

ANNUAL REPORT

2023



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**FINANCIAL SUMMARY
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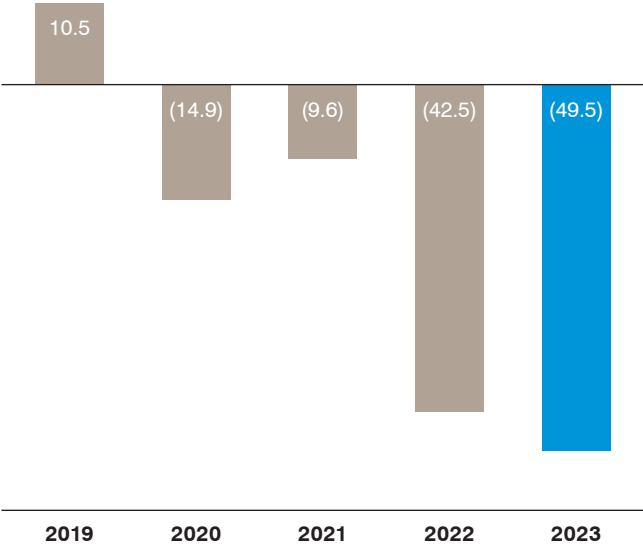
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KEY FIGURES

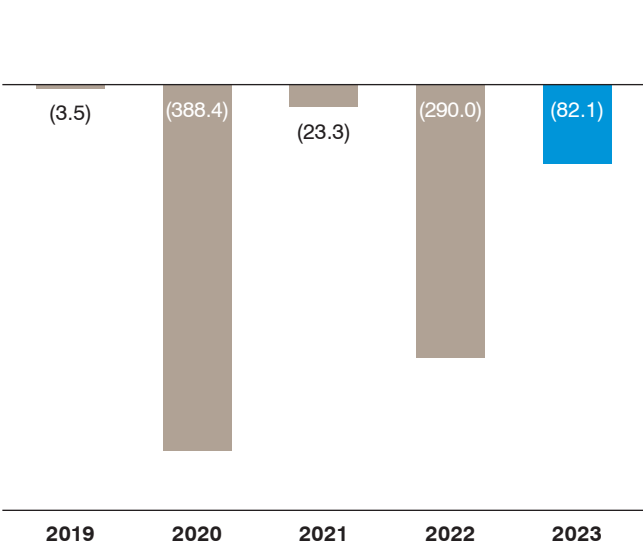
Underlying (loss)/profit before taxes (CHF m)

CHF (49.5) m



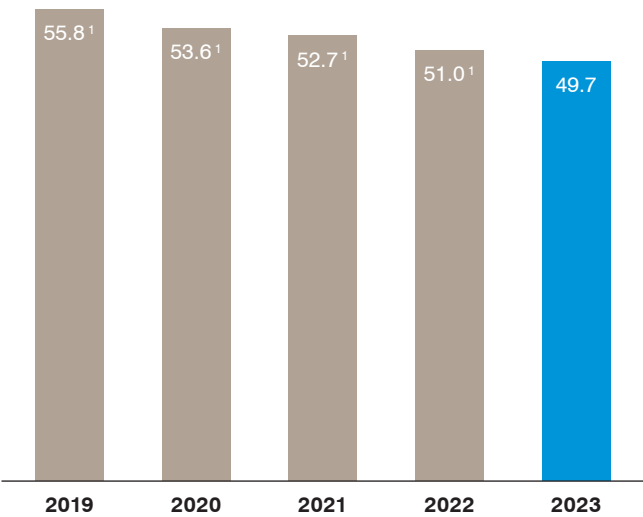
IFRS net (loss) (CHF m)

CHF (82.1) m



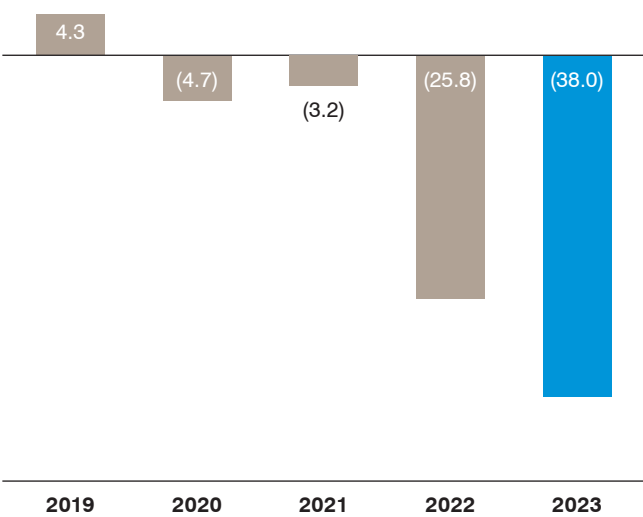
Management fee margin – investment management (bps)

49.7 bps



Underlying operating margin (%)

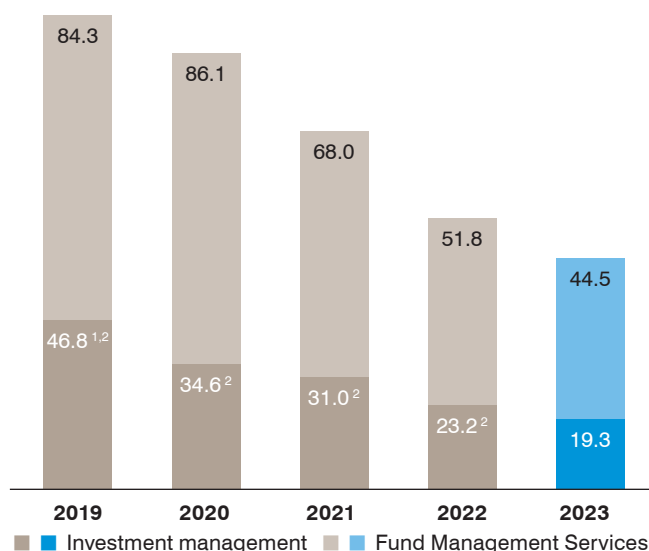
(38.0) %



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.

Assets under management (CHF bn)

CHF **63.8** bn

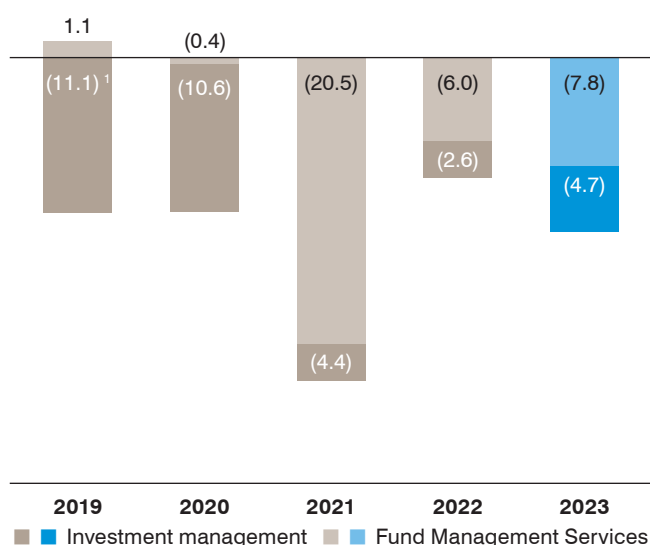


¹ Including CHF 0.3 billion of money market funds as at 31 December 2019, which GAM agreed to sell to ZKB as announced with the H1 2019 results and which were sold in Q4 2020.

² 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)

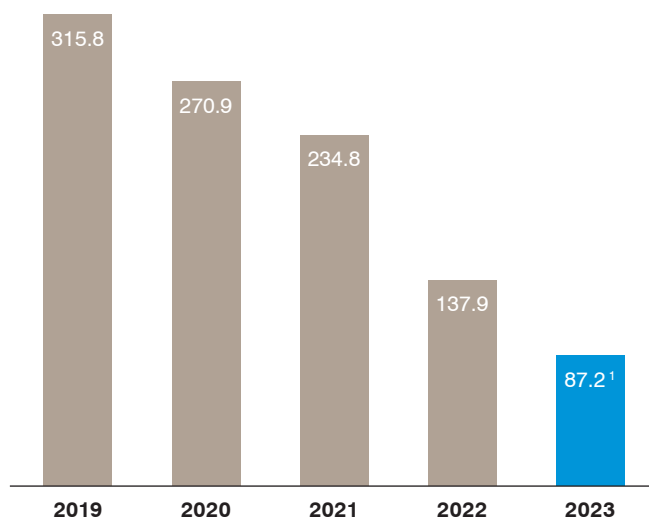
CHF **(12.5)** bn



¹ Including ARBF-related fund assets liquidated as at 31 December 2019.

Net cash (CHF m)

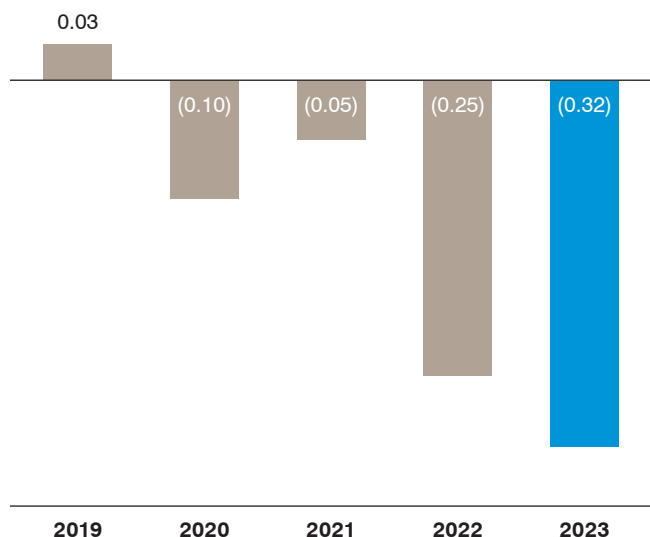
CHF **87.2** m



¹ CHF 21.4 million is included in assets held for sale and excluded from net cash, see note 11 in the audited financial statements.

Diluted underlying EPS (CHF)

CHF **(0.32)**



CHAIRMAN'S STATEMENT

6 **CHAIRMAN'S STATEMENT**

Chairman's statement

Antoine Spillmann, Chairman of the Board of Directors

Dear Shareholder

Following a challenging period for GAM, the Extraordinary General Meeting on 27 September 2023 gave shareholders the opportunity to elect a new Board. We were delighted with the overwhelming support we received with over 99% of all votes in favour of the new Board members. The appointment of Elmar Zumbuehl as CEO reinforced the corporate stability given by the funding commitment of our anchor shareholder NJJ Holding, and we moved quickly to appoint a new Group Management Board from the deep bench of talent at GAM.

Over the following few weeks, we finalised our updated strategy which is built on four pillars. These are: 1. focusing on clients in existing core markets; 2. amplifying and growing core active equity, fixed income and multi asset strategies by investing in talent and investment ideas; 3. diversifying into new investment product areas and building the Wealth Management offering by leveraging GAM's heritage of active management and building strategic partnerships; and 4. enhancing effectiveness by reducing complexity to focus on GAM's investment management capabilities. Our updated strategy is fully supported by our anchor shareholder and is designed to achieve sustainable growth and profitability by delivering the best possible investment performance and exemplary service for our clients by focusing on our investment management capabilities.

Financial performance during 2023

2023 was a challenging year from a financial performance perspective. Our underlying loss before tax was CHF 49.5 million for the full year. This compares to a CHF 42.5 million underlying loss before tax for the full year 2022. The IFRS net loss after tax was CHF 82.1 million for the full year. This compares to an IFRS net loss after tax of CHF 290.0 million for the full year 2022. The Group's financial performance means that we will not be awarding any variable compensation to our Group Management Board members and the new Board of Directors is taking much reduced fixed cash fees. The Board prefers to hold GAM shares to illustrate their individual commitment to the long-term future of the firm. The Board will also propose to shareholders that no dividend be paid for the financial year 2023.

Business performance during 2023

Despite the challenges, investment performance continued to be strong during 2023, with 78% of assets under management (AuM) in GAM funds outperforming their benchmarks over three years as of 31 December 2023 compared with 55% as of 31 December 2022.

GAM's depth of investment talent and continuing strong investment performance were reflected in the many awards received by the investment teams during 2023. A double award for GAM from Citywire for investment performance complements a series of awards including the Private Shares strategy receiving Emerging Fund of the year in Australia from Financial News, and two strategies – Cat Bonds and Commodities – recognised at the Fund Selector Asia awards in Singapore. Giving our clients access to our great investment talent is at the core of our strategy. During 2023, additional investment managers were appointed, including for the Luxury Brands and Credit Opportunities strategies.

Given the very challenging year GAM experienced, it is no surprise that our investment management business saw net outflows for the year of CHF 4.7 billion leading to total assets under management of CHF 19.3 billion as of 31 December 2023.

Our Group Management Board

The appointments to the Group Management Board (GMB) reflect the deep bench of talent at GAM. All the members have the relevant experience to lead the implementation of GAM's turnaround under the overall leadership of Elmar Zumbuehl and oversight of the Board of Directors. In addition to the internal appointments, Albert Saporta was appointed to the GMB as Group Head of Investments & Products. Albert Saporta has deep knowledge and expertise in alternatives and played a leading part in ensuring that GAM remained an independent asset manager. The GMB consists of Elmar Zumbuehl (Group Chief Executive Officer), Rossen Djounov (Global Head of Client Solutions), Martin Jufer (Global Chief Operating Officer and GAM CH CEO), David Kemp (Global Head of Legal & Compliance and GAM UK CEO), Richard McNamara (Group Chief Financial Officer) and Albert Saporta (Global Head of Investments & Products). The GMB is focused on growing GAM's existing core strategies and exploring new opportunities, including distribution partnerships, wealth management and specialised investment strategies such as alternatives.

Our Board

It was very pleasing to receive such strong support from our shareholders for the new Board at the EGM on 27 September 2023. Since then, we have been working intensively together to develop the strategy and provide the GMB with the support and guidance to help them implement the strategic measures needed to achieve sustainable profitability and growth. The strong support from our shareholders at the EGM and the announcement of the

updated strategy has helped us elicit interest from several potential candidates with the skills and expertise to further strengthen our Board. I am pleased to be able to tell you that we have now identified three strong candidates for election to the Board at the 2024 Annual General Meeting who will be announced shortly. The election of such candidates will assist GAM in again achieving the desired gender representation on the Board.

Looking ahead to 2024

We started 2024 with the news that our anchor shareholder NJJ Holding ('NJJ'), together with the other participants in NewGAME, now hold a total of 27.1% of GAM's share capital. NewGAME is now the largest shareholder of the company following the settlement of the tender offer on 12 January. GAM is an important long-term strategic investment for NJJ, and it is committed to restoring the company to a best-in-class global asset management firm. At the AGM on 15 May, we will propose a rights issue of up to CHF 100 million to strengthen the balance sheet and provide enhanced long-term stability for the firm and support our growth strategy. This will be fully underwritten by Rock Investment SAS, a group company of NJJ, and will enable GAM to effectively capitalise the current loan facility.

We are making significant progress on our strategy implementation to enable GAM to achieve sustainable growth and future profitability. With regard to clients, in Japan, a new head of distribution has been appointed, strengthening GAM's presence in this market. Additional new sales hires in core markets, particularly in Europe and Australia, are planned to better serve local clients and capture growth opportunities. GAM is also extending its market reach with a plan to establish a new sales branch in Paris. In Asia, GAM is actively pursuing significant growth opportunities, with two key developments in advanced stages. First, in Hong Kong, GAM is in advanced discussions to establish an alliance with a Hong Kong financial institution to grow GAM's business in Greater China. This partnership aims to leverage multi-asset production, wealth management, and product distribution, in Hong Kong and mainland China, while maintaining service to existing clients. Second, Singapore is set to become a growth centre for GAM, alongside Hong Kong, Japan, and Australia, with investment and distribution staff moving to Singapore. Pending regulatory approval for an expanded licensing scope, GAM intends to establish Singapore as a strategic hub for Asia. This strategic move capitalises on Singapore's strong growth as a leading Asian wealth management and private banking destination, aligning perfectly with GAM's product and distribution expertise.

GAM's strong investment performance is supporting and encouraging client activity and underscores our commitment to delivering alpha and meeting client objectives. Good progress has been made in our partnership with Investcorp-Tages, resulting in positive momentum and increased flows into our Global Rates strategy. We are moving two global equity funds currently managed by Bruellan SA to GAM, with CHF 84 million of AuM as at end of February 2024, to be managed by GAM's Global Equities team.

A number of new partnerships in the alternative space are under development, including expanding on GAM's alternatives and partnering with Avenue Capital on its Sports Strategy. We are also building out GAM's hedge fund platform. Our late-stage Private Equity strategy, which received 2023 Emerging Fund of the Year in Australia, is being launched in Europe.

GAM has made significant progress in optimising its operational structure to focus on core investment management capabilities and its clients. In line with this strategy, the sale of our third-party FMS business was successfully completed on 31 January 2024. GAM has reached agreement with 1741 Group, a leading Swiss provider, to transfer management company services for the GAM funds in Switzerland. Good progress has also been made in the negotiations with high quality, global firms on transferring management company services for the GAM funds in Luxembourg, Ireland, and the UK, paving the way to a simplified, scalable and investment management focused operating model. We will complete the transition to a single operating platform, which includes having all investment management activities on our new cloud based Simcorp platform, by the end of 2024. This will ensure greater efficiency across our global operations.

I would like to thank clients for their continued support and our anchor shareholder NJJ, as well as other shareholders, for their ongoing commitment. Finally, I want to thank my GAM colleagues for their hard work and dedication.

With best regards,



Antoine Spillmann
Chairman of the Board of Directors

27 March 2024

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SUSTAINABILITY

Our strategy

GAM's updated strategy is built on four pillars, supported by its anchor shareholder NJJ Holding, to deliver sustainable growth and profitability. The four pillars are:

- **Focusing on clients** in existing core markets
- **Amplifying and growing** core active equity, fixed income and multi-asset strategies by investing in talent and product ideas
- **Diversifying into new investment product areas** and building the Wealth Management offering by leveraging GAM's heritage of active management and building strategic partnerships and GAM's alternatives and hedge funds platform
- **Enhancing effectiveness** by reducing complexity to focus on GAM's investment management capabilities

Our updated strategy is designed to achieve sustainable growth and profitability by delivering the best possible investment performance and exemplary service for our clients by focusing on our investment management capabilities.

Focusing on clients

There is no question that focusing on our clients in our existing core markets is going to be the most important way to start rebuilding GAM. In key markets where we have clients, but do not have scalable distribution, we are looking to add partnerships to support our growth strategy.

In Japan, a new head of distribution has been appointed, strengthening GAM's presence in this market. Additional new sales hires in core markets, particularly in Europe and Australia, are planned to serve local clients and capture growth opportunities. GAM is also extending its market reach with a plan to establish a new sales branch in Paris.

In Asia, GAM is actively pursuing significant growth opportunities, with two key developments in advanced stages.

First, in Hong Kong, GAM is in advanced discussions to establish an alliance with a Hong Kong financial institution to grow GAM's business in Greater China. This partnership aims to leverage multi-asset production, wealth management, and product distribution, in Hong Kong and mainland China, while maintaining service to existing clients.

Second, Singapore is set to become a growth centre for GAM, alongside Hong Kong, Japan, and Australia, with investment and distribution staff moving to Singapore. Pending regulatory approval for an expanded licensing scope, GAM intends to establish Singapore as a strategic hub for Asia. This strategic move capitalises on Singapore's strong growth as a leading Asian wealth management and private banking destination, aligning perfectly with GAM's product and distribution expertise.

Amplifying and growing core active equity, fixed income and multi asset strategies by investing in talent and product ideas

The next pillar of our strategy is to amplify our existing core active equity, fixed income and multi-asset strategies. We will work with our investment teams and clients to develop, seed and launch complementary products from our existing strategies and add talent to our teams to manage these complementary products.

GAM's strong investment performance is supporting and encouraging client activity and underscores our commitment to delivering alpha and meeting client objectives. Good progress has been made in our partnership with Investcorp-Tages, resulting in positive momentum and increased flows into our Global Rates strategy.

We are moving two global equity funds, currently managed by Bruellan SA to GAM, with CHF 84 million of AuM as at end of February 2024, to be managed by GAM's Global Equities team.

Diversifying into new investment product areas and building wealth management offering by leveraging GAM's heritage of active management and building strategic partnerships and GAM's alternatives and hedge funds platform

Our third pillar is to diversify GAM into new investment strategies and business areas through investment, new partnerships and product ideas.

A number of new partnerships in the alternative space are under development, including expanding on GAM's alternatives and partnering with Avenue Capital on its Sports Strategy. We are also building out GAM's hedge fund platform. Our late-stage Private Equity strategy, which received 2023 Emerging Fund of the Year in Australia, is being launched in Europe.

We see the consolidation of the wealth management industry in Switzerland as an opportunity for us to scale up and play a significant role in its evolution.

Enhancing effectiveness by reducing complexity to focus on GAM's investment management capabilities

GAM has made significant progress in optimising its operational structure to focus on core investment management capabilities and its clients. In line with this strategy, the sale of our FMS business for third party funds to Carne Group was successfully completed on 31 January 2024.

GAM has reached agreement with 1741 Group, a leading Swiss provider, to transfer management company services for the GAM funds in Switzerland. Good progress has also been made in the negotiations with high quality, global firms on transferring management company services for the GAM funds in Luxembourg, Ireland and the UK, paving the way to a simplified, scalable and investment management focused operating model.

Going forward, our focus in Switzerland and Luxembourg, as well as in the UK, will be on investment management and distribution activities. Ireland will become a centre of excellence for our global operations and support activities. Transferring the Management Company Services function of our in-house GAM funds to specialised third-party providers will also have the benefit of freeing up regulatory capital which can be redeployed to support growth.

We will complete the transition to a single operating platform, which includes having all investment management activities on our new cloud-based Simcorp platform, by the end of 2024. This will ensure greater efficiency across our global operations.

Our businesses

Investment Management

In Investment Management, our investment professionals are unconstrained by a 'house view'. We provide access to great investment talent and are a high conviction, high alpha manager in often niche areas of mainstream asset classes. 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 management capabilities

Our investment management capabilities provide clients with differentiated investment strategies across equities, fixed income, multi asset and alternatives and 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.

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.

Each investment team, utilising their own and external research and distinct approaches, benefits from a collaborative culture with investment teams 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 and Chinese **equities** are complemented by emerging market equities as well as other regional and thematic strategies, 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, subordinated debt 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 November, we announced a new partnership arrangement with Investcorp-Tages (IVCT). The investment team of GAM's Global Rates strategy has moved to IVCT but continues to manage the strategy for GAM as a delegated investment manager, similar to other successful relationships GAM has with other external managers. The partnership with IVCT will also explore other opportunities for collaboration between GAM and IVCT.

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 less liquid assets. Our expertise, gained over more than 34 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. In November, we announced that we would be launching our successful Private Shares strategy in Europe and the UK during 2024. This is a late-stage venture capital strategy, managed by established US private markets group Liberty Street Advisors and provides access to a diversified portfolio of leading privately owned companies that are in the final non-public funding rounds.

Reporting assets under management in Investment Management

At the end of 2022, we 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 2023 were CHF 19.3 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 3.

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 hold 49% 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 hold 46% 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 2023, our **Wealth Management** business hold 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 0.9 billion as at 31 December 2023, are part of the figure reported for our Investment Management business.

Investment management assets (CHF bn)

Client segment	Opening AuM 1 Jan 2023 ¹	Net flows 2023	Market/FX 2023	Closing AuM 31 Dec 2023
Intermediaries	11.6	(3.2)	0.5	8.9
Institutional clients	10.3	(1.4)	0.6	9.5
Wealth management	1.3	(0.1)	(0.3)	0.9
Total	23.2	(4.7)	0.8	19.3

¹ The method of presentation of the client segment has been adjusted and comparatives presented for prior periods have been adjusted on a consistent basis.

Markets, investment performance and flows

Over the three-year period to 31 December 2023, 78% of our assets under management in funds outperformed their respective benchmark, compared with 55% as at 31 December 2022. Over the five-year period to 31 December 2023, 81% of our assets under management in funds outperformed their respective benchmark,

compared with 55% that outperformed over five years to 31 December 2022.

As at 31 December 2023, 66% and 76% of GAM's assets under management tracked by Morningstar outperformed their respective peer groups over three and five years compared to 66% and 67% as at 31 December 2022, respectively.

Investment performance¹

Asset Class	3 years 31 Dec 2023	3 years 31 Dec 2022	5 years 31 Dec 2023	5 years 31 Dec 2022
Fixed income	98%	48%	91%	48%
Equity	39%	68%	59%	68%
Alternatives	73%	59%	96%	67%
Total	78%	55%	81%	55%

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 10.8 billion for both years.

Net outflows in investment management totalled CHF 4.7 billion. Net outflows for intermediary clients were

CHF 3.2 billion, institutional clients CHF 1.4 billion and wealth management clients CHF 0.1 billion in 2023.

