



Zurich, 4 April 2017

Dear Shareholder

I am pleased to invite you to the Annual General Meeting of GAM Holding AG, which will take place on Thursday, 27 April 2017 in Zurich. The enclosed invitation contains the submitted agenda items with the proposals and the registration and authorisation form, as well as a letter to shareholders with an overview of key financial figures of the company for 2016.

Thoughtful and careful long-term succession planning is an essential feature of good corporate governance. A year ago, we strengthened the Board of Directors through the addition of Nancy Mistretta, Benjamin Meuli and Ezra S. Field. Their experience and diverse backgrounds have greatly enhanced the Board of Directors. Together with long-standing members Hugh Scott-Barrett and Diego du Monceau, who have served since 2009 and 2010 respectively, these five members have agreed to stand for re-election to the Board of Directors.

After eight years as the Chairman of GAM Holding AG and many years at its predecessor entities, I have decided to retire after the upcoming Annual General Meeting. I was always convinced of our company's bright future as an independent pure-play asset manager and it has been a privilege to serve as your Chairman during this challenging period since the separation from the Julius Baer Group.

The Board of Directors proposes the election of Hugh Scott-Barrett as Chairman following my retirement. Having served as Chairman of the Audit Committee of the Board of Directors since 2009, Hugh Scott-Barrett is immensely qualified for the position, with a wealth of industry expertise and deep knowledge of GAM. The election of Hugh Scott-Barrett as the new Chairman will ensure stability and strong commitment to the creation of sustainable long-term shareholder value.

I am also pleased that David J. Jacob has agreed to stand for election as a new member of the Board of Directors. He will bring to the company his 30 years of experience in the asset management industry in leading businesses, investment teams, distribution functions, risk management activities along with complex change projects.

With the addition of David J. Jacob, GAM's Board of Directors will continue to consist of six members with a balanced mix of professional experience, backgrounds, diversity, age and tenures. The proposed Board of Directors, working together with the company's management team, is well equipped to tackle the challenges and opportunities of the evolving landscape in asset management and to successfully lead GAM into the next chapter of its history.

The management team is transforming GAM into a company with a far more efficient operating model, a more focused and balanced product shelf, strengthened distribution and powerful brand recognition. As highlighted in the Results and Review 2016 document included in this letter, the Board of Directors together with senior management has been developing the Group's strategy and overseeing its steadfast implementation over the past years. The new GAM will be exceptionally well positioned to gain market share as the asset management industry goes through fundamental changes, creating sustainable value for all stakeholders.

Notwithstanding the progress made so far, the Board of Directors recently received a request to put items on the agenda for the Annual General Meeting from RBR Strategic Value Ltd, Cayman Islands, acting in its own name and on behalf of RBR European Long Short Master Funds, Cayman Islands, and RBR Funds SICAV, Luxembourg (together, the “Requesting Shareholders”).

The Requesting Shareholders propose the election of Kasia Robinski, William Raynar and Rudolf Bohli as new members of the Board of Directors and the election of Kasia Robinski as Chairman of the Board of Directors. Furthermore, the Requesting Shareholders propose the election of Kasia Robinski and William Raynar as new members of the Compensation Committee.

The Board of Directors carefully considered factors related to nominations, including experience, continuity, balance and independence. The Board of Directors believes its proposed candidates will best serve the interests of all shareholders and **unanimously recommends that shareholders vote FOR the proposals put forward by the Board of Directors and AGAINST the proposals made by the Requesting Shareholders.**

Further documents and information related to the Annual General Meeting, the Group’s strategy and 2016 results can be found on our website: www.gam.com/agm2017.

If you would like to attend the Annual General Meeting, I kindly ask you to mark the corresponding box on the registration form and to confirm it with your signature. Please send the completed form to the shareholders’ registry (Aktienregister) of GAM Holding AG using the enclosed envelope.

