SYNCONA

Positive impact.
Together.

ABOUT THIS REPORT

Making a positive impact

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.

Our Sustainability Report 2024 outlines our Sustainability Policy, our approach to responsible investing and how we manage sustainability within the portfolio, and covers our activities for the 2023/4 financial year.

This report covers the activities of Syncona Limited, including its subsidiary and investment manager, Syncona Investment Management Limited (SIML) and its team (the Syncona team).

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 2024.

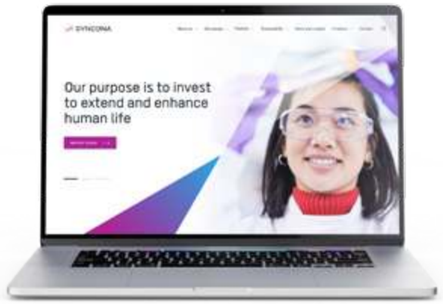
How to use this report

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

READ MORE in this report

FIND OUT MORE in our Annual Report

VIEW MORE online



CONTENTS

1 Introduction

1 About this report
2 At a glance
3 Year in review
4 Sustainability overview
5 SIML Chief Executive Officer's message
6 Our materiality matrix
7 Governance
8 Our approach

10 Our social impact

11 Introducing our patient impact framework
14 Supporting UK life science
15 Syncona's support for charity
16 The Syncona Foundation

18 Responsible investor and partner

19 How we work with our portfolio companies
24 Portfolio overview

26 Inspiring and empowering our people

27 Supporting our people
28 Female representation at senior levels
30 Employee welfare and wellbeing

31 Responsible and ethical business

32 Our policies and practices
34 Managing our environmental impact
35 TCFD reporting

37 Additional information

38 GRI content index
40 Glossary

AT A GLANCE

A strong commitment to sustainability

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, across development stage, modality and therapeutic area, 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 for patients in areas of high unmet need.

We aim to have effective governance, a strong business culture, clear values, and positive engagement with the life sciences ecosystem through our engagement with industry and our support for charity.

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

Why we do it

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

Our team and our portfolio companies are highly motivated by making a difference to the lives of patients and their families.

Our purpose and strategy align with delivering a positive social impact across our portfolio.

Who we do it for

We collaborate with key stakeholders to support our investment process and business model.

- OUR SHAREHOLDERS
- OUR PORTFOLIO COMPANIES
- OUR CO-INVESTORS
- THE SCIENTIFIC RESEARCH COMMUNITY
- PATIENTS
- OUR PEOPLE
- THE LIFE SCIENCES ECOSYSTEM

YEAR IN REVIEW

Our impact in FY2023/4

£4.4m

Donated to charity

Donation of 0.35% of NAV to The Syncona Foundation

READ MORE
Our social impact p10

Obe-cel

Autolus filed a BLA application with the US FDA for approval of its lead therapy

Autolus

READ MORE
Creating, building and scaling Autolus p14

37

Members of the Syncona team

£786.1m

Value of our life science portfolio

Top 10

Firm in the FTSE 250 for appointing women to Board and leadership positions in the FTSE Women Leaders Review, for the second year in a row.

READ MORE
A spotlight on our female leaders – Q&A with Kate Butler and Elisa Petris p28

First submission

To the UN Principles for Responsible Investment (UN PRI)

1st

Net zero target approved by the Net Zero Asset Managers (NZAM) initiative

READ MORE
Responsible and ethical business p31

SUSTAINABILITY OVERVIEW

The key pillars of our Sustainability Policy

A strong commitment to managing our business in a sustainable way.

Our Sustainability Policy outlines our goals and commitment to implementing sustainable and responsible business practices. This is built around four core pillars:

OUR FOUR PILL

OUR SOCIAL IMPACT

We seek to make a positive social impact through extending and enhancing human life.

READ MORE p10

RESPONSIBLE INVESTOR AND PARTNER

We create, build and scale leading life science companies, supporting them through their lifecycle.

READ MORE p18

RESPONSIBLE AND ETHICAL BUSINESS

We aim to ensure that our business operates responsibly and ethically, in line with our values and with clear accountability.

READ MORE p31

INSPIRING AND EMPOWERING OUR PEOPLE

We are differentiated by our people, who are highly motivated by Syncona's purpose and values.

READ MORE p26

SIML CHIEF EXECUTIVE OFFICER'S MESSAGE

Continuing to drive change and impact

Delivering a positive and sustainable impact is at the heart of what we do at Syncona and we are motivated every day by our purpose of investing to extend and enhance human life. It is, therefore, with great pleasure that I report on the latest progress and developments across our sustainability practices.

Over the last three years, we have established a robust and impactful approach to managing sustainability, both at Syncona and across our portfolio, and over the course of this year we have continued to make progress against our four key sustainability pillars.

OUR SOCIAL IMPACT

Supporting our companies as they seek to deliver transformational treatments for patients is fundamental to our social impact and we were delighted to see Autolus, a CAR-T cell therapy company, deliver its Biologics License Application, the regulatory filing needed for approval, for its therapy for the treatment of patients with relapsed/refractory adult B-cell acute lymphoblastic leukaemia. This is an important milestone for Autolus which is the first Syncona co-founded company to progress from an academic setting to this stage. We have also made broader progress in our engagement with the life science ecosystem, specifically around UK Government initiatives and establishing a broader industry presence.

RESPONSIBLE INVESTOR AND PARTNER

In our work with portfolio companies, we have continued to see strong engagement from their leadership teams and reporting of a high standard on key sustainability matters. The natural maturation of the portfolio and increased focus on clinical and late-stage companies has meant that we have added companies to the portfolio that are at a more advanced stage and we have partnered closely with them to engage them on the sustainability matters that are important to us, reflecting our responsibility to influence companies at all stages of the development cycle.

INSPIRING AND EMPOWERING OUR PEOPLE

Evolving our team and embedding a new operating model has been a key strategic undertaking for the Syncona Board and team this year. I am immensely proud of the platform we have established through the changes we have made and look forward to seeing the continued impact this team will have.

A RESPONSIBLE AND ETHICAL BUSINESS

Developing our environmental agenda is an ongoing process and so a key highlight for us this year has been SIML becoming a signatory of the Net Zero Asset Managers (NZAM) initiative. As part of the process, we have published our first interim net zero target, which sets out where in our portfolio we will initially be focusing on reducing emissions for 2030. This is covered in detail later in the report.

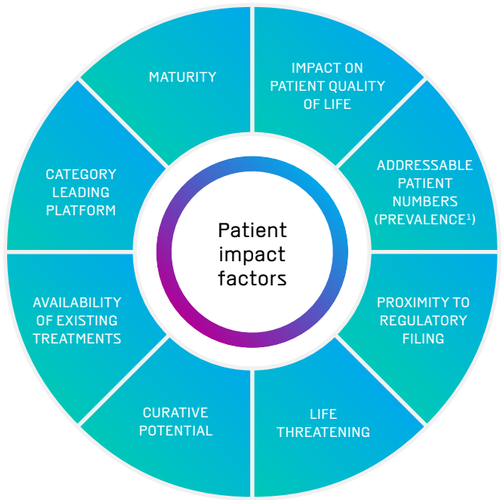
Finally, I would like to take the opportunity to thank all of our stakeholders for their support. We are privileged to have a team who work with such dedication every day to build a sustainable business, portfolio leaders who work collaboratively to develop treatments that have the potential to reach patients, and shareholders who continue to support us and ensure we deliver our vision and strategy in a sustainable way. We are also very proud to be part of a life science ecosystem with a focus on leveraging the world-class scientific research base here in the UK.

We look forward continuing to work with you all to deliver on our purpose and strategy in the years to come.

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

OUR PATIENT IMPACT FRAMEWORK

This year we have introduced our first patient impact framework. This summarises the key patient impact factors that we incorporate within our investment and portfolio management processes.



READ MORE
A focus on delivering a strong patient impact p11

1. The number of existing cases of a disease.

OUR MATERIALITY MATRIX

Our material sustainability issues

Our materiality matrix reflects sustainability issues which are material to Syncona and its portfolio.

In 2021, Syncona published its first sustainability materiality matrix, following a comprehensive process alongside a specialist agency which identified and prioritised the sustainability issues deemed to be most material to Syncona and its portfolio. The assessment followed guidance published by the Global Reporting Initiative (GRI) to assess both the impact of sustainability-related issues on Syncona and its portfolio as well as the importance of sustainability-related issues to the Company's stakeholders. The issues identified then formed the basis of Syncona's Sustainability Policy and Responsible Investment Policy and have allowed us to integrate sustainability into our overall strategy, mitigate business risks and create value for our business and stakeholders.

In FY2023/4, the Syncona team carried out a comprehensive cross-functional project to review the matrix and to ensure it remains reflective of the issues material to Syncona and its portfolio companies. The review also took into account feedback received from external stakeholders, including investors, throughout the time period since the matrix was first developed.

The project has resulted in a number of changes to the position of potential issues on the materiality matrix, as well as the addition of several new issues. The review also resulted in the creation of 'people issues' as a standalone category, to reflect the importance that is placed on supporting both the Syncona team and people within the portfolio. The table and matrix on the right-hand side provide an overview of all sustainability issues which are found on the matrix (including new issues), whilst also showing the direction of any movement of an existing issue.

Movements on the register have predominantly been driven by an increased impact due to the growing maturity of the Syncona portfolio (both in size and clinical development stage), along with any increase in stakeholder concern around individual issues. The Syncona team will be conducting a review in FY2024/5 of the updated materiality matrix against ongoing business processes and sustainability practices to ensure that our Sustainability Policy, Responsible Investment Policy and business processes reflect movements or additions to the matrix.

Identifying our material issues

COVERAGE SCOPE

The issues within the materiality matrix relate to Syncona and its portfolio, as well as issues identified at its investment manager, SIML.

	Principal issues	New risk
ENVIRONMENTAL ISSUES		
1	Environmental impacts and disclosure	—
2	Pandemics	—
SECTOR AND SOCIAL ISSUES		
3	Community investment and engagement	—
4	Health system resilience	NEW
5	Animal welfare	—
6	Access to healthcare	—
7	Clinical trials	—
8	Product quality and safety	—
9	Health and safety	—
GOVERNANCE ISSUES		
10	Data privacy	—
11	Responsible procurement	—
12	Risk management	NEW
13	Ethics and compliance	—
14	Quality of Board oversight	NEW
PEOPLE ISSUES		
15	Diversity and inclusion (D&I)	NEW
16	Culture	NEW
17	Talent attraction and retention	—

GOVERNANCE

Our governance framework for sustainability

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

MELANIE GEE
Chair, Syncona Limited

The Board of Syncona Limited 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, whilst also understanding that this is a key priority for our stakeholders. 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 and associated frameworks to manage and mitigate such risks, including those relating to sustainability.

The Syncona team implements strategy on a day-to-day basis, with this extending to the implementation of the Sustainability Policy and Responsible Investment Policy. Sustainability training and guidance is provided to all members of the Syncona team. It is their responsibility to support 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 performance reviews for the Syncona team, which informs decisions on remuneration. It also forms part of the overall corporate goals for the Company for the year.

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

Reports to on a biannual basis

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 an annual basis

SYNCONA TEAM

LEADERSHIP TEAM

- Overall responsibility for implementation of Sustainability Policy
- Manages integration of Syncona approach to sustainability across portfolio
- Head of Corporate Affairs is designated Leadership Team lead for sustainability

INVESTMENT COMMITTEE

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

SUSTAINABILITY COMMITTEE

- Advises on and 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 to sustainability

OUR APPROACH

A commitment to best practice reporting

Mapping our sustainability reporting to internationally recognised reporting frameworks.

Syncona is committed to taking a best practice approach to its sustainability reporting, aligning with well-known frameworks and standards which help to ensure that our reporting is easily accessible and relevant for our stakeholders. We take an active approach to reviewing upcoming changes in sustainability reporting guidance and engage with our shareholders to ensure that we understand which frameworks align with their own processes.

