Regulation (EU) 2019/2088 (the "Sustainable Finance Disclosure Regulation") Article 10 product disclosures for financial products that promote environmental or social characteristics

20 May 2025

CQS Brunel Multi Asset Credit Fund, a sub-fund of CQS Global Funds (Ireland) p.l.c. (the "Fund")
Legal Entity Identifier: 254900HCJ9XCQ56HSW56

(a) Summary

This information is provided in accordance with Article 10 of the Sustainable Finance Disclosure Regulation and is supplementary to the information provided in the prospectus for CQS Global Funds (Ireland) p.l.c. (the "**Prospectus**") and the supplement thereto related to the Fund (the "**Supplement**").

Contained herein is information on the following:

(i) Environmental and social characteristics of the Fund;
(ii) Investment strategy;
(iii) Proportion of investments used to meet environmental and social characteristics;
(iv) Monitoring of environmental or social characteristics;
(v) Methodologies;
(vi) Data sourcing and processing;
(vii) Limitations to methodologies and data;
(viii) Due diligence; and
(ix) Engagement policies.

(b) No sustainable investment objective

This financial product promotes environmental or social characteristics but does not have as its objective sustainable investment. The Fund will not make any sustainable investments. However, it is typically expected that at least 60 per cent. of the Fund's assets are aligned with the environmental and social characteristics promoted by the Fund, which do not qualify as sustainable investments.

(c) Environmental or social characteristics ("E/S") of the financial product

Whilst the "Investment Objective" section of the Supplement sets out the principal objectives of the Fund, the Fund also seeks to promote certain environmental. In aiming to align the Fund with a net-zero goal, CQS (UK) LLP (the "**Investment Manager**") intends that by 2030 at least 90% of the Fund's corporate and quasi-sovereign exposure be either net-zero, net-zero aligned or subject to direct or collective engagement and/or stewardship actions with regard to achieving net-zero.

Net-zero is defined as the total emissions of CO2 being equal to or less than the volume of CO2 either offset or re-absorbed.

The Investment Manager intends that by 2040, 100% of the Fund's direct corporate and quasi-sovereign exposure be considered as net-zero or net-zero aligned.

Additionally, the Fund will seek to achieve a 50% reduction in its corporate and quasi-sovereign exposure to scope 1, 2 and material upstream scope 3 greenhouse gas emissions by 2030. In respect of scope 1 and 2 Weighted Average Carbon Intensity ("**WACI**"), this will be measured against the CQS Credit Multi Asset Fund's portfolio scope 1 and 2 WACI as at 31 December 2019 (being 140 (tons/USDm of sales)). In respect of scope 3 WACI, this will be relative to a 10 February 2025 baseline.

The sustainability indicators used by the Fund include:

(i) Issuer WACI metrics; and

(ii) Issuer net-zero alignment.

(d) Investment strategy

The investment strategy of the Fund is set out in the Supplement; please email CQSClientService@cqsm.com to obtain a copy.

The Investment Manager will focus investment by the Fund in issuers which demonstrate adaptability and resilience in the transition to a low carbon economy. In particular, the Investment Manager will:

(i) commit to achieving net-zero or net-zero aligned direct corporate and quasi-sovereign exposure to CO2 emissions by no later than 31 December 2040 or such earlier date as may be determined by the directors of the Fund by:

   a. reviewing portfolio companies to capture current net-zero alignment;

   b. setting direct corporate and quasi-sovereign portfolio targets to establish a trajectory towards net-zero;

   c. directly engaging with issuers where necessary to encourage net-zero alignment; and

   d. taking prompt action to reduce or remove exposure to direct corporate and quasi-sovereign issuers that fail to adapt or manage climate risk;

(ii) commit to a 50 per cent. reduction in the Fund's corporate and quasi-sovereign exposure to scope 1, 2 and material upstream scope 3 greenhouse gas emissions by 2030. In respect of scope 1 and 2 WACI, this will be measured against the CQS Credit Multi Asset Fund's portfolio scope 1 and 2 WACI as at 31 December 2019 (being 140 (tons/USDm of sales)). In respect of scope 3 WACI, this will be relative to a 10 February 2025 baseline;

(iii) commit to 90 per cent. of the Fund's direct corporate and quasi-sovereign exposure being either net-zero, net-zero aligned or subject to direct or collective engagement and stewardship actions by 2030.

In addition to the above, the Investment Manager seeks to engage on an ongoing basis with relevant issuers to drive a low carbon economy.

The companies in which investments are made follow good governance practices.

In accordance with the requirements set out in the SFDR, the Investment Manager will assess the good governance practices of any issuer prior to investing (and on a periodic basis thereafter). Portfolio managers and/or research analysts consider in particular, but without limitation, the implementation of sound management structures, employee relations, remuneration of staff, tax compliance, shareholder structure, board composition, independence of the board, and diversity. In assessing these factors, portfolio managers and/or research analysts may, depending on the issuer and without limitation:

(i) review external third-party data;

(ii) examine related newswires;

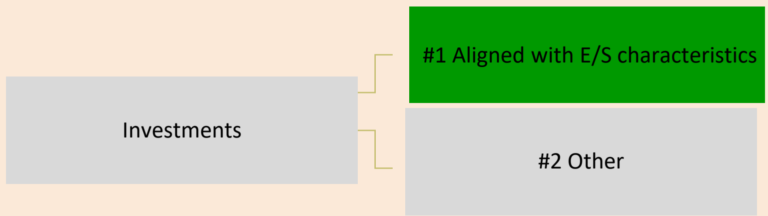
(iii) review the relevant issuer’s website and/or public disclosures; and/or

(iv) engage with senior management at the relevant issuer.