Investment management assets and management fee margins (CHF bn)

Asset Class	Opening AuM 1 Jan 2023	Net flows 2023	Reclassification 2023	Market/FX 2023	Closing AuM 31 Dec 2023	Management fee margin 2023 (bps)
Fixed income	10.3	(2.3)	-	0.2	8.2	57
Multi asset	6.6	(0.9)	-	0.3	6.0	21
Equity	4.8	(1.0)	0.1	0.3	4.2	69
Alternatives	1.5	(0.5)	-	(0.1)	0.9	63
Total	23.2	(4.7)	0.1	0.7	19.3	49.7

Fund Management Services

In June we announced that our **Fund Management Services** business, which manages day-to-day fund operations for clients, would be sold to Carne Group in an important strategic step for GAM. The transaction was successfully completed on 31 January 2024. Assets under management in the Fund Management Services business were CHF 44.5 billion as at 31 December 2023, down from CHF 51.8 billion in 2022 as at 31 December 2022.

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.

These assets are reported within our Investment Management business and stood at CHF 0.9 billion as at 31 December 2023. Our clients are mainly located in the UK, in Switzerland and in Asia.

Financial review

Our financial result

For the full year 2023, we reported an **IFRS net loss after tax of CHF 82.1 million**. This was driven by the underlying net loss after tax of CHF 49.8 million. This compares to an IFRS net loss after tax of CHF 290.0 million in 2022, which 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 a CHF 27.2 million adjustment to deferred tax assets following a recoverability assessment at year-end.

Underlying net loss / IFRS net loss reconciliation

	2023	2022
IFRS net loss after tax	(82.1)	(290.0)
Income tax expense	0.4	23.8 ¹
IFRS loss before taxes	(81.7)	(266.2)
Non-core items ²	31.8	224.0
Acquisition-related items ³	0.4	(0.3)
Underlying loss before taxes	(49.5)	(42.5)
Underlying effective tax rate (%)	(0.6)	8.2

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.

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 loss of CHF 0.4 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 0.3 million. In 2022, the acquisition-related items resulted in a net gain of CHF 0.3 million, this included adjustments to the deferred consideration liabilities mainly related to the acquisition of GAM Systematic of CHF 0.4 million. It further includes performance fee attributable to external interest of CHF 0.9 million.

Non-core items, resulting in a net loss of CHF 31.8 million (before taxes). This includes a CHF 26.3 million impairment of intangible asset, CHF 6.6 million expenses relating to strategic initiatives and CHF 1.6 million reorganisation charge. In 2022, the non-core items resulted in a net loss of CHF 224.0 million mainly due to impairment of intangible asset CHF 223.5 million, CHF 3.2 million expenses relating to strategic initiatives and CHF 1.4 million onerous software contract. 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 66-89).

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 (i.e. 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.

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 15-17.

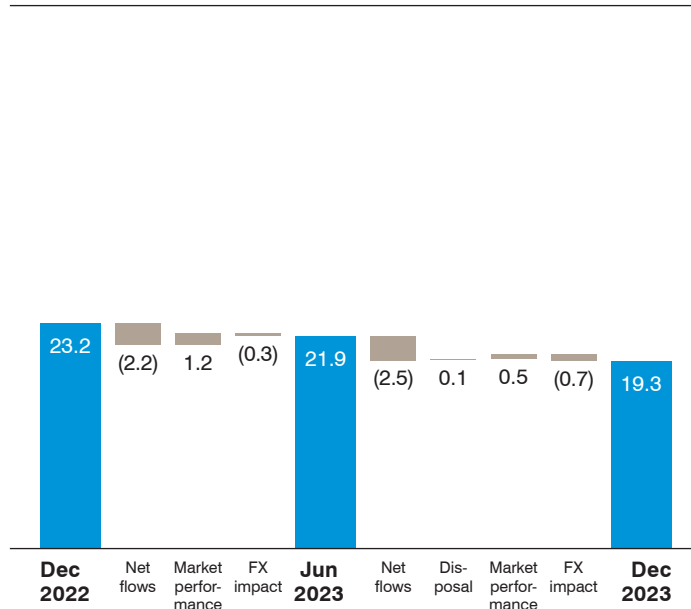
Assets under management and net flows

Group assets under management as at 31 December 2023 amounted to CHF 63.8 billion, compared with CHF 75.0 billion a year earlier.

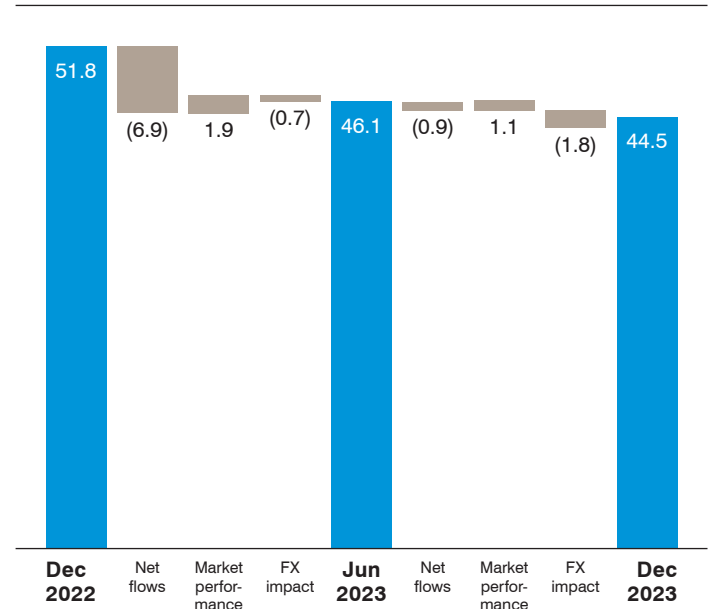
During the year we saw Investment Management assets under management decrease by CHF 3.9 billion to CHF 19.3 billion from the opening AuM of CHF 23.2 billion. This decrease was driven by net outflows of CHF 4.7 billion, reclassification of CHF 0.1 million, net positive market movements of CHF 1.7 billion and negative foreign exchange movements of CHF 1.0 billion.

Fund Management Services assets under management were CHF 44.5 billion, a decrease of CHF 7.3 billion compared to CHF 51.8 billion at the end of 2022, driven by net outflows of CHF 7.8 billion, net positive market movements of CHF 3.0 billion and net negative foreign exchange movements of CHF 2.5 billion. In June, we announced that our Fund Management Services business, which manages day-to-day fund operations for clients, would be sold to Carne Group in an important strategic step for GAM which allows clients to benefit from uninterrupted service from one of Europe's leading providers. The transaction was successfully completed on 31 January 2024.

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 2023 was 49.7 basis points, compared to adjusted 51.0 basis points in 2022. 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 3.5 basis points, compared with 4.3 basis points in 2022, with the decrease primarily reflecting the asset mix at different margins compared to the average margin.

Management fees

Net management fees and commissions in 2023 totalled CHF 124.4 million, down 23% from the previous year. This was primarily driven by lower average assets under management in Investment Management.

Performance fees

Net underlying performance fees increased to CHF 4.8 million from CHF 3.2 million in 2022.

Expense drivers and developments

Personnel expenses

Underlying personnel expenses were CHF 96.8 million, down from CHF 113.7 million in 2022. This reflected the lower headcount, which at 478 FTEs was 12% lower than at the end of 2022. IFRS personnel expenses decreased to CHF 98.4 million in 2023 compared to CHF 115.5 million in 2022. The CHF 1.6 million difference between underlying and IFRS personnel expenses related to reorganisation charge. (For further information see note 6 of the consolidated financial statements).

General expenses

Underlying general expenses for 2023 of CHF 65.0 million were down on the CHF 75.8 million reported in 2022. This was as a result of a decrease in technology and communication expenses and data and research expenses. IFRS general expenses for 2023 were CHF 71.3 million, down from CHF 81.1 million in 2022. The CHF 6.3 million difference between underlying and IFRS general expenses mainly relates to continuation of strategic initiatives in 2023. (For further information see note 6 of the consolidated financial statements).

Depreciation and amortisation

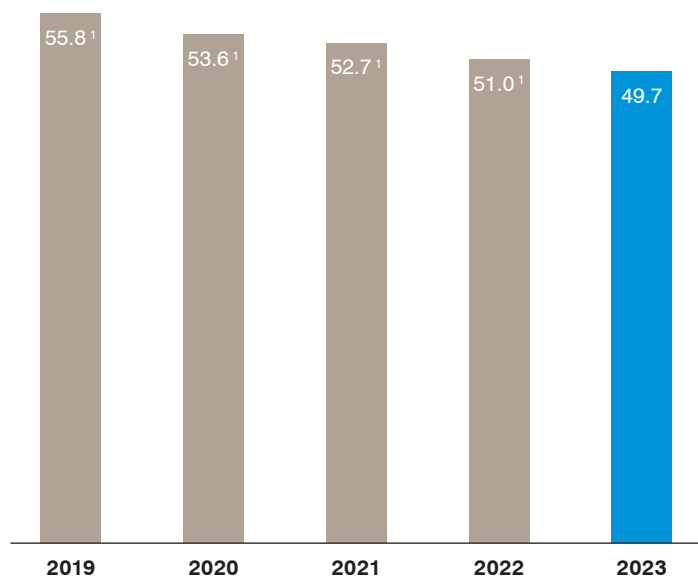
Underlying depreciation and amortisation of CHF 16.5 million was lower than the CHF 18.0 million in 2022. There is no difference between underlying and IFRS amounts.

Underlying operating margin

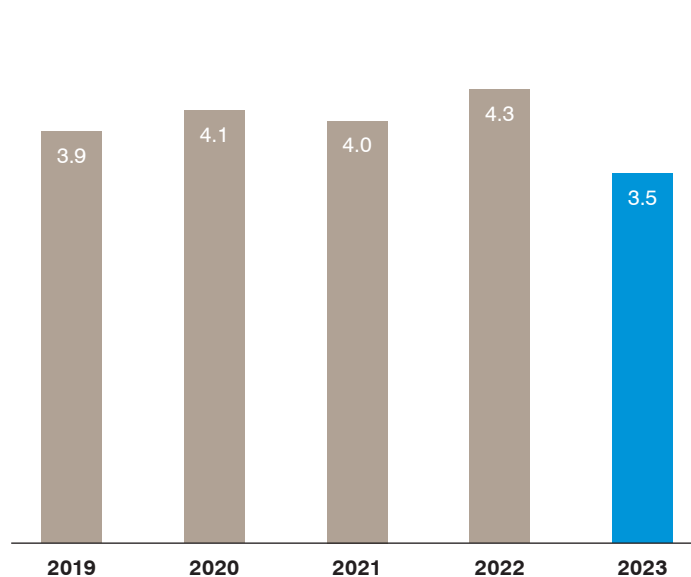
The underlying operating margin for 2023 was negative 38.0% compared with negative 25.8% in 2022. The change was driven

mainly by income declining faster than costs. The underlying operating margin excludes certain non-core costs including the brand impairment and strategic initiatives expenses. (For further information see note 6 of the consolidated financial statements).

Management fee margin – investment management (bps)



Management fee margin – fund management services (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.

Profitability and earnings per share

Underlying loss before taxes

The underlying loss before taxes was CHF 49.5 million, compared with an underlying loss of CHF 42.5 million in 2022. The loss was driven mainly by lower revenues reflecting lower assets under management. The IFRS net loss before tax was CHF 81.7 million. The difference between the underlying and the IFRS net loss before tax mainly relates to the brand impairment and strategic initiatives expenses.

Effective tax rate

Underlying income tax for 2023 was an expense of CHF 0.3 million, representing an underlying effective tax rate of 0.6% compared to tax credit rate of 8.2% in 2022. This compares to an IFRS effective tax expense rate of 0.5%. The difference between the underlying and the IFRS effective tax rate primarily driven by the underlying loss before tax. (For further information, see note 6 of the consolidated financial statements).

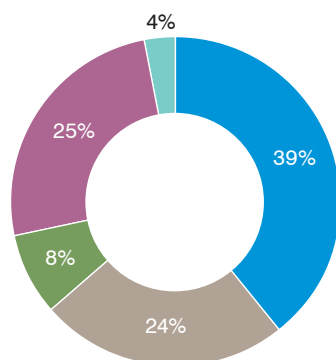
Underlying net loss after taxes

The underlying loss after taxes was CHF 49.8 million, compared with a CHF 39.0 million loss in 2022. The main driver for the loss was lower net fee and commission income reflecting lower assets under management. This compares to an IFRS net loss after tax of CHF 82.1 million. The CHF 32.3 million difference between the underlying and the IFRS net loss after tax mainly relates to the brand impairment and strategic initiatives expenses. (For further information, see note 6 of the consolidated financial statements).

Earnings per share

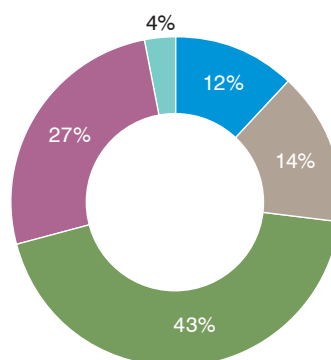
Diluted underlying earnings per share for 2023 were negative CHF 0.32, compared to a negative CHF 0.25 in 2022, driven by a higher underlying net loss. This compares to a diluted IFRS earnings per share of negative CHF 0.52. The difference between the diluted underlying and the diluted IFRS earnings per share is driven by the higher IFRS net loss of CHF 82.1 million compared with an underlying net loss of CHF 49.8 million. (For further information, see note 6 of the consolidated financial statements).

Group income¹



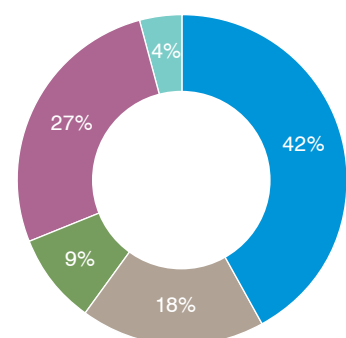
■ USD ■ GBP ■ Other
■ EUR ■ CHF

Group expenses²



■ USD ■ GBP ■ Other
■ EUR ■ CHF

Investment management AuM



■ USD ■ GBP ■ Other
■ EUR ■ CHF

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.

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.

	2023 CHF m	2022 CHF m	Change in %
Net management fees and commissions	124.4	161.8	(23)
Net performance fees	4.8	3.2	50
Net fee and commission income	129.2	165.0	(22)
Net other (expenses)/income	(0.4)	-	-
Income	128.8	165.0	(22)
Personnel expenses	96.8	113.7	(15)
Fixed personnel expenses	83.7	91.7	(9)
Variable personnel expenses	13.1	22.0	(40)
General expenses	65.0	75.8	(14)
Occupancy	4.0	4.5	(11)
Technology and communication	13.9	15.9	(13)
Data and research	18.3	21.2	(14)
Professional and consulting services	12.9	11.4	13
Marketing and travel	4.3	5.8	(26)
Administration	3.0	3.7	(19)
Other general expenses	8.6	13.3	(35)
Depreciation and amortisation	16.5	18.0	(8)
Expenses	178.3	207.5	(14)
Underlying (loss) before taxes	(49.5)	(42.5)	-
Underlying income tax expense/(credit)	0.3	(3.5)	-
Underlying net loss	(49.8)	(39.0)	-
Acquisition-related items	(0.4)	0.3	-
Non-core items	(31.8)	(224.0)	-
Tax on acquisition-related items	-	-	-
Tax on non-core items	0.9	(0.1)	-
Non-core tax item	(1.0)	(27.2)	-
IFRS net loss	(82.1)	(290.0)	-

Balance sheet and capital management

Assets and net cash

Total assets as at 31 December 2023 were CHF 266.0 million, compared with CHF 352.9 million at the end of 2022. This includes intangible assets of CHF 50.8 million.

Cash and cash equivalents at the end of 2023 amounted to CHF 87.2 million, down from CHF 137.9 million at the end of 2022. These reduced due to the losses made by the Group and due to the cash amounts related to the Carne transaction being classified as "held for sale", offset by the cash draw downs from the Rock Investments SAS loan facility.

Liabilities and adjusted tangible equity

Total liabilities as at 31 December 2023 were CHF 204.4 million, compared with CHF 202.3 million at the end of 2022.

Adjusted tangible equity at the end of 2023 was CHF 11.5 million, compared with CHF 68.7 million at the end of 2022. The main contributor to this decrease was the IFRS net loss after tax of CHF 82.1 million, after excluding the brand impairment charge.

As at 31 December 2023, the Group had a loan of CHF 36.6 million, see note 10.2 in the audited financial statements.

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 2023, the holding of own shares of 1.1 million was equivalent to 0.7% of shares in issue. All of these shares were held to cover the obligations under share-based compensation plans.

Share buy-back programme 2023

On 14 December 2023 GAM announced a share buy-back of up to a maximum of three million registered shares (1.88% of the shares in issue) to meet its share-based payment obligations. The share buy-back took place from 15 December 2023 until 17 January 2024, and the offer price for each registered share was CHF 0.425.

As of the end of the offer period on 17 January 2024, a total of 15,203,972 GAM shares were tendered. Due to the oversubscription, the declarations of acceptance were reduced on a pro rata basis.

The payment of the share buy-back price against delivery of the registered shares took place with value date 19 January 2024.

Dividend for the 2023 financial year

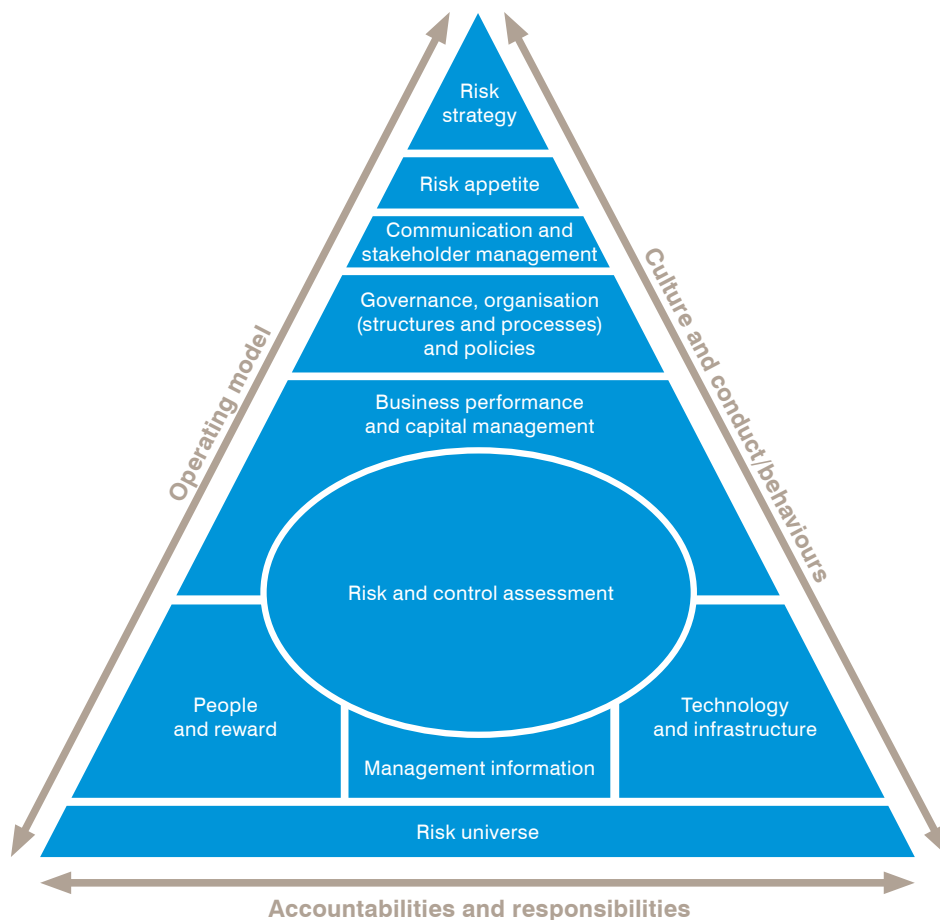
The Board of Directors proposes to shareholders that no dividend will be paid given the underlying net loss in 2023.

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 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 pages.



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 or wishes to avoid in pursuit of the achievement of our business and strategic objectives. Our risk appetite framework combines all elements of our risk culture, expressed in our risk management and control principles and our code of conduct.

Communication and stakeholder management

Our stakeholders (including clients, shareholders, employees, regulators and business partners) have an active interest in our performance and how we manage our risks. Complete and transparent reporting of risks is part of our risk management framework and control principles. 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. 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 the 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 and Risk 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

GAM Holding AG's Board and its various committees			External auditors	Regulators
Group Management Board (GMB) and its various global oversight committees				
1 st line Risk ownership and management	2 nd line Risk challenge and oversight	3 rd line Independent assurance		
Functional/line management	Risk, Compliance and other functions	Internal Audit		
Identify, assess, own and manage risks	Set minimum standards for effective risk management (eg through policies)	Provide independent assurance of the risk management framework		
Design and operate effective controls	Establish and oversee operation of the risk management framework	Perform objective evaluations of the control environment		
Supervise and monitor corrective actions	Challenge, monitor risk and provide reporting	Recommend control improvements		

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

Different methodologies and measurements are applied to identify and quantify our risk exposures. 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 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 promotes 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 exists, 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 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 change. 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 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, and internal policies and procedures.

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 or mutated client interest toward passive strategies, distributed ledger technology, blockchain-based assets and virtual currencies 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 (GAM stopped offering fund management company services to third party professional money managers in February 2024). 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 witnessed in 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.

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 uninterrupted daily activities. Oversight of GAM's organisational change activities is maintained through dedicated project steering committees and the GMB. Upon the implementation of organisational changes, we also assess changes to the monitoring frameworks, including considerations of new or revised controls, working practices and oversight, with the aim of mitigating any newly emerged risks.

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

Financial crime, including money laundering, terrorist financing, sanctions violations, fraud, bribery and corruption, represent a major risk, as technological innovation and geopolitical developments increase the complexity of doing business and elevated regulatory attention continues. Money laundering and financial fraud techniques are increasingly sophisticated, and geopolitical volatility makes the sanctions landscape more complex. 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. Cyber-defence capabilities continue to be strengthened and evolve in line with developments in the threat landscape.

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. 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. The inherent risk of cyberattacks continues to be elevated, as the geopolitical situation increases the likelihood of external cyber activity with attacks that are becoming increasingly sophisticated, and which may result in business disruption or the corruption or loss of data.

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 required to comply with all relevant regulations. Also, as dedicated research, methodologies and tools become available, and the data offering improves, we will further develop our risk identification and measurement approaches. 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

Our sustainability strategy supports our firm-wide strategy through our focus on investing responsibly – this includes embedding relevant environmental, social and governance (ESG) considerations into our investment decisions, active stewardship, and providing sustainable solutions for our clients – and a focus on our own corporate sustainability.

Our strategy is guided by the three principles of driving value for our clients, supporting high standards, and striving for a positive impact.

The Board of Directors is ultimately responsible for our strategy, the stewardship of the Group's risk management systems and processes, and their governance and control. Our Sustainability Committee, chaired by our Global Chief Sustainability Officer, oversees our sustainability strategy.

We are proud of the progress we have made in 2023, including improving our Principles for Responsible Investment (PRI) assessment, maintaining our UK Stewardship Code signatory

status and being awarded the Environmental Finance Green bond fund of the year award for the GAM Climate Bond strategy.

We have also made new commitments to support sustainable finance in Switzerland, including as signatories to the new Swiss Stewardship Code and continuing our focus on navigating the risks and opportunities of the net zero transition.

While we have voluntarily published a stand-alone Sustainability Report since 2021, this year's report is the first report that will be put to an advisory shareholder vote ("Konsultativabstimmung") as required by the Swiss Code of Obligations). Our [Sustainability Report](#) covers those issues required by the non-financial reporting obligations, including climate and environmental matters, employee-related issues, combating corruption, respect for human rights and social issues. We welcome your support on our 2023 Sustainability Report.

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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 66-89), and article 11 of the articles of incorporation, which can be found <https://www.gam.com/en/our-company/investor-relations/articles-of-incorporation>.

The following information corresponds to the situation as at 31 December 2023 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 2023 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.

At the Extraordinary General Meeting held on 27 September 2023, a new Board of Directors was appointed

and the previous Board of Directors stepped down. Thomas Schneider did not stand for re-election at the Annual General Meeting on 25 May 2023.

On 2 October 2023, the Company announced the appointment of Elmar Zumbuehl, former Group Chief Risk Officer and member of the Group Management Board, as new Group CEO with immediate effect. In addition, the other members of the new Group Management Board were announced on 19 October 2023.