Mapping our Sustainability Policy to the UN SDGs

The UN's 17 Sustainable Development Goals (SDGs), adopted by member states in 2015, represent a broad set of goals which target the end of poverty, the protection of the planet and increased peace and prosperity by 2030. We have prioritised four SDGs that align most closely with our business priorities and our sustainability approach.

VIEW MORE
sdgs.un.org/goals

GOAL 13:	TARGET	SYNCONA'S IMPACT
Take urgent action to combat climate change and its impacts	**13.3** – Improve education, awareness raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction, and early warning.	Syncona is committed to working alongside its portfolio companies to limit their impact on the environment, recognising that climate change represents a systemic risk to global economies. Syncona aspires to be net zero across its value chain by 2050 and has now published its first interim net zero target for 2030 through the NZAM initiative[1] (see further detail on page 34).

GOAL 3:	TARGET	SYNCONA'S IMPACT
Ensure healthy lives and promote wellbeing for all ages	**3.4** – Reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and wellbeing.	Across Syncona's portfolio there are currently 19 clinical trials being progressed across 12 diseases. The treatments being developed have the potential to protect and improve the quality of patients' lives, as well as providing treatments in areas where there may be no or poor treatment options.

GOAL 9:	TARGET	SYNCONA'S IMPACT
Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation	**9.5** – Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending.	Syncona portfolio companies drive innovation in the UK and overseas through their investment in high quality research and development, employing over 1,000 people globally. From driving clinical trials through the development process through to building next-generation manufacturing processes, our portfolio is at the forefront of scientific and technological discovery.

GOAL 8:	TARGET	SYNCONA'S IMPACT
Promote sustained, inclusive and sustainable economic growth	**8.2** – Achieve higher levels of productivity of economies through diversification, technological upgrading and innovation, including through a focus on high value added and labour-intensive sectors.	Syncona and its portfolio companies are a core part of their local life sciences ecosystems. The life sciences sector is an important engine of growth for the global economy, providing high-skilled employment, high-tech investment and helping to address productivity challenges. Over 200 people have been hired into the Syncona portfolio during the year, underlining the economic impact of our companies.

1. Please refer to our glossary for how we define our net zero aspiration. Syncona is signed up to the NZAM initiative through its investment manager, SIML.

OUR APPROACH CONTINUED

Aligning with industry leading frameworks and standards

Syncona has reported using the GRI standards since

2021

Syncona carried out a comprehensive climate scenario analysis in

FY2021/2

Syncona submitted its first questionnaire to the PRI in

FY2023/4

A focus on climate risks and opportunities

The Task Force on Climate-related Financial Disclosures (TCFD) is the principal global framework for assessing the risks and opportunities that are relevant to a company from climate change. Syncona is committed to incorporating climate risk analysis into its overall risk management framework and carried out a comprehensive climate scenario analysis in FY2021/2. Since this time, the Syncona team has re-visited the findings of this analysis on an annual basis to determine whether they remain accurate given the evolution of the portfolio. The conclusion of this year's review has been that the identified risks and opportunities, along with their level of impact, remain unchanged. Syncona also understands that the UK Government intends to integrate TCFD into International Sustainability Standards Board (ISSB) standards. It is our intention to review the related guidance from the government once this is available, and to consider whether any consequential changes to our sustainability approach will be required.

Supporting our stakeholders in navigating our sustainability reporting

The GRI Standards are generally seen as the most widely adopted global standards for sustainability reporting. They take an index-based approach which enables reporting companies to more easily direct stakeholders to their key sustainability priorities and metrics. Syncona has reported using the GRI standards since 2021.

READ MORE
GRI disclosure p38

Our role as a responsible investor

The UN Principles for Responsible Investment (UN PRI) is the world's leading international network of aligned investors committed to the principles of responsible investment. Syncona submitted its first questionnaire to the PRI in FY2023/4 and remains committed to reporting to the PRI on an annual basis[1].

READ MORE
Responsible investor and partner p18

Developing and publishing our first net zero target

Post-period end Syncona had its first net zero target accepted by the NZAM initiative. This initiative was launched in 2020 with its signatories now representing over $57 trillion in assets under management. Publishing a target in line with the requirements of NZAM supports Syncona's long-term aspiration to be net zero across our full value chain by 2050 and provides our stakeholders with an interim net zero target for our portfolio for 2030[1].

READ MORE
Managing our environmental impact p34

1. Syncona is signed up to the UN PRI and NZAM initiatives through its investment manager, SIML. Please refer to our glossary for how we define our net zero aspiration.

KEY HIGHLIGHTS

FY2023/4 SUSTAINABILITY FOCUS

- Support Autolus as it progresses its lead obe-cel therapy to a BLA filing, and Beacon as it progresses AGTC-501 to a registrational trial[1]
- Donation of 0.35% of NAV to The Syncona Foundation
- Increase engagement with broader UK life science community in order to support the sector

PROGRESS IN THE YEAR

- Autolus BLA filing for its lead obe-cel therapy as it approaches planned commercialisation
- 0.35% donation to The Syncona Foundation
- Launch of patient impact framework
- Increased engagement with life sciences ecosystem

FY2024/5 PRIORITIES

- → Establish and integrate patient impact framework into business processes
- → Further embed position within the life sciences ecosystem

1. The UK's MHRA and the EU's EMA have accepted the VISTA study design as being pivotal.

INTRODUCING OUR PATIENT IMPACT FRAMEWORK

A focus on delivering a strong patient impact

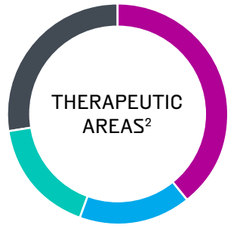
Delivering strong patient impact is critical to Syncona's strategy of building companies that can develop transformational treatments for patients in areas of high unmet need. The positive impact a therapy can have on patients is integrated into our investment process and the ongoing management of our portfolio.

Syncona's model is aligned with delivering a strong patient impact for patients. Our portfolio is diversified across development stage, modality and therapeutic area with our clinical-stage companies currently developing therapies with the potential to address 12 diseases. The potential to deliver a strong patient impact is a key consideration within our investment process and also forms part of our active management of portfolio companies. This includes our sustainability strategy, with Syncona's Responsible Investment Policy incorporating Syncona's expectations for managing medical research and clinical trials within the portfolio.

As we deliver against our strategy and long-term targets, we anticipate that our portfolio will both grow and mature, increasing Syncona's overall patient impact. This alignment of our strategy with patient outcomes supports our overall social impact, and our key role within the life sciences ecosystem.

Moving towards the market	36%
Moving towards definitive data	30%
Moving towards emerging efficacy data	31%
Moving towards operational build	3%

1. By value.



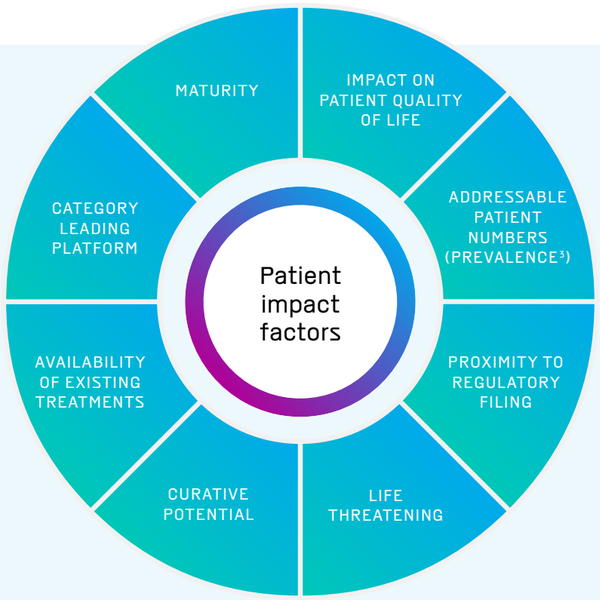
Oncology	39%
Ophthalmology	16%
Autoimmune/inflammation	17%
Metabolic	27%

2. Based on lead programme of clinical-stage companies. By value.

OUR PATIENT IMPACT FRAMEWORK

Patient impact is a core part of our investment and portfolio management processes.

Syncona's strategy is to create, build and scale companies around exceptional science, to deliver transformational treatments for patients in areas of high unmet need. We focus on developing treatments for patients by working in close partnership with world-class academic founders and management teams. Our patient impact framework outlines the key patient impact factors we assess when we are considering an investment opportunity.



We believe that this framework provides a tool which can be used by our stakeholders to understand the overall impact our portfolio can have on patients suffering from devastating diseases, whilst also providing a clear structure which can be used for monitoring progress across the Syncona portfolio.

3. The number of existing cases of a disease.

Applying our framework

Our patient impact framework has been developed to apply to companies across our investment strategy. We expect there will be some variation in the application of the framework across investment opportunities and existing companies, where there is broad diversification across therapeutic area and development stage.

Our framework provides clear criteria against which the investment team can assess potential opportunities. This will be implemented through the integration of the framework into investment memos, as well as due diligence for later-stage opportunities.

Our framework also supports our approach to integrating patient impact into our ongoing management of the portfolio. As our portfolio companies continue on their developmental pathways, we work alongside management teams to refine clinical and pipeline strategies. This means that through time the application of the framework to an individual company may change. This will be integrated throughout our standard cycle of monitoring progress at companies. The framework will also be integrated into our standard cycle of reporting to the Syncona Board.

Through time, we intend to use our framework to provide reporting to our stakeholders so that they can quantify the overall patient impact of the Syncona portfolio. The full integration of the framework across our investment and portfolio management processes is a key priority for Syncona in FY2024/5.

INTRODUCING OUR PATIENT IMPACT FRAMEWORK CONTINUED

Applying our patient impact framework

Our patient impact framework will be integrated into our investment and portfolio management processes.

The table on the right-hand side of the page outlines the criteria we will use to assess the potential patient impact of a therapy. The analysis carried out will be based on the lead pre-clinical or clinical programme for each company. All of our patient impact factors will be graded on a score of 1 to 3, aggregated, and then weighted to reflect the company's relative size within our portfolio to produce an overall patient impact score for a company.

The definitions and criteria for grading patient impact factors have been developed alongside our investment team to take into account industry best practice approaches, as well as our own existing priorities for assessing the potential impact of therapies. Each assessment of a company against these criteria will be reviewed by the full investment team, with the scores of existing companies subject to a review by the investment team on at least an annual basis.

Moving forward we intend to develop an overall portfolio impact score which will aggregate all patient impact scores across our portfolio. This will allow us to provide our stakeholders with an accurate weighting of Syncona's overall impact on patients.

350+

Patients dosed in clinical trials across the current strategic portfolio[1] since first investment

90+

Patients dosed in clinical trials in the year

1. See p40 of our glossary for definition of strategic portfolio.

Making a positive impact across the portfolio

INVESTMENT CONSIDERATION	DEFINITION	GRADE 1	GRADE 2	GRADE 3
Impact on patient quality of life	Measures the improvement in quality of life conferred to the patient, as inferred by measures including Quality of Life (QoL) score	Low	Medium	High
Addressable patient numbers (prevalence)	Measures the total patient population in a disease area being targeted by a therapy	<20,000	20,000-500,000	>500,000
Proximity to regulatory filing	The clinical development stage of a therapy, measured by years to Biologics License Application (BLA) or equivalent	>6 years	3-6 years	<3 years
Life threatening	Extent to which the disease can threaten the life of a patient	Modest impact	High impact	Life threatening
Curative potential	Extent to which a therapy has the potential to cure a patient	Significant symptom relief	Disease stabilisation or significant change in progression	Disease cure
Availability of existing treatments	Measures the availability of alternative treatment options for the specific disease area	Available and effective treatment options	Available but poor treatment options	No existing treatments
Category leading platform	Extent to which the company has developed a world-class technology platform which cannot be replicated	Low platform potential	Strong platform potential	Leading platform potential
Maturity	Assessment of the maturity of a company, measured through several factors with an increased weighting for companies at a later stage. Inputs include, but are not limited to: – Scientific provenance – Emerging data from lead asset – Syndicate of investors – Build out of an experienced executive team – Operations capable of delivering registrational studies	Nascent (0-1 out of 5)	Substantial (2-4 out of 5)	Complete (5 out of 5)

Patient impact in action

PATIENT IMPACT IN ACTION

SPUR

A clinical-stage biotechnology company focused on developing transformative gene therapies for chronic debilitating diseases.

