ANNUAL REPORT 2022

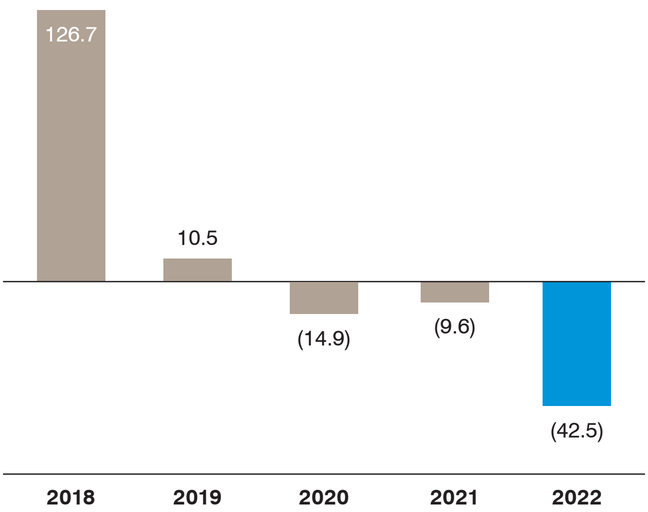
GAM Investments

CONTENTS

KEY FIGURES

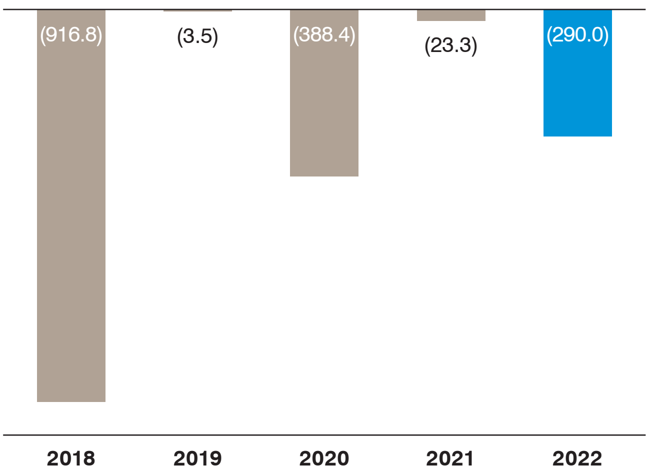
Underlying (loss)/profit before taxes (CHF m)

CHF (42.5) m



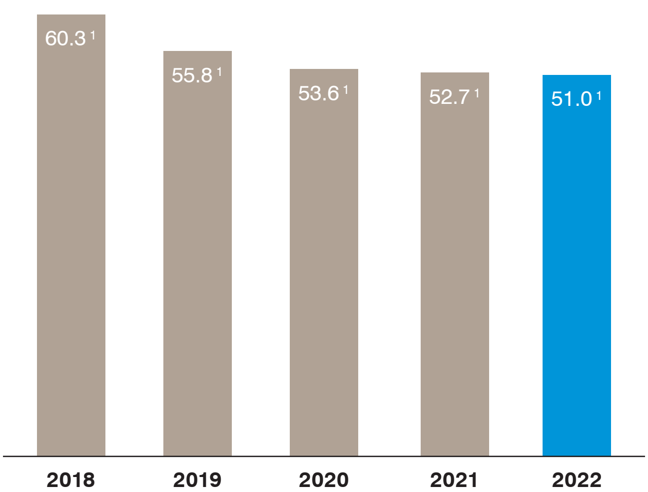
IFRS net (loss)/profit (CHF m)

CHF (290.0) m



Management fee margin – investment management (bps)

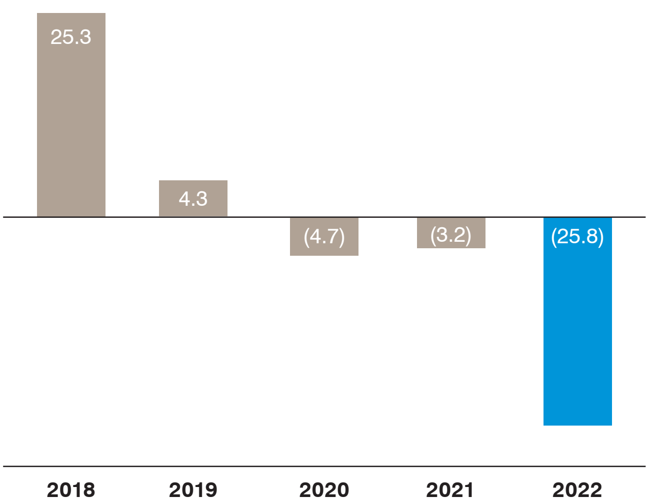
51.0 bps



1 The method of presentation of the Group's AuM has been adjusted in 2022 and comparatives presented for prior periods have been adjusted on a consistent basis. For further details on changes in methodology see page 16.

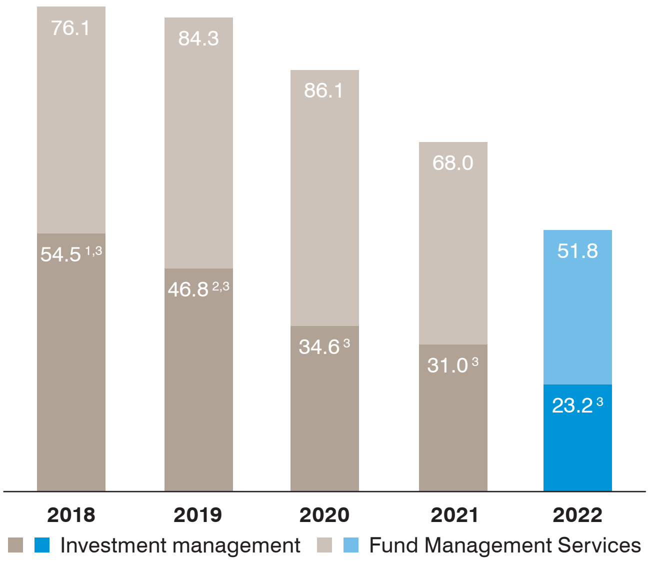
Underlying operating margin (%)

(25.8) %



Assets under management (CHF bn)

CHF 75.0 bn



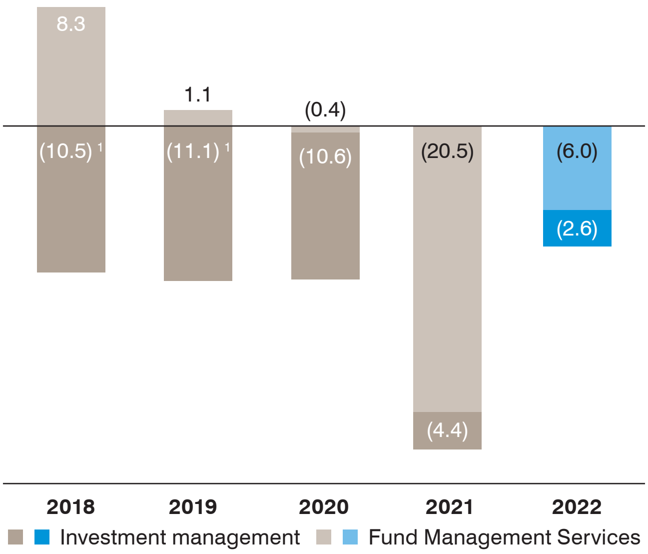
[1] Excluding CHF 1.45 billion ARBF-related assets under management in liquidation as at 31 December 2018.

[2] Including CHF 0.3 billion of money market funds as at 31 December 2019, which GAM agreed to sell to ZKB as announced with the H1 2019 results and which were sold in Q4 2020.

[3] The method of presentation of the Group's AuM has been adjusted in 2022 and comparatives presented for prior periods have been adjusted on a consistent basis. For further details on changes in methodology see page 16.

Net flows (CHF bn)

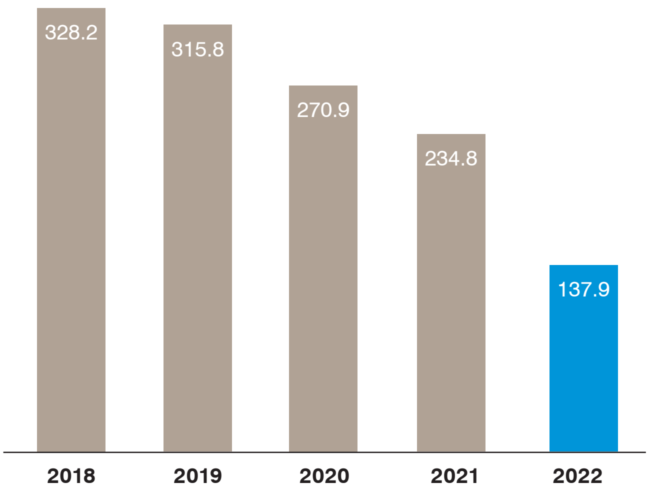
CHF (8.6) bn



[1] Including ARBF-related net inflows in H1 2018 of CHF 0.3 billion and excluding ARBF-related net flows in H2 2018 and FY 2019, and fund assets liquidated as at 31 December 2018 and 31 December 2019.

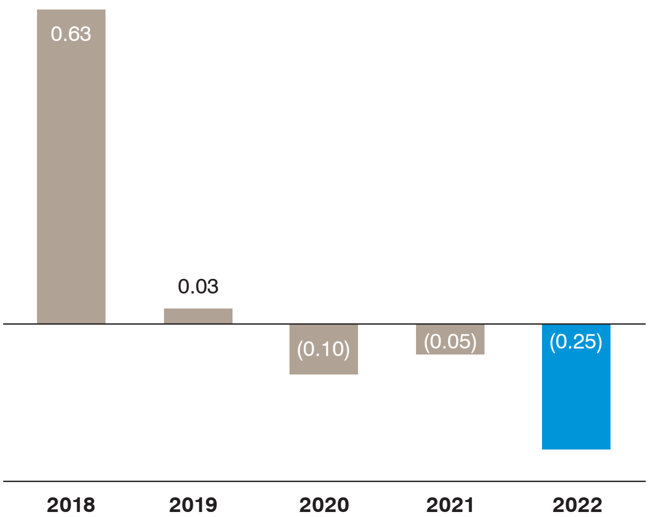
Net cash (CHF m)

CHF 137.9 m



Diluted underlying EPS (CHF)

CHF (0.25)



CHAIRMAN'S STATEMENT AND CHIEF EXECUTIVE'S LETTER

Chairman’s statement

David Jacob, Chairman of the Board of Directors

Dear Shareholder

Last year got off to an encouraging start for GAM with the final resolution of the historical regulatory matters and positive signs of client flows. However, the onset of the war in Ukraine, rising inflation and higher interest rates soon began to have an impact on markets and as a result we saw a deterioration of our financial position. Despite market declines creating opportunities for a number of GAM’s high conviction strategies, the overall reduction in our assets under management drove a significant decline in revenues during the year.

Peter Sanderson and his management team continued to focus on clients and the strategic transformation of the firm. Our Investment Management team delivered strong investment performance with 55% of assets under management outperforming their benchmark over three years as at the end of December. We continued to make good progress with our sustainability strategy, supporting high standards, driving value for clients, and striving for a positive impact and this was recognised by a number of awards during the year, including an award for our first Impact Report for our Climate Bond strategy. We also saw the completion of the final stage of the implementation of our new cloud-based operating platform deliver excellence and further efficiencies. However, the reduction in assets under management and significant decline in revenues, meant that the Board had to consider the impact on the firm’s financial progress and the options available throughout the year.

Financial performance

2022 was a very challenging year from a financial performance perspective. We saw benefits from our new operating platform and increased levels of client interest, but this was not enough to offset the decline in revenues driven by the reduction in assets under management in one of the most difficult years for markets for decades. Our IFRS loss increased from CHF 23.3 million for the full year 2021 to CHF 290.0 million for the full year 2022.

We took steps to further reduce costs and at the half year results last August, we announced that we expected a reduction in expenses for the full year of at least CHF 20 million and we actually delivered CHF 27 million of savings. This means we have reduced costs by a third since 2019. However, this has not been enough to put the firm on a sustainable trajectory to improve its financial position and return to underlying profitability in the medium term without additional strategic measures.

The Group Management Board and other members of the senior leadership team have continued to simplify the business and drive further efficiencies, but the Group’s financial performance means that we will not be awarding any variable compensation to our Group Management Board members. The Board of Directors has also agreed to waive its share-based fee due to vest in April 2023 and the share-based fee that would normally be granted at the AGM in 2023 for vesting in 2024. The Board will also propose to shareholders that no dividend be paid for the financial year 2022.

Board and Management Board

During the year we welcomed Frank Kuhnke as a member of the Board, and he has already made a valuable contribution to decision making. We said farewell to Benjamin Meuli, who retired at the end of the year after almost 7 years of steadfast service to GAM and its shareholders. I would like to thank Benjamin for his support during a very challenging period. On the Group Management Board, we were delighted to have Sally Orton join as Chief Financial Officer after Richard McNamara decided to move on after seven years of dedicated service to the firm. Richard was a stalwart member of the management team through some difficult times for GAM and his contribution was much appreciated by the Board.

Strategic review

During 2022 it became increasingly clear to the Board that we needed to review whether our strategy was still appropriate and in the best interests of all our stakeholders in the context of the challenging external environment and the impact this was having on our financial performance. The Board met on a weekly basis during the second half of 2022 and during the first quarter of 2023 to consider the strategic options for the firm.

GAM has a distinctive culture and a proud history of attracting and empowering the brightest minds to provide investment leadership, innovation, and sustainable thinking for our clients. We have spent the past three years transforming the firm to ensure that it has the talent, operating platform, and investment capabilities in order to allow GAM to continue to deliver for our clients. However, it has become apparent that the market backdrop combined with our resulting financial results has become an obstacle for us to return to growth in a timely fashion. Our choice of a strategic option was informed by the need to address this for the benefit of all our stakeholders.

The recommendation that we sell our business to Liontrust Asset Management and, as a condition of that transaction, transfer our third-party Fund Management Services business in Switzerland and Luxembourg to another provider, is supported by the strong belief on the part of all Board members that this action is in the best interests of all our stakeholders.

The offer from Liontrust Asset Management represents the best opportunity for our talented team of professionals to continue to provide clients with high conviction active strategies designed to help them navigate the changed investment environment. The investment DNA of the two firms is very similar. Neither has a "house view" and both have a culture of empowering experienced and opinionated investors operating under a framework of rigorous risk control. It also offers the best opportunity to decisively address all of the recent corporate uncertainty that has surrounded GAM, and therefore deliver the growth that is essential to do justice to the talent that we have at the firm. The resulting business will have a strong balance sheet, a broader array of excellent investment products, and a global distribution footprint from which to deliver growth, in which our shareholders can participate in the future. Transferring our third-part fund management services (FMS) business to another provider will allow clients to benefit from uninterrupted service from a business committed to focusing on such services in the future.

Looking ahead

I would like to recognise and thank my fellow Board members and members of the senior leadership team for their hard work to identify an appropriate strategic option. I would also like to take this opportunity to thank all colleagues at GAM for their hard work, patience, and dedication while we worked to determine the best option for the firm in the future.

Our clients have been patient and loyal during a period of uncertainty for the firm and I am confident that this patience and loyalty will be rewarded since our colleagues, products, strategies, and services will now benefit from being part of the new firms and all the stability that this will bring.

Similarly, you our shareholders, have been patient in the face of uncertainty, and I and my fellow Board members believe that the transaction with Liontrust Asset Management represents the best option for you.

I am hopeful that the experience, client focus and dedication that has been built over forty years at GAM will bring value to Liontrust Asset Management, stability for our clients, growth for our shareholders and opportunity for many of our colleagues.

I, together with the rest of the board, sincerely believe that this course of action represents the best option for all our stakeholders and would like to thank colleagues, clients, and shareholders in advance for their support to make this happen.

Finally, I want to thank my fellow Board members for their support and collaboration during this period as we have sought to find the right strategic solution for GAM. It has been an honour and a privilege to work with them as we have sought to serve the best interests of all our stakeholders.

With best regards,

David Jacob
Chairman of the Board of Directors

4 May 2023

Chief Executive's letter

Peter Sanderson, Group Chief Executive Officer

Dear Shareholder

We started 2022 poised to capitalise on the hard work we had undertaken to transform GAM and put past regulatory matters behind us. However, in a year which saw the first ten percent loss for both US equities and bonds since the 19th century, markets were the main factor in driving our assets under management significantly lower with the consequent impact of significant revenue decline leading to an underlying loss for the firm in 2022 of CHF 42.5 million. Our range of high conviction, actively managed strategies and solutions were well placed to deliver for clients as we saw the end of the post-2008 environment of low inflation and quantitative easing give way to rising inflation and continuing global uncertainty against a backdrop of the war in Ukraine. We ended the year with many of our investment strategies performing strongly against their benchmarks over three years and considerable client interest in our products.

GAM is a very special firm, made of excellent people, and working together we have all put in an enormous amount of effort to ensure that we continue to deliver strongly for our clients in an extremely challenging market environment. Our investment performance remains strong with 55% of our strategies outperforming their benchmarks over three years and seven out of our thirteen largest strategies ranked top decile and two top quintile within their Morningstar peer groups over three years. In short, thanks to the efforts of everyone at GAM, the underlying business is in good shape with strong investment performance, enhanced operational systems and a strong bench of talent.

However, our path to a sustainable financial position and a return to profitability has been challenged, which is why the Board has decided to take the decision to protect what is so special about the firm and is recommending that we sell our business to Liontrust Asset Management and, as a condition of that transaction, transfer our third-party Fund Management Services business in Switzerland and Luxembourg to another provider. This decision is supported by the strong belief on the part of all Board members that this course of action is in the best interests of all our stakeholders.

I believe that this decision will allow us to preserve the attributes of GAM that clients appreciate and allow our talented professionals to continue to deliver for our clients. To navigate the new world of continuing market volatility and higher interest rates clients will require the investment skills of an active manager thinking beyond the obvious, with the trusted relationship and servicing they expect.

Financial Performance

Our IFRS loss was CHF 290.0 million for the full year 2022 compared to a loss of CHF 23.3 million for the full year 2021. The decline in assets under management drove a decline in net management fees and commissions revenues which were at CHF 161.8 million for the full year 2022 down 22% compared to the full year 2021. Although margins for our investment management business held up at 51 basis points, the market impact meant that performance fees at CHF 4.1 million were much lower than during 2021. We continued to reduce our costs and made a total of CHF 27 million savings for the full year 2022.

The way ahead for GAM

Over the past three years, we have worked hard to simplify and focus the business, enhanced governance and a market-leading approach to sustainability, but above all our talented team of investment professionals have shown that they can deliver for our clients in the most challenging of markets. As the world transitions from the post financial crisis paradigm of low interest rates to a more volatile, higher inflation and, perhaps, more normal market environment the GAM approach to high conviction active management is proving its worth. As part of Liontrust Asset Management, which I strongly believe shares our passion for investing, our professional team has the opportunity to continue to serve the interests of our clients and grow from a stable and vibrant combined firm.

I would like to thank my colleagues, our clients and our shareholders for their patience and support over the past three years. I believe that the Board have made a strong strategic decision and we will now have a stable and vibrant platform from which to serve our clients and grow.

With best regards,

Peter Sanderson
Group Chief Executive Officer

4 May 2023

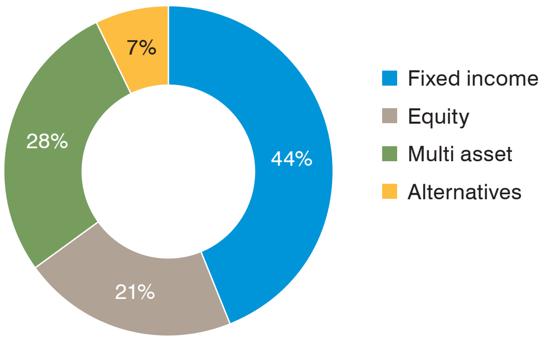
THE BUSINESS REVIEW

Our businesses

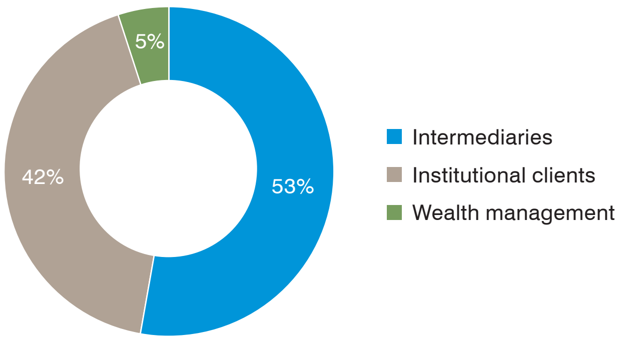
Last year got off to an encouraging start for GAM with the final resolution of the historical regulatory matters and positive signs of client flows. However, the onset of the war in Ukraine, rising inflation and higher interest rates soon began to impact markets, with the MSCI seeing its worst annual loss since 2008. We see many of the changes in the investment environment as structural, with the post-2008 period of low interest rates and low volatility now consigned to history and global uncertainty likely to continue. Market declines have created opportunities for active managers in many asset classes and GAM has seen good client engagement and flow momentum in a number of strategies. However, the overall reduction in our assets under management drove a continuing decline in revenues during the year.

We have continued to focus on clients and the completion of the strategic transformation of the firm, building on our 40-year heritage of active investing to make GAM fit for the future. Our investment management team delivered strong investment performance throughout the year, with 55% of assets outperforming their benchmark over three years as at the end of December, and seven out of our 13 largest strategies ranked top decile and two top quintile within their Morningstar peer groups over three years. Although overall net asset outflows remained negative, Investment Management saw an improving trajectory for flows in certain strategies during the year. We also saw the completion of the final stage of the implementation of our new cloud-based operating platform deliver excellence and further efficiencies.

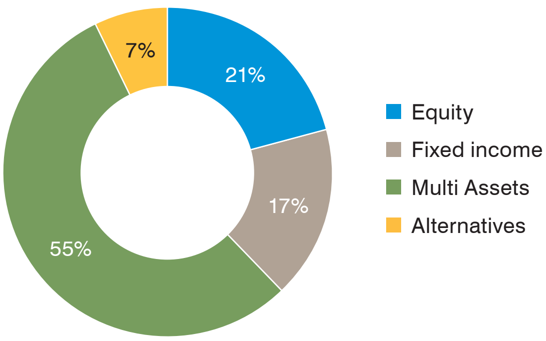
Investment management assets by capability



Investment management assets by client segment

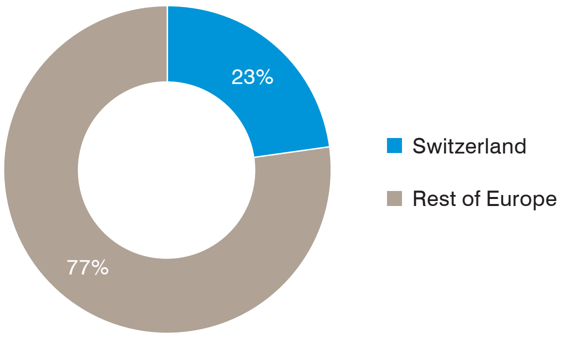


Fund Management Services assets by asset class[1]



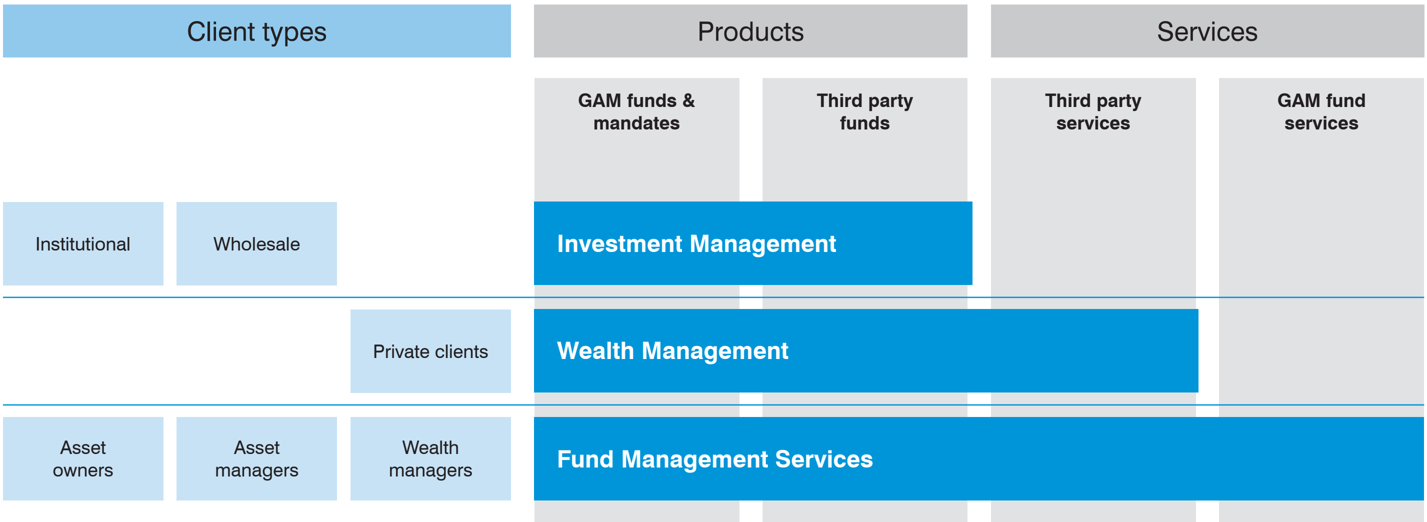
[1] Not including AuM managed for GAM funds.

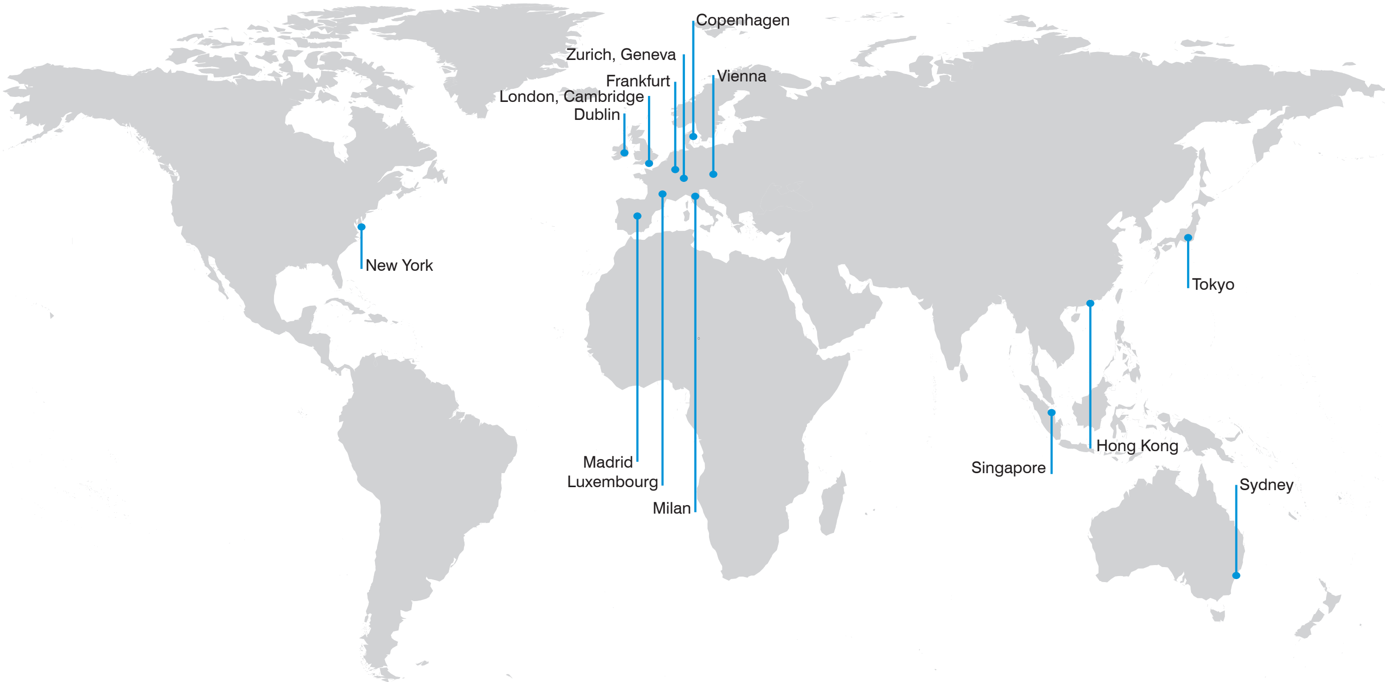
Fund Management Services assets by fund domicile[1]



[1] Not including AuM managed for GAM funds.

GAM client types, products and services





Investment Management

In Investment Management, our investment professionals are unconstrained by a 'house view'. We are a high conviction, high alpha manager in often niche areas of mainstream asset classes. We believe the key to delivering sustained outperformance for our clients is rooted in the experience of our investment teams and the strength of our investment processes. Specialist expertise and high conviction can have a real, positive impact and our Investment Management business is globally recognised as a leader in highly differentiated, active strategies. Often partnering with industry leaders in their respective fields, we strive to innovate in order to deliver distinctive and differentiated strategies and solutions. This is all underpinned by our investment platform and a rigorous risk, oversight and sustainability framework.

Investment capabilities

Our investment management capabilities provide clients with differentiated investment strategies across equities, fixed income, alternatives and multi asset. These are actively managed with discretionary, systematic and specialist approaches. Our product and solutions capabilities are focused on scalable strategies with high growth prospects based on industry trends and client needs. Such strategies can sustain higher fees compared to passive and more traditional benchmark-oriented products given their active and differentiated nature and the performance they deliver for clients.

We have 98 in-house investment professionals and investment support colleagues across our investment centres in Zurich, Milan, London, Cambridge, New York, Tokyo and Hong Kong.

Since GAM does not have a 'house view', our investment management teams make investment decisions according to their individual philosophies and styles, within GAM's centralised risk framework. Our systematic teams utilise rigorous, world-class scientific research to create robust quantitative strategies that identify and harvest numerous sources of returns.

The breadth of our portfolio allows us to provide relevant products across different client segments. Our product development capabilities encompass a variety of structures – onshore and offshore funds, segregated mandates, and customised solutions. A wide range of GAM's products are offered in the regulated form of Undertakings for the Collective Investment in Transferrable Securities (UCITS). We have placed sustainability at the heart of our business and are responding to client demand by supplementing our existing range of sustainable investment strategies with a further suite of GAM sustainable products.

As at 31 December 2022, 21% of the CHF 23.2 billion investment management assets were invested in equity strategies, 44% in fixed income, 28% in multi assets and 7% in alternatives.

Each investment team, utilising their own and external research and distinct approaches, benefits from the collaborative culture across our investment groups, sharing insights, views, and information. We provide a broad range of investment styles, including value, growth and GARP (growth at a reasonable price). Our long-standing strategies in European, Japanese, Swiss, UK and Chinese **equities** are complemented by emerging market equities as well as other regional and thematic strategies, all of which are highly scalable.

Our **fixed income** capability is divided into specialist and emerging market products. These cover a breadth of specialist investment offerings that are differentiated from traditional fixed income styles, managed by teams with long-standing expertise and track records. Our products encompass approaches seeking excess returns relative to benchmark, credit, emerging market debt and specialist strategies including insurance-linked strategies, catastrophe bonds and mortgage-backed securities. This wide range positions us well to capture demand for substitutes to traditional bond allocations, as investors continue to search for yield in low-return environments.

In a more volatile and uncertain environment, there is increasing client demand for objective-oriented, holistic **multi asset** strategies that cater to the individual risk profiles of investors. Our solutions capability combines teams across multi asset, alternatives and private clients to meet this demand. It is focused on delivering solutions consistent with client needs and preferences, spanning the range from unitised funds to bespoke portfolio offerings. Our multi asset teams provide an active, top-down allocation tailored to the specific investment needs of their clients. Our investment philosophy and approach seek to add value through active decision-making at three levels: long-term strategic asset allocation, short-term tactical asset allocation and instrument selection. We offer both an extensive range of multi asset funds as well as bespoke solutions for our larger clients.

Our **alternatives** capability comprises alternative investment solutions divided into liquid and illiquid assets. Our expertise, gained over more than 27 years of managing portfolios of hedge funds for a broad global client base, is combined with a disciplined and structured investment and risk management process. Liquid alternatives is focused on managing and developing products and solutions across liquid and long-only asset classes, including equities, debt and multi asset solutions. Our investment philosophy and processes are based on rigorous scientific research to identify and harvest numerous sources of returns.

Reporting assets under management in Investment Management

As at the end of 2022 we have changed our method of presentation of the Group's Investment Management assets under management. Up until 30 September 2022, we presented our assets under management to include certain assets which had historically generated two levels of fees. This presentation change has adjusted our reported assets under management in Investment Management for the full year 2021 by CHF 0.9 billion to CHF 31.0 billion (originally reported were CHF 31.9 billion). The investment management assets under management as at 31 December 2022 was CHF 23.2 billion. We have provided adjusted assets under management and margin data for the past five years as a basis for comparison in the charts on page 2.

Spotlight on select investment strategies

GAM Star European Equity
The GAM Star European Equity strategy seeks to deliver attractive, risk-adjusted returns through active, unconstrained investment in a large, liquid universe of pan-European stocks. The team uses a high-conviction approach to invest in a concentrated portfolio of 30-40 companies. Key ESG risks and opportunities are embedded into the analysis, and the strategy includes several large investments in stocks that are directly driving de-carbonisation across power generation, mobility, buildings and industrial machinery. Valuations are currently attractive and some of the broader macro trends are coming back into favour to allow for a period of what the teams believe will be decent earnings growth and some sustained performance.

GAM Swiss Sustainable Companies
The GAM Swiss Sustainable Companies strategy invests in small- and medium-sized Swiss companies. The investment strategy is based on the conviction that investment returns are a result of the companies' success over time. Therefore, the strategy focuses on firms that have a clear vision, customer-driven innovation and consistent execution capabilities that differentiate them from their competitors. Sustainability plays an integral role in investment decisions. We see it as a strong differentiator and an important value creation opportunity for firms. In 2022, the strategy won the Swiss Sustainable Funds Awards in the category "Best Swiss Equities" for the second time in three years.

GAM Asia Focus Equity
The GAM Asia Focus Equity follows a long-term capital growth strategy through active investment in approximately 50 companies across Asia ex-Japan equity markets. The team invests in Asia's leading industries driven by key trends, with core themes focused on consumer and innovation. The team seeks to generate alpha from stock selection, sector allocation and country allocation, with large caps and low-beta stocks added when stock valuations are less attractive, in a bid to protect on the downside. In 2022, some growth stocks in Asia have come down by 80-90%, and many of these stocks are trading at historical low valuations, but the long-term outlook in their growth potential has not changed.

GAM Luxury Brands
GAM Luxury Brands seeks to deliver long-term capital appreciation by actively investing in 25-35 luxury companies globally. The steady growth in both the demand for luxury goods as well as the changing nature of the luxury consumer (largely Asian, younger, more online) will drive sustained capital growth for the next decade to come. The luxury sector is ideally placed to exploit emerging market-led growth at a developed market cost of capital – which forms the basis of the investment strategy. The investment universe comprises brands exposed to luxury/mass affluent consumers with heritage and strong pricing power – fashion and leather goods, cosmetics, athleisure, watches and jewellery, leisure, cars, fine wines and spirits and luxury e-commerce.

GAM UK Equities Income
GAM UK Equity Income strategy is a core equity income strategy aiming to deliver steady income and capital growth managed by an experienced team, who apply their proven cash flow-based investment approach to invest in companies with strong dividend prospects. The result is an active, concentrated and liquid portfolio diversified across sectors and market caps of established companies predominantly in the UK. Stocks are chosen for their ability to generate income, rather than their index weighting with a high active share of approximately 80%, and the flexibility to invest up to 20% of the portfolio outside of UK equities. Around 200 company meetings are conducted annually. The portfolio typically holds 50-60 stocks. The current opportunity in UK equities is supported by a rise in corporate activity, the unprecedented amount of share buy-back programmes and the composition of the UK market.

GAM Star Global Rates
The GAM Star Global Rates is a discretionary global macro strategy investing in sovereign fixed income and currencies to exploit market inefficiencies. The strategy seeks to deliver absolute returns and targets high single digit returns net of fees, irrespective of market conditions. A focus on idiosyncratic and relative value themes has resulted in the strategy exhibiting low correlation to traditional asset classes over short-term, long-term and crisis horizons. The investment team has been involved in discretionary macro investing since 2004. With its focus on discretionary, relative value macro, the strategy has consistently outperformed during periods of fixed income market weakness, typically achieved with minimal net duration exposure.

Clients in Investment Management

We are committed to strong long-term relationships with our clients, spanning different geographies, channels and segments. Our goals are fully aligned with our clients', as we seek to meet their needs and objectives by providing efficient access to high-performing investment opportunities, supported by our infrastructure and risk management.

Institutional clients, who represent 42% of our investment management assets, continue to demand distinctive active strategies across market cycles. Our experienced institutional team offers investment propositions and customised solutions to clients such as family offices, public and corporate pensions, insurers, sovereign wealth funds, endowments, foundations and local authorities. In addition to our strong long-term performance track record and an in-depth understanding of their needs, institutional clients also value our risk management capabilities, designed to ensure that we are delivering the best outcome for our clients.

We maintain a strong network of **distribution partners, including financial intermediaries and advisers**, whose clients represent 53% of our investment management assets. These investors are typically more sensitive to investment trends and broader financial market developments than institutional clients, which can result in concentrated inflows into a smaller number of strongly performing products and accelerated outflows during extended market downturns. We therefore offer a broad range of distinctive products across liquid asset classes and investment styles to ensure a successful rotation of products through market cycles. We are making good progress with our distribution strategy, which is to diversify by client type, geography and investment strategy.

At the end of 2022 our **Wealth Management** business represented 5% of investment management assets. These clients value GAM's high standards of service, comprehensive investment expertise across many asset classes and bespoke solutions based on individual requirements. The assets relating to our Wealth Management business, CHF 1.1 billion as at 31 December 2022, are part of the figure reported for our Investment Management business.

Investment management assets (CHF bn)

Client segment	Opening AuM 1 Jan 2022	Asset Class Reclassification [1]	Presentation adjustment to AuM [2]	Adjusted AuM 1 Jan 2022 by client segment [2]	Net flows 2022	Disposal 2022	Market/FX 2022	Closing AuM 31 Dec 2022
Intermediaries	17.1	1.1	-	18.2	(1.6)	(0.2)	(4.0)	12.4
Institutional clients	11.9	(0.3)	(0.2)	11.4	(0.9)	-	(0.8)	9.7
Wealth management	2.9	(0.8)	(0.7)	1.4	(0.1)	-	(0.2)	1.1
Total	**31.9**	**0.0**	**(0.9)**	**31.0**	**(2.6)**	**(0.2)**	**(5.0)**	**23.2**

[1] Based on the new approach, GAM reclassified various clients between clients segment.

[2] The method of presentation of the Group's AuM has been adjusted in 2022 and comparatives presented for prior periods have been adjusted on a consistent basis. For further details on changes in methodology see page 16.

Spotlight on selected investment strategies

GAM Star Credit Opportunities
The GAM Star Credit Opportunities strategy seeks steady, high income from the bonds of quality companies, with a focus on junior or subordinated debt to capture higher yields. The suite of three long-only funds is managed by corporate bond specialist Atlanticomnium S.A., which has specialised in credit investing since 1976 and has managed assets for GAM since 1985, delivering strong, long-term performance. Subordinated debt provides to investors income similar to high yield but from investment-grade issuers which, in the current market environment of inflationary pressure and uncertainty, is one of the sweet spots focusing on areas of greatest opportunity and best reward-to-risk trade-offs.

GAM Local Emerging Bond
The GAM Local Emerging Bond strategy follows a thematic, macro-driven approach founded on the conviction that developed economies drive emerging markets fundamentals, valuations and market technicals, and that these global themes should drive country selection and portfolio construction. At a bottom-up level, the team believes that the most alpha potential can be unlocked by gearing qualitative and quantitative country research. With over 18 years under current leadership, the strategy provides investors with one of the longest-standing, consistently top-rated approaches within the sector.

GAM Sustainable Climate Bond
The GAM Sustainable Climate Bond strategy, launched in September 2021, is a bottom-up, high-conviction strategy allocating to green and sustainability bonds with a positive environmental impact, issued by the European financial sector. It is part of GAM's strategy to contribute to a net-zero future. Proceeds are allocated to eligible projects with measurable impact, in particular renewable energy and green buildings. The strategy is managed by Atlanticomnium S.A., partner of GAM since 1985. In 2022, the strategy received an IMPACT Award for its impact report, attracting attention as it is relatively uncommon for green bond investors to report on impact, and in 2023, it was named 'Green bond fund of the Year', both by Environmental Finance.

GAM Star Cat Bond
The GAM Star Cat Bond strategy seeks to achieve returns through selective investment in a global portfolio of catastrophe bonds ("cat bonds"). CAT bonds are debt securities that transfer the risk of catastrophic events – such as earthquakes or windstorms – from insurance companies, reinsurance companies, corporations, governments, etc. to the capital markets. On behalf of GAM Investments, the strategy is managed by Fermat Capital Management, a recognised insurance-risk industry leader and highly experienced cat bond manager established in 2002 and based in the US. For over 10 years, Fermat Capital Management has delivered long-term positive results and exhibited low correlation to traditional asset classes.

GAM Systematic Core Macro
The GAM Systematic Core Macro strategy managed by GAM's Systematic Cambridge team seeks to generate returns uncorrelated to traditional asset classes by identifying persistent and recurring sources of return across over 100 markets in currencies, fixed income, equity indices and commodities. It combines two uncorrelated investment strategy clusters – trend and value – to create a robust multi asset macro portfolio with 10-12% target volatility. The team uses a purely model-driven, rules-based process that allows for a highly structured, repeatable approach. The model excludes human bias while investing in liquid instruments, allowing for a high level of transparency, liquidity, scalability and cost efficiency.

GAM Star MBS Total Return
The GAM Star MBS Total Return strategy aims to deliver strong absolute returns by investing primarily in US residential mortgage-backed securities (RMBS) with an average credit rating of BBB. The strategy offers a differentiated fixed income proposition, with low overall volatility, modest effective duration and low correlation to traditional fixed income and equity markets. The investment team has successfully managed dedicated MBS mandates since 2002 and continually reassesses both the market and portfolio across the market cycle, with a strict focus on downside risk management. The team believes that the US consumer is in a strong position to withstand US Federal Reserve rate rises, since the most common mortgage in the US is a fixed rate mortgage.

Markets, investment performance and flows

Over the three-year period to 31 December 2022, 55% of our assets under management in funds outperformed their respective benchmark, compared to 68% as at 31 December 2021. Over the five-year period to 31 December 2022, 55% of our assets under management in funds outperformed their respective benchmark, compared with 60% that outperformed over five years to 31 December 2021.

As at 31 December 2022, 66% and 67% of GAM's assets under management tracked by Morningstar outperformed their respective peer groups over three and five years compared to 70% and 62% as at 31 December 2021, respectively. Over three years seven out of our 13 largest strategies delivered top decile, and a further two top quintile performance.

Investment performance[1]

Asset Class [2]	3 years 31 Dec 2022	3 years 31 Dec 2021	5 years 31 Dec 2022	5 years 31 Dec 2021
Fixed income	48%	56%	48%	46%
Equity	68%	91%	68%	83%
Alternatives	59%	41%	67%	74%
Total	**55%**	**68%**	**55%**	**60%**

[1] % of AuM in funds outperforming their benchmark (excluding mandates and segregated accounts). Three- and five-year investment performance based on applicable AuM of CHF 13.3 billion and CHF 13.1 billion, respectively.

[2] Based on the new asset class split.

Net outflows in investment management totalled CHF 2.6 billion. Net outflows for intermediary clients were CHF 1.6 billion, institutional clients CHF 0.9 billion and wealth management clients CHF 0.1 billion in 2022.

In fixed income, net outflows totalled CHF 1.4 billion, primarily driven by the GAM Local Emerging Bond and GAM Star Credit Opportunities funds, partially offset by inflows into the GAM Star Cat Bond fund.

In equities, we saw net outflows of CHF 0.6 billion, primarily driven by the GAM Star Disruptive Growth and GAM Star Continental European Equity funds, which exceeded inflows primarily into the UK Equity Income and China Evolution Equity funds.

Multi asset strategies experienced net outflows of CHF 0.1 billion in 2022.

In alternatives, GAM saw net outflows of CHF 0.5 billion, driven by redemptions in the Alternative Risk Premia and GAM Star Emerging Market Rates funds, partially offset by inflows into GAM Star Global Rates and Private Shares.

Investment management assets and management fee margins (CHF bn)

Asset Class	Opening AuM 1 Jan 2022	Asset Class Reclassification [1]	Presentation adjustment to AuM [2]	Adjusted AuM 1 Jan 2022 by asset class [2]	Net flows 2022	Disposal 2022	Market/FX 2022	Closing AuM 31 Dec 2022	Management fee margin 2022 (bps)
Fixed income	14.1	14.0	(0.1)	13.9	(1.4)	(0.2)	(2.0)	10.3	59
Multi asset	7.7	7.6	(0.7)	6.9	(0.1)	-	(0.2)	6.6	22
Equity	8.0	8.1	(0.1)	8.0	(0.6)	-	(2.6)	4.8	67
Systematic	1.2	-	-	-	-	-	-	-	-
Alternatives	0.4	2.2	-	2.2	(0.5)	-	(0.2)	1.5	58
Absolute return	0.5	-	-	-	-	-	-	-	-
Total	**31.9**	**31.9**	**(0.9)**	**31.0**	**(2.6)**	**(0.2)**	**(5.0)**	**23.2**	**51.0**

[1] GAM changed its six capabilities to four asset classes (Absolute Return and Systematic are now merged into Alternatives) and recognition basis to direct methodology.

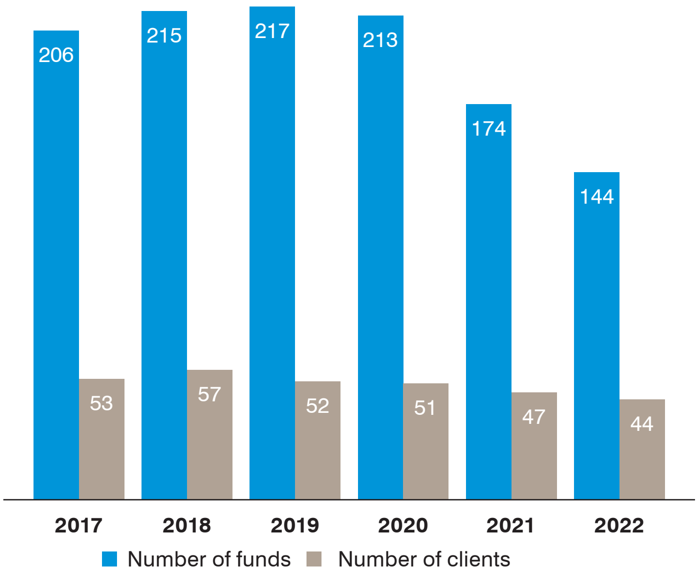
[2] The method of presentation of the Group's AuM has been adjusted in 2022 and comparatives presented for prior periods have been adjusted on a consistent basis. For further details on changes in methodology see page 16.

Fund Management Services

Our **Fund Management Services** business, which is among the largest independent providers of third-party management company and alternative investment fund manager services in Europe, is built on a simple but compelling premise – our clients entrust us with managing their day-to-day fund operations, efficiently and cost-effectively, enabling them to focus on their core competencies: fund distribution and investment decision-making. As a global asset manager ourselves, clients also benefit from a depth of expertise and understanding that would be difficult to replicate elsewhere.

We launched our first private label fund in 1992, and today Fund Management Services has 44 clients ranging from banks, insurers and independent asset managers to institutional investors. Fund Management Services also provides solutions for our own GAM funds and operates over 150 third-party funds.

Fund Management Services – funds and clients

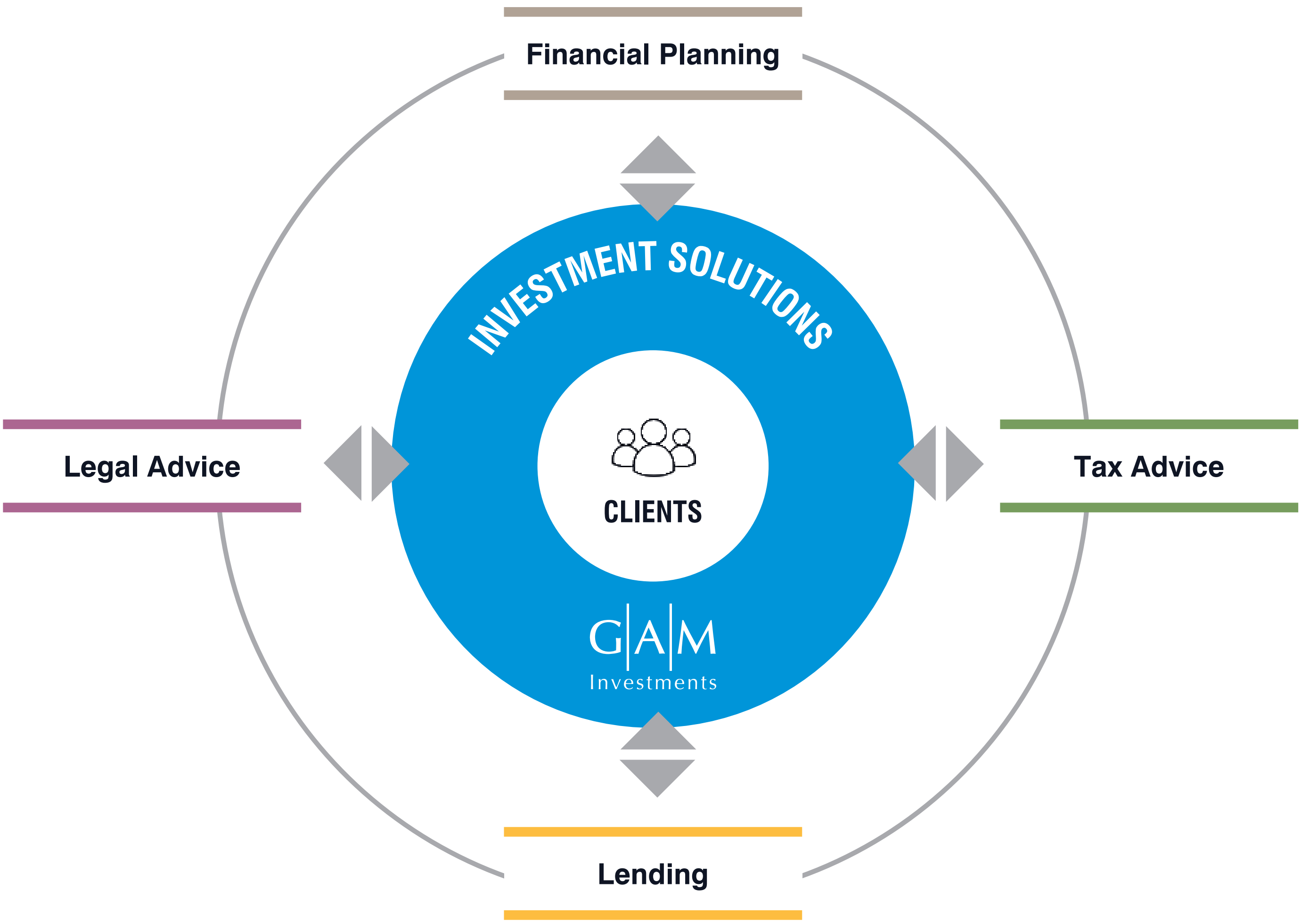


Assets under management were CHF 51.8 billion as at 31 December 2022, down from CHF 68.0 billion in 2021. This was largely driven by negative market and foreign exchange movements of 10.2 billion and by net outflows of CHF 6.0 billion, primarily due to one client transferring a final tranche of their business, totalling CHF 2.5 billion, to another provider as part of a broader strategic relationship with that provider, which was announced in January 2021.