GAM Holding AG

New Board of Directors

Antoine Spillmann – Chair
Anthony Maarek – Vice Chair
Carlos Esteve
Fabien Pictet
Jeremy Smouha

New Group Management Board

Elmar Zumbuehl – Group Chief Executive Officer
Richard McNamara – Group Chief Financial Officer
Martin Jufer – Global Chief Operating Officer, GAM CH CEO
David Kemp – Global Head of Legal & Compliance, GAM UK CEO
Albert Saporta – Global Head of Investments & Products
Rossen Djounov – Global Head of Client Solutions

Previous Board of Directors

David Jacob – Chair
Jacqui Irvine – Vice Chair
Katia Coudray
Jacqui Irvine
Monika Machon
Nancy Mistretta
Frank Kuhnke
Thomas Schneider

Previous Group Management Board

Peter Sanderson – Group Chief Executive Officer
Elmar Zumbuehl – Group Chief Risk Officer
Steve Rafferty – Group Chief Operating Officer
Sally Orton – Group Chief Financial Officer

Core activities

Investment Management¹

Fund Management Services

¹ 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 2023.¹

Shareholder/participant ²	Total percentage holding of voting rights
NewGAMe investor group ³	27.13% ⁴
Silchester International Investors LLP ⁵	10.57%
Solas Capital Management, LLC ⁶	5.10%
GEM Global Yield LLC SCS, Luxembourg, Luxembourg ⁷	5.00%
Gothic Corporation ⁸	4.33%
Opus – Chartered Issuances S.A., Compartment 476 ⁹	3.41%
Mario J. Gabelli ¹⁰	3.02%

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 Xavier Niel, Paris, France, Michael Golan, Tel Aviv, Israel, Anthony Maarek, Paris, France, Albert Saporta, Geneva, Switzerland, and Bruellan Holding SA, Crans-Montana, Switzerland, are acting in concert pursuant to a concert agreement dated 26 April 2023 (as amended on 14 November 2023) and form the NewGAMe investor group. The positions of the group are directly held by NewGAMe SA, Geneva, Switzerland, Rock Investment SAS, Paris, France and Bruellan Corporate Governance Action Fund, George Town, Cayman Islands. Further, according to information provided by the investor group, Bruellan SA, Geneva, Switzerland (an affiliate of Bruellan Holding SA) has discretion to exercise the voting rights of shares held by Opus – Chartered Issuances S.A., Compartment 476.

⁴ The percentage of voting rights already reflects the settlement of the partial tender offer launched by NewGAMe SA, which resulted in 28,000,000 shares being purchased by NewGAMe SA. The partial tender offer settled on 12 January 2024.

⁵ Silchester International Investors LLP, London, UK.

⁶ Solas Capital Management, LLC, Connecticut, USA.

⁷ Christopher Brown, New York, USA is the beneficial owner of GEM Global Yield LLC SCS.

⁸ Gothic Corporation, Durham, North Carolina, held through Blackwell Partners LLC, Series A, Durham, North Carolina.

⁹ Opus – Chartered Issuances S.A., Luxembourg, disclosed on 8 February 2024.

¹⁰ Mario J. Gabelli, New York, USA.

The individual notifications of significant shareholdings in GAM Holding AG, or disposal of such, that were disclosed during 2023 can be found under the following link by inserting 'GAM Holding AG' as the company name:
<https://www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html#/>

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 2023, 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 2023, the Company had a capital band ranging from CHF 7,185,714.55 (lower limit) to CHF 8,782,538.55 (upper limit).

2.2 Capital band

The Company has a capital band ranging from CHF 7,185,714.55 (lower limit) to CHF 8,782,538.55 (upper limit). The Board of Directors is authorised within the capital band to increase or reduce the share capital once or several times and in any amounts or to acquire or dispose of shares directly or indirectly, until 25 May 2028 or until an earlier expiry of the capital band. The capital increase or reduction may be effected by issuing a maximum of 15,968,240 fully paid registered shares with a par value of CHF 0.05 each and cancelling a maximum of 15,968,240 registered shares with a par value of CHF 0.05 each, as applicable, or by increasing or reducing the par value of the existing shares within the limits of the capital band or by simultaneous reduction and re-increase of the share capital.

In the event of an issue of shares, 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 4.6 of the articles of incorporation, which can be found at <https://www.gam.com/en/our-company/investor-relations/articles-of-incorporation>.

In the event of an issue of shares, the Board of Directors, to the extent necessary, determines the issue price, the type of contribution (including cash contributions, contributions in kind, set-off and conversion of reserves or of profit carried forward into share capital), 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.

In the event of an issue of shares, the Board of Directors is authorised to restrict or withdraw the pre-emptive rights of existing shareholders with respect to a maximum of 15,968,240 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 2020–2023 share buy-back programme for the purpose of capital reduction, which commenced on 5 May 2020 and ended on 28 April 2023, allowed for the purchase of a maximum of 16.0 million shares. As at 31 December 2022 and 31 December 2023,

no shares have been purchased and hence held as part of this 2020–2023 share buy-back programme for the purpose of capital reduction.

On 14 December 2023, the Company announced that it would launch a share buyback of a maximum of three million registered shares (1.88% of the issued shares) in order to meet its share-based compensation obligations. The share buy-back took place from 15 December 2023 to 17 January 2024 and the offer price per registered share was CHF 0.425. By the end of the offer period on 17 January 2024, a total of 15,203,972 shares had been tendered. Due to the oversubscription, the declarations of acceptance were reduced proportionately. The buyback price has been paid out against delivery of the registered shares with a value date of 19 January 2024.

2.5 Shares and participation certificates

	2023	2022
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 of 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, that there is no agreement on the redemption of the relevant shares and that they bear the economic risk associated with the shares. 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 2023, 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 17 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 non-executive members, with Carlos Esteve and Fabien Pictet being 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 <https://www.gam.com/en/our-company/investor-relations/articles-of-incorporation>, 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 Chair 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 Group 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; and

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

Antoine Spillmann

Group Chairman, non-executive director*

Appointed to the Board: 27 September 2023

Group Chairman since: 27 September 2023

Skills and experience:

Antoine Spillmann was appointed Chair of GAM Holding AG Board of Directors on 27 September 2023. He is also Chair of the Governance & Nomination Committee and a Member of the Audit & Risk Committee. Antoine is an accomplished executive with a successful track record in the asset management and wealth management industry. He is Executive Partner of Bruellan SA, which he transformed into one of the largest asset management and multi-family offices in French-speaking Switzerland. Prior to Bruellan, he was a Managing Director at BryanGarnier & Cie Ltd, a company he co-founded in 1996. Before that, he held various positions at leading investment banks in London from 1985 until 1996. Antoine is a proactive board member of several corporate boards, including that of Arcelor Mittal Luxembourg from 2006–2016, chairing the Risk & Compliance Committee and as a member of the Audit Committee. He remains on the Board of Arcelor Mittal Holdings AG. He was Vice President of the Swiss Association of Asset Managers (SAAM) for five years and is co-founder of Swiss Respect, an association created to protect the Swiss financial and legal system. Antoine holds degrees in investment management and corporate finance from the London Business School. He attended the Wharton business programme on best practices for board directors. He is a Swiss citizen and served as a first lieutenant with the Tank Grenadiers in the Swiss army.

Committee memberships:

Antoine is Chair of the Governance & Nomination Committee and a member of the Audit & Risk Committee.

External appointments:

- President, Bruellan SA (non-listed)
- President, Bruellan Holding SA (non-listed)
- Director, Semper SA (non-listed)
- Director, S.I. La Tournelle S.A. Verbier (non-listed)
- Director, Wasserngrat 2000 AG (non-listed)
- Director, Snowdrop Holdings SA (non-listed)
- Director, ArcelorMittal Holdings AG (non-listed)
- Director, B Client Services S.a.r.l. (non-listed)
- Director, Baugeret SA (non-listed)
- Director B Travel Services Sarl (non-listed)
- Consultant to SCI Helvetia Chapter

Anthony Maarek

Non-executive director*

Appointed to the Board: 27 September 2023

Skills and experience:

Anthony Maarek was appointed to the GAM Holding Board of Directors as Vice Chair on 27 September 2023. He is also Chair of the Compensation Committee and Chair of the Audit & Risk Committee. Over the past five years, Anthony has gathered experience in dealing with highly complex transactions (M&A acquisitions, capital markets, complex financing arrangements), particularly in the telecom, real estate, technology and media sectors. During that period, NJJ Holding SAS has completed numerous acquisitions and divestitures, and invested in hundreds of start-ups through its venture capital fund Kima Ventures and oversees a variety of other investments in the media and in real estate. Prior to joining NJJ Holding SAS, Anthony gained 20 years of experience in financial audits in France and the United States, focussing largely on serving clients in the telecom/technology, energy and retail sectors. He is a former member of the Audit & Assurance executive committee of Deloitte France and led the accounting, advisory and capital markets services group for Deloitte in France from 2013 to 2018. Anthony is a French citizen and a French Chartered and Certified Public Accountant. He holds an MBA from the University of Paris 1 Sorbonne.

Committee memberships:

Anthony is Vice Chair of the Board of Directors, Chair of the Compensation Committee and Chair of the Audit & Risk Committee.

External appointments:

- Managing Director, Rock Investment SAS (société par actions simplifiée) (non-listed)

Carlos Esteve

Independent non-executive director*

Appointed to the Board: 27 September 2023

Skills and experience:

Carlos Esteve was appointed to the GAM Holding AG Board of Directors on 27 September 2023. He also serves as a member of the Audit & Risk Committee and a member of the Governance & Nomination Committee. Carlos is a private banker with more than 40 years of experience in the Swiss wealth management and global financial markets. He served as Founder, CEO and Vice-Chairman of the Board of Directors of Banque Heritage Ltd, the bank he founded, from 2018 until retiring in April 2023. He founded Heritage Finance & Trust Co, the predecessor firm to the bank, in 1986 and was its Managing Partner until it received a banking licence. He then became CEO of Banque Heritage Ltd in 2003 until 2018. He started his career in finance at Arthur Andersen in Geneva as an auditor and financial consultant for the banking and financial institutional client base in Geneva, followed by a period at Banque Morgan Grenfell in London and Geneva. Carlos is a Swiss, Spanish and US citizen and holds a master's degree from the Ecole des Hautes Etudes Commerciales Université de Lausanne.

Committee memberships:

Carlos is a member of the Board of Directors, a member of the Governance & Nomination Committee and a member of the Audit & Risk Committee.

External appointments:

– Member of the Pension Fund Committee at Banque Heritage (non-listed)

Jeremy Smouha

Non-executive director*

Appointed to the Board: 27 September 2023

Skills and experience:

Jeremy Smouha was appointed to the GAM Holding AG Board of Directors on 27 September 2023. He also serves as a member of the Compensation Committee. Jeremy is Chairman of the Board of Directors of Atlanticomnium SA, an investment management firm based in Geneva specialising in corporate bonds, and has been CEO of its London branch since 2012. The firm has been managing the GAM Star Credit Opportunities range of funds/strategies since 1985. Jeremy was a founding member of GAM in 1983 and held various positions there over the years including managing GAM bond funds from 1985 to 2002. He was a Director and Member of GAM's Investment Committee and Co-manager of a range of GAM's multi-asset funds from 1998 to 2012. Prior to GAM, he was a fund manager of Asian equities at Arbutnot Latham. Jeremy is a British and French national and is based in London. Jeremy was educated at Harrow School and holds a master's in economics from Cambridge University.

Committee memberships:

Jeremy is a member of the Board of Directors and a member of the Compensation Committee.

External appointments:

- Chairman, Atlanticomnium SA (non-listed)
- CEO Atlanticomnium (UK) Ltd (non-listed)

Fabien Pictet

Independent non-executive director*

Appointed to the Board: 27 September 2023

Resigned from the Board on 05 January 2024**

Skills and experience:

Fabien has 40 years of experience in the banking, wealth and investment management sectors, most recently as Managing Partner of Fabien Pictet & Partners Global Holdings until he sold his firm in 2020. He left Pictet & Cie in 1997 to establish Fabien Pictet & Partners Ltd, a specialist Emerging and Global hedge fund group, which reached over USD 1 billion in AuM at its peak. Fabien joined Pictet Asset Management Limited in 1985, becoming a director in 1990 and a partner at Pictet & Cie of Switzerland in 1996 with responsibility for all institutional activities and with over CHF 30 billion under management. This included being the partner in charge of the specialist equities team (including the emerging markets team) in London with over USD 3 billion under management. He started his career in New York with Merrill Lynch in institutional equity sales. Fabien is a Swiss citizen and has a BA in economics from the University of San Francisco and a master's degree in finance from the American Graduate School of International Management in Arizona. He is a Board member of La Roseraie, a Geneva-based charity foundation.

Committee memberships:

Fabien was a member of the Board of Directors, a member of the Compensation Committee and a member of the Governance & Nomination Committee.

External appointments:

– Board Member La Roseraie (non-listed)

* None of the members of the Board of Directors was a member of the Group Management Board of GAM Holding AG or any of its subsidiaries in the three financial years preceding this report, nor did they have any material business relationship with GAM Holding AG or any of its subsidiaries, with the exception of Jeremy Smouha. Jeremy had a relationship with GAM until 2012 and is currently Chairman of Atlanticomnium SA, a delegated investment manager for the Group.

**Resigned due to personal reasons.

Previous members of the Board of Directors

At the Extraordinary General Meeting held on 27 September 2023, the previous members of the Board of Directors stepped down. Thomas Schneider did not stand for re-election at the Annual General Meeting on 25 May 2023. Information about skills and experience, committee memberships and external appointments of the previous members of the Board of Directors (David Jacob, Jacqui Irvine, Katia Coudray, Monika Machon, Nancy Mistretta, Frank Kuhnke and Thomas Schneider) is available in our previous Annual Report 2022 from page 66 <https://www.gam.com/en/our-company/investor-relations/results-centre#FY2022>.

3.2 Board skills and experience

The below matrix, which shows the Board's current assessment of its skills coverage, is used to guide the assessment of the skills and experience of the Board of Directors. 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
Antoine Spillmann	September 2023	✓		✓	✓	✓	✓	✓
Anthony Maarek	September 2023		✓	✓	✓	✓	✓	✓
Carlos Esteve	September 2023	✓		✓	✓	✓	✓	✓
Jeremy Smouha	September 2023	✓	✓		✓	✓		✓
Fabien Pictet	September 2023	✓	✓	✓	✓	✓		

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 company board as a director or advisor, or having served extensively as a member of the governance committee of a 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 Chair 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 Chair of the Board of Directors is vacant, the Board of Directors appoints a new Chair 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:

- to supervise the Company and issue any necessary instructions;
- to determine the organisation of the Company;
- to arrange the accounting, financial control and financial planning as necessary for the management of the Company;
- to appoint and remove the persons entrusted with the Company's management;
- 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 two 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 & Risk Committee in matters of financial reporting, dividend proposals and other capital management matters);
- b) deciding, based upon a recommendation from the Audit & Risk 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 Audit & 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 2023, the Board of Directors consisted of five members, two of whom are independent non-executive members, three of whom are non-executive members. The members and the Chair 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 Chair 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 & Risk Committee and the Governance and Nomination 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 Chair 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, Global Chief Operating Officer, Global Head of Investments & Product, Global Head of Client Solutions and Global Head of Legal & 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.

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

1 January to 27 September 2023

01 January to 27 September 2023	Jan	Feb ¹	Mar	April	May ¹	June	Jul	Aug	Sep ¹
David Jacob	6	5	6	11	5	6	6	15	3
Nancy Mistretta	4	4	4	9	5	4	5	13	3
Jacqui Irvine	6	5	5	10	5	6	6	15	3
Monika Machon	6	5	6	11	5	6	6	14	3
Katia Coudray	4	5	4	11	5	4	6	13	3
Thomas Schneider	6	4	6	11	4 ²	0	0	0	0
Frank Kuhnke	6	5	6	11	5	5	6	14	3

¹ Scheduled quarterly meetings.

² Stepped down from the Board on 25 May 2023

27 September to 31 December 2023

27 September 2023 to 31 December 2023	Sep ¹	Oct	Dec ¹
Antoine Spillmann	1	1	1
Anthony Maarek	1	1	1
Jeremy Smouha	1	1	1
Carlos Esteve	0	1	1
Fabien Pictet	0	1	1

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 & Risk Committee: 27 September 2023 – 31 December 2023

The Audit and Risk Committees were merged into a combined Audit & Risk Committee with effect from 18 October 2023. It operates in accordance with the Audit and Risk Committee charter and the organisational rules of the Company.

Audit & Risk Committee

The Audit & Risk 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 & Risk Committee determines the total compensation paid to the Head of Internal Audit in consultation with the Chair of the Board of Directors and the members of the Audit & Risk 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;
- h) monitoring compliance with applicable laws and regulations as well as internal policies and procedures, including via the receipt of regular reporting;
- i) 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;
- j) 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;
- k) providing oversight over any breaches of risk appetite and associated rectification plans;
- l) approving the Group's principal risk policies and monitoring compliance with/providing oversight of any breaches and rectification plans;
- m) overseeing emerging risks that could impact the Group and risk function's principal activities and resources;
- n) 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;
- o) overseeing legal and regulatory risk;
- p) providing input to the Compensation Committee regarding the management of the Group's material risks to support their consideration of the annual bonus determination.

The Audit & Risk Committee consists of three non-executive members. It convenes at least once per quarter, for on average approximately three to four 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 & 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, from 27 September 2023 to 31 December 2023 the Audit & Risk Committee held two meetings. All members of the Audit & Risk Committee participated at all the meetings. Additionally, the Audit & Risk Committee spent time outside these meetings with external auditors and advisers in order to keep abreast 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 and the Global Head of Legal & Compliance, participate at every quarterly meeting. The Audit & Risk Committee may seek independent advice as deemed necessary. The members of the Audit & Risk Committee are expected to have knowledge in the fields of finance and accounting. The Audit & 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 Audit & Risk Committee reviews its performance and objectives every year.

Members: Anthony Maarek (Chair), Antoine Spillmann, Carlos Esteve

Audit Committee

The Audit Committee operated from 1 January 2023 to 27 September 2023 in accordance with the Audit Committee charter and the organisational rules of the Company.

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

- a) reviewed and approved the internal audit plan on an annual basis and ensured its harmonisation with the audit plan of the external auditors;
- b) directed and monitored the activities of the internal audit function including the approval of its budget and staffing;
- c) evaluated the performance of the Head of Internal Audit. The Chair of the Audit Committee determined the total compensation paid to the Head of Internal Audit in consultation with the Chair of the Board of Directors and the members of the Audit Committee;
- d) represented 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, reviewed their reports (including any comprehensive reports of the external auditors) and provided a recommendation to the full Board of Directors regarding election of the external auditors at the Annual General Meeting;
- e) ensured 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 were presented to the full Board of Directors for approval;
- f) ensured compliance with the principles of fair and transparent public communication of financial information;
- g) regularly examined the appropriateness and effectiveness of the internal control systems, taking into account the risk profile of the Group; and
- h) monitored compliance with applicable laws and regulations as well as internal policies and procedures, including via the receipt of regular reporting.

The Audit Committee consisted of three non-executive members. It convened 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 had 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 ten meetings, as well as two joint meetings with the Compensation Committee. From the ten Audit Committee meetings, eight meetings were fully attended by all members with one member absent from each of the remaining two meetings. Additionally, the Audit Committee spent time outside these meetings with external auditors and advisers in order to keep abreast 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, participated at every quarterly meeting. The Audit Committee sought independent advice as deemed necessary. The members of the Audit Committee were expected to have knowledge in the fields of finance and accounting. The Audit Committee reported back to the full Board of Directors on its current activities and on any significant issues of which it became aware. The Audit Committee reviewed its performance and objectives every year.

Members (1 January 2023 – 23 May 2023): Thomas Schneider (Chair), Monika Machon and Katia Coudray.

Members (23 May 2023 – 27 September 2023): Monika Machon (Chair), Katia Coudray and Frank Kuhnke.

Risk Committee

The Risk Committee operated from 1 January 2023 to 27 September 2023 in accordance with the Risk Committee charter and the organisational rules of the Company.

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

- a) oversight of the maintenance of the Group's risk management framework, reviewed the effectiveness of its operation and recommended for approval to the Board of Directors the Group's overall risk management strategy, risk appetite framework and associated limits;
- b) reviewed the Group's risk profile and monitored against the Group's risk universe, including adherence to the Group's risk appetite, risk trends, risk concentrations and key performance indicators;
- c) provided oversight over any breaches of risk appetite and associated rectification plans;
- d) provided oversight and challenged 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) approved the Group's principal risk policies and monitored compliance with/provided oversight of any breaches and rectification plans;
- f) oversight of emerging risks that could impact the Group and risk function's principal activities and resources;
- g) provided oversight and challenged in relation to significant risk issues related to material acquisitions, disposals and strategic proposals; considered the potential consequences of any such transactions;
- h) oversight of legal and regulatory risk;
- i) provided input to the Compensation Committee regarding the management of the Group's material risks to support their consideration of the annual bonus determination and provided input to the Audit Committee in regard to 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 consisted of three non-executive members. The Committee was established in May 2019. The Committee convened 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 had retained responsibility, the Risk Committee had 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 three 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 participated at every quarterly meeting. The Risk Committee were authorised to seek independent advice as deemed necessary. The members of the Risk Committee were expected to have knowledge in the fields of risk and regulation. The Risk Committee reported back to the full Board of Directors on its current activities and on any significant issues of which it became aware. The Risk Committee reviewed its performance and objectives every year.

Members (1 January 2023 – 23 May 2023): Monika Machon (Chair), Thomas Schneider and Jacqui Irvine.

Members (23 May 2023 – 27 September 2023): Frank Kuhnke (Chair), Monika Machon 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 Chair 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 Chair 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 Chair);
- 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 Chair of the Board of Directors as well as the performance evaluation conducted by the Chair 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 six meetings, as well as two joint meetings with the Audit Committee (prior to 27 September 2023). All members of the Compensation Committee participated at all the meetings. The Group Head of People 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 (27 September 2023 – 31 December 2023): Anthony Maarek (Chair), Jeremy Smouha, Fabien Pictet.

Members (1 January 2023 – 27 September 2023): Nancy Mistretta (Chair), Katia Coudray and Jacqui Irvine.

Changes in the Compensation Committee

At the Extraordinary General Meeting held on 27 September 2023, all members of the Compensation Committee were replaced until the next AGM.

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 eight meetings. All members of the Governance and Nomination Committee participated at all the meetings. The Head of Legal & Compliance participates at every meeting. From 1 January 2023 to 27 September 2023 the Group General Counsel participated 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 (27 September 2023 – 31 December 2023): Antoine Spillmann (Chair), Carlos Esteve, Fabien Pictet.

Members (1 January 2023 – 27 September 2023): 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 Chair, including by the provision of regular management reports. The Group Chief Executive Officer, Group Chief Financial Officer, Global Chief Operating Officer, Global Head of Investments & Products, Global Head of Client Solutions and Global Head of Legal & 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 Management Board are regularly invited to participate at meetings of the full Board of Directors and the Audit & Risk Committee. The Group Chief Executive Officer, Global Head of People and Global Head of Legal & Compliance participates at every regular meeting of the Governance and Nomination Committee, and the Global Head of People, Group Chief Executive Officer and Group Chief Financial Officer regularly participates at the meetings of the Compensation 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 through 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 66-89) and article 11 of the articles of incorporation, which can be found at <https://www.gam.com/en/our-company/investor-relations/articles-of-incorporation>.

3.8 Changes to the Board of Directors in 2024

The Board of Directors has made or is intending to make the following changes in 2024:

The Board of Directors intends to nominate new, non-executive and independent members of the Board of Directors and propose them for election at the Annual General Meeting on 15 May 2024. If elected, the objective is that the majority of the members of the Board of Directors be non-executive and independent.

All current members of the Board of Directors will stand for re-election at the Annual General Meeting on 15 May 2024.

GAM is also endeavouring to achieve the desired gender representation on the Board of Directors again. To address this, and as part of GAM's commitment to fostering diversity, equity and inclusion, the elected GAM Holding Board intends to propose three new candidates for election to the Board at the 2024 Annual General Meeting. 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.

4. GROUP MANAGEMENT BOARD

4.1 Members of the Group Management Board

Elmar Zumbuehl, Group Chief Executive Officer

Elmar Zumbuehl was appointed Group Chief Executive Officer of GAM Holding AG in 2023. Prior to being appointed Group CEO, Elmar had been Global Chief Risk Officer and a member of the Group Management Board since 2017. Elmar joined GAM in 2010 as Senior Legal Counsel and Senior Risk Manager, and in 2011 became General Counsel and Corporate Secretary of GAM Holding AG and director of a number of GAM subsidiaries. Prior to joining GAM, Elmar had worked at Julius Baer for 10 years in a number of senior roles. Elmar was admitted to the bar in Switzerland in 2000, is a graduate of the University of St. Gallen (HSG) and 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.

External appointments:*

None

Richard McNamara, Group Chief Financial Officer

Richard McNamara was Group Chief Financial Officer and a member of GAM Holding AG's Group Management Board between October 2015 and August 2022. He returned to GAM in 2023. Before joining GAM, Richard was a 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.

