

GAM EXCLUSIONS POLICY

June 2025

This Policy combines the former Exclusion Policy and Sustainability Exclusions Policy.



GAM
Investments

Introduction

The GAM Exclusions Policy (this “Policy”) sets out how GAM applies four tiers of exclusions to its actively managed funds, in line with our commitment to responsible investment practices.

As active investors, we believe the inclusion of environmental, social and governance (ESG) factors, analysis and research in the investment process is integral to fundamental financial analysis. We believe long-term sustainable returns are dependent on stable, well-functioning and well-governed social, economic, and environmental systems. Our active stewardship approach, which supports GAM's sustainable solutions and embedding ESG, is primarily focused on engagement and voting. We also note the important role of exclusions driven by relevant legislation, market requirements, client demand, and market review.

Please email RITeam@gam.com for any further information.

Scope

The Policy applies to actively managed GAM-branded products and mandates and should be read in conjunction with product-specific literature. Please see Appendix 3 for a fund list by the applied exclusion tier.

Exclusions apply to single-security corporate and equity holdings only, not to broad index holdings, collective investment schemes, or cash/ cash equivalents.

Exclusions

- Tier 1 – Baseline Exclusions: Minimum exclusions.
- Tier 2 – Sustainability Exclusions: Tier 1 exclusions + certain additional exclusions.
- Tier 3 – Enhanced Sustainability Exclusions: Tier 1 and 2 exclusions + certain additional exclusions and/or stricter thresholds.
- Tier 4 – Advanced Sustainability Exclusions: Tier 1, 2 and 3 exclusions + certain additional exclusions and/or stricter thresholds.

Revenue thresholds are applied to certain exclusions. Please see Table 1 for all exclusions and thresholds by tier and see definitions and details of relevant conventions in Appendix 2. Additional exclusions may apply to some funds – please refer to product literature for details.

These exclusions are to be considered in addition to prohibitions determined by GAM's Financial Crime Prevention policy.

Table 1 – Exclusions and Revenue Thresholds by Tier

Activity		Tier 1	Tier 2	Tier 3	Tier 4
Controversial weapons		>0% ¹	>0% ¹	>0% ²	>0% ²
Nuclear weapons		-	>0%	>0%	>0%
Depleted uranium		-	>0%	>0%	>0%
Civilian weapons		-	>10%	>10%	>5%
Conventional weapons		-	>10% ³	>10%	>5%
Tobacco	Tobacco production	-	>5%	>0%	>0%
	Tobacco retail	-	>25%	>25%	>5%
Fossil Fuels	Oil sands extraction	-	>25%	>25%	>5%
	Thermal coal extraction	-	>25% ⁴	>1%	>1%
	Power generation (from thermal coal)	-	>25% ⁴	>25%	>5%
	Gaseous fuels exploration, extraction, manufacturing, distribution	-	-	>50%	>50%
	Hard coal and lignite exploration, mining, extraction, distribution, refining	-	-	>1%	>1%
	Oil fuels exploration, extraction, distribution, refining	-	-	>10%	>10%
	Power generation (with GHG intensity >100 g CO ₂ e/kWh)	-	-	>50%	>50%
	Arctic oil and gas exploration, extraction	-	-	-	>5%
	Shale energy extraction	-	-	-	>5%
Nuclear energy		-	-	-	>5%
Gambling		-	-	-	>5%
Adult entertainment production and distribution		-	-	-	>5%
Alcohol	Alcohol production	-	-	-	>5%
	Alcohol retail	-	-	-	>10%
UN Global Compact		-	Violation ⁵	Violation ⁶	Violation ⁶
OECD Guidelines for Multinational Enterprises		-	-	Violation ⁶	Violation ⁶

¹companies that manufacture whole weapons systems, dual use components, intended use components, or smart weapons related to anti-personnel mines, biological and chemical weapons, cluster munitions incendiary weapons, blinding laser weapons, or non-detectable fragments.

²companies with involvement in any activities related to the manufacture or selling of anti-personnel mines, biological and chemical weapons, or cluster munitions, and companies that manufacture whole weapons systems, dual use components, intended use components, or smart weapons related to incendiary weapons, blinding laser weapons, or non-detectable fragments.

³companies involved in conventional weapons means the company manufactures military lethal weapon and/or integral, tailor-made components of these weapons. Revenue from auxiliary products and services to the military or defence industry, and revenue from non-lethal and defensive weapons, are excluded from revenue calculations.

⁴unless a clear phase-out plan exists. See Implementation section for details.

⁵unless substantial actions to address. See Implementation section for details.

⁶global norms exceptions are not applied to Tiers 3 and 4. GAM maintains the right to override the classifications of third party ESG data providers based on analyst research.

