

## KEY INFORMATION DOCUMENT

This document provides you with key investor information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.



# CQS Sustainable Total Return Credit Fund a sub-fund of CQS Funds (Ireland) plc (the Fund)

- CQS (UK) LLP (the **PRIP manufacturer**) - KBA Consulting Management Limited (the **Manager**)
- CQS (UK) LLP is authorized and regulated by the Financial Conduct Authority
- Call +44 20 7201 6900 for more information, or email [CQSClientService@cqsm.com](mailto:CQSClientService@cqsm.com)
- Website - <https://www.cqs.com/ucits-funds>
- Produced as at 31 December 2022

Class I USD Shares (ISIN: IE00BNI5XW75)

## WHAT IS THIS PRODUCT?

### Type

The Fund is an Irish domiciled sub-fund of CQS Funds (Ireland) PLC, an umbrella type open-ended investment company with variable capital and segregated liability between sub-funds governed by the laws of Ireland and authorised by the Central Bank as a UCITS pursuant to the Regulations.

### Objective and Policy

The Fund aims to achieve returns through investment in a diversified portfolio of credit and debt instruments. The Fund may invest in fixed or floating rate corporate debt securities (issued by corporate or financial issuers) and government debt securities (issued by governments, government agencies, supranational bodies, or local authorities). These debt securities will include high-yield and investment grade deposits, bills, notes, and bonds.

When constructing the Fund's portfolio, the Investment Manager will use a multi-asset credit investing approach in order to seek to maximise total return for investors throughout all stages of economic and credit cycles. The Investment Manager will seek to invest according to the relative value between the credit instruments and debt securities, and through fundamental research and assessment of borrowers, taking into consideration various factors such as credit quality, environmental, social and governance factors, investment maturity, issuer type, liquidity, and geographical and sectoral exposure.

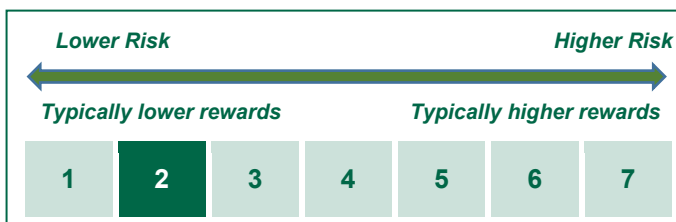
The Fund may not always be fully invested. The Fund may use financial derivative instruments (FDIs) for hedging, investment, and efficient portfolio management purposes. The Fund is actively managed. The Fund is not being managed by reference to an index.

The Fund promotes environmental, social, and governance characteristics through its investment policy and has accordingly been designated an Article 8 Fund for the purposes of the Sustainable Finance Disclosure Regulation.

For full details please refer to the Investment Objective, Investment Policy and Investment Restrictions of the Prospectus of the Company (the Prospectus) and supplement of the Fund (the Supplement).

The Fund is considered suitable for investors looking to maximise their total return through a portfolio of assets which generate both income and capital growth. Such investors may wish to have exposure to a portfolio of assets which provide diversification across fixed income and credit markets, while maintaining the ability to follow a high conviction investment approach, which may at times lead to periods of volatility. As such, the typical investor will understand and will be able to accept that the value of the Fund may rise and fall more frequently, and to a greater extent, than other investment types. Such investor will typically have an investment horizon over the long term.

## WHAT ARE THE RISKS AND WHAT COULD I GET IN RETURN?



The risk indicator assumes you keep the product for 5 years. The actual risk can vary significantly if you cash in at an early stage and you may get back less.

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets. We have classified this product as 2 out of 7, which is a low risk class. This rates the potential losses from future performance at a medium level, and poor market conditions are likely to impact the products performance. This product does not include any protection from future market performance so you could lose some or all of your investment.

For full details of the relevant risks reference should be made to the risk factors sections of the Prospectus and Supplement.

## PERFORMANCE SCENARIOS

The table below shows the money you could get back over the next five years, under different scenarios, assuming that you invest €10,000. The scenarios shown illustrate how your investment could perform. You can compare them with scenarios of other products. The scenarios presented are an estimate of future performance based on evidence from the past and are not an exact indicator.

What you get will vary depending on how the market performs and how long you keep the investment. The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where we are not able to pay you. The figures shown include all the costs of the product itself. The figures do not take into account your personal tax situation, which may also affect how much you get back.

