

26 May 2023

RESULTS FOR THE 12 MONTHS ENDED 31 JANUARY 2023

Resilient NAV per share performance in a challenging period, with continued outperformance of public markets

HarbourVest Global Private Equity Limited ("HVPE" or the "Company"), a FTSE 250 investment company with global exposure to private companies, managed by HarbourVest Partners, today announces its audited results for the 12 months ended 31 January 2023.

Highlights - Year to 31 January 2023

Resilient net asset value ("NAV") per share, demonstrating benefits of well-diversified portfolio

- NAV per share fell 1.2% to \$48.52 (31 January 2022: \$49.11) vs FTSE All-World Total Return ("FTSE AW TR") Index fall of 7.3%.
- Gains across infrastructure and real assets, credit, and small to mid-cap buyouts partially offset declines in venture and growth equity, and large buyouts, highlighting the benefits of diversification.
- Analysis across a large proportion of portfolio exits in the period showed a weighted average uplift to pre-transaction carrying value of 31%.¹

NAV per share outperformance of public markets continues

- Outperformance of the FTSE AW TR Index of 6.1% over the financial year, and 5.7% annualised over the past ten years.
- Absolute NAV per share return of 289% over the ten years to 31 January 2023.

PERFORMANCE AS AT 31 JANUARY 2023

	1y	3y	5y	10y	Since inception (2007)
NAV per share (\$)²	-1%	76%	126%	289%	385%
Share price total return (\$)	-27%	12%	53%	208%	166%
Share price total return (GBP)	-20%	20%	77%	296%	339%
FTSE AW total return (\$)	-7%	24%	34%	133%	133%
<i>Annualised NAV per share outperformance vs FTSE AW TR Index (\$)³</i>	6%	13%	12%	6%	5%

¹ As at 31 January 2023. This analysis represents a subset of the transactions and does not represent the portfolio as a whole. For 2023, the analysis covers 85% of the total value of the transactions. Additionally, it does not reflect management fees, carried interest and other expenses of the HarbourVest funds or the underlying managers, which will reduce returns.

² Final audited NAV per share figures used (not January monthly estimates).

³ '%' here refers to percentage point outperformance.

Net investor over the period

- A net \$56 million cash invested (2022: net \$320 million cash received).
 - Total of \$532 million cash distributions received (2022: \$835 million).

- Total of \$588 million capital calls paid (2022: \$515 million).
- Buybacks totalling \$18.8 million (£17.0 million) completed during the year.

Balance sheet remains strong

- \$198 million of cash on the balance sheet at 31 January 2023 (2022: \$284 million)
- Credit facility increased by \$100 million to \$800 million in August 2022, with new lender added to syndicate.
- New commitments of \$940 million over period (2022: \$1.4 billion) with total investment pipeline of \$2.8 billion (2022: \$2.4 billion) at financial year end.
- Latest balance sheet update can be found in the [Monthly Update for 30 April 2023](#).

New share buyback launched

- The Board and Investment Manager recently conducted a review of the case for share buybacks using its established framework.
- Following this, the Board will conduct another share buyback and intends to repurchase \$25 million of shares.
- The Board's core presumption continues to be that, in normal conditions, reinvesting capital into new private markets opportunities, should provide a better outcome for shareholders over the long term.

Ed Warner, Chair of HVPE, said:

"HVPE delivered resilient NAV performance during another extraordinary year in the markets, testament to our well-diversified portfolio and the quality of our managers who use their expertise to navigate their portfolio companies through more challenging times.

"Investment really is a long-term process. HVPE is investing in illiquid private assets, which take time and patience. We have a track record of materially outperforming public markets through the cycle, and over the last ten years have delivered an annualised NAV per share return 5.7% above the FTSE All World Total Return Index.

"The Board is conscious of the challenges that lie ahead, yet remains optimistic as we believe private markets will yet again demonstrate their adaptability and thrive. We are confident in our reported NAV and believe that over time the portfolio will once again prove its quality, and investors in turn will be rewarded by the Company's long-term results."

Annual Report and Accounts

To view the Company's Annual Report and Accounts please visit HVPE's result centre: <https://www.hvpe.com/shareholders/results-centre/>. Page number references in this announcement refer to pages in this report. The Annual Report and Accounts will also shortly be available on the National Storage Mechanism, here: <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>.

Annual General Meeting ("AGM")

HVPE's AGM will be held in Guernsey at 1:00PM BST on 19 July 2023. Formal notice will be sent to registered shareholders in the coming weeks. We hope that all registered shareholders will exercise their votes by proxy.

Capital Markets Morning

In advance of the formal AGM, HVPE will hold a hybrid (in-person/virtual) Capital Markets Session on the morning of 22 June 2023 from 9:00AM BST. Shareholders should contact Amelia Bissett at hvpe_events@harbourvest.com should they wish to attend.

Annual Results Presentation

HVPE will publish a new presentation on its website to supplement the publication of the Annual Results for the 12 months ended 31 January 2023. The presentation will be available to view and download from www.hvpe.com at 11:00AM BST today.

- ENDS -

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Notes to Editors:

About HVPE:

HarbourVest Global Private Equity Limited ("HVPE" or the "Company") is a Guernsey-incorporated, closed-end investment company which is listed on the Main Market of the London Stock Exchange and is a constituent of the FTSE 250 index. HVPE is designed to offer shareholders long-term capital appreciation by investing in a private equity portfolio diversified by geography, stage of investment, vintage year, and industry. The Company invests in and alongside HarbourVest-managed funds which focus on primary fund commitments, secondary investments and direct co-investments in operating companies. HVPE's investment manager is HarbourVest Advisers L.P., an affiliate of HarbourVest Partners, LLC, an independent, global private markets asset manager with 40 years of experience.

About HarbourVest Partners, LLC:

HarbourVest is an independent, global private markets firm with 40 years of experience and more than \$106 billion of assets under management as of December 31, 2022. Our interwoven platform provides clients access to global primary funds, secondary transactions, direct co-investments, real assets and infrastructure, and private credit. Our strengths extend across strategies, enabled by our team of more than 1,000 employees, including more than 215 investment professionals across Asia, Europe, and the Americas. Across our private markets platform, our team has committed more than \$55 billion to newly-formed funds, completed over \$46 billion in secondary purchases, and invested over \$33 billion in directly operating companies. We partner strategically and plan our offerings innovatively to provide our clients with access, insight, and global opportunities.

This announcement is for information purposes only and does not constitute or form part of any offer to issue or sell, or the solicitation of an offer to acquire, purchase or subscribe for, any securities in any jurisdiction and should not be relied upon in connection with any decision to subscribe for or acquire any Shares. In particular, this announcement does not

constitute or form part of any offer to issue or sell, or the solicitation of an offer to acquire, purchase or subscribe for, any securities in the United States or to US Persons (as defined in Regulation S under the US Securities Act of 1933, as amended ("**US Persons**")). Neither this announcement nor any copy of it may be taken, released, published or distributed, directly or indirectly to US Persons or in or into the United States (including its territories and possessions), Canada, Australia or Japan, or any jurisdiction where such action would be unlawful. Accordingly, recipients represent that they are able to receive this announcement without contravention of any applicable legal or regulatory restrictions in the jurisdiction in which they reside or conduct business. No recipient may distribute, or make available, this announcement (directly or indirectly) to any other person. Recipients of this announcement should inform themselves about and observe any applicable legal requirements in their jurisdictions.

The Shares have not been and will not be registered under the US Securities Act of 1933, as amended (the "**Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States and, accordingly, may not be offered, sold, resold, transferred, delivered or distributed, directly or indirectly, within the United States or to US Persons. In addition, the Company is not registered under the US Investment Company Act of 1940, as amended (the "**Investment Company Act**") and shareholders of the Company will not have the protections of that act. There will be no public offer of the Shares in the United States or to US Persons.

This announcement has been prepared by the Company and its investment manager, HarbourVest Advisers L.P. (the "**Investment Manager**"). No liability whatsoever (whether in negligence or otherwise) arising directly or indirectly from the use of this announcement is accepted and no representation, warranty or undertaking, express or implied, is or will be made by the Company, the Investment Manager or any of their respective directors, officers, employees, advisers, representatives or other agents ("**Agents**") for any information or any of the opinions contained herein or for any errors, omissions or misstatements. None of the Investment Manager nor any of their respective Agents makes or has been authorised to make any representation or warranties (express or implied) in relation to the Company or as to the truth, accuracy or completeness of this announcement, or any other written or oral statement provided. In particular, no representation or warranty is given as to the achievement or reasonableness of, and no reliance should be placed on any projections, targets, estimates or forecasts contained in this announcement and nothing in this announcement is or should be relied on as a promise or representation as to the future.

Epidemics, Pandemics and Other Health Risks - Many countries have experienced infectious illnesses in recent decades, including swine flu, avian influenza, SARS and 2019-nCoV (the "Coronavirus"). In December 2019, an initial outbreak of the Coronavirus was reported in Hubei, China. Since then, a large and growing number of cases have been confirmed around the world. The Coronavirus outbreak has resulted in numerous deaths and the imposition of both local and more widespread "work from home" and other quarantine measures, border closures and other travel restrictions causing social unrest and commercial disruption on a global scale. The World Health Organization has declared the Coronavirus outbreak a pandemic. The ongoing spread of the Coronavirus has had and will continue to have a material adverse impact on local economies in the affected jurisdictions and also on the global economy as cross-border commercial activity and market sentiment are increasingly impacted by the outbreak and government and other measures seeking to contain its spread. In addition to these developments having potentially adverse consequences for underlying portfolio investments of the HarbourVest funds and the value of the investments therein, the operations of HVPE, the Investment Manager, and HVPE's portfolio of HarbourVest funds have been, and could continue to be, adversely impacted, including through quarantine measures and travel restrictions imposed on personnel or service providers based around the world, and any related health issues of such personnel or service providers. Any of the

foregoing events could materially and adversely affect the Investment Manager's ability to source, manage and divest its investments and its ability to fulfil its investment objectives. Similar consequences could arise with respect to other comparable infectious diseases.

Other than as required by applicable laws, the Company gives no undertaking to update this announcement or any additional information, or to correct any inaccuracies in it which may become apparent and the distribution of this announcement. The information contained in this announcement is given at the date of its publication and is subject to updating, revision and amendment. The contents of this announcement have not been approved by any competent regulatory or supervisory authority.

This announcement includes statements that are, or may be deemed to be, "forward looking statements". These forward looking statements can be identified by the use of forward looking terminology, including the terms "believes", "projects", "estimates", "anticipates", "expects", "intends", "plans", "goal", "target", "aim", "may", "will", "would", "could", "should" or "continue" or, in each case, their negative or other variations or comparable terminology. These forward looking statements include all matters that are not historical facts and include statements regarding the intentions, beliefs or current expectations of the Company. By their nature, forward looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future and may be beyond the Company's ability to control or predict. Forward looking statements are not guarantees of future performance. More detailed information on the potential factors which could affect the financial results of the Company is contained in the Company's public filings and reports.

All investments are subject to risk. Past performance is no guarantee of future returns. Prospective investors are advised to seek expert legal, financial, tax and other professional advice before making any investment decision. The value of investments may fluctuate. Results achieved in the past are no guarantee of future results.

This announcement is issued by the Company, whose registered address is BNP Paribas House, St Julian's Avenue, St Peter Port, Guernsey, GY1 1WA

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Chair's statement

Dear Shareholder

This has been another extraordinary year in the markets. The war in Ukraine, intensifying geopolitical tensions, sharply higher inflation and interest rates, and the recent crisis in sections of the banking sector have all contributed to greater uncertainty, knocking investor confidence. In spite of tentative signs of renewed optimism, and so a more positive trajectory in stock market indices since the start of 2023, many risks remain. While HVPE delivered resilient NAV performance throughout the financial year, its share price has been negatively impacted by the broader market conditions, compounded by negative sentiment surrounding our specific sector, as I discuss in more detail below. As always, we extend our thanks to all shareholders who have continued to hold the Company's shares, as well as those who have joined its register during the year. We are very grateful for your support.

The Board is hopeful that the pessimism undermining markets will dissipate this year and that the wide discount to NAV that HVPE's shares currently trade at will start to unwind as conditions normalise. We have the utmost conviction in our diversified strategy, and in our Investment Manager, HarbourVest Partners, who we believe is well placed to steer the

portfolio through these more challenging times. HarbourVest is deeply engaged with the managers with which it invests, typically taking seats on the advisory boards of their funds. This provides an additional layer of governance and oversight, and these strong relationships help to ensure that HVPE continues to benefit from exposure to hard-to-access funds. The result is a carefully selected, well-diversified portfolio of high-quality private companies, positioned to deliver continued outperformance of public markets and positive results for HVPE's shareholders over the long term.

Financial Performance

HVPE's NAV per share remained resilient over the financial year, experiencing a marginal decline of 1.2%. This compares favourably with the FTSE All-World Total Return Index which saw a decline of 7.3% over the same period. We are aware that some investors in the wider market hold concerns around private company valuations, but we stay close to the Investment Manager and share its belief that such views are very largely misplaced. Private market valuations did not keep pace as public markets rose in 2020 and through 2021, and hence have been less impacted by falls in 2022. We see no indication of a systemic problem, and while the valuation process in private markets will always involve a degree of subjectivity, we believe that the vast majority of managers in this sphere adopt an appropriate level of rigour and conservatism. For more detail on valuations, please see page 38 of the Investment Manager's report.

Over the financial year, gains across infrastructure, real assets and credit, and small to mid-cap buyouts were offset by declines in the venture and growth equity and large buyouts, driving the overall modest NAV per share decline. HVPE continues to benefit from sales of underlying company investments at a premium to their carrying value in the portfolio, demonstrating the inherent conservatism in the calculation of its NAV.

As always, I urge shareholders to look at the long-term performance of HVPE. NAV per share has grown at a compound annual growth rate of 14.6% for the last ten years and over the same period shareholders have experienced a total gain of 296%. It might be a truism, but investment really is a long-term process. HVPE is investing in illiquid private assets, which takes time and patience, but we have a track record of materially outperforming public markets through the cycle. To date we have succeeded, delivering a NAV per share return premium of 5.7% per annum above the FTSE All-World Total Return Index over the last ten years.

Share Price and Discount

I am disappointed that I am unable to report similar resilience in HVPE's shares. Our share price, along with those of many peers, does not reflect the Company's fundamentals, driven by market sentiment which seems particularly negative in our sector. The Board remains hugely frustrated at the resulting extreme discount to NAV at which the shares have traded more recently, and we remain focused on finding ways to improve the experience for loyal shareholders. It is clear there is no silver bullet, but the Board has continued to assess the best course of action. I can assure you, we are not complacent and a number of options have been discussed. Following a recent review, I am pleased to announce that the Board intends to repurchase up to \$25 million of the Company's shares. While this is a capital allocation decision, and so we do not expect this action to narrow the discount by itself, we hope that it does demonstrate the Board's confidence in HVPE's reported NAV and the outlook for the portfolio in the years ahead.

Company Activity

Balance Sheet, Capital Allocation and Portfolio Cash Flows

Careful management is critical for any closed-ended investment company holding illiquid assets. We pride ourselves on diligent oversight and prudent management of the balance

sheet to ensure its strength and allow for optimum capital allocation. The Investment Manager conducts rigorous modelling and stress-testing, as outlined on page 18. In the summer of 2022, as reported on page four of the Company's Semi-Annual Report and Accounts, the Board and Investment Manager conducted a review of the case for share buybacks using its established framework based on a number of criteria. As a result, in September 2022, HVPE bought back 757,864 shares for cancellation at an average price of £22.40 per share for a total consideration of £17.0 million (\$18.8 million). This exercise added \$0.24 to NAV per share. The Board's core presumption is that in normal conditions, reinvesting capital into new private market opportunities, rather than buying back shares, should provide a better outcome for our shareholders over the long term. However, it appreciates there are times when repurchasing shares represents an attractive investment and makes sense from a capital allocation perspective.

Over the financial year, calls and distributions were robust, totalling \$588 million and \$532 million respectively. This meant HVPE was a net investor by \$56 million, contributing to a reduction in the cash balance. As at 31 January 2023, HVPE had \$198 million of cash on the balance sheet, down from the \$284 million at the end of the prior financial year, and the Company's \$800 million credit facility remained undrawn.

In January 2023, following the formal receipt of notices from the lenders, the credit facility reverted to a conventional fixed-term arrangement, having previously featured an evergreen term. The \$400 million commitment from main lender Credit Suisse AG London Branch, and the \$300 million from Mitsubishi UFJ Trust Banking Corporation, acting through its New York Branch, will expire on 12 January 2028. The remaining \$100 million from The Guardians of New Zealand Superannuation will expire on 15 August 2027. The Investment Manager has already embarked on a project to explore the credit market to ensure that HVPE is well-placed to extend this long-duration facility well in advance of the expiry date. After the period end, as a prudent measure when the crisis in the banking sector emerged, we drew down \$200 million on the credit facility.

Stakeholder Engagement

The Board remains committed to effective engagement with its stakeholders. Several processes are ingrained into Board operations to ensure this is carried out. We outline our activity on pages 24 to 27. I am pleased that a return to normality post-pandemic has allowed us to reinstate a higher level of in-person interactions – both in terms of engagement with the Investment Manager and external industry experts, as well as with our shareholders. Last year also saw a return to an in-person, hybrid Capital Markets event hosted at the offices of our then recently appointed joint broker, Peel Hunt. We look forward to holding a similar event this year, as detailed below.

Board and Succession Planning

We believe effective succession planning is key to the success of the Board. In the period under review, and as reported last year, we were pleased to appoint Anulika Ajufo as an Independent Non-Executive Director, as detailed on page 91. Alan Hodson stepped down in July 2022, as trailed in last year's Annual Report and Accounts.

Peter Wilson, one of our non-independent Directors, will be stepping down from the Board at the July 2023 Annual General Meeting ("AGM"). We would like to thank Peter for his great commitment and deep insights over the last nine years. After careful consideration, including discussion with the HVPE Board, HarbourVest Partners has decided not to appoint a replacement non-independent director.

Focus on Environmental, Social, and Governance ("ESG")

The Board remains committed to the highest standards of corporate governance and to improving HVPE's social and environmental impacts to the extent that it can, in close

collaboration with HarbourVest Partners. We have continued to receive regular updates from the Investment Manager in this regard over the year, and remain encouraged by the positive progress made. We are pleased to include an expanded ESG section from the Investment Manager on pages 44 to 51.

Brand and Messaging

I am pleased to announce the new “HVPE” logo and fresh design for the Company. We have been working on enhancing the brand to create a distinct and modern look that we hope will resonate with investors. Alongside this, we intend to provide more information about the Company and insight into its portfolio as we move forward. Post-year end, we moved to publishing a list of the top 25 companies on a monthly basis on the HVPE website. Investors looking for more information and videos on HVPE, as well as insights from HarbourVest, should visit the dedicated News and Views section on the website at www.hvpe.com. We believe that trying to simplify the Company’s proposition, as well as educate prospective investors, will yield a better understanding of the business and encourage further investment.

Annual General Meeting and Capital Markets Morning

HVPE’s AGM will be held in Guernsey at 1.00p.m. BST on 19 July 2023. Formal notice will be sent to registered shareholders in the coming weeks. We hope that all registered shareholders will exercise their votes in person or by proxy. Except for Peter Wilson, who will be stepping down at this AGM, all Directors will submit themselves for re-election. As in prior years, in advance of the formal AGM, HVPE will hold a Capital Markets event for shareholders. This will take place in the morning of 22 June 2023 from 9.00AM BST, and will assume a hybrid (in-person and virtual) format. Shareholders should contact Amelia Bissett at hvpe_events@harbourvest.com should they wish to attend.

Company Prospects and Outlook

The Board is conscious of the challenges that lie ahead, yet remains optimistic that HVPE’s diversified portfolio is well positioned. While today’s macroeconomic backdrop may feel uncharted, much of this has been seen before, and experienced by HarbourVest and by private markets professionals. Sceptics may predict a reckoning for the industry – essentially calling time on thousands of businesses – but we believe, as demonstrated by recent history, that private markets will again demonstrate they are capable of adapting and thriving in these times.

The asset class is not immune to the difficulties posed by an adverse macroeconomic environment, and we are mindful that operating performance could start to come under pressure in some businesses. The key for HVPE is to continue to back those managers who can use their expertise to drive and support their portfolio companies through more challenging times, whilst capitalising on attractive investment opportunities as they arise.

Your Board remains dedicated to strong corporate governance and the diligent oversight of HVPE on behalf of its shareholders. We are confident in our reported NAV and believe that over time the portfolio will continue to prove its quality and investors in turn will be rewarded by the Company’s long-term results.

Ed Warner

Chair

25 May 2023

Principal risks and uncertainties

Risk Factors and Internal Controls

The Board is responsible for the Company's risk management and internal control systems, and actively monitors the risks faced by the Company, taking steps to mitigate and minimise these where possible. Further details on the Board's governance and oversight can be found on pages 78 to 99.

Risk Appetite

The Board's investment risk appetite is to follow an over-commitment policy that allows balanced, regular investment through economic and investment cycles whilst ensuring that it has access to sufficient funding for any potential negative cash flow situations, including under an Extreme Downside scenario. At the same time, the funding available to the Company by way of cash balances and lending facilities is managed to ensure that its cost, by way of interest, facility fees, or cash drag, is reasonable. When considering other risks, the Board's risk appetite is to balance the potential impact and likelihood of each risk with the cost of any additional control and mitigation measures. In doing so, as a baseline, the Board will seek to follow best practice and remain compliant with all applicable laws, rules, and regulations.

Risk Management

As recommended by the Audit and Risk Committee (see the report on the activities of that Committee on pages 93 to 95), the Directors have adopted a risk management framework to govern how the Board identifies existing and emerging risks, determines risk appetite, identifies mitigation and controls, assesses, monitors and measures risk, and reports on risks.

The Board reviews risks at least twice a year and receives deep-dive reports on specific risks as recommended by the Audit and Risk Committee. The Board divides identified risks into those which have a higher probability and a significant potential impact on performance, strategy, reputation, or operations, and those which are less material and are monitored on a watchlist. The Board also conducts an annual exercise to identify new or emerging risks.

In considering material risks, the Board identified those which should be categorised as principal risks, which are those where the combination of probability and impact was assessed as being most significant and which the Board therefore considers could seriously affect the performance, future prospects, or reputation of the Company. These principal risks are described below and include all those previously identified by the Board, together with an additional risk relating to valuation which was classified as a principal risk just after the year end in February 2023. The commentary below seeks to capture recent developments to give an up-to-date sense of the risks faced by the Company.

Principal Risk	Description and Potential Impact	Mitigation and Management	Commentary
Balance Sheet Risks Risks to the Company's balance sheet resulting from its over-	The Company's balance sheet strategy and its policy for the utilisation of leverage are described on page	The size and term of the Company's credit facility has historically mitigated this risk. The Board	Increased risk As described in last year's Financial Statements, after strong growth in 2021, the Board had authorised an increase in

commitment strategy, borrowing arrangements, and policy for the use of leverage.

83. The Company continues to maintain an over-commitment strategy and may draw on its credit facility to bridge periods of negative cash flow when capital calls on investments are greater than distributions. The level of potential borrowing available under the credit facility could be negatively affected by a declining NAV. In a period of declining NAV, reduced realisations, and rapid substantial capital calls, the Company's net leverage ratio could increase beyond an appropriate level, resulting in a need to sell assets. A reduction in the availability or utilisation of borrowing at the HarbourVest fund level, or accelerated repayment thereof, could result in an increase in capital calls to a level in excess of the modelled scenarios. Specific factors affecting one or more lenders of the Company's credit facility may also restrict HVPE's capacity to borrow, and may impact the ability for the credit facility to be

has put a monitoring programme in place, determined with reference to portfolio models, in order to mitigate against the requirement to sell assets at a discount during any periods of NAV decline. The monitoring programme also considers the level of borrowing at the HarbourVest fund level which is factored into the credit facility loan-to-value ratio covenants. Both the Board and the Investment Manager will continue to monitor these metrics actively and will take appropriate action as required, such as pausing further commitments, to attempt to mitigate these risks. Please also see the Going Concern and Viability Statement on pages 87 and 88 for information on the scenarios that are

commitments in 2022 but, given the uncertain economic backdrop, the Board has been cautious about the pacing of those new commitments. As explained on page 17, in January 2023 the providers of the credit facility gave notice, effectively changing the facility from an evergreen term to a fixed term, with \$100 million expiring in August 2027 and the remaining \$700 million of the facility expiring in January 2028. Post-period end, in March 2023, Credit Suisse, which contributes \$400 million of the \$800 million facility, faced questions about its financial strength, which resulted in the Swiss National Bank stepping in with support and ultimately to the acquisition of Credit Suisse by UBS Group AG ("UBS"). A planned review of the credit facility has therefore been accelerated. The Company has drawn down \$200 million from the facility as a contingency for shorter-term negative cash flow scenarios.

renewed on attractive terms.

considered by the Board.