Implementation

General:

Companies/ issuers in breach of the exclusionary thresholds are identified using independent third-party research. Where there is no or limited coverage from our standard third-party research providers, conflicting research between two research providers, or conflicting research between a research provider and the company, we will use our own analysis - including on the timeliness of assessments – to determine involvement. Where a company owns 50 percent or more of an involved subsidiary, that company is given a direct involvement tie. The exclusionary thresholds are implemented on a best-efforts basis.

Tier 1 Exclusions:

GAM Investments does not generally intend to directly hold any security that is involved in the manufacturing of controversial weapons. Where any new issuers are added to our exclusion list, we will seek to divest any holdings within 90 business days. Exceptions to this will be treated on a case-by-case basis with relevant escalation and approvals sought. Exclusions are applied on a best-efforts basis. Please see Appendix 1 for a list of excluded companies, which is updated quarterly, noting that interim changes not reflected in this document might occur.

Tier 2 Exclusions:

Tier 2 exclusions should be read in conjunction with Tier 1 exclusions and product literature should be referred to for specific details.

Where existing holdings become in breach of these exclusions, we will seek to engage directly with the company or issuer to address the breach. Other than in the circumstances outlined below, we will seek to divest any holdings that become non-compliant, within 90 business days of identifying non-compliance.

Limited exceptions from the exclusions are permitted in the case of thermal coal exposure and assessment of a UN Global Compact breach, in the circumstances outlined below. Any exceptions are required to be approved by our Sustainability Committee. This cross-functional oversight committee reports to both the GAM Holding AG Board and the Group Management Board on a quarterly basis.

- Thermal coal involvement – we will consider investing in securities deriving over 25% of their revenue from thermal coal extraction or thermal coal power generation only where there is clear public commitment to phase out of unabated coal by 2030 in the OECD and EU, and by no later than 2040 in the rest of the world and where no new coal capacity is being added.
- UN Global Compact breaches – if, following engagement with the company, we have received assurances of substantial actions to remedy the violation, then we may consider continuing to hold a company that has become non-compliant.

Tier 3 Exclusions:

Tier 3 exclusions should be read in conjunction with Tier 1 and Tier 2 exclusions, and product literature should be referred to for specific details.

We will seek to divest any holdings that become non-compliant within 90 business days of identifying non-compliance.

Tier 4 Exclusions:

Tier 4 exclusions should be read in conjunction with Tiers 1, 2 and 3 exclusions, and product literature should be referred to for specific details.

Where existing holdings become in breach of these exclusions, we will seek to engage directly with the company or issuer to address the breach. Other than in the circumstance outlined below, we will seek to divest any holdings that become non-compliant, within 90 business days of identifying non-compliance.

Limited exceptions from the exclusions are permitted in the case of generation of electricity from thermal coal, as outlined below. Any exceptions are required to be approved by our Sustainability Committee. This cross-functional oversight committee reports to both the GAM Holding AG Board and the Group Management Board on a quarterly basis.

- Generation of electricity from thermal coal – we will consider investing in securities deriving over 5% or more of their annual revenue from generating electricity from thermal coal only where issuers do not derive more than 25% of their annual revenue from generating electricity from thermal coal and there is clear public commitment to phase out of unabated coal by 2030 in the OECD and EU, and by no later than 2040 in the rest of the world and where no new coal capacity is being added.

Governance

The owner of this policy is GAM's Global Head of Sustainability and Investments Business Management, who leads the Responsible Investment Team and reports into GAM's Group Chief Executive Officer.

Our Sustainability Committee, chaired by our Global Head of Sustainability and Investments Business Management, oversees our Sustainability strategy and is responsible for approving changes to this policy. The Sustainability Committee reports to the full Board and our Group Management Board on a quarterly basis, as well as providing quarterly reporting to the Best Execution & Investment Management Oversight Committee. The Board of Directors of GAM Holding AG is ultimately responsible for our strategy, the stewardship of the Group's risk management systems and processes, and their governance and control.

This Policy will be reviewed on an at least annual basis. Please see Appendix 2 for definitions.

