



**Delivering
positive and
sustainable
impact**



Our purpose is to invest to extend and enhance human life. We do this by founding and building companies to deliver transformational treatments to patients in areas of high unmet need.



About this report

We are pleased to publish our first Sustainability Report, which is to be read alongside our Annual Report and Accounts 2021.

The report outlines our Sustainability Policy, our approach to responsible investing, how we will manage sustainability issues within the portfolio and covers our activities for the 2021 financial year. We are seeking to lay out what we do and how we do it, for our stakeholders.

This report considers sustainability issues that are priorities for our stakeholders and the way in which we address these priorities. Case studies illustrating our impact provide further insight.

This report has been prepared in accordance with the GRI Standards: Core option. Moving forward, our intention is to report on sustainability topics on an annual basis.

CONTENTS

Introduction	02
Our social impact	12
Responsible investor and partner	20
Inspiring and empowering our people	30
Responsible and ethical business	40
Global Reporting Initiative index	49

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 focus on developing treatments for patients by working in close partnership with world-class academic founders and management teams. 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.

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 business at a glance

Who we are

Syncona is a leading FTSE 250 healthcare company. Our purpose is to invest to extend and enhance human life. We do this by founding and building companies to deliver transformational treatments to patients in areas of high unmet need.

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 focus on developing treatments for patients by working in close partnership with world-class academic founders and management teams.

We are committed to managing our business in a sustainable way. We have a strong business culture, clear values and positively engage with our wider stakeholders and society through our work in life sciences and our support for charity.

£1.3bn

Net Asset Value (NAV)
193.8p per share
(2020: £1.25bn; 185.6p per share)

11

Portfolio companies
(2020: 9)

£780m

Invested in portfolio
companies since 2012

11

Clinical trials in portfolio
(2020: 9)

Message from the Chief Executive of Syncona Investment Management Limited



“

Since the foundation of Syncona in 2012, our people have been motivated by making a difference to patients’ lives by founding and building companies that are seeking to deliver transformational treatments”

Our people

We are differentiated by our people, who identify innovative technology and take a commercial approach to building businesses capable of delivering transformational treatments to patients.

We have a multi-disciplined team with deep scientific, commercial and investment expertise and an ability to navigate the life cycle of a company with extensive experience, working with global key opinion leaders and appointing leading management teams.

Our portfolio footprint



- Scientific
- Investment
- Commercial
- Company creation

14

Members of life
science investment
team

240+

Years of life science
and investing
experience

79%

Investment team
with PhDs or Medic
background

1,000+

Portfolio company
employees

16

Board seats at
portfolio companies

14

Pipeline
programmes

I am proud to write to you as part of Syncona’s inaugural Sustainability Report, which gives us the opportunity to set out in more detail our approach to sustainability and the framework we have put together over the last year to help us continue to evolve and progress in this area.

Syncona’s purpose is to invest to extend and enhance human life and this has driven the development of our sustainability approach over the last year. Since the foundation of the Syncona life science business in 2012, our people have been motivated by making a difference to patients’ lives by founding and building companies that are seeking to develop transformational treatments in areas of high unmet medical need. Having a positive impact on society has been a core part of what we have done since I co-founded the business with the Wellcome Trust. We have always taken this approach, not only because it is the right thing to do but because we believe it is the way to deliver value and manage risks for all our stakeholders.

With this strong foundation, we work in partnership with our stakeholders to understand and prioritise the key sustainability issues that are most important to our business and importantly, where we should seek to improve.

The result is that our Sustainability Policy is defined by four key 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 are privileged in the relationships we develop with the people who lead our portfolio companies and who we often found the company alongside, and recognise our responsibility as their investor and partner to support them in making positive contributions to society and managing their businesses in a sustainable way.

Our people’s passion to positively contribute to society helps to drive our sustainability agenda and ongoing priorities.

Outside of our core purpose, Syncona has a positive impact on society through its contribution to the life science sector more broadly and through its charitable giving to The Syncona Foundation. Moreover, the Syncona Board seeks to operate the business under an effective governance framework. You can read more about our approach to these priorities in the following pages of this report.

We are committed to communicating in a clear, open and comprehensive manner and to maintaining an open dialogue with key internal and external stakeholders on these matters. Our Sustainability Report is important in illustrating that transparency.

I would like to take the opportunity to thank all of our stakeholders for their input into our Sustainability Policy. We look forward to working with you to deliver our purpose and strategy in the years to come.

Martin Murphy
Chief Executive Officer,
Syncona Investment Management Limited

Overview of the key pillars of our Sustainability Policy

We are committed to managing our business in a sustainable way.

Our Sustainability Policy sets out our 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.

Pillar
01

Our social impact

“Having a positive social impact is at the core of what we do: through the businesses we build, our engagement with the life science community and through The Syncona Foundation”

Martin Murphy
Chief Executive Officer,
Syncona Investment Management Limited
[Read more: Page 12](#)



Pillar
02

Responsible investor and partner

“We aim to help our companies enhance their positive impact, and particularly to set the right culture, values and processes to help the businesses to follow a sustainable path over the long term”

Chris Hollowood
Chief Investment Officer,
Syncona Investment Management Limited
[Read more: Page 20](#)



Pillar
03

Inspiring and empowering our people

“People with specialised expertise, highly motivated by making a difference, are attracted to our platform and the opportunity to improve patients’ lives”

Martin Murphy
Chief Executive Officer,
Syncona Investment Management Limited
[Read more: Page 30](#)



Pillar
04

Responsible and ethical business

“It is key that our business operates responsibly and ethically, in line with our values and with clear accountability”

Melanie Gee
Chair of Syncona Limited
[Read more: Page 40](#)

What sustainability issues are most material to Syncona and how have we approached these?

To understand and prioritise the sustainability issues that are most important to our stakeholders and our business, we undertook a materiality review in 2020.

How we did it:
Our first action in carrying out the materiality review was to interview a range of internal and external stakeholders and seek their views on the sustainability issues which they saw as being most material to the business.

Views were sought from the Board and Syncona team, as well as leadership teams at our portfolio companies, whilst external opinion was sought from key charitable partners and sustainability experts alongside prominent biotech industry participants. In order to ensure that we engaged a comprehensive group of stakeholders, we sought input from an external consultant, who also provided broader support on the assessment. Following the interviews, we reviewed the feedback internally alongside our business priorities and sought Board approval for priority areas. This enabled us to produce a matrix of importance.

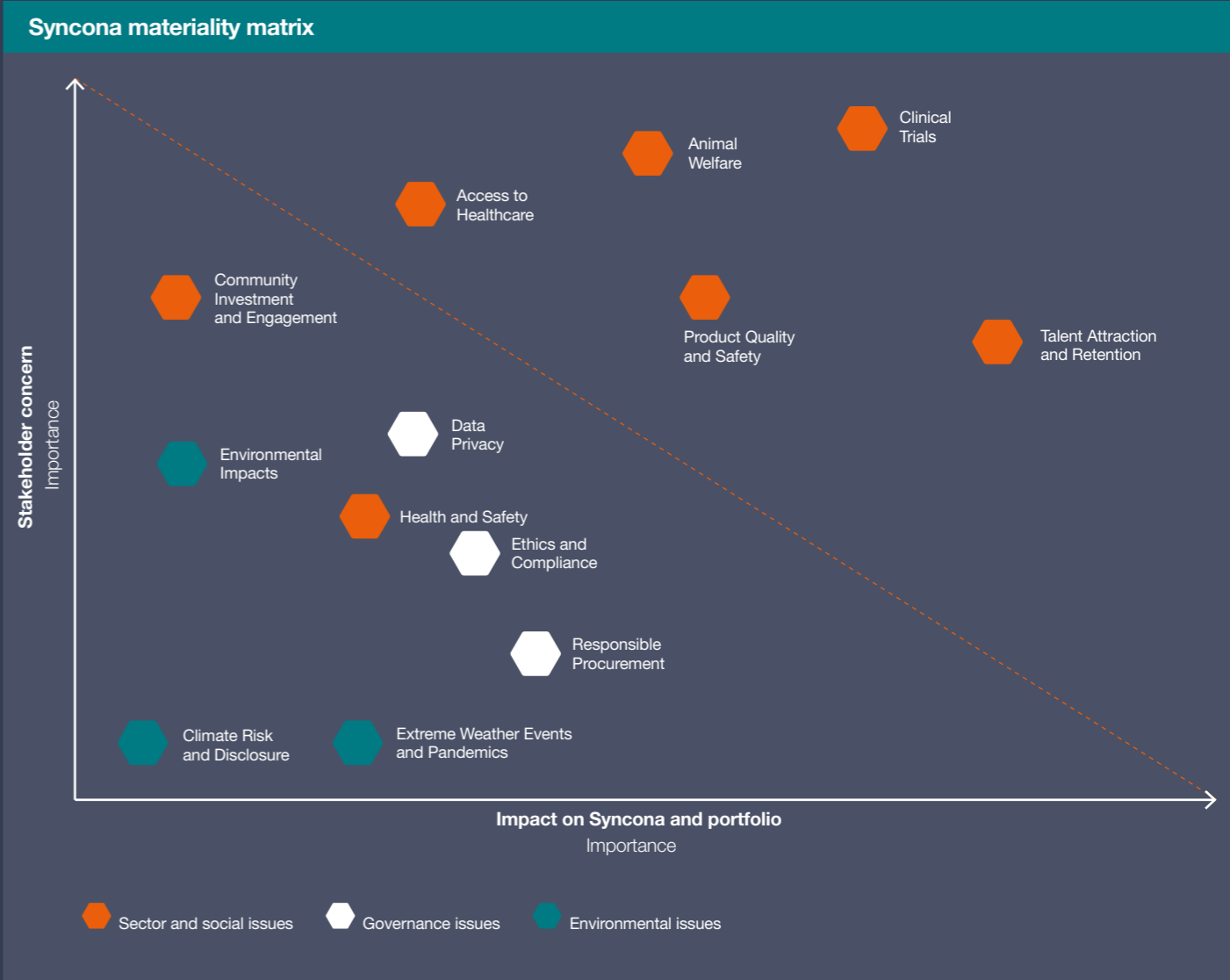
How we did it	
Step 1: Identify issues	<div>Sought input from an external consultant, who also provided broader support on the assessment</div> <div>We identified key stakeholders including: portfolio companies, shareholders, team members, the Syncona Board, charities, sustainability experts and industry bodies</div> <div>Conducted interviews with stakeholders to determine the most significant sustainability issues and risks</div>
Step 2: Understand stakeholder and business priorities	<div>Assessed the feedback from stakeholders and produced a materiality matrix of the important issues, comparing the potential impact on Syncona with level of stakeholder focus on the issue</div> <div>Reviewed further external feedback received</div> <div>Engaged stakeholders following interviews to understand context for their level of focus on specific issues</div>
Step 3: Identify key areas of focus	<div>Identified key areas of focus for Syncona Sustainability Policy</div> <div>Engaged stakeholders regarding key areas of focus to understand if they resonated</div> <div>Sought Syncona Board input and approval for agreed priority areas</div>



What was the outcome?

