



AUDIT COMMITTEE CHARTER

I. Mission Statement

The Audit Committee (the “Committee”) is established by the Board of Directors (the “Board”) of Hercules Capital, Inc. (the “Company”). The purpose of the Committee is to assist the Board in fulfilling its oversight responsibilities related to: (i) appointing, overseeing the performance of and replacing, if necessary, the independent auditor; (ii) overseeing the accounting and financial reporting processes of the Company and its subsidiaries; (iii) overseeing the integrity of the financial statements of the Company and its subsidiaries; (iv) establishing procedures for complaints relating to accounting, internal accounting controls or auditing matters; (v) examining the independence and qualifications of the independent auditor; and (vi) preparing the audit committee report required by the Securities and Exchange Commission (the “SEC”) to be included in the Company’s public filings, including Form 10-K and annual proxy statement; (vii) the Company’s compliance with legal and regulatory requirements; (viii) the effectiveness of management’s enterprise risk management process that monitors and manages key business risks; (ix) the systems of internal controls and disclosure controls which management has established regarding finance, accounting, and regulatory compliance; and (x) overseeing the performance of the Company’s internal audit function.

II. Membership and Qualifications

Membership: The Committee shall consist of not less than three (3) independent members of the Board who shall serve for a term of one (1) year or until the successor shall be duly appointed.

Qualifications: Each member of the Committee (i) may not be an “interested person” of the Company, as that term is defined in Section 2(a)(19) of the Investment Company Act of 1940, as amended (the “1940 Act”), (ii) shall not have participated in the preparation of the financial statements of the Company or any of its subsidiaries at any time during the preceding three (3) years, and (iii) shall satisfy the independence requirements of Rule 10A-3 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and the New York Stock Exchange (the “NYSE”) as such requirements are interpreted by the Board in its business judgment (each such member of the Committee, an “Independent Director”), and the Board shall annually review the Committee’s compliance with such requirements. Additionally, all members of the Committee:

- A. Shall be free from any material relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Committee;
- B. Shall be or shall become (within a reasonable time period) “financially literate,” as such qualification is interpreted by the Board; and

- C. Shall have a basic understanding of finance and accounting practices, including being able to read and understand fundamental financial statements.

Audit committee members must be independent directors, as required by the NYSE. Membership on other boards is governed by the Company's Corporate Governance Guidelines, except that in no event can audit committee members serve on more than a total of three public company boards without disclosure, under NYSE rules.

Chairman: One member of the Committee shall be appointed as Committee Chairman by the Board.

Financial Expert: The Committee shall include at least one member who is an "Audit Committee Financial Expert" as defined by the SEC or as required by the NYSE Listed Company Manual. The Committee shall assist the Board in appointing at least one member to the Committee who is an "Audit Committee Financial Expert."

Resignation, Removal and Replacement: Any member of the Committee may resign from the Committee at any time upon notice of such resignation to the Company. The Board shall have the power at any time to remove a member of the Committee with or without cause, to fill all vacancies, and to designate alternate members, upon the recommendation of the Committee, to replace any absent or disqualified members, so long as the Committee shall at all times have at least three (3) members and be composed solely of Independent Directors.

III. Meetings and Other Actions

The Committee shall meet at least once per calendar quarter and at such additional times as may be necessary to carry out its responsibilities. All meetings and other actions by the Committee shall be organized and governed as follows:

- A. Action may be taken by the Committee upon the affirmative vote of a majority of the members present at a meeting if a quorum of committee members is present, as defined in the Company's bylaws;
- B. Any two members, the Chairman of the Committee or the Chairman of the Board and/or the Chief Executive Officer of the Company (the "CEO") may call a meeting of the Committee whenever deemed necessary;
- C. Action may be taken by the Committee without a meeting if all of the members of the Committee indicate their approval thereof in writing; and
- D. The Committee may invite any member of the Board who is not a member of the Committee, any officer, employee, counsel, or representatives of service providers or other persons to attend meetings and provide information to the Committee, as appropriate.

