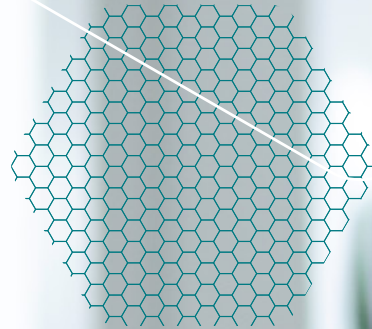


A photograph of a woman with dark curly hair and glasses, wearing a dark blue top with a patterned neckline, smiling broadly as she shakes hands with a person in a white lab coat. The background is a bright, modern office or laboratory setting with a green exit sign visible.

Delivering positive and sustainable impact



Our purpose
 We invest to extend and enhance human life.
 We found, build and fund companies to deliver transformational treatments to patients in areas of high unmet need.



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Syncona is a leading FTSE 250 healthcare company.

Our strategy is to found, build and fund companies around exceptional science to create a diversified portfolio of 15-20 globally leading healthcare businesses for the benefit of all our stakeholders.

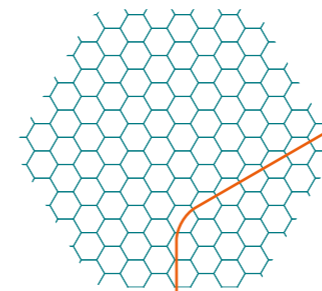
We take a hands-on approach to building our businesses, working in close partnership with world-class academic founders and management teams to develop treatments for patients in areas of high unmet medical need.

Our balance sheet underpins our strategy, enabling us to take a long-term view as we look to improve the lives of patients with no or few treatment options, build sustainable life science companies and deliver strong risk-adjusted returns to shareholders.

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

Our Sustainability Report 2022 outlines our Sustainability Policy, our approach to responsible investing, how we manage sustainability within the portfolio, and covers our activities for the 2021/2 financial year.

This report considers sustainability issues that are priorities for our stakeholders and the way in which we address these. This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option. 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 2022.





Sustainability at Syncona

What we do

Our strategy is to found, build and fund companies around exceptional science to create a diversified portfolio of 15-20 globally leading healthcare businesses for the benefit of all our stakeholders.

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

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

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

Our sustainability pillars

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

<p>Pillar 01</p> <p>Our social impact</p>	<p>Pillar 02</p> <p>Responsible investor and partner</p>
<p>Pillar 03</p> <p>Inspiring and empowering our people</p>	<p>Pillar 04</p> <p>Responsible and ethical business</p>

Read more on our sustainability pillars: [Page 6](#)

2022 sustainability highlights

<p>9 out of 11</p> <p>Portfolio companies reporting Scope 1 to 3 emissions to Syncona</p>	<p>UN PRI</p> <p>Became a signatory</p>
<p>£4.2m</p> <p>Donated to charity</p>	<p>TCFD</p> <p>First disclosure</p>
<p>First</p> <p>Windsor Fellowship intern completes six-month placement at Syncona</p>	<p>Full</p> <p>Portfolio engaged with Responsible Investment Policy</p>

Our portfolio footprint

We have a portfolio of 11 companies, with operations across the United Kingdom, Germany, Switzerland, the Netherlands and the United States.



Message from the Chief Executive of Syncona Investment Management Limited

This is our second Sustainability Report, and it provides us with the opportunity to demonstrate the progress that we have made over the year in developing and implementing our sustainability framework across our business and our portfolio. We aim to be transparent about the progress we have made and to clearly identify areas where we can do more.

At the heart of everything we do at Syncona is our purpose to invest to extend and enhance human life. Our team, our portfolio and the industry we operate in are hugely motivated by making a difference to the lives of patients and this is the lens through which we seek to advance our sustainability agenda.

Over the course of this year, we have made significant progress on our four key sustainability pillars:

- Our social impact
- Being a responsible investor and partner for our portfolio companies
- Inspiring and empowering our people
- Operating as a responsible and ethical business

We continue to believe that we have a positive social impact through the progress our portfolio companies make in developing treatments for patients. For example, Autolus is advancing its lead product through a late-stage clinical trial and Anaveon entered the clinic with its product in this financial year. The Syncona Foundation also continues to share our vision of having a transformational impact on the lives of patients and others.

A core part of our approach to building a portfolio of global leaders in life science is to partner with leading academics and management teams. In engaging with them on our sustainability priorities we have sought to take a partnership approach and have been delighted that in many cases these are areas that are important to them and that they are already focused on.

Last year we introduced a number of diversity and inclusion initiatives, conscious that we can play a role in improving diversity in our sector. It has been a real pleasure to see these roll-out so successfully and whilst we recognise we still have more work to do ourselves, we are delighted with our early progress.

We have made progress this year in developing our environmental agenda. This is the first year that we will report against the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), demonstrating our commitment to incorporating environmental issues within our overall risk reporting framework.

We have also worked closely with our portfolio companies to develop their own environmental reporting, having provided support as six of our privately held companies initiated reporting on their Scope 1 to 3 carbon emissions. Moving forward, we intend to develop our environmental agenda further in FY2022/3, with a focus on managing carbon emissions within our portfolio, and with this in mind have set an aspiration to be net zero by 2050 on a full portfolio basis.

I would like to take the opportunity to thank all of our stakeholders for their support as we seek to advance our sustainability agenda. We are privileged to have employees who work together every day to build a sustainable business, portfolio leaders who work collaboratively and with dedication to develop treatments that have the potential to reach patients, and shareholders who continue to support us and ensure that we seek to deliver our vision and strategy in a sustainable way. We look forward continuing to work with you all to deliver our purpose and strategy in the years to come.

Martin Murphy
Chief Executive Officer and Chair,
Syncona Investment Management Limited

“Our team, our portfolio and the industry we operate in are hugely motivated by making a difference to the lives of patients and this is the lens through which we seek to advance our sustainability agenda”

Martin Murphy
Chief Executive Officer and Chair,
Syncona Investment Management Limited





Governance framework for sustainability at Syncona



Melanie Gee
Chair, Syncona Limited

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

The Board of Syncona is responsible for promoting the long-term sustainable success of the Company, generating value for shareholders and contributing to wider society. It has adopted and promotes corporate values and Group standards which set out the behaviour expected of all employees in their dealings with external 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, including those relating to sustainability.

The Syncona team implements corporate strategy on a day-to-day basis. We provide sustainability training and guidance to all members of the Syncona team. It is their responsibility to support the portfolio

companies to achieve the goals set out in Syncona's Sustainability 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 the team's performance reviews, which informs decisions on remuneration.

Our governance framework, as detailed below, is supported by committees with responsibility for the oversight of sustainability activities. In particular, the Sustainability Committee is responsible for overseeing progress on Syncona's Sustainability Policy. The Sustainability Committee includes members of the finance, legal, IR, HR and investment teams.

More information on governance at Syncona is provided in our Annual Report and Accounts 2022.

Our governance framework for sustainability issues

Syncona Limited Board

- Approves Sustainability Policy and Responsible Investment Policy
- Considers risks facing the Company from sustainability issues as part of its role in the risk management process

- Oversees implementation of the Sustainability Policy
- Oversees monitoring of risks arising from sustainability issues as part of the wider process of monitoring of risk management and internal controls

Syncona Limited Audit Committee

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

Reports to (6-monthly)

Reports to (annually)

Syncona management team

Corporate Team

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

Investment Committee

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

Sustainability Committee

- Advises on Sustainability Policy
- Identifies areas where Syncona can improve its approach

Our materiality matrix outlines the sustainability issues which are most material to Syncona

Read more online: [Sustainability www.synconaltd.com](http://www.synconaltd.com)

In 2020 Syncona undertook a comprehensive materiality review to understand the sustainability issues most material to the business.

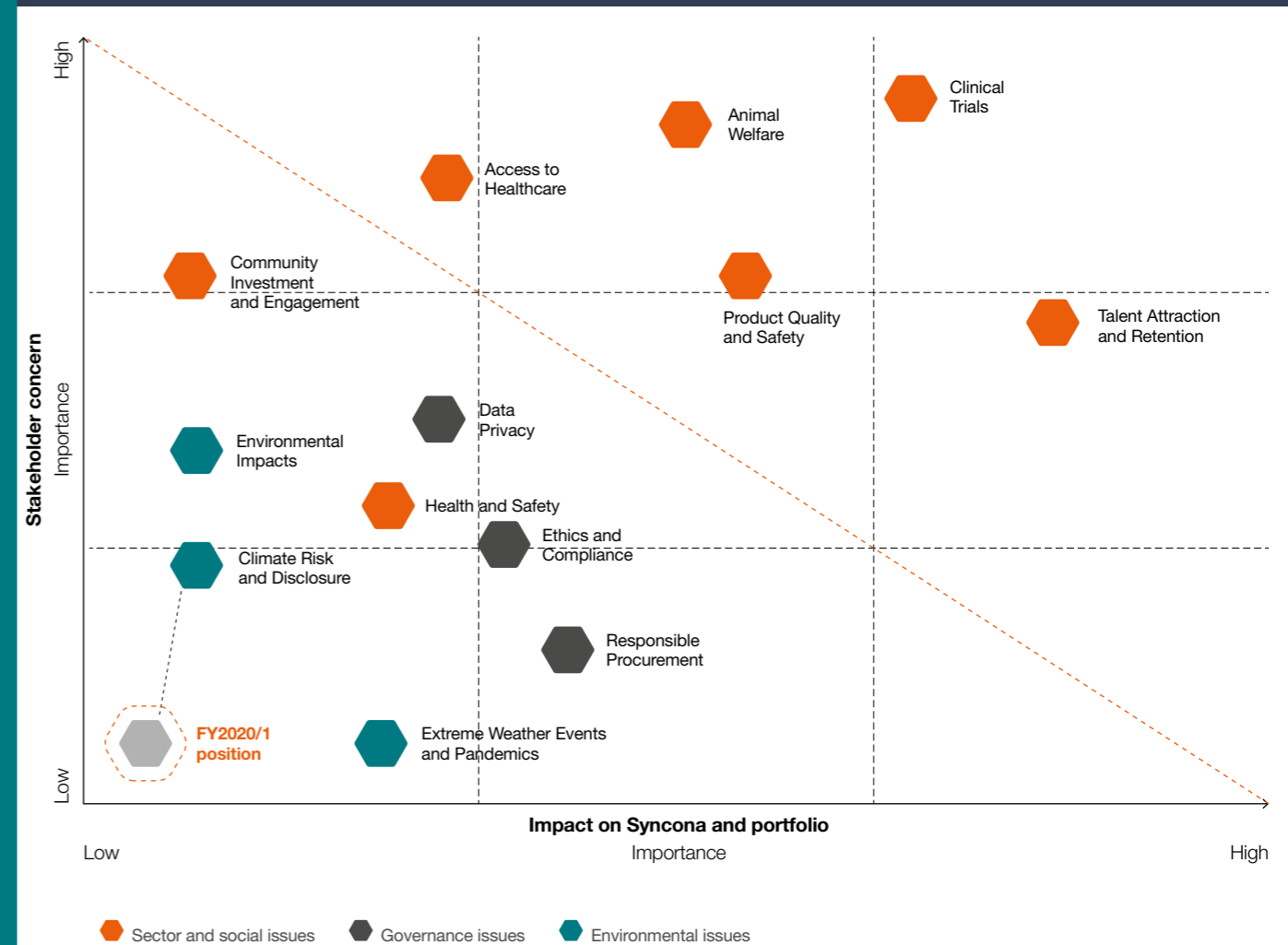
Throughout this process views were sought from a range of stakeholders, including leadership teams at our portfolio companies and shareholders, whilst external opinion was sought from key charitable partners and sustainability experts alongside prominent biotech industry experts. Following this, Board approval was sought for our agreed sustainability priority areas. These were then integrated into the

Syncona Sustainability Policy and Responsible Investment Policy, which were announced in 2021.

In 2022, the Syncona team has focused on implementing the Sustainability Policy and Responsible Investment Policy and integrating these into the ongoing operations at Syncona. This year for the first time we have reported in line with the recommendations of TCFD. As part of this process Syncona, with the help of an external agency, conducted a thorough climate scenario analysis to assess physical and transition risks that Syncona might be

exposed to. The output of this work demonstrated that neither Syncona nor its portfolio companies are currently exposed to climate or transition risks at a material level. However, it has also been clear that climate risk and disclosure are increasingly important for Syncona's external stakeholders, including investors. We have therefore changed the position of climate risk and disclosure on our materiality matrix this year, to better reflect that importance.

Syncona materiality matrix



Overview of the key pillars of our Sustainability Policy

We are committed to managing a sustainable and responsible business. Our Sustainability Policy sets out our sustainability objectives and establishes the foundation for integrating sustainability risks and opportunities into our business explicitly. It describes the key principles that guide our approach to sustainability issues, including how we support the development of our portfolio companies.

Syncona's Sustainability Policy centres around four core pillars.



Pillar 01

Our social impact

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

2022 PILLAR HIGHLIGHTS:

11 clinical trials across the portfolio

Autolus approaching data read-out from pivotal trial in lead obe-cel programme

Read more: Page 12



Pillar 02

Responsible investor and partner

We found, build and fund sustainable life science companies, supporting them through their lifecycle.

2022 PILLAR HIGHLIGHTS:

Became a signatory to the UN PRI

Sustainability considerations taken into account in sale of Gyroscope to Novartis

Read more: Page 20



Pillar 03

Inspiring and empowering our people

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

2022 PILLAR HIGHLIGHTS:

First Windsor Fellowship intern completes six-month placement at Syncona

Generating Genius first cohort begin studies

Read more: Page 32



Pillar 04

Responsible and ethical business

Our business operates responsibly and ethically, in line with our values and with clear accountability.

2022 PILLAR HIGHLIGHTS:

First TCFD disclosure

82% of portfolio companies reporting Scope 1 to 3 emissions to Syncona

Read more: Page 40

Our approach to sustainability reporting

Introduction

Syncona aligns its sustainability reporting with a number of well-known frameworks. These help our external stakeholders to measure the progress that Syncona is making across its sustainability priorities, as well as assisting the Syncona team in ensuring that the Company is always working in line with best practice. Syncona has aligned its

reporting with the UN Sustainable Development Goals (SDGs) and GRI Standards since its first Sustainability Report in 2021. This year it has committed to report as a signatory of the UN Principles for Responsible Investment (PRI), and is reporting for the first time in line with the recommendations of TCFD.