Identifying the material issues where we can have the most impact means we have been able to focus our sustainability reporting and disclosure on what is meaningful both for the internal team and externally.

The outcome of the materiality assessment has been used to develop our Sustainability Policy and Responsible Investment Policy as well as the firm's approach to managing, monitoring and reporting on key sustainability issues across the firm and portfolio.



Governance framework



Melanie Gee
Chair,
Syncona Limited

Our governance framework is built on accountability and our values. It 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 shareholders, other investors, portfolio companies, potential academic partners, colleagues, suppliers and others who engage with Syncona. The Board has ultimate oversight and accountability for sustainability at Syncona.

The Syncona team implements the strategy on a day-to-day basis and engages with the portfolio companies on sustainability. All members of the team receive training. 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. Sustainability responsibility and accountability is taken into account in the team’s performance reviews, which informs decisions on remuneration.

This is our first Sustainability Report and we will seek to continuously evolve and improve our approach to reporting in the years to come.

Our governance framework for sustainability matters is outlined opposite. More information on governance at Syncona is provided in our Annual Report.

Our governance framework for sustainability

Syncona Limited Board		
<ul style="list-style-type: none">– 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 team		
Executive Team	Investment Committee	Sustainability Committee
Responsibilities <ul style="list-style-type: none">– Overall responsibility for implementation of Sustainability Policy– Manage integration of Syncona approach to sustainability across portfolio	Responsibilities <ul style="list-style-type: none">– Implementation of the Responsible Investment Policy– Assessment and management of sustainability risks in the portfolio	Responsibilities <ul style="list-style-type: none">– Advise on Sustainability Policy– Identify areas where business can improve its approach



Aligning to the Sustainable Development Goals

The UN's 17 Sustainable Development Goals (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. Achieving them is fundamental to future global economic and business growth – the Business & Sustainable Development Commission concluded that achieving the goals will create market opportunities of at least \$12 trillion a year.

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.

Our linkages to specific SDGs are illustrated throughout the report. The three key UN SDGs which our business is especially well-aligned with are:



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 productive employment for over 1,000 people, 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.



Pillar

01

Our social impact



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

These companies support the UK life science sector, providing jobs, developing the next generation of industry practitioners, advancing the knowledge economy and in doing so strengthen the foundation for the success of our future businesses. Our charitable commitment allows us to support patients, their families and research institutions beyond our core activities.

In this section:

Extending and enhancing human life	14
Building globally competitive businesses leveraging UK/European scientific research	15
Supporting the UK life science industry	16
The Syncona Foundation: charitable giving in our DNA	17



Extending and enhancing human life

Focusing on the development of transformational treatments for patients in areas of high unmet medical need means we tend to operate in selective areas of science where the potential for a dramatic impact is high, for example in intractable diseases with no treatment options.

We are highly motivated by the potential impact of the treatments that our companies develop and believe that if we succeed in the development of these treatments, we will also see long-term value and benefits for all stakeholders.

Syncona focuses on founding companies around technology that can have a transformational impact for patients, often for the treatment of disease where there are no options. In the case study to the right a patient with adrenomyeloneuropathy, a disease which SwanBio is seeking to treat, talks about what it's like living with the disease.

Case study – Living with Adrenomyeloneuropathy

Tim Mathwig
Patient



Initially diagnosed with adrenomyeloneuropathy (AMN) at age 18, Tim didn't experience the long diagnostic path that many young men with AMN do when symptoms first present. Tim was tested when he was pre-symptomatic following the identification of AMN in a family member. For several years after this, Tim remained healthy and symptom-free. He started experiencing symptoms, such as problems with his gait, around age 30. Even though he had been diagnosed with AMN earlier in life, Tim and his doctors didn't immediately connect his symptoms to AMN given the lack of information available at the time.

As the disease progressed it was a struggle for Tim to cope with his frustration at not being able to do 'easy' tasks and he had a hard time talking about AMN. He credits his wife, Dawn, for explaining it to friends and family and for keeping him engaged in life. Now in his 40s, Tim struggles with intense leg pain daily. With his wife's help, he tries to stay active but the pain makes it difficult.

Tim currently takes hydrocortisone for his Addison's disease, a common condition that occurs with AMN.

He tries to manage the muscle spasms and pain that keep him up at night via medicines and exercises, and he self-catheterises before sleeping or sitting for long periods to manage urinary incontinence caused by the disease.

Tim feels that education and resources have come a long way since he was first diagnosed and encourages newly diagnosed people to do research and educate themselves on AMN and potential symptoms as well as get involved with a support group.

About SwanBio

SwanBio Therapeutics is a gene therapy company developing leading-edge medicines to deliver dramatic clinical efficacy for the treatment of neurological diseases. Founded by industry leaders with a commitment to positively impacting the lives of people with neurological diseases, SwanBio merges clinical, scientific and drug commercialisation expertise.

Building globally competitive businesses leveraging UK/European scientific research

The UK has a globally significant scientific research base but historically has not developed globally competitive scaled biotech companies set up to take products to market and treatments to patients. Our model of taking a hands-on partnership approach, combined with deep, long-term and expert capital means that companies are being built here at scale and this results in a full suite of available jobs from clinicians to product development specialists and manufacturing experts. The creation and development of these companies, which are led and funded by Syncona, leads to the formation of jobs and wealth creation throughout communities. We believe we have a broad societal role in supporting the creation of a vibrant biotech industry in the UK.

Interview

Eliza Bujor
Research Analyst at Freeline Therapeutics

- Q: Tell us who you are, your background and what your role at Freeline entails?**

A: My name is Eliza Bujor and I am a Research Assistant for the Research Vector Core team at Freeline. I joined Freeline coming straight from academia where I finished a BSc in Biomedical Science and a Masters in Applied Biosciences, to pursue a career in the scientific industry. As a team, RVC works closely with the other functions of the Discovery Team on producing various viral candidates for research purposes.

Q: What attracted you to working at Freeline?

A: Coming from academia, I have always wanted to work for a company that wants to make a difference in patients' lives. As I found Freeline through my search of a career, its mission to cure rare genetic diseases and overall culture attracted me to apply for a role in their research team. I was very happy to be taken on board the RVC team.
- Q: What do you most enjoy about working at Freeline?**

A: I thrive in an environment surrounded by passionate and ambitious individuals which Freeline has an abundance of. My colleagues are always eager to help and support, not only me as an individual but also the ethos and goals of the company.

Q: How would you describe the culture at Freeline?

A: In my opinion the culture at Freeline is something most companies should adopt. The company really feels like one entity working to achieve a common goal. Freeline gives a great deal of research freedom to its teams and it drives its teams to challenge themselves to think outside the box in their given field. Each colleague that I work with in the Research Team has a common quality – encouragement. Encouragement leads to empowerment which leads to collaboration as you keep working with those who help you and vice versa.

Number of companies

11

Manufacturing facilities

7

Number of labs

22

Number of jobs supported

1000+



Supporting the UK life science industry

We believe we have a broad role to play in supporting the growth of the life science industry in the UK. We found, fund and build our portfolio companies to become standalone entities that create jobs, train employees, and share knowledge with others in the sector.

Building Britain Back Better

Martin Murphy, Chief Executive, is a member of the UK Government's Build Back Better Council, helping to represent the voice of UK life science and encourage investment in, and the development of, the sector.

The Syncona team seek to engage in relevant initiatives that we believe will support the life science industry in the UK and globally, through working groups, active advocacy and engagement in consultations, and participating in a wide range of industry conferences and events. We are members of one of the leading industry bodies, the UK Bioindustry Association.

Number of conferences with Syncona investment team speaking in year

16



Top and middle: Syncona Investment Management Limited team members
Bottom: Stevenage Bioscience Catalyst

The Syncona Foundation: charitable giving in our DNA

The Syncona Foundation was set up in 2012 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.

The majority of our donations go to the Foundation, which supports a range of charities, most of which focus on seeking treatments for or supporting patients with disease. The Foundation's support extends beyond funding these charities and includes networking and helping to form links and support wider fundraising efforts.

As part of that support individual members of the Syncona team work closely with a number of the charities.

We will donate £4.7m this year, bringing our total donations since 2012 to £36.4m. We have been able to increase the donation this year, the Foundation benefitting from the growth in our NAV and continuing to benefit from the decision in the last financial year to increase the donation from 0.30% of NAV to 0.35%.

The Syncona Foundation: supporting 27 charities

In aid of

Alzheimer's Research UK

The Power to Defeat Dementia

Alzheimer's Society

United Against Dementia

AUDITORY VERBAL UK

Creating a safer future for road cyclists

Bowel Cancer UK

Beating bowel cancer together

THE BRAIN TUMOUR CHARITY

butterfly

thyroid cancer trust

CANCER RESEARCH UK

Child Bereavement UK

RESOLVING LIVES TOGETHER

cureleukaemia

the blood cancer charity

David Nott FOUNDATION

downsideup

THE EGMONT TRUST

FIGHT FOR SIGHT

The Eye Research Charity

GENERATING GENIUS

ICR

The Institute of Cancer Research

JAMES' PLACE

www.jamesplace.org.uk

JDRF

IMPROVING LIVES, CURING TYPE 1 DIABETES

Great Ormond Street Hospital Charity

Macular Society

Beating Macular Disease

MAGGIE'S

Connects home shareholders

Marie Curie

Care and support through terminal illness

NSPCC

The ROYAL MARSDEN Cancer Charity

Scope

About disability

SUPPORTING WOUNDED VETERANS

REHABILITATION TO EMPLOYMENT

ssafa

The Armed Forces charity

WOMEN 470 WOMEN

empowerment



Rupert Adams
Board of Trustees
Nigel Keen
Board of Trustees
James Maltin
Board of Trustees

Liz Bennett
Foundation Secretary
Fenella Dornie
Finance Manager



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

“
We would like to
thank our charities
for their incredible
efforts over the
last year in
contributing to our
shared goals.”