VIEW MORE
spurtherapeutics.com

A leading gene therapy pipeline

During the year, Syncona took advantage of the challenging market conditions in biotech and completed the take-private of its portfolio company Freeline. This allowed Syncona to fully acquire a company developing a treatment in Gaucher disease, a lysosomal storage disorder which affects multiple organs, leading to a wide range of symptoms and shortening life span. Post-period end, we announced that Freeline had completed the acquisition of Syncona portfolio company SwanBio, creating a new company, Spur. This added to Freeline's existing pipeline SwanBio's lead clinical programme in adrenomyeloneuropathy (AMN), a devastating central nervous system (CNS) disorder. This has created a consolidated adeno-associated virus (AAV) gene therapy pipeline driving forward two potentially first-in-class gene therapy assets towards late-stage development.

Spur's lead FLT201 programme in Gaucher disease has delivered strong data to date which supports the efficacy and safety profile of the drug, and its potential impact for patients.

> Our mission at Spur is to redefine what gene therapy can do."
>
> MICHAEL PARINI
> CEO of Spur Therapeutics

How we can map FLT201 to our patient impact framework

IMPACT ON PATIENT QUALITY OF LIFE

After 10+ years on ERT[1], up to

60%

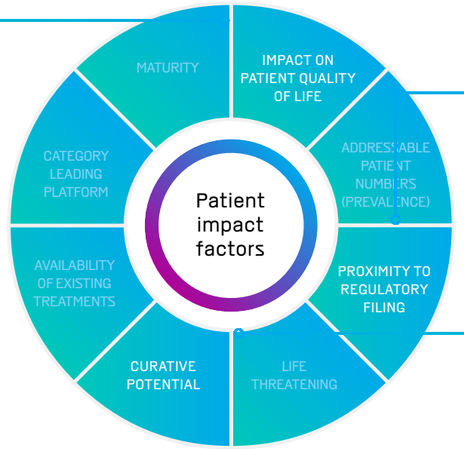
Still experience symptoms, including bone pain, lung dysfunction, enlarged organs, fatigue and low platelet counts

1 in 3

Report increased stress, anxiety about the future and fear of missing infusions

1 in 3

Report treatment restricts choices about education, work and leisure activities



PROXIMITY TO REGULATORY FILING

- Spur is expected to enter a Phase III pivotal trial for FLT201 in CY2025

CURATIVE POTENTIAL

- Data released post-period end underlines the strong efficacy profile of FLT201, as well as a well-tolerated safety profile

1. Enzyme Replacement Therapy (ERT) is the current standard of care for patients suffering from Gaucher disease.

SUPPORTING UK LIFE SCIENCE

Building global leaders and an ambitious life sciences ecosystem

LEVERAGING THE UK'S SCIENTIFIC RESEARCH COMMUNITY

The UK is and always has been home to world-class science. Four of the world's top 10 life sciences and medicine universities are in this country[1], and the environment consistently delivers ideas which have the potential to translate into viable commercial products that can address devastating diseases. The issue historically, however, has been the challenges of accessing the risk capital required to scale cutting-edge research into globally leading companies that can represent and inspire the UK ecosystem. Syncona is committed to addressing this.

We focus on developing treatments for patients by working in partnership with world-class academic founders and management teams. Through our close partnerships we have founded biotech companies from several leading UK universities, such as Autolus, which spun-out from University College London (UCL). We have also built strong relationships with experts who are leaders in their field, such as ophthalmologist Robert MacLaren, who we have collaborated alongside at Nightstar, Gyroscope and now Beacon. These relationships help to support Syncona's role within the UK's life science ecosystem whilst providing us with a pipeline to enable our strategy.

BUILDING A SUSTAINABLE LIFE SCIENCE ECOSYSTEM

Since 2012, Syncona has been a key part of changing the landscape for ambitious life science company creation in the UK. As a direct consequence of Syncona's actions many potential therapies have been taken from the academic bench into the clinic on an industrial and scalable footing. Our model of building companies with ambition, funding them at scale and focusing them on product development has provided founders with a partner who can provide the necessary support across the company lifecycle.

Whilst Syncona has helped to fill the gap, the challenge of accessing risk capital at the appropriate scale remains for UK biotech and this often results in companies seeking funding elsewhere, generally from the US. As a champion of the UK ecosystem, we welcome this outside investment but want to see a more supportive domestic environment for companies in the growth and scale up phase. We are therefore highly supportive of the aims of the Mansion House reforms, which seek to increase investment from UK pension funds into high growth sectors. We continue to engage with the relevant parties as these commitments move towards tangible proposals to provide the scale-up capital that will support the future growth of the UK's biotech industry.

> We are proud to play a significant role within the UK's life sciences ecosystem. We believe that a strong base exists to build leading life sciences companies in the UK and we have helped to demonstrate this since being founded in 2012."
>
> **CHRIS HOLLOWOOD**
> Chief Executive Officer, SIML

ACTIVELY SHAPING THE SECTOR

This is just one example of our commitment to engaging with stakeholders across the industry to support and shape its development. We actively work with the UK Government, industry participants, life science property developers, charities and regulators, to continue to enable and enhance the creation and progressive scaling of a dynamic biotech cluster in which the companies we build can thrive. We are also an active member of the BioIndustry Association (BIA) and members of the Syncona team sit on both its Cell and Gene Therapy Advisory Committee (CTAC) and Finance and Tax Advisory Committee (FTAC).

We recognise that we have a role to play in supporting various initiatives which can help to support the biotech sector and over the last year this has been reflected in our increased engagement with stakeholders across the life sciences ecosystem.

1. https://www.topuniversities.com/university-subject-rankings/life-sciences-medicine.

SPOTLIGHT

Autolus

From initial funding to planned commercial launch.

CREATE: Autolus was founded on advanced cell programming technology pioneered by Dr Martin Pule and was spun-out from University College London in 2014 with a £30 million Series A investment from Syncona.

BUILD: From 2014 Syncona supported the company as it expanded its team, progressed through pre-clinical studies to enter the clinic in 2016, listed on NASDAQ in 2018 and initiated its pivotal trial for obe-cel in 2020.

SCALE: Syncona's Executive Partner group has worked closely with Autolus on the commercial strategy for the company's planned commercial launch of its lead programme, obe-cel, in the second half of 2024.[2]

H2 2024 PLANNED COMMERCIAL LAUNCH OF OBE-CEL[2]	
Opened UK cell therapy manufacturing facility	2023
Initiation of pivotal clinical trial of obe-cel in adult ALL	2020
Autolus listed on NASDAQ	2018
First patient dosed with obe-cel in adult ALL	2016
Company spun-out from UCL with £30m investment from Syncona	2014

£30m
Series A investment in 2014 from Syncona

2. Subject to regulatory approval.

SYNCONA'S SUPPORT FOR CHARITY

Partnerships which drive impact

Syncona has a strong relationship with its charitable and not-for-profit partners. These organisations strive to make a difference through the work that they carry out and we are proud to support organisations which align with our purpose and values.

Syncona's largest charitable partner is The Syncona Foundation, which has a vision and purpose aligned with our own. You can read more about the work of The Syncona Foundation on page 16.

Syncona also works alongside other organisations which are committed to developing and supporting the next generation of life science investors. In particular, Syncona has prioritised working alongside organisations such as the Windsor Fellowship and Bio-spark.

4

Not-for-profit and charitable partners

READ MORE
Go to p29 for more information on Syncona's partnership with Level 20, a not-for-profit organisation founded with the aim of improving gender diversity in the private equity industry

Windsor Fellowship

The Windsor Fellowship assists young people to maximise their education and employment opportunities regardless of race, religion or background as they pursue academic journeys within science, technology, engineering, and mathematics (STEM). In supporting the programme Syncona has welcomed three Windsor Fellows to Syncona, all of whom have joined Syncona for a six-month placement after their third year as a PhD candidate. This year we were delighted to welcome Alessio D'Addabbo as a full-time member to the Syncona team following completion of his placement as a Windsor Fellow. In addition to our Windsor Fellow interns, we are also currently sponsoring an additional two Windsor Fellows through their PhDs in STEM subjects.

3

Windsor Fellow interns to date

Bio-spark

Bio-spark is an entrepreneurial programme that provides support for early-stage scientists in exploring innovation and translation beyond academia. Through the programme Syncona provides mentorship for exceptional young scientists engaged in a PhD or in Postdoctoral research as they address a series of challenges set by sponsors, including Syncona.

Syncona is currently in its second annual cycle of sponsoring the programme, which gives participants the opportunity to sample different company environments and equips them with a unique set of tools to progress in business. It also allows Syncona to engage with some of the top young scientific talent in the country, with our first Syncona Fellow, Ellis Kelly, previously a participant in the programme.

9

Bio-spark programme fellows over the last two years

THE SYNCONA FOUNDATION

Supporting The Syncona Foundation

Since 2012 The Syncona Foundation has provided vital funding to charities which are dedicated to the prevention, cure and eradication of cancer and other diseases, as well as other charitable activities.

For the 30 charities it supports, The Syncona Foundation provides organisations with the flexibility to allocate the resources to where they believe the funds will have the most significant impact. This year Syncona will donate £4.4 million to The Syncona Foundation.

Throughout the year the Foundation actively engages with the charities it supports. Organisations are given an opportunity to present to the Foundation and the Syncona team each quarter, enabling the wider team to see the direct impact Syncona's donations have had on individual charities. These presentations are also attended by members of the Syncona Board, underlining their support for, and interest in, the activities of the Foundation.

The charities which the Foundation supports are kept under review by the Trustees to ensure that their ambitions for these charities remain aligned with the Foundation's objectives, which are, in turn, aligned with Syncona's core purpose.

£4.4m

Donated to charity

Update from the Chair of the Trustees

MEET THE TEAM:

Tom Henderson
Chair of Trustees

James Maltin
Board of Trustees

Lucie Kitchener
Board of Trustees

Nigel Keen
Board of Trustees

Rupert Adams
Board of Trustees

Eleanor Hickling
Foundation Secretary

Fenella Dernie
Finance Manager

I am pleased to share an update on The Syncona Foundation and to highlight a few of the achievements over the past year by the charities we support.

In 2024 we expect to reach an important milestone: since our inception in 2012 we will have provided over £50 million of funding to the charities which we support. Many of the charities have been on the roster since the inception of the Foundation and we are proud of the long-term nature of the relationships that we have built with these charities.

We have a clear strategy where we carefully select a diverse mix of world-renowned charities and smaller, lesser-known organisations. This ensures that our donations are directed not only towards established institutions that are leaders in their respective fields, such as Alzheimer's Research UK (ARUK, see case study on page 17), the Institute of Cancer Research (ICR) and the Royal Marsden Hospital, but also towards smaller, ambitious, fast-growing and expertly managed charities with a clear vision and sense of purpose. One such charity is Cure Leukaemia, an organisation helping to bring pioneering drug treatments to those with blood cancer across the UK. The charity had one centre in Birmingham when we started funding them in 2016; they now have 15 centres across the UK. James' Place continues to do remarkable work with suicidal men and has recently opened its third site, this time in Newcastle, and The Listening Place is opening its fourth site in London. By employing this balanced approach, we aim to maximise the impact of our contributions and address a diverse range of pressing needs.

