Sands Capital Funds plc

Statement on the Integration of Sustainability Risks in the Investment Decision-Making Process

This disclosure is being published to comply with the obligation of Sands Capital Funds Public Limited Company (the "**Company**") under Article 3(1) of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (the "**SFDR**") relating to describing the manner in which Sustainability Risks (as defined below) are integrated into the investment decisions of the Company.

A "**Sustainability Risk**" is an ESG event or condition that, if it occurs, could cause an actual or potential material negative impact on the value of an Investment. Environmental risks are driven by the potential negative impact of environmental factors on the value of portfolio companies. For example, a portfolio company's exposure to assets or industries that may be disproportionally affected by tightening environmental regulations around pollution, water usage, biodiversity loss, or deforestation. Social risks are found, by way of example, in the potential negative impact that social movements may have on the value of an investment. Social movements pushing for increases in diversity and gender equality can constitute a risk for entities unable or unwilling to adapt to broader public sentiment. Such companies may be the target of complaints and lawsuits, market pressure and/or reputational damage, all of which can negatively affect the company's valuation. Governance risks arise from the potential for a portfolio company's decision-making and compliance structures to fail in preventing avoidable harm. Inadequate or insufficient policies and procedures, poor leadership and culture, or misaligned incentives for management, for example, could result in material operational, reputational, or legal issues that lower the value of a portfolio company.

As investment discretion of the Company has been delegated to Sands Capital Management, LLC (the, "**Investment Manager**"), the consideration of Sustainability Risks is integrated at the level of the investment decisions made by the Investment Manager, in accordance with the Investment Manager's ESG policy. The manner of such integration of Sustainability Risks is summarised below.

The Investment Manager takes a fundamental, business-focussed research approach in its investment process with respect to analysing each potential investment. As part of this investment process, the Investment Manager considers all financial risks that it deems relevant in its investment decisions and evaluates these on an ongoing basis. In doing so, all sustainability risks that it deems relevant are also taken into account. As such, when considering Sustainability Risks, its approach is materiality-based. The Investment Manager places emphasis on the risks that it considers to be most important to each portfolio company and its stakeholders, which may depend on the region, country, or industry in which the portfolio company operates. The Investment Manager's analyst teams may leverage external frameworks such as the Sustainability Accounting Standards Board standards as a reference to identify financially-material Sustainability Risks or may consult ESG ratings and research provided by specialised rating agencies such as Sustainalytics and MSCI ESG Research, though the Investment Manager's analyst teams will always maintain independence in the execution of their research.

Examples of Sustainability Risks that the Investment Manager may consider in its investment process include:

- Environmental risks, particularly in energy intensive industries that are particularly sensitive to changing environmental regulations;
- Social risks, including in relation to human capital management, supply chain management, and product safety and impact;
- Governance risks, including in relation to the quality of the management team, executive compensation and alignment of incentive structures with stated long-term objectives, board composition, quality of disclosures and capital structure, ownership control and shareholder protections and rights.

This is an indicative list only, and the Investment Manager recognises that the universe of relevant sustainability risks will evolve and grow over time. Investors should refer to "Sustainability Risk Factors" included in the Prospectus for a more detailed description of the sustainability risks which may impact the returns of the Company's sub-funds (the "**Funds**").