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# **GAM Funds**

## **Annual Report**

for the year ended 31 December 2020

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\* These reports with the addition of the fund review section and portfolio statement of each Fund comprise the Authorised Director's Report.

## Directory

### Board of the Authorised Corporate Director

**Kaspar Boehni**

Director, GAM Sterling Management Limited  
(Appointed 1 March 2020)

**Douglas Branson**

Director, GAM Sterling Management Limited  
(Resigned 8 May 2020)

**Simon Ellis**

Independent Non-Executive Director

**Sybille Hofmann**

Independent Non-Executive Director

**Charles Naylor**

Director, GAM Sterling Management Limited  
(Appointed 10 February 2021)

**Darren Nicholls**

Head of Risk (UK), GAM Sterling Management Limited

**Andrew Pratt**

UK Financial Controller, GAM Sterling Management Limited

**Timothy Rainsford**

Director, GAM Sterling Management Limited  
(Appointed 1 March 2020 & resigned 14 August 2020)

**Authorised Corporate Director and Registrar**

GAM Sterling Management Limited  
8 Finsbury Circus, London EC2M 7GB, United Kingdom  
(Authorised and Regulated by the Financial Conduct Authority)

**Investment Adviser**

GAM International Management Limited  
8 Finsbury Circus, London EC2M 7GB, United Kingdom  
(Authorised and Regulated by the Financial Conduct Authority)

**Delegate Investment Adviser**

Atlanticonium SA  
Route de Florissant 13, CH 1206 Geneva  
Switzerland  
(regulated by the Swiss FINMA)

**Depositary**

State Street Trustees Limited  
20 Churchill Place, London E14 5HJ, United Kingdom  
(Authorised and Regulated by the Financial Conduct Authority)

**Independent Auditors**

PricewaterhouseCoopers  
One Spencer Dock, North Wall Quay, Dublin 1, D01 X9R7, Ireland

**Administrator**

State Street Bank and Trust Company, London Branch  
20 Churchill Place, London E14 5HJ, United Kingdom  
(Authorised and Regulated by the Financial Conduct Authority)

**Transfer Agent and Facilities Agent in Ireland**

GAM Fund Management Limited  
54-62 Townsend Street, Dublin 2, D02 R156, Ireland

## Authorised Corporate Director's Report

The Authorised Corporate Director ("ACD") presents its report and audited financial statements for the year to 31 December 2020.

GAM Funds (the "Company") is an investment company with variable capital established as an umbrella company and incorporated under The Open-Ended Investment Companies Regulations 2001 (the "OEIC Regulations"). It is a "UCITS scheme" for the purposes of the FCA Collective Investments Scheme Sourcebook (the "FCA Regulations"). The Company is incorporated in England and Wales with registered number IC000001. The head office of the Company is at 8 Finsbury Circus, London, EC2M 7GB. The Company was authorised by an order made by the Financial Services Authority (the predecessor to the FCA) with effect from 2 May 1997. GAM Funds is structured as an umbrella company, consisting of various sub-funds ("Funds"). The shareholders will not be liable for the debts of the Company.

With effect from 1 January 2021, UK domiciled investment funds that has previously operated under the Undertakings for the Collective Investment in Transferable Securities (UCITS) regulations ceased to be classified as UCITS and instead became a 'UK UCITS'. The way in which the Funds and Company are managed is not impacted by this change.

The ACD of the Company is GAM Sterling Management Limited, which is authorised and regulated by the FCA. The ACD is a subsidiary of GAM (U.K.) Limited, whose ultimate parent company is GAM Holding AG.

Prices are published daily on  
[www.gam.com/gb/en/financial-intermediary](http://www.gam.com/gb/en/financial-intermediary)

In accordance with the Statement of Recommended Practice ("SORP"), for Financial Statements of Authorised Funds issued by the Investment Association ("IA"), comparative figures for the Statement of Total Return, Portfolio Analysis, Statement of Change in Net Assets attributable to Shareholders, Balance Sheet and related notes are for the year ended 31 December 2019.

This report is signed in accordance with the requirements of the Collective Investment Schemes Sourcebook as issued and amended by the FCA.

	<i>Darren Nicholls</i>
Director	Director
28 April 2021	

## Investment Objectives and Policy (unaudited)

The investment objective and policy of each Fund is set out below. The base currency of each Fund is Pound sterling.

### GAM Global Diversified

The objective of the Fund is to provide capital appreciation. The Fund invests at least two thirds of its assets in shares and other equity securities and equity rights issued anywhere in the world.

### GAM North American Growth

The objective of the Fund is to provide capital growth. At least 65% of the Fund's investment are in a concentrated portfolio of North American equities.

### GAM UK Diversified

(This Fund merged into GAM UK Equity Income on 2 August 2018 and is no longer available for investment.)

The objective of the Fund was to provide capital appreciation, primarily through investment in quoted securities in the UK.

### GAM Credit Opportunities (GBP)

The objective of the Fund is to provide capital appreciation by investing at least 85 per cent of its net assets in the Master Fund, GAM Star Credit Opportunities (GBP), the investment objective of which is to achieve long-term capital gain in Sterling.

### GAM Continental European Equity

The objective of the Fund is to provide capital appreciation by investing at least 85 per cent of its net assets in the Master Fund, GAM Star Continental European Equity, the investment objective of which is to achieve long-term capital appreciation through investing primarily in quoted equity and equity related securities (including but not limited to warrants), listed on or dealt in Recognised Markets within the EU which are issued by companies with principal offices in Europe other than the United Kingdom.

### GAM Emerging Equity

The objective of the Fund is to provide capital appreciation by investing at least 85 per cent of its net assets in the Master Fund, GAM Multistock – Emerging Equity Fund, the investment objective of which is to achieve long-term capital growth by investing at least two thirds of the assets in a portfolio of carefully selected shares and other equity securities of companies with their registered office or the major part of their business activities in emerging market countries.

### GAM UK Equity Income

The objective of the Fund is to provide income. The Fund also seeks to achieve capital appreciation. The Fund invests at least two thirds of its assets in UK equities, including ordinary shares and preference shares, without restrictions either by company, size or industry. UK equities are shares of companies that are domiciled, incorporated or have a significant portion of their business in the UK. This condition must be met in addition to the investments being listed on a stock exchange in the UK.

### GAM Global Eclectic Equity Fund

(This Fund closed on 19 May 2020)  
 The objective of the Fund was to provide capital appreciation.

## Investment Objectives and Policy (continued)

### General

The Funds are segregated portfolios of assets and, accordingly, the assets of a Fund belong exclusively to that Fund and shall not be used to discharge directly or indirectly the liabilities of, or claims against, any other person or body, including the Company or any other Fund, and shall not be available for any such purpose.

Unless indicated to the contrary on the Portfolio Statement of each Fund, all equity investments referred to in this report are securities admitted to an official stock exchange listing.

As at 31 December 2020 none (2019: none) of the Funds held holdings of another Fund of the Company.

### Assessment of Value

The Assessment of Value report for each Fund of the Company as required by the FCA is available to shareholders to view on [www.gam.com](http://www.gam.com).

## Summary of Significant Accounting policies applicable to all Funds

### General Information

GAM Funds (the "Company") is an open-ended investment company and was incorporated on 2 May 1997 and under the laws of England and Wales. The address of the Authorised Corporate Director (ACD) is at 8 Finsbury Circus, London, EC2M 7GB., United Kingdom.

#### (a) Basis of Accounting

The Financial Statements, which comprise the Statement of Total Return, Statement of Change in Net Assets Attributable to Shareholders, Balance Sheet, Portfolio Statements, Notes to the Financial Statements thereon, for the individual Funds, have been prepared under the historical cost basis, as modified by the revaluation of investments, except for GAM UK Diversified and GAM Global Eclectic Equity Fund, which have been prepared on a non-going concern basis, and in accordance with United Kingdom generally accepted accounting principles, the SORP for Authorised Funds issued by the Investment Association in May 2014, and Collective Investment Scheme Sourcebook as issued and amended by the FCA.

#### (b) Basis of Valuation of Investments

##### Recognition/Derecognition

Purchases and sales are initially recognised on trade date – the date on which the Company commits to purchase or sell the asset. Investments are derecognised when the rights to receive the cash flows from the investments have expired or the Company has transferred substantially all risks and rewards of ownership.

##### Measurement

The investments of the Funds have been valued at bid prices as at 23:00 (GMT) on 31 December 2020. For unquoted securities, where no market quotation is available, such investments will be valued based on the probable realisation value estimated by the ACD on a basis which it considers fair and reasonable. Any unquoted securities have been ruled as such on the portfolio statement of each Fund.

#### (c) Revenue Recognition

All dividends on investments quoted ex dividend up to the accounting date are included in the Statement of Total Return. Bank and other interest receivable is accrued up to this date. Income is shown gross of any non-recoverable withholding taxes, which is disclosed separately and net of attributable tax credits.

#### (d) Foreign Currencies

Foreign currency transactions completed during the year are translated at the rate ruling at the date of the transaction.

Assets and liabilities in foreign currencies are expressed in Pound sterling at the rate of exchange ruling at the balance sheet date.

The following rates of exchange have been used at the year end:

	31 December 2020	31 December 2019
Australian dollar	1.7715	1.8846
Canadian dollar	1.7415	1.7179
Danish krone	8.3158	8.8189
Euro	1.1172	1.1802
Hong Kong dollar	10.5991	10.3222
Japanese yen	141.1307	143.9673
New Zealand dollar	1.8985	1.9636
Norwegian krone	11.7038	11.6410
South African rand	20.0788	18.5247
Swedish krona	11.2261	12.4011
Swiss franc	1.2083	1.2828
Thai baht	40.9538	39.6813
US dollar	1.3669	1.3248

#### (e) Expenses

Management expenses are charged against income and used in determining any distribution. All net income will be distributed after expenses at year end, with the exception of GAM UK Equity Income which charges Management expenses to capital.

Where Funds invest in holdings managed by a GAM group entity, the ACD shall ensure that a reimbursement of fees is made such that there is no double charging to investors. These ACD reimbursements are shown in note 4 as "Capped OCF rebate" which caps the ACD rate charged at the ACD rates disclosed in the notes to the financial statements for each Fund.

#### (f) Revenue

All the income of the Funds after deduction of expenses, will be allocated between holders of income and accumulation shares in accordance with their respective interests. Scrip dividends form part of income for tax purposes but are not included in the year end distribution calculations in accordance with the Collective Investment Scheme Sourcebook.

#### (g) Taxation

Deferred tax is accounted for on an undiscounted basis at expected tax rates on all differences arising from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. A deferred tax asset is only recognised when it is more likely than not that the asset will be recoverable in the foreseeable future out of suitable taxable profits from which the underlying timing differences can be deducted.

#### (h) Foreign Currency Contracts

A forward currency contract obligates the Fund to receive or deliver a fixed quantity of foreign currency at a specified price on an agreed future date. These contracts are valued at the forward rate and the Fund's equity therein, representing unrealised gains or losses on the contracts is included in investments. Realised gains and losses are included in the Statement of Total Return.

#### (i) Underwriting Commission

Underwriting commissions are accounted for when the issue underwritten takes place.

(j) Distribution Policy

The distribution policy of the Funds is to distribute/accumulate all available revenue, after deduction of expenses properly chargeable against revenue. The Funds pay their annual distribution at the end of February, the GAM UK Equity Income also makes an interim distribution which is paid at the end of August.

(k) Equalisation

Equalisation applies to shares purchased within the distribution period (Group 2 shares). It represents the income accrued as at the date of purchase and forms part of the purchase price of the shares. This is returned to the investor, after averaging, as a capital payment with the distribution. It is not liable to income tax but can be deducted from the cost of the shares for capital gains tax purposes.

(l) Transaction Costs

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment. These costs include fees and commissions paid to agents, advisers, brokers and dealers. Investments in financial instruments include transaction costs which form part of the net capital gains/losses.

(m) Cash and Bank Overdrafts.

Cash and cash equivalents and bank overdraft comprises cash and foreign currency on deposit with the Depositary and counterparties with original maturities of less than three months.

(n) Receivable for investments sold and payable for investments purchased

Receivable for investments sold and payable for investments purchased represent amounts receivable and payable respectively, for transactions contracted for but not yet delivered at the end of the financial year. These amounts are included in the Balance Sheet.



## Commentary (unaudited)

### Market environment

2020 was a year of four parts from an equity investor's perspective. A benign first six weeks of the year ended with the advent of COVID-19 and the fastest stock market collapse on record. That phase ended in March where an equally remarkable rise in share prices began and ran all the way into the US presidential elections in early November. Positive trial results for vaccines then became "top of mind" and accelerated the general recovery while changing the underlying composition from an industry perspective.

### Performance

The strategy (Inst GBP) increased 9.9% in 2020, underperforming the benchmark MSCI World Index (GBP), itself up 12.9%. Afterpay, Microsoft and Alphabet were the largest contributors to performance over the period, while ING Group, BNP Paribas and Nutrien detracted most from performance.

### Portfolio activity

Our turnover of positions in the fund was higher than usual in 2020, which is a function of the wide gyrations in stock prices which meant that more stocks approached their "bear" and "bull" valuations in our long-term scenario analysis than has been typically the case. We started to use Credit Suisse's HOLT discounted cash flow-based valuation tool during the year as well as including environmental, social and governance (ESG) ratings on top of our existing ESG-based research on each current and potential holding.

Most of the changes occurred in March, when we added to holdings such as Mondelez, Reckitt Benckiser, PepsiCo and Unilever in the staples space, and Medtronic in medical devices. Afterpay, Dalata and Trainline fell to very deep discounts to our estimates of long-term intrinsic value. This gave us the chance to add to them at very low prices. We were able to make some of these purchases with the cash balance we carried into the COVID-19 crisis, but also by reducing cyclical exposure, selling holdings that had broadly fallen in line with the new holdings. We therefore sold out of some of the "agri" exposure of Bunge and Nutrien in March, reduced our energy exposure with the sale of Euronav, completed our sale of Guyana Goldfields, sold out of Sumitomo Mitsui Financial Group (SMFG) in Japan and reduced position sizes in UPS, Nordic Entertainment, BNP, ING and UniCredit.

Over the summer, within equity markets, there was much debate as to whether a combination of easier comparables, likely future fiscal expansion and possibly an increase in inflation expectations, would cause a shift towards more cyclically exposed, lower-valued companies which had been largely out of favour. Better quality cyclical stocks had already recovered strongly from the lows of March prior to the final quarter of 2020. By the end of October, three holdings in the fund, UPS (the logistics business), Lennar (the US homebuilder) and CRH (the Irish-based cement and building materials company) had, in aggregate, rallied by over 110% since the market lows.

Then, in November, a month which proved to be the strongest month for absolute returns in global equities on record, positive news on the vaccine caused a huge recovery in cyclical parts of the market, such as energy and financials. New holdings were added, such as Pulte and Lundin Mining, along with a return to former holdings such as Nutrien, Mitsui Fudosan and SMFG. During December, we sold our holdings of UPS and JD entirely, as well as reducing other holdings approaching full valuations. In their place, we purchased Samsung Electronics, TSMC and Cigna.

### Outlook

We find ourselves at beginning of 2021 in an interesting position. Hopes for a fast and enduring economic recovery once a combination of vaccines and improving weather get us over the hump of the pandemic are well founded in our view. The scarring to the underlying world economy has been less than many had feared, interest rates have remained very low, companies and consumers have strengthened their balance sheets and there is slack in the labour force which may keep feared inflation at bay for some time. To add further excitement to this picture, the world's central banks seem unlikely to begin to withdraw their huge support within a near-term timeframe. Some argue that this is an ideal set up for risky assets. Inevitably there are qualifications to this view. The first is that the future is always uncertain and putting too high a probability on the above outcome would be rash. The second is valuation. In our view, equity markets have seldom been more richly valued relative to their own history than at present. The reason for that is the lack of value available elsewhere, most obviously in fixed income markets. On a cross-asset basis equity markets remain attractive. Our underlying view is that given interest rates cannot logically repeat the protracted falls seen since the global financial crisis of 2008, investors should also not expect the upward re-rating of stock markets to continue. We believe it is therefore more important than ever to focus on individual company fundamentals.



## Portfolio Analysis (unaudited)

Analysis, by geographical area	31 December 2020 %	31 December 2019 %
United States	38.12	32.22
Japan	10.74	1.02
Ireland	10.53	6.89
United Kingdom	9.49	14.08
Canada	5.99	5.48
India	5.95	1.93
Germany	3.88	3.59
China	3.64	10.76
South Korea	3.26	–
Switzerland	3.18	3.27
Australia	2.11	1.75
Taiwan	2.10	–
Netherlands	–	3.97
Italy	–	3.79
France	–	3.49
Belgium	–	3.09
Sweden	–	2.60
Net other assets	1.01	2.07
Total net assets	100.00	100.00

Analysis, by industry sector	31 December 2020 %	31 December 2019 %
Software & Services	12.95	7.37
Consumer Durables & Apparel	12.08	6.20
Health Care Equipment & Services	11.21	9.29
Technology Hardware & Equipment	8.61	0.33
Materials	8.02	8.52
Food Beverage & Tobacco	6.50	8.73
Real Estate	6.03	2.64
Household & Personal Products	5.96	9.09
Banks	5.44	12.27
Media & Entertainment	5.40	7.32
Consumer Services	3.70	2.02
Energy	3.68	7.19
Capital Goods	3.09	3.13
Retailing	2.64	9.41
Semiconductors & Semiconductor Equipment	2.10	–
Diversified Financials	0.92	0.95
Insurance	0.66	–
Transportation	–	3.47
Net other assets	1.01	2.07
Total net assets	100.00	100.00

Analysis, by investment	31 December 2020 %	31 December 2019 %
Equity Quoted	98.62	97.93
Unquoted equities	0.37	–
Warrants	–	–
Net other assets	1.01	2.07
Total net assets	100.00	100.00

### Risk and Reward Profile (unaudited)



The risk indicator is based on the volatility of the Fund's performance over the last 5 years. Where 5 years' performance history is not available the data is supplemented by proxy fund, benchmark data or a simulated historical series as appropriate.

- The Fund is assigned to the above category based on its historical fluctuations in value.
- The indicator helps investors to have a better understanding of the potential gains and losses related with the Fund. In this context, even the lowest category does not represent a risk-free investment.
- This profile is determined using historical data, as such may not be a reliable indication for the future risk profile. It is not guaranteed and may shift over time.
- This allocation to a risk category may change over time because the future performance of the Fund may fluctuate differently from in the past.
- The Fund does not offer the investor a guaranteed return. Nor does it guarantee the fixed repayment of the money invested in the Fund by the investor.

Further risks that may have a significant effect on the net asset value of the Fund include:

- **Capital at Risk:** all financial investments involve an element of risk. Therefore, the value of the investment and the income from it will vary and the initial investment amount cannot be guaranteed.
- **Investment Positions:** positions may increase in size relative to the size of the Fund. The risk is monitored by regularly adapting positions.
- **Equity:** investments in equities (directly or indirectly via derivatives) may be subject to significant fluctuations in value.

The "Investment Objectives and Policy" section of the Prospectus for this Fund give you more details about all the risks for the Fund.

## Portfolio Statement

as at 31 December 2020

Holdings	Description	Market Value £'000	% of Net Assets
<b>United States 38.12% (December 2019: 32.22%)</b>			
50,252	Keysight Technologies	4,856	4.98
57,877	Fiserv	4,821	4.94
23,012	Microsoft	3,744	3.84
18,642	Becton Dickinson	3,412	3.50
56,928	CVS Health	2,844	2.92
2,164	Alphabet	2,775	2.85
61,821	Mondelez International	2,644	2.71
38,475	Lennar	2,146	2.20
67,980	PulteGroup	2,144	2.20
12,529	Visa	2,005	2.06
12,966	Cigna	1,975	2.03
15,773	PepsiCo	1,711	1.75
23,123	Colgate-Palmolive	1,447	1.48
56,413	Root	648	0.66
		37,172	38.12
<b>Japan 10.74% (December 2019: 1.02%)</b>			
60,200	Sony	4,387	4.50
136,800	Sumitomo Mitsui Financial	3,090	3.17
195,900	Mitsui Fudosan	2,996	3.07
		10,473	10.74
<b>Ireland 10.53% (December 2019: 6.89%)</b>			
1,064,866	Dalata Hotel	3,608	3.70
31,383	Medtronic	2,689	2.76
18,777	Kerry	1,992	2.04
64,662	CRH	1,977	2.03
		10,266	10.53
<b>United Kingdom 9.49% (December 2019: 14.08%)</b>			
123,175	Bunzl	3,009	3.09
66,045	Unilever	2,901	2.97
253,046	Auto Trader	1,508	1.55
22,470	Reckitt Benckiser	1,470	1.51
719,874	Thomas Murray Network*	360	0.37
1,117,128	Fastjet Warrants Expiry date 31/07/2021**	–	–
670,754	Ludorum*†	–	–
45,557	Thomas Murray Systems*	–	–
		9,248	9.49
<b>Canada 5.99% (December 2019: 5.48%)</b>			
110,627	Nutrien	3,898	4.00
298,740	Lundin Mining	1,938	1.99
		5,836	5.99

\*Unquoted investments.

\*\*Warrants

†A final distribution of unknown value is expected to be received during 2021, it is deemed prudent to carry the value at zero.

## Portfolio Statement

as at 31 December 2020

Holdings	Description	Market Value £'000	% of Net Assets
<b>India 5.95% (December 2019: 1.93%)</b>			
89,850	Reliance Industries GDR	3,595	3.68
41,816	HDFC Bank ADR	2,211	2.27
		5,806	5.95
<b>Germany 3.88% (December 2019: 3.59%)</b>			
205,151	Deutsche Konsum REIT*	2,883	2.96
23,367	Creditshelf	899	0.92
		3,782	3.88
<b>China 3.64% (December 2019: 10.76%)</b>			
117,200	Alibaba	2,572	2.64
18,300	Tencent	974	1.00
		3,546	3.64
<b>South Korea 3.26% (December 2019: 0.00%)</b>			
2,378	Samsung Electronics GDR	3,175	3.26
		3,175	3.26
<b>Switzerland 3.18% (December 2019: 3.27%)</b>			
46,536	Cie Financiere Richemont	3,084	3.16
102,988	Cie Financiere Richemont Warrants 22/11/2023**	20	0.02
		3,104	3.18
<b>Australia 2.11% (December 2019: 1.75%)</b>			
30,831	Afterpay	2,054	2.11
		2,054	2.11
<b>Taiwan 2.10% (December 2019: 0.00%)</b>			
25,675	Taiwan Semiconductor Manufacturing ADR	2,048	2.10
		2,048	2.10
<b>Total Investments</b>		<b>96,510</b>	<b>98.99</b>
<b>Net other assets</b>		<b>987</b>	<b>1.01</b>
<b>Total net assets</b>		<b>97,497</b>	<b>100.00</b>

All holdings are equities and represent securities quoted on a Listed Securities Market, unless otherwise stated.

