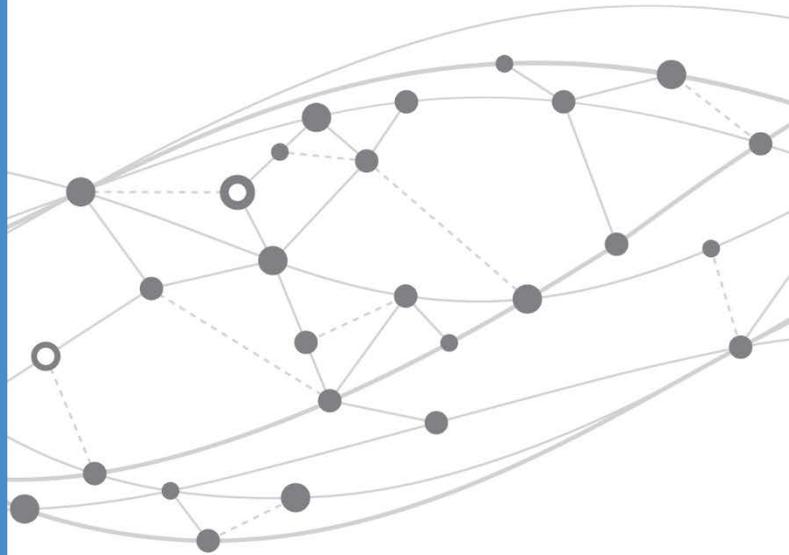


GAM GLOBAL AML & FINANCIAL CRIME STANDARDS POLICY



As of 10/02/2021

GAM Global AML & Financial Crime Standards Policy

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

Effective from: 1st April 2020

Policy Owner: Global Head of Financial Crime Prevention & MLRO

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1. Purpose

The purpose of this GAM Global AML and Financial Standards Policy which includes Money Laundering, Terrorist Financing, Sanctions Screening and Politically Exposed Persons (this 'Policy') is to establish the minimum standards to be followed by the GAM Holding AG and all its related group companies ("Group") in order to comply with applicable legal and regulatory requirements and to mitigate its financial crime risk exposure. Furthermore, this Policy shall ensure that global standards of the Financial Action Task Force (FATF) and FINMA's basic AML principles are met and that local rules do not contradict these basic principles. Each Group Company shall define its local AML and financial crime prevention requirements in a separate local policy.

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

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

2. Scope

This Policy applies to all employees (including contractors), each Group Company (including branches) and its board of directors, Group Board and GAM fund.

This policy covers the following financial crime areas:

- Money Laundering
- Terrorist financing
- Sanctions Screening
- Politically Exposed Persons
- Suspicious Activity Reporting
- Tax Evasion
- Training
- Record Keeping

This policy excludes the following areas:

- Anti-bribery and corruption
- Market Abuse

3. AML and Financial Crime Legislation

This Policy has been influenced by global financial crime standards as set out in the 40 FATF Recommendations for preventing money laundering, terrorist financing and financial crime and the Anti-Money-Laundering-Ordinance of FINMA (“AMLO-FINMA”) of Switzerland; as well as the 4th EU Money Laundering Directive.

4. Governance and Oversight

The GAM Holding AG Board will designate one of its members to take overall responsibility for financial crime related matters, which is delegated to the Global Head of Financial Crime Prevention.

GAM Group Board’s will:

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

Senior Management (GAM Group and GAM Group companies):

Senior Management have a role in the Group’s prevention of financial crime, including assisting in the management of the Group’s exposure to financial crime risk in accordance with this policy, and ensuring appropriate support to their local MLRO’s in ensuring effective systems and controls are in place to prevent money laundering and financial crime.

The Global Head of Financial Crime Prevention:

The Global Head of Financial Crime Prevention is responsible for:

- Establishing, owning and maintaining the Group AML and financial crime prevention Policy;
- Providing guidance to and oversight to each local BU in terms of AML and financial crime prevention.
- Escalation point for high risk clients, sanctions and PEPs for advice, guidance and where appropriate approval.

Local MLROs:

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

- Act as the focal point for all activity within the applicable Group Company relating to Financial Crime prevention;
- Be an approver for all high risk clients and PEPs relationships.

Employees

Employees (including all contractors working for GAM) are required to comply with this Policy, including all Group and relevant local policies, procedures, guidance and other controls; to undertake applicable mandatory training and to report any suspicion of financial crime that may arise in the course of their employment or contract to the applicable MLRO.

