SYNCONA

SYNCONA LIMITED
Sustainability Report 2023

Making a positive impact through science

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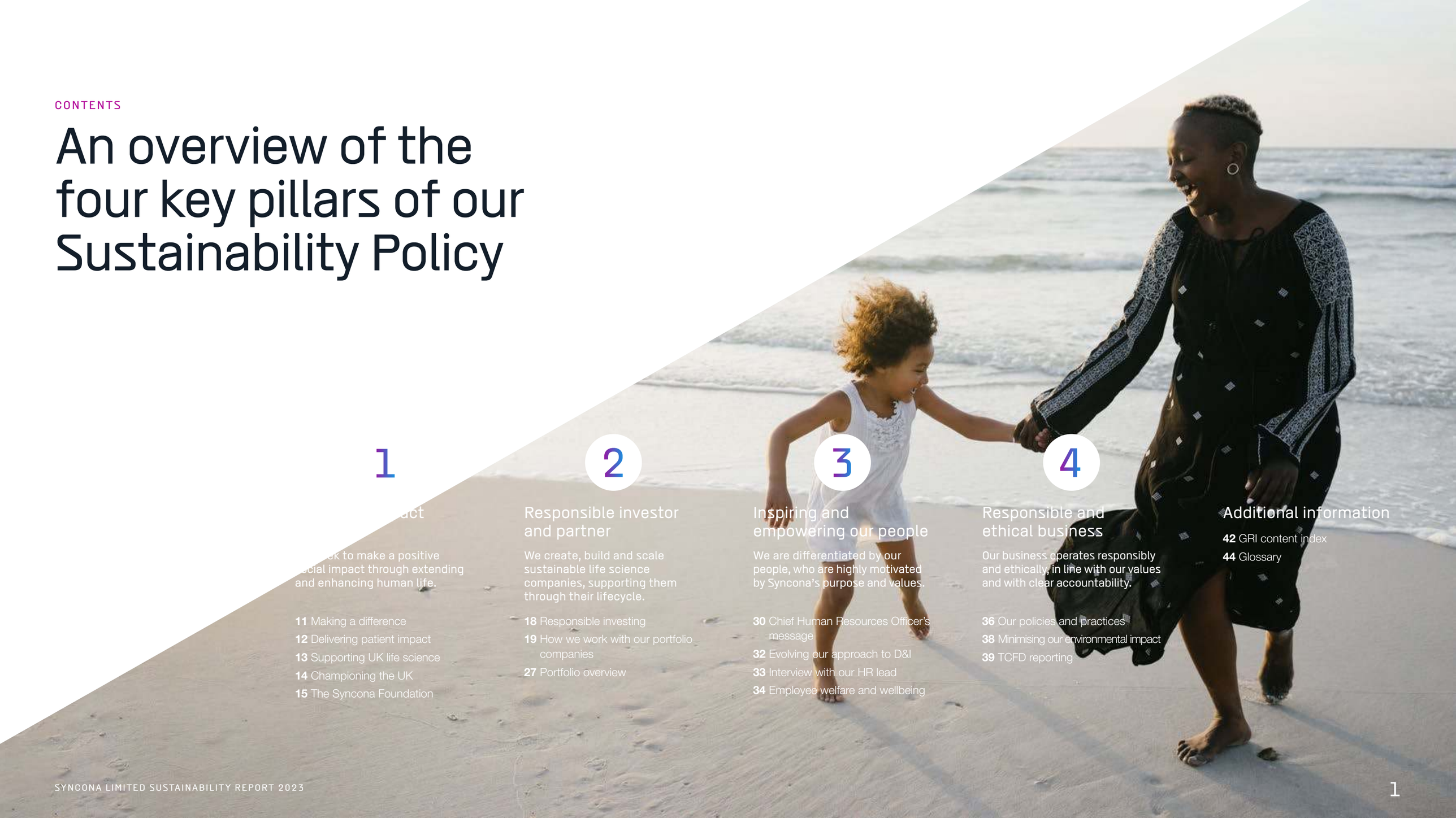
An overview of the four key pillars of our Sustainability Policy



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ABOUT THIS REPORT

Strong commitment to sustainability

We invest to extend and enhance human life.

We create, build and scale companies to deliver transformational treatments to patients in areas of high unmet need.

How to use this report

The following symbols indicate that additional information can be found either in this report, on our website or in this year's Annual Report:

READ MORE
in this report

VIEW MORE
online

Our Sustainability Report 2023 outlines our Sustainability Policy, our approach to responsible investing and how we manage sustainability within the portfolio, and covers our activities for the 2022/3 financial year.

This report considers sustainability issues that are priorities for our stakeholders and the way in which we address these. This report has been prepared in accordance with the Global Reporting Initiative (GRI) Universal Standards. Our intention is to continue to report on sustainability topics on an annual basis. This report should be read alongside our Annual Report and Accounts 2023.

AT A GLANCE

Delivering a positive sustainable impact

What we do

Our strategy is to create, build and scale companies around exceptional science to create a diversified portfolio of 20-25 globally leading life science businesses for the benefit of all our stakeholders.

We are committed to managing our business in a sustainable way, investing responsibly and supporting our portfolio companies in making positive contributions to society by developing treatments that will make a difference to the lives of patients and their families.

We aim to have effective governance, a strong business culture, clear values, and positive engagement with our wider stakeholders and society through our work in life sciences and our support for charity.

We are actively engaged with our portfolio companies as they seek to build sustainable businesses.

Where we operate

We have a portfolio of 13 companies, with operations across the United Kingdom, Switzerland, and the United States.

2023 sustainability highlights

1st
Full portfolio carbon footprint disclosed

NZAM
Signatory[1]

£4.6m
Donated to charity

Launched
First Employee Engagement Survey

TCFD
Disclosure

Top 10
Firm in the FTSE 250 for appointing women to Board and leadership positions in the FTSE Women Leaders Review

1. Net Zero Asset Managers initiative.

CHIEF EXECUTIVE OFFICER'S MESSAGE

Continuing to make strong progress

"We believe our sustainability agenda is important in ensuring our business and our portfolio companies are able to deliver on our shared mission – to get products to patients who really need them."

Over the last two years at Syncona, we have created and developed a Sustainability and Responsible Investment Approach from the ground up. I am really proud of the progress we have made embedding and formalising the core principles across the business and in our management of the portfolio companies. We have seen evidence that our framework is both impactful and pragmatic and whilst I expect our approach to continue to evolve, I believe our policies work well.

In terms of our social impact, our unwavering focus on transforming the lives of patients has meant that we have seen Autolus Therapeutics (Autolus) meet the primary endpoint in its pivotal study for obe-cel, a product being developed to treat patients with adult acute lymphoblastic leukaemia (ALL). This product is demonstrating significant potential and we are working closely with Autolus as it navigates this late stage of development.

92%

Response to Employee Engagement Survey

Without detracting from the focus of developing transformational medicines, I am also proud that the team continue to make such a significant contribution to the life science industry more broadly. This comes in many forms, but particularly through broad knowledge sharing at industry events.

In our work with the portfolio companies, we have continued to see strong engagement from their leadership teams and improvement in year on year reporting from responding companies. We have provided increased data and reported on our progress later in the report.

On our people, our Chief Human Resources Officer, Fiona Langton-Smith, has had another impactful year, most critically helping further evolve our organisational structure to scale for growth and also driving an employee engagement survey which really enabled us to engage with the culture at Syncona to understand what we can do to improve it.

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Clinical data read-outs across the portfolio

Finally, on the environment, whilst our direct impact is limited, we recognise the importance of the issue and have conducted an in-depth review on action we can take. This comprises a key part of how we support our portfolio companies in managing and reducing their emissions, and for the second year running we have led a project alongside our portfolio companies to collect data on their emissions, increasing the number of companies engaging with us from nine to eleven this year. We have also further underlined our commitment to limiting our portfolio's environmental footprint by signing up to the Net Zero Asset Managers (NZAM) initiative, which will support our overall aspiration to be net zero across our full value chain by 2050.

I would like to take the opportunity to thank all of our stakeholders for their support, input and collaboration as we continue to make progress in this area. We believe our sustainability agenda is important in ensuring our business and our portfolio companies are able to deliver on our shared mission – to deliver treatments to patients who really need them. Syncona aims to have a positive impact on the life science ecosystem, and I hope you enjoy reading about some of that work within this report.

CHRIS HOLLOWOOD
Chief Executive Officer
Syncona Investment Management Limited (SIML)

INTRODUCTION

Governance framework for sustainability

The Board of Syncona is responsible for promoting the long-term sustainable success of the Company, generating value for shareholders and contributing to wider society. It recognises the importance of focusing on sustainability issues as a business and social imperative. The Board has ultimate oversight and accountability for sustainability at Syncona, and is supported by the Audit Committee, which has responsibility for the oversight of risks, including those relating to sustainability.

The Syncona team implements corporate strategy on a day-to-day basis. We provide sustainability training and guidance to all members of the Syncona team.

It is their responsibility to support the portfolio companies to achieve the goals set out in Syncona's Responsible Investment Policy, and to monitor, report and manage sustainability risks and opportunities across both Syncona and the portfolio. Sustainability responsibility and accountability is taken into account in relevant team performance reviews, which informs decisions on remuneration. It also forms part of the overall corporate goals for the Company for the year.

More information on governance at Syncona is provided in our Annual Report and Accounts 2023.

"Our governance framework is built on accountability and our values, and is fundamental to our long-term success."

MELANIE GEE
Chair, Syncona Limited

Governance

Our sustainability governance framework

SYNCONA LIMITED BOARD

- Approves Sustainability Policy and Responsible Investment Policy
- Oversees implementation of the Sustainability Policy, including oversight of any targets set
- Considers risks facing the Company from sustainability issues as part of its role in the risk management process
- Oversees monitoring of risks arising from sustainability issues as part of the wider process of monitoring of risk management and internal controls

SYNCONA LIMITED AUDIT COMMITTEE

- Reviews scope and effectiveness of internal controls and risk management systems
- Reviews and assesses risks and associated frameworks to manage and mitigate such risks

Reports to on a biannual basis

Reports to on an annual basis

SYNCONA TEAM

LEADERSHIP TEAM

- Overall responsibility for implementation of Sustainability Policy
- Manages integration of Syncona approach to sustainability across portfolio

INVESTMENT COMMITTEE

- Implements the Responsible Investment Policy
- Assesses and manages sustainability risks in the portfolio

SUSTAINABILITY COMMITTEE

- Advises on Sustainability Policy
- Oversees the integration of the Sustainability Policy into the ongoing roles and activities of the investment team and broader business
- Identifies areas where business can improve its approach

OUR MATERIALITY MATRIX

Our material sustainability issues

Focusing on sustainability issues that matter most to our stakeholders

Syncona first conducted a comprehensive sustainability materiality analysis in 2020, which included views from a range of stakeholders, including leadership teams at our portfolio companies, shareholders, key charitable partners, sustainability experts and biotech industry experts. Following this, we agreed our sustainability priority areas, which are now integrated into the Syncona Sustainability Policy and Responsible Investment Policy.

The materiality matrix is not a static document, and will evolve as the views of our stakeholders and our own business and portfolio change. We seek to understand these on an ongoing basis, supported by the work of the Syncona Sustainability Committee in horizon scanning for changes to expectations. We believe that the materiality matrix remains appropriate without any changes in 2022/3.

OUR APPROACH

How we manage our sustainability reporting

Introduction

Syncona is committed to aligning its sustainability reporting with internationally recognised sustainability reporting frameworks. In the financial year, Syncona reported in line with the recommendations of the TCFD, and in 2023/4 will disclose to the UN PRI for the first time.

SUSTAINABLE DEVELOPMENT GOALS

The UN's 17 SDGs, adopted by the member states in 2015, represent a call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030.

We believe the four SDGs we align with reflect our business model and our commitment to sustainability. Please see below a summary of each of the SDGs with which we align our reporting, mapped to the pillars of our sustainability reporting framework.

Goal 3

Ensure healthy lives and promote wellbeing for all at all ages

Syncona's purpose is to invest to extend and enhance human life. Through our portfolio of companies, we develop treatments which help people to live healthier lives, and we are committed to making medicines more accessible by ensuring our business and portfolio companies operate with transparency and integrity.

Supported by reporting pillars

1. Our social impact
2. Responsible investor and partner
3. Inspiring and empowering our people

Goal 8

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Syncona and its portfolio companies provide employment for over 1,200 people globally, with over 1,000 in the UK, providing opportunities in a broad range of roles within a vibrant and growing sector.

Supported by reporting pillars

1. Our social impact
2. Responsible investor and partner
3. Inspiring and empowering our people

Goal 9

Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation

Innovation through effective, high-quality research and development sits at the core of what our portfolio companies do, helping to drive transformation in the life sciences industry in the UK and overseas. We have high expectations of our portfolio companies and work in collaboration with them to deliver robust standards in areas such as manufacturing, data stewardship, clinical trials and competitive practices.

Supported by reporting pillars

1. Our social impact
2. Responsible investor and partner
3. Inspiring and empowering our people

Goal 13

Take urgent action to combat climate change and its impacts

Syncona understands that climate change represents a systemic risk to our countries and economies, and aspires to be net zero throughout its value chain by 2050. We are committed to minimising the environmental impact that it has on the world, both by taking direct action in our own operations and working with our portfolio companies to assist them in aligning their business operations with the goals of the 2015 Paris Agreement. Central to this is Syncona's commitment to having strong levels of disclosure in our own environmental reporting, underlined by this year reporting for the first time our full carbon footprint (including portfolio company emissions).

Supported by reporting pillars

2. Responsible investor and partner
4. Responsible and ethical business

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

Assessing risks and opportunities associated with climate change

Syncona carried out its first assessment in line with the recommendations of the TCFD in FY2021/2, conducting a thorough review of the potential risks and opportunities that Syncona might be exposed to due to climate change. Syncona identified five risks and opportunities, finding that all of these had a potentially low impact given our portfolio and business model. In line with the recommendations of the TCFD, we have conducted a follow-up review of this assessment in FY2022/3, finding that the identified risks and opportunities and level of impact remain unchanged. Further detail can be found in this year's TCFD disclosure, on pages 62 to 65 of our Annual Report and Accounts.

GRI

Mapping our sustainability progress for our stakeholders

Syncona has chosen to report in line with the GRI Standards since 2021. The GRI Standards are generally seen as the most widely adopted global standards for sustainability reporting. This year we will for the first time be reporting in line with the new GRI Universal Standards, with our reporting table found on pages 42 to 43 of this report.

