

A black and white photograph of two mountain goats standing on a dark, craggy rock face. The goat on the left is standing upright, facing slightly towards the viewer, while the goat on the right is in a more crouched position, looking towards the left. The background is a dark, textured rock wall.

CG Asset Management

CG Dollar Fund

July 2026

cgam

Disclaimer

CG Asset Management Limited ("CGAM") is authorised and regulated by the Financial Conduct Authority to carry on regulated activities in the United Kingdom.

The information contained in this Document has been prepared by and is the sole copyright of CGAM.

No representation is being made that the Fund or any other fund or account will or are likely to achieve profits or losses similar to those shown and, as with any investment, there is a possibility of profit as well as the risk of loss. Past performance is not indicative of future results.

The information contained in this Document is not investment, tax, accounting or legal advice and does not take into consideration the investment objectives, financial situation or particular needs of the recipient. Investing entails certain risks, including the possible loss of the entire principal amount invested. The recipient of this Document should seek its own financial, tax, accounting and legal advice in connection with any proposed investment.

No representation or warranty is made or given by CGAM or any of its members, officers, employees or affiliates as to the accuracy, completeness or fairness of the information contained in this Document. No responsibility or liability is accepted for any such information. The information in this Document has not been independently verified and is subject at all times to the conditions, caveats and limitations described in this Document. All opinions, projections and estimates constitute the judgment of CGAM as of the date of this Document and are subject to change without notice. The delivery of this Document at any time subsequent to the date of this Document will not under any circumstances create an implication that the information contained herein is correct as of any time subsequent to such date. No reliance may be placed for any purpose whatsoever on the information contained in this Document or on its completeness. Any risk guidelines referred to herein are internal risk guidelines and are subject to change by CGAM without notice to investors.

This Document is not intended to be distributed in any jurisdiction where such distribution is not permitted by the local law. Without prejudice to the generality of the foregoing, this document is not intended, and should not be construed as, marketing of any alternative investment fund for the purposes of any legislation implementing EU Directive 2011/61/EU on Alternative Investment Fund Managers in any member state of the EEA.

The information contained in this Document has not been approved by the UK Financial Conduct Authority or any other regulatory authority, nor has any regulatory authority passed upon the accuracy or adequacy of this Document.

CG Dollar Fund

Overview



CG Dollar Fund Overview

Investment Objective



- To achieve **long-term capital appreciation and income growth** via long-only investment in US government inflation-linked bonds
- Simple low-cost approach, no gearing, no short selling
- The fund is actively managed, without reference to a benchmark

Fees and Structure



- Size: **£363m** (launched in May 2009)
- Management Fee: **0.25%** (<£1bn) / **0.15%** (>£1bn) | Total Expense Ratio: 0.40%
- Daily priced Irish UCITS
- Available in GBP hedged, EUR hedged and USD unhedged share classes

Investor Profile



The fund has a broad range of investors who typically exhibit the following characteristics:

- A long-term investment horizon
- An aversion to significant short-term losses
- A desire to generate returns that outpace inflation over the long term

CG Asset Management Overview

2001

Founded

Founded in 2001 by Peter Spiller, former Chief Investment Officer and Chief Strategist of Cazenove

£2.2bn

AUM

£2.2bn in assets under management

2

Strategies

Manages two strategies, absolute return and real return, across six funds

10

Employees

Team of 10, based in London

299x

Return

Capital Gearing Trust ("CGT") has returned 299x since 1982, with only two down years

2

Down Years

Low-cost offering, with fee reductions regularly reviewed

CGAM in partnership with our clients

What makes us different?

The firm's founding principles



What does that mean for our clients?

1. The client comes first
2. Don't be greedy
3. Have fun

In turn these principles mean that:

- We have and will close funds to **protect investors**
- We continuously strive to **lower fees**, even on closed funds

Employee owned



- Majority owned by an Employee Ownership Trust, which means we will remain independent
- All portfolio managers are significant shareholders in CGAM

The right incentives



- A significant majority of our own capital is invested in our funds
- Our interests are directly aligned with those of our clients