**Update from the Chair of the Trustees
of The Syncona Foundation**

I am delighted to provide an update on The Syncona Foundation’s activities in 2021.

Our approach

The Syncona Foundation was founded in 2012 with the objective to focus on the prevention, treatment, cure and ultimately eradication of cancer and other diseases, as well as other charitable activities. Since then Syncona has donated £36m to various charities in the UK and around the world, with the Foundation being the principal beneficiary of this. Whilst independent of Syncona, the Foundation is closely aligned to its aims of transforming the lives of patients.

During the year, we undertook a review of our existing work and strategy, to ensure we are achieving the maximum benefit from the money we have available to us. The outcome of that review was positive and we will continue our core focus on charities working in cancer, neurodegenerative disease and gene therapy, supporting patients through their condition and funding research into solutions, while maintaining the flexibility to support charities in other areas that we think can have significant impact. We believe these areas continue to represent appropriate priorities which align with our founding principles, as well as emerging areas of patient need.

The Foundation typically provides grants over a number of consecutive years, with no restrictions on how our funding should be used. We believe this to be important for our charities, providing them with the security and flexibility to plan their medium-term strategies with the security of recurring income.

In 2020, Syncona made the decision to increase its annual donation to the Foundation to 0.35% of NAV. I would like to thank everyone at Syncona for their continued support for our activities; their support is greatly appreciated by us and our partners.

Our work this year

During the year the Foundation initiated a partnership with Generating Genius, a UK-based charity which supports low-income students across the UK in obtaining places at top universities and employment in Science, Technology, Engineering and Maths (STEM) subjects. Generating Genius will receive £100,000 a year from the Foundation, with this providing five students with scholarships to go to university, as well as covering their living expenses whilst there. We are incredibly proud of this new relationship, with the sponsored scheme named the David Twumasi Syncona Foundation Scholarship, after the Syncona team member who introduced Generating Genius to us.

We were also pleased during the year to have continued our close relationship with our existing partners, and remain in awe of the work they do and the impact they make. For example Marie Curie, the UK’s leading end of life charity and a partner of the Foundation, talks on the next page about the way it adapted its services to remote delivery, meaning the charity was able to continue supporting those at end of life despite the restrictions of the pandemic. At a time where communities have come under severe pressure, we applaud the innovative work of our charity partners who continue to deliver great impact at such a challenging and turbulent time.

We are also incredibly pleased to welcome James Maltin as a Trustee, with James joining after being a supporter of Syncona and the Foundation for many years.

I would like to finish by thanking all of the charities we work with for continuing to be such effective and committed partners. They continue to provide tangible and at times lifesaving support to some of the most vulnerable members of our society and they often do so in very difficult circumstances.

Syncona Foundation case study – Marie Curie Q&A

Marie Curie

The UK’s leading end of life charity, Marie Curie is here to support everyone in the UK through all aspects of dying, death and bereavement. We support the NHS by providing frontline care, we provide vital bereavement support for family and friends, and we help the nation prepare for death, to help make things better at the end. In 2019-2020, we helped more than 60,000 people directly and reached over two million more.



“
Going into the hospice
gave dad another lease of
life because they were so
good with him. It was like
being in a hotel for him, the
staff couldn’t do enough,
and did everything they
could for him”

Waine, whose Dad was cared for
by the team at Marie Curie’s
Bradford Hospice.

In 2020 we
helped more than
60,000
people directly
and reached over
two million more

Q: What was the impact of 2020 and the COVID-19 pandemic on Marie Curie and patients?

A: During the pandemic terminal illness did not go away. Across the UK our services were there and continued to be there for people when they needed us.

Evidence from this year’s Better End of Life Report, published by Marie Curie, highlights that where people are dying is changing, with many more dying at home. We also know that for people with terminal illness, lockdown and social distancing policies have caused isolation and loneliness during a phase of life where relationships and human contact are of utmost importance.

Q: How did you face those challenges and how have your practices changed?

A: Throughout the pandemic, our teams and services never stopped. We adapted and innovated quickly. Following the cancellation of many of our fundraising activities, we acted rapidly to ensure our financial stability, launching an Emergency Appeal and focusing on online activities. We cut back on all non-essential costs and

made use of the government job retention scheme and funds from the Treasury. Our services also adapted – examples include hospices supporting people virtually through technology, and the development of a new telephone bereavement service to support people through grief.

Q: What learnings have there been and how will you adapt in future?

A: We want to ensure that everyone in the UK has the best possible end of life experience, reflecting what is most important to them. Before the pandemic we had worked on our new strategy, and the pandemic has only reconfirmed our thinking, focusing on long-term, sustainable impact. This is particularly poignant given the lessons learnt from our Better End of Life Report, which we hope will help inform the

longer-term future of palliative and end of life care and bereavement support in our country. Research has projected that by 2040, annual deaths in England and Wales are expected to rise to nearly 630,000 every year – 25% more than the years preceding the pandemic. To ensure our health and care system is fit for the future, end of life care must be right at the heart of new systems to ensure the best end of life experience.

Q: How the Syncona Foundation supports Marie Curie

A: The Syncona Foundation has been critical in equipping us with the ability to respond to emergencies. By allowing us to use donations flexibly, it has helped our frontline services to respond quickly and effectively to the pandemic.



Pillar

02

Responsible investor and partner



We found leading life science companies in partnership with world class academics by identifying exceptional science that can deliver dramatic efficacy for patients and around which we can build a company with a long-term opportunity to take products to market.

This approach means that when we make an initial investment, we generally set up the company and put in place the team, processes and infrastructure. Our strategy is to hold significant ownership positions in our companies and, importantly, work in partnership with them as they scale, actively driving business strategy. 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 for our portfolio companies. We aim to help our companies enhance their positive impacts, and particularly to set the right culture, values and processes to help the businesses to follow a sustainable path over the long term. We also encourage portfolio companies to share sustainability best practices.

We support our portfolio companies to establish guiding principles and policies for sustainability, and ask them to report to us on their progress in implementing and applying them.

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 throughout a company's lifecycle.



Responsible investment process



Chris Hollowood
Chief Investment Officer,
Syncona Investment Management Ltd



Fundamental to each investment is the potential impact of the technology to deliver a transformational impact for patients in an area of high unmet medical need”

During the year we have carefully considered how to embed sustainability factors into the process of making and managing our investments. We have now set this out in our Responsible Investment Policy, published at the same time as this Sustainability Report.

Syncona’s purpose is fully integrated with our investment approach. Fundamental to each investment is the potential impact of the technology to deliver a transformational impact for patients in an area of high unmet medical need.

Beyond this, our responsible investment approach is focused on setting clear principles for the following key issues for our portfolio companies:

- 01 Compliance and governance
- 02 Good R&D practice
- 03 Promoting access to medicine
- 04 Appropriate and considered use of animals in research
- 05 Diversity and inclusion
- 06 Environmental impact

In line with our Responsible Investment Policy, these factors now form an integral part of our investment management process, including initial screening, due diligence, investment approval and ongoing portfolio company management. The life sciences investment team will also consider these factors at the point of exit.

Our core model is to found, build and fund companies based around transformational science. The result is that in many cases, we are involved in a company from the very outset. Even when we invest in an existing business, it will often only have a handful of employees. Accordingly, in practice we would not typically exclude a company from investment outright as a result of sustainability concerns; instead, we would address any material issues upon investment and proactively look to shape the business as it grows.

Our companies may grow over a few years from one or two to 100 employees or more as their operations progress. It is therefore recognised that there should not be a “one size fits all” approach and that processes and initiatives should be proportionate, focused and not overly prescriptive. However, at all stages we expect and encourage our portfolio companies to achieve our core standards.

Initial screen of investments

We are focused on transformational impacts for patients and healthcare systems. Although it is highly unlikely that they would fall within our investment strategy, we specifically exclude investing in any company whose activities substantially consist of the activities listed in the box in the next column.

In our initial screen of investments, the investment team will consider whether there are any immediate issues, such as ethical considerations related to conducting trials in the proposed patient group or concerns in relation to founders or other parties involved in the investment. Where these concerns are raised we may decide not to proceed or carry out further due diligence to see if they can be addressed.

Excluded investments

An illegal economic activity, including human cloning for reproduction purposes

The marketing, sale or production of tobacco

The financing of the production of and trade in weapons and ammunition

Casinos and equivalent enterprises

Pornography

Activity in high-risk jurisdictions

Investment approval

For any new investment being considered, the final investment recommendation will include a section outlining the key beneficial impacts of the company in line with our purpose and any notable sustainability issues identified in the due diligence. These considerations will form a part of the investment decision and an investment may be precluded on this basis.

Exit

We hope that many of our companies will become thriving, independent businesses, and continue to grow in future, even after we are no longer shareholders.

However, in some cases, there may be an opportunity to sell a company outright, most commonly to a larger pharmaceutical or biotech business who will want to acquire the products and pipeline that have been developed with a view to taking products to market. During any sale process, Syncona considers whether potential acquirers will continue to exercise appropriate stewardship and what steps it can take to address any concerns.

Active ownership

Our approach to responsible investment is focused on the key issues on the right.

We will work with our portfolio companies to support them in achieving our expectations in these areas, while maintaining a flexible approach that recognises the different stages of development and issues of these companies. Our activities split into two main areas.

We ensure that our principles are made clear to the teams at our portfolio companies at the outset. While each company is different and has flexibility to develop its own approach, we provide standard policies and other materials for the companies to consider where this is helpful. We can also provide support such as helping to make connections between portfolio companies or with our wider network where this would be useful to a company in addressing any questions.

Read more on pages 24 to 29

We encourage each company to put in place reporting frameworks to monitor progress on key sustainability issues, and to provide that information to their board and Syncona. Asking them to put these frameworks in place helps to ensure that the board of each company gives proper consideration to these issues. The data in turn forms part of our own regular internal reporting and management processes.

Read more on pages 24 to 29

Working with our portfolio companies on key sustainability issues

We aim to help our companies enhance their positive impacts, and particularly to set the right culture, values and processes to help the businesses to follow a sustainable path over the long term.