Wealth Management

Our **Wealth Management** business draws on GAM Investments' heritage and Swiss origins to deliver bespoke solutions to meet our clients' investment objectives. Having pioneered the concept of 'open architecture' investing, we remain committed to working with the world's leading managers from across the industry. Our relationship managers provide a client-first, high-touch approach and are complemented by a substantial network of leading service providers operating in a variety of financial planning fields.

We currently report the assets within our Investment Management business, but as at 31 December 2022, GAM Wealth Management reported assets under management of CHF 1.1 billion. Our clients are mainly located in the UK, in Switzerland and in Asia.



Financial review

Our financial result

For the full year 2022, we reported an **IFRS net loss after tax of CHF 290.0 million**. This was mainly driven by the **underlying net loss after tax of CHF 39.0 million** and after tax non-core net expenses of CHF 251.0 million that included a brand impairment of CHF 223.5 million and CHF 27.2 million adjustment to deferred tax assets following a recoverability assessment at year-end. This compares to an IFRS net loss after tax of CHF 23.3 million in 2021, which was mainly driven by underlying net loss after tax of CHF 7.5 million and after tax non-core net expenses of CHF 15.8 million that included a fine agreed between GAM International Management Limited (GIML) and the UK Financial Conduct Authority (FCA) and a CHF 10.7 million write down based on the re-assessment of the future recoverability of tax losses carried forward.

Underlying net loss / IFRS net loss reconciliation

	2022	2021
IFRS net loss after tax	**(290.0)**	**(23.3)**
Income tax expense [1]	23.8	8.1
IFRS loss before taxes	**(266.2)**	**(15.2)**
Non-core items [2]	224.0	13.7
Acquisition-related items [3]	(0.3)	(8.1)
Underlying loss before taxes	**(42.5)**	**(9.6)**
Underlying effective tax rate (%)	**8.2**	**21.9**

[1] Includes a write down of deferred tax assets of CHF 27.2 million based on future expected recoverability.

[2] Items which arise out of a business decision or an event outside the control of the business, resulting in a significant gain or loss being recognised in the P&L, which are not expected to be of a recurring nature (previously named as non-recurring items).

[3] Items which are an accounting consequence of completed acquisitions, not directly relating to the operating activities of the acquired business.

Non-core and acquisition-related items excluded from underlying profits

The following items, all net of taxes, reflected in our results according to IFRS, are excluded from our underlying profits:

Acquisition-related items, resulting in a net gain of CHF 0.3 million (before taxes). This includes adjustments to the financial liability relating to 40% of future GAM Systematic performance fees following the acquisition of GAM Systematic of CHF 0.4 million. It further includes performance fees attributed to external interests of CHF 0.9 million. In 2021, the acquisition-related items resulted in a net gain of CHF 8.1 million, including adjustments to the deferred consideration liabilities mainly related to the acquisition of GAM Systematic of CHF 8.6 million. It further includes performance fees attributable to external interest of CHF 2.2 million.

Non-core items, resulting in a net loss of CHF 224.0 million (before taxes). This includes a CHF 223.5 million impairment of intangible asset relating to the Group brand. CHF 3.2 million expenses relating to strategic initiatives and CHF 1.4 million relating to an onerous software contract. In 2021, the non-core items resulted in a net loss of CHF 13.7 million mainly due to a financial penalty of CHF 11.3 million related to a settlement of GIML with the FCA. In addition, reorganisation charges of CHF 2.5 million were recognised in respect of property leases and costs regarding the move onto Simcorp, further CHF 1.7 million related to redundancy payments.

In order to ensure reader-friendliness, in the following chapter, we will be commenting on underlying Group KPIs. Whenever there is a difference relative to the IFRS numbers, these figures are disclosed and commented on separately.

How we report results

Our key performance indicators (KPIs) and business metrics reflect our internal approach to analysing our results and are disclosed externally. They guide us in managing the Group, making investment decisions and helping us gauge how successful we have been in the implementation of our strategy.

Our results are reported in accordance with International Financial Reporting Standards (IFRS). The adjustments we make from IFRS to underlying results are always related to specific non-core events or items related to acquisition activities that, in our view, are neither indicative of the underlying performance of our business nor of its future potential. Where applicable, our KPIs are disclosed and discussed on the same adjusted basis.

Our Group KPIs:

Diluted underlying earnings per share (EPS) is calculated as the underlying net profit or loss attributable to ordinary equity holders, divided by the weighted average number of ordinary shares outstanding and adjusted for the potential dilution impact from any outstanding share or option plans. It is important that the use of equity-linked instruments and share-based awards in our compensation structure is reflected in this earnings measure (please refer to the 'Compensation Report' section on pages 96-121).

Operating margin is calculated as net fee and commission income less expenses, divided by net fee and commission income. It excludes the impact of 'net other (expenses)/income' – such as gains and losses from foreign exchange movements, seed capital investments and hedging, or net interest income and expenses – and therefore gives a good representation of the operating performance in our business.

Compensation ratio is calculated as total personnel expenses divided by net fee and commission income. It tracks our ability to manage our largest expense category – personnel expenses – in line with net fee and commission income, the source of revenues that drives most of the compensation at GAM.

Underlying profit before taxes and the underlying effective tax rate give emphasis to our pre-tax profitability and transparency on the bottom-line impact of the underlying effective tax rate, which is driven by a number of factors that are not immediately tied to our business performance.

Net cash is defined as cash and cash equivalents minus interest-bearing liabilities.

Adjusted tangible equity is defined as equity excluding goodwill and intangible assets as well as the financial liability relating to 40% of future GAM Systematic performance fees which only materialises when a corresponding asset is recognised.

Business metrics for Investment Management and Fund Management Services:

Net fee and commission income is defined as fee and commission income minus distribution, fee and commission expenses. It includes performance fees but excludes net other (expenses)/income.

Management fee margin is calculated as net management fees and commissions divided by average assets under management. For Investment Management, we additionally report a total fee margin that includes performance fees (ie net fee and commission income divided by average assets under management).

Assets under management in Investment Management are broken down by capability, client segment and currency. In Fund Management services, assets are disclosed by fund domicile and asset class.

Net flows represent the net asset additions or redemptions by clients. For our Investment Management business, we additionally disclose the net flows by individual capability and client segment. These developments are discussed in the 'Our businesses' section on pages 10-23.

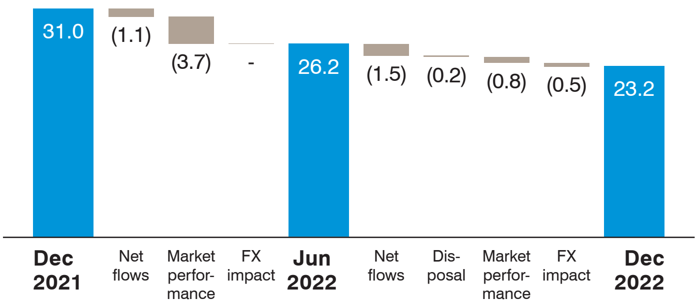
Assets under management and net flows

Group assets under management as at 31 December 2022 amounted to CHF 75.0 billion, compared with an adjusted CHF 99.0 billion a year earlier.

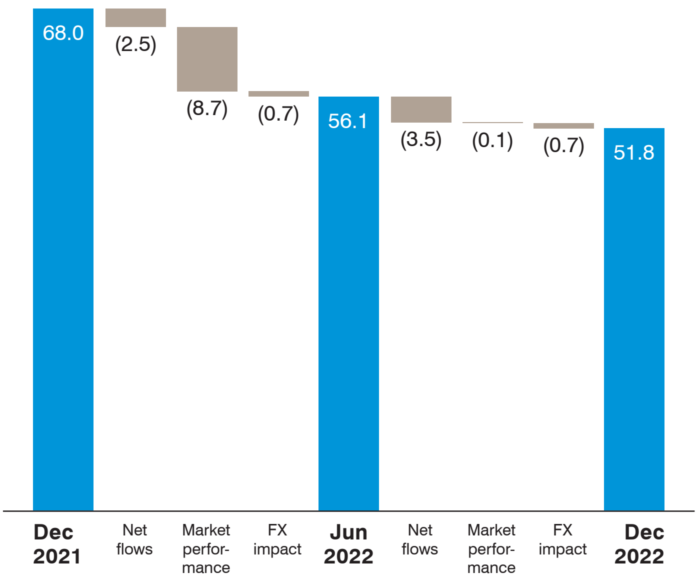
We have adjusted the Investment Management assets reported at the end of 2021 to reflect the fact that we no longer include certain assets which generated two levels of fees. This means that the adjusted opening AuM as at 1 January 2022 was CHF 31.0 billion, a decrease of CHF 0.9 billion from what was reported as at 31 December 2021. During the year we saw Investment Management assets under management decrease by CHF 7.8 billion to CHF 23.2 billion from the adjusted opening AuM of CHF 31.0 billion. This decrease was driven by net outflows of CHF 2.6 billion, disposals of CHF 0.2 billion, net negative market movements of CHF 4.5 billion and foreign exchange movements of CHF 0.5 billion.

Fund Management Services assets under management were CHF 51.8 billion, a decrease of CHF 16.2 billion compared to CHF 68.0 billion at the end of 2021, driven by net outflows of CHF 6.0 billion, net negative market movements of CHF 8.8 billion and net negative foreign exchange movements of CHF 1.4 billion.

Investment management AuM movements (CHF bn)



Fund management services AuM movements (CHF bn)



Income drivers and developments

Management fee margins

The management fee margin earned on Investment Management assets during 2022 was 51.0 basis points, compared to adjusted 52.7 basis points in 2021. The fee margin reduction is primarily attributable to the mix of client inflows and outflows at different margins compared to the average margin.

In Fund Management Services, the management fee margin was 4.3 basis points, compared with 4.0 basis points in 2021, with the increase primarily reflecting the asset mix at different margins compared to the average margin.

Management fees

Net management fees and commissions in 2022 totalled CHF 161.8 million, down 22% from the previous year. This was primarily driven by lower average assets under management in Investment Management.

Performance fees

Net underlying performance fees reduced to CHF 3.2 million from CHF 19.3 million in 2021. The main driver was a reduction in fees from GAM Star Disruptive Growth. IFRS performance fees amounted to CHF 4.1 million. The CHF 0.9 million difference between underlying and IFRS performance fees relates to performance fees attributable to external interests. (For further information see note 6 of the consolidated financial statements on page 133).

Expense drivers and developments

Personnel expenses

Underlying personnel expenses were CHF 113.7 million, down from CHF 143.1 million in 2021. This reflected the lower headcount, which at 541 FTEs was 10% lower than at the end of 2021. IFRS personnel expenses decreased to CHF 115.5 million in 2022 compared to CHF 144.4 million in 2021. The CHF 1.8 million difference between underlying and IFRS personnel expenses related to a reorganisation charge. (For further information see note 6 of the consolidated financial statements).

General expenses

Underlying general expenses for 2022 of CHF 75.8 million were slightly up on the CHF 73.2 million reported in 2021. This was as a result of an increase in professional and consulting offset by lower other general expenses. Professional and consulting services expenses include the cost of CHF 3.1 million relating to strategic initiatives during 2022 and CHF 3.0 million in relation to outsourced support services. IFRS general expenses for 2022 were CHF 81.1 million, down 6% from CHF 86.7 million in 2021. The CHF 5.3 million difference between underlying and IFRS general expenses mainly relates to strategic initiatives and an onerous software contract. (For further information see note 6 of the consolidated financial statements).

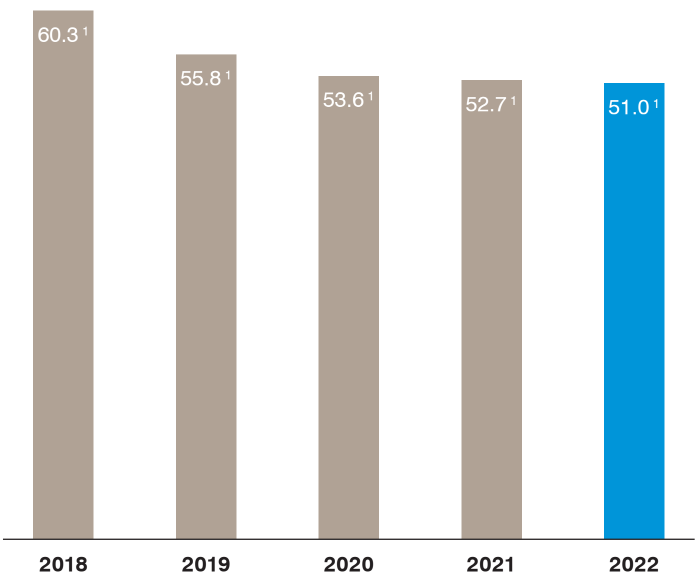
Depreciation and amortisation

Underlying depreciation and amortisation of CHF 18.0 million was slightly lower than the CHF 18.2 million in 2021. IFRS depreciation and amortisation of CHF 18.0 million was down from CHF 20.2 million in 2021.

Underlying operating margin

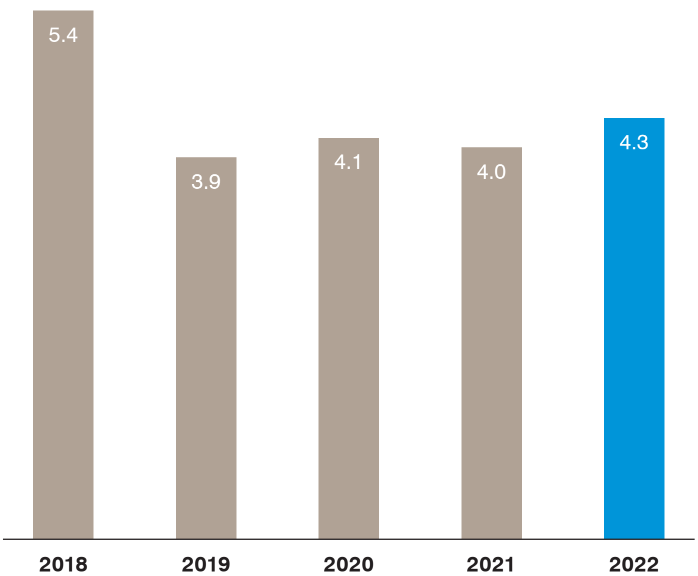
The underlying operating margin for 2022 was negative 25.8% compared with negative 3.2% in 2021. The change was driven mainly by income declining faster than costs. This compares to an IFRS operating margin of negative 164.1%. The difference between the underlying and IFRS operating margin mainly relates to the brand impairment. (For further information see note 6 of the consolidated financial statements).

Management fee margin – investment management (bps)



[1] The method of presentation of the Group's AuM has been adjusted in 2022 and comparatives presented for prior periods have been adjusted on a consistent basis. For further details on changes in methodology see page 16.

Management fee margin – fund management services (bps)



Profitability and earnings per share

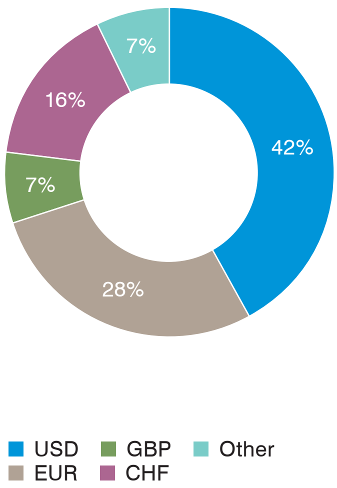
Underlying loss before taxes
The underlying loss before taxes was CHF 42.5 million, compared with an underlying loss of CHF 9.6 million in 2021. The loss was driven mainly by lower revenues reflecting lower assets under management and lower performance fees. The IFRS net loss before tax was CHF 266.2 million. The difference between the underlying and the IFRS net loss before tax mainly relates to the brand impairment (CHF 223.5 million).

Effective tax rate
Underlying income tax for 2022 was a credit of CHF 3.5 million, representing an underlying effective tax rate of 8.2% compared to 21.9% in 2021. This compares to an IFRS effective tax rate of negative 8.9%. The difference between the underlying and the IFRS effective tax rate mainly relates to an adjustment to deferred tax assets of CHF 27.2 million based on the re-assessment of the future recoverability of tax losses carried forward. (For further information, see note 6 of the consolidated financial statements).

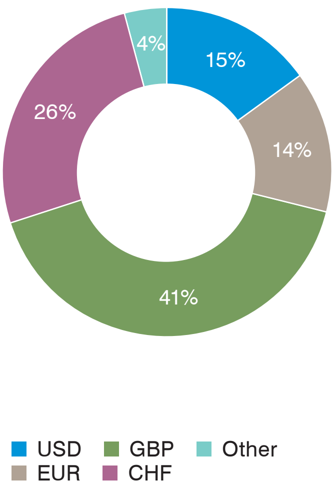
Underlying net loss after taxes
The underlying loss after taxes was CHF 39.0 million, compared with a CHF 7.5 million loss in 2021. The main driver for the loss was lower net fee and commission income and performance fees reflecting lower assets under management. This compares to an IFRS net loss after tax of CHF 290.0 million. The CHF 251.0 million difference between the underlying and the IFRS net loss after tax mainly relates to the brand impairment and adjustment to deferred tax assets. (For further information, see note 6 of the consolidated financial statements).

Earnings per share
Diluted underlying earnings per share for 2022 were negative CHF 0.25, down from negative CHF 0.05 in 2021, the decline being due to the underlying net loss. This compares to a diluted IFRS earnings per share of negative CHF 1.86. The difference between the diluted underlying and the diluted IFRS earnings per share is driven by the higher IFRS net loss of CHF 290.0 million compared with an underlying net loss of CHF 39.0 million. (For further information, see note 6 of the consolidated financial statements).

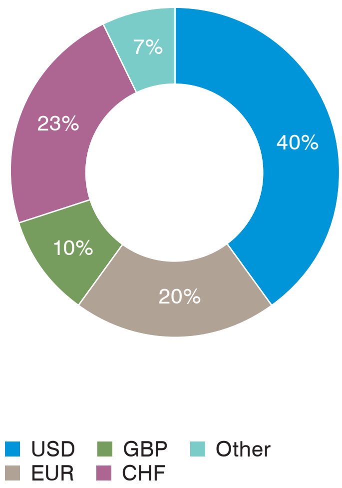
Group income[1]



Group expenses[2]



Investment management AuM



[1] Percentage splits are estimated based upon the currency exposure of the underlying AuM on which the revenues are earned.

[2] Percentage splits are estimated based upon the transactional currency, except for contractual bonuses which follow the same basis as revenue.

Reconciliation of underlying and IFRS numbers

Further information about the reconciliation of the underlying net loss to the IFRS net loss can be found in note 6 of the consolidated financial statements.

	2022 CHF m	2021 CHF m	Change in %
Net management fees and commissions	161.8	208.0	(22)
Net performance fees	3.2	19.3	(83)
Net fee and commission income	**165.0**	**227.3**	**(27)**
Net other income/(expenses)	-	(2.4)	-
Income	**165.0**	**224.9**	**(27)**
Personnel expenses	113.7	143.1	(21)
Fixed personnel expenses	91.7	104.8	(12)
Variable personnel expenses	22.0	38.3	(43)
General expenses	75.8	73.2	4
Occupancy	4.5	6.2	(27)
Technology and communication	15.9	16.3	(2)
Data and research	21.2	20.0	6
Professional and consulting services	11.4	7.8	46
Marketing and travel	5.8	5.8	0
Administration	3.7	5.2	(29)
Other general expenses	13.3	11.9	12
Depreciation and amortisation	18.0	18.2	(1)
Expenses	**207.5**	**234.5**	**(12)**
Underlying (loss)/profit before taxes	**(42.5)**	**(9.6)**	**-**
Underlying income tax (credit)/expense	(3.5)	(2.1)	-
Underlying net loss	**(39.0)**	**(7.5)**	**-**
Acquisition-related items	0.3	8.1	-
Non-core items	(224.0)	(13.7)	-
Tax on acquisition-related items	-	0.1	-
Tax on non-core items	(0.1)	0.4	-
Non-core tax item	(27.2)	(10.7)	-
IFRS net loss	**(290.0)**	**(23.3)**	**-**

Balance sheet and capital management

Assets and net cash

Total assets as at 31 December 2022 were CHF 352.9 million, compared with CHF 755.2 million at the end of 2021. This includes intangible assets of CHF 83.2 million.

Cash and cash equivalents at the end of 2022 amounted to CHF 137.9 million, down from CHF 234.8 million at the end of 2021.

Liabilities and adjusted tangible equity

Total liabilities as at 31 December 2022 were CHF 202.3 million, down from CHF 276.7 million at the end of 2021.

Adjusted tangible equity at the end of 2022 was CHF 68.7 million, compared with CHF 174.2 million at the end of 2021. The main contributor to this decrease was the IFRS net loss after tax of CHF 290.0 million.

As at 31 December 2022, the Group had no financial debt, as in previous years.

Treasury shares

IFRS requires a company that holds its own shares for trading and non-trading purposes to record those shares as treasury shares and deduct them from shareholders' equity. As at 31 December 2022, the holding of own shares of 4.3 million was equivalent to 2.7% of shares in issue. All of these shares were bought back over the regular trading line at the SIX Swiss Exchange (first trading line) and held to cover the obligations under share-based compensation plans. This position increased by 0.3 million shares, reflecting shares delivered to settle obligations under share-based compensation plans and the acquisition of new shares for share-based payment plans.

Share buy-back programme 2020-2023

The 2020-2023 share buy-back programme for the purpose of capital reduction, which commenced on 5 May 2020, is for a maximum period of three years and allows for the purchase of a maximum of 16.0 million shares. The programme is designed to purchase shares on the ordinary trading line to cover share-based payments and to purchase shares on the second trading line designated for cancellation. When shares are purchased over the second trading line at the SIX Swiss Exchange, GAM Holding AG acts as sole buyer. During 2022, a total of 4.0 million shares were repurchased over the first trading line to cover share-based payments. No shares were repurchased for cancellation in 2022.

Dividend for the 2022 financial year

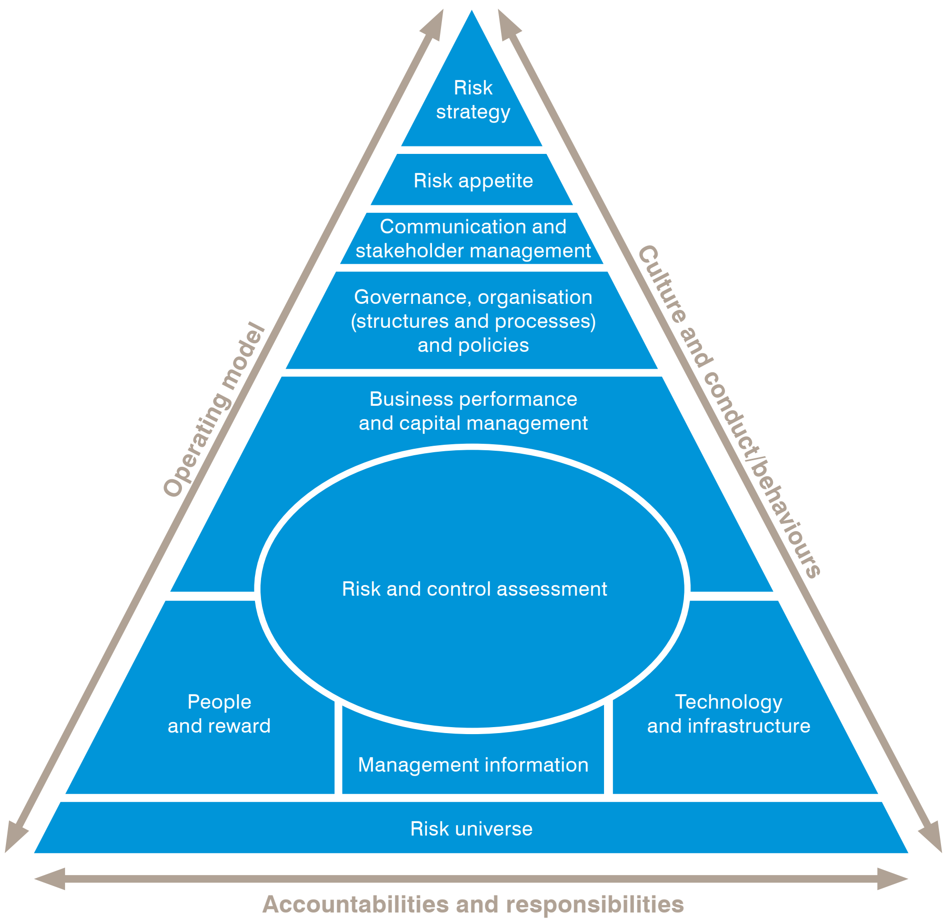
The Board of Directors proposes to shareholders that no dividend will be paid for 2022 given the underlying net loss in 2022.

Risk management

GAM recognises that risk management is essential to support the achievement of our business and strategic objectives. Effective risk management is fundamental to all stakeholders of GAM, including our clients, shareholders, employees, regulators and business partners, and is of interest to the wider financial services sector. The Board of Directors of GAM Holding AG (the 'Board') is ultimately responsible for the stewardship of the Group's risk management systems and processes, and their governance and control.

Our risk management framework

The Group's approach to risk management, governance and control (the risk management framework ('RMF')) is a structured set of arrangements and processes that seek to identify, assess, mitigate, monitor and report risks across the Group. GAM maintains and continuously advances our employees' understanding of the standards and principles of conduct we expect as well as the various components of the RMF in alignment with evolving regulatory requirements and good industry discipline and practice. The various components of our RMF are outlined on the following page.



Risk strategy and appetite
Our risk strategy is based on the belief that risk management is the responsibility of every employee every day, and that it must be integrated into GAM's strategy, capital allocation, decision-making as well as into routine operations. Risk awareness is at the heart of our strategic planning process and supports decision-making and the formulation and delivery of plans for the achievement of business and strategic objectives. Our RMF includes risk appetite statements (focusing on franchise value, capital, liquidity and profitability) and associated limits that define the level of risk GAM is willing to accept in pursuit of the achievement of our business and strategic objectives.

Communication and stakeholder management
Our stakeholders (clients, shareholders, employees, regulators and business partners) have an active interest in our performance and how we manage our risks. We communicate information that gives our stakeholders confidence in our risk management.

Governance, organisation (structures and processes) and policies
Key for effective risk management is a risk governance structure that provides appropriate oversight, segregation of duties as well as adequate, effective and independent control within a risk-conscious culture. Over the past years GAM has strengthened its management team, and we continuously strive to enhance our governance and control frameworks as well as policies and employee training, thereby also fostering our risk-conscious culture. Organisational structures and processes are in place with delegated authorities, both from a functional and legal entity perspective. A policy management framework consisting of a set of global policies supports the delivery of GAM's business and strategic objectives by establishing operating standards and principles for managing GAM's risks across the organisation. Our RMF is underpinned by a three lines of defence model which provides structure around our risk management and control by defining roles and responsibilities in different areas and the relationship between those different areas.

First line of defence
The overall management of risk is delegated by the Board to the Group CEO, the Group Management Board (GMB) and Senior Leadership Team (SLT) members and their functions/teams, which define the structures and processes to manage the risks for which they are responsible across the Group. The GMB is responsible for implementing the Group's RMF, as determined by the Board. The first line's functional management owns all the risks assumed through their day-to-day activity and decision-making. They are responsible for establishing and maintaining an appropriate management of risk and active management of all their risk exposures, as well as for ensuring that their functions are organised in a manner that provides appropriate segregation of duties and adequate, effective controls, and that we comply with all applicable contracts, laws and regulations. Each employee is charged with protecting our clients' interests by upholding GAM's standards of conduct and maintaining an effective control environment.

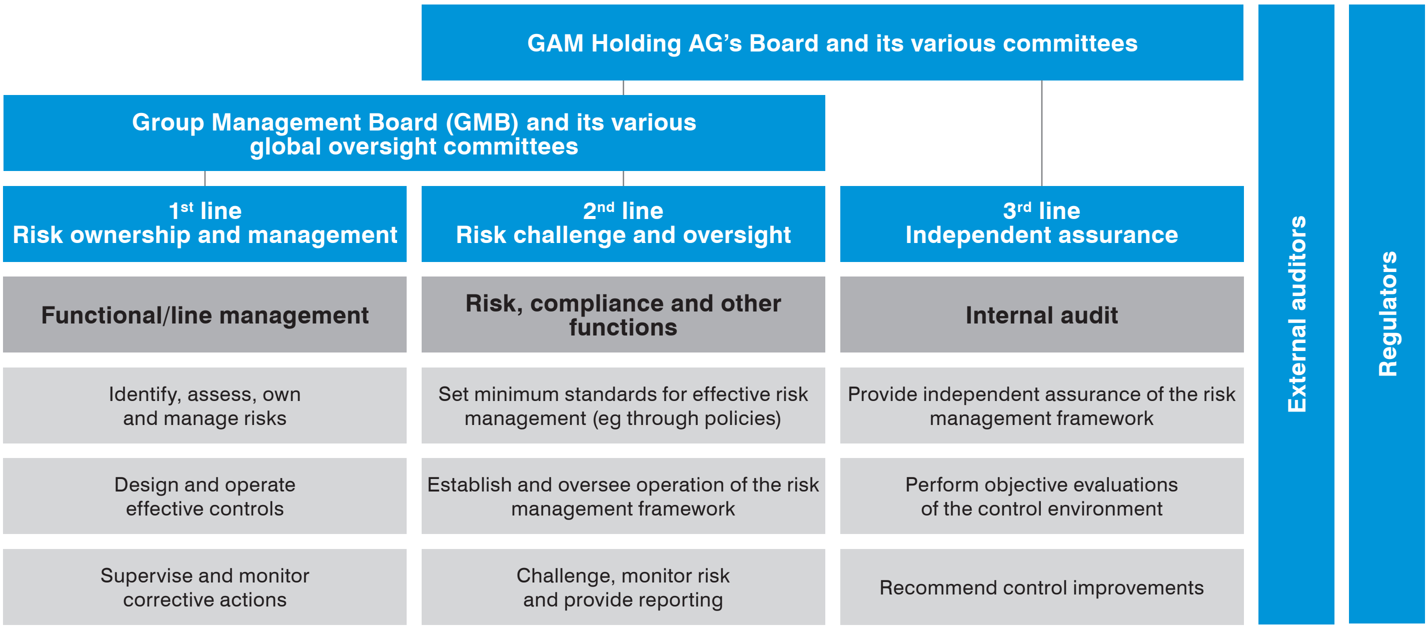
Second line of defence
Risk challenge and oversight is undertaken, among others, by the Group's risk and compliance functions. These functions, which have direct reporting lines to the Group CEO, seek to provide objective oversight of the efficiency and effectiveness of how risks are managed across the organisation, and include:

- Investment risk analytics and oversight teams, which produce, review, analyse and challenge investment risk and performance. They produce a range of investment risk information for internal and external stakeholders, as required.
- Investment controlling teams, which monitor our investment teams' adherence to applicable legal and regulatory, prospectus, contractual and internal investment guidelines. They escalate any guideline breaches, oversee their timely remedy and report the details to the relevant management committees and legal entities' boards and, as required, applicable external auditors and regulators.
- Operational risk teams, which perform reviews of business processes and risk and control self-assessments, monitor the performance of business processes using defined key risk and performance indicators, challenge controls and analyse operational incidents. They maintain an active dialogue with first line business process owners.
- Operational investment manager due diligence team, which performs initial and ongoing operational due diligence of delegated third-party investment managers.
- Information security and business protection team, which oversees and governs the management of information risk, which includes cyber and privacy risk, physical and environmental security, data breach management and business resilience.
- Local risk teams, which oversee and monitor both financial and non-financial risks, from both an agency and proprietary perspective. They challenge risks within their geographic region and the associated controls in place and provide support to the business in designing solutions to mitigate key risk exposures.
- Compliance and legal teams, which monitor a range of legal, regulatory and compliance risks, including anti-money laundering, financial crime, best execution, fair trade allocation, data protection, conflicts of interest and employee dealings. They interact with relevant risk teams and first line business areas to oversee and monitor the regulatory risk landscape.

In addition to the controls performed by the first line of defence, independent controls commensurate with the nature and size of the risks are performed by the second line of defence. Furthermore, the second line of defence independently monitors the effectiveness of the first line of defence's risk management and oversees their risk-taking activities.

Third line of defence
The internal audit function provides independent, objective assurance and advisory services to the Board, the Audit Committee of the Board and the GMB. It carries out operational and system audits in accordance with a risk-based internal audit plan. The internal audit function uses a systematic and disciplined approach to evaluate the effectiveness of risk management, governance and control processes.

GAM's three lines of defence model



Business performance and capital management

Business performance is regularly reported to the GMB and Board against the objectives agreed in the annual plan (budget). A Group capital management policy is in place to support the allocation of the Group's capital, also in line with local regulatory capital requirements.

Risk and control assessment

Our risk assessment process considers the potential impact (both direct and indirect) that internal and external events might have on the Group. This process starts with the identification of significant inherent (gross) risks and is followed by an assessment of the effectiveness of existing controls and/or other mitigating measures that could be taken, resulting in an assessment of residual risks. Relevant assessments are also reviewed and agreed by the SLT, the GMB and/or one of its applicable global oversight committees, and, as applicable, the Board's committees and/or the Board, and are also used for our risk-based internal audit planning and for strategic planning purposes. Within the first line of defence, a risk and control self-assessment process is used by management to identify and assess the different risks GAM faces and the controls in place to mitigate them.

People and reward

Expectations for risk management are driven by a clear tone-from-the-top. Our management promote a risk-conscious culture, including through the measurement and management of individual and collective performance and through appropriate remuneration and reward. A Group code of conduct supported by policies and procedures exist, and training is provided, to support the conduct and behaviours expected of our employees.

Management information

Monitoring and reporting of risk across the business takes place within the first and second lines of defence. Management information is provided to management committees, legal entities' boards, global oversight committees, the SLT, the GMB, the Board's committees and the Board. Regular and ad hoc risk reporting is provided detailing the risks GAM is facing and how they are managed.

Technology and infrastructure
Systems are employed to support the identification, assessment, mitigation, monitoring and reporting of risk across our three lines of defence. Management is required to document their key risks and controls and evidence their assessment on a regular basis as part of the risk and control self-assessment process.

Risk universe
The Group's risk universe is dynamic and evolves as the business and market environment changes. The identification of existing and potentially newly emerging risks is an ongoing activity, involving all management levels within the Group, as well as legal entities' boards, the SLT, the GMB, the Board's committees and the Board.

Key risks

We define risk as any potential impact of an event and its probability of manifesting to result in an adverse effect on the Group's ability to achieve its business objectives or to execute its strategy successfully, consequently inhibiting value creation or eroding existing value. In common with many businesses, GAM is exposed to a range of risks across many of its activities. We classify risks according to our risk universe, which comprises a range of strategic and business, operational and financial risks as described below. Further, the Group's ability to conduct its business is critically dependent on its reputation. A good reputation is vitally important for the Group and requires that every employee, in particular those involved in decision-making, makes the Group's reputation an overriding concern. Responsibility for the risk of damage to the Group's reputation cannot be delegated.

Strategic and business risks
Strategic and business risks represent those external or internal events that could lead to an erosion in our market position, compromise the future profitability of the Group or impair the sustainability of our business.

Operational risks
Operational risks comprise the risk of losses resulting from inadequate or failed internal processes or procedures, people and systems, or from external events. They also include conduct, legal, information, regulatory, compliance and tax risks resulting from failure to comply with relevant laws and regulations as well as contractual obligations.

Financial risks
Financial risks comprise the risk of losses arising from market, credit and liquidity risks that could impair the Group's ability to conduct its business and consequently lead to the erosion of our market position, compromise the future profitability of the Group or compromise the sustainability of our business. A description of the Group's financial risk disclosures in accordance with International Financial Reporting Standards (IFRS) 7 is included in note 19 of the consolidated financial statements.

The key risks identified in light of the current environment, market conditions and changes within the business include:

Revenues and product profitability
We operate in a competitive environment and therefore are subject to the changing dynamics in the asset management industry that could lead to a reduction in revenue margins on certain products. Additionally, a significant loss of assets under management could substantially impact our management fee revenues. Our focus remains on delivering investment outperformance so that our products remain in demand from clients. We continually develop our product offering to generate new investment opportunities so that we can ensure the breadth of our product range is differentiated and attractive to existing and potential clients.

Change in client appetite
Events in financial markets can cause gradual or rapid shifts in asset allocations and a change in client appetite for our products and services. Reduced client demand for our products and services could lead to lower inflows and/or higher outflows. We have a targeted set of products that offer clients a range of risk/return profiles, depending on their risk appetite.

Loss of key staff
The departure of key staff, in particular, but not limited to, investment professionals, could result in a loss of knowledge or expertise and, in certain cases may lead to a fall in assets under management and potentially impact our revenues and profitability. Incentive packages are designed to be competitive and to recognise and reward good performance and expected standards of conduct. Scale and product diversification also serve to mitigate potential loss of investment professionals, as does succession planning.

Employees' well-being
At the beginning of the Covid-19 pandemic, remote working was implemented across the Group. While employees continue to have the flexibility to work remotely, their well-being, including mental health, continues to be high priority, with a number of initiatives geared to providing support to employees.

Poor investment performance

Poor investment performance within our product offerings could lead to a decline in their value and result in lower assets under management and lower management fee revenues. Additionally, a portion of our revenues are derived from performance fees under certain investment management contracts. Poor investment performance could result in a significant drop in performance fees or no performance fees at all, increased outflows and lower future inflows, thereby reducing assets under management as well as management and performance fee revenues. We maintain oversight of the performance of our investment professionals and compare performance against appropriate benchmarks and peers, and take active steps to address underperformance where required.

Client concentration

We have four broad client groups: institutional investors, who are often advised by consultants; retail investors, who are typically intermediated through banks, brokers and independent advisers; private clients and charities; and professional money managers, who typically purchase GAM's fund management company services, allowing them to focus solely on the management of private label structures. The loss of a large institutional investor or an important wholesale intermediary relationship could have an adverse effect on the Group's assets under management. We seek to mitigate client concentration risk through the continued growth and diversification of our distribution network across multiple geographic regions.

Foreign exchange

The Group reports its results in Swiss francs. It is exposed to foreign exchange risk as a large proportion of its revenues and expenses are in currencies other than Swiss francs. Fluctuations in exchange rates against the Swiss franc can impact the results of the Group. We may engage, from time to time, in foreign exchange hedging transactions in an effort to mitigate the impact of exchange rate movements on our results. Refer also to the currency risk description included in note 19.2 of the consolidated financial statements.

Legal and regulatory change

The environment in which we operate is highly regulated and subject to frequent changes as particularly witnessed over recent years, and such a trend is likely to continue. Changes in and the evolving interpretation of applicable laws and regulations affecting areas of our business can result in previously unanticipated costs or expenses. Our legal and compliance functions support the Group's activities with individuals with experience across a range of legal and regulatory topics.

Implications of the UK having left the EU

Access to the EU and UK markets for a fund product depends on the regulation of the investment manager and the distributor as well as the fund product itself. The majority of the fund products we manage have the EU as their legal domicile (Luxembourg or Ireland) and we have offices in several EU countries as well as in the UK and Switzerland, with staff in a diverse set of roles – from investment management to distribution and support – in most of the locations. We continue to monitor the situation between the UK and the EU in order to be prepared for any potential fundamental change in the current regulatory or operating environment.

Fiscal changes

The Group has business operations spread across many countries, with varying effective corporate tax rates. Fiscal changes in any of these jurisdictions could either increase our effective corporate tax rate or adversely affect our investment funds compared to other forms of investment products. We monitor fiscal developments and, in particular, periodically review our transfer pricing policies in order to ensure alignment with applicable international and local tax transfer pricing regulations.

Financial accounting

Accounting risk is the risk that our financial statements and other statutory and regulatory reporting do not accord with IFRS and/or other relevant statutory requirements, are not based on appropriate accounting policies and/or do not incorporate the required disclosures. As the IFRS rules applied by the Group are subject to continued revisions and amendments by the standard setter, such changes can affect the way we present our results (see notes 29.2 to 29.3 of the consolidated financial statements). We maintain a Group accounting and reporting manual, which is regularly reviewed to ensure consistent application of IFRS standards across the Group. We are in regular dialogue with our external auditors to support their annual audit.

Pension fund accounting

The asset/liability mismatch inherent in defined benefit pension plans can give rise to pension fund deficits as determined in accordance with IAS 19 rules. Deficits calculated according to these IAS 19 rules are subject to volatility, depending on underlying changes in the input parameters, such as asset performance, inflation and discount rates (see note 16 of the consolidated financial statements). Independent and qualified external resources are retained to evaluate current and future funding requirements of GAM's defined benefit plans.

Third-party supplier management

The Group depends, to varying degrees, on a number of key suppliers for various operational services, such as fund administration, accounting, custody, transfer agency, portfolio management, risk analytics and market data services. The failure of any key supplier to fulfil their obligations could lead to operational and/or regulatory issues for the Group, which could result in reputational harm and/or financial loss. In order to manage key supplier risk, we impose quality requirements in the supplier selection process and ensure service levels are sufficiently documented in our contractual agreements. Our key supplier relationships are subject to initial and regular ongoing due diligence, risk assessment and service quality monitoring.

Organisational change

Organisational changes are determined, in most cases, to increase the overall operational efficiency of the Group and benefit of key functions such as portfolio management and client servicing. Organisational changes are supported by dedicated project teams with the aim to transition services and ensure undisrupted daily activities. Oversight of GAM's organisational change activities is maintained through dedicated project steering committees and the GMB.

Client servicing errors

The Group operates a range of operational systems which support the delivery of services to our clients. A significant error, such as client reporting errors, client fee errors, errors in fund prospectuses, trading errors, fund valuation and pricing errors, could materially impact our reputation, revenues and/or overall profitability. The Group operates a combination of automated and manual checking processes. Procedures are thoroughly reviewed following any reported errors/near misses. We operate systems and processes that seek to ensure compliance with applicable investment guidelines.

Conduct

We face a range of conduct-related risks, some of which could result in us failing to meet our clients' needs or interests and/or in client detriment. These risks include the risk of market abuse, money laundering or bribery, fines and/or censure associated with failing to identify or meet regulatory requirements. A code of conduct exists, and training is provided to support the delivery of the conduct and behaviours expected of our employees. We seek to promote a risk-managed culture and provide compliance and ethics training to establish expectations of the conduct required from our employees. We review and, if required, update our internal policies and related training such as in relation to trade execution and allocation, conflicts of interest and gifts and entertainment. We maintain client on-boarding policies and procedures to manage the risk of money laundering.

Information security and technology

The Group relies on technology and use of data to achieve our clients' objectives. Factors such as unauthorised access, theft by third parties, failure to keep technology systems up to date, adaption to suit the changing requirements and data being held or transported insecurely, can potentially put our technology and information at risk. In the aftermath of the Covid-19 pandemic, employees continue to have the flexibility to work remotely. Working from home set-ups become a gateway to new forms of potential data theft, and companies face increased cyber security risk. Resources are devoted to protecting the resilience of the Group's IT systems and we conduct information security awareness training for all employees. We operate business continuity/disaster recovery plans to mitigate a loss of facilities/infrastructure. Regular information technology updates are undertaken, and technical standards are in place to manage information security risk.

Geopolitical developments

We continue to monitor a range of geopolitical developments, especially but not only, in those regions where we operate our business. Particular attention is paid to the development of the Russian war against Ukraine. Current exposure of our funds and mandates to Russia, Ukraine and Belarus is very limited. Market closures, the imposition of currency exchange controls, (further) sanctions or other measures may impede the settlement of certain transactions, which may have negative impacts.

Sustainability

Environmental, social and governance (ESG) risks are an area of focus for regulators and other stakeholders; certain regulations have already been extended to include the treatment of sustainability risk. While we aim to ensure compliance with all extant applicable regulations, new standards and rules might develop in several jurisdictions with the risk of divergent rules, which in turn might increase the costs and organisational effort to be able to comply with all relevant regulations. Refer to the 'Sustainability' section for more details.

Effectiveness of controls and risk management

Although we have adopted standardised risk management and control processes and continue to further enhance on an ongoing basis our controls, procedures, policies and systems to monitor and manage risks, it cannot be guaranteed that such controls, procedures, policies and systems will successfully identify and manage each and every internal and external risk to our businesses. We are subject to the potential risk that our employees, contractors or other third parties may deliberately seek to circumvent established controls to commit fraud or act in ways that are inconsistent with our standards, policies and procedures.

An insurance programme provided by a syndicate of third-party insurers is tailored to the Group's risk profile and designed to increase the breadth of cover and certainty of response in respect of certain potential material liabilities arising.

Sustainability

The summer of 2022 was Europe's hottest in recorded history, and the second summer in a row of record-breaking temperatures[1]. Alongside the energy security and affordability crises sparked by the Ukrainian conflict, there was evidence aplenty that the world is changing at a faster rate and in a more profound way than many expected.

At GAM, we believe that understanding environmental, social and governance factors and developing sustainable solutions is key to helping our clients prosper in this rapidly transforming world. That is why 2022, we continued to build our ESG analysis, insights and commitments on core sustainability themes including the net zero transition, deforestation and human rights.

Stewardship is a key part of achieving that ambition. In 2022, we used our influence as a steward of capital to engage oil and gas companies on their transition plans and engaged on issues from use of AI to human rights and gender diversity.

Two crucial conferences last year – the climate COP27 in Egypt and the biodiversity COP15 in Canada, shone a grave spotlight on the need for urgent action to address both net zero and nature. In March we signed the Deforestation Pledge uniting with more than 30 other financial institutions to use best efforts to eliminate deforestation among the biggest commodity culprits – palm oil, soy, beef, pulp and paper – from our investment portfolios by 2025 and in the summer our net zero interim targets, including for 75% of our investment management equity and corporate fixed income fund assets in material sectors to be aligned to net zero, or on a clear path to aligning by 2030, were formally accepted by the Net Zero Asset Manager Initiative.

As we get closer to 2025 and 2030, years when we are set to achieve key net zero and nature-positive milestones, the stakes are even higher, and GAM will continue to ramp up sustainability efforts – providing solutions to help our clients navigate the low carbon transition and a fast-changing world.

[1] https://www.dw.com/en/europe-records-hottest-summer-ever-in-2022-says-climate-monitor/a-63055335

2022 snapshot

- **75%:** of our investment management equity and corporate fixed income fund assets in material sectors committed to be aligned to net zero, or on a clear path to aligning by 2030[2]
- **1,580 tonnes:** of CO_2e avoided – by the projects financed by our climate bonds strategy
- **Over 95%:** of our equity, corporate debt and sovereign funds by AuM have ESG summary and extended reports[3]
- **12,515:** resolutions voted on in 2022, of which 14.3% were votes against management
- **2,033:** number of employee volunteer hours in 2022 (up from 1,361 hours last year)
- **57%:** of our Board of Directors members are women
- **100%:** of electricity for all GAM-managed global offices was from renewable sources by the end of 2022[4]
- **200%:** carbon offsets for operational carbon emissions, our third year as a CarbonNeutral® company
- **7:** sustainability-related awards and external achievements in 2022 including:
  - **IMPACT Award 2022:** we won the Environmental Finance IMPACT Award for our first Impact Report for our Climate Bond strategy
  - **Inrate Corporate Governance zRating:** GAM was recognised as the 4th best financial services provider in Switzerland
  - **Swiss Sustainable Funds Awards:** GAM won Best Swiss Equities Fund for our GAM Swiss Sustainable Companies strategy, for the second time in three years
  - **European Pensions Awards 2022:** GAM was shortlisted for ESG and SRI Provider of the Year
  - **Citywire Alpha Female Report 2022:** GAM's Jian Shi Cortesi, Investment Director for China and Asia Equities, was selected for Citywire's list of the 30 consistently best performing female managers
  - **UK 2021 Stewardship Code:** we met the standards of the UK Stewardship Code for the second consecutive year. We were also pleased that our Stewardship Report was shortlisted by the International Corporate Governance Network (ICGN) for prestigious Global Stewardship Disclosure Awards
  - **Investment Week Women in Investment Awards 2022:** our Global Head of Sustainable and Impact Investment was ranked 'highly commended' for Sustainable & ESG Investment Woman of the Year, named in Financial News' inaugural Fifty Most Influential in Sustainable Finance, and Brummell Magazine Inspirational Women 2022

[2] https://www.gam.com/en/news-articles/press-releases/corporate/gam-set-net-zero-targets-for-2030-in-countdown-to-cop27

[3] Each ESG summary and extended report for our equity, corporate debt and sovereign funds has at least 70% ESG data coverage by AuM.

[4] We define 'GAM managed offices' as offices with more than 15 GAM employees in which we have direct control over the supply of utilities, and where our usage is metered and billed separately.

Our highlights and goals

	2022 Goals	Progress in 2022	2023 Goals
Commitments	• Publish Net Zero Asset Managers (NZAM) interim targets	• Net zero targets published and accepted by NZAM • Signed deforestation pledge to eliminate deforestation in commodities	• Submit net zero targets to Science-Based Targets Initiative • Disclose deforestation-related engagement in line with deforestation pledge
Embedding ESG	• Continue ESG dashboard roll out • Develop & implement in-house assessment for ESG, climate and impact • Further develop climate-risk tools across additional asset classes	• ESG dashboard for corporates transferred to Bloomberg • Introduced ESGVector assessment framework • ESG dashboard for sovereign developed on Bloomberg	• Enhance sustainable thematic research • Roll-out ESGVector for priority unrated companies • Enhance ESG dashboard
Sustainable Products	• Build our fund range – sustainable core macro & thematic equity • Client reporting – introduce extended ESG reports	• Development of sustainable thematic framework to support new strategies for 2023 – product launches deferred • Climate Bond Impact report awarded Environmental Finance IMPACT Award • Sustainable Swiss Equities awarded "Best Swiss Equities" category at the Swiss Sustainable Funds Awards	• Launch sustainable thematic strategies • Enhance Fund level climate reporting • Implement SFDR periodic reporting
Active ownership	• Maintain UK Stewardship Code signatory status • Deliver strategic engagement plan	• Maintained UK Stewardship Code status & shortlisted for ICGN Stewardship Report Award • Engagement on strategic themes through direct & collaborative initiatives, including joining PRI Advance initiative to take action on human rights and social issues	• Maintain UK Stewardship Code signatory status • Deliver net zero and nature engagement framework
Corporate sustainability	• Increase renewable energy use to 100% • Expand reporting on equal pay analysis • All positions to consider Inclusivity candidates • Dedicated coaching for all eligible returners	• 100% renewable energy for GAM-managed offices • Published first UK Gender Pay Gap Report • Any proposed candidates considered • Coaching offered to eligible returners	• Introduce new Human Rights Policy • Maintain CarbonNeutral® certification • Targeted ESG & diversity training completed • Encourage uptake of volunteering (50% of employees)

Sustainability governance

Sustainability is a key pillar of our overall business strategy for which the GAM Holding AG Board has ultimate responsibility. Strong governance and transparency are central to our approach, supporting accountability and delivery of our purpose to protect and enhance our clients' financial future.

