration policies and practices.

(MIFIDPRU 8.8.8R)

A firm must at least disclose the following information:

- (1) the different components of remuneration, together with the categorisation of those remuneration components as fixed or variable;
- (2) a summary of the financial and non-financial performance criteria used across the firm, broken down into the criteria for the assessment of the performance of:
 - (a) the firm;
 - (b) business units; and
 - (c) individuals.

Quantitative disclosures

(MIFIDPRU 8.6.8R)

- (2) An SNI-MIFIDPRU investment firm must disclose the total amount of remuneration awarded to all staff, split into:
 - (a) fixed remuneration;
 - (b) variable remuneration.

Qualitative Disclosures

Harbour Rock Capital's approach to remuneration for all staff and the objectives of its financial incentives in respect of staff remuneration.

The firm's remuneration policies and procedures promote sound and effective risk management by:

- ensuring the fair treatment of our clients and the quality of service provided;
- taking appropriate qualitative criteria into account; and
- maintaining an appropriate balance between fixed and variable remuneration so the structure doesn't favour the firm or staff interests over those of clients.

The remuneration packages in place are tailored to ensure that the firm does not:

- remunerate or assess performance of its staff in any way that conflicts with its duty to act in the best interests of its clients or impact its ability to deliver good client outcomes;
- provide any additional remuneration for staff recommending / promoting / offering a solution in which it, or one of its associated companies, has an interest;
- include any arrangement by way of remuneration, sales targets or otherwise, that could provide an incentive to its staff to recommend a particular product to a client where a different product could be offered that would better suit their needs;
- create a conflict of interest that would encourage individuals to act against the interests of any of its clients; or
- solely or predominately base remuneration on quantitative commercial/sales/revenue generating criteria.

Harbour Rock Capital's decision-making procedures and governance surrounding the development of the firm's remuneration policies and practices.

Harbour Rock Capital does not have a Remuneration Committee. The board is responsible for its remuneration policy including:

- determining the framework and policy for remuneration and ensuring it does not encourage undue risk taking;
- agreeing any major changes in remuneration structures;
- reviewing the terms and conditions of any new incentive schemes and in particular, considering the appropriate targets for any performance related remuneration schemes; and
- considering and recommending the remuneration policy for senior staff taking into account the appropriate mix of salary, discretionary bonus and share based remuneration

Harbour Rock Capital's remuneration policy has been reviewed by the board in conjunction with the compliance function.

The key characteristics of Harbour Rock Capital’s remuneration policies and practices including the different components of our remuneration, together with the categorisation of those remuneration components as fixed or variable.

Competitive salaries form the basis of the firm’s remuneration package.

In addition, there is an element of variable pay for all staff which is based on firm wide and/or individual performance. Whilst most of the variable reward components are awarded to staff across the firm, the structure, balance and amounts differ with staff in different areas of the business being subject to different structures depending on their role.

Variable remuneration for management and senior management is considerably reduced where subdued or negative financial performance of the firm occurs.

When assessing individual performance the firm uses a robust performance review process, within which the firm considers both financial and non-financial criteria.

The non-financial criteria that the directors consider include:

- measures relating to the quality and quantity of measurable outputs;
- the achievement of individual objectives;
- performance in line with firm strategy and values such as displaying leadership, teamwork and adherence to the firm’s risk management and compliance policies.

Quantitative Disclosures

As an SNI MIFIDPRU investment firm, Harbour Rock Capital is required to disclose the total remuneration of its staff split between fixed and variable remuneration for its financial year end.

For year ending 31 March, the total remuneration was split as follows:

Type of Remuneration	Number or Amount in £000s
Number of staff	155
Fixed Remuneration	4,782
Variable Remuneration	202
Total Remuneration	4,984