During the 2021 financial year we began work on the key issues for our portfolio companies, and further details are given on the next few pages. We expect to work with our portfolio companies over the next year in these areas, supporting them to continue to grow in a sustainable way.

We have developed a set of core values that we have across six key areas:

- Compliance and governance
- Access to medicine
- Animal welfare
- Good R&D practice
- Diversity and inclusion
- Environment

We ask our companies to adopt these values and principles themselves.



Compliance and governance

Syncona believes that robust and effective compliance and governance is important for any successful business. Our portfolio companies should clearly set out the conduct expectations for their employees and others they work with.

To implement this, we ask that our portfolio companies have policies in place in the below areas. These policies should be effectively implemented, by way of appropriate staff training being provided (as required) and the ongoing monitoring of such policies. We have prepared template policies for our portfolio companies that they can use as a basis for drafting these policies.

Key compliance and governance policies:

- Anti-fraud, Bribery and Corruption
- Approach to Taxation
- Conflicts of Interest
- Data Protection and Information Security
- Ethical Procurement
- Health and Safety
- Modern Slavery
- Whistleblowing

Access to medicine

Our portfolio companies are typically developing transformational treatments based on innovative science in areas of high unmet medical need for patients. We believe that true innovation in these activities will contribute meaningfully to the health of society by offering new options for patients. At the point of founding a company, we set in place a development strategy, to target specific patient groups to test whether the treatment being developed delivers dramatic efficacy and therefore the company can pursue accelerated development. As part of this approach, we encourage and support our companies in considering and designing strategies to address larger patient groups as the company progresses its treatment through the development cycle and the therapy has been de-risked.

Many of the treatments our companies are developing are highly complex and can be very expensive to develop. In some cases, the patient groups who will benefit are not large. This can result in the individual costs of these products being high.

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

Aligned with UN SDG



01 Aligning with industry best practice

02 Patient access programmes

03 Access to developing world

04 Pricing practices

European Biotech Social Pact

The European Biotech Social Pact brings together leaders in the biotechnology and life science industry to acknowledge their moral obligation to develop the best medicines and strive to ensure that every person who may benefit has access to them. Signatories need to ensure they act with the highest integrity and corporate responsibility – always prioritising the interests of patients. Martin Murphy, Syncona Investment Management Limited CEO, and Chris Hollowood, Syncona Investment Management Limited CIO, became signatories of the pact in May 2021. Syncona looks forward to helping to progress the Pact’s agenda in the EU and UK.



A responsible partner for our portfolio companies continued

Animal welfare

Syncona believes there should be high standards of ethical care across our portfolio companies' activities, 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.

For the use of animals in research to be acceptable, the potential health benefits must be compelling, appropriate welfare standards must be met and alternatives must not be available.

We ask our portfolio companies to:

- Meet all legal and regulatory requirements which set a high standard on this important issue.
- Adopt the widely used '3Rs' approach to replace, reduce and refine the use of animals for scientific purposes. Further details are given on the right and are available from nc3rs.org.uk.

Aligned with UN SDG

9

INDUSTRY, INNOVATION AND INFRASTRUCTURE

01

Replacement:

- Methods that avoid or replace the use of animals.
- Accelerating the development and use of models and tools, based on the latest science and technologies, to address important scientific questions, without the use of animals.
- Explore simulations to support replacement or down selection processes.

02

Reduction:

- Methods that minimise the number of animals used per experiment or study consistent with the scientific aims.
- Appropriately designed and analysed animal experiments that are robust and reproducible, and truly add to the knowledge base.

03

Refinement:

- Methods that minimise the pain, suffering, distress or lasting harm that may be experienced by animals and improve the welfare of animals.
- Advancing animal welfare by exploiting the latest in vivo technologies and by improving understanding of the impact of welfare on scientific outcomes.

Good R&D practice

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

The clinical development process inherently includes risks as any new medicine has the potential to produce adverse events. We expect those 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 approval there should be transparency about potential adverse events, with effective monitoring and reporting to regulatory authorities. We also have high expectations for data stewardship and patient privacy.

Aligned with UN SDG

9

INDUSTRY, INNOVATION AND INFRASTRUCTURE

Commit to Good Laboratory Practice, Good Manufacturing Practice and Good Clinical Practice where appropriate.

Good Laboratory Practice (GLP)

GLP is a quality system concerned with the organisational process and the conditions under which non-clinical health and environmental safety studies are planned, performed, monitored, recorded, archived and reported.

Good Manufacturing Practice (GMP)

GMP describes the minimum standard that a medicines manufacturer must meet in their production processes. GMP requires that medicines:

- Are of consistent high quality
- Are appropriate for their intended use
- Meet the requirements of the marketing authorisation or clinical trial authorisation

Good Clinical Practice (GCP)

GCP is the international ethical, scientific and practical standard to which all clinical research is conducted. Compliance with GCP assures patients and the public that the rights, safety and wellbeing for people taking part in studies are protected and that research data is reliable.



A responsible partner for our portfolio companies continued

Interview

Gonzalo Garcia
Syncona Partner
Chief of Staff at Resolution



Attracting a high quality and diverse team

Q: Tell us a little about Resolution and its goals?

A: Resolution is a newly founded macrophage cell therapy company focused on treating patients with inflammatory organ damage. It was started in August 2020 and the first stage of the company's life was to build a strong team to lead its exciting programme of work. We are seeking to be the leading company in the field, delivering for patients and our people over the long term.

Q: As Chief of Staff in one of Syncona's most recently founded companies, how have you worked with the team to build the culture in the business and why is getting this right important to Syncona?

A: A big part of it is stepping into the company in an operational role in the first place; not many investors will roll their sleeves up the way we do. Taking that step immediately positions us alongside the rest of the team instead of across the table from them, which in turn allows us to lead by example and be hyper-responsive to each team member's priorities and concerns. The focus is then squarely on transparency and openness: decisions are made as a full team, with everyone brought on the journey and owning the outcome, whilst risks and fears are debated openly and mitigated together without fear of repercussions. For example, as Chief of Staff, I personally always try to make a point of highlighting my own mistakes so

that others feel secure and supported to speak up. Finally, we also make a conscious effort to 'flatten the hierarchy' and to get to know each other as people rather than as colleagues, for example through silly icebreaker sessions, thus further empowering people to speak up. These steps are all taken to ensure our people feel truly valued, and in doing so aims to unite them through a deep sense of purpose in pursuit of our mission, bringing out the best in each and every individual. Getting these cultural aspects right will turbocharge the business by fostering leadership even at the most junior levels, in turn creating a happier workforce, identifying and mitigating risks before they grow, and ultimately driving better execution. Doubly so in a world where we need to work part-remotely!

Q: What strategy have you employed to ensure you attract a high quality and diverse team? What benefit do you see this providing the business as it grows?

A: Right at the start we took the decision to run a large-scale recruitment process with a multi-step funnel of candidates, and in turn we made sure that the candidates being fed into that funnel were from diverse backgrounds with an even gender split. Each step of the process was standardised and involved a formal assessment of the candidates along pre-set dimensions, thus allowing us to remain as objective as possible whilst attempting to counter any unconscious bias. Interviewers were also trained, and all took part in the design of

the process. The end result was a team of top-quality hires who stood out amongst their peers, representing an even gender split, multiple nationalities from around the world, and the full range of academic-to-industrial backgrounds. It is thanks to this team and their diverse experiences, alongside our open culture, that we will be able to grow and adapt as the environment changes around us.

Q: How do you envisage Resolution's culture contributing to its sustainability as a business?

A: Transparency and adaptability I think are the key factors here. In my view the first step towards ensuring sustainability is acknowledging the starting point, warts and all. As Syncona frames the overall sustainability initiative and provides Resolution with the necessary tools, my belief is that the company will immediately be candid in assessing its own baseline, will share the results transparently, and will ensure open debate and commitment to action without any frustration or difficulty. In turn, the company will have what it needs to set itself ambitious targets in sustainability areas and will hopefully integrate these targets into its strategy as core enablers of its mission. Time will tell!

Gonzalo Garcia
Syncona Partner

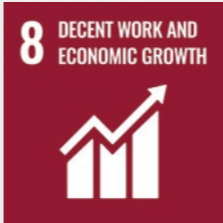
Diversity and inclusion

Syncona believes in the importance of diversity and inclusion in the scientific and investment communities. We expect portfolio 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.

Diversity and inclusion at Syncona

We have an ongoing focus on improving diversity across our team and recognise that it will be important to continue to take concrete actions to ensure that progress is made through the next financial year.

Aligned with UN SDG



Environment

In alignment with Syncona's commitments to environmental responsibility and climate action, we ask our portfolio companies to set an ambition to minimise their overall environmental footprint wherever possible, focusing not only on reducing their carbon footprint but also reducing the use of other resources.

As a responsible partner, we want to work with our portfolio companies to support them in developing an approach to understand their greenhouse gas emissions and identify ways to reduce them and share best practice with them in this area. Syncona has an aspiration to achieve net zero emissions by 2030 and we will encourage our companies to consider how they too can develop a strategy to achieve net zero over an appropriate time frame and will support them in doing so.

Net Zero Strategy

In alignment with Syncona's aspiration to achieve net zero by 2030, we will work with our portfolio companies to develop net zero strategies.

Read more:
Limiting our environmental impact
Page 46



Inspiring and empowering our people

Pillar

03



Our purpose to invest to enhance and extend human life is a core part of what attracts the best talent to Syncona. People with specialised expertise, highly motivated by making a difference, are attracted to our platform and the opportunity to improve the lives of patients and their families.

The life sciences investment team members have deep technical scientific backgrounds, supplemented by strong commercial experience ranging from venture capital investment to pharmaceutical launch and the operational expertise required to found and build companies around exciting innovation. This multi-disciplined skill set is fundamental to our business model and the team's track record has helped develop a strong network in life science, enabling the best talent to be attracted to our portfolio companies.

In this section:

Establishment of our purpose and values	32
Building a team to scale	34
Employee welfare and wellbeing	35
Equal opportunities and diversity	36

Establishing our purpose and values



“It was important for us to sit down and define, collectively, what we wanted to represent as we look forward. The process helped us to articulate what we already knew – that Syncona exists to extend and enhance human life by building companies which can deliver transformational treatments”

Martin Murphy
Chief Executive Officer,
Syncona Investment Management Limited

During the year we worked together as a team to formally articulate for the first time the purpose and values of our business. This was an important process that ensured the team as a whole had accountability and ownership over our ambitions as a business and how we want to operate in order to achieve that ambition.