Stocks shown as ADR's and GDR's represent American Depositary Receipts and Global Depositary Receipts.

\*Real Estate Investment Trust (REIT).

\*\*Warrants.

## Statement of Material Portfolio Changes (unaudited)

for the year ended 31 December 2020

Major Purchases	Cost £'000	Major Sales	Proceeds £'000
Alibaba	7,486	Alibaba ADR	7,373
Fiserv	4,703	Alibaba	5,432
Alphabet	4,377	Microsoft	4,558
Nutrien	3,965	Reckitt Benckiser	4,098
Keysight Technologies	3,941	United Parcel Service	4,049
Sony	3,666	Nutrien	3,936
Mitsui Fudosan	3,201	Afterpay	2,997
Sumitomo Mitsui Financial	3,181	Tencent	2,951
Samsung Electronics GDR	2,849	Apache	2,906
PulteGroup	2,227	BNP Paribas	2,820
Kerry	2,221	Unilever	2,805
Visa	2,028	Alphabet	2,747
HDFC Bank ADR	1,978	UniCredit	2,718
Dalata Hotel	1,972	Euronav	2,655
Cigna	1,928	ING	2,585
Taiwan Semiconductor Manufacturing ADR	1,922	Nordic Entertainment	2,492
3M	1,904	Intuit	2,461
Lundin Mining	1,745	Lennar	2,420
Intuit	1,725	Colgate-Palmolive	2,380
Lennar	1,481	Trip.com ADR	2,270
Total purchases for the year	72,342	Total sales for the year	91,010

## Statement of Total Return

for the year ended 31 December 2020

	Notes	2020		2019	
		£'000	£'000	£'000	£'000
<b>Income</b>					
Net capital gains	2		8,782		21,924
Revenue	3	1,354		2,991	
Expenses	4	(915)		(1,265)	
Interest payable and similar charges		(5)		(8)	
Net revenue before taxation		434		1,718	
Taxation	5	(115)		(241)	
Net revenue after taxation			319		1,477
<b>Total return before distribution</b>			9,101		23,401
Distribution	6		(366)		(1,477)
<b>Change in net assets attributable to shareholders from investment activities</b>			8,735		21,924

## Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 December 2020

	2020		2019	
	£'000	£'000	£'000	£'000
<b>Opening net assets attributable to shareholders</b>		108,305		143,440
Amounts receivable on creation of shares	13,279		3,809	
Less: Amounts payable on cancellation of shares	(33,138)		(61,963)	
		(19,859)		(58,154)
Dilution levy		11		28
Change in net assets attributable to shareholders from investment activities		8,735		21,924
Retained distribution on accumulation shares		305		1,067
<b>Closing net assets attributable to shareholders</b>		97,497		108,305



## Balance Sheet

as at 31 December 2020

	Notes	2020 £'000	2019 £'000
<b>Assets:</b>			
Fixed Assets:			
Investments		96,510	106,068
Current assets:			
Debtors	7	540	520
Cash and bank balances	8	840	2,254
<b>Total assets</b>		<b>97,890</b>	<b>108,842</b>
<b>Liabilities:</b>			
Creditors:			
Distribution payable		(68)	(244)
Other creditors	9	(325)	(293)
<b>Total other liabilities</b>		<b>(393)</b>	<b>(537)</b>
<b>Net Assets Attributable to Shareholders</b>		<b>97,497</b>	<b>108,305</b>

## Notes to the Financial Statements

### 1. Investments at Fair Value

#### Fair Value Hierarchy

SORP requires disclosures of financial instruments measured at fair value to be based on three classifications of hierarchy that reflects the significance of the inputs in such fair value measurements.

The hierarchy gives the highest priority to quoted prices for identical instruments in active markets and lowest priority to valuation techniques using non-observable data. The three classifications of the fair value hierarchy are as follows:

Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

The Fund uses the "market approach" valuation technique to value its investments. Inputs are determined by observable data. A financial instrument's classification within the fair value hierarchy is based on the lowest classification of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" may require significant judgment but can generally be considered as that market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The categorisation of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the risk of that instrument.

The following table analyses within the fair value hierarchy of the financial assets and liabilities measured at fair value at 31 December 2020 and 31 December 2019:

Valuation technique	2020		2019	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1	96,150	–	105,708	–
Level 2	–	–	–	–
Level 3	360	–	360	–
Total investments at fair value	96,510	–	106,068	–

### 2. Net capital gains

The net capital gains during the year comprise:

	2020 £'000	2019 £'000
Non-derivative securities	9,139	21,651
Forward foreign exchange currency contracts	(14)	(10)
Currency losses	(330)	(227)
Handling charges	(13)	(9)
Class action proceeds	–	519
Net capital gains	8,782	21,924

### 3. Revenue

	2020 £'000	2019 £'000
UK dividends	262	170
Overseas dividends	878	2,741
Property revenue from overseas REITs – Non PID	65	36
Bank interest	2	10
UK scrip dividends	147	34
Total revenue	1,354	2,991

## Notes to the Financial Statements

### 4. Expenses

	2020 £'000	2019 £'000
<b>Payable to the ACD, associates of the ACD, and agents of either of them:</b>		
ACD's periodic charge	860	1,181
<b>Payable to the Depositary, associates of the Depositary, and agents of either of them:</b>		
Depositary fees	19	21
Safekeeping charge	6	6
<b>Other expenses:</b>		
Audit fees	15	12
Other	15	45
<b>Total expenses</b>	<b>915</b>	<b>1,265</b>

### 5. Taxation

	2020 £'000	2019 £'000
<b>a) Analysis of tax charge in the year:</b>		
Overseas tax	115	241
<b>Total current tax (note 5b)</b>	<b>115</b>	<b>241</b>

#### b) Factors affecting current tax charge for the year:

The tax assessed for the year is higher than (2019: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2019: 20%). The differences are explained below:

Net revenue before taxation	434	1,718
Corporation tax of 20% (2019: 20%)	87	344
<b>Effects of:</b>		
UK dividends	(52)	(34)
Non-taxable scrip dividends	(29)	(7)
Revenue not subject to taxation	(189)	(553)
Movement in excess management expenses	183	250
Overseas tax	115	241
<b>Current tax charge for year (note 5a)</b>	<b>115</b>	<b>241</b>

#### c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

#### d) Factors that may affect future tax charges:

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £11,399,510 (2019: £11,216,123) relating to surplus management expenses. No deferred tax asset was recognised in the prior year as it was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts.

## Notes to the Financial Statements

### 6. Distribution

The distribution takes account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprises:

	2020 £'000	2019 £'000
Final	373	1,311
Add: Revenue deducted on cancellation of shares	15	193
Deduct: Revenue received on creation of shares	(22)	(27)
Net distribution for the year	366	1,477

### 7. Debtors

	2020 £'000	2019 £'000
Amounts receivable for issue of shares	9	4
Accrued revenue	100	113
Overseas tax recoverable	431	403
Total debtors	540	520

### 8. Cash and bank balances

	2020 £'000	2019 £'000
Cash and bank balances	837	2,252
Short term deposits	3	2
Total cash and bank balances	840	2,254

### 9. Creditors

	2020 £'000	2019 £'000
Amounts payable for cancellation of shares	38	57
Accrued expenses	287	236
Total creditors	325	293

### 10. Reconciliation of Shares

Reconciliation of the share movement in the year:

	2020 Opening shares in issue	Issued	Redeemed	2020 Closing shares in issue
A Class – Income Shares	254,943	52	(157,085)	97,910
A Class – Accumulation Shares	524,766	1,611	(403,452)	122,925
R Class – Income Shares	–	330,994	(4,106)	326,888
R Class – Accumulation Shares	–	414,321	(12,741)	401,580
Z Class – Income Shares	504,831	195,642	(31,807)	668,666
Z Class – Accumulation Shares	2,841,849	493,177	(220,034)	3,114,992
Z II Class – Accumulation Shares	1,070,504	28,172	(55,268)	1,043,408
Institutional Class – Income Shares	456,512	33,191	(92,863)	396,840
Institutional Class – Accumulation Shares	982,570	19,587	(229,937)	772,220

The capital of the Fund is represented by the net assets attributable to Shareholders. The amount of net assets attributable to Shareholders can change significantly on a regular basis as the Fund is subject to regular subscriptions and redemptions at the discretion of Shareholders subject to the notice periods per the Prospectus.

## Notes to the Financial Statements

### 11. Related party transactions

All material related party transactions, as set out in Financial Reporting Standard 8 “Related Party Disclosures”, have been disclosed in the notes to the financial statements.

The ACD is authorised to operate umbrella cash accounts held in the name of the Company and it has delegated such authority to the Transfer Agent. All subscriptions and redemptions from the relevant Fund will be channelled and managed through such umbrella cash accounts. The aggregate monies received through issue and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Shareholders.

At the year end accrued expenses included amounts owing to the ACD of £134,550 (2019: £95,496). The charge for the year is disclosed in note 4.

All other material related party transactions have been disclosed in the notes to the financial statements.

### 12. Share classes

The Fund has nine share classes.

The ACD's periodic charge on each share class is as follows:

	%
A Class – Income Shares:	1.50
A Class – Accumulation Shares:	1.50
R Class – Income Shares:	1.05
R Class – Accumulation Shares:	1.05
Z Class – Income Shares:	0.45
Z Class – Accumulation Shares:	0.45
Z II Class – Accumulation Shares:	0.85
Institutional Class – Income Shares:	1.05
Institutional Class – Accumulation Shares:	1.05

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on pages 22 to 26.

The distribution per share class is given in the Distribution Tables on pages 27 and 28.

### 13. Capital commitments and contingent liabilities

On 31 December 2020, the Fund had no capital commitments (2019: £nil) and no contingent liabilities (2019: £nil).

### 14. Derivatives and other financial instruments

The main risks arising from the Fund's financial instruments are market price, foreign currency, liquidity, redemption, credit and interest rate risk.

#### (a) Market price risk

Market price risk arises from uncertainty about future prices of financial instruments held. It represents the potential loss the Funds might suffer through holding market positions in the face of price movements. The Investment Adviser takes into consideration the asset allocation of the portfolio when assessing the risk profile associated with particular countries or industry sectors whilst continuing to follow the investment objectives of the Funds and by regularly reviewing and evaluating the Funds' potential exposure to market risk using the Value at Risk (VaR) approach.

The VaR is an estimate of the maximum loss the Fund may experience over any one week, with a probability of 95%. The VaR is calculated by an external price provider using the historical simulation method using weekly historical pricing data for the underlying securities. The VaR of the portfolio is stress tested on a fortnightly basis by running the VaR using current holdings against historical events. The VaR cannot take account of the fact that future market price movements may bear no relation to historical patterns as future market conditions could vary significantly from those experienced in the past.

For GAM Global Diversified the VaR as at 31 December 2020 was 5.01% (2019: 3.00%). The maximum VaR, minimum VaR and average VaR for the year to 31 December 2020 was 5.01%, 2.69% and 3.75% (2019: 5.26%, (0.00)% and 3.13%). VaR is expressed as a % of NAV.

## Notes to the Financial Statements

### (b) Foreign currency risk

A substantial portion of the financial assets of the Fund may be denominated in currencies other than the base currency of the Fund with the effect that the balance sheet and total return can be significantly affected by currency movements. The Fund may enter into forward foreign currency exchange contracts in order to hedge against currency movements. However, it is not always possible to precisely match the forward foreign exchange amount and the value of such securities may vary as a consequence of market movements over the life of the forward exchange contract.

As at 31 December the Fund had the following net currency exposure (excluding sterling):

	Currency exposure 2020 £'000	Currency exposure 2019 £'000
Australian dollar	2,054	1,897
Canadian dollar	1,938	5,942
Euro	9,904	22,233
Hong Kong dollar	3,546	2,762
Japanese yen	10,473	1,103
Norwegian krone	17	19
Swedish krona	3	2,823
Swiss franc	3,357	3,772
US dollar	55,197	48,974
	86,489	89,525

A 10% increase/decrease in the GBP exchange rate against all other currencies, assuming all other factors remained the same, would have a £9,736,313 (2019: £8,138,621) decrease and £9,606,944 (2019: £9,947,203) increase respectively on the net assets of the Fund.

### (c) Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous. However, the assets of the Fund comprise mainly realisable securities, which can be readily sold.

The ACD may with prior agreement of the Depositary, temporarily suspend the issue, redemption and exchange of shares in the Fund where due to exceptional circumstances it is in the interests of all the shareholders in the Fund.

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual settlement date. Balances as set out in the table below have not been discounted, as the impact of discounting is not significant.

	< 1 month £'000	1-3 months £'000
<b>As at 31 December 2020</b>		
Amounts payable for shares cancelled	38	–
Accrued expenses	287	–
Distribution payable on income shares	–	68
Net assets attributable to shareholders	97,498	–
	97,823	68
	< 1 month £'000	1-3 months £'000
<b>As at 31 December 2019</b>		
Amounts payable for shares cancelled	57	–
Accrued expenses	236	–
Distribution payable on income shares	–	244
Net assets attributable to shareholders	108,305	–
	108,598	244



## Notes to the Financial Statements

### (d) Redemption risk

The redemption risk for the Fund is the redemption of any shares that investors wish to sell. Large redemptions of shares might result in the Fund being forced to sell assets at a time, under circumstances and at a price where it would, instead, normally prefer not to dispose of those assets.

### (e) Credit risk

The Fund is exposed to credit risk on counterparties with whom it trades and may bear the risk of settlement default. Counterparty risk is limited in that most securities on the Fund are settled on delivery against payment in the recognised clearing systems and the risk of default is considered minimal as security delivery and payment are simultaneous.

At 31 December 2020 the Fund held cash deposits of £836,992 (2019: £2,252,486) with State Street Trustees Limited, £3,286 (2019: £2,037) with ABN AMRO. The credit risk to the Fund is the risk that the counterparties default on their obligation to repay the Fund. The Fund manages this credit risk by only holding deposits with approved brokers that belong to an internationally recognised financial services firm.

The Investment Adviser manages credit risk for derivative transactions by only using approved brokers that belong to an internationally recognised financial services firm or alternatively command a high market share in a given market segment.

### (f) Interest rate risk

The Funds may hold cash balances which are subject to a floating rate of interest. At the year end, floating rates were tracked against the Bank of England base rate -0.5% and for any overdrafts the Bank of England base rate +1%. The amount of the cash balances are set out in note 8 to the financial statements for each Fund.

The majority of the assets of the Funds are equity shares and other investments which neither pay interest nor have a maturity date.

### (g) Gains and losses on financial assets

The net capital gains from trading in financial assets and financial liabilities shown in the Statement of Total Return are analysed in note 2 of the Financial Statements.

### (h) Fair value of financial assets and financial liabilities

All the assets of the Fund are held at fair value as determined in accordance with the accounting policies.

## 15. Portfolio transaction costs

Analysis of total trade costs.

	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Equities	72,256	46,680	91,051	97,624
Trades in the year before transaction costs	72,256	46,680	91,051	97,624
<b>Commissions</b>				
Equities	24	18	(29)	(36)
Total commissions	24	18	(29)	(36)
<b>Taxes</b>				
Equities	62	96	(12)	(5)
Total taxes	62	96	(12)	(5)
Total costs	86	114	(41)	(41)
<b>Total net trades in the year after transaction costs</b>	<b>72,342</b>	<b>46,794</b>	<b>91,010</b>	<b>97,583</b>

Total transaction cost expressed as a percentage of asset type cost.

	Purchases		Sales	
	2020 %	2019 %	2020 %	2019 %
<b>Commissions</b>				
Equities	0.03	0.04	(0.03)	(0.04)
<b>Taxes</b>				
Equities	0.09	0.21	(0.01)	(0.01)

## Notes to the Financial Statements

Total transaction cost expressed as a percentage of average net asset value.

	2020 %	2019 %
Commissions	0.05	0.05
Taxes	0.08	0.08
Total costs	0.13	0.13

### Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was 0.30% (2019: 0.18%).

### 16. Events during the year

2020 to date has seen a sharp increase in the volatility of global financial markets due to the COVID-19 pandemic. The ACD, the Investment Adviser and the Delegate Investment Adviser are actively monitoring the situation. It should be noted that COVID-19 has, and may continue to have, an adverse effect on the global economy and the economies of certain nations, which may negatively impact the Fund's performance.

### 17. Events after the Balance Sheet date

There have been no significant events affecting the Fund since the year end.

## Net Asset Value and Comparative Tables

### Net Asset Value and Ongoing Charges Figure

	2020 (p)	2019 (p)	2018 (p)
<b>A Class – Income Shares</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	3,666.46	3,065.99	3,893.23
Return before operating charges*	402.94	682.70	(743.02)
Operating charges	(57.00)	(55.32)	(55.56)
Return after operating charges*	345.94	627.38	(798.58)
Distributions on income shares	–	(26.91)	(28.66)
Closing net asset value per share	4,012.40	3,666.46	3,065.99
* including direct transaction costs of:	4.70	4.63	6.84
<b>Performance</b>			
Return after charges	9.44%	20.48%	(20.51%)
<b>Other information</b>			
Closing net asset value (£'000)	3,929	9,348	9,252
Closing number of shares	97,910	254,943	301,771
Operating charges	1.57%	1.58%	1.52%
Direct transaction costs	0.13%	0.13%	0.19%
<b>Prices</b>			
Highest share price	4,061.90	3,782.05	4,025.31
Lowest share price	2,845.71	3,080.78	3,076.34
	2020 (p)	2019 (p)	2018 (p)
<b>A Class – Accumulation Shares</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	4,980.70	4,134.19	5,200.77
Return before operating charges*	546.63	921.08	(991.59)
Operating charges	(76.69)	(74.57)	(74.99)
Return after operating charges*	469.94	846.51	(1,066.58)
Distributions on accumulation shares	–	(36.75)	(35.35)
Retained distributions on accumulation shares	–	36.75	35.35
Closing net asset value per share	5,450.64	4,980.70	4,134.19
* including direct transaction costs of:	6.28	6.24	9.23
<b>Performance</b>			
Return after charges	9.44%	20.48%	(20.51%)
<b>Other information</b>			
Closing net asset value (£'000)	6,700	26,137	27,286
Closing number of shares	122,925	524,766	659,994
Operating charges	1.57%	1.58%	1.52%
Direct transaction costs	0.13%	0.13%	0.19%
<b>Prices</b>			
Highest share price	5,517.88	5,099.75	5,377.46
Lowest share price	3,865.75	4,154.15	4,109.73

## Net Asset Value and Comparative Tables

### Net Asset Value and Ongoing Charges Figure

	2020 (p)
<b>R Class – Income Shares<sup>(1)</sup></b>	
<b>Change in net assets per share</b>	
Opening net asset value per share	1,000.00
Return before operating charges*	1,355.03
Operating charges	(1,285.84)
Return after operating charges*	69.19
Distributions on income shares	(2.10)
Closing net asset value per share	1,067.09
* including direct transaction costs of:	1.26
<b>Performance</b>	
Return after charges	6.92%
<b>Other information</b>	
Closing net asset value (£'000)	3,488
Closing number of shares	326,888
Operating charges	1.12%
Direct transaction costs	0.13%
<b>Prices</b>	
Highest share price	1,081.78
Lowest share price	755.61

	2020 (p)
<b>R Class – Accumulation Shares<sup>(2)</sup></b>	
<b>Change in net assets per share</b>	
Opening net asset value per share	1,000.00
Return before operating charges*	1,453.54
Operating charges	(1,350.70)
Return after operating charges*	102.84
Distributions on accumulation shares	(1.38)
Retained distributions on accumulation shares	1.38
Closing net asset value per share	1,102.84
* including direct transaction costs of:	1.32
<b>Performance</b>	
Return after charges	10.28%
<b>Other information</b>	
Closing net asset value (£'000)	4,429
Closing number of shares	401,580
Operating charges	1.12%
Direct transaction costs	0.13%
<b>Prices</b>	
Highest share price	1,115.83
Lowest share price	779.40

<sup>(1)</sup> Share class launched on 5 February 2020.

<sup>(2)</sup> Share class launched on 24 February 2020.

## Net Asset Value and Comparative Tables

### Net Asset Value and Ongoing Charges Figure

	2020 (p)	2019 (p)	2018 (p)
<b>Z Class – Income Shares<sup>(3)</sup></b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	991.08	828.39	1,000.00
Return before operating charges*	110.11	185.05	(164.57)
Operating charges	(5.16)	(5.05)	(1.93)
Return after operating charges*	104.95	180.00	(166.50)
Distributions on income shares	(7.49)	(17.31)	(5.11)
Closing net asset value per share	1,088.54	991.08	828.39
* including direct transaction costs of:	1.29	1.26	1.78
<b>Performance</b>			
Return after charges	10.59%	21.73%	(16.65%)
<b>Other information</b>			
Closing net asset value (£'000)	7,279	5,003	4,527
Closing number of shares	668,666	504,831	546,430
Operating charges	0.52%	0.53%	0.47%
Direct transaction costs	0.13%	0.13%	0.19%
<b>Prices</b>			
Highest share price	1,108.12	1,032.40	1,023.88
Lowest share price	770.92	832.45	828.33
	<b>2020 (p)</b>	<b>2019 (p)</b>	<b>2018 (p)</b>
<b>Z Class – Accumulation Shares<sup>(3)</sup></b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	1,014.50	833.51	1,000.00
Return before operating charges*	112.70	186.06	(164.56)
Operating charges	(5.27)	(5.07)	(1.93)
Return after operating charges*	107.43	180.99	(166.49)
Distributions on accumulation shares	(7.66)	(17.43)	(5.11)
Retained distributions on accumulation shares	7.66	17.43	5.11
Closing net asset value per share	1,121.93	1,014.50	833.51
* including direct transaction costs of:	1.31	1.27	1.78
<b>Performance</b>			
Return after charges	10.59%	21.72%	(16.65%)
<b>Other information</b>			
Closing net asset value (£'000)	34,948	28,831	25,729
Closing number of shares	3,114,992	2,841,849	3,086,875
Operating charges	0.52%	0.53%	0.47%
Direct transaction costs	0.13%	0.13%	0.19%
<b>Prices</b>			
Highest share price	1,134.31	1,038.66	1,023.88
Lowest share price	789.13	837.51	828.33

<sup>(3)</sup> Share class launched on 25 July 2018.

