



The power of our people

A review of our diversity, equity,
and inclusion efforts

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Introduction

This annual report proudly highlights the meaningful work undertaken by HarbourVest colleagues over the past year to deliver for our clients, support one another, and positively impact the private markets industry.

A message from our CEO

In a rapidly evolving world where difference and disagreement too often lead to detachment, HarbourVest embraces our individual strengths and views them as a foundational advantage. Our people are our greatest asset and their experience, wisdom, and humanity are key to our collective success. We are unwavering in our commitment to nurturing an inclusive culture that values our unique backgrounds and promotes mutual respect and continuous growth both within our workplace and throughout our industry.

Over the last twelve months, we have made great strides to build upon a founding tenet of our firm: to create a workplace where every individual team member feels valued, respected, and empowered. Our Employee Resource Groups (ERGs) have exemplified this effort, with membership from over fifty percent of our team as either identifying members or allies. Many colleagues have engaged in Regional Roundtables to discuss and learn about important topics including inclusion, wellness, and neurodiversity. Our global internship program has continued to expand, supporting the development of talented young professionals who are typically underrepresented in our industry. And we successfully launched our HarbourVest Mentorship Program to encourage individuals to find connection as they grow their careers.

Externally, colleagues from our offices around the world have volunteered their time and resources through HarbourVest Gives Back to make a positive impact on the communities where we live and work. HarbourVest has continued to engage with both emerging and diverse managers, two of which you will learn about later in this report. And we remain committed to working with external partners to drive positive change throughout this industry.

Finally, I would like to recognize the contributions made by Peter Wilson, who has stepped down after serving with me as HarbourVest's Executive Management Committee for more than a decade. During that time, we worked in tandem to strengthen diversity, equity, and inclusion efforts across our firm, and I look forward to continuing this important work with Pete on our DEI Council.

Attracting the best talent, sustaining an inclusive environment, and promoting equity across our industry are all exercises of progress over perfection, requiring steady attention. We are committed to cultivating a culture that celebrates the varied perspectives and experiences of our team. I am proud of the progress we have made and energized by what I believe is possible in the

days and years ahead. The HarbourVest spirit of innovation, collaboration, and acceptance is essential to our success as a united and cohesive organization. We win for our clients together. Thank you for your partnership.



John M. Toomey, Jr.
CEO



“

We believe in the power of diverse perspectives, value the importance of variety of thought, and are committed to building a team that reflects the fourteen vibrant cities with HarbourVest offices and our global community.”

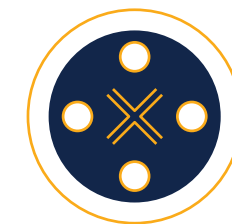


Kelley King
Chief Diversity, Equity,
and Inclusion Officer

Six strategic pillars

We use a broad framework to define what success for our people, culture, and communities means for HarbourVest and center this work on six areas of focus:

Cultivating diversity



Sourcing, developing, and retaining top talent

Fostering inclusion



Fostering an inclusive culture where all employees can thrive

Ensuring equity



Ensuring processes and procedures are fair and equitable

Strengthening communities



Strengthening the communities in which we live and work

Investing with purpose



Investing in emerging and diverse managers

Embracing partnerships



Embracing our leadership role in the industry to improve representation

Cultivating diversity

We continue to enhance our formal approach to sourcing, developing, and retaining the very best talent because we know our differences strengthen our collective abilities and enrich our shared experiences.

“

Our focus is, and always has been, on people. Where can we find those individuals who are unsurpassed at what they do? And how can we help them grow, learn, and build together? Who we are and what we do has a huge impact – on the clients who have entrusted us to improve the lives of their beneficiaries, on the communities that we support and the people in those communities who support us back, on our industry, and on each other.”



Peter Wilson
Managing Director,
EMC Emeritus



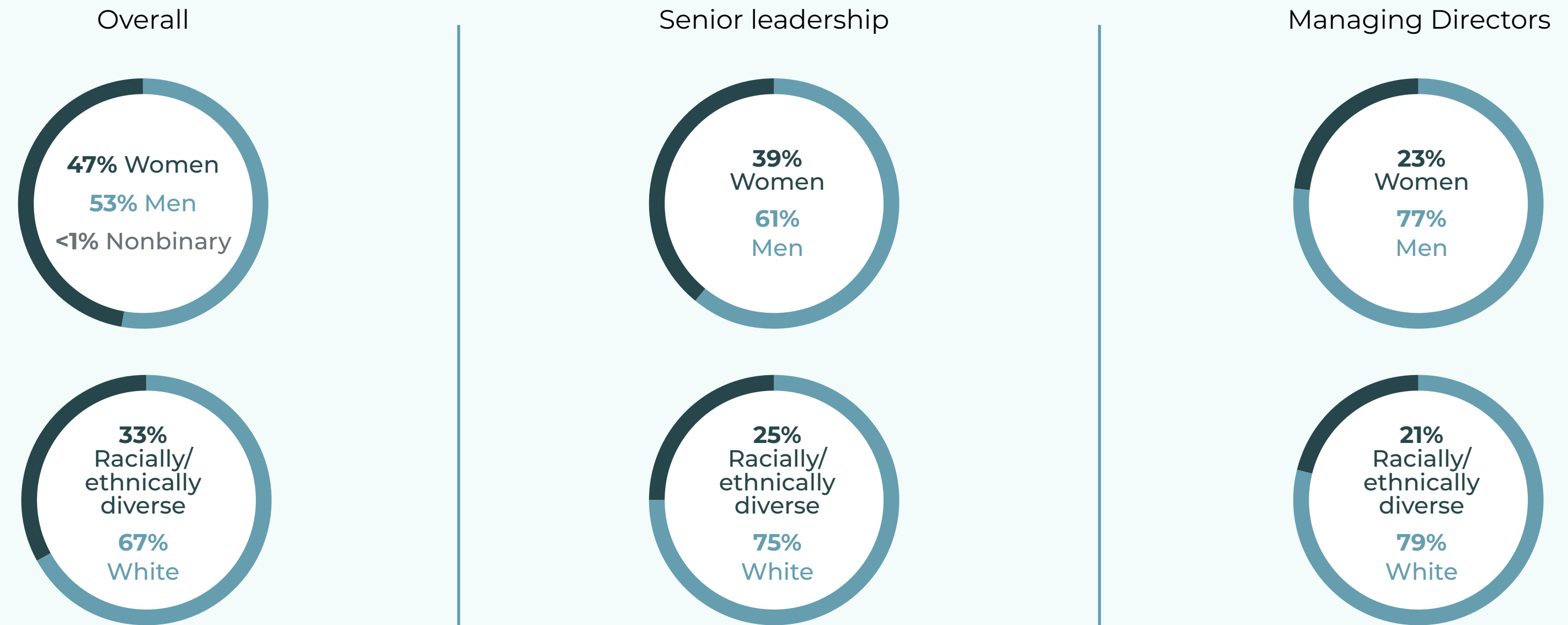
Modeling transparency

Internal data on our now 1,200+ global team members is shared as part of our commitment to transparency in pursuit of equitable representation across all levels of our firm. We are proud to compare favorably to the alternatives industry as a whole, where women account for just 15% of the senior workforce and 22% of the workforce overall.¹

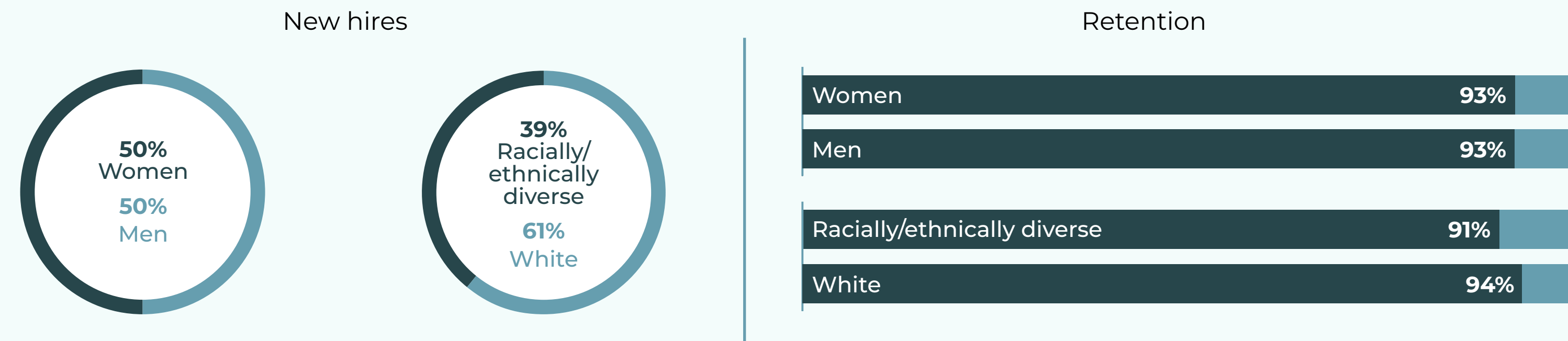
¹ Women in Alternatives 2024, Preqin
² Representing self-identified global data as of 6/30/24. Racially/ethnically diverse includes Asian, Black, Latino/a/e, Indigenous, or 2+ races. Senior leadership includes Vice President and above.