Whilst what motivated us as a team had always been clear – to deliver transformational treatments to patients – we had not taken the opportunity to date to define this in a formal statement behind which we could all align on a go forward basis.

A working group amongst the team were placed in charge of initial thinking, which was then brought to the wider team for discussion and agreement. This process reaffirmed for us the strength of Syncona’s culture.

Our purpose:
Our purpose is the essence of why we exist – what we do and what motivates us as a team. It summarises what we are seeking to achieve and the positive impact we hope to have.

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

Our values:
Our values are at the heart of all that we do as we seek to deliver Syncona’s mission for our stakeholders. They are:



Building a team to scale

Our strategy is supported by the strength of intellectual capital found within the team and Syncona’s portfolio companies.

The Syncona team is differentiated by its multi-disciplinary skill set, identifying innovative technology, and taking a commercial approach to building businesses capable of delivering transformational treatments to patients. Given the clear value which is added to the development and management of the portfolio through the team's ability to attract top tier talent across a broad range of skill sets, we appointed a new position of Chief Human Resources Officer (CHRO). This role will focus on attracting the best people to deliver our purpose and drive our business forward, as well as leveraging best people practices across our portfolio companies and in building new companies.

We recognise that in order to be successful, we must create an environment in which all our people feel that they can flourish and see the social contribution of their work. We are therefore delighted to have appointed Fiona Langton-Smith to this new role on the leadership team.



Interview

Name:
Fiona Langton-Smith

Title:
Chief Human Resources Officer,
SIML

Q: What is your background?

A: Unusual. I started at university studying Fine Art & Art History and ended up spending a great deal of time producing and directing theatre. This led to further studying in London and Moscow before becoming a theatre director. Along that journey, at a post-production party I was introduced to two, in retrospect high risk-embracing, leaders of a large US engineering company. We started talking about people dynamics in the play and in life. It transpired they had been brought to London to manage the merger of a large acquisition into an existing organisation, across 26 countries. This was a daunting challenge which we discussed philosophically and at length. Sometime later, the same team approached me to help them with the problem. I was flattered and asked why; the response: ‘You think about people, interface and structure differently and we need a very different lens to be successful’. I took on the challenge and never looked back. We developed an approach to consider organisation strengths by looking at the people and built a process to move and develop those skills through the divisions. This process was subsequently implemented and honed across multiple mergers, acquisitions and growth strategies. This fork in the road took me on a journey through many HR leadership roles across the globe and into biotech, latterly at Biogen where I held the role of Head of People, Processes and Analytics. But whether it’s Engineering, Biotech or Venture Capital, in the end it is all about people; letting them play to their strengths, supporting the interplay between them and strong stewardship from the leaders.

Q: What attracted you to Syncona?

A: The vision and the people driving it. To deliver transformational treatments to patients and give strong returns to shareholders is balanced and sound. To take a long-term view with our portfolio and drive the vision all the way from idea/hunch to patient, is inspiring. Syncona offered me an opportunity to be part of that vision and to help build something new, that offer is hard to walk away from. Syncona is on an exciting journey with an ambitious strategy. The challenge to identify and implement the optimal operating culture is key and something I am passionate about. In both our business and our private lives, we all need to learn to embrace change, cope with uncertainty, manage through ambiguity, shed redundancies and regenerate ourselves one cell at a time to thrive.

Q: What are your priorities for 2022?

A: It is all about the people. There are three key focus areas to both enable and accelerate our people to build the portfolio through 2022 and beyond. These roughly bucket into three focus areas; organisational clarity, operational excellence and portfolio optimisation.

Organisational clarity

To grow the business beyond our net asset value of £1.3bn in the coming years, we need to structure the organisation for success. We need to acknowledge that ‘what got us here won’t get us there’ and to build on Syncona’s success, we will need to develop our team’s skills and experiences and add new people to the team where appropriate. I’ve been really pleased to

join alongside Markus John, who takes up the role of Head of Research and Development, and Ken Galbraith, who has taken up the role of Executive in Residence – their expertise will be invaluable as we seek to scale the business.

Operational excellence

We have all gone through the massive disrupter that is COVID 19. This has been very difficult for many families and thankfully we now seem to be coming out of it. One of the unintended consequences of ‘lockdown’ has been forcing us to utilise technology to breaking point and accelerate our learning on what work is done better remotely and what work really needs to be done face to face. As the world opens again, we need to build an operating model that optimises these learnings, pushes us forward more quickly and gives us a competitive advantage. In practical terms this means reviewing and adjusting our working model and practices to enable greater focus on cutting edge science, the medicines that can be created from it and the incredible people leading the space.

Portfolio optimisation

Syncona leverages its company building know-how to build every new portfolio company better than the last. Greater institutionalisation of best practice will allow our companies to innovate more quickly and nimbly, enabling us to more swiftly build out our start-ups to ensure our continued and accelerated success.

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. Each team member is trusted and empowered to progress their own development within this structure.

Our new Chief Human Resources Officer will be focused in developing tailored development programmes across the team over the next 12-18 months.

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)

Flexible working

We also strive to have flexible working policies that meet the needs of our people and support our business. During the last year, COVID-19 enabled us to understand the positives and negatives of remote working, leveraging technology to understand what work is better done remotely and what work is better done face to face. Our people are provided with the tools to work remotely and we are now assessing how to develop a hybrid model which enables our people to retain the positive elements that they have enjoyed from remote working blended with in-person collaboration, which we recognise is both critical and fulfilling.

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, balancing home-schooling, full-time employment and caring for others. Throughout the pandemic, senior leaders across the business have had regular interaction with all team members and colleagues have been encouraged to check in with each other on an ongoing basis. In addition to this, we have also offered our team members 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 30-person team operating with a flat structure and limited 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.

Key business initiatives where the team have been engaged and provided significant input have been into:

- Development of our values
- Development of our Sustainability Policy
- Initiation of our diversity and inclusion initiatives

The Syncona Board regularly meets members of the investment team alongside Board meetings. Gian Piero Reverberi, the non-executive Director who leads employee engagement and our Chair, Melanie Gee, have met with wider team members remotely during the last 12 months and plan to meet with the team members in a more informal setting in-person, when COVID-19 restrictions allow.

Equal opportunities and diversity

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

Syncona has more work to do in this area but we have embarked on our journey by supporting a number of important initiatives.

Diversity and inclusion initiatives

We are aware of the positive influence that Syncona can have within the UK life sciences industry in driving positive action to increase diversity within the sector. The underrepresentation of ethnic minorities within Science, Technology, Engineering and Maths (STEM) careers in the UK is

striking and it is also a pertinent issue in the venture capital space.

Specifically, we have recognised that research consistently highlights black minorities as being the least represented within STEM and venture capital and our desire to combat this trend is reflected in our choice of charitable partners.

Our diversity and inclusion (D&I) approach aims to target the underrepresentation of minorities within life sciences, through partnering with organisations who provide pathways at school, undergraduate and postgraduate level. Ultimately, our aim is to implement a long-term programme which can guide young people through their education and into a possible future career as life science investors.

In doing so, we aim to expose those involved in the programmes to many of the values which drive performance at Syncona, as we aim to build the next generation of data driven, entrepreneurial leaders in life sciences investment.

We actively encourage our employees to participate in our partnership schemes, either as advocates, mentors or buddies, with our D&I strategy also aligned with the goals of the Syncona Foundation.



Overview

Generating Genius is a UK registered charity which aims to assist low-income students across the UK as they look to enter university and study STEM subjects. It does so via two main programmes, Uni Genius (which focuses on high STEM performers at A-Level) and Alumni Genius (which does the same at undergraduate and graduate level).

How we contribute

Generating Genius receives £100,000 a year via The Syncona Foundation as asponsored charity. This donation will provide five Generating Genius students with scholarships to go to university, covering all of their university fees as well as most living expenses whilst there. We are also exploring using the Alumni Genius scheme as a pathway for students who may be suitable for the Windsor Fellowship.

“Diversity of thought and ideas is critical to progress and success. At Syncona, our ongoing focus is to create a more diverse and inclusive team going forward”

Martin Murphy
Chief Executive Officer,
Syncona Investment Management Limited

WINDSOR FELLOWSHIP

Enriching education, employment and citizenship

Overview

The Windsor Fellowship designs and delivers personal development and leadership programmes, with the aim of supporting those from minority communities along their educational journeys within STEM. To date, the organisation has supported over 18,000 young people, partnering with academic institutions and companies in order to enable participants to become confident, active role model citizens.

How we contribute

We will sponsor one PhD student per year in a STEM subject, with participants spending six months after their third year of study as an intern at Syncona. This will include one day a week as paid ‘write up time’ to help them complete their PhD.



Overview

Aimed at 18-22 year-olds, the 12-week intensive Fast Futures programme aims to provide young people with the practical skills, network and confidence to take the next step into a career in business. Participants take part in a range of learning modules, as well as being mentored by employees at partner organisations through the programme.

How we contribute

Fast Futures receives a donation of £25,000 to provide scholarships for learners in the programme, with 13 Syncona team members also donating an average of seven hours of their time as mentors for our first cohort.

Equal opportunities and diversity continued



Interview

David Twumasi
Accountant



Encouraging diversity in the next generation of scientists

Q: Tell us about Generating Genius and where it fits into Syncona's Diversity and Inclusion Initiative?

A: Generating Genius focuses on helping people from low income households, predominantly from ethnic minorities, to succeed and achieve their full potential in Science, Technology, Engineering and Maths (STEM) subjects. Syncona collaborates with organisations like Generating Genius to improve the number of underrepresented minorities in the scientific and commerce communities at all levels. For example, the Syncona Foundation has announced funding for five successful candidates to study STEM degrees at university over the next three years. The collaboration between Syncona and the charity is built upon shared goals and values, and most importantly the ambition to improve diversity in STEM. The Syncona Foundation is proud to be Generating Genius's largest scholarship donor. Through this funding financial pressures will be alleviated, allowing students to focus on their degrees. The aim is to allow some of the best and brightest minds from ethnic minorities to succeed and become part of the STEM community.