## Net Asset Value and Comparative Tables

### Net Asset Value and Ongoing Charges Figure

	2020 (p)	2019 (p)	2018 (p)
<b>Z II Class – Accumulation Shares<sup>(3)</sup></b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	1,008.80	832.05	1,000.00
Return before operating charges*	111.63	185.63	(164.38)
Operating charges	(9.26)	(8.88)	(3.57)
Return after operating charges*	102.37	176.75	(167.95)
Distributions on accumulation shares	(3.57)	(13.53)	(3.47)
Retained distributions on accumulation shares	3.57	13.53	3.47
Closing net asset value per share	1,111.17	1,008.80	832.05
* including direct transaction costs of:	1.30	1.26	1.78
<b>Performance</b>			
Return after charges	10.15%	21.24%	(16.80%)
<b>Other information</b>			
Closing net asset value (£'000)	11,594	10,799	9,590
Closing number of shares	1,043,408	1,070,504	1,152,608
Operating charges	0.92%	0.93%	0.87%
Direct transaction costs	0.13%	0.13%	0.19%
<b>Prices</b>			
Highest share price	1,123.99	1,032.92	1,023.72
Lowest share price	784.04	836.11	826.98
	<b>2020 (p)</b>	<b>2019 (p)</b>	<b>2018 (p)</b>
<b>Institutional Class – Income Shares</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	1,887.15	1,574.63	2,001.14
Return before operating charges*	208.45	352.00	(383.13)
Operating charges	(21.09)	(20.12)	(20.12)
Return after operating charges*	187.36	331.88	(403.25)
Distributions on income shares	(2.89)	(19.36)	(23.26)
Closing net asset value per share	2,071.62	1,887.15	1,574.63
* including direct transaction costs of:	2.43	2.34	3.52
<b>Performance</b>			
Return after charges	9.93%	21.07%	(20.15%)
<b>Other information</b>			
Closing net asset value (£'000)	8,221	8,615	36,764
Closing number of shares	396,840	456,512	2,334,767
Operating charges	1.12%	1.13%	1.07%
Direct transaction costs	0.13%	0.13%	0.19%
<b>Prices</b>			
Highest share price	2,098.94	1,905.96	2,069.36
Lowest share price	1,466.08	1,582.28	1,588.24

<sup>(3)</sup> Share class launched on 25 July 2018.



## Net Asset Value and Comparative Tables

### Net Asset Value and Ongoing Charges Figure

	2020 (p)	2019 (p)	2018 (p)
<b>Institutional Class – Accumulation Shares</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	1,991.95	1,645.35	2,060.53
Return before operating charges*	220.01	367.77	(393.73)
Operating charges	(22.24)	(21.17)	(21.45)
Return after operating charges*	197.77	346.60	(415.18)
Distributions on accumulation shares	(3.00)	(23.80)	(22.93)
Retained distributions on accumulation shares	3.00	23.80	22.93
Closing net asset value per share	2,189.72	1,991.95	1,645.35
* including direct transaction costs of:	2.56	2.48	3.75
<b>Performance</b>			
Return after charges	9.93%	21.07%	(20.15%)
<b>Other information</b>			
Closing net asset value (£'000)	16,909	19,572	30,292
Closing number of shares	772,220	982,570	1,841,064
Operating charges	1.12%	1.13%	1.07%
Direct transaction costs	0.13%	0.13%	0.19%
<b>Prices</b>			
Highest share price	2,215.51	2,038.74	2,130.78
Lowest share price	1,547.50	1,653.48	1,635.41

## Distribution Tables

### Distribution in pence per share

Group 1 Final Shares purchased prior to 1 January 2020

Group 2 Final Shares purchased between 1 January 2020 and 31 December 2020

#### A Class – Income Shares

	Net revenue	Equalisation	Distribution payable 2021	Distribution paid 2020
<b>Group 1</b>	(p)	(p)	(p)	(p)
Final	–	–	–	26.9100
<b>Group 2</b>	(p)	(p)	(p)	(p)
Final	–	–	–	26.9100

#### A Class – Accumulation Shares

	Net revenue	Equalisation	Distribution payable 2021	Distribution paid 2020
<b>Group 1</b>	(p)	(p)	(p)	(p)
Final	–	–	–	36.7500
<b>Group 2</b>	(p)	(p)	(p)	(p)
Final	–	–	–	36.7500

#### R Class – Income Shares<sup>(1)</sup>

	Net revenue	Equalisation	Distribution payable 2021	Distribution paid 2020
<b>Group 1</b>	(p)	(p)	(p)	(p)
Final	2.1000	–	2.1000	–
<b>Group 2</b>	(p)	(p)	(p)	(p)
Final	1.5900	0.5100	2.1000	–

<sup>(1)</sup> Share class launched on 5 February 2020.

#### R Class – Accumulation Shares<sup>(2)</sup>

	Net revenue	Equalisation	Distribution payable 2021	Distribution paid 2020
<b>Group 1</b>	(p)	(p)	(p)	(p)
Final	1.3800	–	1.3800	–
<b>Group 2</b>	(p)	(p)	(p)	(p)
Final	0.5300	0.8500	1.3800	–

<sup>(2)</sup> Share class launched on 24 February 2020.

#### Z Class – Income Shares

	Net revenue	Equalisation	Distribution payable 2021	Distribution paid 2020
<b>Group 1</b>	(p)	(p)	(p)	(p)
Final	7.4900	–	7.4900	17.3100
<b>Group 2</b>	(p)	(p)	(p)	(p)
Final	5.1500	2.3400	7.4900	17.3100

## Distribution Tables

### Z Class – Accumulation Shares

	Net revenue	Equalisation	Distribution payable 2021	Distribution paid 2020
<b>Group 1</b>	(p)	(p)	(p)	(p)
Final	7.6600	–	7.6600	17.4300
<b>Group 2</b>	(p)	(p)	(p)	(p)
Final	5.1300	2.5300	7.6600	17.4300

### Z II Class – Accumulation Shares

	Net revenue	Equalisation	Distribution payable 2021	Distribution paid 2020
<b>Group 1</b>	(p)	(p)	(p)	(p)
Final	3.5700	–	3.5700	13.5300
<b>Group 2</b>	(p)	(p)	(p)	(p)
Final	1.8200	1.7500	3.5700	13.5300

### Institutional Class – Income Shares

	Net revenue	Equalisation	Distribution payable 2021	Distribution paid 2020
<b>Group 1</b>	(p)	(p)	(p)	(p)
Final	2.8900	–	2.8900	19.3600
<b>Group 2</b>	(p)	(p)	(p)	(p)
Final	1.4400	1.4500	2.8900	19.3600

### Institutional Class – Accumulation Shares

	Net revenue	Equalisation	Distribution payable 2021	Distribution paid 2020
<b>Group 1</b>	(p)	(p)	(p)	(p)
Final	3.0000	–	3.0000	23.8000
<b>Group 2</b>	(p)	(p)	(p)	(p)
Final	1.7300	1.2700	3.0000	23.8000

### Equalisation

Equalisation applies only to Group 2 shares. It is the average amount of income included in the purchase price of Group 2 shares and is treated as being refunded to the holders of these shares as a return of capital. Being capital, it is not liable to Income Tax but should be deducted from the cost of shares for tax on capital gains purposes.

## Commentary (unaudited)

### Market environment

2020 was a year of four parts from an equity investor's perspective. A benign first six weeks of the year ended with the advent of COVID-19 and the fastest stock market collapse on record. That phase ended in March where an equally remarkable rise in share prices began and ran all the way into the US presidential elections in early November. Positive trial results for vaccines then became "top of mind" and accelerated the general recovery while changing the underlying composition from an industry perspective.

### Performance

GAM North American Growth (Inst GBP) decreased 0.2% in 2020, underperforming the S&P 500 (GBP), itself up 14.7%. Quanta Services, Church & Dwight and Penske Automotive Group were the largest contributors to performance for the year, while DXP Enterprises, Phillips 66 and Synalloy Corporation detracted most from performance. The Fund's NAV fell 0.8% (as measured by the A class) and fell 0.2% (as measured by the Institutional class) during 2020 versus a rise of 14.7% by its benchmark the S&P 500 Index in GBP.

### Portfolio activity

November saw a change in the management of GAM North American Growth. The new managers, Ali Miremadi and Kevin Kruczynski, took over the fund in the middle of the month and immediately transitioned the portfolio. The transition was 99% complete within two days with minimal frictional trading costs and now reflects their views. The team already manage the GAM Star US All Cap Equity fund and the two portfolios are now extremely similar. The team have a long-term fundamental stock picking philosophy based on identifying the best companies in North America available on a meaningful discount to their estimate of intrinsic value looking forward three years. They use a systematic four-step process which incorporates environmental, social and governance (ESG) factors into each step. This leads to a concentrated, high conviction portfolio with high active share which is constructed very differently to the index.

### Outlook

We find ourselves at beginning of 2021 in an interesting position. Hopes for a fast and enduring economic recovery once a combination of vaccines and improving weather get us over the hump of the pandemic are well founded in our view. The scarring to the underlying world economy has been less than many had feared, interest rates have remained very low, companies and consumers have strengthened their balance sheets and there is slack in the labour force which may keep feared inflation at bay for some time. To add further excitement to this picture, the world's central banks seem unlikely to begin to withdraw their huge support within a near-term timeframe. Some argue that this is an ideal set up for risky assets. Inevitably there are qualifications to this view. The first is that the future is always uncertain and putting too high a probability on the above outcome would be rash. The second is valuation. In our view, equity markets have seldom been more richly valued relative to their own history than at present. The reason for that is the lack of value available elsewhere, most obviously in fixed income markets. On a cross-asset basis equity markets remain attractive. Our underlying view is that given interest rates cannot logically repeat the protracted falls seen since the global financial crisis of 2008, investors should also not expect the upward re-rating of stock markets to continue. We believe it is therefore more important than ever to focus on individual company fundamentals.

## Portfolio Analysis (unaudited)

Analysis, by geographical area	31 December 2020 %	31 December 2019 %
United States	83.45	92.06
Taiwan	3.28	–
Japan	2.16	–
Ireland	1.35	–
China	1.68	–
Canada	6.14	1.80
Net other assets	1.94	6.14
Total net assets	100.00	100.00

Analysis, by industry sector	31 December 2020 %	31 December 2019 %
Health Care Equipment & Services	17.95	7.99
Software & Services	15.39	–
Consumer Durables & Apparel	11.06	–
Food Beverage & Tobacco	7.80	4.79
Materials	7.49	7.95
Media & Entertainment	7.32	–
Retailing	5.87	13.35
Technology Hardware & Equipment	5.63	–
Pharmaceuticals & Biotechnology	5.42	–
Semiconductors & Semiconductor Equipment	4.62	2.20
Banks	4.59	–
Household & Personal Products	2.03	4.86
Commercial & Professional Services	1.46	0.55
Insurance	1.36	12.90
Real Estate	0.07	0.23
Energy	–	9.64
Capital Goods	–	29.24
Diversified Financials	–	0.16
Net other assets	1.94	6.14
Total net assets	100.00	100.00

Analysis, by investment	31 December 2020 %	31 December 2019 %
Equity Quoted	98.06	93.86
Unquoted equities	–	–
Warrants	–	–
Net other assets	1.94	6.14
Total net assets	100.00	100.00

### Risk and Reward Profile (unaudited)



The risk indicator is based on the volatility of the Fund's performance over the last 5 years. Where 5 years' performance history is not available the data is supplemented by proxy fund, benchmark data or a simulated historical series as appropriate.

- The Fund is assigned to the above category based on its historical fluctuations in value.
- The indicator helps investors to have a better understanding of the potential gains and losses related with the Fund. In this context, even the lowest category does not represent a risk-free investment.
- This profile is determined using historical data, as such may not be a reliable indication for the future risk profile. It is not guaranteed and may shift over time.
- This allocation to a risk category may change over time because the future performance of the Fund may fluctuate differently from in the past.
- The Fund does not offer the investor a guaranteed return. Nor does it guarantee the fixed repayment of the money invested in the Fund by the investor.

Further risks that may have a significant effect on the net asset value of the Fund include:

- **Concentration Risk:** concentration in a limited number of securities and industry sectors may result in more volatility than investing in broadly diversified funds.
- **Capital at Risk:** all financial investments involve an element of risk. Therefore, the value of the investment and the income from it will vary and the initial investment amount cannot be guaranteed.
- **Investment Positions:** positions may increase in size relative to the size of the Fund. The risk is monitored by regularly adapting positions.
- **Equity:** investments in equities (directly or indirectly via derivatives) may be subject to significant fluctuations in value.

The "Investment Objectives and Policy" section of the Prospectus for this Fund give you more details about all the risks for the Fund.



## Portfolio Statement

as at 31 December 2020

Holdings	Description	Market Value £'000	% of Net Assets
<b>United States</b>			
<b>Health Care Equipment &amp; Services 17.95% (December 2019: 7.99%)</b>			
20,824	Becton Dickinson	3,812	5.00
60,275	CVS Health	3,012	3.95
29,373	Medtronic	2,517	3.30
63,330	Boston Scientific	1,665	2.19
10,295	Cigna	1,568	2.06
1,841	Intuitive Surgical	1,102	1.45
		13,676	17.95
<b>Software &amp; Services 15.39% (December 2019: 0.00%)</b>			
56,193	Fiserv	4,680	6.14
19,660	Microsoft	3,199	4.20
21,753	Fidelity National Information Services	2,251	2.95
9,978	Visa	1,597	2.10
88,000	Clarent *	–	–
229,449	SoftBrands *	–	–
		11,727	15.39
<b>Consumer Durables &amp; Apparel 8.90% (December 2019: 0.00%)</b>			
57,165	Lennar	3,188	4.19
79,965	PulteGroup	2,522	3.31
10,299	NIKE	1,066	1.40
		6,776	8.90
<b>Food Beverage &amp; Tobacco 7.80% (December 2019: 4.79%)</b>			
54,018	Mondelez International	2,310	3.03
51,452	Coca-Cola	2,064	2.71
14,440	PepsiCo	1,567	2.06
		5,941	7.80
<b>Media &amp; Entertainment 7.32% (December 2019: 0.00%)</b>			
24,532	Electronic Arts	2,577	3.38
1,733	Alphabet	2,222	2.92
3,871	Facebook	774	1.02
		5,573	7.32
<b>Technology Hardware &amp; Equipment 5.63% (December 2019: 0.00%)</b>			
44,385	Keysight Technologies	4,289	5.63
		4,289	5.63
<b>Pharmaceuticals &amp; Biotechnology 5.42% (December 2019: 0.00%)</b>			
7,110	Thermo Fisher Scientific	2,423	3.18
14,793	Johnson & Johnson	1,703	2.24
		4,126	5.42

\* Unquoted investments.

## Portfolio Statement

as at 31 December 2020

Holdings	Description	Market Value £'000	% of Net Assets
	<b>Banks 4.59% (December 2019: 0.00%)</b>		
77,483	Citigroup	3,495	4.59
		3,495	4.59
	<b>Retailing 4.19% (December 2019: 13.35%)</b>		
1,341	Amazon.com	3,195	4.19
		3,195	4.19
	<b>Household &amp; Personal Products 2.03% (December 2019: 4.86%)</b>		
24,661	Colgate-Palmolive	1,543	2.03
		1,543	2.03
	<b>Commercial &amp; Professional Services 1.46% (December 2019: 0.55%)</b>		
7,888	Equifax	1,113	1.46
		1,113	1.46
	<b>Insurance 1.36% (December 2019: 12.90%)</b>		
90,396	Root	1,039	1.36
		1,039	1.36
	<b>Semiconductors &amp; Semiconductor Equipment 1.34% (December 2019: 2.20%)</b>		
18,492	Micron Technology	1,017	1.34
		1,017	1.34
	<b>Real Estate 0.07% (December 2019: 0.23%)</b>		
1,861	CTO Realty Growth	57	0.07
		57	0.07
	<b>Energy 0.00% (December 2019: 9.64%)</b>		
393	Battalion Oil Warrants Series 'A' Expiry date 08/10/2022**	–	–
632	Battalion Oil Warrants Series 'C' Expiry date 08/10/2022**	–	–
492	Battalion Oil Warrants Series 'B' Expiry date 08/10/2022**	–	–
		–	–
	<b>Canada</b>		
	<b>Materials 6.14% (December 2019: 1.80%)</b>		
88,640	Nutrien	3,123	4.10
239,340	Lundin Mining	1,553	2.04
		4,676	6.14
	<b>Taiwan</b>		
	<b>Semiconductors &amp; Semiconductor Equipment 3.28% (December 2019: 0.00%)</b>		
31,275	Taiwan Semiconductor Manufacturing ADR	2,495	3.28
		2,495	3.28

\*\* Warrants.

## Portfolio Statement

as at 31 December 2020

Holdings	Description	Market Value £'000	% of Net Assets
	<b>Japan</b>		
	<b>Consumer Durables &amp; Apparel 2.16% (December 2019: 0.00%)</b>		
22,263	Sony ADR	1,647	2.16
		1,647	2.16
	<b>China</b>		
	<b>Retailing 1.68% (December 2019: 0.00%)</b>		
7,539	Alibaba ADR	1,283	1.68
		1,283	1.68
	<b>Ireland</b>		
	<b>Materials 1.35% (December 2019: 0.00%)</b>		
33,001	CRH ADR	1,028	1.35
		1,028	1.35
	<b>Total Investments</b>	<b>74,696</b>	<b>98.06</b>
	<b>Net other assets</b>	<b>1,474</b>	<b>1.94</b>
	<b>Total net assets</b>	<b>76,170</b>	<b>100.00</b>

All holdings are equities and represent securities quoted on a Listed Securities Market, unless otherwise stated.

Stocks shown as ADR's represent American Depositary Receipts.

2019 comparative industry figures were updated to reflect changes to the Industry Classification Benchmark.

## Statement of Material Portfolio Changes (unaudited)

for the year ended 31 December 2020

Major purchases	Costs £'000	Major Sales	Proceeds £'000
Battalion Oil	18,027	Halcon Resources	19,849
Fiserv	4,823	ICU Medical	9,846
Microsoft	3,968	Quanta Services	7,620
CVS Health	3,967	Penske Automotive	7,298
Keysight Technologies	3,960	ESCO Technologies	7,165
Alphabet	3,954	Church & Dwight	6,987
Becton Dickinson	3,681	Kemper	5,952
Facebook	3,353	AutoZone	5,927
Colgate-Palmolive	3,284	W R Berkley	5,703
Lennar	3,282	Lockheed Martin	5,675
Mondelez International	3,278	Huntsman	5,659
Amazon.com	3,276	Northrop Grumman	5,389
Nutrien	3,177	Owens Corning	5,261
Citigroup	3,114	Post	5,212
PulteGroup	2,643	Williams Companies	4,480
Medtronic	2,461	Phillips 66	3,374
PepsiCo	2,452	Chubb	3,328
Thermo Fisher Scientific	2,442	DXP Enterprises	3,192
Taiwan Semiconductor Manufacturing ADR	2,349	On Semiconductor	3,025
Visa	2,349	Conn S	2,763
Total purchases for the year	109,792	Total sales for the year	143,771

## Statement of Total Return

for the year ended 31 December 2020

	Notes	2020		2019	
		£'000	£'000	£'000	£'000
<b>Income</b>					
Net capital (losses)/gains	2		(4,313)		22,364
Revenue	3	1,347		2,224	
Expenses	4	(900)		(1,767)	
Interest payable and similar charges		–		(1)	
Net revenue before taxation		447		456	
Taxation	5	(161)		(318)	
Net revenue after taxation			286		138
<b>Total return before distribution</b>			(4,027)		22,502
Distribution	6		(297)		(251)
<b>Change in net assets attributable to shareholders from investment activities</b>			(4,324)		22,251

## Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 December 2020

	2020		2019	
	£'000	£'000	£'000	£'000
<b>Opening net assets attributable to shareholders</b>		120,255		176,703
Amounts receivable on creation of shares	15,935		14,538	
Less: Amounts payable on cancellation of shares	(55,839)		(93,375)	
		(39,904)		(78,837)
Dilution levy		–		16
Change in net assets attributable to shareholders from investment activities		(4,324)		22,251
Retained distribution on accumulation shares		143		122
<b>Closing net assets attributable to shareholders</b>		76,170		120,255

## Balance Sheet

as at 31 December 2020

	Notes	2020 £'000	2019 £'000
<b>Assets:</b>			
Fixed Assets:			
Investments		74,696	112,871
Current assets:			
Debtors	7	108	82
Cash and bank balances	8	2,939	7,997
<b>Total assets</b>		<b>77,743</b>	<b>120,950</b>
<b>Liabilities:</b>			
Creditors:			
Distribution payable		(133)	(88)
Other creditors	9	(1,440)	(607)
<b>Total other liabilities</b>		<b>(1,573)</b>	<b>(695)</b>
<b>Net Assets Attributable to Shareholders</b>		<b>76,170</b>	<b>120,255</b>

## Notes to the Financial Statements

### 1. Investments at Fair Value

#### Fair Value Hierarchy

SORP requires disclosures of financial instruments measured at fair value to be based on three classifications of hierarchy that reflects the significance of the inputs in such fair value measurements.

The hierarchy gives the highest priority to quoted prices for identical instruments in active markets and lowest priority to valuation techniques using non-observable data. The three classifications of the fair value hierarchy are as follows:

Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

The Fund uses the "market approach" valuation technique to value its investments. Inputs are determined by observable data. A financial instrument's classification within the fair value hierarchy is based on the lowest classification of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" may require significant judgment but can generally be considered as that market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The categorisation of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the risk of that instrument.