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

The 17 SDGs are integrated, recognising that progress in one area will affect outcomes in others, and that development must balance social, economic and environmental sustainability.

There are four SDGs that we believe our business is well-aligned with. Our linkages are highlighted throughout this Sustainability Report.

This year, Goal 13: Climate Action has been added to our core linked SDGs, reflecting the progress made by Syncona and its portfolio in environmental reporting in the financial year.

Goal 3
Ensure healthy lives and promote wellbeing for all at all ages

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

Goal 8
Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Syncona and its portfolio companies provide employment for over 1,200 people globally, providing opportunities in a broad range of roles within a vibrant and growing sector. We are committed to promoting diversity in the life sciences, seeing its promotion as both an economic and moral imperative.

Goal 9
Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation

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

Goal 13 (new goal)
Take urgent action to combat climate change and its impacts

Syncona understands that climate change represents a systemic risk to our countries and economies, and aspires to be net zero throughout its value chain by 2050. It is committed to minimising the environmental impact that it has on the world, both by taking direct action in its own operations and working with its portfolio companies to assist them in aligning their business operations with the goals of the 2015 Paris Agreement.



Mapping our sustainability progress for our stakeholders

Syncona has chosen to report in line with the GRI Standards since 2021.

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

We chose to report against the GRI framework following a comprehensive process, taking into account guidance from external advisers. The framework ensures that Syncona is aware of the key areas of sustainability reporting which are of interest to external stakeholders. The GRI Standards also allow Syncona's investors and other key stakeholders to more easily compare the Company's sustainability reporting with that of other companies.

Syncona is supportive of the continued efforts being made globally towards the convergence of sustainability reporting standards. The GRI is contributing towards this via its work as a co-constructor of the EU's new sustainability reporting standards, with the prominent role played by the GRI in this process underlining its continuing role in setting the global sustainability agenda.

Signatory of:



The world's leading proponent of responsible investment

The UN PRI have existed since 2006 and are widely seen as the leading framework for outlining how investors should integrate sustainability considerations into investment practice.

Signatories are required to commit to aligning their investment activities with the PRI's key six principles, which together commit a company to acting in the best interests of its ultimate beneficiaries.

Syncona became a signatory of the PRI in October 2021, following the publication of Syncona's first Responsible Investment Policy earlier in the year. Becoming a signatory underlines Syncona's belief that it can make a significant impact in delivering on the commitments made in its Sustainability Policy through engaging effectively with its portfolio companies.

As per its obligations as a PRI signatory, Syncona will be required to report on its responsible investment activities on an annual basis, starting from FY2022/3.



Understanding the risks and opportunities associated with climate change

TCFD is increasingly becoming the accepted global standard for reporting against the risks and opportunities that companies may be exposed to due to climate change.

The TCFD recommendations ask companies to assess how they may be exposed to the physical risks of climate change, as well as the transition risks which could impact companies as there is a forced transition towards a green economy.

Although Syncona remains out of scope for mandatory TCFD reporting, it is reporting against the TCFD guidelines this year to underline its commitment to a comprehensive sustainability reporting framework. It also provides the opportunity to better understand the climate-related risks and opportunities which might impact the Company, and whether they should be integrated into the Company's risk management framework.

With the assistance of an external agency, the Syncona team and representatives from portfolio companies participated in the development of a comprehensive climate scenario analysis, which in turn informed this year's TCFD disclosure. This disclosure can be found in the Annual Report and Accounts 2022 on pages 72-75, and Syncona will continue to report against the TCFD recommendations on an annual basis.

Progress in the year

We published our first Sustainability Report in 2021 and over the course of this financial year we have made strong progress against our sustainability goals.

Under our first pillar, our social impact, across the portfolio there has been continued progress towards the delivery of an approved product for patients. Autulus is approaching a meaningful data read-out from its pivotal trial in AUTO1 (obe-cel) and Anaveon has entered the clinic, taking our clinical stage portfolio to four companies, following the sale of Gyroscope in the financial year.

In our role as a responsible investor and partner, we have engaged with our portfolio companies to implement our Responsible Investment Policy. The output of these discussions has been positive, with companies in many cases already actively prioritising sustainability issues and showing a willingness to improve their sustainability reporting in line with Syncona's expectations.

Under our pillar of inspiring and empowering our people, we have continued to focus on attracting, developing and retaining the best talent. The team's first PhD student intern from the Windsor Fellowship programme has had a successful placement within the investment team for a six-month period, whilst progress has also been made with Syncona's other diversity and inclusion initiative partners, FastFutures and Generating Genius.

It is fundamental that our business operates in a responsible and ethical manner. We have reported for the first time in line with the recommendations of TCFD to illustrate our commitment to a strong sustainability reporting framework.

Pillar	FY2021/2 sustainability priorities	Progress in the year	FY2022/3 focus	Alignment to SDGs
<p>Pillar 01</p> <p>Our social impact</p> <p>Read more: Page 12</p>	<p>Continue to support the vibrant life sciences ecosystem in the UK</p> <p>0.35% of NAV donated to charity every year</p>	<p>19 Clinical trial sites across the UK within Syncona portfolio</p> <p>3 New charities supported by The Syncona Foundation</p> <p>900+ People employed by Syncona and its portfolio companies in the UK</p> <p>£4.2m Donated to charity</p>	<p>Work towards patient impact through founding, building and funding our portfolio companies to develop transformational treatments</p> <p>Donation of 0.35% of NAV to The Syncona Foundation</p>	
<p>Pillar 02</p> <p>Responsible investor and partner</p> <p>Read more: Page 20</p>	<p>Roll-out Responsible Investment Policy</p> <p>Work with our portfolio companies to develop net zero strategies</p> <p>Become a signatory to the UN PRI</p>	<p>5 Portfolio companies intending to sign up to European Biotech Social Pact or US equivalent</p> <p>11 Portfolio companies engaged in roll-out of Responsible Investment Policy</p> <p>9 Portfolio companies reporting Scope 1 to 3 carbon emissions to Syncona</p> <p>UN PRI Became a signatory</p>	<p>Targeting improvements in sustainability reporting from portfolio companies against 2022 base levels</p> <p>Continue to ensure sustainability is an active part of our investment decision-making and portfolio company monitoring</p>	
<p>Pillar 03</p> <p>Inspiring and empowering our people</p> <p>Read more: Page 32</p>	<p>Take concrete actions to progress diversity and inclusion agenda at Syncona</p> <p>Progress new Windsor Fellowship, Generating Genius and FastFutures partnerships</p>	<p>First Windsor Fellowship intern completes six-month placement</p> <p>Majority Female Syncona Limited Board</p> <p>52% Female representation on Syncona Investment Management Limited team</p>	<p>Further develop Syncona's diversity and inclusion strategy</p> <p>Continue to maximise engagement with Windsor Fellowship, Generating Genius and FastFutures partnerships, focusing on tackling the underrepresentation of black minorities within Science, Technology, Engineering and Maths (STEM) careers in the UK</p>	
<p>Pillar 04</p> <p>Responsible and ethical business</p> <p>Read more: Page 40</p>	<p>Report in line with TCFD recommendations for the first time</p> <p>Begin development of a wider Scope 3 emissions strategy, incorporating portfolio company emissions</p>	<p>First TCFD disclosure</p> <p>Net zero Aspiration on a full portfolio basis by 2050</p> <p>1.7 Gross tCO₂e per full time employee*</p>	<p>Target publishing a full carbon emissions portfolio footprint in FY2022/3 Annual Report</p> <p>Intention to sign up to Net Zero Asset Managers (NZAM) initiative</p> <p>Publish first UN PRI questionnaire</p>	<p>Read more online: www.synconaltd.com</p>

*Using market-based method across Scope 1, 2 and limited Scope 3 emissions



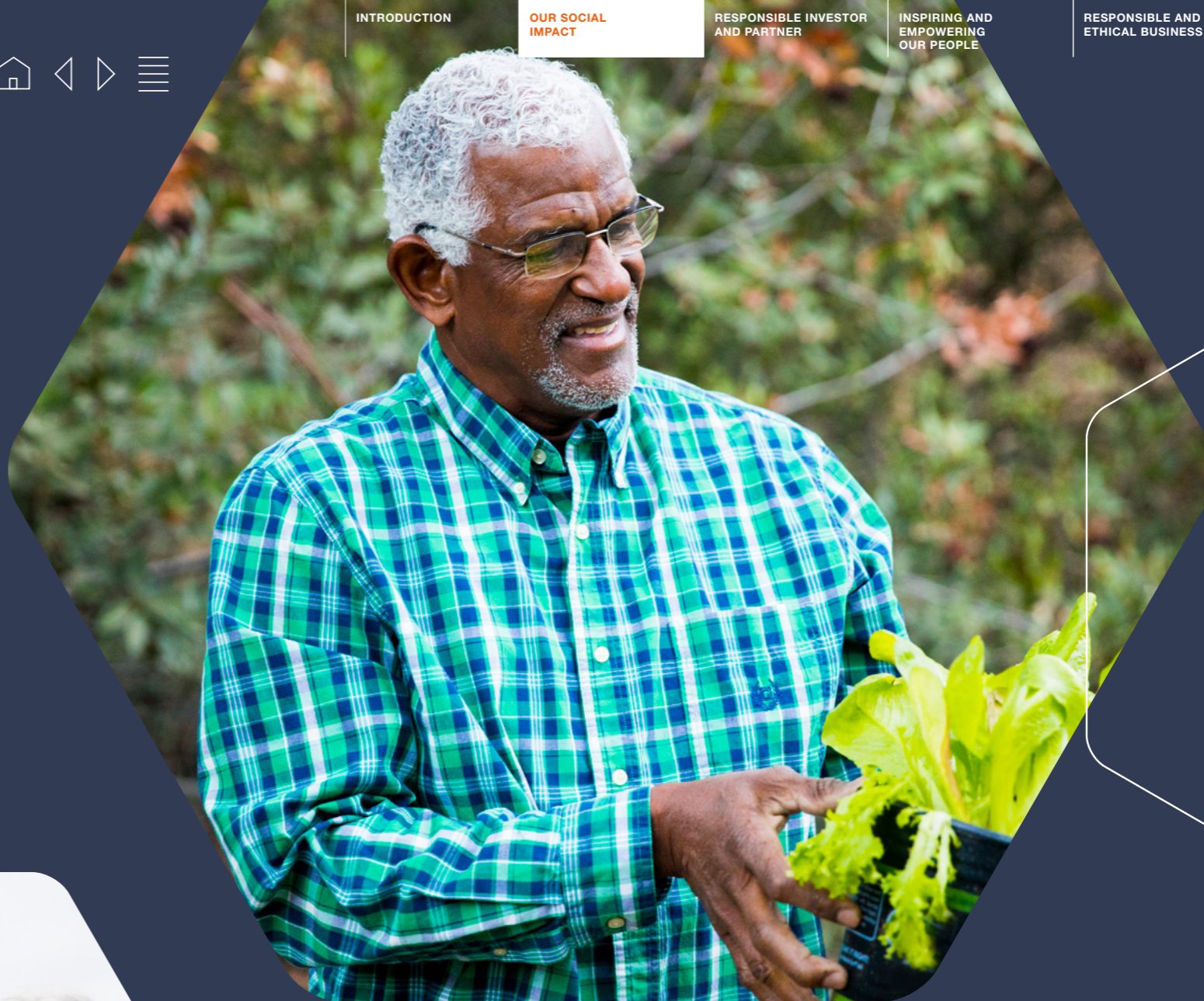
Pillar 01

Our social impact

We seek to make a positive social impact through our core purpose of extending and enhancing human life, by building companies to deliver transformational treatments to patients in areas of high unmet need.

Not only do our companies have the potential to improve the health and wellbeing of patients; these companies support the UK life science sector by providing jobs, developing the next generation of industry practitioners, and attracting investment into the UK life science ecosystem. We also actively engage with the UK Government's life science agenda, including at management level.

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



2022 PILLAR HIGHLIGHTS:

11

Clinical trials across the portfolio

Autolus

Approaching data read-out from pivotal trial in lead obe-cel programme

FOCUS FOR 2023:

Work towards patient impact through founding, building and funding our portfolio companies to develop transformational treatments

Donation of 0.35% of NAV to The Syncona Foundation

Delivering transformational treatments to patients in areas of high unmet need

We look for technology which can deliver dramatic efficacy and can credibly be taken to the point of regulatory approval, and we build companies around this exceptional science.

We aim to develop transformational treatments and have already seen the impact we can make to patients' lives. We took Blue Earth Diagnostics' lead product, Axumin®, a diagnostic imaging agent for prostate cancer, through clinical trials to market, before selling the business to Bracco Imaging. This product has now benefitted over 165,000 patients since its launch in 2016.

In our portfolio of 11 companies, we now have four at clinical stage. Our most clinically advanced company, Autolus, is expected to report clinical data from its pivotal trial of AUTO1 (obe-cel) in relapsed/refractory adult acute lymphoblastic leukaemia (ALL) in the second half of this calendar year. Obe-cel has the potential to be a transformational therapy in adult ALL patients, and further detail on this can be found in the following case study.

“We aim to develop transformational treatments and have already seen the impact we can make to patients' lives”

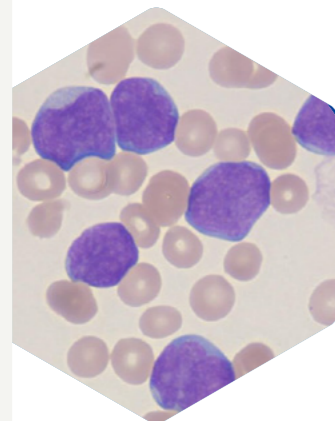


Portfolio case study

Autolus Therapeutics: addressing a severe form of leukaemia

Acute lymphoblastic leukaemia (ALL) is a severe form of blood cancer affecting white blood cells called lymphocytes. ALL usually develops rapidly, over days or weeks, and can affect children and adults. Without any treatment, this aggressive type of leukaemia is fatal.

The standard treatment for ALL can include chemotherapy, radiation therapy, and targeted therapies such as monoclonal antibodies. Unfortunately, the prognosis based on current treatments for adults with ALL is still extremely poor. The median overall survival is less than one year in the relapsed/refractory adult ALL setting.



Autolus is focused on developing obe-cel, an innovative and potentially transformational treatment for adult ALL. Obe-cel is a CAR-T cell therapy. It involves collecting a patient's own white blood cells, called T cells, and programming them to destroy cancer. This means every treatment is customised for each individual patient.