Popularity of Listed Private Equity Sector

The risk that investor sentiment may change towards the listed private equity sector as a whole.

Investor sentiment may change towards the Listed Private Equity sector for a number of reasons, resulting in a widening of the Company's share price discount relative to its NAV per share. HVPE's discount is currently much wider than its historical average. This may be because of perceptions of the position of the market in the private equity cycle, perceptions about the cost of private equity investing, or due to investors making their own judgements regarding current valuations given reporting lags.

Private equity as an asset class, and the Company in particular, have performed strongly over recent years. The Company has demonstrated the value of investing through the perceived investment cycle. HVPE continues to make the case for private market investment. While the public markets are increasingly dominated by large, mature businesses, we believe that HVPE's portfolio will continue to benefit from the presence of younger, faster-growing companies choosing to stay private for longer. The Company supports increased transparency regarding industry fees and costs and has reflected that in its own reporting

Increased risk

Discounts across the listed private equity sector have widened during the year as investors have felt that private market valuations have lagged falls in the public markets. Investors were waiting to see how private market valuations adjusted, particularly for Q4 which on the whole are audited numbers. Since the year end, sentiment in the sector has been further damaged by events in the banking sector. Despite measures taken to protect deposits, it remains to be seen what the long-term impact will be on the private equity ecosystem, particularly for venture capital.

through its Key Information Document.

Valuation¹

The risk that market instability leads to continuing uncertainty in private asset valuations based on listed comparables, together with general market scepticism about the likely movement in valuations.

Where there is uncertainty and distrust regarding valuations, investors may make their own judgements which could feed through to the rating of the Company's shares. Consequently, this would increase the discount that the shares trade at relative to NAV per share.

Both the Investment Manager and General Partners of underlying funds value investments in accordance with industry practices and accounting standards. Valuations are audited annually. When the Company reports its monthly NAV it discloses the date of the underlying valuations. The Audit and Risk Committee receives reports on the control environment of the Investment Manager, including that relating to valuations. This is further explained in the report of the Audit and Risk Committee starting on page 93.

Increased risk

Through the latter half of 2022 and post-year end, there has been increasing market scepticism regarding private equity valuations and the share price discount to NAV per share has widened. The HVPE discount has been wider than some peers because of a perception that HVPE is more exposed to venture stage investments where there are greater valuation questions. The Company has issued more granular data since the publication of the Semi-Annual Report and Accounts 2022 to show the look-through exposure to the venture stage, distinct from the growth stage exposure, which can be seen in this report as shown on page 58.

Public Market Risks

The risk of a decline in global public markets or a

The Company makes venture capital and buyout investments in companies where operating

The Company's exposure to individual public markets is partially mitigated by the geographical and

Heightened but stable during the year.

Increased since year end. Due to increasing inflation and interest rates during the year, partly due to the

deterioration in the economic environment.

performance is affected by the broader economic environment within the countries in which those companies carry out business. While these companies are generally privately owned, their valuations are, in most cases, influenced by public market comparables. In addition, at 31 January 2023, approximately 7% of the Company's portfolio was made up of publicly traded securities whose values increase or decrease in response to market movements. When global public markets decline or the economic situation deteriorates, the Company's NAV is usually negatively affected.

sector diversification of the portfolio. In previous downturns private market valuations have not been impacted as much as public markets and there has been a dampened effect on volatility.

ongoing conflict in Ukraine, public markets remained volatile. Post-year end there was further market volatility, with several banks revealing particular problems in parts of the banking sector in the higher interest rate environment.

Performance of HarbourVest
The risk posed by the Company's dependence on its Investment Manager.

The Company is dependent on its Investment Manager and HarbourVest's investment professionals. With the exception of 16 secondary co-investments, all of the Company's assets, save for

HarbourVest has a long-term track record in managing its investment portfolios with stability within its investment teams and consistent investment processes. The performance of HarbourVest is

Stable
Investment performance during the year suffered in absolute terms given the economic backdrop but performance relative to peers remained strong. No material matters of concern regarding the HarbourVest control environment arose during the year.

cash balances and short-term liquid investments, are invested in HarbourVest funds. Significant reliance is placed by the Company on HarbourVest's control environment.

monitored by the Management Engagement and Service Provider Committee as detailed on page 96. The HarbourVest control environment is assessed by the Audit and Risk Committee as detailed on pages 93 to 95.

Trading Liquidity and Price

The risk that an insufficient number of shares in the Company are traded, widening the discount of the share price relative to the NAV per share.

Any ongoing discount to NAV per share that is materially different from the Company's peer group has the potential to damage the Company's reputation and to cause shareholder dissatisfaction. During periods of short-term market stress, supply and demand for shares can be impacted. If demand decreases or supply increases disproportionately, the bid/offer spread could widen, resulting in less attractive pricing for investors seeking to buy or sell shares in the short term. Also, in the event that a substantial shareholder chooses to exit the share register, this may have an

The Company's shares trade on the Main Market of the London Stock Exchange, which generally provides good liquidity and accessibility to a wide range of potential shareholders. In addition, the Board continues to monitor the discount to NAV per share. The Board has overseen the allocation of additional investor relations resource in recent years and the Company has attracted new shareholders. Through its own activities, and those of the Investment Manager, the Board seeks to drive improved liquidity over the medium to long term by promoting the Company's shares to a broad range of prospective investors.

Increased risk

Liquidity in the shares, measured by mean daily trading volume, is an important KPI. The mean has decreased during the period, as shown on page 14. The proportion of the share register that is held by substantial shareholders (more than 5% of voting rights) increased during the financial year from 19% at 31 January 2022 to 23% at 31 January 2023 (see details on page 84) – with the latest figure at 28 April 2023 standing at 18%. Additionally, the proportion held by individual private investors increased from 14% to 16% during the financial year under review. However, notwithstanding these positive developments, the share price discount to NAV per share has remained high due to the factors noted above regarding the popularity of the listed private equity sector and valuations.

effect on the Company's share price and consequently the discount to NAV per share.

ESG Risk

The risk that the Company or the Investment Manager fails to respond appropriately to the increasing global focus on Environmental, Social and Governance issues.

The Company is exposed to the impact of a mismanagement or failure to recognise potential ESG issues at portfolio company level, industry level, service provider, and Board level, which could damage the reputation and standing of the Company and ultimately affect its investment performance.

HVPE has established its own policy in relation to ESG. This includes close oversight of service providers and particularly of the Investment Manager. The Investment Manager has ESG policies in place and actively engages with underlying managers to assess their ESG credentials. The Board will continue its close oversight of these processes to assess whether they are adequate and continue to develop in accordance with regulation and best practice.

Increased risk

See pages 44 to 51 for a description of the Investment Manager's developments regarding ESG in the year.

This is an area of increasing focus for investors and regulators.

¹ This was formally classified as a Principal Risk following the year end.

Investment Manager's Review

Introduction

In this section, Richard Hickman, Managing Director, HVPE, who is responsible for the day-to-day management of the Company, reflects on the financial year and shares his outlook. Richard joined HarbourVest in 2014 and has a total of 17 years' experience in the listed private equity sector.

Introduction

The 12 months to 31 January 2023 saw a confluence of events sufficient to challenge even the most seasoned investor. Whilst initially there was a tailwind in terms of the ending of pandemic-related restrictions and a return to 'normal', multiple headwinds soon emerged in the form of a tragic new war, rising inflation and interest rates, and a stock

market sell-off. Events in the banking sector post-period end have complicated matters further, creating heightened concern over the impact of further interest rate increases. It is therefore important to remind our stakeholders that a diversified global portfolio is a key strength of HVPE's in times like this. HarbourVest Partners, has witnessed multiple periods of economic dislocation over its 40-year history, and its carefully considered approach to portfolio construction reflects the lessons learned over that time. Furthermore, in recent years a more sophisticated level of quantitative analysis has been brought to bear on the investment and portfolio management processes, leading to greater insight into the source of returns historically and hence, we believe, greater potential for outperformance going forward. Historic evidence suggests that the cost of missing good vintages outweighs the cost of being invested during low-performing vintages¹, further highlighting the importance of staying the course and investing consistently, even through adverse market conditions. This can be a challenge for investors psychologically when markets are volatile and investor sentiment is negative, and HVPE is certainly not immune from near-term shocks, but we do believe that long-term, consistent investing is the best approach to optimising returns through the cycle.

Private Markets Industry²

Private markets activity in 2022 slowed from the record-breaking pace of 2021, reverting to more typical historical long-term averages.

Exits trended downwards year-on-year by both volume and value, as GPs opted to hold onto investments rather than sell into an uncertain market at lower valuations. Despite this, of the exits that did occur in 2022, the median value was still greater than the pre-COVID norm. This resilience stems largely from sponsor-to-sponsor exits, which made up 45% of US PE exit value, up from the ten-year average of 39% amid a virtually non-existent IPO market.

It was a challenging period for fundraising globally, but particularly in Europe where volumes more than halved in 2022 versus 2021, with the region posting its smallest total since 2014. This is due, in large part, to investors facing uncertainty arising from geopolitical tensions, a spike in energy costs, higher general inflation and monetary tightening, and thus opting to wait before committing more capital. Allocation issues also would have likely impacted this, owing to the "denominator effect", whereby declines in public markets have led private holdings to make up a larger proportion of LPs' portfolios.

New deal activity remained resilient throughout 2022, in particular in the first half of the calendar year. The worsening macroeconomic environment lent itself to larger numbers of smaller deals, with take-privates a growing trend as GPs seized the opportunity to acquire public companies at lower valuations. As central banks continued to raise interest rates in the battle against inflation, this had a number of knock-on effects, including greater uncertainty in the outlook for many businesses, but also opportunity for our experienced private markets managers with a history of navigating previous crises over the last several decades.

Impact of Rising Interest Rates

The post-2008 period of ultra-low interest rates had to come to an end at some point, but the speed of rate rises over the past 12 months must have taken even the most pessimistic commentator by surprise. This has had wide-reaching impacts – not least on investor confidence – and ultimately triggered a crisis in parts of the banking sector which, fortunately, for the most part appears to have been contained thus far.

The combined effects of high inflation and rising rates have undoubtedly been felt by some of the underlying portfolio companies, but so far there has been an impressive degree of resilience, both in terms of operational performance and continued value growth

in large parts of the portfolio. This resilience demonstrates the prowess of our investment managers and quality of the underlying portfolio. As noted in the Investment Manager's report in the Annual Report and Accounts 2022, for some time, a key area of focus for HarbourVest and many underlying GPs when evaluating prospective new investee companies has been their ability to maintain pricing power whilst securing their supply chains against potential shocks. Base case return projections have generally been evaluated on the assumption of a declining valuation multiple during the hold period, and in the majority of buyout investments, debt packages have incorporated at least a partial hedge against rising interest rates. Furthermore, analysis conducted by an industry analyst has shown that increases in interest rates of the order of 300-400 basis points, consistent with the rise in base rates so far, have only a limited impact on the overall return multiple achieved in a typical buyout deal, all else being equal³.

Another impact is on the credit markets which will have a knock-on effect on the portfolio, via investee company debt packages and also the credit lines used by GPs to manage cash flows for their investors. While credit availability has begun to tighten, we have seen the emergence of an increasing number of non-traditional lenders supplementing the market. As a reminder, HVPE's exposure to debt at the portfolio company level tends to be lower than might be expected given its relatively modest exposure (19%) to larger buyouts. At the partnership level, we may see more capital calls and/or fewer distributions as managers begin to reduce the utilisation of subscription lines, and the same could apply at the HarbourVest fund level, so we are mindful that cash flows could be impacted adversely. We note, however, that in the latter case, HarbourVest works with a broadly diversified group of financial institutions to provide bank account services and credit facilities for its fund programmes, so the risk of a sudden reduction in credit availability across the platform is limited.

1 Research from HarbourVest Partners, 2020.

2 "Pitchbook 2022 Annual US PE Breakdown" and "Pitchbook 2022 Annual European PE Breakdown", January 2023.

3 Jefferies, March 2023.

Valuations

In light of the wide-ranging movements of public equity markets more recently, many investors have been surprised by the relatively modest value reductions in HVPE's portfolio and those of some peers in the listed private equity sector and beyond. We should recall that private market valuations have historically been less volatile than public markets both on the upside and downside¹. Private valuations were not, in most cases, written up in line with the peaks seen in public markets in 2021, and therefore should not be expected to suffer to the same degree on the downside. A strict, consistent valuation methodology and audit process through the HVPE structure should give shareholders comfort in the validity of our published NAV, whilst our well-diversified portfolio continues to provide resilience in challenging markets.

Any remaining valuation scepticism might be allayed by noting that maturing portfolio investments are still being realised at a premium to carrying value. HVPE's weighted average uplift to pre-transaction carrying value for a large sample of transactions over the period was 31%. Others across the industry also report similar positive uplift figures². This sustains a long-run trend whereby private markets managers have achieved successful exits in a variety of market environments.

Outlook³

HVPE remains focused on optimising its portfolio in accordance with the Strategic Asset Allocation targets. The Board and Investment Manager made no changes to the targets in the year under review, consistent with its view that in times of volatility it is important to

maintain a consistent long-term outlook. On a geographical basis, we continue to believe that private markets in the US are well-positioned to provide strong returns in the years ahead, and that the potential for further penetration of private capital in Europe continues to grow. Meanwhile, concerns over China should not dampen optimism around wider growth opportunities in Asia overall, and HVPE remains committed to allocating 20% of its capital to the region on a rolling five-year basis (currently 15% at 31 January 2023). From an investment stage perspective, Buyouts remain our largest allocation as we believe that high-quality managers in this space will continue to innovate and adapt in the years ahead, maintaining the potential for premium returns. The Venture and Growth Equity segment, while less fashionable than it was 12 months ago, nevertheless continues to nurture high-quality, profitable businesses, some of which could become the S&P 500 titans of tomorrow. Mezzanine, Infrastructure and Real Assets – a segment providing a yield while benefiting from floating rates and other inflation-hedging properties – remains a key component of our portfolio, comprising 9% currently against a target of 10%. As well as its relative stability and low correlation to other parts of the portfolio, the segment is supported by long-term, secular tailwinds such as the energy transition and digitisation. This may help explain why infrastructure and natural resources set a new fundraising record in 2022⁴, firmly against the trend of other sectors facing broader macroeconomic headwinds over the past year.

The outlook today is uncertain on a number of fronts. Long-term trends may have been broken, or they may simply have taken a pause. Either way, HVPE's portfolio is well-positioned to capture the opportunities that will, no doubt, arise across the global private markets as businesses and investors adapt to a rapidly changing environment. This is where HVPE's considered allocation to three overarching investment strategies is particularly important. Primary fund of funds, the bedrock of HVPE's portfolio construction, call capital over a multi-year timeframe, backing high-quality managers as they identify attractive new investments across a broad swathe of the market. Meanwhile, the secondary and direct co-investment strategies are able to take a more opportunistic approach, deploying capital using innovative structures to help manage risk while capturing upside. HVPE's portfolio is dynamic and constantly evolving as legions of expert managers work tirelessly to optimise returns for investors. The Company has delivered strong returns for many years, and it is our firm belief that it can continue to do so in the years ahead.

- 1 Numis, January 2023
- 2 Various peers, including but not limited to, Apax Global Alpha, Pantheon International, ICG Enterprise Trust, HG Capital Trust and RIT Capital all announced exit transactions at an uplift to carrying value over 2022 and 2023.
- 3 "Pitchbook Q2 2022 US PE Breakdown," July 2022
- 4 "McKinsey Global Private Markets Review 2023," March 2023.

Richard Hickman
Managing Director

Investment Manager's report

NAV per Share – 12 Months to 31 January 2023

HVPE's NAV per share declined by 1.2% in the 12 months to 31 January 2023, ending the financial year at \$48.52. Meanwhile, the FTSE AW TR Index (in US dollars), fell by 7.3% in the same period.

Over longer timeframes, HVPE's NAV per share return has been very strong. The 31 January 2023 figure of \$48.52 is more than double the NAV per share figure reported five years earlier (31 January 2018: \$21.46) and almost quadruple the respective figure ten years earlier (31 January 2013: \$12.46). As a reminder, these figures are net of all fees and costs.

HVPE remains well diversified by sector, as demonstrated by the analysis on page 41. We believe that diversification is essential to achieving consistently strong returns from a private markets portfolio. As at 31 January 2023, no single company represented more than 2.4% of the Investment Portfolio value (31 January 2022: 1.7%), helping to mitigate company-specific risk. The top 100 companies in the portfolio represented 29% of total value (31 January 2022: 32%), while the top 1,000 companies represented 81% (31 January 2022: 84%).

In percentage terms, the Secondary portfolio was the best-performing strategy, delivering value growth of 5.8% over the 12 months. Geographically, all regions declined to some extent with the exception of Asia, which grew 1.0% over the reporting period. In terms of stage, Mezzanine and Infrastructure & Real Assets was the strongest performer, growing 11.6% over the 12 months ended 31 January 2023. Buyouts also grew, recording a 3.2% gain, but both of these were wholly offset by a reduction in the value of the Venture & Growth Equity stage assets (-11.8%). More information on the drivers can be found on pages 58.

As at 31 January 2023, HVPE held investments in 61 HarbourVest funds and 16 secondary co-investments⁵ (compared with 57 and 16, respectively, at 31 January 2022). Of these, the largest fund contributors to NAV per share movement in absolute terms during the 12 months to 31 January 2023 are described below:

- Fund X Venture, a US-focused venture fund of funds, was the largest (negative) contributor over the reporting period, reducing NAV per share by \$0.62. With a vintage year of 2015, this fund is in its growth phase. This decrease came predominantly from unrealised losses over the period.
- Fund IX Venture, a US-focused venture fund of funds, was the second-largest contributor over the reporting period, reducing NAV per share by \$0.31. With a vintage year of 2011, this fund is in its mature phase. This decrease came predominantly from unrealised losses over the period.
- Fund XI Buyout, a US-focused buyout fund of funds, was next in absolute terms, and was a positive contributor by adding \$0.31 to NAV per share. With a vintage year of 2018, this fund is in its growth phase. This increase came predominantly from realised gains over the period.
- HarbourVest Infrastructure Income Partnership, a global infrastructure and real assets fund, contributed positively to NAV per share, adding \$0.29 over the reporting period. This increase came predominantly from realised gains.
- Co-Investment IV, a global direct co-investment fund, was next largest in absolute terms, reducing NAV per share by \$0.27. With a vintage year of 2016, this fund is in its growth phase. This decrease came predominantly from unrealised losses over the period.

All of the remaining HarbourVest funds in the portfolio combined contributed to an aggregate \$0.56 increase to HVPE's NAV per share over the period.

5 These include four Secondary Overflow III investments, 11 Secondary Overflow IV investments, and Conversus, referred to as "HVPE Charlotte Co-Investment L.P." in the Audited Consolidated Schedule of Investments.

Portfolio Cash Flows and Balance Sheet

In the 12 months to 31 January 2023, HVPE received cash distributions of \$532 million (12 months to 31 January 2022: \$835 million) while funding capital calls of \$588 million for new investments (12 months to 31 January 2022: \$515 million). The result was net negative cash flow of \$56 million over the reporting period, with HVPE's cash balance decreasing marginally from \$284 million as at 31 January 2022 to \$198 million as at 31 January 2023.

Distributions were driven in large part by particularly strong months in March and December 2022, during which combined cash proceeds of \$220 million were received, largely from the Primary funds. This contributed over 41% of the total distributions over the period.

A meaningful portion of the July 2022 cash distributions (\$53 million, or 80%) came from the redemption of part of HVPE's interest in Adelaide, the HVPE-seeded global infrastructure and real assets vehicle, as a result of its planned conversion into a permanent capital vehicle. In line with the approved base case plan from 2018, HVPE exercised its right to redeem 50% of its original commitment, while rolling the remainder into the new vehicle. Due to the strong performance of this vehicle, the realisation was made at a premium to the value of HVPE's original investment. More distributions are expected from this partial redemption in the coming months, with a further \$18 million received post-period end in February 2023. As communicated at the time, HVPE has begun to receive a share of management fee revenue from the new vehicle in return for having backed Adelaide as the first seed investor.

The largest HarbourVest fund capital calls and distributions over the reporting period are set out in the tables below. The top ten HarbourVest fund calls in aggregate accounted for \$424 million (72%) of the total calls, and came from a broad mix of funds. The majority of total calls by value (74%) were into primary opportunities. The top ten HarbourVest fund distributions totalled \$286 million, or 54% of the total proceeds received in the period. Distributions by value were split between primary investments (70%) and secondary investments (23%), with the remainder coming from direct co-investments.

The HarbourVest fund-level borrowing as at 31 January 2023 is reported in Managing the balance sheet on pages 16 to 19.

Top Five HarbourVest Fund Calls

HarbourVest Fund Name	Vintage Year	Description	Called amount
HIPEP IX	2020	International multi-strategy fund of funds	\$82m
Fund XI Buyout	2018	US-focused buyout fund of funds	\$74m
2021 Global	2021	Global multi-strategy fund of funds	\$46m
Fund XI Venture	2018	US-focused venture fund of funds	\$38m
Fund XII Buyout	2021	US-focused buyout fund of funds	\$37m

Top Five HarbourVest Fund Distributions

HarbourVest Fund Name	Vintage Year	Description	Called amount
Adelaide	2018	Global infrastructure and real assets fund	\$54m
Fund X Buyout	2015	US-focused buyout fund of funds	\$36m
Fund XI Buyout	2018	US-focused buyout fund of funds	\$33m
2015 Global	2015	Global multi-strategy fund of funds	\$31m
HIPEP VII	2014	International multi-strategy fund of funds	\$29m

Portfolio Companies

During the period the ten largest individual company realisations generated total distributions of \$81.4 million, accounting for approximately 15% of all proceeds received. Of these ten companies, four were in HVPE's top 100 portfolio companies at 31 January 2022.

Further details are provided on these four below (ordered by size of distribution). The top ten distributions by value are listed on page 60:

- Hermetic Solutions (WCI-HSG HoldCo), a firm supplying highly-engineered components for aerospace and defence, was HVPE's largest distribution in the reporting period, generating proceeds of \$17.3 million following the acquisition by Qnnect announced in November 2022. It was HVPE's 44th largest company at 31 January 2022.
- Ssangyong C&E Co. Ltd. (formerly Ssangyong Cement Industrial Co.), an integrated cement manufacturer and distributor, was HVPE's 20th largest company at 31 January 2022. Hahn & Co. raised a single asset acquisition fund to acquire Ssangyong C&E from its Fund II and LP co-investors. Following this sale to the single asset acquisition fund, HVPE received proceeds of \$11 million, making it HVPE's second-largest distribution in the financial year.
- Information Resources, Inc., a firm providing market information solutions, analytics, and consulting services, and HVPE's 29th largest portfolio company at 31 January 2022, generated proceeds of \$7.9 million for HVPE following the sale to Hellman & Friedman as announced in April 2022.
- Medius AB, HVPE's 58th largest company at 31 January 2022 and a company that engages in the development of purchase-to-pay and invoice automation software solutions, generated HVPE proceeds of \$6.1 million from the sale of a minority interest to Advent International as announced in March 2022.

M&A Transactions and IPOs

During the 12 months ended 31 January 2023, there were a total of 327 known Merger & Acquisition ("M&A") transactions and IPOs. This represents a significant drop from the high number seen in the 12 months to 31 January 2022, which reflected the strong rebound in transactions post COVID-19.

Approximately 94% (307) of these transactions were M&A (trade sales or sponsor-to-sponsor) transactions, with the remaining 6% (20) being IPOs. It is important to note that IPOs tend to represent a relatively small proportion of exits for HVPE even in normal circumstances, consistent with wider industry trends.