The impact of our donations is tangible and far-reaching. This can be seen through the work of charities such as the David Nott Foundation, for whom The Syncona Foundation is one of their largest funders. Our funding helps them to deliver their gold standard of surgical training in regions of conflict, including in the current conflict in Ukraine. The charity has trained 54 surgeons in Ukraine, equipping them with the skills to perform and operate in a difficult environment. Such is the quality of training by the David Nott Foundation that they have been asked by the Ministry of Health in Ukraine to train all their trauma surgeons. This underlines the deep impact of our funding.

In addition to our ongoing commitments, I am pleased to say that we have also welcomed three new charities onto our roster over the last year: UCL Biobank, NMITE and Breast Cancer Now. All these organisations do incredibly important work which will help to contribute to the broader impact of the Foundation, and we look forward to working alongside them.

£50m

Funding to charities expected to be reached in 2024

I would like to finish by extending my heartfelt thanks to the Trustees of The Syncona Foundation, as well as to the Board and the Syncona team, who support the Foundation and all that we do. Together we have supported some remarkable charities and touched countless lives through the funding we provide; we are committed to continuing this into the future.

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

The impact of Alzheimer's Research UK

Alzheimer's Research UK (ARUK) is the leading charitable funder of dementia research in the UK, and our mission is to accelerate progress towards a cure. For us, a cure means creating a world where dementia can either be overcome through better diagnosis and lifesaving treatments, or avoided altogether through effective prevention.

To achieve our mission, we are:

- Investing in world-leading drug discovery efforts to improve the way we treat dementia,
- Advancing novel techniques to diagnose dementia earlier and more accurately, and,
- Investigating modifiable risk factors to discover how we may prevent dementia from taking hold in the brain.

ARUK has been fortunate to benefit from the long-term support of The Syncona Foundation, which has provided more than £1 million in funding since its first donation in 2013.

With dementia research moving at a pace never seen before, ARUK won't stop until we reach a world that is free from the heartbreak of dementia.

£210m

Amount invested in groundbreaking research since ARUK was founded in 1992

1m

Approximate number of people living with dementia in the UK

Q&A

with Sheona Scales, Director of Research at ARUK

Q

TELL US ABOUT THE CURRENT DEMENTIA RESEARCH LANDSCAPE

With the first ever treatments for early-stage Alzheimer's disease emerging from clinical trials, there is huge optimism in the field of dementia research. However, this is just the beginning. New treatments will only work for a select group of people and slow the disease during the very early stages. We are striving to provide life-changing therapeutics for all of the diseases that cause dementia and to one day find a cure.

Q

HOW WILL ARUK WORK TO BRING ABOUT A CURE?

Within the next decade, we hope people with dementia will be able to access new life-changing treatments, and benefit from an earlier, more accurate diagnosis. To achieve this, we are investing in world-leading research to revolutionise the way dementia is treated, diagnosed and prevented.

Our pioneering Drug Discovery Alliance is driving the search for new treatments, bridging the gap between academia and industry so that cutting-edge discoveries in the lab can be accelerated towards promising new treatments.

We are so proud of the impact our work has already had in the field, including identifying the TREM2 Alzheimer's risk gene, which opened the door to a new area of science – the involvement of the brain's immune cells in the development of Alzheimer's – which, in turn, has led to 22 experimental dementia drugs in development.

Q

WHAT IS NEEDED TO UNLOCK PROGRESS IN DEMENTIA RESEARCH?

Advancing breakthroughs in complex diseases like Alzheimer's requires significant time and expertise. That is why the support of The Syncona Foundation has played such a pivotal role in bringing about much-needed progress. With generous and unrestricted support, the Foundation has enabled us to invest wherever the need has been greatest. As we stand on this tipping point for dementia research, we cannot thank The Syncona Foundation enough for their phenomenal support to date.

KEY HIGHLIGHTS

FY2023/4 SUSTAINABILITY FOCUS

- Provide first submission to the UN PRI
- Full integration of responsible investment approach into new company launch process
- Improve sustainability reporting from portfolio companies against FY2022/3 levels
- Implement updated Responsible Investment Policy in management of capital pool and other life science investments

PROGRESS IN THE YEAR

- Submitted first UN PRI questionnaire
- Successful integration of sustainability into launch team processes
- Increase in carbon emissions data gathered across the strategic portfolio
- Rolled out increased monitoring for sustainability within the capital pool

FY2024/5 PRIORITIES

- → Implement improvements to reporting based on outputs of UN PRI questionnaire
- → Roll-out NZAM net zero target within the Syncona portfolio

HOW WE WORK WITH OUR PORTFOLIO COMPANIES

An ongoing commitment to responsible investment

Syncona continues to see progress across its portfolio as companies show their commitment to sustainability.

We continue to prioritise engagement on key sustainability issues across our strategic portfolio of 13 companies. Sustainability is embedded across our business model and ongoing interactions with our portfolio companies. This remains an important part of Syncona's management of the portfolio and ensures that our companies are positioned for long-term success.

RESPONSIBLE INVESTMENT PROCESS

Sustainability is integrated into our initial screen of investments, investment memos and deal terms, with the aim of setting the right culture, values and expectations for sustainability at the beginning of the investment process. This is consistent across all investments within our strategic portfolio, from those which are at an earlier stage through to later-stage, clinical opportunities. Throughout the recent challenging market environment for biotech, Syncona has been active in identifying clinical-stage assets with the potential to drive growth. The Syncona team has therefore prioritised developing and rolling out due diligence materials for these assets during the year which align with the priority areas set out within Syncona's Responsible Investment Policy.

Syncona is also committed to embedding sustainability within the management of its capital pool, which includes certain externally managed mandates or funds, with increased monitoring for these assets against our sustainability priorities implemented during the year.

SUSTAINABILITY A KEY PART OF ACTIVE PORTFOLIO MANAGEMENT

Syncona is committed to partnering with portfolio companies as they integrate sustainability into their ongoing operations. As our portfolio companies mature and increase their alignment with the pillars of Syncona's Responsible Investment Policy, Syncona makes efforts to identify key areas for improvement in their reporting. We do not take a one-size-fits-all approach to engagement and take into account factors such as the relative size and stage in development of a company when identifying priority areas for improvement.

We are pleased with the progress our portfolio companies have made with their sustainability reporting since the introduction of our Responsible Investment Policy in 2021. This has continued during the year across a number of areas, which are covered in more detail on the following pages.

READ MORE
p24

SYNCONA'S REPORTING TO THE UN PRI[1]

During the year Syncona submitted its first questionnaire to the UN PRI. This enabled Syncona to provide reporting on how it integrates responsible investment into the key asset classes within which it invests, with this being primarily private and listed equity. We are pleased with the results of our first year of reporting, which have reinforced the strong responsible investment framework we have in place. Areas for improvement in processes have been identified following the completion of the reporting cycle, with these being incorporated into our sustainability priorities moving forward. Syncona is committed to continuing to report to the UN PRI on an annual basis and expects its first public reporting to be available in FY2024/5.

VIEW MORE
about our approach to responsible investment in our Responsible Investment Policy, available on our website at www.synconaltd.com/sustainability/sustainability-policies

1. Syncona is signed up to the UN PRI through its investment manager, SIML.

HOW WE WORK WITH OUR PORTFOLIO COMPANIES CONTINUED

A focus on embedding responsible investment across our portfolio

A robust sustainability reporting framework

All of Syncona's strategic portfolio companies are provided with Syncona's Responsible Investment Policy and focus areas. The six pillars of our Responsible Investment Policy incorporate priority areas that we believe are important to ensure our portfolio companies are integrating into their operations.

Ongoing monitoring against progress is conducted by the investment team alongside members of the Sustainability Committee. This includes an annual in-depth review where progress is tracked and areas for improvement identified.

Internal reporting on sustainability issues

During the year the Syncona team undertook a project to refresh its Quarterly Business Review process. This included a focus on providing a consistent approach to tracking progress across portfolio companies and identifying key actions to help to support value creation. Progress on key sustainability issues is now monitored on a quarterly basis by the investment team, an increase from the previous cadence of bi-annual reviews.

1. Compliance and governance

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

13

New compliance and governance policies introduced across the portfolio

100%

Companies with an anti-fraud, bribery and corruption policy

SPOTLIGHT

Kesmalea THERAPEUTICS

Kesmalea is a pre-clinical stage portfolio company which Syncona invested in through a £25 million Series A financing.

As part of its launch process, Kesmalea's management team has shown a strong commitment to building a robust set of compliance and governance policies. During the year seven compliance and governance policies were approved by the Board meaning that the company now has a complete set of policies across Syncona's priority areas and a robust framework in place.

FOUNDED
2020

FOUNDER
Harry Finch

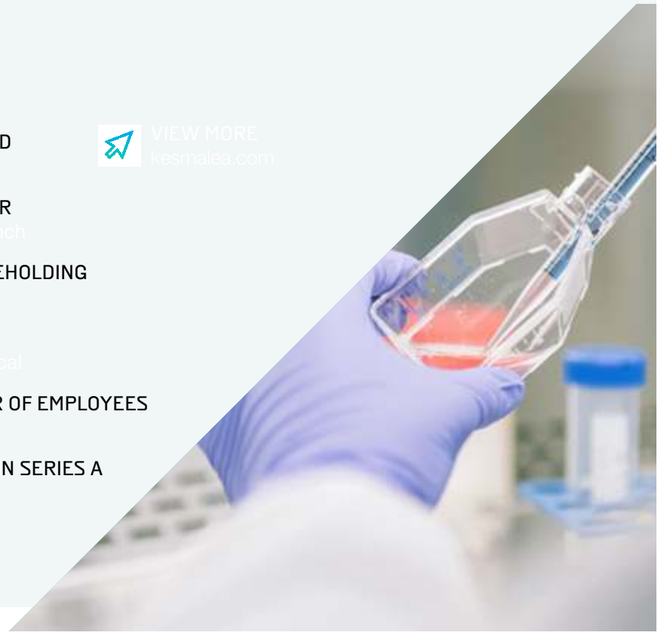
% SHAREHOLDING
62%

STAGE
Pre-clinical

NUMBER OF EMPLOYEES
10

RAISED IN SERIES A
£25m

VIEW MORE
kesmalea.com



2. Access to medicines

Syncona is committed to broadening 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

1

Additional portfolio CEO signed up to the European Biotech Social Pact or US equivalent, bringing the total number of signatories across our portfolio to four

SPOTLIGHT

Autolus

Autolus is a late-stage clinical company which during the year filed a Biologics License Application (BLA) with the US Food and Drug Administration (FDA) for its lead therapy obe-cel in relapsed /refractory (r/r) adult acute lymphoblastic leukaemia (ALL).

The Autolus team has been preparing its commercial strategy for the launch of obe-cel, where a decision on approval is expected from the FDA in November 2024. As part of this process the team has completed a health economic analysis (or cost effectiveness model) to help to determine the appropriate launch price for the therapy.

FOUNDED
2014

CEO
Christian Itin

% SHAREHOLDING
13%

STAGE
Late-stage clinical

NUMBER OF EMPLOYEES
500

LISTING
NASDAQ
(June 2018)

VIEW MORE
autolus.com

Anaveon's approach to sustainability

ANAVEON

Anaveon is a pre-clinical company which is developing its lead ANV600 therapy as a targeted therapeutic for cancer. Syncona led the Series A financing in Anaveon in 2019, alongside the Novartis Venture Fund. Since this time the Syncona team has worked closely alongside the company to build a strong sustainability reporting framework. The case study below provides an overview of Anaveon's commitment to sustainability, key progress this year and future priority areas.

Sustainability factors have become increasingly important for businesses aiming to create a positive impact on society. Anaveon has prioritised integrating sustainability practices into its day-to-day business, with this including a number of achievements over the past year.