There are other CAR-T products approved for use in cancer, including ALL, but there are some challenges that need addressing, particularly around the longevity of the treatment and debilitating side effects for patients.

Obe-cel has been designed to have a long-lasting, potentially curative effect, alongside a more favourable safety profile. Based on the positive clinical data to date, it has the potential to address a significant unmet medical need by making a real difference to the lives of patients suffering with ALL.



Building globally competitive businesses leveraging UK/European scientific research

Syncona is fortunate to benefit from the outstanding life science research found within the UK and Europe, where we have strong links to academics at many of the world's leading universities. These relationships are often where we take the initial step in developing an investment opportunity, working with academic founders to understand the potential of their research and building this into a viable business.

Once founded, our companies continue to benefit from the strength of the life science infrastructure in the UK and Europe, as they

seek to build out their manufacturing capabilities and carry out clinical trials with the goal of eventually delivering marketed products to patients.

Syncona and our portfolio companies are able to contribute directly to the life science ecosystem of the countries in which they are based. These companies conduct clinical trials, employ and train staff, invest in infrastructure, and drive innovation, benefitting their local economies and populations over the long term.

Portfolio case study

Quell Therapeutics: a UK biotech innovating the field of T-regulatory cell therapies

Founded by Syncona in 2019, Quell is investigating the use of T-regulatory (Treg) cells to control unwanted immune activity.

If successful, Quell's programmes will enable the treatment of patients with autoimmune and inflammatory disease, as well as potentially prevent organ rejection without the need to take immunosuppressive medication. Its group of scientific co-founders include academics from University College London and King's College London, as well as Hannover Medical School.

Since its foundation, Quell has continued to grow its footprint in the UK. It moved into its headquarters in west London in March 2020, and in September 2021 announced that it would be significantly expanding its manufacturing capabilities and capacity at the Cell and Gene Therapy (CGT) Catapult in Stevenage, the third Syncona portfolio company to currently lease space at this facility. This added a second Good Manufacturing Practice (GMP) facility to Quell's operational

footprint, providing the company with the capacity to develop and scale production of its therapies for clinical trials. The company's lead therapy, investigating the use of Tregs in preventing organ rejection in liver transplant patients, is on course to enter the clinic in 2022 and is enrolling patients at four sites across the UK.

Quell employs 110 employees in the UK in a variety of scientific and operational roles. Its presence in the UK provides the country with a global leader in Tregs, with Quell set to become one of the first companies to enter the clinic with this technology. Quell has also been able to benefit from the UK's position as a life science leader, through both its links to the CGT Catapult and from the investment from British Patient Capital's Future Fund: Breakthrough into Quell's Series B financing. As it continues to grow and potentially broaden its clinical pipeline, Quell will continue to benefit from, and contribute towards, UK life sciences, underlining the economic benefits of a thriving early stage biotech industry.



Number of Quell UK employees

110



New cases of adult ALL diagnosed every year in the US and EU

8,400 patients*

Estimated addressable adult ALL patients in relapsed refractory setting

3,000 patients*

*SEER and EUCAN estimates (respectively) for US and EU

INTERVIEW



Syncona's role within UK life sciences

Martin Murphy
Chief Executive Officer and Chair,
Syncona Investment Management Limited

Q: What is your view on the current health of the life sciences industry in the UK?

A: The UK is a global leader in life sciences. We are fortunate to have an outstanding scientific research base; four of the top 10 universities for life sciences research globally are based here in the UK. The COVID-19 pandemic has highlighted the strength of the industry, with academic institutions, the NHS, and the private sector coming together to deliver vaccines and treatments which have benefitted people impacted by COVID-19 worldwide.

In my view, the biggest hurdle for UK life science businesses is not ambition, access to talent or cutting-edge science, it is scale-up capital. It is capital intensive to translate innovative technology through to an approved product that can be used routinely by patients, and access to this scale up capital is limited. Such funding, together with the longer-term evolution of the UK capital market to facilitate capital raising by early stage companies, is crucial in retaining the high growth businesses of the future in the UK. At Syncona, this is the gap that we aim to bridge, and although the situation is improving, we cannot stand alone. We believe there is much more the financial sector can do to help develop the tech and life sciences leaders of tomorrow.

Q: What role do you see Syncona playing within UK life sciences?

A: The foundation of our business is to translate the UK's world class research base into transformational medical products for patients.

We do this by moulding ideas and concepts into commercial opportunities, leveraging what Syncona believes is the significant starting scientific substrate in UK academic institutions and combining it with Syncona's entrepreneurial skill and business acumen to turn it into an investable proposition. Syncona's portfolio companies currently have trials in clinical development in the UK across 19 trial sites, helping to support the UK as a world leader in clinical trials of innovative medicines.

Our UK companies have also attracted sophisticated overseas capital from many blue-chip US and European investors; £1.9 billion of capital has been raised by Syncona's UK based portfolio, with £616 million committed by Syncona. This inward investment has helped facilitate early and significant investment in areas of high strategic

value for the UK life sciences ecosystem, such as manufacturing facilities for complex therapeutic products. A clear example here is the Cell and Gene Therapy (CGT) Catapult, a high-tech manufacturing complex based in Stevenage, where Syncona portfolio companies currently occupy five suites. We have also made use of key hubs of experience in other areas of the UK, for example Resolution is able to benefit from The University of Edinburgh's position as a leading research base in macrophage cell therapy and has a close relationship with the manufacturing capabilities of the Scottish National Blood Transfusion Service.

We build our companies to compete on a global stage, attracting world class talent to the leadership teams of our portfolio companies and creating hundreds of jobs across our UK businesses. Together, Syncona portfolio companies employ almost 900 people in the UK, specialising in all aspects of the pre-clinical, clinical and regulatory development pathway.

Q: What role can the Government and regulators play in developing the life sciences industry in the UK?

A: As we saw with the rapid approvals of the COVID-19 vaccines, regulators such as the Medicines & Healthcare products Regulatory Agency (MHRA) have an important role to play alongside the industry in expediting the approval process for innovative therapies with the potential for transformative impact in patients. The use of rolling reviews for COVID-19 vaccines, where regulators reviewed clinical data as it came through rather than once at the end of the process, created a route for accelerating the regulatory approval process. In addition, the UK's RECOVERY Trial, a national clinical trial set up to find treatments for hospitalised COVID-19 patients, was a model for how real-time data from trials can be logged directly by physicians, with this quickly being analysed by regulators to facilitate drug approvals. This trial was truly

Build Back Better

Council member

world-leading and was the first to demonstrate the utility of cheap generic drugs such as dexamethasone in treating COVID-19 patients; it is estimated to have saved 1 million lives since introduction.

In January 2021, MHRA launched its Innovative Licensing and Access Pathway (ILAP), leveraging its learnings from the pandemic to accelerate the time to market for new medicines. In its first year of introduction, 41 innovation passports were granted through the ILAP scheme, including several to our portfolio company Autolus.

The Government's UK Life Sciences Vision aims to put life sciences at the centre of the UK economic recovery from COVID-19. There is recognition from the Government that in a global race between countries to lead the sector, the prize in terms of both economic growth and human health is large. To leverage this, the industry needs to continue to make the case for greater access to scale-up capital for early-stage life sciences businesses. There is a role to be played by our significant defined contribution pensions industry in investing in early stage and illiquid assets. I enjoyed discussions on this as part of my role on the Prime Minister's Build Back Better Council and have been pleased to see progress being made since then in the Government's Innovation Strategy, and the Bank of England's Productive Finance Working Group.

The UK Government has a key role in supporting industries such as ours as they seek to grow and contribute to the wider economy – both socially and financially – and I believe that we at Syncona have a continued role to play in making a compelling case for our sector.

“**The COVID-19 pandemic has highlighted the strength of the industry, with academic institutions, the NHS, and the private sector coming together to deliver vaccines and treatments which have benefitted people impacted by COVID-19 worldwide**”

The Syncona Foundation: charitable giving in our DNA

The Syncona Foundation was set up a decade ago with charitable objectives focusing on the prevention, treatment, cure and ultimately eradication of cancer and other diseases, as well as other charitable activities.

Each year, Syncona provides a significant level of philanthropic funding to the two charities it supports, The Syncona Foundation and The Institute of Cancer Research (ICR); charities which have ambitions aligned to our vision to deliver transformational treatments for patients and through which we believe we contribute to the wider healthcare ecosystem. This is the final year in which the two charities will be funded separately, with donations to the ICR from 2023 onwards to be made through the Foundation. Focusing all our donations via the Foundation will enable a more holistic view of the charities that can benefit from our support and will maximise the impact of our funding.

The Foundation supports a range of charities, most of which focus on seeking treatments for, or supporting, patients with disease, aligning with Syncona's core purpose. Throughout the year, the Trustees and members of the Syncona team closely interact with current and prospective charities. The list of charities the Foundation supports is under continual review from the Trustees of the Foundation to ensure that funding is reaching the places where it can have the greatest impact.

This year we will donate £4.2 million to the Foundation and ICR, bringing our total donations to charity since 2012 to £40.6 million. The Foundation typically provides funding to its charitable partners on an unrestricted basis, which gives charities the freedom to deploy money into the places they believe it can have the most impact.

The Syncona Foundation: supporting 3 new charities



“**This year we will donate £4.2 million to the Foundation and ICR, bringing our total donations to charity since 2012 to £40.6 million**”



The Syncona Foundation: transforming patients' lives

- Rupert Adams**
Board of Trustees
- Nigel Keen**
Board of Trustees
- James Maltin**
Board of Trustees
- Lucie Kitchener**
Board of Trustees
- Fenella Dernie**
Finance Manager
- Eleanor Hickling**
Foundation Secretary



“
The Foundation actively reviews its charitable causes to ensure it continues to fund the areas where its support is most needed, with mental health charities becoming a key focus over recent years”

Tom Henderson
Chair of the Board of Trustees of The Syncona Foundation

Update from the Chair of the Trustees of The Syncona Foundation

I am delighted to provide an update on the activities of The Syncona Foundation, in what is its 10th anniversary year.

The Syncona Foundation was founded 10 years ago with charitable objectives focusing on the prevention, treatment, cure and ultimately eradication of cancer and other debilitating diseases, as well as additional charitable activities. We have stayed true to these objectives ever since, supporting an increasing number of healthcare focused charities, of varying size and scale, with the shared purpose of making a real difference to patients. Since 2012, Syncona has donated a total of £41 million to charity, with the majority of that coming to the Foundation; we look forward to continuing to be able to support our partner charities in the next decade to come.

The ICR is one of the world's most influential cancer research organisations, and we have been proud to support them since the Foundation's inception. 2022 is the final year that the ICR has been funded directly by Syncona, with funding for the charity from 2023 to be made through The Syncona Foundation. This will reinforce the already strong relationship between the Foundation and the ICR, and on the next page you will see a case study setting out the benefits

that the ICR has been able to draw from a decade of support from Syncona. I look forward to continuing our relationship with the ICR, as we support their lifesaving work in cancer research.

The Foundation actively reviews its charitable causes to ensure it continues to fund the areas where its support is most needed, with mental health charities becoming a key focus over recent years. This year, we added The Listening Place, Place2Be and BrainWaves to our main roster of charities, taking the number of core charities supported to 30. The Listening Place does incredible work providing face to face counselling to those at severe risk of suicide who may have slipped through gaps in mental health support services. Place2Be and BrainWaves are both focused on mental health intervention in young people, helping schools and teachers to have the tools they need to be able to better support pupils' wellbeing. The Foundation continues to actively assess where it thinks its resources can best be utilised in supporting those most in need, across its funding cycle.

The Foundation is also incredibly proud of the progress made during the year by some of its existing charitable partners. The David Nott Foundation has continued to undertake vital work around the world, not least recently during the conflict in Ukraine, where David and his team have delivered surgical

training courses for doctors in the country so that they can be better prepared for dealing with complex war injuries. This is an illustration of the impact that charities funded by The Syncona Foundation can have, and I would like to thank all of our charitable partners for the continued hard work they are doing to help people in often challenging circumstances.

We were delighted to welcome Lucie Kitchener to the charity as a Trustee during the year. Lucie has a vast amount of experience in corporate roles and the non-profit sector and I look forward to seeing the Foundation benefitting from her unique insight. In addition to Lucie, we were pleased to welcome Eleanor Hickling who joins as Foundation Secretary and would like to thank the departing Liz Bennett for her support in this role over the last four years.

I would like to finish by touching on the incredible level of support that The Syncona Foundation has received from the Syncona Board and leadership team, led by Martin Murphy and Chris Hollowood, over the last 10 years. Thanks to this support, today the Foundation is well positioned for the future, as it looks to continue to support charities who can help those who are most in need.

Tom Henderson
Chair of the Board of Trustees of The Syncona Foundation



The Institute of Cancer Research (ICR) case study

Funding a decade of scientific achievements

Our mission is to make the discoveries that defeat cancer and our researchers are working every day in our laboratories to transform patients' lives. We are a charity and a higher education institution, training and developing the next generation of clinicians and scientists.

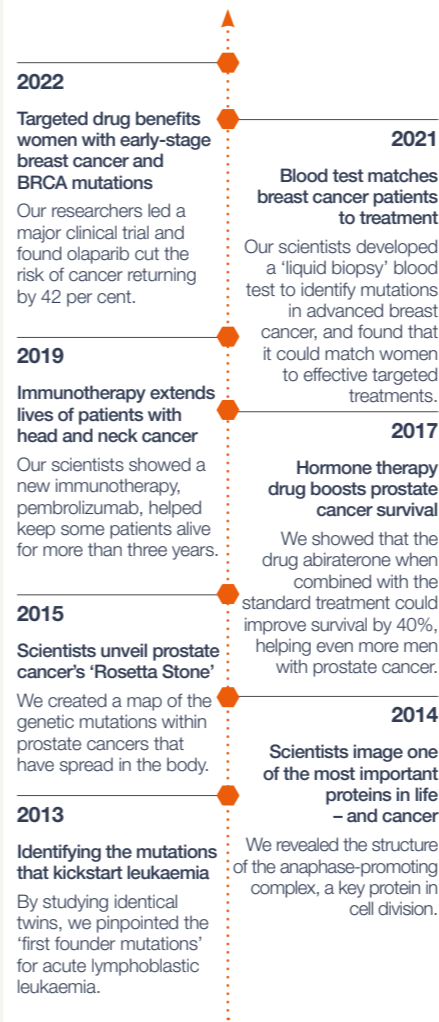
For a decade now, Syncona and the Foundation have generously supported the ICR's research.