Of HVPE's total 327 known M&A transactions and IPOs, 51% (166) related to buyout-backed companies and 41% (133) to venture-backed companies. The remainder (28, or 8%) related to mezzanine and infrastructure and real assets companies. Over the period, the weighted average uplift to pre-transaction carrying value for a large sample of transactions was 31%¹.

The top five M&A transactions during the period (by contribution to HVPE NAV per share) are listed below. The IPOs during the period were not material contributors to NAV per share and have therefore not been itemised in this report.

Top Five M&A transactions

(by contribution to HVPE NAV per share²)

Viroclinics Biosciences	Buyout	Medical & Biotech	+\$0.10
Information Resources	Buyout	Tech & Software	+\$0.05
Dynapower Holdings	Buyout	Energy & Cleantech	+\$0.04
Techmer PM	Buyout	Industrial & Transport	+\$0.04
Captive Resources	Buyout	Financial	+\$0.04

- 1 These figures represent the weighted average percentage uplift to carrying value of 78 individual company M&A and IPO transactions during the year ended 31 January 2023. This analysis takes each company's value (whether realised or unrealised) at 31 January 2023 and compares it to the carrying value prior to announcement of the transaction. This analysis represents 85% of the total value of transactions in the year ended 31 January 2023 and does not represent the portfolio as a whole. Additionally, it does not reflect management fees, carried interest, and other expenses of the HarbourVest funds or the underlying managers, which will reduce returns. Past performance is not necessarily indicative of future returns.

- 2 As measured since the announcement of the transaction or IPO filing

Top Five IPOs

Note there were no material IPOs that contributed more than +\$0.01 to NAV per share.

Company Activity

New Fund Commitments

In the 12 months ended 31 January 2023, HVPE made total commitments of \$940 million across eight HarbourVest funds and one secondary co-investment (12 months to 31 January 2022: \$1.4 billion). Total unfunded commitments were \$2.8 billion as at 31 January 2023, representing a net increase of \$349 million from 31 January 2022 (\$2.5 billion).

Of the total capital committed in the period, the largest commitment (\$250 million or 27%) was made to a US-focused buyout fund of funds. As buyouts currently stands at 57% of the portfolio, over a rolling five-year period, this commitment brings us closer to the target Strategic Asset Allocation for buyouts of 60%. A complete list of the commitments can be found on page 54. These remain in line with the Company's Strategic Asset Allocation targets and reflect the Investment Manager's and Board's current perspective on the most appropriate portfolio composition required to optimise long-term NAV growth for shareholders.

Share Buybacks

On 21 September 2022, HVPE announced it had begun purchasing its own shares for cancellation. In the 12 months ended 31 January 2023, our joint brokers Jefferies and Peel Hunt between them bought back 757,864 shares for cancellation (0.9% of shares outstanding at the time of purchase) at an average price of £22.40 per share for a total value of £17.0 million (\$18.8 million). This exercise added \$0.24 to NAV per share.

As noted in the 2022 Annual Report and Accounts, the Investment Manager conducts regular reviews of the case for share buybacks from a capital allocation perspective, using an established framework based on a number of criteria as referred to on page 24 of the Company's 2022 Annual Report and Accounts, available at www.hvpe.com/shareholders/reports-presentations/reports. When HVPE's share price moved to an exceptionally wide discount to net asset value over the summer months of 2022, a review was again conducted. As on this occasion all the criteria were satisfied, we decided that repurchasing the Company's shares at this exceptional discount represented an attractive investment and an appropriate allocation of capital. A sale of tail-end positions within HVPE's portfolio provided incremental cash flow, ahead of original projections for 2022. The excess proceeds from this non-routine transaction provided meaningful capital for share buybacks while helping to ensure that HVPE's liquidity position remains robust against the backdrop of an increasingly changeable macroeconomic environment.

As at 31 January 2023, the total number of shares in issue was 79,104,622 shares, a decrease of 757,864 from the 79,862,486 shares in issue at 31 January 2022.

After a further review of share buybacks post-period end, all criteria in HVPE's framework were satisfied and the Board intends to conduct a second share buyback to repurchase up to \$25 million of the Company's shares. In more normal conditions, it remains our core presumption that reinvesting capital into new private markets opportunities, rather than buying back shares, should provide a better outcome for our shareholders over the long term.

Strategic Asset Allocation

The Company's SAA targets are reviewed annually and, in December 2022, the HVPE Board decided that these targets should remain unchanged. The current targets can be seen in the pie charts on pages 40 and 41. The next review is scheduled to take place in November 2023.

Credit Facility

On 16 August 2022, HVPE announced a \$100 million increase to its credit facility, from \$700 million to \$800 million. The additional \$100 million was arranged by Credit Suisse and is being provided by The Guardians of New Zealand Superannuation, as previously described on page 17.

Since January 2019, the Facility featured an evergreen term, with lenders bound by a rolling minimum notice period of five years. As announced on 20 January 2023, following the formal receipt of notices, the Facility reverted to a conventional fixed-term arrangement from an evergreen term. The \$400 million commitment from main lender Credit Suisse, and the \$300 million commitment from Mitsubishi, acting through its New York Branch, will expire on 12 January 2028. The remaining \$100 million from The Guardians of New Zealand Superannuation will expire on 15 August 2027.

More details can be found in Managing the balance sheet on pages 16 to 19.

Recent events

New Commitments Since 31 January 2023

Between 1 February 2023 and 25 May 2023, one new commitment was made to a HarbourVest fund.

HarbourVest Fund	Month Committed	Commitment (\$m)
Dover Street XI	March	\$25
Total		\$25

HVPE Estimated NAV at 30 April 2023

HVPE releases an estimated NAV on a monthly basis. These reports are available on the Company's website, generally within 20 calendar days of the month end.

On 19 May 2023, HVPE published an estimated NAV per share at 30 April 2023 of \$48.38 (£38.52), a decrease of \$0.14 (0.3%) from the final 31 January 2023 NAV (US Generally Accepted Accounting Principles ("GAAP")) figure of \$48.52. This latest NAV per share is based on a valuation breakdown of: 7% as at 30 April 2023 (reflecting the public company holdings in the portfolio) and 93% actual 31 December 2022. Consistent with previous estimated NAV reports, valuations are also adjusted for foreign exchange movements, cash flows, and any known material events to 30 April 2023.

The Investment Pipeline of unfunded commitments decreased marginally from \$2.80 billion at 31 January 2023 to \$2.68 billion at 30 April 2023, based on the new commitments, capital funded, and taking foreign exchange movements into account.

HVPE's cash and equivalents increased from \$198 million at 31 January 2023 to \$313 million at 30 April 2023. As at the same date, the Facility was \$200 million drawn.

HVPE's look-through exposure to borrowing at the HarbourVest fund level increased by \$10 million, from \$517 million at 31 January 2023 to \$527 million at 30 April 2023. The latest balance sheet ratios can be found in the factsheet on the HVPE website: www.hvpe.com.

Share Buybacks

Post-period end, the Board has announced its intention to repurchase up to \$25 million of the Company's shares. This is a capital allocation decision and is not anticipated to narrow the discount by itself.

Credit Facility

Post-period end in March 2023, HVPE initiated a draw of \$200 million on the Facility. This was a prudent measure in light of events in the banking sector and to ensure that HVPE had sufficient liquid resources to meet its near-term obligations. The cash was received on 18 April 2023.

Share Price Since 31 January 2023

Share Price Since 31 January 2023

HVPE's share price has declined slightly since 31 January 2023, driven by rising interest rates, high inflation, and valuation scepticism of private assets after the fall in public markets, alongside continued wider macroeconomic concerns. The closing price of £21.85 on 19 May 2023 represents a fall of 1.1% since the period end.

The market capitalisation of the Company as at 19 May 2023 was £1.7 billion and, as of the same date, HVPE was ranked 77th in the FTSE 250 (20 May 2022: 81st).

Market perspectives and outlook

Market Perspectives from HarbourVest Partners

Peter Wilson

Managing Director, HarbourVest

John Toomey

Managing Director, HarbourVest

Macro uncertainty and geopolitical challenges impacted global markets starting in early 2022, introducing downside pressures not experienced by investors for more than a decade.

Exits and overall liquidity across private markets were negatively impacted in 2022. A deceleration of IPO market activity from Q2 onwards, as well as ongoing volatility in public markets, added greater uncertainty around deal making, capital deployment, and valuations. Private markets showed resilience despite the groundswell of turbulence and a more circumspect approach by investors and GPs, with rising dry powder and overall private capital AUM falling only modestly from 2021's record setting high¹.

A balancing act continues in 2023 with global central banks looking to carefully manage inflation, but not at the expense of financial stability. Recent turmoil in the banking sector shows the system remains under stress and Q1 2023 data reflects a more cautious approach, and a slower investment and realisation pace settling in with investors and GPs alike. That said, we continue to see value creation opportunities, particularly in secondary strategies and across sectors such as healthcare, technology, and impact strategies focused on energy transition.

¹ PitchBook, data as of 31 December 2022.

Outlook Across HarbourVest Strategies

Primary

Carolina Espinal

Managing Director, HarbourVest

The fundraising environment in 2023 is more challenging than it has been in recent years and investors have become more discriminating of opportunities in the more volatile environment. Following a record year in 2021, the second half of 2022 saw a marked slowdown in liquidity events, and IPO markets have remained largely closed through the first quarter of 2023. The volume of exits – even with managers increasingly exploring alternative sources of liquidity through GP-led solutions – have consequently slowed distributions back to investors. The absence of significant positive cash flows coupled with more unpredictable public markets has slowed the pace of commitment for many investors from their higher stride of the past few years.

Given the more constrained pacing in the first quarter of 2023, fundraising timelines are also being extended and some managers targeting 2023 raises are facing decisions to push out their processes until 2024. While investment activity remained muted in early 2023, there are signs that the bid-ask spread for buyouts of private companies is

narrowing as valuation expectations settle into the ongoing market conditions and private debt offerings step in to fulfil the necessary financing required for deals. Global venture activity remains slower than its historic fast pace, but activity continues, albeit with more emphasis by investors being placed on sustainable growth characteristics.

Looking ahead, many private equity managers remain well positioned to navigate current macro conditions. Despite the turbulence, there are several positives, including a clear increase in dedicated impact strategies in response to the rising urgency of energy transition, along with new entrants in the seed/early-stage venture space that support longer-term secular trends around digitisation and consolidation.

Secondary

David Atterbury

Managing Director, HarbourVest

As public market volatility increased over the course of 2022, traditional paths to liquidity for sponsor-backed assets, such as IPOs and M&A, decreased significantly. Rapidly rising interest rates and the corresponding increase in the cost of financing, along with the liquidity options for sponsor-backed exits markedly degraded. The result is that GP-led deals and other structured continuation vehicles have remained highly attractive, representing an exit option that allows GPs to extend the ownership of some of their best assets while providing liquidity to existing LPs. This also creates an attractive dynamic for new investors who are able to gain access to highly calibrated, trophy assets of top managers.

The broader macroeconomic landscape and rerating of markets has also created allocation challenges for large investors in the asset class with declining public market valuations leading to many investors facing the denominator effect and a need to sell their positions to (1) reduce their overall PE exposure or (2) free up capacity to continue committing to their core GPs.

Furthermore, with the market on the buy-side remaining undercapitalised in light of the volume of assets available for sale, what was previously a seller's market tipped to the buyer's advantage in 2022 and continues in 2023. Thus, market dynamics are creating a very compelling story across the spectrum of secondary transactions as valuations reset and secondary buyers take advantage of lower pricing spurred by market uncertainty.

Direct Co-investment

Craig MacDonald

Managing Director, HarbourVest

As companies evaluate their options for 2023, we anticipate that geopolitical tensions and tough macro conditions will continue squeezing the IPO window. The denominator effect will continue weighing on many private markets' investors, illustrated by the number of delayed and below-target fundraises in 2022 and early 2023.

We expect a greater volume of co-invest opportunities coming to market from GPs that are unable to facilitate a traditional public market exit, taking the form of traditional majority deals or inviting co-investors to lead minority preferred equity/recaps. Tightening debt markets will likely correlate to more co-investment opportunities as previously available debt financing becomes more costly and creates increased equitisation of capital structures.

Finally, public to private transactions will continue to be an area of focus for GPs taking advantage of lower valuations. This will not only increase the total quantum of co-investment capital demanded by GPs, but also the size of co-investment capital demanded for each deal. This trend will benefit large well-capitalised funds able to write large equity checks, and we believe a higher-cost debt environment will further emphasise a “flight to quality” where the strongest business models will enjoy superior pricing and terms.

Infrastructure and Real Assets

Kevin Warn-Schindel

Managing Director, HarbourVest

Climate and decarbonisation remains a key theme in 2023 supported by a vibrant and expanding landscape of new energy transition opportunities, including renewable power, battery storage, electric vehicle infrastructure, and new technologies like carbon capture and hydrogen. As data and reporting get more tangible and well defined, opportunities are also expanding in decarbonising existing infrastructure assets or repurposing assets for the low-carbon economy (for example transporting hydrogen via gas pipelines).

Many core infrastructure assets, comprised of regulated utilities and other essential services, often have direct inflation linkage built into their revenue streams, whereby achieving a degree of inflation pass-through in their tariffs. Likewise, some toll roads or social infrastructure projects have CPI-linked revenues, while many power-generation projects, like wind and solar, come with contracted power purchase price agreements that have inflation protection written into the contracts.

With inflation hitting a 30-year high in 2022 and central banks continuing to thread the inflation/recession needle by raising rates in 2023, investors will continue to lean into the inflation linkage associated with the above assets. Core infrastructure portfolios, diversified by geography and infrastructure, can provide investors protection against inflation while also offering resiliency in a recessionary environment.

Credit

Peter Lipson

Managing Director, HarbourVest

Despite persistent public market volatility, 2022 deal volumes across private credit ended the year only 16% behind 2021's record levels¹. Looking ahead, we anticipate 2023 will be an exciting time to deploy capital in the private credit markets due to several trends having taken shape.

Higher all-in yields have been supported across the private credit landscape through the first quarter of 2023 by increases in base rates, wider credit spreads, and higher original issue discount (OID) fees. This should continue as new senior direct lending deals and junior credit opportunities both provide a meaningful yield advantage. Capital structures also are improving with less leverage, more covenants, better call protections and tighter documents than a year prior. While default rates remain low, borrower-free cash flow is getting tighter as base rates increase, and they may increase moderately in 2023 driving performance dispersion across managers to widen. Finally, as credit continues tightening, direct lending should continue to displace the syndicated loan market, with GPs favouring the speed, flexibility, and certainty of execution in the direct lending market over the syndicated market.

Resilient sectors should dominate direct lending moving through 2023, providing perceived yield and safety in the face of ongoing and uncertain macroeconomic risks. The market continues focusing on less cyclical industries, including healthcare, business services and technology, which held the 1-2-3 spots from a sector volume perspective in 2022.

1 Source: Refinitiv, as of February 2023.

Governance

Board of Directors

Edmond ("Ed") Warner

Chair, Independent

Non-Executive Director, appointed August 2019

Key relevant skills:

- Leadership skills
- Investment strategist
- Extensive financial services experience

Ed Warner has extensive financial services experience from years spent in senior positions at several investment banks and financial institutions, including IFX Group, Old Mutual Plc, NatWest Markets, and Dresdner Kleinwort Benson. He has considerable Plc experience and has chaired the boards at a range of prominent organisations. He is also currently independent chair of the online derivatives exchange LMAX, and of JLEN, a listed environmental infrastructure investment fund.

Prior chair roles include Air Partner Plc, the BlackRock Energy and Resources Income Trust, Grant Thornton UK LLP, Standard Life Private Equity Trust, and Panmure Gordon & Co.

Committees:

Chair of the Nomination, and Inside Information Committees and Member of the Management Engagement and Service Provider, and Remuneration Committees.

Anulika Ajufu

Independent Non-Executive Director, appointed May 2022

Key relevant skills:

- Extensive private equity investment experience
- Experience in investment strategy development and execution
- Strong background in ESG

Anulika manages a portfolio of investments across EMEA and is the Founder of the Sequoia Platform, a leading educational not for profit focused on social mobility in the United Kingdom. She recently stood down as Chair of the Board of Governors at University of East London.

Anulika has extensive investment experience and believes in investing for good. Having worked at some of the leading financial institutions, Lehman Brothers and Goldman Sachs in investment banking, and private equity with The Carlyle Group and Soros Fund, Anulika has developed an impressive investment track record. She has led the development of greenfield impact investment structures in emerging markets and developed inclusive investment strategies for development finance institutions (DFIs), corporations, and foundations.

Committees:

Member of the Audit and Risk, Remuneration, Nomination, and Management Engagement and Service Provider Committees.

Francesca Barnes

Senior Independent Non-Executive Director, appointed April 2017

Key relevant skills:

- Extensive private equity investment experience
- Ten years' governance experience on public and private company boards
- Risk management experience

Francesca Barnes is a Non-Executive Director of NatWest Holdings Limited, and a number of NatWest Group's other ring-fenced bank boards, as well as Capvis private equity. She is a member of the University of Southampton council and has been Chair of Trustees for Penny Brohn UK and Chair of Governors for two secondary schools. Francesca spent 16 years at UBS AG. For the latter seven of these she served as Global Head of Private Equity, following on from senior positions in restructuring and loan portfolio management. Prior to this, she spent 11 years with Chase Manhattan UK and US, in roles spanning commodity finance, financial institutions, and private equity.

Committees:

Chair of the Remuneration Committee and Member of the Audit and Risk, Management Engagement and Service Provider, and Nomination Committees.

Following the 2022 AGM, Ms Barnes took on the roles of Senior Independent Director and Chair of the Remuneration Committee. Ms Barnes stood down as Chair of the MESPC but remains a Member of that Committee.

Elizabeth ("Libby") Burne

Independent Non-Executive Director, appointed March 2021

Key relevant skills:

- Chartered certified accountant
- Extensive audit and risk management experience
- Over 20 years' experience of working with Guernsey regulated, listed, and closed-ended investment structures

Libby Burne has spent her career working within the financial services sector. She is a Non-Executive Director of Bluefield Solar Income Fund Limited (FTSE 250) as well as a number of unlisted venture capital, private equity, real estate and insurance structures. Prior to becoming a Non-Executive Director Libby was an audit director at PwC in the Channel Islands and, previously, PwC Australia. Libby is a Fellow of the Association of Chartered Certified Accountants, holds a degree in Applied Accounting, and is a Guernsey resident, as such bringing recent and relevant financial and sector experience.

Committees:

Chair of the Management Engagement and Service Provider Committee, and Member of the Audit and Risk, Remuneration, and Nomination Committees.

Ms Burne took on the role of Chair of the MESPC following the 2022 AGM.

Carolina Espinal

Non-Executive Director, appointed July 2019

Key relevant skills:

- 19 years' private equity investment experience
- Responsibility for strategy and business development of European and global primary businesses
- Lead Director for ESG factors

Carolina Espinal joined HarbourVest in 2004 to focus on partnership investments in Europe and other emerging markets and became a Managing Director in 2015. Carolina focuses on managing European venture capital and buyout partnership investments and has collaborated with the secondary and co-investment groups on several investment opportunities. As a HarbourVest executive she currently serves on the advisory boards of funds managed by Synova, Inflexion, and Advent International.

Her previous experience includes two years as a financial analyst with the Merrill Lynch Energy and Power M&A team in Houston.

Carolina graduated from Rice University with a BA in Managerial Studies, Policy Studies, and Economics in 2000. She received an MSc in Finance from the London Business School in 2003.

Committees:

None (as a HarbourVest executive)

Steven Wilderspin

Independent Non-Executive Director, appointed May 2018

Key relevant skills:

- Chartered accountant, qualified in audit
- Extensive governance experience on public and private company boards

Steven Wilderspin has more than 15 years' experience as a Non-Executive Director on the boards of private structures and listed investment companies.

Steven, a qualified Chartered Accountant, has provided independent directorship services since 2007. He has served on a number of private equity, property, and hedge fund boards as well as commercial companies. Steven currently serves as the Chair of the risk committee of Blackstone Loan Financing Limited, Chairman of the audit and risk committee of GCP Infrastructure Investments Limited, and non-executive director of Phoenix Spree Deutschland Ltd. In 2017 Steven stepped down from the Board of 3i Infrastructure Plc, where he was Chairman of the audit and risk committee, after ten years' service. From 2001 until 2007, Steven was a Director of fund administrator Maples Finance Jersey Limited, where he was responsible for fund and securitisation structures. He originally qualified with PwC in London. Steven has recent and relevant financial and sector experience.

Committees:

Chair of the Audit and Risk Committee, and Member of the Inside Information, Nomination, Remuneration, and Management Engagement and Service Provider Committees.

Peter Wilson

Non-Executive Director, appointed May 2013

Key relevant skills:

- Member of HarbourVest's two-person Executive Management Committee ("EMC"), including responsibility for HarbourVest's corporate strategy
- 25 years' private equity industry knowledge and experience

Peter Wilson joined HarbourVest's London team in 1996 and is one of two members of the Firm's Executive Management Committee, which serves as HarbourVest's CEO. He previously led secondary investment activity in Europe and has served on the advisory committees for partnerships managed by Baring Vostok Capital Partners, CVC Capital Partners, Holtzbrinck Ventures, and Index Venture Management. He also served as Founding Chair of the Board of Trustees of City Year UK Limited.

Prior to joining the firm, he spent three years working for the European Bank for Reconstruction and Development, where he originated and managed two regional venture capital funds in Russia. Peter also spent two years at the Monitor Company, a strategy consulting firm based in Cambridge, Massachusetts.

He received a BA (with honours) from McGill University in 1985 and an MBA from Harvard Business School in 1990. Peter speaks German and French.

Committees:

None (as a HarbourVest executive)

Directors' report**Annual Report and Audited Consolidated Financial Statements**

The Directors present their report and the Audited Consolidated Financial Statements (the "Financial Statements" or "Accounts") for the year ended 31 January 2023.

A description of important events and principal activities which have occurred during the financial year and their impact on the performance of the Company, as shown in the Financial Statements, is provided in the Strategic Report, beginning with the Chair's Statement on pages 4 to 7.

A description of the emerging and principal risks and uncertainties facing the Company, together with an indication of the Company's likely future development and the important events that have occurred since the end of the financial year, is also provided in the Strategic Report and referenced in the notes to the Financial Statements. Combined, all sections in this document constitute the "Annual Report".

Corporate Summary

The Company is a closed-ended investment company incorporated in Guernsey on 18 October 2007 with an unlimited life. The Company currently has one class of shares (the "Ordinary Shares"), and these shares are admitted to trading on the Main Market of the London Stock Exchange.

With effect from 10 December 2018, the Company introduced an additional US dollar market quotation which operates alongside the Company's existing sterling quotation, allowing shares to be traded in either currency.

Investment Objective and Investment Policy

The Company's investment objective is to generate superior shareholder returns through long-term capital appreciation by investing primarily in a diversified portfolio of private equity investments. The Company may also make investments in private market assets other than private equity where it identifies attractive opportunities.

The Company seeks to achieve its investment objective primarily by investing in investment funds managed by HarbourVest, which invests in or alongside third-party managed investment funds ("HarbourVest Funds"). HarbourVest Funds are broadly of three types: (i) "Primary HarbourVest Funds", which make limited partner commitments to underlying private market funds prior to final closing; (ii) "Secondary HarbourVest Funds", which make purchases of private market assets by acquiring positions in existing private market funds or by acquiring portfolios of investments made by such private market funds; and (iii) "Direct HarbourVest Funds", which invest into operating companies, projects, or assets alongside other investors.

In addition, the Company may, on an opportunistic basis, make investments (generally at the same time and on substantially the same terms) alongside HarbourVest Funds ("Co-investments") and in closed-ended listed private equity funds not managed by HarbourVest ("Third-Party Funds").

Co-investments made by the Company may, inter alia, include investments in transactions structured by other HarbourVest vehicles including, but not limited to, commitments to private market funds or operating companies in which other HarbourVest funds have invested.

Cash at any time not held in such longer-term investments will, pending such investment, be held in cash, cash equivalents, money market instruments, government securities, asset-backed securities, and other investment-grade securities and interests in any private equity vehicle that is listed or traded on any securities exchange ("Temporary Investments").