Performance Scenarios		Example Investment €10,000		
		If you exit after 1 year	If you exit after 3 years	If you exit after 5 Years
<b>There is no minimum guaranteed return. You could lose some or all of your investment</b>				
Stress Scenario	What might you get back after costs	€5,386	€8,707	€8,358
	Average return each year	-46%	-5%	-4%
Unfavourable scenario	What might you get back after costs	€9,628	€9,633	€9,773
	Average return each year	-4%	-1%	-0%
Moderate scenario	What might you get back after costs	€10,239	€10,708	€11,197
	Average return each year	2%	2%	2%
Favourable scenario	What might you get back after costs	€10,845	€11,853	€12,776
	Average return each year	8%	6%	5%

## WHAT HAPPENS IF CQS (UK) LLP IS UNABLE TO PAY OUT?

The Fund's assets are legally separated from the PRIIP Manufacturer's. The PRIIPs Manufacturer is not obliged to make any payment in relation to the Fund, such obligations being those of the Fund itself. Any insolvency or default of the PRIIPs manufacturer should not result in the Fund suffering financial loss in relation to those assets.

The Fund's assets are held by BNP Paribas Securities Services, Dublin Branch (the **Depository**). You may face a financial loss in the event of a default, insolvency or compulsory wind-up of the Depository. However, this risk is mitigated to a certain extent by the fact that the Depository is required to segregate its own assets from the assets of the Fund. Losses are not covered by any investor compensation or guarantee scheme.

## WHAT ARE THE COSTS?

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

### Costs over time

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one off, ongoing and incidental costs.

The amounts shown here are the cumulative costs of the product itself, for the three different holding periods. The figures assume you invest €10,000. The figures are estimates and may change in the future.

Costs over time	Investment €10,000		
	If you exit after 1 year	If you exit after 3 years	If you exit after 5 Years
Ongoing charges	€165	€495	€825
Impact on Return (RIY)	-1.65%	-1.65%	-1.65%

## Composition of Costs

The table below shows:

- The impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period.
- The meaning of the different cost categories

Impact on return per year			
<b>One Off Costs</b>	Entry Costs	None	The impact of the costs you pay when entering your investment
	Exit Costs	None	The impact of the costs of exiting your investment
<b>Ongoing Costs</b>	Portfolio Transaction Costs	0.6%	The impact of the costs of us buying and selling underlying investments for the product
	Other Ongoing costs	1.05%	The impact of the costs that we take each year for managing your investment
<b>Incidental costs</b>	Performance Fees	N/A	Not applicable

## HOW LONG SHOULD I HOLD IT AND CAN I TAKE MY MONEY OUT EARLY?

The Fund has no required minimum holding period but has a recommended holding period of 5 years and is designed for medium-long term investment. The investment objective of the Fund is to seek to maximise long-term total returns for Shareholders of the Fund. As such, a recommended holding period of 5 years is appropriate in light of this investment objective

You can redeem your investment at any time during the recommended holding period, or hold the investment longer. You may sell your shares in the Fund each business day on which banks in Dublin and London are open for normal banking business. When you sell shares, a charge (anti-dilution levy) may be payable to cover the costs incurred by the Fund in selling investments for the Fund. No other fees or penalties will be charged by the Fund for any such transaction, however an execution fee might be chargeable by your broker if applicable. By selling your shares in the Fund earlier than the recommended holding period, you may receive back less than you would have received if you had kept the shares for the recommended holding period. In volatile or unusual market conditions, or in the event of technical faults/disruptions, the purchase and/or sale of the product can be temporarily hindered and/or suspended and may not be possible at all.

## HOW CAN I COMPLAIN?

As a shareholder of the Fund you have the right to complain to the Financial Ombudsman Service (FOS) about the management of the Fund. Complaints about the Fund or the Key Information document should be sent to:

CQS (UK) LLP, 4<sup>th</sup> Floor, One Strand, London. WC2N 5HR

Email: [compliance@cqsm.com](mailto:compliance@cqsm.com)

Website: <https://www.cqs.com/documents/regulatory-disclosures/cqs-complaints-policy-2022.pdf>

## OTHER RELEVANT INFORMATION

The cost, performance and risk calculations included in this KID follow the methodology prescribed by EU rules. The investor information document required under UCITS provides you with the key information about the product which you are advised to read so you can make an informed decision about whether to invest. This document together with the Annual and Half-Yearly Financial Reports and other information is available on [www.cqs.com](http://www.cqs.com).