The following table analyses within the fair value hierarchy of the financial assets and liabilities measured at fair value at 31 December 2020 and 31 December 2019:

Valuation technique	2020		2019	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1	74,696	–	112,869	–
Level 2	–	–	–	–
Level 3	–	–	2	–
Total investments at fair value	74,696	–	112,871	–

### 2. Net capital (losses)/gains

The net capital (losses)/gains during the year comprise:

	2020 £'000	2019 £'000
Non-derivative securities	(4,198)	22,866
Forward foreign exchange currency contracts	2	–
Currency losses	(95)	(483)
Handling charges	(28)	(13)
Sundry charges	6	(6)
Net capital (losses)/gains	(4,313)	22,364

### 3. Revenue

	2020 £'000	2019 £'000
Overseas dividends	1,281	2,180
Property revenue from overseas REITs- non-taxable	9	–
Bank interest	3	44
Overseas scrip dividends non-taxable	54	–
Total revenue	1,347	2,224

## Notes to the Financial Statements

### 4. Expenses

	2020 £'000	2019 £'000
<b>Payable to the ACD, associates of the ACD, and agents of either of them:</b>		
ACD's periodic charge	854	1,649
<b>Payable to the Depositary, associates of the Depositary, and agents of either of them:</b>		
Depositary fees	17	30
Safekeeping charge	3	3
<b>Other expenses:</b>		
Audit fees	15	20
Other	11	65
<b>Total expenses</b>	<b>900</b>	<b>1,767</b>

### 5. Taxation

	2020 £'000	2019 £'000
<b>a) Analysis of tax charge in the year:</b>		
Overseas tax	161	318
<b>Total current tax (note 5b)</b>	<b>161</b>	<b>318</b>

#### b) Factors affecting current tax charge for the year:

The tax assessed for the year is higher than (2019: higher than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2019: 20%). The differences are explained below:

Net revenue before taxation	447	456
Corporation tax of 20% (2019: 20%)	89	91

#### Effects of:

Revenue not subject to taxation	(270)	(438)
Movement in excess management expenses	181	347
Overseas tax	161	318
<b>Current tax charge for year (note 5a)</b>	<b>161</b>	<b>318</b>

#### c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

#### d) Factors that may affect future tax charges:

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £5,744,256 (2019: £5,563,343) relating to surplus management expenses. No deferred tax asset was recognised in the prior year as it was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts.



## Notes to the Financial Statements

### 6. Distribution

The distribution takes account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprises:

	2020 £'000	2019 £'000
Final	276	210
Add: Revenue deducted on cancellation of shares	46	46
Deduct: Revenue received on creation of shares	(25)	(5)
Net distribution for the year	297	251
<b>Reconciliation of net revenue after taxation to net distributions for the year</b>		
Net revenue after taxation	286	138
Income deficit transfer to capital	11	113
Net distribution for the year	297	251

### 7. Debtors

	2020 £'000	2019 £'000
Amounts receivable for issue of shares	35	37
Accrued revenue	73	45
Total debtors	108	82

### 8. Cash and bank balances

	2020 £'000	2019 £'000
Cash and bank balances	2,938	7,996
Short term deposits	1	1
Total cash and bank balances	2,939	7,997

### 9. Creditors

	2020 £'000	2019 £'000
Purchases awaiting settlement	–	–
Amounts payable for cancellation of shares	1,040	225
Accrued expenses	400	382
Total creditors	1,440	607

### 10. Reconciliation of Shares

Reconciliation of the share movement in the year:

	2020 Opening shares in issue	Issued	Redeemed	2020 Closing shares in issue
Income Shares	188,086	17	(177,105)	10,998
Accumulation Shares	361,321	4,699	(290,526)	75,494
R Class – Income Shares	–	96,100	(2,650)	93,450
R Class – Accumulation Shares	–	304,010	(59,179)	244,831
Institutional Class – Income Shares	1,510,808	228,704	(448,938)	1,290,574
Institutional Class – Accumulation Shares	2,079,781	405,662	(1,161,106)	1,324,337

The capital of the Fund is represented by the net assets attributable to Shareholders. The amount of net assets attributable to Shareholders can change significantly on a regular basis as the Fund is subject to regular subscriptions and redemptions at the discretion of Shareholders subject to the notice periods per the Prospectus.

## Notes to the Financial Statements

### 11. Related party transactions

All material related party transactions, as set out in Financial Reporting Standard 8 "Related Party Disclosures", have been disclosed in the notes to the financial statements.

The ACD is authorised to operate umbrella cash accounts held in the name of the Company and it has delegated such authority to the Transfer Agent. All subscriptions and redemptions from the relevant Fund will be channelled and managed through such umbrella cash accounts. The aggregate monies received through issue and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Shareholders.

At the year end accrued expenses included amounts owing to the ACD of £123,862 (2019: £112,139). The charge for the year is disclosed in note 4.

All other material related party transactions have been disclosed in the notes to the financial statements.

### 12. Share classes

The Fund has six share classes.

The ACD's periodic charge on each share class is as follows:

	%
Income Shares:	1.50
Accumulation Shares:	1.50
R Class – Income Shares:	0.90
R Class – Accumulation Shares:	0.90
Institutional Class – Income Shares:	0.90
Institutional Class – Accumulation Shares:	0.90

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on pages 44 to 46.

The distribution per share class is given in the Distribution Table on pages 47 and 48. All share classes have the same rights on winding up.

### 13. Capital commitments and contingent liabilities

On 31 December 2020, the Fund had no capital commitments (2019: £nil) and no contingent liabilities (2019: £nil).

### 14. Derivatives and other financial instruments

The main risks arising from the Fund's financial instruments are market price, foreign currency, liquidity, redemption, credit and interest rate risk.

#### (a) Market price risk

Market price risk arises from uncertainty about future prices of financial instruments held. It represents the potential loss the Funds might suffer through holding market positions in the face of price movements. The Investment Adviser takes into consideration the asset allocation of the portfolio when assessing the risk profile associated with particular countries or industry sectors whilst continuing to follow the investment objectives of the Funds and by regularly reviewing and evaluating the Funds' potential exposure to market risk using the Value at Risk (VaR) approach.

The VaR is an estimate of the maximum loss the Fund may experience over any one week, with a probability of 95%. The VaR is calculated by an external price provider using the historical simulation method using weekly historical pricing data for the underlying securities. The VaR of the portfolio is stress tested on a fortnightly basis by running the VaR using current holdings against historical events. The VaR cannot take account of the fact that future market price movements may bear no relation to historical patterns as future market conditions could vary significantly from those experienced in the past.

For GAM North American Growth the VaR as at 31 December 2020 was 4.53% (2019: 5.09%). The maximum VaR, minimum VaR and average VaR for the year to 31 December 2020 was 7.56%, 3.44% and 5.82% (2019: 5.16%, 3.09% and 3.94%). VaR is expressed as a % of NAV.

#### (b) Foreign currency risk

A substantial portion of the financial assets of the Fund may be denominated in currencies other than the base currency of the Fund with the effect that the balance sheet and total return can be significantly affected by currency movements. The Fund may enter into forward foreign currency exchange contracts in order to hedge against currency movements. However, it is not always possible to precisely match the forward foreign exchange amount and the value of such securities may vary as a consequence of market movements over the life of the forward exchange contract.

As at 31 December the Fund had the following net currency exposure (excluding sterling):

	Currency exposure 2020 £'000	Currency exposure 2019 £'000
US dollar	76,139	120,921
	76,139	120,921

A 10% increase/decrease in the GBP exchange rate against all other currencies, assuming all other factors remained the same, would have a £6,921,772 decrease (2019: £10,992,843) and £8,459,944 increase (2019: £13,435,697) respectively on the net assets of the Fund.

## Notes to the Financial Statements

### (c) Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The ACD may with prior agreement of the Depositary, temporarily suspend the issue, redemption and exchange of shares in the Fund where due to exceptional circumstances it is in the interests of all the shareholders in the Fund.

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual settlement date. Balances as set out in the table below have not been discounted, as the impact of discounting is not significant.

As at 31 December 2020	< 1 month £'000	1-3 months £'000
Amounts payable for shares cancelled	1,040	–
Accrued expenses	400	–
Distribution payable on income shares	–	133
Net assets attributable to shareholders	76,170	–
	77,610	133
As at 31 December 2019	< 1 month £'000	1-3 months £'000
Amounts payable for shares cancelled	225	–
Accrued expenses	382	–
Distribution payable on income shares	–	88
Net assets attributable to shareholders	120,255	–
	120,862	88

### (d) Redemption risk

The redemption risk for the Fund is the redemption of any shares that investors wish to sell. Large redemptions of shares might result in the Fund being forced to sell assets at a time, under circumstances and at a price where it would, instead, normally prefer not to dispose of those assets.

### (e) Credit risk

The Fund is exposed to credit risk on counterparties with whom it trades and may bear the risk of settlement default. Counterparty risk is limited in that most securities on the Fund are settled on delivery against payment in the recognised clearing systems and the risk of default is considered minimal as security delivery and payment are simultaneous.

At 31 December 2020 the Fund held cash deposits of £2,929,698 (2019: £7,995,712) with State Street Trustees Limited, £874 (2019: £887) with ABN AMRO. The credit risk to the Fund is the risk that the counterparties default on their obligation to repay the Fund. The Fund manages this credit risk by only holding deposits with approved brokers that belong to an internationally recognised financial services firm.

The Investment Adviser manages credit risk for derivative transactions by only using approved brokers that belong to an internationally recognised financial services firm or alternatively command a high market share in a given market segment.

### (f) Interest rate risk

The Funds may hold cash balances which are subject to a floating rate of interest. At the year end, floating rates were tracked against the Bank of England base rate -0.5% and for any overdrafts the Bank of England base rate +1%. The amount of the cash balances are set out in note 8 to the financial statements for each Fund.

The majority of the assets of the Funds are equity shares and other investments which neither pay interest nor have a maturity date.

### (g) Gains and losses on financial assets

The net capital gains from trading in financial assets and financial liabilities shown in the Statement of Total Return are analysed in note 2 of the Financial Statements.

### (h) Fair value of financial assets and financial liabilities

All the assets of the Fund are held at fair value as determined in accordance with the accounting policies.

## Notes to the Financial Statements

### 15. Portfolio transaction costs

Analysis of total trade costs.

	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
<b>Equities</b>	109,765	–	143,814	65,629
Trades in the year before transaction costs	109,765	–	143,814	65,629
<b>Commissions</b>				
Equities	28	–	(41)	(25)
Total commissions	28	–	(41)	(25)
<b>Taxes</b>				
Equities	–	–	(3)	(1)
Total taxes	–	–	(3)	(1)
Total costs	28	–	(44)	(26)
<b>Total net trades in the year after transaction costs</b>	109,793	–	143,770	65,603

Total transaction cost expressed as a percentage of asset type cost.

	Purchases		Sales	
	2020 %	2019 %	2020 %	2019 %
<b>Commissions</b>				
Equities	0.03	–	(0.03)	(0.04)
<b>Taxes</b>				
Equities	–	–	(0.00)	(0.00)

Total transaction cost expressed as a percentage of average net asset value.

	2020 %	2019 %
Commissions	0.08	0.02
Taxes	0.00	0.00
Total costs	0.08	0.02

### Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was 0.09% (2019: 0.09%).

### 16. Events during the year

2020 to date has seen a sharp increase in the volatility of global financial markets due to the COVID-19 pandemic. The ACD, the Investment Adviser and the Delegate Investment Adviser are actively monitoring the situation. It should be noted that COVID-19 has, and may continue to have, an adverse effect on the global economy and the economies of certain nations, which may negatively impact the Fund's performance.

During November 2020 the investment management responsibilities of the Fund were transferred from Gordon Grender to Ali Miremadi and Kevin Kruczynski.

### 17. Events after the Balance Sheet date

There have been no significant events affecting the Fund since the year end.

## Net Asset Value and Comparative Tables

### Net Asset Value and Ongoing Charges Figure

	2020 (p)	2019 (p)	2018 (p)
<b>Income Shares</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	4,014.62	3,602.33	3,753.48
Return before operating charges*	28.52	476.27	(89.12)
Operating charges	(59.66)	(63.98)	(62.03)
Return after operating charges*	(31.14)	412.29	(151.15)
Distributions on income shares	–	–	–
Closing net asset value per share	3,983.48	4,014.62	3,602.33
* including direct transaction costs of:	3.00	0.66	0.25
<b>Performance</b>			
Return after charges	(0.78%)	11.45%	(4.03%)
<b>Other information</b>			
Closing net asset value (£'000)	438	7,551	8,285
Closing number of shares	10,998	188,086	229,993
Operating charges	1.58%	1.58%	1.60%
Direct transaction costs	0.08%	0.02%	0.01%
<b>Prices</b>			
Highest share price	4,107.87	4,475.05	4,322.90
Lowest share price	2,915.37	3,614.66	3,468.04
	2020 (p)	2019 (p)	2018 (p)
<b>Accumulation Shares</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	5,006.21	4,492.10	4,680.59
Return before operating charges*	35.06	593.84	(111.10)
Operating charges	(73.95)	(79.73)	(77.39)
Return after operating charges*	(38.89)	514.11	(188.49)
Distributions on accumulation shares	–	–	–
Retained distributions on accumulation shares	–	–	–
Closing net asset value per share	4,967.32	5,006.21	4,492.10
* including direct transaction costs of:	3.73	0.82	0.31
<b>Performance</b>			
Return after charges	(0.78%)	11.44%	(4.03%)
<b>Other information</b>			
Closing net asset value (£'000)	3,750	18,089	21,301
Closing number of shares	75,494	361,321	474,192
Operating charges	1.58%	1.58%	1.60%
Direct transaction costs	0.08%	0.02%	0.01%
<b>Prices</b>			
Highest share price	5,122.49	5,580.36	5,390.66
Lowest share price	3,635.41	4,507.46	4,324.64

## Net Asset Value and Comparative Tables

### Net Asset Value and Ongoing Charges Figure

	2020 (p)
<b>R Class – Income Shares<sup>(1)</sup></b>	
<b>Change in net assets per share</b>	
Opening net asset value per share	1,000.00
Return before operating charges*	4.89
Operating charges	(8.42)
Return after operating charges*	(3.53)
Distributions on income shares	(4.37)
Closing net asset value per share	992.10
* including direct transaction costs of:	0.22
<b>Performance</b>	
Return after charges	(0.35%)
<b>Other information</b>	
Closing net asset value (£'000)	927
Closing number of shares	93,450
Operating charges	0.98%
Direct transaction costs	0.08%
<b>Prices</b>	
Highest share price	1,029.01
Lowest share price	736.55
	2020 (p)
<b>R Class – Accumulation Shares<sup>(2)</sup></b>	
<b>Change in net assets per share</b>	
Opening net asset value per share	1,000.00
Return before operating charges*	19.01
Operating charges	(7.94)
Return after operating charges*	11.07
Distributions on accumulation shares	(4.01)
Retained distributions on accumulation shares	4.01
Closing net asset value per share	1,011.07
* including direct transaction costs of:	2.49
<b>Performance</b>	
Return after charges	1.11%
<b>Other information</b>	
Closing net asset value (£'000)	2,476
Closing number of shares	244,831
Operating charges	0.98%
Direct transaction costs	0.08%
<b>Prices</b>	
Highest share price	1,020.40
Lowest share price	725.91

<sup>(1)</sup> Share class launched on 24 January 2020.

<sup>(2)</sup> Share class launched on 24 February 2020.

## Net Asset Value and Comparative Tables

### Net Asset Value and Ongoing Charges Figure

	2020 (p)	2019 (p)	2018 (p)
<b>Institutional Class – Income Shares</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	2,612.87	2,335.68	2,421.93
Return before operating charges*	19.06	308.84	(58.38)
Operating charges	(23.77)	(25.83)	(25.09)
Return after operating charges*	(4.71)	283.01	(83.47)
Distributions on income shares	(10.01)	(5.82)	(2.78)
Closing net asset value per share	2,598.15	2,612.87	2,335.68
* including direct transaction costs of:	1.94	0.43	0.16
<b>Performance</b>			
Return after charges	(0.18%)	12.12%	(3.45%)
<b>Other information</b>			
Closing net asset value (£'000)	33,531	39,475	83,173
Closing number of shares	1,290,574	1,510,808	3,560,943
Operating charges	0.98%	0.98%	1.00%
Direct transaction costs	0.08%	0.02%	0.01%
<b>Prices</b>			
Highest share price	2,674.30	2,911.60	2,800.46
Lowest share price	1,900.02	2,343.78	2,239.26
	2020 (p)	2019 (p)	2018 (p)
<b>Institutional Class – Accumulation Shares</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	2,651.22	2,364.73	2,449.13
Return before operating charges*	19.38	312.59	(59.03)
Operating charges	(24.16)	(26.10)	(25.37)
Return after operating charges*	(4.78)	286.49	(84.40)
Distributions on accumulation shares	(10.04)	(5.86)	(2.82)
Retained distributions on accumulation shares	10.04	5.86	2.82
Closing net asset value per share	2,646.44	2,651.22	2,364.73
* including direct transaction costs of:	1.97	0.43	0.17
<b>Performance</b>			
Return after charges	(0.18%)	12.12%	(3.45%)
<b>Other information</b>			
Closing net asset value (£'000)	35,048	55,140	63,944
Closing number of shares	1,324,337	2,079,781	2,704,061
Operating charges	0.98%	0.98%	1.00%
Direct transaction costs	0.08%	0.02%	0.01%
<b>Prices</b>			
Highest share price	2,713.56	2,947.81	2,831.92
Lowest share price	1,927.90	2,372.94	2,264.42

## Distribution Tables

### Distribution in pence per share

Group 1 Final Shares purchased prior to 1 January 2020

Group 2 Final Shares purchased on or between 1 January 2020 and 31 December 2020

#### Income Shares

	Net revenue	Equalisation	Distribution payable 2021	Distribution paid 2020
<b>Group 1</b>	(p)	(p)	(p)	(p)
Final	–	–	–	–
<b>Group 2</b>	(p)	(p)	(p)	(p)
Final	–	–	–	–

#### Accumulation Shares

	Net revenue	Equalisation	Distribution payable 2021	Distribution paid 2020
<b>Group 1</b>	(p)	(p)	(p)	(p)
Final	–	–	–	–
<b>Group 2</b>	(p)	(p)	(p)	(p)
Final	–	–	–	–

#### R Class – Income Shares<sup>(1)</sup>

	Net revenue	Equalisation	Distribution payable 2021	Distribution paid 2020
<b>Group 1</b>	(p)	(p)	(p)	(p)
Final	4.3700	–	4.3700	–
<b>Group 2</b>	(p)	(p)	(p)	(p)
Final	2.6400	1.7300	4.3700	–

<sup>(1)</sup> Share class launched on 24 January 2020.

#### R Class – Accumulation Shares<sup>(2)</sup>

	Net revenue	Equalisation	Distribution payable 2021	Distribution paid 2020
<b>Group 1</b>	(p)	(p)	(p)	(p)
Final	4.0100	–	4.0100	–
<b>Group 2</b>	(p)	(p)	(p)	(p)
Final	2.3800	1.6300	4.0100	–

<sup>(2)</sup> Share class launched on 24 February 2020.

#### Institutional Class – Income Shares

	Net revenue	Equalisation	Distribution payable 2021	Distribution paid 2020
<b>Group 1</b>	(p)	(p)	(p)	(p)
Final	10.0100	–	10.0100	5.8200
<b>Group 2</b>	(p)	(p)	(p)	(p)
Final	6.2800	3.7300	10.0100	5.8200



## Distribution Tables

### Institutional Class – Accumulation Shares

	Net revenue	Equalisation	Distribution payable 2021	Distribution paid 2020
<b>Group 1</b>	(p)	(p)	(p)	(p)
Final	10.0400	–	10.0400	5.8600
<b>Group 2</b>	(p)	(p)	(p)	(p)
Final	6.8100	3.2300	10.0400	5.8600

### Equalisation

Equalisation applies only to Group 2 shares. It is the average amount of income included in the purchase price of Group 2 shares and is treated as being refunded to the holders of these shares as a return of capital. Being capital, it is not liable to Income Tax but should be deducted from the cost of shares for tax on capital gains purposes.

GAM UK Diversified merged into GAM UK Equity Income on 2 August 2018.

## Statement of Total Return

for the year ended 31 December 2020

	Notes	2020		2019	
		£'000	£'000	£'000	£'000
<b>Income</b>					
Net capital gains	2		–		–
Revenue	3	–		–	
Expenses	4	–		–	
Interest payable and similar charges		–		–	
Net revenue before taxation		–		–	
Taxation	5	–		–	
Net revenue after taxation			–		–
<b>Total return before equalisation</b>			–		–
Equalisation	6		–		–
<b>Change in net assets attributable to shareholders from investment activities</b>			–		–

## Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 December 2020

	2020		2019	
	£'000	£'000	£'000	£'000
<b>Opening net assets attributable to shareholders</b>		–		–
Amounts receivable on creation of shares	–		–	
Less: Amounts payable on cancellation of shares	–		–	
		–		–
Change in net assets attributable to shareholders from investment activities		–		–
<b>Closing net assets attributable to shareholders</b>		–		–

## Balance Sheet

as at 31 December 2020

	Notes	2020 £'000	2019 £'000
<b>Assets:</b>			
Current assets:			
Cash and bank balances	7	138	138
<b>Total assets</b>		<b>138</b>	<b>138</b>
<b>Liabilities:</b>			
Creditors:			
Distribution payable		–	–
Other creditors	8	(138)	(138)
<b>Total other liabilities</b>		<b>(138)</b>	<b>(138)</b>
<b>Net Assets Attributable to Shareholders</b>		<b>–</b>	<b>–</b>

## Notes to the Financial Statements

### 1. Investments at Fair Value

#### Fair Value Hierarchy

SORP requires disclosures of financial instruments measured at fair value to be based on three classifications of hierarchy that reflects the significance of the inputs in such fair value measurements.

The hierarchy gives the highest priority to quoted prices for identical instruments in active markets and lowest priority to valuation techniques using non-observable data. The three classifications of the fair value hierarchy are as follows:

Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

The Fund uses the "market approach" valuation technique to value its investments. Inputs are determined by observable data. A financial instrument's classification within the fair value hierarchy is based on the lowest classification of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" may require significant judgment but can generally be considered as that market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The categorisation of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the risk of that instrument.

The Fund merged with GAM UK Equity Income on 2 August 2018 and as a result there are no investments measured at fair value as at 31 December 2020 and 31 December 2019.

### 2. Net capital gains

The net capital gains during the year comprise:

	2020 £'000	2019 £'000
Currency gains	–	–
Net capital gains	–	–

### 3. Revenue

	2020 £'000	2019 £'000
Total revenue	–	–

### 4. Expenses

	2020 £'000	2019 £'000
<b>Other expenses:</b>		
Audit fees	3	13
Other	(3)	(13)
Total expenses	–	–

## Notes to the Financial Statements

### 5. Taxation

	2020 £'000	2019 £'000
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#### a) Analysis of tax charge in the year:

Total current tax (note 5b)	–	–
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#### b) Factors affecting current tax charge for the year:

The tax assessed for the year is higher than (2019: equal to) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2019: 20%). The differences are explained below:

Net (expenses)/revenue before taxation	–	–
Corporation tax of 20% (2019: 20%)	–	–

#### Effects of:

Movement in excess management expenses	–	–
Current tax charge for year (note 5a)	–	–

#### c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

### 6. Equalisation

The equalisation takes account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprises:

	2020 £'000	2019 £'000
Add: Revenue deducted on cancellation of shares	–	–
Deduct: Revenue received on creation of shares	–	–
Net equalisation for the year	–	–

### 7. Cash and bank balances

	2020 £'000	2019 £'000
Cash and bank balances	138	138
Total cash and bank balances	138	138

### 8. Creditors

	2020 £'000	2019 £'000
Accrued expenses	138	138
Total creditors	138	138

### 9. Related party transactions

All material related party transactions, as set out in Financial Reporting Standard 8 “Related Party Disclosures”, have been disclosed in the notes to the financial statements.