SUSTAINABILITY AS A BUSINESS FOCUS

Anaveon's focus on sustainability stems from a belief that the company's long-term success is closely linked to its ability to operate sustainably and ethically. The company understands that its stakeholders, including investors, employees, contractors, and patients, expect high standards in terms of environmental responsibility, social equity, and corporate governance. By focusing on sustainability, Anaveon aims to foster trust, drive innovation, and contribute to a healthier world.

VIEW MORE
anaveon.com

A COMPREHENSIVE FRAMEWORK FOR MANAGING SUSTAINABILITY

Anaveon has established a comprehensive framework for managing sustainability. The company's Sustainability Committee, comprising employees from various departments, oversees the implementation of sustainability policies and initiatives. The Committee ensures that all members of the organisation are aligned with Anaveon's sustainability goals and that progress is regularly monitored and reported. Employees receive periodic training on sustainability-related topics, reinforcing the importance of these principles in everyday business operations. Anaveon has established and maintains a robust system for tracking and reporting various sustainability metrics including in the collection of company-wide CO_2 emissions data, allowing for transparency and continuous improvement.

HIGHLIGHTS FROM THE YEAR

The past year has been particularly successful for Anaveon in terms of sustainability initiatives.

Among the highlights have been:

- Ethical Procurement Policy: Anaveon implemented an Ethical Procurement Policy, ensuring that its suppliers and partners adhere to high ethical standards. This policy includes guidelines on fair labour practices, environmental sustainability, and conscious purchasing. By selecting its supply chain to meet these standards, Anaveon aims to promote responsible business practices throughout its ecosystem.
- Diversity training: Recognising the importance of D&I in a start-up environment, Anaveon conducted comprehensive diversity training for its employees. This training aimed to foster a more inclusive workplace, highlighted the importance of inclusive language and gave hands-on guidance on how to create scientific presentations for a visually impaired audience.

FUTURE PRIORITIES

Looking ahead, Anaveon plans to continue its focus on sustainability and in particular is looking to increase its engagement with its local community on environmental issues. The company aims to liaise with other tenants and its landlord to strengthen the environmental impact of its shared services, such as obtaining green certificates for building emissions.

By maintaining a commitment to sustainability, Anaveon seeks to set an example for other start-ups and demonstrate that sustainable business practices can drive long-term success. The company's achievements over the past year and its plans for the future underscore its commitment to delivering a strong social impact across its business.

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.

PROGRESS IN THE YEAR

2

New Animal Welfare Policies introduced across the portfolio

SPOTLIGHT

ANAVEON

Anaveon is a pre-clinical company which is developing its lead ANV600 therapy as a targeted therapeutic for cancer.

During the year the Anaveon team implemented the company's first Animal Welfare Policy. This has been aligned with the 3Rs principle, with an Animal Welfare Officer appointed with responsibility for ensuring that the policy is adhered to across the business. A case study on wider progress on sustainability at Anaveon, including other highlights from the year, can be found on page 21.

FOUNDED
2017

VIEW MORE
anaveon.com

CEO
Andreas Katopodis

% SHAREHOLDING
37%

STAGE
Pre-clinical

NUMBER OF EMPLOYEES
20+

RAISED IN SERIES B IN DECEMBER 2021
CHF110m

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

2

New Good R&D Practice Policies implemented across the portfolio

SPOTLIGHT

puresprings

Purespring Therapeutics is a pre-clinical gene therapy company which is developing treatments for kidney diseases.

During the year the company committed to implementing its first Good R&D Practice Policy, to provide a framework for how it approaches best practice within its laboratory and clinical operations. The company also has robust quality standards within its service agreements with external vendors, helping to reinforce its commitment to operational risk management across its footprint.

FOUNDED
2020

VIEW MORE
purespringtx.com

CEO
Julian Hanak

% SHAREHOLDING
77%

STAGE
Pre-clinical

NUMBER OF EMPLOYEES
40+

RAISED IN SERIES A IN NOVEMBER 2020
£45m

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

New D&I Policies introduced across the portfolio

SPOTLIGHT

OMass Therapeutics is a pre-clinical portfolio company based in Oxford which has demonstrated a strong commitment to sustainability across its operations.

The progress made by the OMass team is particularly evident in their commitment to best practice in D&I. The company has embedded inclusivity as part of its values, has a D&I Policy in place, has conducted D&I learning sessions with its team as well as gender pay gap reviews, and actively monitors the diversity of its workforce, which it discloses to its Board.

FOUNDED
2016

CEO
Rosamond Deegan

% SHAREHOLDING
33%

STAGE
Pre-clinical

NUMBER OF EMPLOYEES
60+

RAISED IN SERIES B FINANCING IN APRIL 2022
£75.5m[1]

VIEW MORE
omass.com

1. Additional £10 million investment from British Patient Capital announced in May 2023.

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 aspiration to be net zero across its full value chain by 2050[1].

Post-period end Syncona had its first net zero target accepted by the NZAM initiative. The focus of this target is on initially reducing emissions within Syncona's more mature portfolio, with the detailed methodology found on page 34[2].

PROGRESS IN THE YEAR

2

New Environmental Policies introduced across the portfolio

SPOTLIGHT

Environmental reporting across our portfolio

During the year Syncona collaborated with its portfolio companies to gather Scope 1-3 carbon emissions data. This was a comprehensive project that was led by members of the Sustainability Committee alongside Accenture. In line with Syncona's commitment to increasing the accuracy of data that it can report across the portfolio, for the first time Syncona was able to support portfolio companies in gathering data on employee commuting. Alongside the data that it continues to collect on purchased goods and services across the portfolio, this has allowed Syncona to increase the coverage of its Scope 3, category 15 footprint[3]. This data has been included in our full portfolio carbon footprint reporting, found on pages 34.

1. Please refer to our glossary for how we define our net zero aspiration.
2. Syncona is signed up to NZAM through its investment manager, SIML.
3. Syncona has endeavoured to obtain accurate and complete data wherever possible across the Syncona portfolio, and when not available we've asked Accenture to provide reasonable estimates.

PORTFOLIO OVERVIEW

Partnering with our portfolio to track progress in sustainability

Throughout the year we have continued to make progress in sustainability reporting across the portfolio.

A PARTNERSHIP APPROACH TO IMPLEMENTING OUR RESPONSIBLE INVESTMENT POLICY

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, some of whom will also have sustainability reporting requirements. Syncona's global portfolio means that individual companies may also be managing local reporting requirements which might overlap with our own expectations. It is therefore recognised that Syncona should not have a 'one size fits all' approach to sustainability within its portfolio. However, at all stages we expect and encourage our portfolio companies to achieve our core standards.

Syncona is committed to tracking the progress of its portfolio companies in implementing its Responsible Investment Policy. 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 SIML's responsibilities as a signatory of the UN PRI. As part of the implementation of the Responsible Investment 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 page of progress across a number of our key KPIs over the last three financial years.

PROGRESS MADE DURING THE YEAR

We are pleased that 10 companies have reported to Syncona on our key sustainability pillars this year. This incorporates all of the portfolio companies which were part of the Syncona strategic portfolio throughout the financial year, with iOnctura, Forcefield and Yellowstone not reporting having become part of the strategic portfolio late in the fourth quarter of the year. Clade did not provide reporting to Syncona, in advance of its sale to Century Therapeutics, which was announced post-period end. During the year Mosaic carried out its first full reporting to Syncona in line with our Responsible Investment Policy, following its launch in April 2023.

Given the significant progress that has been made across our portfolio since the introduction of our Responsible Investment Policy in 2021, through FY2023/4 we have seen a natural plateauing in progress across some areas, where companies are already demonstrating a high standard of reporting. Through time we expect our portfolio to mature as more companies enter clinical trials, and we were therefore pleased that during the year a further two companies introduced Animal Welfare Policies. We have also been pleased to see companies continue to increase their alignment with Syncona's key compliance and governance areas with an additional 13 policies implemented across the portfolio during the year which are aligned with our expectations.

Next year, we will be focusing on working alongside new Syncona portfolio companies to align their reporting with our core standards (see our Responsible Investment Policy), as well as working alongside our existing companies to build on their existing reporting frameworks. One key priority area will be engaging with our more mature companies on their net zero strategies, following the publishing of Syncona's first net zero target.

10/13

Strategic portfolio companies provided sustainability reporting to Syncona[1]

1. Includes all 10 companies which were part of the Syncona strategic portfolio throughout the financial year, and excludes iOnctura, Forcefield and Yellowstone which were all announced as becoming part of the strategic portfolio post-period end. Comparisons are similarly based on reporting from companies who provided full sustainability reporting to Syncona (seven companies in FY2021/2 and 12 in FY2022/3).

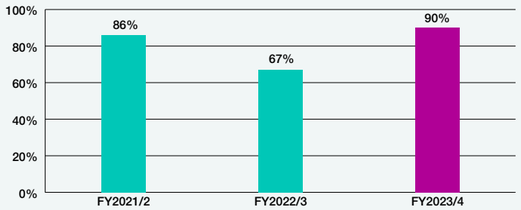
PORTFOLIO OVERVIEW CONTINUED

Syncona's portfolio is heavily concentrated with the timing of additions or exits from the portfolio impacting data that can be gathered from sustainability reporting. The data below is therefore not based on constant comparisons but is provided in line with Syncona's commitment to transparency in sustainability reporting.

1. Compliance and governance

Syncona continues to engage closely with its portfolio companies to ensure that they have key compliance and governance policies in place. In doing so we share template policies which align with our key requirements, with specialist guidance provided by the Syncona team where necessary to assist in implementation.

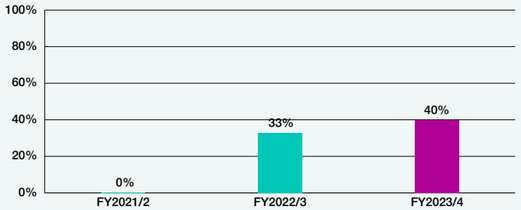
COMPANIES WITH WHISTLEBLOWING POLICIES[1]



2. Access to medicines

Syncona works closely alongside its portfolio companies to support our commitment to making medicines more accessible to patients. In doing so we particularly focus on portfolio companies who are moving through late-stage clinical development and are therefore closer to commercialisation.

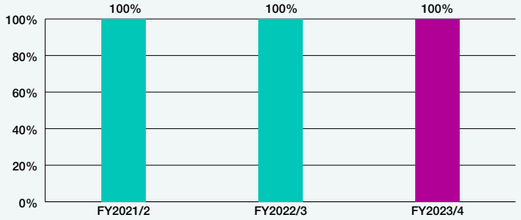
COMPANIES SIGNED UP TO THE EUROPEAN BIOTECH SOCIAL PACT OR EQUIVALENT[1]



3. Animal welfare

Syncona asks its portfolio companies to develop high standards in animal welfare, specifically via developing an Animal Welfare Policy and committing to the principles of the 3Rs. We also expect that companies inform us of any significant breaches of the 3Rs during the year.

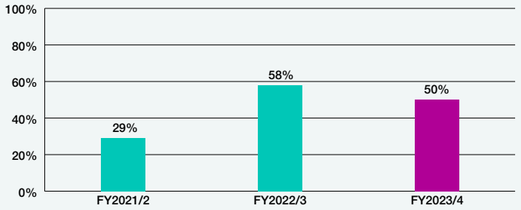
COMPLIANCE WITH 3RS PRINCIPLES ACROSS PORTFOLIO[1]



4. Good R&D practice

We believe that our approach to good R&D practice is in alignment with industry standards, with a focus on the implementation of Standard Operating Procedures which are implemented via training across the company, the documentation and auditing of GxP activities, appropriate oversight of third-party vendors, and disclosure of any clinical data breaches.

