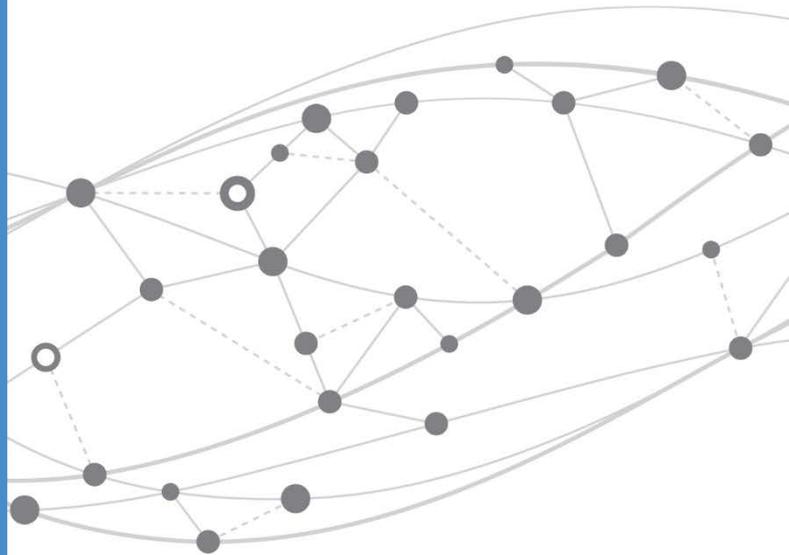


# GAM TAX STRATEGY



As at 1 January 2021

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## Introduction

This Tax Strategy applies to all GAM Group companies, to all GAM and private labelling funds (together referred to as “GAM”) and to GAM's dealings with its clients.

Being a sustainable and socially responsible enterprise, GAM aims to act as a good corporate citizen, paying the correct amount of tax at the correct time. GAM seeks to manage and report its tax affairs in a manner which ensures compliance with all fiscal obligations, in line with the spirit of all applicable laws, rules and regulations and consistent with international best practice guidelines. This objective is set out in the GAM Group Tax Policy, the GAM Group Transfer Pricing Policy as well as the Group's Code of Conduct..

Whereas GAM's products are not designed to allow or encourage tax evasion, it is GAM's product investors' and clients' sole and ultimate responsibility to deal with their personal tax affairs. GAM is not responsible and will not take responsibility for the tax affairs of product investors and clients resulting from investments in GAM products or any other direct or indirect use of GAM's asset management services.

## Governance and Tax Risk Management

The Group Management Board, in particular the Group Chief Financial Officer, has overall responsibility for the Tax Strategy and underlying governance. It is supported by the Head of Corporate Finance & Group Tax, the Team Head Global Product Tax, and the Group Head of Human Resources. Oversight and annual approval is provided by the GAM Holding AG Board of Directors and the Audit Committee.

The GAM Group Tax Policy establishes processes and detailed responsibilities for the handling of tax matters. GAM's tax specialists as well as local financial control functions are responsible for the day-to-day management and control of corporate and product tax risks, supported by external tax advisors.

GAM employs suitably qualified and experienced tax specialists who work closely with their finance and legal colleagues as well as the wider business, and take the lead role in assessing the need for external tax advice. The tax specialists maintain a close working relationship with all areas of the business and are engaged in relevant significant business decisions.

GAM seeks to actively identify, evaluate, monitor and manage its tax risks. Any corporate tax risks and matters are reported centrally as they arise and on a bi-annual basis and, as appropriate, brought to the attention of the Group CFO, the GAM Holding AG Board of Directors as well as the Audit Committee. All tax accounting and compliance matters are subject to regular internal review and external audits.

GAM will only enter into commercial transactions where the associated approach to taxation is justifiable under any reasonable professional interpretation of the underlying facts and applicable rules. The prominence of commercial needs will not override compliance with all applicable tax laws and regulations.

In certain situations, where GAM believes the approach is consistent with the principles set out in underlying tax laws, rules and regulations and where the range of potential outcomes is in accordance with the GAM's conservative risk appetite, an element of tax risk may be maintained.

## Tax Planning

GAM will ensure that its tax position supports the business, reflecting genuine commercial activity and is consistent with the intent of underlying tax laws, rules and practice. GAM will not engage in artificial tax arrangements or aggressive tax planning. GAM only engages in tax planning initiatives and makes use of incentives promoted by government authorities which protect shareholder value and which do not expose GAM to reputational, transactional, financial, compliance or reporting tax risk.

GAM will pursue clarity and predictability on all tax matters where feasible. Being a multinational group, cross-border aspects can lead to complex tax matters. Where applicable tax laws and regulations are unclear or subject to interpretation, external written advice or confirmation will be sought as appropriate to ensure that GAM's tax interpretation would most likely prevail.

GAM recognises that it has responsibility to pay its fair share of tax in each of the jurisdictions it has a taxable footprint. Transactions between GAM companies are conducted on an arms-length basis in accordance with appropriate transfer pricing rules and OECD principles. For transfer pricing matters the Group Transfer Pricing Policy applies. Costs and revenues are fairly attributed in line with the economic contribution of each of the locations and functions. This ensures that GAM's profits are properly allocated to the jurisdiction in which those profits are generated based on sound commercial activities. This is substantiated by GAM's effective income tax rate as published in the Annual Report, prepared in line with IFRS reporting and accounting standards. The effective rate reflects the allocation of profits among different jurisdictions within GAM's group entities, ranging from 12.5% in Ireland to around 32% in Germany and the USA.<sup>1</sup> Details of differences between theoretical expected and effective income tax expense are reconciled and explained in the Annual Report.

Remuneration packages for employees and directors are structured in a way that the proper amounts of tax and social security contributions are paid, in line with applicable laws and regulations.

<sup>1</sup> Taking into account entities consolidated for IFRS accounting/reporting purposes, for administrative/regulatory reasons GAM has 4 companies located in British Virgin Islands, Cayman Islands and Guernsey; annual profits attributed to those jurisdictions amount do not exceed CHF 5,000.

## Tax Compliance and Relationship with Tax Authority

GAM is committed to declaring and paying the correct amount of tax at the correct time in accordance with all of the relevant laws and regulations, both in letter and in spirit. GAM also fully complies with all of its tax information reporting obligations as required by law or regulation (e.g. country-by-country reporting, US Foreign Account Tax Compliance Act, Automatic Exchange of Information, EU Council Directive 2018/822 i.e. DAC6, local transfer pricing documentations).

GAM seeks to act in a truthful, trusted, open, transparent, co-operative, professional and mutually beneficial manner when dealing with tax authorities and other relevant bodies. GAM welcomes any opportunity to liaise with tax authorities, respond their queries when they are received and reach upfront certainty where feasible.

GAM aims to engage in proactive discussions with tax authorities in case of business changes which may have a tax impact such as restructurings, new transactions or any other material change of activities, in order to timely inform, address potentially differing views, and minimise likelihood of disputes.

GAM is rated 'low risk' by HM Revenue & Customs.

### 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.