Signatory of: PRI Principles for Responsible Investment

Underlining our commitment to being a responsible investor

Syncona first became a signatory to the UN PRI in October 2021, underlining its commitment to reporting on its responsible investment approach. Updated guidance for the PRI's new reporting framework has now been published and the Syncona team will be providing their submission in FY2023/4.

OUR 2023 PROGRESS

Progress in the year

Continuing to make strong progress against our sustainability focus areas

1 Our social impact

FY2022/3 sustainability priorities

Work towards patient impact through creating, building and scaling our portfolio companies to develop transformational treatments

Donation of 0.35% of NAV to The Syncona Foundation

FY2023/4 focus

Increase engagement with broader UK life science community in order to support the sector

Support Autolus as it progresses its lead obe-cel therapy to a BLA filing, and Beacon as it progresses AGTC-501 to a pivotal trial

Donation of 0.35% of NAV to The Syncona Foundation

Progress in the year

Obe-cel

Autolus' lead therapy meets primary endpoint in pivotal FELIX trial

18

Active clinical trial sites in the UK

1,200+

Jobs supported by Syncona and its portfolio companies including over 1,000 in the UK

£4.6m

Donated to charity

Alignment to SDGs

READ MORE P10

2 Responsible investor and partner

FY2022/3 sustainability priorities

Targeting improvements in sustainability reporting from portfolio companies against 2022 base levels

Continue to ensure sustainability is an active part of our investment decision-making and portfolio company monitoring

FY2023/4 focus

Full integration of responsible investment approach into new company launch process

Improve sustainability reporting from portfolio companies against 2022/3 levels

Implement updated Responsible Investment Policy in management of capital pool and other life science investments

Progress in the year

3

Portfolio CEOs signed up to European Biotech Social Pact or US equivalent

Four

New companies added in line with Responsible Investment Policy

11

Portfolio companies reporting Scope 1 to 3 carbon emissions to Syncona

Alignment to SDGs

READ MORE P17

OUR 2023 PROGRESS CONTINUED

3 Inspiring and empowering our people

FY2022/3 sustainability priorities

Further develop Syncona's diversity and inclusion strategy

Continue to maximise engagement with Windsor Fellowship, Generating Genius and FastFutures partnerships, focusing on tackling the under-representation of black minorities within Science, Technology, Engineering and Maths (STEM) careers in the UK

FY2023/4 focus

Implement new Diversity and Inclusion Framework

Implement business process changes following outputs of Syncona's first Employee Engagement Survey

Progress in the year

Top 10

Firm in the FTSE 250 for appointing women to Board and leadership positions in the FTSE Women Leaders Review

1st

D&I Framework developed

Launched

Our Employee Engagement Survey across the company

Alignment to SDGs

READ MORE P29

4 Responsible and ethical business

FY2022/3 sustainability priorities

Target publishing a full carbon emissions portfolio footprint in FY2022/3 Annual Report

Intention to sign up to NZAM initiative

FY2023/4 focus

Publish targets as a signatory to the Net Zero Asset Managers (NZAM) initiative

Provide first submission to the UN PRI

Progress in the year

NZAM

Signatory[1]

Published

Full portfolio carbon footprint

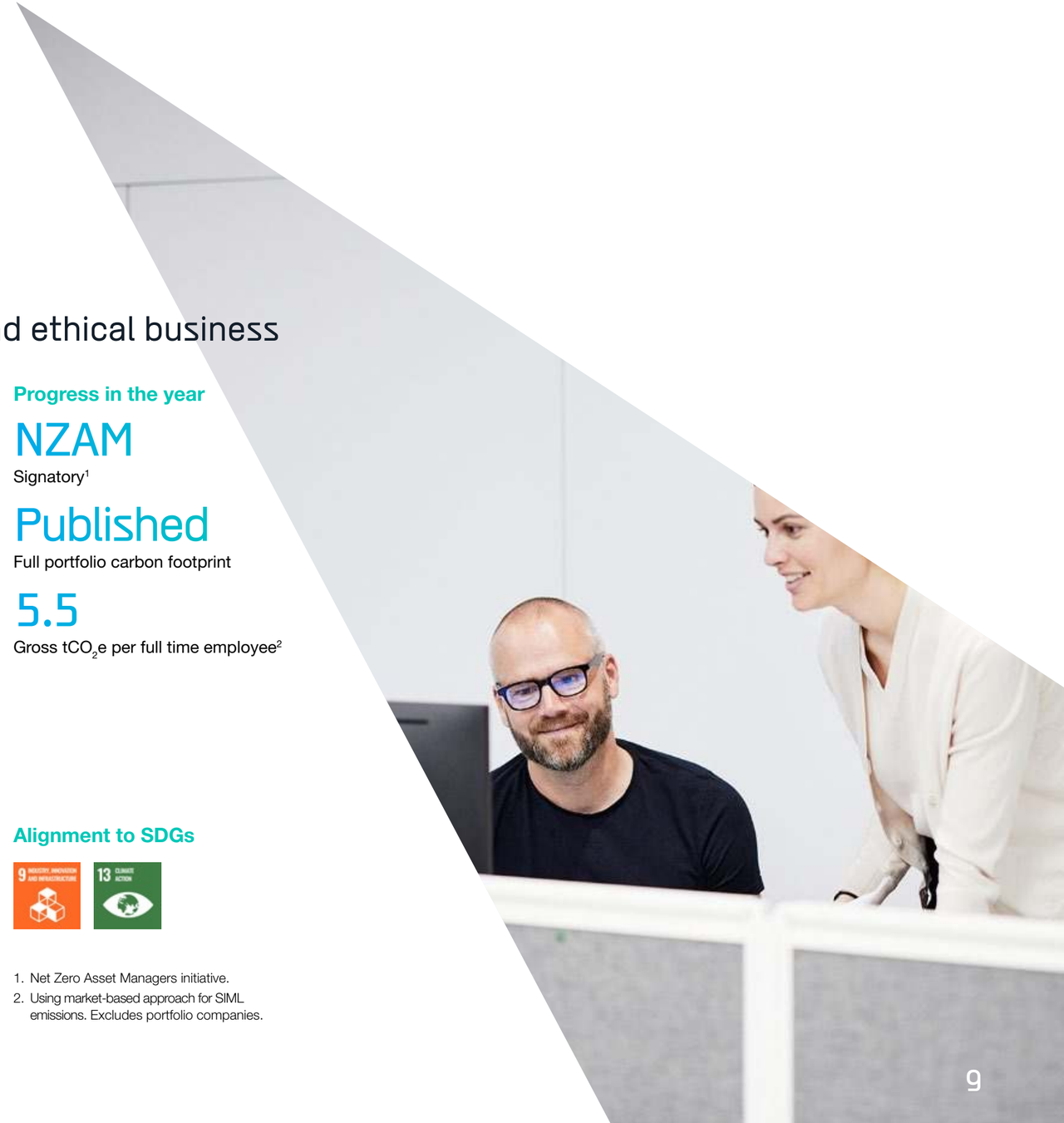
5.5

Gross tCO_2e per full time employee[2]

Alignment to SDGs

1. Net Zero Asset Managers initiative.
2. Using market-based approach for SIML emissions. Excludes portfolio companies.

READ MORE P35



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Our social impact

Our purpose is to invest to extend and enhance human life.

Our companies also support the wider UK life science industry by providing jobs and supporting the next generation of industry practitioners.

Syncona actively engages with the UK Government's life science agenda to support their thinking around strengthening the financing environment for life science companies and helping them to develop initiatives to attract more capital to the sector.

Our charitable commitment to The Syncona Foundation also allows us to support patients, their families and research institutions beyond our core activities.

MAKING A DIFFERENCE

Delivering patient impact

At Syncona, our purpose is to invest to extend and enhance human life. We do this by creating, building and scaling companies to turn exceptional science into transformational treatments for patients in areas of high unmet need.

We have a portfolio of 13 companies, seven of which are at clinical stage. This includes Beacon Therapeutics (Beacon), which was added to the portfolio during the year, and is currently running a late-stage study in X-linked retinitis pigmentosa (XLRP). With no currently approved therapy for XLRP, this is another example of an indication where we are developing treatments which have the potential to have a meaningful impact for patients.

Our most advanced company, Autolus, reported during the year that the pivotal trial of its lead therapy, obe-cel in relapsed/refractory (r/r) adultALL, had met its primary endpoint at an interim analysis, alongside publishing data which underlined the efficacy and safety profile of the drug.

With Autolus approaching the filing of a Biologics License Applications (BLA) with the US Food and Drug Administration (FDA) later in 2023, and 8,400 new cases of r/r adult ALL diagnosed per year[1], obe-cel has real potential to have a significant impact for patients suffering from a devastating disease.

We were also pleased during the year to see significant progress at another Syncona clinical stage company, Anaveon. On page 12 you can see a case study on progress at the company, which is at an exciting moment in its development.

READ MORE P12

Autolus

8,400

New cases of r/r adult ALL diagnosed per year across the US and EU[1]

Beacon

1 in 22,000

People commonly thought to have XLRP[2]

1. SEER and EUCAN estimates (respectively) for US and EU.
2. Research suggests that 50-70% of patients have a mutation in the RPGR gene; this is the group targeted by the Beacon therapy (iovs.arvojournals.org/article.aspx?articleid=2125553).

Supporting UK life science

The UK has a thriving life sciences industry and world-class research infrastructure, with four of the top 10 medical and life sciences universities in the world situated in this country. This forward-thinking sector fuses science, innovation and technology to help solve the global healthcare challenges of our time, making valuable contributions to patients worldwide.

Whilst the industry has ambition and a rich source of cutting-edge science from leading universities, access to scale-up capital remains a major hurdle for high-growth life science businesses. As a leading life science company builder we feel passionately about this issue. You can read more from Syncona Investment Management Limited (SIML) CEO Chris Hollowood on this and our other priorities for making the UK a life science superpower on page 14.

We actively seek to engage in relevant initiatives that we believe will support the life science industry in the UK and globally, through working groups, advocacy and engagement in consultations, and participating in a wide range of industry conferences and events. We look forward to continuing our role in ensuring the UK life science sector is best positioned to realise its growth potential from translating the UK's world-class research base into transformational treatments for patients.

We have a key role in supporting UK life sciences by creating UK-based leading biotech companies. These companies provide skilled jobs for people in the sector, across scientific, clinical, commercial and manufacturing roles.

On page 13, you can see a case study of portfolio company Autolus, and the important work it has been doing as it prepares to file a BLA with the US FDA later in 2023 for its lead therapy obe-cel.

READ MORE P13

12

Conference speaking engagements by the Syncona team during the year

1,200+

Jobs supported by Syncona portfolio companies, including 1,000+ in the UK

DELIVERING PATIENT IMPACT

ANAVEON CASE STUDY

Delivering transformational treatments to patients in areas of high unmet need

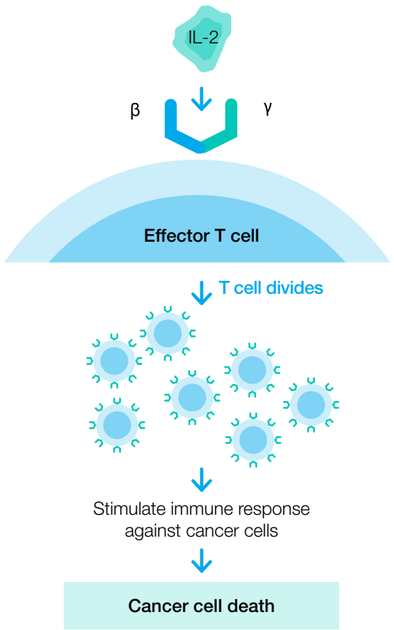
Syncona led the Series A financing in Anaveon in 2019, alongside Novartis Venture Fund. The Syncona team has worked in partnership with the Anaveon management team to progress the company from pre-clinical studies to running multiple clinical trials across a range of indications.

The science

Anaveon is developing a selective IL-2 Receptor agonist, which has the potential to therapeutically enhance a patient's immune system to respond to tumours.

In the body, human IL-2 stimulates a type of immune cell, called a T cell, to multiply and become activated. In certain situations, T cells are able to attack tumours. IL-2 is already approved as a medicine for the treatment of metastatic melanoma and renal cancer.

USE OF IL-2 IN ACTIVATING T CELLS



Potential for transformational impact

However, human IL-2 can be toxic, causing severe flu-like symptoms as well as vascular leak syndrome which can lead to side effects similar to septic shock, including organ failure. Anaveon's lead compound ANV419 is designed to address these challenges.

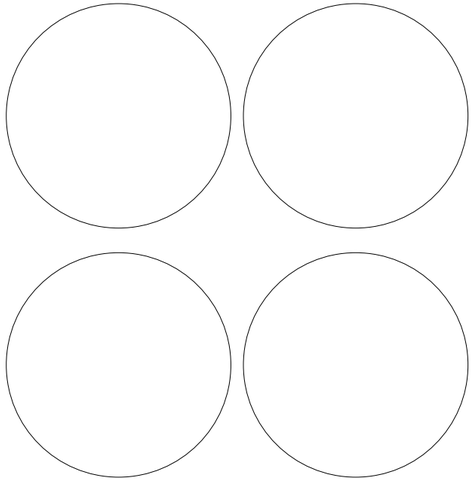
During the year Anaveon published encouraging data from a Phase I study evaluating the use of ANV419 in multiple tumour types. The study showed that ANV419 had a strong safety profile, whilst there were also signs of patient impact with two-thirds of patients achieving disease stabilisation at the most common dose level tested (≥108 µg/kg). All of the patients in the trial had advanced solid tumours and had been treated with at least one alternative line of treatment previously.

Where to next?

Following the encouraging data released from the Phase I study, the company has initiated two further Phase II studies in melanoma and multiple myeloma diseases which in the US alone see new annual diagnoses of 97,610[1] and 35,730[2] respectively. Both of these trials have now dosed patients, with the company continuing to deliver against its milestones and progressing towards delivering real impact for patients suffering from cancer.

1. seer.cancer.gov/statfacts/html/melan.html.
2. seer.cancer.gov/statfacts/html/mulmy.html.

A positron emission tomography (PET) scan of the best performing patient in the trial, who has non-small cell lung cancer (NSCLC) is shown below. Following 12 weeks of treatment, the patient saw a 56% reduction in the sum of diameter of the lesions the therapy was targeting, further underlining the potential efficacy of the drug. This patient experienced a Partial Response (PR).