We have named Board members responsible for championing sustainability, climate, culture and diversity, and key sustainability deliverables are incorporated into the activities of Board committees. GAM's Sustainability Committee consists of senior members across key functions and, together with supporting committees, meets at least quarterly, providing a quarterly report to the full Board.

Transparency is central to our business strategy, and we seek to disclose our own approach and progress clearly and transparently to promote accountability. The Results Centre and Policies and Disclosures sections of our website host our latest reports, news and disclosures, including, Committing to Net Zero, Sustainability Report – including our TCFD disclosure, Stewardship Report (UK), Stewardship Report (Japan), UK Gender Pay Gap Report, UK Modern Slavery Statement and UN Global Compact Communication on Progress.

Our approach is driven by three guiding principles – driving value for our clients, supporting high standards and striving for a positive impact. By attracting and empowering the brightest minds to think beyond the obvious, we strive to provide investment leadership, innovation and a positive impact on society and the environment.

Our sustainability strategy

Our sustainability strategy covers how we invest for our clients and our corporate actions and commitments towards our people, community, environment and broader stakeholders.

- **Embedding ESG –** We aim to embed ESG risks, opportunities and impacts in our investment analysis and decision-making using leading data, tools and insight
- **Sustainable products and solutions -** We are committed to developing products to help our clients navigate, benefit from and drive the transition to a more sustainable and lower-carbon economy
- **Active stewardship –** We seek to use our influence through voting and engagement to drive positive change at a company level, and in the broader market
- **High corporate standards -** We deliver our purpose, through a focus on the diversity of our people, and striving for a positive impact on society and the environment

Investing sustainably

As active investors, we believe that understanding environmental, social and governance issues related to our portfolios, and addressing these where appropriate, is integral to our ability to deliver better returns for our clients and better real-world outcomes. This includes identifying and evaluating sustainability risks, opportunities and impacts. We have been signatories to the PRI since 2014. Our sustainable investment framework is based on five pillars:

- Strong governance and policy framework
- Embedding ESG at the portfolio level
- Active stewardship
- Risk oversight and transparency
- Industry collaboration to improve policy and practices

Committing to net zero

In July 2022, as part of our commitment to the Net Zero Asset Managers (NZAM) initiative, we submitted our interim net zero targets, joining the 169 asset managers that have set initial targets, contributing to the USD 21.8 trillion that is now committed to be managed in line with achieving net zero by 2050 or sooner. Our 2030 targets cover all funds classified as equity or corporate fixed income, representing more than a third (36% or USD 12.5 billion) of our Investment Management assets under management (AuM) as at 31 December 2021. GAM also became a signatory to the Powering Past Coal Alliance Finance Principles, joining investors and governments alike in accelerating the transition from high-polluting coal to cleaner energy.

ESG tools

ESG data is becoming increasingly important to our investment analysis and reporting. In 2022, we further developed our corporate ESG dashboard – presenting key ESG, climate, principal adverse impacts and trend data from multiple sources – and transitioned this to the Bloomberg platform. We also developed a new high-level sovereign ESG dashboard to support country-level analysis. These dashboards are available for the majority of our internally managed equity, corporate and sovereign bond funds. We also developed our in-house ESG Vector framework to support assessments for focus companies that are not covered by standard ESG research.

Active ownership

Active stewardship is a central pillar of our responsible investment strategy, enabling us to build conviction in our investment thesis, enhancing our understanding of how ESG factors impact company valuations, building our awareness of risk and reward, and increasing our ability to identify and support sustainable businesses. We seek to use our influence through voting and engagement to drive positive change at a company level, and in the broader market, to support our clients' objectives.

We are committed to the principles of the UK Stewardship Code and in September 2022, were pleased to be confirmed as meeting its requirements for the second consecutive year. We were also delighted that our Stewardship Report was shortlisted for the Global Stewardship Disclosure award by ICGN. We continue to support the stewardship principles outlined in the Singapore Stewardship Principles for Responsible Investors and Japan's Stewardship Code, additionally publishing an annual Japan Stewardship Statement.

Direct and collaborative engagement

In 2022, our investment teams participated in over 800 company engagement meetings, including both one-to-one and group meetings. ESG themes were covered in approximately 31% of these meetings.

Investor collaborations can be enormously effective, signalling the importance of key topics, such as climate change or human rights. In 2022, we continued our collaboration with Climate Action 100+, sitting on the Steering Committee of the world's largest and most influential shareholder engagement, and joined the Digital Inclusion Collective Impact Coalition (CIC), which was organised under the World Benchmarking Alliance.

We also joined the newly launched PRI Advance initiative focused on human rights and social issues, signed an open letter co-ordinated by the Asian Corporate Governance Association (ACGA) focused on gender diversity within companies listed on the Tokyo Stock Exchange (TSE), and participated in both the CDP non-disclosure initiative, contacting 1,473 companies to complete the Climate, Water and/or Forest disclosure request and the Science-Based Targets initiative, asking 1,000 large companies to set science-based net zero targets.

Voting

In 2022, we voted at a total of 1,079 meetings (2021: 1,322) representing 99.3% of all the votable meetings (2021: 99.2%). We voted on 12,515 unique resolutions in 2022, of which 14.3% were votes against management (12.0% in 2021). We supported 71.9% of the 420 shareholder resolutions we voted on in 2022 (2021: 73.6%).

Policy and regulatory engagement

As sustainable finance regulation continues to evolve at pace across multiple jurisdictions, our participation and engagement on shaping the landscape, primarily through participation in industry groups responding to consultations and sharing best practice, focuses on improving market standards and helping our clients understand the rapid changes.

We also support public investor statements where we consider investor support for adoption or strengthening policy will support better outcomes for our clients. In 2022 this included a global investor statement on climate change where over 500 investor signatories managing around USD 39 trillion in assets called on governments to implement policies consistent with a just transition limiting global temperature rise to 1.5°C, joining over 150 investors supporting calls for an ambitious Global Biodiversity Framework at COP15 in Montreal, Canada[5], and signing investor letters supporting three pieces of legislation introduced in the US at the federal and state levels that would work together to reduce deforestation and human rights abuses in US supply chains.

[5] https://www.unpri.org/financial-sector-statement-on-biodiversity-for-cop15/10750.article#:~:text=150%20financial%20institutions%2C%20managing%20more,reverse%20nature%20loss%20by%202030.

Sustainable solutions

We are committed to developing and evolving our sustainable products and solutions to support our clients in successfully navigating, benefitting from and driving the transition to a more sustainable and lower-carbon economy, in line with their objectives.

This year we were pleased to receive awards for two of our sustainable strategies – an IMPACT Award from Environmental Finance IMPACT Award for our first Impact Report for our Climate Bond strategy Impact Report (see case study) and Best Swiss Equities Fund for our Swiss Sustainable Companies strategy, for the second time in three years. Development for our sustainable thematic and sustainable core macro strategy continued during 2022 but launches were deferred due to the market conditions.

Case study: Our award-winning climate bond strategy impact reporting
Addressing the climate challenge will require considerable investment and innovation, and in 2021, we launched our first strategy with dual investment and sustainable investment objectives. The GAM Sustainable Climate Bond strategy is one of the first green bond strategies to focus on issuances by financial institutions.

We recognise that banks have a pivotal role in driving the environmental transition, as they support both large and small companies across the economy. The strategy therefore offers attractive investments in a wide range of climate-related opportunities from solar farms to green buildings, wastewater and wind power.

The strategy is transparent in its reporting of the positive environmental impacts of the green assets financed, working with a third-party consultancy to review our measurement and reporting. In our first report, projects financed by the green bonds in the portfolio helped avoid 1,580 tons of CO_2e – equivalent to driving a car more than 200 times around the Earth. They also helped install 2.8MW of renewable energy capacity and to finance around 1500m^2 of green buildings.

Relating this robust methodology in an impact report helped the strategy to win the Environmental Finance IMPACT Awards in 2022. As an investor in green bonds, rather than an issuer, GAM's report caught the judges' attention as it is relatively rare for green bond investors to report on impact. We are pleased to be bucking that trend.

EU Sustainable Finance Disclosure Regulation
In April 2022, additional guidelines for the EU Sustainable Finance Disclosures Regulation (SFDR) were published – including updated templates for the sustainability information to be disclosed. The new requirements mean financial market participants must provide detailed information on how they are considering principal negative sustainability impacts within portfolios.

As at year-end 2022, 80.6% of our 'in scope' funds promoted environmental or social characteristics and operated in accordance with Article 8 or Article 9 of SFDR. Our in house ESG assessment and processes were enhanced to more explicitly incorporate the consideration of principal adverse impact for these funds. We recognise that further guidance, regulatory requirements and market practice may evolve, and we continually review our products to ensure they remain relevant and compliant, while meeting the needs and objectives of clients.

ESG Reports
To support our clients in better understanding the ESG and climate characteristics of their funds, we introduced ESG summary reports comprising ESG rating and carbon intensity metrics in 2021. In 2022, we introduced a new Extended ESG Report – which includes a more granular breakdown of ESG ratings, UN Global Compact compliance, controversies, and carbon exposure. Over 95% of our equity, corporate debt and sovereign funds by AuM have ESG summary and extended reports.[6]

Corporate sustainability

Just as we encourage our investees to have a positive impact on society and the environment, we also strive towards high sustainability standards and levels of transparency in our own organisation. We are proud signatories to the UN Global Compact, which encourages businesses worldwide to adopt responsible business policies and practices, and to report on their implementation.

Our culture
We recognise the importance of having the right culture to meet our stakeholder expectations and the continued success of our business. We are strongly committed to our core values of acting with integrity, being driven by excellence and delivering through collaboration.

At GAM, diversity, equity and inclusion are critical to our success. By fostering an environment that embraces diverse perspectives we believe we become better investors and better problem solvers. An inclusive and diverse environment makes us better placed to identify with and be empathetic to the needs and aspirations of our clients.

To successfully develop and protect our culture, we must be able to measure, monitor and manage our culture journey. We first introduced our Culture and Conduct Scorecard in 2019. Our Scorecard serves to take a snapshot of culture at a global and regional level. In measuring where we are on our culture journey, it allows us to track areas where initiatives have been successful in promoting a healthy culture and points to areas where we may need to work harder or to address emerging themes. Culture indicators include governance and senior leadership, conduct, collaboration, innovation and ideas, the employee lifecycle and experience, diversity, inclusion and belonging, sustainability and client experience and perception.

[6] Each ESG summary and extended report for our equity, corporate debt and sovereign funds has at least 70% ESG data coverage by AuM.

Our people

Diversity, equity and inclusion – We believe a high-performance culture requires a 'speak up, listen up' environment in which all colleagues are included and can bring their whole selves to work. GAM offers equal employment and advancement opportunities for all individuals regardless of age, race, ethnicity, gender, sexuality, disability, religion or other characteristics. All employees are responsible for fostering an environment that creates a diverse and inclusive workplace, where we all feel valued, listened to, treated fairly and respected. We value the skills, expertise and knowledge of our colleagues, supporting each other to fully leverage our strengths.

GAM has an employee network called Equals, sponsored by members of our Senior Leadership Team. GAM is an active member of several industry-level diversity and inclusion initiatives including The Diversity Project, the 30% Club in Ireland and Talent Keepers. GAM has also signed the UK Women in Finance Charter and Ireland's Women in Finance Charter with the goal of increasing the proportion of women in senior management positions within GAM globally to 25% by 2022. At the end of 2022, 24% of our global organisational leaders were women.

Workforce by gender

	2022		2021	
Gender metrics	Male (%)	Female (%)	Male (%)	Female (%)
Permanent employees	61	39	63	37
Joiners – permanent only	40	60	61	39
Leavers – permanent only	67	33	71	29

Gender pay analysis and action - GAM's commitment to diversity across the firm is reflected in its focus, among other areas, on ensuring both equal pay for men and women doing comparable work and on tracking and seeking to improve diversity of representation across functions and seniority levels. In our Swiss business we conduct a triennial equal pay evaluation, last undertaken in 2021, when we found no equal pay discrepancy. The next review will be undertaken in 2024.

In the UK, GAM voluntarily undertook its first Gender Pay Gap review and published its first report in 2022 in respect of the combined group of UK employees across its four UK employers[7], based on April 2021 'snapshot' data. GAM's overall mean Gender Pay Gap was 22.8%, comparable with its peer firms in the UK where the gap generally ranged from 16% to around 40%. We know there is more to do in continuing to improve female representation in more senior levels and in our front line investments and sales roles.

[7] UK Gender Pay Gap reporting is mandatory for employers with 250 or more employees. None of GAM's employing companies meets this threshold and some are far smaller, so the data reported amalgamates all of GAM's UK employers. The methodology on which the statistics are reported is otherwise consistent with the UK's mandatory reporting standards to be comparable to peers.

In Ireland, employers with more than 250 employees were required to publish a Gender Pay Gap for the first time in respect of a June 2022 ‘snapshot’; that threshold will reduce to 150 employees for 2023 and 50 or more employees in 2024. Disclosure is required by December of the same year. GAM would be required to publish the disclosure by December 2024, based on June 2024 data, but our current intent is to disclose voluntarily in 2023.

Building talent in the finance industry - GAM participates in several initiatives designed to provide opportunities for underrepresented talent to access and experience our industry. These include apprenticeship schemes in Ireland and Switzerland, and participating in the UK’s 10,000 BlackInterns Programme, through which we hosted six interns last year in London and committed to taking on a similar number in 2023.

GAM supports IntoUniversity’s Big City Bright Futures scheme in the UK, and in Summer 2022, we hosted 10 Year 13 students for paid work experience providing them with an insight into asset management. We also participate in Investment20/20 UK, where we offer paid year-long placements. Of the 2021 cohort, 73% were offered permanent roles with GAM in 2022. While we significantly scaled back new placements in 2022, we remain deeply committed to this partnership.

Training and development – Our employees’ skills and knowledge are key to delivering for our clients. We are committed to supporting personal development and creating an environment where learning and development of colleagues is encouraged.

The Talent Capital Committee was launched in 2021 to enhance career progression and personal development, and in 2022 we launched our High Potential Talent Programme to encourage individuals to take greater ownership of their learning and development and to develop our future leaders and brightest minds. In June 2021, GAM launched a Global Mentoring programme to further support employee development. As at the end of 2022, we had 17 mentors and 20 active mentoring partnerships.

Training is conducted either by GAM’s in-house Talent and Development team or at appropriate external courses and seminars. On average, GAM employees undertook 25.55 hours of training in 2022 (2021: 22.4 hours). Our employees’ skills and knowledge are key to delivering for our clients. This year, we developed a core mandatory learning module ‘Understanding the Risks of Greenwashing’ that was assigned to our global employee population. We also host topical micro-seminars on key sustainability themes. An objective was set for all employees to complete ESG-related training, and in 2022 an average of 4.59 hours of ESG-related training was completed per employee (average 4.9 hours in 2021).

Total headcount

Headcount by region (in FTEs)	2022	2021
Switzerland	119	139
United Kingdom	267	303
Rest of Europe	110	115
Rest of the world	45	48
Total	541	605

Our community

As a business and as individuals we are part of the communities in which we live and work, and we are committed to supporting these communities through our time, and donations.

Volunteering – We encourage all permanent employees and full-time contractors to take up to two paid volunteer days per year. We support skills-based volunteering through our partnerships with Junior Achievement and IntoUniversity, in addition to encouraging a range of volunteering activities. We are delighted that this year, 42% of employees took advantage of opportunities to volunteer (2021: 26%), totalling 2,033 volunteering hours.

Charitable donations – We also support charitable donations to organisations that are important to our employees. In 2022, we donated a total of CHF 106,000 (2021: CHF 140,455). We also support direct employee donations through a ‘Give-As-You-Earn-Scheme’ in the UK.

Our suppliers

A wide range of suppliers provide our goods and services. We strive to work with those suppliers that support our sustainability standards and, where possible, support local suppliers. We are committed to ensuring that our operations and supply chains are free of modern slavery and human trafficking. This forms part of our risk-based supplier due diligence and all our employees have undertaken training to raise awareness.

Our environment

Our most significant operational environmental impacts are associated with our office facilities, which consist of 16 offices located in 14 countries at the end of 2022, and our business travel.

Reducing and upgrading our office footprint – 2022 can be characterised as a year of significant change for our global office portfolio. The shift to hybrid working in most locations has led to reduced demand for desk space in our offices. We have therefore taken the opportunity to downsize our office footprint – primarily in Ireland, Switzerland and the US.

In Dublin, we relocated to a newly redeveloped office building in the heart of Dublin's International Financial Services Centre. The property sets a new benchmark for green standards in the city's business district and has been awarded LEED (Leadership in Energy and Environmental Design) Platinum accreditation for scoring high marks for positively addressing carbon, energy, waste, water, transport, materials, health and indoor environmental quality.

Renewable energy – We have achieved our target for all GAM-managed global offices to source 100% renewable electricity resources by the end of 2022[8]. At the end of 2022, 90% of our employees are based in office buildings which source only renewable electricity (2021: 83%).

Business travel – we measure our Scope 1 and 2 emissions, and business travel as our largest source of operational Scope 3 greenhouse gas (GHG) emissions[9]. In 2022, we achieved the target we set ourselves to maintain our total distance travelled by air at a level at least 25% below our 2018 figures and are setting a target to maintain the 50% reduction of GHG emissions from measured travel in 2023 (compared with the 2019 baseline). We continue to encourage the use of videoconferencing where possible, and in 2022 completed the deployment of full video-conferencing facilities to all major offices globally.

Carbon offsetting – GAM has been certified as a CarbonNeutral® company for its operational emissions since 2019. We voluntarily offset 200% of the GHG emissions generated by our business operations and travel that we cannot yet reduce, through a combination of certified emissions reductions certificates and carbon removal projects. We intend to maintain our target of purchasing carbon offsets to cover 200% of our Scope 1, 2 and 3 emissions as reported in 2023.

Supporting forest conservation in Indonesia – Through our partnership with Climate Impact Partners, the leading experts on carbon neutrality and climate finance, we are supporting a number of impactful emission reduction projects, one example being forest conservation in Indonesia.

Based on the island of Borneo, this Reducing Emissions from Deforestation and Forest Degradation (REDD+) project preserves carbon-dense tropical peat swamp by helping to halt deforestation of roughly 65,000 hectares of forest which was originally slated for conversion to palm oil plantations.

The project focuses on both community development – encompassing 2,500 households living within the project area – and biodiversity conservation, particularly the protection of the 105,000 endangered Borneo Orangutans. In order to deliver on its goals, the project actively engages local communities to improve food security, income opportunities, health care and education – all with the support of carbon finance.

This is the first project to have been validated as contributing to all 17 Sustainable Development Goals.

[8] We define 'GAM managed offices' as offices with more than 15 GAM employees in which we have direct control over the supply of utilities, and where our usage is metered and billed separately.

[9] We measure flights, car hire and rail when booked through our business travel agents, but data for taxis, and other road transportation used for business purposes is not available for all locations and are therefore estimated.

Environmental indicators

Energy	2022 [1]	2021	2020	Change in % 2022 vs 2021
Scope 1				
Heating natural gas (MWh)	602	556	564	8.3%
Scope 2				
Electricity consumption (MWh)	979	911	1,704	7.5%
Percentage of which renewable electricity	86%	72%	60%	19.4%
Scope 1&2				
Total energy consumption (MWh)	1,581	1,467	2,268	7.8%
Scope 3				
Business travel – flights (km)	1,454,235	236,408	845,190	515.1%
Homeworking (tCO_2e) [2]	96	143	137 [3]	(32.9)%
Greenhouse gas emissions				
Scope 1 & 2	182	237	490	
Scope 3	219	78	343	
Total activities (tCO_2e)	401	**315**	**833**	**27.3%**
Total per FTE	0.74	0.52	1.16	42.3%
Double carbon offsetting commitment (tCO_2e)	802	630	1,666	-
Percentage of carbon offsetting	200%	200%	200%	-

[1] The 2022 Annual Report includes some estimated data and will be independently verified when actual data becomes available.

[2] 2021 and 2022 homeworking emissions data are estimated based on 2020 emissions, scaled for headcount, and adjusted according to estimated office occupancy.

[3] 2020 data has been revised. The 2021 Annual Report included homeworking emissions of 127tCO_2e.

Task Force on Climate-related Financial Disclosures

Following our formal support for the Task Force on Climate-related Financial Disclosures (TCFD) in 2021, we published our first TCFD-aligned report in 2022. This is a summary of our TCFD-aligned disclosures covering 2022. Further details can be found in our Sustainability Report. Our disclosures are prepared on a best-efforts basis, recognising the limitations of existing data and methodologies. We continue to work within our business and broader industry to develop these.

Governance

The Board is responsible for our sustainability and associated climate strategy. The Board Risk Committee provides oversight of climate-related risks and the Chair of the Risk Committee has taken on specific responsibility for climate-related issues. At a management level, key risk indicators (KRIs) are provided to the Group Risk and Oversight Committee (RiOC). These will continue to evolve over time. Additionally, applicable risk areas are overseen within the relevant Investment Management and Distribution Oversight committees.

Strategy

The impact of **climate-related transition risks**, including policy and legal, technology, market and reputational risk associated with the transition to a low-carbon economy, and **climate-related physical risks**, including acute risks such as increase in severity of extreme weather events and chronic risks such as increase in mean temperature, are considered in the short, medium and longer term and reviewed through the lens of three risk types:

Market risks – potential impact on client asset values as the result of higher costs or lower profits linked to climate-related policies, regulations, standards or stranding of underlying assets

Business risks – potential decreased demand for products if they are not considered 'fit for purpose' from a client or regulatory perspective. There is also the potential for increased operational costs, eg, for energy or travel, resulting from climate-related regulation

Operational risks – potential impact on business continuity because of physical climate-related events

Our climate strategy is designed to support our business strategy – focused on growth, excellence and transparency

– and build resilience by addressing and mitigating the risks identified. This includes:

Committing to net zero – implementing targeted stewardship and policy advocacy in support of achieving global net zero emissions by 2050 or sooner

Building out climate analytics – to better incorporate climate risks and opportunity into our investment decisions and help our clients understand their climate exposure

Developing new climate products and solutions – to facilitate the decarbonisation of client portfolios and increase investment in climate solutions

Minimising our operational footprint – by achieving the CarbonNeutral® certification, reducing our emissions where possible and offsetting remaining emissions through verified carbon credits or other instruments

For our investment management business, we review resilience in the follow ways and are continuing to build out appropriate Key Risk Indicators (KRIs)

Investment resilience – climate-related risks are reviewed at the portfolio level by reviewing weighted average carbon intensity (relative to benchmark where available/ appropriate), and largest carbon emitters on a relative and absolute basis. These metrics are predominantly available for equity, corporate and sovereign fixed income asset classes. Periodic scenario analysis is conducted using MSCI Climate Value at Risk Analysis.

Product set resilience – we review our product set on an annual basis and review any climate-related issues as part of the new product development process

Operational resilience – we will continue to integrate our business continuity planning (BCP) for specific BCP events linked to physical climate-related risks.

Risk management

In 2022, at a firm level, we assessed climate-related risks through a Climate Change Risk Register. The Climate Risk Register, including the status of mitigating actions, was also reviewed and presented to the RiOC.

We continue where possible to seek to embed at a functional level the appropriate climate-related risks through our departmental risk and control self-assessment (RCSA) process owned by the head of the relevant functions as part of the Group Risk Framework.

Metrics and targets

Metrics – For our investment management assets, we report Scope 1, 2 and 3 GHG emissions on an aggregate basis for equity, fixed income, corporate credit and sovereign funds. For our own operations, we disclose energy-related emissions and renewable energy use (Scope 1 and 2) and business travel by air (Scope 3).

Targets – In 2022, we published our interim net zero targets, in line with our commitment to the Net Zero Asset Managers initiative. Our 2030 targets cover all funds classified as equity or corporate fixed income, representing more than a third (36%) of our Investment Management AuM as at 31 December 2021 and include:

75%[10] of AuM in material sectors aligned or aligning with net zero

50% reduction in financed carbon emissions (i.e., emissions/ USD million invested attributed using enterprise value) from a 2019 baseline

Engage directly or collaboratively with 90% of our financed emissions to ensure they are aligned or in the process of aligning to net zero

For our operational footprint we have set the targets to continue to achieve CarbonNeutral® certification, reducing our emissions where possible and offsetting remaining emissions.

[10] Asset classes not currently in scope include for example sovereign, mortgage-backed and insurance-linked securities, multi-asset, and alternatives. This is due to methodological and data limitations. We are actively working with membership bodies such as the Institutional Investors Group on Climate Change (IIGCC), and research providers such as MSCI, to support the development of methodologies and data. We are committed to increasing our in-scope assets as these improve. Client mandates are initially out of scope but we will be engaging with our clients to determine the most appropriate way to support their net zero goals.

Weighted average carbon intensity [1]

WACI(tCO_2e/CHFm sales or tCO_2e/CHFm nominal GDP) [3]	2022 [2] Equity	2022 [2] Fixed Income Corporate Credit	2022 [2] Fixed Income Sovereign	2021 Equity	2021 Fixed Income Corporate Credit	2021 Fixed Income Sovereign
Scopes 1 and 2 [4]	67	31	745	97	56	798
Scope 3 [5]	547	473		596	487	

[1] Measures fund's exposure to GHG-intensive companies or economies, defined as the fund's weighted average emissions intensity per revenue or GDP.

[2] In scope funds include Investment Management Funds classified as Equity, Fixed Income Corporate Credit and Fixed Income Sovereign reflecting holdings as at 31 Dec 2022. The funds in scope for 2022 exclude any funds closed during 2022. Mandates and other asset classes are excluded. Additional climate metrics are reported in our Sustainability Report. Coverage varies between metrics since different values are needed for each metric approach. Emissions data vary between scopes – Scope 1 and 2 values are easier to be collected or derived than Scope 3. Furthermore, financial information such as EVIC might not be available for all constituents. The WACI approach has the highest coverage (above 80%) as the data collection for this methodology is easier since EVIC value data is not required.

[3] "tCO_2e/CHFm sales" measures a portfolio's exposure to carbon-intensive companies, defined as the portfolio weighted average of companies' carbon intensity (emissions/sales). "tCO_2e/CHFm nominal GDP" measures the exposure of the fund to GHG intensive economies using the weighted average intensity of sovereign constituents normalised by GDP.

[4] Direct greenhouse gas (GHG) emissions derived from owned and controlled business activities (Scope 1) and indirect GHG emissions associated with the purchase of electricity (Scope 2). (GHG Protocol)

[5] Indirect emissions are produced as a consequence of a company's activities that the company does not own or control upstream or downstream of the value chain. These activities can include extraction and processing of raw materials, transportation of goods, use or end of life of sold products or services. (GHG Protocol)

CORPORATE GOVERNANCE

BACKGROUND

References in this Annual Report to ‘the Company’ shall be taken as references to GAM Holding AG. References to ‘the Group’ shall be taken as references to GAM Holding AG and all its subsidiaries. References to ‘the Board of Directors’ and ‘the Group Management Board’ shall each mean such bodies of GAM Holding AG.

Consistent and long-term relationships with our shareholders and all other stakeholders are fundamental for the sustained success of our business. We consider good corporate governance to be a decisive factor in achieving these objectives, and we recognise that transparent disclosure of our governance helps stakeholders assess the quality of our Group and assists investors in their decision-making.

Corporate governance defines the structures, rules and processes required for the proper organisation and conduct of business as it establishes the powers and responsibilities of our corporate bodies and employees. Our governance framework is designed to provide the appropriate checks and balances between the Board of Directors, the Group Management Board and the local management of our business, with the goal of balancing and safeguarding the interests of the Company, its shareholders, clients, employees and other stakeholders.

The Company is subject to the laws of Switzerland, in particular the Swiss Code of Obligations. In addition, the Company is subject to the rules of the SIX Swiss Exchange, including the Directive on Information Relating to Corporate Governance (the ‘Corporate Governance Directive’).

The principles and rules on corporate governance are incorporated or defined in a number of documents, including the articles of incorporation, the charters of the Board of Directors and its committees and our organisational rules. The Board of Directors’ Governance and Nomination Committee reviews these principles and rules on a regular basis in order to assess them in light of prevailing best practices and proposes any improvements to the Board of Directors for their consideration and approval.

The corporate governance information in this Annual Report is presented in accordance with the Corporate Governance Directive of the SIX Swiss Exchange and takes into account the guidelines and recommendations of the ‘Swiss Code of Best Practice for Corporate Governance’ of the Swiss business association Economiesuisse. For the compensation paid to, and shareholdings of, the members of the Board of Directors and the Group Management Board, including the basic principles and elements of compensation and equity participation programmes and a description of the authorities and procedure for determining the same, as well as loans granted to those individuals, see our ‘Compensation Report’ (pages [96-121]), and article 11 of the articles of incorporation, which can be found at www.gam.com/aoi2022.

The following information corresponds to the situation as at 31 December 2022 unless indicated otherwise.

1. GROUP STRUCTURE AND SHAREHOLDERS

1.1 Operational Group structure of GAM Holding AG

The Company's registered office is at Hardstrasse 201, CH-8037 Zurich, Switzerland. The registered shares (security no. 10265962; ISIN CH0102659627) are listed on the SIX Swiss Exchange. The Company's market capitalisation as at 31 December 2022 is disclosed in note 24 of the 'Consolidated financial statements'.

Our operating businesses are conducted through GAM Holding AG's subsidiaries (operating legal entities). The consolidated companies are disclosed in note 24 of the 'Consolidated financial statements'.

The composition of the Board of Directors and the Group Management Board of GAM Holding AG is reflected below.

GAM Holding AG

Board of Directors
David Jacob – Chairman
Benjamin Meuli – Vice Chairman[1]
Katia Coudray
Jacqui Irvine – Vice Chair[2]
Monika Machon
Nancy Mistretta
Thomas Schneider
Frank Kuhnke[3]

Group Management Board
Peter Sanderson – Group Chief Executive Officer
Sally Orton – Group Chief Financial Officer[4]
Elmar Zumbuehl – Group Chief Risk Officer
Steve Rafferty – Group Chief Operating Officer
Richard McNamara – Group Chief Financial Officer[5]

Core activities | **Investment Management[6]** | **Fund Management Services**

[1] Benjamin Meuli stepped down from his role as Vice Chairman and member of the Board of Directors with effect from 31 December 2022.
[2] Appointed as Vice Chair on 25 January 2023.
[3] New member of the Board of Directors since 28 April 2022.
[4] New member of the Group Management Board and Group Chief Financial Officer since 3 August 2022.
[5] Stepped down as a member of the Group Management Board and Group Chief Financial Officer on 3 August 2022 and left the Group in December 2022.
[6] Our Wealth Management business is captured in our Investment Management business.

1.2 Significant shareholders/participants

Based on notifications received by GAM Holding AG, each of the following shareholders/participants held more than 3% of the voting rights in GAM Holding AG as at 31 December 2022.[1]

Shareholder/participant[2]	Voting rights conferred by shares/equity securities	Voting rights conferred by conversion rights, share purchase rights and granted share sale rights and financial instruments	Resulting total percentage holding of voting rights at time of creation of the obligation to notify
Silchester International Investors LLP[3]	15.01%	-	15.01%
Jörg Bantleon[4]	9.41%	-	9.41%
Schroders plc[5]	4.94%	-	4.97%
Dimensional Holdings Inc.[6]	3.00%	-	3.00%
Mario J. Gabelli[7]	1.65%	1.38%	3.02%
Solas Capital Management, LLC[8]	3.10%	-	3.10%
GAM Holding AG[9]	2.02%	4.01%	6.03%[10]

[1] The percentage holding of voting rights as well as the other terms used in this section bear the meaning ascribed to them and should be read in the context of the applicable stock exchange rules.

[2] Any change in the holding of voting rights between reportable thresholds does not trigger any notification duty.

[3] Silchester International Investors LLP, London, UK (as at 10 February 2014).

[4] Jörg Bantleon D-80799 Munich, held through Bantleon AG, Bahnhofstrasse 2, 6300 Zug, Switzerland (as at 3 October 2022).

[5] Schroders plc, London, UK (as at 3 December 2021).

[6] Dimensional Holdings Inc., c/o Corporation Service Comp, Wilmington, Delaware, USA (as at 8 March 2017).

[7] Mario J. Gabelli, New York, USA (as at 14 November 2018).

[8] Solas Capital Management, LLC, Connecticut, USA (as at 3 March 2022).

[9] GAM Holding AG, Zurich, Switzerland (as at 31 December 2022 and as per the SIX notification of 17 March 2022).

[10] As at 31 December 2022, GAM Holding AG also had a sale position (representing obligations to deliver shares to employees under share-based payment awards) of GAM Holding AG shares of 10.94% of shares in issue. For further details, please refer to note 22 of the consolidated financial statements.

Notifications of significant shareholdings in GAM Holding AG, or disposal of such, that were disclosed during 2022 can be found under the following link by inserting 'GAM Holding AG' as the company name:
https://www.six-exchange-regulation.com/en/home/publications/significant-shareholders.html

Bantleon AG reduced its stake in GAM Holding AG to 4.24% on 19 January 2023 and to less than 3% on 3 February 2023.

GEM Global Yield LLC SCS acquired 3.13% in GAM Holding AG on 19 January 2023 and increased its holding to 5% on 1 February 2023. The beneficial owner of GEM Global Yield LLC SCS's shareholding in the Company is Christopher Brown.

As at 15 March 2023, GAM Holding AG had a sale position (representing obligations to deliver shares to employees under share-based payment awards) of GAM Holding AG shares of 8.2% of shares in issue.

Based on notifications received by GAM Holding AG, each of the following shareholders/participants held more than 3% of the voting rights in GAM Holding AG as at 31 December 2021.[1]

Shareholder/participant [2]	Voting rights conferred by shares/equity securities	Voting rights conferred by conversion rights, share purchase rights and granted share sale rights and financial instruments	Resulting total percentage holding of voting rights at time of creation of the obligation to notify
Silchester International Investors LLP [3]	15.01%	-	15.01%
Jörg Bantleon [4]	10.08%	-	10.08%
Schroders plc [5]	4.97%	-	4.97%
Uccelini Ltd [6]	3.12%	-	3.12%
Mario J. Gabelli [7]	1.65%	1.38%	3.02%
Dimensional Holdings Inc. [8]	3.00%	-	3.00%
GAM Holding AG [9]	6.55% [10]	0.00%	5.85%

1 The percentage holding of voting rights as well as the other terms used in this section bear the meaning ascribed to them and should be read in the context of the applicable stock exchange rules.

2 Any change in the holding of voting rights between reportable thresholds does not trigger any notification duty.

3 Silchester International Investors LLP, London, UK (as at 10 February 2014).

4 Jörg Bantleon, D-80799 Munich, held through Bantleon AG, Bahnhofstrasse 2, 6300 Zug, Switzerland (as at 24 July 2020).

5 Schroders plc, London, UK (as at 9 December 2021).

6 Uccelini Ltd., Nicosia, Cyprus (beneficial owner Gerda Caner) at 20 March 2021).

7 Mario J. Gabelli, New York, USA (as at 14 November 2018).

8 Dimensional Holdings Inc., c/o Corporation Service Comp, Wilmington, Delaware, USA (as at 8 March 2017).

9 GAM Holding AG, Zurich, Switzerland (as at 31 December 2021) and as per the last SIX notification (16.03.2021).

10 As at 31 December 2021 GAM Holding AG also had a sale position (representing obligations to deliver shares to employees under share-based payment awards) of GAM Holding AG shares of 9.66% of shares in issue. For further details, please refer to note 22 of the consolidated financial statements.

1.3 Cross-shareholdings

There are no cross-shareholdings between GAM Holding AG or its subsidiaries and any other company that exceed 5% of capital or voting rights.

2. CAPITAL STRUCTURE

2.1 Capital

As at 31 December 2022, the ordinary share capital of the Company amounted to CHF 7,984,126.55.

The ordinary share capital, which is fully paid, consists of 159,682,531 registered shares with a par value of CHF 0.05 each. The registered shares (security no. 10265962; ISIN CH0102659627) are listed on the SIX Swiss Exchange.

Furthermore, as at 31 December 2022, the Company held authorised capital amounting to CHF 798,412.00.

2.2 Authorised capital

The Board of Directors is authorised to increase the Company's share capital at any time until 28 April 2023, by a maximum amount of CHF 798,412.00 by issuing a maximum of 15,968,240 fully paid registered shares with a par value of CHF 0.05 each. Increases in partial amounts are permissible.

The subscription and acquisition of the new shares as well as any subsequent transfer of the shares is subject to the restrictions pursuant to articles 4.3 to 4.5 of the articles of incorporation, which can be found at www.gam.com/aoi2022.

The Board of Directors determines the issue price, the type of contribution, the date of issue, the conditions for the exercise of the pre-emptive rights and the beginning date for dividend entitlement. In this regard, the Board of Directors may issue new shares by means of a firm underwriting through a financial institution, a syndicate of financial institutions or another third party and a subsequent offer of these shares to the existing shareholders or third parties (if the pre-emptive rights of the existing shareholders have been denied or not been duly exercised). The Board of Directors is entitled to permit, to restrict or to exclude the trade with pre-emptive rights. It may permit pre-emptive rights that have not been exercised to expire, or it may place such rights or shares as to which pre-emptive rights have been granted, but not exercised, at market conditions or may use them otherwise in the interest of the Company.

The Board of Directors is further authorised to restrict or withdraw the pre-emptive rights of the existing shareholders with respect to a maximum of 7,984,120 registered shares and allocate such rights to third parties:

a) if the issue price of the new shares is determined by reference to the market price; or
b) for the acquisition of companies, part(s) of companies or participations, for the acquisition of products, intellectual property or licenses or for investment projects, or for the financing or refinancing of any of such transactions through a placement of shares; or
c) for purposes of broadening the shareholder constituency of the Company in certain financial or investor markets, for purposes of the participation of strategic partners, or in connection with the listing of new shares on domestic or foreign stock exchanges.

2.3 Changes of capital

The description of the changes of capital in the last three years is disclosed in note 17 of the 'Consolidated financial statements'.

2.4 Share buy-back programme

The Group's share buy-back programme, which is designed to purchase shares on the ordinary trading line to cover share-based payments and to purchase shares on the second trading line designated for cancellation, started on 5 May 2020, following the expiration of its predecessor programme (2017-2020). It allows for the repurchase of up to 16.0 million shares over a maximum period of three years. During 2022, a total of 3,210,000 shares were repurchased over the first trading line to cover share-based payments. No shares were repurchased for cancellation in 2022. The aggregate consideration paid by the Company for shares repurchased during 2022 was CHF 3.2 million.

2.5 Shares and participation certificates

	2022	2021
Number of shares as at 31 December		
Registered shares with par value of CHF 0.05 each (all entitled to dividends)	159,682,531	159,682,531

There are no preferential or similar rights. Each share entitles the holder to one vote. There are no participation certificates.

2.6 Dividend-right certificates

There are no dividend-right certificates.

2.7 Limitations on transferability and nominee registrations

The Company maintains a share register in which owners (acting in their own name or in their capacity as nominees) of the registered shares are entered with their name, address, nationality and place of incorporation in the case of legal entities. In relation to the Company, any person entered in the share register shall be deemed to be a shareholder. Nimbus AG, Ziegelbrueckstrasse 82, 8866 Ziegelbruecke, Switzerland, administers the Company's share register.

The registered shares of the Company are issued as uncertificated securities and registered as intermediated securities. They are included in the SIS clearing system for transferred shares (SIS registered share system) for booking purposes. The Company may withdraw shares registered as intermediated securities from the custodian system. Each shareholder may at any time request from the Company a certification about the shares owned by them. However, the shareholders have no right to request the printing and delivery of certificates for their registered shares. At any time, the Company may print and deliver share certificates (individual certificates, certificates or global certificates) or convert uncertificated securities and share certificates into any other form and may cancel issued share certificates once they have been returned to the Company. The transfer of intermediated securities, including the granting of security interests, is subject to the Swiss Intermediated Securities Act. In order to be valid vis-à-vis the Company, a transfer of uncertificated shares by assignment requires a notification of such transfer to the Company.

A person who acquires registered shares shall, upon application, be entered into the share register as a shareholder with voting rights, provided that such person expressly acknowledges that they have acquired the shares in their own name and for their own account. If the person acquiring registered shares does not provide such acknowledgement, the Board of Directors may, and would likely, refuse the entry of such person as a shareholder with voting rights in the share register.

The Board of Directors may issue rules for the entry in the share register of fiduciaries/nominees. It may enter in the share register fiduciaries/nominees with voting rights of up to 2% of the share capital. Furthermore, the Board of Directors may enter fiduciaries/nominees with voting rights in excess of 2%, if such fiduciaries/nominees disclose the name, address, nationality or registered office, and shareholding of all persons for whose account they hold at least 0.5% of the share capital. Fiduciaries/nominees that are affiliated with other fiduciaries/nominees by means of ownership structure or voting rights, or which have a common management, or are otherwise affiliated, shall be deemed one fiduciary/nominee as regards the application of these entry limitations. As at 31 December 2022, there were no entries in the share register of fiduciaries/nominees with voting rights.

The Board of Directors may cancel the entry in the share register of a shareholder or fiduciary/nominee with voting rights, upon a hearing of such shareholder or fiduciary/nominee, if the entry in the share register is based on false information. The affected shareholder or fiduciary/nominee shall be notified of the cancellation immediately.

2.8 Convertible bonds and options

There are no outstanding convertible or warrant bonds. Information on employee options is disclosed in note 22 of the 'Consolidated financial statements'.

3. BOARD OF DIRECTORS

3.1 Members of the Board of Directors

All the members of the Board of Directors of GAM Holding AG are independent non-executive members.

In applying the Corporate Governance Directive of the SIX Swiss Exchange and as set forth in article 13 of the articles of incorporation, which can be found at www.gam.com/aoi2022, we disclose mandates and interests of the members of the Board of Directors outside the Group. In accordance with article 13, mandates in different legal entities that are under joint control are deemed one mandate and are not set out independently.

No member of the Board of Directors may hold more than 15 additional mandates of which no more than four mandates in listed companies. No member of the Group Management Board may, subject to the approval of the Chairman of the Board of Directors, hold more than five additional mandates of which no more than one mandate in a listed company. The following mandates are not subject to these limitations:

Mandates in companies which are controlled by the Company or which control the Company;

Mandates held by a member of the Board of Directors or the Management Board at the request and on behalf of the Company or any companies controlled by it, including in investment funds not controlled, but managed by the Company or any companies controlled by it;

Mandates in associations, charitable organisations, foundations, trusts and employee welfare foundations. No member of the Board of Directors or of the Management Board shall hold more than 10 such mandates.

David Jacob
Group Chairman. Independent non-executive director
Appointed to the Board: 27 April 2017
Group Chairman since: 1 October 2019

Skills and experience:
David has been a member of the Board of Directors of GAM Holding AG since 2017 and was appointed Interim Group Chief Executive Officer and a member of the Group Management Board in November 2018 until August 2019. He served as a member of the Audit Committee and the Compensation Committee from 2017 until November 2018. Prior to joining GAM, he was the Chief Executive Officer of Rogge Global Partners Ltd, a position he held from 2014 until 2017. Between 2004 and 2013, David was with Henderson Global Investors where he held a number of senior roles including Member of the Board of Directors and Chief Investment Officer. Prior to joining Henderson, David held a variety of senior roles at UBS Global Asset Management, Merrill Lynch Investment Managers and JPMorgan Asset Management. David is a chartered financial analyst and holds a BSc in economics from The Wharton School, University of Pennsylvania. He is a US and UK citizen.

Committee memberships:
David is a member of the Governance & Nomination Committee.

External appointments:
- Advisor to the Investment Committee of the National Trust Pension Fund, England (non-listed entity)
- Vice Chair of the Investment Committee of the Worshipful Company of Stationers and Newspaper Makers, England (non-listed entity) (non-profit organisation)
- Chair and Member of the Board of Trustees of the Science Museum Foundation, England (non-listed entity) (non-profit organisation)
- Member of the Board of Directors of Carlisle Mansions West Ltd., England (non-listed entity) (non-profit organisation)
- Member of the Board of Directors of Carlisle Mansions West (Freehold) Ltd., England (non-listed entity) (non-profit organisation).

Katia Coudray
Independent non-executive director
Appointed to the Board: 8 May 2019

Skills and experience:
Katia Coudray was the CEO of Asteria Investment Management until 31 December 2022 and was formerly the CEO of Syz Asset Management, a position she held from 2015 to 2018. Prior to that, she was Head of Investment and Head of Product Development at Syz Group. Before joining Syz in 2011, Katia was Head of Multi-Management and Innovation Platform at Union Bancaire Privée (UBP) for 10 years. From 1998 to 2001 she was Lead Equity Fund Manager as well as Head of the Fund Division at Banque Edouard Constant SA. Katia holds a BA in Economics, Finance and Accounting from the School of Management in Fribourg, Switzerland, and is a Certified International Investment Analyst (CIIA) holder. She is a Swiss citizen.

Committee memberships:
Katia is a member of the Audit Committee and the Compensation Committee.

External appointments:
- Member of the Board of Directors of CA Indosuez (Switzerland) SA, Switzerland (non-listed entity)
- Until 31 December 2022, CEO of Asteria Investment Management, an affiliate of the Reyl Group, a Geneva-based independent banking group.

Jacqui Irvine
Independent non-executive director
Appointed to the Board: 8 May 2019

Skills and experience:
Jacqui Irvine is the former Group General Counsel and Company Secretary of Janus Henderson Group plc. Before the merger of Janus Capital Group and Henderson Group in 2017, she was General Counsel and Company Secretary at Henderson Group plc. Prior to that, she was Head of Legal at Henderson Global Investors between 2009 and 2011, having joined the company in 1996 and qualifying as a solicitor in 2000. Jacqui holds a BA in Law and Psychology from the University of the Witwatersrand in Johannesburg, South Africa, as well as a Postgraduate Diploma in Law from the University of the West of England in Bristol, UK, and a Postgraduate Diploma in Legal Practice from the College of Law in London, UK. She is a UK citizen.

Committee memberships:
Jacqui is Chair of the Governance and Nomination Committee, and a member of the Compensation Committee and the Risk Committee. Jacqui was appointed as Vice Chair of the Board on 25 January 2023.

External appointments:
None

Monika Machon
Independent non-executive director
Appointed to the Board: 8 May 2019

Skills and experience:
Monika Machon was formerly a Senior Vice President at AIG (2009 to 2016), serving as Treasurer (2013 to 2016) and Chief Investment Officer/Global Head of Asset Management (2009 to 2013). Monika joined AIG from Barclays Capital in 1998, and held various investment roles, including CEO (2005 to 2008) and Chair (2008 to 2010) at AIG Investments Europe Limited. She holds a BSBA (Management) from Rockhurst College, as well as an MBA (Finance) and a Juris Doctor from Indiana University. Monika is a CFA Charterholder. She is a German and UK citizen.

Committee memberships:
Monika is Chair of the Risk Committee and a member of the Audit Committee.

External appointments:
- Chair of the Board of Directors of Embark Investments Ltd, a UK Authorised Corporate Director (non-listed entity)
- Member of the Board of Directors and the Audit Committee and Chair of the Investment Committee of the Tanenbaum Center for Interreligious Understanding (non-profit organisation).

Nancy Mistretta
Independent non-executive director
Appointed to the Board: 27 April 2016

Skills and experience:
Nancy Mistretta has been a member of the Board of Directors of GAM Holding AG since 2016. She serves as a member of the Governance and Nomination Committee and the Compensation Committee, the latter being under her chair since 2017. Nancy is a former partner of Russell Reynolds Associates, an executive search firm, where she worked from 2005 until 2009. Prior to joining Russell Reynolds, Nancy was with JPMorgan Chase and its heritage institutions for 29 years and served as a managing director in investment banking from 1991 to 2005. Nancy is a director of Scotts Miracle-Gro, where she currently chairs the Audit Committee and is a member of the Compensation Committee. She is also a director of the North American Holding Company of HSBC, where she chairs the Nomination and Governance Committee and serves on the Audit Committee and the Risk Committee. Nancy holds a BA in psychology from the Smith College. She is a US citizen.

Committee memberships:
Nancy is Chair of the Compensation Committee and a member of the Governance and Nomination Committee.

External appointments:
- Member of the Board of Directors, Chair of the Audit Committee and member of the Compensation Committee of the Board of Directors of Scotts Miracle-Gro, USA (listed entity)
- Member of the Board of Directors, Chair of the Nomination and Governance Committee, member of the Audit Committee and Risk Committee of the Board of Directors of HSBC North American Holding Inc., USA (non-listed entity).

Thomas Schneider
Independent non-executive director
Appointed to the Board: 30 April 2020

Skills and experience:
Thomas has extensive experience in auditing and advisory and brings in-depth knowledge of the Swiss market, having spent 27 years with Ernst & Young working with a variety of Swiss and financial services companies, including asset management institutions. After joining Credit Suisse in 2014, he was Chief Auditor for the International Wealth Management division and, most recently, Head of Internal Audit for Credit Suisse Switzerland AG, positions he held between 2014 and 2018. He is a Certified Swiss Accountant and holds an MSc in Business Administration from the University of Wales & GSBA Zurich. He is a Swiss citizen.

Committee memberships:
Thomas is Chair of the Audit Committee and a member of the Risk Committee.

External appointments:
- Chairman of the Board of Directors of BLKB Basellandschaftliche Kantonalbank, Switzerland (listed entity)
- Member of the Board of Directors of Basler Verkehrsbetriebe BVB, Basel (non-listed entity).

Frank Kuhnke
Independent non-executive director
Appointed to the Board: 28 April 2022

Skills and experience:
Frank has over 30 years of experience in financial services. He joined Deutsche Bank in 1986, where his roles included Chief Risk Officer at Deutsche Bank Asset & Wealth Management and, until April 2021, Group Chief Operating Officer, Head of Capital Release Unit and Member of the Management Board at Deutsche Bank. Frank has a wealth of experience in the areas of risk management, IT, digitalisation and platforms, vendor management and procurement, as well as strategy and regulation. Frank trained at Deutsche Bank AG Hannover and holds a Banking specialist diploma from the Bank Academy, Lüneburg. He is a German citizen.

Committee memberships:
None.

External appointments:
None

Benjamin Meuli
Independent non-executive director
Appointed to the Board: 27 April 2016

Skills and experience:
Benjamin Meuli has been a member of the Board of Directors of GAM Holding AG since 2016. Benjamin is an Executive Board Member and the Chief Investment Officer of Convex Group Ltd, a Bermuda-based specialty property casualty insurance and reinsurance company, which began operations in May 2019. Prior to that, he was the Chief Financial Officer of Convex Group Limited until November 2022 and the Chief Investment Officer at XL Group, a position he held from 2015 to 2016. Between 2009 and 2015, he was Chief Financial Officer and Member of the Group Executive Committee and the Board of Directors of Catlin Group Ltd., where he was also responsible for the company's investment portfolio. Benjamin was the Chief Investment Officer and a member of the Executive Board at Swiss Re between 2004 and 2008. Prior to joining Swiss Re, he was a managing director at Morgan Stanley with responsibility for coverage of large multinational insurance groups with a particular focus on asset and liability management. He started his career at JPMorgan, where he spent 20 years in a variety of roles, mostly in capital markets and investment banking. Benjamin holds an MA in politics, philosophy and economics from Worcester College, Oxford, and an MSc in agricultural economics from Oxford University. He is a Swiss and UK citizen.

