

# CORPORATE RESPONSIBILITY

Corporate responsibility for us is not about a set of rules. It's about each individual at GAM adhering to the highest ethical standards and demonstrating probity in everything we do, at work and in our local communities.

As asset managers, our ethos is aligned with those we invest and work for. We work diligently and with integrity to provide our clients with efficient access to investment opportunities and insights to help achieve their aspirations. By putting their capital to work, we help pension funds in mastering the challenges of an ageing society, charities in maximising their impact and individual savers in moulding their future.

## Sustainable investing

At GAM, we offer a unique environment for investment managers, granting them a great degree of freedom and independence. At the same time we provide for an institutional framework that supports the managers and their individual teams in all aspects of their jobs.

In accordance with our duty to act in the best interest of our clients, each investment team is required to explore all aspects that could potentially impact investment performance. This includes the consideration of environmental, social and governance (ESG) criteria and the adherence to active ownership practices. At GAM, we acknowledge that ESG factors can potentially have a material impact on investment risk and investment opportunities and therefore on long-term investment returns.

By becoming a signatory to the United Nations-supported Principles for

Responsible Investment (PRI) in 2015, we have committed to support our teams in incorporating ESG aspects into their specific investment decision-making processes. In 2015 a dedicated working group undertook a series of steps to put our goal into practice. In February 2015, we published the Group's Sustainable Investing Guidelines. Over the summer, we collected the specific requirements of our investment teams. On this basis, we are currently in the process of determining our future responsible investment framework and are carrying out due diligence on potential specialist vendors of ESG data to partner with us.



**As investors, we consciously and responsibly support the development of just, stable, well-functioning and well-governed societies and economies, as well as sound environmental practices.”**

Alexander S. Friedman

In fulfilling our obligation to act in the best interest of our clients, the Group has committed to providing infrastructure support, research resources, proxy voting services, engagement support and reporting, which allow our investment teams to strengthen their consideration of ESG aspects over time.

## Responsible business practices

Responsible business behaviour is driven by our commitment to planning for the long term. As a company, all our activities are designed to meet our commitments to our main stakeholders: our clients, employees, shareholders and regulators. Most importantly, we expect all of our employees to place the interests of the Group, our clients and shareholders above personal interests. Internal policies and procedures formalise the basis for how we conduct business. However, they do not address every situation that may arise in our day-to-day activities. To maintain our standards, we firmly believe that the best way to encourage and guide responsible behaviour is to continuously cultivate the right environment for responsible behaviour and to strengthen our employees' individual sense of responsibility.

### Laws, Rules and Regulations

We observe applicable laws, rules and regulations of the countries in which we operate and comply with our own internal policies and standards. We always interpret and apply them in the best interests of our clients, employees and shareholders.

### Client relationships

We treat all our clients fairly and with integrity, acting as good stewards of their interests. Earning our clients' trust, through a strong direct relationship, or by building sustainable and constructive partnerships with distributors and intermediaries, is our overriding objective.

### Professionalism

We actively seek to attain a level of professional competence appropriate to our responsibilities, to promote the development of others and continue to update our knowledge and skills. We only accept engagements in our areas of competency, unless we have access to advice and assistance that enables us to carry out the work proficiently.

### Diversity and Equal Opportunity

We provide equal employment and advancement opportunities for all individuals regardless of race, ethnicity, gender, sexuality, religion or professional background. We treat each other fairly and respectfully, support each other and collaborate in order to achieve the Group's objectives. Independent thinking, different opinions and perspectives are encouraged, valued and respected.

The full set of principles and practices we expect every employee in our Group to follow are set out in our Code of Conduct, which can be found on our website: [www.gam.com/code-of-conduct](http://www.gam.com/code-of-conduct)

## Supporting our communities

We encourage our staff to play an active role in the communities they live and work in, for instance by supporting participation in local volunteering activities. We also invest in good causes that are aligned with our own culture and values and help children and students maximise their talents. Each year GAM allocates a global budget to match staff donations to international charities for specific causes.

Examples of our engagements can be found on our website: [www.gam.com/corporate-responsibility](http://www.gam.com/corporate-responsibility)

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### Spotlight on Macmillan Cancer Support

In 2015, over 20 GAM employees took part in the Macmillan London Takeover day, which involved street collections in West London. Since 2008, we have hosted the annual Macmillan coffee mornings at our GAM offices in London, raising nearly GBP 25,000 to date. The money collected helps support those who have to live with cancer. Macmillan provides medical, emotional, practical and financial support, making sure no one faces cancer alone. More information on [www.macmillan.org.uk](http://www.macmillan.org.uk)

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# OUR PEOPLE

## GAM's corporate culture

Employees who feel confident and empowered are more likely to act in the best interests of the Group and our clients. In turn, our employees reward us with their loyalty and dedication. Therefore, we believe in the importance of maintaining an open culture and honest communication. A culture that avoids bureaucracy and encourages a flexible, accessible and hands-on working style across the Group. We strive to provide a stimulating and attractive place to work – one where talent is recognised, nurtured and developed. The value we place on our people is best shown by making every individual count, appreciating professional excellence, entrepreneurial flair and team spirit.