VIEW MORE
anaveon.com

SUPPORTING UK LIFE SCIENCE

Autolus CASE STUDY

Contributing to the UK's life science ecosystem

Autolus is an autologous cell therapy company. The company is developing its obe-cel product to treat relapsed/refractory adult ALL – the therapy is in late-stage trials and has published data which has demonstrated that the drug can have a meaningful impact for patients.

The critical strategic issues in cell therapy are manufacturing and logistics. Both can be complex and expensive. Cell therapy remains a relatively nascent area of medicine and therefore manufacturing processes and supply chains require innovative approaches. As Autolus readies to submit its filing with the US FDA at the end of its pivotal trial, it is critical that it has a fully integrated manufacturing and logistics platform to ensure its therapy can reach patients.

Syncona founded Autolus in 2014 and remains one of the largest investors in Autolus to date (providing funding of £147.0 million). As an active member of the Board, Syncona has encouraged and supported the company to establish its own facility. The company has made strong progress in establishing this facility over the last two years in partnership with a number of key stakeholders. The facility is called The Nucleus and is based in Stevenage, UK, where Autolus has worked extensively to date, including its use of facilities at the Cell and Gene Therapy Catapult.

The Nucleus facility is the first of its kind in the UK and is part of a larger plan to create a life sciences district in the heart of Stevenage town centre by developers Reef Group. The site has been created via a joint venture between UBS Asset Management and Reef Group to invest up to £120 million to redevelop Stevenage town centre, working with key stakeholders including Hertfordshire Local Enterprise Partnership and Stevenage Borough Council. The project was based on a unique design which allowed construction to be 75% off-site and building from the inside out to accelerate the completion date by 18 months versus a standard build. The new facility will aim to house the largest cluster of cell and gene therapy companies outside the United States. It is an exciting and critical prospect for our industry if we are to realise the true potential of these innovative medicines that are being developed.

The new site will offer hundreds of skilled jobs to the local community and create a hub of innovation which we believe is truly needed in the UK to continue to attract more biotech start-ups to stay here throughout the development cycle with access to leading talent and infrastructure. The facility will have the capacity to be able to support the manufacture of around 2,000 cell treatments per year.

We are proud to have played a part in this important project, which showcases the full potential of the UK life sciences industry.

2,000

Potentially life-changing cell treatments per year made possible through the new facility

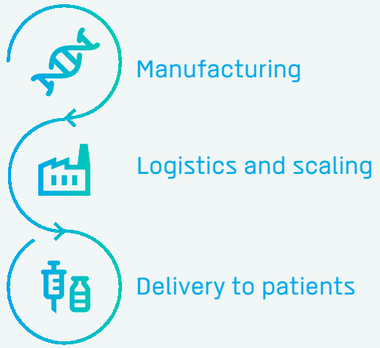
£147.0m

Funding committed to Autolus by Syncona since 2014

"The Phase I completion of The Nucleus facility is a major milestone for Autolus, as well as for the town of Stevenage. The entire project team, including Autolus, Merit and Reef Group, have successfully kept this project on track despite challenging timelines, the COVID pandemic, and supply chain constraints. These efforts have enabled us to transition seamlessly into the next phase of growth for Autolus."

DAVE BROCHU
Autolus Chief Technical Officer

From manufacturing to market



CHAMPIONING THE UK

Three priorities for making the UK a life sciences superpower

At Syncona we are supportive of the UK Government's stated aim to make the UK a life sciences superpower. We believe that many of the key elements are already in place, given the strong foundation that is already present in this country for academic and scientific leadership. However, we believe there are a number of areas where there is room for improvement in order for the UK to independently build a sector of sustainable world-class life science companies."

CHRIS HOLLOWOOD
Chief Executive Officer
Syncona Investment Management Limited

1 Scale up capital

Capital is absolutely critical to innovation. The impact it has on attracting talent, which drives quality and outcomes, cannot be overstated. Generally, capital is in relatively good supply at the very early stages of biotech in the UK but lacking at the growth and scale-up stage. This is the critical period at which we see small start-ups transform into growing companies, hiring large workforces and investing in large late-stage clinical trials. Failure to provide adequate funding sources for these companies results in them looking elsewhere – generally the US.

Investment from pension funds would make a significant difference to providing scale-up capital. If pensions as a class were mandated to put a small portion of funds into 'risk assets', for example, this would be transformational for the innovation sector and provide broader benefits for UK industry, as well as benefitting UK savers over the longer term.

2 Attracting talent

Access to globally leading talent is critical if the UK wants to maintain a position at the forefront of innovation and so we encourage the attraction and retention of skilled talent in the UK. It is important that life sciences companies are able to attract highly skilled and experienced foreign nationals from the global marketplace in a seamless way to work alongside existing accomplished UK talent.

3 Continued innovation from the regulator

During the COVID-19 pandemic the Medicines and Healthcare products Regulatory Agency (MHRA) was able to show flexibility in how it approached medical trials and product approvals. The expedited approval of COVID vaccines was a necessary and important part of our recovery from the pandemic, whilst the RECOVERY trial was an example of the UK leading the world in innovation in clinical trials. The MHRA is a globally respected regulator and its actions around COVID were a great example of this. The MHRA can lead the way on innovating the speed in which medicines are brought to market without compromising the needs of patients. This requires investment but will allow the MHRA to take a leadership position and will help to project the UK as a world leader in embracing innovative new medicines.

Solutions to these issues will help ensure that companies commit themselves to the UK with a critical mass of capital, expertise, know-how and talent; helping attract further investment and building a stronger, more sustainable life sciences industry for the future.

THE SYNCONA FOUNDATION

Charitable giving in our DNA

The Syncona Foundation has provided important funding for the last 11 years to charities focused on the prevention, treatment, cure and ultimately eradication of cancer and other diseases – as well as other charitable activities.

"I am incredibly proud of the support we continue to provide our charities. They are all working hard to assist those people who are in real need."

TOM HENDERSON
Chair of the Board of Trustees
of The Syncona Foundation

Each year The Syncona Foundation provides a significant level of philanthropic funding to the charities it supports. It currently supports 27 charities on an unrestricted basis, providing these charities with the flexibility to provide direct funding where they believe it can have the most impact. This year we will donate £4.6 million to The Syncona Foundation, bringing our total donations to the charity since 2012 to £45.2 million.

The Syncona team take a close interest in the work of the Foundation, with current and prospective charities presenting to the full team throughout the year to provide an overview of the critical work they do and several team members working closely with charities where their input can be helpful. In some cases, The Syncona Foundation is the largest single supporter for individual charities, underlining the Foundation's commitment to providing focused support in areas where it can have a measurable impact. The Trustees of the Foundation keep the list of charities supported under continual review to ensure that funding is being appropriately distributed in line with the charity's objectives, which are aligned with Syncona's core purpose.

MEET THE TEAM:

Eleanor Hickling
Foundation Secretary

Fenella Dernie
Finance Manager

James Maltin
Board of Trustees

Lucie Kitchener
Board of Trustees

Nigel Keen
Board of Trustees

Rupert Adams
Board of Trustees

Tom Henderson
Chair of Trustees

Update from the Chair of the Trustees of The Syncona Foundation

I am pleased to provide an update on the activities of The Syncona Foundation, following a year in which we continued to provide significant levels of support for charities focused on the prevention, treatment, cure and ultimately eradication of cancer and other diseases, as well as other charitable activities. I am incredibly proud of the support we continue to provide our charities. They are all working hard to assist those people who are in real need. One of the privileges of my role is being able to see the outcomes from our support and my update provides an overview of some of the key highlights of the Foundation's work but I am very proud of the impact we have seen at all charities supported by the Foundation, particularly against a challenging time in philanthropy.

The aftermath of the COVID-19 pandemic has led to a 'long tail' of issues for the Foundation's charities. Many have had to adapt the way they provide services to those they support, whilst others have been impacted by funding being re-directed away from causes less closely linked to the pandemic. Our charities are now also having to manage the impact of the cost-of-living crisis, which has provided another critical challenge.

For these charities the long-term support and unrestricted funding provided by The Syncona Foundation means they can focus on their core purpose.

The Foundation also acts as an enabler of collaboration between the charitable causes it supports. Over the past year, a new partnership has been built between two of the Foundation's charities, the Royal Marsden Hospital and Maggie's, specifically for patients living with HIV who have also been diagnosed with anal cancer. These patients require intensive radiotherapy with concurrent chemotherapy that result in a high chance of cure but cause significant toxicities affecting the skin, bowel and sexual function. The clinicians at the Marsden observed extreme loneliness, anxiety and financial difficulties in this group and felt that their wellness and recovery needed extra support and investigation. Following an introduction made by The Syncona Foundation, a qualitative research study has been completed recruiting Marsden patients, whilst Maggie's West London facility has been used as a safe space in which to host a discussion group, with data that has been gathered informing a further research project which aims to develop interventions to improve patients' experience.

We are increasingly prioritising mental health as an area of focus for the Foundation. It is an area of public health where there can continue to be a real gap between the needs of patients suffering and treatment provision from front line services. James' Place is a charity that does incredibly important work by providing a calm and discreet environment where men experiencing a suicidal crisis, or at high risk of suicide, may be referred. We are proud to have supported the charity since 2012, and on the next page you will see a case study which provides an overview of the important work that they carry out.

I would like to finish by thanking the Trustees who work incredibly hard to ensure that our funding is having the greatest impact, as well as the Board and team at Syncona, who continue to be very passionate about the work that we do. The Foundation is in a very strong position today thanks to the support we receive from all our stakeholders, and I look forward to continuing the good work that we do in supporting charities who are making such a significant impact on people's lives.

TOM HENDERSON
Chair of the Board of Trustees
of The Syncona Foundation

THE SYNCONA FOUNDATION CONTINUED

JAMES' PLACE CASE STUDY

James' Place offers free, life-saving treatment to suicidal men in crisis. Our first centre opened in June 2018 in Liverpool, and in 2022 we opened our second centre in London.

The men we treat are in a suicidal crisis driven by life events such as a relationship breakdown, financial problems or bereavement. We are unique because our treatment is proven to work, quick to access and delivered in a safe, friendly, non-clinical environment by trained, professional therapists. Our therapists get quickly to the heart of a man's suicidal crisis and help him solve it. Independent evaluation shows that men experience a clinically and statistically significant positive change following our treatment and reduced levels of psychological distress.

We are very grateful to The Syncona Foundation for supporting James' Place for the last nine years with a generous annual donation. The Foundation has given us much needed stability and security by contributing to our existing centres, and by allowing us to focus on expanding our service further across England. We plan to open three new centres in Bristol, Birmingham and Newcastle by the end of 2026 to reach even more men. With five centres across the country, we will be able to treat 2,000 men a year. Half the male population of England will be within two hours of a James' Place centre.

1,500

We have treated over 1,500 suicidal men since 2018, delivering over 7,500 therapy sessions

750

We have a team of 11 trained therapists who can see up to 450 men per year in London and 300 in Liverpool.

Q&A

CLAIRE LAROC
Senior Suicide Prevention Therapist, James' Place

We know that the work we do makes a life-changing difference to individuals, their families, their communities and the wider system. Our Senior Suicide Prevention Therapist, Claire Laroc, spoke to one of the men she treated, Frankie, about his experiences at our Liverpool centre.

VIEW MORE
Men can self refer or be referred to us by a professional including those working in health and community services, or by a friend or family member. Visit jamesplace.org.uk for more info.

Q

Frankie, tell us about your background and how you came to be referred to us at James' Place?

I was brought up not to talk about my feelings and not to cry – I was a fighter from an early age and it was all about being strong and tough. The fact is that I'd been having a difficult time for years, I lost my baby daughter in 1990 and my brother to suicide in 2009. The only way I could cope for a long time was by numbing my thoughts with drugs and alcohol. I eventually went to The Parkview Project in Liverpool for my addiction and got clean in 2011, and two years after that I went back to work there. Unfortunately, over time my thoughts started to spiral out of control. I was really struggling with flashbacks and PTSD and the only way out I could see was suicide. I had a plan in place, had been researching suicide on the internet and had isolated myself from the world. I was really desperate. I felt lost and didn't know where to turn. And then I got referred to James' Place.

Q

Can you remember what your first impressions were when you came in for your welcome assessment?

As soon as I walked in that building I felt safe. It makes me feel quite emotional remembering how I felt. It was very homely, very comfortable, not clinical at all. Just a warm, beautiful, safe place – a cocoon of safety. The staff were so accommodating and welcoming, nothing was too much trouble and you were greeted with a smile.

Q

That's great to hear. How did the treatment help you over the sessions you had at James' Place?

In my sessions with you I felt so relaxed and comfortable that it became easy for me to open up and finally talk about some problems I'd been holding on to for years. It felt like letting the air out of a pressure cooker, it was so freeing to let it all out and finally be myself. I didn't feel on my own anymore. Over time I felt a real change in myself, my self-esteem and feeling of self-worth grew and I started coming back to myself. I felt more in control of my own thoughts and the black cloud that followed me around started to lift. I keep the safety plan we worked on together beside m bed, I'm still using some of the way stay well that you taught me and I touch with some of the other ser you signposted me to for furth

Q

I'm so pleased to hear that Frankie, I certainly saw such a change in you over your treatment. How are you feeling about the future now?

James' Place has to my life. I feel forward to the first ever pas first holida with my you enc

> James' Place has made such a difference to my life. I feel like I'm finally looking forward to the future"
>
> FRANKIE
> James' Place patient

02

Responsible investor and partner

An active partner for our portfolio companies.

We create, build and scale life science companies in partnership with world-class academics and leading management teams.

We take a hands-on approach to building our businesses. We aim to help our companies enhance their positive impacts, and particularly to set the right culture, values and processes to help these businesses to follow a sustainable path over the long term. We support our portfolio companies to establish guiding principles and policies for sustainability, and ask them to report back to us on their progress, which we track using defined key performance indicators.

RESPONSIBLE INVESTING

Embedding our approach to responsible investment within the portfolio

Syncona continues to make progress working alongside its portfolio companies as they develop their approach to sustainability.

In the two years since we first launched our Responsible Investment Policy, we continue to be pleased by the engagement that we have seen across our portfolio.

We believe that engaging with our portfolio companies on sustainability issues will improve company performance and by instilling our core principles at company foundation we will set our companies up with strong cultures and position them for long-term success. We look to embed and monitor sustainability issues throughout our investment process and we believe this is an important tool in managing risk and driving value in our companies.