Overview

Funds Summary

Strategy	Fund	ISIN	Launched	AUM ⁶	Dealing Frequency ²	AMC Fee	TER
Absolute Return Long only investments in a portfolio of bonds, equities and commodities	Capital Gearing Trust	GB0001738615	1982 ¹	£812m	Listed	0.41% ³	0.58%
	CG Absolute Return (EUR Hedged, USD Hedged available)	IE00BYQ69B30	2016	£586m	Daily	0.35%	0.50%
	Capital Gearing Portfolio (P,V shares)	IE00BG5Q6F12	2001	£208m	Daily	0.75%	0.90%
Real Return Long only investments in inflation-linked bonds	CG Real Return Fund (GBP Hedged available)	IE0034304117	2004	£177m	Daily	0.30% / 0.20% ⁴	0.45%
	CG Dollar Fund (GBP Hedged, EUR Hedged and USD Unhedged available)	IE00B41GP767	2009	£363m	Daily	0.25% / 0.15% ⁵	0.40%
	CG UK Index-Linked Bond Fund	IE000ZSVG218	2023	£30m	Daily	0.15%	0.27%

¹ Peter Spiller began managing Capital Gearing Trust in 1982; ² Capital Gearing Trust is an Investment Trust listed on the London Stock Exchange, all other funds are Open Ended UCITS domiciled in Dublin; ³ Tiered fee structure, marginal rate is 0.3% above £500m; ⁴ 0.3% below £500m, 0.2% above; ⁵ 0.25% below £1bn, 0.15% above; ⁶ As of 30th June 2026

CGAM Team

Investments



Peter Spiller

Co - Chief Investment Officer



Alastair Laing

CEO, Fund Manager



Chris Clothier

Co - Chief Investment Officer



Chris Taylor

Chief Risk and Compliance Officer



Jason Barlow

Head of Investment Operations



Katie Forbes

Head of Investor Relations



Hassan Raza, CFA

Portfolio Manager



Emma Moriarty

Portfolio Manager



Jock Henderson

Investment Analyst



Prath Ketheeswaran

Data Engineer



Finn

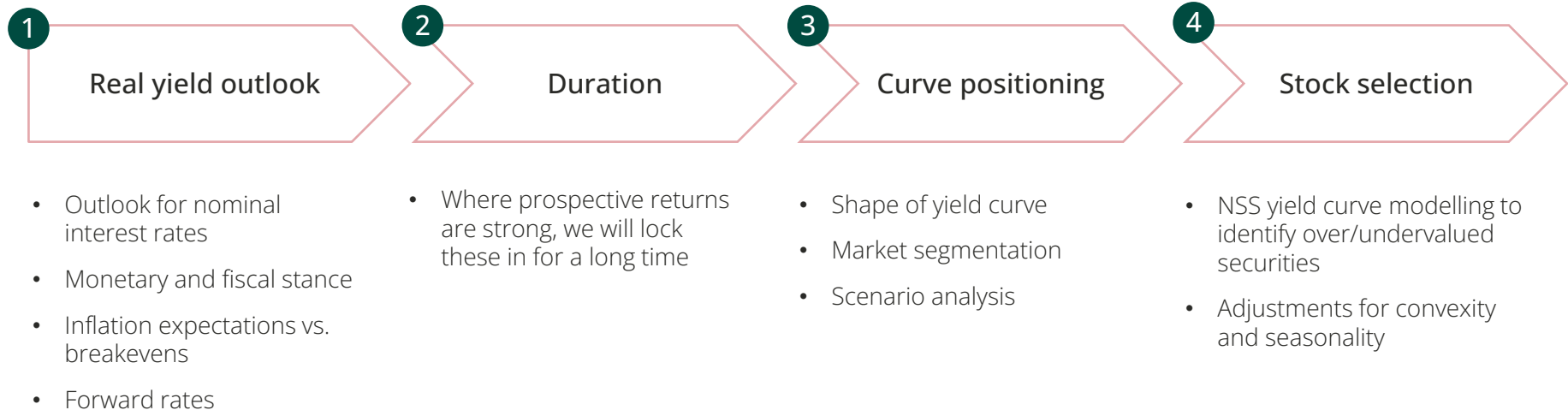
Chief Morale Officer

Investment Process

CG Dollar Fund



CG Dollar Fund's positioning is decided via a top-down process



Investment Process

Long-term US real yields remain elevated compared with recent history and could potentially rise further, leading us to adopt a cautious approach to duration

