

GAM GLOBAL ANTI-BRIBERY AND CORRUPTION POLICY

GAM Global Anti-Bribery and Corruption Policy
November 2022



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Applies to: GAM Holding AG and each of its subsidiary companies, partnerships and branch offices (collectively the “Group” and each a Group Company”)

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1. Purpose

The purpose of this GAM Global Anti-bribery and Corruption Policy (this 'Policy') is to establish the minimum standards to be followed by GAM Holding AG and all its related group companies ("GAM Group") in order to comply with applicable legal and regulatory requirements and to mitigate its bribery and corruption risk exposure. Furthermore, this Policy shall ensure that global standards of the Financial Action Task Force (FATF) are met.

GAM recognises the need to have in place appropriate and proportionate risk-based policies, procedures, systems and other controls to protect its clients (including investors in GAM funds where applicable), group companies, employees and other stakeholders by deterring, detecting and preventing those who would seek to use the Group or a GAM fund to facilitate any form of bribery and corruption.

Failing to manage bribery and corruption risks effectively undermines the integrity of the financial system and society. Furthermore, failure to comply with anti-bribery and corruption (ABC) regulations can be a criminal offence, and failing to identify, manage and monitor financial crime risks adequately could expose GAM Group's clients to loss and the Group and its employees to potential prosecution and penalties and/or regulatory penalties and censure, damage client and business partner confidence in GAM Group and result in reputational harm.

2. Scope

This policy sets out high level standards applicable to GAM Group for the management and mitigation of bribery and corruption risks and applies to all employees, the Boards and other governance bodies of GAM Group. This Policy applies to all GAM Group employees.

This policy covers the following financial crime areas:

- Anti-bribery and corruption

This policy excludes the following areas:

- AML and financial crime which is covered under the Global AML and Financial Crime Policy

3. The Regulatory Environment

This policy has been documented to comply with international standards in preventing bribery and corruption, primarily those of the Financial Action Task Force (FATF).

"Criminal proceeds are generated from corruption offences as well as from bribery, embezzlement, trading in influence, abuse of functions and other offences, in both the public and the private sector, and by a variety of illicit means. Corruption offences are generally committed for the purpose of obtaining private gain. The proceeds of corruption are often laundered so that they can be enjoyed without fear of detection or confiscation. Accordingly, corrupt officials and individuals take great pains to disguise their identity and the original source of the funds in order to place funds derived from corruption in the financial system without detection and to purchase assets. Likewise, often in corruption cases, bribe payers tend to disguise the financial link between them and the corrupt officials, including the destination of the funds, using money laundering schemes."¹

¹ Taken from FATF Best practices Paper – The use of FATF Recommendations to Combat Corruption.

4. Governance and Organisation:

The boards of GAM Holding AG and other GAM regulated entities designate the responsibility for bribery and corruption related matters to the local jurisdictional Money Laundering Reporting Officers and their supporting compliance or financial crime prevention team.

GAM Group Board's will:

- Encourage and maintain effective systems and controls to prevent bribery and corruption.
- Designate each local MLRO (or compliance officer with AML responsibility) to have the responsibility in their applicable jurisdiction for the oversight of bribery and corruption risk and any related reporting or filings as may be required in the applicable jurisdiction.

Senior Management (GAM Group):

Senior Management have a role in the Group's prevention of bribery and corruption, including assisting in the management of the Group's exposure to bribery and corruption risk in accordance with this policy, and providing appropriate support to their local MLRO's in ensuring effective systems and controls are in place to prevent breaches.

The UK MLRO & The FCPT:

The UK MLRO and The FCPT are responsible for:

- Establishing, owning and maintaining the Global Anti-Bribery and Corruption Policy.
- Providing guidance and support to each local MLROs in terms of bribery and corruption prevention.
- Escalation point for high-risk clients and PEPs for advice, guidance and where appropriate approval.

Local MLROs:

Each MLRO has a role in the Group's prevention of bribery and corruption, including to discharge such duties of an MLRO as prescribed by relevant regulation and shall:

- Act as the focal point for all activity within the applicable Group Company relating to bribery and corruption prevention.
- To provide guidance and oversight for their jurisdiction in terms of bribery and corruption prevention.
- Be an approver for all high-risk clients and PEPs relationships.

Employees

Employees are required to comply with this policy, including all relevant procedures, guidance and other controls. Employees must also undertake mandatory training and report any suspicion(s) of financial crime that may arise in the course of their employment to their local MLRO.

Where GAM engages with third parties, we will undertake appropriate steps to ensure that they comply with the principles set out in this policy.