IV. Goals, Responsibilities and Authority

The function of the Committee is oversight. Management is primarily responsible for maintaining appropriate systems for accounting and financial reporting principles and policies and internal controls and procedures that provide for compliance with accounting standards and applicable laws and regulations. The independent auditor is primarily responsible for planning and carrying out a proper audit of the Company's annual financial statements in accordance with generally accepted auditing standards. The independent auditor is accountable to the Board and the Committee, as representatives of the Company's stockholders. The Board and the Committee have the ultimate authority and responsibility to select, evaluate and, where appropriate, replace the Company's independent auditor (subject, if applicable, to stockholder ratification).

Each member of the Committee shall be entitled to rely on (i) the integrity of those persons and organizations within and outside the Company that it receives information from, (ii) the accuracy of the financial and other information provided to the Committee by such persons or organizations absent actual knowledge to the contrary, and (iii) statements made by officers and employees of the Company or other third parties as to any information technology, internal audit, and other non-audit services provided by the independent auditor to the Company.

In carrying out its mission, the Committee shall assist the Board in fulfilling its oversight responsibilities by accomplishing the following:

Retention and Oversight of Independent Auditor and Approval of Services

- A. Annually evaluate the appointment, compensation and retention of any registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company and its subsidiaries, including resolution of disagreements between management and the independent auditor regarding financial reporting.
- B. Preapprove any independent auditors' engagement to render audit and/or permissible non-audit services, including the fees charged and proposed to be charged by the independent auditors (see Pre-Approval Policy attached hereto as Appendix A).
- C. The Committee may delegate its pre-approval responsibilities to a sub-Committee consisting of one or more of its members. The member(s) of a sub-Committee to whom such responsibility is delegated must report, for informational purposes only, any pre-approval decisions to the Committee at its next scheduled meeting.
- D. Receive formal written statements, at least annually, from the independent auditor regarding the auditor's independence; discuss with the independent auditor any disclosed relationships or services that may impact the objectivity and independence of the independent auditor, addressing at least the matters required by applicable requirements of the Public Company Accounting Oversight Board; recommend to the Board actions to satisfy the Board of the independence of the audit; and, if so determined by the Committee, recommend that the Board take appropriate action to oversee the independence of the auditor.

- E. At least annually, obtain and review a report from the independent auditor detailing the firm's internal quality control procedures, any material issues raised by the independent auditor's internal quality control review, peer review or any governmental or other professional inquiry performed within the past five (5) years and any remedial actions implemented by the firm and all relationships between the independent auditor and the Company.
- F. Obtain from the independent auditors annually a formal written statement of all fees billed in the last fiscal year.
- G. Monitor the rotation of the lead (or coordinating) audit partner (or other employees of the independent auditor if required by SEC rules and regulations) having primary responsibility for the audit and the audit partner responsible for reviewing the audit.
- H. Consider the effect on the Company of:
 - i. Any changes in accounting principles or practices proposed by management or the independent auditors;
 - ii. Any changes in service providers, such as the accountants, that could impact the Company's internal control over financial reporting.
- I. Evaluate the efficiency and appropriateness of the services provided by the independent auditors, including any significant difficulties with the audit or any restrictions on the scope of their activities or access to required records, data and information, or any disagreements with management, and management's response.
- J. Interact with the independent auditors, including reviewing and, where necessary, resolving any problems or difficulties the independent auditors may have encountered in connection with the annual audit or otherwise, any management letters provided to the Committee and the Company's responses.
- K. Review with the independent auditors the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the financial statements of the Company.

