

CQS Natural Resources Growth and Income PLC

29 January 2025

INTERVIEW WITH THE CHAIR AND FUND MANAGERS, EDISON RESEARCH NOTE & REMINDER TO VOTE AGAINST SABA'S PROPOSALS

The Board of CQS Natural Resources Growth and Income PLC (the "Company") urges all Shareholders to vote on the resolutions requisitioned by Saba Capital Management, L.P. ("Saba") (the "Requisitioned Resolutions") and set out in the Circular for the Company's forthcoming requisitioned general meeting to be held at 11 a.m. on 4 February 2025 (the "Requisitioned General Meeting").

The Board recommends Shareholders to **VOTE AGAINST** all Requisitioned Resolutions to protect your investment for the reasons set out in the Circular and outlined below.

A copy of the Circular has been submitted to the National Storage Mechanism and is available on the Company's website at <https://ncim.co.uk/cqs-natural-resources-growth-and-income-plc/> and microsite at <https://cynprotectyourinvestment.com/>.

The deadline to vote is 31 January, however, **customers of online share ownership platforms may have voting deadlines of 30 January or earlier**. See below for the full list of deadlines.

On 24th January, CYN Chairman, Chris Casey, together with joint fund managers Rob Crayfourd and Keith Watson, were interviewed by Donald Leggat for TickerTV, during which they outlined the fund and its performance, as well as the key points to consider in voting **AGAINST** Saba's resolutions. The interview can be found here:

<https://www.youtube.com/watch?v=U1T4VAk11Nw&list=PPSV&t=2s>

Edison Research publishes report: CYN - A natural resources specialist worth preserving

Edison has published a research note "CQS Natural Resources Growth and Income — A natural resources specialist worth preserving". The note sets out the main objectives of the Company, investing in a broad portfolio of mining and resource equities, in addition to outlining Saba's opportunistic arbitrage strategy to exploit the discounts to NAV among UK-listed investment trusts. Read the full note here: <https://www.edisongroup.com/research/a-natural-resources-specialist-worth-preserving/BM-1120/>

Why vote AGAINST:

Performance and incorrect benchmark

Saba have put forward misleading information on the performance of the Company, using the incorrect reference benchmark and ignoring the Company's significant exposure to metals and mining. The Board has overseen strong performance, with 167% total return in NAV and 220% total return in share price since the current joint fund managers were appointed in October 2015¹.

¹ Source: Bloomberg as at 31 December 2024. Manager inception date: 26 October 2015. Past returns are not a guide to future performance.

Corporate governance and management

The Company's regular and transparent communication, share buybacks, and an annual continuation vote provide Shareholders with the tools they need to make an informed investment decision and a voice for the future of their company.

The current Board is fully independent and has deep experience in investment trusts, natural resources, the UK investment management sector, finance and accounting, and as directors of quoted companies. The two proposed directors nominated by Saba have none of this sector experience or understanding of the UK market, nor do the Board believe they are independent. If Saba select themselves as investment manager, there is a potential conflict of interest.

Saba investment strategy

Saba have not outlined a clear path for the investment strategy or the future of your investment, should their Requisitioned Resolutions be passed.

Saba's proposals therefore introduce new and significant risk to your investment, potentially trapping Shareholders at a long-term discount in an entity which is no longer a highly specialised natural resources investment trust. Their proposals are not in the best interests of ALL Shareholders.

Glass Lewis, PIRC, and ISS align with Board recommendations

Proxy advisors Glass Lewis, PIRC, and ISS have all recommended that Shareholders in the Company vote AGAINST the Requisitioned Resolutions proposed by Saba; this is in line with the unanimous recommendations of the Board.

Christopher Casey, Chair of CQS Natural Resources Growth and Income PLC, commented:

"Saba is not the saviour of your company. They have misrepresented the Company's performance, have no clear path to add value to all Shareholders and have provided questionable governance proposals. Saba's own performance in the US is inconsistent at best, given that their management of two funds has not led to a long-term narrowing of the discount, and introduces significant risk to your investment."

"We remind Shareholders that if you do not vote against their resolutions, Saba's 29.07% shareholding may bulldoze the result without support of the majority of Shareholders."

"As we get closer to voting deadlines, the Board urges all Shareholders who have yet to vote to make their voice heard, and vote to protect their investment from self-interested and misleading proposals put forward by Saba."