The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for GAM or under the control of the firm. All employees are required to avoid any activity that might lead to, or suggest, a breach of this policy. Employees are required to notify GAM as soon as possible if it is suspected that a conflict with this policy has occurred, or may occur in the future, or if they are offered a bribe, are asked to make one, suspect that this may happen in the future, or believe that they are a victim of another form of unlawful activity.

Any employee who breaches this policy may face disciplinary action, which could result in dismissal for gross misconduct. The firm reserves its right to terminate any contractual relationship with non-employees if they breach this policy. If any employee becomes aware of any activity by any employee which might lead to, or suggest, a breach of this policy, they should raise their concerns with the Financial Crime Prevention Team by email: FCPT@GAM.com or with the local MLRO directly.

5. Anti-Bribery and Corruption Policy Principles

It is the policy of GAM to conduct business in an honest and ethical manner. As part of that, GAM takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all its business dealings and relationships, wherever it operates, and implementing and enforcing effective systems to counter bribery and corruption.

Corruption is the misuse of office or power for private gain. A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage. This may constitute an offence under the Bribery Act, namely:

- giving or offering a bribe,
- receiving or requesting a bribe,
- bribing a foreign public official, or
- failing to prevent bribery as an organisation

The core principles of this policy will ensure that:

- GAM will uphold all laws relevant to countering bribery and corruption in all the jurisdictions in which the firm operates.
- Bribery and corruption are punishable for individuals by up to a maximum penalty of ten years imprisonment and/or an unlimited fine for individuals. Corporates face an unlimited fine and if GAM is found to have taken part in bribery and corruption, the firm could face an unlimited fine and face damage to its reputation. The firm therefore takes its legal responsibilities very seriously.

5.1 Prohibited Activities

GAM does not (nor does it procure any individual(s) or legal persons) to:

- give, promise to give, or offer, a payment, gift or hospitality with the expectation or hope that a business advantage will be received, or to reward a business advantage already given,
- give, promise to give, or offer, a payment, gift or hospitality to a government official, agent or representative to “facilitate” or expedite a routine procedure,
- accept payment from a third party that the firm knows with the expectation that it will obtain a business advantage for them,
- accept a gift or hospitality from a third party if the firm knows or suspects that it is offered or provided with an expectation that a business advantage will be provided by the firm in return,
- threaten or retaliate against a worker who has refused to commit a bribery offence or who has raised concerns under this policy, or
- engage in any activity that might lead to a breach of this policy.

5.2 Facilitation payments and “kickbacks”

- GAM does not make and will not accept facilitation payments or “kickbacks” of any kind. Facilitation payments are typically small, unofficial payments made to secure or expedite a routine government action by a government official.
- Kickbacks are typically payments made in return for a business favour or advantage. GAM avoids any activity that might lead to, or suggest, that a facilitation payment or kickback will be made or accepted by the firm.

5.3 Donations

GAM does not make contributions to political parties. GAM will only make charitable donations that are legal and ethical under local laws and practices.

5.4 Gifts, Hospitality and Entertainment

This policy does not prohibit normal and appropriate gifts and hospitality (given and received) to or from third parties where permitted by regulation unless otherwise specifically stated. However, GAM has specific internal policies and procedures which provide guidance to employees as to what is permitted and what is able to be regarded as normal and appropriate gifts and hospitality in terms of financial limits. Guidance is detailed in the Group Gifts & Entertainment (G&E) policy. Any gift or hospitality:

- must not be made with the intention of improperly influencing a third party or worker to obtain or retain business or a business advantage,
- or to reward the provision or retention of business or a business advantage, or in explicit or implicit exchange for favours or benefits,
- must comply with local law in all relevant countries,
- must be given in the name of the organisation, not in an individual's name,
- must not include cash or a cash equivalent,
- must be appropriate in the circumstances,
- must be of an appropriate type and value and given at an appropriate time considering the reason for the gift,
- must be given openly, not secretly; and in the case of gifts, they must not be offered to, or accepted from, government officials or representatives, politicians or political parties, without the prior approval of either the MLRO or Head of Compliance.

5.5 Prohibited Activity outside of GAM Group Risk Appetite:

- Do not establish business relationships with individuals and entities identified to be associated with any criminal or bribery and corruption activity.
- Do not accept any investment payments which you know or must assume to be the result of a bribery and corruption.
- Do not open accounts where the beneficial owners are not identified.
- Do not open accounts with corporate entities who are permitted to issue bearer shares.
- Do not open accounts with shell banks and companies.
- Do not open accounts with entities based or operating in a sanctioned regime.
- Do not open accounts with politically exposed persons (PEPs) linked to bribery and corruption.