The Company uses an over-commitment strategy in order to remain as fully invested as possible. To achieve this objective, the Company has undrawn capital commitments to HarbourVest Funds and Co-investments which exceed its liquid funding resources but uses its best endeavours to maintain capital resources which, together with anticipated cash flows, will be sufficient to enable the Company to satisfy such commitments as they are called.

Diversification and Investment Guidelines

The Company will, by investing in a range of HarbourVest Funds, Co-investments, and Third-Party Funds, seek to achieve portfolio diversification in terms of:

- **geography:** providing exposure to assets in the US, Europe, Asia, and other markets;
- **stage of investment:** providing exposure to investments at different stages of development such as early stage, balanced and late stage venture capital, small and middle-market businesses or projects, large capitalisation investments, mezzanine investments, and special situations such as restructuring of funds or distressed debt;
- **strategy:** providing exposure to primary, secondary, and direct co-investment strategies;
- **vintage year:** providing exposure to investments made across many years; and
- **industry:** with investments exposed, directly or indirectly, to a large number of different companies across a broad array of industries.

In addition, the Company will observe the following investment restrictions:

- With the exception, at any time, of not more than one HarbourVest Fund or Co-investment to which up to 40% of the Company's Gross Assets (see page 140 for the definition) may be committed or in which up to 40% of the Company's Gross Assets may be invested, no more than 20% of the Company's Gross Assets will be invested in or committed at any time to a single HarbourVest Fund or Co-investment.
- No more than 10% of the Company's Gross Assets will be invested (in aggregate) in Third-Party Funds.
- The Investment Manager will use its reasonable endeavours to ensure that no more than 20% of the Company's Gross Assets, at the time of making the commitment, will be committed to or invested in, directly or indirectly, whether by way of a Co-investment or through a HarbourVest Fund, (a) any single ultimate underlying investment, or (b) one or more collective investment undertakings which may each invest more than 20% of the Company's Gross Assets in other collective investment undertakings (ignoring, for these purposes, appreciations, and depreciations in the value of assets, fluctuations in exchange rates, and other circumstances affecting every holder of the relevant asset).
- Any commitment to a single Co-investment which exceeds 5% of the Company's NAV (calculated at the time of making such commitment) shall require prior Board approval, provided however that no commitment shall be made to any single Co-investment which, at the time of making such commitment, represents more than 10% (or, in the case of a Co-investment that is an investment into an entity which is not itself a collective investment undertaking (a "Direct Investment"), 5% of the aggregate of: (a) the Company's NAV at the time of the commitment; and (b) undrawn amounts available to the Company under any credit facilities.
- The Company will not, without the prior approval of the Board, acquire any interest in any HarbourVest Fund from a third party in a secondary transaction for a purchase price that:
 - (i) exceeds 5% of the Company's NAV; or
 - (ii) is greater than 105% of the most recently reported NAV of such interest (adjusted for contributions made to and distributions made by such HarbourVest Fund since such date).

Save for cash awaiting investment which may be invested in Temporary Investments, the Company will invest only in HarbourVest Funds (either by subscribing for an interest during the initial offering period of the relevant fund or by acquiring such an interest in a secondary transaction), in Co-investments or in Third-party Funds.

Company's Right to Invest in HarbourVest Funds

Pursuant to contractual arrangements with HarbourVest, the Company has the right to invest in each new HarbourVest Fund, subject to the following conditions:

- Unless the Board agrees otherwise, no capital commitment to any HarbourVest Fund may, at the time of making the commitment, represent more than 35% or less than 5% of the aggregate total capital commitments to such HarbourVest Fund from all its investors.
- Unless HarbourVest agrees otherwise, the Company shall not have a right to make an investment in, or a commitment to, any HarbourVest Fund to which ten or fewer investors (investors who are associates being treated as one investor for these purposes) make commitments.

Leverage

The Company does not intend to have on its balance sheet aggregate leverage outstanding at Company level for investment purposes at any time in excess of 20% of the Company's NAV. The Company may use additional borrowings for cash management

purposes, or in the event of a material downturn. These borrowings could be for extended periods of time depending on market conditions.

Principal Risks and Uncertainties

The principal risks the Board has reviewed are disclosed on pages 28 to 33 of the Strategic Report.

Results and Dividend

The results for the financial year ended 31 January 2023 are set out in the Consolidated Statements of Operations within the Financial Statements on page 110. In accordance with the investment objective of the Company to generate superior shareholder returns through long-term capital appreciation, the Directors did not declare any dividends during the year under review and the Directors do not recommend the payment of dividends as at the date of this report.

Directors

The Directors as shown on pages 80 and 81 all held office throughout the entire reporting period, except for Ms Ajufo who was appointed with effect from 19 May 2022. All Directors listed were in place at the date of signature of this Annual Report. Ms Espinal and Mr Wilson are Managing Directors of HarbourVest Partners (UK) Limited, a subsidiary of HarbourVest Partners, LLC. All Directors, other than Ms Espinal and Mr Wilson, are considered to be independent. Ms Barnes is the Senior Independent Director ('SID'). Further details of the Board composition can be found on pages 90 and 91.

Mr Wilson will retire as a Director at the Company's Annual General Meeting on 19 July 2023. After careful consideration, including discussion with the HVPE Board, HarbourVest Partners has decided not to appoint a replacement non-independent director.

Alan Hodson retired as Senior Independent Director on 20 July 2022. He had been Chair of the Remuneration Committee and a Member of the Audit and Risk, Management Engagement and Service Provider, and Nomination Committees.

Save as disclosed in this Annual Report, the Company is not aware of any other potential conflicts of interest between any duty owed to it by any of the Directors and their respective private interests.

Directors' Interests in Shares

	31 January 2023	31 January 2022
Anulika Ajufo	- ¹	-
Francesca Barnes	4,200	4,200
Libby Burne	786	786 ²
Carolina Espinal	4,732 ³	3,391
Ed Warner	8,000	3,000
Steven Wilderspin	1,300	1,300
Peter Wilson	25,200 ⁴	25,200

1 Ms Ajufo was appointed as a Director with effect from 19 May 2022.

2 Ms Burne was appointed as a Director with effect from 1 March 2021 at which point she held 786 shares.

- 3 Of the total shares held, 3,732 shares were split equally (1,244 each) between Ms Espinal's three children, with Ms Espinal holding 1,000 shares.
- 4 Of the total shares held, 200 were held by Mr Wilson's father, with Mr Wilson holding 25,000.

Post-period end, and as announced on 15 March 2023, Anulika Ajufo bought 958 shares at an average price of £20.86538 per share.

Substantial Shareholders

The table that follows shows the interests of major shareholders based on the best available information provided by the analysis of the Company's share register, also incorporating any disclosures provided to the Company in accordance with Disclosure Guidance and Transparency Rule 5 in the period under review and up to 25 May 2023.

	% of Voting Rights 31 January 2023	% of Voting Rights 28 April 2023
M&G Investment Management	7.27	7.38
Evelyn Partners (formerly Smith & Williamson)	5.58	5.56
Quilter Cheviot	5.33	5.13
Lothian Pension Fund (City of Edinburgh Council)	5.26	<5.00 ⁵
Total	23.44	18.07

- 5 Please note that at 28 April 2023, Lothian Pension Fund (City of Edinburgh Council) was below the 5% of voting rights threshold to be classified as a substantial shareholder, and has therefore not been included in the total.

Corporate Governance

The Board recognises the importance of sound corporate governance and follows best practice requirements wherever possible. The Company complies with the AIC Code published in February 2019, which is endorsed by the Financial Reporting Council ("FRC"). A Statement of Compliance with the AIC Code is provided on page 99 and further details about how our Corporate Governance framework operates can be found throughout this Governance Report.

Corporate Responsibility

The Board considers the ongoing interests of stakeholders and investors through open and regular dialogue with the Investment Manager. The Board receives regular updates outlining regulatory and statutory developments and responds as appropriate.

Approach to ESG

The Board recognises the critical importance of ESG considerations to many investors. It acknowledges that ESG issues can present both opportunities and threats to long-term investment performance, and is committed to responsible and sustainable investing. The Board also believes that HVPE will benefit from the continued evolution of HarbourVest's ESG practices and standards.

The Board is aware that as an investment company, its approach to ESG matters is materially informed by the strategy of the Investment Manager and accordingly the Board is committed to ensuring that it has appointed an Investment Manager that applies the highest standards of ESG practice, and has the skill and vision to respond to ongoing developments. It is confident that in HarbourVest it has such an Investment Manager.

The Board is reliant on the Investment Manager's screening processes, controls, and priorities to address ESG matters within the investment portfolio in both the selection and oversight of investments. The Board believes that engagement with management of investee companies and funds is an effective way of driving meaningful change and takes considerable comfort from the extent of the Investment Manager's activity in this area, which is described on pages 44 to 51.

The Board receives regular updates from the Investment Manager on the development and implementation of its ESG policies and processes, and the Board will continue to monitor those closely. These updates include information on the levels of engagement with investee companies and ESG issues in respect of their monitoring and selection of holdings in the Company's portfolio. This provides a valuable opportunity for the Board to confirm and challenge the Investment Manager to demonstrate that it is continuing to apply the highest standards of ESG practice across its investments and operations.

The Board recognises that the Investment Manager has been a signatory to the UN Principles for Responsible Investment ("PRI") since 2013, that it is committed to considering the potential impact that its investment and operational decisions could have, and that it encourages the GPs with which it invests to adopt the PRI. With regard to environmental and climate disclosures, the Investment Manager reports annually on its progress through its ESG report (<https://viewpoints.harbourvest.com/esg-annual-report/>) in line with the recommendations of the TCFD. The Board has noted that the Investment Manager is a CarbonNeutral® company in accordance with The CarbonNeutral Protocol, a leading framework for carbon neutrality. The Investment Manager's offsetting programme delivers finance to emission reduction projects, supporting the transition to a low carbon economy. Finally, the Board reviews the Investment Manager's approach to promoting diversity, social responsibility, and projects to combat social exclusion and enhance opportunities. It also examines how the Investment Manager incorporates the values and the standards that it expects from its investee companies in the management of its own business. The Board has noted that the Investment Manager published its inaugural Diversity, Equity and Inclusion Report in October 2022 which sets out its approach in these key areas.

The Board is committed to incorporating ESG oversight across the Company's outsourced providers and within its own operations. The Board is responsible for determining the Company's ESG Policy, reviewing reporting from the Investment Manager on the integration of ESG into its investment process, reviewing reporting on the ESG risks and impacts associated with the Company's investments, and for approving ESG-related statements made on the Company's behalf. Ms Espinal has been designated as the lead HVPE Director responsible for promoting and facilitating closer monitoring and further development in this area for the Company. However, this is a matter of great significance and as such ESG matters are one of those formally reserved for consideration by the entire Board and ESG-related matters are included as one of the Company's key risks on page 32.

As an investment company with no direct employees, the core of the Company's ESG initiatives is derived from its oversight of its service providers, most importantly the Investment Manager. However, the Board also considers the application of ESG standards to its own activities as an Investment Company, including the following:

- Carbon Footprint: The Board initiated a project to calculate its own carbon footprint and achieved CarbonNeutral status on 1 July 2021.
- Relations with Stakeholders: The Board has extended its interaction with its shareholders and other stakeholders to include a consideration of ESG matters. The Board has noted the benefits of broader shareholder participation, facilitated

by virtual shareholder events, and is continuing to offer remote access where possible.

- **Diversity and Inclusion:** The Board's approach to diversity and inclusion is set out on page 92 and is reflected in the activities of the Nomination Committee. Four of the six Directors who are being proposed for re-election at the AGM are female, which, at 67%, is a figure well above the level recommended in the Hampton-Alexander Review. While the Board does not have a diversity target in mind, given the range of factors that this term necessarily covers, two of the six Directors being proposed for re-election at the AGM are from an ethnic minority background as demonstrated in the table set out on page 92. The Board will continue to consider all factors, including diversity, in its recruitment processes.
- **Position on Modern Slavery:** The Board recognises the importance of the issues which the UK Modern Slavery Act 2015 is designed to address. It has expanded its oversight of outsourced providers, including the Investment Manager, to include questions relating to their policies to combat Modern Slavery. As Chair, Ed Warner assumes direct oversight of the Company's statements and its response to the issue of modern slavery. A description of the Board's approach to this subject is set out on the Company's website.

Significant Votes Against Policy

The Directors have adopted a policy whereby, should 20% or more of votes be cast against a recommendation made by the Board for a resolution, the Company shall:

- explain, when announcing voting results, what actions it intends to take to consult shareholders in order to understand the reasons behind the result;
- no later than six months after the shareholder meeting publish an update on the views received from shareholders and actions taken; and
- provide a final summary in the Annual Report and, if applicable, in the explanatory notes to resolutions at the next shareholder meeting state what impact the feedback has had on the decisions the Board has taken and any actions or resolutions proposed.

No significant votes were received against any Board-recommended resolution at the 2022 AGM.

Anti-bribery Policy

The Directors have undertaken to operate the business in an honest and ethical manner, and accordingly take a zero-tolerance approach to bribery and corruption, including the facilitation of corporate tax evasion. The key components of this approach are implemented as follows:

- The Board is committed to acting professionally, fairly, and with integrity in all its business dealings and relationships.
- The Company implements and enforces effective procedures to counter bribery.
- The Company requires all its service providers and advisers to adopt equivalent or similar principles.

Disclosures Required Under LR 9.8.4R

The Financial Conduct Authority's Listing Rule 9.8.4R requires that the Company includes certain information relating to arrangements made between a controlling shareholder and the Company, waivers of Directors' fees, and long-term incentive schemes in force. The Directors confirm that there are no disclosures to be made in this regard.

Investment Manager

A description of how the Company has invested its assets, including a quantitative analysis, may be found on pages 2 to 77, with further information disclosed in the Notes to

the Financial Statements on pages 117 to 123. The Board has considered the appointment of the Investment Manager and, in the opinion of the Directors, the continuing appointment of the Investment Manager on the terms agreed is in the interests of its shareholders as a whole.

In considering this appointment, the Board has reviewed the past performance of the Investment Manager, the engagement of the Investment Manager with shareholders and the Board, and the strategic plan presented to the Board by the Investment Manager.

The Investment Manager is HarbourVest Advisers L.P., and its principal duties as stated in the Investment Management Agreement are as follows:

- to manage the assets of the Company in accordance with the investment policy of the Company (subject always to the overall supervision and direction of the Board, and subject to any restrictions contained in any prospectuses published by the Company);
- to assist the Company with shareholder liaison; and
- to monitor compliance with the Investment Policy on a regular basis.

The Investment Manager is entitled to nominate up to two Board representatives for election by shareholders at the Company's AGM. The IMA, which was amended and restated on 30 July 2019, and again on 31 January 2023, may be terminated by either party by giving 12 months' notice. In the event of termination within ten years and three months of the date of the listing on the Main Market, the Company would be required to pay a contribution, which would have been \$2.3 million at 31 January 2023 and \$2.1 million as at 30 April 2023, as reimbursement of the Investment Manager's remaining unamortised IPO costs. In addition, the Company would be required to pay a fee to the Investment Manager equal to the aggregate of the management fees for the underlying investments payable over the course of the 12-month period preceding the effective date of such termination.

The Investment Manager is not entitled to any direct remuneration from the Company in respect of any asset of the Company, instead deriving its revenue from the management fees and carried interest payable by the Company on its investments in underlying HarbourVest Funds. However, the Investment Manager is entitled to reimbursement of expenses occurred in the performance of its duties. With effect from 1 February 2022, rather than the direct reimbursement of all its expenses, the Investment Manager has charged the Company a fixed fee (the "Fixed Fee") for the services of the employees substantially dedicated to the Company's affairs and for assistance provided by other employees of the Investment Manager with respect to certain administrative functions relating to the Company. The Fixed Fee will be increased each financial year on the basis of the average percentage change in the Investment Manager's firm-wide compensation budget for the succeeding year. The Fixed Fee arrangement will be reviewed in February 2024.

The fixed fee payable to the Investment Manager for the reimbursement of expenses in respect of the year ended 31 January 2023 was \$2.0 million. The amount payable to the Investment Manager in respect to the reimbursement of costs and expenses for the year ended 31 January 2022 was \$2.6 million. Further details are given in Note 3 to the Financial Statements.

Delegation of Responsibilities

Under the IMA, the Board has delegated to the Investment Manager substantial authority for carrying out the day-to-day management and operations of the Company, including making specific investment decisions, subject at all times to the control of, and review by, the Board. In particular, the IMA provides that the Board and the Investment Manager shall agree a strategy mandate which sets out a rolling five-year plan for the Company. The

Board is responsible for the overall leadership of the Company and the setting of its values and standards. This includes setting the investment and business strategy, and ongoing review of the Company's investment objective and investment policy, along with recommending to shareholders the approval of alterations thereto. Matters reserved for the Board include areas such as the Board and Committee membership, including the review and authorisation of any conflicts of interest arising. Areas such as approval of the raising of new capital, major financing facilities, and approval of contracts that are not in the ordinary course of business are also reserved for the Board, together with any governance and regulatory requirements. Any changes in relation to the capital structure of the Company, including the allotment and issuance of shares, are the responsibility of the Board. As noted on pages 84 to 85, the Board has reserved the determination of the Company's ESG Policy and the approval of ESG-related statements and disclosures made on behalf of the Company to itself.

Share Repurchase Programme

At the 2022 AGM, held on 20 July 2022, the Directors sought and were granted authority to repurchase 11,971,386 Ordinary Shares (being equal to 14.99% of the aggregate number of Ordinary Shares in issue at the date of the AGM) for cancellation, or to be held as treasury shares. This authority will expire at the forthcoming AGM. The Directors intend to seek annual renewal of this authority from shareholders.

Under the policy adopted in November 2021 and communicated in the 2022 Annual Report and Accounts, the Board has established a set of key criteria, which is regularly reviewed, and against which the Board considers the appropriateness or otherwise of implementing share buybacks. As announced on 21 September 2022, the Board conducted such a review and concluded that repurchasing the Company's shares at the prevailing exceptionally wide discount to NAV represented an attractive investment opportunity. One of the key factors in reaching this conclusion was that the Company received excess proceeds from the sale of tail-end positions which provided additional cash flow ahead of original 2022 projections. The Board therefore instigated a limited programme of share repurchases that commenced on 20 September 2022. Between 20 September 2022 and 29 September 2022, the Company repurchased 757,864 shares at an average price of £22.40 for a gross consideration of £17.0 million. In addition, the Company paid its brokers, Peel Hunt and Jefferies, commission totalling £12,408. The Board continues to monitor the investment opportunity offered by repurchasing the Company's shares according to the policy that it has established.

Introduction to the Going Concern and Viability Statement

Since the inception of HVPE, the Directors have relied upon model scenarios to manage the Company's liquidity requirements and balance sheet risk more generally. This modelling allows the Directors to evaluate whether the Company is a going concern and provides evidence to support the Directors' Viability Statement in the Company's Annual Report and Accounts. While the modelling process has been refined over the years, it has provided a consistent approach through which the Directors have been able to provide a firm assessment, as demonstrated through the Global Financial Crisis and COVID-19 pandemic.

Historically the Directors have assessed four scenarios - Optimistic, Base, Low and Extreme Downside - presented by the Investment Manager. As more fully explained in the Investment Manager's report above, during the period under review and subsequent to the period end, the challenging macroeconomic and geopolitical environment has resulted in increasing inflation, increasing interest rates, volatility and decline in public markets and subdued activity in private markets. The Company's cash flows have been tracking between the Base and Low scenarios considered at the start of the year. This covers a

relatively short amount of time and is not indicative, yet, as to which scenario will be more appropriate.

In considering Going Concern for the required one-year period for these 2023 Annual Report and Accounts, the Directors therefore primarily focused on two model scenarios: the Base and the Extreme Downside. These have been used to form the basis of the Going Concern and Viability statements as provided below. The credit facility provides an additional source of capital to HVPE which helps to underpin the existing and future commitments of the Company, as noted in the Chair's statement on pages 4 to 7. As the balance sheet and new commitments of the Company continue to grow, the credit facility was increased by \$100 million during the reporting period to align with the ongoing growth strategy and risk management practices of the Company. Along with the model scenarios discussed above, the available credit facility provides further support in the Board's assessment of going concern and viability.

Going Concern Statement

In accordance with the AIC Code of Corporate Governance and US GAAP, the Board has performed a robust assessment of principal risks (refer to pages 28 to 33 for an update on the principal risks of the Company) along with the assessment of whether the Company will remain a going concern through the period ending 30 June 2024 which covers the 12 months from the signing of the financial statements and whether it believes that the principal risks of the Company will remain as identified on pages 28 to 33 of this report over the going concern assessment period.

The Board considered model scenarios assuming varying degrees of impact on the portfolio over the period ending 30 June 2024. The Board primarily focused on the Base Case and the Extreme Downside Case as noted above. The Base Case was considered a plausible scenario given the current economic environment, as the Investment Manager included slower portfolio growth and a slowdown of distributions in the assumptions of the Base Case for 2023. While the Base Case was the primary focus of the Board in assessing the going concern of the Company, the Extreme Downside Case was also considered and was designed to specifically stress the balance sheet with multiple worst case scenarios all playing out to 30 June 2024: 1) a credit crisis resulting in all of the fund-level bridging leverage being called at once as the underlying HarbourVest fund credit facilities could not be renewed (\$481.5 million in unexpected capital called), 2) despite this credit crisis capital calls are still being received at levels experienced over the last five years (i.e. no material decline in the level of capital calls as seen during the GFC), 3) material asset value declines similar to what was experienced during the GFC, and 4) distribution levels falling to levels lower than what was experienced during the GFC. The Board does not believe the Extreme Downside Case is a likely scenario but factors this into the going concern assessment.

The results of these model scenarios showed that the Company would be able to withstand the impact of these scenarios occurring to 30 June 2024, through the use of existing resources (cash and available credit facility) and projected portfolio distributions. Based on this assessment, the Directors conclude that the working capital of the Company is sufficient for its current requirements and the Company will be able to continue in operation at least through 30 June 2024, which covers the next 12-month period from the signing of the Annual Report and Accounts, and substantial doubts do not exist as to HVPE's ability to continue in operation over this period.

Viability Statement

Pursuant to the UK Corporate Governance Code 2018 and the AIC Code, the Board has assessed the viability of the Company over the period from 31 January 2023 to 31

December 2027, which aligns with the timing of the Investment Manager's current five-year model scenarios. Whilst the Board has no reason to believe that the Company will not be viable over a longer period, it has chosen this period as this aligns with the Board's strategic horizon and within the expiration of the majority of the Company's credit facility which is used to support the over-commitment strategy (\$100 million provided by NZ Super expires on 15 August 2027, the remaining \$700 million expires immediately after 31 December 2027 on 12 January 2028).

The Company's investment objective is to generate superior shareholder returns through long-term capital appreciation by investing primarily in a diversified portfolio of private equity investments. The majority of the Company's investments are in HarbourVest-managed private equity fund of funds, which have fund lives of 10-14 years.

While the Company's investment lifecycle spans a time period of ten years or more, the Board currently focuses on a time period extending through to 31 December 2027 when considering the strategic planning of the Company. The strategic planning focuses on building a portfolio of long-term assets through capital allocation into a set of rolling five-year calendar year-end portfolio construction targets defined by investment stage, geography, and strategy. This rolling five-year process allows the Board a medium-term view of potential portfolio growth, projected cash flow, and potential future commitments under various economic scenarios.

As part of its strategic planning, the Board considered model scenarios assuming varying degrees of impact on the portfolio. The Board primarily focused on two scenarios, the Base and Extreme Downside, the latter of which is a worst-case scenario that assumes large NAV declines and a material reduction in realisations from the underlying investment portfolio. Based on a review of the existing liquidity resources of the Company and the model scenarios noted above, the Board concluded that the Company's cash balance and available credit facility would be sufficient to cover capital requirements under even the Extreme Downside scenario, although noting that a balance of \$435.1 million is projected to remain outstanding as of 31 December 2027. HVPE would need to take some action to raise additional liquidity given the current term of the facility. This could include the renewal or replacement of the existing credit facility or taking other actions available to the Company to raise additional capital. Considering the options available to raise additional capital, and the results of this modelling, the Directors believe that the Company would be viable in the face of these scenarios occurring over the period ending 31 December 2027.