## Remuneration policy

Our employees have a direct influence on our success as a business and the performance we achieve for our clients and shareholders. This contribution is recognised in their advancement within the Group as well as in their remuneration. Remuneration is based on performance and reflects individual, business unit and Group accomplishments. In order to create a stronger alignment between the interests

of our staff and those of our shareholders we plan to introduce a share programme available to all employees in 2016. For further details on our remuneration policy, please refer to the 'Compensation Report' section of this Annual Report.

## Managing performance

Effective performance management is the foundation for the success of individual employees, their teams and the company as a whole. Our Group-wide performance management framework provides regular opportunities for dialogue between managers and their direct reports. It includes the setting of mutually agreed development and performance objectives. It also allows us to assess to what extent and how these objectives have been achieved, linking performance with behaviour and compensation. This evaluation is performed at least once a year as a self-assessment by each employee, the line manager and potentially other relevant reviewers in the company. This feedback is formally recorded and discussed between line managers and their direct reports. Our Human Resources teams oversee the process, ensuring participation across the company, and provide training on objective-setting and management skills throughout the year.

## Employee engagement

Our employees' drive, skills and insights are essential to create value for our clients and shareholders. Ensuring they understand and are actively involved in the evolution of the company is a pre-requisite of their engagement.



**GAM is above all a people business. Attracting talents, motivating them, and giving them the freedom to explore new ideas is what makes us successful."**

Alexander S. Friedman

Employees are informed about strategic business decisions and initiatives openly and transparently. There are 'town hall' meetings that take place on a regular basis, where staff have the opportunity to ask questions and engage in conversations with senior management.

In autumn 2015, we launched a new brand identity. We included our staff through collecting their thoughts and ideas via a survey on the intranet and individual interviews with select employees. One of the most important findings from this analysis was the need for a common purpose uniting all of our staff, reflecting what we offer our clients and what we value internally – our people, professional excellence, entrepreneurial flair and team spirit. Based on the input from our staff and clients, we formulated the purpose which is now at the core of our brand: advancing the potential of capital. It expresses the joint dedication across our company to putting our clients' capital to work, in order to help them achieve their aspirations.

## Headcount by region (in FTEs)

as at 31 December 2015

	2015	2014
Switzerland	335	348
UK	382	372
Rest of Europe	262	265
Rest of the world	95	109
<b>Total headcount</b>	<b>1,074</b>	<b>1,094</b>

## Stimulating and inclusive workplace

GAM's culture is grounded in mutual respect and non-discrimination irrespective of age, disability, gender, race, religion, sexual orientation or educational background. We want our employees to feel encouraged to attain a level of professional competence appropriate for their responsibilities, to promote the development of their colleagues, and to continue to update their own skills and knowledge.

In addition to in-house training, we also support external education to help our employees gain qualifications relevant to their roles and that will advance their skills and careers. Our employees regularly gather for lunchtime open forum sessions where they exchange best practice and educate each other on their respective parts of the business. Recruitment, staff development and working practices (such as flexible working arrangements and childcare support, in line with local market practices) are designed to promote diversity and equality.

## Supporting our employees' wellbeing

We strive to provide our employees with a work environment that protects their health, safety and supports their wellbeing. We offer all our employees a comprehensive suite of additional benefits that are competitive in their respective local markets.

In addition, we support informal get-togethers, which in our larger offices are organised by a local, company-sponsored social committee. Through these events, our employees get the chance to get to know each other outside a business environment, which in turn helps to strengthen collaboration.

## Dealing with corporate restructuring and change

In August 2015 we announced the restructuring of our operations and IT functions, affecting our teams in Dublin, London and Zurich. The implementation of our new operating model will be completed by year-end 2016, involving the outsourcing of fund accounting and middle office processes to an external provider, State Street. Over the course of this project and throughout 2016, we estimate that the total number of roles is likely to be reduced by approximately 15%. We will do all we can to offer impacted staff other alternative roles in-house, taking advantage of the natural turnover rate in these teams. However, we will not be able to avoid a certain number of redundancies and will mitigate the consequences for the impacted individuals as much as possible. Employees who are unable to find a suitable role over the course of this project will be compensated with appropriate redundancy packages, comprising their notice period and one month's salary per year of service, capped at 12 months, and will receive our support in their search for new employment.

## Snapshot 2015

Split male/female



**40% of our line managers are female**

Average length of service



Different nationalities



Average age



Hours of training per employee



Investment professionals (headcounts)

**159** investment professionals  
**18.7 years** average years of investment experience (ranging 1–50)  
**7.6 years** average tenure  
**20%** women

Relationship managers (headcounts)

**81** relationship managers  
**7.2 years** average tenure  
**106** employees providing support in marketing, sales support and product specialist roles

Private labelling (headcounts)

**11** project managers  
**7.9 years** average tenure  
**14** total staff