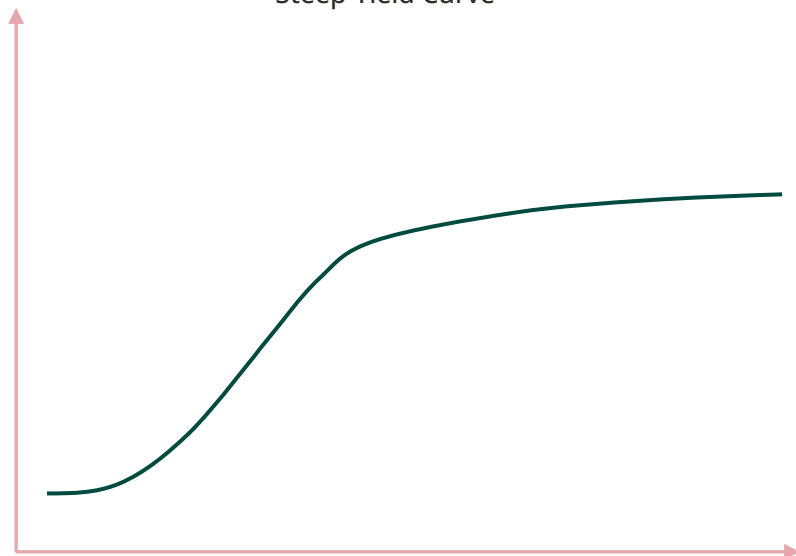
10Y US TIPS Yield history



Source: Bloomberg Finance L.P.

The shape of the yield curve, combined with our expectations, drives our curve positioning

Steep Yield Curve



- Roll down is a significant contributor to total return;
- Prefer 'belly' of the curve, where gradient is steepest.