Here are some examples of important advances that The Syncona Foundation has helped make possible since we started working together in 2012.

£1.9m

Donated to the ICR from Syncona and The Syncona Foundation in the year

Top research milestones from the last 10 years



INTERVIEW



ICR at the forefront of the battle against cancer

Professor Kristian Helin
Chief Executive of the ICR

Professor Kristian Helin joined the ICR in 2021 as its new Chief Executive. Professor Helin is a world-leading researcher in cancer 'epigenetics' – showing how regulation of the way the DNA code is read can play an important role in the development of cancer. He has exceptional leadership experience in three countries, and was at the Memorial Sloan Kettering Institute in New York, before joining the ICR in London.

We spoke with Professor Helin about his vision for the future of the ICR and the importance of philanthropic support.

Q: How does the ICR work to defeat cancer?

A: I was drawn to the ICR because of the calibre of its research and the impact its work has for cancer patients. We have a world-class scientific environment where we can take research from early fundamental discoveries through clinical trials to patients together with our partner hospital The Royal Marsden.

Recently, a trial led by our scientists showed the benefits of a targeted drug known as olaparib, for women with early-stage breast cancer. Our scientists played a critical role in the early research that underpins how this drug works, and in its development. Our scientists are leading studies that are transforming treatment for cancer patients across the UK and worldwide.

Q: What role do donors such as The Syncona Foundation play in supporting the ICR?

A: The Syncona Foundation plays an incredibly important role in helping us make discoveries and improve cancer patients' lives. Research is a long-term endeavour and I know that having been able to rely on the Foundation's support for the last decade has been particularly special for us. Similarly, donors like The Syncona Foundation allow us to invest wherever we consider the need to be greatest –

so for example, in new 'blue sky' initiatives or research into rarer and harder to treat cancers.

Having led various scientific departments and institutions, I have seen the impact that philanthropy can have. While I can't claim credit for the fantastic achievements at the ICR over the last decade, I know that many of these discoveries could not have been made without philanthropic support.

Q: What are your future plans for the ICR?

A: We are in an exciting time of renewal, both as we emerge from the COVID-19 pandemic and as we develop a new research strategy. I've been working with my research colleagues to gather ideas for the new strategy and we've already identified some exciting new areas of science to help us defeat cancer.

We want to study cancer as part of its complex ecosystem, adapting to its environment and constantly evolving. And we plan to examine cancer at unprecedented resolution – through the implementation of cutting-edge technologies for imaging and genetic analysis. We also want to form stronger links between our fundamental research in understanding the biology of cancer and our work to discover and develop new drugs. By validating new drug targets before they reach the clinic, we can move forward with the most promising as quickly as possible. Another focus will be using technological advances such as AI to strengthen our data science and to support pathologists in interpreting diagnostic images.

The ICR has made great discoveries over the last decade thanks to our dedicated scientists and support from organisations like The Syncona Foundation. I can't wait to see what the next 10 years will bring.



We found, build and fund sustainable life science companies, in partnership with world class academics and leading management teams.

We take a hands-on approach to building our businesses. Once we find an area of exceptional science with a clearly defined commercial opportunity, we look to build a company around it. This regularly involves putting in place the team, processes and infrastructure as well as providing the company a clear strategy and business plan to deliver on its potential. We invest in our portfolio companies over the long term, supporting them through their lifecycle, and we typically have at least one Syncona representative on our companies' boards.

This approach means that we are well positioned to make a difference as a responsible investor and partner.

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

Pillar

02

Responsible investor and partner

2022 PILLAR HIGHLIGHTS:

UN PRI

Became a signatory

Gyroscope

Sustainability considerations taken into account in sale of Gyroscope to Novartis

FOCUS FOR 2023:

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

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

An update on our approach to responsible investing

Syncona developed and published its Responsible Investment Policy in 2021 and since then the Syncona team has continued to make good progress in embedding this into our investment process and the management of our portfolio companies.

We continue to believe that engaging our portfolio companies on sustainability issues ensures that Syncona is fulfilling its obligations as a responsible investor, whilst also contributing to business performance, given that sustainability factors can be a significant driver of risk and value within our investments. We look to embed sustainability throughout our investment process and through the stewardship of our companies. This allows the objectives within Syncona's Sustainability Policy to be effectively implemented, positively impacting portfolio companies, the patients they seek to ultimately treat and the communities within which they operate.

Embedding our Responsible Investment Policy

Throughout the year, Syncona's investment team, supported by the Sustainability Committee, has worked closely with our portfolio companies to implement our Responsible Investment Policy. We work hand in hand with our portfolio companies, and this includes having a partnership approach to sustainability. We believe it is important that our companies develop their own sustainability priorities most suited to their specific visions and corporate activities. The output of our ongoing discussions with our portfolio has been very positive, with companies in many cases already actively prioritising sustainability issues across their own operations and showing a willingness to improve their reporting in line with Syncona's expectations. Moving forward, the investment team will continue to engage with the portfolio to understand how companies are continuing to pursue their sustainability priorities and will track progress on an ongoing basis.

The investment team now reports on portfolio company progress across the six pillars of Syncona's Responsible Investment Policy on a bi-annual basis at Syncona's

quarterly business reviews. These reviews are attended by the Syncona team, as well as members of the Syncona Limited Board. We believe that ensuring our portfolio companies are operating as good corporate citizens helps to support their own longer-term interests as businesses, whilst also helping to unlock value creation across the Syncona portfolio.

The Sustainability Committee has also worked with the investment team during the year to ensure that sustainability factors are considered at the point of investment, with these now noted in the initial screen of investments, investment memorandums seeking investment approval, and term sheets. In line with the Responsible Investment Policy, sustainability factors are also considered if we choose to exit a business, and were noted at the time of the decision to sell Gyroscope to Novartis in December 2021. Further information on this can be found in the box below.

Chris Hollowood
Chief Investment Officer,
Syncona Investment Management Ltd

Gyroscope: Sustainability factors at the point of exit

Sustainability considerations were included in the decision-making process during the sale of Gyroscope to Novartis, which was completed in the financial year. For example, given the strong gene therapy and ophthalmology franchise at Novartis, the transaction will potentially improve the speed of approval for Gyroscope's lead programme in geographic atrophy, an advanced form of dry age-related macular degeneration, making it available to patients more quickly. This followed the provision set out within the Syncona Responsible Investment Policy for sustainability factors to be considered at the point of exit, with Syncona also identifying no overarching ethical issues with the Novartis proposal when it was made.



“We continue to believe that engaging our portfolio companies on sustainability issues ensures that Syncona is fulfilling its obligations as a responsible investor”

Chris Hollowood
Chief Investment Officer,
Syncona Investment Management Ltd

The six pillars of Syncona's Responsible Investment Policy

- 01 Compliance and governance
- 02 Access to medicines
- 03 Animal welfare
- 04 Good R&D practice
- 05 Diversity and inclusion
- 06 Environmental impact

Our commitments to active ownership

Syncona understands that its commitment to responsible investment begins in its initial screen for investments and continues through the due diligence process through to investment approval. Syncona is also committed to being a good steward to its investments, aligning its approach with the UN PRI, which it became a signatory to in October 2021.

Syncona is committed to:

Integrating sustainability issues into our investment and management processes, with the right culture, values and expectations for sustainability set at the beginning of the investment process.



Supporting each portfolio company to establish appropriate governance and monitoring processes for their sustainability performance, to ensure the most relevant sustainability issues are taken into consideration at each stage of a company's lifecycle.



Working with our portfolio companies on key sustainability issues

Syncona recognises that it is important to work with our portfolio companies to help nurture the right culture, values and processes so that they may follow a sustainable path over the long term, with this helping to add value to our businesses and to Syncona itself.

Throughout the 2021/2 financial year, we have been working with our portfolio companies to introduce them to the six core pillars of our Responsible Investment Policy, and ensure they are integrated into their operations. These six core pillars are:

1. Compliance and governance
2. Access to medicines
3. Animal welfare
4. Good R&D practice
5. Diversity and inclusion
6. Environmental impact

We ask our portfolio companies to adopt the requirements we set out against these six pillars and report against them to Syncona on an annual basis.

Ongoing commitment to responsible investment

Members of the investment team, supported by the Sustainability Committee, work closely with portfolio companies to make them aware of the six core pillars set out in Syncona's Responsible Investment Policy. Whilst the policy has been communicated to all 11 Syncona portfolio companies, we have taken into account the developmental stage of each company, current circumstances within that particular business, and the timing of the roll-out within Syncona's financial year when setting an expectation for immediate action in implementing elements of the policy. We have asked our portfolio companies to track their progress by reporting against a collection of sustainability KPIs. Six portfolio companies have responded this year, and we expect to take a step forward in this regard in the 2022/3 financial year.

1. Compliance and governance

Summary of approach

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

Compliance and governance focus areas

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

Progress in the year

100%

Of responding companies have a Whistleblowing Policy

All

Responding companies have at least 50% alignment with our compliance and governance focus areas

Portfolio case study



At Quell, the team already had a strong foundation of compliance and governance policies which set out their approach to operating their business. Quell has continued to make progress in developing a suite of policies in the year, with a particular focus on ethical procurement. A new policy has been rolled out to the team, with Quell recognising that even though they operate in a sector in which they would expect to operate alongside suppliers with high ethical standards, it is important to implement a formal process evaluating processes and potential ethical risks in their supply chain.



2. Access to medicines

Summary of approach

Syncona is committed to achieving broad patient access to medicines. Many of the medicines that Syncona's portfolio companies are developing address smaller groups of patients and, given their highly complex nature, can be expensive to develop. This may result in the individual costs of these products being high. We support our companies in considering and designing strategies to address larger patient groups as the company progresses through the drug development cycle to the point where the therapy has been de-risked.

We 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

5

Portfolio companies intending to sign up to European Biotech Social Pact or US equivalent

100%

Of responding companies committed to developing an Access to Medicines Policy

01 **Aligning with industry best practice**

02 **Patient access programmes**

03 **Access to developing world**

04 **Pricing practices**

Portfolio case study

purespring

We founded Purespring, our pre-clinical renal gene therapy company, in 2020, and it has already made good progress in building out its access to medicines approach. It has committed to having a member of its management team sign the European Biotech Social Pact, whilst it is also moving forward with developing a standalone Access to Medicines Policy which is aligned with Syncona's principles in this area.

Aligned with UN SDG





The world we're in is changing, and the idea that companies' performance and success can be measured purely by the bottom line is out of date"

Gonzalo Garcia
Syncona Partner and Sustainability Committee member



INTERVIEW

Engaging with our portfolio companies on sustainability

Gonzalo Garcia
Syncona Partner
Board Observer at
Resolution

Alex Hamilton
Syncona Partner
Board Director at SwanBio
and Anaveon

Why do you think it is important for Syncona to engage with its portfolio companies on sustainability issues?

AH: Sustainability is about how a company decides to engage with the wider world beyond a narrow focus on its financial performance. By definition, it's an area that requires collaboration and reflection to land upon the approach that the company wants to take. When we started our sustainability work, we felt strongly that the Syncona approach to sustainability needs our portfolio companies to understand what we're aiming for and that they're a big part of achieving it. Ultimately, everything we do is about our portfolio companies and so we've focused on developing an approach that aims to enable them to become better companies.

GG: The world we're in is changing, and the idea that companies' performance and success can be measured purely by the bottom line is out of date. Our responsibility in the corporate world is broader than that and includes a duty not just to our shareholders, but to all our stakeholders and to society at large. Sustainability lies at the heart of this, ensuring companies have a long-term place in a better future. At Syncona,

we feel it is our duty to work with our portfolio companies and empower them in this mission; after all, their success is our success.

Can you talk us through Syncona's approach to rolling out its Responsible Investment Policy?

GG: Our entire approach to building companies centres on partnering with founders and academic institutions, and rolling up our sleeves to work alongside them day-to-day. When it comes to rolling out our sustainability policies, we think about them in exactly the same way – we bring our thinking, provide relevant materials and resources, and let our companies guide us as to what initiatives make the most sense in their specific context. It's all about hearts and minds.

What has the reaction been from the portfolio companies that you have engaged with?

AH: Universally positive. We've actually been surprised by the extent to which they've engaged with us on this. Nobody views it as, or wants it to be, a box-ticking exercise; everyone has thought about it as an element of building the culture of the company and how they can leverage it to become stronger, better companies.

GG: Very positive indeed. The company management teams all broadly believe in what we're trying to achieve, and so much of the discussion to date has centred on how best to operationalise the relevant policies to maximise impact, rather than on the overarching need for them.

Are there any focus areas where you have been pleasantly surprised by the work already being done by portfolio companies?

AH: I think the strongest work, and most proactive engagement, has been on what we refer to as 'diversity and inclusion'. My concern was that it's a bit of a limited term and can be interpreted as a strict monitoring of certain characteristics, with best practice being defined by hard rules. We didn't want to go down that route as our companies need to solve matters for themselves in their local situations, what are the social issues that are most important to them and how they can use those opportunities to become better, in every sense of the word. I was really pleased by how much our companies care about creating opportunity, driving equality, and enabling social change for the better



I was really pleased by how much our companies care about creating opportunity, driving equality, and enabling social change for the better"

Alex Hamilton
Syncona Partner and Sustainability Committee member

– they just need to have their own tailored ways of going about it, and I think they really understood that.

Are there any reflections you have so far from this process?

AH: We felt strongly that while we need to drive this process, it shouldn't be perceived as a top-down imposition. Instead, the aim is to embed thinking within the portfolio companies that causes them to go beyond the narrow focus on the day-to-day, and reflect more broadly upon why companies exist and what they're for, and how we can create and grow them in better ways. While there is, by necessity, a reporting burden for them, the reporting itself is not the primary purpose of the sustainability work – it's about building better companies.

GG: I think the journey has reaffirmed our ongoing view that a collaborative, partnering approach to these topics is the way to go. It has also highlighted the importance of helping our companies through some of the less familiar aspects of sustainability, such as environmental concerns, and providing them with access to the necessary resources. These aspects of our approach I think have gone a long way toward ensuring our companies view this as an opportunity to grow, rather than as a constraint. Hopefully successful long-term implementation will now follow.



3. Animal welfare

Summary of approach

Syncona is committed to high standards of ethical care across all aspects of our business, including 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 require 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. Further detail on the 3Rs is available from nc3rs.org.uk.