Q: Tell us how Syncona and Generating Genius plan to work together, and what are some of the specific actions Syncona is seeking to take and why?

A: This partnership encourages all employees to participate as advocates, mentors or buddies to give Generating Genius candidates career advice and more. Further support is given through networking, insight workshops and potential internship opportunities within the Syncona portfolio. Successful candidates participating in the David Twumasi Syncona Foundation Scholarship will be given the opportunity to apply to continue further study through Syncona's creation of PhD scholarships facilitated by a second initiative, the Windsor Fellowship. These PhDs include a six month internship at Syncona which will equip successful candidates with tools to secure their first job in industry and widen their knowledge of the opportunities available to them. Through training sessions and seminars, employees are being educated on the issues of anti-racism and privilege. The aim is to work together on developing solutions with minority ethnic employees; to improve awareness of the issues which can contribute to this underrepresentation of ethnic minorities to address the issue.

Q: How do you see the relationship with Generating Genius evolving over time?

A: My hope is for the size of the scholarship offered by the Syncona Foundation to grow in both value and the number of candidates that it supports. From the success of the partnership I envisage that more students could potentially forge careers in the science and venture capital space, and hopefully within Syncona. Syncona offers an invaluable insight into early stage companies, especially with its array of knowledge which the team are keen to share.

Q: Why do you think a diverse workforce is so important, and what does this project mean to you?

A: Having varied experiences creates a better collaborative space and increases chances of success. Different perspectives enhance viewpoints on subjects, which allow considerations that may not have been given thought. For that reason, I believe it is paramount for workforces to be as diverse as possible. Being a black man, I am within the underrepresented minorities which Syncona's Diversity and Inclusion Initiative aims to address. For this reason, I am proud to have been a part of this project in encouraging minority ethnics into STEM subjects. Having done a Bioscience degree before embarking on accounting, I understand some of the challenges in

encouraging minorities into STEM degrees. I hope collaborations such as this will drive change across the scientific and venture capital spaces, from the opportunities that a Syncona mentorship can provide, such as work experience and a helping hand in making good decisions for career development. The Syncona family has been more than supportive in creating and participating in initiatives which work with and around the David Twumasi Syncona Foundation Scholarship such as Fast Futures to improve the number of underrepresented minorities and backgrounds in the workplace. This work not only helps underrepresented minorities but people who have had fewer opportunities throughout society. For me this underpins what this project means to me, providing everyone of all ethnicities with equal opportunities.



Responsible and ethical business

Pillar

04



It is key that our business operates responsibly and ethically, in line with our values and with clear accountability.

It is fundamental to our long-term success. We aim to have a robust set of policies, internal controls and management processes covering all of the areas for our business to operate responsibly and ethically.

We also believe it is important to seek to minimise our environmental impact, in line with best practices.

In this section:

Syncona policies and practices	42
Limiting our environmental impact	46



Syncona policies and practices

Standards of conduct and behaviour

Syncona aims to have a robust set of policies, internal controls and management processes covering all of the areas for our business to operate responsibly and ethically. 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 on them. 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 use 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 by employees.

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. 'Gift' includes any item, good or service which is offered at no cost or at a cost that is less than its commercial value, including tickets to events, bottles of champagne or other objects of value. 'Hospitality' could include invitations to meals (during meetings or fact-finding events), sporting events, industry dinners and golfing weekends.

It is the responsibility of each employee to exercise judgement when considering any gift or hospitality event and other inducements and to be satisfied that it is both proper and appropriate in terms of content, cost and timing. Employees are expected to at all times be, and be seen to be, acting in a way which is fair, impartial and unbiased. Should a potential conflict of interest be identified, the gift/hospitality should not be offered or should be declined as applicable.

Financial crime and anti-money laundering

Financial crime is a key area of focus for regulators and law enforcement agencies globally. As a regulated business, SIML must maintain systems and controls for countering these risks. Financial crime covers offences involving money laundering, terrorist financing, economic sanctions, bribery and corruption, market abuse and fraud.

A key part of SIML's controls against financial crime are anti-money laundering procedures. As SIML has a single, listed client in Syncona, the main focus of the controls is on carrying out appropriate due diligence on the investee company for new investments and any key individuals with significant control or influence.

Conflicts of Interest

As a regulated business, SIML maintains a Conflicts of Interest Policy to support employees in promptly identifying any actual or potential conflicts and properly managing them, to minimise the risk that a conflict could compromise (or be perceived to compromise) the judgement of the parties concerned. Employees are expected to take all reasonable steps to identify, monitor and manage any actual or potential conflicts of interest which may arise.

As SIML has a single client in Syncona, the principal conflicts that could arise are conflicts between the interests of SIML and Syncona (though these are relatively unlikely as SIML is a subsidiary of Syncona) and conflicts between the personal interests of Syncona team members and Syncona. We expect full transparency from employees to enable conflicts to be managed appropriately and Syncona's interests protected.

The Conflicts of Interest Policy is supplemented by policies relating to gifts and hospitality, personal account dealing 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.

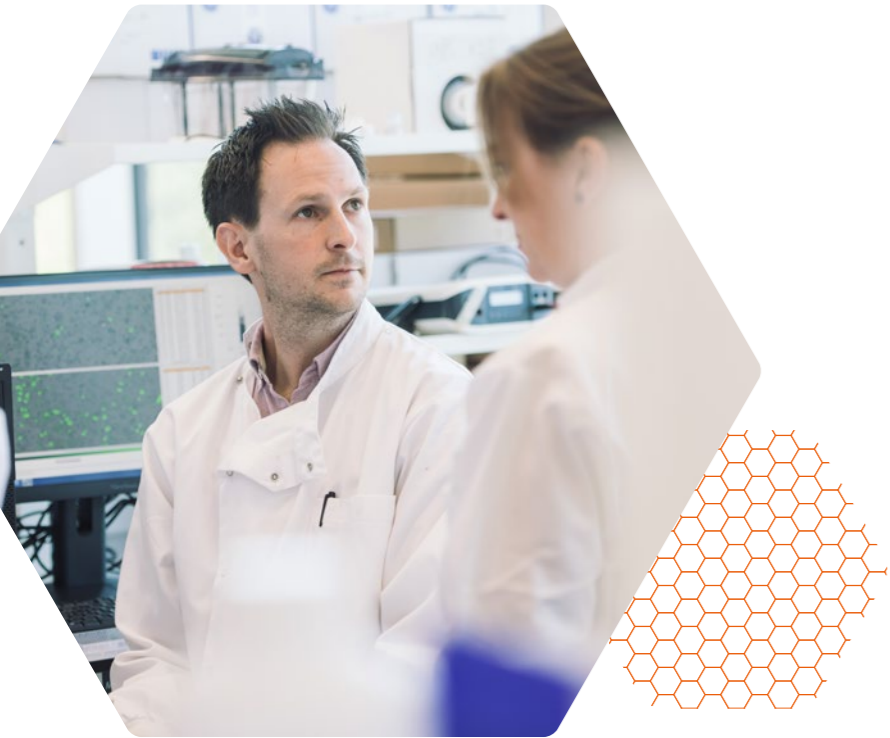
Inside information

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.



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



Syncona policies and practices continued

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 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. The policy requires the Syncona team to comply with the data protection principles; in particular, personal data should only be held where there is a good reason to hold it, in line with legal requirements, and it should only be used for the particular purpose it was acquired for.

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 is an investment company structured as a registered closed-ended collective investment scheme incorporated as a non-cellular company limited by shares in Guernsey. We are a member of the FTSE250 and have operated as an investment company since listing on the London Stock Exchange in 2012.

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. As a Guernsey company Syncona (and the other Guernsey-based members of the group) principally does this by maintaining exempt company status for the purposes of Guernsey taxation and complying with

necessary requirements to not be treated as tax resident in any other jurisdiction, so that we do not pay any tax on investment gains. The overall outcome is similar to the position if Syncona were a UK-incorporated approved investment trust company.

- 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. If Syncona becomes aware of material errors in submissions then these will be disclosed to the relevant tax authority.
- 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. When determining the appropriate course of action, Syncona will have due regard to fair outcomes for our relevant stakeholders.

Modern slavery and ethical procurement

Syncona has zero tolerance for modern slavery and human trafficking.

Syncona 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. We will also seek to address any modern slavery and human trafficking risk in the Syncona portfolio companies through our responsible investment process. Our modern slavery statement for 2021 has been published at the same time as publishing this report.

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.

Health and safety

The team is principally office-based, based at a single site in the UK, and engaged in low-risk activities.

“

To make the right decisions we seek to have in place the appropriate policies to manage risks across our business”

As employer, SIML is committed to maintaining and improving effective health and safety management throughout the business, in line with UK legislation. The priorities are:

- To implement and maintain the health and safety management system across the business, and review periodically as appropriate.
- That all health and safety incidents are reported and investigated to prevent a recurrence.
- That all employees take an active part in ensuring health and safety.

Health and safety matters are overseen by the office manager under supervision of the Chief Financial Officer. Expert advice is obtained from a specialist health and safety adviser, who also provides access to training courses for employees. During the year to 31 March 2021 there were no reportable accidents.

During the COVID-19 outbreak the business focus has been on keeping employees safe. The Syncona team office has been closed during lockdown periods and opened on a limited basis, to ensure COVID-secure conditions, outside those periods. Support has been provided for employees working from home including guidance, provision of additional equipment, and a range of measures to support mental and physical health and wellbeing.

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.





Limiting our environmental impact

This section includes our Streamlined Energy and Carbon Reporting (SECR). Although the Company is not subject to the laws of England and Wales, this report 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 2021.

Our footprint

Given the relatively small nature of our operations, with one 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 building, which is 100 per cent powered by green energy, generated from wind and hydro asset sources. Our office space also has a zero to landfill waste policy (Scope 3), with the building recycling approximately 60 per cent of waste, with the remainder undergoing heat recovery to produce energy which heats homes and water.

Within our extended Scope 3 environmental impacts, historically our largest impact has been business travel, in particular business flights. These form an important part of the work we do given the location of some of our portfolio companies in which we have extensive involvement and given the global nature of the life science industry. Understandably, during the COVID-19 pandemic there has been a significant reduction in this kind of travel, with this consequently leading to a reduction in our Scope 3 emissions in the financial year. In FY2021/2, we aim to set targets to reduce our Scope 1, 2 and 3 emissions as currently reported (which excludes any emissions relating to our portfolio companies) from our baseline year of FY2019/20.