Oversight of Audit Process and Company's Compliance Program

- A. Review with independent auditor the overall scope and plans for audits, including authority and organizational reporting lines and adequacy of staffing and compensation.
- B. Meet with the Company's independent auditors at least four (4) times during each fiscal year, including private meetings alone and outside the presence of management personnel in executive session, and review written materials prepared by the independent auditors, as appropriate. At these meetings, the Committee shall:

- i. Review the arrangements for and the scope of the annual audit and any special audits or other special permissible services;
 - ii. Review the Company's financial statements and discuss any matters of concern arising in connection with audits of such financial statements including any adjustments to such statements recommended by the independent auditors or any other results of the audits;
 - iii. Consider and review, as appropriate and in consultation with the independent auditors, the appropriateness and adequacy of the Company's financial reporting and, as appropriate, the internal controls of key services providers, and review management's responses to the independent auditors' comments relating to those policies, procedures and controls, and take any necessary action in light of significant and material control deficiencies;
 - iv. Review with the independent auditors their opinions as to the fairness of the financial statements;
 - v. Review and discuss quarterly reports from the independent auditors relating to:
 - a. All critical accounting policies and practices to be used;
 - b. All alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditors; and
 - c. Other material written communications between the independent auditor and management, such as any management letter or schedule of unadjusted differences.
 - vi. Prepare the audit committee report required by the SEC to be included in the Company's public filings, including Form 10-K and annual proxy statement.
- C. Review and discuss with management and the independent auditor the Company's system of internal controls (including any significant deficiencies in the design or operation of those controls which could adversely affect the Company's ability to record, process, summarize and report financial data), its financial and critical accounting practices, and policies relating to risk assessment and management.
- D. Review and discuss with management and the independent auditor the Company's annual and quarterly financial statements including reviewing the Company's specific disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations" prior to the filing of the Company's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. Discuss results of the

annual audit and quarterly review and any other matters required to be communicated to the Committee by the independent auditor under generally accepted auditing standards. Discuss with management and the independent auditor their judgment about the quality of accounting principles, the reasonableness of significant judgments, including a description of any transactions as to which the management obtained Statement on Auditing Standards No. 50 letters, and the clarity of disclosures in the financial statements, including the Company's disclosures of critical accounting policies and other disclosures and recommend to the Board whether to include the audited financial statements in the Form 10-K.

- E. Review material pending legal proceedings involving the Company and other contingent liabilities.
- F. Meet with management and the independent auditors to discuss results of examinations of the Company's internal controls and procedures. Receive from the CEO and the Company's Chief Financial Officer a report of all significant deficiencies and material weaknesses in the design or operation of internal controls, and any fraud that involves management or other employees who have a significant role in the Company's internal controls.
- G. Discuss with the independent auditors the matters required to be communicated to the Audit Committee in accordance with Statement on Auditing Standards No. 16.
- H. Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submissions by employees, consultants or contractors of concerns regarding questionable accounting or accounting matters.
- I. Discuss the Company's earnings press releases, as well as the financial information provided to analysts and rating agencies and review or establish standards for the type of information and the type of presentation of such information to be included.
- J. Set clear hiring guidelines relating to the Company's hiring of employees or former employees of the independent auditors and report these policies to the Board (see Hiring Guidelines for Independent Auditors' Employees attached hereto as Appendix B).

Oversight of Company's Internal Audit Function

- A. Review and concur in the appointment of an outside firm, which may not be the Company's independent auditors, having primary responsibility for the Company's internal audit function.
- B. Discuss and approve the annual internal audit plan of the internal auditors, its scope and the budget, and the degree of coordination of this plan with the independent auditors. At the minimum, the internal audit scope should include assessing

adequacy and effectiveness of management-established internal control system including reliability and integrity of financial and operational information and safeguarding of assets.

- C. Discuss periodically the internal audit activities, and budget. Review and monitor internal auditor reports and management responses. Assess the performance of the internal audit provider relative to the audit plan and scope.
- D. Meet with the internal audit leadership periodically in a private session without members of management being present to discuss matters that the Audit Committee or such personnel believe should be discussed. Ensure the independence of the internal audit function from the management team responsible for the design or operation of the controls.