Your vote at this Annual General Meeting will be important and impact the company’s future, its governance, strategy, and most crucially its prospects for sustainable long-term shareholder value creation. If you are unable to attend the Annual General Meeting, I kindly ask you to select one of the two authorisation options, to add your voting instructions where necessary, and to return the form, duly signed, to the shareholders’ registry (Aktienregister) of GAM Holding AG using the enclosed envelope. Instead of using the enclosed form you may authorise and give your instructions to the Independent Representative electronically. If you wish to do so, please access the website <https://gamholding.shapp.ch> and follow the guidance displayed on your computer screen. You will find your personal access data needed for the registration on the enclosed registration and authorisation form.

Yours faithfully



Johannes A. de Gier
Chairman of the Board of Directors

‘Forward-looking statements’

This letter contains statements that constitute ‘forward-looking statements’, including statements on the future financial performance of GAM Holding AG (the Company), its plans and objectives and their anticipated effect on the Company’s future business and development, as well as other projections and statements that are forward-looking or contain subjective assessments, regarding the intent, belief or current expectations of the Company. 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’, ‘predict’ and similar expressions. Such statements are made on the basis of assumptions, estimates and expectations which, although the Company believes them to be reasonable at this time, may prove to be erroneous or unfounded in the future, as forward-looking statements are subject to risks and uncertainties that could cause the actual development, results and financial position of the Company to differ materially from the information presented herein. If risks or uncertainties materialise or if underlying assumptions prove to be incorrect, actual outcomes may vary materially from those indicated in the forward-looking statements. Other than in accordance with the ad-hoc publicity rules of the SIX Swiss Exchange, the Company undertakes no obligation to release publicly any revisions or updates to any forward-looking statements herein to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events or to reflect any change in the Company’s expectations.

Invitation to the Annual General Meeting of GAM Holding AG, Zurich

The Annual General Meeting will take place on

Thursday, 27 April 2017, at 10:00am

at the SIX Swiss Exchange ConventionPoint Conference Center
Selnaustrasse 30, 8001 Zurich, Switzerland

Admittance: 9:15am

Agenda

The Board of Directors submits the following agenda items and proposals for discussion and resolution by the Annual General Meeting:

1. Management report, parent company's and consolidated financial statements as well as compensation report for the year 2016, reports of the statutory auditors

1.1 Approval of management report, parent company's and consolidated financial statements for the year 2016, notice of the reports of the statutory auditors

The Board of Directors proposes that the management report, the parent company's as well as the consolidated financial statements for the year 2016, be approved.

1.2 Consultative vote on the compensation report 2016

The Board of Directors proposes that the compensation report 2016 be approved on a non-binding consultative basis.

2. Appropriation of available earnings and of capital contribution reserve

A) Proposal

The Board of Directors proposes to allocate the available earnings for appropriation of CHF 41.8 million to other voluntary reserve and to distribute an amount of CHF 0.65 per registered share entitled to distribution out of capital contribution reserve to the shareholders.

Appropriation of available earnings and of capital contribution reserve	CHF million
Balance brought forward	0
Net profit for the year 2016	41.8
Dissolution of capital contribution reserve	102.4*
Total available to the Annual General Meeting	144.2
Allocation to other voluntary reserve	41.8
Distribution to the shareholders (out of capital contribution reserve)	102.4*

* Registered shares held by GAM Holding AG at the time of distribution are not entitled to receive the distribution. Depending on the number of registered shares held by GAM Holding AG at the time of distribution, the amount for dissolution and distribution might be adjusted accordingly. As at 31 December 2016, GAM Holding AG held 2,798,816 registered shares within treasury.

B) Explanation

The Board of Directors proposes to make a distribution to shareholders out of the Company's capital contribution reserve (which amounted to CHF 1,097.2 million as at 31 December 2016), instead of making dividend payments out of available earnings. Such distribution can be made without deduction of Swiss federal withholding tax of 35% and will be exempt from income tax for shareholders with fiscal domicile in Switzerland who hold the shares as part of their private assets.

If the proposal of the Board of Directors is approved, the distribution to shareholders out of capital contribution reserve will amount to CHF 0.65 per registered share.