Flat Yield Curve

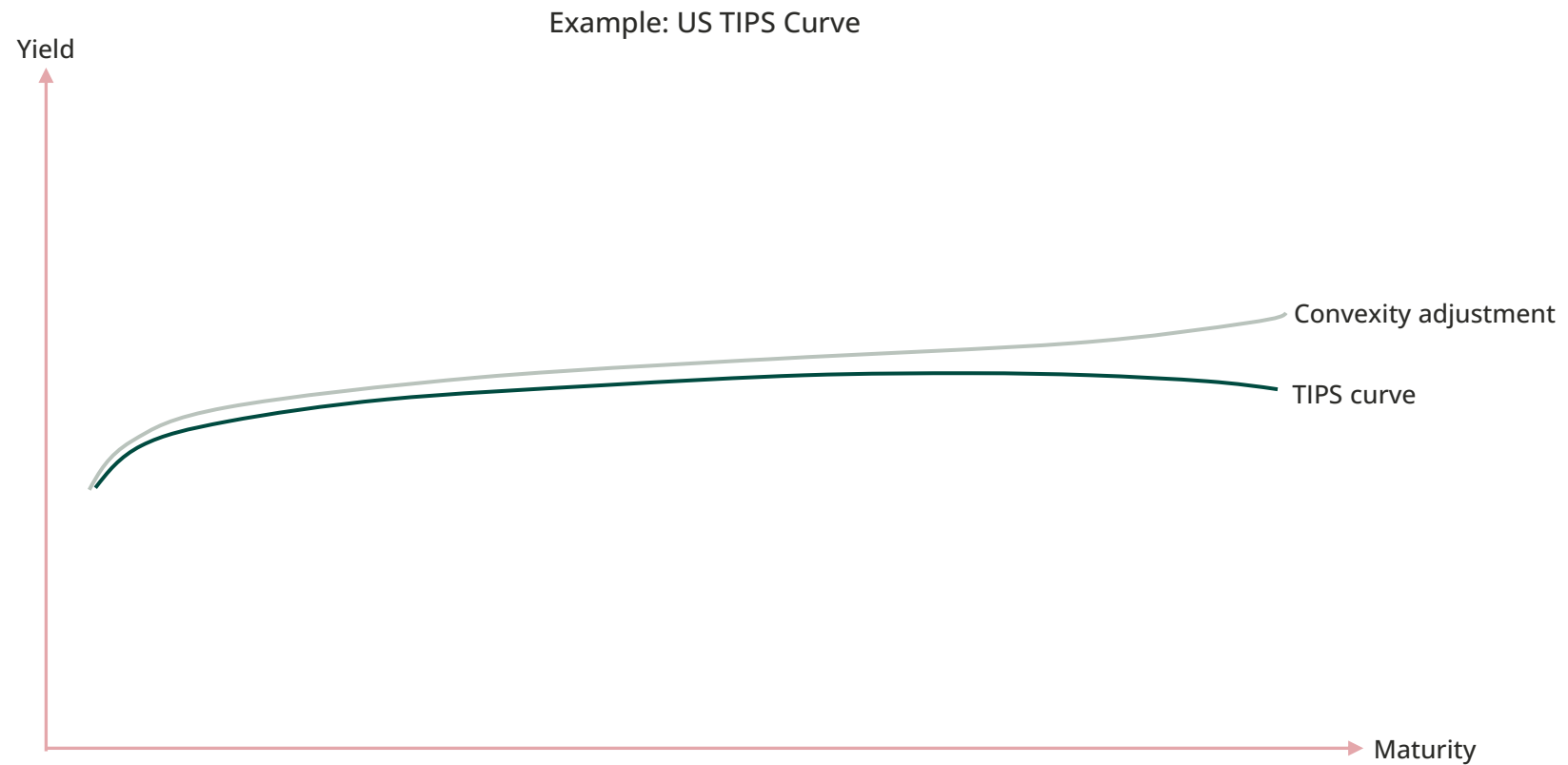


- No roll down, so favour convexity at long end;
- Prefer a barbell strategy, favouring front and long end of curve.

We use a Nelson Siegel Svensson formula to identify individual under and overpriced bonds

$$y = \beta_0 + \beta_1 \frac{(1 - e^{-\frac{\mu}{\tau_1}})}{\frac{\mu}{\tau_1}} + \beta_2 \left(\frac{(1 - e^{-\frac{\mu}{\tau_1}})}{\frac{\mu}{\tau_1}} - e^{-\frac{\mu}{\tau_1}} \right) + \beta_3 \left(\frac{(1 - e^{-\frac{\mu}{\tau_2}})}{\frac{\mu}{\tau_2}} - e^{-\frac{\mu}{\tau_2}} \right)$$

We then adjust our expected yields for the impact of convexity at longer durations