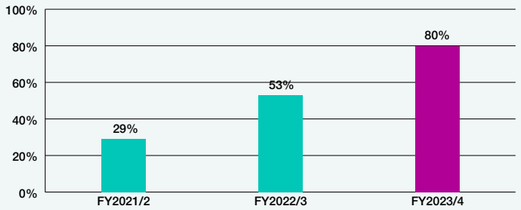
COMPANIES WITH A GOOD R&D PRACTICE POLICY[1]



5. Diversity and inclusion

We ask our portfolio companies to show their commitment to equal opportunities by integrating D&I across their operations. This can be through the implementation of a D&I Policy, however we also encourage our portfolio companies to report to us on other broader updates in relation to D&I, such as the development of employee groups. We also ask that when D&I metrics are tracked on an ongoing basis that these be shared with Syncona.

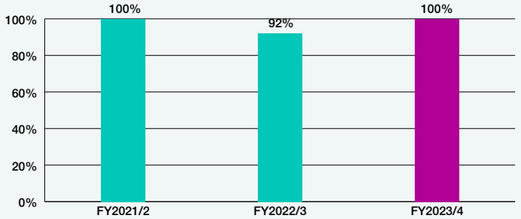
COMPANIES WITH A DIVERSITY & INCLUSION POLICY[1]



6. Environmental

We ask our portfolio companies to report Scope 1-3 data to Syncona on an ongoing basis. During the year we continued to engage Accenture to work alongside the portfolio to gather this data and were able to increase the scope of data covered to also include emissions from employee commuting.

COMPANIES REPORTING ENVIRONMENTAL DATA TO SYNCONA[1]



1. Includes all 10 companies which were part of the Syncona strategic portfolio throughout the financial year, and excludes iOnctura, Forcefield and Yellowstone which were all announced as becoming part of the strategic portfolio post-period end. Comparisons are similarly based on reporting from companies who provided full sustainability reporting to Syncona (seven companies in FY2021/2 and 12 in FY2022/3).

KEY HIGHLIGHTS

FY2023/4 SUSTAINABILITY FOCUS

- Implement new D&I Framework
- Implement business process changes following outputs of Syncona's first Employee Engagement Survey

PROGRESS IN THE YEAR

- Focus on supporting female leadership, including launch of our Level 20 sponsorship
- Launch of new Syncona Fellowship programme
- Introduction of new team operating model, underpinning the delivery of Syncona's 10-year targets

FY2024/5 PRIORITIES

- → Establish and launch new values
- → Increase data reporting on D&I across the Syncona team

SUPPORTING OUR PEOPLE

Supporting our team in the delivery of a new operating model

Syncona is committed to supporting its team, understanding that a workplace which fosters a vibrant culture is key to the delivery of Syncona's vision and strategy. We recognise that through our people we are able to positively contribute to the life sciences ecosystem, with progress made in a number of our key priority areas during the year.

NEW OPERATING MODEL ESTABLISHED

During the year the Syncona Leadership Team led a project to re-organise the team and establish a new operating model, with a focus on the effective management of people, capital and the Syncona portfolio. These changes will ensure that the Leadership Team and senior investment team are able to drive the operational delivery of Syncona's strategy, whilst also allowing the investment team to focus on creating the next generation of Syncona companies. The changes also addressed areas of feedback identified in the FY2022/3 Employee Engagement Survey, with further information on changes that were made during the year found on page 30.

FOCUS ON SUPPORTING FEMALE LEADERSHIP

Syncona launched its first D&I Framework in FY2022/3, with one of its four key priority areas being women in leadership. This reflects Syncona's commitment to increasing representation of female leaders across the business, as well as providing support to women in their career journeys. During the year, Syncona became a supporter of Level 20, a not-for-profit organisation founded with the aim of improving gender diversity in the private equity industry. Further detail on our commitment to supporting women in leadership, including a case study on Level 20, can be found on page 29.

SUPPORTING THE NEXT GENERATION OF LIFE SCIENCE INVESTORS

Syncona has historically shown a strong commitment to supporting the next generation of life science investors, through our partnerships with organisations such as the Windsor Fellowship and Bio-spark. In 2024, we were pleased to launch the Syncona Fellowship, a programme which aims to attract top talent to Syncona for six-month placements. In time, we aim to welcome three Fellows to Syncona each year and we were very happy to welcome our first Fellow, Ellis Kelly, during the year.

In light of the operational changes which have taken place over the last year, Syncona has initiated a project to review and refresh our values. This will be led by our new Head of People, Harriet Gower Isaac, who joined post-period end.

VIEW MORE
synconaltd.com

FEMALE REPRESENTATION AT SENIOR LEVELS

A spotlight on our female leaders

OUR D&I FRAMEWORK IS BUILT AROUND FOUR KEY AREAS:

1. WOMEN IN LEADERSHIP
2. FAMILY SUPPORT
3. GLOBAL TALENT
4. SOCIOECONOMIC BREADTH

One of the four focus areas for Syncona's D&I Framework is women in leadership. We remain committed to supporting women in leadership roles across the organisation. In this interview Kate and Elisa provide an overview of their career journeys and job roles, why they were attracted to Syncona, and their advice for women seeking to progress in their careers.

Q&A
with Kate Butler and Elisa Petris

KATE BUTLER (KB)
CHIEF FINANCIAL OFFICER – SIML

ELISA PETRIS (EP)
LEAD PARTNER – SIML

Q
CAN YOU TELL US A LITTLE ABOUT YOUR BACKGROUND?

KB: I have experience across the FTSE 100 and biopharma, including at Gilead. After Gilead acquired Kite, I took on the Head of Finance role at Kite Europe and worked on the launch of Yescarta, one of the first approved CAR-T therapies. Here I was working in a truly innovative area; it was laying the groundwork for something that no one had done before and it was fascinating to be at the forefront of it.

EP: After graduating from Imperial University with a Microbiology degree, I decided to pursue a PhD in Molecular Biology. Whilst I loved the science, I did not want to be a scientist, and instead I looked into careers where I could focus on bringing the science to life through commercialisation. I gained consultancy experience with L.E.K. and then joined Michel Dyens & Co. where I worked on transactions covering the healthcare space, before pursuing an MBA.

Q
WHAT REALLY INTERESTED YOU ABOUT SYNCONA?

KB: I had a strong desire to stay close to cutting-edge innovation focusing on high unmet medical needs, and Syncona provided that opportunity, as well as the chance to combine and utilise my previous experience. The strength of Syncona's team was another factor. I wanted to work somewhere I would be able to continue developing myself and would be able to learn from others.

EP: I wanted to get closer to the earlier stage of the science again, where I could support companies at the forefront of innovation and deliver patient impact. I was excited about being an active contributor to the success of a company, especially given the Syncona model where we often build companies from the transformational science coming out of leading universities and support them to late-stage development.

Q
KATE, AS A MEMBER OF THE SYNCONA LEADERSHIP TEAM. WHAT ARE YOUR VALUES, AND HOW DO YOU MOTIVATE YOUR TEAM?

KB: My values include integrity, transparency, respect and inclusion. I believe it is important to demonstrate your values consistently in everything you do and to call out behaviours that are not in line with these. Leading from the top is also vital, this sounds clichéd but it's true. In terms of motivating the team it's important to empower them through providing enough room to grow and feel challenged. It is imperative that this is accompanied with the right level of support and in the absence of a blame culture, to allow the team to feel safe to take calculated risks, and to feel comfortable to flag issues and own any mistakes.

> I believe it is important to demonstrate your values consistently in everything you do and to call out behaviours that are not in line with these."
>
> KATE BUTLER
> Chief Financial Officer, SIML

FEMALE REPRESENTATION AT SENIOR LEVELS CONTINUED

Q ELISA, WHAT HAS BEEN YOUR BIGGEST ACHIEVEMENT SINCE JOINING SYNCONA?

EP: My involvement in Blue Earth Diagnostics has been one of the highlights of my career so far. Axumin, an imaging agent that can help detect prostate cancer, was an asset that had been deprioritised by GE Healthcare which we spun out to form Blue Earth. We grew the company as the sole investor from its formation, hiring a world class team who we worked alongside to accelerate the development of Axumin so it could reach patients 18 months earlier than our original plans – something which was enabled by our agile model. I was closely involved in supporting the team in successfully launching Axumin and it was amazing to experience the launch of a product, from up close, and to see the subsequent impact this has had on patients.

Q WHAT HAVE BEEN YOUR MAIN RECENT FOCUS AREAS?

KB: I joined Syncona in 2022 as Group Finance Director with the main objective to restructure and develop the finance organisation to best support the Company's strategy. We have made significant progress simplifying processes to make them more efficient during the year. In this I was heavily supported by Rolf, who has helped to enable an easy transition for me in my new role.

EP: My role as Lead Partner is multifaceted, and no two days are the same, with a lot of my time spent working on other portfolio companies where I am on the boards, such as Quell and Forcefield. In my role of Head of Business Development at Beacon I've focused on the company's restructuring this year, including supporting the execution of key transactions such as the divestment of their manufacturing facility.

Q DO YOU HAVE ANY ADVICE FOR WOMEN STARTING THEIR CAREER?

KB: My advice is to be open and honest, with others as well as with yourself, and to never apologise for being yourself – you have as much right as anyone else to be where you are. It is important to set your own personal boundaries, and to think carefully about saying yes to the opportunities that cross these boundaries. It is also immensely important to find a good mentor who you can discuss things with, and who will also challenge you. Finally, it is important to realise your career path doesn't have to be linear. Particularly in the finance industry, it may be that a lateral move makes more sense for you – and you should be open to this.

EP: Build your own network of women in the industry. Good, strong relationships where there is trust take a long time to build so start this as early as you can. Within your network it's important to surround yourself with people you can look up to and with people who are smarter than you – it's the best way to learn! Recognise that each firm is different when it comes to their culture and focus areas; do your homework to understand where you fit in best and find somewhere that aligns with your values. Part of this is also about finding your own style, and not emulating someone else's. Finally, it's okay if it doesn't work out, it's just as valuable to learn what you don't like and aren't good at as it is to know what you do like and you are good at.

> My involvement in Blue Earth Diagnostics has been one of the highlights of my career so far."

ELISA PETRIS
Lead Partner, SIML

Diversity across Syncona

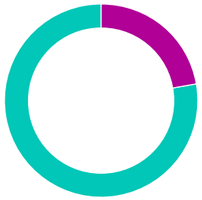
SYNCONA LIMITED BOARD 31 MARCH 2024

Female	4
Male	3

SIML BOARD 31 MARCH 2024

Female	0
Male	2

SIML LEADERSHIP TEAM 31 MARCH 2024



Female	2
Male	7

SIML TEAM 31 MARCH 2024

Female	16
Male	21

LEVEL 20

During the year Syncona became a sponsor of Level 20, a not-for-profit organisation which looks to improve gender diversity in private equity. Through our sponsorship of Level 20, we have gained access to their leading research and guidance, as well as access to their mentorship programmes, which are aimed at women across different levels of seniority in the industry. We look forward to working alongside Level 20 as we continue our focus on supporting female members of our team in their career journeys.

VIEW MORE
level20.org

EMPLOYEE WELFARE AND WELLBEING

Life at Syncona

We believe in providing a supportive working environment for our team.

Our people are at the heart of what we do."

CHRIS HOLLOWOOD
CEO, SIML

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.

We offer competitive remuneration, including a long-term incentive scheme linked to the performance of our investments.

Other 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 importance on supporting the mental wellbeing of our team. 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.

SPOTLIGHT

Engaging our people

In FY2022/3 we conducted our first Employee Engagement Survey, 'Be Heard'. Outputs from the survey were discussed by the Leadership Team and a summary provided to the Syncona Board, with members of the Syncona team also engaged to understand how these outputs could drive changes in processes within the business. These have been incorporated into the broader focus during the year on developing a new operational model to deliver on Syncona's strategy. A number of changes which have been implemented include:

- Introduction of regular town halls and a full company weekly meeting to enable efficient communication of key news and updates
- Increased formal and informal career development for team members, including through the introduction of a 'fireside chat' series of events with senior leaders from the world of biotech
- Simplification of processes to enable improved cross-functional collaboration

During the year, Syncona evolved its approach to Quarterly Business Reviews, with these now taking place away from the Syncona offices and incorporating a broader review of progress across the business. This has enabled increased awareness across the full Syncona team of progress against strategy.