UN PRI
Signatory

Engaging early with our portfolio to understand their sustainability priorities

At Syncona we work in partnership with our portfolio companies to set them up with clear approaches to important issues. Having now developed our own Sustainability Policy we have developed a broad level of institutional knowledge in this area. We recognise that progress in sustainability reporting can be gradual, and we are committed to working with our portfolio as they formulate their own strategies, providing support in areas where there can be a high initial resource requirement.

With sustainability factors incorporated into our initial screen of investments, investment memos and deal terms, we engage with companies on sustainability and ensure they are aware of our expectations.

With the development of the Syncona Launch Team, we aim to embed these processes further from an earlier stage, ensuring that we are providing companies with expertise on sustainability as they are building their operations and footprint. We believe this is the best way for a company to develop a sustainable and long-term approach to integrating sustainability into their business and strategic priorities.

Working alongside our portfolio to develop their reporting framework

We view ourselves as a partner to our portfolio companies as they develop their sustainability priorities and reporting. Later in this section you will see further detail on the work we have carried out with our portfolio companies helping them to build their environmental reporting. This year, we have increased the number of our portfolio companies reporting environmental data to us from nine to eleven, including a number of companies within our early-stage portfolio.

This underlines the importance of close collaboration between investors and their portfolio companies in improving reporting in what is a constantly evolving space. It has been pleasing to see such strong engagement from our portfolio on this issue.

Overall, we have made great progress in integrating our approach to responsible investment across our business and portfolio. Within what has been a challenging market environment for biotech, we rightly continue to ensure sustainability is on the agenda in our interactions with our portfolio.

The six pillars of our Responsible Investment Policy

01 Compliance and governance

02 Access to medicines

03 Animal welfare

04 Good R&D practice

05 Diversity and inclusion

06 Environmental impact

HOW WE WORK WITH OUR PORTFOLIO COMPANIES

Establishing strong culture and processes from the start

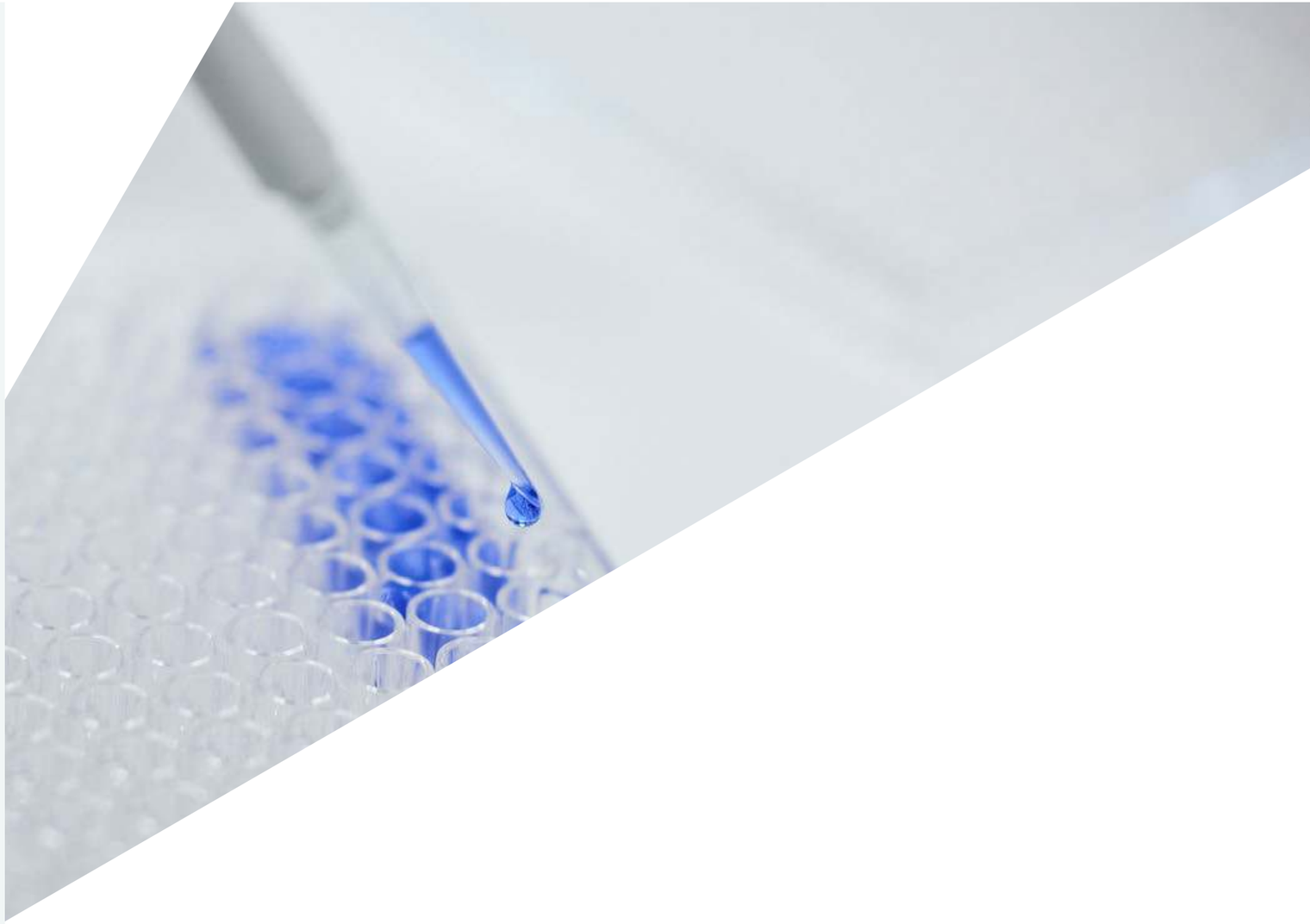
Syncona recognises that it is important to work with our portfolio companies to help establish a strong culture and set of values at the company's formation to set them up on sustainable path over the long term.

Throughout the 2022/3 financial year, we have been working alongside our portfolio companies as they integrate the six core pillars of our Responsible Investment Policy.

We ask our portfolio companies to adopt the requirements we set out against these six pillars and report against them to Syncona on an annual basis, with the investment team also conducting a biannual review so that we are able to keep track of progress throughout the year.

On becoming part of the portfolio, new Syncona portfolio companies are provided with a comprehensive overview of Syncona's Responsible Investment Policy and expectations.

This is conducted in collaboration between members of the investment team and subject matter experts from the Sustainability Committee, ensuring that, from formation, companies have a thorough understanding of sustainability and its importance to Syncona.



HOW WE WORK WITH OUR PORTFOLIO COMPANIES CONTINUED

1. Compliance and governance

Syncona believes that robust and effective compliance and governance is important for any successful business, and that we and our portfolio companies should clearly set out conduct expectations for our employees and others that we work with. To implement this, we ask our portfolio companies to consider policies across eight key compliance and governance focus areas.

COMPLIANCE AND GOVERNANCE FOCUS AREAS:

- Anti-fraud, bribery and corruption
- Approach to taxation
- Conflicts of interest
- Data protection and information security
- Ethical procurement
- Health and safety
- Modern slavery
- Whistleblowing

PROGRESS IN THE YEAR

25
New compliance and governance policies introduced across the portfolio

10
Companies with an anti-fraud, bribery and corruption policy

SPOTLIGHT

Swiss-based Anaveon implemented its first data protection policy in 2022, and since then has been ensuring that it is integrated across the company's operations.

To ensure all employees are aware of the policy and the importance of data protection, mandatory training has been carried out by Anaveon's Data Protection Officer, who is responsible for the ongoing implementation of the policy and its alignment with applicable standards.

VIEW MORE
anaveon.com

ANAVEON

FOUNDED
2017

CEO
Andreas Katopodis

% SHAREHOLDING
38%

STAGE
Clinical

NUMBER OF EMPLOYEES
25+

RAISED IN SERIES B IN DECEMBER 2021
CHF110m

HOW WE WORK WITH OUR PORTFOLIO COMPANIES CONTINUED

2. Access to medicines

Syncona is committed to achieving broad patient access to medicines. Many of the medicines that Syncona's portfolio companies are developing address smaller groups of patients and, given their highly complex nature, can be expensive to develop. This may result in the individual costs of these products being high. We support our companies in considering and designing strategies to address larger patient groups as the company progresses through the drug development cycle to the point where the therapy has been de-risked. We take a proportionate approach to implementing our expectations in this area, with a greater emphasis on engagement as companies enter the clinical stage and begin to conduct trials.

We expect our portfolio companies to carry out business ethically and transparently, recognising that they are commercial businesses, and taking into consideration the impact on a range of stakeholders including patients, shareholders and the portfolio companies themselves. We believe our companies should align with industry best practice, particularly around pricing, and once products are developed they should consider how best to ensure underrepresented groups can have access to these therapies.

PROGRESS IN THE YEAR

3

Portfolio CEOs signed up to the European Biotech Social Pact or US equivalent

SPOTLIGHT

During the year the CEO of Syncona portfolio company OMass Therapeutics (OMass), Rosamond Deegan, became a signatory to the European Biotech Social Pact.

Whilst still in pre-clinical stage, this was an important commitment from the company to the principles of equitable patient access for advanced therapies and underlines the commitment from OMass to integrate its approach to sustainability across its operations. This reflects the importance of embedding sustainability reporting at the early stage of company development, and we are very pleased with the progress OMass has made in this area.

VIEW MORE
omass.com

OMass THERAPEUTICS

FOUNDED
2016

CEO
Rosamond Deegan

% SHAREHOLDING
31%

STAGE
Pre-clinical

NUMBER OF EMPLOYEES
50+

SERIES B
£10m additional investment from BPC announced in May 2023, taking total raised from Series B financing to £85.5m

HOW WE WORK WITH OUR PORTFOLIO COMPANIES
CONTINUED

Q&A

Miguel Silva
Strategy Director at OMass Therapeutics

31%
Syncona shareholding

£85.5m
Extended Series B financing

Taking a proactive approach to portfolio company sustainability

Q

What is your role at OMass and how does it interact with sustainability?

I am the Strategy Director at OMass. My main role involves conducting the commercial analysis for our product pipeline but since joining, my role has also grown to incorporate other functions, including leading on our environmental and sustainability efforts.

Q

How important do you believe it is for companies to focus on environmental issues?

It's very important for us to focus on environmental issues. We believe this aligns with our company values and mission of improving the lives of patients with rare diseases and immunological conditions, so we knew it was something that we wanted to focus on as a company.

> Syncona have been extremely helpful in our sustainability journey and have really pushed us to start to think about sustainability as early as possible."

Q

Could you explain how OMass has worked with Syncona on its environmental reporting?

Syncona have been extremely helpful in our sustainability journey and have really pushed us to start to think about sustainability as early as possible. This has included providing examples of what good sustainability practices look like, connecting us with other companies in their portfolio to share ideas and helping us calculate our Scope 1 to 3 emissions.

Q

What other progress has OMass made in reducing its environmental impact?

We have made a lot of progress since we started on our sustainability journey and actually created an Environment and Sustainability Employee Interest Group that continually assesses opportunities for us to become more sustainable as a company.

Some of the changes have been easy to implement. For example, changing our ultra-low freezer temperature, buying a compost bin for the office and engaging with our service providers to reduce our packaging waste. For others, for example, changing our travel policy to deprioritise plane travel – a larger cultural shift is required – but it's something that we will continue to track year on year to ensure we are making progress.

We have also made a commitment to measure our Scope 1 to 2 emissions every year moving forward and to offset these as a company.

Q

What are your priorities moving forward for the environment?

Our priority moving forward is to ensure that we continue to embed sustainability into all of our decision-making. Given our journey as a company is only just beginning and the long lead times in drug discovery, we feel that starting to think about sustainability now can have a large impact as we continue to grow as a company.

Lastly, given multiple other companies are going through the same journey as us, we are trying to collaborate on sharing best practices and also equipment that it may not make sense for a single company to purchase.

HOW WE WORK WITH OUR PORTFOLIO COMPANIES CONTINUED

3. Animal welfare

Syncona is committed to high standards of ethical care across all research activity. We acknowledge that, at this time, research involving animals remains an essential tool to increase our understanding of potential new technologies and provide us with critical data to assess the potential safety and benefit of testing a medicine in a human being for the first time.

We therefore accept the use of animals in research if the potential health benefits are compelling, appropriate welfare standards are met and alternatives cannot be found.

WE ASK OUR PORTFOLIO COMPANIES TO:

- Meet all legal and regulatory requirements which set a high standard on this important issue.
- Adopt the widely used '3Rs' approach to replace, reduce and refine the use of animals for scientific purposes.

REPLACE

REDUCE

REFINE

VIEW MORE
Further detail on the 3Rs is available from nc3rs.org.uk

PROGRESS IN THE YEAR

100%
Alignment with 3Rs principles

4
New Animal Welfare Policies introduced across the portfolio

SPOTLIGHT

Whilst portfolio company Kesmalea Therapeutics (Kesmalea) is a recent addition to the portfolio, Syncona worked closely with the company during the year to introduce Syncona's Responsible Investment Policy.

Following this close collaboration, Kesmalea developed an Animal Welfare Policy, which was signed off by the company's Board in April 2023.

VIEW MORE
kesmalea.com

Kesmalea THERAPEUTICS

FOUNDED
2020

FOUNDER
Harry Finch

% SHAREHOLDING
58%

STAGE
Pre-clinical

NUMBER OF EMPLOYEES
3

RAISED IN SERIES A IN 2022
£20m

HOW WE WORK WITH OUR PORTFOLIO COMPANIES CONTINUED

4. Good R&D practice

Syncona believes that its portfolio companies should ensure high standards throughout the drug development process. This process inherently includes risks as any new medicine has the potential to produce adverse events. We expect the drug development process to be managed prudently and in line with accepted standards, to minimise those risks as far as practical, recognising the huge opportunity that new treatments can bring, particularly in indications with high unmet need.

After product approval there should be transparency about potential adverse events, with effective monitoring and reporting to regulatory authorities, and we expect that minimum quality standards are integrated into the work of external vendors. We are also mindful of data protection concerns and have high expectations for data and patient privacy.

PROGRESS IN THE YEAR

5
New Good R&D practice policies implemented across the portfolio

100%
Companies have Standard Operating Procedures

SPOTLIGHT

Syncona portfolio company Purespring Therapeutics (Purespring) was founded in 2020 to develop gene therapies for the treatment of kidney diseases.

During the year the company developed its first comprehensive Good R&D practice policy, which has now been rolled out to the research department in order to ensure best practice across all of their activities.