External appointments:*

None

Martin Jufer, Global Chief Operating Officer, CEO Switzerland

Prior to being appointed Global COO, Martin was Global Head of Wealth Management. Until 2022, Martin was the region head of continental Europe and oversaw GAM's Fund Management Services Business. From 2013 to 2015, Martin was responsible for GAM's continental European operations function. Before joining GAM, Martin had spent 17 years at Julius Baer in various roles including Chief Operating Officer and Head of Products and Services for Swiss and Global Asset Management. Prior to that he had been responsible for fund administration, middle office and IT. Before joining Julius Baer, Martin was an auditor at Ernst & Young. Martin holds an MBA from the University of St. Gallen (HSG), and he is a certified European financial analyst (CEFA), US certified public accountant (CPA) and a certified ESG analyst (CESGA). Martin is a Swiss citizen.

External appointments:*

Member of the Foundation Board of the Pension Funds of the Julius Bär Group (non-listed)

David Kemp, Global Head Legal & Compliance, UK CEO

Prior to joining GAM in October 2018 as Global Head of Compliance, David was General Counsel, Asset & Wealth Management at Schroders from 2012. Prior to that, he held a number of senior front office positions at investment banks including Head of Sales & Structuring. His experience includes credit, commodities, infrastructure, direct lending, non-performing loans, alternatives, quantitative strategies, supply chain finance and sharia-compliant products dealing with institutions, corporate and high-net-worth clients across Asia, the Middle East, Europe and North America. David began his career as a solicitor with leading City law firm Simmons & Simmons. David holds a post-graduate diploma in law and legal practice from the College of Law, Guildford, a master's degree in business finance from Brunel University and a BA (Hons) in philosophy from King's College, University of London. He holds the FT NED Diploma. David is a UK citizen.

External appointments:*

Director Broadwater Sports Club Limited (non-listed)

Albert Saporta, Global Head of Investments and Products

Albert Saporta has 40 years of experience in global financial markets with over 30 years in the hedge fund industry focusing on special situations and arbitrage. Albert started his career at Paribas in Paris, followed by Merrill Lynch and UBS Securities in London. He then joined IFM, where he set up and managed relative value global equity arbitrage strategies until early 1995. He then left to set up Geneva-based AIM&R, a hedge fund advisory and research firm, managing the top-performing SOG and SOGAsia funds. In March 2006, Albert sold AIM&R's research and hedge fund businesses to ABN Amro Bank (London). As part of the transaction, he set up the Special Opportunities Group (SOG) at ABN, managing a balance sheet of over USD 1 billion in global arbitrage strategies and special situations. AIM&R was relaunched in 2011 under its current form as a research and trading advisory firm, advising some of the largest global hedge funds, pension funds, proprietary trading firms and UHNW family offices. Albert has a master's degree in international affairs from Columbia University (1984), an MBA (1983) and a BSc in economics (1982) from New York University, and a math/physics degree from the University of Nice (1980). He is fluent in French, English, Spanish and Portuguese. Albert is a French, Israeli and Spanish citizen.

External appointments:*

Director, NewGAMe SA (non-listed)

Director, Alternative Investment Management & Research AS (non-listed)

Rossen Djounov, Global Head of Client Solutions

Prior to being appointed Global Head of Client Solutions, Rossen was Managing Director and Head of GAM's Asia Business based in Hong Kong, where he was responsible for APAC distribution and for the business management of GAM's offices in Hong Kong, Singapore, Sydney and Tokyo. Rossen joined GAM in 2008 in London to help build the Structured Investments business. From 2015 to 2017, he was GAM's Head of International Distribution leading the firm's distribution activities in US offshore, Latin America, Central and Eastern Europe and the Middle East, Japan, Australia and New Zealand. Prior to GAM, Rossen spent 12 years at Forsyth Partners in various roles in London and Dubai including Head of Investments and Head of Distribution. He holds an MBA in Financial Services from the University of Exeter. Rossen is a UK and Bulgarian citizen.

External appointments:*

None

*For the number of permitted activities, please refer to section 3.1.

Previous members of the Group Management Board

On 2 October 2023, the new Board of Directors announced the appointment of Elmar Zumbuehl, former Group Chief Risk Officer and Member of the Group Management Board, as new Group CEO with immediate effect. The other members of the new Group Management Board were announced on 19 October 2023. Information about skills and experience, committee memberships and external appointments of the previous members the Group Management Board (Peter Sanderson, Steve Rafferty and Sally Orton), is available in our previous Annual Report 2022 (from page 83) <https://www.gam.com/en/our-company/investor-relations/results-centre#FY2022>.

4.2 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 66-89) and article 11 of the articles of incorporation, which can be found at <https://www.gam.com/en/our-company/investor-relations/articles-of-incorporation>.

4.5 Gender representation

The Board of Directors and the Group Management Board endeavour to take appropriate gender representation into account as far as possible when making any changes to the Group Management Board.

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. The Annual General Meeting held on 25 May 2023 and the Extraordinary General meeting on 27 September 2023 took place with the personal attendance of shareholders. 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. 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 2023 Annual General Meeting elected Tobias Rohner, Attorney-at-Law, Schützengasse 1, 8001 Zurich, Switzerland, as Independent Representative for a term of office until the end of the 2024 Annual General Meeting.

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

The articles of association (art. 8.1, para 3) provide for the possibility to hold the General Meeting by electronic means without a venue.

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 <https://www.gam.com/en/our-company/investor-relations/articles-of-incorporation>, 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 5% of the share capital or the votes. 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 at least 0.5 percent of the share capital or the votes may demand that matters be put on the agenda or that a proposal relating to a matter be included in the notice convening the Shareholders' Meeting. This request must be submitted at least six weeks before the date of the Shareholders' Meeting of the Company. Link to Articles of Incorporation <https://www.gam.com/en/our-company/investor-relations/articles-of-incorporation>.

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 from 2021. 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.

Audit-related 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 2.8 million in the 2023 financial year (CHF 2.7 million in the 2022 financial year), of which CHF 1.0 million were additional fees relating to the prior-year audit. For non-auditing services, the Group paid KPMG AG fees totalling CHF 0.2 million in the 2023 financial year (CHF 0.3 million in the 2022 financial year), whereof CHF 0.2 million for audit-related services (CHF 0.25 million in the 2022 financial year).

In addition, KPMG AG received CHF 0.7 million (all of which for auditing services) in the 2023 financial year (CHF 1.0 million in the 2022 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 & Risk 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 & Risk Committee to the Group Chief Financial Officer. The Audit & Risk 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 & Risk Committee and coordinated by the Group Chief Financial Officer.

Furthermore, the Audit & Risk 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 (please refer to Audit & Risk Committee under 3.4 above). 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 & Risk Committee at all times and participate at every regular quarterly meeting of the Audit & Risk Committee.

7.4 Internal Audit

The GAM Group Internal Audit function provides independent, objective assurance and advisory services to the Board of Directors, the Audit & Risk Committee and the Group Management Board. It assists in enhancing and protecting the organisational value by providing a systematic risk-based and disciplined approach to evaluate and improve the effectiveness of the controls and governance process through assurance advice and insight. A rolling Internal Audit plan is developed using a risk-based methodology which includes input from the Audit & Risk Committee and the Group Management Board. The rolling Internal Audit plan is presented at the quarterly Audit & Risk Committee meetings with any significant deviation from the previously presented rolling internal audit plans being highlighted. In addition to the assignments included in the rolling Internal Audit plan, the Chair of the Audit & Risk Committee may instruct Internal Audit to carry out special assignments on behalf of the Board of Directors.

The Head of Internal Audit provides regular reporting on the activities of the Internal Audit function at the quarterly Audit & Risk Committee meetings and the Audit & Risk Committee regularly reviews the independence, activities and results of Internal Audit. The Audit & Risk Committee approves the financial budget and resource requirements of the Internal Audit function annually. The Head of Internal Audit reports to the Chair of the Audit & Risk Committee, who in consultation with other members of the Audit & Risk Committee evaluates the performance and determines the total compensation paid to the Head of Internal Audit.

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. 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

27 March 2024	Full-Year results 2023
15 May 2024	Annual General Meeting 2024
8 August 2024	Half Year Results 2024

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. Blackout periods commence on 1 July and 1 January in each calendar year and last until and including the publication day of GAM Holding AG's half and full-year results respectively. 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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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

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AUDITOR'S 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 2023.

Structure of the Group Management Board in 2023

On 2 October 2023, the Group announced that Elmar Zumbuehl would be appointed as Group Chief Executive Officer, replacing Peter Sanderson, who then ceased to be a member of the Group Management Board. On 19 October 2023, the Group announced the following would be appointed and all join the Group Management Board in their respective roles. Richard McNamara as Group Chief Financial Officer, Albert Saporta as Global Head of Investments & Products, David Kemp as Global Head of Legal & Compliance and GAM UK CEO, Rossen Djounov as Global Head of Client Solutions and Martin Jufer as Global Chief Operating Officer and GAM CH CEO.

On 26 July 2023, Sally Orton stepped down from the Group Management Board and on 19 October 2023, the Group announced that Steve Rafferty was stepping down from the Group Management Board.

Compensation for 2023

In January 2023, due to the financial position of the firm, the Board of Directors at that time announced that it was undertaking a strategic review. This resulted in a public tender offer by Liontrust Asset Management PLC for 100% of GAM Holding AG shares in May 2023. Our shareholders did not accept the offer from Liontrust and voted in a new Board of Directors at an Extraordinary General Meeting of Shareholders on 27 September 2023.

The compensation framework for our Group Management Board members drives their remuneration through clear goals aligned to our shareholders' expectations. Based on the Group's financial performance for 2023, there will be no variable compensation granted to the Group Management Board members for 2023. The Board recognises that the Group Management Board, which as described above expanded and changed significantly in October 2023, is now tasked with implementing the firm's strategy and returning the Group to profitability.

Despite reduced total compensation across all employees, the compensation ratio for 2023 increased to 74.9%. That ratio has increased from 68.9% in 2022 due to the reduction

in our revenues from reduced assets under management outweighing our continued cost and headcount reductions. This remains above the target compensation ratio of 45-50% of underlying net fee and commission income. We believe this target ratio is an appropriate part of our compensation framework to reflect the balance of employee reward and shareholders return, and this target will remain as GAM seeks to return to profitability.

Compensation for 2024

For 2024, the Compensation Committee has decided to maintain the caps on variable compensation for Global Chief Operating Officer, Global Head of Legal & Compliance and CEO GAM UK, Global Head of Client Solutions, Global Head of Investments & Products, and 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 of 300% and 250% of his base salary, respectively.

Details of the Board of Directors fees are included in sections 5 and 6.1 of this report.

Compensation for shareholder approval at 2024 AGM

Board compensation

As noted in this letter, in respect of the 2024 AGM, the overall fixed compensation requested for the Board of Directors will be CHF 1,400,000. 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 4.0 million. This increase relates to the expanded Group Management Board, from four individuals to six individuals, and the continued salary payment to the previous CEO.

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 2023. This is a result of the Group's financial performance and the compensation framework in place.

Group Management Board Retention Program

The Board recognises that the Group Management Board is instrumental in implementing the Group's strategy, and that it is essential that they are aligned with clients, shareholders, and other stakeholders during this important period for the firm. Therefore, at the May 2024 AGM, the Board will be proposing to shareholders a one-off performance linked long-term retention plan award. The performance share awards, with a face value of up to CHF 3.0 million, will vest on 31 March 2028, with an additional restricted holding period to June 2029.

Further details are outlined in section 4.7 of this report.

On behalf of the Board of Directors I would again like to recognise the dedication of, and significant progress made by, the Group Management Board in implementing the Group's strategy.

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



Anthony Maarek

Chair of the Compensation Committee

27 March 2024

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 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:



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.	<ul style="list-style-type: none"> 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.	<ul style="list-style-type: none"> 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.	<ul style="list-style-type: none"> 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).	<ul style="list-style-type: none"> 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 at least 50% with a deferral period of four years. Bonus deferrals are also in place for non-GMB employees.	<ul style="list-style-type: none"> 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%).	<ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> 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 Members of the Board of Directors are required to build up a holding of GAM shares worth 200% of their annual cash fee. 	<ul style="list-style-type: none"> 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.	<ul style="list-style-type: none"> 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.	<ul style="list-style-type: none"> 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.	<ul style="list-style-type: none"> 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 2023. However, the annual bonus amount deferred for the GMB is 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 2024.

Fixed compensation

Element	Structure	2024 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): <ul style="list-style-type: none"> • The individual's role, experience, and performance • Business performance • Market data for comparable roles in appropriate comparators • Compensation decisions elsewhere in the Group. 	Aggregate GMB members: GMB fixed compensation will be capped at CHF 4,000,000. Group CEO and Group CFO: The Group CEO has a salary of CHF 500,000 per annum. The Group CFO has a salary of GBP 520,000 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.

Variable compensation

GMB variable compensation cap	Total GMB variable compensation (comprising annual bonuses and long-term incentive awards) 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	2024 performance year
Annual bonus ^{1, 2, 3, 4} To link reward to key business targets for the forthcoming year and to individual contribution Additional alignment with shareholders' interests through deferred compensation	<p>All GMB members' annual bonuses are based on performance assessed over one year using a balanced scorecard.</p> <p>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.</p> <p>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.</p> <p>Up to 50% of GMB members' annual bonuses are paid in cash with at least 50% delivered in GAM shares vesting equally over a four-year period.</p>	<p>GMB annual bonuses will be determined by a balanced scorecard comprising financial, strategic, business, and personal performance metrics. For the Group CEO and Group CFO these will be weighted 60%/20%/20% respectively.</p> <p>Financial metrics will be underlying profit before taxes, operating margin, net flows and three-year investment performance.</p> <p>Strategic and business metrics will be based on agreed budgets, KPIs and on the delivery against strategic priorities.</p>
Long-term incentive plan (LTIP) ^{1, 2, 3, 4, 5} To link reward to key business targets for the longer term with the objective of providing sustainable value and growth for our shareholders	<p>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.</p> <ul style="list-style-type: none"> 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. 	<p>As stated in the Chair's letter in this report there will be no LTIP awards in relation to the 2023 performance year. LTIPs will continue to feature in our compensation framework.</p> <p>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%).</p>

Share ownership guidelines

To align executive ⁶ 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.
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¹ The Compensation Committee retains an overriding discretion to ensure that there is appropriate alignment between business performance and incentive pay-outs.

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

⁵ 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, Abrdn plc, Vontobel Holding AG.

⁶ At present the ownership guidelines are not being met, hence any shares awarded to such members would need to be held on vesting to meet these guidelines.

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 2023, no annual variable compensation to the Group Management Board members 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 as having been amended and transposed into the revised Swiss Code of Obligations. 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 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 are split 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. For the performance year 2023, in recognition of the Group's financial position, variable compensation is proportionate and targeted to critical employees with the majority fully deferred. For investment professionals with contractual bonus arrangements, these are unchanged.

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. Our annual appraisal process forms part of the compensation process 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 stakeholders, including clients, shareholders, employees, regulators and business partners, and as being central to the successful achievement of its business and strategic 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 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 2023

This section of the report outlines the total fixed and variable compensation for members of the Group Management Board (GMB), comparing 2023 with 2022. It also provides details of the performance targets used to determine variable compensation awards for 2023.

4.1 The total fixed and variable compensation to the members of the Group Management Board in respect of financial years 2023 and 2022 (audited)

(in CHF)	Group CEO ¹				Group CFO ²				Aggregate GMB (inclusive of CEO and CFO)	
	P. Sanderson ³	E. Zumbuehl ⁴	2023	2022	S. Orton ⁵	R. McNamara ⁶	2023	2022	2023	2022
Base salary	750,000	130,700	880,700	750,000	262,344	116,787	379,131	762,372	2,299,906	2,360,795
Fixed equity award	-	-	-	-	-	-	-	-	-	-
Pension fund contributions	67,699	19,763	87,462	69,386	41,877	2,246	44,123	62,195	272,441	237,934
Social security contributions	110,423	8,259	118,682	130,600	62,871	15,835	78,706	124,183	312,053	349,978
Other benefits	8,344	360	8,704	8,527	153,432	831	154,263	125,354 ⁷	259,743	141,478 ⁷
Total fixed compensation	936,466	159,082	1,095,548	958,513	520,524	135,699	656,223	1,074,104	3,144,143	3,090,185
Annual bonus										
Cash payments	-	-	-	-	-	-	-	-	-	-
Deferred bonus	-	-	-	-	-	-	-	-	-	-
Pension fund contributions	-	-	-	-	-	-	-	-	-	-
Social security contributions	-	-	-	-	-	-	-	-	-	-
LTIP										
Performance shares	-	-	-	-	-	-	-	-	-	-
Social security contributions	-	-	-	-	-	-	-	-	-	-
Total discretionary variable compensation	-	-	-	-	-	-	-	-	-	-
Total compensation	936,466	159,082	1,095,548	958,513	520,524	135,699	656,223	1,074,104	3,144,143	3,090,185

¹ The highest-paid member of the GMB in 2023 was the Group CEO, Peter Sanderson, with a total compensation of CHF 936,466 including CHF 110,423 employer's social security contributions. The Group CEO disclosure includes both Peter Sanderson's remuneration for 2023 and Elmar Zumbuehl's remuneration from 2 October until 31 December 2023.

² The Group CFO disclosure includes both Sally Orton's remuneration for the period from 1 January to 26 July 2023, and Richard McNamara's remuneration for the period from 19 October to 31 December 2023.

³ Peter Sanderson's salary and pension contribution rates as Group CEO remained unchanged from 2022. The year-on-year difference is reflective of the exchange rate used when converting from GBP to CHF.

⁴ The appointment of Elmar Zumbuehl as Group CEO was announced on 2 October 2023.

⁵ Sally Orton's salary and pension contribution rates as Group CFO salary remained unchanged from 2022. Sally Orton stepped down from the Group Management Board as Group CFO on 26 July 2023. The year-on-year difference is reflective of the exchange rate used when converting from GBP to CHF and payments in lieu of notice in respect of Sally Orton leaving employment on 26 July 2023.

⁶ The appointment of Richard McNamara to the Group Management Board as Group CFO was announced on 19 October 2023.

⁷ Prior year comparatives have been adjusted to include the holiday payout and payment in lieu of notice.

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

In line with our contractual obligations, Peter Sanderson continues to receive his salary, pension, and benefits until the end of his employment on 29 March 2024. Mr Sanderson's 2023 compensation is included in full in the table on the previous page. Sally Orton stepped down from the Group Management Board on 26 July 2023 and her contract ended on the same date. Ms Orton's 2023 compensation is included in full in the table on the previous page. Steve Rafferty stepped down from the Group Management Board on 19 October 2023 and continued to receive his salary, pension, and benefits until the end of his employment on 31 December 2023. Mr Rafferty's 2023 compensation is included in full in the table on the previous page.

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

In 2023, 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 related parties* (audited)

In 2023, no compensation was paid to related parties of current or former members of the Group Management Board. No loans were granted in or were outstanding at the end of 2023 to related parties of current or former members of the Group Management Board.

*Related parties are (i) their spouse or equivalent, (ii) their children (under 18 years of age), (iii) any legal entities that they own or otherwise control, and (iv) any legal or natural person who is acting as their fiduciary.

4.5 Total annual bonus awarded for the year ending 31 December 2023

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 2023 there will be no variable compensation granted to the Group Management Board for the performance year 2023.

Given the new constitution of the Group Management Board appointed in October 2023 and that no variable compensation would be granted for the performance year 2023, no assessment was required as to determining an annual bonus for each of the Group Management Board members.

4.6 Long-term incentive grant to be awarded in 2024

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, there will not be any long-term incentive awards granted to the Group Management Board in 2024.

4.7 Performance-related long-term retention award

The Board recognises that the Group Management Board are instrumental in implementing the Group's strategy over the coming few years, and that it is essential that the members are aligned with clients, shareholders, and other stakeholders during this important period for the firm. Therefore, at the AGM 2024, the Board will be proposing to shareholders that a one-off performance related long-term retention award is put in place for the GMB members. The award will be made in the form of performance shares, with a face value of up to CHF 3.0 million, which will only vest into Company shares if certain performance criteria are met. The award, subject to shareholder approval, will be granted after the AGM 2024. The award, subject to the performance criteria

being met, will vest on 31 March 2028. Upon vesting, any Company shares delivered will need to be held by the GMB members until June 2029. After June 2029, subject to the GMB members meeting their shareholding requirements as set out on page 71, the Company shares will be free from any restrictions. The performance criteria will focus on the implementation of the Group's strategy, the growth of the Group's assets under management, Group profitability, cost reduction measures, fund investment performance and achieving personal objectives as set by the Board. The performance criteria will be measured at certain points in time, as determined by the Board, throughout the vesting period up to 31 March 2028.

4.8 Composition Group Management Board

GAM faced significant challenges in 2023 and following the change in Board of Directors in September 2023, a new leadership team was formed to stabilise the firm in October 2023. The current Group Management Board consists of six male members. Up to the end of July 2023, when Sally Orton stepped down from the Group Management Board and leaving employment, the Group Management Board consisted of four members, three of whom were men and one woman. The Group recognises the importance of diversity in the Group Management Board and have set a target that by 2026, 20% of the Group Management Board will be female.

4.9 External mandates of members of the Group Management Board (audited)

As of 31 December 2023, the current and former Group Management Board members conducted the following business activities outside of GAM.

First name Last name	Mandate	Name of company
Peter Sanderson	-	-
Elmar Zumbuehl	-	-
Steve Rafferty	-	-
Martin Jufer	Member of the Foundation Board	Pension Funds of the Julius Bär Group (not listed)
David Kemp	Director	Broadwater Sports Club Limited (not listed)
Richard McNamara	-	-
Albert Saporta	Director	NewGAME SA (not listed)
	Director	Alternative Investment Management & Research SA (not listed)
Rossen Djounov	-	-

5. FEE STRUCTURE FOR BOARD OF DIRECTORS

This section of the report outlines the fee structure for the Board of Directors for the 2024 financial year. Details of total fees received by Board members in the 2023 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.

Our previous Board of Directors consisted of six members, two of whom were men and four women until they stepped down at the Extraordinary General Meeting on 27 September 2023. The current Board of Directors consists of four male members. The Board is committed to having a diverse composition and will be recommending to the shareholders at the May 2024 Annual General Meeting the appointment of three new female candidates to join the Board of Directors.

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

- an annual fixed fee paid in a mixture of cash and GAM Holding AG shares. These annual share awards provide an alignment with shareholder interests as they ensure that each Board member has exposure to share price performance during their one-year term of office; 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.

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 2021 to AGM 2022	AGM 2022 to AGM 2023	AGM 2022 to AGM 2023 (after waiver)	AGM 2023 to EGM 2023	EGM 2023 to AGM 2024	AGM 2024 to AGM 2025
Fixed cash fee						
Chairman of the Board	150,000	150,000	150,000	51,230	25,355	40,000
Vice-Chairman of the Board	100,000	100,000	100,000	40,984 ¹	19,016	30,000
Other members of the Board	100,000	100,000	100,000	34,153	19,016	30,000
Share-based fee						
Chairman of the Board	150,000 ²	150,000 ³	- ³	- ⁴	100,000 ⁵	150,000 ⁶
Vice-Chairman of the Board	120,000 ²	120,000 ³	- ³	- ⁴	100,000 ⁵	150,000 ⁶
Other members of the Board	100,000 ²	100,000 ³	- ³	- ⁴	100,000 ⁵	150,000 ⁶
Supplementary cash fees						
Chair of the Audit Committee ⁷	16,000	16,000	16,000	5,464	-	-
Chair of the Risk Committee / Risk & Audit Committee ⁷	16,000	16,000	16,000	5,464	3,169	5,000
Chair of the Compensation Committee	16,000	16,000	16,000	5,464	3,169	5,000
Chair of the Governance and Nomination Committee	8,000	8,000	8,000	2,732	3,169	5,000
Other members of the Audit Committee ⁷	8,000	8,000	8,000	2,732	-	-
Other members of the Risk Committee / Risk & Audit Committee ⁷	8,000	8,000	8,000	2,732	3,169	5,000
Other members of the Compensation Committee	8,000	8,000	8,000	2,732	3,169	5,000
Other members of the Governance and Nomination Committee	4,000	4,000	4,000	1,366	3,169	5,000

¹ Following the removal of the share-based fees for the period from AGM 2023 to EGM 2023, the fixed cash fees have been increased for the Vice-Chairman of the Board.

² Equity with this fair value was granted following the AGM 2021 and vested 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 the Board voluntarily waived it and hence the equity did not vest.

⁴ The Board of Directors was not granted the share-based fee in respect of the period from AGM 2023 to EGM 2023.

⁵ Retrospective equity with this fair value, for period 27 September 2023 to 15 May 2024, is being requested for approval at the AGM 2024. If approved it will vest the day after the AGM 2024.

⁶ Equity with this fair value will be granted following the AGM 2024 and will vest the day before the AGM 2025.

⁷ The Risk Committee and Audit Committee were combined on 27 September 2023 to form the Audit & Risk Committee.

6. BOARD OF DIRECTORS COMPENSATION FOR FINANCIAL YEAR 2023

This section of the report outlines the total fixed compensation for members of the Board of Directors, in respect of financial years 2023 and 2022.