"The Board and three proxy advisor agencies, Glass Lewis, PIRC, and ISS, unanimously recommend you vote against the resolutions proposed by Saba to protect your investment in your Company."

How to Vote

The Requisitioned General Meeting to vote on the Requisitioned Resolutions will be held on 4 February 2025 at 11 a.m. at the offices of Dentons UK and Middle East LLP at One Fleet Place, London, EC4M 7RA.

To be valid, proxy appointments must be completed in accordance with the instructions accompanying it and transmitted so received by the Registrar as soon as possible and, in any event, by **no later than 11 a.m. on 31 January 2025.**

Investors who hold their shares through an investment platform provider or nominee are encouraged to contact their investment platform provider or nominee as soon as possible to arrange for **VOTES AGAINST** each of the Requisitioned Resolutions to be lodged on their behalf. Please note: customers of **online share ownership platforms may have voting deadlines of 30 January or earlier.**

Further information on how to vote through platforms can be found at the following link: <https://www.theaic.co.uk/how-to-vote-your-shares>.

The Company has appointed Boudicca (part of Equiniti Group) to liaise with Shareholders to ensure that the Form of Proxy is completed and submitted by the deadline. If you need further information or assistance in voting your Shares, please email EQProxyEngagement@equiniti.com or telephone 0371 384 2452 (between 9.00 a.m. and 5.00 p.m. (UK time) Monday to Friday) for information.

Retail voting deadlines:

AJ Bell voting deadline	30 January
Hargreaves Lansdown voting deadline	30 January
Interactive investor voting deadline	30 January
Proxy filing deadline	11 a.m. on 31 January
Record time and date for entitlement to vote at the General Meeting	6.30 p.m. on 31 January
Date of General Meeting	11 a.m. on 4 February

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Notes to Editors:

The Company actively invests in global energy and mining companies, with a focus on total return. It also pays a regular quarterly dividend. The flexible mandate allows the Company to shift its portfolio

weighting between energy and mining, with the aim of maximising returns depending on the point in the cycle, whilst providing relative value opportunities.

The closed end structure is well suited to allowing the investment management team to focus on the best returns profile, rather than liquidity as is the case with Exchange Traded Funds ("ETFs"). The nature of this focus results in the Company holding a large proportion of its holdings in names that fall just below major index or ETF inclusion, adding additional upside potential should they become included. The portfolio is invested mostly in producers and developers across the natural resources sector, with strong earnings profiles and market caps typically in the region of £300m to £2bn, although also below and above this range.

The majority of holdings are listed in North America, Australia and/or the UK.

Why should I vote against all the Saba Capital Management L.P. Requisitioned Resolutions:

The current Board:

- ✓ Has overseen strong performance, with 167% total return in NAV and 220% total return in share price since the current joint fund managers were appointed in October 2015².
- ✓ Believes Manulife | CQS and the joint fund managers, who are widely recognised as being leading investors in their field, are the team best placed to continue this strong performance in the natural resources sector you have chosen to invest in.
- ✓ Is fully independent and has deep experience in investment trusts, natural resources, the UK investment management sector, finance and accounting, and as directors of quoted companies.
- ✓ In line with the highest standards of corporate governance, maintains an annual continuation vote which facilitates 100% cash return should that be the wish of the majority of Shareholders voting.
- ✓ Is committed to creating and preserving value for ALL Shareholders.

Saba:

- ✗ Have failed to state how much cash they will return to you.
- ✗ Are expected to appoint themselves as manager, as set out in their statement to Shareholders; we believe for their own economic gain.
- ✗ Are expected to change your Company's investment policy from the strategy that you selected, to an approach of investing in other trusts for which no track record has been provided.
- ✗ Have failed to narrow the discounts of the funds that they have taken control of in the US, compared with their long-term averages, and your investment may become trapped at a long-term discount.
- ✗ Have proposed directors who we do not believe to be independent of Saba, with no experience in natural resources and who, despite Saba's misleading claims, appear to have no experience of directing investment trusts.

² Source: Bloomberg as at 31 December 2024. Manager inception date: 26 October 2015. Past returns are not a guide to future performance.

Important information

Capitalised terms used throughout this announcement shall have the meanings ascribed to them in the Circular published by the Company on 7 January 2025 (the "Circular"), unless the context otherwise requires. Permission to quote from the content of the ISS report was not obtained. Neither the content of the websites referred to in this announcement, nor the content of any other website accessible from hyperlinks on such websites, is incorporated into, or forms part of, this announcement.