The last trading day on which the shares will carry an entitlement to receive this distribution is 28 April 2017. The shares will be traded without an entitlement to receive this distribution as of 2 May 2017. The distribution will be payable as of 4 May 2017 free of charge and in accordance with the relevant payment instructions.

3. Discharge of the members of the Board of Directors and the Group Management Board

The Board of Directors proposes that the members of the Board of Directors and the Group Management Board be discharged for the financial year 2016.

4. Capital reduction by cancellation of shares

A) Proposal

The Board of Directors proposes the following:

- (a) to cancel 612,200 registered shares with a par value of CHF 0.05 each which were repurchased by the Company in the year 2016 under its current share buy-back programme and, as a result, to reduce the respective reserves created for these own shares and to reduce the share capital by CHF 30,610.00 from CHF 8,014,736.55 to CHF 7,984,126.55;
- (b) to state that the audit report of the licenced audit expert KPMG AG, Zurich, issued according to article 732 paragraph 2 of the Swiss Code of Obligations, confirms that the claims of the creditors of the Company are fully covered despite the reduction in share capital; and
- (c) to amend articles 3.1 and 3.2 of the Articles of Incorporation as follows:

Current version – Article 3 Share capital

3.1 The fully paid-up share capital amounts to CHF 8 014 736.55.

3.2 The share capital is divided into 160 294 731 registered shares with a par value of CHF –.05 each.

Proposed new version – Article 3 Share capital (changes in *italics*)

3.1 The fully paid-up share capital amounts to *CHF 7 984 126.55*.

3.2 The share capital is divided into *159 682 531* registered shares with a par value of CHF –.05 each.

The other provisions of the Articles of Incorporation shall remain unchanged.

B) Explanation

As at 31 December 2016, the Company held 612,200 registered shares which it had repurchased in the year 2016 for the purposes of cancellation under its current share buy-back programme. The average purchase price paid was CHF 14.17 per share. In order to reflect the proposed cancellation of these 612,200 shares, the share capital in article 3.1 of the Articles of Incorporation, as well as the number of registered shares in article 3.2 of the Articles of Incorporation, need to be reduced accordingly.

KPMG AG, Zurich, as licenced audit expert, have confirmed in an audit report prepared for the Annual General Meeting that the claims of the creditors of the Company will remain fully covered even with the proposed reduction in capital.

In accordance with article 733 of the Swiss Code of Obligations, the capital reduction by means of cancellation of repurchased shares may only take place after the expiration of the period during which creditors may request satisfaction or security by filing their claims. The notice to creditors will be published in the Swiss Official Gazette of Commerce three times immediately after the Annual General Meeting. Claims may then be registered during a two-month period starting as from the date of the third publication. Only upon expiration of this two-month period the capital reduction may be effected and entered in the Commercial Register.

5. Cancellation of conditional capital

A) Proposal

The Board of Directors proposes the cancellation of the conditional share capital and the deletion of article 3.4 of the Articles of Incorporation.

B) Explanation

Pursuant to article 3.4 of the Articles of Incorporation, up to 10,000,000 registered shares, to be fully paid-up and each with a par value of CHF 0.05, may be issued out of the conditional share capital in connection with convertible or warrant bonds. As of today, the Board of Directors sees no use for the conditional capital in accordance with its statutory purpose. KPMG AG, Zurich, as licenced audit expert, have confirmed in an audit report that the Company does not have any bonds with conversion or warrant rights outstanding which upon exercise would entitle to the subscription of shares out of the conditional capital. Thus, the conditional capital may be cancelled and article 3.4 of the Articles of Incorporation may be deleted.

6. Elections of members of the Board of Directors

A) Proposals of the Board of Directors

The Board of Directors proposes the re-election of **Mr Hugh Scott-Barrett** as member and election as Chairman of the Board of Directors (in a single vote), and the re-election of **Mr Diego du Monceau, Ms Nancy Mistretta, Mr Ezra S. Field** and **Mr Benjamin Meuli** as members of the Board of Directors, each for a term of office until the end of the next Annual General Meeting.