HarbourVest team representation²



2023 sourcing and retention rates



Four years and counting: The HarbourVest Internship Program

Established to develop opportunities at HarbourVest for high achieving students who are underrepresented in our industry, our internship program has grown in number of both participants and partner organizations. We believe this expanding talent pool will help create pathways to careers in financial services for professionals with untapped potential from all around the world.



“

HarbourVest’s engagement with the 10,000 Interns Foundation has gone far beyond our internship program, and it’s their commitment to our mission that truly drives our ability to innovate and deepen our impact where it matters.”

Nana Campell

Chief Impact Officer, 10,000 Interns Foundation



Inspiring growth

2024 GAIN Intern Harriette Sebag-Montefiore and HarbourVest Principal William Thompson share their experience as internship program partners in our London office:

“

Harriette is a great example of the power of HarbourVest’s internship program. Our interns, like Harriette, bring new ideas, fresh perspectives, and a dedication to learning everything they can during their time here. As our Executive Sponsor of the 10,000 Interns Foundation, I get a front row seat to the talented individuals who join us each summer, and I feel honored to watch them grow and succeed in this industry.”



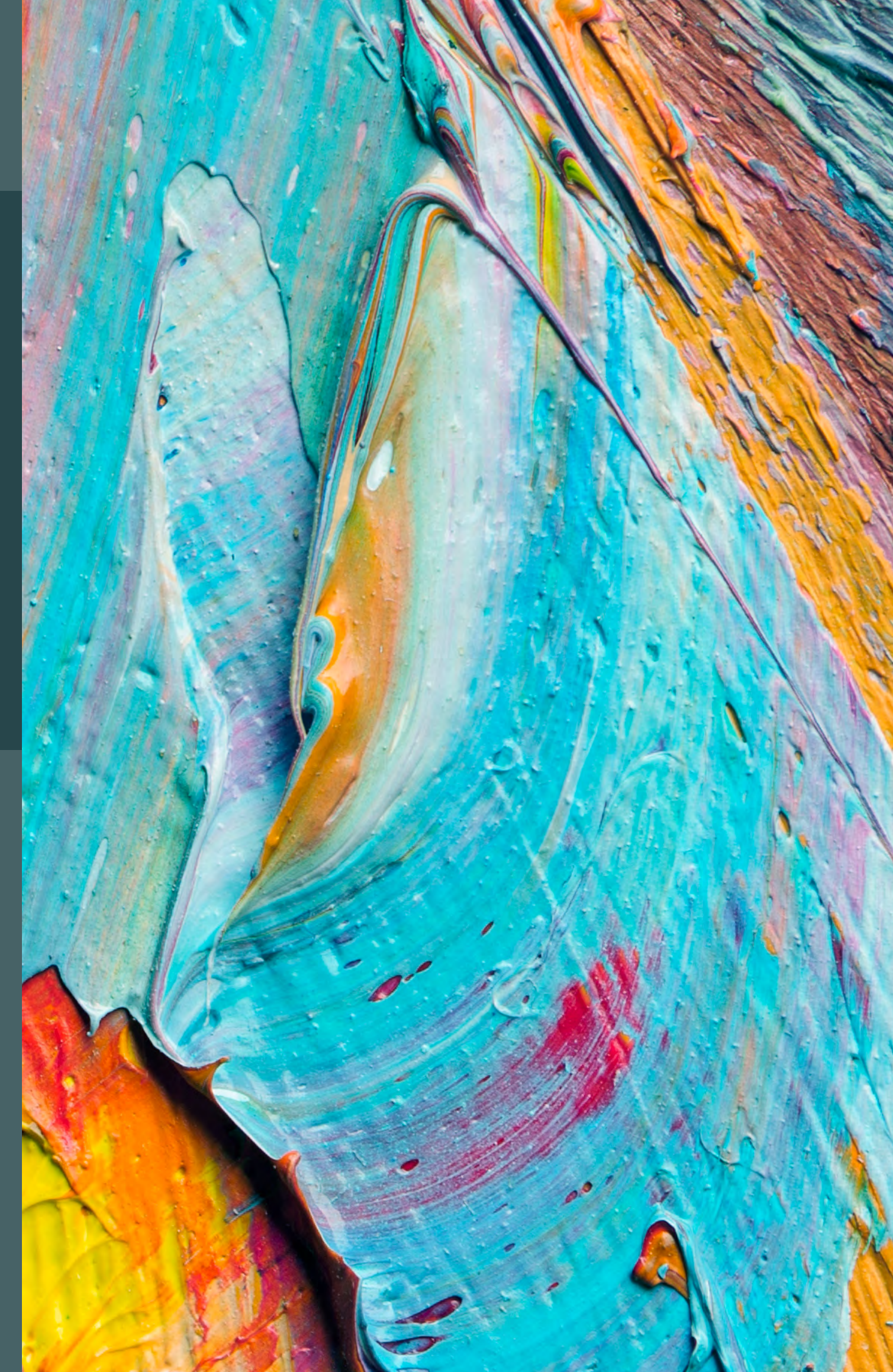
William Thompson
Principal



Harriette Sebag-Montefiore
Secondary Intern, GAIN

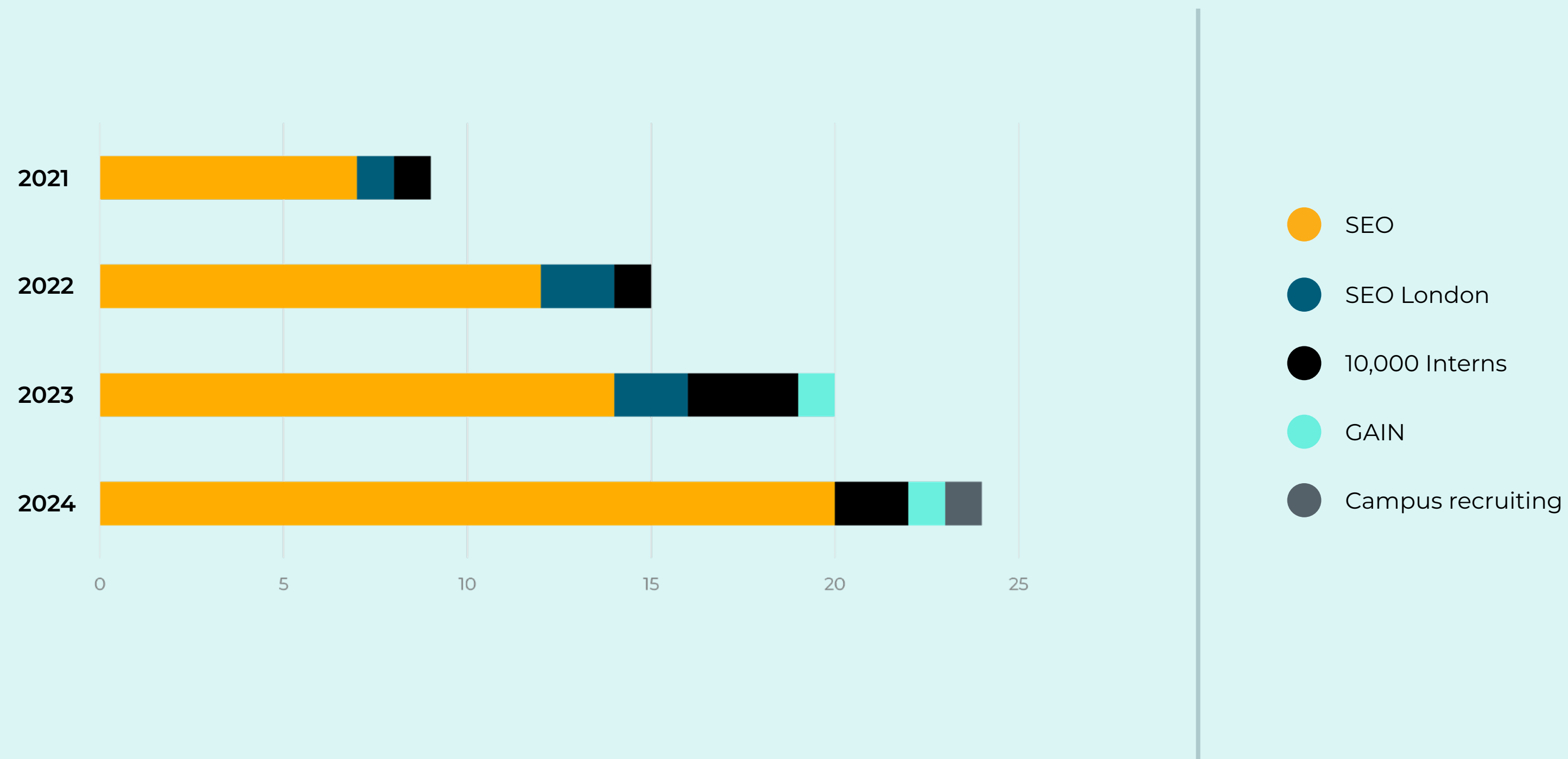
“

My manager, William, and the teams in London and Boston put in immense effort to ensure I not only learned my role’s technical needs, but also gained exposure to strategic meetings and opportunities to collaborate, build a professional network, and learn from talented experts across the firm. These are people I look up to in this field and working so closely with them has been an invaluable experience that has shaped my aspirations moving forward. Because of my time at HarbourVest, I now feel empowered to continue growing my career in this industry.”