VIEW MORE
purespringtx.com

purespring

FOUNDED
2020

CEO
Julian Hanak

% SHAREHOLDING
84%

STAGE
Pre-clinical

NUMBER OF EMPLOYEES
40+

RAISED IN SERIES A IN NOVEMBER 2020
£45m

HOW WE WORK WITH OUR PORTFOLIO COMPANIES CONTINUED

5. Diversity and inclusion

Syncona is committed to being an advocate for D&I. We expect our companies to build a strong culture, a diverse and inclusive team and high-quality relationships, that are capable of managing the inevitable challenges that arise in developing very specialised assets and scaling companies through the development cycle.

We expect our companies to be committed to the principle of taking positive action to address inequalities both inside and outside the company, and that the company considers in good faith issues that Syncona asks for improvement on. We also believe in the importance of utilising metrics to track ongoing progress in D&I and ask that portfolio companies report these to Syncona on an ongoing basis.

PROGRESS IN THE YEAR

3
Portfolio companies disclosing diversity and inclusion metrics for their workforce directly to Syncona

8
Portfolio companies with D&I policies

SPOTLIGHT

Portfolio company SwanBio Therapeutics (SwanBio) has a strong commitment to D&I which is reflected in its ongoing approach to gender reporting.

It tracks the proportion of women across all areas of the company in its Board reporting, with 63% of all employees and 50% of its executive team being female. The company continues to demonstrate a commitment to empowering female development and leadership which is aligned with Syncona's own approach to gender diversity.

VIEW MORE
swanbiotx.com

SwanBio THERAPEUTICS

FOUNDED
2018

CEO
Tom Anderson

% SHAREHOLDING
80%

STAGE
Clinical

NUMBER OF EMPLOYEES
30+

RAISED IN SERIES B IN MAY 2022
$56m

HOW WE WORK WITH OUR PORTFOLIO COMPANIES
CONTINUED

6. Environmental impact

Syncona is committed to operating its business in an environmentally responsible and sustainable manner. We agree with the signatories of the 2015 Paris Agreement that our collective approach needs to limit climate change to within a 1.5 degree Celsius global temperature increase by the end of the 21st century, which aligns with Syncona's ambition to be net zero across its full portfolio by 2050.

PROGRESS IN THE YEAR

11

Portfolio companies reporting Scope 1 to 3 carbon emissions directly to Syncona

6

Companies integrating environmental factors into supplier due diligence

SPOTLIGHT

Collaborating with our portfolio on environmental reporting

For the first time, this financial year Syncona has published its full portfolio carbon footprint alongside its own operational emissions.

In doing so, Syncona has collaborated with companies across its private portfolio, some of whom are at an earlier stage, in order for them to assess their Scope 1 to 3 carbon emissions and environmental footprint. Portfolio companies who participated in the project have shown a strong commitment to collaboration, as well as an interest in utilising the data that has been collected to drive change in their own ongoing operations.

Moving forward, Syncona will continue to work closely with its portfolio companies as they develop their environmental reporting frameworks, in order for our stakeholders to understand our overall carbon footprint, including our financed emissions. A case study from Miguel Silva, Strategy Director at OMass, underlining the company's commitment to environmental reporting, can be found on page 22.

READ MORE P22

PORTFOLIO OVERVIEW

Tracking sustainability across our portfolio

Throughout the year we have continued to make progress in introducing new portfolio companies to our Responsible Investment Policy, as well as seeing progress across our portfolio companies in our sustainability reporting.

Syncona companies may grow over their lifecycle from having one or two employees to 100 employees or more. Syncona's holdings in its portfolio companies may also change through their lifecycle, as external investors are introduced via syndicated investment rounds. Syncona's global portfolio means that individual companies may also be managing local reporting requirements which might intersect with our own expectations.

It is therefore recognised that Syncona should not have a 'one size fits all' approach to discussing sustainability matters with its portfolio companies. However, at all stages we expect and encourage our portfolio companies to achieve our core standards.

This financial year has seen some significant challenges for biotech companies, including those across our portfolio. The sector has been impacted by the knock-on effect of the inflationary global macroeconomic picture, with biotechs seeing dramatic changes to their valuations and the cost of capital. We have taken this environment into consideration as we have worked with individual portfolio companies to develop their sustainability reporting, at times choosing to specifically direct companies towards the areas where we feel progress should be a priority.

Syncona is committed to tracking the progress of its portfolio companies in implementing its Responsible Investment Policy on an ongoing basis. It sees this, alongside ongoing engagement with its portfolio companies on sustainability issues, as being a key part of its role as a responsible investor, and in line with its responsibilities as a signatory of the UN PRI.

As part of the implementation of the policy, Syncona has asked its portfolio companies to track their progress in implementing Syncona's sustainability values and expectations by reporting against a collection of sustainability KPIs.

Portfolio companies are expected to report against these KPIs on an annual basis. A summary is included on the next couple of pages of our requirements for each pillar and progress made against these during the year.[1]

1. Mosaic did not provide Syncona with full sustainability reporting this year, having been launched and appointing its management team post-period end. We have therefore focused our reporting on the 12 portfolio companies who were able to provide us with data this financial year.

Overview

We are pleased this year that 12 companies have reported on our key sustainability pillars – this is out of a portfolio of 13 in total. The company which has not reported yet is Mosaic Therapeutics (Mosaic) – a company which was launched and appointed its leadership team post-period end. Our team have recently engaged the company on our sustainability approach and we look forward to including their reporting as part of next year's update.

Across the portfolio, our companies have made strong progress in their reporting to us. We are particularly pleased that all companies that have reported are aligned with our standards on Good R&D practice and Animal Welfare. We are also pleased to have received environmental data from across the portfolio – we believe data collection is the first step in formulating an approach to reducing emissions and look forward to continued progress here over the next year. On D&I, whilst 4/12 companies do not yet have policies in place, we have been pleased in our discussions with leadership teams to see the importance that they place on the issue and expect this to improve in the coming year.

This is our second year of reporting and overall we have made good progress in improving the disclosure provided across our portfolio, and next year we look forward to demonstrating continued progress on a comparative basis.

12/13

Portfolio companies provided sustainability reporting to Syncona vs seven companies out of eleven companies reporting in FY2022/3

1. COMPLIANCE AND GOVERNANCE

Throughout the year Syncona has engaged with its portfolio companies to review their compliance and governance policies and help them to improve these where necessary.

In some cases, our specific requirements may be detailed in a company document, for example, the employee handbook, rather than a formal policy being in place. In such cases the portfolio company is asked to provide Syncona with reassurance that its values and expectations are being followed by the company.

In line with its partnership approach to responsible investment, Syncona has also shared critical policies with its portfolio companies across all of its compliance and governance focus areas. In some cases, portfolio companies have used these to form the basis of policies which are aligned with Syncona's values and expectations.

10/12

Companies with anti-fraud, bribery and corruption policies

2. ACCESS TO MEDICINES

Syncona is committed to making medicines accessible by working with its portfolio companies.

Out of our portfolio of 13 companies, we have seven companies at clinical stage with two companies at late clinical stage. Whilst we strive to embed the importance of making medicines accessible very early on, in practice companies' policy development takes place at late-stage clinical development.

The European Biotech Social Pact is a fantastic forum for embedding the principles of access early into a company's life and we are pleased three companies have signed up to it this year.

As our companies progress through late-stage development, we strive to support them in thinking through product access strategies for outside the developed world. We are pleased that Autolus has committed to developing a policy prior to the launch of the company's first product.

Companies where Executives have signed up to the European Biotech Social Pact in the financial year

ANAVEON

purespring

OMass THERAPEUTICS

3. ANIMAL WELFARE

Syncona is committed to high standards of ethical care across all aspects of our business. We expect companies to adhere to the '3Rs' set of standards when using animals in their research activities.

Given the high regulatory standards in the jurisdictions in which Syncona operates, our expectation is that our portfolio companies will be compliant with Syncona's standards in this area.

In addition to asking our portfolio companies to have a defined Animal Welfare Policy and align with the principles of the 3Rs, we also ask that they inform Syncona of any significant breaches of the 3Rs during the year. This means that not only can we ensure that our portfolio companies have the expected policy and governance structures in place, but that we can understand how these are being implemented in practice.

100%

Compliance with 3Rs across portfolio

PORTFOLIO OVERVIEW CONTINUED

4. GOOD R&D PRACTICE

Syncona believes that our portfolio companies should meet high standards in how they carry out the clinical development process.

We consider our expectations of our companies in this area to be industry standard and reflective of the high standards within the jurisdictions within which Syncona companies operate.

We ask that our portfolio companies are able to demonstrate their commitment to high standards through the existence of Standard Operating Procedures which relevant employees are trained in, the documentation and auditing of GxP activities, appropriate oversight of third-party vendors, and appropriate disclosure of any clinical data breaches.

100%

Companies have Standard Operating Procedures

5. DIVERSITY AND INCLUSION

Syncona encourages diversity of thought, empathy and experience and believes it leads to long-term success.

We work with and expect our companies to build diverse and inclusive teams – encouraging them to be proactive with respect to widening D&I.

To track progress across the portfolio, we ask portfolio companies to establish policies and where they are at the stage where they are able, we ask them to provide diversity and inclusion metrics. We have been clear in underlining the importance of tracking these on an ongoing basis at executive and Board level, and where this has taken place we ask that where possible these are passed onto Syncona so that we can see the breadth of reporting.

8/12

Companies with a D&I Policy

6. ENVIRONMENTAL IMPACT

Syncona has an aspiration to be net zero throughout its value chain (including portfolio companies) by 2050.

We are therefore committed to close engagement with our portfolio companies to help them develop their own net zero strategies.

We ask our portfolio companies to develop an Environmental Policy which includes an initial position statement on net zero, and for them to disclose their Scope 1 to 3 emissions to Syncona on an ongoing basis. During the financial year, we worked with Accenture for a second time to gather environmental data on our portfolio companies, and were able to make year on year improvements in the number of portfolio companies who engaged in the project.

11/12

Companies reported environmental data

03

Inspiring and empowering our people

Our highly motivated people are attracted to our platform and the opportunity to improve the lives of patients and their families.

Syncona's purpose is to invest to extend and enhance human life, and this is a core part of what attracts the best people to our business. As we continue to scale Syncona, it is important to create an environment where our employees can continue to develop, and feel empowered in their roles, as we work towards delivering transformational treatments for patients in areas of high unmet medical need.

CHIEF HUMAN RESOURCES OFFICER'S MESSAGE

Developing our people strategy

The last 12 months have been an exciting time for Syncona. During the year we announced our strategy to deliver growth over the next decade and critical to the delivery of our ambitious targets will be our people, organisational structure and, of course, culture."

ENHANCING ORGANISATIONAL STRUCTURE AND BUILDING DEPTH ACROSS THE BUSINESS

To support the expansion of our portfolio and to enable the delivery of three new companies per annum, a key principle has been that we need to leverage our people better. This has meant some changes to how the team is structured with Chris Hollowood becoming CEO of SIML. Chris has been with Syncona for 10 years and has played a pivotal role in building the portfolio and driving the team's culture and success. As CEO, Chris will lead the delivery of our growth plans for the next 10 years and manage the team, whilst continuing to have an important role in company creation and management. We also announced that Martin Murphy has become Chair of SIML, and he will focus his time on sourcing new opportunities, alongside managing portfolio companies, remaining as a member of the Investment Committee. This is a natural next step for the Company and one which has bedded in well. We have also promoted Ed Hodgkin to the role of Managing Partner, whilst Magdalena Jonikas and Elisa Petris have taken up the role of Lead Partners.

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These partners have taken on the primary role in driving the creation of new companies with Magdalena leading on both Kesmalea and Mosaic in this financial year. The creation of a senior investment team has meant adding additional expertise and we have been delighted to announce the appointment of Roel Bulthuis as Managing Partner and Head of Investments. Roel brings over 20 years of life science venture capital, business development and investment banking experience and we are already seeing the impact of his experience and strong sense of purpose.

We have also looked to ensure that we have embedded our new Leadership Team, which is made up of representatives from across the business, with senior leaders from the investment, finance, human resources, IR, legal, and executive and advisory teams. The breadth of this team ensures that senior leaders from across the business are taking a multi-functional approach to driving our strategy.

BUILDING AN OPERATIONAL MODEL TO SCALE AND IMPROVE PORTFOLIO EXECUTION

To drive our team's ability to deliver an expanded portfolio and better leverage our senior investors, we have also created a multi-functional portfolio company 'Launch Team'. This team has been created to drive and support the creation and development of new companies, using Syncona best practices. The Launch Team will help our portfolio companies in becoming operational, allowing our investment partners to focus their time on the strategic aspects of a new portfolio company and working on the next wave of company creations. Members of the Launch Team have already been supporting new portfolio company launches, making key functional contributions to Mosaic, Kesmalea and Beacon.

A critical learning from the last 10 years of Syncona has been the importance of portfolio company execution as they drive their products through the clinic. Syncona's hands-on operational model is important in helping our management teams navigate this pathway and to complement our own team's expertise, our developing Executive and Advisory Team will add significant operational, regulatory and clinical expertise to the team, helping us to build further sustainability into our model.

CHIEF HUMAN RESOURCES OFFICER'S MESSAGE CONTINUED

The Executive and Advisory Team includes team members Markus John, Lisa Bright and Gwenaelle Pemberton, with John Tsai and Ken Galbraith also joining post-period end. They act as an important sounding board for the investment team, drawing on their years of commercial, clinical and regulatory experience to help the investment team understand key issues with prospective investments or within the current portfolio. As with the Launch Team, the Executive and Advisory Team's impact has already been felt, with members playing a key role in the acquisition of Applied Genetic Technologies Corporation (AGTC) and its subsequent merger with Beacon. In particular, Gwenaelle Pemberton has been closely involved in these investments, utilising her deep regulatory experience to support what we believe to be a very exciting opportunity for Syncona.

D&I

Framework launched

EMBEDDING A STRONG CULTURE

I passionately believe that culture drives strategy. Syncona has a clear identity and set of values but I believe it is important to regularly check in with the team and understand what is important to them and what we can do better. Given the growth of the Syncona team and the change in operating model, this year we launched our first annual Employee Engagement Survey, which was an important exercise that allowed people to express themselves freely. The feedback from it generated a number of key themes, which the Leadership Team is seeking to address going forward and I look forward to reporting back on these and the progress we make against them in the next financial year.