The Investment Manager is a signatory to the UN Principles for Responsible Investment and, as such, is committed to each of the six principles, including the incorporation of ESG issues into investment analysis and decision-making processes.

(e) Proportion of investments

It is typically expected that at least 60 per cent. of the Fund’s invested assets are aligned with the environmental characteristics promoted by the Fund (#Aligned with E/S characteristics), which do not qualify as sustainable investments. It is typically expected that up to 40 per cent. of the investments of the Fund are not aligned with these characteristics (#2 Other).



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

Those investments included under “#2 Other”, may include derivatives, ABS or ancillary liquid assets. There are no minimum environmental or social safeguards.

The Fund may use derivatives for investment purposes, efficient portfolio management and for hedging. Derivatives will not be used for attaining the environmental or social characteristics.

The Fund has no minimum share of sustainable investments with an environmental objective that are aligned with the EU Taxonomy Regulation.

There is no minimum share of investments in transitional and enabling activities.

(f) Monitoring of environmental or social characteristics

Please refer to the sustainability indicators set out in section (c) above. In addition, monitoring parameters for each issuer will be identified pre-investment. Through research and engagement, the Investment Manager's sector specialist analysts and/or portfolio managers assess company fundamentals pre-investment and on an ongoing basis. Internal ESG ratings and ESG outlook ratings build a comprehensive picture of the current and forward-looking ESG risks and opportunities, guiding portfolio managers on probability of default and loss given default. The Investment Manager's Targeted Engagement Programme focuses on ESG issuers where the Investment Manager believes long-term improvements can be made.

(g) Methodologies

With respect to the promotion of environmental characteristics, the Fund measures the attainment of such characteristics by calculating the portfolio's WACI. It also tracks engagement with issuers and monitors their net zero alignment.

The WACI is estimated using available disclosures or proxy estimates based on comparative data from MSCI. For proxy estimates, the Investment Manager applies a waterfall approach which requires a minimum of 10 issuers within the proxy estimate group. The WACI score does not include hedges for efficient portfolio management purposes.

(h) Data sources and processing

The Investment Manager uses a variety of third-party data providers, research analysts and similar including MSCI, RepRisk, Bloomberg, CDP, Moody's / S&P, Refinitiv, newswires and street research as sources of external data. These third-party tools are used to gather and evaluate data and such data is integrated into the Investment Manager's internal systems. This is then used to support the research, assimilation, and consideration of ESG risk factors within the investment strategy. Where third-party data is unavailable, the Investment Manager makes use of proxy estimates. The proportion of data that is estimated fluctuates over time based on portfolio holdings. The Investment Manager's research analyst team uses this range of external data sources, as well as issuer disclosures and issuer websites, to prepare an internal ESG research note and a proprietary ESG rating and ESG outlook rating, which is made available across the Investment Manager's portfolio management systems.

MSCI data is the core automated data input into the Investment Manager's research systems and available across its investment teams. Internal ESG research notes include for example the issuer's MSCI rating and the Investment Manager's ESG rating.

(i) Limitations to methodologies and data

The main limitations to the methodologies referred to in section (g) above and data sources referred to in section (h) above are lack of disclosures and coverage.

For sub-investment grade issuers, there are often fewer ESG-related public disclosures, such as carbon emissions. In these instances, the Investment Manager uses proxy estimates and considers the issuer's business strategy regarding ESG factors to ensure environmental characteristics are promoted. The Investment Manager also engages with companies, directly and collaboratively, to encourage future ESG-related disclosures.

Given the markets in which the Fund invests, coverage of external ESG ratings and ESG data is at times limited. In order to overcome these limitations, the Investment Manager conducts proprietary ESG analysis using issuer disclosures and issuer websites, as well as engagement with companies in some cases, to supplement external analysis and data and promote environmental characteristics for the Fund.

(j) Due diligence

The Investment Manager recognises that environmental, social, and governance factors, including exposure to sustainability risk, are integral to the analysis of individual issuers. The factors considered by the Investment Manager will vary depending on the security in question, but typically include the themes addressed by the sustainability risks as set out in the "*Risk Factors*" section of the Prospectus. The Investment Manager conducts periodic monitoring of existing investments and may determine that certain investments are no longer appropriate for the Fund and accordingly may disinvest or decide not to invest in such assets.

In respect of the Fund, the Investment Manager:

(i) Monitors third-party ESG ratings for each security;

(ii) Assesses, records, and monitors good governance practices of issuers;

(iii) Develops internal ESG ratings for most investments and records this in research notes. This is reviewed on a regular basis;

(iv) Monitors controversies for all investee companies;

(v) Considers existing and emerging ESG risks as part of its investment research process and determines the most significant risks to the Fund.

(k) Engagement policies

As an active investor, the Investment Manager may also engage, if deemed appropriate, on behalf of the Fund with issuers (either directly or collaboratively) to encourage them to recognise, and potentially change their sustainability actions to engender long-term improvement.

The Investment Manager's Engagement policy and Stewardship and Shareholder Rights policy are available on the Investment Manager's website (www.cqs.com).

In the event that a sustainability risk or a sustainability-related controversy arises, the Investment Manager may determine that certain assets are no longer appropriate for the Fund and accordingly may disinvest or decide not to invest in such assets.

(l) Designated reference benchmark

The Fund has not designated a reference benchmark for the purposes of attaining the environmental characteristics which the Fund seeks to promote.