5. GAM Global AML & Financial Crime Standards

Each GAM Group Company must adhere to the following principles in terms of preventing money laundering (AML), terrorist financing (CTF) and financial crime:

1. Ensure there are systems and controls are in place to mitigate money laundering, terrorist financing and financial crime and that such measures remain effective.
2. Appoint an MLRO (or compliance officer with AML responsibility) for each Group Company to ensure AML and CTF monitoring and controls are implemented in line with the local regulations and this Policy
3. Apply a risk based approach to client on-boarding due diligence (Low-Standard/ Medium / High), these will be reviewed annually for high risk, every 3 years for medium and every 5 years for low-standard.
4. On-board new business using a risk based approach only when the Contracting Party (individual or legal Company) is duly identified, the company is satisfactorily verified and the Beneficial Ownership or Controlling Person is properly established in line with local regulatory requirements.
5. Ensure due diligence is maintained and kept up to date through regular periodic reviews.
6. Ensure regular sanctions and PEPs screening is maintained and matches dealt with appropriately
7. All PEPs and high risk clients or counterparties to be approved by BU heads, local MLRO's and Global Head of Financial Crime Prevention.
8. Implement controls for the reporting of suspicions of money laundering, terrorist financing and tax evasion activities.
9. Ensure employees are aware of their obligations and receive adequate financial crime awareness training.
10. Report suspicious activity promptly to the MLRO, who will determine whether the activity is suspicious from a financial crime perspective and report to the relevant law enforcement authority.
11. Maintain policies, procedures and processes to implement the above requirements.
12. Support the local regulators in maintaining the integrity and transparency of the financial markets.
13. Make sure regular management information is created and shared with key stakeholders as a minimum this should include an annual MLRO report to the relevant GAM Board.

Prohibited Activity outside of GAM Group companies Risk Appetite:

- Do not establish business relationships with individuals and companies identified to be associated with any financial crime or illegal activities.
- Do not accept any assets which you know or must assume to be the result of a crime.
- Do not establish business relationships where the Beneficial Owners or Controlling Persons are not properly established.
- Do not establish business relationships with corporates who are permitted to issue bearer shares.
- Do not establish business relationships with shell banks and companies.
- Do not establish business relationships with companies based or operating in a sanctioned regime.
- Do not establish business relationships with politically exposed persons (PEPs) linked to bribery and corruption.

Group-wide Risk Assessment

The Group has a standardized reporting at least once a year with sufficient quantitative and qualitative information from the group companies so that it can reliably assess its AML, financial crime and resulting, reputational risk on a consolidated basis.

The Group companies shall take a risk based approach to the acceptance and continuation of the globally most significant relationships and transactions as well as of other significant changes in legal and reputational risks, in particular if these relate to significant assets connected with high risk politically exposed persons or companies outside of GAM Group risk appetite. These will be escalated to the Global Head of Financial Crime if appropriate, and will be reported to the GAM Holding AG Board if representing a significant risk. The Group's AML or compliance function shall on a risk based approach carry out regular reviews of risk-based internal controls, including spot checks on individual business relationships, on site at branch offices and group companies.

6. Sanctions:

1. GAM Group companies will not knowingly engage in a business relationship with any individuals/companies/counterparties that are listed on the following sanctions lists – HM Treasury (UK), EU Sanctions lists, UN Sanctions lists and Office of Foreign Assets and Controls list (OFAC-USA) and other sanctions lists as deemed necessary according to local laws (i.e. the Seco (Swiss State Secretariat for Economic Affairs)).
2. GAM Group companies will screen all individuals/companies/counterparties against sanctions lists prior to commencing their business relationship with GAM Group and thereafter on a regular basis throughout the life cycle of their relationship with GAM.
3. GAM Group companies will (i) reject any business relationships that are identified as a sanctions match or exit any existing relationships and (ii) initiate any reporting necessary due to local requirements. Any sanctions matches identified will lead to the immediate freezing of the Company/individuals account and will be reported to the local law enforcement authority.