Force multiplier

The impact of our expanding roster of interns and former interns has been felt throughout the firm. Because of this, the HarbourVest Internship Program continues to grow.



“

After tripling the size of the program and working the last several years to build meaningful intern training modules, this year we focused on ensuring our managers were prepared and armed with resources and tools to support the intern journey. I'm so proud of the efforts throughout the firm to make sure both our interns and our teams benefit from being involved in this important program.”



Carl Payne
Internship Program Manager

Creating opportunities

We understand the value of recruiting talent from, and fostering meaningful relationships with, colleges and universities across our global footprint. Strong connections have been built with local institutions and student groups whose missions align closely with our own. Engagement efforts include coffee chats, panel discussions, webinars, and office visits with key collegiate partners.

Our collaborative approach supports students during their time on campus and as they transition into their careers. Part of our role is to serve as a resource for students as they navigate their career paths, regardless of whether they choose a future with HarbourVest. We believe these students represent the future of our industry, and we are fully committed to supporting their growth and development.

Inviting excellence

Attracting and engaging professionals from a multitude of backgrounds is an intentional practice aimed at ensuring talented individuals are aware of, and have access to, our opportunities. By building specialized programs and partnering with external organizations, we are proactively searching for talent to improve our overall employee base.

Partnering with organizations like the Association of Latino Professionals for America (ALPFA) helps ensure diverse representation in our talent pipeline. Collaborating with institutions such as the Massachusetts Institute of Technology, where we recently hosted an executive roundtable discussion on the intersection of university talent and private equity, furthers our commitment to inclusive leadership development.



HarbourVest at the ALPFA Latina Summit

Analia Graham, Senior Vice President and ALPFA Executive Sponsor, and Karol Vasquez, Senior Human Resources Associate, participated as exhibitors at the ALPFA Latina Summit, a career fair and networking event for Latinas in business.



“

The ALPFA Latina Summit is a great example of the power of partnering with external organizations. Our participation helped empower Latinas in the business world and open doors for potential job opportunities.”

Analia Graham (left)

Senior Vice President

Fostering inclusion

We work together to ensure colleagues are seen, heard, and valued. All levels of our organization have a voice in this effort, with a strategy focused on three centers of influence: our DEI Council, Employee Resource Groups, and Regional Roundtables.

“

I see what we do on the DEI Council as complementary to everything else we do throughout the firm. My day job is on the investment team, but the work I do with the Council impacts our entire organization. Making sure communication flows both ways is important. I appreciate being looked upon to elevate issues raised to me back to the Council so I can serve as an advocate for my colleagues – both as an investment team member and as an Executive Sponsor of our Asian Employee Resource Group. I’m honored to be on the Council and I value the role I’m able to play.”



Raj Senapati
Managing Director

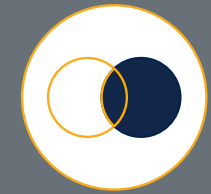


Leadership in action

The DEI Council was established in 2019 with the mission to operate under three key principles:



Opportunity for all

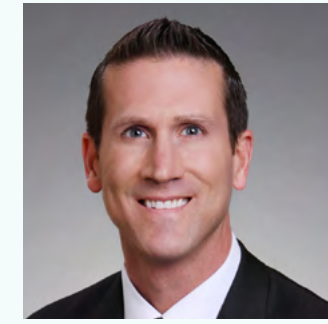


Mutual respect

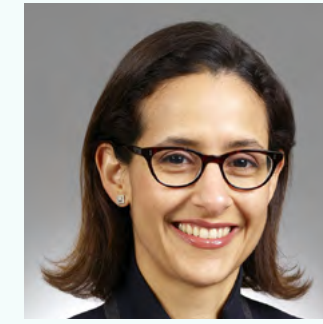


Global strength

Membership includes our CEO and senior leaders across the organization globally.



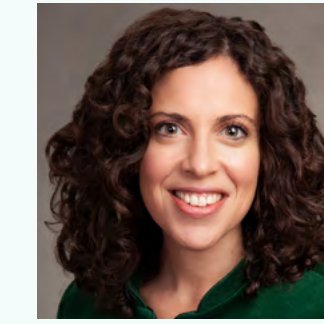
Richard Campbell
Managing Director



Carolina Espinal
Managing Director



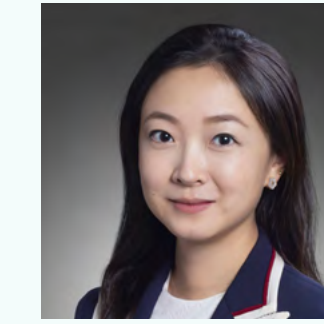
Gonçalo Faria Ferreira
Managing Director