The ACD is authorised to operate umbrella cash accounts held in the name of the Company and it has delegated such authority to the Transfer Agent. All subscriptions and redemptions from the relevant Fund will be channelled and managed through such umbrella cash accounts. The aggregate monies received through issue and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Shareholders.

At the year end accrued expenses included amounts owing to the ACD of £nil (2019: £nil). The charge for the year is disclosed in Note 4.

All other material related party transactions have been disclosed in the notes to the financial statements.

### 10. Share classes

The Fund closed on 2 August 2018 and has no open share classes.

### 11. Capital commitments and contingent liabilities

On 31 December 2020, the Fund had no capital commitments (2019: £nil) and no contingent liabilities (2019: £nil).

## Notes to the Financial Statements

### 12. Derivatives and other financial instruments

The main risks arising from the Fund's financial instruments are market price, foreign currency, liquidity, redemption, credit and interest rate risk.

#### (a) Market price risk

Market price risk arises from uncertainty about future prices of financial instruments held. It represents the potential loss the Funds might suffer through holding market positions in the face of price movements. The Investment Adviser takes into consideration the asset allocation of the portfolio when assessing the risk profile associated with particular countries or industry sectors whilst continuing to follow the investment objectives of the Funds and by regularly reviewing and evaluating the Funds' potential exposure to market risk using the Value at Risk (VaR) approach.

The VaR is an estimate of the maximum loss the Fund may experience over any one week, with a probability of 95%. The VaR is calculated by an external price provider using the historical simulation method using weekly historical pricing data for the underlying securities. The VaR of the portfolio is stress tested on a fortnightly basis by running the VaR using current holdings against historical events. The VaR cannot take account of the fact that future market price movements may bear no relation to historical patterns as future market conditions could vary significantly from those experienced in the past.

#### (b) Foreign currency risk

A portion of the financial assets of the Fund were denominated in currencies other than the base currency of the Fund with the effect that the balance sheet and total return could have been significantly affected by currency movements. The Fund may enter into forward foreign currency exchange contracts in order to hedge against currency movements. However, it is not always possible to precisely match the forward foreign exchange amount and the value of such securities may vary as a consequence of market movements over the life of the forward exchange contract.

The Fund was not exposed to foreign currency risk as at 31 December 2019 and 31 December 2020 due to merger into GAM UK Equity Income and Fund closure on 2 August 2018.

#### (c) Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous. As at 31 December 2020 (31st December 2019, all settled within 1 month), all outstanding liabilities will be settled by the Manager when the Fund is terminated, in excess of 3 months.

#### (d) Redemption risk

The Fund is closed with no shareholders and is not subject to the risk of redemptions.

#### (e) Credit risk

The Fund is exposed to credit risk on counterparties with whom it trades and may bear the risk of settlement default. Counterparty risk is limited in that most securities on the Fund are settled on delivery against payment in the recognised clearing systems and the risk of default is considered minimal as security delivery and payment are simultaneous.

At 31 December 2020 the Fund held cash deposits of £138,496 (2019: £138,496) with State Street Trustees Limited. The credit risk to the Fund is the risk that the counterparties default on their obligation to repay the Fund. The Funds manage this credit risk by only holding deposits with approved brokers that belong to an internationally recognised financial services firm.

The Investment Adviser manages credit risk for derivative transactions by only using approved brokers that belong to an internationally recognised financial services firm or alternatively command a high market share in a given market segment.

#### (f) Interest rate risk

The Funds may hold cash balances which are subject to a floating rate of interest. At the year end, floating rates were tracked against the Bank of England base rate -0.5% and for any overdrafts the Bank of England base rate +1%. The amount of the cash balances are set out in the notes to the financial statements for each Fund.

The majority of the assets of the Funds are equity shares and other investments which neither pay interest nor have a maturity date.

#### (g) Gains and losses on financial assets

The net capital gains from trading in financial assets and financial liabilities shown in the Statement of Total Return are analysed in note 2 of the Financial Statements.

#### (h) Fair value of financial assets and financial liabilities

All the assets of the Fund are held at fair value as determined in accordance with the accounting policies.

### 13. Portfolio transaction costs

There were no transactions costs incurred during the year to 31 December 2020 (2019: £nil).

### 14. Events during the year

As the Fund is closed there has been no events during the year that affected the Fund.

### 15. Events after the Balance Sheet date

There have been no significant events affecting the Fund since the year end.

## Net Asset Value and Comparative Tables

### Net Asset Value and Ongoing Charges Figure

	2020 (p)	2019 (p)	2018 (p)
<b>A Class – Income Shares</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	–	–	1,354.39
Return before operating charges*	–	–	(15.86)
Operating charges	–	–	–
Return after operating charges*	–	–	(15.86)
Distributions on income shares	–	–	–
Return to shareholder as a result of class closure	–	–	(1,338.53)
Closing net asset value per share	–	–	–
* including direct transaction costs of:	–	–	6.33
<b>Performance</b>			
Return after charges	–%	–%	(1.17%)
<b>Other information</b>			
Closing net asset value (£'000)	–	–	–
Closing number of shares	–	–	–
Operating charges	–%	–%	–%
Direct transaction costs	–%	–%	0.48%
<b>Prices</b>			
Highest share price	–	–	–
Lowest share price	–	–	–
Fund closed on 2 August 2018.			
	2020 (p)	2019 (p)	2018 (p)
<b>A Class – Accumulation Shares</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	–	–	2,118.70
Return before operating charges*	–	–	(24.83)
Operating charges	–	–	–
Return after operating charges*	–	–	(24.83)
Distributions on accumulation shares	–	–	–
Retained distributions on accumulation shares	–	–	–
Return to shareholder as a result of class closure	–	–	(2,093.87)
Closing net asset value per share	–	–	–
* including direct transaction costs of:	–	–	9.89
<b>Performance</b>			
Return after charges	–%	–%	(1.17%)
<b>Other information</b>			
Closing net asset value (£'000)	–	–	–
Closing number of shares	–	–	–
Operating charges	–%	–%	–%
Direct transaction costs	–%	–%	0.48%
<b>Prices</b>			
Highest share price	–	–	–
Lowest share price	–	–	–
Fund closed on 2 August 2018.			

## Net Asset Value and Comparative Tables

### Net Asset Value and Ongoing Charges Figure

	2020 (p)	2019 (p)	2018 (p)
<b>Institutional Class – Income Shares</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	–	–	1,566.70
Return before operating charges*	–	–	(14.23)
Operating charges	–	–	–
Return after operating charges*	–	–	(14.23)
Distributions on income shares	–	–	–
Return to shareholder as a result of class closure	–	–	(1,552.47)
Closing net asset value per share	–	–	–
* including direct transaction costs of:	–	–	7.32
<b>Performance</b>			
Return after charges	–%	–%	(0.91%)
<b>Other information</b>			
Closing net asset value (£'000)	–	–	–
Closing number of shares	–	–	–
Operating charges	–%	–%	–%
Direct transaction costs	–%	–%	0.48%
<b>Prices</b>			
Highest share price	–	–	–
Lowest share price	–	–	–
Fund closed on 2 August 2018.			
	2020 (p)	2019 (p)	2018 (p)
<b>Institutional Class – Accumulation Shares</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	–	–	1,695.01
Return before operating charges*	–	–	(15.40)
Operating charges	–	–	–
Return after operating charges*	–	–	(15.40)
Distributions on accumulation shares	–	–	–
Retained distributions on accumulation shares	–	–	–
Return to shareholder as a result of class closure	–	–	(1,679.61)
Closing net asset value per share	–	–	–
* including direct transaction costs of:	–	–	8.01
<b>Performance</b>			
Return after charges	–%	–%	(0.91%)
<b>Other information</b>			
Closing net asset value (£'000)	–	–	–
Closing number of shares	–	–	–
Operating charges	–%	–%	–%
Direct transaction costs	–%	–%	0.48%
<b>Prices</b>			
Highest share price	–	–	–
Lowest share price	–	–	–
Fund closed on 2 August 2018.			



## Commentary (unaudited)

### Macro Backdrop

2020 was a very volatile year for risky assets, given the pandemic. Our fund also experienced this volatility, notably in March, but finished the year with a positive return. This was due to the accrued income we received during 2020 and the strong credit quality of the companies we invest with. Our strategy is to invest in high credit quality companies and capture income; this emphasis on credit quality served us well in 2020. None of our holdings defaulted during the year; as it happens, from a credit standpoint, a number of our holdings improved. This is noticeably the case for the larger part of our portfolio which are within financials. For instance, for banks, capital ratios and excess capital increased significantly during the year. Asset quality remains stable with non-performing loans (NPLs) only modestly rising by 20 bps to 2.9%. The continuation of central bank quantitative easing, as well as strong fiscal support and the beginning of the vaccination programs, should be supportive for the valuation of our securities.

### Credit Quality

Our credit quality was strong and unchanged. This was indicated by the average rating of bonds that remained constant throughout the year at BB and BBB for issuers. We have seen capital and excess capital increase during the year. As an example, Barclays increased its CET1 ratio from 13.8% at the beginning of 2020 to 15.1% at the end of the year. This is despite the fact Barclays took almost GBP 5 billion of provisions for expected credit losses.

### Income

The fund captured an income of 5.6% in 2020, slightly lower than the 6% captured during 2019. Nevertheless, it was extremely resilient if compared, for example, to the yield on the GBP five-year swap rate that decreased from 0.9% to 0.3% during that period.

### Performance

The institutional share class was up 4.3% during 2020, having captured 5.6% income, after taking fees into consideration. In fact, prices of the bonds held in the fund declined 0.4% during the year. While credit quality of issuers held in the fund remained strong throughout the year, prices of their bonds were not immune to the risk-off sentiment related to the pandemic. This sentiment led to the typical price pattern that we have experienced in the past, which materialises as a strong price drop due to an external systemic shock, followed by a strong price recovery, complemented by steady income. Due to this, the net asset value (NAV) of the fund declined by 14.1% during the first quarter of 2020 but then strongly recovered by 10.5% during the second quarter, 3.5% during the third quarter and 6.2% during the fourth quarter.

### Positioning

There were no major changes conducted in terms of positioning, and the fund remains extremely robust, in our view, as it is well positioned in terms of credit / interest rate/liquidity risk. Single positions: Due to our long-term buy and hold philosophy when we have conviction in the credit quality of our companies, we held the opinion that we did not need to make any substantial changes to the fund. As an example, eight out of our top 10 holdings per issuer did not change during the year. While there are always changes in individual bond issues within the fund, the holdings remain national champions, such as HSBC, Lloyds or Rabobank. Within the portfolio, we slightly reduced our allocation to legacy securities, as a result of

tenders on some of our holdings which were done at a premium to market levels. This was related to the fact that during Q4, the European Banking Authority (EBA) and the UK Prudential Regulatory Authority (PRA) stated their opinion on legacy bonds, the message was clear – banks should call / redeem all their legacy bonds to the largest extent possible. Therefore, we continued to see tenders within that space.

For instance, Lloyds announced an exchange offer of legacy Tier 1 bonds into Basel III compliant Tier 2s. The conditions were extremely favourable as legacy Tier 1s were being taken out at a six percentage point premium and the Tier 2s were being offered at a very wide spread. We believe we should see a continuation of these positive developments within the legacy space due to this; over time these bonds are becoming an inefficient source of regulatory capital for institutions.

**Capital structure:** We have maintained our diversification along with the capital structure; our positioning has not changed and this can be best described as follows: 7.8% in senior unsecured, 6.8% in corporate hybrids, 23.1% in Tier 2 bonds, 15.9% in Tier 2 bonds, 7.6% in RT1 (Tier 1 subordinated debt from insurers under Solvency 2), 26.6% in Additional- Tier 1 (AT1) bonds (Tier 1 subordinated debt from banks under Basel III) and cash at 11.5%.

**Asset type:** The positioning has not changed significantly and can be best described as follows: 42% in fixed-to-floater perpetual bonds, 24% in fixed perpetual bonds, 10.5% in fixed-to-floater bonds, 9.3% in fixed-dated bonds, 2% in undated floating-rate notes (FRNs) and cash at 11.5%. This positioning serves our aim to be interest rate insensitive or indifferent by maintaining a diversification between fixed-rate bonds that do well when rates decline and fixed-to-floater bonds and FRNs which protect us when rates rise. This approach has served us well in times of rising interest rates in the past allowing us to produce positive returns during downturns in bond markets and has aided us once again to be positive in the first few months of 2021 as rates have increased in anticipation of economies emerging from pandemic induced economic weakness. In strong bond markets, our excess income compensates somewhat against our lack of interest-rate sensitivity.

**Issuer rating:** Our positioning has not changed. We have more than 80% of the issuers rated investment grade (IG).

**Sector and sub-sector:** In 2020 we maintained our positioning of 80% within financials, where banks and insurances represent the larger proportion with 53.4% and 17.7% respectively. When the COVID-19 pandemic began we quickly sensed that unlike in 2008 when the financial sector was the weakest. It was likely in 2020, from a bond-holder point of view, to be the most robust sector, partly due to the reassurance of the stress tests regulators had been imposing each year on the sector (to survive a crisis two times worse than 2008), as well as governments turning to the banks for help and central banks providing liquidity to economies; and that the corporate sector was where greater caution would be required. Our holdings in non-financial companies were maintained in order to enable us to increase diversification within our funds and benefit from strong credit stories.

### Valuation

With spreads of around 450 bps, valuations of our securities are still significantly wider than pre- COVID-19 levels, and therefore we believe they should benefit going forward.

## Liquidity

The market proved to be very liquid, even during the worst days of the COVID-19 pandemic. This being said, in our view, maintaining good liquidity is an important part of our management of the fund and we do solely rely on market liquidity. Our focus on diversification across number of holdings (126 holdings as at 31 December 2020). The types of holdings include different maturities, and capital structures also contributed to our being able to maintain excellent liquidity for the fund throughout the year.

## Outlook

Our outlook is constructive, as we expect the 5.5% income that the fund aims to capture in 2021 will be complemented by price appreciation.

## ESG

The integration of environmental, social and governance (ESG) factors in our investment process is based on a full-integration approach where ESG factors are incorporated in the team's credit research process in a manner consistent with our long-established bottom-up research policy. Our ESG approach is based on in-depth analysis aimed at better-understanding risks of issuers rather than just excluding issuers based on their ESG profile. External ESG data provider, MSCI, is leveraged to help identify key ESG trends and topical issues material to the analysis of issuers. This is the starting point for our ESG analysis, where ESG ratings help to provide an indication of the risk of issuers from a credit perspective. Our analysts then conduct internal research on key-issue areas of focus for specific issuers. Based on MSCI, the ESG rating of the fund is A and its ESG score is 6.7.

## Portfolio Analysis (unaudited)

Analysis, by geographical area	31 December 2020 %	31 December 2019 %
Ireland	100.30	100.36
Net other liabilities	(0.30)	(0.36)
Total net assets	100.00	100.00

Analysis, by industry sector	31 December 2020 %	31 December 2019 %
Collective Investment Schemes	100.30	100.36
Net other liabilities	(0.30)	(0.36)
Total net assets	100.00	100.00

Analysis, by investment	31 December 2020 %	31 December 2019 %
Bond Fund	100.30	100.36
Net other liabilities	(0.30)	(0.36)
Total net assets	100.00	100.00

### Risk and Reward Profile (unaudited)



The risk indicator is based on the volatility of the Fund's performance over the last 5 years. Where 5 years' performance history is not available the data is supplemented by proxy fund, benchmark data or a simulated historical series as appropriate.

- The Fund is assigned to the above category based on its historical fluctuations in value.
- The indicator helps investors to have a better understanding of the potential gains and losses related with the Fund. In this context, even the lowest category does not represent a risk-free investment.
- This profile is determined using historical data, as such may not be a reliable indication for the future risk profile. It is not guaranteed and may shift over time.
- This allocation to a risk category may change over time because the future performance of the Fund may fluctuate differently from in the past.
- The Fund does not offer the investor a guaranteed return. Nor does it guarantee the fixed repayment of the money invested in the Fund by the investor.

Further risks that may have a significant effect on the net asset value of the Fund include:

- **Liquidity Risk:** some investments can be difficult to sell quickly which may affect the value of the Fund and, in extreme market conditions, its ability to meet redemption requests.
- **Credit Risk/Debt Securities:** bonds may be subject to significant fluctuations in value. Bonds are subject to credit risk and interest rate risk.
- **Brexit Risk:** the regulatory regime to which certain of the Investment Managers are subject to in the UK could be materially and adversely affected. The decision to leave the EU could also result in substantial volatility in foreign exchange markets and a sustained period of uncertainty for the UK, the EU and the global markets in general.
- **Concentration Risk:** concentration in a limited number of securities and industry sectors may result in more volatility than investing in broadly diversified funds.
- **Credit Risk/Non-Investment Grade:** non-investment grade securities, which will generally pay higher yields than more highly rated securities, will be subject to greater market and credit risk, affecting the performance of the Fund.
- **Capital at Risk:** all financial investments involve an element of risk. Therefore, the value of the investment and the income from it will vary and the initial investment amount cannot be guaranteed.
- **Interest Rate Risk:** a rise or fall in interest rates causes fluctuations in the value of fixed income securities, which may result in a decline or an increase in the value of such investments.

The "Investment Objectives and Policy" section of the Prospectus for this Fund give you more details about all the risks for the Fund.

# GAM Credit Opportunities (GBP)

## Portfolio Statement

as at 31 December 2020

Holdings	Description	Market Value £'000	% of Net Assets
<b>Collective Investment Schemes 100.30% (December 2019: 100.36%)</b>			
4,754,745	GAM Star Credit Opportunities Fund GBP QZ II Acc †*	48,117	100.30
		48,117	100.30
	<b>Total Investments</b>	<b>48,117</b>	<b>100.30</b>
	<b>Net other liabilities</b>	<b>(144)</b>	<b>(0.30)</b>
	<b>Total net assets</b>	<b>47,973</b>	<b>100.00</b>

All investments are Collective Investment Scheme unless otherwise stated.

† A related party to the Fund.

\* Details of the Master Fund are available at [www.gam.com/en/documents](http://www.gam.com/en/documents).

## Statement of Material Portfolio Changes (unaudited)

for the year ended 31 December 2020

Total Purchases	Cost £'000
GAM Star Credit Opportunities Fund GBP Z Acc	79,025
GAM Star Credit Opportunities Fund GBP QZ II Acc	48,580
Total purchases for the year	127,605

Total Sales	Proceeds £'000
GAM Star Credit Opportunities Fund GBP Z Acc	108,509
GAM Star Credit Opportunities Fund GBP QZ II Acc	1,019
Total sales for the year	109,528

# GAM Credit Opportunities (GBP)

## Statement of Total Return

for the year ended 31 December 2020

	Notes	2020		2019	
		£'000	£'000	£'000	£'000
<b>Income</b>					
Net capital (losses)/gains	2		(131)		2,235
Revenue	3	3,215		1,441	
Expenses	4	(344)		(278)	
Net revenue before taxation		2,871		1,163	
Taxation	5	–		–	
Net revenue after taxation			2,871		1,163
<b>Total return before distribution</b>			2,740		3,398
Distribution	6		(2,871)		(1,163)
<b>Change in net assets attributable to shareholders from investment activities</b>			(131)		2,235

## Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 December 2020

	2020		2019	
	£'000	£'000	£'000	£'000
<b>Opening net assets attributable to shareholders</b>		26,842		24,682
Amounts receivable on creation of shares	38,246		10,324	
Less: Amounts payable on cancellation of shares	(19,897)		(11,447)	
		18,349		(1,123)
Change in net assets attributable to shareholders from investment activities		(131)		2,235
Retained distribution on accumulation shares		2,913		1,048
<b>Closing net assets attributable to shareholders</b>		47,973		26,842

## Balance Sheet

as at 31 December 2020

	Notes	2020 £'000	2019 £'000
<b>Assets:</b>			
Fixed Assets:			
Investments		48,117	26,939
Current assets:			
Debtors	7	249	134
Cash and bank balances	8	44	3
<b>Total assets</b>		<b>48,410</b>	<b>27,076</b>
<b>Liabilities:</b>			
Creditors:			
Distribution payable		(41)	(41)
Other creditors	9	(396)	(193)
<b>Total other liabilities</b>		<b>(437)</b>	<b>(234)</b>
<b>Net Assets Attributable to Shareholders</b>		<b>47,973</b>	<b>26,842</b>



## Notes to the Financial Statements

### 1. Investments at Fair Value

#### Fair Value Hierarchy

SORP requires disclosures of financial instruments measured at fair value to be based on three classifications of hierarchy that reflects the significance of the inputs in such fair value measurements.

The hierarchy gives the highest priority to quoted prices for identical instruments in active markets and lowest priority to valuation techniques using non-observable data. The three classifications of the fair value hierarchy are as follows:

Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

The Fund uses the "market approach" valuation technique to value its investments. Inputs are determined by observable data. A financial instrument's classification within the fair value hierarchy is based on the lowest classification of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" may require significant judgment but can generally be considered as that market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The categorisation of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the risk of that instrument.

The following table analyses within the fair value hierarchy of the financial assets and liabilities measured at fair value at 31 December 2020 and 31 December 2019:

Valuation technique	2020		2019	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1	–	–	–	–
Level 2	48,117	–	26,939	–
Level 3	–	–	–	–
Total investments at fair value	48,117	–	26,939	–

### 2. Net capital (losses)/gains

The net capital (losses)/gains during the year comprise:

	2020 £'000	2019 £'000
Non-derivative securities	(114)	2,242
Handling charges	(17)	(7)
Net capital (losses)/gains	(131)	2,235

### 3. Revenue

	2020 £'000	2019 £'000
Offshore distribution taxable from Collective Investment Schemes	3,215	1,441
Total revenue	3,215	1,441

## Notes to the Financial Statements

### 4. Expenses

	2020 £'000	2019 £'000
<b>Payable to the ACD, associates of the ACD, and agents of either of them:</b>		
ACD's periodic charge	333	267
Capped OCF rebate	(17)	(7)
<b>Payable to the Depositary, associates of the Depositary, and agents of either of them:</b>		
Depositary fees	7	5
<b>Other expenses:</b>		
Audit fees	21	8
Other	–	5
<b>Total expenses</b>	<b>344</b>	<b>278</b>

### 5. Taxation

	2020 £'000	2019 £'000
<b>a) Analysis of tax charge in the year:</b>		
Corporation tax	–	–
Total current tax (note 5b)	–	–

#### b) Factors affecting current tax charge for the year:

The tax assessed for the year is lower than (2019: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2019: 20%). The differences are explained below:

Net revenue before taxation	2,871	1,163
Corporation tax of 20% (2019: 20%)	574	233

#### Effects of:

Tax deductible interest distributions	(574)	(233)
Current tax charge for year (note 5a)	–	–

#### c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

#### d) Factors that may affect future tax charges:

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £nil (2019: £nil) relating to surplus management expenses. It was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised.