6.1 The total compensation to the Board of Directors in respect of financial years 2023 and 2022 (audited)

(in CHF)		Fixed cash fee	Committee fee	Share-based fee	Social security	Total compensation ¹
David Jacob ^{2,3}	2023	101,230	-	-	13,970	115,200
	2022	150,000	-	-	21,638	171,638
Nancy Mistretta ³	2023	67,485	13,500	-	-	80,985
	2022	100,000	20,000	-	-	120,000
Katia Coudray ³	2023	67,485	10,795	-	5,440	83,720
	2022	100,000	16,000	-	10,212	126,212
Jacqui Irvine ³	2023	74,315	16,197	-	10,256	100,768
	2022	100,000	24,000	-	14,424	138,424
Monika Machon ³	2023	67,484	16,197	-	9,313	92,994
	2022	100,000	24,000	-	14,424	138,424
Frank Kuhnke ³	2023	67,484	8,197	-	2,566	78,247
	2022	100,000	-	-	1,104	101,104
Thomas Schneider ⁴	2023	33,332	8,000	-	2,900	44,232
	2022	100,000	24,000	-	8,700	132,700
Benjamin Meuli ⁵	2023	-	-	-	-	-
	2022	60,396	-	-	3,658	64,054
Antoine Spillmann ^{2,6}	2023	9,999	2,227	41,126 ⁸	3,937	57,289
	2022	-	-	-	-	-
Anthony Maarek ⁶	2023	7,500	2,281	41,126 ⁸	3,757	54,664
	2022	-	-	-	-	-
Jeremy Smouha ⁶	2023	7,500	1,050	41,126 ⁸	6,710	56,386
	2022	-	-	-	-	-
Carlos Esteve ⁶	2023	7,500	2,281	41,126 ⁸	3,197	54,104
	2022	-	-	-	-	-
Fabien Pictet ^{6,7}	2023	7,500	2,281	-	614	10,395
	2022	-	-	-	-	-
Total	2023	518,814	83,006	164,504	62,660	828,984⁹
	2022	810,396	108,000	-	74,160	992,556⁹

¹ The functions of the Board of Directors are set out in the corporate governance section 3.1 of the Annual Report.

² As Chairman of the Board of Directors, David Jacob was not eligible to receive committee fees. However, given the significant reduction in cash fees, Antoine Spillmann will receive committee fees.

³ David Jacob, Nancy Mistretta, Katia Coudray, Jacqui Irvine, Monika Machon and Frank Kuhnke stepped down as members of the Board of Directors on 27 September 2023.

⁴ Thomas Schneider stepped down as a member of the Board of Directors on 25 May 2023.

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

⁶ Antoine Spillmann, Anthony Maarek, Jeremy Smouha, Carlos Esteve and Fabien Pictet were elected as members of the Board of Directors at the 2023 EGM on 27 September 2023.

⁷ Fabien Pictet stepped down as member of the Board of Directors on 5 January 2024.

⁸ If approved at the AGM 2024, shares will be granted and vested after the AGM 2024. The share-based fees reflected above relate to this share-based compensation for financial year 2023 only.

⁹ Total fixed compensation (including employer's social security costs) paid to the Board of Directors between AGM 2022 and AGM 2023 was CHF 992,556. Total fixed compensation (including employer's social security costs) paid to the Board of Directors between AGM 2023 and AGM 2024 will be CHF 417,704, not including expenses for the retrospective share-based compensation grant to the BoD, yet to be approved by the AGM 2024. The figure for AGM 2023 to AGM 2024 includes an estimate for the period from 1 January to 15 May 2024. This total is within the maximum value of CHF 900,000 which has been approved by shareholders at the AGM 2023.

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

In 2023, no compensation was paid to former members of the Board of Directors who stepped down prior to 1 January 2023.

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

In 2023, 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 related parties* (audited)

In 2023, no compensation was paid to related parties of current or former members of the Board of Directors. No loans were granted in or were outstanding at the end of 2023 to related parties of current or former members of the Board of Directors.

*Related parties are (i) their spouse or equivalent, (ii) their children (under 18 years of age), (iii) any legal entities that they own or otherwise control, and (iv) any legal or natural person who is acting as their fiduciary.

6.5 External mandates of members of the Board of Directors (audited)

As at 31 December 2023, the following members of the Board of Directors conducted business activities outside of GAM.

First name Last name	Mandate	Name of company
Antoine Spillmann	President	Bruellan SA (not listed)
	President	Bruellan Holding SA (not listed)
	Director	Semper SA (not listed)
	Director	S.I. La Tournelle S.A. Verbier (not listed)
	Director	Wasserngrat 2000 AG (not listed)
	Director	Snowdrop Holding SA (not listed)
	Director	ArcelorMittal Holdings AG (not listed)
	Director	B Client Services S.à.r.l. (not listed)
	Director	Baugeret SA (not listed)
	Director	B Travel Services Sàrl (not listed)
	Consultant	SCI Helvetia Chapter (not listed)
Anthony Maarek	Managing Director	NJJ Holding and its subsidiary Rock Investment (not listed)
Jeremy Smouha	Chairman	Atlanticomnium SA (not listed)
	CEO	Atlanticomnium (UK) Ltd (not listed)
Carlos Esteve	Member of Pension Fund Committee	Banque Heritage (not listed)
Fabien Pictet	Board Member	La Roseraie (not listed)

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 (audited)

The shareholdings of members of the Group Management Board who held office during 2023 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 their 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}	
	2023	2022	2023	2022
Peter Sanderson ⁴	-	152,679	-	-
Sally Orton ⁵	-	-	-	174,476
Elmar Zumbuehl ^{6,7}	60,937	52,092	4,388	9,552
Steve Rafferty ^{6,8}	-	11,057	-	87,712
Martin Jufer ^{6,7,9}	81,822	-	71,860	-
David Kemp ^{6,7,9}	40,439	-	99,728	-
Richard McNamara ^{6,7,9}	92,285	-	16,164	-
Albert Saporta ^{6,7,9,10}	1,482,743	-	-	-
Rossen Djounov ^{6,7,9}	330,866	-	108,602	-

	Vested options ¹		Unvested options ²	
	2023	2022	2023	2022
Peter Sanderson	-	-	-	-
Sally Orton	-	-	-	-
Elmar Zumbuehl	-	-	-	-
Steve Rafferty	-	-	-	-
Martin Jufer	-	-	48,000	-
David Kemp ¹¹	48,000	-	48,000	-
Richard McNamara	-	-	-	-
Albert Saporta	-	-	-	-
Rossen Djounov	-	-	128,000	-

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

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

³ Unvested shares do 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 Peter Sanderson joined the Group Management Board on 1 September 2019 and ceased being a member in the 4th quarter of 2023.

⁵ Sally Orton joined the Group Management Board on 3 August 2022 and stepped down as CFO and left GAM on 26 July 2023.

⁶ All shares held by the respective Group Management Board members.

⁷ The CEO and the CFO are required to build up a holding of GAM Holding AG shares worth at least 200% of their annual salary. All other members of the Group Management Board are required to build up a holding of GAM Holding AG shares worth at least 100% of their annual salary. At 31 December 2023, none of the members have reached yet these requirements.

⁸ Steve Rafferty joined the Group Management Board on 1 April 2020 and stepped down on 19 October 2023 and left GAM on 31 December 2023.

⁹ The appointment of Martin Jufer, David Kemp, Richard McNamara, Albert Saporta and Rossen Djounov to the Group Management Board with immediate effect was announced on 19 October 2023.

¹⁰ Albert Saporta is a minority shareholder (15%) in NewGAMe SA who owns 9,884,955 shares of GAM Holding AG as at 31 December 2023.

¹¹ All options held by the respective Group Management Board members.

7.2 Board of Directors (audited)

The shareholdings of the members Board of Directors who held office during 2023, in shares of GAM Holding AG, are shown in the following table. All interests shown include the portion of vested shares allocated to the members as part of their fee, shares acquired in the market by the members and shares held by related parties of the respective members.

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 member 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 members of the Board of Directors hold options over GAM Holding AG shares.

	Vested shares ¹		Unvested shares	
	2023	2022	2023	2022 2022 after waiver
David Jacob ²	-	174,327	-	157,895
Nancy Mistretta ²	-	102,954	-	105,263
Katia Coudray ²	-	106,548	-	105,263
Jacqui Irvine ²	-	57,015	-	105,263
Monika Machon ²	-	57,171	-	105,263
Frank Kuhnke ²	-	-	-	105,263
Thomas Schneider ³	-	84,754	-	105,263
Benjamin Meuli ⁴	-	156,479	-	85,825
Antoine Spillmann ^{5,6,7}	868,954	-	345,423 ¹⁰	-
Anthony Maarek ^{5,6,8}	494,248	-	345,423 ¹⁰	-
Jeremy Smouha ^{5,6}	-	-	345,423 ¹⁰	-
Carlos Esteve ^{5,6}	-	-	345,423 ¹⁰	-
Fabien Pictet ^{5,6,9}	-	-	-	-

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

² David Jacob, Nancy Mistretta, Katia Coudray, Jacqui Irvine, Monika Machon and Frank Kuhnke stepped down at the EGM on 27 September 2023.

³ Thomas Schneider stepped down at the AGM on 25 May 2023.

⁴ Benjamin Meuli stepped down following the AGM 2022 on 31 December 2022.

⁵ Antoine Spillmann, Anthony Maarek, Jeremy Smouha, Carlos Esteve and Fabien Pictet were elected as a member of the Board of Directors at the 2023 EGM on 27 September 2023.

⁶ Members of the Board of Directors are required to build up a holding of GAM Holding AG shares worth at least 200% of their annual cash fee. At 31 December 2023, none of the members have reached yet the requirement of holding GAM Holding AG shares of at least 200% of their annual cash fee except for Antoine Spillmann and Anthony Maarek.

⁶ All shares held by the respective member of Board of Directors

⁷ Antoine Spillmann held his shares through the Bruellan Opus structure. 336,941.53 shares are held by the member himself and 532,012.95 shares from related parties. Bruellan Opus owns 868,954 shares of GAM Holding AG as at 31 December 2023.

⁸ Anthony Maarek is a minority shareholder (5%) in NewGAME SA who owns 9,884,955 shares of GAM Holding AG as at 31 December 2023.

⁹ Fabien Pictet stepped down on 5 January 2024.

¹⁰ Number of shares depicted is based on GAM's share price as of 22 March 2024. The effective value of the share-based compensation grant is CHF 0.4 million in total and is subject to approval at the AGM 2024.

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	Compensation Committee
	Chair of Risk & Audit 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 Global Head of People, 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 as having been amended and transposed into the revised Swiss Code of Obligations.

At the 2023 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.

At the 2023 Extraordinary General Meeting, the shareholders elected Anthony Maarek, Fabien Pictet and Jeremy Smouha as non-executive members of the Compensation Committee, with Anthony Maarek 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 2023:

Meeting schedule

Meeting	Agenda items
January	Approval of waiving the 2022-2023 share-based fees of the Board of Directors
	Approval of change of vesting date for the Senior Leadership Team RSU awards vesting 2023
	Determination of the Group Management Board's total aggregate fixed compensation proposals, to be submitted to the AGM for a binding vote
	Review of draft compensation report
	Determination of compensation paid to the Chairman of the Board
	Determination of compensation paid to the members of the Board and to the members of the committees
	Approval of second change of vesting date for the Senior Leadership Team RSU awards vesting 2023
	Authorisation to develop proposals on Share Awards
February	Acknowledge waiver of Board of Directors share-based fees 2022
	Review of draft compensation report and resolutions to AGM
	Review of compensation to be paid to portfolio managers
	Approval of proposed changes to the Deferred Variable Compensation Award Scheme and to the Discretionary Equity Scheme
April	Approval of removal of all Board of Directors share-based fees for the year 2023-2024
	Review of draft compensation report
May	Confirmation of AGM resolutions and new mandates post AGM
	Approval of portfolio managers variable compensation
	Approval of proposed updates to the Group Remuneration Policy for 2023
September	Confirmation of Board Fees and Share Holding Restrictions Following EGM
December	Review of Board of Directors Share Plan Scheme
	Determination of Employee Compensation
	Review of social redundancy terms
	Governance review of current compensation related policies/plan

8.2 Group Chief Executive Officer

The Group CEO, supported by the Global Head of People, 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, business, and personal objectives as 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 Global Head of People 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. Subsequently, manager proposals for the awards of discretionary annual bonuses are reviewed by the Group CEO to ensure distribution has been fair and aligned with individual contribution and performance. The Compensation Committee's approval is required for any individual employee with total compensation exceeding CHF 1.0 million.

8.3 Compensation Management Committee

The Compensation Committee has delegated certain authority to the Compensation Management Committee (CMC) comprising the Group CEO, Global Head of People, Global Head of Legal & Compliance, and Global Chief Risk Officer. 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 relevant Identified Staff as defined under various applicable EU regulations, which is considered when approving all annual bonus payments.

8.4 Shareholders

In accordance with the Swiss Ordinance against Excessive Compensation in Listed Stock Corporations, as having been amended and transposed into the revised Swiss Code of Obligations, we seek binding shareholder approval for the aggregate compensation for the members of the Group Management Board and 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 2024 to AGM 2025	Compensation Committee	Board of Directors	Annual General Meeting	Prospective
Maximum aggregate amount of share award for members of the Board of Directors for EGM 2023 to AGM 2024	Compensation Committee	Board of Directors	Annual General Meeting	Retrospective
Maximum aggregate amount of annual fixed compensation for members of the Group Management Board for 2024	Compensation Committee	Board of Directors	Annual General Meeting	Prospective
Maximum aggregate amount performance related long-term retention award for members of the Group Management Board for 2024	Compensation Committee	Board of Directors	Annual General Meeting	Prospective
	Proposal	Approval	Consultative vote	
2023 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 2024 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 2024 Annual General Meeting resolutions can be found in section 9 of this report.

In respect of 2023, 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 2023 Annual General Meeting.

Approved and paid fixed compensation for the Group Management Board and the Board of Directors	Approved	Paid	Approved	Paid
	2023	2023	2022	2022
CHF (including any shares)				
Board of Directors ¹	900,000	417,704 ²	1,975,000	992,556
Group Management Board ³	3,250,000	3,144,143	3,250,000	3,090,185 ⁴

¹ The approved and paid compensation for the Board of Directors is for the period AGM to AGM. The figure for 2023 includes an estimate for the period from 1 January to 15 May 2024.

² Figure does not include expenses relating to the retrospective share-based compensation grant which is subject to approval at the AGM 2024.

³ The approved and paid compensation for the Group Management Board is for the financial year.

⁴ Prior year comparatives have been adjusted to include the holiday payout and payment in lieu of notice.

9. AGM RESOLUTIONS

This section of the report outlines the compensation resolutions to be put to shareholders at the 2024 Annual General Meeting (AGM).

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 2025 Annual General Meeting.

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 1,400,000 for the period AGM 2024 to AGM 2025. The adjusted fee framework for the Board of Directors is set out in section 5 of this Compensation Report.

3) Approval of the retrospective share-based compensation of the Board of Directors (binding vote)

Shareholder approval will be sought for a retrospective share award for the Board of Directors of a maximum of CHF 400,000 for the period EGM 2023 to AGM 2024. The adjusted fee framework for the Board of Directors is set out in section 5 of this Compensation Report.

5) 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 4,000,000 for the 2024 financial year. The fixed compensation framework for the Group Management Board is set out in section 3 of this Compensation Report.

6) Approval of the GMB performance related long-term retention award (binding vote)

Shareholder approval will be sought for a one-off performance related long-term retention award for the Group Management Board of a maximum of CHF 3,000,000. The fixed compensation framework for the Group Management Board is set out in section 3 of this Compensation Report.

7) Approval of the Compensation Report (consultative vote)

The shareholders' meeting shall be asked to approve the 2023 Compensation Report on a non-binding consultative basis.

10. AUDITOR'S REPORT



Statutory Auditor's Report

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 2023. The audit was limited to the information pursuant to Art. 734a-734f of the Swiss Code of Obligations (CO) contained in the sections 4.1 to 4.4 and 4.9, sections 6.1 to 6.5 as well as sections 7.1 and 7.2 of the compensation report.

In our opinion, the information pursuant to Art. 734a-734f CO in the compensation report complies 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 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 and tables marked "audited" in the compensation report, the consolidated financial statements, the stand-alone 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 pursuant to Art. 734a-734f CO 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 judgement 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, 26 March 2024

KPMG AG, Badenerstrasse 172, CH-8036 Zurich

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CONSOLIDATED INCOME STATEMENT

	Note	2023 CHF m	2022 CHF m	Change in %
Investment management, advisory and other fees	1	337.9	459.3	(26)
Distribution, fee and commission expenses	1	(213.5)	(297.5)	(28)
Net management fees and commissions	1	124.4	161.8	(23)
Net performance fees	1	4.8	4.1	17
Net fee and commission income	1	129.2	165.9	(22)
Net other income	2	1.6	6.0	(73)
Income		130.8	171.9	(24)
Personnel expenses	3	98.4	115.5	(15)
General expenses	4	71.3	81.1	(12)
Depreciation and amortisation		16.5	18.0	(8)
Impairment losses	13	26.3	223.5	(88)
Expenses		212.5	438.1	(51)
Loss before taxes		(81.7)	(266.2)	(69)
Income tax expense	5.1	0.4	23.8	(98)
Net loss attributable to the shareholders of the Company		(82.1)	(290.0)	(72)
Loss per share				
Basic loss per share (CHF)	7	(0.52)	(1.86)	(72)
Diluted loss per share (CHF)	7	(0.52)	(1.86)	(72)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	2023 CHF m	2022 CHF m	Change in %
Net loss attributable to the shareholders of the Company		(82.1)	(290.0)	(72)
Remeasurements of pension assets and liabilities	16	(5.1)	(14.4)	(65)
Income tax expense relating to remeasurements of pension liabilities	12.1	-	0.1	(100)
Items that will not be reclassified subsequently to the income statement, net of taxes		(5.1)	(14.3)	(64)
Release of deferred taxes previously recognised through OCI		-	(7.4)	(100)
Translation differences		(2.9)	(19.2)	(85)
Items that may be reclassified subsequently to the income statement, net of taxes		(2.9)	(26.6)	(89)
Other comprehensive (loss), net of taxes		(8.0)	(40.9)	(80)
Total comprehensive (loss) attributable to the shareholders of the Company		(90.1)	(330.9)	(73)

CONSOLIDATED BALANCE SHEET

	Note	31.12.2023 CHF m	31.12.2022 CHF m	Change in %
Cash and cash equivalents	8	87.2	137.9	(37)
Trade and other receivables		27.3	27.1	1
Accrued income and prepaid expenses	9	21.6	47.7	(55)
Financial investments	10.1	0.6	4.7	(87)
Employee benefit asset		0.6	0.2	-
Assets held for sale	11	36.4	0.1	-
Current assets		173.7	217.7	(20)
Financial investments and other financial assets	10.1	0.9	1.3	(31)
Employee benefit asset		1.2	1.4	(14)
Deferred tax assets	12.1	2.0	2.8	(29)
Property and equipment	13	37.4	45.4	(18)
Pension assets	16	-	1.1	(100)
Intangible assets	13	50.8	83.2	(39)
Non-current assets		92.3	135.2	(32)
Assets		266.0	352.9	(25)
Trade and other payables		27.6	17.8	55
Other financial liabilities	10.2	4.9	6.2	(21)
Accrued expenses and deferred income	14	40.1	102.2	(61)
Current tax liabilities		1.1	2.7	(59)
Provisions	15	1.4	1.8	(22)
Liabilities held for sale	11	36.3	-	-
Current liabilities		111.4	130.7	(15)
Loans and borrowings	10.2	36.6	-	-
Other financial liabilities	10.2	30.9	38.7	(20)
Provisions	15	2.8	3.1	(10)
Pension liabilities	16	22.7	28.4	(20)
Deferred tax liabilities	12.2	-	1.4	(100)
Non-current liabilities		93.0	71.6	30
Liabilities		204.4	202.3	1
Share capital	17	8.0	8.0	-
Capital reserves	17	893.4	893.4	-
Retained earnings		(688.4)	(593.8)	16
Foreign currency translation reserve		(146.1)	(143.2)	2
Treasury shares	17	(5.3)	(13.8)	(62)
Equity attributable to the shareholders of the Company		61.6	150.6	(59)
Liabilities and equity		266.0	352.9	(25)

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 2022		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 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
Net loss attributable to the shareholders of the Company		-	-	(82.1)	-	-	(82.1)
Other comprehensive loss, net of taxes ¹		-	-	(5.1)	(2.9)	-	(8.0)
Total comprehensive loss		-	-	(87.2)	(2.9)	-	(90.1)
Share-based payment expenses, net of taxes ²	5.3/22	-	-	2.7	-	-	2.7
Acquisitions of own shares	17	-	-	(1.3)	-	(0.3)	(1.6)
Delivery of own shares for share-based payments	17	-	-	(8.8)	-	8.8	-
Total transactions with shareholders of the Company		-	-	(7.4)	-	8.5	1.1
Balance at 31 December 2023		8.0	893.4	(688.4)	(146.1)	(5.3)	61.6

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	2023 CHF m	2022 CHF m
Net loss attributable to the shareholders of the Company		(82.1)	(290.0)
Adjustments to reconcile net loss to cash flow from operating activities			
Non-cash items included in net loss:			
– Impairment losses	13	26.3	223.5
– Depreciation and amortisation		16.5	18.0
– Share-based payment expenses	22	2.6	6.9
Net changes in:			
– Financial investments and other financial assets		4.4	7.4
– Trade and other receivables (excluding tax receivables)		1.8	8.6
– Accrued income and prepaid expenses (excluding accrued interest)		10.5	30.6
– Trade and other payables		2.4	(9.1)
– Accrued expenses and deferred income (excluding accrued interest)		(24.9)	(38.2)
– Other liabilities		6.6	(9.1)
Fund unit purchases for contractual bonuses		(1.8)	(4.7)
Pension payments		(14.4)	(15.9)
Payment of FCA fine		-	(11.3)
Interest expenses		1.6	1.5
Interest received		1.3	0.2
Income tax expense	5	0.4	23.8
Income taxes paid		(0.7)	(3.4)
Cash outflow from operating activities		(49.5)	(61.2)
Purchase of property, equipment and intangible assets		(2.8)	(14.1)
Cash outflow from investing activities		(2.8)	(14.1)
Proceeds from loans and borrowings	10.2	36.0	-
Interest paid ¹		(2.3)	(2.1)
Purchase of treasury shares	17	(0.3)	(3.9)
Principal payment of lease liabilities		(5.7)	(9.2)
Interest payment of lease liabilities		(0.7)	(0.8)
Cash flow / (outflow) from financing activities		27.0	(16.0)
Effects of exchange rate changes on cash and cash equivalents		(4.0)	(5.6)
Net decrease in cash and cash equivalents		(29.3)	(96.9)
Cash balances within Assets Held for Sale	11	(21.4)	-
Cash and cash equivalents at the beginning of the year		137.9	234.8
Cash and cash equivalents at the end of the year	8	87.2	137.9

¹ For further information on changes in the presentation of comparative numbers for 2022, see note 28

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED INCOME STATEMENT

1. Net fee and commission income

	2023 CHF m	2022 CHF m	Change in %
Investment management, advisory and other fees	337.9	459.3	(26)
of which investment management	159.0	205.3	(23)
of which fund management services	178.9	254.0	(30)
Distribution, fee and commission expenses	(213.5)	(297.5)	(28)
of which investment management	(50.9)	(68.7)	(26)
of which fund management services	(162.6)	(228.8)	(29)
Net management fees and commissions	124.4	161.8	(23)
Performance fees	5.5	5.7	(4)
Performance fees paid to external investment managers	(0.7)	(1.6)	(56)
Net performance fees	4.8	4.1	17
Net fee and commission income	129.2	165.9	(22)

2. Net other income

	Note	2023 CHF m	2022 CHF m	Change in %
Net foreign exchange gains		2.0	7.9	(75)
Interest income		1.2	0.2	-
Interest expenses		(1.6)	(1.5)	7
Net loss on financial instruments at fair value through profit or loss		(0.2)	(0.7)	(71)
Adjustment to financial liability for performance fees attributable to external interests	6	(0.2)	(0.4)	(50)
Other		0.4	0.5	(20)
Net other income		1.6	6.0	(73)

The line item 'interest expenses' includes negative interest payable on cash and cash equivalents of CHF 0.1 million (2022: CHF 0.5 million), finance charges of CHF 0.1 million (2022: CHF 0.2 million) on the discounted financial liability for performance fees attributable to external interest (see note 6 for further information), and CHF 0.7 million for the unwinding of the discount effect on lease liabilities (2022: CHF 0.5 million). In addition, interest expense of CHF 0.6 million has been accrued in 2023 on the loan payable to Rock Investment SAS (see note 10.2).

3. Personnel expenses

	Note	2023 CHF m	2022 CHF m	Change in %
Salaries and bonuses		74.0	85.7	(14)
Social security expenses		7.2	10.4	(31)
Defined benefit pension plan expenses	16.2	5.6	4.7	19
Defined contribution pension plan expenses	16.1	4.8	3.9	23
Share-based payment expenses	22	2.7	6.9	(61)
Other personnel expenses		4.1	3.9	5
Personnel expenses		98.4	115.5	(15)

In 2023, in respect of the Group's restructuring, CHF 1.6 million in total were included in salaries and bonuses (2022: CHF 1.8 million).