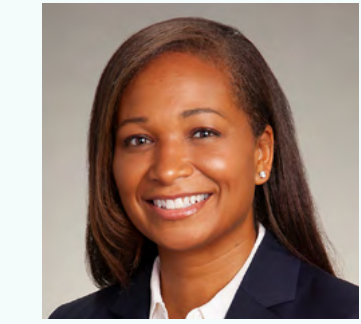
Aliza Firestone Goren
Managing Director



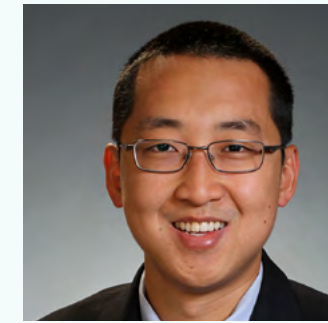
McComma Grayson III
Managing Director



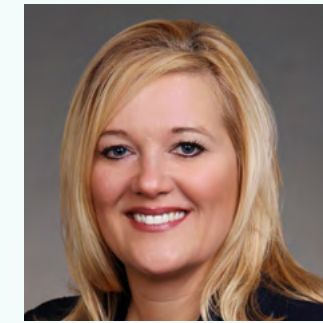
Lydia Hao
Managing Director



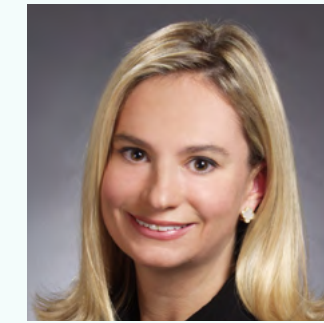
Kelley King
Chief DEI Officer



Lenny Li, CFA
Principal



Tricia Mackechnie
Managing Director



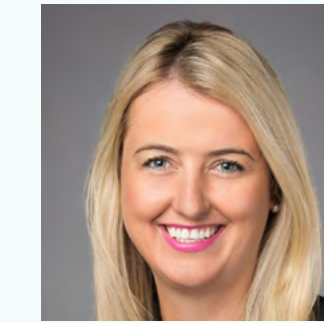
Amanda Outerbridge
Managing Director



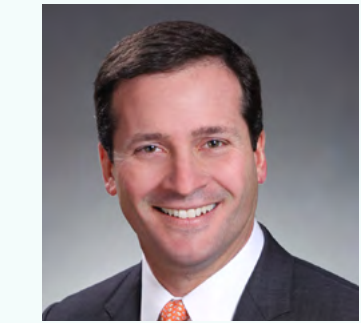
Carl Payne
Internship Program
Manager



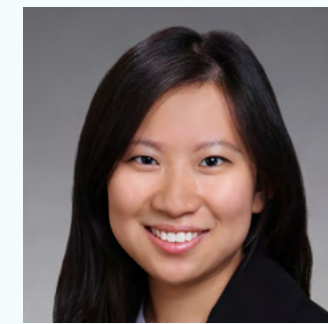
Edward Powers
Managing Director



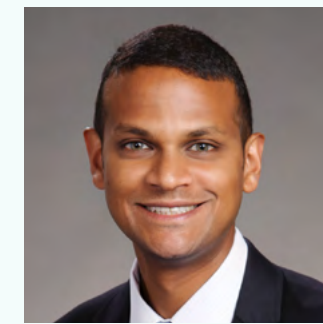
Abigail Rayner
Principal



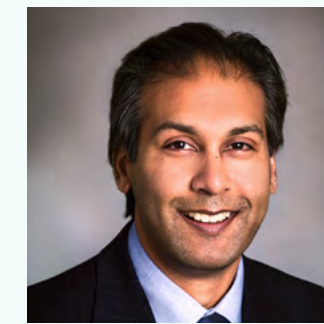
Mark Reale
Managing Director



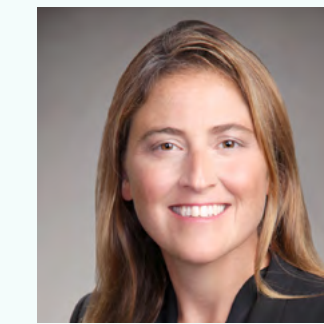
Emily Ren
Principal



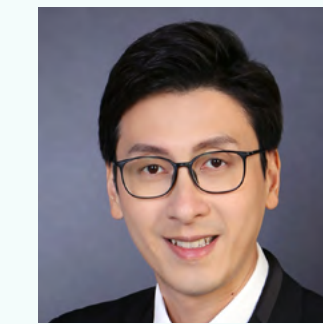
Raj Senapati
Managing Director



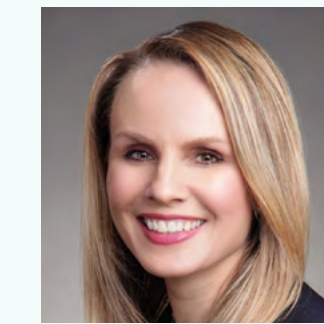
Sanjiv Shah
Managing Director



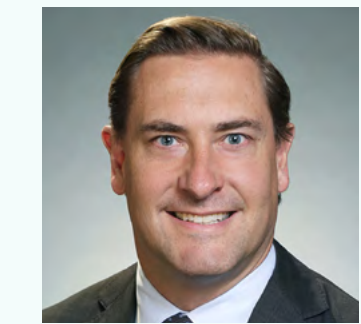
Karen Simeone
Managing Director



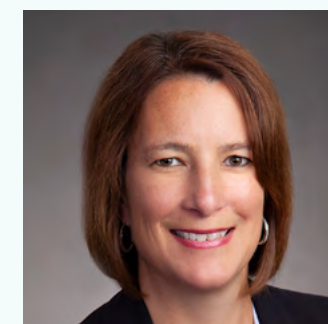
Ziyao Su
Vice President



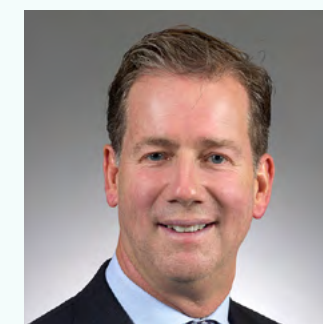
Alicia Sweeney
Senior Vice President



John M. Toomey, Jr.
CEO



Amy Unckless
Managing Director



Peter Wilson
Managing Director,
EMC Emeritus

Stronger together

Employee Resource Groups (ERGs) provide team members a platform to share, connect, and support one another because only when we are our best selves can we best serve our clients. We are pleased to highlight some of the work done by each ERG over the past year.

ERGs by the numbers



ERGs



Regions



of global HarbourVest employees are actively involved in at least one ERG as an identifying member and/or ally

ADAPT

Abled and Disabled Allies Partnering Together provided guidance regarding accessibility and accommodations in the workplace and organized a BostonVision Walk team to raise awareness for the Foundation Fighting Blindness.

APAC

To focus on whole-self-care, our Asia-Pacific Mind and Wellness ERG organized quarterly, region-wide events including mobility workshops focused on stretching and team-building events inspired by the hit show "Squid Games."

APHV

Asian and Pacific Islander Professionals at HarbourVest continued fostering cultural exchange with events celebrating Lunar New Year and AAPI Month.

BLACKVEST

Black colleagues and allies hosted a discussion on The Importance of Allyship and the Black Experience at HarbourVest to share perspectives and offer ways to overcome challenges faced by underrepresented groups in the workplace.

FACE

The Families and Caregivers ERG sponsored monthly coffee chats for new parents, optional meetings to create a safe sub-community for the discussion of the specific trials, tribulations, and triumphs of childcare.

GENVEST

GenVest worked to build intergenerational synergy in the workplace, with meetings covering topics including generational biases, stereotypes, and communication styles.

HOLA

The HarbourVest Latino/a/e Association focused their annual efforts on professional development by organizing a series of lunch and learns on topics like mentorship, performance reviews, and career pathing.

HVPRIDE

HVPRIDE hosted drop-in discussion sessions on topics such as LGBTQ+ mental health, stigma, allyship, and generational experiences in the workplace and proudly supported firm-wide education on pronoun use, gender identity, and LGBTQ+ experiences.

HVET

Our ERG supporting veterans, family members, and allies created and shared Challenge Coins to celebrate Honor, Valor, Enthusiasm, and Teamwork.

WELLNESS

The Americas Wellness ERG shared prompts to foster discussion on topics like sleep, stress, and anxiety. Our EMEA Wellness ERG offered insights on communicating with colleagues while working remotely and women's health, including fertility and menopause.

WOMEN'S NETWORK

The Women's Network executed Mentoring Circles and hosted guest speakers for a Fertility Health Panel in Singapore to discuss IVF and egg-freezing processes, costs, and misconceptions.

ERG collaboration

In 2024, our ERGs concentrated on intra-group partnership. This spirit of knowledge sharing, joint advocacy, and respect for intersectionality was brought to life by these shared events:



Boston Pride Parade for the People

Led by HVPRIDE, allies from HOLA, GenVest, BlackVest, and FACE came out to celebrate and march alongside identifying colleagues to demonstrate the power of inclusion both at HarbourVest and in our community.



Disabled American Veterans (DAV) 5K

HVET, ADAPT, and Wellness ERG members took to the pavement on Boston's Castle Island for a run, walk, or roll fundraising event celebrating those who have served, while raising awareness of the issues facing ill and injured veterans.



Diwali: Festival of Lights

APHV partnered with our IT Employee Engagement Committee to organize a Diwali celebration featuring a delicious, authentic buffet of locally provided Indian food, Diwali trivia, and a speech from APHV leadership.

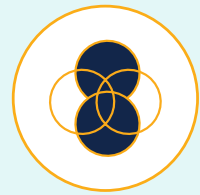


Juneteenth Celebration

BlackVest held a cookout to commemorate Juneteenth by sharing food, music, and trivia. Colleagues enjoyed fellowship and discussed why barbecues hold deep cultural importance during Juneteenth celebrations.

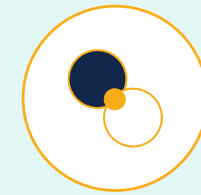
Open for input

Regional Roundtables reflect our commitment to fostering an inclusive environment by listening to our team and providing the resources they need to thrive. Recent sessions covered topics including:



Inclusion

Roundtables were hosted in each region to elucidate ways HarbourVest could cultivate an even more inclusive culture. As a result, new training was implemented to support team members and empower leaders throughout the firm.



Mentorship

Guest speaker-led forums explored how to proactively establish mentorship relationships, helping to support the launch of our HarbourVest Mentorship Program and the introduction of our Mentoring Circles Program.



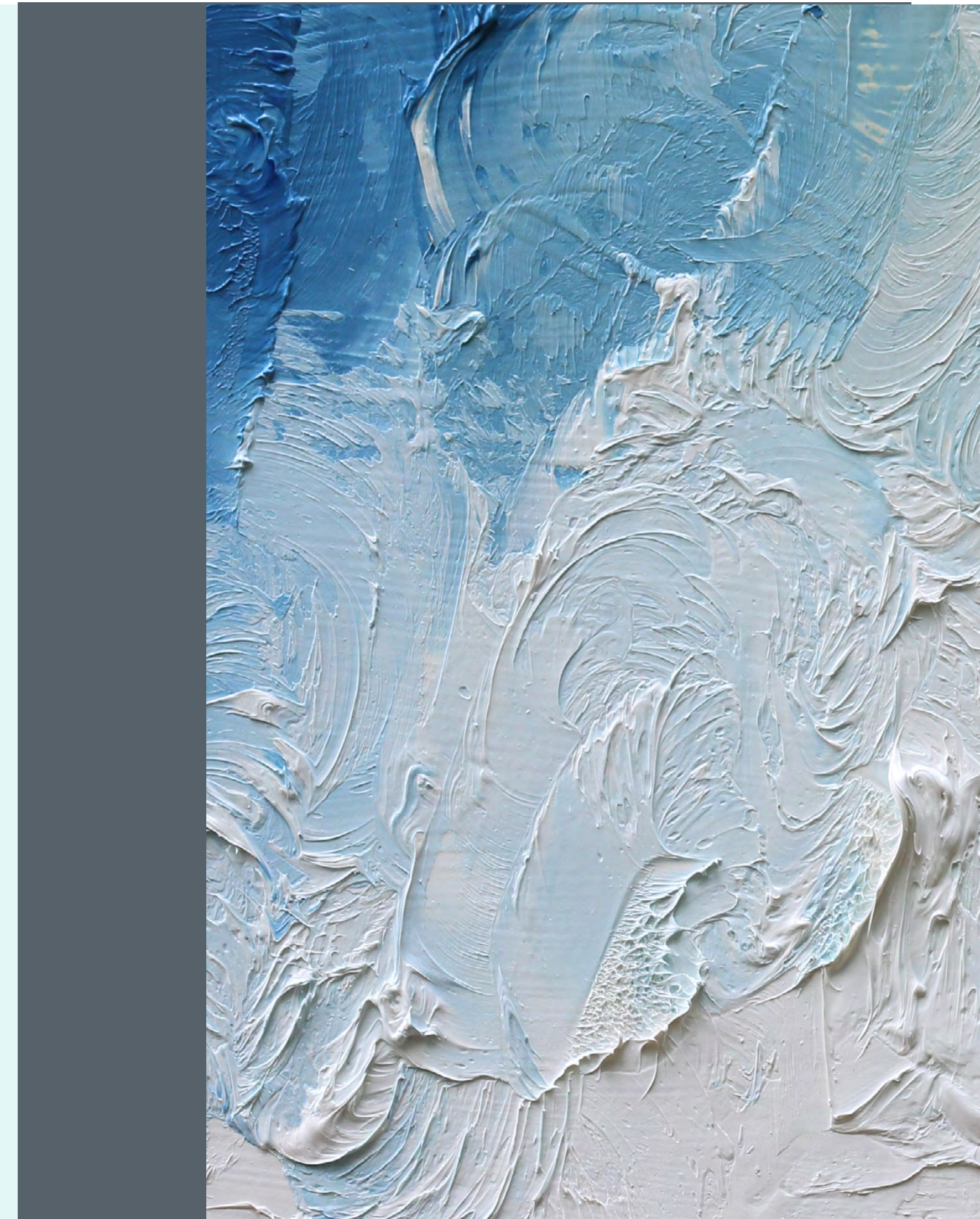
Wellness

Regional and intra-regional meetings were facilitated to inspire colleagues to share how HarbourVest can best support their wellbeing journey. Ideas shared led to the refinement of wellness programs across our global footprint.