### 6. Distribution

The distribution takes account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprises:

	2020 £'000	2019 £'000
Final	2,954	1,089
Add: Revenue deducted on cancellation of shares	252	288
Deduct: Revenue received on creation of shares	(335)	(214)
<b>Net distribution for the year</b>	<b>2,871</b>	<b>1,163</b>

## Notes to the Financial Statements

### 7. Debtors

	2020 £'000	2019 £'000
Sales awaiting settlement	10	45
Amounts receivable for issue of shares	222	80
Reimbursement for capped expenses	17	9
Total debtors	249	134

### 8. Cash and bank balances

	2020 £'000	2019 £'000
Cash and bank balances	44	3
Total cash and bank balances	44	3

### 9. Creditors

	2020 £'000	2019 £'000
Purchases awaiting settlement	220	51
Amounts payable for cancellation of shares	87	108
Accrued expenses	89	34
Total creditors	396	193

### 10. Reconciliation of Shares

Reconciliation of the share movement in the year:

	2020 Opening shares in issue	Issued	Redeemed	2020 Closing shares in issue
Z Class – Accumulation Shares	–	1,836,578	(84,369)	1,752,209
Institutional Class – Income Shares	95,560	24,078	(55,271)	64,367
Institutional Class – Accumulation Shares	2,281,265	1,802,572	(1,716,475)	2,367,362

The capital of the Fund is represented by the net assets attributable to Shareholders. The amount of net assets attributable to Shareholders can change significantly on a regular basis as the Fund is subject to regular subscriptions and redemptions at the discretion of Shareholders subject to the notice periods per the Prospectus.

### 11. Related party transactions

All material related party transactions, as set out in Financial Reporting Standard 8 “Related Party Disclosures”, have been disclosed in the notes to the financial statements.

The ACD is authorised to operate umbrella cash accounts held in the name of the Company and it has delegated such authority to the Transfer Agent. All subscriptions and redemptions from the relevant Fund will be channelled and managed through such umbrella cash accounts. The aggregate monies received through issue and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Shareholders.

The Fund which is managed by Atlanticomnium S.A. invests primarily in GAM Star Credit Opportunities (GBP) (the Master Fund) which is also managed by Atlanticomnium S.A.

At the year end accrued expenses included amounts owing to the ACD of £70,484 (2019: £23,494). The charge for the year is disclosed in note 4.

Included in the investment portfolio is a holding of 4,754,745 units in GAM Star Credit Opportunities Fund GBP QZ II Accumulation Class of the Master Fund with a market value of £48,116,588).

As at 31 December 2020, one shareholder (2019: none) held over 20% of value of the Fund.

All other material related party transactions have been disclosed in the notes to the financial statements.

## Notes to the Financial Statements

### 12. Share classes

The Fund has three share classes.

The ACD's periodic charge on each share class is as follows:

	%
Z Class – Accumulation Shares:	0.80
Institutional Class – Income Shares:	1.00
Institutional Class – Accumulation Shares:	1.00

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on pages 69 and 70.

The distribution per share class is given in the Distribution Table on page 71.

All share classes have the same rights on winding up.

### 13. Feeder Fund

The aggregate charges of GAM Credit Opportunities (GBP) and GAM Star Credit Opportunities (GBP) QZ II Accumulation are £374,863 (2019: £312,275). The latest annual report of the Master Fund is available on [www.gam.com](http://www.gam.com).

### 14. Capital commitments and contingent liabilities

On 31 December 2020, the Fund had no capital commitments (2019: £nil) and no contingent liabilities (2019: £nil).

### 15. Derivatives and other financial instruments

The main risks arising from the Fund's financial instruments are market price, foreign currency, liquidity, redemption, credit and interest rate risk.

#### (a) Market price risk

Market price risk arises from uncertainty about future prices of financial instruments held. It represents the potential loss the Funds might suffer through holding market positions in the face of price movements. The Investment Adviser takes into consideration the asset allocation of the portfolio when assessing the risk profile associated with particular countries or industry sectors whilst continuing to follow the investment objectives of the Fund and by regularly reviewing and evaluating the Funds potential exposure to market risk using the commitment method.

With all other variables staying the same, if market prices increase or decrease by 10%, then the impact on the portfolio will be an increase or decrease of 10% (£4,797,280) (2019: £2,684,187).

#### (b) Foreign currency risk

A portion of the financial assets of the Fund may be denominated in currencies other than the base currency of the Fund with the effect that the balance sheet and total return can be significantly affected by currency movements. The Fund may enter into forward foreign currency exchange contracts in order to hedge against currency movements. However, it is not always possible to precisely match the forward foreign exchange amount and the value of such securities may vary as a consequence of market movements over the life of the forward exchange contract.

As at 31 December the Fund had no net currency exposure however the Fund through its holding in the Master Fund may be exposed to currency risk.

#### (c) Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous. However, the assets of the Fund comprise mainly realisable securities, which can be readily sold.

The ACD may with prior agreement of the Depositary, temporarily suspend the issue, redemption and exchange of shares in the Fund where due to exceptional circumstances it is in the interests of all the shareholders in the Fund.

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual settlement date. Balances as set out in the table below have not been discounted, as the impact of discounting is not significant.

As at 31 December 2020	<1 month £'000	1-3 months £'000
Amounts payable for shares cancelled	87	–
Purchases awaiting settlement	220	–
Accrued expenses	89	–
Distribution payable on income shares	–	41
Net assets attributable to shareholders	47,973	–
	48,369	41

## Notes to the Financial Statements

As at 31 December 2019	< 1 month £'000	1-3 months £'000
Amounts payable for shares cancelled	108	–
Purchases awaiting settlement	51	–
Accrued expenses	34	–
Distribution payable on income shares	–	41
Net assets attributable to shareholders	26,842	–
	27,035	41

### (d) Redemption risk

The redemption risk for the Fund is the redemption of any shares that investors wish to sell. Large redemptions of shares in the Fund might result in the Fund being forced to sell assets at a time, under circumstances and at a price where it would, instead, normally prefer not to dispose of those assets. The Fund has a redemption risk due to a significant number of shares held by a small concentration of shareholders.

### (e) Credit risk

The Fund is exposed to credit risk on counterparties with whom it trades and may bear the risk of settlement default. Counterparty risk is limited in that most securities on the Master Fund are settled on delivery against payment in the recognised clearing systems and the risk of default is considered minimal as security delivery and payment are simultaneous.

The Investment Adviser manages credit risk for derivative transactions by only using approved brokers that belong to an internationally recognised financial services firm or alternatively command a high market share in a given market segment.

### (f) Interest rate risk

The Funds may hold cash balances which are subject to a floating rate of interest. At the year end, floating rates were tracked against the Bank of England base rate -0.5% and for any overdrafts the Bank of England base rate +1%. The amount of the cash balances are set out in note 8 to the financial statements for each Fund.

The majority of the assets of the Fund are equity shares and other investments which neither pay interest nor have a maturity date however the Fund through its holding in the Master Fund may be exposed to interest rate risk.

### (g) Gains and losses on financial assets

The net capital gains from trading in financial assets and financial liabilities shown in the Statement of Total Return are analysed in note 2 of the Financial Statements.

### (h) Fair value of financial assets and financial liabilities

All the assets of the Fund are held at fair value as determined in accordance with the accounting policies.

## 16. Portfolio transaction costs

There were no transactions costs incurred during the year to 31 December 2020 (2019: £nil).

### Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was nil (2019: nil).

## 17. Events during the year

2020 to date has seen a sharp increase in the volatility of global financial markets due to the COVID-19 pandemic. The ACD and the Delegate Investment Adviser are actively monitoring the situation. It should be noted that COVID-19 has, and may continue to have, an adverse effect on the global economy and the economies of certain nations, which may negatively impact the Fund's performance.

## 18. Events after the Balance Sheet date

There have been no significant events affecting the Fund since the year end.

## Net Asset Value and Comparative Tables

### Net Asset Value and Ongoing Charges Figure

	2020 (p)		
<b>Z Class – Accumulation Shares<sup>(1)</sup></b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	1,000.00		
Return before operating charges*	109.38		
Operating charges	(6.55)		
Return after operating charges*	102.83		
Distributions on accumulation shares	(71.86)		
Retained distributions on accumulation shares	71.86		
Closing net asset value per share	1,102.83		
* including direct transaction costs of:	–		
<b>Performance</b>			
Return after charges	10.28%		
<b>Other information</b>			
Closing net asset value (£'000)	19,324		
Closing number of shares	1,752,209		
Operating charges	0.97%		
Direct transaction costs	–%		
<b>Prices</b>			
Highest share price	1,102.83		
Lowest share price	1,000.00		
	2020 (p)	2019 (p)	2018 (p)
<b>Institutional Class – Income Shares</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	1,007.37	922.57	1,033.54
Return before operating charges*	55.03	138.52	(55.83)
Operating charges	(11.60)	(11.26)	(11.37)
Return after operating charges*	43.43	127.26	(67.20)
Distributions on income shares	(63.33)	(42.46)	(43.77)
Closing net asset value per share	987.47	1,007.37	922.57
* including direct transaction costs of:	–	–	–
<b>Performance</b>			
Return after charges	4.31%	13.78%	(6.50%)
<b>Other information</b>			
Closing net asset value (£'000)	636	963	2,195
Closing number of shares	64,367	95,560	237,931
Operating charges	1.18%	1.15%	1.14%
Direct transaction costs	–%	–%	–%
<b>Prices</b>			
Highest share price	1,050.80	1,049.83	1,046.34
Lowest share price	776.70	921.55	962.86

<sup>(1)</sup> Share class launched on 16 June 2020.

## Net Asset Value and Comparative Tables

### Net Asset Value and Ongoing Charges Figure

	2020 (p)	2019 (p)	2018 (p)
<b>Institutional Class – Accumulation Shares</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	1,134.42	996.99	1,066.26
Return before operating charges*	61.97	149.75	(57.47)
Operating charges	(13.08)	(12.32)	(11.80)
Return after operating charges*	48.89	137.43	(69.27)
Distributions on accumulation shares	(69.86)	(45.93)	(41.81)
Retained distributions on accumulation shares	69.86	45.93	41.81
Closing net asset value per share	1,183.31	1,134.42	996.99
* including direct transaction costs of:	–	–	–
<b>Performance</b>			
Return after charges	4.31%	13.78%	(6.50%)
<b>Other information</b>			
Closing net asset value (£'000)	28,013	25,879	22,487
Closing number of shares	2,367,362	2,281,265	2,255,523
Operating charges	1.18%	1.15%	1.14%
Direct transaction costs	–%	–%	–%
<b>Prices</b>			
Highest share price	1,183.31	1,134.42	1,079.46
Lowest share price	874.62	995.89	996.39

## Distribution Tables

### Distribution in pence per share

Group 1 Final Shares created for initial seeding of Fund prior to 1 January 2020

Group 2 Final Shares purchased on or between 1 January 2020 and 31 December 2020

### Z Class – Accumulation Shares

	Net revenue	Equalisation	Distribution payable 2021	Distribution paid 2020
<b>Group 1</b>	(p)	(p)	(p)	(p)
Final	71.8600	–	71.8600	–
<b>Group 2</b>	(p)	(p)	(p)	(p)
Final	66.1000	5.7600	71.8600	–

Share class launched on 16 June 2020.

### Institutional Class – Income Shares

	Net revenue	Equalisation	Distribution payable 2021	Distribution paid 2020
<b>Group 1</b>	(p)	(p)	(p)	(p)
Final	63.3300	–	63.3300	42.4600
<b>Group 2</b>	(p)	(p)	(p)	(p)
Final	33.3300	30.0000	63.3300	42.4600

### Institutional Class – Accumulation Shares

	Net revenue	Equalisation	Distribution payable 2021	Distribution paid 2020
<b>Group 1</b>	(p)	(p)	(p)	(p)
Final	69.8600	–	69.8600	45.9300
<b>Group 2</b>	(p)	(p)	(p)	(p)
Final	42.6800	27.1800	69.8600	45.9300

### Equalisation

Equalisation applies only to Group 2 shares. It is the average amount of income included in the purchase price of Group 2 shares and is treated as being refunded to the holders of these shares as a return of capital. Being capital, it is not liable to Income Tax but should be deducted from the cost of shares for tax on capital gains purposes.



## Commentary (unaudited)

### Market environment

2020 was a year of massive dispersions in equity returns across the markets globally, and Continental European equities were no exception. The shock of the pandemic was concentrated in the West and led to extraordinary central bank action to prevent a global depression. The subsequent inflationary potential of those actions remains to be seen, but they did at least stave off mass unemployment and limit immediate damage.

From an investment perspective, COVID-19 had a huge impact on corporate fortunes. Existing trends such as digital payment, online retail, digitalisation and decarbonisation were all supercharged by the pandemic. The growth of the Asian middle class, already a key reason for the outperformance of European-listed luxury goods companies, became even more important in a world with less growth.

There were clear losers in this new world too, with old-economy companies and outdated business models finding themselves increasingly disrupted and decreasingly relevant. Offline retail, hospitality and tourism also bore the brunt. Continental European banks continued to find growing net interest income difficult in the face of de facto government easing.

Towards the end of the year however, we arrived at our current situation. There was hope following the approvals of COVID-19 vaccines, but Continental Europe lagged in its roll-out thereof. There was clarity on Brexit, which reduced equity risk premium. And as we approached the full year 2020 earnings season, it was clear that stock specifics would continue to dominate equity returns.

### Performance of Master Fund

GAM Star Continental European Equity (EUR institutional) rose in value by 14.1% in 2020 versus a rise of 1.7% for the MSCI Europe ex-UK net Index, an outperformance of +1,234 bps.

This was a satisfactory result against what, at times, was an extremely difficult backdrop for the market and society as a whole. Figure 1 shows a summary breakdown of the key relative performance contributors for the fund.

The team approached 2020 with a modestly pro-cyclical bias for the fund. However, as the COVID-19 crisis developed from a local outbreak in China to a global pandemic, it became increasingly clear that a number of investments were unfavourably exposed to the likely course of government policies to contain the spread of the virus. In February we took action across the board to reduce our exposure to the travel sector by reducing or selling our holdings in Ryanair, Airbus and Amadeus. This had the effect of mitigating performance losses in the most difficult period for equity markets between mid-February and mid-March.

**Figure 1: Key relative performance contributors over 2020**

+200 bps relative performance contribution	+100-200 bps relative performance contribution	+75-100 bps relative performance contribution	<-50 bps relative performance contribution
Zalando, Adyen, Flutter	Infineon, Microsoft, Epiroc, FinecoBank	Moncler, ASML, Kingspan	Eiffage, AB Inbev, Peugeot, Novo Nordisk

Source: GAM Investments. Past performance is not an indicator of future performance and current or future trends.

As the sell off became indiscriminate, the team took advantage of favourable pricing to add to positions in companies which were well positioned to cope with a prolonged period of lockdown. In many

cases, there was a happy overlap with the strength of our conviction in the ability of such companies to deliver superior growth and returns over the medium term. At no time did a desire for defensiveness displace the fund's strategy to invest in companies best placed to compound value for shareholders over time.

We were able to increase the fund's holdings in Adyen (online payments) and Zalando (online apparel), both of which delivered strong contributions to performance in the remainder of the year. After the initial phase of restrictions, we saw no reason why professional sport could not continue in some form, albeit behind closed doors, to provide a degree of entertainment respite to the millions of people in Europe confined to their homes. We felt able to increase the holding in Flutter despite the increased debt burden resulting from the prospective merger with Stars. This investment was also a strong contributor to performance over the rest of the year.

The historic shift to remote working emphasised the value of flexibility resulting from digital readiness across all areas of the economy. Digital leaders heading into the crisis, in general, only emerged stronger as a result. FinecoBank in Italy is a notable example, where the pace of new customer acquisition and asset growth reached an all-time high in 2020.

The fund's investments in semiconductors, notably ASML (capital equipment) and Infineon (power semiconductors) performed strongly, where the already attractive fundamental growth outlook for 5G and electric mobility was augmented by strong demand for consumer electronics to support home working.

Although the fund derived a performance benefit from its lack of exposure to the energy and banking sector over the course of the year, the global automotive market, where we had expected a recovery early in 2020, was hit by production interruptions as a result of the pandemic which adversely affected the fund's holding in Peugeot. Lower traffic numbers and an unexpected dividend suspension caused the fund's position in Eiffage (French construction and motorway concessions) to underperform.

### Outlook

With regard to immediate prospects for our asset class overall, it is hard to escape the fact that Continental European equities have significantly lagged other regions and stand at an extreme discount relative to other developed market equities, and yet from our perspective offer significant prospects for a rebound. Continental European equities seem generally cheap to us and the question is whether they deserve to be.

The simple answer, as one would expect from an active manager, is that some specific companies within any region's equities usually deserve to be cheap. However, there is a wider phenomenon at play with regard to Continental European equity valuation. The perceived slow pace of Continental European vaccination has, we feel, raised the equity risk premium which is applied universally to European equities, and thus increases the valuation discount. This is somewhat reminiscent of previous times when European equities were tarred with a higher equity risk premium due to EU political instability.

However, we invest in companies and not countries, and it is important to note an elevated equity risk premium effectively presumes that European-listed equities are solely domestic in focus. They are not. We would highlight that the best means for clients to benefit from non-European growth – especially the juggernaut of Asian middle-class growth – is via European-listed businesses with well-guarded market leadership.

For the detailed stock picker, however, such moments of elevated risk premia can represent good opportunities for investment, allowing stock pickers to select high-quality companies at attractive valuations, and we believe today is no exception.

COVID-19 was a seismic shock that turbocharged existing trends and permanently altered the shape of the modern economy. The importance of Asian middle class growth grew, and we saw significant acceleration in the shift from cash to digital payments, the pace of digitalisation, the move from offline to online retail and the ever-increasing importance of decarbonisation. However, against each of the beneficiaries of these trends, in our view, there are businesses currently listed on global stock exchanges which bluntly will not survive this brave new world. Even when GDP growth figures are pleasingly positive, we do not believe they capture the massive dispersion between sectors, either seen so far, or yet to come.

Over the next six to nine months, we believe we will continue to see government actions continue to prevent mass unemployment via furlough schemes and fiscal transfers. We do not wish to understate the very real, significant and human cost of the pandemic tragedy. However, there remains a sizeable proportion of the economy where lockdown and quarantine have led to enforced saving and thus pent-up demand.

We are optimistic on tourism, air travel, hospitality, auto and certain aspects of retail. We need to be careful in terms of earnings forecasts as we enter a period of relatively easy comparison against last year's financial results, which bore the brunt of the pandemic. As the recovery continues, generating year-on-year growth will become mathematically harder.

At the time of writing, there is heightened speculation around inflation and potential rising interest rates. This has reignited old debates on 'value' versus 'growth.' However, we are sceptical of a simplistic distinction between the two, and we do not manage client portfolios in that way.

In the first instance, we manage a truly flexible portfolio with no pre-set bias to any country, style or sector. Furthermore, we are fundamental investors. Each company we hold in a client portfolio is the result of a codified and replicable investment process, based on detailed and dispassionate analysis. We generate the bulk of our alpha from stock-specific factors, which we believe evidences the robustness of the investment process. We are also factor aware and aim to limit our exposure to systematic exposure, which can buffet markets in the short term.

As always, we would highlight the importance of dispassionate fundamental analysis in acting as guardians of client portfolios. There are a number of secular trends currently exciting us, notably within specific aspects of decarbonisation. However, there is a world of difference between appreciating a trend, liking a company and investing in a stock. As such, we will continue to operate within our investment process and invest only where we see attractive valuations and good prospects for client alpha.

## Portfolio Analysis (unaudited)

Analysis, by geographical area	31 December 2020 %	31 December 2019 %
Ireland	100.07	100.02
Net other liabilities	(0.07)	(0.02)
Total net assets	100.00	100.00

Analysis, by industry sector	31 December 2020 %	31 December 2019 %
Collective Investment Schemes	100.07	100.02
Net other liabilities	(0.07)	(0.02)
Total net assets	100.00	100.00

Analysis, by investment	31 December 2020 %	31 December 2019 %
Equity Funds	100.07	100.02
Net other liabilities	(0.07)	(0.02)
Total net assets	100.00	100.00

## Risk and Reward Profile (unaudited)



The risk indicator is based on the volatility of the Fund's performance over the last 5 years. Where 5 years' performance history is not available the data is supplemented by proxy fund, benchmark data or a simulated historical series as appropriate.

- The Fund is assigned to the above category based on its historical fluctuations in value.
- The indicator helps investors to have a better understanding of the potential gains and losses related with the Fund. In this context, even the lowest category does not represent a risk-free investment.
- This profile is determined using historical data, as such may not be a reliable indication for the future risk profile. It is not guaranteed and may shift over time.
- This allocation to a risk category may change over time because the future performance of the Fund may fluctuate differently from in the past.
- The Fund does not offer the investor a guaranteed return. Nor does it guarantee the fixed repayment of the money invested in the Fund by the investor.

Further risks that may have a significant effect on the net asset value of the Fund include:

- **Capital at Risk:** all financial investments involve an element of risk. Therefore, the value of the investment and the income from it will vary and the initial investment amount cannot be guaranteed.
- **Equity:** investments in equities (directly or indirectly via derivatives) may be subject to significant fluctuations in value.

The "Investment Objectives and Policy" section of the Prospectus for this Fund give you more details about all the risks for the Fund.

## Portfolio Statement

as at 31 December 2020

Holdings	Description	Market Value £'000	% of Net Assets
<b>Collective Investment Schemes 100.07% (December 2019: 100.02%)</b>			
1,909,343	GAM Star Continental European Equity Fund GBP Z Acc †*	23,297	100.07
		23,297	100.07
	<b>Total Investments</b>	<b>23,297</b>	<b>100.07</b>
	<b>Net other liabilities</b>	<b>(17)</b>	<b>(0.07)</b>
	<b>Total net assets</b>	<b>23,280</b>	<b>100.00</b>

All investments are Collective Investment Scheme unless otherwise stated.