Committee memberships:
Until May 2021, Benjamin was a member of the Audit Committee and Risk Committee. He formerly chaired the Audit Committee from May 2017 to October 2020. Benjamin stepped down as Vice Chairman and as a member of the Board of Directors on 31 December 2022.

External appointments:
- Président du conseil de surveillance of SAS Ampelidae, France (non-listed entity)
- Member of the Board of Directors of Convex Group Ltd., Bermuda (non-listed entity)

Changes in the Board of Directors

At the Annual General Meeting held on 28 April 2022, all members of the Board of Directors who ran for re-election were re-elected for a one-year term of office, except for Benjamin Meuli, who stood for re-election until the end of the calendar year 2022 and was re-elected for a term of office until that date. He therefore stepped down as Vice Chairman and as a member of the Board of Directors on 31 December 2022. Jacqui Irvine was appointed as Vice Chair on 25 January 2023.

At the Annual General Meeting held on 28 April 2022, the Board of Directors proposed one new candidate for election as a member of the Board of Directors. Frank Kuhnke was elected as a new member of the Board of Directors for a one-year term of office.

3.2 Board skills and experience

To guide the assessment of the skills and experience of the Board of Directors, the matrix below is used which shows the Board's current assessment of its skills coverage. A description of each skill is summarised below. The matrix does not encompass all knowledge, skills, experience or attributes of the Board.

	Date when joined Board	Asset Management	Global Business	Finance	Risk & Regulatory	Client Focus	Strategic Transformation	Governance
David Jacob	April 2017	✓	✓	✓	✓	✓	✓	✓
Benjamin Meuli	April 2016	✓	✓	✓	✓	✓	✓	✓
Nancy Mistretta	April 2016		✓	✓	✓	✓	✓	✓
Katia Coudray	May 2019	✓	✓	✓	✓	✓	✓	
Jacqui Irvine	May 2019	✓	✓		✓		✓	✓
Monika Machon	May 2019	✓	✓	✓	✓		✓	✓
Thomas Schneider	April 2020	✓	✓	✓	✓	✓	✓	✓
Frank Kuhnke	April 2022	✓	✓	✓	✓		✓	✓

Asset Management:	Experience working in the asset management industry.
Global Business:	Experience working in global organisations and assessing, prioritising and executing business expansion globally.
Finance:	Experience in understanding and analysing financial statements and financial performance and in contributing to the oversight of the integrity of financial reporting. Consider experience as a principal financial or accounting officer, certified public accountant or auditor.
Risk & Regulatory:	Experience in identifying key risks to the organisation and monitoring risk management frameworks and systems, as well as understanding regulatory frameworks and requirements.
Client Focus:	Commercial and business experience, including development of products and services and experience in implementing changes to enhance client experiences.
Strategic Transformation:	Experience in defining and driving strategic change, corporate restructuring and mergers and acquisitions.
Governance:	Experience in serving a listed company board as a director or advisor, or having served extensively as a member of the governance committee of a listed company.

3.3 Elections and terms of office

The members of the Board of Directors are elected on an individual basis by the General Meeting for a one-year term of office expiring after the completion of the next Annual General Meeting. Members whose term of office has expired are immediately eligible for re-election.

Except for the election of the Chairman of the Board of Directors and the members of the Compensation Committee by the Annual General Meeting, the Board of Directors constitutes itself. If the office of the Chairman of the Board of Directors is vacant, the Board of Directors appoints a new Chairman from among its members for the remaining term of office. If there are vacancies on the Compensation Committee, the Board of Directors fills the vacancies from among its members for the remaining term of office.

The maximum cumulative term of office for members of the Board of Directors is, as a general rule, 12 years.

3.4 Internal organisational structure

The Board of Directors

The Board of Directors operates according to Swiss company law, the Company's articles of incorporation and organisational rules as well the Board of Directors' charter.

According to Swiss company law and the articles of incorporation of GAM Holding AG, the Board of Directors has the following inalienable and non-delegable duties:

a) to supervise the Company and issue any necessary instructions;
b) to determine the organisation of the Company;
c) to arrange the accounting, financial control and financial planning as necessary for the management of the Company;
d) to appoint and remove the persons entrusted with the Company's management;
e) to control those persons entrusted with the management of the Company, including in relation to compliance with applicable laws and regulations as well as instructions;
f) to draw up the annual report and the compensation report of the Company, and to prepare the General Meeting and implement its resolutions; and
g) to make any necessary notifications in the event of insolvency.

In line with these duties, the Board of Directors assumes responsibility for the overall strategy and direction, management supervision and control of the Company and the Group. The Board of Directors has established three committees and additionally, the articles of incorporation of GAM Holding AG provide for the establishment of a compensation committee (see below), to assist it in discharging its non-delegable duties, and has delegated the management of the Company and its oversight and control of the business to the Group Management Board under the leadership of the Group Chief Executive Officer.

In addition to the inalienable and non-delegable duties, the full Board of Directors has retained responsibility, in particular, for:

a) preparing all topics that fall within the competence of the General Meeting (receiving support and advice from its committees, such as the Audit Committee in matters of financial reporting, dividend proposals and other capital management matters);
b) deciding, based upon a recommendation from the Audit Committee, which external auditors to recommend for appointment by shareholders at the Annual General Meeting;
c) overall risk oversight (based on support and advice from the Risk Committee) and determining the risk management framework, the risk management and control principles and the risk capacity and capital management frameworks of the Group as well as policies for accounting, financial controlling and strategic financial planning;
d) approving any compensation plan within the Company which is linked to the shares of the Company;
e) succession planning relating to, and the appointment of, members of the Group Management Board, including the Group Chief Executive Officer; and
f) the appointment of the Head of Internal Audit.

As at 31 December 2022, the Board of Directors consisted of eight members, all of whom are independent non-executive members. The members and the Chairman of the Board of Directors and the members of the Compensation Committee are individually elected by the Annual General Meeting. In all other cases and instances where the office of the Chairman of the Board of Directors is vacant, or if there are vacancies on the Compensation Committee, the Board of Directors constitutes itself and elects from among its members the Chair and the members of the Compensation Committee. From among its members, the Board of Directors elects the Chair and members of the Audit Committee, the Governance and Nomination Committee and the Risk Committee.

The Board of Directors meets as often as business requires, but at least once per quarter, for on average approximately half a day. The presence of a majority of its members is necessary for resolutions to be passed, with the exception of decisions confirming and amending resolutions relating to capital increases where no such quorum is required. Resolutions are passed by an absolute majority of votes of members present. The members of the Board of Directors may also be present by telephone or electronic means. Resolutions of the Board of Directors may also be passed by way of written consent including by email, provided that no member requests oral deliberation. In such cases, the text of written resolutions must be sent to all members and requires the consent of all members of the Board of Directors to be valid. In the case of a tied vote at meetings, the Chairman has the casting vote. The Board of Directors may assign the preparation and implementation of its resolutions or the supervision of business transactions to committees or individual members. It must make sure its members are suitably informed.

The Group Chief Executive Officer, Group Chief Financial Officer, Group General Counsel, Group Chief Risk Officer, Group Chief Operating Officer and the Group Head of Compliance are regularly invited to participate in meetings of the full Board of Directors. The Board of Directors occasionally also invites other senior employees to attend meetings of the Board of Directors to present and discuss specific topics relating to, or affecting, the business of the Group. The Board of Directors regularly reviews the strategic progress of the Group. The purpose of these discussions is to analyse the positioning of the Group as well as to review and, if necessary, redefine the Company and the Group's strategic direction in light of the prevailing macroeconomic and Group-specific circumstances.

In order to gauge the effectiveness of its activities, the Board of Directors as a whole, as well as its committees, carries out an annual self-assessment exercise. The aim is to review and assess what has been achieved relative to the objectives formulated at the beginning of the year. The results of the self-assessments carried out by the Board of Directors' committees are brought to the attention of the Governance and Nomination Committee.

During the year under review the full Board of Directors held 25 meetings, with an additional Strategy Day.

Attendance of the members of the Board of Directors at the meetings of the Board of Directors was as follows:

January to June 2022

January to June 2022	Jan	**Feb** [1]	Mar	April	**May** [1]
David Jacob	1	2	2	2	1
Benjamin Meuli	1	2	2	2	1
Nancy Mistretta	1	2	2	2	1
Jacqui Irvine	1	2	2	2	1
Monika Machon	1	2	2	2	1
Katia Coudray	1	2	2	2	1
Thomas Schneider	1	2	2	2	1
Frank Kuhnke	n/a	n/a	n/a	1	1

[1] Scheduled quarterly meetings.

July to December 2022

July to December 2022	Jul	Aug	**Sep** [1]	Oct	Nov	**Dec** [1]
David Jacob	2	1	3	1	6	4
Benjamin Meuli	2	1	3	1	6	3
Nancy Mistretta	2	1	3	1	6	3
Jacqui Irvine	2	1	3	1	6	4
Monika Machon	2	1	3	1	5	4
Katia Coudray	2	1	3	1	5	4
Thomas Schneider	2	1	3	1	5	4
Frank Kuhnke	2	1	3	1	6	4

[1] Scheduled quarterly meetings.

The committees of the Board of Directors

The responsibilities and members of the current committees of the Board of Directors are as follows:

Audit Committee

The Audit Committee operates in accordance with the Audit Committee charter and the organisational rules of the Company.

The Audit Committee bases its work on recognised best practice standards for good corporate governance.
Its primary responsibilities comprise the following:

a) reviewing and approving the internal audit plan on an annual basis and ensuring its harmonisation with the audit plan of the external auditors;
b) directing and monitoring the activities of the internal audit function including the approval of its budget and staffing;
c) evaluating the performance of the Head of Internal Audit. The Chair of the Audit Committee determines the total compensation paid to the Head of Internal Audit in consultation with the Chairman of the Board of Directors and the members of the Audit Committee;
d) representing the Board of Directors in its relationship with the external auditors including by monitoring their performance and independence, their cooperation with the internal audit function, reviewing their reports (including any comprehensive reports of the external auditors) and providing a recommendation to the full Board of Directors regarding election of the external auditors at the Annual General Meeting;
e) ensuring the integrity of controls for financial reporting and for the review of financial statements, including the annual financial statements and any interim statements, before they are presented to the full Board of Directors for approval;
f) ensuring compliance with the principles of fair and transparent public communication of financial information;
g) regular examination of the appropriateness and effectiveness of the internal control systems, taking into account the risk profile of the Group; and
h) monitoring compliance with applicable laws and regulations as well as internal policies and procedures, including via the receipt of regular reporting.

The Audit Committee consists of three non-executive members. It convenes at least once per quarter, for on average approximately two to three hours. Subject to the inalienable and non-delegable duties of the Board of Directors and the powers and duties for which the Board of Directors has retained responsibility, the Audit Committee has the power to take decisions without such decisions being subject to the approval of the Board of Directors. During the year under review the Audit Committee held eleven meetings, as well as two joint meetings with the Compensation Committee. All members of the Audit Committee participated at all the meetings. Additionally, the Audit Committee spent time outside these meetings with external auditors and advisers in order to ensure it is ahead of the latest regulatory and accounting developments. The Head of Internal Audit and representatives of the external auditors, as well as the Group Chief Financial Officer, the Group General Counsel, Group Head of Compliance and the Group Chief Risk Officer, participate at every quarterly meeting. The Audit Committee may seek independent advice as deemed necessary. The members of the Audit Committee are expected to have knowledge in the fields of finance and accounting. The Audit Committee reports back to the full Board of Directors on its current activities and on any significant issues of which it becomes aware. The Audit Committee reviews its performance and objectives every year.

Members: Thomas Schneider (Chair), Monika Machon and Katia Coudray

Risk Committee

The Risk Committee operates in accordance with the Risk Committee charter and the organisational rules of the Company.

The Risk Committee bases its work on recognised best practice standards for good corporate governance. The Risk Committee's primary responsibilities comprise the following:

a) overseeing the maintenance of the Group's risk management framework, reviewing the effectiveness of its operation and recommending for approval to the Board of Directors the Group's overall risk management strategy, risk appetite framework and associated limits;
b) reviewing the Group's risk profile and monitoring against the Group's risk universe, including, adherence to the Group's risk appetite, risk trends, risk concentrations and key performance indicators;
c) providing oversight over any breaches of risk appetite and associated rectification plans;
d) overseeing and challenging material changes to the design and execution of the Group's capital management policy setting processes (covering both regulatory and non-regulatory capital requirements) and methodologies used;
e) approving the Group's principal risk policies and monitoring compliance with/providing oversight of any breaches and rectification plans;
f) overseeing emerging risks that could impact the Group and risk function's principal activities and resources;
g) providing oversight and challenge in relation to significant risk issues relating to material acquisitions, disposals and strategic proposals; considering the potential consequences of any such transactions;
h) overseeing legal and regulatory risk;
i) providing input to the Compensation Committee regarding the management of the Group's material risks to support their consideration of the annual bonus determination and providing input to the Audit Committee regarding its review of the adequacy and effectiveness of the Group's internal control system in respect of financial reporting and financial controls.

The Risk Committee consists of three non-executive members. The Committee was established in May 2019. The Committee convenes at least once per quarter, for on average approximately two to three hours. Subject to the inalienable and non-delegable duties of the Board of Directors and the powers and duties for which the Board of Directors has retained responsibility, the Risk Committee has the power to take decisions without such decisions being subject to the approval of the Board of Directors. During the year under review the Risk Committee held four meetings. All members of the Risk Committee participated at all the meetings. The Group Chief Risk Officer, Group Chief Financial Officer, Group General Counsel, Group Head of Compliance as well as the Head of Internal Audit and representatives of the external auditors participate at every quarterly meeting. The Risk Committee may seek independent advice as deemed necessary. The members of the Risk Committee are expected to have knowledge in the fields of risk and regulation. The Risk Committee reports back to the full Board of Directors on its current activities and on any significant issues of which it becomes aware. The Risk Committee reviews its performance and objectives every year.

Members: Monika Machon (Chair), Thomas Schneider and Jacqui Irvine

Compensation Committee

The Compensation Committee operates in accordance with the articles of incorporation, the Compensation Committee charter and the organisational rules of the Company.

The Compensation Committee supports the Board of Directors in establishing and reviewing the compensation strategy and guidelines and in preparing the proposals to the Annual General Meeting of shareholders of GAM Holding AG regarding the compensation of the Board of Directors and the Group Management Board. Its primary responsibilities comprise the following:

a) reviewing and proposing for approval to the Board of Directors any change to the Group compensation policy;
b) reviewing and proposing for approval to the Board any compensation plan applicable to the Group that is linked to the shares of, or options over shares of, the Company;
c) preparing the compensation report and the proposals of the Board to the Annual General Meeting regarding the maximum aggregate amounts of compensation of the Board of Directors and the Group Management Board;
d) determining the total compensation of the Chairman of the Board of Directors, any full-time members of the Board of Directors and the Group Management Board, including its Group Chief Executive Officer (in the event the Chairman of the Board of Directors or any full-time member of the Board of Directors is a member of the Compensation Committee, he/she shall abstain from participating in deliberations and from exercising his/her voting right with regard to the determination of his/her total compensation);
e) preparing and providing to the Board of Directors compensation proposals relating to the members of the Board of Directors (other than its Chairman);
f) approving the aggregate variable compensation expenditure of the Group and reviewing individual compensation levels of members of the Group receiving variable annual bonus with a total compensation in excess of CHF 1 million;
g) approving contracts of employment and any non-standard termination agreements for members of the Board of Directors and the Group Management Board;
h) overseeing and advising the Board of Directors with respect to the compensation reporting to shareholders; and
i) evaluating the performance of the Chairman of the Board of Directors as well as the performance evaluation conducted by the Chairman of the Board of the Group Chief Executive Officer, including reviewing the performance evaluation conducted by the Group Chief Executive Officer of members of the Group Management Board, in meeting agreed goals and objectives.

The Compensation Committee consists of three non-executive members. The Compensation Committee convenes as often as necessary, at least once in each half-year, for about two hours on average. Subject to the inalienable and non-delegable duties of the Board of Directors and the powers and duties for which the Board of Directors has retained responsibility, the Compensation Committee has the power to take decisions without such decisions being subject to the approval of the Board of Directors. During the year under review the Compensation Committee held five meetings, as well as two joint meetings with the Audit Committee. All members of the Compensation Committee participated at all the meetings. The Group Head of Human Resources regularly participates at the Committee's meetings. The Compensation Committee can seek independent advice as deemed necessary. The Compensation Committee reports back to the full Board of Directors on its current activities and on any significant issues of which it becomes aware. The Compensation Committee reviews its performance and objectives every year.

Members: Nancy Mistretta (Chair), Katia Coudray and Jacqui Irvine

Changes in the Compensation Committee

At the Annual General Meeting held on 28 April 2022, all members of the Compensation Committee who ran for re-election were re-elected for a one-year term of office.

Governance and Nomination Committee

The Governance and Nomination Committee operates in accordance with the Governance and Nomination Committee charter and the organisational rules of the Company.

The Governance and Nomination Committee's primary responsibilities comprise the following:

a) assisting in the long-term succession planning for the Board of Directors and the Group Management Board;
b) assessing and making preliminary selections of candidates as potential new members of the Board of Directors, as well as preparing election recommendations of the Board of Directors for the Annual General Meeting;
c) reviewing the appropriateness of continued service on the Board of Directors by members whose circumstances have changed;
d) overseeing the orientation process for newly elected members of the Board of Directors and assessing the adequacy of, and need for, continuing director education programmes;
e) coordinating the regular evaluation of the Board of Directors and its committees to determine whether they are functioning effectively and meeting their objectives;
f) reviewing proposals by the Group Chief Executive Officer for appointments and any changes to the membership of the Group Management Board and making recommendations to the Board of Directors regarding such appointments;
g) overseeing the number of Board mandates outside the Group held by members of the Board of Directors and Group Management Board;
h) making recommendations to the Board of Directors regarding the adequacy of the Group's policies governing employee conduct and business practices, as well as the implementation and monitoring of compliance with such policies; and
i) overseeing that the Group has adequate processes and systems to foster the Group's human capital (eg identifying key talent, education, development, performance review and orderly succession planning of senior executives).

The Governance and Nomination Committee consists of three non-executive members. The Governance and Nomination Committee convenes as often as necessary, at least once in each half-year, for one hour per meeting on average. Subject to the inalienable and non-delegable duties of the Board of Directors and the powers and duties for which the Board of Directors has retained responsibility, the Governance and Nomination Committee has the power to take decisions without such decisions being subject to the approval of the Board of Directors. During the year under review the Governance and Nomination Committee held six meetings. All members of the Governance and Nomination Committee participated at all the meetings. The Group General Counsel participates at every meeting. The Governance and Nomination Committee can seek independent advice as deemed necessary. The Governance and Nomination Committee reports back to the full Board of Directors on its current activities and on any significant issues of which it becomes aware. The Governance and Nomination Committee reviews its performance and objectives every year.

Members: Jacqui Irvine (Chair), Nancy Mistretta and David Jacob

3.5 Group Management Board

The Group Management Board is chaired by the Group Chief Executive Officer, who is responsible, in particular, for formulating, developing and implementing the overall strategy for the Group, as approved by the Board of Directors, for establishing the organisation of the Group Management Board itself, for overseeing the management of the Group, for representing the Group Management Board in its relationship with the Board of Directors and third parties, and for succession planning at the level of the Group Management Board.

Except where delegated by the Board of Directors to the Group Chief Executive Officer, and under the leadership of the Group Chief Executive Officer, the Group Management Board is delegated with ultimate responsibility for all of the day-to-day activities of the Group, including such activities which have been assigned or delegated by the Group Management Board. The Group Chief Executive Officer has an overriding right to information concerning, and the right to examine, all business issues within the Group. The Group Chief Executive Officer has the power to override any decisions taken by the Group Management Board, notifying the Chairman of the Board of Directors of any exercise of such power.

3.6 Information and control instruments regarding the Group Management Board

The Board of Directors supervises and controls the Group Management Board through various control tools and processes. The Group Chief Executive Officer is responsible for ensuring an appropriate information flow to the Board of Directors and its Chairman, including by the provision of regular management reports. The Group Chief Executive Officer, Group Chief Financial Officer, Group General Counsel, Group Chief Risk Officer, Group Chief Operating Officer and Group Head of Compliance report to the Board of Directors on a regular basis on their current activities, business performance, financial data, major risks and/or other material and significant issues or developments as they arise. Furthermore, the Group Chief Executive Officer, Group Chief Financial Officer, Group General Counsel, Group Chief Risk Officer, Group Chief Operating Officer and Group Head of Compliance are regularly invited to participate at meetings of the full Board of Directors, the Group Chief Financial Officer, Group General Counsel, Group Chief Risk Officer and Group Head of Compliance at meetings of the Audit Committee and Risk Committee, the Group General Counsel participates at every regular meeting of the Governance and Nomination Committee, and the Group Head of Human Resources regularly participates at the meetings of the Compensation Committee and the Governance and Nomination Committee, in order to support those bodies in their decision-making processes and provide regular reporting on the day-to-day activities and risks facing the Company, and on their oversight of the operating businesses.

The Board of Directors is responsible for the appointment and removal of, and its Compensation Committee for the performance evaluation/review and compensation of, the members of the Group Management Board.

Internal Audit supports the Board of Directors and its committees in discharging their governance responsibilities.
For more information on Internal Audit, see section 7.4.

3.7 Board compensation

For the compensation paid to, and shareholdings of, the members of the Board of Directors, including the basic principles and elements of compensation and equity participation programmes and a description of the authorities and procedure for determining the same, as well as loans granted to those individuals, see our ‘Compensation Report’ (pages [96-121]) and article 11 of the articles of incorporation, which can be found at www.gam.com/aoi2022.

4. GROUP MANAGEMENT BOARD

4.1 Members of the Group Management Board

Peter Sanderson, Group Chief Executive Officer
Peter Sanderson was appointed Group Chief Executive Officer and became a member of GAM Holding AG's Group Management Board in September 2019. As Group Chief Executive Officer, he is responsible, in particular, for developing, recommending to the Board of Directors for approval and implementing the overall strategy for the Group, overseeing the management of the Group, taking a leading role in preparing for the Board of Directors' consideration, risk and compensation principles for the Group, representing the Group Management Board and any of its committees in their relationship with the Board of Directors, ensuring an appropriate information flow to the Board of Directors and to the Chairman and for succession planning at the level of the Group Management Board. Before joining GAM as Group Chief Executive Officer, Peter was a Managing Director at BlackRock, most recently as Head of Financial Services Consulting in EMEA and a member of BlackRock's EMEA Executive Committee, positions he held from 2012 and 2014, respectively. Peter joined BlackRock in 2006 where he held a number of senior roles, including Co-Head of the Multi Asset Investment Solutions business and Chief Operating Officer for BlackRock Solutions in EMEA. Before working for BlackRock, he worked for Mondrian Investment Partners and KPMG. Peter holds a Bachelor of Law from the University of Leicester and is a member of the Bar of England and Wales. Peter is a UK citizen.

Sally Orton, Group Chief Financial Officer (from 3 August 2022)

Sally Orton was appointed Group Chief Financial Officer and became a member of GAM Holding AG's Group Management Board in August 2022. She is responsible, in particular, for establishing an organisational basis to manage all financial matters within the Group, including controlling, accounting, corporate tax and treasury, timely and transparent financial reporting in line with best practice and legal and regulatory requirements, management and control of the Group's tax affairs and for treasury and capital management, including management and control of funding and liquidity risks and compliance with regulatory capital requirements, the co-ordination (under the supervision of the Audit Committee) of the working relationship with the Group's external auditors and representing the Company in discussions with regulators with respect to all financial management-related matters. Prior to joining GAM, Sally held CFO roles at LCH Ltd (part of the London Stock Exchange Group) and Howden Broking Group. Sally started her career at KPMG in Australia, moving to London in 1997 to join the Banking and Capital Markets industry group of PwC and then EY. Sally also held senior roles at Man Group plc and River & Mercantile plc. Sally is dual qualified as a chartered accountant in Australia and the UK and holds a BSc (Mathematics) from the University of Adelaide (South Australia). Sally is a UK and Australian citizen.

Elmar Zumbuehl, Group Chief Risk Officer

Elmar Zumbuehl was appointed Group Chief Risk Officer and Member of the Group Management Board of GAM Holding AG in 2017. He has management responsibility for the risk function of the Group and is responsible, in particular, for establishing an organisational basis to manage all risk matters (other than those which are the responsibility of the Group Chief Financial Officer, the Group Head of Compliance and the Group General Counsel) within the Group and for developing (as appropriate for approval by the Board of Directors and/or the Risk Committee) and implementing a comprehensive Group-wide risk management framework. Prior to becoming Group Chief Risk Officer, Elmar was Group Head of Risk & Governance and a permanent guest member of the Group Management Board. He joined GAM in March 2010 as Senior Legal Counsel and Risk Manager. In 2011, Elmar also assumed the role of General Counsel and Corporate Secretary of GAM Holding AG. Prior to that, he worked at Julius Baer for 10 years in different roles, latterly from 2006 to 2010 as Head of Legal Risk Controlling & Governance. Elmar is a graduate of the University of St. Gallen (HSG) and was admitted to the bar in Switzerland in 2000. He holds master's degrees in business administration (lic. oec. HSG), specialising in finance and accounting as well as operations research, and law (lic. iur. HSG). Elmar is a Swiss citizen.

Steve Rafferty, Group Chief Operating Officer

Steve Rafferty was appointed Group Chief Operating Officer in 2019 and became a member of GAM Holding AG's Group Management Board in April 2020. Steve has management responsibility for the operating and technology functions for the Group and is responsible, in particular, for determining and implementing the Group's operating model. Before joining GAM, Steve worked at BlackRock for sixteen years, most recently as Managing Director and Global Chief Operating Officer for the fixed income business. Steve joined BlackRock (formerly Barclays Global Investors) in 2003, within the fund oversight team before joining the fixed income business in 2006, where he held product strategy, investment process and regional chief operating roles. Prior to this, he worked in financial services audit at KPMG. Steve holds a BEng in Civil Engineering from Loughborough University. He is also a qualified chartered accountant and is a CFA charterholder. Steve is a UK citizen.

Richard McNamara, Group Chief Financial Officer (until 3 August 2022)
Richard McNamara was appointed Group Chief Financial Officer and became a member of GAM Holding AG's Group Management Board in 2015. Before joining the Group, Richard was Managing Director, Finance, at Henderson Global Investors, a role he had held since 2013. He joined Henderson in 2009 as Head of Group Finance, focusing on finance and procurement. Prior to his roles at Henderson, Richard held senior finance roles at Western Asset Management, Legg Mason and Citigroup Asset Management. Richard is a chartered accountant and holds a BA (Hons) in finance and accounting from Brighton University. He started his career at PricewaterhouseCoopers where he was a senior manager in the Investment Management Industry Group. Richard is a UK citizen. Richard stepped down from the role of Group Chief Financial Officer on 3 August 2022, and left the firm on 1 December 2022.

4.2 Activities and functions of Board members outside the Group

In applying the Corporate Governance Directive of the SIX Swiss Exchange and as set forth in article 13 of the articles of incorporation, which can be found at www.gam.com/aoi2022, we disclose mandates and interest ties of the members of the Group Management Board outside the Group:

Peter Sanderson
None

Sally Orton
Court member of the Worshipful Company of Chartered Accountants of England and Wales (non-listed entity)(non-profit organisation)

Trustee of Charity of the Worshipful Company of Chartered Accountants of England and Wales (non-listed entity)(non-profit organisation)

Elmar Zumbuehl
None

Steve Rafferty
None

Richard McNamara
None

4.3 Management contracts

There are no management contracts between GAM Holding AG and companies (or individuals) outside the Group.

4.4 Group Management Board compensation

For the compensation paid to, and shareholdings of, the members of the Group Management Board, including the basic principles and elements of compensation and equity participation programmes and a description of the authorities and procedure for determining the same, as well as loans granted to those individuals, see our 'Compensation Report', (pages [96-121]) and article 11 of the articles of incorporation, which can be found at www.gam.com/aoi2022.

5. SHAREHOLDERS' PARTICIPATION RIGHTS

5.1 Voting-rights restrictions and representation

In relation to the Company, any person entered in the share register shall be deemed to be a shareholder. Shareholders may represent their shares themselves or have them represented by a third party or the independent representative at the General Meeting. In accordance with Ordinance 3 of the Swiss Federal Council regarding measures on combatting the Coronavirus, the Annual General Meeting held on 28 April 2022 took place without the personal attendance of shareholders, and all shares were exclusively represented by the independent representative appointed at the meeting. The independent representative is elected by the General Meeting for a term of office until the next Annual General Meeting. Their term of office expires after completion of the Annual General Meeting. Re-election is possible. If the Company does not have an independent representative, the Board of Directors appoints the independent representative for the next General Meeting.

The Board of Directors offers shareholders the possibility to authorise and give their instructions to the independent representative electronically. Shareholders may do so by accessing the website stated in the invitation to, and the registration form for, the General Meeting, and then following the guidance that is displayed on their computer screen. In addition to internet access, an email address and a mobile telephone that can receive a code by text message are required. Shareholders receive their personal data for accessing this website with the registration form. The invitation to, and the registration form for, a General Meeting state the deadline until which time instructions can be electronically given to the independent representative.

The 2022 Annual General Meeting elected Tobias Rohner, Attorney-at-Law, Holbeinstrasse 30, 8034 Zurich, Switzerland, as Independent Representative for a term of office until the end of the 2023 Annual General Meeting.

There are no voting rights restrictions. Each share entitles its holder to one vote.

5.2 Statutory quorums

Except where otherwise required by mandatory law and/or by article 8.14 of the articles of incorporation (which can be found at www.gam.com/aoi2022), all resolutions of the General Meeting are passed by an absolute majority of the votes cast, excluding blank or invalid ballots.

5.3 Convocation of the General Meeting

The convocation of the General Meeting complies with applicable legal regulations. The convocation of a General Meeting may also be requested by one or more shareholders who together represent at least 10% of the share capital. The Board of Directors must convene the requested General Meeting within six weeks of receiving the request. The request must be made in writing, including full details of the proposals.

5.4 Agenda

Shareholders who represent shares of a nominal value of CHF 100,000 may demand that matters be put on the agenda for a General Meeting of shareholders. Such requests must be submitted to the Company at least six weeks before the date of the respective General Meeting. The request to put a matter on the agenda must be in writing and include full details of the proposals.

5.5 Registrations in the share register

In the invitation to a General Meeting, the Board of Directors states the applicable record date by which shareholders must be registered in the share register in order to be eligible to participate and vote at the meeting. Nimbus AG, Ziegelbrueckstrasse 82, 8866 Ziegelbruecke, Switzerland, administers the Company's share register.

6. CHANGE OF CONTROL AND DEFENCE MEASURES

6.1 Duty to make an offer

According to the Swiss Financial Market Infrastructure Act, an investor who acquires more than 33 1/3% of all voting rights, either directly, indirectly or in concert with a third party, and whether the rights are exercisable or not, has to submit a take-over offer for all shares outstanding. GAM Holding AG has not applied to opt out of, or to increase, the percentage threshold applicable to this obligation.

6.2 Clauses on change of control

There are no provisions on change of control benefitting the members of the Board of Directors and/or the Group Management Board under their mandates or contracts of employment.

7. AUDITORS

7.1 Duration of mandate and term of office of lead auditor

In accordance with the articles of incorporation, the external auditor must be elected at each Annual General Meeting for a term of office of one year. KPMG AG has been the statutory auditor of the Company since the Annual General Meeting on 12 April 2006. Daniel Merz assumed the role of lead auditor for the 2021 and 2022 financial years. The lead auditor may hold this engagement for a maximum of seven consecutive years.

7.2 External auditing and additional fees

Services provided by KPMG AG to the Group comprise auditing and non-auditing services, the latter consisting of audit-related services, tax services and other services.

Auditing services include work performed to issue opinions on the Group's consolidated financial statements, the effectiveness of the Group's internal control system over the financial reporting, and the statutory financial statements of GAM Holding AG and its subsidiaries. Also included is work that generally can only be performed by the statutory auditor.

Audit-related services include those other assurance services provided by the independent auditor but not restricted to those that can only be provided by the statutory auditor. Tax services represent tax compliance and other tax-related services. Other services include mainly services in connection with human resources-related matters.

The Group paid KPMG AG fees for auditing services totalling CHF 2.7 million in the 2022 financial year (CHF 1.5 million in the 2021 financial year), of which CHF 0.7 million were additional fees relating to the prior year audit. For non-auditing services, the Group paid KPMG AG fees totalling CHF 0.27 million in the 2022 financial year (CHF 0.06 million in the 2021 financial year), whereof CHF 0.25 million for audit-related services (CHF 0.05 in the 2021 financial year) and CHF 0.01 million for tax services (CHF 0.01 million in the 2021 financial year).

In addition, KPMG AG received CHF 1.0 million (all of which for auditing services) in the 2022 financial year (CHF 1.5 million in the 2021 financial year) for services performed on behalf of, and for, investment funds managed by subsidiaries of GAM Holding AG. According to the Swiss collective investment scheme law, fund management companies and the investment funds managed by them must appoint the same statutory auditor.

7.3 Information instruments pertaining to the external audit

The Audit Committee of the Board of Directors pre-approves the fee amounts for services rendered by KPMG AG to the Group in order to ensure their independence. As to non-audit work related services rendered by KPMG AG to the Group, such pre-approval is granted by means of an annual budget approved by the Audit Committee to the Group Chief Financial Officer. The Audit Committee then receives regular updates from the Group Chief Financial Officer on KPMG AG's activities for the Group and the related incurred year-to-date fees. Any use of KPMG AG by the Group for non-audit work is overseen by the Audit Committee and coordinated by the Group Chief Financial Officer.

Furthermore, the Audit Committee confers regularly with the lead auditor of KPMG AG about the effectiveness of the internal control systems in view of the risk profile of the Group. In addition, it reviews the scope of the auditing work, the quality of the work and the independence of the external auditors. The external auditors have direct access to the Audit Committee at all times and participate at every regular quarterly meeting of the Audit Committee.

7.4 Internal Audit

The Internal Audit function provides independent, objective assurance and advisory services to the Board of Directors, the Audit Committee and the Group Management Board. It carries out operational and system audits in accordance with a risk-based Internal Audit plan and assists the organisation in accomplishing its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. The Internal Audit plan, which consists of a work schedule as well as budget and resource requirements for the next audit cycle (1 January to 31 December of each calendar year), is submitted at least annually by the Head of Internal Audit to the Group Management Board (for its review) and to the Audit Committee (for its approval), and is developed based on a prioritisation of the audit universe using a risk-based methodology, including input from senior executives within the Group, the Group Management Board, the Board of Directors and the external auditors. In addition to the approved Internal Audit plan, the Chairman of the Board of Directors or the Chair of the Audit Committee may instruct Internal Audit to carry out special assignments. Furthermore, members of the Group Management Board may ask Internal Audit for assistance in carrying out special assignments after consultation with the Chairman of the Board of Directors or the Chair of the Audit Committee.

The Head of Internal Audit reports to the Chair of the Audit Committee but is expected to have regular and unrestricted access to the Chairman of the Board of Directors. In addition, the Head of Internal Audit provides regular reporting on the activities of the Internal Audit function to the Audit Committee and is a participant at the regular quarterly meetings of the Audit Committee. The Audit Committee regularly reviews the independence, activities and results of Internal Audit. The Audit Committee also evaluates the performance of the Head of Internal Audit and the Chair of the Audit Committee determines the total compensation paid to the Head of Internal Audit in consultation with the Chairman of the Board of Directors and the members of the Audit Committee.

8. INFORMATION POLICY

GAM Holding AG provides regular information to its shareholders and the public each year by means of the Annual Report as well as a half-year report. Its current policy is to additionally provide voluntary interim management statements twice each year, covering material developments between the publication of the annual and half-year results and the date of such statements. Additional ad-hoc publications will be made where they are considered appropriate or where required under applicable law or regulation. Published materials are available to the public in electronic form (subscription to GAM Holding AG's news alert for corporate information and ad-hoc publications is possible under www.gam.com/en/our-company/investor-relations/gam-news-alert) as well as in print form from the address mentioned in section 8.3 below.

8.1 Corporate calendar

4 May 2023	Full year results 2022/Q1 Interim management statement
25 May 2023	Annual General Meeting 2023
3 August 2023	Half-year results 2023
19 October 2023	Q3 Interim management statement

8.2 Quiet periods

Trading in GAM Holding AG shares by employees of GAM Holding AG and its subsidiaries is not permitted ahead of the release of the Company's full and half-year results and interim management statements. Blackout periods commence on 1 June and 1 December in each calendar year and last until and including the publication day of GAM Holding AG's half and full-year results respectively. Additional blackout periods apply 10 trading days ahead of the publication of the Company's two annual interim management statements. As an exception to this rule, under a government-approved profit sharing scheme, employees of GAM Fund Management Limited (the Group's Irish domiciled subsidiary) are permitted to sell shares in GAM Holding AG on the annual vesting date of the Group's share-based payment awards.

8.3 Contacts

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9. MATERIAL CHANGES SINCE THE BALANCE SHEET DATE

Bantleon AG reduced its stake in GAM Holding AG to 4.24% on 19 January 2023 and to below 3% on 3 February 2023.

GEM Global Yield LLC SCS acquired 3.13% in GAM Holding AG on 19 January 2023 and increased its holding to 5% on 1 February 2023. The beneficial owner of GEM Global Yield LLC SCS' shareholding in the Company is Christopher Brown.

Following Benjamin Meuli stepping down as a member of the Board of Directors and as Vice Chairman on 31 December 2022, Jacqui Irvine was appointed as Vice Chair on 25 January 2023.

Further information
Our website provides further information on GAM Holding AG, including share price data, details of our share buy-back programme, media releases, historical annual reports and an events calendar.
www.gam.com

COMPENSATION REPORT

Dear shareholder,

On behalf of the Board of Directors and the Compensation Committee, we are pleased to present the Compensation Report for the financial year ended 31 December 2022. At the Annual General Meeting in April 2022, shareholders approved the remuneration proposals by a large majority, and on behalf of the Board, we would like to thank you for your support.

Structure of the Group Management Board in 2022

On 3 August 2022, the Group announced that Sally Orton would be appointed as Group Chief Financial Officer, with Richard McNamara stepping down from the Group Management Board on the same date. There were no other changes to the membership of Peter Sanderson, Group Chief Executive Officer; Elmar Zumbuehl, Group Chief Risk Officer; and Steve Rafferty, Group Chief Operating Officer.

Compensation for 2022

We have continued throughout 2022 to simplify and streamline our business, delivering strong investment performance to our clients against a backdrop of challenging market conditions and investor caution. As those market conditions continued to adversely impact GAM's assets under management, we responded by setting a CHF 20 million target for reducing total expenses for 2022 compared with the full year 2021, against which we delivered CHF 27 million of savings. We continued to deliver strong strategic progress in our technology platform, to deliver first-class fund and platform performance, to progress our commitment to sustainable investments and to focus our high-conviction product strategies in response to client demand.

Our new cloud-based operating platform is now essentially complete, driving improvements in the way we run our business and delivering material efficiencies. We have consolidated our internal operational systems on Workday in order to leverage further productivity gains. As 2021's transition to a new hybrid way of working has become 'business as usual', with significant flexibility for employees and teams to arrange office and non-office working time in the way most effective for them, we have successfully maintained employees' commitment to performance and excellence without loss of productivity. Our distribution strategy has continued to make progress and in 2022 we focused on hiring client-facing roles. In parallel with these strategic successes, we have again taken significant action to simplify our business structure.

We believe that our high-conviction, actively managed strategies are well placed to assist our clients in the current volatile market environment, and our investment teams have continued to provide good investment performance to our investors. As at 31 December 2022, 55% of funds were above benchmark over three years, down from 68% in 2021. GAM's sustainable investment strategy approach and framework proved transparent and successful, with our sustainable climate bond strategy winning an IMPACT Award in December 2022.

The compensation framework for our Group Management Board members drives their remuneration through clear goals aligned to our shareholders' expectations. As in 2021, the Board acknowledges the material progress made by the Group Management Board and other members of GAM's Senior Leadership Team in simplifying the business and driving further efficiency. However, based on the Group's financial performance for 2022, there will be no variable compensation (neither annual bonus nor long-term incentive plan) granted to the Group Management Board. This decision was made in full recognition of no variable incentive having been granted to that group since 2019. The Board recognises the Group Management Board's continuing dedication to restructuring GAM and returning to growth, but we continue to take the view that neither annual bonus nor LTIP awards can be made in light of the financial underperformance, aligning GAM's senior management's incentives with the broader stakeholder community.

Reduced total compensation across all employees has resulted in a compensation ratio for 2022 of 68.9%. That ratio has deteriorated from 63.0% in 2021 due to the pressure on our revenues from reduced assets under management outweighing our continued cost and headcount reductions, and remains above our target compensation ratio of 45-50% of underlying net fee and commission income. Following discussion, we continue to believe this target ratio is an appropriate part of our compensation framework to reflect the balance of employee reward and shareholder return, and this target will remain as GAM seeks to return to business growth.

Compensation for 2023

For 2023, the Compensation Committee has determined to maintain the caps on variable compensation for the Group Chief Risk Officer, the Group Chief Operating Officer and the Group Chief Financial Officer, of 200% of base salary for the annual bonus and 200% of base salary for any long-term incentive award. The Group Chief Executive Officer's variable compensation with respect to both the annual bonus and long-term incentive award will continue to be capped at a maximum of 300% and 250% of his base salary, respectively. The base salaries for all members of the Group Management Board will again remain unchanged in 2023. Details of Group Management Board compensation are set out in section 4.

In light of GAM's recent financial performance, and consistent with no 2022 variable compensation being payable to the Group Management Board and the non-Investment Management group of employees, the Board of Directors has agreed to waive its share-based fee due to vest in April 2023, and to waive the share-based fee that would normally be granted at AGM 2023 to vest in 2024. Further details of the Board of Directors fees are included in sections 5 and 6.1 of this report.

Compensation for shareholder approval at 2023 AGM

Board compensation
As noted in this letter, in respect of the 2023 AGM, the overall fixed compensation requested for the Board of Directors will be CHF 900,000, representing the voluntary waiver for 2023 of the Board's share-based fees and the Board's intent to reduce its size and total fees in 2023-24. Further details are included in section 5 of this report.

Group Management Board fixed compensation
The overall fixed compensation requested for the Group Management Board will be CHF 3.25 million.

Group Management Board variable compensation
As outlined in section 4.1 of this report, as well as earlier in this letter, no variable compensation will be awarded to members of our Group Management Board for the year ending 31 December 2022. This is a result of the Group's financial performance and the compensation framework in place.

On behalf of the Board of Directors I would again like to recognise the continued dedication of, and significant progress made by, the Group Management Board in transforming GAM's structure, focus and cost base in the face of such volatile and challenging market circumstances. We are continuing to deliver strong investment performance to our clients, with strong engagement in key strategies and a more focused product range now in place, positioning us well for growth at times when more positive market sentiment returns. 2022 was a difficult year, but by holding to our core values of integrity, collaboration and excellence while repositioning GAM's cost base and operating effectiveness, the business is well prepared.

We look forward again to your support at the Annual General Meeting of Shareholders.

Nancy Mistretta
Chair of the Compensation Committee

4 May 2023

1. COMPENSATION PRINCIPLES

This section of the report outlines the compensation principles that are applied across the Group.

The Group's compensation framework is designed to attract, retain and motivate the talent which the Group needs in order to achieve its strategic goals as well as to create a tangible link between performance and compensation. Through a mix of fixed and variable components, the framework aims to promote long-term, sustainable performance by encouraging employees to focus on delivering outstanding results through appropriate and controlled risk taking.

There are four key principles to our compensation framework:

Pay for performance	**Compensation is linked to the Group's overall performance as well as to the individual's professional skills, expertise and contribution.**
Alignment with shareholders' long-term interests	**The long-term interests of employees and shareholders are aligned through the use of deferred compensation, share-based awards and share ownership guidelines.**
Transparency	**Retrospective shareholder approval is requested for the Group Management Board variable compensation.**
Incentivise sound risk management	**A well-balanced mix of fixed and variable compensation is combined with deferrals as well as malus and clawback provisions to encourage sustainable performance and sound risk management.**

2. AT A GLANCE

This section of the report summarises the compensation framework.

Summary of the compensation framework

Principle	Element	Rationale
Pay for performance	**Target compensation ratio:** a group-wide target compensation ratio of 45–50% of underlying net fee and commission income.	• Provides a clear and appropriate metric by which to evaluate the balance of all-employee reward and returns to shareholders.
	Group Management Board (GMB) variable compensation cap: total granted GMB variable compensation (comprising annual bonuses and long-term incentive plans) is capped at 5% of underlying profit before taxes excluding GMB variable compensation. The cap excludes social security, pension costs and one-time awards for new members.	• Enforces a direct link between financial performance and variable compensation for the GMB.
	Balanced scorecard for annual bonuses: a balanced scorecard of stretch financial and non-financial KPIs has been formalised to determine GMB members' annual bonuses. For the Group CEO and Group CFO the scorecard is comprised of 60% financial metrics (underlying profit before taxes, operating margin, net flows, investment performance); 20% strategic and business metrics; 20% personal objectives.	• Provides a clear structure to assess performance for the annual bonus. • Evidences the link between pay and performance. • Align Key Performance Indicators (KPIs) to the objectives of GAM, its investors and wider stakeholders.
	Individual caps: a cap for the Group CEO and other GMB members on annual discretionary bonus (300% and 200% of their respective salaries) and long-term incentive plan (LTIP) awards (face value of 250% and 200% of their respective salaries).	• Aligns GAM with market practice and shareholder expectations.
Alignment with shareholders' long-term interests	**Annual bonus deferral:**[1] the proportion of GMB bonuses deferred into GAM shares is 50% with a deferral period of four years. Bonus deferrals are also in place for non-GMB employees.	• Aligns annual bonuses with long-term value creation.
	LTIP framework: LTIP awards, in the form of performance shares, are an integral part of the GMB compensation package. Vested awards will not be released until five years after grant. Performance measures will be annual underlying earnings per share (EPS) growth (50%); three-year relative total shareholder return (rTSR) performance (25%); three and five-year investment performance (25%).	• Further emphasises the longer term nature of the GMB compensation package. • Provides long-term, forward-looking alignment to shareholder interests.
	Shareholding guidelines: formal shareholding guidelines are in place for all GMB and Board members: • Group CEO and Group CFO are required to build up a holding of GAM shares worth 200% of their salary • Other GMB members are required to build up a holding of GAM shares worth 100% of their salary • Board of Directors are required to build up a holding of GAM shares worth 200% of their annual cash fee.	• Provides greater alignment between GAM Board members, GMB and other shareholders of GAM.
Transparency	**Retrospective vote:** GAM requests retrospective shareholder approval for GMB variable compensation.	• A retrospective vote provides shareholders greater transparency as to the amount of variable compensation requested for GMB awards relative to the year's performance.
	Disclosure: the annual compensation report provides a transparent explanation of compensation decisions, in particular retrospective disclosure of targets for financial performance measures used in the determination of annual bonuses and prospective disclosure of targets for LTIP awards.	• Provides shareholders with increased visibility of the link between the performance in the year and GMB compensation.
Sound risk management	**Risk management:** a well balanced mix of fixed and variable compensation is combined with deferrals, which includes malus and clawback provisions.	• Continues to align compensation to support sustainable performance and sound risk management.

[1] As outlined in the Chair's letter of this report, the GMB will not receive any variable compensation for performance year 2022, as such the annual bonus amount deferred for the GMB was not reviewed by the Compensation Committee.

3. COMPENSATION FRAMEWORK

This section of the report details the compensation framework for the Group.

The following table sets out the elements of compensation which Group Management Board members are eligible to receive and how they will be structured during 2023.

Fixed compensation

Element	Structure	2023 implementation
Base salary To appropriately recognise responsibilities and attract and retain talent	Generally reviewed annually. The review takes into consideration a number of factors, including (but not limited to): • The individual's role, experience and performance • Business performance • Market data for comparable roles in appropriate comparators[1] • Compensation decisions elsewhere in the Group.	**Aggregate GMB members:** GMB fixed compensation will be capped at CHF 3,250,000. **Group CEO and Group CFO:** There is no change to base salary for the Group CEO at CHF 750,000 per annum. The Group CFO has a salary of GBP 400,000 per annum.
Pension/benefits To provide market competitive benefits	Benefits take into account local market practice. Benefits may include pension contributions, life assurance and private medical insurance. Benefits are intended to be competitive in each of the markets in which we operate.	**Aggregate GMB members:** Pension contributions and benefits for GMB members are in line with local practices for other employees.

[1] Survey data is taken into consideration for each of the Group Management Board roles. The data is one of the inputs used to inform the Compensation Committee of compensation practices in peer companies and as a broad market sense-check of our proposals. It is not used as a specific benchmark.

Variable compensation

GMB variable compensation cap	Total GMB variable compensation (comprising annual bonuses and long-term incentive plans) will be capped at 5% of underlying profit before taxes, excluding GMB variable compensation. The cap will exclude social security, pension costs and one-time awards for new members.

Element	Structure	2023 performance year
Annual bonus [1, 2, 3, 5] To link reward to key business targets for the forthcoming year and to individual contribution Additional alignment with shareholders' interests through deferred compensation	All GMB members' annual bonuses are based on performance assessed over one year using a balanced scorecard. For financial metrics, 25% of maximum will be paid for achieving a threshold level of performance increasing to 50% for target performance and 100% for significant outperformance. Annual bonuses for GMB members are capped as a percentage of salary. This is at a maximum of 300% for the Group CEO and at a maximum of 200% of salary for all other members. 50% of GMB members' annual bonuses are paid in cash with 50% delivered in GAM shares vesting equally over a four-year period.	GMB annual bonuses will be determined by a balanced scorecard comprising financial, strategic and business and personal performance metrics. For the Group CEO and Group CFO these will be weighted 60% / 20% / 20% respectively. Financial metrics will be underlying profit before taxes, operating margin, net flows and three-year investment performance. Strategic and business metrics will be based on agreed budgets, KPIs and on the delivery against strategic priorities.
Long-term [1, 2, 3, 4, 5] **incentive plan (LTIP)** To link reward to key business targets for the longer term with the objective of providing sustainable value and growth for our shareholders	Individual LTIP awards for the Group CEO and other GMB members are capped with a maximum face value (at grant) of 250% and 200% of their respective salaries. • Vesting will be determined by corporate performance targets measured over a three-year period • Vested awards will be released five years after grant date • A maximum of 25% of the LTIP will vest for achieving a threshold level of performance increasing to 50% for target performance and 100% for exceptional performance.	As stated in the Chair's letter in this report there will be no LTIP awards in relation to the 2022 performance year. LTIPs will continue to feature in our compensation framework. Generally, the performance metrics utilised in the LTIP are annual underlying earnings per share (EPS) growth (50%); three-year relative total shareholder return (rTSR) performance (25%); three and five-year investment performance (25%).