Neurodiversity

Expert-guided talks on neurodiversity and neurodivergence in the workplace allowed HarbourVest teammates to share personal experiences while learning that differences should be viewed as strengths, not deficits.



Ensuring equity

We provide tools and training to support continuous learning and constant improvement. Our ever-growing suite of resources drives individual and team excellence and ensures our processes and procedures are fair and equitable.

“

Combating bias and addressing inequity requires both awareness and education. This is why our approach to creating equitable outcomes is centered on providing the resources to encourage individual and organizational knowledge-building and growth.”



Mark Reale
Managing Director





The HarbourVest Leadership Model

We are driven by our values, which help us propel our business forward while fostering a culture of inclusion.

Great people deliver great outcomes. We believe balancing ongoing development with personal wellbeing helps enable high performance, and we strive to create a culture that values individual differences and recognizes the power of diverse teams.

Inclusive global partnerships help us harness local wisdom, be endlessly curious, and drive connection and trust with each other. Diversity is our strength, and we recognize that unique perspectives build better companies and communities.

Execution excellence allows us to stay focused on aligning priorities to firm objectives. Committing to continuous improvement and a bias for action helps us leverage data, technology, and innovative thinking to drive results.

High integrity enables us to operate in the best interests of our clients. Honesty, transparency, and ethics are all essential to the success of our business. We hold ourselves accountable for our impact on society, the environment, and our team.

HarbourVest Leadership Programs

We provide global manager and leader programs based on career stage with courses designed to empower leaders of all tenures, including:

Intern Manager Training

Two one-hour sessions for day-to-day intern managers to provide tactical skills to help plan and ensure program success.

Inclusive Hiring

Live and on-demand courses for all manager levels to hone interview techniques and review hiring best practices.

Empowering Others

Workshops for non-managing leaders providing instruction on how to direct work and give feedback.

Manager Fundamentals

Six-month program for new managers to gain critical skills for being an effective supervisor.

Impactful Leader

Monthly workshops for managers with at least two years of experience to enhance communication skills.

Leadership Principles

Two-day workshop for tenured, senior managers to enhance their understanding of self and leadership skills.

HarbourVest Navigator

Ten-month executive coaching program focused on leadership development and collaboration for select senior leaders.

Manager Town Hall

John M. Toomey, Jr. and Peter Wilson hosted managers for a discussion on the importance of leadership and outlined the launch of new developmental resources for HarbourVest people leaders, including:

The Bridge

An internal repository of tools, resources, and programming for managers. Categories covered include hiring and onboarding, performance and development, and continued learning for managers and their teams.

Purposeful Gathering

A learning session conducted to consider methods for holding impactful meetings, eliminating ineffective ones, and being more intentional during our time together.

Role Clarity Toolkit

Resources include a step-by-step manager's guide for having successful conversations with their team and a learning series about departments across the firm to improve cross-functional understanding.

Continuous learning and improvement

We offer curated tools, resources, and programs to all of our team members to promote perpetual individual growth and professional development.

HarbourVest University

HarbourVest University (HVU) was launched in 2023 as our core learning strategy to support professional development. HVU offerings include courses on Leadership, Data Science, and Finance, as well as an on-demand DEI curriculum of nearly 50 learning segments. In addition to live learning experiences, colleagues are encouraged to own their individual learning experience in HVU by creating a custom curriculum to support their unique needs.

Inclusive Culture Module

Upon hire, colleagues are automatically assigned this session to ensure everyone, no matter their seniority, is equipped with tools to pursue and honor the values of our diverse, equitable, and inclusive workplace.

Workplace Harassment Prevention

All new hires are assigned training to heighten awareness of sexual harassment, bullying, discrimination, and other unfriendly conduct. All employees must adhere to our Global Respectful Workplace Policy and practically implement its standards of behavior.

HarbourVest Mentorship Program

The HarbourVest Mentorship Program was launched in 2024 to provide the knowledge and skills to establish and foster long-lasting mentorship relationships. Designed with flexibility in mind, offerings include self-service tools for mentors and mentees to support a mutually beneficial knowledge transfer between leadership and staff that is vital to our success as a firm. Members of our Singapore team, Natassya Michelle and Dominic Goh, discuss their mentorship experience.

“

The best part of my mentoring relationship is the fact that I have gained a trustworthy supporter who always tried to help me become a better version of myself rather than trying to mold me to his perspective. Our regular conversations helped me grow immensely both personally and professionally, and I would encourage everyone to join the mentorship program to connect and learn as much as possible.”



Natassya Michelle
Senior Associate

“

I am so grateful for the opportunity this mentorship program gave me to help one of the many talented individuals we have at this firm. But what really surprised me was what I gained from simply participating. Being a mentor not only allowed me to do my part in lifting up a teammate, but it also allowed me to interact at a deeper level with different parts of the organization that I probably would not have otherwise.”



Dominic Goh
Managing Director

In pursuit of equitable pay

HarbourVest is committed to delivering fair and equitable pay. Our leadership and Human Resources teams are responsible for ensuring compliance with regulatory requirements related to pay equity and transparency around the world. We regularly benchmark against other firms, monitor industry pay trends, and participate in, and pay to receive, third party compensation surveys from highly reputable vendors that collect data and deliver high quality market matches. Paying for performance, a philosophy of rewarding colleagues for achieving both individual and collective goals, is embraced at HarbourVest. Compensation reviews are conducted regularly to assess individual pay and adjust compensation as appropriate.



Wellbeing benefits

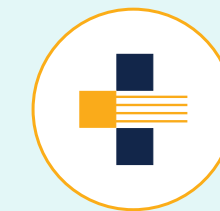
Our team members receive comprehensive benefits to support their overall wellbeing. The offerings highlighted below are representative of HarbourVest’s holistic approach to equitable care.



Resources for emotional health, work/life balance, legal guidance, and financial education, as well as 24/7 support hotlines with trained clinicians are provided through our Employee Assistance Program.



IVF and gender confirmation procedures are covered under our US medical plans. Healthcare coverage options regarding fertility and gender confirmation vary by country.



Medical plans offer health and voluntary benefits to same-sex domestic partners and spouses and include transgender-inclusive health benefits, where permitted.



Paid leave is provided following the birth or adoption of a child for both primary and non-primary caregivers. Flexible return-to-work transition periods for caregivers and access to backup childcare services are also available.



Financial assistance is offered to help offset the costs associated with adopting a child. Availability varies by country.

Learn more by visiting our [Careers page](#).

Strengthening communities

HarbourVest is committed to using our unique resources and teaming up with local organizations to positively impact the world in which we live and work. There is no better testament to the character and humanity of our global team than the work we are doing through HarbourVest Gives Back to uphold this commitment.

“

Year after year I am in awe of the generosity shown by my colleagues worldwide. Teams coming together for a greater cause is not only important to the continued success of our giving back initiatives and the organizations we support, but it has positive ripple effects that are felt throughout our firm.”



Katherine McCord
Vice President



Charitable giving

Our charitable giving program encourages team members to make personal monetary donations by offering an annual matching gift of up to \$2,500 per colleague per calendar year for approved organizations. In 2023, individual donations, most of which were matched by HarbourVest, supported over 375 unique causes.

Employee Service Hours

Each full-time team member is granted the equivalent in hours of two paid days per calendar year to volunteer with nonprofit organizations in their communities that are dedicated to achieving social equality. In 2023, 170 colleagues provided support to the organizations of their choice.

Global Volunteer Weeks

Over the course of two weeks in October, our global team engages in an organized effort to give back to those in need and improve public spaces. In 2023, over 440 colleagues volunteered with local organizations for projects including picking up litter, furnishing a deserving family's new apartment, and serving lunch with dignity to individuals experiencing homelessness.

Making an impact



Collective effort

Teams from offices across the globe came together to make a difference in the lives of others through local efforts like those we have highlighted below and more.

Beijing

Sporting goods were donated to middle schools in Xinzhou during a campus visit arranged by the Qing Quan Foundation, an organization supporting underprivileged students.

Bogotá

Recreational activities were organized to help build trust between children and caregivers with Pocalana, a nonprofit working with children and adolescents at high social risk.

Boston

A new home for a single mother and her three children was furnished with Heading Home, an organization providing shelter and support services for homeless families.

Dublin

Donations were sorted at FoodCloud, an organization that tackles climate change and food insecurity by connecting surplus food from businesses to communities in need.