† A related party to the Fund.

\* Details of the Master Fund are available at [www.gam.com/en/documents](http://www.gam.com/en/documents).

# GAM Continental European Equity

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## Statement of Material Portfolio Changes (unaudited)

for the year ended 31 December 2020

Total Purchases	Cost £'000	Total Sales	Proceeds £'000
GAM Star Continental European Equity Fund GBP Z Acc	6,255	GAM Star Continental European Equity Fund GBP Z Acc	13,754
Total purchases for the year	6,255	Total sales for the year	13,754

## Statement of Total Return

for the year ended 31 December 2020

	Notes	2020		2019	
		£'000	£'000	£'000	£'000
<b>Income</b>					
Net capital gains	2		5,253		3,921
Revenue	3	284		476	
Expenses	4	(193)		(185)	
Net revenue before taxation		91		291	
Taxation	5	–		–	
Net revenue after taxation			91		291
<b>Total return before distribution</b>			5,344		4,212
Distribution	6		(91)		(291)
<b>Change in net assets attributable to shareholders from investment activities</b>			5,253		3,921

## Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 December 2020

	2020		2019	
	£'000	£'000	£'000	£'000
<b>Opening net assets attributable to shareholders</b>		25,522		12,567
Amounts receivable on creation of shares	5,945		12,070	
Less: Amounts payable on cancellation of shares	(13,511)		(3,347)	
		(7,566)		8,723
Change in net assets attributable to shareholders from investment activities		5,253		3,921
Retained distribution on accumulation shares		71		311
<b>Closing net assets attributable to shareholders</b>		23,280		25,522

# GAM Continental European Equity

## Balance Sheet

as at 31 December 2020

	Notes	2020 £'000	2019 £'000
<b>Assets:</b>			
Fixed Assets:			
Investments		23,297	25,528
Current assets:			
Debtors	7	347	174
Cash and bank balances	8	20	5
<b>Total assets</b>		<b>23,664</b>	<b>25,707</b>
<b>Liabilities:</b>			
Creditors:			
Other creditors	9	(384)	(185)
<b>Total other liabilities</b>		<b>(384)</b>	<b>(185)</b>
<b>Net Assets Attributable to Shareholders</b>		<b>23,280</b>	<b>25,522</b>

## Notes to the Financial Statements

### 1. Investments at Fair Value

#### Fair Value Hierarchy

SORP requires disclosures of financial instruments measured at fair value to be based on three classifications of hierarchy that reflects the significance of the inputs in such fair value measurements.

The hierarchy gives the highest priority to quoted prices for identical instruments in active markets and lowest priority to valuation techniques using non-observable data. The three classifications of the fair value hierarchy are as follows:

Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

The Fund uses the "market approach" valuation technique to value its investments. Inputs are determined by observable data. A financial instrument's classification within the fair value hierarchy is based on the lowest classification of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" may require significant judgment but can generally be considered as that market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The categorisation of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the risk of that instrument.

The following table analyses within the fair value hierarchy of the financial assets and liabilities measured at fair value at 31 December 2020 and 31 December 2019:

Valuation technique	2020		2019	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1	–	–	–	–
Level 2	23,297	–	25,528	–
Level 3	–	–	–	–
Total investments at fair value	23,297	–	25,528	–

### 2. Net capital gains

The net capital gains during the year comprise:

	2020 £'000	2019 £'000
Non-derivative securities	5,258	3,923
Handling charges	(5)	(2)
Net capital gains	5,253	3,921

### 3. Revenue

	2020 £'000	2019 £'000
Offshore distribution non-taxable from Collective Investment Schemes	284	476
Total revenue	284	476



## Notes to the Financial Statements

### 4. Expenses

	2020 £'000	2019 £'000
<b>Payable to the ACD, associates of the ACD, and agents of either of them:</b>		
ACD's periodic charge	180	171
Capped OCF rebate*	(11)	(1)
<b>Payable to the Depositary, associates of the Depositary, and agents of either of them:</b>		
Depositary fees	5	4
<b>Other expenses:</b>		
Audit fees	19	8
Other	–	3
<b>Total expenses</b>	<b>193</b>	<b>185</b>

\* Adjustment to ensure fees do not exceed the agreed capped ongoing charges figure for the Fund.

### 5. Taxation

	2020 £'000	2019 £'000
<b>a) Analysis of tax charge in the year:</b>		
Corporation tax	–	–
<b>Total current tax (note 5b)</b>	<b>–</b>	<b>–</b>

#### b) Factors affecting current tax charge for the year:

The tax assessed for the year is lower than (2019: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2019: 20%). The differences are explained below:

Net revenue before taxation	91	291
Corporation tax of 20% (2019: 20%)	18	58
<b>Effects of:</b>		
Overseas non-taxable revenue	(57)	(95)
Movement in excess management expenses	39	37
<b>Current tax charge for year (note 5a)</b>	<b>–</b>	<b>–</b>

#### c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

#### d) Factors that may affect future tax charges:

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £93,261 (2019: £54,702) relating to surplus management expenses. It was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts.

### 6. Distribution

The distribution takes account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprises:

	2020 £'000	2019 £'000
Final	70	311
Add: Revenue deducted on cancellation of shares	35	30
Deduct: Revenue received on creation of shares	(14)	(50)
<b>Net distribution for the year</b>	<b>91</b>	<b>291</b>

## Notes to the Financial Statements

### 7. Debtors

	2020 £'000	2019 £'000
Sales awaiting settlement	326	6
Amounts receivable for issue of shares	10	165
Reimbursement for capped expenses	11	3
Total debtors	347	174

### 8. Cash and bank balances

	2020 £'000	2019 £'000
Cash and bank balances	20	5
Total cash and bank balances	20	5

### 9. Creditors

	2020 £'000	2019 £'000
Purchases awaiting settlement	10	143
Amounts payable for cancellation of shares	325	17
Accrued expenses	49	25
Total creditors	384	185

### 10. Reconciliation of Shares

Reconciliation of the share movement in the year:

	2020 Opening shares in issue	Issued	Redeemed	2020 Closing shares in issue
Institutional Class – Accumulation Shares	2,465,502	573,469	(1,174,244)	1,864,727

The capital of the Fund is represented by the net assets attributable to Shareholders. The amount of net assets attributable to Shareholders can change significantly on a regular basis as the Fund is subject to regular subscriptions and redemptions at the discretion of Shareholders subject to the notice periods per the Prospectus.

### 11. Related party transactions

All material related party transactions, as set out in Financial Reporting Standard 8 “Related Party Disclosures”, have been disclosed in the notes to the financial statements.

The ACD is authorised to operate umbrella cash accounts held in the name of the Company and it has delegated such authority to the Transfer Agent. All subscriptions and redemptions from the relevant Fund will be channelled and managed through such umbrella cash accounts. The aggregate monies received through issue and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Shareholders.

The Fund which is managed by Niall Gallagher of GAM International Management Limited invests primarily in GAM Star Continental European Equity (the Master Fund) which is also managed by Niall Gallagher of GAM International Management Limited.

At the year end accrued expenses included amounts owing to the ACD of £33,064 (2019: £17,633). The charge for the year is disclosed in note 4.

Included in the investment portfolio is a holding of 1,909,343 units in GAM Star Continental European Equity Fund GBP Z Accumulation Class of the Master Fund with a market value of £23,297,008). Revenue from this holding is shown in note 3. As at 31 December 2020 total revenue earned amounts to £283,932.

As at 31 December 2020, three shareholders (2019: three) held over 20% of value of the Fund.

All other material related party transactions have been disclosed in the notes to the financial statements.

## Notes to the Financial Statements

### 12. Share classes

The Fund has one share class.

The ACD's periodic charge on each share class is as follows:

	%
Institutional Class – Accumulation Shares:	0.70

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on page 84.

The distribution per share class is given in the Distribution Table on page 85.

### 13. Feeder Fund

The aggregate charges of GAM Continental European Equity and GAM Star Continental European Equity GBP Z Accumulation are £211,443 (2019: £204,446). The latest annual report of the Master Fund is available on [www.gam.com](http://www.gam.com).

### 14. Capital commitments and contingent liabilities

On 31 December 2020, the Fund had no capital commitments (2019: £nil) and no contingent liabilities (2019: £nil).

### 15. Derivatives and other financial instruments

The main risks arising from the Fund's financial instruments are market price, foreign currency, liquidity, redemption, credit and interest rate risk.

#### (a) Market price risk

Market price risk arises from uncertainty about future prices of financial instruments held. It represents the potential loss the Funds might suffer through holding market positions in the face of price movements. The Investment Adviser takes into consideration the asset allocation of the portfolio when assessing the risk profile associated with particular countries or industry sectors whilst continuing to follow the investment objectives of the Funds' and by regularly reviewing and evaluating the Funds potential exposure to market risk using the commitment method.

With all other variables staying the same, if market prices increase or decrease by 10%, then the impact on the portfolio will be an increase or decrease of 10% (£2,329,701) (2019: £2,552,813).

#### (b) Foreign currency risk

A portion of the financial assets of the Fund may be denominated in currencies other than the base currency of the Fund with the effect that the balance sheet and total return can be significantly affected by currency movements. The Fund may enter into forward foreign currency exchange contracts in order to hedge against currency movements. However, it is not always possible to precisely match the forward foreign exchange amount and the value of such securities may vary as a consequence of market movements over the life of the forward exchange contract.

As at 31 December the Fund had no net currency exposure however the Fund through its holding in the Master Fund may be exposed to currency risk.

#### (c) Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous. However, the assets of the Fund comprise mainly realisable securities, which can be readily sold.

The ACD may with prior agreement of the Depositary, temporarily suspend the issue, redemption and exchange of shares in the Fund where due to exceptional circumstances it is in the interests of all the shareholders in the Fund.

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual settlement date. Balances as set out in the table below have not been discounted, as the impact of discounting is not significant.

As at 31 December 2020	< 1 month £'000	1-3 months £'000
Amounts payable for shares cancelled	325	–
Purchases awaiting settlement	10	–
Accrued expenses	49	–
Net assets attributable to shareholders	23,280	–
	23,664	–
As at 31 December 2019	< 1 month £'000	1-3 months £'000
Amounts payable on forward contracts	17	–
Purchases awaiting settlement	143	–
Accrued expenses	25	–
Net assets attributable to shareholders	25,522	–
	25,707	

## Notes to the Financial Statements

### (d) Redemption risk

The redemption risk for the Fund is the redemption of any shares that investors wish to sell. Large redemptions of shares in the Fund might result in the Fund being forced to sell assets at a time, under circumstances and at a price where it would, instead, normally prefer not to dispose of those assets. The Fund has a redemption risk due to a significant number of shares held by a small concentration of shareholders.

### (e) Credit risk

The Fund is exposed to credit risk on counterparties with whom it trades and may bear the risk of settlement default. Counterparty risk is limited in that most securities on the Master Fund are settled on delivery against payment in the recognised clearing systems and the risk of default is considered minimal as security delivery and payment are simultaneous.

The Investment Adviser manages credit risk for derivative transactions by only using approved brokers that belong to an internationally recognised financial services firm or alternatively command a high market share in a given market segment.

### (f) Interest rate risk

The Funds may hold cash balances which are subject to a floating rate of interest. At the year end, floating rates were tracked against the Bank of England base rate -0.5% and for any overdrafts the Bank of England base rate +1%. The amount of the cash balances are set out in note 8 to the financial statements for each Fund.

The majority of the assets of the Funds are equity shares and other investments which neither pay interest nor have a maturity date.

### (g) Gains and losses on financial assets

The net capital gains from trading in financial assets and financial liabilities shown in the Statement of Total Return are analysed in note 2 of the Financial Statements.

### (h) Fair value of financial assets and financial liabilities

All the assets of the Fund are held at fair value as determined in accordance with the accounting policies.

## 16. Portfolio transaction costs

There were no transactions costs incurred during the year to 31 December 2020 (2019: £nil).

### Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was nil (2019: nil).

## 17. Events during the year

2020 to date has seen a sharp increase in the volatility of global financial markets due to the COVID-19 pandemic. The ACD and the Investment Adviser are actively monitoring the situation. It should be noted that COVID-19 has, and may continue to have, an adverse effect on the global economy and the economies of certain nations, which may negatively impact the Fund's performance.

## 18. Events after the Balance Sheet date

Subsequent to year end the Fund received significant dealing requests with net redemptions of £11,208,417.

There have been no significant events affecting the Fund since the year end.

## Net Asset Value and Comparative Tables

### Net Asset Value and Ongoing Charges Figure

	2020 (p)	2019 (p)	2018 (p)
<b>Institutional Class – Accumulation Shares</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	1,035.16	828.80	1,013.26
Return before operating charges*	222.47	215.38	(175.43)
Operating charges	(9.22)	(9.02)	(9.03)
Return after operating charges*	213.25	206.36	(184.46)
Distributions on accumulation shares	(3.78)	(12.63)	(12.37)
Retained distributions on accumulation shares	3.78	12.63	12.37
Closing net asset value per share	1,248.41	1,035.16	828.80
* including direct transaction costs of:	–	–	–
<b>Performance</b>			
Return after charges	20.60%	24.90%	(18.20%)
<b>Other information</b>			
Closing net asset value (£'000)	23,280	25,522	12,567
Closing number of shares	1,864,727	2,465,502	1,516,225
Operating charges	0.87%	0.93%	0.93%
Direct transaction costs	–%	–%	–%
<b>Prices</b>			
Highest share price	1,276.20	1,051.86	1,051.86
Lowest share price	784.26	822.13	812.32

## Distribution Tables

### Distribution in pence per share

Group 1 Final Shares purchased prior to 1 January 2020

Group 2 Final Shares purchased on or between 1 January 2020 and 31 December 2020

### Institutional Class – Accumulation Shares

	Net revenue	Equalisation	Distribution payable 2021	Distribution paid 2020
<b>Group 1</b>	(p)	(p)	(p)	(p)
Final	3.7800	–	3.7800	12.6300
<b>Group 2</b>	(p)	(p)	(p)	(p)
Final	1.3700	2.4100	3.7800	12.6300

### Equalisation

Equalisation applies only to Group 2 shares. It is the average amount of income included in the purchase price of Group 2 shares and is treated as being refunded to the holders of these shares as a return of capital. Being capital, it is not liable to Income Tax but should be deducted from the cost of shares for tax on capital gains purposes.

## Commentary (unaudited)

### Market environment

2020 was defined by two unique black swan events many would not expect to see in their lifetimes: 1) an extraordinary Saudi-Russia price war that sent oil futures down to negative levels as low as minus USD 40 per barrel 2) a global pandemic, the like of which has not been seen since the Spanish Flu, circa one century ago. Market reactions to these events were extreme with a strong risk-off selloff. Liquidity and stimulus from central banks and governments poured in at rates never seen before. This led to a market recovery dominated by the internet and stay-at-home beneficiaries at the expense of traditional cyclical sectors and industries. Then, in November, positive COVID-19 vaccine developments led to a sharp recovery among value stocks and pro-cyclical sectors. The US presidential elections and China-US relations also impacted 2020 market performance.

### Performance of Master Fund

In this environment, GAM Multistock – Emerging Market Equity appreciated by a net 19.6% in 2020 (USD C-share class) outperforming the benchmark MSCI Emerging Market (EM) Total Return Index by 1.3%. Unfortunately, this was not without strong volatility, as described in detail below.

Following an initial strong January rally, COVID-19 began to dominate performance until, in February, it went from being considered a Chinese issue, to being recognised as a potential global pandemic. March was a difficult month as the accelerating spread of COVID-19 plus the collapse of the oil price due to the fallout within OPEC+ leading to market dysfunction and sharp falls across global markets. The MSCI EM Index declined by -14.4% in March, posting the worst start of the year in recorded history. The fund suffered its worst month of its eight-year history, both in absolute and relative terms. The relative underperformance was mainly due to the Brazil overweight.

In April, we saw the continuation of the tug-of-war between deteriorating fundamentals and enormous stimulus driven liquidity, with liquidity clearly prevailing. The MSCI EM Index (9%) registered its best month in four years. The fund captured the bulk of this upside (+8.6%). Then, in May, the MSCI EM Index rose 0.6% – the increased US-China antagonism offset most of the upside from optimism regarding the reopening of the economies. The price of West Texas Intermediate (WTI) oil increased by 88%. The fund appreciated by +1.4%, outperforming its benchmark by 65 bps, benefiting from the overweight in Brazil (+8% in May) and Vietnam. Another contributing factor was our process and models – these led the portfolio to an overweight in oversold names especially in materials and energy.

To conclude the first half of the year, in June, the MSCI EM Index rose 7.0%, and helping the second quarter of 2020 to become the best in over a decade. The concerns about the rebound of COVID-19 infection rates were more than offset by the continuing liquidity stimulus (via fiscal, monetary and balance sheet) and a faster than expected economic rebound. The fund appreciated by 8.8%, outperforming its benchmark by 139 bps. The portfolio benefited from its pro-cyclical positioning in China, Brazil and India, especially in sectors financials, IT, energy (oil prices up 11%) and industrials.

July was a continuation of June, with the resurgence in COVID-19 cases, offset by the prospect of further liquidity from central banks and a degree of economic recovery lead by China. The differentiating factor in July was the steady US dollar depreciation (DXY -4.2%), which resulted in a large boost for EM equities – the portfolio benefited from its pro-cyclical positioning in gold and other materials

as well as in financials and IT. In August, the MSCI EM Index rose 2.1% on renewed optimism over a potential COVID-19 vaccine and the Federal Reserve's relaxed attitude towards inflation. The market experienced ups and downs, as the rise of US-China trade tensions alternated with optimism towards a phase one deal. The oil price kept moving up (WTI +5.8%). We reduced the overweight in materials by reducing most of the positions across the sector including Lynas, Gold Fields, Alrosa, Petropavlovsk, Kaz Minerals, Evraz, Hoa Phat, Polyus Gold, Rio Tinto, Impala Platinum, Posco and First Quantum Minerals and added back to Brazil: banks (Bradesco and Banco do Brazil), real estate (Even and Cyrela).

However, the second wave of COVID-19 infections dominated the markets in September, leading to an appreciation of the USD (DXY +1.9%) and a depreciation of EM equities (MSCI EM Total Return Index -1.6%). Commodity prices suffered with Brent down 7.7%. Later in the month we added to our START plays Alibaba and Reliance (START – Samsung, Tencent, Alibaba, Reliance and Taiwan Semiconductor), taking advantage of their momentary weakness. We financed by reducing India (HCL Technologies and Infosys) following our top down value/momentum/risk scorecard recommendations. The build up to the US presidential elections dominated the markets in the first three weeks of October. The market reacted positively to the prospect of a “blue wave”, that would allow greater fiscal stimulus. However, the new wave of COVID-19 and associated lockdowns sent sentiment and the markets down, erasing most the gains. In this environment the portfolio appreciated by 2.6% outperforming its benchmark (MSCI EM Total Return Index +2.1%). The bulk of October's performance came from China. We kept adding to all our START plays, except for Samsung. We also added to Brazil: B3-Bolsa, Marfrig, Ultrapar and Cemig and we reduced the underweight in Chinese banks (Bank of China). We financed from Poland: Millennium Bank, Grupa Lotos and PZU and Saudi Arabia (Sabic). Vaccine news propelled the markets higher in November, sending the MSCI EM Index up by 9.2%. EM currencies rallied and had their best month since March 2016 (JPM EM FX). The battered value and cyclical names outperformed strongly versus the internet and stay at home beneficiaries. Commodities rallied with oil prices up by 27% in November. In this environment the portfolio appreciated by 11.3% outperforming its benchmark (MSCI EM Total Return Index +9.3%). The portfolio benefited from the team's Q3 models indicating a move towards the more cyclical / oversold stocks and countries. Executing that slant (with no style drift) paid off, especially with the strong outperformance of South Korea and Brazil, which were the top contributors to the fund's performance in November and December.

### Outlook

In 2021, we believe it will be key to ride the volatility. In our view, the year will be even more about risk as well as reward. At some point, we believe greed and beta will drive EM equities materially higher. For investors, the question is whether your risk metrics and portfolio construction will enable you to enjoy this bumpy ride and whether you have residual firepower to exploit the inevitable pullbacks. We believe this environment favours active, long-term consistent outperforming EM strategies which can continue to capture this extraordinary, fascinating and fast changing world. That means a strategy that does not style drift in crises, has equal downside (or less to the MSCI EM over the past eight years) and an excellent upside / downside capture. However, most importantly in our view, enhanced risk-return via the use of cross-asset class top-down overlays, enhancing risk management, will be key. This all helps to avoid concentrated bets when EM equity is in for a bumpy but ultimately, we think, fruitful upside ride.

## Portfolio Analysis (unaudited)

Analysis, by geographical area	31 December 2020 %	31 December 2019 %
Luxembourg	98.33	100.03
Net other assets/(liabilities)	1.67	(0.03)
Total net assets	100.00	100.00

Analysis, by industry sector	31 December 2020 %	31 December 2019 %
Collective Investment Schemes	98.33	100.03
Net other assets/(liabilities)	1.67	(0.03)
Total net assets	100.00	100.00

Analysis, by investment	31 December 2020 %	31 December 2019 %
Equity Funds	98.33	100.03
Net other assets/(liabilities)	1.67	(0.03)
Total net assets	100.00	100.00



## Risk and Reward Profile (unaudited)



The risk indicator is based on the volatility of the Fund's performance over the last 5 years. Where 5 years' performance history is not available the data is supplemented by proxy fund, benchmark data or a simulated historical series as appropriate.

- The Fund is assigned to the above category based on its historical fluctuations in value.
- The indicator helps investors to have a better understanding of the potential gains and losses related with the Fund. In this context, even the lowest category does not represent a risk-free investment.
- This profile is determined using historical data, as such may not be a reliable indication for the future risk profile. It is not guaranteed and may shift over time.
- This allocation to a risk category may change over time because the future performance of the Fund may fluctuate differently from in the past.
- The Fund does not offer the investor a guaranteed return. Nor does it guarantee the fixed repayment of the money invested in the Fund by the investor.

