

25 September 2018

PRESS RELEASE

GAM Holding AG: Response to media speculation

In response to recent media speculation, GAM can confirm that its internal investigation into the conduct of Tim Haywood, investment director of the ARBF funds, commenced following concerns raised by an internal whistle-blower. In line with its established processes, GAM took the concerns very seriously whilst also ensuring that it protected the existence and identity of the whistle-blower. GAM fully intends to continue to provide all appropriate protections to the whistle-blower. In November 2017, an internal investigation, supported by independent external counsel, was launched. In March 2018, the whistle-blower expanded on the initial concerns and contacted the FCA whilst keeping the company informed.

The internal investigation evolved as more facts and circumstances were uncovered and identified a number of potential misconduct issues, the cumulative effect of which led to the decision to suspend Mr Haywood. As previously stated, no other employees are being investigated in relation to these matters and no evidence was found to indicate that such an investigation regarding other employees was required. The internal disciplinary process in respect of the suspended investment director is on-going.

The liquidation of the ARBF funds which ensures that all investors are treated equally and fairly is continuing, with between 60% and 87% of the funds returned to date. The second liquidation payments will start in the week of 24 September 2018 with further fund assets being liquidated to cash and returned to investors over the following months, dependent on market conditions. No material client detriment has been identified to date and we continue to keep this under review.

As previously stated, the potential conduct issues identified related to failure to conduct or evidence sufficient due diligence and failure to make accessible internal records of documents in certain instances. Additionally, the investigation concluded that Mr Haywood may have breached the company's signatory policy and may have used his personal email for work purposes. He also breached the company's gifts and entertainment policy.

GAM Group CEO, Alexander Friedman, said: "At the heart of every modern financial services firm's systems and controls should be a culture that encourages people to come forward with concerns about colleagues' behaviour. The only way to maintain that culture is to protect those who are brave enough to do so and to hold accountable those found to be breaking the rules. This is central to trusted client relationships and we will never compromise on this point. I'm grateful to every one of our clients that has taken the time to understand our approach to these issues and we continue to work tirelessly in their best interests."

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About GAM

GAM is one of the world's leading independent, pure-play asset managers. The company provides active investment solutions and products for institutions, financial intermediaries and private investors. The core investment business is complemented by private labelling services, which include management company and other support services to third-party asset managers. GAM employs over 900 people in 14 countries with investment centres in London, Cambridge, Zurich, Hong Kong, New York, Milan and Lugano. The investment managers are supported by an extensive global distribution network.

Headquartered in Zurich, GAM is listed on the SIX Swiss Exchange and is a component of the Swiss Market Index Mid (SMIM) with the symbol 'GAM'. The Group has assets under management of CHF 163.8 billion (USD 165.0 billion) as at 30 June 2018.

Disclaimer regarding forward-looking statements

This press release by GAM Holding AG ('the Company') includes forward-looking statements that reflect the Company's intentions, beliefs or current expectations and projections about the Company's future results of operations, financial condition, liquidity, performance, prospects, strategies, opportunities and the industry in which it operates. Forward-looking statements involve all matters that are not historical facts. 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', 'seek', 'plan', 'predict', 'continue' and similar expressions. Such statements are made on the basis of assumptions and expectations which, although the Company believes them to be reasonable at this time, may prove to be erroneous.

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