In early March 2024, as in the prior years, the Group granted 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 2023 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'. Other elements of the deferred bonuses are granted in form of share-based payments (for further information see note 22).

4. General expenses

	2023 CHF m	2022 CHF m	Change in %
Occupancy	3.7	5.2	(29)
Technology and communication	13.8	17.3	(20)
Data and research	18.3	21.2	(14)
Professional and consulting services	19.4	14.6	33
Marketing and travel	4.3	5.8	(26)
Administration	3.0	3.7	(19)
Other general expenses	8.8	13.3	(34)
General expenses	71.3	81.1	(12)

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 6.4 million relating to strategic initiatives during 2023 (2022: CHF 3.1 million).

The line item 'other general expenses' includes irrecoverable taxes of CHF 2.6 million (2022: CHF 3.9 million) and CHF 3.7 million (2022: CHF 4.3 million) for regulatory fees, insurance premiums and fund-related expenses.

5. Income tax (credit)/expense

5.1. Tax effects recognised in the income statement

	2023 CHF m	2022 CHF m
Income tax credit at the Swiss statutory tax rate of 19.7% (2022: 19.7%)	(16.1)	(52.4)
Impairment loss on brand	5.2	44.0
Tax rates differing from Swiss statutory rate	2.0	7.6
Non-taxable income	(0.2)	(2.3)
Previously unrecorded tax losses now utilised	(1.3)	(2.6)
Current year losses for which no deferred tax asset is recognised	14.8	9.9
Prior year adjustments	-	(0.2)
Non-deductible expenses	0.9	4.0
Adjustment to deferred tax assets	1.0	11.9
Other effects	(5.9)	3.9
Income tax expense	0.4	23.8

	2023 CHF m	2022 CHF m
Current income tax expense	1.1	2.0
Deferred income tax (credit)/expense	(0.7)	21.8
Income tax expense	0.4	23.8

For further information on deferred taxes see note 12.

In relation to the impairment loss on brand recognised in 2023 and 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 2023 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

	2023 CHF m	2022 CHF m	Change in %
Expiring			
Within one year	128.9	127.9	1
Two-five years	1,785.1	1,519.6	17
Six-ten years	646.0	319.9	102
More than ten years	4.1	-	-
No expiry date	143.4	125.8	14
Total of unrecognised accumulated tax losses	2,707.5	2,093.2	29
Unrecognised deductible temporary differences	310.9	186.0	67

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 2023, tax effects on share-based payments were not material (2022: CHF 0.1 million). With share-based payment expenses of CHF 2.7 million (2022: CHF 7.0 million) and these tax effects, CHF 2.7 million (2022: CHF 6.9 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

	2023			2022		
	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	124.4	-	124.4	161.8	-	161.8
Net performance fees	4.8	-	4.8	4.1	(0.9)	3.2
Net fee and commission income	129.2	-	129.2	165.9	(0.9)	165.0
Net other (expense) / income	1.6	(2.0)	(0.4)	6.0	(6.0)	-
Income	130.8	(2.0)	128.8	171.9	(6.9)	165.0
Personnel expenses	98.4	(1.6)	96.8	115.5	(1.8)	113.7
General expenses	71.3	(6.3)	65.0	81.1	(5.3)	75.8
Depreciation and amortisation	16.5	-	16.5	18.0	-	18.0
Impairment losses	26.3	(26.3)	-	223.5	(223.5)	-
Expenses	212.5	(34.2)	178.3	438.1	(230.6)	207.5
Loss before taxes	(81.7)	32.2	(49.5)	(266.2)	223.7	(42.5)
Income tax expense / (credit)	0.4	(0.1)	0.3	23.8	(27.3)	(3.5)
Net loss	(82.1)	32.3	(49.8)	(290.0)	251.0	(39.0)
Loss per share						
Basic loss per share (CHF)	(0.52)		(0.32)	(1.86)		(0.25)
Diluted loss per share (CHF)	(0.52)		(0.32)	(1.86)		(0.25)

Reconciling items

	Note	Acquisition- related items CHF m	Non- core items CHF m	2023 Total reconciling items CHF m	Acquisition- related items CHF m	Non- core items CHF m	2022 Total reconciling items CHF m
Performance fees attributed to external interests		-	-	-	(0.9)	-	(0.9)
Net fee and commission income		-	-	-	(0.9)	-	(0.9)
Adjustment to financial liability for performance fees attributable to external interests	2	0.3	-	0.3	0.4	-	0.4
Finance charges on discounted liabilities	2	0.1	-	0.1	0.2	-	0.2
Net foreign exchange gains on pension loan note		-	(2.1)	(2.1)	-	(6.2)	(6.2)
Other income		-	(0.3)	(0.3)	-	(0.4)	(0.4)
Net other income / (expense)		0.4	(2.4)	(2.0)	0.6	(6.6)	(6.0)
Reorganisation – personnel charge	15	-	(1.6)	(1.6)	-	(1.8)	(1.8)
Personnel expenses		-	(1.6)	(1.6)	-	(1.8)	(1.8)
Reorganisation – other charge		-	(6.6)	(6.6)	-	(3.2)	(3.2)
Onerous software contract		-	-	-	-	(1.4)	(1.4)
Office water damage		-	0.3	0.3	-	(0.7)	(0.7)
General expenses		-	(6.3)	(6.3)	-	(5.3)	(5.3)
Depreciation and amortisation	13	-	-	-	-	-	-
Impairment of intangible asset	13	-	(26.3)	(26.3)	-	(223.5)	(223.5)
Impairment losses		-	(26.3)	(26.3)	-	(223.5)	(223.5)
Total reconciling items before taxes		0.4	31.8	32.2	(0.3)	224.0	223.7
Adjustment to deferred tax assets	5/12	-	(1.0)	(1.0)	-	(27.2)	(27.2)
Income tax expense / (credit)		-	0.9	0.9	-	(0.1)	(0.1)
Total reconciling items after taxes		0.4	31.9	32.3	(0.3)	251.3	251.0

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 and previous partners. The performance fees payable for the year in relation to GAM Systematic LLP amount to nil (2022: CHF 0.9 million).

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 0.3 million (2022: income of CHF 0.4 million).

Finance charges on discounted liabilities

2023 includes finance charges of CHF 0.1 million on the discounted financial liability for performance fees attributable to external interests (2022: CHF 0.2 million).

Non-core items

Net foreign exchange gains on pension loan note

The gain of CHF 2.1 million (2022: CHF 6.2 million) relates to the revaluation of the non-transferable loan note for the UK pension scheme which has a carrying value of GBP 53.7 million at 31 December 2023. For further information see note 16.2.

Reorganisation charge

In 2023, CHF 1.6 million was recognised in respect of the Group's redundancy programme in the line item 'Personnel Expenses' (2022: CHF 1.8 million). For further information see note 3. In the line item 'General Expenses' CHF 6.6 million was recognised in respect of the Group's implementation of its strategic initiatives (2022: CHF 3.2 million). The expenses recognised are net of reversal of provisions (see note 15).

Software-related charges:

(a) Onerous software contract

In 2022, 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.

Impairment of intangible asset

For further information on the CHF 26.3 million impairment loss on brand in 2023 (2022: CHF 223.5 million) see note 13.

Adjustment to deferred tax assets based on recoverability

Adjustment to deferred tax assets based on recoverability of CHF 1.0 million relates to the re-assessment of the future recoverability of tax losses carried forward (2022: CHF 27.2 million). For further information see note 12.

Other income and office water damage

Other income includes certain income which have been combined in one line item considering materiality and consistency. In 2022, CHF 0.7 million restoration cost was provided for following water damage in one of our premises (see note 15). During 2023 CHF 0.3 million of this provision was credited back to the income statement.

7. Earnings per share and shares outstanding

7.1. Earnings per share

	2023	2022
Basic loss per share		
Net loss attributable to the shareholders of the Company (CHF m)	(82.1)	(290.0)
Weighted average number of shares outstanding (millions)	157.9	156.3
Basic loss per share (CHF)	(0.52)	(1.86)
Diluted loss per share		
Net loss attributable to the shareholders of the Company for diluted EPS (CHF m)	(82.1)	(290.0)
Weighted average number of shares outstanding (millions)	157.9	156.3
Dilution effect (millions)	-	-
Weighted average number of shares outstanding for diluted EPS (millions)	157.9	156.3
	-	-
Diluted loss per share (CHF)	(0.52)	(1.86)

At 31 December 2023, 5.2 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 2023 (31 December 2022: 6.7 million potential shares were excluded).

7.2. Shares outstanding

	Note	2023	2022
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	(1,072,527)	(4,331,298)
Shares outstanding at the end of the year		158,610,004	155,351,233

NOTES TO THE CONSOLIDATED BALANCE SHEET

8. Cash and cash equivalents

	31.12.2023 CHF m	31.12.2022 CHF m	Change in %
Cash at bank	77.5	127.9	(39)
Short-term deposits	9.7	10.0	(3)
Cash and cash equivalents	87.2	137.9	(37)

Cash at bank of CHF 0.1 million (2022: CHF 1.0 million) is held by the GAM Employee Benefit Trust (EBT) and is not available for use by the Group (for further information on the EBT see note 17).

Cash and cash equivalents of CHF 21.4 million have been reclassified as Assets held for sale as at 31 December 2023 (see note 11) and are not included in this total.

9. Accrued income and prepaid expenses

	31.12.2023 CHF m	31.12.2022 CHF m	Change in %
Accrued fee and commission income	14.0	38.7	(64)
Prepaid expenses	6.5	9.0	(28)
Accrued other income	1.1	-	-
Accrued income and prepaid expenses	21.6	47.7	(55)

	31.12.2023 CHF m	31.12.2022 CHF m	Change in %
Accrued income at the beginning of the period	38.7	58.7	(34)
Released during the year	(38.7)	(58.7)	(34)
Additions during the year	29.9	38.7	(23)
Reclassification to Assets held for sale	(14.8)	-	-
Accrued income at the end of the period	15.1	38.7	(61)

10. Financial instruments

10.1. Financial investments and other financial assets

	Note	31.12.2023 CHF m	31.12.2022 CHF m	Change in %
Seed capital and product management investments at fair value through profit or loss		0.3	4.5	(93)
Derivative financial instruments	10.3	-	0.3	(100)
Other financial assets		1.2	1.2	-
Financial investments and other financial assets		1.5	6.0	(75)
Current		0.6	4.7	(87)
Non-current		0.9	1.3	(31)
Financial investments and other financial assets		1.5	6.0	(75)

10.2. Other and non-current financial liabilities

	Note	31.12.2023 CHF m	31.12.2022 CHF m	Change in %
Loans and borrowings		36.6	-	-
Lease liabilities		34.6	39.7	(13)
Financial liabilities measured at amortised cost		1.2	5.1	(76)
Derivative financial instruments	10.3	-	0.1	(100)
Other and non-current financial liabilities		72.4	44.9	61
Current		4.9	6.2	(21)
Non-current		67.5	38.7	74
Other and non-current financial liabilities		72.4	44.9	61

On 18 October 2023 GAM Holding AG and GAM (Switzerland) Holding AG signed a facility agreement with Rock Investment SAS, providing funding of a total CHF 100 million. The facility agreement has a repayment date of 30 June 2025, with the option to extend for an additional 12 months. Further details of the terms are given in note 21. CHF 36.0 million had been drawn down under this facility by 31 December 2023. Interest accrued on the drawn amount totalled CHF 0.6 million in the period to 31 December 2023.

10.3. Derivative financial instruments

	Contract/ notional amount CHF m	Positive replacement value CHF m	31.12.2022 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

In 2023 and 2022, there were no derivative financial instruments designated as hedging instruments.

In 2023, there was no derivative financial instruments held for trading.

10.4. Financial instruments by category

	Note	31.12.2023 Carrying amount CHF m	31.12.2022 Carrying amount CHF m
Cash and cash equivalents	8	87.2	137.9
Trade and other receivables (excluding tax receivables)		5.2	7.5
Accrued income		15.2	38.7
Other financial assets		0.8	0.8
Assets held for sale	11	36.4	-
Financial assets measured at amortised cost		144.8	184.9
Financial assets at fair value through profit or loss		0.7	5.0
Derivative financial instruments held for trading	10.3	-	0.3
Financial assets measured at fair value		0.7	5.3
Financial assets		145.5	190.2
Loans and borrowings		36.6	-
Trade and other payables		27.6	17.8
Accrued expenses		40.1	102.2
Lease liabilities		34.6	39.7
Other financial liabilities		1.2	5.1
Liabilities held for sale	11	36.3	-
Financial liabilities measured at amortised cost		140.1	164.8
Derivative financial instruments held for trading	10.3	-	0.1
Financial liabilities measured at fair value		-	0.1
Financial liabilities		140.1	164.9

Loans and borrowings above, which consist of amounts payable to Rock Investment SAS as set out in note 10.2., have an estimated fair value of CHF 36.6 million as at 31 December 2023, based on Level 2 fair value inputs, compared to a carrying amount of CHF 36.6 million (including accrued interest of CHF 0.6 million).

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, and assets and liabilities held for sale 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.

Other 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 0.7 million as at 31 December 2023 (31 December 2022: CHF 1.3 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 category 'financial assets at fair value through profit or loss' contains the controlled funds' direct investments in the amount of CHF 0.1 million (31 December 2022: CHF 0.1 million), representing investments into financial instruments (see 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	Level 2	Level 3	31.12.2023
	CHF m	CHF m	CHF m	Total CHF m
Derivative financial instruments	-	-	-	-
Seed capital and product management investments at fair value through profit or loss	-	0.3	-	0.3
Other financial assets at fair value through profit or loss	-	0.4	-	0.4
Financial assets measured at fair value	-	0.7	-	0.7
Derivative financial instruments	-	-	-	-
Financial liabilities at fair value through profit or loss	-	-	-	-
Financial liabilities measured at fair value	-	-	-	-

	Level 1	Level 2	Level 3	31.12.2022
	CHF m	CHF m	CHF m	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 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 controlled funds' direct investments, and the direct liabilities of those controlled funds. Further details are set out in note 10.4 and 11.

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 2022 and 2023, 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 Group held no level 3 financial instruments during 2022 and 2023.

11. Assets and liabilities held for sale

	31.12.2023 CHF m	31.12.2022 CHF m
Seed capital investments	0.1	0.1
Accrued fee and commission income ¹	14.9	
Cash ¹	21.4	-
Total Assets held for sale	36.4	0.1
Accrued fee expenses ¹	36.2	-
Other Liabilities ¹	0.1	-
Total Liabilities held for sale	36.3	-

¹ Assets and liabilities of the FMS business reclassified as held for sale.

Disposal of Fund Management Services business

On 29 June 2023 the GAM Group entered into definitive agreements to sell its third-party Fund Management Services business (FMS) to Carne Group, for a purchase price of EUR 2.25 million for the Luxembourg business and CHF 0.5 million for the Swiss business, both subject to adjustment based on revenue run rates at closing. On 29 June 2023 the Group reclassified as a disposal group the assets and liabilities of the FMS business being held for sale, in line with IFRS 5, Non-current Assets Held for Sale and Discontinued Operations. The disposal group was not classified as a discontinued operation, since management concluded that the operations and cash flows of the disposal group could not be clearly distinguished, operationally and for financial reporting purposes, from the rest of the entity. The sale successfully completed on 31 January 2024.

At 31 December 2023 the disposal group has been stated at the lower of the carrying value of the net assets to be disposed and their fair value less costs to sell (subject to adjustment to the purchase price, based on revenue run rates at closing).

Seed capital investments

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'.

12. Deferred tax assets and liabilities

12.1. Deferred tax assets

	2023 CHF m	2022 CHF m
Balance at the beginning of the year	2.8	35.0
Recognised in profit or loss	(0.7)	(21.8)
Recognised in other comprehensive income	-	(8.2)
Translation differences	(0.1)	(2.2)
Balance at the end of the year	2.0	2.8
Components of deferred tax assets		
Tax loss carry-forwards	2.0	2.4
Net pension liabilities	-	0.1
Share-based payments	-	0.3
Other	-	0.3
Deferred tax assets at the end of the year	2.0	2.8

Recognised tax loss carry-forwards of CHF 2.0 million (2022: CHF 2.4 million) mainly relates to Luxembourg 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 2023, deferred tax effects recognised in profit or loss includes a CHF 1 million adjustment (2022: CHF 27.2 million adjustment due to re-assessment of tax losses carried forward). 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

	2023 CHF m	2022 CHF m
Balance at the beginning of the year	1.4	2.3
Recognised in profit or loss	(1.4)	-
Recognised in other comprehensive income	-	(0.9)
Balance at the end of the year	-	1.4
Components of deferred tax liabilities		
Pension assets	-	1.4
Deferred tax liabilities at the end of the year	-	1.4

Tax effects recognised in other comprehensive income

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

13. Property and equipment and intangible assets

	Property and equipment CHF m	Brand CHF m	Software CHF m	Intangible assets CHF m
Historical cost				
Balance at 1 January 2022	114.3	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	273.0	62.0	1,670.5
Modification to right of use assets	(1.4)	-	-	-
Additions	1.2	-	1.6	1.6
Changes recognised directly through provisions	-	-	-	-
Disposals	(1.5)	-	-	-
Translation differences	(4.1)	-	0.4	0.4
Balance at 31 December 2023	78.2	273.0	64.0	1,672.5
Accumulated depreciation, amortisation and impairment losses				
Balance at 1 January 2022	58.4	-	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	223.5	28.3	1,587.3
Depreciation	7.1	-	9.4	9.4
Disposals	(1.5)	-	(0.6)	(0.6)
Impairment losses	-	26.3	-	26.3
Translation differences	(3.4)	-	(0.7)	(0.7)
Balance at 31 December 2023	40.8	249.8	36.4	1,621.7
Carrying amounts				
Historical cost	84.0	273.0	62.0	1,670.5
Accumulated depreciation, amortisation and impairment losses	38.6	223.5	28.3	1,587.3
Balance at 31 December 2022	45.4	49.5	33.7	83.2
Historical cost	78.2	273.0	64.0	1,672.5
Accumulated depreciation, amortisation and impairment losses	40.8	249.8	36.4	1,621.7
Balance at 31 December 2023	37.4	23.2	27.6	50.8

Disposals include derecognition of fully depreciated and amortised assets.

Leases

As at 31 December 2023, the balance sheet item 'property and equipment' includes right-of-use assets under leases with a carrying amount of CHF 27.9 million (2022: CHF 32.5 million), mainly for real estate leases.

	2023 CHF m	2022 CHF m	Change in %
Right of use assets at the beginning of the period	32.5	41.5	(22)
Lease additions	1.2	2.7	(56)
Depreciation expense	(5.0)	(7.7)	(35)
Modifications and disposals	(2.6)	(0.9)	189
Translation differences	1.8	(3.1)	(100)
Right of use assets at the end of the period	27.9	32.5	(100)
Additional lease information			
Low-value lease expenses	(0.2)	(0.1)	(100)
Income from sublease	0.4	0.2	100
Total cash outflow from leases	(6.4)	(10.1)	37

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 34.6 million (2022: CHF 39.7 million) include a non-cash reduction of CHF 2.6 million (2022: CHF 0.9 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 the carrying 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 13.72% (31 December 2022: 15.68%) 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 2022: 1.9%) 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 23.2 million, being the difference between the market value of the Group at 31 December 2023 and net assets excluding brand at that date. The recoverable amount of the brand was lower than the carrying value of CHF 49.5 million as at 31 December 2022. Therefore, an impairment loss of CHF 26.3 million was recognised and allocated to brand in 2023. The carrying value of other assets as at 31 December 2023 are supported by the value of those assets and therefore no impairment was allocated on a pro rata basis to those assets.

The fair value less costs of disposal attributable to the brand is sensitive to share price movements. An increase of 10% compared to the 31 December 2023 share price would result in an increase of CHF 6.2 million in the value of the brand (2022: CHF 15.0 million). A decrease of 10% compared to the 31 December 2023 share price would result in a decrease of CHF 6.2 million in the value of the brand (2022: CHF 15.0 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 or write-back.

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 (2024-2028). The estimated free cash flows are discounted to their present value.

14. Accrued expenses and deferred income

	31.12.2023	31.12.2022	Change
	CHF m	CHF m	in %
Accrued commission expenses	12.8	69.9	(82)
Other accrued expenses and deferred income	27.3	32.3	(15)
Accrued expenses and deferred income	40.1	102.2	(61)

15. Provisions

	31.12.2023			
	Restructuring CHF m	Reinstatement of leasehold improvements CHF m	Other CHF m	Total CHF m
Balance at the beginning of the period	-	2.7	2.2	4.9
Recognised during the period	0.9	(0.3)	(0.2)	0.4
Reversed during the period	-	-	(1.0)	(1.0)
Translation differences	-	(0.1)	-	(0.1)
Balance at the end of the period	0.9	2.3	1.0	4.2
Current	0.9	-	0.5	1.4
Non-current	-	2.3	0.5	2.8
Balance at the end of the period	0.9	2.3	1.0	4.2

Restructuring

The Group has recognised restructuring provisions in 2023 for CHF 0.9 million following the strategic initiatives implemented since the election of new Board of Directors on 27 September 2023. 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).

	2023 CHF m	2022 CHF m
Salaries and bonuses	-	(1.8)
Social security expenses	-	-
Personnel expenses	-	(1.8)
General expenses	0.9	-
Restructuring expenses	0.9	(1.8)

Reinstatement of leasehold improvements

The Group leases a number of offices and provides for the reinstatement costs of these based on the lease agreements. Based on current lease commitments, this provision is expected to remain until 2033.

Other provisions

In 2023, other provisions include a provision of CHF 0.8 million for onerous software contracts (2022: CHF 1.4 million) and CHF nil for the water damage in one of our premises (2022: CHF 0.5 million) (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 2023 (2022: CHF nil).

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 4.8 million during the 2023 financial year (2022: CHF 3.9 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 2022: 4.66%)). 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 109% as at 31 December 2023 (31 December 2022: 104%) 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 indexed 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. The triennial valuation as at 31 March 2023 is currently awaiting finalisation.

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. The GBP-denominated loan note payable by GAM Holding AG to GAM UK Limited has a carrying value of CHF 57.6 million (GBP 53.7 million) as at 31 December 2023 (2022: CHF 60.5 million (GBP 54.4 million)).

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

	31.12.2023 CHF m	31.12.2022 CHF m
1. Movement in pension plan obligations and plan assets		
Present value of obligations at the beginning of the year	262.3	436.6
Employee contributions	1.5	1.7
Current service cost	2.9	3.6
Past service cost recognised in the year	-	0.3
Interest expense on benefit obligation	9.5	6.6
Benefits paid	(14.4)	(24.7)
Actuarial losses/(gains)	10.5	(133.2)
Translation differences	(6.0)	(28.6)
Present value of funded obligations at the end of the year	266.3	262.3
Fair value of plan assets at the beginning of the year	244.6	411.5
Interest income on plan assets	8.5	6.6
Return on plan assets excluding interest income	3.2	(138.1)
Group's contributions under loan note	9.4	10.3
Employer's contributions	4.6	3.6
Employees' contributions	1.5	1.7
Benefits paid	(14.3)	(24.7)
Administration expenses	(1.6)	(0.8)
Translation differences	(4.8)	(25.5)
Fair value of plan assets at the end of the year	251.1	244.6
2. Balance sheet		
Fair value of plan assets	251.1	244.6
Present value of funded obligations	266.3	262.3
	(15.2)	(17.7)
Effect of asset ceiling/minimum funding requirements	(7.5)	(9.6)
Net pension liabilities	(22.7)	(27.3)
Net deferred tax	-	0.1
Net pension liabilities, net of taxes	(22.7)	(27.2)

	31.12.2023			
	Switzerland CHF m	UK CHF m	Rest of the world CHF m	Total CHF m
Balance sheet by geographical locations and components				
Fair value of plan assets	107.2	132.3	4.1	243.6
Present value of funded obligations	107.2	154.6	4.5	266.3
Net pension liabilities	-	(22.3)	(0.4)	(22.7)
Active members/employees	85.5	-	0.3	85.8
Deferred members with vested benefits	-	85.3	4.2	89.5
Pensioners	21.7	69.3	-	91.0
Present value of funded obligations	107.2	154.6	4.5	266.3

	31.12.2022			
	Switzerland CHF m	UK CHF m	Rest of the world CHF m	Total CHF m
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

The weighted average duration of the defined benefit pension obligation as at 31 December 2023 is 14.2 years (2022: 15.7 years).