Other

- A. Review the adequacy of this Committee charter annually and submit a Committee charter to the Board for approval.
- B. Report recommendations to the Board on a regular basis and annually perform, or participate in, an evaluation of the Committee, the results of which shall be presented to the Board.
- C. Oversee the performance of fair value determinations by the Company's Valuation Committee (as defined in the Company's Valuation Guidelines), as provided in Rule 2a-5 under the 1940 Act and as set forth in the Company's Valuation Guidelines, including review of the fair valuations of the investments in the portfolio as determined by the Company's Valuation Committee.
- D. If determined appropriate, recommend that the Board approve the fair valuations of the investments in the portfolio as determined by the Company's Valuation Committee and as otherwise provided in the Company's Valuation Guidelines.
- E. Review and discuss with management the policies and processes it uses to assess and manage key business risks impacting the Company, including for example, cybersecurity.
- F. Meet with the Company's Chief Compliance Officer to discuss the Company's compliance with relevant legal and regulatory requirements.
- G. Review such other matters as the Board or the Committee shall deem appropriate.

In discharging its duties hereunder, the Committee shall have the authority to the extent it deems necessary or appropriate to retain independent legal, accounting or other advisors. The Company shall provide for appropriate funding, as determined by the Committee for payment of compensation to the independent auditors for the purpose of rendering or issuing an audit report and to any advisors employed by the Committee, and for ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

V. Disclosure of Charter

This charter will be made available on the Company's website at www.htgc.com.

Approved by the Board on November 19, 2019; Ratified on December 3, 2020; Amended on December 2, 2021; Amended on June 23, 2022; Amended on December 7, 2022; ratified on December 7, 2023.

Appendix A

PRE-APPROVAL OF SERVICES PROVIDED BY INDEPENDENT AUDITORS

I. Policy for Pre-Approval of Audit and Non-Audit Services to be Provided to the Company

On an annual basis, the Audit Committee (the “Committee”) of Hercules Capital, Inc. (the “Company”) will review and, if the Committee so determines, pre-approve the scope of the audits of the Company and proposed audit fees and permitted non-audit (including audit-related) services that are proposed to be performed by the Company’s independent auditors. The Committee may also pre-approve services at any other in-person or telephonic Committee meeting. At least annually, the Committee will receive a report from the independent auditor of all audit and non-audit services that were rendered in the previous calendar year by the independent auditors for the Company.

All services performed by the independent accounting firm will be disclosed, to the extent required, in filings with the Securities and Exchange Commission (“SEC”).

A. Audit Services

The categories of audit services and related fees to be reviewed and pre-approved annually by the Committee in connection with the audit of the Company are:

- Annual financial statement audits;
- SEC and regulatory filings and consents; and
- Quarterly financial statement reviews.

Individual audit services that fall within one of these categories and are not presented to the Committee as part of the annual pre-approval process described above, may be pre-approved, if deemed consistent with the accounting firm’s independence, by the Committee at any regular or special meeting. Such services may also be pre-approved by the Committee Chairman (or any other Committee member who is not an “interested person” under the Investment Company Act of 1940, as amended (the “1940 Act”), to whom this responsibility has been delegated) so long as the estimated fee for the particular service for which pre-approval is sought does not exceed \$100,000. Any pre-approval by a Committee member shall be reported to the full Committee at its next regularly scheduled meeting.

B. Audit-Related Services

The following categories of audit-related services are generally considered to be consistent with the role of the Company’s independent auditors and services falling under one of these categories will be pre-approved by the Committee on an annual basis if the Committee deems those services to be consistent with the accounting firm’s independence:

- Accounting consultations;
- Agreed upon procedure reports;
- Other attestation reports;
- Comfort letters; and
- Other internal control reports.

Individual audit-related services that fall within one of these categories and are not presented to the Committee as part of the annual pre-approval process described above, may be pre-approved, if deemed consistent with the accounting firm’s independence, by the Committee at any regular or special meeting or by the Committee Chairman (or any other Committee member who is not an “interested person” under the 1940 Act to whom this responsibility has been delegated) so long as the estimated fee for the particular service for which pre-approval is sought does not exceed \$100,000. Any pre-approval by a Committee member shall be reported to the full Committee at its next regularly scheduled meeting.

