

HARBOURVEST GLOBAL PRIVATE EQUITY LIMITED
(the “Company”)

Terms of Reference for the Management Engagement and Service Provider Committee
(the “Committee”)

Approved 1 December 2022

Updated 26 November 2024

DEFINITIONS

“Board” board of directors of the Company

“Independent Director” a director who is independent for the purposes of the UK Listing Rules

1. MEMBERSHIP

- 1.1 The Committee has been established in accordance with Article 25 (6) of the Company’s Articles of Incorporation and shall comprise at least three members. All Independent Directors will be eligible for membership of the Committee. Appointments to the Committee are made by the Board.
- 1.2 For the purpose of these terms of reference, the independence of any director shall be determined by the Board.
- 1.3 Members of the Committee shall be appointed by the Board on the recommendation of the Nomination Committee. The Chair of the Board may serve as a member of the Committee if they were considered independent on appointment as Chair.
- 1.4 The Board shall appoint the Committee Chair. In the absence of the Committee Chair and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting who would qualify under these terms of reference to be appointed to that position by the Board.
- 1.5 Only members of the Committee have the right to attend meetings. Other individuals such as external advisers may be invited to attend for all or part of any meeting as and when appropriate but would not be counted towards the quorum.
- 1.6 The Company Secretary shall act as the secretary of the Committee and will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues and will attend all meetings.

2. QUORUM

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

3. MEETINGS

- 3.1 The Committee shall meet at least once a year, with the intention that the meeting would be held around the time of a quarterly Board meeting. The Committee may meet otherwise as required by the Committee Chair or the Board.

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4. NOTICE OF MEETINGS

- 4.1 Meetings of the Committee shall be called by the Company Secretary at the request of the Committee Chair or the Board.
- 4.2 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 Committee members and to other attendees, as appropriate, at the same time.

5. MINUTES OF MEETINGS

- 5.1 The Company Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.
- 5.2 Draft minutes of Committee meetings shall be circulated promptly to the members of the Committee. Once approved, minutes should be circulated to all other members of the Board, unless in the opinion of the Committee Chair it would be inappropriate to do so.

6. ANNUAL GENERAL MEETING

- 6.1 The Committee Chair shall attend the Annual General Meeting and be prepared to respond to any shareholder queries on the Committee’s activities.

7. CONDUCT OF THE COMMITTEE

- 7.1 Any resolution or decision of the Committee shall be passed by a simple majority. Resolutions may be passed between meetings either in writing or by electronic communications.
- 7.2 The Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to obtain, at the Company’s expense, outside legal or other independent professional advice and to secure the attendance of external advisors with relevant experience and expertise as it considers necessary.

8. DUTIES

- 8.1 The Committee should carry out the duties listed below on behalf of the Company:

- 8.2 Review of the Manager

The Committee shall:

- 8.2.1 annually monitor and evaluate the Manager’s investment performance;
- 8.2.2 annually review the cost of all the further services provided by the Manager;
- 8.2.3 annually review the continued retention of the Manager’s services;

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- 8.2.4 annually review the level and method of remuneration, the basis of performance fees (if any) and the notice period, all with reference to the performance of the Company’s portfolio as compared to the agreed benchmark and the peer group, to ensure that the incentive structure as a whole does not encourage excessive risk and that it rewards demonstrable superior performance;
- 8.2.5 review the Investment Management Agreement (“IMA”) with the Company and recommend any changes to the Board, at least once every three years, to coincide with the review cycle contained in the IMA;
- 8.2.6 promptly investigate any breaches of agreed investment limits or ratios or any deviation from the Company’s investment policy and strategy and forthwith discuss the findings with the Board; and
- 8.2.7 annually review a record of any breaches of investment policy and strategy provided by the Manager.

8.3 Review of Service Providers

The Committee shall:

- 8.3.1 review the terms of the Administration and Secretarial Agreement between the Company and the Company’s Administrator and ensure that they are operating satisfactorily to ensure the safe and accurate management and administration of the Company’s affairs and business (as determined by means of a tailored questionnaire template similar to that used for all other service providers) and that the terms of remuneration are competitive and reasonable for the shareholders;
- 8.3.2 review and make recommendations on any proposed amendment or material breach of the Administration Agreement;
- 8.3.3 review the terms of engagement by the Company of all other service providers (excluding the Company’s auditor, which shall be reviewed by the Audit Committee) and ensure that they continue to meet the original objective and are operating satisfactorily to ensure the safe and accurate management and administration of the Company’s affairs and business and that the terms of remuneration are competitive and reasonable for the shareholders;
- 8.3.4 review and make recommendations on any proposed amendment or material breach of any such terms of engagement; and
- 8.3.5 secure confirmation from the Manager that it has performed an appropriate level of due diligence with respect to both new and existing service providers, and on receipt of this confirmation, make recommendations to the Board and / or the Chair.

8.4 Environmental, Social, And Governance Matters (“ESG”)

- 8.4.1 The Committee shall make due enquiry of its service providers, including the investment manager, as to their ESG policies and actions such that it shall be able to:

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- (i) assess the extent to which each service provider aligns with the Company’s own ESG policy; and
- (ii) inform the Board’s assessment of the ESG risks that each engagement represents.

8.5 The Committee shall work and liaise as necessary with all other board committees.

9. REPORTING RESPONSIBILITIES

9.1 The Committee Chair shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.

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

10. OTHER MATTERS

The Committee:

10.1 shall ensure they have access to sufficient resources in order to carry out its duties, including access to the Company Secretary for assistance as required; and

10.2 will arrange for periodic reviews of its own performance and, at least annually, formally review these terms of reference to ensure that it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.