Statement of Directors' Responsibilities in Respect of the Financial Statements

The Directors are required to prepare Financial Statements for each financial year which give a true and fair view of the assets, liabilities, financial position, and profit or loss of the Company in accordance with US GAAP at the end of the financial year, and of the gain or loss for that period. In preparing those Financial Statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the Financial Statements have been properly prepared in accordance with The Companies (Guernsey) Law, 2008. They are also responsible for safeguarding the assets

of the Company, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for ensuring that the Annual Report and Financial Statements include the information required by the Listing Rules and the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority (together “the Rules”). They are also responsible for ensuring that the Company complies with the provisions of the Rules which, with regard to corporate governance, require the Company to disclose how it has applied the principles, and complied with the provisions, of the corporate governance code applicable to the Company.

Disclosure of Information to the Auditor

So far as each of the Directors is aware, there is no relevant audit information of which the Company’s auditor is unaware, and each has taken all the steps they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company’s auditor is aware of that information.

Responsibility Statement

The Board of Directors, as identified on pages 80 and 81, jointly and severally confirm that, to the best of their knowledge:

- the Financial Statements, prepared in accordance with US GAAP, give a true and fair view of the assets, liabilities, financial position, and profits of the Company and its undertakings;
- this report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face; and
- the Annual Report and Financial Statements taken as a whole are fair, balanced, and understandable, and provide the information necessary for shareholders to assess the Company and its undertakings’ position, performance, business model, and strategy.

Signed on behalf of the Board by:

Ed Warner

Chair

25 May 2023

Board structure and committees

The activities of the Company are overseen by the Board, which comprises a majority of independent Directors. The Board meets at least four times a year, and between these scheduled meetings there is regular contact between Directors, the Investment Manager, the Administrator, and the Company Secretary, including a formal strategy meeting and Board update calls.

The Board aims to run the Company in a manner which is consistent with its belief in honesty, transparency, and accountability. This is reflected in the way in which Board meetings are conducted, during which the Chair promotes and facilitates a culture of open and constructive debate on each topic, encouraging input from all Directors and advisors to ensure a wide exchange of well-informed views. The Directors believe that good governance means effective management of the affairs of the Company and meaningful engagement with investors. The Board is committed to maintaining high standards of financial reporting, transparency, and business integrity.

Board of Directors

Audit and Risk Committee	Inside Information Committee	Management Engagement and Service Provider Committee	Nomination Committee	Remuneration Committee
Role To ensure that the Company maintains high standards of risk management, integrity, financial reporting, and internal controls.	Role To consider any developments which may require an immediate announcement by virtue of being price-sensitive information.	Role To review the Company's Investment Manager and service providers to ensure that a good value service of satisfactory quality is delivered, and to manage the appointment process of new or replacement service providers.	Role To agree the method and oversee the process for the selection and recruitment of new Directors and to nominate candidates for approval by the Board.	Role To determine the policy for Directors' remuneration, set the remuneration of the Chair of the Board, and make recommendations to the Board for Directors' remuneration levels.
Members Chaired by: Steven Wilderspin Anulika Ajufo Francesca Barnes Libby Burne	Members Chaired by: Ed Warner Steven Wilderspin	Members Chaired by: Libby Burne Anulika Ajufo Francesca Barnes Ed Warner Steven Wilderspin	Members Chaired by: Ed Warner Anulika Ajufo Francesca Barnes Libby Burne Steven Wilderspin	Members Chaired by: Francesca Barnes Anulika Ajufo Libby Burne Ed Warner Steven Wilderspin

Board and Committee Meetings with Director Attendance

The table below sets out the Directors' attendance at the Board and Committee meetings held during the financial year ended 31 January 2023:

Director	Scheduled Board Meetings	Audit and Risk Committee Meetings	Inside Information Committee Meetings	Management Engagement and Service Provider Committee Meetings	Nomination Committee Meetings	Remuneration Committee Meeting
Anulika Ajufo ¹	7 of 8	6 of 8	n/a	2 of 2	1 of 2	1 of 1
Francesca Barnes	8 of 8	8 of 8	n/a	2 of 2	2 of 2	1 of 1
Libby Burne	8 of 8	8 of 8	n/a	2 of 2	2 of 2	1 of 1
Carolina Espinal	8 of 8	n/a	n/a	n/a	n/a	n/a

Alan Hodson ²	4 of 8	3 of 8	n/a	1 of 2	1 of 2	n/a
Ed Warner	8 of 8	n/a	2 of 2	2 of 2	2 of 2	1 of 1
Steven Wilderspin	8 of 8	8 of 8	2 of 2	2 of 2	2 of 2	1 of 1
Peter Wilson	7 of 8	n/a	n/a	n/a	n/a	n/a

- 1 Anulika Ajufo was appointed to the Board on 19 May 2022 and so was only eligible to attend meetings following that date. Ms Ajufo attended all meetings which she was eligible to attend following her appointment.
- 2 Alan Hodson retired at the AGM in July 2022 and thus was only eligible to attend meetings prior to that date. He attended all meetings which he was eligible to attend prior to his retirement.

The Directors are kept fully informed of investment and financial controls and other matters that are relevant to the business of the Company. Such information is brought to the attention of the Board by the Investment Manager, the Administrator, and the Company Secretary in their regular reports to the Board. The Directors also have access where necessary, in the furtherance of their duties, to professional advice at the expense of the Company. Further details of the Board Committees can be found on page 90 and their terms of reference are available on the Company's website:

www.hvpe.com/shareholders/corporate-governance.

All Directors received notice of the meetings, the agenda, and supporting documents and were able to comment on the matters to be raised at the proposed meeting. During each meeting, the Chair promoted and facilitated open, constructive debate on each topic, encouraging input from all Directors. As well as the formal scheduled strategy meeting, the Board also received detailed information from the Investment Manager via update calls with particular reference to the impact on the Company of external developments. In addition to the above meetings, ad-hoc Board and Committee meetings can be convened at short notice and, as they only require a quorum of two Directors, there is a possibility of lower attendance than for the scheduled meetings. If any Director is unable to attend a meeting, they receive the papers and have the opportunity to discuss them with the Chair. During the financial year, there were four ad-hoc Board meetings with a quorum at each.

At each scheduled Board meeting, amongst other items, the Directors review and discuss the Investment Manager's report, HVPE's financial position, drivers of performance, how HVPE has performed, the commitment plan, and the corporate broking report (which includes an update on the Company's peer group). Marketing and investor relations are covered in detail at two Board meetings, and at a higher level at the remaining meetings. Each meeting ends with a discussion between the Independent Directors for which no representative of the Investment Manager is present.

Responsibilities

The Board has adopted formal responsibilities for the Chair and the Senior Independent Director, as well as a schedule of matters reserved for the Board. All of these documents are available on the Company's website:

www.hvpe.com/shareholders/corporate-governance.

Board Composition

Together, the members of the Board possess a balance of skills, experience, and length of service, which the Directors believe is appropriate. Succession planning remains an ongoing process, designed to bring effective and smooth transition between Director appointments and to avoid undue disruption. This ensures that the Board is well-balanced through the appointment of new Directors with the necessary skills and experience. The

Board's careful consideration of its composition and the ongoing refreshment process led to the addition of Anulika Ajufo in May 2022. Further details on the selection and appointment process can be found in the Nomination Committee report on page 97.

All Directors are subject to annual re-election by shareholders. When a new Director is appointed to the Board, they participate in a structured induction process comprising of a series of meetings with the Chair of the Board and Chair of the Audit and Risk Committee, key individuals within the Investment Manager, and other service providers. Directors must be able to demonstrate commitment to the Company, and ensure that they have sufficient time to fulfil their roles effectively. Therefore, in accordance with the Board's established protocol on the management of potential conflicts, if a Director wishes to undertake additional external appointments, approval is sought from the Chair in order to confirm that the Director will be able to continue to dedicate sufficient time to carry out their duties as a Director of the Company, in addition to assessing any potential conflicts of interest and independence issues. In the case of any potential appointment for the Chair, the relevant assessment is conducted by the Senior Independent Director.

Tenure Policy

When considering its composition, the Board is strongly committed to striking the correct balance between the benefits of continuity, experience, and knowledge and those that come from the introduction of Directors with diversity of perspectives and skills. The Board has adopted a Tenure Policy confirming its intention that each independent Director will retire at the AGM immediately following the completion of their ninth year on the Board.

It is acknowledged that there could be unusual circumstances in which a short extension of that time period could be appropriate. In that event, a comprehensive explanation of the circumstances would be provided to stakeholders.

As representatives of the Investment Manager, Carolina Espinal, who was appointed to the Board in July 2019, and Peter Wilson, who was appointed in May 2013, are outside the scope of this policy. The independent Directors believe their contributions to the Board have offered considerable value to shareholders and that following the retirement of Mr Wilson at the forthcoming AGM, Ms Espinal will continue to offer that value.

Board and Committees Evaluation

The Board undertakes a formal annual evaluation of its performance. This includes the Chair carrying out an individual review with each Director of their respective performance and contribution, and the Senior Independent Director leading an annual evaluation of the performance of the Chair.

An externally facilitated Board evaluation occurs every three years and, in 2022, the Board engaged Board Alpha to conduct the appropriate evaluation. After a thorough process, Board Alpha raised no substantive issues but recommended that a number of minor actions should be taken, which were implemented by the Board during the financial year ended 31 January 2023. Board Alpha had conducted previous Board evaluations for the Company but otherwise has no connection to the Company or its Directors.

Policy on Diversity and Inclusion

The Board has adopted its Policy on Diversity and Inclusion to ensure that the benefits of diversity are a significant consideration in all recruitment.

The Board and Nomination Committee actively consider the diversity of the Board when considering future appointments. The Board currently consists of four women and three men and as such exceeds the Hampton-Alexander Review target for 33% female representation on FTSE 350 company boards. Of three senior Board positions the Chair is

male, the Senior Independent Director is female and the Chair of the Audit and Risk Committee is male. The Company has no employees. The Board has also achieved the level of ethnic diversity targeted by the Parker Review, with two of the six Directors seeking re-election at the AGM being from an ethnic minority background.

The Board also recognises that diversity includes racial, socio-economic, and other factors such as physical ability, and that different backgrounds and experiences can bring real value to the Company in terms of decision-making. The Board does not have any specific diversity targets in mind, given the range of factors that this term necessarily covers, and its main priority will always be to appoint the most appropriate candidate for any role.

The Company has met the targets on board diversity set out in the Financial Conduct Authority's Listing Rule 9.8.6R (9) as demonstrated in the tables set out below. The Company has collected the data for the following two tables by making due enquiry of the Directors.

	Number of board members	Percentage of the board	Number of senior positions on the board (CEO, CFO, SID and chair)¹
Men	3	43%	2
Women	4	57%	1
Not specified/prefer not to say	0	0%	0

	Number of board members	Percentage of the board	Number of senior positions on the board (CEO, CFO, SID and chair)¹
White British or other White (including minority white groups)	5	72%	3
Mixed/Multiple Ethnic Groups	0	0	0
Asian/Asian British	0	0	0
Black/African/Caribbean/Black British	1	14%	0
Other ethnic group, including Arab	1	14%	0
Not specified/prefer not to say	0	0	0

1 Tables reflect data as at 25 May 2023. As an investment company, HVPE does not have a CEO. These roles defined by the guidance are not specifically tailored for investment companies. In this table we have interpreted "CFO" as "Chair of the Audit and Risk Committee".

Audit and Risk Committee

About the Committee

The Audit and Risk Committee members are outlined on page 90. Ms Barnes, Mr Hodson (who served until 20 July 2022) and Ms Ajufo (who served from 19 May 2022) each held senior banking and finance roles for a number of years as described in their biographies. Ms Burne is a former auditor with 20 years' experience. Mr Wilderspin is a qualified Chartered Accountant and has over 15 years' experience as an Executive and Non-Executive Director on a number of private and listed fund boards as well as commercial companies. Members of the Committee are deemed by the Board to have recent and relevant financial and sector experience.

The Audit and Risk Committee is responsible for the review of the Company's accounting policies, periodic Financial Statements and auditor engagement. The Committee is also responsible for making appropriate recommendations to the Board, including that the Financial Statements are fair, balanced, and understandable, and ensuring that the Company complies to the best of its ability with applicable laws and regulations and adheres to the tenet of generally accepted codes of conduct. The Committee is also responsible for overseeing the Company's risk management framework and regulatory compliance.

All of the Company's management and administration functions are delegated to independent third parties or the Investment Manager and it is therefore felt that it would not be practical or cost effective for the Company to have its own internal audit facility. This matter is reviewed annually. The Audit and Risk Committee does have the power to commission third-party assurance work as it sees fit, but did not do so in the year under review.

Activities of the Committee

Audit and Risk Committee Meetings

In the financial year ended 31 January 2023, the Audit and Risk Committee met eight times. A summary of Director attendance is included in the "Board and Committee Meetings with Director Attendance" section on page 91. In these meetings, the Committee considered the following matters:

Auditor Tenure

The Audit and Risk Committee reviewed the effectiveness of the external audit process during the year, including audit quality, objectivity (level of challenge and professional scepticism), and independence, using a detailed questionnaire developed internally from guidance issued by the main accounting firms and the FRC. This included discussions with the Company's auditor (Ernst & Young LLP), Investment Manager and Company Secretary to review how well the previous year's audit had gone. The main conclusion from this review was that the audit has been of high quality and robust in nature. The Committee concluded that Ernst & Young LLP's appointment as the Company's auditor should be continued.

The Company's auditor has been engaged by the Company since 2007 and was re-engaged following a competitive tender process in May 2017. The partner responsible for the audit, Richard Le Tissier, commenced his role for the year ended 31 January 2022 audit. The Company's auditor performed the audit of the Company's Financial Statements, prepared in accordance with applicable law, US GAAP, and audited under both relevant US Generally Accepted Auditing Standards ("US GAAS") and International Standards on Auditing (UK). The audit approach remained substantially unchanged relative to the prior year.

Auditor Independence

The Audit and Risk Committee understands the importance of auditor independence, and, during the year, the Committee reviewed the independence and objectivity of the Company's auditor. The Committee received a report from the external auditor describing its independence, controls, and current practices to safeguard and maintain auditor independence. Other than fees paid for conducting a review of the Interim Financial Statements, there were no other non-audit fees paid to the auditor by the Company. The Committee has adopted a non-audit services policy that complies with the Revised Ethical Standard 2019 issued by the UK FRC which determines those services that the auditor is prohibited from providing to the Company and those services that the auditor may conduct. The policy includes a cap on the cost of any non-audit services provided by the auditor at 70% of the average of the previous three years' audit fees.

In all cases the Committee reviews the potential engagement of the auditor in advance to ensure that the auditor is the most appropriate party to deliver the proposed services and to put in place safeguards, where appropriate, to manage any threats to auditor independence.

Terms of Engagement

The Audit and Risk Committee reviewed the audit scope and fee proposal set out by the auditor in its audit planning. The auditor requested an increase in fees for 2023 for a number of reasons, including an increase in their cost base in a competitive market for talent, an increase in regulatory requirements, and growth in the number of underlying funds that the Company invests in. This was discussed by the Committee which also noted general audit market and inflationary fee pressure. The Committee considered the auditor's proposals to alleviate the time pressure in the final stages of the audit by conducting controls work earlier in the process. This allows the auditor to utilise the SOC I Report of HarbourVest Partners to a greater degree in circumstances when the audit of the underlying funds' financial statements for 31 December 2022 is incomplete at the time of issuance of the Company's annual report. The Committee recommended to the Board the total fee for audit and interim review work of £295,490 for 2023, a 10% increase on the fees for 2022.

Internal Controls

The internal control systems (including those relating to cyber security) are designed to meet the Company's particular needs and the risks to which it is exposed. Accordingly, the internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and by their nature can only provide reasonable and not absolute assurance against misstatement and loss. The Company places reliance on the control environment of its service providers, including its independent Administrator and the Investment Manager. In order to satisfy itself that the controls in place at the Investment Manager are adequate, the Audit and Risk Committee has reviewed the Private Equity Fund Administration Report on Controls Placed in Operation and Tests of Operating Effectiveness ("Type II SOC I Report") for the period from 1 October 2021 to 30 September 2022 (a bridging letter covers the period 1 October 2022 to 31 January 2023), detailing the controls environment in place at the Investment Manager, as well as ISAE 3402 Reports on Fund Administration, Global and Local Custody Services, Securities Lending Services, and Listed Derivatives Clearing Services for the period 1 October 2021 to 30 September 2022 detailing the controls environment in place at the Administrator and Company Secretary. In both of these reports there were minor findings, but the Committee is satisfied that the identified weaknesses were not material to the affairs of the Company, and that the respective service providers had taken action to improve controls in the identified areas. In addition, during the year, the Management Engagement and Service Provider Committee

conducted a detailed review of the performance of the Company's service providers, including the Investment Manager and Administrator.

The Investment Manager's Type II SOC I Report describes the internal controls in the HarbourVest Accounting group, which is responsible for maintaining the Company's accounting records and the production of the Accounts contained in the Company's Financial Statements. The main features of the controls are: clearly documented valuation policies; detailed review of financial reporting from underlying limited partnerships and investee companies; detailed reconciliation of capital accounts in underlying limited partnerships; monthly reconciliation of bank accounts; and a multi-layered review of financial reporting to ensure compliance with accounting standards and other reporting obligations.

Risk Management

The Audit and Risk Committee reviewed the Company's risk management framework during the year, and confirmed it was satisfied that it was appropriate for the Company's requirements. Further details of the principal risks and uncertainties facing the Company are given on pages 28 to 33. This is in accordance with relevant best practice as detailed in the FRC's guidance on Risk Management, Internal Control, and Related Financial and Business Reporting.

The Audit and Risk Committee is responsible for the overall risk framework, for mapping each risk through the framework, and for conducting specific risk reviews; the Board is responsible for setting risk appetite, identifying and assessing risks in terms of potential impact and likelihood, and considered emerging and topical risks.

Financial Risks

The Company is funded from equity balances, comprising issued Ordinary Share capital, as detailed in Note 1 to the Financial Statements, and retained earnings. The Company has access to borrowings pursuant to the credit facility of up to \$800 million. As at 31 January 2023, the credit facility remained undrawn. However, post-period end, \$200 million was drawn down. Although the Company's currency exposure is currently not hedged, the Company's stance on hedging is kept under review by the Audit and Risk Committee.

The Investment Manager and the Directors ensure that all investment activity is performed in accordance with the investment guidelines. The Company's investment activities expose it to various types of risks that are associated with the financial instruments and markets in which it invests. Risk is inherent in the Company's activities, and is managed through a process of ongoing identification, measurement, and monitoring. The financial risks to which the Company is exposed include market risk, liquidity risk, and cash flow risk.

Regulatory Compliance

The Audit and Risk Committee has engaged with the Administrator's compliance team to ensure that the Company fulfils its regulatory obligations. A Compliance Monitoring Plan is in place and is regularly reviewed by the Committee.

Audited Financial Statements, Significant Judgements and Reporting Matters

As part of the 31 January 2023 year-end audit, the Audit and Risk Committee reviewed and discussed the most relevant issues for the Company, most notably the risk of misstatement or manipulation of the valuation of its investments in underlying HarbourVest funds, the ongoing impact of the invasion of Ukraine by Russia, and the consequent macroeconomic waves breaking around the world, specifically with regard to the Board's statements on going concern and viability.

The greatest element of judgement by the Investment Manager in the valuation process is the roll forward of 31 December 2022 NAV's to the Company's year-end of 31 January 2023. This is a focus for the auditor as outlined on page 104 and is specifically addressed in discussions with the Committee prior to approval of the Financial Statements.

The Audit and Risk Committee remains satisfied that the valuation techniques used are accurate and appropriate for the Company's investments and consistent with the requirements of US GAAP. The Audit and Risk Committee ensures that the Board is kept regularly informed of relevant updates or changes to US GAAP that impact the Company, including but not limited to valuation principles.

Fair, Balanced, and Understandable

As a result of the work performed, the Audit and Risk Committee has concluded that the Audited Financial Statements for the year ended 31 January 2023 are fair, balanced and understandable, and provide the information necessary for shareholders to assess the Company's position and performance, business model, and strategy. It has reported on these findings to the Board.

Corporate Governance

The Audit and Risk Committee continues to monitor the Board's assessment of the Company's compliance with the AIC Code of Corporate Governance for Investment Companies (the 2019 edition).

Governance and Effectiveness

The Committee conducted a review of its activities against its constitution and terms of reference in respect of the year under review and concluded that all requisite activities had been undertaken. Minor amendments to the terms of reference were proposed and approved.

Other Matters

During the year, the Committee conducted a deep-dive review of the Company's structure and tax position, and commissioned a cyber security review of key service providers. Matters arising are being followed up with the relevant service providers.

In presenting this report, I have set out for the Company's shareholders the key areas that the Audit and Risk Committee focuses on. If any shareholders would like any further information about how the Audit and Risk Committee operates and its review process, I, or any of the other members of the Audit and Risk Committee would be pleased to meet them to discuss this.

Steven Wilderspin

Chair of the Audit and Risk Committee

25 May 2023

Management Engagement and Service Provider Committee

About the Committee

The MESPC was established on 24 November 2015 and is currently chaired by Ms Burne. Ms Barnes chaired the Committee until 21 July 2022. The members, all of whom are independent Directors, are outlined on page 90. The other Directors of the Company may attend by invitation of the Committee.

The MESPC held two meetings in the year under review and all members of the Committee attended the meetings.

Activities of the Committee

In the course of the year under review, the MESPC conducted a review of the Company's service providers to ensure the safe and accurate management and administration of the Company's affairs and business under terms which were competitive and reasonable for the shareholders.

Investment Manager Review

The annual Investment Manager review was undertaken in July 2022. As part of this review, the Board received presentations from the Investment Committee, as well as various operational teams and the senior management of the Investment Manager regarding investment strategy, as well as ESG, valuations, and manager selection processes and other matters relating to the Company's affairs. Following this review, the Board discussed its conclusions with the Investment Manager. The Board and MESPC Committee are satisfied with the performance of the Investment Manager with respect to investment returns and the overall level of service provided to the Company. The Board as a whole undertook visits to the Investment Manager's offices in Boston and London during the financial year.

In accordance with its terms of reference, the MESPC carried out a formal review of the Investment Management Agreement during the financial year and that review concluded with the signing of an amended and restated Investment Management Agreement on 31 January 2023. Amendments to the IMA included re-designating the Rolling Coverage Ratio as the Medium-term Coverage Ratio. The MCR (formerly the RCR) was introduced as a measure of the Company's ability to cover its medium-term obligations. While the formula for its calculation remains unchanged the methodology has been refined to exclude the cash flow associated with projected future commitments and focus only on the projected cash flow of existing commitments. Other amendments include incorporation of the Fixed Fee side letter setting out the terms on which the Investment Manager is reimbursed for expenses incurred in the provision of its services as described on page 86, as well as the introduction of a \$10,000 materiality limit for legal fees over which Board approval must be sought.

MESPC Review

The MESPC met in December 2022 and conducted a detailed review of the performance of all the Company's key service providers for the year to January 2023 against the following criteria:

- scope of service;
- key personnel;
- key results achieved for the Company;
- fees charged to the Company;
- breaches and errors in the year under review;
- ESG policies and initiatives;
- anti-slavery policies;
- anti-bribery controls;
- cyber security and IT controls environment; and
- General Data Protection Regulation ("GDPR") compliance.

The MESPC conducted interviews with the Company's most critical service providers as part of its review and in order to strengthen and deepen the purposeful engagement between the Company and its stakeholders.

Governance and Effectiveness

In December 2022, the MESPC conducted a review of its activities against its constitution and terms of reference in respect of the year under review and concluded that it had satisfactorily complied with all of its terms of reference.

Nomination Committee

About the Committee

The Nomination Committee was established on 24 November 2015 and is chaired by Mr Warner, Chair of the Company. Its members are outlined on page 90.

There were two scheduled meetings held during the year. All members attended both meetings. The mandate of the Nomination Committee is to consider issues related to the identification and appointment of Directors to the Board.

Activities of the Committee

Changes to Board Composition

In accordance with the approach to succession planning outlined below and as reported in the 2022 Annual Report and Accounts, Anulika Ajufo was appointed as a Director with effect from 19 May 2022. Ms Ajufo was subsequently elected by shareholders at the 2022 AGM. Ms Ajufo's appointment completed the latest phase of Board refreshment.