Appendices

Appendix 1: Tier 1 Exclusion List

In accordance with GAM's Tier 1 exclusions, the following securities are excluded due to involvement in the manufacture of whole weapons systems, dual use components, intended use components, or smart weapons related to controversial weapons:

List as at 15th April 2025

Excluded Issuers	Involvement
Anhui Great Wall Military Industry Co Ltd.	Cluster Munitions
Aryt Industries Ltd.	Cluster Munitions
Avibras Industria Aeroespacial S/A.	Cluster Munitions
Bharat Dynamics Ltd.	Cluster Munitions
China Aerospace Science and Technology Corporation	Cluster Munitions
China North Industries Group Corporation Ltd.	Cluster Munitions
Lig Nex1 Co. Ltd.	Cluster Munitions
Poongsan Corporation	Cluster Munitions
Roketsan Roket Sanayi Ve Ticaret Anonim Sirketi	Cluster Munitions
Solar Industries India Limited	Cluster Munitions
Guangdong Hongda Holdings Group Co.,Ltd.	Cluster Munitions
Hanwha Corp	Anti-personnel Landmines
Hanwha Aerospace Co., Ltd.	Anti-personnel Landmines
National Presto Industries, Inc.	Anti-personnel Landmines

Appendix 2: Definitions

Table 2: Definitions

Term	Definition and further details
Controversial Weapons	<p><u>Cluster munitions</u> – a bomb, missile, rocket or shell that carries submunitions and disperses them over an area. Exclusion aligns with the Cluster Munitions Convention.</p> <p><u>Anti-personnel mines</u> – a munition that is placed under, on, or near the ground or other surface area and explodes by the presence, proximity or contact with a person or upon command by an operator from a remote location. Exclusion aligns with the Mine Ban Treaty.</p> <p><u>Biological/chemical weapons</u> – weapons using pathogens, disease-causing biological agents, toxins or chemical substances that have toxic properties that kill, injure or incapacitate. Exclusion aligns with the Chemical Weapons Convention and the Biological Weapons Convention.</p> <p><u>Incendiary weapons</u> – components of incendiary non-weapons munitions that happens to use white phosphorous. These include but are not limited to smokescreens and illuminators, tracers and chafes, flares etc. Exclusion aligns with the Convention on Certain Conventional Weapons, Protocol III.</p>

	<p><u>Blinding laser weapons</u> – weapons utilising laser technology that causes permanent blindness to the target. Exclusion aligns with the Convention on Certain Conventional Weapons, Protocol IV.</p> <p><u>Non-detectable fragments</u> – any weapon with a primary effect to injure with fragments that cannot be detected by X-rays once inside the human body. Exclusion aligns with the Convention on Certain Conventional Weapons, Protocol I</p>
Nuclear Weapons	<p>Weapons that use nuclear energy and reactions to cause an explosion. Includes atomic bombs and thermonuclear weapons.</p> <p>Companies that assemble and integrate warheads and missiles and companies with contracts or joint ventures (JVs) to operate or manage government-owned facilities that manufacture nuclear warheads and missiles are excluded. Companies that manufacture delivery platforms are not excluded.</p>
Depleted Uranium	Involvement in the production of depleted uranium weapons, ammunition and armour. These have been equipped with the radioactive chemical substance.
Conventional Weapons	Involvement in conventional weapons means the company manufactures military lethal weapons and/or integral, tailor-made components of these weapons. Revenue from auxiliary products and services to the military or defence industry, and revenue from non-lethal and defensive weapons, are excluded from revenue calculations. Delivery platforms are also not included within this definition.
Civilian Firearms	<p>Civilian firearms include weapons such as guns, rifles, and pistols, manufactures of components of these weapons and retailers.</p> <p>Involvement in civilian firearms means the company manufactures and sell assault weapons to civilian customers.</p>
Tobacco	<p><u>Tier 2 Production/ Retail</u> – Tobacco products include cigarettes, cigars, tobacco, electronic cigarettes, paper used by end consumers for rolling cigarettes, filters, snuff tobacco, etc.</p> <p>Involvement in tobacco production means the company manufactures the product.</p> <p>Involvement in tobacco retail means the company distributes and/or retail sells tobacco products.</p> <p><u>Tier 3 Production</u> – Companies that produce tobacco products, such as cigars, blunts, cigarettes, tobacco inhalers, beedis, kreteks, smokeless tobacco, snuff, snus, dissolvable and chewing tobacco. This also includes companies that grow or process raw tobacco leaves. Companies that contract manufacturing companies that produce the whole/complete electronic nicotine delivery system, or e-cigarette devices with injected e-liquid/tobacco substance are also excluded.,</p>
Fossil Fuels	<p>Thermal Coal</p> <p><u>Tier 2</u> – Companies can derive revenue from mining thermal coal or from generating electricity from thermal coal. Involvement in thermal coal means the company mines thermal coal or generates electricity from thermal coal</p> <p><u>Tier 3</u> – revenue from mining and extraction of hard coal and lignite.</p> <p>Oil Sands – are considered unconventional because they are extremely carbon intensive, and their extraction methods cause air pollution 'in situ', as well as water withdrawal, and contamination from mining.</p> <p>Involvement in oil sands means the company extracts oil sands.</p> <p>>100g CO₂e/kWh Power Generation – power generation from fossil fuels (thermal coal, liquid fuel and natural gas) as GHG emissions are above limit.</p> <p>Arctic Oil and Gas – companies deriving revenues from oil and gas exploration or extraction in offshore Arctic regions.</p> <p>Shale Energy – companies derive revenue from shale energy (gas and/or oil) extraction.</p>