The Syncona Board has also increased its engagement with the Syncona team, primarily through Gian Piero Reverberi as the Non-Executive Director who leads employee engagement. Throughout the year Gian Piero met team members at quarterly lunches where he was able to remain informally updated on the culture at Syncona.

Fireside chat with SIML CEO Chris Hollowood interviewing Jill Hopkins, M.D., who has over 30 years of cross sector experience in ophthalmology, including at Aura Biosciences, Novartis and Genentech.

KEY HIGHLIGHTS

FY2023/4 SUSTAINABILITY FOCUS

Publish targets as a signatory to the NZAM initiative

PROGRESS IN THE YEAR

Submitted first interim net zero target, under the NZAM initiative

FY2024/5 PRIORITIES

→ Deliver refreshed and bespoke training programme for all employees, focused on ESG integration

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 and Responsible Investment Policy were updated during the year principally to provide additional detail on the approach taken to incorporating sustainability into later-stage investments. 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 2024 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.

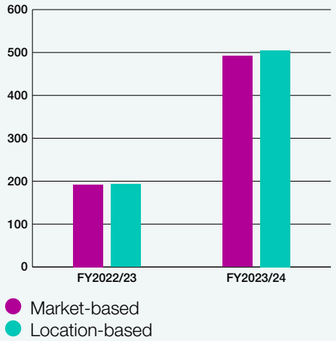
Concerns should normally be raised with an employee's line manager. Where this is not appropriate the issue may be referred to the Compliance Officer or any of the senior members of the team. Alternatively, any concerns can be raised with the Chair of the Syncona Audit Committee. Our policies are clear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

MANAGING OUR ENVIRONMENTAL IMPACT

Launching our first net zero target

Syncona is committed to high standards of environmental reporting and has a long-term aspiration to be net zero across its full value chain by 2050[1].

SYNCONA'S OPERATIONAL EMISSIONS



FULL PORTFOLIO CARBON FOOTPRINT

Scope 1-3 emissions as reported for SECR (limited Scope 3)	
Market-based	492.3
Location-based	504.9
Scope 3 Category 1 (purchased goods and services)	
Total emissions, excluding paper and water supply (included in SECR report)	519.2
Scope 3 Category 15 (investments)[5]	
Scope 1-2	1,867.2
Scope 3	55,331.9
Category 15 (investments) total emissions	57,199.1
Total (market-based)	(57,124.1)
Total (location-based)	(57,199.1)

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 International Panel on Climate Change (IPCC) advice.

SYNCONA'S OPERATIONAL EMISSIONS

Given the relatively small nature of our operations, with one primary office location and 37 employees, greenhouse gas emissions from our business activities are relatively low. Our clearest direct impact (Scope 1 and 2) comes from the energy we use in our headquarters, where the electricity is powered by renewable energy[2]. Our office space also has a zero to landfill waste policy (Scope 3).

Syncona's FY2023/4 Streamlined Energy and Carbon Reporting (SECR) location-based footprint is equivalent to 504.9 tCO_2e[3], with the largest portion being made up of emissions relating to business travel via air at 477.9 tCO_2e. Syncona's market-based footprint, which takes into account the green energy used by its head office[4], amounts to 492.3 tCO_2e. Our emissions have increased relative to the FY2022/3 financial year, with the increase in business travel primarily driven by an increase in travel to international conferences to support Syncona's growth strategy and team development, the addition of new companies to the portfolio with overseas facilities, and new internationally-based employees joining the Syncona team. During FY2023/4 Syncona has once more purchased carbon credits to offset its operational emissions from throughout the year, with these being registered under Verra's Verified Carbon Standard (VCS) – the world's most widely used greenhouse gas (GHG) crediting programme.

Further information on our operational emissions can be found within our SECR disclosure, which is published within our Annual Report and Accounts.

SYNCONA'S FULL PORTFOLIO CARBON FOOTPRINT

In FY2022/3 Syncona published 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). During the year, Syncona has focused on increasing the number of portfolio companies who have provided data as part of the project, with all portfolio companies which were added to the portfolio in FY2022/3 providing data to Syncona this year. Syncona has also widened the scope of data provided to include emissions from employee commuting. In collecting data from our portfolio Syncona has endeavoured to obtain accurate and complete data wherever possible, and when not available we have asked Accenture to provide reasonable estimates.

The publishing of this data underlines Syncona's strong commitment to transparency in its environmental reporting. Moving forward, we will continue to work closely with our portfolio companies to track their environmental footprints and have an aspiration to continue providing portfolio-wide environmental data.

PUBLISHING OUR FIRST NET ZERO TARGET

In May 2023, SIML became a signatory to the NZAM initiative. The NZAM initiative is a growing collective of leading asset managers, including over 300 signatories holding $57 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 2015 Paris Goals. Given the level of operational emissions reported by Syncona, we believe that the greatest impact we can have in supporting our net zero aspiration is by working alongside our portfolio companies to reduce their emissions.

In April 2024 our first net zero target was approved by NZAM. Our target uses a bespoke methodology modelled on the Science Based Targets initiative's (SBTi) portfolio coverage approach. We believe that it is more appropriate to initially focus our engagement on net zero with our later stage strategic portfolio[6] companies, given that they are more likely to have greater operational environmental footprints, as well as the necessary resources and internal support available to develop a target.

We have therefore set a coverage boundary which follows SBTi's Private Equity sector guidance for venture capital. This states that companies are in scope when they have:

- More than 50 employees
- Either an annual revenue of over $10 million or a balance sheet of more than $10 million
- Been in existence for more than five years

The guidance also states that the private equity firm should have more than 15% of the fully diluted shares of the portfolio company and a board seat.

ENGAGING WITH OUR PORTFOLIO ON THEIR ENVIRONMENTAL FOOTPRINTS

Syncona engages with portfolio companies on environmental issues across their development stages. In FY2024/5, we will be introducing our net zero target to companies within our portfolio, with a specific focus on supporting companies who are close to or already within our set coverage boundary. We will provide further detail on our progress in working towards our net zero target in our future reports.

Our first net zero target

Baseline (2023)

0%

Of strategic portfolio companies setting science-based targets validated by SBTi

Interim target for 2030

100%

Of our in-scope strategic portfolio companies to set science-based targets validated by SBTi by 2030

Percentage of assets covered by the NZAM Commitment Statement

9%

Of NAV (as at 31 March 2023) covered by our target boundary

Greenhouse gas scopes included

Aligned with SBTi's guidance for small and medium enterprises (SMEs), we will expect our in-scope portfolio companies to set interim targets for 2030 across Scope 1-2 emissions, with a commitment to measure and reduce Scope 3 emissions

1. Please refer to our glossary for how we define our net zero aspiration.
2. Validated using Total Gas & Power's Pure Green certification.
3. Tonnes of CO_2 equivalent.
4. See footnote 2.
5. Includes Scope 1 to 3 data from portfolio companies, including category 1 (purchased goods and services).
6. Portfolio of core life science companies where Syncona has significant shareholdings.

TCFD REPORTING

TCFD summary

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 of which the portfolio companies are able to take advantage.

Listing Rule 9.8.6(R)8 requires premium-listed commercial companies to disclose in their annual report whether they have reported on how climate change affects their business in a manner consistent with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), and to provide an explanation if they are unable to do so. Although Syncona is not required to disclose information compliant with Listing Rule 9.8.6(R)8 as per Listing Rule 15.4.29, we are voluntarily providing climate-related financial disclosures consistent with the recommendations and recommended disclosures of the TCFD, including the Additional Guidance, to illustrate our commitment to climate-related issues given their importance to our stakeholders.

In 2020 Syncona undertook a comprehensive materiality review to understand the sustainability issues most material to the business, including environmental impacts and disclosure (see page 6). This materiality assessment followed guidance published by the Global Reporting Initiative (GRI) to assess both the impact of sustainability-related issues on Syncona and its portfolio as well as the importance of sustainability-related issues to the Company's stakeholders. Syncona has reviewed this assessment on an annual basis since 2020, and in 2022, the Syncona team performed a scenario analysis to assess the climate-related physical and transition risks that Syncona might be exposed to and incorporated the results of the analysis into Syncona's sustainability issues matrix. To this end, during FY2023/4 Syncona carried out an internal cross-functional project to review the matrix to ensure it remains reflective of the issues material to Syncona and its portfolio companies. 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. To be clear, we therefore do not expect climate-related issues to materially impact the Company's cash flows, access to finance or cost of capital over the short, medium or long term.

We are however, committed to managing climate-related issues where possible by 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.

At the time of publication Syncona Limited has made climate-related financial disclosures consistent with the TCFD recommendations and recommended disclosures in this TCFD summary against:

- Governance (all disclosures)
- Strategy (disclosures (a) and (c))
- Risk management (disclosures (a) and (c))
- Metrics and targets

Further detail in respect of this is included in the TCFD Report section of the Annual Report.

Governance

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

The Syncona Limited Board oversees implementation of the Sustainability Policy, including oversight of targets set. The Board also oversees the monitoring of risks arising from sustainability issues (including those that are climate-related) as part of the wider process of monitoring of risk management and internal controls.

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 (including the consideration, as part of an annual desktop climate scenario analysis, of emerging climate-related regulation which may impact upon portfolio companies), and support and advise the business on sustainability issues, including climate-related issues. The Terms of Reference for the Sustainability Committee provide that it must comprise at least one member of the Leadership Team and that once every half year, the CEO shall be asked to attend a meeting of the Sustainability Committee to be provided with an update of the work undertaken in the past 6 months. The Terms of Reference for the Sustainability Committee are reviewed on a regular basis to ensure they are appropriate in the context of the business of Syncona. 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.

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, as part of standard process, 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 with Accenture, as reviewed against last year's analysis. The Sustainability Committee reviewed the specific climate scenarios and time horizons that were selected for FY2021/2. 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.

As revealed by the review of the Company's climate scenario analysis, the Company has not identified a material risk or opportunity resulting from climate change in the short to medium term and has not, at this stage, identified any specific long-term climate related risks impacting upon its portfolio companies. Therefore 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, due to the dynamic nature of climate change and its impacts, 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.

Should climate-related risks arise, Syncona has a range of processes in place to manage identified climate change impacts as detailed below and within the Risk management section of the Annual Report.

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 page 34 of this report.

The environmental pages of our Annual Report 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 and carbon price. 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. In addition, climate-related considerations are not considered when setting the performance objectives for the Board's remuneration as it is not considered a material risk or opportunity.

TARGETS APPLICABLE TO SYNCONA, OUR PORTFOLIO COMPANIES AND OUR TRANSITION PLANS

It is our aspiration to become net zero across our full value chain by 2050[1].

The majority of our climate impact is within our investment portfolio and as part of SIML becoming a signatory to NZAM, we have set a clear interim target for 2030, which states that 100% of our in-scope portfolio companies will set science-based targets validated by SBTi by 2030. We believe the approach we have adopted in building out our coverage boundary means our interim targets are materially consistent with the 50% global reduction in CO_2 identified as a requirement in the IPCC special report on global warming of 1.5°C. In determining which portfolio companies are currently in scope we considered the SBTi's Private Equity sector guidance for venture capital. Further detail on how we have developed our NZAM target can be found on page 34 of this report.

We are now in the process of preparing a formal transition plan to be rolled out to in-scope companies, which will support them in reducing their carbon emissions where possible, particularly in relation to electricity supply. Syncona's own operations are of a relative low intensity with a 100% renewable energy supply provided to our office via green energy tariffs.

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

SIML became a signatory to the NZAM initiative in May 2023. Committing to NZAM supports Syncona's aspiration of becoming net zero across our full value chain by 2050[1]. SIML's NZAM target was published post-period end in May 2024.