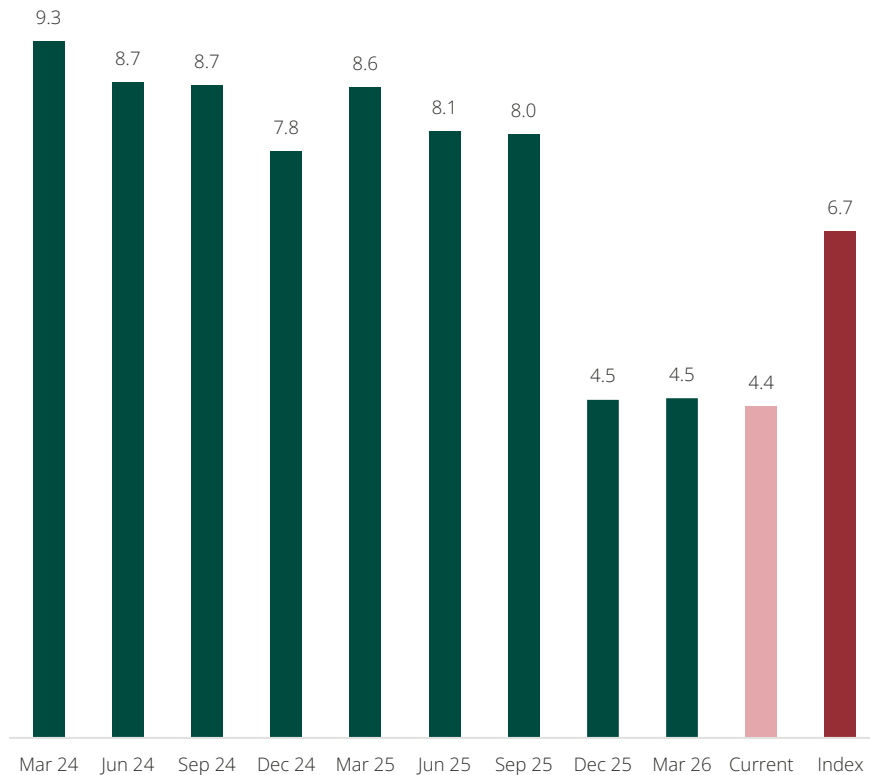
CG Dollar Fund

Positioning and Returns

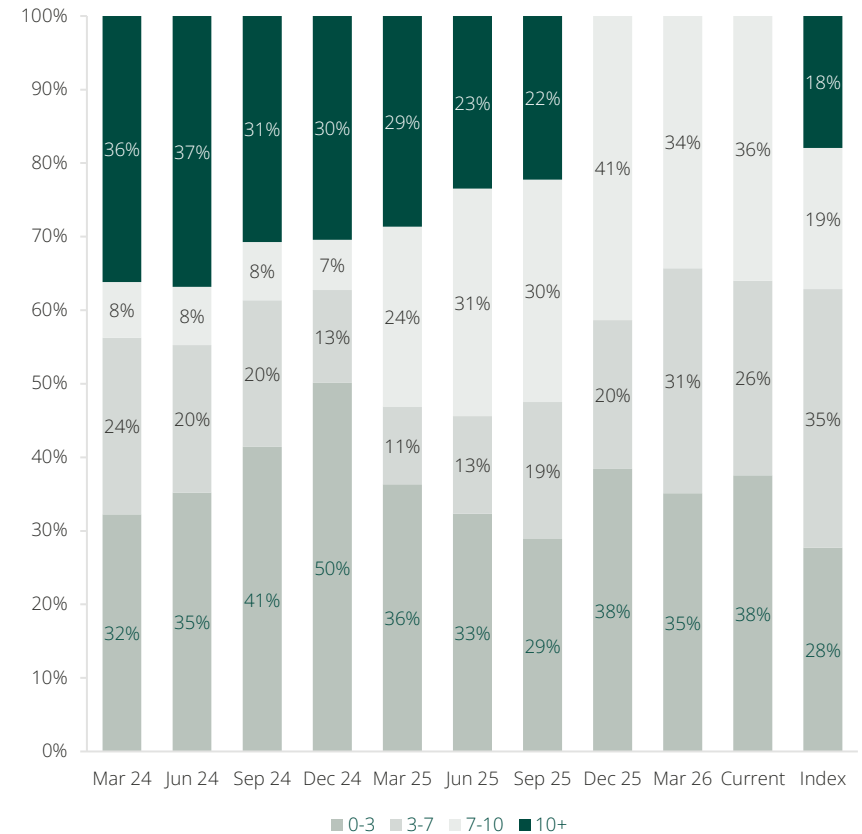


The portfolio duration remains short, and the fund is now materially shorter than the index

Portfolio Duration (Years)



Portfolio Curve Positioning – By Maturity Bucket (Years)



Source: Bloomberg Finance L.P., Northern Trust
Index refers to the Unhedged Bloomberg US Inflation Linked Bonds Index

CG Dollar Fund has outperformed its benchmark over its >10-year life

Fund Performance – Since Inception



Risk and Return – Since Inception



Source: Bloomberg Finance L.P., Northern Trust | Drawdown calculation based on month-end NAVs

Breakdown of holdings

Largest Bond Holdings		Credit ratings		Characteristics	
US I/L 1.375% 15/07/33	15.3%	AAA	0%	Number of bonds	22
US I/L 1.125% 15/01/33	7.8%	AA	100%	Yield to maturity (real)	2.1%
US I/L 1.75% 15/01/34	7.7%	A	0%	Average maturity	4.7 Yrs
US I/L 2.125% 15/01/35	6.6%	BBB	0%	Average coupon (real)	1.5%
US I/L 1.25% 15/04/28	6.5%	BB and below	0%	Composite rating	AA

Source: Bloomberg Finance LP, Northern Trust.

Why inflation-linked?

The role of inflation-linked bonds in a multi-asset portfolio



Why inflation-linked?