You will find the biographies of the members proposed for re-election to the Board of Directors on GAM Holding AG's website (www.gam.com/agm2017).

The Board of Directors further proposes that **Mr David J. Jacob** be elected as new member of the Board of Directors for a term of office until the end of the next Annual General Meeting. The Company received the necessary confirmation from the Swiss Financial Market Supervisory Authority FINMA regarding his compliance with the fit and proper test.

Mr David J. Jacob has 30 years of experience in the asset management industry leading businesses, investment teams, distribution functions, risk management activities along with complex change projects. Mr David J. Jacob is the outgoing Chief Executive Officer of Rogge Global Partners Ltd, a global fixed income asset manager acquired by Allianz Global Investors in 2016. Before joining Rogge in 2014, Mr David J. Jacob was with Henderson Global Investors for nine years in a variety of roles including a member of the Board of Directors and Chief Investment Officer. Prior to Henderson, Mr David J. Jacob was Head of Fixed Income, EMEA at UBS Global Asset Management between 2002 and 2004, before which he held a variety of roles at Merrill Lynch Investment Managers and JPMorgan Asset Management. He is a member of the investment committee of the National Trust Pension Fund and is the Vice Chairman of the investment committee of the Worshipful Company of Stationers and Newspaper Makers. Mr David J. Jacob is a chartered financial analyst and holds a BSc in Economics from Wharton School, University of Pennsylvania. He is a US and UK citizen.

The biography of Mr David J. Jacob may also be accessed on GAM Holding AG's website (www.gam.com/agm2017).

- 6.1 Re-election of Mr Hugh Scott-Barrett as member and election as Chairman of the Board of Directors (in a single vote)
- 6.2 Re-election of Mr Diego du Monceau
- 6.3 Re-election of Ms Nancy Mistretta
- 6.4 Re-election of Mr Ezra S. Field
- 6.5 Re-election of Mr Benjamin Meuli
- 6.6 New election of Mr David J. Jacob

If you wish to support the proposals of the Board of Directors of GAM Holding AG, vote **YES** on all the candidates above.

B) Proposals of RBR Strategic Value Ltd, Cayman Islands

RBR Strategic Value Ltd, Cayman Islands, acting in its own name and on behalf of RBR European Long Short Master Fund, Cayman Islands and RBR Funds SICAV, Luxembourg (together, the "**Requesting Shareholders**") propose the election of **Ms Kasia Robinski** as new member and Chairman of the Board of Directors, and the election of **Mr William Raynar** and **Mr Rudolf Bohli** as new members of the Board of Directors, each for a term of office until the end of the next Annual General Meeting.

The unconfirmed biographies of the candidates proposed by the Requesting Shareholders as provided to the Company may be accessed on GAM Holding AG's website (www.gam.com/agm2017).

Procedural comment: Note that if Mr Hugh Scott-Barrett is re-elected as member and elected as Chairman of the Board of Directors (in a single vote) under agenda item 6.1 above, the new election of Ms Kasia Robinski as Chairman of the Board of Directors under agenda item 6.8 below will not be carried out.

- 6.7 New election of Ms Kasia Robinski as member of the Board of Directors
- 6.8 New election of Ms Kasia Robinski as Chairman of the Board of Directors
- 6.9 New election of Mr William Raynar
- 6.10 New election of Mr Rudolf Bohli

Note that while the Requesting Shareholders have confirmed that the candidates stand for election and would accept a possible election, as of the date of printing of this invitation, the candidates themselves have not formally confirmed such acceptance.

Proposal of the Board of Directors: The Board of Directors proposes to the shareholders to reject the Requesting Shareholders' proposals under **agenda items 6.7, 6.8, 6.9 and 6.10**. The Board of Directors recommends to cast in each case a "**NO**" vote on the proposals of the Requesting Shareholders.

If you wish to support the proposals of the Board of Directors of GAM Holding AG, vote **NO** on all the candidates above.