DIVERSITY AND INCLUSION

We believe that diversity optimises our decision-making and thereby gives us a competitive advantage, and whilst the team has always passionately believed in the importance of a diversity of perspectives, this year we formalised our approach. This exercise included identifying our four key areas of focus: women in leadership, family support, global talent and socioeconomic development. Whilst Syncona recognises that it has a good level of female representation at senior levels within the business, it is committed to further empowering female leaders by providing access to mentorship, coaching programmes and, most importantly, peer access support. In June 2023, to help us on our D&I journey, we were incredibly pleased to become a supporter of Level 20, a not-for-profit organisation with a mission to encourage greater representation of women in the private equity industry. Our new D&I Framework is also aligned with our existing charitable partnerships, including our work with the Windsor Fellowship, and our close engagement with The Syncona Foundation charity Generating Genius.

We have made strong progress expanding the team, evolving our operating model and understanding our culture. I am excited to embed the changes we've made over the coming year.

FIONA LANGTON-SMITH
Chief Human Resources Officer
Syncona Investment Management Limited

GENDER DIVERSITY

Syncona Limited Board
31 March 2023

Female	4
Male	3

SIML Leadership Team
31 March 2023

Female	3
Male	4

SIML Board
31 March 2023

Female	0
Male	3

SIML team
31 March 2023

Female	19
Male	16

EVOLVING OUR APPROACH TO D&I

Our Diversity and Inclusion Framework

At Syncona we believe that diversity of perspectives optimises our decision-making and thereby gives us a competitive advantage.

We employ individuals with varying backgrounds and views and actively seek to include their experiences and views when working together and developing our environment.

We have listened to our people to understand what matters to them.

As a result, our D&I Framework is built around four key areas:

1 Women in leadership

- Increase representation of women at Board, Lead Investor and senior leadership levels
- Empower women in leadership roles by providing access to mentorship, coaching programmes and, most importantly, peer access support
- Encourage participation in global leadership network groups focused on connecting and supporting women executive leaders, such as Level 20

2 Family support

- A large proportion of Syncona's workforce are parents or carers
- We believe parents will be an important part of our workforce for years to come and want to ensure our culture supports them in being able to deliver their best work

3 Global talent

- To maintain our world-class reputation we are increasingly aware of the need to access global talent
- We are committed to accessing talent across the globe to enrich our thinking and to ensure we have the strongest workforce possible

4 Socioeconomic breadth

- We are committed to hiring people from a broad range of socioeconomic backgrounds
- We believe that as with all diversity, this strengthens our thinking, and therefore our competitive advantage
- We are committed to increasing socioeconomic diversity in the life science industry

INTERVIEW WITH OUR HR LEAD

Q&A Kunjan Zaveri HR Lead at Syncona

"What makes us extra special is our culture."

Q

Could you provide us with a little bit of context on your background?

I come from a mixed Asian-British heritage and feel incredibly grateful to have experienced an upbringing where I learnt values such as honesty, loyalty, perseverance and discipline, which I continue to hold in high regard. From my early days I participated in volunteering activities and sports which is all about being around people and coming together to create something meaningful. As a result, I discovered my passion of working together with people early on in my life.

I have always been curious about human behaviour and emotions, how we react in certain situations, what motivates us and how we can apply that human behaviour into high performance which can transform into the successful running of a company. I set out to pursue a career in human resources as it truly brings you closer to the people aspect of the business.

My career journey started when I decided to undertake a Masters in human resources management and has evolved to managing all facets of HR in various industries across varying geographies. This quote has stuck by me ever since I was 18; "most ordinary things can be made extraordinary just by doing them with the right people". I believe any business will excel if they have the right resources in place, at the right time, and in the right job.

Q

Why do you think Syncona is unique?

Syncona is a very special place. It brings two unique worlds together: a noble mission combined with extraordinary talent. It is a place where a group of leading individuals come together to create, build and scale life science companies to meet unmet patient needs in order to extend and enhance human life.

The whole process from understanding the science, to placing the commercial vision and strategy and rolling up our sleeves in building companies from scratch and supporting those companies through growth is exhilarating. What makes us extra special is our culture. We have a team of professionals that represent diverse geographies, backgrounds and beliefs and we all work under one roof to create an environment where we thrive.

Q

Can you give us an overview on your role and responsibilities?

It's a very dynamic role split into two key parts. Firstly, I support the investment team by putting the key operating parameters routinely at the early stage of a portfolio company and optimise best practices in setting up the company in a number of key areas. This spans from workforce planning, organisational design, hiring, talent management, policy frameworks, compensation and benefits through to HR operations and ensuring strategic alignment with the company's key milestones. Secondly, I support the team at Syncona and its objectives by leading recruitment efforts and advising on performance management, developing our Diversity and Inclusion (D&I) Framework, engagement culture and HR operations. I also lead on creating and maintaining external relationships with key vendors.

Q

Syncona has developed a D&I Framework for the first time – can you talk about the importance of diversity to Syncona and how you developed the framework?

Our biggest strength is our people and the diversity within the company. We saw an opportunity to create an environment where we capture our team's experiences and include their experiences and views when working with each other. As an organisation we have been involved in many charitable initiatives from mentorship to sponsorship programmes so we felt it was right to bring everything together to create a vision and objectives under a D&I Framework. We set out a vision to create an inclusive, representative and equitable culture to foster a positive and cohesive environment which drives overall engagement.

D&I to me is about spreading awareness and being open. An organisation which leverages openness through diversity and inclusion will not only attract the best talent but also effectively engage with its workforce, enabling the delivery of fair outcomes. A cohesive working environment leads to enhanced innovation, creativity, productivity and a happy workforce.

Q

How do you work alongside Syncona's portfolio companies as they develop their people strategies?

We currently have over 1,200 employees across our portfolio companies in highly skilled science based jobs. Together with Fiona Langton-Smith, our Chief Human Resources Officer (CHRO), we really look at each of our portfolio companies on an individual basis. Up until now we have been supporting our companies in setting up their HR functions from hiring to setting up the processes and influencing on big policy issues, providing baseline recommendations on benefits and working with them to provide ongoing strategic support as they go through periods of growth.

Through our new Launch Team we are going to go beyond operational support and that's the exciting part. We will be involved with our new companies right from when we are first aware of the investment opportunity where we will sit down, engage and work with the Leadership Team to set out a long-term strategic vision. We aim to understand what capabilities the organisation needs against its milestones, define key roles, develop organisational design, and create a plan to shape their culture and understand their key challenges and support them in addressing those challenges.

EMPLOYEE WELFARE AND WELLBEING

Investing to develop our future leaders

92%

Response rate to our first Employee Engagement Survey

CAREER DEVELOPMENT

We seek to invest in our people and to develop our future leaders. Our structure lends itself to small teams with shared responsibility, allowing junior staff to learn on-the-job with significant exposure to the senior team and senior industry leaders outside Syncona. Team members receive increasing exposure to the facets of their role ensuring progression is attainable and unrestrained.

BENEFITS AND SUPPORT

We believe providing a supportive working environment is crucial to the wellbeing and satisfaction of our team.

FORMAL BENEFITS

We undertook a review of our benefits package this year with a view to enhance some of our offerings in line with our desire to attract and retain our talented team. We offer competitive remuneration, including a long-term incentive scheme linked to the performance of our investments. Employee benefits include:

- Life assurance
- Income protection
- Pension contributions
- Comprehensive private medical insurance
- Mentoring and development through external partnerships
- Hybrid working

FAMILY-FRIENDLY BENEFITS

- Six months fully paid maternity leave
- Paternity leave, bereavement and compassionate leave

FLEXIBLE WORKING

We strive to have flexible working policies that meet the needs of our people and support our business. We have a hybrid working model with team members combining working days between the office and home, depending on their department and business projects. Emphasis is placed on strong communication between employees and their line managers, underlined by a clear foundation of trust that employees should be able to best manage their time and ongoing priorities.

MENTAL HEALTH AND EMPLOYEE ASSISTANCE

We place increasing importance on mental wellbeing and have been acutely aware of the strains on our people as we navigate through increasingly challenging times. Along with support structures which are in place at Syncona, team members have access to professional support, as needed, from our private medical insurance providers.

ENGAGING OUR PEOPLE

In December 2022 we conducted our annual engagement survey 'Be Heard'.

As the Syncona team has grown and the operating model has changed, we commissioned our first Employee Engagement Survey, which aimed to provide data and insight into the wider employee experience to help inform key strategic decisions. The survey received a response rate of 92%, providing a valuable baseline for us to build on moving forward. Recognising our employees' contributions is a key element of our approach to engaging and retaining our people.

TEAM ENGAGEMENT

Within the business, there is a culture of open communication across the team. The business benefits from being a c.35-person team operating with a flat structure and a commitment to limiting unnecessary hierarchy. The senior team know everyone personally and engage across the business regularly, often seeking input into strategy and providing updates on key business initiatives. This has been particularly true during the year, where a cross-functional team worked to develop the updated strategy which was presented at the Interim Results.

Key business initiatives where the team has provided significant input during the year include:

- Continued development of our Sustainability and Responsible Investment Policies
- Updating of key operational policies
- Development of our updated strategy

The Syncona Board is increasing its engagement with the Syncona team going forward.

Gian Piero Reverberi is the Non-Executive Director who leads employee engagement. In addition, the full Board also takes the opportunity to engage with team members with office lunches alongside Board meetings.

04

Responsible and ethical business

We aim to have a robust set of policies, internal controls and management processes covering all of the areas for our business to operate responsibly and ethically.

We have strong governance in place with regular reporting to the Board and oversight by the committees outlined in our governance framework. We understand the important role of reporting against globally recognised reporting frameworks to underline our commitment to sustainability. We also believe it is important to seek to minimise our environmental impact in line with best practices, both through Syncona's own operations and through our portfolio.

OUR POLICIES AND PRACTICES

Standards of conduct and behaviour

Syncona has in place a robust set of policies, internal controls and management processes covering all areas of our business in order to operate responsibly and ethically. Many of these primarily apply to SIML, our subsidiary that manages Syncona and employs the team. SIML is an investment manager regulated by the Financial Conduct Authority, and so is also subject to the FCA's compliance requirements, including the Conduct Rules that apply to employees.

Training is provided to all employees each year, and to new joiners, through a mixture of in-person training and online resources, to ensure they are familiar with the obligations and requirements that apply to them. The in-person training provides the team with an opportunity to actively engage with the policies in operation at Syncona and raise any questions or provide feedback. All employees must confirm in writing every six months that they have complied with the policies.

The Legal Team reviews all compliance policies each year to identify areas for change, and uses specialist advisers to support that work. Key compliance policies and controls are reviewed each year by the Syncona Audit Committee, alongside its annual review of risk and internal control effectiveness.

Key policies

Anti-fraud, Bribery and Corruption Policy

Syncona adopts a zero tolerance approach to fraud and corruption. All employees, contractors and those providing services for or on behalf of Syncona are required to act at all times with integrity and to safeguard the resources for which they are responsible. The business is committed to the promotion of an anti-fraud and corruption culture throughout the organisation. All employees have a role to play in the prevention of fraud or corruption. Syncona is not aware of any breaches of this policy during the year.

Political and charitable contributions

All political or charitable contributions by Syncona must be approved by the Syncona Board.

As part of this, it is important to ensure there is no potential conflict of interest or other relationships that may be perceived as being affected by the contributions.

Gifts and inducements

The Syncona Gifts and Hospitality Policy provides that employees may not offer or accept gifts or hospitality which seek to influence, support or reward any business act or are provided in consideration of any potential further business. It is the responsibility of each employee to exercise judgement when considering any gift or hospitality event and other inducements and to be satisfied that it is both proper and appropriate in terms of content, cost and timing. Employees are expected to at all times be, and be seen to be, acting in a way which is fair, impartial and unbiased. Should a potential conflict of interest be identified, the gift/hospitality should not be offered or should be declined as applicable.

Financial crime and anti-money laundering

Financial crime is a key area of focus for regulators and law enforcement agencies globally. As a regulated business, SIML must maintain systems and controls for countering these risks. Financial crime covers offences involving money laundering, terrorist financing, economic sanctions, bribery and corruption, market abuse and fraud. A key part of SIML's controls against financial crime are anti-money laundering procedures. As SIML has a single, listed client in Syncona, the main focus of the controls is on carrying out appropriate due diligence on the investee company for new investments and any key individuals with significant control or influence.

Conflicts of interest

As a regulated business, SIML maintains a Conflicts of Interest Policy to support employees in promptly identifying any actual or potential conflicts and properly managing them, to minimise the risk that a conflict could compromise (or be perceived to compromise) the judgement of the parties concerned.

Employees are expected to take all reasonable steps to identify, monitor and manage any actual or potential conflicts of interest which may arise. As SIML has a single client in Syncona, the principal conflicts that could arise are conflicts between the interests of SIML and Syncona (though these are relatively unlikely as SIML is a subsidiary of Syncona) and conflicts between the personal interests of Syncona team members and Syncona. We expect full transparency from employees to enable conflicts to be managed appropriately and Syncona's interests protected.

The Conflicts of Interest Policy is supplemented by policies relating to gifts and hospitality, personal account dealing, outside employment and business interests and remuneration, which seek to minimise the risk of situations arising where a conflict will exist between Syncona team members and Syncona.

In addition, SIML has implemented a Conflicts of Interest process to govern and manage any conflicts that could arise between SIML employees who act as directors of portfolio companies (and who owe legal responsibilities to those companies) and to SIML as the employer.

Inside information

Syncona is committed to ensuring that inside information is properly controlled in accordance with legal requirements, and not misused. An Inside Information Policy is maintained and each member of the Syncona team is responsible for notifying any relevant information that they become aware of to the Disclosure Group.

The Inside Information Policy is supplemented by policies relating to personal account dealing, which seeks to ensure that employees' personal dealing does not result in actual or potential misuse of inside information.

Sustainability

Syncona's Sustainability Policy establishes the foundation for integrating environmental, social and governance risks and opportunities into our business. It sets out our commitment to promoting consistent practices and to ensuring that ESG factors are effectively managed to ensure that we continue to run a high-quality, responsible and ethical business. The Sustainability Policy was updated during the year to reflect the changes made to the Responsible Investment policy (see the company website for further details). In addition, Syncona has in place a Climate Ambition Statement regarding our intentions to minimise our greenhouse gas emissions and outlining our aims with regard to net zero.

Modern slavery and ethical procurement

Syncona has zero tolerance for modern slavery and human trafficking. Syncona publishes an annual Modern Slavery Statement to further this goal and has policies in place to tackle modern slavery and human trafficking throughout its supply chain, recognising that the nature of our business and suppliers results in a relatively low risk of modern slavery issues arising. Syncona's approach to modern slavery and human trafficking risks in our supply chain sits within our wider approach to procurement, where ethical considerations such as carbon footprint and regulatory compliance also form a key part of due diligence and ongoing monitoring.