Progress in the year

100%

Compliance rate with 3Rs principles amongst responding companies

No

Responding portfolio companies reported any significant breaches of 3Rs during the year

Aligned with UN SDG



Portfolio case study

Resolution Therapeutics

Resolution, our macrophage cell therapy company which we co-founded in 2020, works within Home Office rules and is fully committed to the 3Rs principles. Following engagement with Syncona on sustainability issues, it has agreed to develop its suite of sustainability policies and expects to adopt an Animal Welfare Policy in the 2022/3 financial year.



4. Good R&D practice

Summary of approach

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. We are also mindful of data protection concerns and have high expectations for data and patient privacy.

Progress in the year

2

Companies with Good R&D Practice Policies; 3 further companies with policies in development

5

Companies with minimum quality standards written into contractual terms

Aligned with UN SDG



Portfolio case study

Autolus

Autolus ensures that Good R&D Practices are followed both at the company-wide level and departmental level, such as in Good Manufacturing Practice and Good Operating Practice procedures. This includes a specific standard operating procedure defining the requirements for identification, assessment and remediation of deviations and non-conformances during the clinical development process.

5. Diversity and inclusion

Summary of approach

Syncona is committed to being an advocate for diversity and inclusion (D&I) in the scientific and investment communities. 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.

Progress in the year

2

Companies with a D&I Policy in place; 3 further companies with policies in development

2

Portfolio company tracking D&I metrics, with 3 looking to initiate this

Aligned with UN SDG



Portfolio case study

ANAVEON

Anaveon, which has been a Syncona portfolio company since 2019, has actively sought to develop its D&I agenda during the year. As part of this, the company has appointed an employee ombudsperson from within its team, whose role is to act as an arbiter and advocate for fairness in the workplace, including in issues relating to D&I. This ombudsperson acts as a trusted intermediary between the Anaveon team and its senior leadership, promoting constructive communication and facilitating problem solving in the case of any ongoing workforce issues.

6. Environmental impact

Summary of approach

Syncona is committed to operating its business in an environmentally responsible and sustainable manner. 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.

Given the progress made by Syncona and its portfolio companies in improving environmental disclosure and aligning business operations with the 2015 Paris Goals, we have incorporated SDG 13, Climate Action, to the group of core SDGs which Syncona is aligned with.

Progress in the year

5

Companies developing an Environmental Policy

6

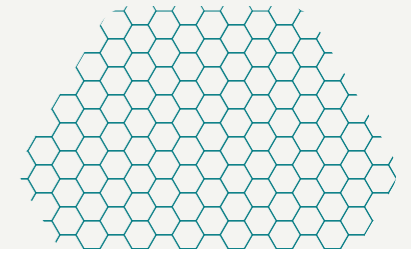
Companies reporting Scope 1 to 3 emissions to Syncona for the first time

Aligned with UN SDG



Working with our portfolio on disclosing their carbon emissions

In line with Syncona's partnership approach to implementing its Responsible Investment Policy, during the year we worked closely with six of our privately held companies on their carbon reporting. This work, led by a consultancy and supported by Syncona, showed how these portfolio companies could capture the required operational information in order for them to initiate Scope 1 to 3 carbon emissions reporting. As a result of this project, data on Scope 1 to 3 emissions across the six companies was captured, meaning that Syncona is now able to more accurately understand the carbon footprint of its investment portfolio.



Sustainability within the Syncona portfolio

Throughout the financial year the investment team, supported by the Sustainability Committee, has been engaging with portfolio companies to implement Syncona's Responsible Investment Policy.

By year end, the policy had been communicated to all of Syncona's 11 core portfolio companies. 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.

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

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

As part of the implementation of the policy, Syncona has asked its portfolio companies to track their progress in implementing Syncona's sustainability values and expectations by reporting against a collection of sustainability KPIs. Portfolio companies are expected to report against these KPIs on an annual basis. Please find below a summary of our requirements for each pillar and progress made against these during the year. We have highlighted one sustainability KPI from each pillar, and provided a graphical representation of the responses.

Our approach to sustainability data collection

The below graphics illustrate how our portfolio companies have reported against a number of key requirements across the six pillars of our Responsible Investment Policy.

Whilst the Responsible Investment Policy has now been communicated to all 11 Syncona portfolio companies, we have taken into account the developmental stage of each company, current circumstances within that particular business, and the timing of the roll-out within Syncona's financial year. A number of portfolio companies (as set out under "not yet reporting") have therefore not reported fully across our set of requirements this year, and we expect to take a step forward in this regard in the 2022/3 financial year.

Key to pie charts

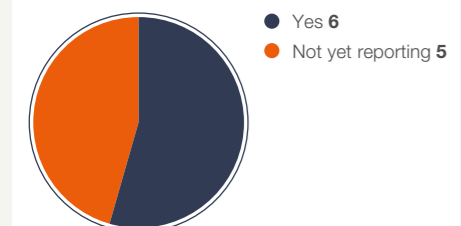
- **Yes** – when a portfolio company is already reporting in line with the requirement e.g. via a policy already being in place.
- **Intend to in next 12 months** – when the requirement is not being reported against currently, but the company intends to do so in the next 12 months.
- **Not yet reporting** – when the portfolio company has not provided a response to Syncona on this reporting requirement in this financial year.

1. Compliance and governance

Throughout the year Syncona has engaged with its portfolio companies to understand their existing compliance and governance policies and help them to improve these where necessary. In some cases, our specific requirements may be detailed in a company document, for example, the employee handbook, rather than a formal policy being in place. In such cases the portfolio company is asked to provide Syncona with reassurance that its values and expectations are being followed by the company.

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

Does the company have an Anti-fraud, Bribery and Corruption Policy?

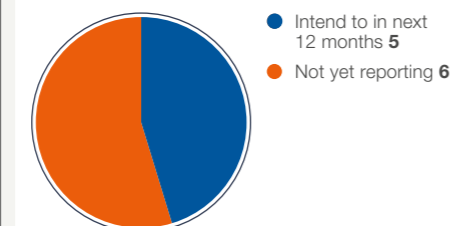


2. Access to medicines

Syncona is committed to making medicines accessible to patients. We must balance the importance of this with an understanding that our portfolio generally consists of companies which are earlier in their developmental cycle and not yet at the stage of delivering marketed products to patients.

Syncona asks that its portfolio companies have an Access to Medicines Policy regardless of their developmental stage, and that they seek to sign either the European Biotech Social Pact or US equivalent. The European Biotech Social Pact has been signed by Syncona CEO Martin Murphy and CIO Chris Hollowood and commits signatories to seeking broader patient access to medicines. Multiple business leaders from Syncona's portfolio are expected to sign the Pact over the next 12 months.

Have you signed up to the European Biotech Social Pact or US equivalent?

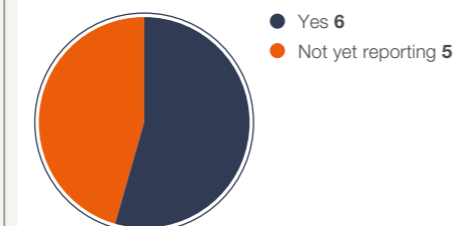


3. Animal welfare

Syncona expects its portfolio companies to align with all legal and regulatory requirements, along with the widely used '3Rs' set of standards when using animals in their research activities. Given the high regulatory standards in the jurisdictions which Syncona operates, our expectation is that our portfolio companies will be compliant with Syncona's standards in this area.

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

Has your company committed to the 3Rs principles?

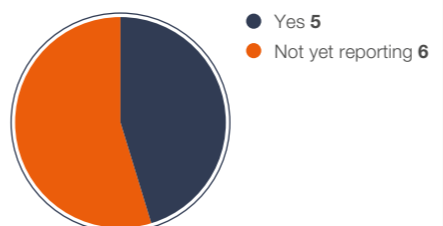


4. Good R&D practice

Syncona believes that its portfolio companies should demonstrate high standards in the drug development process. We consider our expectations of our companies in this area to be industry standard and reflective of the high standards within the jurisdictions within which Syncona companies operate.

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

Do you have established Standard Operating Procedures where necessary, and are all relevant employees appropriately trained in these procedures and related policies?

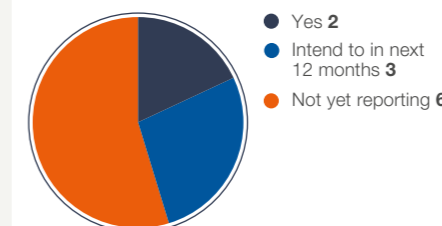


5. Diversity and inclusion

We ask that our portfolio companies have a policy framework in place which promotes D&I. We believe that this is the first step to ensure it is taken seriously at an organisational level. We also ask that companies align with Syncona's principle of positive action being taken to address inequalities both inside and outside the company, and that D&I metrics are disclosed and monitored on an ongoing basis.

In discussing diversity and metrics with portfolio companies, we have been clear in underlining the importance of tracking these on an ongoing basis at executive and Board level.

Does your company have a Diversity and Inclusion Policy?

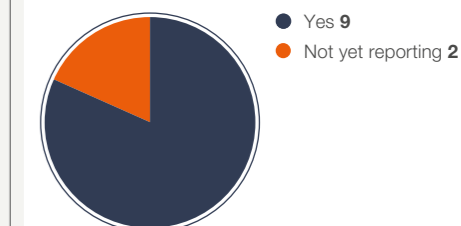


6. Environmental impact

Syncona has an aspiration to be net zero throughout its value chain (including portfolio companies) by 2050. It is therefore committed to close engagement with its portfolio companies to help them develop their own net zero strategies.

We ask our portfolio companies to develop an Environmental Policy which includes an initial position statement on net zero, and for them to disclose their Scope 1 to 3 emissions to Syncona on an ongoing basis. During the financial year, an environmental consultancy assisted six of Syncona's privately held portfolio companies to enable them to disclose their Scope 1 to 3 emissions to Syncona for the first time.

Do you report Scope 1 to 3 emissions to Syncona?





Pillar
03

Inspiring and empowering our people



We are focused on attracting, developing and retaining the best talent, as our people are fundamental to delivering on our strategy. Syncona's purpose is to invest to extend and enhance human life, and this is a core part of what attracts the best people to our business.

As we continue to scale Syncona, it is important to create an environment where our employees can continue to develop, and feel empowered in their roles, as we work towards delivering transformational treatments for patients in areas of high unmet medical need.

2022 PILLAR HIGHLIGHTS:

First

Windsor Fellowship intern completes six-month placement at Syncona

Generating Genius

First cohort begin studies

FOCUS FOR 2023:

Further develop Syncona's diversity and inclusion strategy

Continue to maximise engagement with Windsor Fellowship, Generating Genius and FastFutures partnerships

Developing our people strategy



Fiona Langton-Smith joined Syncona as its Chief Human Resources Officer (CHRO) in April 2021. She has been working to structure and scale the organisation for the next stage in its development, as well as providing HR leadership and guidance to the Syncona management team.

I have thoroughly enjoyed my first year at Syncona and have been impressed by the culture of the organisation. The team are open and honest in their discussions, and there are strong relationships that exist between team members at every level of Syncona.

I have spent much of the last year working with Syncona's leadership team to identify and implement the optimum organisational structure for the next stage of Syncona's growth trajectory. The team has been incredibly open to the process, recognising the clear benefits that evolving our way of thinking at an operational level can have for business performance.

As we look to best position Syncona for further success, we have made some changes to how the team is structured. In particular, we have focused on refining the structure of the investment team, combining this with a renewed focus on developing our people. We have reviewed and enhanced the way we assess performance and development, clearly aligning employee development plans with a future pathway within the organisation. We are also making a number of key hires from a junior to senior level across the investment team and the broader business, as we look to ensure that Syncona is well positioned for the next phase of growth.

We have introduced a Corporate Team, to act as the operational leadership team for Syncona. This is led by the CEO and CIO, and includes the CFO, CHRO, CMO, Head of IR and Communications, and General Counsel. This forum allows the leadership team to align on key issues at a corporate level, ensuring that Syncona is effectively delivering on its ongoing objectives. This team includes two female leaders, including myself, and it remains an ongoing priority of mine to provide access to forums for female leaders to influence the direction of the business.

An active approach to D&I is a key element to a successful and sustainable business. Following the launch of our D&I initiatives with the Windsor Fellowship, Generating Genius and FastFutures last financial year, we have been pleased with the progress made with these programmes in the year, and in particular the team enjoyed working with Winnie Ntow-Boahene, our first Windsor Fellowship intern, during her time at Syncona. An interview with Winnie and her Syncona mentor, Michael Kyriakides, can be found on pages 38-39.

Moving forward, I am very focused on the benefits that Syncona portfolio companies can draw from relationships with operational experts at Syncona. I have been pleased with the impact that Ben Woolven has had since joining as Business Strategy and Operations Partner in February 2022. Ben has initially been focusing on engaging with Resolution as it continues to scale its operations, with the company benefitting from the significant expertise that Ben has developed across strategy development and business operations, most recently at GSK. Ben's ongoing work with Resolution underlines the continued role that Syncona can play as its portfolio companies move through their development cycles.

We have made good progress in the year, ensuring our people strategy aligns with the strategic priorities of Syncona and its portfolio. I am excited by the prospect of continuing to develop and empower our people and ensuring Syncona is an inclusive and inspiring place to work.

Fiona Langton-Smith
Chief Human Resources Officer,
Syncona Investment Management Limited

Our values are at the heart of all that we do as we seek to deliver Syncona's purpose for our stakeholders



- 01 Excellence
- 02 Data driven
- 03 Entrepreneurial
- 04 Leadership
- 05 Teamwork

Read more:
Syncona Annual Report and Accounts 2022
www.synconaltd.com

Employee welfare and wellbeing

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 the role ensuring progression is attainable and unrestrained.

Benefits and support

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

Formal benefits

In line with our desire to attract and retain our talented team, the team are provided with competitive remuneration, including a long-term incentive scheme linked to the performance of our investments. Employee benefits include:

- Life assurance
- Income protection
- Pension contributions
- Private medical insurance
- Family-friendly benefits (maternity and paternity leave, bereavement and compassionate leave)

Syncona is committed to building upon its position as a great place to work for its employees, and over the next year is specifically looking to improve the family-friendly policies it has in place, with a focus on maternity and paternity leave.

Flexible working

We strive to have flexible working policies that meet the needs of our people and support our business. COVID-19 has enabled us to understand the potential of remote working, and we have been flexible and open minded as we have sought to integrate this into our longer-term working model. A hybrid working model has been in place since November 2021. As part of this, the team are asked to be in the office two or three days a week, depending on their department and business projects.

