

**Shareholder Rights Directive II  
Portfolio Turnover Rate (PTR) for GAM Funds**

This report has been prepared in support of the Shareholder Rights Directive II disclosures to institutional investors.

Portfolio Turnover Rate has been calculated in accordance with the following methodology. The portfolio turnover of securities within a portfolio will vary in relation to the investment strategy.

Turnover is calculated using the UCITS calculation of:

$$\frac{(\text{Purchase of Securities} + \text{Sale of Securities}) - (\text{Subscription of Units} + \text{Redemption of Units})}{(\text{Average Fund Value over 12 Months})}$$

Reporting Period: 12 month period 1 Jan 2021 - 31 Dec 2021

<b><u>Irish Domiciled Funds:-</u></b>	<b><u>PTR %</u></b>
GAM Star Japan Leaders	0.00 (-18.57)
GAM Star European Equity	119.07
GAM Star Continental European Equity	72.98
GAM Star Worldwide	269.23
GAM Star Asian Equity	116.56
GAM Star US All Cap Equity	248.58
GAM Star China Equity	131.51
GAM Star Disruptive Growth	335.18
GAM Star Emerging Equity	79.78
GAM Star Capital Appreciation US Equity	90.78
<b><u>Luxembourg Domiciled Funds:-</u></b>	<b><u>PTR %</u></b>
GAM Swiss Equity	0.00 (-19.08)
GAM Swiss Small & Mid Cap Equity	0.00 (-10.65)
GAM Japan Equity	127.93
GAM Luxury Brands Equity	0.00 (-38.63)
GAM Health innovation Equity	0.00 (-2.99)
GAM Asia Focus Equity	144.90
GAM China Evolution Equity	170.39
GAM Emerging Markets Equity	164.17
<b><u>U.K. Domiciled Funds:-</u></b>	<b><u>PTR %</u></b>
GAM North American Growth	241.39
GAM Continental European Equity	72.98
GAM Emerging Equity	189.82
GAM UK Equity Income	5.02

### **Explanation and Comment on the UCITS PTR Calculation**

The basis for the UCITS calculation is that purchases and sales caused by inflows and outflows can be separated from transactions used to express a fund manager's investment decisions. Excluding inflows and outflows means that the PTR is an indicator of the relevance of the transaction costs that arise only as a result of discretionary investment decisions.

- 1) In reality, it is impossible to identify with certainty whether trading activity relates solely to flow or is the result of discretionary decisions. Fund managers will identify stocks they wish to buy or sell, and if net flows are in their favour, they will be able to implement their decisions using the net flows.

- 2) The UCITS calculation is prone to giving negative PTRs. For example:-

$$\text{Purchases} + \text{Sales} = 40 + 0 = 40$$

$$\text{Inflows} + \text{Outflows} = 80 + 40 = 120$$

$$\text{Average NAV} = 100$$

$$\text{PTR} = (40-120)/100 = -80\%$$

It is widely accepted that a negative PTR is meaningless. Therefore, above, we present certain funds with a zero PTR%. The negative PTR is suffixed in brackets for clarity.

- 3) Additionally, by adding together purchases and sales, the result is twice what would be expected. For example, if the fund manager sells all the investments and replaces them with different holdings, it would be reasonable to expect a representation of turnover to be 100% i.e. the whole portfolio has been turned over once. However, the UCITS calculation gives a PTR of 200%.