7. Politically Exposed Persons (PEP's):

1. GAM Group companies take a risk based approach concerning the acceptance of a business relationship with a politically exposed persons or Company, this will take into consideration the risk they pose to the brand and reputation of GAM in terms of financial crime and bribery and corruption risks.
2. All PEPs identified will be accepted on a risk based approach taking into consideration the significance of their level of political exposure, the jurisdiction where they are politically exposed, their conduct and behaviour from a bribery and corruption, financial crime or ethical perspective.
3. GAM Group companies will screen all individuals/companies/counterparties against PEPs lists prior to commencing their business relationship with GAM Group and thereafter on a regular basis throughout the life cycle of their relationship with GAM.
4. All PEP relationships to be approved by local MLRO's and local relationship business heads and escalated to the Global Head of Financial Crime Prevention if appropriate.
5. All PEP relationships will be subject to enhanced due diligence which will include source of funds/wealth information as well as annual reviews to determine their suitability from a risk appetite perspective in continuing the relationships.
6. All PEPs will be considered as politically exposed persons for a minimum of one year after they have left their office, however, local MLRO's will apply a risk based approach to this timing depending on the nature and profile of the PEP and the respective local requirements.

8. Adverse Information Screening:

1. Adverse media or negative news is any kind of unfavourable information found across a wide variety of news sources. There are specific reputational and regulatory risks associated with conducting business with persons or companies having an adverse media profile.
2. Adverse media checks can reveal involvement with money laundering, fraud, tax evasion, organised crime, terrorism and bribery and corruption. These factors could pose a serious threat to firms' reputations and can lead to legal repercussions. Any clients associated with this activity will be fully investigated to determine whether they are within GAM's risk appetite.

9. Third Party Payments:

GAM Group companies make third party payments on a risk based approach due to the inherent financial crime risks of this type of transaction. These should only be allowed by local MLRO's/Finance Managers and Risk units if there is a clear business rationale for it, a clear link between the accounts and the risks of fraud, money laundering and tax evasion have been discounted.

10. Tax Evasion:

GAM Group companies will not knowingly assist a client in evading paying their taxes, any incidents of tax evasion will be thoroughly investigated by local MLRO's to determine if the activity is tax evasion (criminal offence) or tax avoidance. Any suspicions about tax evasion will be escalated to the Global Head of Financial Crime.

11. Fraud:

GAM UK is committed to preventing, detecting and reporting fraud, and in co-operating with other organisations to reduce opportunities for fraud.

12. Suspicious Activity Reporting (SAR) and Investigation:

- GAM Group companies will ensure all incidents of concern or suspicion from a financial crime perspective in terms of money laundering, terrorist financing, sanctions breaches, fraud, tax evasion, market abuse or bribery and corruption, will be thoroughly investigated by the local MLRO and that the appropriate reports are immediately made to law enforcement (or other appropriate authority(s)).
- GAM Group companies delegate responsibility for SAR investigation and reporting to the relevant local MLRO's, any significant issues should be escalated to the Global Head of Financial Crime Prevention for advice and guidance.
- All SAR investigations will be clearly documented to maintain a clear audit trail of suspicions to ensure an accurate record of grounds of suspicion, investigation conducted and decision taken by the local MLRO whether or not to report the SAR to law enforcement/FIU or regulator (or other appropriate authority(s)). Any decision taken not to make a report will be clearly documented for audit purposes. These records will be held indefinitely in case they are requested at a future date by government agencies or the regulator(or other appropriate authority(s)).

13. Training:

Regulatory training shall be rolled out to all employees on an annual basis and cover key AML and financial crime risk areas, this includes all employees including temporary contractors. All new starters will complete their training within 30 days of joining GAM.

14. Record Keeping and Retention:

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

15. Exceptions to this Policy:

Exceptions to this policy can be requested from Global Head of Financial Crime Prevention. In considering whether or not to grant such an exception, the Global Head of Financial Crime shall have regard to all the relevant circumstances, including the Group's risk appetite for Financial Crime risks.

16. Information Access:

GAM grants access to information on business relationships in all Group companies to the internal supervisory bodies, the audit firm of the Group and the responsible persons such as the Compliance function, MRLO and the Global Head of Financial Crime Prevention on request and without delay, which is required for the global monitoring of legal and reputational risks.

Important information

This document is provided for information purposes only and does not contain any personal recommendations for a particular course of action, service or product. Any information, opinions or assessments contained in this document are based on current economic, market and regulatory conditions and are subject to change without notice. No liability shall be accepted for the accuracy or completeness of the information contained in this document, or for any action taken in reliance thereon.