6. Client & Counterparty Due Diligence:

1. All new clients/counterparties/agents/intermediaries/introducers are subject to full client due diligence (CDD) and know your customer (KYC) controls in line with regulatory requirements including ownership checks to 25% ownership, director due diligence and AML screening. This ensures any ABC issues or due diligence concerns are identified during the onboarding stage of the client relationship.
2. Bribery and corruption risks are considered key factors in the onboarding of introducers and agents as the bribery and corruption risks with these kinds of business relationships is increased. This includes adverse media checks into these entities to identify any on-going ABC risks.
3. CDD/KYC controls are covered in more detail in the GAM Global AML and Financial Crime Prevention Policy.

7. Politically Exposed Persons (PEP's):

4. All PEPs identified will be accepted on a risk-based approach taking into consideration the significance of their level of political exposure, the jurisdiction where they are politically exposed, their conduct and their behaviour from a bribery and corruption, financial crime and ethical perspective.
5. PEP relationships and categories are covered in more detail in the GAM Global AML and Financial Crime Prevention Policy.

8. Adverse Information Screening:

6. Adverse media checks can reveal involvement with money laundering, fraud, tax evasion, organised crime, terrorism and bribery and corruption. These factors could pose a serious threat to firms' reputations and can lead to legal repercussions. Any clients associated with this activity will be fully investigated to identify if the business relationship falls within GAM's risk appetite.
7. Adverse media screening is covered in more detail in the GAM Global AML and Financial Crime Prevention Policy.

9. Suspicious Activity Reporting (SAR) and Investigation

8. GAM Group will ensure all incidents of concern or suspicion from a financial crime perspective in terms of money laundering, terrorist financing, sanctions breaches, fraud, tax evasion, market abuse or bribery and corruption, will be thoroughly investigated by the local MLRO and the appropriate reports made to local law enforcement or regulator as soon as practicable.
9. SAR reporting is covered in more detail in the GAM Global AML and Financial Crime Prevention Policy.

10. Whistleblowing

The GAM Group implemented the Group Whistleblowing policy which seeks to encourage employees to raise reportable concerns as soon as possible in the knowledge that their concerns will be taken seriously and investigated appropriately ensuring that their confidentiality and anonymity will be respected.

GAM created the role of the Whistleblowing Champion who is responsible for ensuring and overseeing the adequacy, integrity, independence and effectiveness of the Group's policies and procedures with respect to whistleblowing. This includes the policies and procedures intended to protect whistle-blowers from being threatened, harassed or victimised because they have disclosed a reportable concern.

11. Training

Regulatory training is rolled out to all employees on an annual basis and covers key AML and financial crime risk areas of AML/CTF, fraud, tax evasion and bribery and corruption, this includes all employees including temporary contractors. All new starters will complete their training within 30 days of joining GAM.

12. Record Keeping and Retention:

1. GAM Group entities will ensure that they comply with regulatory requirements and assist law enforcement agencies with any requests for information.
2. All data obtained for client and counterparty identification, AML purposes and measures must be documented, securely stored in an accessible manner and kept for a minimum of 5 years after the end of the business relationship or for such longer period required under applicable local laws.

13. Exceptions to this Policy

Exceptions to this policy can be requested from the local MLRO of the jurisdiction making the request. When considerations are made whether or not to grant such an exception, the local MLRO can engage other local MLROs to review the relevant circumstances which will also include the Group's risk appetite for bribery and corruption.

Appendix 1 – Definitions:

FCPT	Financial Crime Prevention Team
MLRO	Money Laundering Reporting Officer
SAR	Suspicious Activity Report
HMT	Her Majesty's Treasury
PEP	Politically Exposed Persons
AML	Anti-Money Laundering
CDD	Client/Counterparty Due Diligence
CRA	Client/Counterparty Risk Assessment
CTF	Combating Terrorist Financing
EDD	Enhanced Due Diligence
ABC	Anti-Bribery and Corruption
FATF	Financial Action Task Force
FIU	Financial Intelligence Units
KYC	Know Your Client
NCA	National Crime Agency
OFAC	US Office of Foreign Assets Control
Beneficial Owner	Means the individual person that ultimately has the ownership of the assets.
Employee	Means every permanent staff member of a GAM and any contractor or temporary staff member engaged by GAM for a period of four or more consecutive weeks.
Third Party	Means any individual or organisation that performs business on GAM's behalf, and includes actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, including their advisors, representatives and officials, politicians and political parties.

Important information

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