Inflation-linked bonds are a fundamental component of a diversified portfolio

Inflation as greatest risk to investor wealth

Against which equities are only a partial hedge

Significant risk of inflation persistence

The historical record does not support a swift return to the target

Historic outperformance vs nominal bonds

Such outperformance is likely to persist into the future

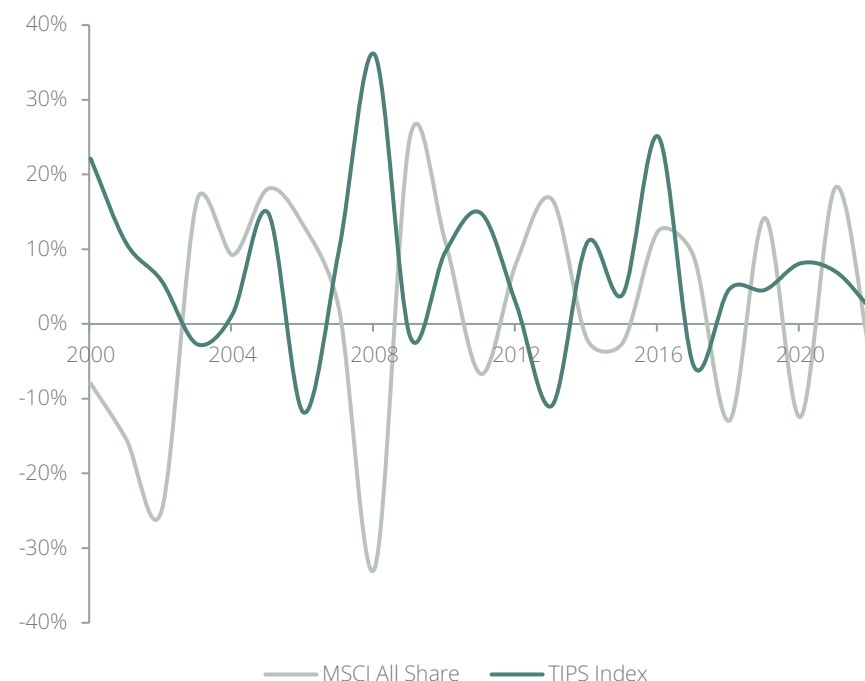
Negative correlation with risk assets

Index linked have historically proven to be a good hedge against a portfolio of risk assets

Protection against financial repression

Only asset that we believe is likely to deliver protection

Annual Returns % of UK Stocks and TIPS – unhedged in GBP (1998 – 2022)



Why inflation-linked?

Inflation-linked bonds have outperformed nominal bonds since the turn of the century. Why? Because the market systematically underestimates realised inflation

Index-Linked Bond – Total Returns (US)



Index-Linked Bond – Total Returns (UK)