C. Tax Services

The following categories of tax services are generally considered to be consistent with the role of the Company’s independent auditors and services falling under one of these categories will be pre-approved by the Committee on an annual basis if the Committee deems those services to be consistent with the accounting firm’s independence:

- Federal, state and local income tax compliance and sales and use tax compliance, including required filings and amendments;
- Timely regulated investment company qualification reviews;
- Tax distribution analysis and planning;
- Tax authority examination services;
- Tax appeals support services;
- Accounting methods studies; and
- Other tax consulting services and tax related projects.

Individual tax services that fall within one of these categories and are not presented to the Committee as part of the annual pre-approval process described above, may be pre-approved, if deemed consistent with the accounting firm’s independence, by the Committee at any regular or special meeting. Such services may also be pre-approved by the Committee Chairman (or any other Committee member who is not an “interested person” under the 1940 Act to whom this responsibility has been delegated) so long as the estimated fee for the particular service for which

pre-approval is sought does not exceed \$100,000. Any pre-approval by a Committee member shall be reported to the full Committee at its next regularly scheduled meeting.

D. Other Services

Services that are proposed to be provided to the Company which are not audit, audit-related or tax services may be pre-approved, if deemed consistent with the accounting firm's independence, by the Committee at any regular or special meeting. Such services may also be pre-approved by the Committee Chairman (or any other Committee member who is not an "interested person" under the 1940 Act to whom this responsibility has been delegated) so long as the estimated fee for the particular service for which pre-approval is sought does not exceed \$100,000. Any pre-approval by a Committee member shall be reported to the full Committee at its next regularly scheduled meeting.

II. Prohibited Services

The Company's independent auditor will not render to the Company those services set forth in Rule 2-01(c)(4) of Regulation S-X. Those services consist of:

- Bookkeeping or other services related to the accounting records or financial statements of the audit client*
- Financial information systems design and implementation*
- Appraisal or valuation services, fairness opinions, or contribution-in-kind reports*
- Actuarial services*
- Internal audit outsourcing services*
- Management functions or human resources
- Broker or dealer, investment adviser or investment banking services
- Legal services and expert services unrelated to the audit
- Any other service that the Public Company Accounting Oversight Board determines, by regulation, is impermissible

* Such services are not prohibited under Rule 2-01(c)(4) of Regulation S-X if it is reasonable to conclude that the results of these services will not be subject to audit procedures during the audit of company financial statements.

III. De Minimis Exception to Requirement of Pre-Approval of Non-Audit Services

Rule 2-01(c)(7)(i)(c) of Regulation S-X provides a relatively narrow exception (sometimes referred to as the "*de minimis*" exception) to the pre-approval requirements. The exception appears

limited in practice to situations in which the Company believes at the time of the engagement that a service will be provided as part of the audit, but which upon reflection turns out to be a non-audit service. Because of the limited application of this exception, it should never be relied upon without first obtaining the Company's Chief Compliance Officer's ("CCO") written approval.

IV. Oversight and Monitoring

The Company's CCO will be responsible for determining that the Company's independent auditor has adopted and implemented policies and procedures reasonably designed to prevent violations of these procedures. If the CCO determines that the independent auditor's policies and procedures do not meet such standards, the CCO shall notify the Committee and the independent auditors of the deficiency and request that the independent auditors indicate how it intends to address the deficiency. If the deficiency is not addressed to the CCO's and the Committee's satisfaction within a reasonable time after such notification (as determined by the CCO and the Committee), then the CCO shall promptly notify the Company's Board of Directors (the "Board") of the deficiency and shall discuss with the Board possible responses.

Appendix B

HIRING GUIDELINES FOR INDEPENDENT AUDITORS' EMPLOYEES

The Audit Committee has adopted the following practices regarding the hiring by Hercules Capital, Inc. (the "Company") of any employee of its independent auditors who participated in any capacity in the audit of the Company.

I. Cooling Off Period

No member of the audit team that is auditing the Company can be hired by the Company in a financial reporting oversight role (as defined in the Securities and Exchange Commission's Regulation S-X) for a period of one (1) year following association with that audit.

II. Reporting

The Company's Chief Financial Officer shall report annually to the Audit Committee the profile of the preceding year's hires from the independent auditors.