Frankfurt

The garden of a municipal kindergarten was redesigned and donations were made to SOS Children's Villages, an NGO focused on supporting children without parental care and families at risk.

Hong Kong

A coastal area in Sha Lan in Tai Po was cleaned in partnership with HandsOn and Greener Action to combat marine plastic pollution from plastic containers, single-use disposables, and construction materials.

London

A neglected play area and community garden were renovated with The Childhood Trust, a charity dedicated to alleviating the impact of poverty on children.

Seoul

Trash was gathered during a street cleanup near Naksan Park.

Singapore

Patients from the Singapore Cancer Society were accompanied for an excursion to Gardens by the Bay and Flower Dome and notes of appreciation were shared with caregivers.

Sydney

Hot meals were prepared at the Wayside Chapel, an organization offering programs and services to people experiencing homelessness.

Tel Aviv

Food was served and diners were kept company at Lasova Soup Kitchen, a restaurant that provides all persons a hot, nutritious, filling, kosher lunch at no charge and with no questions asked.

Tokyo

Boxes of nutritious meals were packed with Second Harvest Japan, an organization committed to creating a food "safety net" for local children and families.

Toronto

New Canadians seeking employment were mentored, offered mock job interviews, and provided feedback on their CVs in support of WoodGreen, a leading social services agency.

Zürich

Having recently opened our 14th office in 2024, we look forward to spreading our outreach to deserving organizations in Switzerland.

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Our global teams are encouraged to volunteer and engage in charity work because we believe strong communities create strong foundations and allow businesses like ours to thrive.”



Hemal Mirani

Managing Director

Organizational support

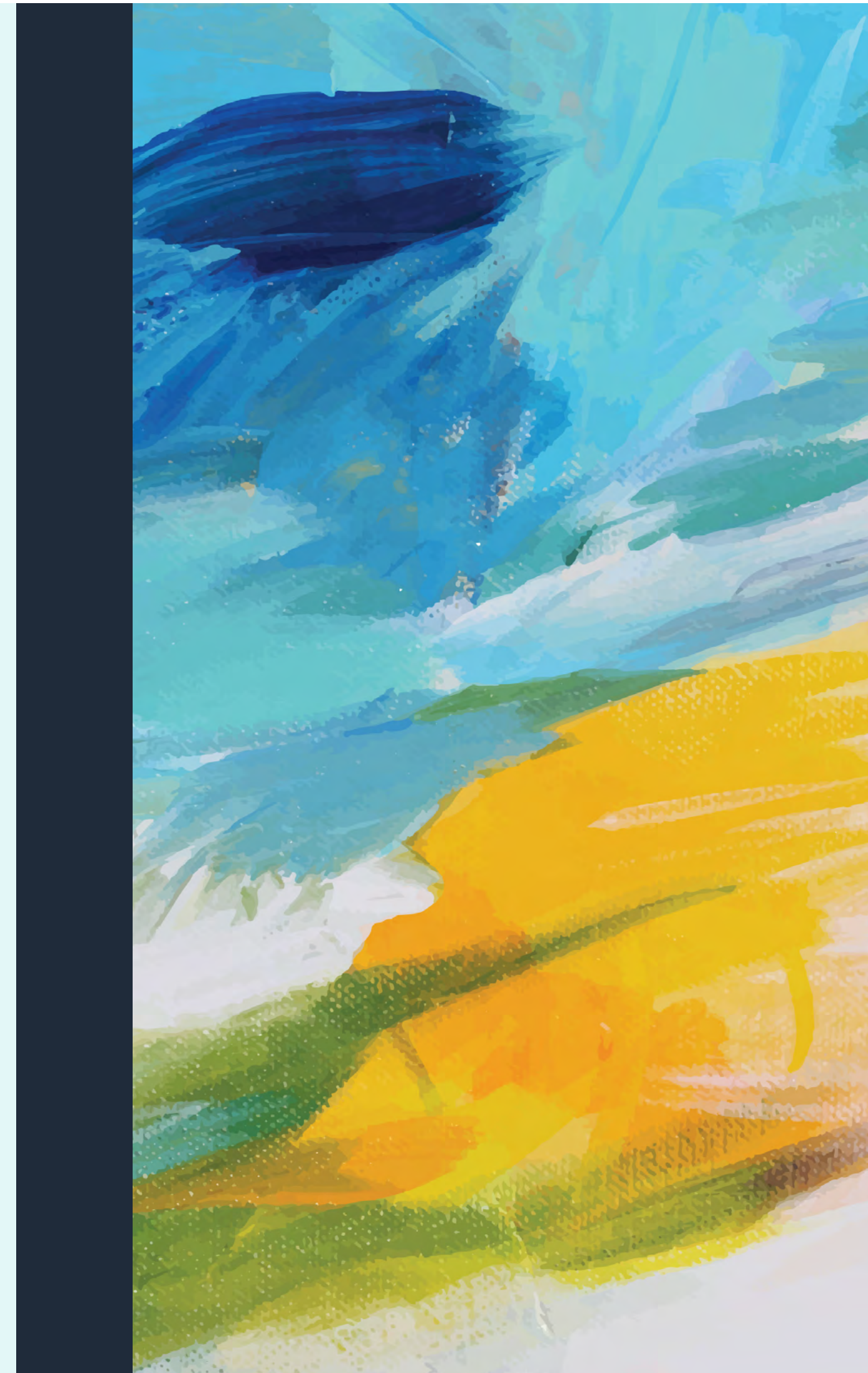
Boston Children’s Hospital Corporate Cup

Grit, determination, and care for the community led to a HarbourVest win at the 2024 Boston Children’s Hospital Corporate Cup. Nineteen team members from the Boston office contributed to this championship effort, competing against and besting 60 other local teams. The fundraising effort provided more than \$1 million to support lifesaving care and research breakthroughs for children in need.



More Than Words

In lieu of a physical client gift for attending our 2024 Annual Meeting, HarbourVest made a donation to More Than Words, a nonprofit social enterprise headquartered in Boston that empowers young adults who are in foster care, homeless, out of school, or in the court system by offering job training and career support. Participants in the program learn to run an online and retail bookstore while also getting support to tackle systemic barriers and take charge of their lives.



Investing with purpose

We leverage our platform to support a more inclusive investment landscape, maintain a robust deal pipeline, and foster connection and collaboration among emerging and diverse managers. Our commitment is, and has always been, rooted in merit.

Historically, emerging and diverse managers have been overlooked by mainstream investment channels despite providing competitive offerings and financial returns. While 2024 has presented fundraising challenges for all managers, emerging and diverse managers have faced an even steeper climb. In the first half of 2024, capital raised by emerging managers (three or fewer funds) declined by more than 30% relative to the same period in 2023³ and diverse managers who hold an even smaller percentage of assets⁴ likely felt the decline with even greater negative impact.

Despite the efforts of many in our industry, the unfortunate truth is as AUM in private markets has grown dramatically over the past 20 years, assets managed by diverse and emerging managers has persistently been held below 2% of that total.⁵ It is imperative that firms like ours leverage their platforms to support a more inclusive investment landscape. To better provide more equitable access to capital, we work to foster connection and collaboration with emerging and diverse managers, two of which we profile in this year's report.

Coalesce Capital Partners is an emerging manager that recently closed its first fund, exceeding its initial target despite a challenging economic climate. One Rock Capital Partners has recently graduated to our limited partner core program with the completion of fundraising for their fourth fund. We also take a deeper dive into the emerging and diverse ecosystem by examining Wonderschool, an innovative portfolio company founded in 2016 that has disrupted the childcare sector with a reimagined, technology-driven platform.

Below, Coalesce Capital Partners Founder and Managing Partner Stephanie Geveda, One Rock Capital Partners Co-founder and Managing Partner Tony Lee, and Chris Bennett, Wonderschool Founder and CEO, share how their experiences have impacted their success and helped shape their organizations.



³ PitchBook, Q2 US PE Middle-Market Report, data as of June 30, 2024.

⁴ AAAIM and Bella Research, AAPI in Asset Management: Analysis of AUM and Performance, 2023.

⁵ NAIC, Examining the Returns 2023, February 2024.



Stephanie Geveda

Founder and Managing Partner

Q: Despite the difficult fundraising environment in 2023 and 2024, you closed your first fund in nine months, and it was oversubscribed by several hundred million. What do you think were the largest contributors to that success?

A: First, our differentiated strategy is built on understanding the value that diverse human capital provides in every facet of an LP, GP, and portfolio company partnership. This resonated with investors who were eager to explore new opportunities beyond the traditional private equity landscape. And our team's extensive experience, strong track record, and deep sector expertise instilled even greater confidence in our ability to execute our strategy.

Relationship-building was also crucial. We took the time during our fundraising process to include our early partners in the evaluation of our first portfolio investment and this served as a tangible proof point of our ability to identify and invest in companies poised for transformative growth. We also think that a relationship building approach during the initial fundraising process helped foster new and significant introductions for the firm, and while in some instances we didn't garner immediate investment dollars for our inaugural fundraise, we built important relationships for the future.

Q: What do you know now that you wish you knew at the start of your fundraising, and how do you think those learnings will impact your approach with a second fund?