Approach to Succession Planning

As was reported in the 2022 Annual Report and Accounts, Ms Ajufo was appointed on the recommendation of the Committee following a detailed and competitive process facilitated by a third-party recruitment firm, Odgers Berndtson. At its second meeting of the financial year the Committee considered the Board's range of skills, and agreed that there was no immediate need to recruit another Director.

Odgers Berndtson has no connections to the Company or its Directors.

Governance and Effectiveness

During the year, the Nomination Committee conducted a review of its activities against its constitution and terms of reference in respect of the year under review and concluded that it had satisfactorily complied with all of its terms of reference.

Remuneration Committee

About the Committee

The Remuneration Committee was established on 23 March 2021 and is chaired by the Senior Independent Director of the Company, Ms Barnes. The members are listed on page 90. The other Directors of the Company may attend by invitation of the Committee.

The Remuneration Committee has delegated responsibility for determining the policy for Directors' remuneration and setting the remuneration of the Chair of the Board. The Committee also makes recommendations to the Board for the Directors' remuneration levels which shall be determined in accordance with the Company's Articles of Association. Remuneration will not include performance-related elements.

There was one scheduled meeting held during the year. All members attended the meeting. The Committee approved the remuneration for the Chair and agreed to recommend to the Board measured increases in the fees paid to the independent Directors and to the Chair of the Audit and Risk Committee. The recommendations were

subsequently approved by the Board and the revised fees took effect from 1 February 2023. It was confirmed that non-Independent Directors do not receive any remuneration.

Governance and Effectiveness

During the year, the Remuneration Committee conducted a review of its activities against its constitution and terms of reference in respect of the year under review and concluded that it had satisfactorily complied with all of its terms of reference.

Inside Information Committee

About the Committee

The Committee was formed on 12 July 2016 to consider information which may need to be made public in order for the Company to comply with its obligations under the UK Market Abuse Regulation. It met twice during the year and issued two flash NAV per share updates as a result of the respective meetings. The Committee is chaired by Mr Warner.

Directors' remuneration report

An ordinary resolution for the approval of this Directors' Remuneration Report will be put to shareholders at the forthcoming AGM to be held on 19 July 2023.

There are no long-term incentive schemes provided by the Company and no performance fees are paid to Directors. Directors affiliated to HarbourVest do not receive any fees.

No Director has a service contract with the Company; however, each Director is appointed by a letter of appointment which sets out the terms of the appointment.

Directors are remunerated in the form of fees, payable quarterly in arrears to the Director personally. The table below details the fees paid to each Director of the Company for the years ended 31 January 2022 and 31 January 2023. The Company's Articles limit the aggregate fees payable to Directors to a maximum of £550,000 per annum. Following the recommendation of the Remuneration Committee, the Board approved incremental increases in the fees paid to the Independent Directors to take effect from 1 February 2023. In approving these increases the Board was acting on its intention to prefer measured annual, incremental increases rather than intermittent corrections.

Under the Company's Articles, Directors are entitled to additional ad-hoc remuneration for project work outside of the scope of their ordinary duties. No such payments were made in the year ended 31 January 2023.

Director	Role	Fees Paid for the 12 Months ended 31 January 2023	Fees Paid for the 12 Months Ended 31 January 2022
Anulika Ajufu	Independent Director	£40,217	n/a ¹
Francesca Barnes	Senior Independent Director	£59,661 ²	£54,000
Libby Burne	Chair of MESPC, Independent Director	£58,434 ³	£45,150
Carolina Espinal	Director	Nil	Nil
Alan Hodson	Independent Director	£27,756 ⁴	£54,000
Andrew Moore	Independent Director	Nil	£30,082 ⁵

Ed Warner	Chair, Independent Director	£106,605	£100,000
Steven Wilderspin	Chair of ARC, Independent Director	£68,246	£64,000
Peter Wilson	Director	Nil	Nil

- 1 Ms Ajufo was appointed with effect from 19 May 2022.
- 2 Ms Barnes was appointed Senior Independent Director with effect from 20 July 2022.
- 3 Ms Burne was appointed Chair of the MESPC with effect from 21 July 2022.
- 4 Mr Hodson retired from the Board and as Senior Independent Director at the AGM on 20 July 2022.
- 5 Mr Moore retired from the Board on 22 July 2021.

Role	Annual Fee to 31 January 2022	Annual Fee to 31 January 2023	Annual Fee from 1 February 2023
Chair of the Board	£100,000	£107,000	£109,000
Non-Executive Director	£54,000	£57,000	£58,000
Premium for Senior Independent Director	£0	£3,000	£3,000
Premium for Chair of the Audit and Risk Committee	£10,000	£11,500	£12,000
Premium for Chair of MESPC	£0	£3,000	£3,000

Ed Warner

Chair

25 May 2023

Steven Wilderspin

Chair of the Audit and Risk Committee

Statement of Compliance with the AIC Code of Corporate Governance

The Directors place a large degree of importance on ensuring that high standards of corporate governance are maintained, and aim to comply to the greatest extent possible with the provisions of the AIC Code published in 2019.

The Board has considered the principles and provisions of the AIC Code. The AIC Code addresses all the principles and provisions set out in the 2018 UK Corporate Governance Code (the "UK Code"), as well as setting out additional provisions on issues that are of specific relevance to the Company. The AIC Code has been endorsed by the Financial Reporting Council and the Guernsey Financial Services Commission ("GFSC"). By reporting against the AIC Code, the Company is meeting its obligations under the UK Code, the GFSC Finance Sector Code of Corporate Governance, as amended in November 2021, and the associated disclosure requirements set out under paragraph 9.8.6R of the Financial Conduct Authority's Listing Rules. The Board considers that reporting against the principles and provisions of the AIC Code provides more relevant information to stakeholders. The AIC Code is available on the AIC website: www.theaic.co.uk.

The Company complied with all the principles and provisions of the AIC Code during the year ended 31 January 2023 except for a difference relating to the duties of the Nomination Committee. Details of this difference, which constitutes an ongoing exception to one of the principles of the AIC Code, are set out below:

The Duties of the Nomination Committee

As set out on page 97, the Board has established a Nomination Committee, but has chosen to limit its remit to focus purely on the identification and nomination of Board candidates to fill Independent Director Board vacancies as and when they arise. Other matters relating to the structure, size, and composition of the Board, and plans in respect of tenure and succession for Independent Directors form part of the matters reserved for the entire Board. By reserving those matters for the Board, the Company does not comply with provision 7.2 22 of the AIC Code. The Directors believe that their deliberations in relation to these matters benefit from the input from all the Directors, including those appointed by HarbourVest.

Set out below is where stakeholders can find further information within the Annual Report about how the Company has complied with the various principles and provisions of the AIC Code.

1. Board Leadership and Purpose

Purpose	On page 82
Strategy	On pages 82 to 89
Values and culture	On page 90
Shareholder engagement	On pages 24 to 27
Stakeholder engagement	On pages 24 to 27

2. Division of Responsibilities

Director independence	On page 83
Board meetings	On page 91
Relations with Investment Manager	On page 86
Management Engagement Committee	On page 96

3. Composition, Succession, and Evaluation

Nomination Committee	On page 97
Director re-election	On pages 91 and 92
Use of an external search agency	Approach to Succession Planning on page 97
Board evaluation	Board and Committees Evaluation on page 92

4. Audit, Risk, and Internal Control

Audit and Risk Committee	On pages 93 to 95
Emerging and principal risks	On pages 28 to 33
Risk management and internal control systems	On page 94
Going concern statement	On pages 87 to 88
Viability statement	On page 88

5. Remuneration

Directors' remuneration report

On page 98

Independent Auditor's Report

to the Members of HarbourVest Global Private Equity Limited

Opinion

We have audited the consolidated financial statements (the "Consolidated Financial Statements") of HarbourVest Global Private Equity Limited (the "Company") and its subsidiaries (together the "Group") for the year ended 31 January 2023 which comprise the Consolidated Statements of Assets and Liabilities, the Consolidated Statements of Operations, the Consolidated Statements of Changes in Net Assets, the Consolidated Statements of Cash Flows, the Consolidated Schedule of Investments, and the related notes 1 to 12, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United States Generally Accepted Accounting Principles ("US GAAP").

In our opinion, the Financial Statements:

- give a true and fair view of the state of the Group's affairs as at 31 January 2023 and of its loss for the year then ended;
- have been properly prepared in accordance with US GAAP; and
- have been properly prepared in accordance with the requirements of the Companies (Guernsey) Law, 2008.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group and Company in accordance with the ethical requirements that are relevant to our audit of the financial statements, including the UK FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Group or Company and we remain independent of the Group and Company in conducting the audit.

Conclusions Relating to Going Concern

In auditing the Consolidated Financial Statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the Consolidated Financial Statements is appropriate. Our evaluation of the Directors' assessment of the Group's and Company's ability to continue to adopt the going concern basis of accounting included:

- We discussed with the Directors their assessment of going concern, which included four scenario analysis models, including the 'Base Case' and 'Extreme Downside' scenarios, the 'Base Case' being considered by the Directors to be the most likely scenario;

- We ascertained that the going concern assessment covered a period up until 30 June 2024 from the date of approval of the Financial Statements;
- We reviewed the arithmetical accuracy of the 'Base Case' and 'Extreme Downside' scenario models;
- For the 'Base Case' scenario we reviewed the working capital documentation which supports the Directors' assessment of going concern;
- We considered the estimation uncertainty of the prior year's most likely scenario by comparing it to the Group's actual performance to date, discussed the material movements with the Board and the Investment Manager, and obtained the required supporting documentation;
- For the 'Extreme Downside' scenario we challenged the sensitivities and assumptions used in the forecast through reverse stress testing to understand how severe the downside scenario would have to be to result in the elimination of liquidity headroom or a covenant breach;
- We held discussions with the Audit Committee and Investment Manager to determine whether, in their opinion, there is any material uncertainty regarding the Group's ability to pay liabilities and commitments as they fall due. Through these discussions we considered and challenged the options available to the Group if it were in a stressed scenario. These options included but were not limited to the use of credit facilities and sales in the secondary market;
- We assessed whether the commitments made to underlying investments cast significant doubt over the going concern status of the Group and compared the historical calls made by underlying investments as a % of the total commitments made, including a discussion with the Investment Manager regarding the possibility for uncalled commitments to be called;
- We confirmed available credit facility balances to understand the potential impact of the leverage in the underlying funds;
- Recalculating the forecast debt covenants on external loans to validate compliance within the going concern period;
- We considered whether the Directors' assessment of going concern as included in the Annual Report is appropriate and consistent with the disclosure in the viability statement; and
- We evaluated the disclosures made in the Annual Report and Consolidated Financial Statements regarding going concern to ascertain that they are in accordance with US GAAP and have complied with, or explained reasons for non-compliance, with all the AIC Code of Corporate Governance provisions.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and Company's ability to continue as a going concern over a period from the date of approval of the Financial Statements up until 30 June 2024.

In relation to the Group's reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' Statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Overview of Our Audit Approach

Key audit matters Risk of misstatement or manipulation of the valuation of the Group's investments in the underlying Primary or Secondary HarbourVest funds, together the "HarbourVest investment funds".

Materiality Overall materiality of \$76.8m which represents 2% of Net Assets.

An Overview of the Scope of Our Audit

Tailoring the Scope

Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope for each company within the Group. This enables us to form an opinion on the Consolidated Financial Statements. We take into account size, risk profile, the organisation of the Group and effectiveness of group wide controls and changes in the business environment, when assessing the level of work to be performed.

The audit was led from Guernsey and utilised audit team members from the Boston office of Ernst & Young LLP in the US. We operated as an integrated audit team across the two jurisdictions, and we performed audit procedures and responded to the risk identified as described below.

The Group comprises the Company and its five wholly owned subsidiaries as explained in note 2 to the Group Financial Statements. The Company, each subsidiary and the consolidation are subject to full scope audit procedures. Other than the investments which the Company holds directly, the subsidiaries own the investments, which are set out in the Consolidated Schedule of Investments, and on which we performed our work on valuation.

Climate Change

Stakeholders are increasingly interested in how climate change will impact HarbourVest Global Private Equity Limited. The Group has determined that the most significant future impacts from climate change on their operations will be from the investments made by the underlying partnerships in which they are invested. These are explained on pages 44 to 51 in Purposeful growth (Environmental, Social, and Governance) and on pages 32 and 33 in the principal risks and uncertainties, which form part of the "Other information," rather than the audited Consolidated Financial Statements. Our procedures on these unaudited disclosures therefore consisted solely of considering whether they are materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the course of the audit or otherwise appear to be materially misstated, in line with our responsibilities on "Other information".

Our audit effort in considering climate change was focussed on the adequacy of the Group's disclosures in the financial statements as set out in Note 2 and the conclusion that there was not a material impact on the recognition and separate measurement considerations of the assets and liabilities of the Group as at 31 January 2023.

Based on our work we have not identified the impact of climate change on the financial statements to be a key audit matter or to impact a key audit matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Consolidated Financial Statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on the overall audit strategy, the allocation of resources in the audit; and directing

the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our Response to the Risk	Key Observations Communicated to the Audit and Risk Committee
<p>Misstatement or manipulation of the valuation of the Group’s investments in the underlying Primary or Secondary HarbourVest funds, together the “HarbourVest investment funds” (\$3,616 million; 2022 \$3,633 million).</p> <p>Refer to the Accounting policies and Note 4 of the Financial Statements.</p> <p>There is a risk that the valuation of the Group’s investments at 31 January 2023, which comprise 94.3% (2022: 92.6%) of net assets is materially misstated. The valuation of the investments is the principal driver of the Group’s net asset value and hence incorrect valuations would have a significant impact on the net asset value and performance of the Group.</p>	<p>Our response comprised the performance of the following procedures:</p> <ul style="list-style-type: none"> • Confirmed and documented our understanding of the Group’s processes, controls and methodologies for valuing investments held by the Group in the HarbourVest investment funds, including the use of the practical expedient as set out in Accounting Standard Codification (ASC) Topic 820 Fair Value Measurement (“ASC 820”) by performing our walkthrough processes and evaluating the implementation and design effectiveness of controls; • We also utilised the System and Organisation Controls 1 Report for Private Equity Fund Administration Report on Controls Placed in Operation and Tests of Operating Effectiveness (“SOC 1 report”) of HarbourVest Partner LLC to confirm our understanding of the production on the NAVs of the HarbourVest investment funds; • Agreed 96.8% by value of the individual net asset values of each HarbourVest investment fund to its underlying audited Net Asset Value (NAV) in the corresponding financial statements as at 31 December 2022 which, prior to adjustments, formed the basis for the Group’s carrying amount as at 31 January 2023; • For 3.1% of the remaining 3.2% by value of the individual net asset values of each HarbourVest investment fund we agreed the underlying unaudited NAV as at 31 December 2022 which, prior to adjustments, formed the basis for the Group’s carrying amount as at 31 January 2023. In addition to the roll forward to 31 January 2023 procedures described below we: <ul style="list-style-type: none"> • confirmed that the HarbourVest investment fund was subject to the same processes for determining the NAV as set out in the SOC 1 report; and • obtained and reviewed the Limited Partnership Agreement of the HarbourVest investment fund and 	<p>We reported to the Audit and Risk Committee that we did not identify any instances of the use of inappropriate methodologies and that the valuation of the Group’s investments in the HarbourVest investment funds were not materially misstated.</p>

ensured the NAV is prepared on a basis which would allow the application of the practical expedient under ASC 820.

- We obtained a schedule of all adjustments made to those audited and unaudited NAVs between 1 January 2023 and 31 January 2023, and:
 - On a sample basis verified contributions and distributions made to/from the HarbourVest investment funds to supporting bank statements;
 - Recalculated a sample of accrued management fees in the HarbourVest investment funds based on the terms of the signed management agreements and agreed terms to relevant supporting documents;
 - Verified foreign exchange rate changes to independent third-party sources, and their application to any HarbourVest investment funds denominated in foreign currencies;
 - Considered whether there were changes in market conditions during the period from 1 January 2023 to 31 January 2023 that could have had a material impact when applied to the key sensitive inputs to the valuations of the direct investments of the HarbourVest investment funds;
 - Considered whether there were changes in market conditions during the period from 1 January 2023 to 31 January 2023 that could have had a material impact when applied to the marketable securities held by the HarbourVest investment funds;
 - Independently sourced third-party prices and verified fair value changes on publicly traded securities held in the HarbourVest investment funds; and
 - Through enquiry determined that there were no post-closing adjustments since 31 December 2022 or other material changes to the NAV subsequent to the HarbourVest investment funds' finalized financial reporting process.
 - We assessed the fairness, accuracy and completeness of the disclosures in the Consolidated Financial Statements.
-

Our Application of Materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the Group to be \$76.8 million (2022: \$78.4 million), which is 2% (2022: 2%) of net assets. We believe that net assets provides us with a basis for determining the nature, timing and extent of risk assessment procedures, identifying and assessing the risk of material misstatement and determining the nature, timing and extent of further audit procedures. We used the net assets as a basis for determining planning materiality because the Group's primary performance measures for internal and external reporting are based on net assets as we consider it is the measure most relevant to the stakeholders of the Group.

We calculated materiality during the planning stage of the audit and during the course of our audit we reassessed initial materiality based on 31 January 2023 net assets.

Performance Materiality

The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the Group's overall control environment, our judgement was that performance materiality was 75% (2022: 75%) of our planning materiality, namely \$57.6m (2022: \$58.8m). Our objective in adopting this approach was to ensure that total uncorrected and undetected audit differences in the Financial Statements did not exceed our materiality level. We have set performance materiality at this percentage given that there is no history of material misstatements, the likelihood of misstatement in the future is deemed low, we have a strong understanding of the control environment, there were no changes in circumstances (such as a change in accounting personnel or events out of the normal course of business) and it is not a close monitored audit, and hence we consider 75% to be reasonable.

Reporting Threshold

An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Audit Committee that we would report to them all uncorrected audit differences in excess of \$3.8m (2022: \$3.9m), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

Other Information

The other information comprises the information included in the annual report, other than the Consolidated Financial Statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the Consolidated Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the Consolidated Financial Statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on Which We Are Required To Report by Exception

We have nothing to report in respect of the following matters in relation to which The Companies (Guernsey) Law, 2008 requires us to report to you if, in our opinion:

- proper accounting records have not been kept by the Company; or
- the Financial Statements are not in agreement with the Company's accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Corporate Governance Statement

We have reviewed the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Group's compliance with the provisions of the UK Corporate Governance Code specified for our review by the listing rules.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit:

- Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on pages 87 to 88;
- Directors' explanation as to its assessment of the company's prospects, the period this assessment covers and why the period is appropriate set out on pages 87 to 88;
- Director's statement on whether it has a reasonable expectation that the Group will be able to continue in operation and meets its liabilities set out on pages 87 to 88;
- Directors' statement on fair, balanced and understandable set out on page 95;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on pages 28 to 33;
- The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 94; and
- The section describing the work of the audit committee set out on pages 93 to 95.

Responsibilities of Directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 88, the Directors are responsible for the preparation of the Consolidated Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the company and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are;
 - Financial Conduct Authority ("FCA") Listing Rules;
 - Disclosure Guidance and Transparency Rules ("DTR") of the FCA;
 - The 2018 UK Corporate Governance Code;
 - The 2019 AIC Code of Corporate Governance;
 - The Companies (Guernsey) Law, 2008, as amended.
- We understood how Group is complying with those frameworks by:
 - Discussing the processes and procedures used by the Directors, the Investment Manager, the Company Secretary and Administrator to ensure compliance with the relevant frameworks;
 - Inspecting the Group's relevant documented policies, processes and procedures; and
 - Reviewing internal reports that evidence compliance testing.
- We assessed the susceptibility of the Group's Consolidated Financial Statements to material misstatement, including how fraud might occur by;
 - Identifying misstatement or manipulation of the valuation of the Group's investments in the HarbourVest funds and undertaking the audit procedures set out in the Key Audit Matters section above;
 - Obtaining an understanding of entity-level controls and considering the influence of the control environment;
 - Obtaining management's assessment of fraud risks including an understanding of the nature, extent and frequency of such assessment documented in the HVPE Risk Review;

- Making inquiries with those charged with governance as to how they exercise oversight of management's processes for identifying and responding to fraud risks and the controls established by management to mitigate specifically those risks the entity has identified, or that otherwise help to prevent, deter and detect fraud;
 - Making inquiries with management and those charged with governance regarding how they identify related parties including circumstances related to the existence of a related party with dominant influence; and
 - Making inquiries with management and those charged with governance regarding their knowledge of any actual or suspected fraud or allegations of fraudulent financial reporting affecting the Group.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved:
 - Having discussions with those charged with governance, the Investment Manager, the Company Secretary and Administrator to obtain an understanding of how instances of non-compliance with relevant laws and regulations are identified;
 - Reviewing Board minutes and internal compliance reporting;
 - Inspecting correspondence with regulators;
 - Reviewing the Consolidated Financial Statements to check that they comply with the reporting requirements of the Group;
 - Obtaining relevant written representations from the Board of Directors; and
 - Performing journal entry testing.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other Matters We are Required to Address

- Following the recommendation from the audit committee we were appointed by the Company on 2 November 2007 to audit the financial statements for the year ending 31 January 2008 and subsequent financial periods. The period of total uninterrupted engagement including previous renewals and reappointments is 16 years, covering the years ended 31 January 2008 to 31 January 2023.
- The audit opinion is consistent with the additional report to the Audit and Risk Committee.

Use of Our Report

This report is made solely to the Company's members, as a body, in accordance with Section 262 of The Companies (Guernsey) Law 2008. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Richard Geoffrey Le Tissier

For and on behalf of Ernst & Young LLP

Guernsey

25 May 2023

Notes:

1. The maintenance and integrity of the Company's website is the sole responsibility of the Directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditor accepts no responsibility for any changes that may have occurred to the Financial Statements since they were initially presented on the website.
2. Legislation in Guernsey governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Report of Independent Auditors

To the Directors of HarbourVest Global Private Equity Limited

Opinion

We have audited the Consolidated Financial Statements of HarbourVest Global Private Equity Limited (the "Company") and its subsidiaries (together the "Group"), which comprise the Consolidated Statements of Assets and Liabilities, including the Consolidated Schedules of Investments, as of 31 January 2023 and 2022, and the related Consolidated Statements of Operations, the Consolidated Statements of Changes in Net Assets, the Consolidated Statements of Cash Flows for the years then ended, and the related notes 1 to 12 (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Group at 31 January 2023 and 2022, and the results of its operations, changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Group and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Group's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional

omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Group's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Information

Management is responsible for the other information. The other information comprises the Strategic Report, Governance, and Other Information but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Ernst & Young LLP

Guernsey, Channel Islands
25 May 2023

Financial Statements

Consolidated Statements of Assets and Liabilities

At 31 January 2023 and 2022

In US Dollars	2023 (in thousands*)	2022 (in thousands*)
Assets		
Investments (Note 4)	3,616,330	3,633,361
Cash and equivalents	197,523	284,023
Other assets	25,652	7,865
Total assets	3,839,505	3,925,249
Liabilities		
Accounts payable and accrued expenses	1,441	3,280
Accounts payable to HarbourVest Advisers L.P. (Note 9)	138	36
Total liabilities	1,579	3,316
Commitments (Note 5)		
Net assets	\$3,837,926	\$3,921,933
Net assets consist of		
Shares, unlimited shares authorised, 79,104,622 and 79,862,486 shares issued and outstanding at 31 January 2023 and 31 January 2022 respectively, no par value	3,837,926	3,921,933
Net assets	\$3,837,926	\$3,921,933
Net asset value per share	\$48.52	\$49.11

* Except net asset value per share

The accompanying notes are an integral part of the Financial Statements.