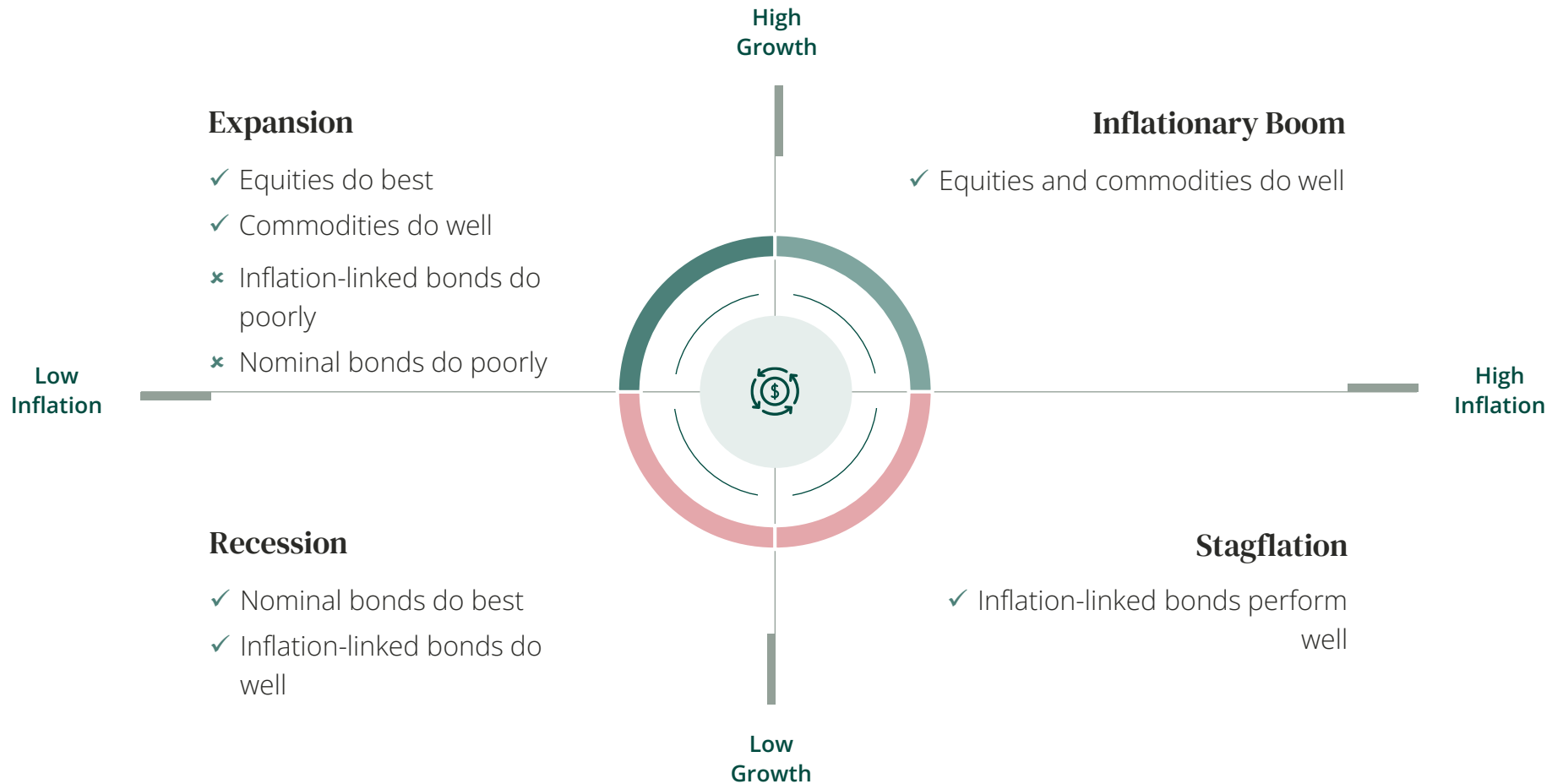


Source: Bloomberg Finance L.P.

US Nominals refers to the Bloomberg US Treasury Index, TIPS refers to the Bloomberg US Treasury Inflation-Linked Bond Index, UK Gilts refers to the Bloomberg Sterling Gilt Index and UK Linkers refers to the Bloomberg UK Govt Inflation-Linked Index

Why inflation-linked?