C) Explanation

Thoughtful and careful long-term succession planning is an essential feature of good corporate governance. A year ago, we strengthened the Board of Directors through the addition of Ms Nancy Mistretta, Mr Benjamin Meuli and Mr Ezra S. Field. Their experience and diverse backgrounds have greatly enhanced the Board of Directors. Together with long-standing members Mr Hugh Scott-Barrett and Mr Diego du Monceau, who have served since 2009 and 2010 respectively, and with the addition of Mr David J. Jacob as a new member of the Board of Directors, these six members provide a balanced mix of professional experience, backgrounds, diversity, age and tenures.

Mr David J. Jacob will bring to the Company his 30 years of experience in the asset management industry in leading businesses, investment teams, distribution functions, risk management activities along with complex change projects.

Mr Hugh Scott-Barrett, who has served as Chairman of the Audit Committee of the Board of Directors since 2009, is immensely qualified for the position of Chairman of the Board of Directors, with a wealth of industry expertise and deep knowledge of GAM. Mr Hugh Scott-Barrett as the new Chairman will ensure stability and strong commitment to the creation of sustainable long-term shareholder value.

The management team is transforming GAM into a company with a far more efficient operating model, a more focused and balanced product shelf, strengthened distribution and powerful brand recognition. The Board of Directors together with senior management has been developing the Group's strategy and overseeing its steadfast implementation over the past years. This strategy will put GAM in an exceptionally well position to gain market share as the asset management industry goes through fundamental changes, creating sustainable value for all stakeholders.

The Board of Directors therefore recommends that shareholders vote FOR the candidates put forward by the Board of Directors under the agenda items 6.1, 6.2, 6.3, 6.4, 6.5 and 6.6 and AGAINST the proposals made by the Requesting Shareholders under the agenda items 6.7, 6.8, 6.9 and 6.10.

7. Elections to the Compensation Committee of the Board of Directors

Procedural comment: Note that only candidates who have been elected as members of the Board of Directors under **agenda item 6** can be elected to the Compensation Committee under this **agenda item 7**; otherwise, the corresponding election will not be carried out.

A) Proposals of the Board of Directors

The Board of Directors proposes the re-election of **Mr Diego du Monceau, Ms Nancy Mistretta** and **Mr Benjamin Meuli** as members of the Compensation Committee, each for a term of office until the end of the next Annual General Meeting.

7.1 Re-election of Mr Diego du Monceau**7.2 Re-election of Ms Nancy Mistretta****7.3 Re-election of Mr Benjamin Meuli**

If you wish to support the proposals of the Board of Directors of GAM Holding AG, vote **YES** on all the candidates above.

B) Proposals of the Requesting Shareholders

The Requesting Shareholders propose the election of **Ms Kasia Robinski** and **Mr William Raynar** as new members of the Compensation Committee, each for a term of office until the end of the next Annual General Meeting.

7.4 New election of Ms Kasia Robinski**7.5 New election of Mr William Raynar**

Proposal of the Board of Directors: The Board of Directors proposes to the shareholders to reject the Requesting Shareholders' proposals under **agenda items 7.4 and 7.5**. The Board of Directors recommends to cast in each case a "**NO**" vote on the proposals of the Requesting Shareholders.

If you wish to support the proposals of the Board of Directors of GAM Holding AG, vote **NO** on all the candidates above.

C) Explanation

The Board of Directors considers three members as an adequate number of members on the Compensation Committee. The candidates proposed by the Board of Directors under agenda items 7.1, 7.2 and 7.3 for re-election have the necessary experience and know-how to contribute as members of the Compensation Committee. The three nominations are well balanced in terms of complementary competencies, experience and gender.

The Board of Directors therefore recommends to the shareholders to vote against the Requesting Shareholders' proposals under agenda items 7.4 and 7.5.

8. Compensation of the Board of Directors and the Group Management Board**8.1 Approval of the compensation of the Board of Directors****A) Proposal**

The Board of Directors proposes the approval of a maximum aggregate amount of compensation of the Board of Directors for the period as from the 2017 Annual General Meeting until the 2018 Annual General Meeting of CHF 2,250,000.