A: Looking back, one of the key lessons from our first fundraising experience was to seek the partnership of likeminded LPs right from the start. We found a group of individuals and firms we were extremely fortunate to partner with. Another important lesson we learned was that early rejections shouldn't be taken as final. Some LPs who initially said "no" were simply not ready at that time given broader market dynamics. Maintaining those relationships and sharing in our journey will be a key part of our strategy moving forward as we continue to prove ourselves and build on our successes.

Q: Why is it important that Coalesce's investment thesis be anchored in broader social principles, particularly as a firm focused on investing in human capital-driven and technology-enabled services companies?

A: The principle of creating a more equitable and inclusive social and economic fabric runs through our entire firm. It's not a bolt-on extra. So, of course it is paramount for our investing thesis too. We believe there is no greater asset class than human capital, which includes all the diversity, knowledge, talents, skills, experience, and wisdom possessed

individually and collectively at a company. At an investing level, we view how human capital is developed and managed as one of the most important determinants of economic and organizational performance, and it sits at the foundation of our mission of investing in human capital and technology-enabled business services companies.

Q: How did this approach impact or inform fundraising for your inaugural fund?

A: We believe that having a true commitment to diversity and human capital is a unique approach in today's private equity market, and we were very encouraged to discover this is a view held by many of the LPs we interacted with during our inaugural fundraising. Our plan was to put the values of diversity, equity, and inclusion into action by seeking leaders and companies that share our values and will benefit from our experience in developing human capital. LPs were aligned with our view that sustainable, differentiated returns come by unlocking the potential of human talent. The success of our fundraise showed that embedding your investment approach in people, culture, and community can be both the right choice and the smart choice financially.

Q: Can you talk more generally about your firm's commitment to DEI in terms of investing, hiring, and performance?

A: At Coalesce, DEI is not just a box to check; it is a cornerstone of our investment philosophy and operational approach. We believe that diverse teams lead to better decision-making, foster innovation, and build organizational resiliency. Our commitment to diversity extends across all aspects of our business – from the companies we partner with to our internal team and how we measure success. As a female-founded and female-led firm, we embrace diversity of background and opinion, and our team reflects a wide range of perspectives and experiences. What you get as a result is a deep corporate gene pool and a richer culture where employees are encouraged to challenge, and be challenged, driving rigorous debate, diverse thinking, and improved decision-making.



Tony Lee

Co-founder and Managing Partner

Q: How have One Rock's core values of embracing complexity, fostering improvement, and leading with humility contributed to the firm's success?

A: At an investment level, our goal is to re-imagine and create value across complex deals in the real economy sectors. And navigating that complexity takes a special skill set. It's more work, and it takes a commitment to continuous learning. A humble approach has helped us be consistent and persevere and succeed through difficult projects and markets with leadership exemplifying our firm values in how they work and treat our clients and each other every day.

I think what the last decade plus has crystallized is that diversity begets diversity. It has helped us build a highly skilled diverse team with a strong work ethic where people feel they can progress professionally because they see diversity at our foundation and across our leadership team.

Q: What were some of the largest challenges and surprises you encountered from your first fund to now?

A: We are not blind to the reality that as a diverse firm, opportunities did not always come our way. Or, at least in the early years, we were given fewer strikes at bat. But we leaned into our core values, and we embraced complexity and worked

tirelessly to operate at the highest possible level to be successful despite the challenges. I have always maintained that headwinds make you stronger and more resilient, and I believe we are.

At a more technical investing level, we have always viewed multiple on invested capital (MOIC) as the purest form of return in our business because it's a metric that is impossible to manipulate mathematically in a way that firms can buttress IRR. But we have learned along the way that a large portion of the market looks at performance through an IRR lens. So, we have developed an increased awareness about IRRs and their importance to the market. That commitment to continuous learning and evolving our thinking is a large part of what keeps us agile, aligned with our investors, and striving to be successful from a performance perspective.

Q: In 2024's more challenging macro backdrop, what is the one thing you would advise an investor to do to increase their exposure to emerging and diverse-led firms?

A: Investors often focus on the institution as a performance benchmark, but institutions don't do the work. I would argue that what separates the wheat from the chaff in our industry is the people, including the leadership and the collection of individuals beneath it that are tasked with getting the job done and done well. Digging deeper into

the investing path that the key individuals at a firm have traversed will tell a lot about how they may perform in the current environment or when conditions are not ideal.

Q: How do you think the HarbourVest partnership has helped drive success for both firms?

A: We have partnered with HarbourVest since our first fund. They have been there from the very beginning when it counted the most. They were quick to recognize the potential of our firm, our diverse founders, and the durable investment strategies we strive to develop.

But strategies are largely a bet on the market, and our relationship with HarbourVest is more than just investing. It's about mutual trust, transparency, and information exchange that sometimes involves asking the difficult questions or choosing the less than simple solution. At the risk of over simplifying – in a time where people and firms don't always act as you might expect in a relationship business – both firms have acted as true partners in terms of transparency, effort, and integrity, and it has produced good financial results for both firms.

Q: Can you talk more generally about your firm's commitment to DEI in terms of investing, hiring, and performance?

A: Fostering a business model anchored in the notion that the diverse collective is greater than just the sum of its individual parts is how we seek to optimize outcomes for our investors and the firm. We believe homogeneity can lead to blind spots in our investing, while diversity of thought and differing perspectives helps provide the widest funnel of the best possible outcomes.

We are also acutely aware that this is a team sport and caring for and developing our employees is critical to achieving the outcomes we seek for our investors. But as diverse founders we are not blind to the unconscious bias in our industry. If you are a younger person and thinking about committing your life and career to a business, having diverse leadership removes many of the common barriers to advancement that young, diverse, professionals can experience. They see diversity and success in our leadership and that confirms a path with possibility, and it has proven to be one of our firm's most meaningful strategies and assets.



Chris Bennett

Founder and CEO

Q: Why did you start Wonderschool? What makes it special?

A: Wonderschool was created to fill the void of an inadequate supply of licensed childcare providers in communities globally. What makes Wonderschool great is that it is universal in terms of demand. Anyone who has a child will need childcare of some type at some point. Because of this, we've been able to partner with a variety of different organizations that span every facet of humanity and community, whether institutional or individual, based in urban or rural demographics, or groups from different backgrounds and ethnicities.

Q: That thesis has strong ties to principles of equality. How do you think that has helped your growth from start-up to now?

A: Our unique approach focuses on serving the entire ecosystem, not just a small slice, including governments, families, childcare resource and referral services (CCR&Rs) and nonprofits, teachers, childcare providers, and employers. That wider view and commitment has helped us not only be flexible and able to respond to changing market environments but also to grow over time.

Because Wonderschool is designed to cater to a range of diverse stakeholders in the childcare ecosystem, we knew we needed to be intentionally broad minded by building a unique tech-enabled product and a diverse team that can serve so many unique communities.

We believe diversity in life and work experiences drives innovation, and we are committed to staying ahead of the curve as well as working with the best people coming from a variety of backgrounds and points of view. That's why we've embedded diversity in our leadership, executive team, and employees.

Q: Can you talk about the different groups that Wonderschool supports?

A: Wonderschool really goes beyond childcare to provide platform access with tools that support a range of audiences with different needs. It has always been our plan to help a broad group of qualified childcare providers and educators create the types of programs they are passionate about — and that parents are too — while ensuring they remain within state regulations. Families need access to a variety of options because each family and child is different.

Q: What have been some of the largest challenges or surprises you encountered as you have grown and scaled your business?

A: On the surprise front, I think COVID-19 was a surprise for the globe. Childcare and education were particularly impacted, and many formal schools were faced with shut down. In contrast, many home-based programs and micro-schools were able to keep operating, and in many instances, saw rising demand. During the pandemic we helped 90% of our programs, primarily micro-schools and home-based programs, stay open and continue safely serving their communities.

In the post-pandemic period, that has now evolved to helping them thrive and expand. I think our nimble and responsive approach to the changing landscape has supported our growth and expansion and will continue to in the future with the deep and diverse audiences we support. It's easy to think that childcare solutions can wait, or that the problems exposed in the COVID-19 pandemic are solved. But that's not the case. Many programs and parents are still struggling to recover. As we have grown, we realized that just helping providers doesn't solve the entire childcare problem, and more important, it's crucial