Share ownership guidelines

To align executive interests with those of shareholders	The Group CEO and Group CFO are expected to build up and maintain a holding in GAM shares worth at least 200% of salary. Other GMB members are expected to build up and maintain a holding worth at least 100% of salary.

[1] The Compensation Committee will retain an overriding discretion to ensure that there is appropriate alignment between business performance and incentive payouts.

[2] All variable compensation awards to GMB members are subject to provisions that enable the Group to reduce or cancel the awards, whether vested (but not yet settled) or unvested, or claim back variable compensation, even after vesting and distribution, of members whose individual behaviour has caused, wholly or in part, a material loss to the Group as a result of reckless, negligent or willful actions or inappropriate behaviour.

[3] When an individual ceases their employment with GAM their outstanding awards will lapse, except where the Compensation Committee deems the individual to be a 'good leaver'. In this case awards made under the deferred bonus plan will typically vest as per the original vesting schedule. For 'good leavers', awards made under the LTIP will remain subject to performance conditions, will typically be pro-rated by the proportion of the performance period in which the individual has been employed and subject to the original vesting schedule.

[4] TSR performance for previous LTIP grants will be measured against the following comparator group: Alliance Bernstein L.P., Amundi SA Asset Management, Ares Management L.P., Artisan Partners Asset Management plc, Ashmore Group plc, BrightSphere Investment Group plc, Invesco Ltd, Janus Henderson Group plc, Jupiter Fund Management plc, Franklin Resources, Man Group plc, Brookfield Asset Management Inc., Sculptor Capital Management LLC, Partners Group Holding AG, Schroders plc, Standard Life Aberdeen plc, Vontobel Holding AG.

[5] Investment performance is defined as the proportion of funds outperforming their benchmark as disclosed by GAM in its annual results.

3.1 Distribution of Group Management Board members' variable compensation

GAM's policy is that Group Management Board variable compensation over the longer term should be appropriately balanced between cash, deferred equity and long-term incentive plan awards (based on face value) although the weightings may vary year to year. This ensures that Group Management Board members are aligned with a strategy of delivering long-term sustainable growth, provided that financial performance justifies awards. Due to the Group's financial performance in 2022, no annual variable compensation is recommended.

3.2 Key terms of Group Management Board members' employment contracts

All employment-related agreements for members of the Group Management Board comply with the Swiss Ordinance against Excessive Compensation in Listed Stock Companies. They do not include severance payments or supplementary contributions to pension plans.

3.3 High level compensation principles for other employees

The compensation framework for employees other than the Group Management Board is designed according to the same four overarching principles, reflecting the values which run throughout the organisation.

Pay for performance
The Group aims to provide competitive total compensation in order to attract and retain experienced and talented individuals who will promote its values, better service the needs of its clients and contribute to the overall development and profitability of the Group. The group-wide target compensation ratio of 45-50% of underlying net fee and commission income is set to drive appropriate division of reward between all employees and shareholders.

Alignment with shareholders' long-term interests
Compensation awards, particularly discretionary bonus payments, are designed to align the interests of employees with those of the Company's shareholders. Annual bonus deferrals for non-Group Management Board employees is into shares or fund units and the proportion of annual bonus deferred under the Compensation Policy is a minimum of one-third of any annual bonus over CHF 75,000, with higher deferral rates or lower thresholds able to be set at the Compensation Committee's discretion. Deferred shares or fund units will be released in equal tranches over three years. From time to time employees may receive long-term incentive awards that are structured on a consistent basis to those granted to Group Management Board members. These measures help to ensure that employees will only be rewarded for the delivery of sustainable value and growth. For performance year 2022, in recognition of the Group's financial position, no variable compensation will be granted outside our investment management group.

Transparency
The Group's overall approach to compensation is transparent to shareholders, compliant with applicable laws and regulations and consistent with published guidance and with local market practice. A robust annual appraisal process forms part of the compensation process so as to reward success, but minimises the possibility of payment for failure. The annual appraisal process is used to evaluate and measure an employee's performance against defined objectives, which are required to be specific, measurable, achievable, realistic and time-bound. Employees agree on their annual objectives with their line manager and include risk-based objectives at the start of each calendar year. While some objectives may be standardised within certain functions or firm-wide, most are tailored to the individual employee's role and responsibilities.

Incentivise sound risk management
The Group regards effective risk management and control as fundamental to all its shareholders and clients and as being central to the successful achievement of its business objectives. Our compensation framework plays an important part in creating ownership throughout the Group for the risks assumed in day-to-day business and ensuring the independence of its control functions. For control functions, such as compliance, risk, audit and finance, bonus payments are not directly linked to the profitability of the business areas that they support so as to maximise the independence of such functions. Conduct, risk and compliance matters are taken into account when approving all annual bonus payments.

4. GROUP MANAGEMENT BOARD COMPENSATION FINANCIAL YEAR 2022

This section of the report outlines the total fixed and variable compensation for members of the Group Management Board (GMB), comparing 2022 with 2021. It also provides details of the performance targets used to determine variable compensation awards for 2022.

4.1 The total fixed and variable compensation to the members of the Group Management Board in respect of financial years 2022 and 2021 (audited)

	Group CEO [1]		Group CFO [4]				Aggregate GMB (inclusive of CEO and CFO)	
(in CHF)	**2022**	2021	R. McNamara [2]	S. Orton [3]	**2022**	2021	**2022**	2021
Base salary	750,000	750,000	*559,697*	*202,675*	762,372	623,626	2,360,795	2,234,404
Fixed equity award	-	-	-	-	-	-	-	-
Pension fund contributions	69,386	67,076	*40,306*	*21,889*	62,195	27,425	237,934	201,842
Social security contributions	130,600	125,581	*94,657*	*29,526*	124,183	91,109	349,978	311,654
Other benefits	8,527	9,557	*6,338*	*1,836*	8,174	4,201	24,298	22,737
Total fixed compensation	**958,513**	**952,213**	***700,998***	***255,926***	**956,924**	**746,361**	**2,973,005**	**2,770,638**
Annual bonus								
Cash payments	-	-	-	-	-	-	-	-
Deferred bonus	-	-	-	-	-	-	-	-
Pension fund contributions	-	-	-	-	-	-	-	-
Social security contributions	-	-	-	-	-	-	-	-
LTIP								
Performance shares	-	-	-	-	-	-	-	-
Social security contributions	-	-	-	-	-	-	-	-
Total discretionary variable compensation	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total compensation	**958,513**	**952,213**	***700,998***	***255,926***	**956,924**	**746,361**	**2,973,005**	**2,770,638**

[1] The highest-paid member of the GMB in 2022 was the Group CEO, Peter Sanderson, with a total compensation of CHF 958,513 including CHF 130,600 employer's social security contributions. The difference from 2021 is due primarily to increased UK social security costs for part of the period.

[2] Richard McNamara's salary and pension contribution rates as Group CFO salary remained unchanged from 2021. The year-on-year difference is reflective of the exchange rate used when converting from GBP to CHF, higher social security rates, and payments in lieu of notice in respect of Mr McNamara leaving employment on 1 December 2022.

[3] Sally Orton was appointed to the Group Management Board as Group CFO on 3 August 2022. Her compensation is reflected from her appointment date.

[4] The Group CFO disclosure includes both Richard McNamara and Sally Orton's remuneration for 2022.

4.2 Compensation to former members of the Group Management Board (audited)

In line with our contractual obligations, Richard McNamara stepped down from the Group Management Board on 3 August 2022 and continued to receive his salary, pension and benefits until the end of his employment on 1 December 2022, with payment made on termination in lieu of his final two months' notice. Mr McNamara's 2022 compensation is included in full in the table above.

4.3 Loans to members of the Group Management Board (audited)

In 2022, no loans were granted to the current or former members of the Group Management Board. No such loans were outstanding at year-end.

4.4 Compensation and loans to closely related parties (audited)

In 2022, no compensation was paid to closely related parties of current or former members of the Group Management Board. No loans were granted in, or were outstanding at the end of 2022 to closely linked parties of current or former members of the Group Management Board.

4.5 Total annual bonus awarded for the year ending 31 December 2022

The objective of the Compensation Committee is to pay Group Management Board members an annual bonus appropriate to the performance achieved both by the Group and by the individual, ensuring the proper balance of employee reward and returns to shareholders and motivating key executives. Based on the Group's financial performance for 2022 there will be no variable compensation granted to the Group Management Board.

A balanced scorecard of financial and non-financial measures is utilised to determine annual bonuses for each of the Group Management Board members. Group financial metrics are an integral component of that scorecard and are aligned with our key performance indicators. Each Group Management Board member was also evaluated on strategic, business and personal objectives set earlier in the year.

The relevant financial metrics used in the balanced scorecard to determine the annual bonuses for the Group Management Board are as follows:

- Underlying profit before taxes of CHF (42.5) million;
- Underlying operating margin for 2022 of (25.8)%;
- The investment management business experienced net outflows of CHF 2.6 billion;
- Over the three-year period to 31 December 2022, 55% of our assets under management in funds outperformed their respective benchmark.

The following sections provide a detailed breakdown of the balanced scorecard for the Group CEO and Group CFO and an overview in relation to other Group Management Board members.

i) Group CEO and Group CFO

Maximum opportunity
Maximum annual bonus of the Group CEO is capped at 300% of salary and for the Group CFO the maximum annual bonus is capped at 200% of salary.

Form of payment
Under our compensation framework, 50% of any annual bonus is deferred into GAM shares, vesting in equal tranches over four years.

Performance metrics
The decisions for the Group CEO and the Group CFO annual bonuses are based on financial performance (60%), and achievement against strategic and business (20%) and personal objectives (20%).

The table below summarises the metrics, weightings and targets by which financial performance was assessed during 2022. There was no change since the 2021 performance year to the weightings of the financial metrics for the Group CEO and the Group CFO.

Financial metrics (60%)

Metric	Weighting: Group CEO	Weighting: Group CFO	Threshold (25% of max)	Target (50% of max)	Maximum (100%)	Actual	Vesting (% of performance metric): Group CEO	Vesting (% of performance metric): Group CFO
Underlying profit before taxes [1]	20%	25%	(9.6)	2.8	23.1	(42.5)	0.0%	0.0%
Three-year investment performance [2]	15%	10%	50.0%	62.5%	75.0%	55%	5.3%	3.5%
Operating margin [3]	10%	15%	(3.2%)	2.9%	9.6%	(25.8%)	0.0%	0.0%
Net flows [4]	15%	10%	-	3.1	6.0	(2.6)	0.0%	0.0%
Total [5]	**60%**	**60%**					**5.3%**	**3.5%**

[1] Net profits before tax in accordance with the International Financial Reporting Standards, excluding certain non-recurring and acquisition-related items.
[2] Percentage of AuM in funds outperforming their benchmark over the relevant period as at 31 December 2022.
[3] Operating margin is calculated as net fee and commission income less expenses, divided by net fee and commission income.
[4] Represents the net asset additions or redemptions by clients for our investment management business.
[5] Notwithstanding the outcome of the scorecard, no bonus is being granted to current members of the GMB.

The Board of Directors consider many factors when determining target, threshold and maximum levels for each financial metric for any given year. When setting such levels the Board of Directors aims to ensure that targets are stretch in nature and take into consideration performance from prior periods, current expectations for the period in question and other factors that should be taken into account. Threshold and maximum levels are determined on the same basis, but with emphasis on providing appropriate parameters against which performance should be assessed.

Individual performance assessment of the Group CEO and Group CFO
Given the financial performance of the Group and in line with our compensation framework, the Group CEO and the Group CFO, along with the rest of the Group Management Board, will not receive variable compensation for the 2022 performance year.

Performance assessment of the Group Management Board members
The Group Management Board continued through 2022 to build on 2021's gains in efficiency and cost control as GAM sought to position itself to deal with 2022's significant headwinds. The global challenges of 2022 proved a significant setback to GAM's return to growth, but the company's senior leadership have demonstrated strong leadership in addressing those challenges through diligent cost management and through strategic initiatives and selective hiring of key talent.

Some of the notable accomplishments achieved by the Group Management Board in 2022 include:

Cost control and enhanced efficiency
The Group Management Board has, as intended, overseen a reduction of fixed personnel and general expenses of over CHF 20.0 million in full-year 2022 compared to full-year 2021, continuing to build on the efficiencies achieved in the prior year.

Technology advances
Our expansion of SimCorp continues to consolidate our investments systems, with fixed income successfully brought on to the platform during 2022. Bloomberg was also introduced to support our front office Risk function, along with other examples of legacy systems continuing to be decommissioned, driving simplification and cost reduction through the business and aiding our ability to deliver effectively to our clients.

Sales strategy
Restructuring of the Fund Management Services business was successfully completed, allowing that group to focus on delivering efficiently and enhancing its representation to clients. Although global events weighed heavily on sales, interest and investment in our Equities strategies continued to be strong and December saw net positive flows for GAM overall.

Leadership changes
David Dowsett joined as the new global Head of Investments in April 2022, unifying and simplifying leadership of our Investment Management group. We also hired key, experienced sales and client management talent in key markets to underpin our focus on supporting our clients across our global business.

Investment performance
We continued to deliver good investment performance to our clients through 2022. As at 31 December 2022 seven of our 13 largest funds were top decile in their peer groups over three years, with two more in the second top decile. Under David Dowsett's leadership, the business reviewed its range of strategies and solutions to focus on those that are both focused on client needs and make economic sense for the firm, closing sub-scale products and teams and consolidating funds with our top-performing managers.

Sustainable investment
Our Sustainable Investment strategy continued to achieve material success. Stephanie Maier, Global Head of Sustainable and Impact Investment, was highly commended in the 'Sustainable and ESG Investment Woman of the Year (large firms)' category at the Investment Week Women in Investment Awards. GAM also won an IMPACT award for its Climate Bond strategy, together with Atlanticomnium, who manage the Climate Bond investment strategy on GAM's behalf.

Culture and diversity
In addition to Stephanie Maier's IMPACT award, GAM for the first time voluntarily published its UK Gender Pay Gap for its collected UK employee base.

4.6 Long-term incentive grant to be awarded in 2023

Consistent with section 4.1, as there will not be any variable compensation put forward to the shareholders for a vote in respect of the Group Management Board 2022, there will not be any long-term incentive awards granted to the Group Management Board in 2023.

5. FEE STRUCTURE FOR BOARD OF DIRECTORS

This section of the report outlines the fee structure for the Board of Directors for the 2023 financial year. Details of total fees received by Board members in the 2022 financial year are set out in section 6.

All members of the Board of Directors are non-executive directors and do not have employment contracts. Members of the Board of Directors are elected for a one-year term of office by the Company's shareholders. There are no agreements that provide for severance payments.

The compensation of the members of the Board of Directors, including its Chairman, consists of:

- an annual fixed fee paid in cash. The annual share awards that have formed part of the structure in prior years have been suspended for the 2023 financial year in consideration of GAM's strategic direction; and
- supplementary fixed fee amounts paid in cash for serving as a member or as Chair on the committees of the Board of Directors. These supplementary fees are designed to reflect the workload in serving on the Board of Directors' various committees.

As set out in Section 6, the Board of Directors has also chosen to irrevocably waive its entitlement to the 2022 share-based fee, which will not therefore vest the day before AGM 2023.

The members of the Board of Directors do not receive any type of variable compensation and do not participate in any performance-based compensation schemes available to the members of the Group Management Board or to other Group employees.

(in CHF)	AGM 2020 to AGM 2021	AGM 2021 to AGM 2022	AGM 2022 to AGM 2023	AGM 2022 to AGM 2023 (after waiver)	AGM 2023 to AGM 2024
Fixed cash fee					
Chairman of the Board	200,000	150,000	150,000	150,000	150,000
Vice-chairman of the Board	80,000	100,000	100,000	100,000	120,000 [5]
Other members of the Board	100,000	100,000	100,000	100,000	100,000
Share-based fee					
Chairman of the Board	300,000 [1]	150,000 [2]	150,000 [3]	- [3]	- [4]
Vice-chairman of the Board	120,000 [1]	120,000 [2]	120,000 [3]	- [3]	- [4]
Other members of the Board	100,000 [1]	100,000 [2]	100,000 [3]	- [3]	- [4]
Supplementary cash fees					
Chair of the Audit Committee	40,000	16,000	16,000	16,000	16,000
Chair of the Risk Committee	40,000	16,000	16,000	16,000	16,000
Chair of the Compensation Committee	40,000	16,000	16,000	16,000	16,000
Chair of the Governance and Nomination Committee	20,000	8,000	8,000	8,000	8,000
Other members of the Audit Committee	20,000	8,000	8,000	8,000	8,000
Other members of the Risk Committee	20,000	8,000	8,000	8,000	8,000
Other members of the Compensation Committee	20,000	8,000	8,000	8,000	8,000
Other members of the Governance and Nomination Committee	10,000	4,000	4,000	4,000	4,000

[1] Equity with this fair value was granted following AGM 2020 and vested on the day before AGM 2021.

[2] Equity with this fair value was granted following the AGM 2021 and will vest the day before AGM 2022.

[3] Equity with this fair value was granted following the AGM 2022 and was due to vest the day before AGM 2023, but has been voluntarily waived and will no longer vest.

[4] The Board of Directors will not be granted a share-based fee in respect of the period from AGM 2023 to AGM 2024.

[5] Following removal of the share-based fee for the period from AGM 2023 to AGM 2024, differentiation for the Vice-chairman of the Board will be achieved through the fixed cash fee.

6. BOARD OF DIRECTORS COMPENSATION FOR FINANCIAL YEAR 2022

This section of the report outlines the total fixed compensation for members of the Board of Directors, in respect of financial years 2022 and 2021.

6.1 The total compensation to the Board of Directors in respect of financial years 2022 and 2021 (audited)

From the period AGM 2022 to AGM 2023, in light of GAM's financial performance, and the consequent decision to grant no variable incentive compensation to the Group Management Board or to the non-Investment Management group of employees, the members of the Board of Directors have chosen to irrevocably waive their entitlement over of the share-based fee granted at the 2022 AGM.

(in CHF)		Fixed cash fee	Committee fee	Share-based fee [3]	Social security	Total compensation [7]
David Jacob [1]	2022	150,000	-	- [4]	21,638	**171,638**
	2021	148,333	-	149,999	41,170	**339,502**
Benjamin Meuli [5]	2022	60,396	-	- [4]	3,658	**64,054**
	2021	93,333	4,667	120,000	15,209	**233,209**
Nancy Mistretta	2022	100,000	20,000	- [4]	-	**120,000**
	2021	100,000	20,000	100,000	-	**220,000**
Katia Coudray	2022	100,000	16,000	- [4]	10,212	**126,212**
	2021	100,000	16,000	100,000	15,378	**231,378**
Jacqui Irvine	2022	100,000	24,000	- [4]	14,424	**138,424**
	2021	100,000	24,000	100,000	30,912	**254,912**
Monika Machon	2022	100,000	24,000	- [4]	14,424	**138,424**
	2021	100,000	24,000	100,000	30,912	**254,912**
Thomas Schneider	2022	100,000	24,000	- [4]	8,700	**132,700**
	2021	100,000	24,667	100,000	16,505	**241,172**
Frank Kuhnke [2]	2022	100,000	-	- [4]	1,104	**101,104**
	2021	-	-	-	-	
Total	2022	**810,396**	**108,000**	**-** [4]	**74,160**	**992,556** [6]
	2021	**741,666**	**113,333**	**769,999**	**150,086**	**1,775,085** [6]

1 As Chairman of the Board of Directors, David Jacob is not eligible to receive committee fees.

2 Frank Kuhnke was elected as a member of the Board of Directors at the 2022 AGM.

3 As outlined in the Chair's letter for the period AGM 2022 to AGM 2023, the Chairman and other members of the Board of Directors agreed to voluntarily waive the vesting of the share-based fee for 2022.

4 On 29 April 2022, the Board of Directors (excluding the Chairman and Vice Chairman) were awarded in aggregate the right to receive 631,578 GAM Holding AG shares (at a fair value of CHF 0.95 per share based on the share's closing price on the first trading line at the SIX Swiss Exchange on 28 April 2022). On the same day, the Chairman and the Vice Chairman of the Board of Directors received 157,895 and 85,825 shares respectively with a fair value of CHF 0.95. These shares were due to vest and be delivered on the day before the Company's 2023 AGM but have been voluntarily waived.

5 Benjamin Meuli stepped down as a member of the Board of Directors on 31 December 2022.

6 Total fixed compensation (including employer's social security costs) paid to the Board of Directors between AGM 2021 and AGM 2022 was CHF 1,775,085 and between AGM 2022 and AGM 2023 was CHF 992,556. The figure for AGM 2022 to AGM 2023 includes an estimate for the period from 1 January to 30 April 2023. These totals were both within the maximum value approved by shareholders, CHF 1,975,000.

7 The functions of the Board of Directors are set out in the corporate governance section of the Annual Report on page 56.

6.2 Compensation to former members of the Board of Directors (audited)

In 2022, no compensation was paid to former members of the Board of Directors who stepped down prior to 1 January 2022.

6.3 Loans to members of the Board of Directors (audited)

In 2022, no loans were granted to the current or former members of the Board of Directors. No such loans were outstanding at year-end.

6.4 Compensation and loans to closely related parties (audited)

In 2022, no compensation was paid to closely related parties of current or former members of the Board of Directors. No loans were granted in or were outstanding at the end of 2022 to closely linked parties of current or former members of the Board of Directors.

7. SHAREHOLDINGS

This section of the report sets out the shareholdings of the Group Management Board and the Board of Directors.

7.1 Group Management Board

The shareholdings of members of the Group Management Board who held office during 2022 are shown in the following table. All interests shown include any shares which vested during the year or shares acquired in the market by a Group Management Board member. The Group CEO and Group CFO are expected to build up shareholdings worth at least 200% of their salary, for other members of the Group Management Board the expectation is 100% of salary. Once an award of shares has vested, each Group Management Board member will retain the shares granted, net of any shares sold to meet tax obligations, where applicable, in order to meet the shareholding requirements.

	Vested shares [1]		Unvested shares [2, 3]	
	2022	2021	**2022**	2021
Peter Sanderson [4]	152,679	110,565	-	79,873
Sally Orton [4, 5]	-	-	174,476	-
Richard McNamara [6]	92,285	87,540	410	9,656
Elmar Zumbuehl	52,092	37,596	9,552	24,049
Steve Rafferty	11,057	5,535	87,712	98,214

[1] The number of vested shares represents shares held by the individual (together with interests held by their connected persons) which are neither subject to performance conditions nor continued employment.

[2] Unvested shares reflects the number of shares which will normally vest to the individual subject to continued employment at the relevant vesting date. This includes shares that are deferred under the annual bonus plan and one-time share awards granted at recruitment.

[3] Unvested shares does not include unexercised options or unvested performance shares. These are excluded as the number of options that become exercisable or performance shares that vest will be dependent upon share price performance and/or GAM's performance against specific performance criteria as well as continued employment until the relevant vesting date.

[4] Members of the Group Management Board are required to build up and maintain a holding of GAM shares. The Group CEO and Group CFO are expected to build up and maintain a holding in GAM shares worth at least 200% of salary. Other GMB members are expected to build up and maintain a holding worth at least 100% of salary. At 31 December 2022 none of the Group Management Board have built up the required holding minimum GAM shares.

[5] Sally Orton joined the Group Management Board on 3 August 2022.

[6] Richard McNamara stepped down from the Group Management Board on 3 August 2022 and left GAM on 1 December 2022.

7.2 Board of Directors

The shareholdings of the directors who held office during 2022, in shares of GAM Holding AG, are shown in the following table. All interests shown include the portion of vested shares allocated to the directors as part of their fee, shares acquired in the market by the directors and shares held by connected parties related to the directors.

Members of the Board of Directors are required to build up and retain a holding of GAM shares worth at least 200% of their annual cash fee. Once an award of shares has vested, each director will retain the shares granted, net of any shares sold to meet tax obligations, where applicable, in order to meet the shareholding requirements.

None of the Board of Directors hold options over GAM Holding AG shares.

	Vested shares [1]		Unvested shares [2]		
	2022	2021	**2022**	*2022 after waiver*	2021
David Jacob [4]	174,327	71,012	157,895	-	62,761
Benjamin Meuli [4]	156,479	109,775	85,825	-	50,249
Nancy Mistretta [4]	102,954	71,632	105,263	-	41,841
Katia Coudray [4]	106,548	67,633	105,263	-	41,841
Jacqui Irvine [4]	57,015	36,848	105,263	-	41,841
Monika Machon [4]	57,171	37,004	105,263	-	41,841
Thomas Schneider [4]	84,754	45,839	105,263	-	41,841
Frank Kuhnke [3, 4]	-	-	105,263	-	-

1 The number of vested shares represents shares held by the individual (together with interests held by their connected persons) which are neither subject to performance conditions nor continued employment.

2 At 31 December 2022, members of the Board of Directors had an outstanding entitlement to 717,403 unvested shares that were awarded after AGM 2022 and due to vest on the day before the Company's 2023 AGM. The Chairman of the Board of Directors held an entitlement to 157,895 unvested shares that were granted on an equivalent basis. The Chairman and all members of the Board waived their entitlement to the 2022 awards which will not vest.

3 Frank Kuhnke was elected as a member of the Board of Directors at the 2022 AGM.

4 Members of the Board of Directors are required to build up a holding of GAM shares worth at least 200% of their annual cash fee. At 31 December 2022 none of the Directors have complied with the requirements of holding minimum GAM shares of at least 200% of their annual cash fee.

8. COMPENSATION GOVERNANCE

This section of the report outlines the governance framework used to determine compensation.

Compensation responsibilities

Annual total compensation of [1]	Proposal	Approval
Chairman of the Board of Directors	Compensation Committee	Compensation Committee
Ordinary members of the Board of Directors (including committee fees)	Compensation Committee	Board of Directors
Group CEO	Chairman of the Board	Compensation Committee
Other members of the Group Management Board	Group CEO	Compensation Committee
Heads of control functions (risk, compliance and internal audit)	Group CEO Chair of Risk Committee Chair of Audit Committee	Compensation Committee

[1] The aggregate compensation for the Board of Directors and the Group Management Board (for both fixed and variable compensation components) is subject to a shareholder binding vote.

8.1 Compensation authorities

Board of Directors

The Board of Directors has established and implemented a group compensation framework and policy which reflects the Group's overall approach to compensation. The Group compensation framework and policy is designed to support the strategic development and profitability of the Group as well as to reflect applicable regulatory requirements and good market practice. The Group compensation framework and policy contains standards for the determination of compensation for all our employees, including Group Management Board members. With the support of the Group Head of Human Resources, the Compensation Committee, as well as risk and compliance functions, the Board of Directors regularly reviews the Group compensation framework and policy in order to address any applicable regulatory developments and the objectives of the Group.

Compensation Committee

The Compensation Committee is delegated with the role of supporting the Board of Directors in setting compensation guidelines, establishing share-based compensation plans and approving compensation levels and specific awards subject to any caps or other limitations imposed by the general meeting of shareholders of the Company pursuant to the Swiss Ordinance against Excessive Compensation in Listed Stock Corporations.

At the 2022 Annual General Meeting, the shareholders re-elected Nancy Mistretta, Katia Coudray and Jacqui Irvine as non-executive members of the Compensation Committee, with Nancy Mistretta being appointed as Chair.

The Compensation Committee regularly reports to the Board of Directors on the status of its activities, the development of the compensation architecture within the Group and on the operational implementation of the Group compensation policy.

The table below provides an overview of the Compensation Committee's meeting schedule for performance year 2022:

Meeting schedule

Meeting	Standing agenda items
January	Approval of the aggregate annual bonus pools and award structures
	Determination of compensation to be paid to the Group CEO
	Approval of compensation to be paid to other members of the Group Management Board
	Determination of compensation paid to the Chairman of the Board
	Proposal of the compensation paid to the members of the Board and to the members of the committees
	Review of draft compensation report
February	Determination of the Board of Directors total aggregate fixed compensation proposal to be submitted to the AGM for a binding vote
	Determination of compensation to be paid to the Chairman of the Board of Directors (assuming approval of total aggregate fixed compensation proposed to AGM)
	Determination of the Group Management Board's total aggregate fixed and variable compensation proposals, to be submitted to the AGM for a binding vote
	Review of individual compensation payments for senior executives outside of the Group Management Board
	Determination of financial metrics for Group Management Board compensation scorecard
	Final review and approval of the compensation report
May	Annual review of the Group compensation policy and share-based compensation plans
September	Annual review of the Compensation Committee charter
	Initial review and provision of guidance for group-wide compensation proposals
December	Review of provisional group-wide compensation bonus pools and award structures

8.2 Group Chief Executive Officer

The Group CEO, supported by the Group Head of Human Resources, submits proposals to the Compensation Committee for their approval. The proposals include, among other things, the total discretionary annual bonus pool for all employees across the Group and variable compensation to be paid for the other members of the Group Management Board (subject to shareholder approval).

For the other members of the Group Management Board, the sum proposed by the Group CEO is based on the individual's performance and contribution against pre-determined balanced scorecards comprised of financial, strategic and business and personal objectives determined by the Group CEO and approved by the Compensation Committee.

For all other employees, the Group CEO supported by the Group CFO and the Group Head of Human Resources develops guidelines based on the Group's business results and development during the relevant period. Then, sub-pools of the approved total discretionary annual bonus pool are allocated to the various business functions and teams. Subsequently, manager proposals for the awards of discretionary annual bonuses are reviewed by the Group CEO in order to ensure distribution has been fair and aligned with individual contribution and performance. The Group CEO's approval is required for any individual employee with total compensation exceeding CHF 500,000.

8.3 Compensation Management Committee

The Compensation Committee has delegated authority to the Compensation Management Committee (CMC) comprising the Group CEO, Group Head of Human Resources, Group Chief Risk Officer, Group Head of Compliance and Group General Counsel. The CMC is responsible for providing advice and support to ensure that compensation policies and processes across the Group are operated in line with current and future compensation regulations. It also provides information on conduct, risk and compliance matters in relation to all employees, including Material Risk Takers and Identified Staff as defined under the various EU regulations, which is taken into account when approving all annual bonus payments.

8.4 Shareholders

In accordance with the Swiss Ordinance against Excessive Compensation in Listed Stock Corporations, we seek binding shareholder approval for the aggregate compensation for the Group Management Board and for the Board of Directors:

	Proposal	Approval	Binding vote	AGM vote
Maximum aggregate amount of annual fixed compensation for members of the Board of Directors for AGM 2023 to AGM 2024	Compensation Committee	Board of Directors	Annual General Meeting	Prospective
Maximum aggregate amount of annual fixed compensation for members of the Group Management Board for 2023	Compensation Committee	Board of Directors	Annual General Meeting	Prospective
The aggregate amount of annual variable compensation for members of the Group Management Board for 2022	Compensation Committee	Board of Directors	Annual General Meeting	Retrospective

	Proposal	Approval	Consultative vote
2022 compensation report	Compensation Committee	Board of Directors	Annual General Meeting

The Board of Directors remains of the view that obtaining prospective approval for the maximum aggregate amount of fixed compensation for both the Board of Directors and the Group Management Board is appropriate to ensure stability in the day-to-day management of the Group. Shareholders at the 2023 Annual General Meeting and beyond will be asked to approve the aggregate variable compensation for the Group Management Board on a retrospective basis, as this provides shareholders with greater transparency on the variable compensation requested in relation to the prior year's performance. In addition, there will also be a consultative vote on the Compensation Report. Details of the 2023 Annual General Meeting resolutions can be found in section 9 of this report.

In respect of 2022, fixed compensation for the Board of Directors and the Group Management Board, the Compensation Committee fully complied with the prospective levels approved by the shareholders at the 2022 Annual General Meeting.

Approved and paid fixed compensation for the Group Management Board and the Board of Directors

	Approved	Paid	Approved	Paid
CHF (including any shares)	**2022**	**2022**	2021	2021
Board of Directors [1]	1,975,000	992,556	1,975,000	1,791,670
Group Management Board [2]	3,250,000	2,973,005	3,250,000	2,736,897

[1] The approved and paid compensation for the Board of Directors is for the period AGM to AGM. The figure for 2022 includes an estimate for the period 1 January to 30 April 2023.

[2] The approved and paid compensation for the Group Management Board is for the financial year.

9. AGM RESOLUTIONS

This section of the report outlines the compensation resolutions to be put to shareholders at the 2023 Annual General Meeting.

1) **Elections to the Compensation Committee of the Board of Directors (binding vote)**
Shareholder approval will be sought for the election of three Compensation Committee members until the 2024 Annual General Meeting, or until 31 December 2023 in the case of Katia Coudray, as proposed by the Board of Directors.

2) **Approval of the fixed compensation of the Board of Directors (binding vote)**
Shareholder approval will be sought for fixed compensation for the Board of Directors of a maximum of CHF 900,000 for the period AGM 2023 to AGM 2024, reduced from CHF 1,975,000 agreed for the period AGM 2022 to AGM 2023. The adjusted fee framework for the Board of Directors is set out in section 5 of this compensation report.

3) **Approval of the fixed compensation of the Group Management Board (binding vote)**
Shareholder approval will be sought for fixed compensation for the Group Management Board of a maximum of CHF 3,250,000 for the 2023 financial year. The fixed compensation framework for the Group Management Board is set out in section 3 of this Compensation Report.

4) **Approval of variable compensation of the Group Management Board (binding vote)**
Shareholder approval will not be sought for variable compensation for the Group Management Board as there will be no variable compensation in respect of the 2022 financial year.

5) **Approval of the Compensation Report (consultative vote)**
The shareholders' meeting shall be asked to approve the 2022 compensation report on a non-binding consultative basis.

Report of the Statutory Auditor

To the General Meeting of GAM Holding AG, Zurich

Report on the Audit of the Compensation Report

Opinion

We have audited the Compensation Report of GAM Holding AG (the Company) for the year ended 31 December 2022. The audit was limited to the information on compensation, loans and advances pursuant to Art. 14-16 of the Ordinance against Excessive Compensation in Listed Companies Limited by Shares (Verordnung gegen übermässige Vergütungen bei börsenkotierten Aktiengesellschaften, VegüV) contained in the sections 4.1 to 4.4 as well as sections 6.1 to 6.4 of the Compensation Report.

In our opinion, the information on compensation, loans and advances in the Compensation Report complies with Swiss law and Art. 14-16 VegüV.

Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Compensation Report" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the sections marked "audited" in the Compensation Report, the consolidated financial statements, the financial statements and our auditor's reports thereon.

Our opinion on the Compensation Report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Compensation Report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the Compensation Report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' Responsibilities for the Compensation Report

The Board of Directors is responsible for the preparation of a Compensation Report in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of a Compensation Report that is free from material misstatement, whether due to fraud or error. The Board of Directors is also responsible for designing the compensation system and defining individual compensation packages.

Auditor's Responsibilities for the Audit of the Compensation Report

Our objectives are to obtain reasonable assurance about whether the information on compensation, loans and advances pursuant to Art. 14-16 VegüV is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Compensation Report.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

– Identify and assess the risks of material misstatement in the Compensation Report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
– Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
– Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

KPMG AG

Daniel Merz
Licensed Audit Expert
Auditor in Charge

Mirko Liberto
Licensed Audit Expert

Zurich, 4 May 2023

KPMG AG, Badenerstrasse 172, CH-8036 Zurich

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED INCOME STATEMENT

CONSOLIDATED INCOME STATEMENT

	Note	2022 CHF m	2021 CHF m	Change in %
Investment management, advisory and other fees	1	459.3	633.9	(28)
Distribution, fee and commission expenses	1	(297.5)	(425.9)	(30)
Net management fees and commissions	1	**161.8**	**208.0**	**(22)**
Net performance fees	1	4.1	21.5	(81)
Net fee and commission income	1	**165.9**	**229.5**	**(28)**
Net other income	2	6.0	6.9	(13)
Income		**171.9**	**236.4**	**(27)**
Personnel expenses	3	115.5	144.4	(20)
General expenses	4	81.1	86.7	(6)
Depreciation and amortisation		18.0	20.2	(11)
Impairment losses	13	223.5	0.3	-
Expenses		**438.1**	**251.6**	**74**
Loss before taxes		**(266.2)**	**(15.2)**	**-**
Income tax expense	5.1	23.8	8.1	-
Net loss attributable to the shareholders of the Company		**(290.0)**	**(23.3)**	**-**
Loss per share				
Basic loss per share (CHF)	7	(1.86)	(0.15)	-
Diluted loss per share (CHF)	7	(1.86)	(0.15)	-

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	2022 CHF m	2021 CHF m	Change in %
Net loss attributable to the shareholders of the Company		**(290.0)**	**(23.3)**	**-**
Remeasurements of pension assets and liabilities	16	(14.4)	39.5	-
Income tax expense relating to remeasurements of pension liabilities	12.1	0.1	(7.2)	-
Items that will not be reclassified subsequently to the income statement, net of taxes		**(14.3)**	**32.3**	-
Release of deferred taxes previously recognised through OCI		(7.4)	-	-
Translation differences		(19.2)	(4.2)	-
Items that may be reclassified subsequently to the income statement, net of taxes		**(26.6)**	**(4.2)**	-
Other comprehensive (loss)/income, net of taxes		**(40.9)**	**28.1**	-
Total comprehensive (loss)/income attributable to the shareholders of the Company		**(330.9)**	**4.8**	-

CONSOLIDATED BALANCE SHEET

	Note	31.12.2022 CHF m	31.12.2021 CHF m	Change in %
Cash and cash equivalents	8	137.9	234.8	(41)
Trade and other receivables		27.1	25.4	7
Accrued income and prepaid expenses	9	47.7	69.3	(31)
Financial investments	10.1	4.7	11.1	(58)
Employee benefit asset		0.2	2.9	(93)
Assets held for sale	11	0.1	6.0	(98)
Current assets		**217.7**	**349.5**	**(38)**
Financial investments and other financial assets	10.1	1.3	2.6	(50)
Employee benefit asset		1.4	0.3	-
Deferred tax assets	12.1	2.8	35.0	(92)
Property and equipment	13	45.4	55.9	(19)
Pension assets	16	1.1	6.9	(84)
Intangible assets	13	83.2	305.0	(73)
Non-current assets		**135.2**	**405.7**	**(67)**
Assets		**352.9**	**755.2**	**(53)**
Trade and other payables		17.8	20.3	(12)
Other financial liabilities	10.2	6.2	8.6	(28)
Accrued expenses and deferred income	14	102.2	157.6	(35)
Current tax liabilities		2.7	1.5	80
Provisions	15	1.8	2.3	(22)
Liabilities held for sale	11	-	0.1	-
Current liabilities		**130.7**	**190.4**	**(31)**
Financial liabilities	10.2	38.7	48.0	(19)
Provisions	15	3.1	4.0	(22)
Pension liabilities	16	28.4	32.0	(11)
Deferred tax liabilities	12.2	1.4	2.3	(39)
Non-current liabilities		**71.6**	**86.3**	**(17)**
Liabilities		**202.3**	**276.7**	**(27)**
Share capital	17	8.0	8.0	-
Capital reserves	17	893.4	893.4	-
Retained earnings		(593.8)	(275.6)	-
Foreign currency translation reserve		(143.2)	(124.0)	15
Treasury shares	17	(13.8)	(23.3)	(41)
Equity attributable to the shareholders of the Company		**150.6**	**478.5**	**(69)**
Liabilities and equity		**352.9**	**755.2**	**(53)**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Note	Share capital CHF m	Capital reserves CHF m	Retained earnings CHF m	Foreign currency translation reserve CHF m	Treasury shares CHF m	**Equity attributable to the shareholders of the Company** CHF m
Balance at 1 January 2021		**8.0**	**893.4**	**(272.5)**	**(119.8)**	**(35.2)**	**473.9**
Net loss attributable to the shareholders of the Company		-	-	(23.3)	-	-	**(23.3)**
Other comprehensive income/(loss), net of taxes [1]		-	-	32.3	(4.2)	-	**28.1**
Total comprehensive income/ (loss)		**-**	**-**	**9.0**	**(4.2)**	**-**	**4.8**
Share-based payment expenses, net of taxes [2]	5.3/22	-	-	6.5	-	-	**6.5**
Acquisitions of own shares	17	-	-	-	-	(6.7)	**(6.7)**
Disposals of own shares	17	-	-	(18.6)	-	18.6	**-**
Total transactions with shareholders of the Company		**-**	**-**	**(12.1)**	**-**	**11.9**	**(0.2)**
Balance at 31 December 2021		**8.0**	**893.4**	**(275.6)**	**(124.0)**	**(23.3)**	**478.5**
Net loss attributable to the shareholders of the Company		-	-	(290.0)	-	-	**(290.0)**
Other comprehensive income/(loss), net of taxes [1]		-	-	(21.7)	(19.2)	-	**(40.9)**
Total comprehensive income/(loss)		**-**	**-**	**(311.7)**	**(19.2)**	**-**	**(330.9)**
Share-based payment expenses, net of taxes [2]	5.3/22	-	-	6.9	-	-	**6.9**
Acquisitions of own shares	17	-	-	-	-	(3.9)	**(3.9)**
Disposals of own shares	17	-	-	(13.4)	-	13.4	**-**
Total transactions with shareholders of the Company		**-**	**-**	**(6.5)**	**-**	**9.5**	**3.0**
Balance at 31 December 2022		**8.0**	**893.4**	**(593.8)**	**(143.2)**	**(13.8)**	**150.6**

[1] Details of the line item 'other comprehensive income, net of taxes' are shown in the consolidated statement of comprehensive income.

[2] Equity settled share-based payment expenses, net of taxes

CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	2022 CHF m	2021 CHF m
Net loss attributable to the shareholders of the Company		**(290.0)**	**(23.3)**
Adjustments to reconcile net loss to cash flow from operating activities			
Non-cash items included in net loss:			
– Impairment losses	13	223.5	0.3
– Depreciation and amortisation		18.0	20.2
– Share-based payment expenses	22	6.9	9.4
– Other non-cash items		-	0.4
Net changes in:			
– Financial investments and other financial assets		7.4	49.4
– Trade and other receivables (excluding tax receivables)		8.6	(7.2)
– Accrued income and prepaid expenses (excluding accrued interest)		30.6	(20.2)
– Trade and other payables		(9.1)	12.7
– Accrued expenses and deferred income (excluding accrued interest)		(38.2)	9.7
– Other liabilities [1]		(9.1)	(39.6)
Fund unit purchases for contractual bonuses [1]		(4.7)	(3.2)
Pension payments [1]		(15.9)	(13.1)
Payment of FCA fine [1]		(11.3)	-
Net interest expenses		1.5	5.8
Interest received		0.2	0.6
Interest paid		(2.1)	(1.6)
Income tax expense	5	23.8	8.1
Income taxes paid		(3.4)	(2.6)
Cash flow from operating activities		**(63.3)**	**5.8**
Payments of acquisition-related deferred consideration		-	(4.9)
Purchase of property, equipment and intangible assets		(14.1)	(20.7)
Disposal of property, equipment and intangible assets		-	2.1
Cash flow from investing activities		**(14.1)**	**(23.5)**
Purchase of treasury shares	17	(3.9)	(6.7)
Principal payment of lease liabilities [1]		(9.2)	(8.4)
Interest payment of lease liabilities [1]		(0.8)	(1.2)
Cash flow from financing activities		**(13.9)**	**(16.3)**
Effects of exchange rate changes on cash and cash equivalents		(5.6)	(2.1)
Net decrease in cash and cash equivalents		**(96.9)**	**(36.1)**
Cash and cash equivalents at the beginning of the year		234.8	270.9
Cash and cash equivalents at the end of the year	8	**137.9**	**234.8**

[1] For further information on changes in the presentation of comparative numbers for 2021, see note 28

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED INCOME STATEMENT

1. Net fee and commission income

	2022 CHF m	2021 CHF m	Change in %
Investment management, advisory and other fees	459.3	633.9	(28)
of which investment management	205.3	287.4	(29)
of which fund management services	254.0	346.5	(27)
Distribution, fee and commission expenses	(297.5)	(425.9)	(30)
of which investment management	(68.7)	(111.8)	(39)
of which fund management services	(228.8)	(314.1)	(27)
Net management fees and commissions	**161.8**	**208.0**	**(22)**
Performance fees	5.7	47.5	(88)
Performance fees paid to external investment managers	(1.6)	(26.0)	(94)
Net performance fees	**4.1**	**21.5**	**(81)**
Net fee and commission income	**165.9**	**229.5**	**(28)**

2. Net other income

	Note	2022 CHF m	2021 CHF m	Change in %
Adjustments to deferred consideration liabilities	6	-	0.4	-
Net foreign exchange gains		7.9	6.2	27
Interest income		0.2	-	-
Interest expenses		(1.5)	(5.8)	(74)
Net loss on financial instruments at fair value through profit or loss		(0.7)	(3.0)	(77)
Adjustment to financial liability for performance fees attributable to external interests	6	(0.4)	8.6	-
Income from insurance recovery relating to ARBF matters	6	-	0.1	-
Other		0.5	0.4	25
Net other income		**6.0**	**6.9**	**(13)**

The line item 'interest expenses' includes negative interest payable on cash and cash equivalents of CHF 0.5 million (2021: CHF 1.0 million), finance charges on discounted liabilities of CHF 0.2 million (2021: CHF 2.5 million) therefore CHF 0.2 million (2021: CHF 2.5 million) on the discounted financial liability for performance fees attributable to external interest (see note 6 for further information), and CHF 0.5 million for the unwinding of the discount effect on lease liabilities (2021: CHF 1.2 million).

3. Personnel expenses

	Note	2022 CHF m	2021 CHF m	Change in %
Salaries and bonuses		85.7	105.9	(19)
Social security expenses		10.4	12.2	(15)
Defined benefit pension plan expenses	16.2	4.7	5.6	(16)
Defined contribution pension plan expenses	16.1	3.9	6.8	(43)
Share-based payment expenses	22	6.9	9.4	(27)
Other personnel expenses		3.9	4.5	(13)
Personnel expenses		**115.5**	**144.4**	**(20)**

In 2022, in respect of the Group's restructuring, CHF 1.8 million in total were included in salaries and bonuses (2021: CHF 1.7 million) and there were no other expenses in respect of the Group's restructuring.

In early March 2023, as in the prior years, the Group will grant certain employees deferred fund units under the deferred variable compensation award scheme which represents the deferred element of the variable compensation in respect of the 2022 performance year. These deferred fund units will vest linearly over three years on the anniversaries of the grant date subject to recipients continuing to be employed with the Group on the vesting date. The investment in these deferred fund units (plan assets), net of the present value of the plan obligations which is built up over the vesting period, is presented in the balance sheet line item 'employee benefit asset'. The related expense is recognised over the relevant vesting period in the line item 'salaries and bonuses'.

4. General expenses

	2022 CHF m	2021 CHF m	Change in %
Occupancy	5.2	8.2	(37)
Technology and communication	17.3	16.4	5
Data and research	21.2	20.3	4
Professional and consulting services	14.6	8.4	74
Marketing and travel	5.8	5.8	0
Administration	3.7	5.2	(29)
Other general expenses	13.3	22.4	(41)
General expenses	**81.1**	**86.7**	**(6)**

Administration expenses represent outsourcing fees paid to the external service provider for back office and middle office functions.

Professional and consulting services expenses include the cost of CHF 3.2 million relating to strategic initiatives during 2022 and CHF 3.0 million in relation to outsourced support services.

The line item 'other general expenses' includes irrecoverable taxes of CHF 3.9 million (2021: CHF 3.8 million) and CHF 4.3 million (2021: CHF 4.6 million) for regulatory fees, insurance premiums and fund-related expenses. In 2021, 'Other general expenses' included the FCA fine expense of CHF 11.3 million.

5. Income tax (credit)/expense

5.1. Tax effects recognised in the income statement

	2022 CHF m	2021 CHF m
Income tax credit at the Swiss statutory tax rate of 19.7% (2021: 19.7%)	(52.4)	(3.0)
Impairment loss on brand	44.0	-
Tax rates differing from Swiss statutory rate	7.6	0.5
Non-taxable income	(2.3)	(1.0)
Previously unrecorded tax losses now utilised	(2.6)	(0.1)
Current year losses for which no deferred tax asset is recognised	9.9	2.4
Prior year adjustments	(0.2)	0.1
Non-deductible expenses	4.0	2.7
Impact on deferred taxes from tax rate changes	-	(5.0)
Adjustment to deferred tax assets	11.9	10.7
Other effects	3.9	0.8
Income tax expense	**23.8**	**8.1**

	2022 CHF m	2021 CHF m
Current income tax expense	2.0	2.9
Deferred income tax expense	21.8	5.2
Income tax expense	**23.8**	**8.1**

For further information on deferred taxes see note 12.

In relation to the impairment loss on brand recognised in 2022 (see note 13 for further information), GAM Holding AG recognised an impairment on investments in subsidiaries in its individual statutory financial statements, resulting in losses in those statutory financial statements (see the parent company's financial statements). No deferred tax asset has been recognised relating to the impairment loss as GAM Holding AG's primary source of income, dividends received from subsidiaries, is generally not taxable and therefore it is not probable that future taxable profit will be available against which GAM Holding AG can utilise the loss.

Following the write-down of deferred tax assets, at 31 December 2022 the Group has the following unrecognised accumulated tax losses and unrecognised deductible temporary differences for which no deferred tax asset has been recognised:

Unrecognised accumulated tax losses

	2022 CHF m	2021 CHF m	Change in %
Expiring			
Within one year	127.9	0.5	-
Two-five years	1,519.6	57.5	-
Six-ten years	319.9	1,269.3	(75)
More than ten years	-	-	-
No expiry date	125.8	12.1	-
Total of unrecognised accumulated tax losses	**2,093.2**	**1,339.4**	**56**
Unrecognised deductible temporary differences	**186.0**	**283.2**	**(34)**

5.2. Tax effects recognised in other comprehensive income

For further information refer to the consolidated statement of comprehensive income.

5.3. Tax effects recognised directly in equity

In 2022, tax effects on share-based payments resulted in a debit to equity of CHF 0.1 million (2021: CHF 0.1 million). With share-based payment expenses of CHF 7.0 million (2021: CHF 6.6 million) and these tax effects, CHF 6.9 million (2021: CHF 6.5 million) is included in the respective line item within equity as shown in the consolidated statement of changes in equity.