The Financial Statements on pages 109 to 123 were approved by the Board on 25 May 2023 and were signed on its behalf by:

Ed Warner

Chair

Steven Wilderspin

Chair of the Audit and Risk Committee

Consolidated Statements of Operations

For the Years Ended 31 January 2023 and 2022

In US Dollars	2023 (in thousands)	2022 (in thousands)
Realised and unrealised (losses) gains on investments		
Net realised gain on investments	236,752	586,396
Net change in unrealised appreciation and depreciation on investments	(291,301)	477,401
Net (loss) gain on investments	(54,549)	1,063,797
Investment income		
Interest and dividends from cash and equivalents	3,622	13
Other income	71	-
Expenses		
Non-utilisation fees (Note 6)	7,078	5,346
Financing expenses	2,455	1,679
Investment services (Note 3)	2,021	2,612
Professional fees	975	720
Directors' fees and expenses (Note 9)	526	498
Management fees (Note 3)	384	757
Marketing expenses	288	316
Tax expenses	7	8
Interest expense (Note 6)	-	1,885
Other expenses	633	567
Total expenses	14,367	14,388
Net investment loss	(10,674)	(14,375)
Net (decrease) increase in net assets resulting from operations	(\$65,223)	\$1,049,422

The accompanying notes are an integral part of the Financial Statements.

Consolidated Statements of Changes in Net Assets

For the Years Ended 31 January 2023 and 2022

In US Dollars	2023 (in thousands)	2022 (in thousands)
(Decrease) increase in net assets from operations		
Net realised gain on investments	236,752	586,396
Net change in unrealised appreciation and depreciation on investments	(291,301)	477,401
Net investment loss	(10,674)	(14,375)
Net (decrease) increase in net assets resulting from operations	(65,223)	1,049,422
Capital Share Transactions		
Share Repurchase	(18,784)	-
Net decrease in net assets from capital share transactions	(18,784)	-
Total (decrease) increase in net assets	(84,007)	1,049,422
Net assets at beginning of year	3,921,933	2,872,511
Net assets at end of year	\$3,837,926	\$3,921,933

The accompanying notes are an integral part of the Financial Statements.

Consolidated Statements of Cash Flows

For the Years Ended 31 January 2023 and 2022

In US Dollars	2023 (in thousands)	2022 (in thousands)
Cash flows from operating activities		
Net (decrease) increase in net assets resulting from operations	(65,223)	1,049,422
Adjustments to reconcile net (decrease) increase in net assets resulting from operations to net cash (used in) provided by operating activities:		
Net realised gain on investments	(236,752)	(586,396)
Net change in unrealised appreciation and depreciation on investments	291,301	(477,401)
Contributions to private equity investments	(704,903)	(514,938)
Distributions from private equity investments	649,012	834,552
Other	(1,151)	368
Net cash (used in) provided by operating activities	(67,716)	305,607
Cash flows from financing activities		
Proceeds from borrowing on the credit facility	-	80,000
Repayments in respect of the credit facility	-	(200,000)
Share Repurchase	(18,784)	-

In US Dollars	2023 (in thousands)	2022 (in thousands)
Net cash used in financing activities	(18,784)	(120,000)
Net change in cash and equivalents	(86,500)	185,607
Cash and equivalents at beginning of year	284,023	98,416
Cash and equivalents at end of year	\$197,523	\$284,023
Supplemental disclosure of non- cash activities		
Distribution-in-kind from HarbourVest Adelaide Feeder L.P. (Note 10)	\$117,233	
Contribution-in-kind to HarbourVest Infrastructure Income Delaware Parallel Partnership L.P. (Note 10)	(\$117,233)	

The accompanying notes are an integral part of the Financial Statements.

Consolidated Schedule of Investments

At 31 January 2023

In US Dollars

US Funds	Unfunded Commitment (in thousands)	Amount Invested* (in thousands)	Distributions Received (in thousands)	Fair Value (in thousands)	Fair Value as a % of Net Assets
HarbourVest Partners V- Partnership Fund L.P.	2,220	46,709	45,924	816	0.0
HarbourVest Partners VI- Direct Fund L.P.	1,313	46,722	40,882	260	0.0
HarbourVest Partners VI- Partnership Fund L.P.	5,175	204,623	237,227	503	0.0
HarbourVest Partners VII- Venture Partnership Fund L.P. [†]	2,319	135,290	204,163	2,132	0.1
HarbourVest Partners VII- Buyout Partnership Fund L.P. [†]	3,850	74,417	103,486	187	0.0
HarbourVest Partners VIII- Cayman Mezzanine and Distressed Debt Fund L.P.	2,000	48,202	61,472	2,466	0.1
HarbourVest Partners VIII- Cayman Buyout Fund L.P.	7,500	245,259	404,137	21,860	0.6
HarbourVest Partners VIII- Cayman Venture Fund L.P.	1,000	49,192	88,651	15,883	0.4
HarbourVest Partners 2007 Cayman Direct Fund L.P.	2,250	97,877	160,808	4,946	0.1

In US Dollars					
HarbourVest Partners IX- Cayman Buyout Fund L.P.	10,473	60,808	84,303	49,417	1.3
HarbourVest Partners IX- Cayman Credit Opportunities Fund L.P.	1,875	10,674	11,337	6,807	0.2
HarbourVest Partners IX- Cayman Venture Fund L.P.	3,500	66,826	124,117	94,932	2.5
HarbourVest Partners 2013 Cayman Direct Fund L.P.	3,229	97,131	148,459	51,604	1.3
HarbourVest Partners Cayman Cleantech Fund II L.P.	900	19,156	16,143	18,984	0.5
HarbourVest Partners X Buyout Feeder Fund L.P.	42,840	209,188	154,487	219,696	5.7
HarbourVest Partners X Venture Feeder Fund L.P.	6,290	141,764	91,859	278,980	7.3
HarbourVest Partners Mezzanine Income Fund L.P.	8,155	42,067	62,671	18,132	0.5
HarbourVest Partners XI Buyout Feeder Fund L.P.	129,500	220,500	70,642	277,494	7.2
HarbourVest Partners XI Micro Buyout Feeder Fund L.P.	19,955	45,045	18,490	55,692	1.5
HarbourVest Partners XI Venture Feeder Fund L.P.	33,250	156,786	38,522	221,358	5.8
HarbourVest Adelaide Feeder L.P.	6,000	144,000	176,644	1,320	0.0
HarbourVest Partners XII Buyout Feeder Fund L.P.	457,875	37,125	–	42,754	1.1
HarbourVest Partners XII Micro Buyout Feeder Fund L.P.	78,400	1,600	–	1,102	0.0
HarbourVest Partners XII Venture Feeder Fund L.P.	122,175	12,825	–	13,122	0.3
HarbourVest Partners XII Venture AIF SCSp	102,350	12,725	–	13,463	0.4
Harbourvest Infrastructure Income Delaware Parallel Partnership	–	117,233	18,373	119,638	3.1
Total US Funds	1,054,393	2,343,743	2,362,798	1,533,549	40.0

International/Global Funds	Unfunded Commitment (in thousands)	Amount Invested* (in thousands)	Distributions Received (in thousands)	Fair Value (in thousands)	Fair Value as a % of Net Assets
HarbourVest International Private Equity Partners III- Partnership Fund L.P.	3,450	147,729	148,440	395	0.0
HIPEP V-2007 Cayman European Buyout Companion Fund L.P. [§]	1,546	63,880	84,434	665	0.0
Dover Street VII Cayman L.P.	4,250	83,504	117,756	775	0.0
HIPEP VI-Cayman Partnership Fund L.P.**	5,432	117,845	163,073	73,196	1.9
HIPEP VI-Cayman Asia Pacific Fund L.P.	2,500	47,687	55,840	26,154	0.7
HIPEP VI-Cayman Emerging Markets Fund L.P.	-	30,059	12,151	24,542	0.6
Dover Street VIII Cayman L.P.	14,400	165,724	255,442	21,677	0.6
HVPE Charlotte Co-Investment L.P.	-	93,894	161,228	1,979	0.1
HarbourVest Global Annual Private Equity Fund L.P.	11,300	88,701	128,959	79,433	2.1
HIPEP VII Partnership Feeder Fund L.P.	14,688	110,313	94,516	137,579	3.6
HIPEP VII Asia Pacific Feeder Fund L.P.	1,950	28,050	18,269	34,051	0.9
HIPEP VII Emerging Markets Feeder Fund L.P.	2,600	17,400	7,385	21,462	0.6
HIPEP VII Europe Feeder Fund L.P. .††	9,411	61,749	62,637	75,215	2.0
HarbourVest Canada Parallel Growth Fund L.P.††	5,056	19,224	12,427	30,321	0.8
HarbourVest 2015 Global Fund L.P.	8,500	91,517	106,979	81,507	2.1
HarbourVest 2016 Global AIF L.P.	23,000	77,026	76,508	77,869	2.0
HarbourVest Partners Co- Investment IV AIF L.P.	7,000	93,000	85,330	86,145	2.2
Dover Street IX Cayman L.P.	13,000	87,000	88,613	63,361	1.7
HarbourVest Real Assets III Feeder L.P.	3,750	46,250	9,121	52,457	1.4

International/Global Funds	Unfunded Commitment (in thousands)	Amount Invested* (in thousands)	Distributions Received (in thousands)	Fair Value (in thousands)	Fair Value as a % of Net Assets
HarbourVest 2017 Global AIF L.P.	27,500	72,521	53,510	81,961	2.1
HIPEP VIII Partnership AIF L.P.	49,725	120,275	28,926	154,277	4.0
Secondary Overflow Fund III L.P.	24,214	68,876	66,304	68,707	1.8
HarbourVest Asia Pacific VIII AIF Fund L.P.	8,250	41,756	8,000	50,108	1.3
HarbourVest 2018 Global Feeder Fund L.P.	15,400	54,600	18,850	75,203	2.0
HarbourVest Partners Co-Investment V Feeder Fund L.P.	22,500	77,548	15,940	123,382	3.2
HarbourVest Real Assets IV Feeder L.P.	22,000	28,000	4,167	35,278	0.9
HarbourVest 2019 Global Feeder Fund L.P.	36,000	64,007	13,621	87,489	2.3
HarbourVest Credit Opportunities Fund II L.P.	2,500	47,500	2,710	50,745	1.3
Dover Street X Feeder Fund L.P.	55,125	94,893	32,646	115,696	3.0
Secondary Overflow Fund IV L.P.	57,573	71,833	24,776	78,578	2.1
HIPEP IX Feeder Fund L.P.	388,000	97,008	7,095	120,489	3.1
HarbourVest 2020 Global Feeder Fund L.P.	16,000	34,001	3,513	39,054	1.0
HarbourVest Partners Co-Investment VI Feeder Fund L.P.	93,750	31,256	-	31,562	0.8
HarbourVest Asia Pacific 5 Feeder Fund L.P.	291,000	9,000	-	7,756	0.2
HarbourVest 2021 Global Feeder Fund L.P.	111,350	58,701	987	63,411	1.7
HarbourVest 2022 Global Feeder Fund L.P.	97,000	3,000	-	4,323	0.1
Dover Street XI Feeder Fund L.P.	225,000	-	-	5,979	0.2
HarbourVest Credit Opportunities III Feeder Fund L.P.	75,000	-	-	-	-
Total International/Global Funds	1,749,720	2,445,329	1,970,152	2,082,782	54.3

	Unfunded Commitment (in thousands)	Amount Invested* (in thousands)	Distributions Received (in thousands)	Fair Value (in thousands)	Fair Value as a % of Net Assets
International/Global Funds					
Total Investments	2,804,113	4,789,072	4,332,950	3,616,330	94.3

* Includes purchase of limited partner interests for shares and cash at the time of HVPE's IPO.

† Includes ownership interests in HarbourVest Partners VII-Cayman Partnership entities.

§ Fund denominated in euros. Commitment amount is €47,450,000.

** Fund denominated in euros. Commitment amount is €100,000,000.

†† Fund denominated in euros. Commitment amount is €63,000,000.

‡‡ Fund denominated in Canadian dollars. Commitment amount is C\$32,000,000.

As of 31 January 2023, the cost basis of partnership investments is \$2,304,772,000.

Totals and subtotals may not recalculate due to rounding.

The accompanying notes are an integral part of the Financial Statements.

Consolidated Schedule of Investments

At 31 January 2022

In US Dollars

	Unfunded Commitment (in thousands)	Amount Invested* (in thousands)	Distributions Received (in thousands)	Fair Value (in thousands)	Fair Value as a % of Net Assets
US Funds					
HarbourVest Partners V- Partnership Fund L.P.	2,220	46,709	45,924	915	0.0
HarbourVest Partners VI- Direct Fund L.P.	1,313	46,722	38,405	3,705	0.1
HarbourVest Partners VI- Partnership Fund L.P.	5,175	204,623	237,227	786	0.0
HarbourVest Partners VII- Venture Partnership Fund L.P. †	2,319	135,290	203,839	3,673	0.1
HarbourVest Partners VII- Buyout Partnership Fund L.P.†	3,850	74,417	103,486	184	0.0
HarbourVest Partners VIII- Cayman Mezzanine and Distressed Debt Fund L.P.	2,000	48,202	60,766	4,080	0.1
HarbourVest Partners VIII- Cayman Buyout Fund L.P.	7,500	245,259	392,851	33,469	0.9
HarbourVest Partners VIII- Cayman Venture Fund L.P.	1,000	49,192	84,940	24,875	0.6

In US Dollars					
HarbourVest Partners 2007 Cayman Direct Fund L.P.	2,250	97,877	160,808	5,257	0.1
HarbourVest Partners IX- Cayman Buyout Fund L.P.	10,473	60,808	73,709	61,575	1.6
HarbourVest Partners IX- Cayman Credit Opportunities Fund L.P.	2,500	10,049	9,245	7,690	0.2
HarbourVest Partners IX- Cayman Venture Fund L.P.	3,500	66,826	114,259	130,115	3.3
HarbourVest Partners 2013 Cayman Direct Fund L.P.	3,229	97,131	139,036	65,939	1.7
HarbourVest Partners Cayman Cleantech Fund II L.P.	2,000	18,056	11,083	26,972	0.7
HarbourVest Partners X Buyout Feeder Fund L.P.	65,520	186,508	118,114	224,411	5.7
HarbourVest Partners X Venture Feeder Fund L.P.	10,730	137,324	76,438	338,753	8.6
HarbourVest Partners Mezzanine Income Fund L.P.	8,155	42,067	61,619	15,931	0.4
HarbourVest Partners XI Buyout Feeder Fund L.P.	203,000	147,000	37,599	213,870	5.5
HarbourVest Partners XI Micro Buyout Feeder Fund L.P.	38,025	26,975	8,556	38,292	1.0
HarbourVest Partners XI Venture Feeder Fund L.P.	71,250	118,786	20,538	211,899	5.4
HarbourVest Adelaide Feeder L.P.	6,000	144,000	5,339	174,714	4.5
HarbourVest Partners XII Buyout Feeder Fund L.P.	245,000	-	-	984	0.0
HarbourVest Partners XII Micro Buyout Feeder Fund L.P.	45,000	-	-	4	0.0
HarbourVest Partners XII Venture Feeder Fund L.P.	135,000	-	-	890	0.0
Total US Funds	877,008	2,003,821	2,003,781	1,588,985	40.5

International/Global Funds	Unfunded Commitment (in thousands)	Amount Invested* (in thousands)	Distributions Received (in thousands)	Fair Value (in thousands)	Fair Value as a % of Net Assets
HarbourVest International Private Equity Partners III-Partnership Fund L.P.	3,450	147,729	148,440	457	0.0
HarbourVest International Private Equity Partners IV-Direct Fund L.P.	–	61,452	53,436	1,635	0.0
HIPEP V-2007 Cayman European Buyout Companion Fund L.P. [§]	1,599	63,880	84,434	715	0.0
Dover Street VII Cayman L.P.	4,250	95,586	132,298	3,195	0.1
HIPEP VI-Cayman Partnership Fund L.P.**	5,618	117,845	144,955	100,544	2.6
HIPEP VI-Cayman Asia Pacific Fund L.P.	2,500	47,687	50,367	34,028	0.9
HIPEP VI-Cayman Emerging Markets Fund L.P.	–	30,059	10,713	33,221	0.8
HVPE Avalon Co-Investment L.P.	–	85,135	124,574	–	–
Dover Street VIII Cayman L.P.	14,400	165,724	244,188	34,995	0.9
HVPE Charlotte Co-Investment L.P.	–	93,894	154,205	8,485	0.2
HarbourVest Global Annual Private Equity Fund L.P.	11,300	88,701	107,487	110,988	2.8
HIPEP VII Partnership Feeder Fund L.P.	19,063	105,938	65,503	171,243	4.4
HIPEP VII Asia Pacific Feeder Fund L.P.	2,100	27,900	13,111	40,662	1.0
HIPEP VII Emerging Markets Feeder Fund L.P.	3,000	17,000	6,245	23,625	0.6
HIPEP VII Europe Feeder Fund L.P. ^{††}	12,034	59,661	43,554	96,083	2.4
HarbourVest Canada Parallel Growth Fund L.P. ^{‡‡}	6,650	17,957	10,765	34,991	0.9
HarbourVest 2015 Global Fund L.P.	15,000	85,017	75,574	112,362	2.9
HarbourVest 2016 Global AIF L.P.	24,000	76,026	51,143	104,956	2.7
HarbourVest Partners Co-Investment IV AIF L.P.	7,000	93,000	82,102	108,069	2.8
Dover Street IX Cayman L.P.	17,000	83,000	71,318	78,623	2.0

International/Global Funds	Unfunded Commitment (in thousands)	Amount Invested* (in thousands)	Distributions Received (in thousands)	Fair Value (in thousands)	Fair Value as a % of Net Assets
HarbourVest Real Assets III Feeder L.P.	3,750	46,250	6,642	47,889	1.2
HarbourVest 2017 Global AIF L.P.	28,500	71,521	39,881	98,300	2.5
HIPEP VIII Partnership AIF L.P.	85,425	84,575	16,964	128,778	3.3
Secondary Overflow Fund III L.P.	27,025	67,735	57,423	77,769	2.0
HarbourVest Asia Pacific VIII AIF Fund L.P.	13,750	36,256	4,275	46,613	1.2
HarbourVest 2018 Global Feeder Fund L.P.	24,500	45,500	8,442	71,101	1.8
HarbourVest Partners Co-Investment V Feeder Fund L.P.	22,500	77,548	5,192	125,936	3.2
HarbourVest Real Assets IV Feeder L.P.	38,250	11,750	463	16,204	0.4
HarbourVest 2019 Global Feeder Fund L.P.	49,000	51,007	7,717	78,060	2.0
HarbourVest Credit Opportunities Fund II L.P.	28,500	21,500	1,134	23,786	0.6
Dover Street X Feeder Fund L.P.	87,000	63,018	17,592	89,841	2.3
Secondary Overflow Fund IV L.P.	52,792	52,055	16,700	63,675	1.6
HIPEP IX Feeder Fund L.P.	470,450	14,558	–	37,440	1.0
HarbourVest 2020 Global Feeder Fund L.P.	30,250	19,751	1,342	26,175	0.7
HarbourVest Partners Co-Investment VI Feeder Fund L.P.	100,000	–	–	107	0.0
HarbourVest Asia Pacific 5 Feeder Fund L.P.	210,000	–	–	(1,166)	(0.0)
HarbourVest 2021 Global Feeder Fund L.P.	157,250	12,801	–	14,990	0.4
Total International/Global Funds	1,577,906	2,239,018	1,858,181	2,044,376	52.1
Total Investments	\$2,454,914	\$4,242,839	\$3,861,962	\$3,633,361	92.6

* Includes purchase of limited partner interests for shares and cash at the time of HVPE's IPO.

† Includes ownership interests in HarbourVest Partners VII-Cayman Partnership entities.

§ Fund denominated in euros. Commitment amount is €47,450,000.

** Fund denominated in euros. Commitment amount is €100,000,000.

†† Fund denominated in euros. Commitment amount is €63,000,000.

‡‡ Fund denominated in Canadian dollars. Commitment amount is C\$32,000,000.

As of 31 January 2022, the cost basis of partnership investments is \$2,030,502,000.

Totals and subtotals may not recalculate due to rounding.

The accompanying notes are an integral part of the Financial Statements.

Notes to Consolidated Financial Statements

Note 1 Company Organisation and Investment Objective

HarbourVest Global Private Equity Limited (the “Company” or “HVPE”) is a closed-ended investment company registered with the Registrar of Companies in Guernsey under The Companies (Guernsey) Law, 2008. The Company’s registered office is BNP Paribas House, St Julian’s Avenue, St Peter Port, Guernsey GY1 1WA.

The Company was incorporated and registered in Guernsey on 18 October 2007. HVPE is designed to offer shareholders long-term capital appreciation by investing in a diversified portfolio of private equity investments. The Company invests in private equity through private equity funds and may make co-investments or other opportunistic investments. The Company is managed by HarbourVest Advisers L.P. (the “Investment Manager”), an affiliate of HarbourVest Partners, LLC (“HarbourVest”), a private equity fund-of-funds manager. The Company is intended to invest in and alongside existing and newly-formed HarbourVest funds. HarbourVest is a global private equity fund of funds manager and typically invests capital in primary partnerships, secondary investments, and direct investments across vintage years, geographies, industries, and strategies.

Operations of the Company commenced on 6 December 2007, following the initial global offering of the Class A Ordinary Shares.

Share Capital

At 31 January 2023, the Company’s 79,104,622 shares continued to be listed on the London Stock Exchange under the symbol “HVPE”. The shares are entitled to the income and increases and decreases in the net asset value (“NAV”) of the Company, and to any dividends declared and paid, and have full voting rights. Dividends may be declared by the Board of Directors and paid from available assets subject to the Directors being satisfied that the Company will, immediately after payment of the dividend, satisfy the statutory solvency test prescribed by The Companies (Guernsey) Law, 2008. The company repurchased 757,864 shares (0.9% of shares outstanding at time of purchase) during the year ended 31 January 2023.

Dividends would be paid to shareholders pro rata to their shareholdings.

The shareholders must approve any amendment to the Memorandum and Articles of Incorporation. The approval of 75% of the shares is required in respect of any changes that are administrative in nature, any material change from the investment strategy and/or investment objective of the Company, or any material change to the terms of the Investment Management Agreement.

There is no minimum statutory capital requirement under Guernsey law.

Investment Manager, Company Secretary, and Administrator

The Directors have delegated certain day-to-day operations of the Company to the Investment Manager and the Company Secretary and Administrator, under advice of the Directors, pursuant to service agreements with those parties, within the context of the strategy set by the Board. The Investment Manager is responsible for, among other things, selecting, acquiring, and disposing of the Company's investments, carrying out financing, cash management, and risk management activities, providing investment advisory services, including with respect to HVPE's investment policies and procedures, and arranging for personnel and support staff of the Investment Manager to assist in the administrative and executive functions of the Company.

Directors

The Directors are responsible for the determination of the investment policy of the Company on the advice of the Investment Manager and have overall responsibility for the Company's activities. This includes the periodic review of the Investment Manager's compliance with the Company's investment policies and procedures, and the approval of certain investments. A majority of Directors must be independent Directors and not affiliated with HarbourVest or any affiliate of HarbourVest.

Note 2 Summary of Significant Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's consolidated financial statements ("Financial Statements").

Basis of Preparation

The Company maintains an overcommitment strategy in an attempt to remain fully invested over time (refer to Note 5 on page 121 for further details on unfunded commitments). HarbourVest prepares forecasts and predictions to provide assurance that the Company has sufficient resources to meet its ongoing requirements.

As part of this process the Investment Manager has created four revised model scenarios with varying degrees of decline in investment value and investment distributions, with the worst being an Extreme Downside scenario representing an impact to the portfolio that is worse than that expected during the GFC. All four models verified that the Company has enough resources to meet the Company's upcoming financial obligations. However, in all circumstances HVPE can take steps to limit or mitigate the impact on the Consolidated Statements of Assets and Liabilities, namely drawing on the credit facility, pausing new commitments, raising additional credit or capital, and selling assets to increase liquidity and reduce outstanding commitments. As a result, the Company's Financial Statements have been prepared on a going concern basis.

Basis of Presentation

The Financial Statements include the accounts of HarbourVest Global Private Equity Limited and its five wholly owned subsidiaries: HVGPE – Domestic A L.P., HVGPE – Domestic B L.P., HVGPE – Domestic C L.P., HVGPE – International A L.P., and HVGPE – International B L.P. (together "the undertakings"). Each of the subsidiaries is a Cayman Islands limited partnership formed to facilitate the purchase of certain investments. All intercompany accounts and transactions have been eliminated in consolidation.