Emphasis is placed on strong communication between employees and their line managers, underlined by a clear foundation of trust that employees should be able to best manage their time and ongoing priorities.

Mental health and employee assistance

We place increasing importance on mental wellbeing and have been acutely aware of the strains on our people during the COVID-19 pandemic, which has continued to have an impact on the team through the financial year. 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.

Team engagement

Within the business, there is a culture of open communication across the team. The business benefits from being a c.30-person team operating with a flat structure and a commitment to limiting unnecessary hierarchy. The senior management team know everyone on the team personally and engage with everyone regularly, often seeking input into strategy and providing updates on key business initiatives. This has been particularly true during the year, where sub-groups across the investment and broader team have worked together on a number of important strategic initiatives.

The flat structure that Syncona has historically employed has benefitted it enormously in encouraging an open and honest culture within the organisation. Whilst we have looked to introduce new elements of structure to the organisation during the year to formalise some processes, this has been done in a way which does not unduly impact our openness as an organisation, which is important for our employees and key to our ongoing success.

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

- Integration of our Sustainability Policy into business operations
- Updating of key operational policies
- Ongoing relationship with Syncona's diversity and initiative partners
- Priorities in developing family-friendly policies
- Ongoing business strategy planning

The Syncona Board regularly meets members of the investment team, opening a transparent and direct line of communication.

Gian Piero Reverberi, the Non-Executive Director who leads employee engagement, and our Chair, Melanie Gee, have met with team members throughout the year. We also organised an informal event for the team to meet all of the Board members in March 2022, and particularly to introduce our new Board members, Dr Julie Cherrington and Dr Cristina Csimma, to the team in person.



Our approach to diversity and inclusion

We are an equal opportunities employer and recruit, promote and reward based on merit. We believe that a diverse and inclusive team is vital to our success and aim to embed these values within our culture.

Gender diversity

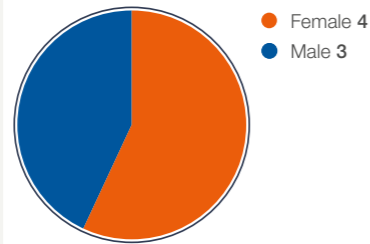
We monitor gender diversity across Syncona and we are pleased with the progress to date, particularly in the composition of the Board and the Syncona team as a whole. However we recognise there is more to be done, in order to ensure that we are accessing and supporting as broad a range of talent as possible.

Family-friendly policies

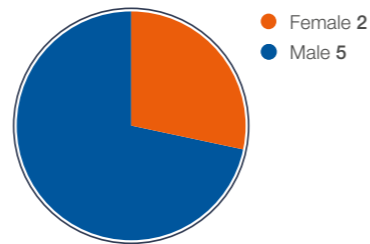
Syncona recognises that a key element of encouraging diversity within the workplace is the development of family-friendly policies. Syncona has been working throughout the year to further develop its HR policy framework, with a particular focus on maternity and paternity leave. It expects to launch new policies for both in the 2022/3 financial year, recognising that employers have a pivotal role in ensuring that employees are able to adjust to a new or growing family in a way that is best for them and their careers.

Gender diversity at Syncona

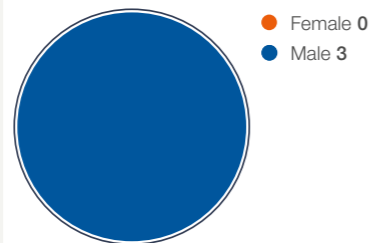
Diversity of Syncona Limited Board (31 March 2022)



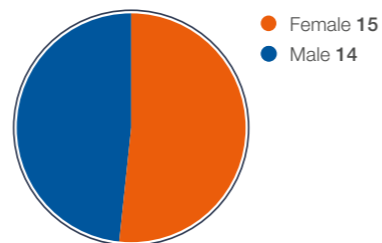
Diversity of Syncona Investment Management Limited Corporate Team (31 March 2022)



Diversity of Syncona Investment Management Limited Board (31 March 2022)



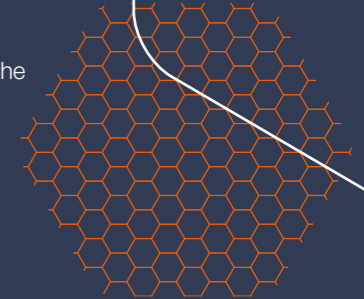
Diversity of Syncona Investment Management Limited team (31 March 2022)



Syncona's diversity and inclusion initiatives

Syncona has continued to develop its three D&I initiatives during the year. These initiatives help to address the underrepresentation of ethnic minorities in Science, Technology, Engineering and Maths (STEM) careers in the UK. Specifically, we have identified the underrepresentation of black minorities within STEM subjects, with this being reflected in our choice of D&I initiatives.

Syncona employees are encouraged to engage with the work of these partners, with members of the team showing enthusiasm in driving the relationships with these D&I partnerships throughout the financial year.



During the financial year the first five students supported by the David Twumasi Syncona Foundation Scholarship began their studies at university. The scholarship covers tuition fees as well as most living expenses for the recipients, all of whom are studying a STEM subject.

The programme is specifically targeted at low-income students, and The Syncona Foundation will provide over £300,000 in funding to Generating Genius over the length of the programme.

“The scholarship has equipped me with financial freedom which has allowed me to not worry about money whilst studying a degree that has proven to be quite demanding”

Erica
David Twumasi Syncona Foundation Scholarship recipient. She is studying Medicine with a Foundation Year at the University of Nottingham



This financial year marked the first year of Syncona's partnership with FastFutures. Aimed at 18-22 year-olds, the 12-week intensive FastFutures programme aims to provide young people with the practical skills, network and confidence to take the first step in their careers.

Syncona provided a donation of £25,000 to FastFutures in FY2021/2, and 13 Syncona employees also provided mentorship to 30 FastFutures participants. Syncona will be continuing to fund FastFutures in the 2022/3 financial year. The team found this an incredibly valuable experience, and this was reciprocated with Syncona receiving a mentor score of 4.9/5 from participants in the programme.

“Throughout the mentoring experience, Alex has been very supportive and encouraging and has provided me with constructive feedback and advice, which I have been able to take forward with me”

Aiswarya
FastFutures Mentee, on Syncona mentor Alex Hamilton

WINDSOR FELLOWSHIP

Enriching education, employment and citizenship

The Windsor Fellowship aims to design and deliver personal development and leadership programmes, with the goal of supporting minority communities as they pursue academic journeys within STEM.

During the year Syncona welcomed its first Windsor Fellowship intern, with scholars joining Syncona for a six-month placement after their third year as a PhD candidate. Turn overleaf for an interview with this year's intern, Winnie Ntow-Boahene, along with her mentor, Syncona Partner Michael Kyriakides.

During the year we also started funding our first Windsor Fellowship PhD student, who began their studies in October 2021.

“Syncona is full of great and capable people. The culture is very positive and open to change. The team made me feel very welcome, but at the same time challenged me, so overall the experience was very rewarding”

Winnie Ntow-Boahene
Syncona's first Windsor Fellowship intern



Winnie Ntow-Boahene

Winnie Ntow-Boahene is Syncona's first Windsor Fellowship intern, having joined Syncona for a six-month placement in September 2021. Winnie has a background in biomedical sciences and is currently finishing her PhD at University College London and the Royal Veterinary College on the subject of antifungal nanoparticles for the targeted killing of zoonotic fungi.

Michael Kyriakides

A member of the Syncona investment team since 2018, Michael has a PhD from Imperial College London in toxicology and metabolic profiling and is closely involved with Syncona's portfolio companies Freeline, Purespring and Clade. Michael was also closely involved with Gyroscope before it was sold to Novartis in December 2021. Michael acted as Winnie's mentor during her time working for Syncona.



INTERVIEW

Welcoming our first Windsor Fellowship intern to Syncona

Winnie Ntow-Boahene
Windsor Fellowship Intern

Michael Kyriakides
Syncona Partner
Board Director at Purespring

What attracted you to the programme?

WNB: I heard about it through a colleague at university who was a lecturer. We were discussing healthcare and economics, and the pricing of new drugs. Following that conversation the internship caught her eye on LinkedIn, and she thought I would be a good match. The job description ticked a lot of boxes for me in terms of my interests and where I wanted to develop.

What was it like joining the team?

WNB: From the start I was treated as if I was a full-time employee, which of course could be overwhelming at times but was also empowering. This was a new experience for me, but gradually I felt more confident in raising my opinions and that I was properly contributing to discussions and the work of the team.

What were the main things you have been working on?

WNB: I spent time working on a number of pipeline programmes. I was able to work with members across the investment team right up to the senior leaders, and was able to contribute to projects which were relevant to my field of study which was great.

What will your main takeaways be?

WNB: I have learnt a lot. I have a better sense of how life science investment works, and how to run a good diligence process. In particular, I have learnt lots from the investment team about how to deal with challenges presented during the investment process when they are sourcing new opportunities for Syncona. I also really benefitted from being able to attend a two-day company strategy offsite that took place in my time at Syncona. It was interesting to see the investment team and the senior leaders of Syncona in that environment.

What experience do you think Winnie got from this internship?

MK: Winnie was exposed to some really interesting workstreams. In attending our company offsite, she was also able to get a real insight into how businesses like ours work in a way that other interns may not have done. I also think that the internship has demonstrated how Winnie can apply the knowledge that she has gained in academia in a commercial environment.



It made me realise that life science investing is a career that I could see myself pursuing"

Winnie Ntow-Boahene
Windsor Fellowship Intern



How has it differed from your expectations?

WNB: From the media you can get a perception of what investing is like but I found there was a real team ethos and people are very collaborative. I look at corporate life as being less scary now. It made me realise that life science investing is a career that I could see myself pursuing.

How did you find mentoring Winnie?

MK: Clearly I had to make sure I gave her as much support as I could. We work in a fluid environment which means that people have plenty of room to grow, but I was aware that can be intimidating at times. I made sure I was able manage her workload and make sure she was always benefitting from this experience.

What impact has Winnie made in her time here?

MK: It's been great having her here. It was obvious from day one that Winnie was smart and fitted in well with the team. The projects she was working on were mostly relevant to her academic experience, and in many ways her input was invaluable in our diligence process and investment decisions.

How did you balance your time at Syncona with your academic work?

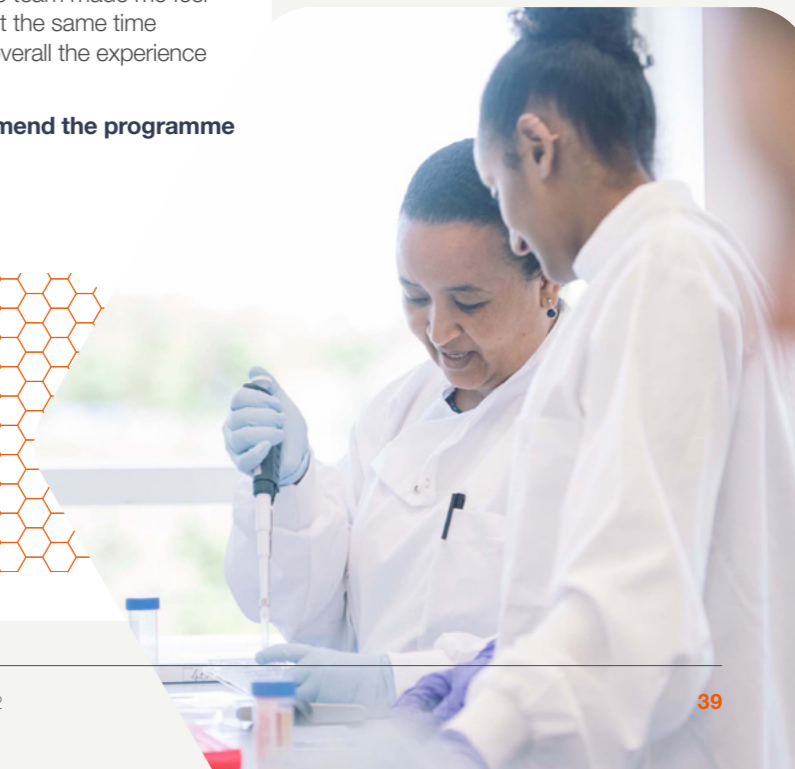
WNB: It worked well. I was able to manage both my day job and my academic work with my day of study on Friday, and Michael was very accommodating in helping me with any issues I had.

What are your general reflections on your time at Syncona?

WNB: Syncona is full of great and capable people. The culture is very positive and open to change. The team made me feel very welcome, but at the same time challenged me, so overall the experience was very rewarding.

Would you recommend the programme to anyone else?

WNB: Definitely.





Pillar
04

Responsible and ethical business



It is key that our business operates in a responsible and ethical manner. This is in line with Syncona's values and is fundamental to our long-term success.

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

2022 PILLAR HIGHLIGHTS:

First

TCFD disclosure

82%

Portfolio companies reporting Scope 1 to 3 emissions to Syncona

FOCUS FOR 2023:

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

Intention to sign up to Net Zero Asset Managers (NZAM) initiative

Publish first UN PRI questionnaire

Syncona 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 Syncona Investment Management Limited (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 compliance 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.



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 and outside employment and business interests, 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. 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. We updated our travel policy this year to align this with our emissions reduction plan.

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.



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.

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 pages 20-31.

Health and safety

The team is principally office-based, based at a site in London, UK and a site in Basel, Switzerland, 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 2022 there were no reportable accidents.

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.

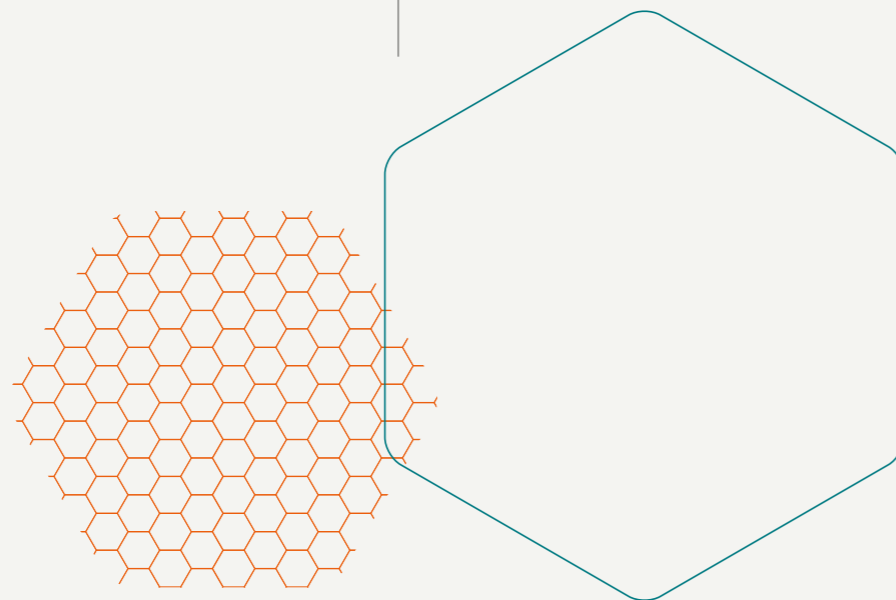
Approach to taxation

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.