6. Reconciliation between net profit (IFRS) and underlying net profit

			2022			2021
	IFRS CHF m	Reconciling items CHF m	Underlying CHF m	IFRS CHF m	Reconciling items CHF m	Underlying CHF m
Net management fees and commissions	161.8	-	161.8	208.0	-	208.0
Net performance fees	4.1	(0.9)	3.2	21.5	(2.2)	19.3
Net fee and commission income	**165.9**	**(0.9)**	**165.0**	**229.5**	**(2.2)**	**227.3**
Net other income / (expense)	6.0	(6.0)	-	6.9	(9.3)	(2.4)
Income	**171.9**	**(6.9)**	**165.0**	**236.4**	**(11.5)**	**224.9**
Personnel expenses	115.5	(1.8)	113.7	144.4	(1.3)	143.1
General expenses	81.1	(5.3)	75.8	86.7	(13.5)	73.2
Depreciation and amortisation	18.0	-	18.0	20.2	(2.0)	18.2
Impairment losses	223.5	(223.5)	-	0.3	(0.3)	-
Expenses	**438.1**	**(230.6)**	**207.5**	**251.6**	**(17.1)**	**234.5**
Loss before taxes	**(266.2)**	**223.7**	**(42.5)**	**(15.2)**	**5.6**	**(9.6)**
Income tax (credit) / expense	23.8	(27.3)	(3.5)	8.1	(10.2)	(2.1)
Net loss	**(290.0)**	**251.0**	**(39.0)**	**(23.3)**	**15.8**	**(7.5)**
Loss per share						
Basic loss per share (CHF)	(1.86)		(0.25)	(0.15)		(0.05)
Diluted loss per share (CHF)	(1.86)		(0.25)	(0.15)		(0.05)

Reconciling items

	Note	2022 Acquisition-related items CHF m	2022 Non-core items CHF m	2022 Total reconciling items CHF m	2021 Acquisition-related items CHF m	2021 Non-core items CHF m	2021 Total reconciling items CHF m
Performance fees attributed to external interests		(0.9)	-	(0.9)	(2.2)	-	(2.2)
Net fee and commission income		**(0.9)**	**-**	**(0.9)**	**(2.2)**	**-**	**(2.2)**
Adjustments to deferred consideration liabilities	2	-	-	-	(0.4)	-	(0.4)
Adjustment to financial liability for performance fees attributable to external interests	2	0.4	-	0.4	(8.6)	-	(8.6)
Finance charges on discounted liabilities	2	0.2	-	0.2	2.5	-	2.5
Income from insurance recovery relating to ARBF matters	2	-	-	-	-	(0.1)	(0.1)
Net foreign exchange gains on pension loan note		-	(6.2)	(6.2)	-	(2.6)	(2.6)
Other income		-	(0.4)	(0.4)	(0.1)	-	(0.1)
Net other income / (expense)		**0.6**	**(6.6)**	**(6.0)**	**(6.6)**	**(2.7)**	**(9.3)**
Reorganisation charge	15	-	(1.8)	(1.8)	-	(1.7)	(1.7)
Pension plan curtailment and amendments	16	-	-	-	-	0.4	0.4
Personnel expenses		**-**	**(1.8)**	**(1.8)**	**-**	**(1.3)**	**(1.3)**
Reorganisation charge		-	(3.2)	(3.2)	-	(2.5)	(2.5)
Onerous software contract		-	(1.4)	(1.4)	-	-	-
Costs relating to FCA fine		-	-	-	-	(11.3)	(11.3)
Office water damage		-	(0.7)	(0.7)	-	-	-
Other expenses		-	-	-	-	0.3	0.3
General expenses		**-**	**(5.3)**	**(5.3)**	**-**	**(13.5)**	**(13.5)**
Amortisation of investment management and client contracts		-	-	-	(0.7)	-	(0.7)
Accelerated amortisation of software		-	-	-	-	(1.5)	(1.5)
Other		-	-	-	-	0.2	0.2
Depreciation and amortisation	13	**-**	**-**	**-**	**(0.7)**	**(1.3)**	**(2.0)**
Impairment of intangible asset	13	-	(223.5)	(223.5)	-	(0.3)	(0.3)
Impairment losses		**-**	**(223.5)**	**(223.5)**	**-**	**(0.3)**	**(0.3)**
Total reconciling items before taxes		**(0.3)**	**224.0**	**223.7**	**(8.1)**	**13.7**	**5.6**
		-	-				
Adjustment to deferred tax assets	5/12	-	(27.2)	(27.2)	-	(10.7)	(10.7)
Income tax (credit) / expense		-	(0.1)	(0.1)	0.1	0.4	0.5
Total reconciling items after taxes		**(0.3)**	**251.3**	**251.0**	**(8.2)**	**24.0**	**15.8**

The Group has defined principles for reporting non-IFRS profit information – including labelling, transparency, prominence and presentation, comparability, consistency and materiality – which are considered to be appropriate to meet the needs of users of financial information. The Group discloses underlying profit before and after taxes as alternative performance measures representing a measure of earnings adjusted to exclude items which, in our view, are neither indicative of the underlying performance of the Group's business nor of its future potential. This enables better comparison of business performance across periods.

According to its policy, the Group distinguishes between two categories of excluded items, in adherence to the principles mentioned above, being acquisition-related items and non-core items.

The below items are stated before taxes.

Acquisition-related items

Performance fees attributed to external interests

The Group has a contractual obligation, through the agreement to acquire GAM Systematic LLP (formerly Cantab Capital Partners LLP), to pay 40% of performance fees received by GAM Systematic LLP to employees (in the first five years and capped at USD 50 million as determined by previous partners) and previous partners thereafter indefinitely. The performance fees payable for the year in relation to GAM Systematic LLP amount to CHF 0.9 million (2021: CHF 2.2 million).

Adjustments to deferred consideration liabilities and related foreign exchange impacts

The Group acquired GAM Lugano, the Renshaw Bay real estate debt, as well as the investment management businesses of Taube Hodson Stonex (THS) and GAM Systematic, all with a deferred consideration element. In 2021, deferred consideration of CHF 0.4 million was released.

Adjustment to financial liability for performance fees attributable to external interests

The remeasurement of the financial liability for performance fees attributable to external interests resulted in an expense of CHF 0.4 million (2021: income of CHF 8.6 million).

Finance charges on discounted liabilities

2022 includes finance charges of CHF 0.2 million on the discounted financial liability for performance fees attributable to external interests (2021: CHF 2.5 million).

Amortisation of investment management and client contracts

In 2021, the CHF 0.7 million amortisation of investment management and client contracts relates to the acquisitions of the Singleterry Mansley business, the Renshaw Bay real estate business as well as the investment management businesses of THS and GAM Systematic LLP. All amounts are now fully amortised.

Non-core items

Net foreign exchange gains on pension loan note

The gain of CHF 6.2 million relates to the revaluation of the GBP 70.7 million non-transferable loan note for the UK pension scheme (2021: CHF 2.6 million). For further information see note 16.2.

Pension plan curtailment and amendments

In 2021, due to the planned reduction in the number of employees in Switzerland in connection with the efficiency programme announced in the second half of 2021, a curtailment was made to the Swiss defined benefit pension plan resulting in a decrease of the pension liability and a corresponding non-cash gain of CHF 1.4 million. In addition, CHF 1.0 million additional contribution for past services was paid in.

Reorganisation charge

In 2022, CHF 1.8 million was recognised in respect of the Group's reorganisation programme in the line item 'personnel expenses' (2021: CHF 1.7 million) (for further information see note 3).

Further charges in 'general expenses' include CHF 0.2 million for charges relating to the restructuring of Group legal entities (2021: CHF 0.4 million). In 2022, 'general expenses' included CHF 3.1 million in respect of the Group's implementation of its strategic initiatives. In 2021, 'general expenses' included CHF 0.1 million relating to the implementation of the new SimCorp platform and CHF 2.0 million costs relating to the termination of the property lease contract. The expenses recognised are net of reversal of provision (see note 15).

FCA fine

In 2021, CHF 11.3 million relates to the FCA fine regarding matters in respect of conflicts of interests between late 2014 and early 2018.

Software-related charges:

(a) Onerous software contract

Following the implementation of the SimCorp platform, certain agreements related to annual licence and managed services fees were identified as onerous contracts, and a provision of CHF 1.4 million was charged in 2022.

(b) Accumulated amortisation of software

In 2021, the CHF 1.5 million charge for accelerated amortisation of software relates to the implementation of the SimCorp platform. For software being replaced by the new platform, accelerated amortisation has been applied due to a shorter useful life.

Impairment of intangible asset

For further information on the CHF 223.5 million impairment loss on brand in 2022 see note 13.

Impairment loss on investment management and client contracts

In 2021, the CHF 0.3 million impairment losses before taxes on investment management and client contracts relate to the acquisition of the investment management businesses of THS. For further information see note 13.

Adjustment to deferred tax assets based on recoverability

Adjustment to deferred tax assets based on recoverability of CHF 27.2 million relates to the re-assessment of the future recoverability of tax losses carried forward (2021: CHF 10.7 million). For further information see note 5.

Other income and expenses

Other expenses include certain costs which have been combined in one line item considering materiality and consistency. These expenses mainly include costs relating to legal and regulatory risks (see notes 15 and 23.2 for further information). In 2022, CHF 0.7 million relates to repair and restoration cost incurred following water damage in one of our premises (see note 15).

7. Earnings per share and shares outstanding

7.1. Earnings per share

	2022	2021
Basic loss per share		
Net loss attributable to the shareholders of the Company (CHF m)	(290.0)	(23.3)
Weighted average number of shares outstanding (millions)	156.3	156.1
Basic loss per share (CHF)	**(1.86)**	**(0.15)**
Diluted loss per share		
Net loss attributable to the shareholders of the Company for diluted EPS (CHF m)	(290.0)	(23.3)
Weighted average number of shares outstanding (millions)	156.3	156.1
Dilution effect (millions)	-	-
Weighted average number of shares outstanding for diluted EPS (millions)	156.3	156.1
	-	
Diluted loss per share (CHF)	**(1.86)**	**(0.15)**

At 31 December 2022, 6.7 million potential shares were excluded from the weighted average number of shares outstanding for diluted EPS calculation as their effect would have been anti-dilutive due to the net loss recognised in 2022 (31 December 2021: 5.8 million potential shares were excluded).

7.2. Shares outstanding

	Note	2022	2021
Shares issued at the beginning of the year		159,682,531	159,682,531
Shares issued at the end of the year	17	**159,682,531**	**159,682,531**
Treasury shares – share-based payment plans	17	(4,331,298)	(4,028,783)
Shares outstanding at the end of the year		**155,351,233**	**155,653,748**

NOTES TO THE CONSOLIDATED BALANCE SHEET

8. Cash and cash equivalents

	31.12.2022 CHF m	31.12.2021 CHF m	Change in %
Cash at bank	127.9	224.4	(43)
Short-term deposits	10.0	10.4	(4)
Cash and cash equivalents	**137.9**	**234.8**	**(41)**

Cash and cash equivalents of CHF 1.0 million (2021: CHF 1.2 million) are held by the GAM Employee Benefit Trust (EBT) that are not available for use by the Group (for further information on the EBT see note 17).

9. Accrued income and prepaid expenses

	31.12.2022 CHF m	31.12.2021 CHF m	Change in %
Accrued fee and commission income	38.7	58.7	(34)
Prepaid expenses	9.0	10.6	(15)
Accrued income and prepaid expenses	**47.7**	**69.3**	**(31)**

	2022 CHF m	2021 CHF m	Change in %
Accrued income at the beginning of the period	**58.7**	65.6	(11)
Released during the year	(58.7)	(65.6)	(11)
Additions during the year	38.7	58.7	(34)
Accrued income at the end of the period	**38.7**	**58.7**	**(34)**

10. Financial instruments

10.1. Financial investments and other financial assets

	Note	31.12.2022 CHF m	31.12.2021 CHF m	Change in %
Seed capital and product management investments at fair value through profit or loss		4.5	10.0	(55)
Derivative financial instruments	10.3	0.3	2.0	(85)
Other financial assets		1.2	1.7	(29)
Financial investments and other financial assets		**6.0**	**13.7**	**(56)**
Current		4.7	11.1	(58)
Non-current		1.3	2.6	(50)
Financial investments and other financial assets		**6.0**	**13.7**	**(56)**

10.2. Other and non-current financial liabilities

	Note	31.12.2022 CHF m	31.12.2021 CHF m	Change in %
Derivative financial instruments	10.3	0.1	-	-
Lease liabilities		39.7	48.1	(17)
Financial liabilities measured at amortised cost		5.1	8.5	(40)
Other and non-current financial liabilities		**44.9**	**56.6**	**(21)**
Current		6.2	8.6	(28)
Non-current		38.7	48.0	(19)
Other and non-current financial liabilities		**44.9**	**56.6**	**(21)**

10.3. Derivative financial instruments

			31.12.2022
	Contract/ notional amount CHF m	Positive replacement value CHF m	Negative replacement value CHF m
Foreign exchange derivative financial instruments	4.9	-	0.1
Other derivative financial instruments	15.2	0.3	-
Derivative financial instruments held for trading	**20.1**	**0.3**	**0.1**

			31.12.2021
	Contract/ notional amount CHF m	Positive replacement value CHF m	Negative replacement value CHF m
Foreign exchange derivative financial instruments	60.3	0.7	-
Other derivative financial instruments	15.2	1.3	-
Derivative financial instruments held for trading	**75.5**	**2.0**	**-**

In 2022 and 2021, there were no derivative financial instruments designated as hedging instruments.

10.4. Financial instruments by category

	Note	31.12.2022 Carrying amount CHF m	31.12.2021 Carrying amount CHF m
Cash and cash equivalents	8	137.9	234.8
Trade and other receivables (excluding tax receivables)		7.5	22.3
Accrued income		38.7	58.7
Other financial assets		0.8	1.0
Financial assets measured at amortised cost		**184.9**	**316.8**
Financial assets at fair value through profit or loss		5.0	16.8
Derivative financial instruments held for trading	10.3	0.3	2.0
Financial assets measured at fair value		**5.3**	**18.8**
Financial assets		**190.2**	**335.6**
Trade and other payables		17.8	20.3
Accrued expenses		102.2	157.6
Lease liabilities		39.7	48.1
Other financial liabilities		5.1	8.5
Financial liabilities measured at amortised cost		**164.8**	**234.5**
Derivative financial instruments held for trading	10.3	0.1	-
Financial liabilities at fair value through profit or loss		-	0.1
Financial liabilities measured at fair value		**0.1**	**0.1**
Financial liabilities		**164.9**	**234.6**

The Group has not disclosed the fair values for cash and cash equivalents, accrued income and expenses, trade and other receivables and payables, other financial assets and other financial liabilities as their carrying amounts are a reasonable approximation of fair values. Details of the level of the fair value hierarchy used to measure financial assets and liabilities measured at fair value are given in note 10.5.

Financial liabilities measured at amortised cost include the financial liability for uncrystallised performance fees of GAM Systematic attributable to external interests which represents the contractual obligation to pay future performance fees and is estimated to amount to CHF 1.3 million as at 31 December 2022 (31 December 2021: CHF 0.7 million). This financial liability is measured at the present value of expected performance fee payments, determined by considering the forecasted performance fee revenue, using a risk-adjusted effective interest rate of 25%.

The categories ‘financial assets at fair value through profit or loss’ and ‘financial liabilities at fair value through profit or loss’ include the balance sheet line items ‘assets held for sale’ and ‘liabilities held for sale’, which contains the controlled funds’ direct investments in the amount of CHF 0.1 million (31 December 2021: CHF 6.0 million), representing investments into financial instruments. Further details are set out in note 11.

10.5. Financial instruments – fair value determination

For financial investments whose prices are quoted in an active market, the fair value is derived directly from the quoted market prices.

For financial instruments for which quoted market prices are not directly available, fair values are estimated using valuation techniques or models based, where possible, on assumptions supported by observable market prices or rates existing at the balance sheet date. This is the case for the majority of OTC derivatives, most unlisted financial instruments and other items that are not traded in active markets. The main pricing models and valuation techniques applied include forward pricing and swap models using present-value calculations and option models. The values derived from applying these models and techniques are significantly impacted by the choice of the valuation model used and the underlying assumptions made, such as the amounts and timing of future cash flows, discount rates, volatility and credit risk.

Financial instruments measured at fair value subsequent to initial recognition are grouped into levels 1 to 3 based on the degree to which the fair value is observable, ie:
- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3.

Specific valuation techniques used to value financial instruments include:
- Quoted market prices or dealer quotes for similar instruments.
- The fair value of forward foreign exchange contracts is determined by discounting the difference between the contractual forward exchange rate and the current forward exchange rate at the balance sheet date for the residual maturity of the contract.
- Other techniques, such as discounted cash flow analysis, are used to determine the fair value for the remaining financial instruments.

The table below analyses financial instruments, measured at fair value at the end of the reporting period, by the level in the fair value hierarchy into which the fair value measurement is categorised:

	Level 1 CHF m	Level 2 CHF m	Level 3 CHF m	31.12.2022 **Total** CHF m
Derivative financial instruments	-	0.3	-	**0.3**
Seed capital and product management investments at fair value through profit or loss	-	4.6	-	**4.6**
Other financial assets at fair value through profit or loss	-	0.4	-	**0.4**
Financial assets measured at fair value	**-**	**5.3**	**-**	**5.3**
Derivative financial instruments	-	0.1	-	**0.1**
Financial liabilities at fair value through profit or loss	-	-	-	**-**
Financial liabilities measured at fair value	**-**	**0.1**	**-**	**0.1**

	Level 1 CHF m	Level 2 CHF m	Level 3 CHF m	31.12.2021 **Total** CHF m
Derivative financial instruments	-	2.0	-	**2.0**
Seed capital and product management investments at fair value through profit or loss	10.9	5.1	-	**16.0**
Other financial assets at fair value through profit or loss	-	0.8	-	**0.8**
Financial assets measured at fair value	**10.9**	**7.9**	**-**	**18.8**
Derivative financial instruments	-	-	-	**-**
Financial liabilities at fair value through profit or loss	0.1	-	-	**0.1**
Financial liabilities measured at fair value	**0.1**	**-**	**-**	**0.1**

The categories ‘seed capital and product management investments at fair value through profit or loss’ and ‘financial liabilities at fair value through profit or loss’ include the balance sheet line items ‘assets held for sale’, which solely contains the controlled funds’ direct investments, and ‘liabilities held for sale’, which contains the direct liabilities of those controlled funds. Further details are set out in note 10.4 and 11.

Transfers into and transfers out of the fair value hierarchy levels are recognised as of the date of the event or change in circumstances that caused the transfer. In 2021 and 2022, no financial assets were transferred between levels.

In 2022, the ‘seed capital and product management investments at fair value through profit or loss’ which were classified as Level 1 as at 31 December 2021 were redeemed.

The following table presents the changes in level 3 financial instruments:

	Financial assets at fair value through profit or loss CHF m	Financial liabilities at fair value through profit or loss CHF m
Balance at 1 January 2021	-	5.0
Disposals/settlements	-	(4.9)
Total gains/losses in profit or loss	-	(0.4)
Translation differences	-	0.3
Balance at 31 December 2021	**-**	**-**
Disposals/settlements	-	-
Total gains/losses in profit or loss	-	-
Translation differences	-	-
Balance at 31 December 2022	**-**	**-**

Level 3 financial liabilities at fair value through profit or loss represent deferred consideration liabilities relating to previous acquisitions. These are measured based on their contractual terms and expected future business performance.

In 2021 and 2022, no gains and losses were included in relation to level 3 financial instruments held at the end of the reporting period.

Level 3 financial liabilities, representing the deferred consideration liabilities from acquisitions made by the Group, mainly included the deferred consideration liability from the acquisition of GAM Systematic, which was fully paid as at 31 December 2021. Further details of the treatment of adjustments to the deferred consideration liabilities are set out in note 6.

11. Assets and liabilities held for sale

The Group makes seed capital investments in certain fund products in order to establish track records for new products, to test new investment strategies or to launch a new product at a viable minimum size.

Those financial investments under the Group's control, in accordance with IFRS 10, which are available for immediate sale and for which management expects to complete the sale within one year, are presented in the balance sheet line items 'assets held for sale' and 'liabilities held for sale'. The balance sheet line item 'assets held for sale' consists solely of the controlled funds' direct investments in financial instruments and the balance sheet line item 'liabilities held for sale' consists of the direct liabilities of those controlled funds under the Group's control.

	31.12.2022 CHF m	31.12.2021 CHF m
Assets held for sale	0.1	6.0
Liabilities held for sale	-	0.1

12. Deferred tax assets and liabilities

12.1. Deferred tax assets

	2022 CHF m	2021 CHF m
Balance at the beginning of the year	35.0	44.6
Recognised in profit or loss	(21.8)	(4.5)
Recognised directly in equity	-	(0.1)
Recognised in other comprehensive income	(8.2)	(5.9)
Translation differences	(2.2)	0.9
Balance at the end of the year	**2.8**	**35.0**
Components of deferred tax assets		
Tax loss carry-forwards	2.4	20.4
Net pension liabilities	0.1	8.7
Share-based payments	0.3	3.4
Property and equipment	-	1.2
Other	-	1.3
Deferred tax assets at the end of the year	**2.8**	**35.0**

Recognised tax loss carry-forwards mainly relates to the simplification of the Group's operating legal entity structure in Switzerland amounting to CHF nil (2021: CHF 2.3 million), in Luxembourg CHF 2.4 million (2021: CHF 1.9 million) and the UK CHF nil (2021: CHF 16.2 million) and are expected to be fully recoverable over the utilisation period. Management have assessed the future recoverability of future tax losses carried forward, based upon the expected future profitability of the relevant legal entities.

Tax effects recognised in profit or loss

In 2022, deferred tax effects recognised in profit or loss includes a CHF 27.2 million adjustment due to re-assessment of the future recoverability of deferred tax assets (2021: CHF 10.7 million adjustment due to re-assessment of tax losses carried forward, and 2021 included a partial offset of CHF 5.0 million related to the tax rate change in the UK). This reflects management's judgement that the likelihood of sufficient future taxable profits being available against which deductible temporary differences or unused tax losses or credits can be recovered or utilised do not meet the probability threshold set by IAS 12, Income taxes.

12.2. Deferred tax liabilities

	2022 CHF m	2021 CHF m
Balance at the beginning of the year	2.3	0.3
Recognised in profit or loss	-	0.6
Recognised in other comprehensive income	(0.9)	1.4
Balance at the end of the year	**1.4**	**2.3**
Components of deferred tax liabilities		
Pension assets	1.4	1.4
Other	-	0.9
Deferred tax liabilities at the end of the year	**1.4**	**2.3**

Tax effects recognised in other comprehensive income

In 2022, remeasurements of pension liabilities, deferred tax assets and other items resulted in a credit in other comprehensive income of CHF 7.3 million (2021: CHF 7.2 million).

13. Property and equipment and intangible assets

	Property and equipment CHF m	Investment management and client contracts CHF m	Brand CHF m	Software CHF m	**Intangible assets** CHF m
Historical cost					
Balance at 1 January 2021	**154.5**	1,334.9	273.0	50.5	**1,658.4**
Modification to right of use assets	**(14.5)**	-	-	-	**-**
Additions	**3.3**	-	-	18.0	**18.0**
Changes recognised directly through provisions	**(1.2)**	-	-	-	**-**
Disposals	**(29.2)**	-	-	(14.4)	**(14.4)**
Translation differences	**1.4**	0.6	-	0.9	**1.5**
Balance at 31 December 2021	**114.3**	**1,335.5**	**273.0**	**55.0**	**1,663.5**
Modification to right of use assets	1.0	-	-	-	**-**
Additions	3.3	-	-	10.8	**10.8**
Disposals	(28.8)	-	-	-	**-**
Translation differences	(5.8)	-	-	(3.8)	**(3.8)**
Balance at 31 December 2022	**84.0**	**1,335.5**	**273.0**	**62.0**	**1,670.5**
Accumulated depreciation, amortisation and impairment losses					
Balance at 1 January 2021	**73.4**	1,334.0	-	28.8	**1,362.8**
Depreciation	**13.0**	0.7	-	6.5	**7.2**
Disposals	**(28.9)**	-	-	(13.0)	**(13.0)**
Impairment losses	**-**	0.3	-	-	**0.3**
Translation differences	**0.9**	0.5	-	0.7	**1.2**
Balance at 31 December 2021	**58.4**	**1,335.5**	**-**	**23.0**	**1,358.5**
Depreciation	11.0	-	-	7.0	**7.0**
Disposals	(27.8)	-	-	-	**-**
Impairment losses	-	-	223.5	-	**223.5**
Translation differences	(3.0)	-	-	(1.7)	**(1.7)**
Balance at 31 December 2022	**38.6**	**1,335.5**	**223.5**	**28.3**	**1,587.3**
Carrying amounts					
Historical cost	**114.3**	1,335.5	273.0	55.0	**1,663.5**
Accumulated depreciation, amortisation and impairment losses	**58.4**	1,335.5	-	23.0	**1,358.5**
Balance at 31 December 2021	**55.9**	**-**	**273.0**	**32.0**	**305.0**
Historical cost	**84.0**	1,335.5	273.0	62.0	**1,670.5**
Accumulated depreciation, amortisation and impairment losses	**38.6**	1,335.5	223.5	28.3	**1,587.3**
Balance at 31 December 2022	**45.4**	**-**	**49.5**	**33.7**	**83.2**

Disposals include derecognition of fully depreciated and amortised assets.

Leases

As at 31 December 2022, the balance sheet item 'property and equipment' includes right-of-use assets under leases with a carrying amount of CHF 32.5 million (2021: CHF 41.5 million), mainly for real estate leases.

	2022 CHF m	2021 CHF m	Change in %
Right of use assets at the beginning of the period	**41.5**	**64.6**	**(36)**
Lease additions	2.7	0.7	-
Depreciation expense	(7.7)	(8.6)	(10)
Modifications and disposals	(0.9)	(15.6)	(94)
Translation differences	(3.1)	0.4	-
Right of use assets at the end of the period	**32.5**	**41.5**	**(22)**
Additional lease information			
Short-term lease expenses	-	(0.4)	-
Low-value lease expenses	(0.1)	(0.1)	-
Income from sublease	0.2	0.5	(60)
Total cash outflow from leases	(10.1)	(10.1)	-

The Group recognised a sublease receivable for which the short-term portion is presented in the line item 'trade and other receivables' and the long-term portion in the line item 'financial investments and other financial assets'.

Some real estate leases contain extension options exercisable by the Group before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

Lease liabilities of CHF 39.7 million (2021: CHF 48.1 million) include a non-cash reduction of CHF 0.9 million (2021: CHF 12.2 million reduction).

Impairment testing – intangible assets

The volatile market environment has led to a decline in the Group's assets under management and as a result, the Group has undertaken an assessment of the carrying value of its intangible assets. When reviewing the carrying value of these assets, the Directors consider the current situation of the Group and its prospects by taking into account both Group-specific matters and the broader economic environment in which the Group operates. Significant management judgement is required with respect to the key assumptions used.

Brand

The brand relates to the acquisition of GAM by Julius Baer in 2005. As the brand is directly linked with the ongoing operations of GAM, the brand is considered to have an indefinite useful life.

In line with IAS 36, Impairment of assets, the Group test the brand name GAM for impairment annually by comparing amount with its recoverable amount, which is calculated as the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal is based on the market capitalisation of GAM Holding AG, based on its share price at the reporting date.

Value in use is determined for the respective cash-generating unit (ie for the smallest identifiable group of assets that generate cash inflows independently from other assets), using the methodology set out below.

Calculation of value in use:

The Group uses a model based on the discounted cash flow method to calculate the value in use. The Group estimates the free cash flows expected to be generated from the continuing use of the respective cash-generating unit based on its own five-year financial planning, taking into account the following key parameters and their individual components:

- assets under management
- management fee margin on assets under management
- performance fees
- income and expenses
- expected tax rate.

Other key assumptions are the discount rate and terminal growth rate. The Group's approach to determining the key assumptions is based on management's knowledge and reasonable expectations of future business, using internal and external market information, planned business initiatives and other reasonable intentions of management. For that purpose, the Group uses historical information as well as the current and expected market conditions and the current and expected future relative market position of its products vis-à-vis its respective competitors and its industry.

The resulting free cash flows are discounted to their present value, using a pre-tax discount rate of 15.68% (31 December 2021: 14.5%) based on the risk-free rate obtained from the yield on 30-year bonds issued by the governments in the relevant markets and in the same currency as the expected cash flows. The data used in calculating the discount rate originates from information obtained from data service providers and external professional service providers. The discount rates used in the above calculation represent the Group's specific risk-weighted rates. To calculate the recoverable amount of the brand, the Group applies a 1.9% (31 December 2021: 1.5%) terminal growth rate, which is in line with the expected long-term growth rate of the gross domestic products for markets relevant to the Group.

Calculation of recoverable amount:

The resulting recoverable amount for the brand is based on the higher of fair value less costs of disposal and value in use and the brand has therefore been valued at CHF 49.5 million, being the difference between the market value of the Group at 31 December 2022 and net assets excluding brand at that date. The recoverable amount of the brand was significantly lower than the carrying value of CHF 273.0 million as at 31 December 2021. Therefore, an impairment loss of CHF 223.5 million was recognised and allocated to brand in 2022. The carrying value of other assets as at 31 December 2022 are supported by the value in use of those assets and therefore no impairment was allocated on a pro rata basis to those assets.

The fair value less cost of disposal attributable to the brand is sensitive to share price movements. A share price movement of +/- 10% compared to 31 December 2022 would result in an increase/(decrease) in impairment of CHF 15 million.

Changes in key assumptions

Deviations of actual results versus forecasted/planned key assumptions as well as future changes of any key assumptions based on a differing future assessment of the development of relevant markets and/or the businesses may occur from time to time. Such deviations may result from changes in products, client mix, profitability, types and intensity of personnel resources, general and company-specific personnel costs, new business initiatives and other internal or external factors. These changes may cause the value of the business to alter and therefore either increase or reduce the difference between the carrying value in the balance sheet and its recoverable amount, or may lead to a partial impairment of the brand.

The Group uses a model based on the discounted cash flow method to calculate the value in use. The Group estimates the free cash flows expected to be generated from the continuing use of the respective cash-generating unit based on its own five-year financial planning (2023-2027). The estimated free cash flows are discounted to their present value.

Investment management and client contracts

Investment management and client contracts are amortised over their estimated useful life not exceeding a period greater than 10 years using the straight-line method.

Whenever there are indications that investment management and client contracts are impaired, the Group uses a discounted cash flow model based on future cash flows attributable to identified investment management and client contracts to determine the recoverable amount. Following the impairment charge booked in 2021 (see below), investment management and client contracts had a carrying value of nil as at 31 December 2021 and 2022.

Driven by lower than anticipated assets under management of the acquired Taube Hodson Stonex (THS) business the actual and expected future cash flows were lower than previously assumed, which was considered an indication of impairment of the related investment management and client contracts. Therefore, an impairment test was performed using a discounted cash flow model based on estimated future cash flows attributable to identified investment management and client contracts acquired through the acquisition of Taube Hodson Stonex (THS) to determine the recoverable amount. As the estimated future cash flows until 2021 were negative, the recoverable amount was nil based on the value in use as at 31 December 2021. As a result, an impairment loss of CHF 0.3 million was recognised in 2021.

14. Accrued expenses and deferred income

	31.12.2022 CHF m	31.12.2021 CHF m	Change in %
Accrued commission expenses	69.9	96.6	(28)
Other accrued expenses and deferred income	32.3	61.0	(47)
Accrued expenses and deferred income	**102.2**	**157.6**	**(35)**

15. Provisions

				2022
	Restructuring CHF m	Reinstatement of leasehold improvements CHF m	Other CHF m	Total CHF m
Balance at the beginning of the period	1.5	4.0	0.8	**6.3**
Recognised during the period	2.1	-	2.7	**4.8**
Utilised during the period	(3.0)	(0.5)	(0.7)	**(4.2)**
Reversed during the period	(0.6)	(0.5)	(0.6)	**(1.7)**
Translation differences	-	(0.3)	-	**(0.3)**
Balance at the end of the period	**-**	**2.7**	**2.2**	**4.9**
Current	-	0.1	1.7	**1.8**
Non-current	-	2.6	0.5	**3.1**
Balance at the end of the period	**-**	**2.7**	**2.2**	**4.9**

Restructuring

The Group carried out an involuntary redundancy programme for which costs of CHF 1.8 million were incurred (2021: CHF 1.7 million). The related increase in the restructuring provision was recognised in profit or loss, in the following expense line items and is included in the non-core reorganisation charge (see note 6).

	2022 CHF m	2021 CHF m
Salaries and bonuses	(1.8)	(1.7)
Personnel expenses	**(1.8)**	**(1.7)**
General expenses	**-**	**0.6**
Restructuring expenses	**(1.8)**	**(1.1)**

Reinstatement of leasehold improvements

The Group leases a number of buildings and provides for the reinstatement costs of these based on the lease agreements. This provision is expected to remain until 2033.

Other provisions
In 2022, other provisions include a provision of CHF 1.4 million for onerous software contracts and CHF 0.5 million for the water damage in one of our premises (see note 6).

From time to time and in the normal course of business, legal claims against the Group may be received. Management has assessed the likelihood of an outflow of resources in respect of any such claims and no provision has been made as at 31 December 2022 (2021: CHF 0.8 million).

16. Pension plans

16.1. Defined contribution pension plans
The Group maintains a number of defined contribution pension plans, primarily outside Switzerland. In the case of defined contribution pension plans, the pension expenses are charged to the income statement in the corresponding financial year. The expenses for contributions to these pension plans amounted to CHF 3.9 million during the 2022 financial year (2021: CHF 6.8 million).

16.2. Defined benefit pension plans
The Group maintains various defined benefit pension plans, mainly in Switzerland and the UK. The plans are exposed to actuarial risks based on the legal provisions in each country. Main risks include investment, interest, disability and longevity risk.

Swiss Plan
The Swiss plan provides benefits in the event of retirement, death or disability. The plan's benefits are based on age, years of service, salary and on an individual savings capital account. The plan is funded by assets held by a foundation. This separate legal entity is governed by a foundation board, which is made up of an equal number of employee and employer representatives who have to take all relevant decisions jointly. The Foundation Board is responsible for defining the investment strategy, for making changes to the pension plan regulations and also for defining the financing of the pension benefits. In defining the benefits, the minimum requirements of the Swiss pension law (BVG) and its provisions must be observed. Actuarial calculations are based on the BVG 2020 with generational BFS factors (first time use of BVG 2020).

The plan is financed by contributions paid by the employees and by the employer. In addition, interest is accrued on the savings capital accounts. The normal retirement age of the plan is 65 years. Upon retiring (including early and partial retirement) insured persons are entitled to a lifelong retirement pension. If they prefer, they may choose to have all or part of their savings paid out as a lump sum instead. The retirement pension is calculated on the basis of the accrued savings capital on the date of retirement and the conversion rate that applies at the time (current rate at the age of 65 is 4.66% (31 December 2021: 5.44%)). In addition to retirement benefits, the pension plan benefits include disability, partner and children pensions. These will be calculated as a percentage of the employee's annual pensionable salary and are funded by contributions by the employees and employer. On leaving the Company, the retirement savings will be transferred to the pension plan of the new employer.

If the Swiss plan became significantly underfunded on a Swiss pension law basis, additional employer and employee contributions could be required. In such a situation, the resulting payments are shared between employer and employees, whereby the employer is legally obliged to cover at least 50% of the additional contributions required. The Swiss pension plan has an estimated technical funding ratio under Swiss pension law of 104% as at 31 December 2022 (31 December 2021: 120%) and thus it is not expected that additional contributions will be required in the next year.

UK Plan
GAM UK operates a trust-based pension scheme with both a defined benefit section (DB section) and a defined contribution section (DC section). The scheme closed to future accrual in both sections from 1 October 2019 and prior to 1 October 2019, employees were generally accruing benefits in the DC section. All future pension provisions for the UK employees are provided via a Group Self Invested Pension Plan. Following the closure to future accrual, the deferred benefits in the DC section were transferred to a Master Trust type arrangement. The deferred benefits accruing in the DB Section receive consumer price index-linked inflationary increases on their accrued past service benefits and will provide benefits in the event of retirement or death.

The plan is funded by assets that are held in the form of a trust which are separate from the Group and governed by the trustee of the scheme. The trustee is responsible for the investment strategy of the DB assets held in the trust. Funding of the DB section is determined by the UK scheme-specific funding regulations whereby the trustee and employer agree on a payment schedule in the event of any deficit at the date of an actuarial valuation which is formally conducted every three years. The triennial valuation as at 31 March 2020 has been agreed between the Group and the trustee, with a fair value deficit of GBP 70.7 million.

UK pension restructuring
On 1 February 2021, the Group entered into an arrangement with the trustee of the UK pension scheme where GAM Holding AG has issued a GBP 70.7 million non-transferable loan note, based on the UK pension scheme deficit valuation as at 31 March 2020, to GAM UK Limited (the sponsor of the UK pension scheme). GAM UK Limited subsequently contributed the loan note to a Scottish Limited Partnership for the benefit of the UK pension scheme through an asset-backed contribution structure. This loan note is recorded as a liability on the statutory balance sheet of GAM Holding AG. This arrangement replaces the need for GAM UK Limited to make pension scheme deficit repair payments based on the current actuarial valuation assumptions. The loan has a 10-year duration with monthly equal payments being made over the term of the note.

A new Scottish legal entity taking the role of the general partner to the Scottish Limited Partnership has been established within the UK sub-group and consolidated within the Group's consolidated financial statements. However, the Scottish Limited Partnership is not consolidated within the Group's consolidated financial statements. Under IFRS, the loan note does not represent a plan asset and is not recognised as a financial liability for the purpose of the Group's consolidated financial statements. As a result of implementing this structure, there are no accounting implications for the Group's consolidated financial statements, except for certain tax and foreign currency treatments and related disclosures that are made to provide full transparency to the reader of the consolidated financial statements.

Defined benefit pension plans

	2022 CHF m	2021 CHF m
1. Movement in pension plan obligations and plan assets		
Present value of obligations at the beginning of the year	436.6	447.5
Employee contributions	1.7	2.0
Current service cost	3.6	5.2
Past service cost recognised in the year (gain on curtailment)	0.3	(1.4)
Interest expense on benefit obligation	6.6	5.0
Benefits paid	(24.7)	(10.9)
Actuarial (gains)	(133.2)	(17.5)
Translation differences	(28.6)	6.7
Present value of funded obligations at the end of the year	**262.3**	**436.6**
Fair value of plan assets at the beginning of the year	411.5	369.7
Interest income on plan assets	6.6	4.0
Return on plan assets excluding interest income	(138.1)	22.0
Group's contributions	10.3	14.0
Employer's contributions	3.6	7.0
Employees' contributions	1.7	2.0
Benefits paid	(24.7)	(10.9)
Administration expenses	(0.8)	(0.8)
Translation differences	(25.5)	4.5
Fair value of plan assets at the end of the year	**244.6**	**411.5**

	31.12.2022 CHF m	31.12.2021 CHF m
2. Balance sheet		
Fair value of plan assets	244.6	411.5
Present value of funded obligations	262.3	436.6
Effect of asset ceiling/minimum funding requirements	(9.6)	-
Net pension liabilities	**(27.3)**	**(25.1)**
Net deferred tax	0.1	7.3
Net pension liabilities, net of taxes	**(27.2)**	**(17.8)**

	Switzerland CHF m	UK CHF m	Rest of the world CHF m	31.12.2022 **Total** CHF m
Balance sheet by geographical locations and components				
Fair value of plan assets	103.8	126.8	4.4	**235.0**
Present value of funded obligations	102.7	155.0	4.6	**262.3**
Net pension liabilities	**1.1**	**(28.2)**	**(0.2)**	**(27.3)**
Net deferred tax	0.1		-	**0.1**
Net pension liabilities, net of taxes	**1.2**	**(28.2)**	**(0.2)**	**(27.2)**
Active members/employees	84.0	-	0.4	**84.4**
Deferred members with vested benefits	-	105.4	4.2	**109.6**
Pensioners	18.7	49.6	-	**68.3**
Present value of funded obligations	**102.7**	**155.0**	**4.6**	**262.3**

	Switzerland CHF m	UK CHF m	Rest of the world CHF m	31.12.2021 **Total** CHF m
Fair value of plan assets	149.5	256.9	5.1	**411.5**
Present value of funded obligations	142.6	288.1	5.9	**436.6**
Net pension liabilities	**6.9**	**(31.2)**	**(0.8)**	**(25.1)**
Net deferred tax	(1.4)	8.7	-	**7.3**
Net pension liabilities, net of taxes	**5.5**	**(22.5)**	**(0.8)**	**(17.8)**
Active members/employees	117.7	-	1.4	**119.1**
Deferred members with vested benefits	-	204.4	4.4	**208.8**
Pensioners	24.9	83.7	0.1	**108.7**
Present value of funded obligations	**142.6**	**288.1**	**5.9**	**436.6**

The weighted average duration of the defined benefit pension obligation as at 31 December 2022 is 15.7 years (2021: 19.5 years).

	2022 CHF m	2021 CHF m
3. Amounts recognised in the income statement		
Employee contributions	(1.7)	(2.0)
Current service cost	(3.6)	(5.2)
Past service cost recognised in the year (gain on curtailment)	(0.3)	1.4
Interest expense on benefit obligation	(6.6)	(5.0)
Interest income on plan assets	6.6	4.0
Administration expenses	(0.8)	(0.8)
Net pension cost for the period	**(6.4)**	**(7.6)**
Employees' contributions	1.7	2.0
Expense recognised in the income statement	**(4.7)**	**(5.6)**

	2022 CHF m	2021 CHF m
4. Remeasurements recognised in other comprehensive income		
Actuarial losses based on adjustment of demographic assumptions	2.4	(10.3)
Actuarial gains/(losses) based on adjustment of financial assumptions	136.5	20.7
Experience adjustments	(5.6)	7.1
Return on plan assets excluding interest income	(138.1)	22.0
Asset ceiling	(9.6)	-
Remeasurements recognised in other comprehensive income	**(14.4)**	**39.5**

	2022 CHF m	2021 CHF m
5. Movement in pension liabilities		
Pension liabilities at the beginning of the year	(25.1)	(77.8)
Expense recognised in the income statement	(4.7)	(5.6)
Remeasurements recognised in other comprehensive income	(14.4)	39.5
Group's contributions	10.3	14.0
Employer's contributions	3.6	7.0
Translation differences recognised in other comprehensive income	3.0	(2.2)
Net pension liabilities at the end of the year	**(27.3)**	**(25.1)**
Actual return on plan assets	(131.5)	26.0

	Quoted in an active market CHF m	Unquoted CHF m	**Total** CHF m	**31.12.2022** Plan asset allocation in %
6. Asset allocation				
Cash and cash equivalents	8.2	-	**8.2**	3.4
Investment funds				
– Money market	-	3.0	**3.0**	1.2
– Equity	65.8	22.6	**88.4**	36.1
– Bonds	30.4	12.4	**42.8**	17.5
– Real estate	23.4	-	**23.4**	9.6
– Other	2.7	10.9	**13.6**	5.6
Other investments	-	65.2	**65.2**	26.6
Fair value of plan assets	**130.5**	**114.1**	**244.6**	**100.0**

	Quoted in an active market CHF m	Unquoted CHF m	**Total** CHF m	31.12.2021 Plan asset allocation in %
Cash and cash equivalents	13.0	-	**13.0**	3.2
Investment funds				
– Equity	156.5	-	**156.5**	38.0
– Bonds	56.8	9.7	**66.5**	16.2
– Real estate	27.2	-	**27.2**	6.6
– Other	3.3	14.9	**18.2**	4.4
Other investments	130.1	-	**130.1**	31.6
Fair value of plan assets	**386.9**	**24.6**	**411.5**	**100.0**

The pension plan assets are invested in accordance with local laws and do not include shares of GAM Holding AG.

It is a duty of the Foundation Board and the trustee to review whether the chosen investment strategy is appropriate with a view to providing the pension benefits and whether the investment profile is in line with the demographic structure of the plan members.

The expected employer contributions for the 2023 financial year are estimated at CHF 4.0 million.

Actuarial calculation of funded obligations

The latest actuarial calculations were carried out as at 31 December 2022. The actuarial assumptions are based on local economic conditions.

	Switzerland		UK	
	2022	2021	**2022**	2021
Discount rate	2.20%	0.30%	4.71%	1.97%
Interest credit rate	2.20%	1.00%	n/a	n/a
Future pension increases in deferment	n/a	n/a	2.56%	4.00%
Future pension increases	0.00%	0.00%	4.00%	2.72%
Life expectancy for males at age 65 for Switzerland and age 60 for UK (in years)	22.7	22.6	28.1	28.1
Life expectancy for females at age 65 for Switzerland and age 60 for UK (in years)	24.5	24.4	30.7	30.7

Sensitivity analysis

The following table presents a sensitivity analysis for the significant actuarial assumptions showing how the defined benefit pension obligations would have been impacted as a result of a change in the respective actuarial assumptions at the balance sheet date. In addition to the actuarial assumptions, the measurement of the overall net pension liabilities is further affected by changes in the fair value of the plan assets. Changes in the present value of the defined benefit pension obligations are set out below:

					31.12.2022
		Switzerland		UK	
	Change in assumption	Increase in assumption CHF m	Decrease in assumption CHF m	Increase in assumption CHF m	Decrease in assumption CHF m
Discount rate	0.50%	(2.9)	2.6	(7.2)	6.7
Interest credit rate (minimal interest credit rate: 0.21%)	0.50%	0.7	(0.7)	n/a	n/a
Future pension increases in deferment	0.50%	n/a	n/a	1.4	(1.3)
Future pension increases	0.50%	1.8	n/a	1.0	(1.0)
Life expectancy	1 year	1.3	(1.3)	6.0	(5.9)

					31.12.2021
		Switzerland		UK	
	Change in assumption	Increase in assumption CHF m	Decrease in assumption CHF m	Increase in assumption CHF m	Decrease in assumption CHF m
Discount rate	0.25%	(5.2)	5.6	(14.6)	15.7
Interest credit rate (minimal interest credit rate: 0.21%)	0.25%	1.4	(1.4)	n/a	n/a
Future pension increases in deferment	0.25%	n/a	n/a	2.8	(2.7)
Future pension increases	0.25%	3.6	n/a	2.1	(1.9)
Life expectancy	1 year	2.7	(2.8)	12.6	(12.3)

The sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit pension obligation to the significant actuarial assumptions, the same method has been applied as when calculating the pension liabilities recognised in the balance sheet.

17. Equity

Share capital

The share capital comprises all issued, fully paid registered shares of the Company.

	Registered shares (CHF 0.05 par)	
	Number	CHF m
Balance at 1 January 2020	159,682,531	7.984
Balance at 31 December 2020	**159,682,531**	**7.984**
Balance at 31 December 2021	**159,682,531**	**7.984**
Balance at 31 December 2022	**159,682,531**	**7.984**
of which treasury shares	4,331,298	

All registered shares are fully paid.

The share capital of the Company amounts to CHF 7,984,127 (159,682,531 registered shares at a par value of CHF 0.05 per share).

Authorised capital
At the Annual General Meeting held on 28 April 2022, the shareholders approved the renewal of authorised capital equal to 10% of GAM Holding AG's current share capital. The Board of Directors was given the authorisation to increase the share capital at any time until 28 April 2023 by issuing a maximum of 15,968,240 fully paid registered shares with a par value of CHF 0.05 each. Of these 15,968,240 registered shares, the Board is authorised to restrict or withdraw the pre-emptive rights of the existing shareholders with respect to a maximum of 7,984,120 registered shares and allocate such rights to third parties in certain circumstances.

Capital reserves
Capital reserves amounting to CHF 893.4 million represent the additional proceeds (premium) received from the issue of shares by the Company.

Capital reserves correspond to the amount of capital contribution reserves as reported in the balance sheet and note 2.11 of the parent company's financial statements.

Retained earnings
Retained earnings include profits and losses recognised through the income statement, together with remeasurements of pension assets and liabilities and related tax, and the equity element of share-based payments.

Foreign currency translation reserve
The foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations into the Group's reporting currency, Swiss francs.

Treasury shares
Treasury shares comprise the cost of shares of the Company acquired and held by the Group. The Group acquires treasury shares to meet the obligations to deliver shares for the different share-based payment plans and to achieve capital reductions. No treasury shares are currently held for the purpose of capital reduction.

	2022		2021	
	Shares	CHF m	Shares	CHF m
Balance at 1 January	4,028,783	23.3	3,688,131	35.2
Acquisition of own shares	3,987,504	3.9	3,421,328	6.7
Disposals of own shares	(3,684,989)	(13.4)	(3,080,676)	(18.6)
Balance at 31 December	**4,331,298**	**13.8**	**4,028,783**	**23.3**

In 2018, the GAM Employee Benefit Trust (EBT) was established with the purpose to encourage, motivate and retain the Group's employees by providing benefits, through a trust, to such employees. As a result, the EBT holds shares in the Company. Generally, the funding for current and future plans will be provided by the Company. As the EBT is under control of the Group in accordance with IFRS 10, the EBT is fully consolidated. As at 31 December 2022, of the 4.3 million (31 December 2021: 4.0 million) treasury shares, GAM Holding AG holds 3.0 million (31 December 2021: 3.0 million) and the EBT holds 1.3 million (31 December 2021: 1.0 million).

Treasury shares – share-based payment plans
These treasury shares are held to meet the obligations to deliver shares in respect of the Group's various share-based payment plans, all of which are expected to be net equity settled. For further information regarding details to the share-based payments see note 22.

The number of shares held by the Company in relation to the Group's share-based payment plans as at 31 December 2022 amounted to 4.3 million, equating to 2.7% of shares in issue (31 December 2021: 4.0 million, equating to 2.5% of shares in issue).

Treasury shares – share buy-back programmes
The new 2020-2023 share buy-back programme for the purpose of capital reduction, which commenced on 5 May 2020, is for a maximum period of three years and allows for the purchase of a maximum of 16.0 million shares.

As at 31 December 2022, no shares have been purchased as part of its 2020–2023 share buy-back programme for the purpose of capital reduction.

Distribution of dividends

In 2022, no dividend was paid for the financial year 2021. In 2021, no dividend was paid for the financial year 2020. For the financial year 2022, the Board of Directors proposes to the shareholders that no dividend be paid given the underlying net loss generated in 2022.

18. Capital management

The Group continues to actively and prudently manage its capital. In determining its capital targets the Group follows these basic principles:

- the Group maintains sufficient capital to ensure that its assets are financed with a commensurate amount of capital, taking into consideration the strategic importance of these assets to the Group as well as their respective liquidity and tail risks;
- the Group's capital should provide it with a sufficiently robust buffer to absorb severe unexpected losses (or other calls on capital) in those instances when they could exceed the Group's earnings capacity. For this purpose, capital is defined as the adjusted tangible equity (ie total book equity excluding non-controlling interests, goodwill and other intangible assets as well as the financial liability relating to 40% of future GAM Systematic performance fees which only materialises when a corresponding asset is recognised by the Group) and on 31 December 2022 amounted to CHF 68.7 million (31 December 2021: CHF 174.2 million);
- available eligible regulatory capital is continuously monitored, and if needed, actions promptly undertaken to ensure that all of its legal entities maintain sufficient regulatory capital to meet their applicable local regulatory requirements;
- the Group believes that a strong capital position is of critical importance in retaining the confidence of its clients and ensuring maximum financial and strategic flexibility; and
- excess capital not required for organic growth will be returned to shareholders as efficiently as possible.

The Swiss Financial Market Supervisory Authority (FINMA) released the Group from consolidated supervision from 1 December 2020. The Group's governance, internal controls and available capital are reviewed on a regular basis by the Group Management Board and Board of Directors. Individual members of the Group are regulated by relevant regulatory authorities in Switzerland, the United Kingdom, Luxembourg, Italy, Spain, France, Austria, Denmark, Germany, Ireland, Japan, China (Hong Kong), Singapore and the United States of America.

Regulatory capital requirements are based on factors such as an entity's level of assets under management, its fixed expenditure and/or the size and quality of its financial assets and liabilities. All Group entities currently maintain an appropriate level of capital resources relative to their respective applicable capital requirements. The aggregation of the current regulatory minimum capital requirements across the Group as at 31 December 2022 amounted to approximately CHF 64.3 million (31 December 2021: CHF 75.1 million) based on amounts for each entity. The aggregate minimum regulatory capital requirement remains exposed to exchange rate fluctuations between the relevant Group entities' respective functional currency and the Swiss franc, the ongoing development of the business and changes in regulatory requirements.