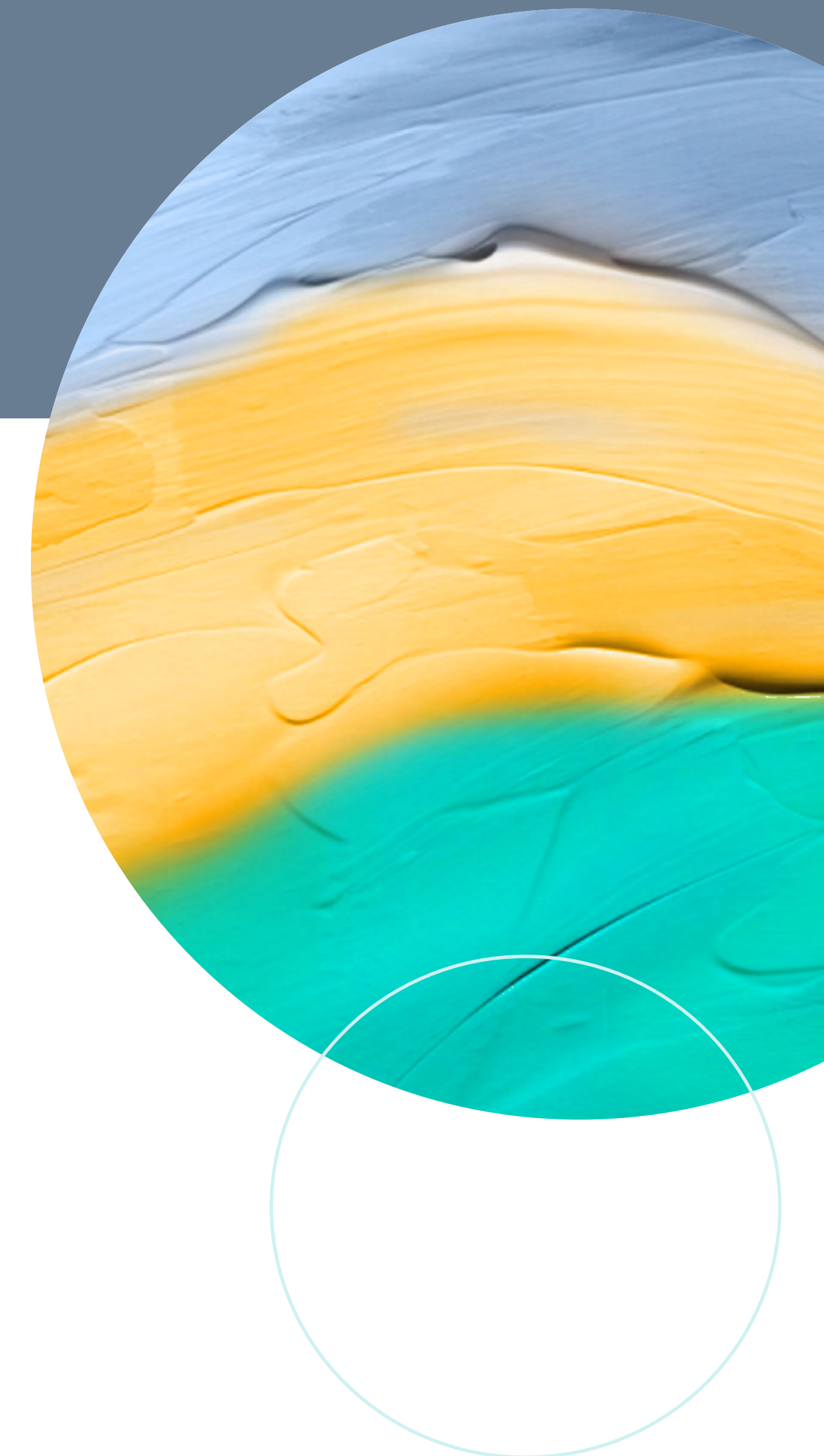
that we don't revert to outdated systems or miss the opportunity to collaborate on a holistic approach to fixing childcare. We see the current gaps and needs becoming more visible, which is a tremendous step in the right direction.

Embracing partnerships

We engage with external partners to drive positive change across our industry. The organizations listed below represent a combination of connections we have fostered, ranging from community building to financial sponsorships to active board involvement.

HarbourVest External Diversity Partners



Featured partner: Institutional Limited Partners Association (ILPA)

HarbourVest is a proud Associate Member of ILPA, the only global organization dedicated exclusively to advancing the interests of LPs and their beneficiaries with a policy agenda focused on strengthening the private equity asset class through strong governance, alignment of interests, and transparency. This level of involvement affords HarbourVest the opportunity to help shape ILPA's response to key regulatory issues impacting LP interests, build alignment on emerging and evergreen issues, and learn how other LPs are navigating industry challenges.

HarbourVest is also a founding signatory to ILPA's Diversity in Action (DIA) Initiative, a program established in 2020 to bring together LPs and GPs who share a commitment to advancing diversity, equity, and inclusion in the private equity industry. The goal of the initiative is to motivate market participants to engage in the journey towards becoming more diverse and inclusive and to build momentum around the adoption of specific actions that advance DEI over time.

In 2024, HarbourVest was proud to be invited to join the DIA Signatory Advisory Committee, a voluntary body shaping the direction and effectiveness of DIA programs by providing input and feedback regarding the content, resources, and goals of the initiative. HarbourVest's growing involvement with ILPA is a great example of how we are working with select organizations to move private markets forward on crucial issues.

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We continue to partner with many leading organizations like ILPA to bring our industry together and amplify the important work we are all doing to support diversity, equity, and inclusion. I am beyond proud of HarbourVest's leadership in this space and believe it will help us deliver improved outcomes to each of our investors and their beneficiaries.”



Ryan Gunther
Managing Director

Featured event: Pride in Our Workplace panel

In honor of LGBTQ+ History Month, Pride in Our Workplace organized a community town hall at the Boston Public Library addressing the future of LGBTQ+ protections and DEI policy. Rich Campbell, HarbourVest Managing Director and HVPRIDE Executive Sponsor, joined leading voices from GLBTQ Legal Advocates & Defenders (GLAD) and Boston's business community as a featured panelist.

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Times like these are when leaders need to lead even more. We have to keep the torch lit for the next generation, and you do that by working with allies to create safe spaces and find forward-looking solutions.”

Rich Campbell (right)
Managing Director



Learn more about our ongoing DEI efforts [here](#).

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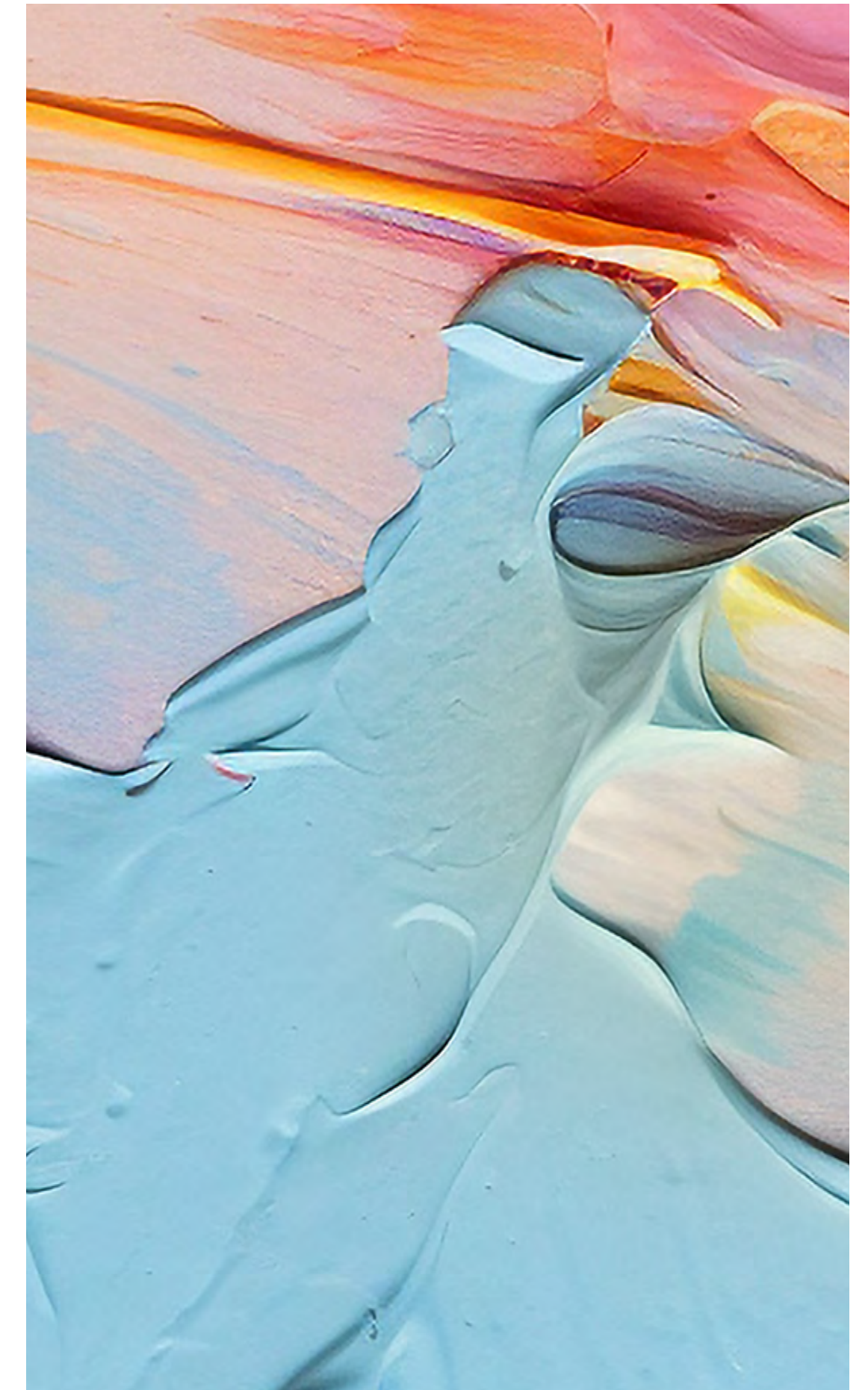
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