Method of Accounting

The Financial Statements are prepared in conformity with US generally accepted accounting principles ("US GAAP"), The Companies (Guernsey) Law, 2008, and the Principal Documents. Under applicable rules of Guernsey law implementing the EU Transparency Directive, the Company is allowed to prepare its financial statements in accordance with US GAAP instead of International Financial Reporting Standards ("IFRS").

The Company is an investment company following the accounting and reporting guidance of the Financial Accounting Standards Boards ("FASB") Accounting Standards Codification ("ASC") Topic 946 – Financial Services – Investment Companies.

Estimates

The preparation of the Financial Statements in conformity with US GAAP requires management to make estimates and assumptions that affect the amounts reported in the Financial Statements and accompanying notes. Actual results could differ from those estimates.

Investments

Investments are stated at fair value in accordance with the Company's investment valuation policy. The Board has concluded specifically that climate change, including physical and transition risks, does not have a material impact on the recognition and separate measurement considerations of the assets and liabilities of the Group in the financial statements as at 31 January 2023, but recognises that climate change may have an effect on the investments held in the underlying partnerships. The inputs used to determine fair value include financial statements provided by the investment partnerships which typically include fair market value capital account balances. In reviewing the underlying financial statements and capital account balances, the Company considers compliance with ASC Topic 820 – Fair Value Measurement, the currency in which the investment is denominated, and other information deemed appropriate.

The fair value of the Company's investments is primarily based on the most recently reported NAV provided by the underlying Investment Manager as a practical expedient under ASC Topic 820. This fair value is then adjusted for known investment operating expenses and subsequent transactions, including investments, realisations, changes in foreign currency exchange rates, and changes in value of private and public securities. This valuation does not necessarily reflect amounts that might ultimately be realised from the investment and the difference can be material.

Securities for which a public market does exist are valued by the Company at quoted market prices at the year-end date. Generally, the partnership investments have a defined term and cannot be transferred without the consent of the GP of the limited partnership in which the investment has been made.

Foreign Currency Transactions

The currency in which the Company operates is US dollars, which is also the presentation currency. Transactions denominated in foreign currencies are recorded in the local currency at the exchange rate in effect at the transaction dates. Foreign currency investments, investment commitments, cash and equivalents, and other assets and liabilities are translated at the rates in effect at the year-end date. Foreign currency translation gains and losses are included in realised and unrealised gains (losses) on investments as incurred. The Company does not segregate that portion of realised or unrealised gains and losses attributable to foreign currency translation on investments.

Cash and Equivalents

The Company considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. The carrying amount included in the Consolidated Statements of Assets and Liabilities for cash and equivalents approximates their fair value. The Company maintains bank accounts denominated in US dollars, in euros, and in pounds sterling. The Company may invest excess cash balances in highly liquid instruments such as certificates of deposit, sovereign debt obligations of certain countries, and money market funds that are highly rated by the credit rating agencies.

The associated credit risk of the cash and equivalents is monitored by the Board and the Investment Manager on a regular basis. The Board has authorised the Investment Manager to manage the cash balances on a daily basis according to the terms set out in the treasury policies created by the Board.

Investment Income

Investment income includes interest from cash and equivalents, dividends, and interest received from certain investments due to subsequent fund closings. Dividends are recorded when they are declared, and interest is recorded when earned.

Operating Expenses

Operating expenses include amounts directly incurred by the Company as part of its operations, and do not include amounts incurred from the operations of the investment entities.

Net Realised Gains and Losses on Investments

For investments in private equity funds, the Company records its share of realised gains and losses as reported by the Investment Manager including fund-level related expenses and management fees, and is net of any carry allocation. Realised gains and losses are calculated as the difference between proceeds received and the related cost of the investment.

Net Change in Unrealised Appreciation and Depreciation on Investments

For investments in private equity funds, the Company records its share of change in unrealised gains and losses as reported by the Investment Manager as an increase or decrease in unrealised appreciation or depreciation of investments and is net of any carry allocation. When an investment is realised, the related unrealised appreciation or depreciation is recognised as realised.

Income Taxes

The Company is registered in Guernsey as a tax exempt company. The States of Guernsey Income Tax Authority has granted the Company exemption from Guernsey income tax under the provision of the Income Tax (Exempt Bodies) (Guernsey) Ordinance 1989 and the Company will be charged an annual exemption fee of £1,200 included as other expenses in the Consolidated Statements of Operations. Income may be subject to withholding taxes imposed by the US or other countries, which will impact the Company's effective tax rate.

Investments made in entities that generate US source income may subject the Company to certain US federal and state income tax consequences. A US withholding tax at the rate of 30% may be applied on the distributive share of any US source dividends and interest (subject to certain exemptions) and certain other income that is received directly or through one or more entities treated as either partnerships or disregarded entities for US federal income tax purposes. Furthermore, investments made in entities that generate income that is effectively connected with a US trade or business may also subject the Company to certain US federal and state income tax consequences. The US requires withholding on effectively connected income for corporate partners at the rate of 21%. In addition, the Company may also be subject to a branch profits tax which can be imposed at a rate of up to 30% of any after-tax, effectively connected income associated with a US trade or business. However, no amounts have been accrued.

The Company accounts for income taxes under the provisions of ASC Topic 740 – Income Taxes. This standard establishes consistent thresholds as it relates to accounting for income taxes. It defines the threshold for recognising the benefits of tax-return positions

in the financial statements as “more-likely-than-not” to be sustained by the taxing authority and requires measurement of a tax position meeting the more-likely-than-not criterion, based on the largest benefit that is more than 50% likely to be realised. For the year ended 31 January 2023, the Investment Manager has analysed the Company’s inventory of tax positions taken with respect to all applicable income tax issues for all open tax years (in each respective jurisdiction), and has concluded that no provision for income tax is required in the Company’s Financial Statements.

Shareholders in certain jurisdictions may have individual tax consequences from ownership of the Company’s shares. The Company has not included the impact of these tax consequences on the shareholders in these Financial Statements.

Market and Other Risk Factors

The Company’s investments are subject to various risk factors including market price, credit, interest rate, liquidity, and currency risk. Investments are based primarily in the US, Europe, and Asia Pacific, and thus have concentrations in such regions. The Company’s investments are also subject to the risks associated with investing in leveraged buyout and venture capital transactions that are illiquid and non-publicly traded. Such investments are inherently more sensitive to declines in revenues and to increases in expenses that may occur due to general downward swings in the world economy or other risk factors including increasingly intense competition, rapid changes in technology, changes in federal, state and foreign regulations, and limited capital investments.

The Company is subject to credit and liquidity risk to the extent any financial institution with which it conducts business is unable to fulfil contracted obligations on its behalf. Management monitors the financial condition of those financial institutions and does not anticipate any losses from these counterparties.

Note 3 Material Agreements and Related Fees

Administrative Agreement

The Company has retained BNP Paribas S.A., Guernsey Branch (“BNP”) as Company Secretary and Administrator. Fees for these services are paid as invoiced by BNP and include an administration fee of £50,000 per annum, a secretarial fee of £60,000 per annum, a compliance services fee of £15,000 per annum, ad-hoc service fees, and reimbursable expenses. During the years ended 31 January 2023 and 2022, fees of \$157,000 and \$184,000, respectively, were incurred to BNP and are included as other expenses in the Consolidated Statements of Operations.

Registrar

The Company has retained Link Asset Services (formerly “Capita”) as share registrar. Fees for this service include a base fee of £15,500, plus other miscellaneous expenses. During the years ended 31 January 2023 and 2022, registrar fees of \$19,000 and \$25,000, respectively, were incurred and are included as other expenses in the Consolidated Statements of Operations.

Independent Auditor’s Fees

For the years ended 31 January 2023 and 2022, auditor fees of \$363,000 and \$340,000 were accrued, respectively, and are included in professional fees in the Consolidated Statements of Operations. The 31 January 2023 figure includes \$269,000 relating to the 31 January 2023 annual audit fee and a credit of \$17,000 relating to the prior financial year’s audit fee. The 31 January 2022 figure includes \$257,000 relating to the 31 January 2022 annual audit fee and \$3,000 relating to the prior financial year’s audit fee. In addition, the 31 January 2023 and 2022 figures include fees of \$111,000 and \$80,000, respectively, for

audit-related services due to the Auditor, Ernst & Young LLP, conducting a review of the Interim Financial Statements for each period end.

Investment Management Agreement

The Company has retained HarbourVest Advisers L.P. as the Investment Manager. The Investment Manager is reimbursed for costs and expenses incurred on behalf of the Company in connection with the management and operation of the Company. During the years ended 31 January 2023 and 2022, reimbursements for services provided by the Investment Manager were \$2,021,000 and \$2,612,000, respectively. As of 1 February 2022, the Investment Manager is reimbursed on a fixed fee basis rather than an hourly basis. The Investment Manager does not directly charge HVPE management fees or performance fees other than with respect to parallel investments. However, as an investor in the HarbourVest funds, HVPE is charged the same management fees and is subject to the same performance allocations as other investors in such HarbourVest funds.

During the years ended 31 January 2023 and 2022, HVPE had one parallel investment: HarbourVest Structured Solutions II, L.P. (via HVPE Charlotte Co-Investment L.P.). Management fees paid for the parallel investment made by the Company were consistent with the fees charged by the funds alongside which the parallel investment was made during the years ended 31 January 2023 and 2022.

Management fees included in the Consolidated Statements of Operations are shown in the table below:

	2023 (in thousands)	2022 (in thousands)
HVPE Charlotte Co-Investment L.P.	\$384	\$757

For the years ended 31 January 2023 and 2022, management fees on the HVPE Charlotte Co-Investment L.P. investment were calculated based on a weighted average effective annual rate of 0.44% and 0.89% respectively, on capital originally committed (0.44% and 0.87% respectively, on committed capital net of management fee offsets) to the parallel investment.

Note 4 Investments

In accordance with the authoritative guidance on fair value measurements and disclosures under generally accepted accounting principles in the US, the Company discloses the fair value of its investments in a hierarchy that prioritises the inputs to valuation techniques used to measure the fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The guidance establishes three levels of the fair value hierarchy as follows:

- **Level 1** – Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date;
- **Level 2** – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active; and
- **Level 3** – Inputs that are unobservable.

Level 3 investments include limited partnership interests in HarbourVest funds which report under US generally accepted accounting principles. Inputs used to determine fair value are primarily based on the most recently reported NAV provided by the underlying

investment manager as a practical expedient under ASC Topic 820. The fair value is then adjusted for known investment operating expenses and subsequent transactions, including investments, realisations, changes in foreign currency exchange rates, and changes in value of private and public securities.

Income derived from investments in HarbourVest funds is recorded using the equity pick-up method. Under the equity pick-up-method of accounting, the Company's proportionate share of the net income (loss) and net realised gains (losses), as reported by the HarbourVest funds, is reflected in the Consolidated Statements of Operations as net realised gain (loss) on investments. The Company's proportionate share of the aggregate increase or decrease in unrealised appreciation or depreciation, as reported by the HarbourVest funds, is reflected in the Consolidated Statements of Operations as net change in unrealised appreciation on investments.

Because of the inherent uncertainty of these valuations, the estimated fair value may differ significantly from the value that would have been used had a ready market for this security existed, and the difference could be material.

During the years ended 31 January 2023 and 2022, the Company made contributions of \$704,903,000 and \$514,938,000, respectively, to Level 3 investments and received distributions of \$649,012,000 and \$834,552,000, respectively, from Level 3 investments. Please refer to Note 10 for further detail on the non-cash activity during the year. As of 31 January 2023, \$3,616,330,000 of the Company's investments are classified as Level 3. As of 31 January 2022, \$3,633,361,000 of the Company's investments were classified as Level 3.

Note 5 Commitments

As of 31 January 2023, the Company had unfunded investment commitments to other limited partnerships of \$2,804,113,000 which are payable upon notice by the partnerships to which the commitments have been made. As of 31 January 2022, the Company had unfunded investment commitments to other limited partnerships of \$2,454,914,000.

The Investment Manager is not entitled to any direct remuneration (save expenses incurred in the performance of its duties) from the Company, instead deriving its fees from the management fees and carried interest payable by the Company on its investments in underlying HarbourVest Funds. The Investment Management Agreement (the "IMA"), which was amended and restated on 30 July 2019, and again on 31 January 2023, may be terminated by either party by giving 12 months' notice. In the event of termination within ten years and three months of the date of the listing on the Main Market on 9 September 2015, the Company would be required to pay a contribution, which would have been \$2.3 million at 31 January 2023 and \$3.1 million at 31 January 2022, as reimbursement of the Investment Manager's remaining unamortised IPO costs. In addition, the Company would be required to pay a fee equal to the aggregate of the management fees for the underlying investments payable over the course of the 12-month period preceding the effective date of such termination to the Investment Manager.

Note 6 Debt Facility

As of 31 January 2023, the Company had an agreement with Mitsubishi UFJ Trust and Banking Corporation, New York Branch ("MUFG") Credit Suisse AG, London Branch ("Credit Suisse"), and The Guardians of New Zealand Superannuation as manager and administrator of the New Zealand Superannuation Fund ("New Zealand Super") for the provision of a multi-currency revolving credit facility (the "Facility") with a termination date no earlier than January 2026, subject to usual covenants. The MUFG commitment was \$300 million. On 20 December 2021, the Credit Suisse commitment was increased from

\$300 million to \$400 million. On 15 August 2022 the commitment was further increased by \$100 million through New Zealand Super as lender.

Amounts borrowed against the Facility accrue interest at an aggregate rate of Term SOFR/SONIA/EURIBOR, a margin, and, under certain circumstances, a mandatory minimum cost. The Facility is secured by the private equity investments and cash and equivalents of the Company, as defined in the agreement. Availability of funds under the Facility and interim repayments of amounts borrowed are subject to certain loan-to-value ratios (which factor in borrowing on the Facility and fund-level borrowing) and portfolio diversity tests applied to the Investment Portfolio of the Company. At 31 January 2023 and 31 January 2022, there was no debt outstanding against the Facility. For the years ended 31 January 2023 and 2022, interest of \$0 and \$1,885,000, respectively, was incurred and is included as other expenses in the Consolidated Statements of Operations. Included in other assets at 31 January 2023 and 31 January 2022 are deferred financing costs of \$6,950,000 and \$7,357,000, respectively, related to refinancing the Facility. The deferred financing costs are amortised on the terms of the Facility. The Company is required to pay a non-utilisation fee of 100 basis points per annum for the Credit Suisse commitment and 90 basis points per annum for the MUFG commitment. For the years ended 31 January 2023 and 2022, \$7,078,000 and \$5,346,000, respectively, in non-utilisation fees have been incurred.

Note 7 Financial Highlights

For the Years Ended 31 January 2023 and 2022

In US Dollars	2023	2022
Shares		
Per share operating performance:		
Net asset value, beginning of period	\$49.11	\$35.97
Net realised and unrealised (losses) gains	(0.70)	13.32
Net investment loss	(0.13)	(0.18)
Total from investment operations	(0.83)	13.14
Net increase from repurchase of Class A shares	0.24	-
Net asset value, end of period	\$48.52	\$49.11
Market value, end of period	\$27.10*	\$37.30*
Total return at net asset value	(1.2)%	36.5%
Total return at market value	(27.3)%	46.0%
Ratios to average net assets		
Expenses [†]	0.37%	0.42%
Net investment loss	(0.28)%	(0.42)%

* Represents the US dollar-denominated share price.

† Does not include operating expenses of underlying investments.

Note 8 Publication and Calculation of Net Asset Value

The net asset value of the Company is equal to the value of its total assets less its total liabilities. The NAV per share is calculated by dividing the net asset value by the number of

shares in issue on that day. The Company publishes the NAV per share of the shares as calculated, monthly in arrears, at each month end, generally within 20 days.

Note 9 Related Party Transactions

Other amounts payable to HarbourVest Advisers L.P. of \$138,000 and \$36,000 represent expenses of the Company incurred in the ordinary course of business, which have been paid by and are reimbursable to HarbourVest Advisers L.P. at 31 January 2023 and 2022, respectively.

Other income relates to income received from a revenue sharing agreement entered into with the HarbourVest Infrastructure Income Delaware Parallel Partnership (“HIIP”) investment. Through such agreement, the Company is entitled to 10% of the management fee revenue received by HarbourVest from HIIP, provided that HarbourVest remains as HIIP’s exclusive investment manager.

Board-related expenses, primarily compensation, of \$526,000 and \$498,000 were incurred during the years ended 31 January 2023 and 2022, respectively.

Note 10 Investment Transaction

On 1 July 2022, HarbourVest Infrastructure Income Delaware Parallel Partnership L.P. and its related entities (“HIIP”) exercised their contractual right to purchase the portfolio assets of HarbourVest Adelaide L.P. (“Adelaide”) in accordance with the Adelaide limited partnership agreement. As consideration for the portfolio assets, partners of Adelaide and its feeder funds could elect between the continuation option (which would result in them receiving ordinary HIIP units) and the liquidity option (which would result in them receiving partial cash consideration with the remainder of the consideration in the form of HIIP liquidity units).

The Company elected to participate 50% in the continuation option and 50% in the liquidity option. As such, as of 1 July 2022 the Company received a cash distribution of \$52,903,685, a distribution in kind of \$32,164,540 worth of HIIP liquidity units, and a distribution in kind of \$85,068,225 worth of ordinary HIIP units.

Note 11 Indemnifications

General Indemnifications

In the normal course of business, the Company may enter into contracts that contain a variety of representations and warranties and which provide for general indemnifications. The Company’s maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Company that have not yet occurred. Based on the prior experience of the Investment Manager, the Company expects the risk of loss under these indemnifications to be remote.

Investment Manager Indemnifications

Consistent with standard business practices in the normal course of business, the Company has provided general indemnifications to the Investment Manager, any affiliate of the Investment Manager and any person acting on behalf of the Investment Manager or such affiliate when they act in good faith, in the best interest of the Company. The Company is unable to develop an estimate of the maximum potential amount of future payments that could potentially result from any hypothetical future claim but expects the risk of having to make any payments under these general business indemnifications to be remote.

Directors' and Officers' Indemnifications

The Company's Articles of Incorporation provide that the Directors, managers or other officers of the Company shall be fully indemnified by the Company from and against all actions, expenses, and liabilities which they may incur by reason of any contract entered into or any act in or about the execution of their offices, except such (if any) as they shall incur by or through their own negligence, default, breach of duty, or breach of trust, respectively.

Note 12 Subsequent Events

In the preparation of the Financial Statements, the Company has evaluated the effects, if any, of events occurring after 31 January 2023 to 25 May 2023, the date that the Financial Statements were signed.

On 10 March 2023, the Company committed an additional \$25 million to Dover Street XI Feeder Fund L.P.

Post-period end in March 2023, HVPE initiated a draw of \$200 million on the Facility. The cash was received on 18 April 2023.

There were no other events or material transactions subsequent to 31 January 2023 that required recognition or disclosure in the Consolidated Financial Statements.

Disclosures

Investments

The companies represented within this report are provided for illustrative purposes only, as example portfolio holdings. There are over 14,000 individual companies in the HVPE portfolio, with no one company comprising more than 2.4% of the entire portfolio.

The deal summaries, General Partners (managers), and/or companies shown within the report are intended for illustrative purposes only. While they may represent an actual investment or relationship in the HVPE portfolio, there is no guarantee they will remain in the portfolio in the future.

Past performance is no guarantee of future returns.

Forward-looking Statements

This report contains certain forward-looking statements. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends, and similar expressions concerning matters that are not historical facts. In some cases, forward-looking statements can be identified by terms such as "anticipate", "believe", "could", "estimate", "expect", "intend", "may", "plan", "potential", "should", "will", and "would", or the negative of those terms, or other comparable terminology. The forward-looking statements are based on the Investment Manager's and/or the Directors' beliefs, assumptions, and expectations of future performance and market developments, taking into account all information currently available. These beliefs, assumptions, and expectations can change as a result of many possible events or factors, not all of which are known or are within the Investment Manager's and/or the Directors' control. If a change occurs, the Company's business, financial condition, liquidity, and results of operations may vary materially from those expressed in forward-looking statements.

By their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to events, and depend on circumstances, that may or may not occur in the future. Forward-looking statements are not guarantees of future

performance. Any forward-looking statements are only made as at the date of this document, and the Investment Manager and/or the Directors neither intends nor assumes any obligation to update forward-looking statements set forth in this document whether as a result of new information, future events, or otherwise, except as required by law or other applicable regulation.

In light of these risks, uncertainties, and assumptions, the events described by any such forward-looking statements might not occur. The Investment Manager and/or the Directors qualifies any and all of its forward-looking statements by these cautionary factors.

Please keep this cautionary note in mind while reading this report.

Some of the factors that could cause actual results to vary from those expressed in forward-looking statements include, but are not limited to:

- the factors described in this report;
- the rate at which HVPE deploys its capital in investments and achieves expected rates of return;
- HarbourVest's ability to execute its investment strategy, including through the identification of a sufficient number of appropriate investments;
- the ability of third-party managers of funds in which the HarbourVest funds are invested and of funds in which the Company may invest through parallel investments to execute their own strategies and achieve intended returns;
- the continuation of the Investment Manager as manager of the Company's investments, the continued affiliation with HarbourVest of its key investment professionals, and the continued willingness of HarbourVest to sponsor the formation of and capital raising by, and to manage, new private equity funds;
- HVPE's financial condition and liquidity, including its ability to access or obtain new sources of financing at attractive rates in order to fund short-term liquidity needs in accordance with the investment strategy and commitment policy;
- changes in the values of, or returns on, investments that the Company makes;
- changes in financial markets, interest rates, or industry, general economic, or political conditions; and
- the general volatility of the capital markets and the market price of HVPE's shares.

Publication and Calculation of Net Asset Value

The NAV of the Company is equal to the value of its total assets less its total liabilities. The NAV per share is calculated by dividing the NAV of the Company by the number of shares in issue. The Company intends to publish the estimated NAV per share as calculated, monthly in arrears, as at each month end, generally within 20 days.

Regulatory Information

HVPE is required to comply with the Listing Rules, Disclosure Guidance and Transparency Rules of the Financial Conduct Authority in the United Kingdom (the "LDGT Rules"). It is also authorised by the Guernsey Financial Services Commission as an authorised closed-end investment scheme under the Protection of Investors (Bailiwick of Guernsey) Law, 2020, as amended (the "POI Law"). HVPE is subject to certain ongoing requirements under the LDGT Rules and the POI Law and certain rules promulgated thereunder relating to the disclosure of certain information to investors, including the publication of annual and half-yearly financial reports.

Valuation Policy

Valuations Represent Fair Value Under US GAAP

HVPE's 31 January 2023 NAV is based on the 31 December 2022 NAV of each HarbourVest fund and Conversus, adjusted for changes in the value of public securities, foreign currency, known material events, cash flows, and operating expenses during January 2023. The valuation of each HarbourVest fund is presented on a fair value basis in accordance with US generally accepted accounting principles ("US GAAP"). See Note 4 in the Notes to the Financial Statements on page 120.

The Investment Manager typically obtains financial information from 90% or more of the underlying investments for each of HVPE's HarbourVest funds to calculate the NAV. For each fund, the accounting team reconciles investments, distributions, and unrealised/realised gains and losses to the Financial Statements. The team also reviews underlying partnership valuation policies.

Management of Foreign Currency Exposure

The Investment Portfolio includes three euro-denominated HarbourVest funds and a Canadian dollar-denominated fund.

- 14% of underlying partnership holdings are denominated in euros. The euro-denominated Investment Pipeline is €15.1 million.
- 2% of underlying partnership holdings are denominated in sterling. There is no sterling-denominated Investment Pipeline.
- 1% of underlying partnership holdings are denominated in Australian dollars. There is no Australian dollar-denominated Investment Pipeline.
- 0.4% of underlying partnership holdings are denominated in Canadian dollars. The Canadian dollar-denominated Investment Pipeline is C\$6.7 million.
- 0.2% of underlying partnership holdings are denominated in Swiss francs. There is no Swiss franc-denominated Investment Pipeline.

HVPE has exposure to foreign currency movement through foreign currency-denominated assets within the Investment Portfolio and through its Investment Pipeline of unfunded commitments, which are long term in nature. The Company's most significant currency exposure is to euros. The Company does not actively use derivatives or other products to hedge the currency exposure.