UN Global Compact	The UN Global Compact are ten principles cover human rights, labour rights, the environment and anti-corruption. A violation is characterised by an ongoing, very severe ESG controversy implicating a company directly through its actions, products, or operations.
OCED Guidelines for Multinational Enterprises	The OECD Guidelines are recommendations from governments to multinational enterprises on how to do business sustainably and responsibly. A violation is characterised by an ongoing, very severe ESG controversy implicating a company directly through its actions, products, or operations.
Manufacturer	Companies that manufacture restricted weapons including whole weapons systems and components. Delivery platforms are not included within this definition.
Dual Use Components	Companies that manufacture components that were not developed or are not significantly modified for exclusive use in anti-personnel landmines and cluster munitions.
Intended Use Components	Companies that manufacture components that were developed or are significantly modified for exclusive use in anti-personnel landmines and cluster munitions.
Smart Weapon	Companies that exclusively manufacture anti-personnel landmines and cluster munitions determined to be smart weapons. Also identifies companies that manufacture components or delivery platforms exclusively for "smart" weapons.
Company ownership	Where a company owns 50 percent or more of an involved subsidiary, that company is given a direct involvement tie.
Whole Weapons Systems Manufacturers	Companies that manufacture anti-personnel mines, landmines, cluster munitions, biological and chemical weapons, Incendiary (white phosphorous), Laser-Blinding and Non-detectable fragments
Adult Entertainment	This includes producers of adult movies, cinemas that show adult movies, adult entertainment magazines, and the broadcasting of adult entertainment
Alcoholic Beverages	These include producers of alcoholic beverages as well as retailers and distributors and suppliers of alcohol-related products/services to alcoholic beverage manufacturers.
Nuclear Power	Companies involved in the production or distribution of energy from nuclear sources or developing products or services that support the nuclear power industry.
Gambling	Companies deriving revenue from gambling. This includes companies that offer gambling services (operation of casinos, lotteries, bookmaking, online gambling, etc.), gambling products (slot machines and other gambling devices) or supporting products/services to gambling operations.

Appendix 3: Fund Classifications

Tier 1	Tier 2	Tier 3	Tier 4
All ⁷	GAM Multistock - Asia Focus Equity	GAM Multibond - ESG Local Emerging Bond ⁸	GAM Star Fund p.l.c. - GAM Sustainable Climate Bond
	GAM Multistock - China Evolution Equity	GAM Star Fund p.l.c. - GAM Sustainable Emerging Equity	
	GAM Multistock - Emerging Markets Equity		
	GAM Multistock - Japan Equity		
	GAM Multistock - Luxury Brands Equity		
	GAM Multistock - Swiss Equity		
	GAM Multistock - Swiss Small & Mid Cap Equity		
	GAM Star Fund p.l.c. - GAM Star Asian Equity		
	GAM Star Fund p.l.c. - GAM Star Cat Bond ⁸		
	GAM Star Fund p.l.c. - GAM Star China Equity		
	GAM Star Fund p.l.c. - GAM Star Continental European Equity		
	GAM Star Fund p.l.c. - GAM Star Credit Opportunities (EUR)		
	GAM Star Fund p.l.c. - GAM Star Credit Opportunities (GBP)		
	GAM Star Fund p.l.c. - GAM Star Credit Opportunities (USD)		
	GAM Star Fund p.l.c. - GAM Star Disruptive Growth		
	GAM Star Fund p.l.c. - GAM Star European Equity		
	GAM Star Fund p.l.c. - GAM Star Japan Leaders		
	GAM Star Fund p.l.c. - GAM Star MBS Total Return ⁸		
	GAM Swiss Sustainable Companies ⁸		
	GAM Credit Opportunities (GBP)		
	GAM Disruptive Growth		

Important information

The use of sustainability exclusions described in this Policy may involve the selection, prevent the acquisition of or require the disposal of securities of certain issuers for reasons other than investment performance or other financial considerations. As a result, an investment strategy that utilises sustainability exclusions may underperform other investment strategies with a similar financial objective or policy that do not utilise sustainability exclusions and may suffer investment losses if it is required to dispose of a security as a result of non-financial considerations.

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⁷Unless otherwise stated in product literature

⁸Please refer to product literature for specific divergences to the exclusions criteria/ thresholds outlines for this tier.