Copies of our sustainability policies can be found on our website: www.synconaltd.com

Minimising our environmental impact

This section includes a summary of our Streamlined Energy and Carbon Reporting (SECR). Although the Company is not subject to the laws of England and Wales, its reporting has been prepared in line with the relevant English legislation as set out below. The reporting period is Syncona's financial year, the 12 months to 31 March 2022. The full table outlining our SECR reporting for FY2021/2 can be found within Syncona's Annual Report and Accounts 2022, published concurrently with this report.

Syncona's Climate Ambition Statement

Syncona understands that climate change represents a systemic risk to our societies and economies.

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

Our footprint

Given the relatively small nature of our operations, with one primary office location and around 30 employees, our environmental impacts are relatively small. Our clearest direct impact (Scope 1 and 2)

comes from the energy we use in our headquarters, of which the electricity is 100 per cent powered by renewable wind, solar and hydro asset sources. Our office space also has a zero to landfill waste policy (Scope 3).

Methodology for SECR reporting

We have employed the services of a specialist adviser, Avieco, part of Accenture, to quantify the greenhouse gas (GHG) emissions associated with the Company's emissions for FY2021/2.

Syncona's FY2021/2 SECR location-based footprint is equivalent to 65.0 tCO₂e, with the largest portion being made up of emissions relating to business travel via air, taxi and rail at 45.3 tCO₂e. Syncona's market-based footprint, which takes into account the green energy used by its head office, amounts to 52.2 tCO₂e.

The methodology used to calculate the GHG emissions is in accordance with the requirements of the following standards:

- World Resources Institute (WRI) Greenhouse Gas (GHG) Protocol (revised version)
- Defra's Environmental Reporting Guidelines: Including Streamlined Energy and Carbon Reporting requirements (March 2019)

Avieco has calculated our emissions following an operational control approach to defining our organisational boundary and our calculated GHG emissions from business activities falling within the

reporting period of April 2021 to March 2022. We do not classify portfolio company emissions as being within our organisational boundary.

Whilst Avieco have endeavoured to obtain accurate and complete data wherever possible, where there have been data gaps, they have used reasonable estimations such as annualisation of actual data, use of expenditure data as a proxy and typical office consumption benchmarks where data was not available for the preparation of this report. The emissions reported by Syncona are UK-based only.

Total energy use

The total energy use for the Company for FY2021/2 was 59,717 kWh.

Intensity ratio

As well as reporting its absolute emissions, the Company also follows the SECR requirement of reporting its emissions through the publishing of intensity metrics. In doing so, it reports metrics of tonnes of CO₂ equivalent per employee and tonnes of CO₂ equivalent per square foot of occupied floor area. These are the most appropriate metrics given that the majority of emissions result from the operations of Syncona Investment Management Limited and the day-to-day activities of its employees.

The intensity ratio for occupied space has been calculated using Scope 1 and Scope 2 data only as these are the emissions associated with the office space. The employee intensity metric has been calculated from the emissions for Scope 1, 2 and 3 to give a ratio per employee covering all of Syncona's activities.

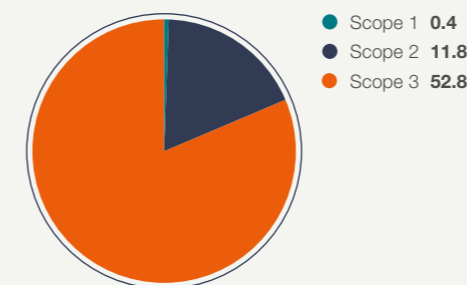
For FY2021/2 the intensity metrics were:

- Location-based method:
- 2.1 tonnes of CO₂e per employee
 - 0.010 tonnes of CO₂e per square foot of occupied space
- Market-based method:
- 1.7 tonnes of CO₂e per employee
 - 0.008 tonnes of CO₂e per square foot of occupied space

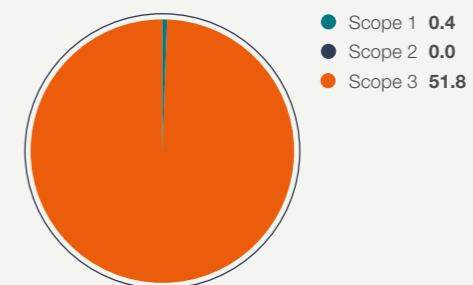
Read more on Syncona's full Streamlined Energy and Carbon Reporting (SECR) disclosures: **Annual Report and Accounts 2022** Pages 68-71

Summary of Syncona Scope 1 to 3 emissions broken down by Scope*

2022 (Location-based emissions of Syncona)



2022 (Market-based** emissions of Syncona)



* Tonnes of CO₂ equivalent
 ** Market-based emissions account for the type of electricity that a company purchases. In the case of Syncona, market-based emissions are lower than location-based because it uses a green electricity provider at its headquarters.



Summary TCFD disclosure

Energy efficiency initiatives

During the financial year, Syncona implemented new guidance for business travel by its team, to be as carbon efficient as possible. This included incorporating the following guiding principles into Syncona's travel policy:

- all flight travel to be carefully considered, encouraging employees to substitute air travel with rail travel where possible;
- Syncona's business travel provider includes associated emissions data for each mode of transport and this should be a consideration for the travel booker;
- considering practical arrangements for meetings, for example arranging several meetings within one trip, holding meetings by video call or meeting at a more closely located office;
- clarity for employees that there are higher emissions associated with business-class and long-haul travel; and
- encouraging employees to use hotels and taxi firms with lower carbon emissions.

Syncona's travel policy was rolled out during the financial year, with employees responding positively to its aims and objectives.

This follows energy efficiency actions taken in the previous year, including an air quality and temperature survey at the Syncona head office, which resulted in changes being made to the local control systems.

Portfolio company emissions

During the financial year, Syncona initiated a project with its privately held portfolio companies to better understand their individual carbon footprints and increase awareness at the companies of environmental issues. With the assistance of an environmental consultancy, six portfolio companies across the US, UK and Europe initiated emissions reporting on a Scope 1 to 3 basis for the first time. Syncona's three listed portfolio companies, Freeline, Autolus and Achilles, are already required to report their Scope 1 to 3 emissions as quoted companies incorporated in the UK and listed on NASDAQ.

Our Climate Ambition Statement can be found on our website:
www.synconaltd.com

Syncona and net zero

Syncona conducted a review during the year which took into account changing best practice in the field of net zero target setting as well as the outputs from its project working with portfolio companies to assess their carbon emission footprints. Following this review, Syncona concluded that the greatest contribution it can make to minimising the carbon emissions found within its value chain can be made via its work engaging with its portfolio companies to limit their carbon emissions. Syncona is therefore setting an aspiration to become net zero throughout its value chain (including portfolio companies) by 2050, aligning the Company and its portfolio of investments with the 2015 Paris Goals, which aim for emissions related to human activity to be net zero by 2050 at the latest.

Syncona will continue to review developing guidance in the field as we work towards net zero, recognising that methodologies and best practice in working towards this aspiration are undergoing a process of change. Moving forward, Syncona intends to actively engage with its portfolio companies as they develop their own net zero strategies, with a number of portfolio companies already initiating reviews with the aim of developing pathways to achieve net zero by 2050.

Environmental plans for FY2022/3

In line with its approach to prioritise limiting emissions within its portfolio in order to achieve net zero throughout its value chain (including portfolio companies) by 2050, Syncona intends to take further steps in FY2022/3 to move towards net zero on a full portfolio basis. Syncona intends to become a signatory to the NZAM initiative and is also committed in its FY2022/3 reporting to publish its full portfolio carbon footprint, incorporating emissions at Syncona and within its portfolio. As part of becoming a signatory to NZAM, Syncona intends to initiate work with the goal of publishing interim carbon emissions targets for 2030 for a proportion of its assets under management.

Offsetting our carbon emissions

During the financial year, Syncona initiated a programme of purchasing carbon credits in order to offset the direct emissions resulting from the Company's operations. It has purchased emissions for the FY2019/20 and FY2020/1 reporting years, purchasing offsets from the Maisa REDD+ Project. These carbon credits are registered with Verra under their Verified Carbon Standard (VCS) and Climate, Community and Biodiversity (CCB) standards, validated by the Rainforest Alliance. Moving forward, we will continue to review best practice in using carbon credits to align with our net zero aspiration.



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. 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 the latest scientific advice.

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

We 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. However, we remain convinced that it is important for everyone to contribute to addressing the challenges of climate change. We have therefore chosen to address the climate-related issues in our business within our wider sustainability framework.

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

Governance

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

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

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

Strategy

This year we undertook a climate scenario analysis with support from 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.

We identified four potential risks and one potential opportunity for evaluation by the business. We assessed the potential impact of physical risks taking account of physical locations of facilities and desktop analysis of supply chains, combined with publicly available data on vulnerability of different locations/logistics routes, and of transition risks by analysing internal data and publicly available data to look at the impact of sustainability factors on cost of capital.

Our view is that neither the risks nor opportunities (individually or collectively) materially impact our strategy or viability, or financial results, either in the short or longer term. Accordingly we do not consider there should be any impact to our financial results. However, we intend to keep the risks and opportunities under review.

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 we carried out a risk identification process and concluded that climate-related risks have not been included as a principal risk of the 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. The Investment Committee is responsible for considering sustainability issues in Syncona investment transactions. The Corporate Team is responsible for considering sustainability issues within Syncona's own business and operations.

Metrics and targets

We consider metrics and targets separately for Syncona's own business and operations and the activities of our portfolio companies.

We collect and report annually on the Scope 1 to 3 emissions arising from Syncona's own business and operations (excluding portfolio companies). Given the type of business we operate and the steps already taken, including adoption of 100 per cent green electricity supply to our head office in London, our emissions are already relatively low, and our aspiration is to achieve a net zero impact by 2050.

At portfolio level, we expect each of our portfolio companies to report on their Scope 1 to 3 emissions and encourage them to adopt a net zero strategy. We have provided assistance to a number of our portfolio companies this year by giving them access to an environmental consultancy firm, who have helped these portfolio companies obtain relevant data to report on their Scope 1 to 3 emissions as a first step.



Our approach to TCFD

	Work in 2022	Plans for 2023
Governance	<p>Formally incorporated climate-related concerns into our existing risk management and internal controls frameworks.</p> <p>Collected Scope 1, 2 and limited Scope 3 emissions data from the majority of our portfolio companies – see below for further details – to allow us to monitor and measure progress.</p>	<p>Set further targets and measure progress as we hope to have a fuller data set of Scope 1 to 3 emissions from our portfolio companies over the next year.</p> <p>Continue to monitor climate-related risks to ensure our policies and procedures remain fit for purpose.</p> <p>Intend to become a signatory to the NZAM initiative and adopt the NZAM commitments which are available on their website.</p> <p>Work with our external advisers to progress our aspiration to be net zero throughout our full value chain (including our portfolio companies) by 2050.</p>
Strategy	<p>Conducted a climate scenario analysis of our business which highlighted key climate-related risks and opportunities. This allowed us to consider how we managed such risks and opportunities.</p>	<p>Continue to keep climate-related risks and opportunities under review to ensure our policies and procedures remain fit for purpose.</p>
Risk management	<p>Implemented the Responsible Investment Policy to help manage climate-related risks which are inherent in our business model. Alongside this, we worked with our portfolio companies to implement key policies and principles – see pages 20-31 for further details.</p> <p>As detailed above, we conducted a climate-related risk identification process through the climate scenario analysis and incorporated any material resulting climate-related concerns into our existing risk and control frameworks.</p>	<p>Continue to work with our portfolio companies to implement key policies and principles.</p> <p>Continue to keep climate-related risks and opportunities under review through horizon-scanning primarily led by the Sustainability Committee.</p>
Metrics & targets	<p>Provided assistance to our portfolio companies to help them obtain relevant data to allow them to report on Scope 1 to 3 emissions – see pages 20-31 for further details.</p> <p>Reported on our Scope 1 to 3 emissions.</p>	<p>Continue to monitor portfolio company emissions data and assist our companies with their progress towards setting a net zero strategy.</p> <p>Continue to consider what further sustainability and climate-related targets are appropriate and should be implemented.</p>

Read more on our full TCFD disclosure:
Annual Report and Accounts 2022
Pages 72-75