Syncona also aims to address any modern slavery and human trafficking risk in the Syncona portfolio companies through our responsible investment process. For further information on the Responsible Investment Policy, please see the company website.

Health and safety

The team is principally office-based, based at a site in London, UK, and engages in low-risk activities. As an employer, SIML is committed to maintaining and improving effective health and safety management throughout the business, in line with applicable legislation.

During the year to 31 March 2023 there were no reportable incidents.

Data protection and information security

Syncona maintains a Data Protection Policy in line with legal requirements. The business is committed to protecting the confidentiality and integrity of personal data that we hold and this is a key responsibility that we take seriously at all times. The policy is supported by appropriate privacy notices that are made available to employees and other third parties whose information we hold. Syncona does not expect to hold significant amounts of personal data.

Syncona also maintains an Information Security Policy, which sets out our commitment to maintaining the security and confidentiality of any sensitive/confidential information, including any personal data, and only using that information for the appropriate purposes.

Approach to taxation

Syncona's approach to taxation is built on the following principles:

- As a collective investment scheme, Syncona seeks to prevent investors from suffering double taxation on their investment returns, that is once at the level of Syncona and then again in the hands of the investors. In other words, we aim for investors in Syncona to not pay more tax than they would have incurred if they had been able to invest directly in Syncona's underlying portfolio of investments.
- Fee income arising from commercial activity will be taxable in the jurisdiction in which the managing or advising entity is based. SIML is based in the UK and is liable to pay corporation tax in the UK.
- To act lawfully and with integrity, including complying with all statutory obligations and disclosure requirements, and maintain open and constructive relationships with tax authorities worldwide.
- Where tax laws require interpretation or where tax regulations or codes are ambiguous or untested, Syncona takes reasonable steps to determine their applicability, including seeking tax advice where necessary, and with due regard to fair outcomes for our relevant stakeholders.

Whistleblowing

Syncona maintains a Whistleblowing Policy, which is a key part of creating a working environment that meets the highest standards of openness and accountability. Employees are encouraged to raise any concerns about malpractice in the workplace at the earliest possible stage.

Concerns should normally be raised with an employee's line manager. Where this is not appropriate the issue may be referred to the Compliance Officer or any of the senior members of the team. Alternatively, any concerns can be raised with the Chair of the Syncona Audit Committee. Our policies are clear that there should be no fear of reprisal or victimisation or harassment for whistleblowing. There were no incidents of whistleblowing in the year.

MINIMISING OUR ENVIRONMENTAL IMPACT

This section includes a summary of our Streamlined Energy and Carbon Reporting (SECR). Although the Company is not subject to the laws of England and Wales, its reporting has been prepared in line with the relevant English legislation as set out below. The reporting period is Syncona's financial year, the 12 months to 31 March 2023. The full table outlining our SECR reporting for FY2022/3 can be found within Syncona's Annual Report and Accounts 2023.

Syncona's climate ambition statement

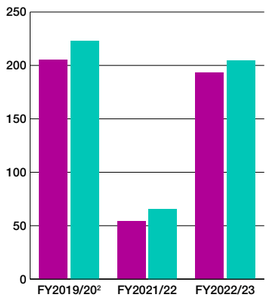
Syncona understands that climate change represents a systemic risk to our societies and economies. We agree with the signatories to the 2015 Paris Agreement that our collective approach needs to limit climate change to within a 1.5 degree Celsius global temperature increase by the end of the 21st century. This means reaching a point where there are net zero emissions associated with human activity released into the atmosphere by 2050 at the latest, as advised by scientific advice.

Syncona's operational emissions

We have employed the services of a specialist adviser, Accenture, to quantify the greenhouse gas (GHG) emissions associated with the Company's emissions for FY2022/3. Syncona's FY2022/3 SECR location-based footprint is equivalent to 203.8 tCO_2e[1], with the largest portion being made up of emissions relating to business travel via air at 174.4 tCO_2e. Syncona's market-based footprint, which takes into account the green energy used by its head office, amounts to 192.6 tCO_2e.

Relative to the FY2021/2 financial year we have seen an increase in our overall emissions, primarily driven by the easing of COVID-19 restrictions and subsequent increase in business travel. Syncona's emissions remain lower than FY2019/20, the last year before the impact of COVID-19, with company headcount having increased since then by 25%.

Our emissions[1]



● Market-based
● Location-based

NZAM
Signatory

17,901.5
tCO_2e full portfolio carbon footprint[3]

1. Tonnes of CO_2 equivalent.
2. FY2019/20 chosen as a comparative year due to the fact it was the last financial year before the impact of COVID-19.
3. Using a market-based methodology.

Our full environmental footprint

In FY2022/3, Syncona made a commitment to publish its full portfolio carbon footprint for the first time. This incorporates its enhanced Scope 3 footprint, including category 1 emissions (purchased goods and services) and category 15 (investments). In doing so Syncona has engaged with 11 of its portfolio companies to collect data which has enabled a more accurate projection of Syncona's overall footprint[2].

GLOBAL EMISSIONS (FY2022/3)

Scope 1-3 emissions as reported for SECR (limited scope 3)	
Market-based	192.6
Location-based	203.8
Category 1 (purchased goods and services)	
Total emissions, excluding paper and water supply (included in SECR report)	501.6
Category 15 (investments)[3]	
Total emissions	17,207.3
Total (market-based)	17,901.5
Total (location-based)	17,912.6

The publishing of this data underlines Syncona's strong commitment to transparency in its environmental reporting. Moving forward, the Company will continue to work closely with its portfolio companies to track their environmental footprints and has an aspiration to continue providing portfolio-wide environmental data in order to enable long-term benchmarking and analysis.

Syncona and net zero

Syncona has an aspiration to become net zero throughout its full value chain (including portfolio companies) by 2050, aligning the Company and its portfolio of investments with the 2015 Paris Goals. In order to support this goal, Syncona has become a signatory to the NZAM initiative, fulfilling a commitment that was set in its FY2021/2 Annual Report. The NZAM initiative is a growing collective of leading asset managers, including over 300 signatories holding nearly $59 trillion of AUM. The aim of the initiative is to bring together asset managers committed to supporting the goal of reaching net zero GHG emissions by 2050 or sooner, in line with the Paris Goals. Given the limited operational emissions reported at the Syncona-level, it believes that the greatest impact it can have in supporting its net zero aspiration is by working alongside its portfolio companies to reduce their emissions.

Given our model of working closely alongside our portfolio companies to support them in their operations, we believe that NZAM is the appropriate framework for Syncona as we look to manage our overall footprint.

By signing up to NZAM, Syncona has underlined its commitment to managing its portfolio in a responsible manner which is aligned with net zero. Having become a signatory to NZAM, Syncona will be required in the next 12 months to set a target for the proportion of its assets to be managed in line with the attainment of net zero emissions by 2050 or sooner, as well as interim targets for 2030. To achieve this, Syncona will be working with its portfolio companies to develop strategies to reduce their emissions, enabling them to move towards a net zero pathway.

Offsetting our carbon emissions

Syncona has continued its programme of purchasing carbon credits to offset the direct emissions resulting from the Company's operations. It has purchased carbon credits for the FY2021/2 and FY2022/3 reporting years, through purchasing offsets from the Forestal el Arriero project. This project supports carbon emissions removal through afforestation and is registered under Verra's Verified Carbon Standard (VCS) – the world's most widely used greenhouse gas (GHG) crediting programme. We intend to continue to review best practice in using carbon credits to align with our net zero aspiration.

1. Tonnes of CO_2 equivalent.
2. Syncona has endeavoured to obtain accurate and complete data wherever possible, and when not available we've asked Accenture to provide reasonable estimates.
3. Includes Scope 1 to 3 data from portfolio companies, including category 1 (purchased goods and services).

TCFD REPORTING

We understand that climate change represents a systemic risk to our societies and economies. We agree with the signatories to the 2015 Paris Agreement that our collective approach needs to limit climate change to within a 1.5 degree Celsius global temperature increase by the end of the 21st century. There is scientific consensus among the world's leading climate scientists that limiting human-caused global warming requires reaching net zero CO_2 emissions by 2050 at the latest.

We create and build companies to deliver transformational treatments to patients in areas of high unmet need. As such, we indirectly bear the potential transition and physical risks to which the portfolio companies and other investments are exposed. In addition, we also benefit the most from any potential opportunities which are associated with the transition to a low-carbon economy that the portfolio companies are able to take advantage of.

In 2020 Syncona undertook a comprehensive materiality review to understand the sustainability issues most material to the business, including climate risk and disclosure. In 2022, the Syncona team performed a scenario analysis to assess the physical and transition risks that Syncona might be exposed to. The results of these analyses have led us to believe that our business, and the portfolio companies in which we invest, are not materially exposed to climate change and that neither the risks nor opportunities (individually or collectively) materially impact our strategy or viability, or financial results, either in the short or longer term.

We are however, committed to making an impact where possible and using our influence to ensure that our portfolio companies are addressing the challenges of climate change – we have chosen to address the climate-related issues in our business within our wider sustainability framework.

Although the Company is not required to provide a Task Force on Climate-related Financial Disclosures (TCFD) disclosure as the legislation does not currently apply to it, we are voluntarily providing climate-related financial disclosures consistent with all of the recommendations and recommended disclosures of the TCFD, including the Additional Guidance, to illustrate our commitment to climate-related issues given their increasing importance to our stakeholders.

Governance

Governance of climate-related issues is addressed within our wider framework for governance of sustainability issues.

The Board is ultimately responsible for governance of climate-related issues. The Board approves relevant climate-related policies, oversees the implementation of the Sustainability Policy (including any targets set) and considers, and oversees the monitoring of, risks arising from sustainability issues.

The Sustainability Committee acts as a cross-functional group to coordinate the implementation of our sustainability policies, horizon-scan for sustainability developments or changes in risks, and support and advise the business on sustainability issues, including climate-related issues. The Sustainability Committee is also responsible for coordinating reporting through the Leadership Team and onwards to the Board.

Strategy

Our business is focused on a single investment strategy in a single industry of pre-revenue generating life science investments which are predominantly concentrated in the UK, Western Europe and the USA.

As reported last year, in FY2021/2 we undertook a climate scenario analysis with support from Avieco (now Accenture), an external consulting firm, to consider the potential impact that certain physical and transitional climate-related risks and opportunities could have on our business and portfolio companies, in a range of different climate scenarios and on a short, medium and long-term time horizon.

This year, the Sustainability Committee conducted a desktop review of the FY2021/2 climate scenario analysis, including a horizon scanning exercise for any new potential risks and opportunities, building on the work done last year with Accenture. The Sustainability Committee reviewed the specific climate scenarios and time horizons that were selected for FY2021/22. It was concluded that the scenarios are still internally consistent, logical and based on explicit assumptions and constraints that present plausible future development paths. Indeed, no new or further risks or opportunities were identified this year and the Sustainability Committee concluded that the climate scenario analysis remained representative of the risks and opportunities faced by our business.

It remains our view that neither the risks nor opportunities (individually or collectively) materially impact our strategy or viability, or financial results, either in the short or longer term. Accordingly we do not consider there should be any impact to our financial results. However, we intend to keep the risks and opportunities under review. For that reason climate-related issues are not a material input in our planning, but we take account of the identified mitigation actions where relevant.

Risk management

Our process for managing risk around climate-related issues forms part of our wider risk management framework.

The Audit Committee has ultimate responsibility for reviewing the scope and effectiveness of internal controls and risk management systems for climate-related issues, and reviews and assesses risks and associated frameworks to manage and mitigate such risks.

As noted above, during the year the Sustainability Committee carried out a desktop review of the climate scenario analysis that was supported by Avieco in

FY2021/2, including a horizon scanning exercise to determine whether there were any new potential risks or opportunities that were relevant to our business. The Sustainability Committee takes a lead on horizon-scanning for sustainability developments or changes in risks, including climate-related issues, which inputs into the wider risk management process both within the Syncona team and at the Board and Audit Committee. The Investment Committee is responsible for considering sustainability issues in Syncona investment transactions. The Leadership Team is responsible for considering sustainability issues within Syncona's own business and operations.

Metrics and targets

As we believe that climate-related risks do not represent a material risk to our business, we have taken a proportionate approach in our reporting. We use the metrics and targets described to assess and manage risks and opportunities that may become material to the business.

Metrics applicable to Syncona and our portfolio companies

Our principal metric is our carbon footprint. We have included full carbon footprint reporting, incorporating both Syncona operations and our portfolio, on pages 60 to 61 of our Annual Report, and page 38 of this report.

The environmental pages of our Annual Report also include our full SECR reporting, which provides details of our emissions at an operational level.

We also track the number of portfolio companies who directly provide us with environmental data.

We track our progress in delivering our sustainability policies, including those relating to climate, and these form an element of annual performance reviews for individual Syncona team members which impacts on the discretionary bonus for the Syncona team.

We have considered other cross-industry climate-related metrics and targets as detailed in the TCFD Additional Guidance, including reporting on weighted average carbon intensity. We do not believe that such metrics and targets are appropriate or meaningful for our business at this stage given our single investment strategy focused on pre-revenue single industry businesses, however we continue to keep these under review.

Targets applicable to Syncona, our portfolio companies and our transition plans

To date we have not set any specific climate-related targets, as we evaluate how best to address these issues. It is our ambition to be net zero throughout our full value chain (including our portfolio companies) by 2050.

The majority of our climate impact is within our investment portfolio and as part of becoming a signatory to NZAM, over the next year we will set clear interim targets for 2030 for the proportion of our assets under management which are to be managed in line with net zero.

As we do not have any specific climate-related targets, we do not currently have a formal transition plan. However, we have begun work internally to consider what steps this might include:

- Syncona operations are already relatively low intensity, and in particular we have already adopted 100% renewable electricity supply to our primary office through green energy tariffs.
- We are encouraging our existing companies to implement strategies to reduce their carbon emissions where possible, particularly in relation to electricity supply.

For our portfolio companies, while we are long-term investors, the nature of our investments means that the period from today to either 2030 or 2050 is likely to see significant change in our investment portfolio, as companies succeed or fail, and enter or leave the portfolio. We continue to remain focused on developing a meaningful transition plan that accommodates that change in a proportionate way, and we are considering what processes are most appropriate.