	31.12.2023 CHF m	31.12.2022 CHF m
3. Amounts recognised in the income statement		
Employee contributions	(1.5)	(1.7)
Current service cost	(2.9)	(3.6)
Past service cost recognised in the year	-	(0.3)
Interest expense on benefit obligation	(9.5)	(6.6)
Interest income on plan assets	8.5	6.6
Administration expenses	(1.6)	(0.8)
Net pension cost for the period	(7.0)	(6.4)
Employees' contributions	1.5	1.7
Expense recognised in the income statement	(5.5)	(4.7)

	31.12.2023 CHF m	31.12.2022 CHF m
4. Remeasurements recognised in other comprehensive income		
Actuarial gains based on adjustment of demographic assumptions	2.8	2.4
Actuarial (losses)/gains based on adjustment of financial assumptions	(9.7)	136.5
Experience adjustments	(3.5)	(5.6)
Return on plan assets excluding interest income	3.2	(138.1)
	(7.2)	(4.8)
Asset ceiling	2.1	(9.6)
Remeasurements recognised in other comprehensive income	(5.1)	(14.4)

	31.12.2023 CHF m	31.12.2022 CHF m
5. Movement in pension liabilities		
Pension liabilities at the beginning of the year	(27.3)	(25.1)
Expense recognised in the income statement	(5.5)	(4.7)
Remeasurements recognised in other comprehensive income	(5.1)	(14.4)
Group's contributions under loan note	9.4	10.3
Employer's contributions	4.6	3.6
Translation differences recognised in other comprehensive income	1.2	3.0
Net pension liabilities at the end of the year	(22.7)	(27.3)
Actual return on plan assets	11.7	(131.5)

	Quoted in an active market CHF m	Unquoted CHF m	Total CHF m	31.12.2023 Plan asset allocation in %
6. Asset allocation				
Cash and cash equivalents	7.4	-	7.4	3.0
Investment funds				
– Money market	-	5.5	5.5	2.2
– Equity	61.6	26.4	88.0	35.0
– Bonds	38.0	11.9	49.9	19.9
– Real estate	22.6	-	22.6	9.0
– Other	-	11.1	11.1	4.4
Other investments	-	66.6	66.6	26.5
Fair value of plan assets	129.6	121.5	251.1	100.0

	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

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 2024 financial year are estimated at CHF 13.6 million.

Actuarial calculation of funded obligations

The latest actuarial calculations were carried out as at 31 December 2023. The actuarial assumptions are based on local economic conditions.

	Switzerland		UK	
	2023	2022	2023	2022
Discount rate	1.50%	2.20%	4.51%	4.71%
Interest credit rate	1.50%	2.20%	n/a	n/a
Future pension increases in deferment	n/a	n/a	2.56%	2.56%
Future pension increases	0.00%	0.00%	4.00%	4.00%
Life expectancy for males at age 65 for Switzerland and age 60 for UK (in years)	22.8	22.7	27.7	28.1
Life expectancy for females at age 65 for Switzerland and age 60 for UK (in years)	24.6	24.5	30.4	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:

	Change in assumption	Switzerland			31.12.2023
		Increase in assumption CHF m	Decrease in assumption CHF m	Increase in assumption CHF m	UK
					Decrease in assumption CHF m
Discount rate	0.50%	(6.7)	5.3	(13.3)	11.8
Interest credit rate (minimal interest credit rate: 0.21%)	0.50%	1.4	(1.6)	n/a	n/a
Future pension increases in deferment	0.50%	n/a	n/a	2.2	(2.1)
Future pension increases	0.50%	4.6	n/a	1.4	(1.6)
Life expectancy	1 year	1.7	(1.7)	5.3	(5.3)

	Change in assumption	Switzerland			31.12.2022
		Increase in assumption CHF m	Decrease in assumption CHF m	Increase in assumption CHF m	UK
					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)

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 2022	159,682,531	7.984
Balance at 31 December 2022	159,682,531	7.984
Balance at 31 December 2023	159,682,531	7.984
of which treasury shares	1,072,527	

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

Based on the enactment of the new Swiss corporate law on 1 January 2023, the Annual General Meeting held on 25 May 2023, the shareholders approved in accordance with the new legal provisions the introduction of a capital band ranging from CHF 7,185,714.55 (90%; lower limit) to CHF 8,782,538.55 (110%; upper limit), within which the Board of Directors shall be authorised to increase or reduce the share capital until 25 May 2028 or until an earlier expiry of the capital band, once or several times and in any amounts. The Board of Directors has the right to withdraw or restrict shareholders' subscription rights in the context of capital increases within the capital band to a maximum of 15,968,240 registered shares as set out in the Article 3.4 para. 4 of the Articles of Incorporation, which corresponds to 10% of the share capital.

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 2.14 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.

On 14 December 2023 GAM Holding AG announced that it would launch a share buyback of a maximum of three million registered shares (1.88% of the issued shares) in order to meet its share-based compensation obligations. The share buyback took place from 15 December 2023 to 17 January 2024 and the offer price per registered share was CHF 0.425. By the end of the offer period on 17 January 2024, a total of 15,203,972 GAM shares had been tendered. Due to the oversubscription, the declarations of acceptance were reduced proportionately. The buyback price has been paid out against delivery of the registered shares with a value date of 19 January 2024. An amount of CHF 1.3 million has been debited to retained earnings at 31 December 2023 in respect of this share buyback.

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.

	2023		2022	
	Shares	CHF m	Shares	CHF m
Balance at 1 January	4,331,298	13.8	4,028,783	23.3
Acquisition of own shares	210,000	0.2	3,987,504	3.9
Disposals of own shares	(3,468,771)	(8.7)	(3,684,989)	(13.4)
Balance at 31 December	1,072,527	5.3	4,331,298	13.8

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 2023, of the 1.1 million (31 December 2022: 4.3 million) treasury shares, GAM Holding AG holds 0.4 million (31 December 2022: 3.0 million) and the EBT holds 0.7 million (31 December 2022: 1.3 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 2023 amounted to 1.1 million, equating to 0.7% of shares in issue (31 December 2022: 4.3 million, equating to 2.7% of shares in issue).

Treasury shares – share buy-back programmes

The 2020-2023 share buy-back programme for the purpose of capital reduction, which commenced on 5 May 2020 and ended on 28 April 2023, allowed for the purchase of a maximum of 16.0 million shares. As at 31 December 2023, no shares have been purchased as part of this 2020–2023 share buy-back programme for the purpose of capital reduction.

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 2023, no dividend was paid for the financial year 2022. In 2022, no dividend was paid for the financial year 2021. For the financial year 2023, the Board of Directors proposes to the shareholders that no dividend be paid given the underlying net loss generated in 2023.

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 (i.e. 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 2023 amounted to CHF 11.5 million (31 December 2022: CHF 68.7 million); In addition, the Company has access to the Rock Investments SAS loan facility, see note 21 for more details;
- 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 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, 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 2023 amounted to approximately CHF 61.9 million (31 December 2022: CHF 64.3 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 fulfil 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

	31.12.2023	31.12.2022
	CHF m	CHF m
Cash and cash equivalents	87.2	137.9
Trade and other receivables (excluding tax receivables)	5.2	7.5
Accrued income	15.2	38.7
Other financial assets	0.8	1.5
Asset held for sale	36.4	0.1
Total	144.8	185.7

At 31 December 2023 cash and cash equivalents include balances with counterparties in the AAA, AA and A ratings bands, which aggregate to CHF 20.6 million (2022: CHF 18.1 million), CHF 9.5 million (2022: CHF 84.0 million) and CHF 49.3 million (2022: CHF 26.6 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 2023, expected credit losses were assessed as less than CHF 0.1 million (31 December 2022: less than CHF 0.1 million), and consequently no impairment has been recognised at 31 December 2023 (2022: 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

	31.12.2023	31.12.2022
	CHF m	CHF m
Not past due	144.5	181.2
Past due less than 3 months	0.1	3.0
Past due more than 3 months	0.2	1.5
Total	144.8	185.7

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	
	31.12.2023	31.12.2022	2023	2022
USD/CHF	0.8417	0.9252	0.8962	0.9547
EUR/CHF	0.9297	0.9874	0.9701	1.0027
GBP/CHF	1.0729	1.1129	1.1178	1.1739

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):

2023

	CHF CHF m	EUR CHF m	GBP CHF m	USD CHF m	Other CHF m	TOTAL CHF m
Assets						
Cash and cash equivalents	5.7	1.5	0.7	7.5	1.8	17.2
Trade and other receivables (excluding tax receivables)	4.2	-	1.2	-	-	5.4
Accrued income	12.2	0.9	1.7	12.5	0.5	27.8
Total Monetary Assets	22.1	2.4	3.6	20.0	2.3	50.4
Liabilities						
Trade and other payables	3.5	0.8	0.3	0.5	0.5	5.6
Accrued expenses	14.6	1.1	0.3	9.2	0.4	25.6
Total Monetary Liabilities	18.1	1.9	0.6	9.7	0.9	31.2
Net Monetary Assets	4.0	0.5	3.0	10.3	1.4	19.2

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

There was no foreign currency exposure on lease liabilities and other financial liabilities as at 31 December 2022 and 2023.

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 1.9 million (2022: CHF 1.4 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 57.6 million (GBP 53.7 million) as at 31 December 2023 (2022: CHF 60.5 million (GBP 54.4 million)). This loan note gives rise to a GBP/CHF foreign currency exposure in GAM Holding AG and in the Group.

A 10% strengthening/weakening in the CHF rate against GBP would give rise to a foreign exchange gain/loss through the Group income statement of CHF 5.8 million (2022: CHF 6.1 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 & Risk 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:

	31.12.2023 CHF m	31.12.2022 CHF m
Seed capital and product management investments at fair value through profit or loss	-	+/- 0.5

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 87.7 million (31 December 2022: CHF 138.4 million) include cash and cash equivalents of CHF 87.2 million (31 December 2022: CHF 137.9 million) and rent deposits of CHF 0.5 million (31 December 2022: CHF 0.5 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 & Risk Committee of the Board of Directors.

On 18 October 2023 GAM Holding AG and GAM (Switzerland) Holding AG signed a facility agreement with Rock Investment SAS, providing funding of a total CHF 100 million. The facility agreement has a repayment date of 30 June 2025, with the option to extend for an additional 12 months. Further details of the terms are given in note 21. CHF 36 million had been drawn down under this facility by 31 December 2023.

The following table shows an analysis of the Group's financial assets and liabilities (excluding assets and liabilities held for sale) 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	77.5	9.7	-	-	-	87.2
Trade and other receivables (excluding tax and short-term sublease receivables)	-	5.2	-	-	-	5.2
Accrued income	5.1	9.2	0.9	-	-	15.2
Financial investments and other financial assets (excluding long-term sublease receivables)	-	-	0.2	0.4	0.2	0.8
Non-derivative financial assets at 31 December 2023	82.6	24.1	1.1	0.4	0.2	108.4
Derivatives – inflows	-	-	-	-	-	-
Derivatives – outflows	-	-	-	-	-	-
Derivative financial assets at 31 December 2023	-	-	-	-	-	-
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
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

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
Loans and borrowings	-	-	-	38.4	-	38.4
Trade and other payables	1.8	6.5	-	-	-	8.3
Lease liabilities	-	1.2	4.1	16.7	15.7	37.7
Other financial liabilities (excluding short-term lease liability)	-	-	-	-	-	-
Accrued expenses	4.8	24.6	9.0	1.5	0.2	40.1
Non-current financial liabilities (excluding long-term lease liability)	-	-	-	1.2	-	1.2
Non-derivative financial liabilities at 31 December 2023	6.6	32.3	13.1	57.8	15.9	125.7
Derivatives – inflows	-	-	-	-	-	-
Derivatives – outflows	-	-	-	-	-	-
Derivative financial liabilities at 31 December 2023	-	-	-	-	-	-
Loans and borrowings	-	-	-	-	-	-
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 – outflows	-	4.9	-	-	-	4.9
Derivatives – inflows	-	(4.8)	-	-	-	(4.8)
Derivative financial liabilities at 31 December 2022	-	0.1	-	-	-	0.1

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	82.6	24.1	1.1	0.4	0.2	108.4
Financial liabilities	(6.6)	(32.3)	(13.1)	(57.8)	(15.9)	(125.7)
Net financial assets/(liabilities) at 31 December 2023	76.0	(8.2)	(12.0)	(57.4)	(15.7)	(17.3)
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

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

	2023	2022	31.12.2023	31.12.2022
	Income CHF m	Income CHF m	Non-current assets CHF m	Non-current assets CHF m
Switzerland	36.3	50.6	45.5	80.8
United Kingdom	42.3	54.7	36.8	41.2
Rest of Europe	42.7	53.6	3.9	5.0
Rest of the world	9.5	13.0	2.0	1.6
Total	130.8	171.9	88.2	128.6

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:

	2023 CHF m	2022 CHF m
Salaries and other short-term employee benefits	3.5	3.3
Share-based payment expenses	0.4	0.5
Post-employment benefits	0.2	0.2
Termination benefits	-	0.1
Social security expenses	0.4	0.4
Key management personnel compensation	4.5	4.5

There were the following changes in the Board of Directors during the year:

At the Annual General Meeting held on 25 May 2023, Thomas Schneider did not stand for re-election.

The following Directors resigned on 27 September 2023: David Jacob, Katia Coudray, Jacqui Irvine, Monika Machon, Nancy Mistretta, and Frank Kuhnke.

The following Directors were appointed on 27 September 2023: Antoine Spillmann, Anthony Maarek, Carlos Esteve, Jeremy Smouha, and Fabien Pictet (resigned 5 January 2024).

There were the following changes in the Group Management Board during the year:

Sally Orton stepped down on 26 July 2023.

Peter Sanderson stepped down on 2 October 2023.

Steve Rafferty stepped down on 19 October 2023.

The following members joined the Group Management Board on 19 October 2023: Albert Saporta, David Kemp, Martin Jufer, Richard McNamara, and Rossen Djounov.

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 2023 Compensation Report.

Loans from related party

On 18 October 2023 GAM Holding AG and GAM (Switzerland) Holding AG signed a facility agreement with Rock Investment SAS for funding of a total CHF 100 million. Rock Investment SAS is a subsidiary of NJJ Holding SAS, a company controlled by Xavier Niel, who is a related party of GAM Holding AG through the 27.1% equity interest held by Newgame SA as at 31 December 2023. The facility agreement has a repayment date of 30 June 2025, with the option to extend for an additional 12 months. Amounts advanced under the facility agreement carry an interest rate of 7%, which is fixed until June 2024 and subject to renegotiation with the lender from 1 July 2024. The loans are secured by pledge agreements over GAM Investment Management (Switzerland) AG's equity shares.

CHF 36.0 million had been drawn down under this facility by 31 December 2023. Interest accrued on this drawdown totalled CHF 0.6 million in the period to 31 December 2023.

22. Share-based payments

The plans described below reflect the position as at 31 December 2023. 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 2023 Compensation Report.

The share-based payment expenses before tax recognised for the various plans are as follows:

	Note	2023 CHF m	2022 CHF m
Share plans for the Group Management Board	a)	-	0.1
CEO share award 2019	b)	-	0.1
Share plans for members of the Board of Directors	c)	-	1.0
Bonus deferrals	d)	2.3	4.4
Employee option awards	e)	0.1	0.2
Employee share awards	f)	0.1	1.1
2019-2022 retention plans	g)	-	(0.1)
Long-term incentive plans	h)	0.1	0.1
Share-based payment expenses		2.7	6.9

In 2023 CHF 2.7 million has been recognised as a credit back to retained earnings (2022: credit of CHF 6.9 million) representing costs relating to share-based awards.

a) 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. In 2023 there was no new Group Management Board plan approved. 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.

There were no awards granted in 2023. In 2022 the total value of the awards granted under these three share awards was CHF 0.2 million and 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:

	2023	2022
Number of share awards outstanding during the year		
Outstanding at the beginning of the year	223,928	156,158
Granted during the year	-	174,476
Forfeited during the year	(107,611)	-
Delivered during the year		(106,706)
Outstanding at the end of the year	116,317	223,928

There were no awards granted in 2023. The weighted average fair value of the awards granted in 2022 was CHF 1.04.

The weighted average fair value of the awards released or delivered in the year was CHF 0.54 (2022: CHF 0.77). The weighted average remaining contractual life for the awards granted under the 2022 plan as at 31 December 2023 is 2.4 years and for those awarded under the 2018 plan is nil years. The weighted average share price of the GAM Holding AG shares during the year was CHF 0.57 (2022: CHF 1.0).

b) CEO share award 2019

On 29 November 2019, the Group CEO at that time 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.

In 2023, no expense was recognised (2022: CHF 0.1 million). In 2023, no shares were delivered (2022: 79,872).

c) Share plans for members of the Board of Directors

Under the terms of share plans then in place for members of the Board of Directors, members of the Board of Directors at that time 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 did not vest or were delivered.

In 2023, no expense was recognised (2022: CHF 1.0 million). The movement in the number of shares outstanding in the year under the Board of Directors share awards was as follows:

	2023	2022
Number of share awards outstanding during the year		
Outstanding at the beginning of the year	-	322,175
Granted during the year	-	875,298
Voluntarily waived	-	(875,298)
Delivered during the year	-	(322,175)
Outstanding at the end of the year	-	-

There were no awards granted in 2023. The weighted average fair value of the awards granted in 2022 was CHF 0.95.

d) 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 2020, March 2021, March 2022 and May 2023. 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 2023, the total value of the awards granted under the bonus deferrals was CHF 0.5 million (2022: CHF 5.2 million). In 2023 an expense of CHF 2.3 million was recognised (2022: CHF 4.4 million). The movement in the number of shares outstanding in the year under the Bonus Deferral share awards was as follows:

	2023	2022
Number of share awards excluding share options outstanding during the year		
Outstanding at the beginning of the year	7,621,946	5,047,045
Granted during the year	860,402	5,254,675
Forfeited during the year	(3,600,461)	(569,443)
Delivered during the year	-	(2,110,331)
Outstanding at the end of the year	4,881,887	7,621,946

	2023	2022
Number of option awards outstanding during the year		
Outstanding at the beginning of the year	4,787,190	5,481,980
Granted during the year	-	-
Forfeited during the year	(795,765)	(694,790)
Outstanding at the end of the year	3,991,425	4,787,190

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.

There were no awards granted in 2023. The weighted average fair value of the awards granted in 2022 was CHF 0.99.

The weighted average fair value of the awards delivered in 2020 was CHF 1.03.

The weighted average remaining contractual life for the awards granted in 2021 as at 31 December 2023 is 2.2 years and for those awarded in 2020 and 2019, is 1.2 and 0.2 years.

e) 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.

There were no awards granted in 2023 (2022: CHF 0.2 million). In 2023 an expense of CHF 0.2 million was recognised (2022: CHF 0.2 million). The movement in the number of options outstanding in the year under the employee option share awards was as follows:

	2023	2022
Number of options outstanding during the year		
Outstanding at the beginning of the year	1,486,234	1,107,916
Granted during the year	-	512,821
Forfeited during the year	(307,692)	(134,503)
Outstanding at the end of the year	1,178,542	1,486,234

No options were granted in 2023. Options granted in 2022 had 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.

There were no awards granted in 2023. The weighted average fair value of the awards granted in 2022 was CHF 0.39.

The weighted average remaining contractual life for those awarded in 2022, 2021 and 2020 is 2.3 years, 1.9 years and 0.9 years respectively.

f) 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.

There were no awards granted in 2023 (2022: CHF 0.8 million). In 2023 an expense of CHF 0.1 million was recognised (2022: CHF 1.1 million). The movement in the number of shares outstanding in the year under the new employee share awards was as follows:

	2023	2022
Number of share awards outstanding during the year		
Outstanding at the beginning of the year	2,009,918	1,781,770
Granted during the year	-	731,954
Forfeited during the year	(865,183)	(181,390)
Delivered during the year	-	(322,416)
Outstanding at the end of the year	1,144,735	2,009,918

The weighted average fair value of the awards granted in the year was CHF 0.57 (2022: CHF 1.03).

The weighted average fair value of the awards delivered in the year was CHF 0.61 (2022: CHF 1.05).

There were no share awards granted in 2023. The weighted average remaining contractual life for the awards granted in 2022, 2021 and 2020, is 2.5 years, 1.3 years and 0.2 years respectively.

g) 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.

In 2023, no credit was recognised (2022: a credit of CHF 0.1 million).

h) 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 2023 an expense of CHF 0.1 million was recognised (2022: expense of CHF 0.1 million). The movement in the number of shares outstanding in the year under the new employee share awards was as follows:

	2023	2022
Number of performance share awards outstanding during the year		
Outstanding at the beginning of the year	547,232	547,232
Expired during the year	(547,232)	
Outstanding at the end of the year	-	547,232

	2023	2022
Number of share awards outstanding during the year		
Outstanding at the beginning of the year	2,940	2,940
Released during the year	(2,940)	
Converted performance share units during the year	47,887	-
Outstanding at the end of the year	47,887	2,940

The weighted average remaining contractual life for the awards granted in 2019 as at 31 December 2023 is 1.4 years.

23. Commitments

23.1. Contractual commitments for the acquisition of assets

As at 31 December 2023 and 2022, 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 (IFRS) as set out in note 15.

24. Consolidated entities

Listed company

	Place of listing	Capitalisation 31 December 2023 CHF m	Head office	Share capital CHF m
GAM Holding AG	SIX Swiss Exchange	62.5	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 (UK) Limited	London	GBP	43,000,013	100
GAM International Management Limited	London	GBP	3,750,006	100
GAM London Limited (including a branch office in Israel)	London	GBP	2,025,000	100
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. (including branch offices in Spain, Austria, Denmark, Sweden and Germany)	Luxembourg	EUR	5,002,000	100
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 2023 GAM (Luxembourg) S.A. established a branch in Sweden. GAM GP Inc. was sold outside of the Group, resulting in no significant gain or loss.

In 2022 the Lugano branch of GAM Investment Management (Switzerland) AG was closed.

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 17 January 2024 the offer period for the share buyback programme announced in December 2023 ended (see note 17). A total of 15,203,972 GAM shares had been tendered. Due to the oversubscription, the declarations of acceptance were reduced proportionately. The buyback price of CHF 0.425 per registered share was paid for the maximum number of three million registered shares permitted under the terms of the offer, for delivery of the registered shares with a value date of 19 January 2024.

On 31 January 2024 the Group completed the transfer of its third-party Fund Management Services business to Carne Group (see note 11).

The Board of Directors approved these consolidated financial statements on 26 March 2024.

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 2023 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 IFRS Accounting Standards (IFRS) as issued. 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 29.2.2).

Except where otherwise indicated in these consolidated financial statements, all financial information is presented in millions of Swiss francs. Where percentage movements between current and prior year amounts are reported in these consolidated financial statements, these are shown where the change is below a threshold of +/- 100%.

Within the cash outflow from operating activities changes have been made in the presentation of the current year to present "interest paid" within cash flow / (outflow) from financing activities consistently with "interest payment of lease liabilities". This provides more clarity in the presentation. Comparative numbers for 2022 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.

Following the losses reported by the Group in the first half of 2023 and prior years, in August 2023 the Board of Directors entered into constructive and productive discussions with representatives of the investor group "NewGAMe", including Rock Investment SAS ("Rock"), NewGAMe SA and Bruellan SA regarding financing for the Group. This resulted in short term bridge financing of CHF 20 million being provided by Rock to the Group in September 2023.

Subsequent to the election of the new Board of Directors proposed by NewGAMe at GAM's EGM on 27 September 2023, on 18 October 2023 GAM signed a facility agreement with Rock Investment SAS, confirming the availability of funding of a total CHF 100 million (which includes the CHF 20 million that had been provided in September 2023). The facility agreement has a repayment date of 30 June 2025 with the option to extend for an additional 12 months. Details of amounts drawn down under this facility agreement in the period to 31 December 2023 are set out in note 21.

While the Group has remained loss-making in 2023, the financing provided by Rock to the Group has significantly reduced the level of uncertainty, and the Directors have concluded that the formalisation of this financing is sufficient to confirm the absence of material uncertainties. As a result, the Directors have concluded that the going concern basis without material uncertainties is 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 29.2.2 and 10.5)
- accrual of performance fees (notes 29.2.1 and 1)
- measurement and timing of provisions (notes 29.2.6 and 15)

- measurement of defined benefit pension plan obligations (notes 29.2.11 and 16)
- utilisation of tax losses and measurement of deferred tax assets (notes 29.2.10, 12.1 and 5.1)
- determining the fair value of share-based payments (notes 29.2.12 and 22)
- determining the carrying amount of the financial liability for performance fees attributable to external interests (note 29.2.2 and 10.4)
- measurement of lease liability (notes 29.2.4 and 13)
- measurement of the recoverable amount of intangible assets (notes 29.2.5 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 2023, 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 2023. The adoption of these accounting pronouncements had no significant impact on the consolidated financial statements of the Group.

29.2.1. 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.

29.2.2. 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 (e.g. 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 loans and borrowings and trade and other payables) 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'.

29.2.3. 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.

29.2.4. Leasing

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 (e.g. 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.

29.2.5. 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:

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:

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.

29.2.6. 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.

29.2.7. 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.

29.2.8. 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.

29.2.9. 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. Non-current assets or disposal groups which are classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

29.2.10. 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.

29.2.11. Post-employment benefits

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.

29.2.12. 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 trueed 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.