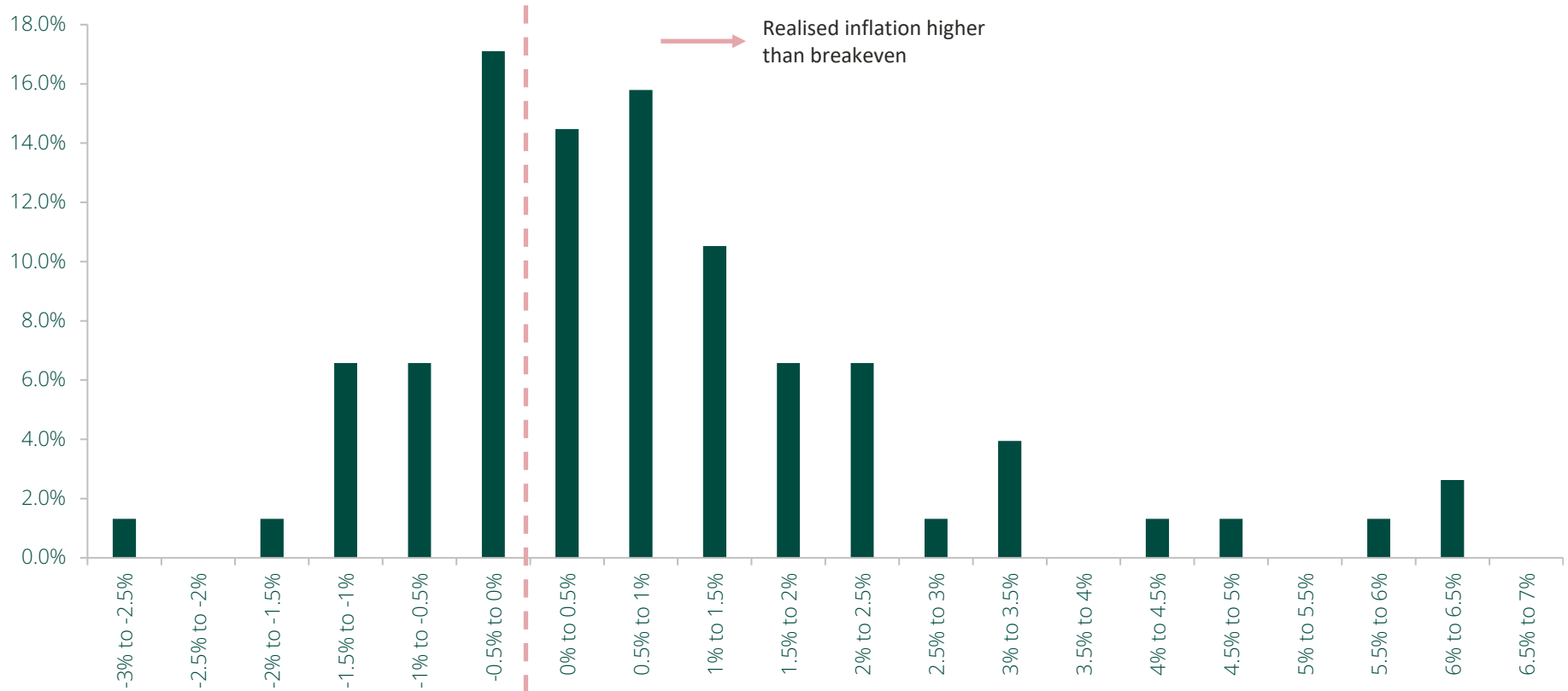
Inflation-linked bonds perform well in scenarios where equities do not, and are the most reliable portfolio protector against stagflation



Why inflation-linked?

As measured by realised inflation vs. breakevens, markets routinely underestimate inflation – by an average of 1% since 2004

Difference between 2Y Breakeven and subsequent realised inflation (% annualised)



CG Asset Management

Investment Considerations for Direct Government Securities



The principles underpinning our investment approach

Be honest

No greenwashing, no PR-led initiatives, no jargon. We believe in an accurate presentation of our activities not a marketing campaign.

One firm, one rule

Our standards apply to all the funds we advise. We do not have ethical and by implication unethical funds.

Ethics, not mathematics

There is no formula that can be applied in a uniform way to every situation. We emphasise judgement over simplistic third party ESG scoring systems.

Don't disinvest, engage

When investors have the influence to effect change, it is most valuable to encourage positive transition rather than engage in blanket disinvestment.

Targeted

As a small firm, we must focus our efforts where they will have the most influence, rather than taking a generalist approach.

Governance

Investors have multiple direct mechanisms to influence governance, so we primarily focus on governance even when the ultimate objective consists of other priorities.

Integration, not separation

The entire team is collectively responsible for stewardship activities, with the ultimate responsibility lying with the chief executive. We do not have a standalone responsible investment team.

Act, with humility

Every action results in both intended and unintended consequences. Reflect deeply on the risk that good intentions can lead to unintended negative outcomes.

Considerations in the investment process

Direct Government Securities

A majority of the assets held by the funds are invested in direct holdings of securities issues by governments including bonds, bills and cash.

When investing, we consider indices compiled by a range of NGOs and require sovereigns, at a minimum, to achieve strong rankings in at least four out of five of these criteria. In addition to using third party indices, we also overlay our own subjective assessments which typically leads to material additional exclusions.

As we manage funds that invest exclusively in US and UK bonds respectively these jurisdictions will always be included but other sovereigns are subject to these exclusion criteria.

ESG Criteria Applied

Index	Criteria
World Bank governance effectiveness index	Top quartile
World press freedom index	Good or satisfactory
Global freedom score	Free rating
UN human development index	Very high human development rank
Net zero by 2050 statement	Statement of intent by 2050 or earlier

Resultant Investable Universe

United Kingdom	Japan
United States	Canada
Germany	Australia
Sweden	New Zealand
Denmark	

IR@cgasset.com

+44 20 3906 1637

20 King Street, London, EC2V 8EG

www.cgasset.com

cgam