GRI content index



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

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



General disclosures

GRI 102-1 Name of the organisation	Syncona Limited, and its group including Syncona Investment Management Limited (SIML), its subsidiary and investment manager
GRI 102-2 Activities, brands, products, and services	Annual Report and Accounts: At a glance, pages 2-3
GRI 102-3 Location of headquarters	London (SIML)
GRI 102-4 Location of operations	Sustainability Report: Sustainability at Syncona, page 2
GRI 102-5 Ownership and legal form	Annual Report and Accounts: Company summary, page 140
GRI 102-6 Markets served	Sustainability Report: Sustainability at Syncona, page 2 Annual Report and Accounts: At a glance, pages 2-3
GRI 102-7 Scale of the organization	Sustainability Report: Our approach to diversity and inclusion, page 36 Annual Report and Accounts: 2022 Highlights, page 1. At a glance, pages 2-3 We have reported on the metrics most relevant to our business type and structure
GRI 102-8 Information on employees and other workers	Sustainability Report: Inspiring and empowering our people, pages 32-39. Due to the size and scale of our business, we do not report all data breakdowns
GRI 102-9 Supply chain	As an office based business Syncona's supply chain is relatively small and is primarily IT, office equipment, travel and professional services. Our portfolio companies manage their own supply chains which consist primarily of specialist medical and scientific equipment and supplies. We are encouraging our portfolio companies to have policies in place to manage risks in their individual supply chains relative to their business size and activities. Details of improvements of progress in the year within our portfolio companies can be found in the Responsible investor and partner section of this report, on pages 20-31
GRI 102-10 Significant changes to the organisation and its supply chain	No significant changes during the financial year
GRI 102-11 Precautionary Principle or approach	We take a risk based approach to managing our impacts, focusing on the areas that pose the greatest risk or where we have the greatest impact. Building on the deep scientific knowledge within our teams, we act on risks as they emerge as demonstrated by our action to manage our climate impact, which has seen us report this year for the first time against the recommendations of TCFD
GRI 102-12 External initiatives	Sustainability Report: Our approach to sustainability reporting, pages 8-9. Responsible investor and partner, pages 20-31. We align to the UN SDGs, and have become a signatory to the UN PRI during the year, as well as reporting for the first time against the recommendations of TCFD. We use best practice from Good Laboratory Practice (GLP), Good Manufacturing Practice (GMP) and Good Clinical Practice (GCP), as well as the National Institute for Health Research Carbon reduction guidelines. Syncona CEO Martin Murphy and CIO Chris Hollowood are both signatories to the European Biotech Social Pact
GRI 102-13 Membership of associations	Syncona is a member of the BioIndustry Association (BIA)
GRI 102-14 Statement from senior decision-maker	Sustainability Report: Message from the Chief Executive Officer of Syncona Investment Management Limited, page 3
GRI 102-15 Key impacts, risks, and opportunities	Sustainability Report: Our materiality matrix outlines the sustainability issues which are most material to Syncona, page 5 Annual Report and Accounts: Risk management and Principal risks and uncertainties, pages 44-53. TCFD report, pages 72-75
GRI 102-16 Values, principles, standards, and norms of behavior	Sustainability Report: Developing our people strategy, page 34. Syncona policies and practices, pages 42-44 Annual Report and Accounts: Chair's statement, pages 6-8. Corporate governance report, pages 76-79
GRI 102-17 Mechanisms for advice and concerns about ethics	Sustainability Report: Syncona policies and practices, pages 42-44
GRI 102-18 Governance structure	Sustainability Report: Governance framework for sustainability at Syncona, page 4 Annual Report and Accounts: Corporate governance report, pages 76-79. Board of Directors, pages 80-81. Report of the Audit Committee, pages 87-91
GRI 102-19 Delegating authority	Sustainability Report: Governance framework for sustainability at Syncona, page 4 Annual Report and Accounts: Corporate governance report, pages 76-79. Report of the Audit Committee, pages 87-91
GRI 102-20 Executive-level responsibility for economic, environmental, and social topics	Sustainability Report: Governance framework for sustainability at Syncona, page 4 Annual Report and Accounts: TCFD report, pages 72-75. Corporate governance report, pages 76-79. Report of the Audit Committee, pages 87-91
GRI 102-21 Consulting stakeholders on economic, environmental, and social topics	Sustainability Report: Our materiality matrix outlines the sustainability issues which are most material to Syncona, page 5 Annual Report and Accounts: Our stakeholders, pages 82-83
GRI 102-22 Composition of the highest governance body and its committees	Annual Report and Accounts: Board of Directors, pages, 80-81. Report of the Nomination and Governance Committee, pages 84-86. Report of the Audit Committee, pages 87-91. Report of the Remuneration Committee, pages 92-97
GRI 102-23 Chair of the highest governance body	Annual Report and Accounts: Corporate governance report, pages 76-79. Board of Directors, pages 80-81
GRI 102-24 Nominating and selecting the highest governance body	Sustainability Report: Governance framework for sustainability at Syncona, page 4 Annual Report and Accounts: Corporate governance report, pages 76-79. Report of the Nomination and Governance Committee, pages 84-86

General disclosures

GRI 102-25 Conflicts of interest	Sustainability Report: Syncona policies and practices, pages 42-44 Annual Report and Accounts: Directors' report, pages 98-100
GRI 102-26 Role of highest governance body in setting purpose, values, and strategy	Sustainability Report: Governance framework for sustainability at Syncona, page 4 Annual Report and Accounts: Corporate governance report, pages 76-79. Our stakeholders, pages 82-83
GRI 102-27 Collective knowledge of highest governance body	Annual Report and Accounts: Board of Directors, pages 80-81. Report of the Nomination and Governance Committee, pages 84-86
GRI 102-28 Evaluating the highest governance body's performance	Annual Report and Accounts: Corporate governance report, pages 76-79. Report of the Nomination and Governance Committee, pages 84-86
GRI 102-29 Identifying and managing economic, environmental, and social impacts	Sustainability Report: Governance framework for sustainability at Syncona, page 4. Our materiality matrix outlines the sustainability issues which are most material to Syncona, page 5 Annual Report and Accounts: TCFD report, pages 72-75. Report of the Nomination and Governance Committee, pages 84-86. Report of the Audit Committee, pages 87-91
GRI 102-30 Effectiveness of risk management processes	Sustainability Report: Governance framework for sustainability at Syncona, page 4 Annual Report and Accounts: Risk management and Principal risks and uncertainties, pages 44-53. TCFD report, pages 72-75. Corporate governance report, pages 76-79. Report of the Audit Committee, pages 87-91
GRI 102-31 Review of economic, environmental, and social topics	Sustainability Report: Governance framework for sustainability at Syncona, page 4 Annual Report and Accounts: TCFD report, pages 72-75. Corporate governance report, pages 76-79. Report of the Audit Committee, pages 87-91
GRI 102-32 Highest governance body's role in sustainability reporting	Sustainability Report: Governance framework for sustainability at Syncona, page 4 Annual Report and Accounts: Corporate governance report, pages 76-79. Report of the Audit Committee, pages 87-91
GRI 102-35 Remuneration policies	Annual Report and Accounts: Corporate governance report, pages 76-79. Report of the Nomination and Governance Committee, pages 84-86
GRI 102-36 Process for determining remuneration	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 Code provision is not relevant to the Company. Further details are set out in the Corporate governance report, Annual Report and Accounts, pages 76-79, as well as the Report of the Remuneration Committee, pages 92-97
GRI 102-37 Stakeholders' involvement in remuneration	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 Code provision is not relevant to the Company. Further details are set out in the Corporate governance report, Annual Report and Accounts, pages 76-79, as well as the Report of the Remuneration Committee, pages 92-97
GRI 102-40 List of stakeholder groups	Annual Report and Accounts: Our stakeholders, pages 82-83
GRI 102-41 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 102-42 Identifying and selecting stakeholders	Sustainability Report: Our materiality matrix outlines the sustainability issues which are most material to Syncona, page 5 Annual Report and Accounts: Section 172 statement, page 9. Our stakeholders, pages 82-83
GRI 102-43 Approach to stakeholder engagement	Sustainability Report: Our materiality matrix outlines the sustainability issues which are most material to Syncona, page 5 Annual Report and Accounts: Section 172 statement, page 9. Our stakeholders, pages 82-83
GRI 102-44 Key topics and concerns raised	Sustainability Report: Our materiality matrix outlines the sustainability issues which are most material to Syncona, page 5 Annual Report and Accounts: Section 172 statement, page 9. Our stakeholders, pages 82-83
GRI 102-45 Entities included in the consolidated financial statements	Our sustainability reporting covers activities for the 2021/2 financial year at Syncona, the same boundaries as our Annual Report and Accounts
GRI 102-46 Defining report content and topic boundaries	Sustainability Report: Our materiality matrix outlines the sustainability issues which are most material to Syncona, page 5
GRI 102-47 List of material topics	Sustainability Report: Our materiality matrix outlines the sustainability issues which are most material to Syncona, page 5
GRI 102-48 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 2020/1 financial year
GRI 102-49 Changes in reporting	During the 2021/2 financial year, Syncona has reviewed its sustainability matrix and concluded that it remains appropriate for the Company's current size, scale and risk profile. The sole change to the matrix during the year has been to amend the position of "climate risk and disclosure" on the matrix, following a review carried out by the team during its project to report for the first time in line with the recommendations of TCFD
GRI 102-50 Reporting period	Sustainability Report: Introduction, page 1
GRI 102-51 Date of most recent report	Syncona published its first Sustainability Report in the 2020/1 financial year
GRI 102-52 Reporting cycle	Sustainability Report: Introduction, page 1
GRI 102-53 Contact point for questions regarding the report	investorrelations@synconaltd.com
GRI 102-54 Claims of reporting in accordance with the GRI Standards	Sustainability Report: Introduction, page 1
GRI 102-55 GRI content index	Sustainability Report: GRI content index, pages 50-53
GRI 102-56 External assurance	We are not seeking assurance of our sustainability reporting at this time



High quality governance of the Syncona business, relevant policies and training in place

GRI 103-1, 2, 3 Management Approach	Sustainability Report: Responsible investor and partner, pages 20-31. Responsible and ethical business, pages 40-48 Annual Report: Corporate governance report, pages 76-79
GRI 207-1 Approach to tax	Syncona publishes an Approach to Taxation Policy which is available on its corporate website: https://www.synconaltd.com/sustainability/sustainability-policies/

Minimising our environmental impact

GRI 103-1, 2, 3 Management Approach	Sustainability Report: Minimising our environmental impact, pages 45-46
GRI 201-2 Financial implications and other risks and opportunities due to climate change	Annual Report and Accounts: TCFD report, pages 72-75
GRI 305-1 Direct (Scope 1) GHG emissions	Sustainability Report: Minimising our environmental impact, pages 45-46 Annual Report and Accounts: Sustainability, pages 68-71
GRI 305-2 Energy indirect (Scope 2) GHG emissions	Sustainability Report: Minimising our environmental impact, pages 45-46 Annual Report and Accounts: Sustainability, pages 68-71
GRI 305-3 Other indirect (Scope 3) GHG emissions	Sustainability Report: Minimising our environmental impact, pages 45-46 Annual Report and Accounts: Sustainability, pages 68-71
GRI 305-4 GHG emissions intensity	Sustainability Report: Minimising our environmental impact, pages 45-46 Annual Report and Accounts: Sustainability, pages 68-71

High quality relationships with our people, maintaining a strong culture and a diverse and inclusive team

GRI 103-1, 2, 3 Management Approach	Sustainability Report: Inspiring and empowering our people, pages 32-39
GRI 401-1 New employee hires and employee turnover	Significant new hires to Syncona during the reporting period are referenced on page 13 of the Business review in the Annual Report and Accounts. Due to the size and type of our business we do not report on employee turnover
GRI 403-1 Occupational health and safety management system	Sustainability Report: Syncona policies and practices, pages 42-44
GRI 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

Commitment to the development of our people

GRI 103-1, 2, 3 Management Approach	Sustainability Report: Inspiring and empowering our people, pages 32-39
GRI 404-3 Percentage of employees receiving regular performance and career development reviews	100% of the team receive regular performance reviews

Providing a supportive working environment, attracting high quality and diverse teams

GRI 103-1, 2, 3 Management Approach	Sustainability Report: Inspiring and empowering our people, pages 32-39
GRI 405-1 Diversity of governance bodies and employees	Sustainability Report: Developing our people strategy, page 34. Due to the size and type of our business we not report all data breakdowns Annual Report and Accounts: Board of Directors, pages 80-81
GRI 406-1 Incidents of discrimination and corrective actions taken	No incidents of discrimination were reported in 2021/2 financial year. We have appropriate policies in place for reporting and managing incidents of discrimination

Good clinical practice and patient safety

GRI 103-1, 2, 3 Management Approach	Sustainability Report: Responsible investor and partner, pages 20-31
Bespoke Indicator: Commit to Good Laboratory Practice and Good Clinical Practice and disclose any breaches of GLP and GCP	Sustainability Report: Responsible investor and partner, pages 28, 30-31 Syncona has collected and reported on data relating to portfolio companies who have established Standard Operating Procedures, and have developed or are developing good R&D practice policies
Bespoke Indicator: Ensure patient data privacy and disclose breaches of security for clinical data	Sustainability Report: Responsible investor and partner, pages 28, 30-31. Syncona policies and practices, page 42-44 This is emerging practice in our business. We will report more fully on how our portfolio companies are implementing these requirements in future reports

Animal welfare

GRI 103-1, 2, 3 Management Approach	Sustainability Report: Responsible investor and partner, pages 28, 30-31
Bespoke Indicator: Adhere to 3Rs principles (or local equivalent) a. Sign up to 3Rs principles (or equivalent) (if applicable) b. Breaches of principles c. Number of animals used in research, used in breeding, and procedures performed, by species	Sustainability Report: Responsible investor and partner, pages 28, 30-31 Syncona has collected and reported on data relating to portfolio companies who comply with the 3Rs principles

Access to medicines

GRI 103-1, 2, 3 Management Approach	Sustainability Report: Responsible investor and partner, pages 25, 30-31
Bespoke Indicator: Ensure alignment with stated goals of the European Biotech Social Pact (or US equivalent)	Sustainability Report: Responsible investor and partner, pages 25, 30-31 Syncona has collected and reported on data relating to the number of portfolio companies who have or intend to sign up to the European Biotech Social Pact (or US equivalent), as well as detail on portfolio companies who are developing access to medicines policies
Bespoke Indicator: Number of patient access programmes in place? How many patients lack access to medicines due to absence of a programme?	Sustainability Report: Responsible investor and partner, pages 25, 30-31 This is emerging practice in our business. We will report more fully on how our portfolio companies are implementing these requirements in future reports
Bespoke Indicator: Does your company have an initial or up-to-date position statement on access to medicines in Low and Middle Income Countries?	Sustainability Report: Responsible investor and partner, pages 25, 30-31 This is emerging practice in our business. We will report more fully on how our portfolio companies are implementing these requirements in future reports
Bespoke Indicator: Has your company performed a health economic analysis to support: a) Launch prices b) Any price movements that exceed inflation?	Sustainability Report: Responsible investor and partner, pages 25, 30-31 This is emerging practice in our business. We will report more fully on how our portfolio companies are implementing these requirements in future reports

Improving the lives of patients and families

GRI 103-1, 2, 3 Management Approach	Sustainability Report: Our social impact, pages 12-19
Bespoke Indicator: Narrative description of how the treatments developed by our companies improve the lives of patients and families	Sustainability Report: Our social impact, pages 12-19

Contributing to the wider UK life science community

GRI 103-1, 2, 3 Management Approach	Sustainability Report: Our social impact, pages 12-19 Annual Report and Accounts: Our strategy, pages 14-15
Bespoke Indicator: How we partner with others, jobs created, facilities and lab space	Sustainability Report: Our social impact, pages 12-19 Annual Report and Accounts: Our strategy, pages 14-15