29.3. 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 2023, the consolidated statement of income, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements (pages 93 to 147) give a true and fair view of the consolidated financial position of the Group as at 31 December 2023, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards and comply with Swiss law.

Basis for Opinion

We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISA) 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 those of 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.



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.



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 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 incorrect period. In addition, the involvement of external service providers is adding complexity to the underlying processes.

Management fees vary across different funds and portfolios and are generally calculated as a fixed percentage of assets under management.

Distribution expenses and rebates also vary across different distribution partners, funds and portfolios.

Our response

Our audit procedures included detailed walkthroughs of the Group's management fee income, rebates and distribution expenses related processes as well as testing the design, implementation and effectiveness of key controls identified (including general IT controls).

We inspected independent third party reports where functions were 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.

On a sample basis, we agreed fee rates and distribution expenses to underlying contracts. We performed audit procedures on data related to assets under management obtained from source systems of the Group and the administrators and verified applicable rebates.

We independently recalculated fee and commission income recognised in the Group's consolidated financial statements. Also, we performed cut-off testing on a sample basis.

Further, we agreed distribution expenses to underlying invoices conducted independent recalculations and performed cut-off testing on a sample basis.

We involved our own IT specialists to support our procedures.

For further information on recognition of fee and commission income refer to notes 1 and 29.2.1 in the consolidated financial statements.



ASSESSMENT OF IMPAIRMENT OF BRAND

Key Audit Matter

As at 31 December 2023, the brand on the Group's balance sheet amounted to CHF 23.2 million (2022: CHF 49.5 million), which represents 9% of total assets (2022: 14%).

The recoverability of brand is highly dependent on the Group's ability to generate positive cash flows in the future.

The brand is assessed for impairment on an annual basis, or when there are indicators for impairment, by estimating the recoverable amount and comparing this value with the carrying value.

The estimation of the recoverable amount requires judgment about projected future cash flows and the discount rate used.

Management's impairment test resulted in an impairment loss of brand of CHF 26.3 million in 2023.

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 fair value less costs of disposal of the Group.

We further recalculated the difference between the carrying value and the recoverable amount 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 involved our own valuation specialists to support our procedures.

For further information on assessment of brand refer to notes 13 and 29.2.5 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 Accounting Standards 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, ISA 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, ISA 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 Art. 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 the 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

A handwritten signature in blue ink, appearing to read 'D. Merz', written over a light blue rectangular stamp.

Daniel Merz
Licensed Audit Expert
Auditor in Charge

A handwritten signature in blue ink, appearing to read 'M. Liberto', written over a light blue rectangular stamp.

Mirko Liberto
Licensed Audit Expert

Zurich, 26 March 2024

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INCOME STATEMENT

	Note	2023 CHF m	2022 CHF m	Change in %
Finance income	2.2	4.2	8.0	(48)
Recharges to affiliated companies	2.3	8.8	12.1	(27)
Income		13.0	20.1	(35)
Personnel expenses	2.4	9.8	16.1	(39)
General expenses	2.5	16.2	12.5	30
Depreciation		2.0	1.9	5
Finance expenses	2.6	3.7	5.6	(34)
Impairment loss	2.10	150.2	517.3	(71)
Expenses		181.9	553.4	(67)
Loss before taxes		(168.9)	(533.3)	(68)
Direct taxes		0.1	0.2	(50)
Net loss		(169.0)	(533.5)	(68)

BALANCE SHEET

	Note	31.12.2023 CHF m	31.12.2022 CHF m	Change in %
Cash and cash equivalents		3.9	4.9	(20)
Securities		0.1	0.1	-
Trade and other receivables	2.7	9.5	15.8	(40)
Accrued income and prepaid expenses	2.8	4.9	5.4	(9)
Loans	2.9	1.4	-	-
Current assets		19.8	26.2	(24)
Loans	2.9	145.4	148.3	(2)
Investments in subsidiaries	2.10	62.1	193.1	(68)
Intangible assets		2.8	4.9	(43)
Other financial assets		-	0.3	(100)
Non-current assets		210.3	346.6	(39)
Assets		230.1	372.8	(38)
Provisions		0.3	-	-
Accrued expenses and deferred income	2.11	16.3	17.4	(6)
Other liabilities	2.12	6.0	10.0	(40)
Current liabilities		22.6	27.4	(18)
Accrued expenses and deferred income	2.11	0.7	-	-
Loans	2.13	93.7	66.7	40
Non-current liabilities		94.4	66.7	42
Share capital		8.0	8.0	-
Legal capital reserves				
Capital contribution reserve	2.14	893.4	893.4	-
Legal retained earnings				
General legal retained earnings		5.3	5.3	-
Treasury shares	2.15	(0.5)	(3.9)	(87)
Accumulated losses				
Accumulated losses/profits brought forward		(624.1)	(90.6)	589
Net loss		(169.0)	(533.5)	(68)
Shareholders' equity		113.1	278.7	(59)
Liabilities and shareholders' equity		230.1	372.8	(38)

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. The liability resulting from share-based payment obligations is recognised in accrued expenses and deferred income. 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 higher 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, 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 Company to continue as a going concern.

Following the losses reported by the Company in the first half of 2023 and prior years, in August 2023 the Board of the Company entered into constructive and productive discussions with representatives of the investor group "NewGAME", including Rock Investment SAS ("Rock"), NewGAME SA and Bruellan SA regarding financing for the Group. This resulted in short term bridge financing of CHF 20 million being provided by Rock to the Company in September 2023.

Subsequent to the election of the new Board of Directors proposed by NewGAME at the Company's EGM on 27 September 2023, on 18 October 2023 the Company signed a facility agreement with Rock Investment SAS, confirming the availability of funding of a total CHF 100m (which includes the CHF 20m that had been provided in September 2023). The facility agreement has a repayment date of 30 June 2025 with the option to extend for an additional 12 months. Details of amounts drawn down under this facility agreement in the period to 31 December 2023 are set out in note 28 of the Group's consolidated financial statements.

While the Company has remained loss-making in 2023, the financing provided by Rock to the Company has significantly reduced the level of uncertainty, and the Directors have concluded that the formalisation of this financing is sufficient to confirm the absence of material uncertainties. As a result, the Directors have concluded that the going concern basis without material uncertainties is 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 Finance income

	2023 CHF m	2022 CHF m	Change in %
Foreign exchange gains	2.0	7.6	(74)
Interests received on intercompany loans	2.2	0.4	450
Finance income	4.2	8.0	(48)

2.3 Recharges to affiliated companies

This comprises of income for services provided by GAM Holding AG to other Group companies.

2.4 Personnel expenses

	2023 CHF m	2022 CHF m	Change in %
Salary and bonuses	3.2	3.6	(11)
Social security expenses	0.4	0.5	(20)
Pension plan expenses	0.3	0.3	0
Share-based payments	5.5	11.6	(53)
Other personnel expenses	0.4	0.1	300
Personnel expenses	9.8	16.1	(39)

2.5 General expenses

	2023 CHF m	2022 CHF m	Change in %
Technology and communications	4.9	4.8	2
Professional and consulting services	8.3	5.3	57
Marketing and travel	0.4	0.3	33
Other general expenses	2.6	2.1	24
General expenses	16.2	12.5	30

2.6 Finance expenses

	2023 CHF m	2022 CHF m	Change in %
Loss on financial investments	0.2	2.2	(91)
Interest expenses	3.5	3.4	3
Finance expenses	3.7	5.6	(34)

2.7 Trade and other receivables

	31.12.2023 CHF m	31.12.2022 CHF m	Change in %
Third parties	0.4	0.3	33
Direct subsidiaries	-	0.1	(100)
Other Group companies	9.1	15.4	(41)
Trade and other receivables	9.5	15.8	(40)

2.8 Accrued income and prepaid expenses

	31.12.2023 CHF m	31.12.2022 CHF m	Change in %
Third parties	0.5	1.4	(64)
Direct subsidiaries	0.5	0.1	400
Other Group companies	3.9	3.9	0
Accrued income and prepaid expenses	4.9	5.4	(9)

2.9 Loans

	31.12.2023 CHF m	31.12.2022 CHF m	Change in %
Other Group companies < 1 year	1.4	-	-
Direct subsidiaries > 1 year	143.5	148.3	(3)
Other Group companies > 1 year	1.9	-	-
Loans	146.8	148.3	(1)

As at 31 December 2023, CHF 101.4 million of the loans were subordinated.

2.10 Direct subsidiaries and other Group companies

	Head Office	Currency	Share Capital (local currency)	Equity interest in %
GAM (UK) Limited	London	GBP	43,000,013	100
GAM International Management Limited	London	GBP	3,750,006	100
GAM London Limited (including a branch office in Israel)	London	GBP	2,025,000	100
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. (including branch offices in Spain, Austria, Denmark, Sweden and Germany)	Luxembourg	EUR	5,002,000	100
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 2023, GAM GP Inc. was sold, resulting in no significant gain or loss.

Impairment loss on investments in subsidiaries

In 2023, an impairment loss on investments in subsidiaries of CHF 150.2 million was recognised

In 2022, an impairment loss on investments in subsidiaries of CHF 517.3 million was recognised.

2.11 Accrued expenses and deferred income

	31.12.2023	31.12.2022	Change
	CHF m	CHF m	in %
Third parties	8.3	7.0	19
Other Group companies	7.8	10.1	(23)
Auditors	0.9	0.3	200
Accrued expenses and deferred income	17.0	17.4	(2)

2.12 Other liabilities

	31.12.2023	31.12.2022	Change
	CHF m	CHF m	in %
Third parties	3.3	6.8	(51)
Other Group companies	2.7	3.2	(16)
Other liabilities	6.0	10.0	(40)

2.13 Loans

	31.12.2023	31.12.2022	Change
	CHF m	CHF m	in %
Third party > 1 year	93.7	66.7	40
Loans	93.7	66.7	40

On 18 October 2023 GAM Holding AG together with GAM (Switzerland) Holding AG signed a facility agreement with Rock Investment SAS for funding of a total CHF 100 million. The facility agreement has a repayment date of 30 June 2025, with the option to extend for an additional 12 months. Amounts advanced under the facility agreement carry an interest rate of 7%, which is fixed until June 2024 and subject to renegotiation with the lender from 1 July 2024. The loans are secured by pledge agreements over GAM Investment Management (Switzerland) AG's equity shares. CHF 36.0 million had been drawn down under this facility by 31 December 2023. Interest accrued on this drawdown totaled CHF 0.6 million in the period to 31 December 2023.

On 1 February 2021, the GAM Holding AG 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. For further details, please refer to note 16 in the consolidated financial statements. The GBP-denominated loan note has a carrying value of CHF 57.6 million (GBP 53.7 million) as at 31 December 2023 (2022: CHF 60.5 million (GBP 54.4 million)).

2.14 Capital contribution reserve

	CHF m
Balance at 1 January 2022	893.4
Distribution to shareholders	0.0
Balance at 31 December 2022	893.4
Distribution to shareholders	0.0
Balance at 31 December 2023	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.

2.15 Treasury shares

	Number of shares	Average price CHF	Highest price CHF	Lowest price CHF	Total value CHF m
Balance at 1 January 2022	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
Delivery of shares in relation to share-based payments	(2,753,713)	1.29			(3.6)
Purchase of treasury shares to cover share-based payments	210,000	0.97	0.99	0.94	0.2
Balance at 31 December 2023	421,870	1.29			0.5

Own shares are cancelled at purchase cost. Therefore, the valuation of treasury shares differs compared to the valuation as per the Group's consolidated financial statements.

3. Other information

3.1 Contingent liabilities

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

Based on the enactment of the new Swiss corporate law on 1 January 2023, the Shareholders approved at the Annual General Meeting held on 25 May 2023 in accordance with the new legal provisions the introduction of a capital band ranging from CHF 7,185,714.55 (90%; lower limit) to CHF 8,782,538.55 (110%; upper limit), within which the Board of Directors shall be authorised to increase or reduce the share capital until 25 May 2028 or until an earlier expiry of the capital range, once or several times and in any amounts. The Board of Directors has the right to withdraw or restrict shareholders' subscription rights in the context of capital increases within the capital range to a maximum of 15,968,240 registered shares as set out in the Article 3.4 para. 4 of the Articles of Incorporation, which corresponds to 10% of the share capital.

3.3 Personnel

	2023	2022
Average number of full-time equivalents	6.5	7.2

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 2023.¹

Shareholder/participant ²	Total percentage holding of voting rights
NewGAMe investor group ³	27.13% ⁴
Silchester International Investors LLP ⁵	10.57%
Solas Capital Management, LLC ⁶	5.10%
GEM Global Yield LLC SCS, Luxembourg, Luxembourg ⁷	5.00%
Gothic Corporation ⁸	4.33%
Opus – Chartered Issuances S.A., Compartment 476 ⁹	3.41%
Mario J. Gabelli ¹⁰	3.02%

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 Xavier Niel, Paris, France, Michael Golan, Tel Aviv, Israel, Anthony Maarek, Paris, France, Albert Saporta, Geneva, Switzerland, and Bruellan Holding SA, Crans-Montana, Switzerland, are acting in concert pursuant to a concert agreement dated 26 April 2023 (as amended on 14 November 2023) and form the NewGAMe investor group. The positions of the group are directly held by NewGAMe SA, Geneva, Switzerland, Rock Investment SAS, Paris, France and Bruellan Corporate Governance Action Fund, George Town, Cayman Islands. Further, according to information provided by the investor group, Bruellan SA, Geneva, Switzerland (an affiliate of Bruellan Holding SA) has discretion to exercise the voting rights of shares held by Opus – Chartered Issuances S.A., Compartment 476.

⁴ The percentage of voting rights already reflects the settlement of the partial tender offer launched by NewGAMe SA, which resulted in 28,000,000 shares being purchased by NewGAMe SA. The partial tender offer settled on 12 January 2024.

⁵ Silchester International Investors LLP, London, UK.

⁶ Solas Capital Management, LLC, Connecticut, USA.

⁷ Christopher Brown, New York, USA is the beneficial owner of GEM Global Yield LLC SCS.

⁸ Gothic Corporation, Durham, North Carolina, held through Blackwell Partners LLC, Series A, Durham, North Carolina.

⁹ Opus – Chartered Issuances S.A., Luxembourg, disclosed on 8 February 2024.

¹⁰ Mario J. Gabelli, New York, USA.

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%

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.

⁴ Jörg Bantleon D-80799 Munich, held through Bantleon AG, Bahnhofstrasse 2, 6300 Zug, Switzerland.

⁵ Schroders plc, London, UK.

⁶ Dimensional Holdings Inc., c/o Corporation Service Comp, Wilmington, Delaware, USA.

⁷ Mario J. Gabelli, New York, USA.

⁸ Solas Capital Management, LLC, Connecticut, USA.

⁹ GAM Holding AG, Zurich, Switzerland.

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.

3.5 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	2023	-	-	-	-	-	-
	2022	-	-	-	-	-	-
Granted to members of the Group Management Board	2023	-	-	-	-	-	-
	2022	174,476	0.2	-	-	-	-
Granted to other members of the staff	2023	-	-	-	-	-	-
	2022	53,502	0.1	-	-	-	-

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 31 January 2024 the Company completed the transfer of its third-party Fund Management Services business to Carne Group (see note 11 of the Group's consolidated financial statements).

On 17 January 2024 the offer period for the share buyback programme announced in December 2023 ended (see note 17 of the Group's consolidated financial statements). A total of 15,203,972 GAM shares had been tendered. Due to the oversubscription, the declarations of acceptance were reduced proportionately. The buyback price of CHF 0.425 per registered share was paid for the maximum number of three million registered shares permitted under the terms of the offer, for delivery of the registered shares with a value date of 19 January 2024.

PROPOSED CARRY FORWARD OF ACCUMULATED LOSSES

	2023	2022
	CHF m	CHF m
Accumulated losses brought forward	(624.1)	(90.6)
Net loss for the year	(169.0)	(533.5)
Total accumulated losses	(793.1)	(624.1)

The Board of Directors proposes to the forthcoming Annual General Meeting to carry forward the accumulated losses of CHF 793.1 million and no distribution payment to the shareholders.

The Board of Directors

Zurich, 26 March 2024



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 2023, 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 156 to 168) 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.

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.



VALUATION OF INVESTMENTS IN SUBSIDIARIES

Key Audit Matter

As at 31 December 2023, the financial statements of GAM Holding AG include significant investments in subsidiaries in the amount of CHF 62.1 million (2022: CHF 193.1 million).

Investments in subsidiaries are valued at acquisition cost. In case of indicators for impairment, the carrying amount is compared to the recoverable amount, reflecting the higher of value in use and fair value less costs of disposal.

The estimation of the recoverable amount requires judgment about projected future cash flows and the discount rate used.

For the financial year 2023, management concluded that an impairment loss of CHF 150.2 million was required.

For further information on valuation of investments in subsidiaries refer to notes 1.5 and 2.10 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.

Our response

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 involved our own valuation specialists to support our procedures



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

A handwritten signature in black ink, appearing to read 'D. Merz', written over a light blue horizontal line.

Daniel Merz
Licensed Audit Expert
Auditor in Charge

A handwritten signature in black ink, appearing to read 'M. Liberto', written over a light blue horizontal line.

Mirko Liberto
Licensed Audit Expert

Zurich, 26 March 2024

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FIVE-YEAR FINANCIAL SUMMARY

	2023 CHF m	2022 CHF m	2021 CHF m	2020 CHF m	2019 CHF m
Net management fees and commissions	124.4	161.8	208.0	230.4	317.1
Net performance fees	4.8	3.2	19.3	2.8	12.8
Net fee and commission income	129.2	165.0	227.3	233.2	329.9
Net other (expenses)/income	(0.4)	-	(2.4)	(4.0)	(3.7)
Income	128.8	165.0	224.9	229.2	326.2
Personnel expenses	96.8	113.7	143.1	150.5	197.0
Fixed personnel expenses	83.7	91.7	104.8	118.3	139.9
Variable personnel expenses	13.1	22.0	38.3	32.2	57.1
General expenses	65.0	75.8	73.2	75.0	99.6
Occupancy	4.0	4.5	6.2	5.6	8.0
Technology and communication	13.9	15.9	16.3	15.2	19.0
Data and research	18.3	21.2	20.0	20.6	20.7
Professional and consulting services	12.9	11.4	7.8	8.3	18.1
Marketing and travel	4.3	5.8	5.8	7.0	13.9
Administration	3.0	3.7	5.2	5.5	7.0
Other general expenses	8.6	13.3	11.9	12.8	12.9
Depreciation and amortisation	16.5	18.0	18.2	18.6	19.1
Expenses	178.3	207.5	234.5	244.1	315.7
Underlying loss before taxes	(49.5)	(42.5)	(9.6)	(14.9)	10.5
Underlying income tax expense	0.3	(3.5)	(2.1)	-	5.6
Underlying net loss	(49.8)	(39.0)	(7.5)	(14.9)	4.9
Acquisition-related items	(0.4)	0.3	8.1	19.8	(12.5)
Non-core items	(31.8)	(224.0)	(13.7)	(402.4)	3.2
Tax on acquisition-related items	-	-	0.1	0.6	1.3
Tax on non-core items	0.9	(0.1)	0.4	1.7	0.3
Non-core tax item	(1.0)	(27.2)	(10.7)	6.8	(0.7)
IFRS net loss	(82.1)	(290.0)	(23.3)	(388.4)	(3.5)
Operating margin (%) ¹	(38.0)	(25.8)	(3.2)	(4.7)	4.3
Compensation ratio (%) ²	74.9	68.9	63.0	64.5	59.7
Average personnel (FTEs)	519	583	657	767	872

¹ (Net fee and commission income – expenses) / net fee and commission income.

² Personnel expenses / net fee and commission income.

	2023	2022	2021	2020	2019
Assets under management at the end of the year (CHF bn)	63.8	75.0	99.0	120.7	131.1
in investment management	19.3	23.2 ⁶	31.0 ⁶	34.6 ⁶	46.8 ^{1,6}
in fund management services	44.5	51.8	68.0	86.1	84.3
Average assets under management (CHF bn)	68.6	85.4	115.4	121.3	135.6
in investment management	21.7	26.8 ⁶	33.3 ⁶	36.6 ⁶	51.0 ^{2,6}
in fund management services	46.9	58.6	81.2	83.4	83.0
Net flows (CHF bn)	(12.5)	(8.6)	(24.9)	(11.0)	(10.0)
in investment management	(4.7)	(2.6)	(4.4)	(10.6)	(11.1) ³
in fund management services	(7.8)	(6.0)	(20.5)	(0.4)	1.1
Net management fees and commissions (CHF m)	124.4	161.8	208.0	230.4	317.1
in investment management	108.1	136.6	175.6	196.5	284.9
in fund management services	16.3	25.2	32.4	33.9	32.2
Total fee margin in investment management (bps)	51.9	52.2 ⁶	58.5 ⁶	54.4 ⁶	58.3 ⁶
Management fee margin in investment management (bps)	49.7	51.0 ⁶	52.7 ⁶	53.6 ⁶	55.8 ⁶
Management fee margin in fund management services (bps)	3.5	4.3	4.0	4.1	3.9
Weighted average number of shares outstanding for basic EPS (m)	157.9 ⁴	156.3 ⁴	156.1 ⁴	156.6 ⁴	155.5
Basic underlying EPS (CHF)	(0.32)	(0.25)	(0.05)	(0.10)	0.03
Basic IFRS EPS (CHF)	(0.52)	(1.86)	(0.15)	(2.48)	(0.02)
Weighted average number of shares outstanding for diluted EPS (m)	163.1 ⁵	163.0 ⁵	162.0 ⁵	161.3 ⁵	157.0 ⁵
Diluted underlying EPS (CHF)	(0.32)	(0.25)	(0.05)	(0.10)	0.03
Diluted IFRS EPS (CHF)	(0.52)	(1.86)	(0.15)	(2.48)	(0.02)
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 ARBF-related assets under management since August 2018.

³ 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.

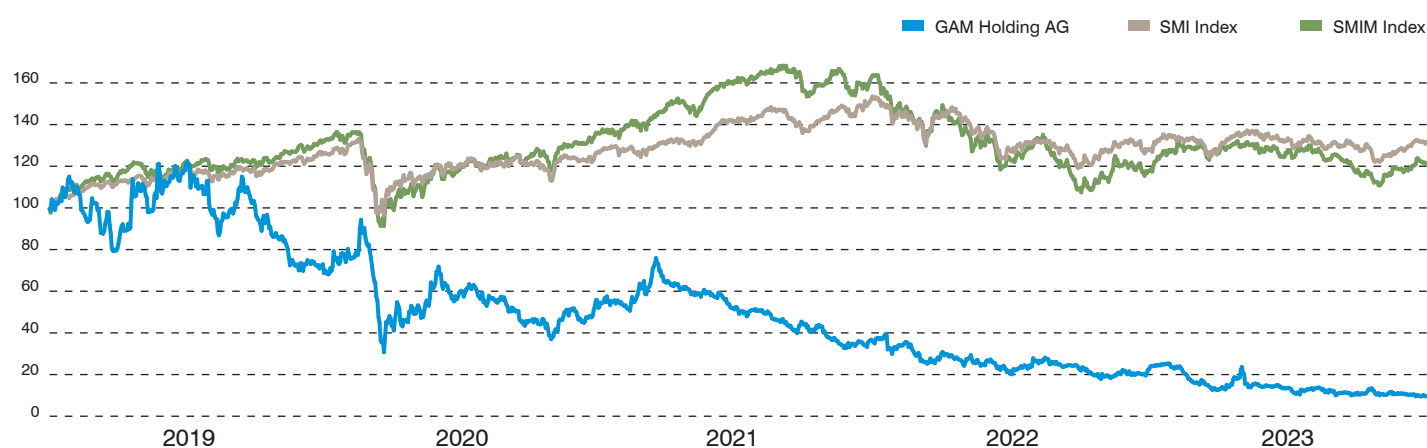
⁴ As a result of the underlying net loss reported for 2023, 2022, 2021 and 2020 for the calculation of the diluted underlying EPS, the weighted average number of shares outstanding for diluted EPS equals the weighted average number of shares outstanding for basic EPS of 157.9, 156.3 million, CHF156.1 and 156.6 million respectively.

⁵ As a result of the IFRS net loss reported for 2023, 2022, 2021, 2020 and 2019 for the calculation of the diluted IFRS EPS for 2023, 2022, 2021, 2020 and 2019, the weighted average number of shares outstanding for diluted EPS equals the weighted average number of shares outstanding for basic EPS of 157.9 million for 2023, 156.3 million for 2022, 156.1 million for 2021, 156.6 million for 2020 and 155.5 million for 2019.

⁶ 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

	2023	2022	Change in %
Closing price at the end of the year	0.39	0.94	(58)
Highest price	1.01	1.56	(35)
Lowest price	0.36	0.69	(48)
Market capitalisation at the end of the year (CHF m) ¹	63	150	(58)

Treasury shares

	31.12.2023	31.12.2022	Change in %
Shares issued	159,682,531	159,682,531	0
Treasury shares	(1,072,527)	(4,331,298)	(75)
Shares outstanding	158,610,004	155,351,233	2

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.

www.gam.com