Methodology

We have employed the services of a specialist adviser, Anthesis, to quantify and verify the greenhouse gas (GHG) emissions associated with the Company's operations.

The FY2020/1 SECR location-based footprint is equivalent to 17.5 tCO₂e, with the largest portion being made up of emissions from purchased electricity at 10 tCO₂e.



Anthesis has calculated our greenhouse gas emissions estimates to cover all material sources of emissions for which Syncona Limited is responsible. The methodology used was that of the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (revised edition, 2015). Responsibility for emissions sources was determined using the operational control approach. All emissions sources specified under The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 are included. Natural gas and water consumption data were not available so pro-rata extrapolation was adopted using the figures from the FY2019/20 reporting year. Syncona does not have any overseas offices, therefore the emissions are UK based only.

Raw data in the form of meter readings and spreadsheets were collected from Syncona by Anthesis. Energy was converted to greenhouse gas estimates using the UK Government's GHG Conversion Factors for Company Reporting 2020.

The emissions sources that constitute our boundary for the year to 31 March 2021 are:

- Scope 1: natural gas combustion within boilers;
- Scope 2: purchased electricity and heat consumption for our own use; and

– Scope 3: business travel, waste generation, the supply and treatment of water, employee commuting, electricity transmission and distribution and WTT emissions associated with extracting, refining and transportation of raw fuel to vehicle/asset/process. We do not classify portfolio company emissions as being Scope 3.

Absolute emissions

The total Scope 1, 2 and 3 GHG emissions from the Company's operations in the year ending 31 March 2021 were:

- 17.5 tonnes of CO₂ equivalent (tCO₂e) using a 'location-based' emission factor methodology for relevant emissions;
- 6.3 tonnes of CO₂ equivalent (tCO₂e) using a 'market-based' emission factor methodology for relevant emissions.

Total energy use

The total energy use for the Company for FY2020/1 was 61,896 kWh.

Intensity ratio

As well as reporting the absolute emissions, the Company's GHG emissions are reported below on the metrics of tonnes of CO₂ equivalent per employee and tonnes of CO₂ equivalent per square foot of the occupied areas. 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.

100%

All electricity supplied to our headquarters at Bloomsbury Plaza, London is generated by wind, solar or hydro renewable schemes

60%

Of waste is recycled from our office space

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 the Company activities.

For FY2020/1, the intensity metrics were:

Location-based method:

- 0.6 tonnes of CO₂e per employee
- 0.002 tonnes of CO₂e per square foot of occupied space

Market-based method:

- 0.2 tonnes of CO₂e per employee
- 0.0003 tonnes of CO₂e per square foot of occupied space

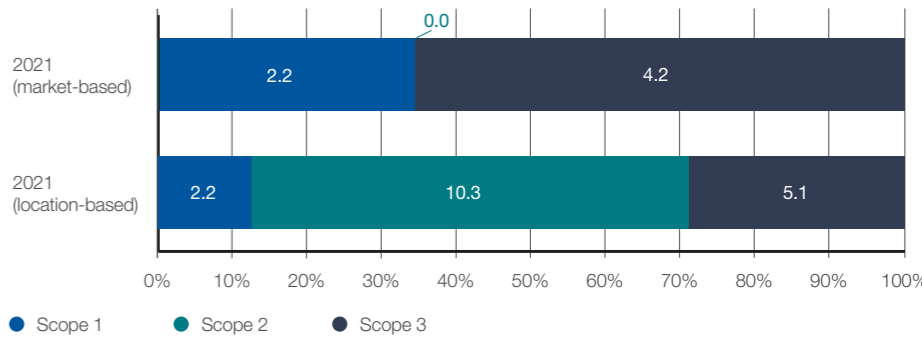
Energy efficiency action

In January 2021, Syncona had an air quality and temperature survey carried out at the Syncona office which highlighted that the AHUs are operating correctly. The survey also identified some periods in the week when temperature levels on Syncona's floor increased above

26 degrees, typically between Tuesdays and Fridays, and it was recommended that local control systems are reviewed.

The electricity supplied to the Syncona office in London by Total Gas & Power Ltd was 100 per cent generated by wind, solar or hydro renewable schemes as accredited by Ofgem, from October 2020.

Syncona's Breakdown of emissions by scope



Reporting year	UK	
	April 2020 – March 2021	April 2019 – March 2020
Energy consumption used to calculate emissions (kWh)	61,896	68,174 (excluding Scope 3)*
Emissions from combustion of gas (Scope 1) (tCO ₂ e)	2.2	2.2
Emissions from purchased electricity (Scope 2) (tCO ₂ e) (location-based)	10.3	14.4
Emissions from purchased electricity (Scope 2) (tCO ₂ e) (market-based)	0.0	0.0
Emissions from business travel in rental cars or employee-owned vehicles where Company is responsible for purchasing the fuel (Scope 3) (tCO ₂ e)	0.7	0.0
Emissions from employee business travel via air, taxi and rail (tCO ₂ e) (Scope 3) (tCO ₂ e)	0.2	174.8
Emissions from employee commuting (Scope 3) (tCO ₂ e)	0.6	7.2
Emissions from the supply and treatment of water (Scope 3) (tCO ₂ e)	0.2	0.2
Emissions from waste disposal (Scope 3) (tCO ₂ e)	0.3	0.3
Emissions from fuel and energy related activity (WTT and T&D) (Scope 3) (tCO ₂ e) (location-based)**	3.1	23.1
Emissions from fuel and energy related activity (WTT and T&D) (Scope 3) (tCO ₂ e) (market-based)**	2.2	21.9
Total gross Scope 1, 2 and 3 emissions (tCO ₂ e) (location-based)	17.5	223.1
Total gross Scope 1, 2 and 3 emissions (tCO ₂ e) (market-based)	6.3	207.5
Intensity ratio: tCO ₂ e gross figure per FTE (location-based)	0.6	8.6
Intensity ratio: tCO ₂ e gross figure per FTE (market-based)	0.2	0.8
Intensity ratio: tCO ₂ e per square foot of floor area (location-based)***	0.0019	0.0025
Intensity ratio: tCO ₂ e per square foot of floor area (market-based)***	0.0003	0.0003

Notes:

* The total energy consumption (kWh) for the 2019/20 reporting year was unknown but totalled 68,174 kWh excluding Scope 3 emissions

** WTT = Well to Tank, T&D = Transmission and Distribution

*** The emissions for this intensity ratio only include those from electricity generation, WTT and T&D and natural gas combustion and WTT

Minimising our environmental impact: a path to net zero

continued

Climate ambition statement

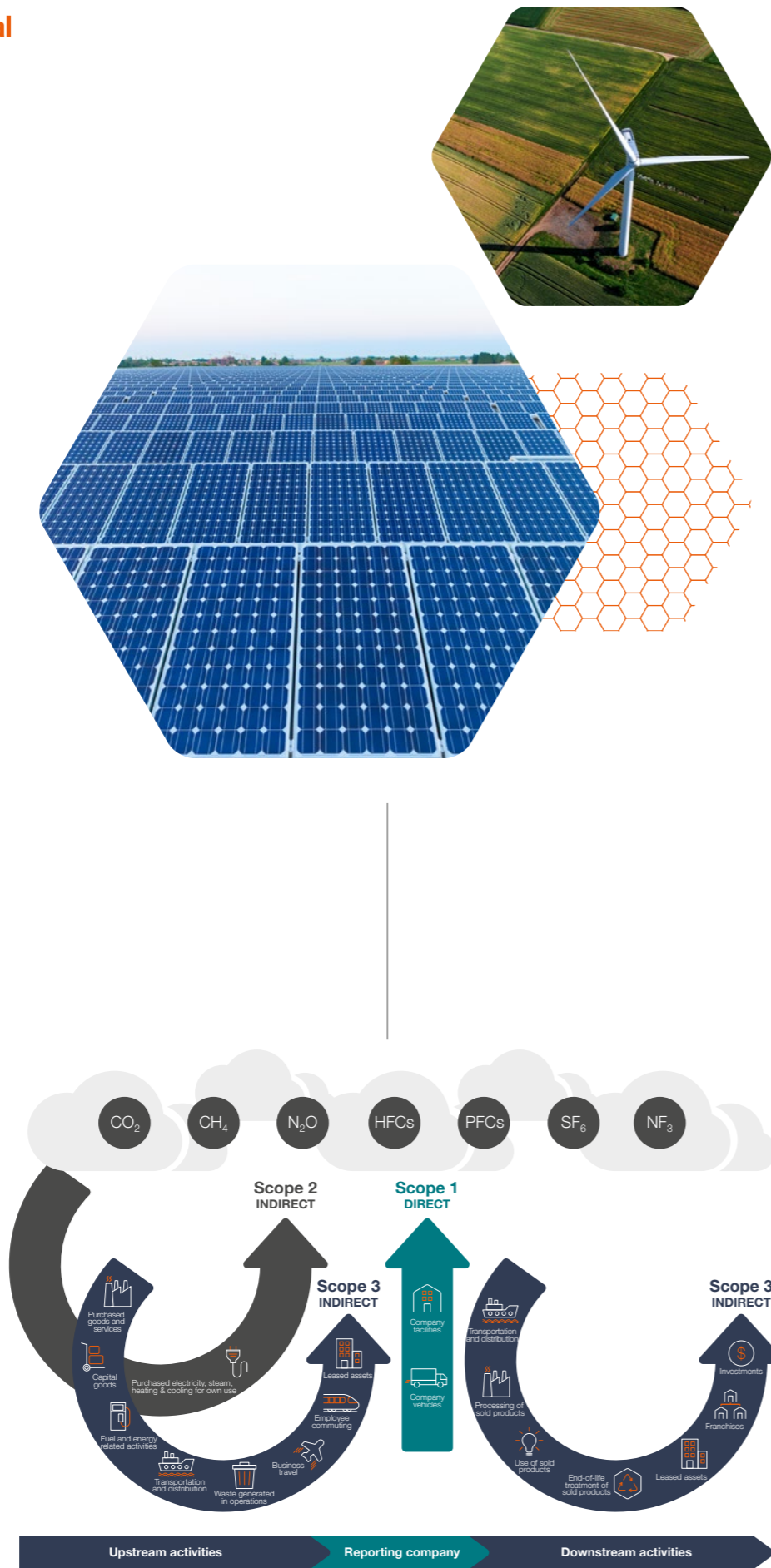
Syncona understands that climate change represents a systemic risk to our societies and economies.