ADDITIONAL NOTES

19. Financial risk

For the purpose of this section, the Group is guided by IFRS 7 and accordingly reports its exposure to credit, market, liquidity and financing risks from the use of financial instruments, as well as the impact of climate-related financial risks.

As asset managers, our operating entities act in an agency capacity, investing assets entrusted to them by their clients. These investments carry with them associated market, credit and liquidity risks that are borne by the Group's clients and not by its operating entities and therefore do not form part of this financial risk section. They will nevertheless affect the growth of the Group's assets under management and the Group's resultant revenues.

19.1. Credit risk

Credit risk is the risk that the Group's counterparties will not be able or willing to pay interest, re-pay principal or otherwise fulfill their contractual obligations when they fall due. The Group is exposed to credit risk arising from (i) placing its cash and cash equivalents in the form of bank deposits, (ii) its receivables and accrued income, (iii) engaging in OTC transactions to hedge foreign exchange or equity price risks, and (iv) financial investments and other financial assets.

The Group is not engaged in off-balance sheet transactions for its own account. The maximum amount of its credit risk exposure therefore is limited to the carrying amount of the relevant financial assets as indicated in the balance sheet.

The Group's credit risk exposure arising from derivative financial instruments is included in the balance sheet, under financial investments (see notes 10.1 and 10.3) and represents the positive replacement value of the underlying contracts.

The Group manages and controls its credit risk by entering into relationships with a range of creditworthy counterparties to limit any significant concentrations, and also by monitoring exposures in relation to their ageing. The Group's bank counterparty policy establishes high internal credit and rating standards for acceptable bank counterparties as well as exposure limits per counterparty. The Group's receivables and accrued income exposures, by the very nature of the Group's business, exhibit a high credit quality and are well-diversified. As a result of the high quality of the Group's counterparties and by avoiding undue concentrations, the Group does not expect to incur any material credit losses on its financial assets.

The following table shows the Group's maximum exposure to credit risk as at the balance sheet date, which represents the exposure in the event of other parties failing to meet their obligations. For financial assets, these exposures are typically the gross carrying amount, net of any amounts offset on the balance sheet or any recognised impairment losses.

Maximum exposure to credit risk

	31.12.2022 CHF m	31.12.2021 CHF m
Cash and cash equivalents	137.9	234.8
Trade and other receivables (excluding tax receivables)	7.5	22.3
Accrued income	38.7	58.7
Financial investments and other financial assets	1.5	4.3
Total	**185.6**	**320.1**

At 31 December 2022 cash and cash equivalents comprise balances with counterparties in the AAA, AA and A ratings bands, which aggregate to CHF 18.1 million (2021: CHF 37.6 million), CHF 84.0 million (2021: CHF 132.0 million) and CHF 26.6 million (2021: CHF 51.2 million), respectively.

Trade and other receivables comprise short-term balances (less than 12 months) on which the Group has minimal historic credit risk experience.

Accrued income relates to management and performance fees. Credit risk is considered minimal as the majority of these fees is directly recovered from the respective funds under management.

As at 31 December 2022, expected credit losses were assessed as less than CHF 0.1 million (31 December 2021: less than CHF 0.1 million), and consequently no impairment has been recognised at 31 December 2022 (2021: nil), and no financial assets have been identified as being Stage 2 (Underperforming) or Stage 3 (Non-performing) under the expected credit loss model of IFRS 9 'Financial Instruments'.

The following table provides an analysis of the ageing of financial assets with credit risk exposure.

Ageing of financial assets with credit risk exposure

	31.12.2022 CHF m	31.12.2021 CHF m
Not past due	181.1	318.0
Past due less than 3 months	3.0	1.4
Past due 3–12 months	1.5	0.7
Total	**185.6**	**320.1**

19.2. Market risk

Market risk is the risk of loss due to fluctuations in market variables such as foreign exchange rates, equity prices and interest rates. The Group classifies exposures to market risk into currency risk, equity price risk and interest rate risk. The Group has no significant concentration of market risk, beyond that relating to its financial investments, which predominantly relate to investments in funds.

19.2.1. Currency risk

Currency risk is the risk that the value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. As a result of its worldwide operations, the Group is exposed to movements in foreign exchange rates in relation to its operating results as well as to assets and liabilities contained within each entity's balance sheet, which can lead to foreign currency gains or losses. The Group's revenues are predominantly generated in US dollars and euro, whereas its expenses are incurred mainly in British pounds and Swiss francs. In accordance with the Group's risk policy, each entity within the Group continually monitors its foreign currency exposure and actively seeks to minimise its net balance sheet exposure on foreign currency positions in relation to its functional currency. Net exposures result from net positions of assets and liabilities in the same foreign currency. In the case of such net exposure on foreign currency positions, hedging strategies may be used, from time to time, to ensure that there is no material adverse effect on the Group's cash flows and profits. Based on management's assessment and the Group's hedging strategy, as described above, there is no material risk from the fluctuation from the foreign exchange rates.

The following exchange rates were used for the major currencies:

	Year-end exchange rates		Average exchange rates for the year [1]	
	31.12.2022	31.12.2021	2022	2021
USD/CHF	0.9252	0.9138	0.9547	0.9142
EUR/CHF	0.9874	1.0354	1.0027	1.0813
GBP/CHF	1.1129	1.2332	1.1739	1.2575

[1] Average calculated with 12 month-end values (January to December).

Monetary assets and liabilities held by Group companies in currencies other than their functional currency, which give rise to potential foreign currency exposure through the income statement, are as follows (shown in CHF m equivalent):

2022

	CHF CHF m	EUR CHF m	GBP CHF m	USD CHF m	Other CHF m	**TOTAL** CHF m
Assets						
Cash and cash equivalents	16.6	2.3	1.5	10.1	2.4	**32.9**
Trade and other receivables (excluding tax receivables)	1.3	0.9	-	1.5	0.8	**4.5**
Accrued income	1.4	1.1	0.5	15.5	1.3	**19.8**
Total Monetary Assets	**19.3**	**4.3**	**2.0**	**27.1**	**4.5**	**57.2**
Liabilities						
Trade and other payables	0.8	0.3	0.1	-	0.7	**1.9**
Accrued expenses	31.8	2.1	0.2	11.2	0.4	**45.7**
Total Monetary Liabilities	**32.6**	**2.4**	**0.3**	**11.2**	**1.1**	**47.6**
Net Monetary Assets	**(13.3)**	**1.9**	**1.7**	**15.9**	**3.4**	**9.6**

2021

	CHF CHF m	EUR CHF m	GBP CHF m	USD CHF m	Other CHF m	**TOTAL** CHF m
Assets						
Cash and cash equivalents	28.2	6.3	11.0	28.7	3.9	**78.1**
Trade and other receivables (excluding tax receivables)	0.6	5.6	1.2	8.7	1.9	**18.0**
Accrued income	3.2	1.4	0.7	22.8	2.6	**30.7**
Total Monetary Assets	**32.0**	**13.3**	**12.9**	**60.2**	**8.4**	**126.8**
Liabilities						
Trade and other payables	6.0	0.2	1.6	5.7	-	**13.5**
Accrued expenses	44.0	2.5	(0.4)	14.1	1.7	**61.9**
Total Monetary Liabilities	**50.0**	**2.7**	**1.2**	**19.8**	**1.7**	**75.4**
Net Monetary Assets	**(18.0)**	**10.6**	**11.7**	**40.4**	**6.7**	**51.4**

There was no foreign currency exposure on lease liabilities and other financial liabilities as at 31 December 2021 and 2022.

A 10% strengthening/weakening in functional currency, relative to the currency in which the above net monetary assets are denominated, with all other variables held constant, would give rise to a foreign exchange loss/gain through the income statement of CHF 1.4 million (2021: CHF 5.2 million), with a corresponding impact on equity.

In addition to the above net monetary assets, which are included within the consolidated balance sheet, the GBP-denominated loan note payable by GAM Holding AG to GAM UK Limited, as part of the pension restructuring in 2021 discussed in note 16, has a carrying value of CHF 60.5 million (GBP 54.4 million) as at 31 December 2022 (2021: CHF 83.9 million (GBP 68.0 million)). This loan note gives rise to a GBP/CHF foreign currency exposure in GAM Holding AG and in the Group.

A 10% strengthening/weaking in the CHF rate against GBP would give rise to a foreign exchange gain/loss through the Group income statement of CHF 6.1 million (2021: CHF 8.4 million), with a corresponding impact on equity.

19.2.2. Equity price risk

Equity price risk is the risk that the fair value of an equity investment will fluctuate as a result of changes in equity prices, whether caused by factors specific to an individual investment, its issuer or other factors affecting instruments traded in the market. The Group is exposed to equity price risk resulting from investments held by the Group and classified as (i) seed capital and product management investments at fair value through profit or loss, and (ii) other financial assets at fair value through profit or loss. The Group makes seed capital investments in certain fund products in order to establish track records for new products, to test new investment strategies or to launch a new product at a viable minimum size. In addition, the Group may, from time to time, hold a limited amount of product management investments in fund products to facilitate investor redemptions and switches. Hedging strategies may be used to limit equity price fluctuation adverse effects on the Group's investments. Since seed capital and product management investments are exposed to equity price, currency and liquidity risks, they require the joint approval of the Group Chief Executive Officer and the Group Chief Financial Officer. They are periodically reported on by the Group Chief Risk Officer to the Board of Directors and reviewed by the Group Management Board and the Audit Committee, in order to ensure that their individual and aggregated size and risk profile are within the exposure limits as defined by the Group's risk policy.

The sensitivity of the fair value of financial assets, which are exposed to equity price risk and are held at the balance sheet date, to movements of +/- 10% in fair value is as follows:

	31.12.2022 CHF m	31.12.2021 CHF m
Seed capital and product management investments at fair value through profit or loss	+/- 0.5	+/- 1.6

19.2.3. Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The Group's income and operating cash flows are substantially independent of changes in interest rates, which is why the related Group risk exposure is minimal.

The interest-bearing financial assets in the amount of CHF 138.4 million (31 December 2021: CHF 235.4 million) include cash and cash equivalents of CHF 137.9 million (31 December 2021: CHF 234.8 million) and rent deposits of CHF 0.5 million (31 December 2021: CHF 0.6 million), on which no significant exposure to interest rate risk is expected. Furthermore, the Group has no exposure to interest rate risk on financial liabilities.

19.3. Liquidity risk

Liquidity risk is the risk of the Group being unable to meet its payment obligations when they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when they fall due, without incurring unacceptable losses or risking damage to the Group's reputation. The total amount of available liquidity is continuously monitored and periodically reported to the Group Management Board and the Audit Committee of the Board of Directors.

After the expiration of one credit facility and cancellation of another credit facility, the Group does not maintain any revolving credit facilities with banks as at 31 December 2022.

The following table shows an analysis of the Group's financial assets and liabilities by remaining contractual maturities as at the balance sheet date. Cash flows for the following financial liabilities are shown on an undiscounted basis.

Remaining contractual maturities of financial assets

	On demand CHF m	Due within 3 months CHF m	Due within 3–12 months CHF m	Due within 1–5 years CHF m	Due after 5 years CHF m	**Total** CHF m
Cash and cash equivalents	136.7	1.2	-	-	-	**137.9**
Trade and other receivables (excluding tax and short-term sublease receivables)	3.9	3.6	-	-	-	**7.5**
Sublease receivables	-	-	-	-	-	**-**
Accrued income	6.4	30.7	1.6	-	-	**38.7**
Financial investments and other financial assets (excluding long-term sublease receivables)	-	-	0.2	0.8	0.2	**1.2**
Non-derivative financial assets at 31 December 2022	**147.0**	**35.5**	**1.8**	**0.8**	**0.2**	**185.3**
Derivatives – inflows	-	-	-	15.2	-	**15.2**
Derivatives – outflows	-	-	-	(14.9)	-	**(14.9)**
Derivative financial assets at 31 December 2022	**-**	**-**	**-**	**0.3**	**-**	**0.3**
Cash and cash equivalents	224.4	10.4	-	-	-	**234.8**
Trade and other receivables (excluding tax and short-term sublease receivables)	1.6	20.6	-	-	-	**22.2**
Sublease receivables	-	0.1	-	-	-	**0.1**
Accrued income	8.3	50.4	-	-	-	**58.7**
Financial investments and other financial assets (excluding long-term sublease receivables)	0.7	1.6	-	-	-	**2.3**
Non-derivative financial assets at 31 December 2021	**235.0**	**83.1**	**-**	**-**	**-**	**318.1**
Derivatives – inflows	-	60.3	-	15.2	-	**75.5**
Derivatives – outflows	-	(59.6)	-	(13.9)	-	**(73.5)**
Derivative financial assets at 31 December 2021	**-**	**0.7**	**-**	**1.3**	**-**	**2.0**

Remaining contractual maturities of financial liabilities

	On demand CHF m	Due within 3 months CHF m	Due within 3–12 months CHF m	Due within 1–5 years CHF m	Due after 5 years CHF m	**Total CHF m**
Trade and other payables	1.7	4.9	-	-	-	**6.6**
Lease liabilities	-	1.3	5.2	18.6	20.3	**45.4**
Other financial liabilities (excluding short-term lease liability)	-	-	0.9	-	-	**0.9**
Accrued expenses	6.4	89.3	6.2	-	0.3	**102.2**
Non-current financial liabilities (excluding long-term lease liability)	-	-	-	4.2	-	**4.2**
Non-derivative financial liabilities at 31 December 2022	**8.1**	**95.5**	**12.3**	**22.8**	**20.6**	**159.3**
Derivatives – inflows	-	4.9	-	-	-	**4.9**
Derivatives – outflows	-	(4.8)	-	-	-	**(4.8)**
Derivative financial liabilities at 31 December 2022	**-**	**0.1**	**-**	**-**	**-**	**0.1**
Trade and other payables	3.8	14.8	1.3	0.4	-	**20.3**
Lease liabilities	-	2.3	6.8	19.7	24.4	**53.2**
Other financial liabilities (excluding short-term lease liability)	-	0.6	-	-	-	**0.6**
Accrued expenses	7.6	144.6	5.2	-	0.2	**157.6**
Non-current financial liabilities (excluding long-term lease liability)	-	-	-	6.8	1.2	**8.0**
Non-derivative financial liabilities at 31 December 2021	**11.4**	**162.3**	**13.3**	**26.9**	**25.8**	**239.7**
Derivatives – outflows	-	-	-	-	-	**-**
Derivatives – inflows	-	-	-	-	-	**-**
Derivative financial liabilities at 31 December 2021	**-**	**-**	**-**	**-**	**-**	**-**

Net remaining contractual maturities of financial assets and liabilities

	On demand CHF m	Due within 3 months CHF m	Due within 3–12 months CHF m	Due within 1–5 years CHF m	Due after 5 years CHF m	**Total CHF m**
Financial assets	147.0	35.5	1.8	1.1	0.2	**185.6**
Financial liabilities	(8.1)	(95.6)	(12.3)	(22.8)	(20.6)	**(159.4)**
Net financial assets/(liabilities) at 31 December 2022	**138.9**	**(60.1)**	**(10.5)**	**(21.7)**	**(20.4)**	**26.2**
Financial assets	235.0	83.8	-	1.3	-	**320.1**
Financial liabilities	(11.4)	(162.3)	(13.3)	(26.9)	(25.8)	**(239.7)**
Net financial assets/(liabilities) at 31 December 2021	**223.6**	**(78.5)**	**(13.3)**	**(25.6)**	**(25.8)**	**80.4**

19.4. Climate-related financial risks

The Group is exposed to climate-related financial risks, both as an agent, through climate-related transition or physical risks negatively impacting client asset values, and through the impact of climate risk on the value of the financial instruments held on the Group balance sheet. The Group's risk management framework manages these risks by ensuring that financial assets which are measured at fair value are valued using traded prices or other observable market inputs, which factor in the impact of climate risk into the valuation process. Climate risks are also factored into the credit risk assessments carried out on financial assets carried at amortised cost.

20. Reporting by segment

IFRS 8 Operating Segments requires disclosures to reflect the information that the Group Management Board, being the body that is the Group's chief operating decision maker, uses to assess performance and to allocate resources. The Group is managed as a single business segment for reporting and control purposes, offering different investment management solutions and products across multiple asset classes and strategies that are managed across a range of products, distribution channels and geographic regions.

Discrete financial information is prepared to allow for analysis at different levels. However, the Group Management Board reviews and uses for its decisions the aggregated financial information at Group level only.

Information about geographical areas

	2022 Income CHF m	2021 Income CHF m	31.12.2022 Non-current assets CHF m	31.12.2021 Non-current assets CHF m
Switzerland	50.6	59.7	80.8	305.7
United Kingdom	54.7	95.9	41.2	47.3
Rest of Europe	53.6	62.1	5.0	4.7
Rest of the world	13.0	18.7	1.6	3.2
Total	**171.9**	**236.4**	**128.6**	**360.9**

The geographical information for non-current assets is based on the location where the assets are held and represents property and equipment (including right-of-use assets under leases) as well as intangible assets. The income is attributed based on the country of domicile of the Group entity providing the service.

The information about geographical areas is disclosed in accordance with IFRS requirements and does not reflect the way the Group manages its business.

21. Related party transactions

Key management personnel consists of the Board of Directors and the Group Management Board of GAM Holding AG.

The key management personnel compensation recognised is as follows:

	2022 CHF m	2021 CHF m
Salaries and other short-term employee benefits	3.3	3.1
Share-based payment expenses	0.5	1.2
Post-employment benefits	0.2	0.2
Termination benefits	0.1	-
Social security expenses	0.4	0.4
Key management personnel compensation	**4.5**	**4.9**

Richard McNamara, former Group Chief Financial Officer, stepped down as a member of the Group Management Board on 3 August 2022 and subsequently left the Group. On the same date, Sally Orton, Group Chief Financial Officer, was appointed to the Group Management Board.

At the Annual General Meeting held on 28 April 2022, Frank Kuhnke was elected as a new member of the Board of Directors.

For information on compensation, loans and share and option holdings of the Board of Directors and the Group Management Board in accordance with the Swiss Code of Obligations please refer to the Group's 2022 Compensation Report.

GAM Holding AG or its subsidiaries obtain from time to time legal advice from, among other law firms, Clifford Chance, England. Mr Benjamin Meuli, Member of the Board of Directors of GAM Holding AG, stepped down from his non-executive membership of the Partnership Council at Clifford Chance effective 30 June 2021. These mandates were not considered material either to Clifford Chance or to GAM Holding AG. Furthermore, Mr Meuli did not work on any such mandate for GAM Holding AG or its subsidiaries. Mr Meuli's independence to fulfil his mandate as a member of the Board of Directors of GAM Holding AG was therefore ensured.

22. Share-based payments

The plans described below reflect the position as at 31 December 2022. The Company shares that the Group requires to settle obligations under the Group's share-based payment plans are purchased in the market. For further details on the plans please refer to the Group's 2022 Compensation Report.

The share-based payment expenses before tax recognised for the various plans are as follows:

	2022 CHF m	2021 CHF m
Share plans for the Group Management Board	0.1	-
CEO share award 2019	0.1	0.2
Share plans for members of the Board of Directors	1.0	0.8
Bonus deferrals	4.4	6.1
Employee option awards	0.2	0.1
Employee share awards	1.1	1.3
2019-2022 retention plans	(0.1)	0.9
Long-term incentive plans	0.1	(0.1)
2016 long-term incentive plan	-	0.1
Share-based payment expenses	**6.9**	**9.4**

CHF 6.9 million is recognised as a credit back to retained earnings representing costs relating to share-based awards, excluding amounts relating to accruals and share option awards.

Share plans for the Group Management Board

Under the terms of share plans for the Group Management Board (GMB), relevant members of the Group Management Board were granted GAM Holding AG shares. The 2017 grants were approved in May 2018 ('the 2017 plan') and the 2018 grants in May 2019 ('the 2018 plan') by the shareholders at the Annual General Meeting. On 1 June 2022, a total of 174,476 GAM Holding AG shares with a fair value of CHF 1.04 per share were granted to the Deputy CFO, who joined the Group Management Board as Group CFO on 3 August 2022 ("the 2022 plan").

These shares will vest and be delivered in three equal tranches on the first three anniversaries of the grant date for the 2022 plan and in four equal tranches on the first four anniversaries of the grant date for the 2017 and 2018 plans, subject to recipients continuing to be employed with the Group on the vesting date.

As at 31 December 2022 the total value of the awards granted under these three share awards was CHF 0.2 million. In 2022, an expense of CHF 0.1 million was recognised. The movement in the number of shares outstanding in the year under these Group Management Board share awards was as follows:

	2022	2021
Number of share awards outstanding during the year		
Outstanding at the beginning of the year	156,158	316,881
Granted during the year	174,476	-
Forfeited during the year	-	(36,012)
Delivered during the year	(106,706)	(124,711)
Outstanding at the end of the year	**223,928**	**156,158**

The weighted average fair value of the awards granted in the year was CHF 1.04.

The weighted average fair value of the awards delivered in the year was CHF 0.77.

The weighted average remaining contractual life for the awards granted under the 2022 plan as at 31 December is 1.44 years and for those awarded under the 2018 plan is 0.36 years.

The weighted average share price of the GAM Holding AG shares during the year was CHF 1.0.

CEO share award 2019

On 29 November 2019, the newly appointed Group CEO was granted a total of 239,617 GAM Holding AG shares with a fair value between CHF 2.65 and CHF 2.85 per share.

The shares vested in three equal tranches after a maximum of three years, subject to the recipient continuing to be employed with the Group on each vesting date. As at the date of grant, the aggregate fair value of these shares amounted to CHF 0.7 million and is recognised as an expense over the relevant vesting period. In 2022, an expense of CHF 0.1 million was recognised (2021: expense of less than CHF 0.2 million). In 2022, 79,872 shares were delivered.

Share plans for members of the Board of Directors

Under the terms of share plans for members of the Board of Directors, members of the Board of Directors were granted GAM Holding AG shares in April 2021 and April 2022. These shares vest and are delivered each year on the day before the Company's Annual General Meeting in the following year, subject to certain conditions being met. Shares granted in April 2021 vested and were delivered in April 2022; the Board of Directors waived their right to receive the shares granted in April 2022 and those shares will not vest or be delivered.

In 2022, an expense of CHF 1.0 million was recognised. The movement in the number of shares outstanding in the year under the Board of Directors share awards was as follows:

	2022	2021
Number of share awards outstanding during the year		
Outstanding at the beginning of the year	322,175	381,772
Granted during the year	875,298	322,175
Voluntarily waived	(875,298)	-
Delivered during the year	(322,175)	(381,722)
Outstanding at the end of the year	**-**	**322,175**

The weighted average fair value of the awards granted in the year was CHF 0.95.

Bonus deferrals

In line with the compensation framework, deferral of variable compensation applies to all employees. Under the terms of the bonus deferral awards, relevant employees are granted GAM Holding AG shares as variable compensation in respect of the prior financial year. Bonus deferral grants were made in March 2019, March 2020, March 2021 and March 2022. These shares will vest and be delivered in three tranches on the first three anniversaries of the grant date subject to recipients continuing to be employed with the Group on the vesting date or any adjustments to vesting dates determined by the Compensation Committee of the Board of Directors. For some employees, the deferred component of their variable compensation is granted in the form of fund units.

As at 31 December 2022, the total value of the awards granted under the bonus deferrals was CHF 5.2 million. In 2022, an expense of CHF 4.4 million was recognised. The movement in the number of shares outstanding in the year under the Bonus Deferral share awards was as follows:

	2022	2021
Number of share awards excluding share options outstanding during the year		
Outstanding at the beginning of the year	5,047,045	3,613,265
Granted during the year	5,254,675	3,438,385
Forfeited during the year	(569,443)	(599,675)
Delivered during the year	(2,110,331)	(1,404,930)
Outstanding at the end of the year	**7,621,946**	**5,047,045**

	2022	2021
Number of option awards outstanding during the year		
Outstanding at the beginning of the year	5,481,980	-
Granted during the year	-	6,399,646
Forfeited during the year	(694,790)	(917,666)
Outstanding at the end of the year	**4,787,190**	**5,481,980**

The above options were granted in 2021 with an exercise price of CHF 2.38 and a cap of CHF 4.76. Subject to certain terms and conditions, the Group will deliver through shares in GAM Holding AG the value of the option at exercise. The options have an exercise period of six months after their vesting date.

The weighted average fair value of the awards granted in the year was CHF 0.99.

The weighted average fair value of the awards delivered in the year was CHF 1.03.

The weighted average remaining contractual life for the awards granted in 2021 as at 31 December is 1.21 years and for those awarded in 2020 and 2019, is 1.07 and 0.17 years.

Employee option award

Under the terms of employee option award, certain new employees (excluding all Board of Directors and Group Management Board members) were granted options. Subject to certain terms and conditions, the Group will deliver through shares in GAM Holding AG the value of the option at exercise. The options have an exercise period of six months after their vesting date.

As at 31 December 2022, the total value of the awards granted under the employee option awards was CHF 0.2 million. In 2022, an expense of CHF 0.2 million was recognised. The movement in the number of options outstanding in the year under the employee option share awards was as follows:

	2022	2021
Number of options outstanding during the year		
Outstanding at the beginning of the year	1,107,916	347,653
Granted during the year	512,821	791,032
Forfeited during the year	(134,503)	-
Delivered during the year	-	(30,769)
Outstanding at the end of the year	**1,486,234**	**1,107,916**

The above options were granted in 2022 with an exercise price of CHF 1.16. Subject to certain terms and conditions, the Group will deliver through shares in GAM Holding AG the value of the option at exercise.

The weighted average fair value of the awards granted in the year was CHF 0.39.

The weighted average remaining contractual life for the awards granted in 2022 as at 31 December is 2.29 years and for those awarded in 2021 and 2020, is 1.51 years and 0.93 years.

Other option awards

Between 1 January 2017 and 6 March 2017, certain new employees were granted a total of 1,560,919 options (thereof to a member of the GMB: 1,016,949 options). Subject to certain terms and conditions, the Group will deliver one share in GAM Holding AG per option. The options vested in either one or two tranches after a maximum of five years, subject to the recipients continuing to be employed with the Group on each vesting date.

As at the date of grant, the aggregate fair value of these options amounted to CHF 3.0 million (thereof for a member of the GMB: CHF 2.0 million) and is recognised as an expense over the relevant vesting period. In 2021, no expense was recognised (2020: due to forfeitures an income of CHF 1.2 million (thereof for a member of the GMB: CHF 1.2 million)).

As at 31 December 2022, all remaining 30,769 options were vested worthless (31 December 2021: 30,769), no options have been forfeited (31 December 2021: 1,016,949) and no options were outstanding.

Employee share awards

Under the terms of these share awards, certain new employees were granted GAM Holding AG shares on commencing employment with the Group. These shares will vest and be delivered in three equal tranches on the first three anniversaries of the grant date subject to recipients continuing to be employed with the Group on the vesting date.

As at 31 December 2022 the total value of the awards granted under the employee share awards plans was CHF 0.8 million. In 2022, an expense of CHF 1.1 million was recognised. The movement in the number of shares outstanding in the year under the new employee share awards was as follows:

	2022	2021
Number of share awards outstanding during the year		
Outstanding at the beginning of the year	1,781,770	450,001
Granted during the year	731,954	1,467,329
Forfeited during the year	(181,390)	(135,560)
Delivered during the year	(322,416)	-
Outstanding at the end of the year	**2,009,918**	**1,781,770**

The weighted average fair value of the awards granted in the year was CHF 1.03.

The weighted average fair value of the awards delivered in the year was CHF 1.05.

The weighted average remaining contractual life for the awards granted in 2022 as at 31 December is 1.52 years and for those awarded in 2021 and 2020, is 1.35 years and 0.37 years.

2019-2022 retention plans

In 2019, selected employees received a retention award. Awards are split and vested in three equal tranches, either on 30 June or 7 September of each of the three subsequent years after the grant date, subject to the recipient continuing to be employed with the Group on the vesting date.

The number of shares granted was determined by dividing the predetermined aggregate fair value by the fair value per share as determined at the vesting date of the first tranche in 2020. As at the date of grant, the aggregate fair value of the 2019-2022 retention awards amounted to CHF 7.5 million. In 2022, a credit of CHF 0.1 million was recognised (2021: an expense CHF 0.9 million).

As at 31 December 2022, retention awards with a fair value of CHF 0.6 million have been delivered (31 December 2021: CHF 2.2 million), 194,175 shares were forfeited (31 December 2021: 85,142) and no shares were outstanding (31 December 2021: 894,280).

Long-term incentive plans

Under the terms of these long-term incentive plans, Group Management Board and selected senior executives received a LTIP award as part of their deferred component of variable compensation. LTIP grants were made in May 2018 and May 2019.

The LTIP will be delivered 100% in performance shares and will have a three-year performance period plus a two-year holding period in the case of the 2018 grant, and a four-year performance period plus a one-year holding period in the case of the 2019 grant. The award will vest and settle five years after the grant date subject to the recipient continuing to be employed with the Group on the vesting date.

The metrics utilised will include the annual earnings per share (EPS) growth which will have a 50% weighting, three-year relative total shareholder return (rTSR) and three and five-year investment performance, both of which will have a weighting of 25%.

A maximum of 25% of the LTIP will vest for achieving a threshold level of performance increasing to 50% for target performance and 100% for exceptional performance. The number of performance shares converted to GAM shares will be capped at one share for each performance share.

In 2022, an expense of CHF 0.1 million was recognised. The movement in the number of shares outstanding in the year under the new employee share awards was as follows:

	2022	2021
Number of performance share awards outstanding during the year		
Outstanding at the beginning of the year	547,232	1,036,551
Forfeited during the year	-	(489,319)
Outstanding at the end of the year	**547,232**	**547,232**

	2022	2021
Number of share awards outstanding during the year		
Outstanding at the beginning of the year	2,940	-
Converted performance share units during the year	-	2,940
Outstanding at the end of the year	**2,940**	**2,940**

The weighted average remaining contractual life for the awards granted in 2019 as at 31 December is 1.38 years and for those awarded in 2018 is 0.34 years.

2016 long-term incentive plan

On 26 October 2016, members of the Group Management Board and selected senior employees received an LTIP award, subject to the recipient continuing to be employed with the Group on the vesting date. The award was split equally between performance units (linked to the Company’s relative total shareholder return) and stock options issued at a premium to the share price at grant.

In 2021, an expense of CHF 0.1 million (thereof to members of the GMB: less than CHF 0.1 million) was recognised for these LTIP awards in the income statement. As at 31 December 2021, these awards had fully vested and no performance units or stock options remained outstanding.

23. Commitments

23.1. Contractual commitments for the acquisition of assets

As at 31 December 2022 and 2021, there were no contractual commitments for the acquisition of assets.

23.2. Contingent liabilities

Potential litigations, reviews and investigations

The Group is exposed to the risk of conduct-related and legal matters as well as regulatory actions, which could give rise to the need to recognise material provisions or, in the case they do not qualify for the recognition of a provision, to disclose contingent liabilities.

The Group operates in various jurisdictions which are subject to local laws and regulation. During the ordinary course of business the Group may become exposed to breaches of regulation and law, including breaches of client mandates, fund requirements or legal contracts, which may give rise to litigation and a liability.

During the ordinary course of business certain non-material financial exposures arise and the Group has recognised a provision for these events as appropriate in accordance with IFRS accounting standards as set out in note 15.

24. Consolidated entities

Listed company

	Place of listing	Capitalisation 31 December 2022 CHF m	Head office	Share capital CHF m
GAM Holding AG	SIX Swiss Exchange	150	Zurich	7.984

Swiss securities number: 10265962, Reuters: GAMH.VX, Bloomberg: GAM VX

Unlisted subsidiaries

	Head Office	Currency	Share Capital (local currency)	Equity interest in %
GAM GP Inc.	Road Town	USD	50,000	100
GAM (UK) Limited	London	GBP	43,000,013	100
GAM International Management Limited	London	GBP	3,750,006	100
GAM London Limited	London	GBP	2,025,000	100
(including a branch office in Israel)				
GAM Sterling Management Limited	London	GBP	50,000	100
GAM (Guernsey) GP Limited	St. Peter Port	GBP	50,000	100
Renshaw Bay GP1 Limited	St. Peter Port	GBP	40,000	100
RB REFS 1 Limited	London	GBP	100	100
RB REFS 2 Limited	London	GBP	100	100
Renshaw Bay GP4 LLP	Edinburgh	GBP	2	100
GAM Unit Trust Management Company Limited	London	GBP	90,000	100
GAM Systematic Holding Limited	London	GBP	102	100
GAM Systematic LLP	London	GBP	42,111,987	100
GAM Systematic Services Limited	London	GBP	101	100
GAM Systematic (Cayman) Limited	George Town	GBP	1	100
GAM (U.K.) Pension Trustees Limited	London	GBP	1	100
GAM (U.K.) Pension GP Limited	Edinburgh	GBP	1	100
GAM Fund Management Limited	Ireland	EUR	126,974	100
GAM Investments (Singapore) Pte. Limited	Singapore	SGD	1	100
GAM Hong Kong Limited	Hong Kong	HKD	39,600,000	100
GAM Japan Limited	Tokyo	JPY	1,223,000,000	100
GAM USA Inc.	New York	USD	100	100
GAM Services Inc.	New York	USD	100	100
GAM (Switzerland) Holding AG	Zurich	CHF	10,250,000	100
GAM Investment Management (Switzerland) AG	Zurich	CHF	1,200,000	100
GAM (Italia) SGR S.p.A.	Milan	EUR	2,000,000	100
GAM (Luxembourg) S.A.	Luxembourg	EUR	5,002,000	100
(including branch offices in Spain, Austria, Denmark and Germany)			-	
GAM Trade Finance S.à.r.l.	Luxembourg	EUR	12,500	100
GAM Investments (Australia) Pty Limited	Sydney	AUD	100	100
The GAM Employee Benefit Trust	St. Helier	CHF	-	-

Regarding consolidated structured entities see note 25. All voting rights equal the equity interest.

Changes to subsidiaries consolidated

In 2022, the Lugano branch of GAM Investment Management (Switzerland) AG was closed.

In 2021, GAM Group AG was merged into GAM (Switzerland) Holding AG. GAM (Deutschland) GmbH became a branch of GAM (Luxembourg) S.A. while the branch of GAM (Luxembourg) S.A. in France was closed. The Group also established GAM (U.K.) Pension Trustees Limited, GAM (U.K.) Pension GP Limited and GAM Investments (Singapore) Pte. Limited. during the year.

25. Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements.

The Group acts as investment manager or investment advisor to a number of investment funds. The purpose of these investment funds is to generate fees from managing assets on behalf of third-party investors by providing investment strategies. These vehicles are financed through the issue of units to investors. The Group has no contractual obligations to provide financial support to these structured entities.

From time to time, the Group makes seed capital investments in certain fund products in order to establish track records for new products, to test new investment strategies or to launch a new product at a viable minimum size.

Determining whether the Group controls such an investment fund primarily focuses on the assessment of the aggregate economic interests of the Group in the fund (comprising any performance fees and management fees) and the investors' rights to remove the investment manager.

Consolidated structured entities

The Group consolidates funds, into which seed capital investments are made, where it is deemed to have control. Financial investments under control, which are available for immediate sale and for which management expects to complete the sale within one year, are presented in the balance sheet line items 'assets held for sale' and 'liabilities held for sale' (for details see note 11).

Unconsolidated structured entities

Where the Group acts as an agent for the investors, it does not consolidate these investment funds. When the Group holds investments in unconsolidated investment funds, they are classified as financial investments at fair value through profit or loss and disclosed in the line item 'seed capital and product management investments at fair value through profit or loss' (for details see note 10). The fair value of these investments represents the Group's maximum exposure to loss from its investments into such unconsolidated investment funds.

26. Events after the reporting period

On 4 May 2023 GAM Holding AG agreed with Liontrust Asset Management Plc ("Liontrust") to enter into a transaction agreement ("Agreement") for a public share exchange offer by Liontrust for 100% of the equity share capital of the Company. The Agreement is contingent on the conditions of the GAM shareholder tender process, Liontrust shareholder approval, regulatory approvals and the Group's exit from its third party Fund Management Services ("FMS ") business.

In addition, GAM Holding AG have entered into a short-term financing agreement (the "Loan") with Liontrust for up to approximately CHF 20 million (GBP 17.8 million). The loan will be available in two equal tranches, the first tranche being available at signing of the Agreement and the second on the successful conclusion of the Liontrust shareholder vote and successful tender of the GAM Holding AG shareholders. The Loan has a term up to the earlier of 31 December 2023 or when the Transaction closes. Amounts drawn under the Loan are secured and carry an interest rate of 7% per annum. The Loan can be drawn to enable the acceleration of restructuring activity within GAM, including facilitating the FMS exit, and for cash management between group entities. The Board anticipates the completion of the shareholder tender process, regulatory approvals and satisfaction of other conditions in the Agreement by the end of December 2023.

The Board of Directors approved these consolidated financial statements on 4 May 2023. They will be presented for approval by the Annual General Meeting on 25 May 2023.

27. General information

GAM Holding AG (the Company) is a Swiss corporation domiciled in Zurich and listed on the SIX Swiss Exchange. The consolidated financial statements as at 31 December 2022 comprise those of the Company and all its subsidiaries (together referred to as the Group) including structured entities under the Group's control. The Group provides asset management services. The core investment management business is complemented by fund management services, which include management company and other support services to third-party asset managers.

28. Basis of preparation

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). Generally, the historical cost principle is applied, with the exception of financial assets and liabilities at fair value through profit or loss and derivative financial instruments (for details see note 29.2.6).

Except where otherwise indicated in these consolidated financial statements, all financial information is presented in millions of Swiss francs. Percentage movements between current and prior year amounts reported in the Consolidated Income Statement and Consolidated Statement of Comprehensive Income are shown where the change is below a threshold of +/- 100%.

Within the cash flow of operating activities changes have been made in the presentation of the current year to present "fund unit purchases for contractual bonuses" and "pension payments separately from the net changes of "other liabilities". Within the Cash flow of financing activities changes have been made in the presentation of the current year to present "interest payment of lease liabilities" separately from the net changes of "principal payment of lease liabilities". This provides more clarity in the presentation. Comparative numbers for 2021 have been reclassified.

Going Concern

In making their assessment of the appropriateness of adopting the going concern basis of accounting, the Directors have prepared profitability, liquidity and regulatory capital forecasts ("Group forecasts") and have undertaken an assessment, for a period of at least 12 months from the date of approval of these financial statements, to determine whether there are any material uncertainties arising that could cast significant doubt on the ability of the Group to continue as a going concern.

In order to support the financial position of the Group and a return to profitability, GAM Holding AG has agreed with Liontrust Asset Management Plc ("Liontrust") to enter into a transaction agreement ("Agreement", "Transaction") for a public share offer for 100% of the equity share capital of GAM Holding AG. In addition, GAM Holding AG have entered into a short-term financing agreement (the “Loan”) with Liontrust for up to approximately CHF 20 million (GBP 17.8 million). The loan will be available in two equal tranches, the first tranche being available at signing of the Agreement and the second on the successful conclusion of the Liontrust shareholder vote and successful tender of the GAM Holding AG shareholders, to enable the acceleration of restructuring activity within GAM, including facilitating the fund management services (“FMS”) exit, and cash management between group entities with a term up to the earlier of 31 December 2023 or when the Transaction closes. The Agreement together with the Loan provides a clear pathway to resolve the financial position of the Group going forward and support the application of the going concern basis of preparation in these consolidated financial statements. The Loan provides external funding through the period to completion of the Transaction, and GAM Holding AG will gain the resources and parental support of Liontrust once the transaction has been completed. The Board anticipates the completion of the shareholder tender process, regulatory approvals and satisfaction of other conditions in the Agreement by the end of December 2023.

The Agreement is contingent on the conditions of the shareholder tender process, Liontrust shareholder approval, regulatory approvals and the Group’s exit from third party FMS business. The inclusion of these conditions in the Agreement creates material uncertainties regarding the completion of the Transaction.

Management has demonstrated a plan to support the Group’s exit from third party FMS business within the timeframes stipulated in the Agreement. The completion of the exit of the third-party FMS business is dependent in part on external parties, and this reliance creates material uncertainty around the delivery of this plan.

The Directors have concluded that based on the anticipated timeline for completion of the Transaction by end of December 2023 and current Group forecasts, the Loan provides the Group with sufficient funding to operate as a going concern through to the completion of the Transaction. However, the Directors recognise that if there is material deterioration of market conditions or revenues of the Group, the amount of funding available by way of the Loan may not be sufficient for the Group to be able to meet its financial obligations. In such an instance, the Group would need to obtain a greater level of funding under the Loan or other sources of funding to provide sufficient funds to meet its financial obligations. This creates a material uncertainty on the ability of the Group to continue as a going concern.

While the Directors acknowledge these material uncertainties, they have taken appropriate steps to mitigate their impact, and have concluded that the going concern basis remains the appropriate basis for the preparation of these financial statements.

29. Summary of material accounting policies

29.1. Use of estimates and judgements in preparing the consolidated financial statements

In preparing the consolidated financial statements, management is required to make estimates and assumptions that affect reported income, expenses, assets, liabilities and disclosure of contingent assets/liabilities. Actual results in future periods could differ from such estimates. Estimates and assumptions are mainly used in the following areas of the consolidated financial statements and are disclosed in the corresponding notes:

- determining whether the going concern basis of preparation remains appropriate (note 28)
- determining fair values of financial instruments (notes 29.2.6 and 10.5)
- determining whether the Group controls another entity (notes 29.2.1, 11, 24 and 25)
- accrual of performance fees (notes 29.2.3 and 1)
- measurement and timing of provisions (notes 29.2.10 and 15)
- measurement of defined benefit pension plan obligations (notes 29.2.15 and 16)
- utilisation of tax losses and measurement of deferred tax assets (notes 29.2.14, 12.1 and 5.1)
- determining the fair value of share-based payments (notes 29.2.16 and 22)
- determining the carrying amount of the financial liability for performance fees attributable to external interests (note 29.2.6 and 10.4)
- measurement of lease liability (notes 29.2.8 and 13)
- measurement of the recoverable amount of other intangible assets (notes 29.2.9 and 13)

Use of accounting estimates and judgements affected by the volatile market environment

GAM has continued to consider the uncertainties resulting from the volatile market environment experienced in 2022, and has applied appropriate judgements when determining the effects of this uncertainty, for example by applying probability-weighted estimates. The following estimates and assumptions have been specifically considered, given the significant uncertainty that still exists, in particular when assessing the macroeconomic and financial impact on assets under management, and subsequently the related fee income and the Group's budget and forecasts, which serve as the basis for the measurement of various assets and liabilities:

- utilisation of tax losses and measurement of deferred tax assets;
- determining the carrying amount of the financial liability for performance fees attributable to external interests;
- measurement of the recoverable amount of intangible assets.

Significant events and transactions

As a consequence of the volatile market environment and negative market movements effect on the reduction in assets under management in the reporting period, the carrying amount of intangible assets relating to the brand has been impaired (see notes 6 and 13 for further information).

29.2. Accounting policies

All Group companies apply uniform accounting policies, which remained consistent with the previous year, except for the application of various amendments to existing standards for the first time in 2022. The adoption of these accounting pronouncements had no significant impact on the consolidated financial statements of the Group.

29.2.1. Subsidiaries

Subsidiaries are entities in which the Group exercises control and which are therefore fully consolidated. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the investee. The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control is transferred to the Group until the date control ceases. The effects of all intercompany transactions and balances are eliminated on consolidation.

29.2.2. Foreign currency translation

The Group companies prepare their financial statements in their respective functional currency. Assets and liabilities of the Group companies that have a non-Swiss franc functional currency are translated into Swiss francs at the closing exchange rates on the balance sheet date. Average exchange rates for the reporting period are used for the income statement. Foreign currency differences arising from consolidation using closing and average exchange rates for the reporting period are recognised in the foreign currency translation reserve in other comprehensive income.

In the individual financial statements of the Group companies, income and expenses denominated in currencies different to their respective functional currency are translated at the exchange rate on the date of the respective transaction. Monetary assets and liabilities are translated at the closing exchange rate on the balance sheet date. The resulting gains and losses on monetary assets and liabilities are recognised in the income statement as foreign exchange gains/losses. Unrealised exchange differences on financial assets at fair value through profit or loss are a component of the change in their fair value.

29.2.3. Income recognition
Revenue is measured based on the consideration specified in a contract with a client and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control over a service to a client. The Group accounts for the services as a single performance obligation as it is providing a series of distinct services that are substantially the same and have the same pattern of transfer (the services transfer to the clients over time and use the same method to measure progress, a time-based measure of progress). Therefore, the performance obligation is generally satisfied over time as investment management, advisory and other fund-related services are provided.

Fee and commission income includes client management fees and fund management fees that are recognised in the period in which the services are provided.

In most instances, client management fees are calculated as a percentage of the clients' assets under management. Fund management fees are paid based on contractual agreements and received by Group companies for providing various services to those funds.

Fees or components of fees that are based on performance are recognised at a point in time, i.e. crystallisation date, once their value can be determined with a reasonable degree of accuracy and it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

29.2.4. Earnings per share
Basic earnings per share is calculated by dividing the net profit for the reporting period attributable to shareholders of the Company by the weighted average number of shares outstanding (excluding treasury shares held) during the reporting period.

Diluted earnings per share is calculated using the same method as for basic earnings per share, with the determinants adjusted to reflect the potential dilution that could occur if outstanding options or other contracts to issue shares were converted or exercised into shares.

29.2.5. Cash and cash equivalents
Cash and cash equivalents include cash on hand, call deposits held with banks and short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

29.2.6. Financial instruments
At initial recognition, the Group classifies its financial assets in the following categories on the basis of the Group's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset:
- financial assets at amortised cost; and
- financial assets at fair value through profit or loss.

Financial liabilities are classified in the following categories:
- financial liabilities at fair value through profit or loss, and
- financial liabilities at amortised cost.

All purchases and sales of financial assets are recognised and derecognised on the trade date – the date on which the Group commits to purchase or sell the asset.

Except for short-term receivables and payables as well as related accruals, financial instruments are recognised initially at fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial instrument.

Financial assets at amortised cost

Debt instruments (eg trade receivables, loan receivables, investments in bonds that are not held for trading, investments in term deposits at standard interest rates) that (a) are held within a business model whose objective is to collect the contractual cash flows and (b) have contractual cash flows that are solely payments of principal and interest shall be subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the income statement through the amortisation process and when the financial assets are derecognised or impaired.

Financial assets at fair value through profit or loss

A financial asset is classified and measured at fair value through profit or loss if the financial asset is:
- a held-for-trading financial asset (a derivative that has not been designated in a hedging relationship, or a financial asset that is held for the purposes of short-term sale or repurchase)
- a debt instrument that does not qualify to be measured at amortised cost or fair value through other comprehensive income (for example, because the interest cash flows do not represent only compensation for time value and credit risk)
- an equity investment which the entity has not elected to classify as at fair value through other comprehensive income
- a financial asset where the entity has elected to measure the asset at fair value through profit or loss under the fair value option.

Derivatives that are not designated in a hedging relationship are categorised as held for trading. They are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Realised gains and losses on derecognition and unrealised gains and losses from changes in the fair value are recognised in the income statement in ‘net other income’.

Financial liabilities

Financial liabilities (eg trade payables, loan payables, bank borrowings) are generally classified as subsequently measured at amortised cost using the effective interest method, except for certain financial liabilities measured at fair value through profit or loss. Gains and losses are recognised in the income statement through the amortisation process and when the financial liabilities are derecognised. Changes in the carrying amount of the liability for performance fees attributable to external interests due to revised estimates of future payments are recognised in the income statement in ‘net other income’.

A financial liability at fair value through profit or loss is a financial liability that meets one of the following conditions:
- it meets the definition of held for trading
- upon initial recognition it is designated by the Group as at fair value through profit or loss.

Financial liabilities at fair value through profit or loss, including deferred consideration liabilities recognised in relation to a business combination, are subsequently measured at fair value. Realised gains and losses on derecognition and unrealised gains and losses from changes in the fair value are recognised in the income statement in ‘net other income’.

Expected credit losses (impairment)

A loss allowance for expected credit losses is recognised on a financial asset that is measured at amortised cost or at fair value through other comprehensive income or a lease receivable.

At each reporting date, the loss allowance for a financial instrument is measured at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.

If, at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, the loss allowance for that financial instrument is measured at an amount equal to 12-month expected credit losses.

Hedge accounting

As permitted by IFRS 9, the Group has not yet adopted the new hedge accounting requirements of IFRS 9 and continues to apply the hedge accounting requirements of IAS 39.

The Group may use derivative financial instruments for hedging fair values (fair value hedges). The Group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values of hedged items.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are reported in the income statement. Changes in the fair value of the hedged item that are attributable to the hedged risk are reflected in an adjustment to the carrying value of the hedged item and are also recognised in the income statement.

29.2.7. Property and equipment
Property and equipment include IT hardware, communication systems, leasehold improvements as well as furniture and office equipment. They are carried at cost less accumulated depreciation and impairment losses. Items of property and equipment are depreciated over their estimated useful lives using the straight-line method.

IT hardware and communication systems are depreciated over a period not exceeding five years, furniture and other office equipment over a period not exceeding eight years. Leasehold improvements are depreciated over the shorter of the residual lease term or useful life up to a maximum period of 10 years.

Leasehold improvements are investments made to customise buildings and offices occupied under lease contracts to make them suitable for the intended purpose. If a leased property must be returned to its original condition at the end of the lease term, the present value of the estimated reinstatement costs is capitalised as part of the right-of-use asset and depreciated as such. At the same time, a provision for reinstatement costs is recognised to reflect the obligation incurred. The reinstatement costs are recognised in the income statement through depreciation of the capitalised leasehold improvements over their useful life.

Subsequent expenditure on an item of property and equipment is recognised in the carrying value of the item if it is probable that additional future economic benefits associated with the item will flow to the Group. Maintenance and servicing costs are expensed through the income statement.

At each reporting date, the items of property and equipment are reviewed for indications of impairment. If such indications exist, it is determined whether the carrying amount of the item is fully recoverable. An impairment loss is recognised in the income statement if the carrying amount exceeds the recoverable amount.

29.2.8. Leasing
At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost and the lease liability at the present value of the lease payments that are not paid at that date. The right-of-use asset is subsequently depreciated using the straight-line method until the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, or, upon the occurrence of either a significant event or a significant change in circumstances that is within GAM's control, if the Group changes its assessment of whether it is reasonably certain that it will exercise a purchase, extension or termination options.

The Group presents right-of-use assets in 'property and equipment' and lease liabilities in 'financial liabilities' in the balance sheet.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases of assets that have a lease term of 12 months or less and leases of low-value assets. As a practical expedient, the group has elected, for each class of underlying asset, not to separate non-lease components (eg maintenance, administrative or insurance costs) from lease components, and instead account for each lease component and any associated non-lease components as a single lease component.

29.2.9. Intangible assets
Intangible assets are classified into the following categories:

a) Intangible assets with indefinite lives

Intangible assets with an indefinite life are not amortised but are tested for impairment annually, and whenever there is an indication of impairment, at the cash-generating-unit (CGU) level. An impairment loss is recognised if the recoverable amount (i.e. the higher of the asset's fair value less costs of disposal and its value in use) is less than its carrying amount. Intangible assets with indefinite lives include:

Goodwill: In a business combination, the acquiree's identifiable assets and liabilities are recognised at their respective fair value at the acquisition date. Goodwill is measured as the difference between the sum of the fair value of the consideration transferred plus the recognised amount of any non-controlling interests in the acquiree, and the recognised amount of the identifiable assets acquired and liabilities assumed. The Group's goodwill, which related to the acquisition of various investment management activities, was written off in full in 2020.