Progress this year

- Post-period end we became a signatory to the NZAM initiative. Committing to NZAM supports our ultimate ambition to become net zero across all of our assets by 2050, and we plan to set out targets in line with NZAM's requirements in the next 12 months.
- As part of this, we have been reviewing our current portfolio's emissions and will be working with portfolio companies on strategies to align them with a net zero pathway.
- We have provided fuller carbon reporting for FY2022/3 by including more emission categories, covering our own operational emissions and purchased goods and services following our alignment with a full Scope 1 to 3 methodology and environmental reporting for our portfolio companies – see pages 60 to 61 of our Annual Report.
- We have increased the number of portfolio companies who directly provide us with environmental data.
- Active engagement with new portfolio companies on sustainability matters. For our new portfolio companies, Kesmalea, Mosaic and Beacon, we are actively engaging with them on sustainability matters, including putting in place policies in line with our expectations and principles.

Plans for FY2023/24

We are an existing signatory to the Principles for Responsible Investment and will be reporting against those principles for the first time this coming year, which includes reporting around sustainability issues.

We will continue to progress our aspiration to be net zero throughout our full value chain (including our portfolio companies) by 2050, including through our work as a signatory to NZAM.

We will set clear interim targets for 2030 for the proportion of our assets under management which are to be managed in line with net zero and publish these within 12 months of our becoming a signatory to NZAM.

05

Additional information

In order to help our stakeholders more easily track our progress in sustainability reporting, we have chosen to report in accordance with the GRI Standards.

GRI is an independent global organisation which has provided a framework and standards for corporate sustainability reporting since 1997. The GRI Standards are generally seen as the most widely adopted global standards for sustainability reporting.

GRI CONTENT INDEX

GENERAL DISCLOSURES		COMMENT
GRI 2: General Disclosures 2021	2-1 Organizational details	Annual Report and Accounts: Back cover. Directors' Report, page 98. Syncona Limited is a publicly listed company (LON: SYNC).
	2-2 Entities included in the organization's sustainability reporting	Sustainability Report: Our materiality matrix outlines the sustainability issues which are most material to Syncona, page 6.
	2-3 Reporting period, frequency and contact point	Period: Sustainability Report: Introduction, page 2. Frequency: Sustainability Report: Introduction, page 2. Contact: investorrelations@synconaltd.com.
	2-4 Restatements of information	Syncona has not made any restatements of information in the reporting period and the scope for reporting remains the same as in the 2021/2 financial year.
	2-5 External assurance	We are not seeking assurance of our sustainability reporting at this time, including our environmental reporting.
	2-6 Activities, value chain and other business relationships	Syncona is a leading healthcare company focused on creating, building and scaling global leaders in life science. Syncona maintains business relationships with a range of life science companies, including its portfolio. More information available in our Annual Report and Accounts: Portfolio review, pages 25 to 35.
	2-7 Employees	Sustainability Report: Inspiring and empowering our people, pages 29 to 34. Annual Report and Accounts: Our people and culture: pages 44 to 47. Due to the size and scale of our business, we do not report all data breakdowns.
	2-8 Workers who are not employees	Sustainability Report: Inspiring and empowering our people, pages 29 to 34. Annual Report and Accounts: Our people and culture: pages 44 to 47. Due to the size and scale of our business, we do not report all data breakdowns.
	2-9 Governance structure and composition	Sustainability Report: Governance framework for sustainability, page 5. Annual Report and Accounts: Corporate governance report, pages 76 to 79. Board of Directors, pages 80 to 81. Report of the Nomination and Governance Committee, pages 82 to 85. Report of the Audit Committee, pages 86 to 89.
	2-10 Nomination and selection of the highest governance body	Sustainability Report: Governance framework for sustainability, page 5. Annual Report and Accounts: Corporate governance report, pages 76 to 79. Board of Directors, pages 80 to 81. Report of the Nomination and Governance Committee, pages 82 to 85. Report of the Audit Committee, pages 86 to 89. Report of the Remuneration Committee, pages 90 to 95.
	2-11 Chair of the highest governance body	Annual Report and Accounts: Corporate governance report, pages 76 to 79. Board of Directors, pages 80 to 81. Report of the Remuneration Committee, pages 90 to 95.
	2-12 Role of the highest governance body in overseeing the management of impacts	Sustainability Report: Governance framework for sustainability, page 5. Annual Report and Accounts: Corporate governance report, pages 76 to 79. Report of the Audit Committee, pages 86 to 89.
	2-13 Delegation of responsibility for managing impacts	Sustainability Report: Governance framework for sustainability, page 5. Annual Report and Accounts: Corporate governance report, pages 76 to 79. Report of the Audit Committee, pages 86 to 89.
	2-14 Role of the highest governance body in sustainability reporting	Sustainability Report: Governance framework for sustainability, page 5. Annual Report and Accounts: Corporate governance report, pages 76 to 79. Report of the Audit Committee, pages 86 to 89.
	2-15 Conflicts of interest	Annual Report and Accounts: Responsible and ethical business, page 58. Directors' report, pages 96 to 98. Sustainability Report: Syncona policies and practices, pages 36 to 37.

GENERAL DISCLOSURES		COMMENT
	2-16 Communication of critical concerns	Annual Report and Accounts: TCFD Report, pages 62 to 65. Risk management, page 65 to 68. Principal Risks and Uncertainties, pages 69 to 74
	2-17 Collective knowledge of the highest governance body	Annual Report and Accounts: Board of Directors, pages 80 to 81. Report of the Nomination and Governance Committee, pages 82 to 85.
	2-18 Evaluation of the performance of the highest governance body	Annual Report and Accounts: Corporate governance report, pages 76 to 79. Report of the Nomination and Governance Committee, pages 82 to 85.
	2-19 Remuneration policies	Annual Report and Accounts: Corporate governance report, pages 76 to 79. Report of the Nomination and Governance Committee, pages 82 to 85. Report of the Remuneration Committee, pages 90 to 95.
	2-20 Process to determine remuneration	Not applicable. Given the Company's structure, and that it has no Executive Directors and is managed by the Investment Manager, the Board and Remuneration Committee consider that this provision is not applicable to the Company. Further details are set out in the Corporate governance report, Annual Report and Accounts, pages 76 to 79, as well as the Report of the Remuneration Committee, pages 90 to 95.
	2-21 Annual total compensation ratio	Not applicable. Given the Company's structure, and that it has no Executive Directors and is managed by the Investment Manager, the Board and Remuneration Committee consider that this provision is not applicable to the Company. Further details are set out in the Corporate governance report, Annual Report and Accounts, pages 76 to 79, as well as the Report of the Remuneration Committee, pages 90 to 95.
	2-22 Statement on sustainable development strategy	Annual Report and Accounts: Sustainability Review, pages 48 to 61. Sustainability Report: TCFD reporting, pages 39 to 40.
	2-23 Policy commitments	Annual Report and Accounts: Sustainability Review, pages 48 to 61. Sustainability Report: TCFD reporting, pages 39 to 40.
	2-24 Embedding policy commitments	Annual Report and Accounts: Sustainability Review, pages 48 to 61. Sustainability Report: TCFD reporting, pages 39 to 40.
	2-25 Processes to remediate negative impacts	Sustainability Report: Minimising our environmental impact, page 38. Annual Report and Accounts: Sustainability review, pages 48 to 61.
	2-26 Mechanisms for seeking advice and raising concerns	Annual Report and Accounts: Sustainability Review, pages 58 to 59. Sustainability Report: Our policies and practices, pages 36 to 37. We support anyone who, in good faith, discloses a failure to meet our high standards of business conduct and ethics. All complaints are investigated in accordance with Syncona's whistleblowing policy. Syncona is committed to promoting an open culture and our policies are clear that there should be no fear of reprisal or victimisation or harassment for raising concerns.
	2-27 Compliance with laws and regulations	Annual Report and Accounts: Sustainability Review, pages 58 to 59. Sustainability Report: Our policies and practices, pages 36 to 37. To the best of our knowledge, there were no known material fines or sanctions for non-compliance with environmental laws and /or regulations across Syncona in the last 12 months.
	2-28 Membership associations	Syncona is a member of the BioIndustry Association (BIA).
	2-29 Approach to stakeholder engagement	Sustainability Report: Our materiality matrix outlines the sustainability issues which are most material to Syncona, page 6. Annual Report and Accounts: Section 172 statement, page 5. Engaging with stakeholders, pages 40 to 43.
	2-30 Collective bargaining agreements	Due to the small size of the team, as well as the nature of our business, SIML's employees are not, in practice, unionised and do not engage in collective bargaining.

GRI CONTENT INDEX CONTINUED

MATERIAL TOPICS		COMMENT
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Sustainability Report: Our materiality matrix outlines the sustainability issues which are most material to Syncona, page 6.
	3-2 List of material topics	Sustainability Report: Our materiality matrix outlines the sustainability issues which are most material to Syncona, page 6.
Economic performance		
	201-2 Financial implications and other risks and opportunities due to climate change	Annual Report and Accounts: TCFD report, pages 62 to 65.
Tax		
GRI 207: Tax 2019	207-1 Approach to tax	Annual Report and Accounts: Sustainability Review, page 59. Sustainability Report: Responsible and Ethical Business, page 37. Syncona publishes an Approach to Taxation Policy which is available on its corporate website: synconaltd.com/sustainability/sustainability-policies.
Emissions		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Sustainability Report: Minimising our environmental impact, page 38. Annual Report and Accounts: Sustainability review, pages 60 to 61.
	305-2 Energy indirect (Scope 2) GHG emissions	Sustainability Report: Minimising our environmental impact, page 38. Annual Report and Accounts: Sustainability review, pages 60 to 61.
	305-3 Other indirect (Scope 3) GHG emissions	Sustainability Report: Minimising our environmental impact, page 38. Annual Report and Accounts: Sustainability review, pages 60 to 61.
	305-4 GHG emissions intensity	Sustainability Report: Minimising our environmental impact, page 38. Annual Report and Accounts: Sustainability review, pages 60 to 61.
Employment		
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Significant new hires to Syncona during the reporting period are referenced on page 18 of the Strategic Report in our Annual Report and Accounts. Due to the size and type of our business we do not report on employee turnover.
	401-3 Parental leave	Sustainability Report: Employee Welfare and Wellbeing, page 34.

MATERIAL TOPICS		COMMENT
Occupational health and safety		
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Annual Report and Accounts: Sustainability Review, pages 58 to 59. Sustainability Report: Our policies and practices, pages 36 to 37.
	403-3 Occupational health services	Annual Report and Accounts: Sustainability Review, pages 58 to 59. Sustainability Report: Our policies and practices, pages 36 to 37.
	403-4 Worker participation, consultation, and communication on occupational health and safety	Annual Report and Accounts: Sustainability Review, pages 58 to 59. Sustainability Report: Our policies and practices, pages 36 to 37.
	403-5 Worker training on occupational health and safety	Annual Report and Accounts: Sustainability Review, pages 58 to 59. Sustainability Report: Our policies and practices, pages 36 to 37.
	403-6 Promotion of worker health	Annual Report and Accounts: Sustainability Review, pages 58 to 59. Sustainability Report: Employee welfare and wellbeing, page 34. Sustainability Report: Our policies and practices, pages 36 to 37.
	403-8 Workers covered by an occupational health and safety management system	Annual Report and Accounts: Sustainability Review, pages 58 to 59. Sustainability Report: Our policies and practices, pages 36 to 37.
	403-9 Work-related injuries	No reportable incidents took place during the year. Due to the size and type of our business we do not report all data breakdowns.
	403-10 Work-related ill health	No reportable incidents took place during the year. Due to the size and type of our business we do not report all data breakdowns.
Training and education		
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: Inspiring and empowering our people, pages 29 to 34.
	404-3 Percentage of employees receiving regular performance and career development reviews	100% of the team receive regular performance reviews.
Diversity and equal opportunity		
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Report: Inspiring and empowering our people, pages 29 to 34.
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Sustainability Report: Developing our people strategy, pages 30 to 31. Due to the size and type of our business we not report all data breakdowns. Annual Report and Accounts: Board of Directors, pages 80 to 81.
Non-discrimination		
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	No incidents of discrimination were reported in 2022/3 financial year. We have appropriate policies in place for reporting and managing incidents of discrimination.

GLOSSARY

ALL
Acute lymphoblastic leukaemia – a cancer of the bone marrow and blood in which the body makes abnormal white blood cells.

BLA
Biologics License Application.

CAPITAL POOL
Capital pool investments plus cash less other net liabilities.

CELL THERAPY
A therapy which introduces new, healthy cells into a patient's body, to replace those which are diseased or missing.

CLINICAL STAGE
Screened and enrolled first patient into a clinical trial.

COMPANY
Syncona Limited.

D&I
Diversity and inclusion.

GENE THERAPY
A therapy which seeks to modify or manipulate the expression of a gene in order to treat or cure disease.

INVESTMENT MANAGER
Syncona Investment Management Limited.

LATE CLINICAL
Has advanced past Phase II clinical trials.

LEUKAEMIA
Broad term for cancers of the blood cells.

LIFE SCIENCE PORTFOLIO
The underlying investments in this segment are those whose activities focus on actively developing products to deliver transformational treatments to patients.

MELANOMA
A serious form of skin cancer that begins in cells known as melanocytes.

MYELOMA
A type of bone marrow cancer.

NET ASSET VALUE, NET ASSETS OR NAV
Net Asset Value (NAV) is a measure of the value of the Company, being its assets – principally investments made in other companies and cash and cash equivalents held – minus any liabilities.

NSCLC
Non-small cell lung cancer – the most common form of lung cancer.

NZAM
The Net Zero Asset Managers (NZAM) initiative is an international group of asset managers who are committed to supporting the goal of net zero greenhouse gas emissions by 2050 or sooner.

PRE-CLINICAL
Not yet entered clinical trials.

RETURN
A Simple Rate of Return is the method used for return calculations.

SIML
Syncona Investment Management Limited.

SYNCONA GROUP COMPANIES
The Company and its subsidiaries other than those companies within the life science portfolio.

SYNCONA TEAM
The team of SIML, the Company's Investment Manager.

T CELL
A type of lymphocyte white blood cell, which forms part of the immune system and develops from stem cells in the bone marrow.

TCFD
The Task Force on Climate-related Financial Disclosures (TCFD). First published in 2017, the TCFD recommendations act as a framework for assessing the physical and transition risks companies are exposed to from climate change and the transition to a green economy.

THE SYNCONA FOUNDATION
The Foundation distributes funds to a range of charities, principally those involved in the areas of life science and healthcare.

UN PRI
The United Nations (UN) Principles for Responsible Investment (PRI) is a network of investors, who commit to working to promote sustainable investment.

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