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 the latest scientific advice.

Our carbon emissions plan

We are starting our journey by focusing on our own direct emissions. Given the type of business we operate, these are already relatively low, but in 2021/2, we aim to set targets to reduce our Scopes 1, 2 and 3 emissions as currently reported (which excludes any emissions relating to our portfolio companies) from our baseline year of FY2019/20.

Our aspiration is to achieve a net zero impact by 2030, that incorporates reductions in emissions alongside use of carbon offsets as a means to balance our residual and hard-to-abate emissions, focusing on carbon removals. We 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. Beyond our initial focus on reducing our direct emissions, we will go further by developing a wider Scope 3 strategy over the next few years which considers the impacts of our portfolio companies and engages with them, seeking to aspire to our net zero objective throughout our value chain. We also anticipate implementing the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in FY2021/2.



Due to increasing requests from stakeholders for relevant and comparable sustainability information, we have chosen to report in accordance with the Global Reporting Initiative ('GRI') standards.

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

Global Reporting Initiative index

In this section:

Environmental	50, 52
Social	51, 53



Environmental

All references are to sections of the Sustainability Report, unless otherwise noted.

General disclosures	
GRI 102-1 Name of the organisation	Syncona Limited
GRI 102-2 Activities, brands, products, and services	Our Business at a Glance, page 2
GRI 102-3 Location of headquarters	London
GRI 102-4 Location of operations	Our Business at a Glance, page 2
GRI 102-5 Ownership and legal form	Governance framework, pages 8-9; Syncona policies and practices, 42-45
GRI 102-6 Markets served	Our Business at a Glance, page 2
GRI 102-7 Scale of the organisation	Our Business at a Glance, page 2. We have reported on the metrics most relevant to our business type and structure
GRI 102-8 Information on employees and other workers	Our Business at a Glance, page 2; Employee welfare and wellbeing, page 35
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
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
GRI 102-12 External initiatives	Responsible Investor and Partner, pages 20-29; Align to UN Sustainable Development Goals (SDGs) and 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
GRI 102-13 Membership of associations	Syncona is a member of the BioIndustry Association (BIA)
GRI 102-14 Statement from senior decision-maker	Message from the Chief Executive of Syncona Investment Management Limited, page 3
GRI 102-15 Key impacts, risks, and opportunities	What sustainability issues are most material to Syncona and how have we approached these? Pages 6-7
GRI 102-16 Values, principles, standards, and norms of behaviour	Establishment of our purpose and values, pages 32-33
GRI 102-17 Mechanisms for advice and concerns about ethics	Syncona policies and practices, page 45
GRI 102-18 Governance structure	Governance framework, pages 8-9
GRI 102-19 Delegating authority	Governance framework, pages 8-9
GRI 102-20 Executive-level responsibility for economic, environmental, and social topics	Governance framework, pages 8-9
GRI 102-21 Consulting stakeholders on economic, environmental, and social topics	What sustainability issues are most material to Syncona and how have we approached these? Pages 6-7
GRI 102-22 Composition of the highest governance body and its committees	Annual Report and Accounts; Corporate Governance Report, Nomination Committee Report, Audit Committee Report and Remuneration Committee Report
GRI 102-23 Chair of the highest governance body	Governance framework, pages 8-9
GRI 102-24 Nominating and selecting the highest governance body	Annual Report and Accounts; Nomination Committee Report
GRI 102-25 Conflicts of interest	Syncona policies and practices, pages 42-45
GRI 102-26 Role of highest governance body in setting purpose, values, and strategy	Annual Report and Accounts; Corporate Governance Report
GRI 102-27 Collective knowledge of highest governance body	Annual Report and Accounts; Board of Directors
GRI 102-28 Evaluating the highest governance body's performance	Annual Report and Accounts; Governance framework

Social

GRI 102-29 Identifying and managing economic, environmental, and social impacts	What sustainability issues are most material to Syncona and how have we approached these? Pages 6-7, Annual Report and Accounts; Governance framework
GRI 102-30 Effectiveness of risk management processes	Annual Report and Accounts; Corporate Governance Report and Audit Committee Report
GRI 102-31 Review of economic, environmental, and social topics	Annual Report and Accounts; Market Review, Sustainability, and Corporate Governance Report
GRI 102-32 Highest governance body's role in sustainability reporting	Governance framework, pages 8-9
GRI 102-35 Remuneration policies	Annual Report and Accounts; Remuneration Committee Report
GRI 102-36 Process for determining remuneration	Annual Report and Accounts; Remuneration Committee Report
GRI 102-37 Stakeholders' involvement in remuneration	The remuneration budget of SIML is overseen by Syncona Limited, as set out in the Annual Report and Accounts; Remuneration Committee Report
GRI 102-40 List of stakeholder groups	What sustainability issues are most material to Syncona and how have we approached these? Pages 6-7
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	Annual Report and Accounts; Section 172 Statement; Our Stakeholders
GRI 102-43 Approach to stakeholder engagement	What sustainability issues are most material to Syncona and how have we approached these? Pages 6-7, Annual Report and Accounts; Section 172 Statement; Our Stakeholders
GRI 102-44 Key topics and concerns raised	What sustainability issues are most material to Syncona and how have we approached these? Pages 6-7
GRI 102-45 Entities included in the consolidated financial statements	Our sustainability reporting covers activities for the 2021 financial year at Syncona, the same boundaries as our Annual Report and Accounts
GRI 102-46 Defining report content and topic boundaries	What sustainability issues are most material to Syncona and how have we approached these? Pages 6-7
GRI 102-47 List of material topics	What sustainability issues are most material to Syncona and how have we approached these? Pages 6-7
GRI 102-48 Restatements of information	As this is our first Sustainability Report, no data has been restated
GRI 102-49 Changes in reporting	As this is our first Sustainability Report, there have been no significant changes to reporting boundaries
GRI 102-50 Reporting period	About this report, page 1
GRI 102-51 Date of most recent report	About this report, page 1
GRI 102-52 Reporting cycle	About this report, 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	About this report, page 1
GRI 102-55 GRI content index	GRI Index, pages 49-53
GRI 102-56 External assurance	We are not seeking assurance of our sustainability reporting at this time



Environmental

High quality governance of the Syncona business, Relevant policies and training in place	
GRI 103-1, 2, 3 Management Approach	Responsible Investor and Partner, pages 20-29; Responsible and ethical business, pages 40-48
GRI 205-3 Confirmed incidents of corruption and actions taken	Syncona policies and practices, pages 42-45
Minimising our environmental impact	
GRI 103-1, 2, 3 Management Approach	Responsible Investor and Partner, pages 20-29; Responsible and ethical business, pages 40-48
GRI 305-1 Direct (Scope 1) GHG emissions	Minimising our environmental impact, pages 46-48
GRI 305-2 Energy indirect (Scope 2) GHG emissions	Minimising our environmental impact, pages 46-48
GRI 305-3 Other indirect (Scope 3) GHG emissions	Minimising our environmental impact, pages 46-48
GRI 305-4 GHG emissions intensity	Minimising our environmental impact, pages 46-48
High quality relationships with our people, maintaining a strong culture and a diverse and inclusive team	
GRI 103-1, 2, 3 Management Approach	Responsible Investor and Partner, pages 20-29; Inspiring and empowering our people, pages 30-39
GRI 403-9 Work-related injuries	Syncona policies and practices: Health and safety, pages 44-45. Due to the size and type of our business we do not report all data breakdowns reflecting the low levels of risk
Commitment to the development of our people	
GRI 103-1, 2, 3 Management Approach	Inspiring and empowering our people, pages 30-39
GRI 404-3 Percentage of employees receiving regular performance and career development reviews	100% of team receive regular performance reviews
Providing a supportive working environment, Attracting high quality and diverse teams	
GRI 103-1, 2, 3 Management Approach	Responsible Investor and Partner, pages 20-29; Inspiring and empowering our people, pages 30-39
GRI 405-1 Diversity of governance bodies and employees	Annual Report and Accounts; Sustainability. Due to the size and type of our business we do not report all data breakdowns
GRI 406-1 Incidents of discrimination and corrective actions taken	No incidents of discrimination were reported in 2021 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	Responsible Investor and Partner, page 27
Bespoke Indicator: Commit to Good Laboratory Practice and Good Clinical Practice and disclose any breaches of GLP and GCP	Responsible Investor and Partner, page 27. This is emerging practice in our business and we will report more fully on how our portfolio companies are implementing these requirements in future reports.
Bespoke Indicator: Ensure patient data privacy and disclose breaches of security for clinical data	Responsible Investor and Partner, pages 24, 27; Syncona policies and practices, page 44

Social

Animal welfare	
GRI 103-1, 2, 3 Management Approach	Responsible Investor and Partner, page 26
Bespoke Indicator: Adhere to 3R Principles (or local equivalent) a. Sign up to 3R Principles (or equivalent) (if applicable) b. Breaches of Principles c. Number of animals used in research, used in breeding, and procedures performed, by species	Responsible Investor and Partner, page 26. This is emerging practice in our business. We will report more fully on how our portfolio companies are implementing these requirements in future reports
Access to medicines	
GRI 103-1, 2, 3 Management Approach	Responsible Investor and Partner, page 25
Bespoke Indicator: Ensure alignment with stated goals of the European Biotech Social Pact (or US equivalent)	Responsible Investor and Partner, page 25. 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: Number of patient access programmes in place? How many patients lack access to medicines due to absence of a programme?	Responsible Investor and Partner, page 25. This is emerging practice in our business. We will report more fully on how our portfolio companies are implementing these requirements in future reports
Does your company have an initial or up-to-date position statement on access to medicines in Low and Middle Income Countries?	Responsible Investor and Partner, page 25. This is emerging practice in our business. We will report more fully on how our portfolio companies are implementing these requirements in future reports
Has your company performed a health economic analysis to support: a) Launch prices b) Any price movements that exceed inflation?	Responsible Investor and Partner, page 25. 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	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	Our social impact, pages 12-19
Contributing to the wider UK life science community	
GRI 103-1, 2, 3 Management Approach	Our social impact, pages 12-19
Bespoke Indicator: How we partner with others, jobs created, facilities and lab space	Our social impact, pages 12-19