B) Explanation

The compensation of the Board of Directors is fixed and does not include any variable elements. For details about the Board of Directors' compensation for the expiring and an outlook for the following term of office, reference is made to sections 6.2 and 8.1 of the compensation report 2016 which is included in the annual report 2016.

8.2 Approval of the fixed compensation of the Group Management Board

A) Proposal

The Board of Directors proposes the approval of a maximum aggregate amount of fixed compensation of the Group Management Board for the 2017 financial year of CHF 8,000,000.

B) Explanation

For details about the Group Management Board's fixed compensation in 2016 and an outlook for 2017, reference is made to sections 6.1 and 8.2 of the compensation report 2016 which is included in the annual report 2016.

8.3 Approval of the variable compensation of the Group Management Board

A) Proposal

The Board of Directors proposes the approval of a maximum aggregate amount of variable compensation of the Group Management Board for the 2017 financial year of CHF 16,000,000.

B) Explanation

For details about the Group Management Board's variable compensation in 2016 and an outlook for 2017, reference is made to sections 6.1 and 8.2 of the compensation report 2016 which is included in the annual report 2016.

9. Appointment of the statutory auditors

The Board of Directors proposes that KPMG AG, Zurich, be re-elected as statutory auditors for a further one-year period.

10. Election of the Independent Representative

The Board of Directors proposes the re-election of Mr Tobias Rohner, attorney-at-law, Holbeinstrasse 30, 8034 Zurich, as Independent Representative for a term of office until the end of the next Annual General Meeting.

Organisational information

Right to participate and vote/admission cards

After returning the enclosed duly signed registration form by 18 April 2017 at the latest, shareholders will receive an admission card and voting material. Shareholders recorded in the Company's share register with voting rights as at 18 April 2017 will be entitled to participate in, and vote at, the Annual General Meeting. No registrations and de-registrations of registered shares will be made in the share register from 19 to 27 April 2017.

Appointment of proxy

A shareholder entitled to vote may give a written proxy for the Annual General Meeting to a third party. Proxy holders will only be admitted to the Annual General Meeting upon presentation of a valid admission card and a duly executed proxy.

Mr Tobias Rohner, attorney-at-law, Holbeinstrasse 30, 8034 Zurich, Switzerland, is designated as Independent Representative. Shareholders who choose to authorise and give their instructions to the Independent Representative in writing, may do so by returning the duly signed registration form by 24 April 2017 (date of receipt) at the latest.

Electronic authorisation of, and instructions to, the Independent Representative

Shareholders who choose to authorise and give their instructions to the Independent Representative electronically, may do so by accessing the website <https://gamholding.shapp.ch> and then following the guidance that is being displayed on their computer screen. In addition to internet access, an email address and a mobile telephone that can receive a code by text message are required. The personal access data needed for registration can be found on the enclosed registration form. Instructions can be given electronically to the Independent Representative until 24 April 2017.

Simultaneous translations

The Annual General Meeting will be held in English. Simultaneous translation into German will be available. Headsets will be provided in the foyer.

Annual report

The annual report 2016, which consists of the management report, the parent company's as well as the consolidated financial statements and also includes the compensation report, was published on 2 March 2017. It can be accessed on GAM Holding AG's website (www.gam.com/annualreport2016) and is available for inspection at the Company's head office, Hardstrasse 201, 8005 Zurich, Switzerland. Shareholders registered in the Company's share register may order the annual report 2016 by requesting so on the registration form.

Transport to and from the venue

Shareholders are recommended to use public transport to reach the venue.

Reception

There will not be a drinks reception following the conclusion of the Annual General Meeting.

Invitation

In the event of differences between this English translation of the invitation and the original German version, which is available on GAM Holding AG's website (www.gam.com/agm2017), the German version shall prevail.

Zurich, 4 April 2017

GAM Holding AG

For the Board of Directors

The Chairman



Johannes A. de Gier