Brand: The Group's brand relates to the acquisition of GAM by Julius Baer in 2005. The Group considers the capitalised brand to have an indefinite useful life. It is therefore not amortised, but tested for impairment and its indefinite life status reviewed on an at least annual basis.

As GAM is viewed by management as a single CGU for impairment review purposes, the fair value less costs of disposal of the brand is calculated from the market capitalisation of GAM Holding AG, based on its share price at the reporting date (an observable market price). The value-in-use assessment is performed by assessing the value of the whole GAM business, on a discounted cash flow basis, against its net asset value in the accounts. Management consider that the useful economic life of the brand remains indefinite, since the Group's products and the economic benefits arising from them do not have a clearly identifiable finite life.

b) Intangible assets with definite lives

Intangible assets with definite lives are reviewed for indications of impairment on each reporting date. If such indications exist, it is determined whether the carrying amount of these intangible assets is fully recoverable and an impairment loss is recognised in the income statement if the carrying amount exceeds the recoverable amount. Intangible assets with definite lives include:

Investment management and client contracts: This comprises long-term investment management and client contracts from business combinations. Investment management and client contracts are amortised over their estimated useful life up to a maximum period of 10 years using the straight-line method.

Software: The Group capitalises costs relating to the acquisition, installation and development of software if it is probable that the future economic benefits that are attributable to the asset will flow to the Group and that the costs of the asset can be identified and measured reliably. The capitalised software is amortised over its estimated useful life up to a maximum period of six years using the straight-line method.

On each reporting date, the intangible assets are reviewed for indications of impairment. If such indications exist, it is determined whether the carrying amount of these intangible assets is fully recoverable and an impairment loss is recognised in the income statement if the carrying amount exceeds the recoverable amount.

29.2.10. Provisions and contingent liabilities
A provision is recognised if, as a result of a past event, the Group has a legal or constructive present obligation existing on the balance sheet date that will probably lead to an outflow of resources embodying economic benefits and the amount of which can be reliably estimated. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation as of the balance sheet date, taking into account the risks and uncertainties related to the obligation.

If the Group has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. The present obligation to be recognised, being the unavoidable cost of meeting the obligations under the contract, is the lower of the cost of terminating the contract and the net cost of continuing with the contract. However, before a separate provision for an onerous contract is established, the Group recognises any impairment loss that has occurred on assets dedicated to that contract.

Restructuring provisions in the event of sale or termination of a line of business, closure or relocation of business locations, changes in management structure or another fundamental reorganisation are recognised if a constructive obligation is incurred and a detailed and formal restructuring plan exists. In addition, the implementation must have begun or the announcement of the main features to the employees affected must have taken place before the balance sheet date. Restructuring provisions include only necessary direct expenditures caused by restructuring, not costs associated with the ongoing business activities.

Contingent liabilities are not recognised in the balance sheet, but are disclosed in the notes to the consolidated financial statements unless the possibility of an outflow of resources embodying economic benefits is estimated to be remote.

29.2.11. Share capital
Ordinary shares are classified as equity since the shares are non-redeemable. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds, net of tax.

29.2.12. Treasury shares and derivatives on own shares
Shares of the Company held by the Group are classified in equity as treasury shares and accounted for at weighted average cost. The difference between the proceeds from sales of treasury shares and their cost (net of income taxes, if any) is recognised in retained earnings.

An entity may enter into a derivative contract for the purchase or sale of shares of GAM Holding AG. Depending upon the nature of the contract and the settlement terms in particular, such contracts may be accounted for as equity instruments, financial liabilities or as derivative financial assets and liabilities. When the entity determines whether a financial instrument is a financial liability or an equity instrument, it considers the following:

- Contracts over shares of the Company that require settlement in a fixed number of shares for a fixed amount are recognised as equity instruments in retained earnings. Upon settlement of such contracts, the proceeds received (net of costs and any taxes) are also recognised in retained earnings.
- Contracts over shares of the Company that must be settled net in cash or settled net in shares of the Company or that offer a choice of settlement methods are treated as derivative instruments, with changes in fair value recognised in 'net other income'.

29.2.13. Non-current assets or disposal groups (assets and liabilities) held for sale
Non-current assets or disposal groups (i.e. a group of assets and liabilities associated with those assets) are classified as held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable.

29.2.14. Income taxes
Income tax expense comprises current and deferred taxes. Current income taxes are calculated on the basis of the applicable tax laws of the respective countries and are recognised as expense in the financial year in which the related taxable income arises. Liabilities related to current taxes are recognised in the balance sheet as current tax liabilities.

Deferred tax assets and deferred tax liabilities are taken into account using the balance sheet liability method for the expected future tax consequences of all temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding tax values.

Deferred tax assets are reviewed at each reporting date. In considering their recoverability, the Group assesses the likelihood of their being recovered within a reasonably foreseeable timeframe, taking into account the future expected profit profile and any potential legislative restrictions on use within the respective Group companies and the tax jurisdictions in which they operate. In assessing the probability of recovery, the Directors have reviewed the Group's five-year forecast that has been used for both the going concern and intangible asset impairment testing.

Deferred tax assets arising from temporary differences and from tax loss carry-forwards eligible for offset are recognised if it is considered probable (more likely than not) that sufficient taxable profits will be available against which those differences or tax loss carry-forwards can be offset. Where there is a recent history of tax losses within a Group company or jurisdiction, a deferred tax asset in relation to unused tax losses and credits should be recognised only when there are sufficient taxable temporary differences (i.e. a deferred tax liability), or there is convincing other evidence that sufficient taxable profit will be available against which the unused tax loss or credit can be utilised.

Deferred tax assets and deferred tax liabilities are calculated at tax rates expected to apply in the period in which the tax assets are expected to be realised, or the tax liabilities settled.

Current tax assets and tax liabilities are offset against each other when they refer to the same taxable entity, relate to the same tax authority, an enforceable right to offset exists and they are intended to be settled net or realised simultaneously. The same treatment applies to deferred tax assets and liabilities.

Current and deferred taxes are credited or charged directly to equity if the taxes refer to items that are credited or charged directly to equity. Current and deferred taxes are credited or charged to other comprehensive income if the taxes refer to items that are credited or charged to other comprehensive income.

29.2.15. Post-employment benefits

The Group maintains various defined contribution and defined benefit pension plans in Switzerland and overseas jurisdictions.

The pension plan obligations are largely covered through pension plan assets of the pension plans that are legally separated and independent from the Group.

Defined benefit pension plans

Defined benefit pension plan obligations are measured according to the projected unit credit method. The relevant calculations are carried out by independent qualified actuaries. The pension plan expenses are actuarially determined as the net pension cost (being service cost and net interest on the net defined benefit liability) minus the employee contributions and are recognised in the income statement in personnel expenses.

Remeasurements of the net defined benefit liability, which include actuarial gains and losses, are recognised in other comprehensive income.

Net defined benefit assets are only recognised in the balance sheet to the extent that the present value of any economic benefits is available to the Group in the form of cash refunds from the plan or reductions in future contributions to the plan.

Defined contribution pension plans

Defined contribution pension plan contributions are expensed when the employees render the corresponding service to the Group.

29.2.16. Share-based payments

The Group maintains a number of share-based payment plans in the form of share option plans or share plans for its employees. When such payments are made to employees, the fair value of these payments at grant date serves as the basis for calculating the personnel expenses. Share-based payments that are not subject to any further conditions are expensed immediately at grant date. Share-based payments that are subject to the completion of a service period are expensed over the respective service period. If the employees are not entitled to dividends, the fair value at grant date of these equity instruments is determined by the relevant share price reduced by the present value of dividends expected before the shares are delivered.

Conditions that determine whether the counterparty receive the share-based payment are separated into vesting conditions and non-vesting conditions. Vesting conditions are all conditions that determine whether the entity receives the services that entitle the counterparty to the share-based payment, and may be differentiated further between service or performance conditions. Performance conditions are either market conditions or non-market performance conditions. All other conditions are considered non-vesting conditions.

The modified grant-date method requires entities to distinguish between the above-mentioned vesting and non-vesting conditions:

- Market conditions and non-vesting conditions are reflected as an adjustment (discount) to the initial estimate of fair value at grant date of the instrument to be received and there is no true up for differences between estimated and actual vesting due to market conditions.

- The impact of service conditions and non-market performance conditions on vesting is estimated at grant date, but it is not reflected in the grant-date fair value itself. Instead, the accounting for the share-based payment is based on the number of equity instruments for which the service and non-market performance conditions are expected to be met. Subsequently these estimates are trued up for differences between the number of instruments expected to vest and the actual number of instruments vested.

Share-based payment plans that are settled in own equity instruments (shares or options) result in an offsetting credit in equity and are not remeasured for subsequent changes in the fair value of the underlying equity instruments. Share-based payment plans that are settled by the payment of cash are recognised as a liability and are adjusted through the income statement for changes in fair value of the underlying equity instruments until final settlement.

29.2.17. Segment reporting

IFRS 8 Operating Segments requires disclosures to reflect the information that the Group Management Board, being the body that is the Group's chief operating decision maker, uses to assess performance and to allocate resources. The Group is managed as a single business segment for reporting and control purposes, offering different investment management solutions and products across multiple asset classes and strategies that are managed across a range of products, distribution channels and geographic regions.

Discrete financial information is prepared to allow for an analysis at different levels. However, the Group Management Board reviews and uses for its decisions the aggregated financial information at Group level only.

29.3. New standards and interpretations not yet adopted

Certain new standards, revisions and interpretations of existing standards have been published that have to be applied in future financial periods, but are not yet adopted by the Group. These changes are not expected to have any significant impact on the Group's consolidated financial statements.

Statutory Auditor's Report

To the General Meeting of GAM Holding AG, Zurich

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of GAM Holding AG and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2022 and the consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements (pages 125 to 182) give a true and fair view of the consolidated financial position of the Group as at 31 December 2022, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and comply with Swiss law.

Basis for Opinion

We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISAs) and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the provisions of Swiss law, together with the requirements of the Swiss audit profession, as well as the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to note 28 in the consolidated financial statements describing that the liquidity and regulatory capital forecasts of the Group indicate that the Group will not have sufficient funds to meet its financial obligations without external funding. As stated in note 28, these events or conditions, along with other matters as set forth in note 28, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

RECOGNITION OF NET FEE AND COMMISSION INCOME

ASSESSMENT OF IMPAIRMENT OF BRAND

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the "Material Uncertainty Related to Going Concern" section we have determined the matters described below to be the key audit matters to be communicated in our report.

KPMG

RECOGNITION OF NET FEE AND COMMISSION INCOME

Key Audit Matter

Net fee and commission income is an area of focus due to the size and importance of net revenues to the Group's results. The fact that fees are based on diverse fee arrangements on different terms leads to the risk that such fees may be incorrectly calculated and/or recognised in the wrong period. In addition, the involvement of external service providers is adding complexity to the underlying process.

Management fees and commissions are generally calculated as a fixed percentage of assets under management, net of any rebates and distribution costs. Management fees vary across different funds and portfolios. Distribution costs and rebates also vary across different distribution partners, funds and portfolios.

Performance fees are inherently more complex as judgment can be required in the determination whether performance criteria have been met. Performance fees are only earned once the investment performance exceeds the predefined levels and crystallisation periods are passed.

Our response

Our audit procedures included detailed walkthroughs of the Group's in-house management and performance fee income, rebate and distribution cost related processes and testing the design and implementation as well as effectiveness of key controls identified (including general IT controls).

We read independent third party reports where functions are outsourced to external service providers, such as administrators, and determined whether they were appropriate for our purposes. Where the reports did not cover the full financial year, we obtained bridging letters from the administrators to confirm that the relevant controls operated consistently over the remaining period and no differences have been identified.

On a sample basis, we agreed the fee rates, rebates and distribution charges to underlying contracts. We conducted analytical procedures on data and assets under management, fees and charges obtained from source systems of the Group and the administrators. We independently recalculated management and performance fee income, rebates and distribution costs, performed cut-off testing and re-assessed whether performance criteria were met.

We used our own IT specialists to support our procedures.

For further information on recognition of net fee and commission income refer to notes 1 and 29.2.3 in the consolidated financial statements.

ASSESSMENT OF IMPAIRMENT OF BRAND

Key Audit Matter

As at 31 December 2022, the brand on the Group's balance sheet amounted to CHF 49.5m (2021: CHF 273.0m), which represents 14% of total assets (2021: 36%).

The recoverability of brand is highly dependent on the Group's ability to generate positive cash flows in the future.

Brand is assessed for impairment on an annual basis, or when there are indications of impairment, by estimating the current value in use of the Group's business and comparing this value with the carrying value.

These estimations require judgment about projected future cash flows and the discount rate used.

Management's impairment test resulted in an impairment of brand of CHF 223.5m in 2022.

Our response

Amongst other audit procedures, we tested the mathematical accuracy of the valuation and the key inputs to the models used by:

– Comparing the cash flow forecasts to the latest budget and five-year financial planning approved by the Board of Directors;
– Assessing the reasonableness of cash flow forecast in different scenarios by back-testing historical forecasts to actual results and discussing the future outlook with management;
– Conducting sensitivity analysis taking into account the historical forecast accuracy of the Group;
– Challenging growth rates by reference to economic and industry forecasts and historic results; and
– Challenging discount rates by comparing it to the cost of capital for the Group.

We compared the sum of projected discounted cash flows to the market capitalisation of the Group.

We further recalculated the difference between the carrying value and the Group's valuation of brand to test whether there was sufficient headroom or if an appropriate impairment was recognised.

We further considered the appropriateness of disclosures in relation to brand.

We used our own valuation specialists to support our procedures.

For further information on assessment of impairment of brand refer to notes 13 and 29.2.9 in the consolidated financial statements.

Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements of the company, the compensation report and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' Responsibilities for the Consolidated Financial Statements

The Board of Directors is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law, ISAs and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Swiss law, ISAs and SA-CH, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

– Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
– Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
– Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

KPMG AG

Daniel Merz
Licensed Audit Expert
Auditor in Charge

Mirko Liberto
Licensed Audit Expert

Zurich, 4 May 2023

KPMG AG, Badenerstrasse 172, CH-8036 Zurich

PARENT COMPANY FINANCIAL STATEMENTS

INCOME STATEMENT

	Note	2022 CHF m	2021 CHF m	Change in %
Finance income		8.0	3.1	-
Recharges to affiliated companies		12.1	11.6	4
Income		**20.1**	**14.7**	**37**
Personnel expenses	2.2	16.1	21.4	(25)
General expenses		12.5	8.2	52
Depreciation		1.9	0.3	-
Finance expenses	2.3	5.6	6.4	(13)
Impairment loss	2.7	517.3	-	-
Expenses		**553.4**	**36.3**	**-**
Loss before taxes		**(533.3)**	**(21.6)**	**-**
Direct taxes		0.2	(0.2)	-
Net loss		**(533.5)**	**(21.4)**	**-**

BALANCE SHEET

	Note	31.12.2022 CHF m	31.12.2021 CHF m	Change in %
Cash and cash equivalents		4.9	19.6	(75)
Securities		0.1	0.1	-
Trade and other receivables	2.4	15.8	23.7	(33)
Accrued income and prepaid expenses	2.5	5.4	8.0	(33)
Loans	2.6	-	1.0	(100)
Other financial assets		-	0.2	(100)
Current assets		**26.2**	**52.6**	**(50)**
Loans	2.6	148.3	144.8	2
Investments in subsidiaries	2.7	193.1	710.4	(73)
Intangible assets		4.9	6.7	(27)
Other financial assets		0.3	1.4	(79)
Non-current assets		**346.6**	**863.3**	**(60)**
Assets		**372.8**	**915.9**	**(59)**
Accrued expenses and deferred income	2.9	17.4	11.2	55
Other liabilities	2.10	10.0	14.7	(32)
Current liabilities		**27.4**	**25.9**	**6**
Loans	2.8	66.7	81.4	(18)
Non-current liabilities		**66.7**	**81.4**	**(18)**
Share capital		8.0	8.0	-
Legal capital reserves				
Capital contribution reserve	2.11	893.4	893.4	-
Legal retained earnings				
General legal retained earnings		5.3	5.3	-
Voluntary retained earnings				
Accumulated losses				
Accumulated losses/profis brought forward		(90.6)	(69.2)	31
Net loss		(533.5)	(21.4)	-
Treasury shares				
Other treasury shares	2.12	(3.9)	(7.5)	(48)
Shareholders' equity		**278.7**	**808.6**	**(66)**
Liabilities and shareholders' equity		**372.8**	**915.9**	**(59)**

NOTES

1. Accounting principles

1.1 General aspects
GAM Holding AG, incorporated in Zurich, Switzerland, presents its financial statements according to the provisions of the Swiss Law on Accounting and Financial Reporting. Where not prescribed by law, the significant accounting and valuation principles applied are described below.

1.2 Securities
Securities with a short-term holding period are valued at their quoted market price as at the balance sheet date. A valuation adjustment reserve has not been recognised. Net unrealised gains are recorded in finance income, net unrealised losses are recorded in finance expenses.

1.3 Treasury shares
Treasury shares are recognised at acquisition cost and deducted from shareholders' equity at the time of acquisition.

1.4 Share-based payments
If treasury shares are used to meet share delivery obligations under GAM Holding AG's various share-based payment plans, the difference between the carrying value and the fair value at delivery date is recognised in personnel expenses. Not all recipients of share-based payments are employed by GAM Holding AG. For those employees, GAM Holding AG charges the Group entity employing the respective employee the expenses according to IFRS 2 and recognises them as recharges to affiliated companies in the income statement.

1.5 Investments in subsidiaries
Investments in subsidiaries are measured at historical costs. If there are indications of impairment, the carrying amount of investments in subsidiaries is compared to their recoverable amount, reflecting the lower of value in use and fair value less costs of disposal. Any difference between the carrying amount and the lower recoverable value is recognised as an impairment loss.

1.6 Going Concern
In making their assessment of the appropriateness of adopting the going concern basis of accounting for the Company, the Directors have prepared profitability, liquidity and regulatory capital forecasts ("forecasts") and have undertaken an assessment, for a period of at least 12 months from the date of approval of these financial statements, to determine whether there are any material uncertainties arising that could cast significant doubt on the ability of the Company to continue as a going concern. Following the losses reported by the Company in 2022, the liquidity and regulatory capital forecasts of the Company indicate that the Company will not have sufficient funds to meet its financial obligations without external funding.

In order to support the financial position of the Company and a return to profitability, the Company has agreed with Liontrust Asset Management Plc ("Liontrust") to enter into a transaction agreement ("Agreement", "Transaction") for a public share offer for 100% of the equity share capital of GAM Holding AG. In addition, the Company has entered into a short-term financing agreement (the "Loan") with Liontrust for up to approximately CHF 20 million (GBP 17.8 million). The loan will be available in two equal tranches, the first tranche being available at signing of the Agreement and the second on the successful conclusion of the Liontrust shareholder vote and successful tender of the GAM Holding AG shareholders, to enable the acceleration of restructuring activity within the GAM Holding AG Group companies ("GAM Group", "the Group"), including facilitating the third party fund management services ("FMS") client exit, and cash management between GAM Group entities with a term up to the earlier of 31 December 2023 or when the Transaction closes. The Agreement together with the Loan provides a clear pathway to resolve the financial position of the Company going forward and support the application of the going concern basis of preparation in these financial statements. The Loan provides external funding through the period to completion of the Transaction, and GAM Holding AG will gain the resources and parental support of Liontrust once the transaction has been completed. The Board anticipates the completion of the shareholder tender process, regulatory approvals and satisfaction of other conditions in the Agreement by the end of December 2023.

The Agreement is contingent on the conditions of the shareholder tender process, Liontrust shareholder approval, regulatory approvals and the Company's exit from third party FMS business. The inclusion of these conditions in the Agreement creates material uncertainties regarding the completion of the Transaction.

Management has demonstrated a plan to support the Group’s exit from third party FMS business within the timeframes stipulated in the Agreement. The completion of the exit of the third-party FMS business is dependent in part on external parties, and this reliance creates material uncertainty around the delivery of the Group’s plan.

The Directors have concluded that based on the anticipated timeline for completion of the Transaction by end of December 2023 and current Company forecasts, the Loan provides the Company with sufficient funding to operate as a going concern through to the completion of the Transaction. However, the Directors recognise that if there is material deterioration of the financial position of the Company or Group entities, such that increased levels of cash requirements of Group entities is required, the amount of funding available by way of the Loan may not be sufficient for the Company to be able to meet its financial obligations. In such an instance, the Company would need to obtain a greater level of funding under the Loan or other sources of funding to provide sufficient funds to meet its financial obligations. This creates a material uncertainty on the ability of the Company to continue as a going concern.

While the Directors acknowledge these material uncertainties, they have taken appropriate steps to mitigate their impact, and have concluded that the going concern basis remains the appropriate basis for the preparation of these financial statements.

2. Information on balance sheet and income statement items

2.1 Definitions

The term 'Other Group companies' is used for all entities within the GAM Group of which GAM Holding AG is not the direct shareholder.

2.2 Personnel expenses

	2022 CHF m	2021 CHF m	Change in %
Salary and bonuses	3.6	3.8	(5)
Social security expenses	0.5	0.5	-
Pension plan expenses	0.3	(0.5)	-
Share-based payments	11.6	17.5	(34)
Other personnel expenses	0.1	0.1	-
Personnel expenses	**16.1**	**21.4**	**(25)**

2.3 Finance expenses

	2022 CHF m	2021 CHF m	Change in %
Loss on financial investments	2.2	3.1	(29)
Interest expenses	3.4	3.3	3
Finance expenses	**5.6**	**6.4**	**(13)**

2.4 Trade and other receivables

	31.12.2022 CHF m	31.12.2021 CHF m	Change in %
Third parties	0.3	0.5	(40)
Direct subsidiaries	0.1	0.1	-
Other Group companies	15.4	23.1	(33)
Trade and other receivables	**15.8**	**23.7**	**(33)**

2.5 Accrued income and prepaid expenses

	31.12.2022 CHF m	31.12.2021 CHF m	Change in %
Third parties	1.4	1.9	(26)
Direct subsidiaries	0.1	0.1	-
Other Group companies	3.9	6.0	(35)
Accrued income and prepaid expenses	**5.4**	**8.0**	**(33)**

2.6 Loans

	31.12.2022 CHF m	31.12.2021 CHF m	Change in %
Direct subsidiaries < 1 year	-	1.0	(100)
Direct subsidiaries > 1 year	148.3	144.8	2
Loans	**148.3**	**145.8**	**2**

2.7 Direct subsidiaries and other Group companies

	Head Office	Currency	Share Capital (local currency)	Equity interest in %
GAM GP Inc.	Road Town	USD	50,000	100
GAM (UK) Limited	London	GBP	43,000,013	100
GAM International Management Limited	London	GBP	3,750,006	100
GAM London Limited	London	GBP	2,025,000	100
(including branch office in Israel)				
GAM Sterling Management Limited	London	GBP	50,000	100
GAM (Guernsey) GP Limited	St. Peter Port	GBP	50,000	100
Renshaw Bay GP1 Limited	St. Peter Port	GBP	40,000	100
RB REFS 1 Limited	London	GBP	100	100
RB REFS 2 Limited	London	GBP	100	100
Renshaw Bay GP4 LLP	Edinburgh	GBP	2	100
GAM Unit Trust Management Company Limited	London	GBP	90,000	100
GAM Systematic Holding Limited	London	GBP	102	100
GAM Systematic LLP	London	GBP	42,111,987	100
GAM Systematic Services Limited	London	GBP	101	100
GAM Systematic (Cayman) Limited	George Town	GBP	1	100
GAM (U.K.) Pension Trustees Limited	London	GBP	1	100
GAM (U.K.) Pension GP Limited	Edinburgh	GBP	2	100
GAM Fund Management Limited	Ireland	EUR	126,974	100
GAM Investments (Singapore) Pte. Limited	Singapore	SGD	1	100
GAM Hong Kong Limited	Hong Kong	HKD	39,600,000	100
GAM Japan Limited	Tokyo	JPY	1,223,000,000	100
GAM USA Inc.	New York	USD	100	100
GAM Services Inc.	New York	USD	100	100
GAM (Switzerland) Holding AG	Zurich	CHF	10,250,000	100
GAM Investment Management (Switzerland) AG	Zurich	CHF	1,200,000	100
GAM (Italia) SGR S.p.A.	Milan	EUR	2,000,000	100
GAM (Luxembourg) S.A.	Luxembourg	EUR	5,002,000	100
(including branch office in Spain, Austria, Denmark and Germany)				
GAM Trade Finance S.à.r.l.	Luxembourg	EUR	12,500	100
GAM Investments (Australia) Pty Limited	Sydney	AUD	100	100
The GAM Employee Benefit Trust	St. Helier	CHF	-	-

Changes to Group companies

In 2022, the Lugano branch of GAM Investment Management (Switzerland) AG was closed.

In 2021, GAM Group AG was merged into GAM (Switzerland) Holding AG. GAM (Deutschland) GmbH became a branch of GAM (Luxembourg) S.A. while the branch of GAM (Luxembourg) S.A. in France was closed. The Group also established GAM (U.K.) Pension Trustees Limited, GAM (U.K.) Pension GP Limited and GAM Investments (Singapore) Pte. Limited during the year.

Impairment loss on investments in subsidiaries

In 2022, an impairment loss on investments in subsidiaries of CHF 517.3 million was recognised. No impairment loss on investments in subsidiaries was recognised in 2021.

2.8 Loans

	31.12.2022 CHF m	31.12.2021 CHF m	Change in %
Third party > 1 year	66.7	81.4	(18)
Loans	**66.7**	**81.4**	**(18)**

2.9 Accrued expenses and deferred income

	31.12.2022 CHF m	31.12.2021 CHF m	Change in %
Third parties	7.0	1.9	268
Other Group companies	10.1	9.2	10
Auditors	0.3	0.1	200
Accrued expenses and deferred income	**17.4**	**11.2**	**55**

2.10 Other liabilities

	31.12.2022 CHF m	31.12.2021 CHF m	Change in %
Third parties	6.8	7.8	(13)
Other Group companies	3.2	6.9	(54)
Other liabilities	**10.0**	**14.7**	**(32)**

2.11 Capital contribution reserve

	CHF m
Balance at 1 January 2021	**893.4**
Distribution to shareholders	0.0
Balance at 31 December 2021	**893.4**
Distribution to shareholders	0.0
Balance at 31 December 2022	**893.4**

Distributions from the capital contribution reserve are exempt from Swiss federal withholding tax of 35% and exempt from income tax for private investors resident in Switzerland.

2.12 Treasury shares

	Number of shares	Average price CHF	Highest price CHF	Lowest price CHF	Total value CHF m
Balance at 1 January 2021	**2,078,728**	**4.65**			**9.7**
Delivery of shares in relation to share-based payments	(2,473,243)	3.61			(8.9)
Purchase of treasury shares to cover share-based payments	3,421,328	1.98	2.95	1.27	6.7
Balance at 31 December 2021	**3,026,813**	**4.65**			**7.5**
Delivery of shares in relation to share-based payments	(3,271,230)	2.10			(6.8)
Purchase of treasury shares to cover share-based payments	3,210,000	0.99	1.54	0.72	3.2
Balance at 31 December 2022	**2,965,583**	**2.48**			**3.9**

As at 31 December 2022, there were no shares held from the capital contribution reserve.

Shares are cancelled at purchase cost. Therefore, the valuation of treasury shares differs from the Group's consolidated financial statements.

3. Other information

3.1 Contingent liabilities

	31.12.2022 CHF m	31.12.2021 CHF m
Guarantee obligations in favour of Group companies	-	1.3

GAM Holding AG is part of a value-added tax group and therefore jointly liable to the Swiss Federal Tax Administration for the value-added tax liabilities of other members.

3.2 Authorised capital

	Registered shares (CHF 0.05 par)	
	Number	CHF m
Resolution of the Annual General Meeting on 28 April 2022	15,968,240	0.8

3.3 Personnel

	2022	2021
Average number of full-time equivalents	7.2	10.0

3.4 Significant shareholders/participants

Based on notifications received by GAM Holding AG, each of the following shareholders/participants held more than 3% of the voting rights in GAM Holding AG as at 31 December 2022.[1]

	Voting rights conferred by shares/equity securities	Voting rights conferred by conversion rights, share purchase rights and granted share sale rights and financial instruments	**Resulting total percentage holding of voting rights at time of creation of the obligation to notify**
Shareholder/participant[2]			
Silchester International Investors LLP[3]	**15.01%**	**-**	**15.01%**
Jörg Bantleon[4]	**9.41%**	**-**	**9.41%**
Schroders plc[5]	**4.94%**	**-**	**4.97%**
Dimensional Holdings Inc.[6]	**3.00%**	**-**	**3.00%**
Mario J. Gabelli[7]	**1.65%**	**1.38%**	**3.02%**
Solas Capital Management, LLC[8]	**3.10%**	**-**	**3.10%**
GAM Holding AG[9]	**2.02%**	**4.01%**	**6.03%**[10]

[1] The percentage holding of voting rights as well as the other terms used in this section bear the meaning ascribed to them and should be read in the context of the applicable stock exchange rules.

[2] Any change in the holding of voting rights between reportable thresholds does not trigger any notification duty.

[3] Silchester International Investors LLP, London, UK (as at 10 February 2014).

[4] Jörg Bantleon D-80799 Munich, held through Bantleon AG, Bahnhofstrasse 2, 6300 Zug, Switzerland (as at 3 October 2022).

[5] Schroders plc, London, UK (as at 3 December 2021).

[6] Dimensional Holdings Inc., c/o Corporation Service Comp, Wilmington, Delaware, USA (as at 8 March 2017).

[7] Mario J. Gabelli, New York, USA (as at 14 November 2018).

[8] Solas Capital Management, LLC, Connecticut, USA (as at 3 March 2022).

[9] GAM Holding AG, Zurich, Switzerland (as at 31 December 2022 and as per the SIX notification of 17 March 2022).

[10] As at 31 December 2022, GAM Holding AG also had a sale position (representing obligations to deliver shares to employees under share-based payment awards) of GAM Holding AG shares of 10.94% of shares in issue. For further details, please refer to note 22 of the consolidated financial statements.

Based on notifications received by GAM Holding AG, each of the following shareholders/participants held more than 3% of the voting rights in GAM Holding AG as at 31 December 2021.[1]

Shareholder/participant [2]	Voting rights conferred by shares/equity securities	Voting rights conferred by conversion rights, share purchase rights and granted share sale rights and financial instruments	Resulting total percentage holding of voting rights at time of creation of the obligation to notify
Silchester International Investors LLP [3]	15.01%	-	15.01%
Jörg Bantleon [4]	10.08%	-	10.08%
Schroders plc [5]	4.97%	-	4.97%
Uccelini Ltd [6]	3.12%	-	3.12%
Mario J. Gabelli [7]	1.65%	1.38%	3.02%
Dimensional Holdings Inc. [8]	3.00%	-	3.00%
GAM Holding AG [9]	6.55% [10]	0.00%	5.85%

[1] The percentage holding of voting rights as well as the other terms used in this section bear the meaning ascribed to them and should be read in the context of the applicable stock exchange rules.

[2] Any change in the holding of voting rights between reportable thresholds does not trigger any notification duty.

[3] Silchester International Investors LLP, London, UK (as at 10 February 2014).

[4] Jörg Bantleon, D-80799 Munich, held through Bantleon AG, Bahnhofstrasse 2, 6300 Zug, Switzerland (as at 24 July 2020).

[5] Schroders plc, London, UK (as at 9 December 2021).

[6] Uccelini Ltd., Nicosia, Cyprus (beneficial owner Gerda Caner) at 20 March 2021).

[7] Mario J. Gabelli, New York, USA (as at 14 November 2018).

[8] Dimensional Holdings Inc., c/o Corporation Service Comp, Wilmington, Delaware, USA (as at 8 March 2017).

[9] GAM Holding AG, Zurich, Switzerland (as at 31 December 2021) and as per the last SIX notification (16.03.2021).

[10] As at 31 December 2021 GAM Holding AG also had a sale position (representing obligations to deliver shares to employees under share-based payment awards) of GAM Holding AG shares of 9.66% of shares in issue. For further details, please refer to note 22 of the consolidated financial statements.

3.5 Share and option holdings of the members of the Board of Directors

	Vested shares [1]		Unvested shares [2]		
	2022	2021	2022	2022 after waiver	2021
David Jacob [4]	174,327	71,012	157,895	-	62,761
Benjamin Meuli [4]	156,479	109,775	85,825	-	50,249
Nancy Mistretta [4]	102,954	71,632	105,263	-	41,841
Katia Coudray [4]	106,548	67,633	105,263	-	41,841
Jacqui Irvine [4]	57,015	36,848	105,263	-	41,841
Monika Machon [4]	57,171	37,004	105,263	-	41,841
Thomas Schneider [4]	84,754	45,839	105,263	-	41,841
Frank Kuhnke [3, 4]	-	-	105,263	-	-

[1] The number of vested shares represents shares held by the individual (together with interests held by their connected persons) which are neither subject to performance conditions nor continued employment.

[2] At 31 December 2022, members of the Board of Directors had an outstanding entitlement to 717,403 unvested shares that were awarded after AGM 2022 and due to vest on the day before the Company's 2023 AGM. The Chairman of the Board of Directors held an entitlement to 157,895 unvested shares that were granted on an equivalent basis. The Chairman and all members of the Board waived their entitlement to the 2022 awards which will not vest.

[3] Frank Kuhnke was elected as a member of the Board of Directors at the 2022 AGM.

[4] Members of the Board of Directors are required to build up a holding of GAM shares worth at least 200% of their annual cash fee. At 31 December 2022 none of the Directors have complied with the requirements of holding minimum GAM shares of at least 200% of their annual cash fee.

3.6 Share and option holdings of the members of the Group Management Board

	Vested shares [1]		Unvested shares [2, 3]	
	2022	2021	2022	2021
Peter Sanderson [4]	152,679	110,565	-	79,873
Sally Orton [4, 5]	-	-	174,476	-
Richard McNamara [6]	92,285	87,540	410	9,656
Elmar Zumbuehl	52,092	37,596	9,552	24,049
Steve Rafferty	11,057	5,535	87,712	98,214

[1] The number of vested shares represents shares held by the individual (together with interests held by their connected persons) which are neither subject to performance conditions nor continued employment.

[2] Unvested shares reflects the number of shares which will normally vest to the individual subject to continued employment at the relevant vesting date. This includes shares that are deferred under the annual bonus plan and one-time share awards granted at recruitment.

[3] Unvested shares does not include unexercised options or unvested performance shares. These are excluded as the number of options that become exercisable or performance shares that vest will be dependent upon share price performance and/or GAM's performance against specific performance criteria as well as continued employment until the relevant vesting date.

[4] Members of the Group Management Board are required to build up and maintain a holding of GAM shares. The Group CEO and Group CFO are expected to build up and maintain a holding in GAM shares worth at least 200% of salary. Other GMB members are expected to build up and maintain a holding worth at least 100% of salary. At 31 December 2022 none of the Group Management Board have built up the required holding minimum GAM shares.

[5] Sally Orton joined the Group Management Board on 3 August 2022.

[6] Richard McNamara stepped down from the Group Management Board on 3 August 2022 and left GAM on 1 December 2022.

3.7 Share, performance unit and option grants to the members of the Board of Directors, members of the Group Management Board and to other staff members

		Shares quantity	Fair value CHF m	Performance units quantity	Fair value CHF m	Options quantity	Fair value CHF m
Granted to members of the Board of Directors	2022	-	-	-	-	-	-
	2021	322,175	0.7	-	-	-	-
Granted to members of the Group Management Board	2022	174,476	0.2	-	-	-	-
	2021	-	-	-	-	-	-
Granted to other members of the staff	2022	53,502	0.1	-	-	-	-
	2021	4,905,712	10.6	-	-	7,178,475	2.8

For further details on share-based payments, please refer to note 22 of the Group's consolidated financial statements.

4. Events after the reporting period

On 4 May 2023 the Company agreed with Liontrust Asset Management Plc ("Liontrust") to enter into a transaction agreement ("Agreement") for a public share exchange offer by Liontrust for 100% of the equity share capital of the Company. The Agreement is contingent on the conditions of the GAM shareholder tender process, Liontrust shareholder approval, regulatory approvals and the Company's exit from its third party Fund Management Services ("FMS ") business.

In addition, the Company has entered into a short-term financing agreement (the "Loan") with Liontrust for up to approximately CHF 20 million (GBP 17.8 million). The loan will be available in two equal tranches, the first tranche being available at signing of the Agreement and the second on the successful conclusion of the Liontrust shareholder vote and successful tender of the GAM Holding AG shareholders. The Loan has a term up to the earlier of 31 December 2023 or when the Transaction closes. Amounts drawn under the Loan are secured and carry an interest rate of 7% per annum. The Loan can be drawn to enable the acceleration of restructuring activity within the GAM Group, including facilitating the FMS exit, and for cash management between group entities. The Board anticipates the completion of the shareholder tender process, regulatory approvals and satisfaction of other conditions in the Agreement by the end of December 2023.

PROPOSED CARRY FORWARD OF ACCUMULATED LOSSES

	2022 CHF m	2021 CHF m
Accumulated losses brought forward	(90.6)	(69.2)
Net loss for the year	(533.5)	(21.4)
Total accumulated losses	(624.1)	(90.6)

The Board of Directors proposes to the forthcoming Annual General Meeting to carry forward the accumulated losses of CHF 624.10 million and no distribution payment to the shareholders.

The Board of Directors

Zurich, 4 May 2023

Statutory Auditor's Report

To the General Meeting of GAM Holding AG, Zurich

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of GAM Holding AG (the Company), which comprise the balance sheet as at 31 December 2022, and the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 190 to 203) comply with Swiss law and the Company's articles of incorporation.

Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the provisions of Swiss law, together with the requirements of the Swiss audit profession and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to note 1.6 in the financial statements describing that the liquidity and capital forecasts of the Company indicate that the Company will not have sufficient funds to meet its financial obligations without external funding. As stated in note 1.6, these events or conditions, along with other matters as set forth in note 1.6, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Should the going concern assumption no longer be appropriate, the financial statements would have to be prepared based on liquidation values. In this case a serious concern of over-indebtedness in the sense of article 725b CO would exist and the relevant provisions would have to be complied with. Our opinion is not modified in respect of this matter.

Key Audit Matters

VALUATION OF INVESTMENTS IN SUBSIDIARIES

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the "Material Uncertainty Related to Going Concern" section we have determined the matters described below to be the key audit matters to be communicated in our report.

KPMG

VALUATION OF INVESTMENTS IN SUBSIDIARIES

Key Audit Matter	Our response
As at 31 December 2022, the financial statements of GAM Holding AG include significant investments in subsidiaries in the amount of CHF 193.1m (2021: CHF 710.4m). Investments in subsidiaries are valued at the lower of acquisition cost or value in use and are reviewed by management for potential impairment on an annual basis. The assessment of the value in use requires judgment about projected future cash flows and the discount rate used. For the financial year 2022, management concluded that an impairment of CHF 517.3m was required.	Our audit procedures included, amongst others, evaluating the methods used in the model for the impairment test, the appropriateness of the assumptions used and comparing the cash flow forecasts to the latest budget and five-year financial planning approved by the Board of Directors. For a sample of investments in subsidiaries we tested the mathematical accuracy of the valuation and ensured consistency to GAM Holding AG's five-year financial planning. We also considered the appropriateness of disclosures in relation to investments in subsidiaries and the impairment of such. We used our own valuation specialists to support our procedures.

For further information on valuation of investments in subsidiaries refer to notes 1.5 and 2.7 in the financial statements.

Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements of the Company, the compensation report and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' Responsibilities for the Financial Statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

KPMG

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

– Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
– Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control.
– Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
– Conclude on the appropriateness of the Board of Directors’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

We further confirm that the proposed carry forward of the accumulated losses complies with Swiss law and the Company's articles of incorporation.

We recommend that the financial statements submitted to you be approved.

KPMG AG

Daniel Merz Licensed Audit Expert Auditor in Charge	Mirko Liberto Licensed Audit Expert

Zurich, 4 May 2023

FINANCIAL SUMMARY AND SHARE INFORMATION

FIVE-YEAR FINANCIAL SUMMARY

	2022 CHF m	2021 CHF m	2020 CHF m	2019 CHF m	2018 CHF m
Net management fees and commissions	161.8	208.0	230.4	317.1	495.4
Net performance fees	3.2	19.3	2.8	12.8	4.5
Net fee and commission income	**165.0**	**227.3**	**233.2**	**329.9**	**499.9**
Net other (expenses)/income	-	(2.4)	(4.0)	(3.7)	0.3
Income	**165.0**	**224.9**	**229.2**	**326.2**	**500.2**
Personnel expenses	113.7	143.1	150.5	197.0	239.6
Fixed personnel expenses	91.7	104.8	118.3	139.9	153.9
Variable personnel expenses	22.0	38.3	32.2	57.1	85.7
General expenses	75.8	73.2	75.0	99.6	127.7
Occupancy	4.5	6.2	5.6	8.0	22.2
Technology and communication	15.9	16.3	15.2	19.0	14.1
Data and research	21.2	20.0	20.6	20.7	23.4
Professional and consulting services	11.4	7.8	8.3	18.1	17.6
Marketing and travel	5.8	5.8	7.0	13.9	17.6
Administration	3.7	5.2	5.5	7.0	9.5
Other general expenses	13.3	11.9	12.8	12.9	23.3
Depreciation and amortisation	18.0	18.2	18.6	19.1	6.2
Expenses	**207.5**	**234.5**	**244.1**	**315.7**	**373.5**
Underlying loss before taxes	**(42.5)**	**(9.6)**	**(14.9)**	**10.5**	**126.7**
Underlying income tax credit	(3.5)	(2.1)	-	5.6	28.5
Underlying net loss	**(39.0)**	**(7.5)**	**(14.9)**	**4.9**	**98.2**
Acquisition-related items	0.3	8.1	19.8	(12.5)	82.3
Non-core items	(224.0)	(13.7)	(402.4)	3.2	(1,130.1)
Tax on acquisition-related items	-	0.1	0.6	1.3	4.8
Tax on non-core items	(0.1)	0.4	1.7	0.3	32.6
Non-core tax item	(27.2)	(10.7)	6.8	(0.7)	(4.6)
IFRS net loss	**(290.0)**	**(23.3)**	**(388.4)**	**(3.5)**	**(916.8)**
Operating margin (%) [1]	(25.8)	(3.2)	(4.7)	4.3	25.3
Compensation ratio (%) [2]	68.9	63.0	64.5	59.7	47.9
Average personnel (FTEs)	583	657	767	872	932

[1] (Net fee and commission income – expenses) / net fee and commission income.

[2] Personnel expenses / net fee and commission income.

	2022	2021	2020	2019	2018
Assets under management at the end of the year (CHF bn)	**75.0**	**99.0**	**120.7**	**131.1**	**130.6**
in investment management	23.2 [7]	31.0 [7]	34.6 [7]	46.8 [1, 7]	54.5 [7]
in fund management services	51.8	68.0	86.1	84.3	76.1
Average assets under management (CHF bn)	**85.4**	**115.4**	**121.3**	**135.6**	**154.4**
in investment management	26.8 [7]	33.3 [7]	36.6 [7]	51.0 [3, 7]	75.2 [7]
in fund management services	58.6	81.2	83.4	83.0	77.6
Net flows (CHF bn)	**(8.6)**	**(24.9)**	**(11.0)**	**(10.0)**	**(2.2)**
in investment management	(2.6)	(4.4)	(10.6)	(11.1)[4]	(10.5)
in fund management services	(6.0)	(20.5)	(0.4)	1.1	8.3
Net management fees and commissions (CHF m)	**161.8**	**208.0**	**230.4**	**317.1**	**495.4**
in investment management	136.6	175.6	196.5	284.9	453.6
in fund management services	25.2	32.4	33.9	32.2	41.8
Total fee margin in investment management (bps)	52.2 [7]	58.5 [7]	54.4 [7]	58.3 [7]	60.9 [7]
Management fee margin in investment management (bps)	51.0 [7]	52.7 [7]	53.6 [7]	55.8 [7]	60.3 [7]
Management fee margin in fund management services (bps)	4.3	4.0	4.1	3.9	5.4
Weighted average number of shares outstanding for basic EPS (m)	156.3 [5]	156.1 [5]	156.6	155.5	155.4
Basic underlying EPS (CHF)	(0.25)	(0.05)	(0.10)	0.03	0.63
Basic IFRS EPS (CHF)	(1.86)	(0.15)	(2.48)	(0.02)	(5.90)
Weighted average number of shares outstanding for diluted EPS (m)	163.0 [6]	162.0 [6]	161.3 [6]	157.0 [6]	156.6
Diluted underlying EPS (CHF)	(0.25)	(0.05)	(0.10)	0.03	0.63
Diluted IFRS EPS (CHF)	(1.86)	(0.15)	(2.48)	(0.02)	(5.90)
Dividend per share for the financial year (CHF)	-	-	-	-	-

[1] Including CHF 0.3 billion of money market funds as at 31 December 2019, which GAM agreed to sell to ZKB as announced with the H1 2019 results and which were sold in Q4 2020.

[2] Excluding CHF 1.45 billion ARBF-related assets under management in liquidation as at 31 December 2018.

[3] Excluding ARBF-related assets under management since August 2018.

[4] Including ARBF-related net inflows in H1 2018 of CHF 0.3 billion and excluding ARBF-related net flows in H2 2018 and FY 2019, and fund assets liquidated as at 31 December 2018 and 31 December 2019.

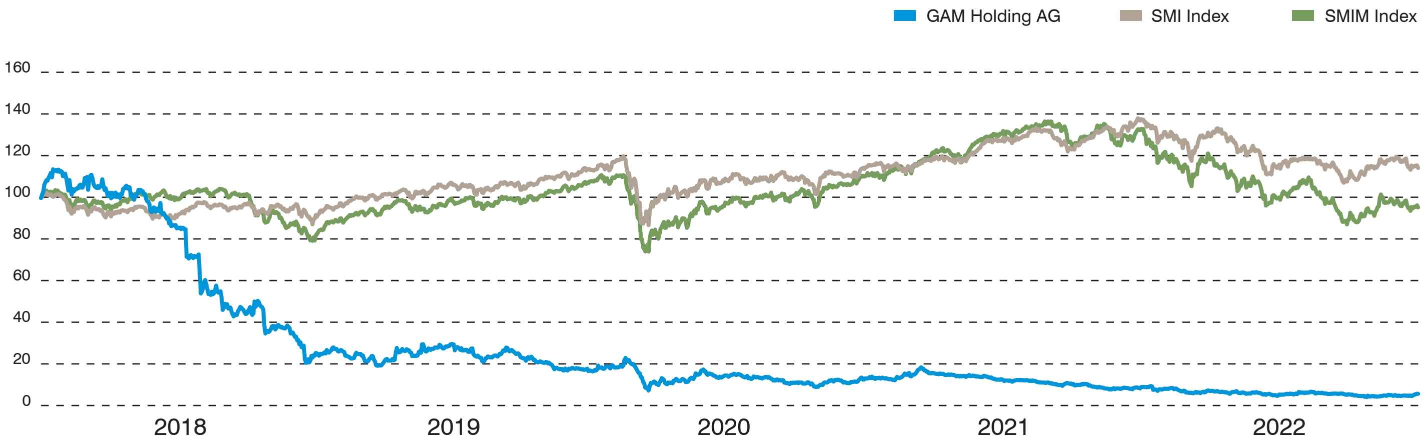
[5] As a result of the underlying net loss reported for 2022, 2021 and 2020 for the calculation of the diluted underlying EPS, the weighted average number of shares outstanding for diluted EPS equals the weighted average number of shares outstanding for basic EPS of 156.3 million, CHF156.1 and 156.6 million respectively .

[6] As a result of the IFRS net loss reported for 2022, 2021, 2020, 2019 and 2018, for the calculation of the diluted IFRS EPS for 2022, 2021, 2020, 2019 and 2018, the weighted average number of shares outstanding for diluted EPS equals the weighted average number of shares outstanding for basic EPS of 156.3 millionfor 2022, 156.1 million for 2021, 156.6 million for 2020, 155.5 million for 2019 and 155.4 million for 2018.

[7] The method of presentation of the Group's AuM has been adjusted in 2022 and comparatives presented for prior periods have been adjusted on a consistent basis. For further details on changes in methodology see page 16.

SHARE INFORMATION

Share price performance (indexed)



Listing information

Swiss securities number	10265962
ISIN	CH0102659627
Listing	SIX Swiss Exchange

Share information CHF

	2022	2021	Change in %
Closing price at the end of the year	0.94	1.36	(31)
Highest price	1.56	2.98	(48)
Lowest price	0.69	1.25	(45)
Market capitalisation at the end of the year (CHF m) [1]	150	217	(31)

Treasury shares

	31.12.2022	31.12.2021	Change in %
Shares issued	159,682,531	159,682,531	0
Treasury shares	(4,331,298)	(4,028,783)	8
Shares outstanding	155,351,233	155,653,748	0

[1] Based on shares issued.

‘Forward-looking statements’

This full-year report contains statements that constitute ‘forward-looking statements’, including statements of the future financial performance of the Company, its plans and objectives and their anticipated effect on the Company’s future business and development, as well as other projections and statements that are forward-looking or contain subjective assessments, regarding the intent, belief or current expectations of the Company. The Company has tried to identify those forward-looking statements by using words such as ‘may’, ‘will’, ‘would’, ‘should’, ‘expect’, ‘intend’, ‘estimate’, ‘anticipate’, ‘project’, ‘believe’, ‘predict’ and similar expressions. Such statements are made on the basis of assumptions, estimates and expectations which, although the Company believes them to be reasonable at this time, may prove to be erroneous or unfounded in the future, as forward-looking statements are subject to risks and uncertainties that could cause the actual development, results and financial position of the Company to differ materially from the information presented herein. These risks and uncertainties facing the Company, which could affect the future accuracy of these forward-looking statements, include, but are not limited to, the effects of, and changes in, fiscal, monetary and tax policies; currency fluctuations; the effect of the current economic environment on the financial position or creditworthiness of the Company’s clients and counterparties; the Company’s ability to retain and attract the employees that are necessary to generate revenues and to manage its businesses effectively; possible political, legal and regulatory developments, including the effect of more stringent capital and liquidity requirements; changes in accounting standards or policies; limitations on the effectiveness of the Company’s internal risk management processes, including the occurrence of operational failures; political and social developments, including war, civil unrest or terrorist activity; the adverse resolution of litigation and other contingencies; and changes in the size, capabilities and effectiveness of the Company’s competitors. If one of these risks or uncertainties materialises or if underlying assumptions prove to be incorrect, actual outcomes may vary materially from those indicated in the forward-looking statements. Other than in accordance with the ad-hoc publicity rules of the SIX Swiss Exchange, the Company undertakes no obligation to release publicly any revisions or updates to any forward-looking statements herein to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events or to reflect any change in the Company’s expectations

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Further information
Our website provides further information on GAM Holding AG, including share price data, details of our share buy-back programmes, media releases, historical financial information and an events calendar.

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