As part of SIML's responsibilities as a signatory to the NZAM initiative, in May 2024 we published an interim target of 100% of Syncona's in-scope strategic portfolio companies to set science-based targets validated by SBTi by 2030. This equates to 9% of our total AUM (NAV) by value (using NAV as at 31 March 2023), or 23% of our current strategic portfolio by volume (3 out of 13 companies). In determining which portfolio companies are currently in scope, we took into consideration the recommendations of the SBTi's Private Equity Sector Science-Based Guidance for Venture Capital.

We have continued to review our current portfolio's emissions – see the emissions reporting detailed on pages 34 for FY2023/4 – and will be working with portfolio companies on setting emission-reduction targets aligned with the SBTi's guidance for small and medium-sized enterprises, which includes an expectation for our in-scope portfolio companies to set near-term targets for 2030 across Scope 1 and 2 emissions, and a commitment to reduce Scope 3 emissions.

In addition, we have actively engaged with new portfolio companies on sustainability matters. For our new strategic portfolio companies, Yellowstone, Forcefield and iOnctura, we are actively engaging with them on sustainability matters, including working with them to put in place policies in line with our expectations and principles (further detail of which can be found within our Responsible Investment Policy).

We carried out an internal, cross-functional project to review our sustainability materiality matrix to ensure it remains reflective of the issues material to Syncona and its portfolio companies. This review, which included the consideration of existing environmental issues, led to certain risks being repositioned on the matrix, as well as the addition of newly identified issues, more fully described on page 6 of this report. Movements on the matrix have largely been driven by an increased impact due to the growing maturity of the portfolio, with this including environmental impacts and disclosure where the Syncona team's evaluation has been that there has been a slight increase in risk as more portfolio companies have moved to a later-stage and grown their operational footprints. In spite of this we continue to be of the view that environmental risks across the portfolio remain low.

Plans for FY2024/5

- Roll-out of NZAM interim net zero target across the Syncona portfolio.
- In 2025 it will be three years since we first reported against the recommendations of TCFD. To align with best practice we therefore intend to update our climate scenario analysis (beyond the usual desktop review) to ensure it remains fit for purpose.
- Syncona understands that the UK Government intends to integrate TCFD into International Sustainability Standards Board (ISSB) standards. It is our intention to review the related guidance once this is available, and to consider whether any consequential changes to our sustainability approach will be required.
- SIML is an existing signatory to the UN PRI, which includes reporting around sustainability issues, providing our first submission in FY2023/4. We expect our first publicly available PRI report to be published during FY2024/5. Areas for improvement in processes have been identified following the completion of our first reporting cycle, with these being incorporated into our sustainability priorities moving forward.
- Each change that has been made to our sustainability issues materiality matrix will be subject to a detailed assessment to determine whether changes should be made to our internal processes to reflect the movement. This will include environmental impacts and disclosure.

1. Following NZAM's guidance our initial focus within our portfolio will be on Scope 1 and 2 emissions and to the extent possible, material portfolio Scope 3 emissions. As data quality and associated methodologies improve for calculating Scope 3 emissions, we may evolve our approach.

GRI CONTENT INDEX

GENERAL DISCLOSURES		COMMENT
GRI 2: General Disclosures 2021	2-1 Organisational details	Annual Report and Accounts: Back cover. Annual Report and Accounts: At a glance, pages 2-3.
	2-2 Entities included in the organisation's sustainability reporting	This report covers the activities of Syncona Limited, including its subsidiary and investment manager, Syncona Investment Management Limited (SIML).
	2-3 Reporting period, frequency and contact point	Period: Sustainability Report: Introduction, page 1. Frequency: Sustainability Report: Introduction, page 1. Contact: IR@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 2022/3 financial year.
	2-5 External assurance	We are not seeking assurance of our sustainability reporting at this time.
	2-6 Activities, value chain and other business relationships	Syncona is a leading life science investor 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 the Annual Report and Accounts: Portfolio review, pages 44-53.
	2-7 Employees	Sustainability Report: Inspiring and empowering our people, pages 26-30. 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 26-30. Due to the size and scale of our business, we do not report all data breakdowns.
	2-9 Governance structure and composition	Sustainability Report: Introduction, page 7. Annual Report and Accounts: Corporate governance report, pages 74-77. Board of Directors, pages 78-79. Report of the Nomination and Governance Committee, pages 80-83. Report of the Audit Committee, pages 84-88.
	2-10 Nomination and selection of the highest governance body	Sustainability Report: Introduction, page 7. Annual Report and Accounts: Corporate governance report, pages 74-77. Report of the Nomination and Governance Committee, pages 80-83.
	2-11 Chair of the highest governance body	Annual Report and Accounts: Corporate governance report, pages 74-77. Board of Directors, pages 78-79.
	2-12 Role of the highest governance body in overseeing the management of impacts	Sustainability Report: Introduction, page 7. Annual Report and Accounts: Corporate governance report, pages 74-77. Report of the Audit Committee, pages 84-88.
	2-13 Delegation of responsibility for managing impacts	Sustainability Report: Introduction, page 7. Annual Report and Accounts: Corporate governance report, pages 74-77. Report of the Audit Committee, pages 84-88.
	2-14 Role of the highest governance body in sustainability reporting	Sustainability Report: Introduction, page 7. Annual Report and Accounts: Corporate governance report, pages 74-77. Report of the Audit Committee, pages 84-88.
	2-15 Conflicts of interest	Sustainability Report: Our policies and practices, pages 32-33. Annual Report and Accounts: Directors' report, pages 95-97.

GENERAL DISCLOSURES		COMMENT
	2-16 Communication of critical concerns	Annual Report and Accounts: Risk management, pages 62-65.
	2-17 Collective knowledge of the highest governance body	Annual Report and Accounts: Board of Directors, pages 78-79. Report of the Nomination and Governance Committee, pages 80-83.
	2-18 Evaluation of the performance of the highest governance body	Annual Report and Accounts: Corporate governance report, pages 74-77. Report of the Nomination and Governance Committee, pages 80-83.
	2-19 Remuneration policies	Annual Report and Accounts: Corporate governance report, pages 74-77. Report of the Nomination and Governance Committee, pages 80-83.
	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 74-77, as well as the Report of the Remuneration Committee, pages 89-94.
	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 74-77, as well as the Report of the Remuneration Committee, pages 89-94.
	2-22 Statement on sustainable development strategy	Sustainability Report: TCFD reporting, pages 35-36.
	2-23 Policy commitments	Sustainability Report: TCFD reporting, pages 35-36.
	2-24 Embedding policy commitments	Sustainability Report: TCFD reporting, pages 35-36.
	2-25 Processes to remediate negative impacts	Sustainability Report: Managing our environmental impact, page 34. Annual Report and Accounts: ESG approach, pages 30-31.
	2-26 Mechanisms for seeking advice and raising concerns	Sustainability Report: Our policies and practices, pages 32-33. 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	Sustainability Report: Our policies and practices, pages 32-33. 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) and the Association of Investment Companies (AIC).
	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 33. Purpose-led stakeholder engagement, pages 32-39.
	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 58-61.
Tax		
GRI 207: Tax 2019	207-1 Approach to tax	Sustainability Report: Our policies and practices, page 33. Syncona publishes an Approach to Taxation Policy which is available on its corporate website: https://www.synconaltd.com/sustainability/sustainability-policies/
Emissions		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Sustainability Report: Managing our environmental impact, page 34.
	305-2 Energy indirect (Scope 2) GHG emissions	Sustainability Report: Managing our environmental impact, page 34.
	305-3 Other indirect (Scope 3) GHG emissions	Sustainability Report: Managing our environmental impact, page 34.
	305-4 GHG emissions intensity	Sustainability Report: Managing our environmental impact, page 34.
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 39 of purpose-led stakeholder engagement in the 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 30.

MATERIAL TOPICS		COMMENT
Occupational health and safety		
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Sustainability Report: Our policies and practices, page 33.
	403-3 Occupational health services	Sustainability Report: Our policies and practices, page 33.
	403-4 Worker participation, consultation, and communication on occupational health and safety	Sustainability Report: Our policies and practices, page 33.
	403-5 Worker training on occupational health and safety	Sustainability Report: Our policies and practices, page 33.
	403-6 Promotion of worker health	Sustainability Report: Employee welfare and wellbeing, page 30. Sustainability Report: Our policies and practices, page 33.
	403-8 Workers covered by an occupational health and safety management system	Sustainability Report: Our policies and practices, page 33.
	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 26-30.
	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 26-30.
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Annual Report and Accounts: Board of Directors, pages 78-79. Due to the size and type of our business we not report all data breakdowns.
Non-discrimination		
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	No incidents of discrimination were reported in 2023/4 financial year. We have appropriate policies in place for reporting and managing incidents of discrimination.

GLOSSARY

AAV
Adeno-associated virus – a non-enveloped virus that can be engineered to deliver DNA to target cells.

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

AMN
Adrenomyeloneuropathy – a progressive and debilitating neurodegenerative disease caused by mutations in the ABCD1 gene that disrupt the function of spinal cord cells and other tissues.

BLA
Biologics License Application.

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

CAPITAL POOL INVESTMENTS
The underlying investments consist of cash and cash equivalents, including short-term (1 and 3 month) UK treasury bills, listed fund investments and legacy fixed term funds.

CAR-T
Chimeric antigen receptor T-cell therapy – a type of immunotherapy which reprogrammes a patient's own immune cells to fight cancer.

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.

CNS
Central nervous system – a part of the body's nervous system comprised of the brain and spinal cord.

COMPANY
Syncona Limited.

D&I
Diversity and inclusion.

DEFINITIVE DATA
A category within our NAV Growth Framework. Companies in this category have significant clinical data showing a path to marketed product or are moving to pivotal trial and building out commercial infrastructure.

EMERGING EFFICACY DATA
A category within our NAV Growth Framework. Companies in this category have a clinical strategy defined or have initial efficacy data from Phase I/II in patients.

ERT
Enzyme replacement therapy – the standard of care for Gaucher disease.

GAUCHER DISEASE
A genetic disorder in which a fatty substance called glucosylceramide accumulates in macrophages in certain organs due to the lack of functional GCase enzyme.

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

GRI
Global Reporting Initiative, an international independent standards organisation for sustainability reporting.

GROUP
Syncona Limited and Syncona GP Limited are collectively referred to as the "Group".

INVESTMENT MANAGER
Syncona Investment Management Limited.

LATE CLINICAL/LATE-STAGE CLINICAL
Has advanced past Phase II clinical trials.

LEUKAEMIA
Broad term for cancers of the blood cells.

LIFE SCIENCE PORTFOLIO
This incorporates the Company's portfolio companies, potential milestone payments or deferred consideration, and investments.

LYMPHOCYTES
Specialised white blood cells that help to fight infection.

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.

NET ZERO ASPIRATION
Following NZAM's guidance our initial focus within our portfolio will be on Scope 1 and 2 emissions and to the extent possible, material portfolio Scope 3 emissions. As data quality and associated methodologies improve for calculating Scope 3 emissions, we may evolve our approach.

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.

ON THE MARKET
A category within our NAV Growth Framework. Companies in this category are commercialising products or have revenue streams.

OPERATIONAL BUILD
A category within our NAV Growth Framework. Companies in this category have a clearly defined strategy and business plan or a leading management team established.

PREVALENCE
The number of existing cases of a disease.

SBTI
Science Based Targets initiative.

SIML
Syncona Investment Management Limited.

STRATEGIC PORTFOLIO
Portfolio of core life science companies where Syncona has significant shareholdings.

SYNCONA LEADERSHIP TEAM
Leadership team of SIML.

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.

SYNCONA

synconaltd.com

Syncona Limited

Frances House
PO Box 273
Sir William Place
St Peter Port
Guernsey GY1 3RD

investorrelations@synconaltd.com

Designed and produced by three thirty studio
www.threethirty.studio