Further risks that may have a significant effect on the net asset value of the Fund include:

- **Liquidity Risk:** some investments can be difficult to sell quickly which may affect the value of the Fund and, in extreme market conditions, its ability to meet redemption requests.
- **Leverage Risk:** derivatives may multiply the exposure to underlying assets and expose the Fund to the risk of substantial losses.
- **Counterparty / Derivatives Risk:** if a counterparty to a financial derivative contract were to default, the value of the contract, the cost to replace it and any cash or securities held by the counterparty to facilitate it, may be lost.
- **Special Country Risk / China:** changes in China's political, social or economic policies may significantly affect the value of the Fund's investments. China's tax law is also applied under policies that may change without notice and with retrospective effect.
- **Capital at Risk:** all financial investments involve an element of risk. Therefore, the value of the investment and the income from it will vary and the initial investment amount cannot be guaranteed.
- **Market Risk / Emerging Markets:** emerging markets will generally be subject to greater political, market, counterparty and operational risks.

The "Investment Objectives and Policy" section of the Prospectus for this Fund give you more details about all the risks for the Fund.

## Portfolio Statement

as at 31 December 2020

Holdings	Description	Market Value £'000	% of Net Assets
<b>Collective Investment Schemes 98.33% (December 2019: 100.03%)</b>			
24,829	GAM MultiStock – Emerging Markets Equity GBP Ia1†*	3,056	98.33
		3,056	98.33
	<b>Total Investments</b>	<b>3,056</b>	<b>98.33</b>
	<b>Net other assets</b>	<b>52</b>	<b>1.67</b>
	<b>Total net assets</b>	<b>3,108</b>	<b>100.00</b>

All investments are Collective Investment Schemes unless otherwise stated.

† A related party to the Fund.

\* Details of the Master Fund are available at [www.gam.com/en/documents](http://www.gam.com/en/documents).

## Statement of Material Portfolio Changes (unaudited)

for the year ended 31 December 2020

Total Purchases	Cost £'000	Total Sales	Proceeds £'000
GAM MultiStock – Emerging Markets Equity GBP Ia1†	893	GAM MultiStock – Emerging Markets Equity GBP Ia1†	1,512
Total purchases for the year	893	Total sales for the year	1,512

## Statement of Total Return

for the year ended 31 December 2020

	Notes	2020		2019	
		£'000	£'000	£'000	£'000
<b>Income</b>					
Net capital gains	2		415		152
Revenue	3	40		53	
Expenses	4	(30)		(10)	
Net revenue before taxation		10		43	
Taxation	5	–		–	
Net revenue after taxation			10		43
<b>Total return before distribution</b>			425		195
Distribution	6		(10)		(43)
<b>Change in net assets attributable to shareholders from investment activities</b>			415		152

## Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 December 2020

	2020		2019	
	£'000	£'000	£'000	£'000
<b>Opening net assets attributable to shareholders</b>		3,258		309
Amounts receivable on creation of shares	1,040		2,915	
Less: Amounts payable on cancellation of shares	(1,617)		(165)	
		(577)		2,750
Change in net assets attributable to shareholders from investment activities		415		152
Retained distribution on accumulation shares		12		47
<b>Closing net assets attributable to shareholders</b>		3,108		3,258

## Balance Sheet

as at 31 December 2020

	Notes	2020 £'000	2019 £'000
<b>Assets:</b>			
Fixed Assets:			
Investments		3,056	3,259
Current assets:			
Debtors	7	10	10
Cash and bank balances	8	43	114
<b>Total assets</b>		<b>3,109</b>	<b>3,383</b>
<b>Liabilities:</b>			
Creditors:			
Other creditors	9	(1)	(125)
<b>Total other liabilities</b>		<b>(1)</b>	<b>(125)</b>
<b>Net Assets Attributable to Shareholders</b>		<b>3,108</b>	<b>3,258</b>

## Notes to the Financial Statements

### 1. Investments at Fair Value

#### Fair Value Hierarchy

SORP requires disclosures of financial instruments measured at fair value to be based on three classifications of hierarchy that reflects the significance of the inputs in such fair value measurements.

The hierarchy gives the highest priority to quoted prices for identical instruments in active markets and lowest priority to valuation techniques using non-observable data. The three classifications of the fair value hierarchy are as follows:

Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

The Fund uses the "market approach" valuation technique to value its investments. Inputs are determined by observable data. A financial instrument's classification within the fair value hierarchy is based on the lowest classification of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" may require significant judgment but can generally be considered as that market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The categorisation of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the risk of that instrument.

The following table analyses within the fair value hierarchy of the financial assets and liabilities measured at fair value at 31 December 2020 and 31 December 2019:

Valuation technique	2020		2019	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1	–	–	–	–
Level 2	3,056	–	3,259	–
Level 3	–	–	–	–
Total investments at fair value	3,056	–	3,259	–

### 2. Net capital gains

The net capital gains during the year comprise:

	2020 £'000	2019 £'000
Non-derivative securities	416	152
Handling charges	(1)	–
Net capital gains	415	152

### 3. Revenue

	2020 £'000	2019 £'000
Offshore distribution non-taxable from Collective Investment Schemes	40	53
Total revenue	40	53

### 4. Expenses

	2020 £'000	2019 £'000
<b>Payable to the ACD, associates of the ACD, and agents of either of them:</b>		
ACD's periodic charge	30	11
Capped OCF rebate	(9)	(9)
<b>Payable to the Depositary, associates of the Depositary, and agents of either of them:</b>		
Depositary fees	1	–
<b>Other expenses:</b>		
Audit fees	8	8

Total expenses	30	10
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## Notes to the Financial Statements

### 5. Taxation

	2020 £'000	2019 £'000
<b>a) Analysis of tax charge in the year:</b>		
Corporation tax	–	–
Total current tax (note 5b)	–	–

#### b) Factors affecting current tax charge for the year:

The tax assessed for the year is lower than (2019: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2019: 20%). The differences are explained below:

Net revenue before taxation	10	43
Corporation tax of 20% (2019: 20%)	2	9
<b>Effects of:</b>		
Overseas non-taxable revenue	(8)	(11)
Movement in excess management expenses	6	2
Current tax charge for the year (note 5a)	–	–

#### c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

#### d) Factors that may affect future tax charges:

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £8,892 (2019: £2,903) relating to surplus management expenses. It was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised.

### 6. Distribution

The distribution takes account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprises:

	2020 £'000	2019 £'000
Final	12	47
Add: Revenue deducted on cancellation of shares	–	1
Deduct: Revenue received on creation of shares	(2)	(5)
Net distribution for the year	10	43

### 7. Debtors

	2020 £'000	2019 £'000
Amounts receivable for issue of shares	1	–
Reimbursement for capped expenses	9	10
Total debtors	10	10

### 8. Cash and bank balances

	2020 £'000	2019 £'000
Cash and bank balances	43	114
Total cash and bank balances	43	114

## Notes to the Financial Statements

### 9. Creditors

	2020 £'000	2019 £'000
Purchases awaiting settlement	–	108
Amounts payable for cancellation of shares	–	15
Accrued expenses	1	2
Total creditors	1	125

### 10. Reconciliation of Shares

Reconciliation of the share movement in the year:

	2020 Opening shares in issue	Issued	Redeemed	2020 Closing shares in issue
Institutional Class – Accumulation Shares	295,745	95,454	(147,478)	243,721

The capital of the Fund is represented by the net assets attributable to Shareholders. The amount of net assets attributable to Shareholders can change significantly on a regular basis as the Fund is subject to regular subscriptions and redemptions at the discretion of Shareholders subject to the notice periods per the Prospectus.

### 11. Related party transactions

All material related party transactions, as set out in Financial Reporting Standard 8 “Related Party Disclosures”, have been disclosed in the notes to the financial statements.

The ACD is authorised to operate umbrella cash accounts held in the name of the Company and it has delegated such authority to the Transfer Agent. All subscriptions and redemptions from the relevant Fund will be channelled and managed through such umbrella cash accounts. The aggregate monies received through issue and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Shareholders.

The Fund which is managed by GAM International Management Limited invests primarily in GAM MultiStock – Emerging Markets Equity (the “Master Fund”) which is also managed by GAM International Management Limited.

At the year end accrued expenses included amounts owing to the ACD of £2,609 (2019: £2,740). The charge for the year is disclosed in note 4.

Included in the investment portfolio is a holding of 24,829 units in GAM Multistok – Emerging Market Equity GBP Ia1 Class of the Master Fund with a market value of £3,055,654. Revenue from this holding is shown in note 3. As at 31 December 2020 total revenue earned amounts to £40,044.

As at 31 December 2020, two shareholders (2019: two) held over 20% of value of the Fund.

All other material related party transactions have been disclosed in the notes to the financial statements.

### 12. Share classes

The Fund has one share class.

The ACD's periodic charge on each share class is as follows:

	%
Institutional Class – Accumulation Shares:	1.00

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on page 98.

The distribution per share class is given in the Distribution Table on page 99.

### 13. Feeder Fund

The aggregate charges of GAM Multistock – Emerging Equity and GAM Multistock – Emerging Market Equity GBP Ia1 are £32,302 (2019:£11,490).

### 14. Capital commitments and contingent liabilities

On 31 December 2020, the Fund had no capital commitments (2019: £nil) and no contingent liabilities (2019: £nil).



## Notes to the Financial Statements

### 15. Derivatives and other financial instruments

The main risks arising from the Fund's financial instruments are market price, foreign currency, liquidity, redemption, credit and interest rate risk.

#### (a) Market price risk

Market price risk arises from uncertainty about future prices of financial instruments held. It represents the potential loss the Funds might suffer through holding market positions in the face of price movements. The Investment Adviser takes into consideration the asset allocation of the portfolio when assessing the risk profile associated with particular countries or industry sectors whilst continuing to follow the investment objectives of the Funds' and by regularly reviewing and evaluating the Funds potential exposure to market risk using the commitment method.

With all other variables staying the same, if market prices increase or decrease by 10%, then the impact on the portfolio will be an increase or decrease of 10% (£305,565) (2019: £325,865).

#### (b) Foreign currency risk

A portion of the financial assets of the Fund may be denominated in currencies other than the base currency of the Fund with the effect that the balance sheet and total return can be significantly affected by currency movements. The Fund may enter into forward foreign currency exchange contracts in order to hedge against currency movements. However, it is not always possible to precisely match the forward foreign exchange amount and the value of such securities may vary as a consequence of market movements over the life of the forward exchange contract.

As at 31 December the Fund had no net currency exposure however the Fund through its holding in the Master Fund may be exposed to currency risk.

#### (c) Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous. However, the assets of the Fund comprise mainly realisable securities, which can be readily sold.

The ACD may with prior agreement of the Depositary, temporarily suspend the issue, redemption and exchange of shares in the Fund where due to exceptional circumstances it is in the interests of all the shareholders in the Fund.

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual settlement date. Balances as set out in the table below have not been discounted, as the impact of discounting is not significant.

As at 31 December 2020	<1 month £'000	1-3 months £'000
Accrued expenses	1	–
Net assets attributable to shareholders	3,108	–
	3,109	–
As at 31 December 2019	<1 month £'000	1-3 months £'000
Amounts payable for shares cancelled	15	–
Purchases awaiting settlement	108	–
Accrued expenses	2	–
Net assets attributable to shareholders	3,258	–
	3,383	–

#### (d) Redemption risk

The redemption risk for the Fund is the redemption of any shares that investors wish to sell. Large redemptions of shares might result in the Fund being forced to sell assets at a time, under circumstances and at a price where it would, instead, normally prefer not to dispose of those assets. The Fund has a redemption risk due to a significant number of shares held by a small concentration of shareholders.

#### (e) Credit risk

The Fund is exposed to credit risk on counterparties with whom it trades and may bear the risk of settlement default. Counterparty risk is limited in that most securities on the Master Fund are settled on delivery against payment in the recognised clearing systems and the risk of default is considered minimal as security delivery and payment are simultaneous.

#### (f) Interest rate risk

The Funds may hold cash balances which are subject to a floating rate of interest. At the year end, floating rates were tracked against the Bank of England base rate -0.5% and for any overdrafts the Bank of England base rate +1%. The amount of the cash balances are set out in note 8 to the financial statements for each Fund.

The majority of the assets of the Funds are equity shares and other investments which neither pay interest nor have a maturity date.

#### (g) Gains and losses on financial assets

The net capital gains from trading in financial assets and financial liabilities shown in the Statement of Total Return are analysed in note 2 of the Financial Statements.

#### (h) Fair value of financial assets and financial liabilities

All the assets of the Fund are held at fair value as determined in accordance with the accounting policies.

## Notes to the Financial Statements

### 16. Portfolio transaction costs

There were no transactions costs incurred during the year to 31 December 2020 (2019: £nil).

### Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was nil (2019: nil).

### 17. Events during the year

2020 to date has seen a sharp increase in the volatility of global financial markets due to the COVID-19 pandemic. The ACD and the Investment Adviser are actively monitoring the situation. It should be noted that COVID-19 has, and may continue to have, an adverse effect on the global economy and the economies of certain nations, which may negatively impact the Fund's performance.

### 18. Events after the Balance Sheet date

There have been no significant events affecting the Fund since the year end.

## Net Asset Value and Comparative Tables

### Net Asset Value and Ongoing Charges Figure

	2020 (p)	2019 (p)	2018 (p)
<b>Institutional Class – Accumulation Shares</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	1,101.46	945.07	1,096.29
Return before operating charges*	185.52	168.02	(139.97)
Operating charges	(11.78)	(11.63)	(11.25)
Return after operating charges*	173.74	156.39	(151.22)
Distributions on accumulation shares	(4.76)	(16.04)	(23.52)
Retained distributions on accumulation shares	4.76	16.04	23.52
Closing net asset value per share	1,275.20	1,101.46	945.07
* including direct transaction costs of:	–	–	–
<b>Performance</b>			
Return after charges	15.77%	16.55%	(13.79%)
<b>Other information</b>			
Closing net asset value (£'000)	3,108	3,258	309
Closing number of shares	243,721	295,745	32,741
Operating charges	1.10%	1.09%	1.10%
Direct transaction costs	–%	–%	–%
<b>Prices</b>			
Highest share price	1,280.88	1,121.48	1,151.89
Lowest share price	840.81	944.69	904.90

## Distribution Tables

### Distribution in pence per share

Group 1 Final Shares purchased prior to 1 January 2020

Group 2 Final Shares purchased on or between 1 January 2020 and 31 December 2020

### Institutional Class – Accumulation Shares

	Net revenue	Equalisation	Distribution payable 2021	Distribution paid 2020
<b>Group 1</b>	(p)	(p)	(p)	(p)
Final	4.7600	–	4.7600	16.0400
<b>Group 2</b>	(p)	(p)	(p)	(p)
Final	2.5200	2.2400	4.7600	16.0400

### Equalisation

Equalisation applies only to Group 2 shares. It is the average amount of income included in the purchase price of Group 2 shares and is treated as being refunded to the holders of these shares as a return of capital. Being capital, it is not liable to Income Tax but should be deducted from the cost of shares for tax on capital gains purposes.

## Commentary (unaudited)

### Market environment

Investing in UK equities led to a very disappointing 2020. The FTSE 100 returned -11.6%. The index was impacted by Brexit fears, the COVID-19 pandemic and the resultant dividend cuts. These cuts were as significant as 40% at the worst point. The UK market's poor performance is notable when compared to Europe, where the Stoxx 50 made it into positive territory. In emerging markets, equities climbed to a 13-year high in 2020. Most notable was China, where the CSI 300 rose nearly 32% in local currency terms – a truly notable achievement considering the COVID-19 pandemic was first identified in Wuhan. However, it was US technology that captivated investors in 2020. Both Amazon and Apple rose by more than 80% in the year. This led the Nasdaq to achieve a gain of 40% for 2020. Neither the pandemic nor a US election could detract from these fast-growing companies.

The strong gains in US equity markets led to almost 500 companies listing in the US in 2020, raising a combined USD 178.2 billion – an all-time record. It is worth noting that 44% of this money was raised by special purpose acquisition companies (SPACs). We are going to hear a lot more about these vehicles in 2021. They are effectively 'blank cheque' companies looking to deploy newly raised money.

Beyond equities, gains for precious metals were also significant in 2020. Gold and silver returned 25% and 49% respectively. Industrial metals, including copper, also posted positive returns. With such strong positive returns available to investors in 2020, was it right to see UK equities down to such an extent? Given dividend cuts and Brexit threats, it was hard to convince investors of the merits of investing in UK equities.

### Performance

For 2020, GAM UK Equity Income (Z class S/AI Acc) fell 12.9% compared to a fall of 9.8% for the FTSE All-Share index.

The first half of the year was unprecedented. In a backdrop of a severe economic downturn equity markets staged a quick recovery. The UK emerged slower than other major markets, in part owing to the low weighting of technology stocks that propelled other indices higher. During the severe market fall in the first quarter, cyclical sectors suffered the largest share price declines. In terms of performance, the fund fell 30.4% during this period compared to the FTSE All-Share Index decline of 25.1%. Sector selection did not play a major role, rather it was the cyclical names that suffered the most. National Express was the costliest, as operations across the company's entire network temporarily closed. Other names that weighed on performance included Royal Bank of Scotland, Wilmington and Halfords. The utility holdings, in particular National Grid, demonstrated their defensive characteristics.

During this volatile period, we made changes to the portfolio, most notably by increasing exposure to the oil and gas sector. We felt the oil price slump to an 18-year low would prove temporary. We also strengthened our position in telecoms by purchasing Vodafone and in utilities through a new position in SSE. Both companies demonstrated their ability to deliver on dividends.

From the low point of 23 March, equity markets staged a quick recovery. Wrestling between the hope of an economic recovery and the prospect of prolonged economic malaise, markets continued to be incredibly volatile. There was a frequent reshuffling in performance leadership between different equity strategies. The fund bounced back broadly in line with the FTSE All-Share Index on hopes of a return to normality. The market rally faded at the end of the second quarter over concerns of a second spike, as evidenced by gold

moving to a seven-year high and the five-year UK gilt yield turning negative. This environment favoured the overseas earners, an area where the fund is less exposed. During this period, the fund's more defensive holdings (National Grid, Imperial Brands and Orange) held up well.

The fund's performance staged a strong recovery on the back of the COVID-19 vaccine news in the final quarter of the year. During this period the fund returned 23.9%, compared to 12.6% for the FTSE All-Share Index. The outperformance had many facets, but it was particularly pleasing to see our overweight in oil stocks and telecoms start to contribute.

Looking at the year as a whole, the underperformance relative to the index was mainly caused by stock selection. The five worst contributors were Royal Bank of Scotland, BP, Lloyds, National Express and Wilmington. Sector allocation, while having less of an impact, was also negative. The overweight to telecoms and underweight to basic materials were the greatest headwinds. More positively, Diversified Gas and Oil, Halfords, Hasting and Strix all contributed over 1% to absolute performance.

### Dividend

Turning to the dividend, the Z-class semi-annual (GBP) paid 12.9p at the half-year stage and 13.3p at the end of the year, taking total the total distribution to 26.2p. On 31 December, a net-asset value (NAV) of 837.8p per share implied a trailing 12-month dividend yield of 3.1%, which is greater than the market's trailing yield. The largest dividend payers during the year were Imperial Brands, BP, Diversified Gas and Oil, SSE, GlaxoSmithKline, National Grid, Legal and General, Total and British American Tobacco. Companies that reinstated their dividend during the year included Close Brothers, Devro, Warpaint, Medica, Wincanton and Euromoney Institutional Investor. We expect this trend to accelerate in 2021. The fund's holdings in tobacco, telecoms and utilities will be an important source of dividends in 2021. Furthermore, a number of names were purchased in 2020 after payments had been cancelled. These are likely to resume throughout the course of 2021.

### Outlook

As we start 2021, the UK market is the cheapest it has been against global equities for 50 years, according to Morgan Stanley. We know this is true from the huge amount of corporate activity in the UK market. Within the GAM UK Equity Income Fund we have seen approaches for William Hill, Huntsworth, Hastings and Elementis. Viridor (part of Penron) was purchased for 18 times its earnings. Takeover rumours continue to circulate across a variety of sectors. In the wider market, companies such as G4S, RSA, Codemasters and Crest Nicholson all found suitors. We believe we will see even more corporate activity in 2021. In our view, value is there, opportunity is there, and funding is plentiful.

In September, we identified three key developments which we felt would help drive the UK market and more importantly, drive GAM UK Equity Income. First, an effective vaccine to help us live with the COVID-19 virus. Second, clarity on Brexit arrangements. Third, a return to dividend payments from sectors including banks. As early as October, Pfizer announced excellent progress with a vaccine and we saw a marked improvement in the performance of UK equities. GAM UK Equity Income outperformed this rising market. The other two drivers have also delivered but the impact has yet to be felt. The Brexit deal was delivered on Christmas Eve and the detail is now being assessed. The good news is that a no deal was avoided. The Prudential Regulation Authority (PRA) has suggested banks can pay

dividends in 2021 and this will have a material impact on dividends received by UK investors. As a result, we believe there will be double digit dividend growth in 2021 on dividends received in 2020. The reason that these latter two drivers have yet to be felt is down to the new virus strain, which has curbed any optimism of an economic recovery. Although thankfully not more deadly than the first virus, it is more virulent and as a result of the rapid spreading, the NHS is once again under siege. This time we have better knowledge of the medicines needed to treat patients and we have two effective vaccines (Pfizer and AstraZeneca). However, commentators remain concerned.

Although the start of 2021 is full of uncertainty, we believe UK equities offer a very attractive risk reward balance for investors. The UK market is clearly undervalued, as evidenced by corporate activity. Dividends are returning at a useful velocity and balance sheets have been repaired by the active placing of shares in 2020. It is fair to concede that there appears to be little growth in UK equities, but this could all change in 2021 if economic growth starts as a result of a well-managed UK testing and vaccination programme that enables us to live with the virus that altered our lives in 2020.

## Portfolio Analysis (unaudited)

Analysis, by geographical area	31 December 2020 %	31 December 2019 %
United Kingdom	89.24	89.81
United States	5.27	3.91
Ireland	2.20	1.20
France	3.51	0.74
Guernsey	–	0.70
Forward Currency Contracts	0.10	(0.10)
Net other (liabilities)/assets	(0.32)	3.74
Total net assets	100.00	100.00

Analysis, by industry sector	31 December 2020 %	31 December 2019 %
Food Beverage & Tobacco	13.27	6.18
Energy	12.98	–
Banks	11.50	0.43
Telecommunication Services	7.86	–
Capital Goods	7.50	10.72
Utilities	5.80	4.08
Diversified Financials	5.14	1.08
Commercial & Professional Services	4.93	8.37
Transportation	4.73	12.20
Pharmaceuticals & Biotechnology	4.43	3.00
Materials	3.91	7.62
Real Estate	3.26	0.53
Insurance	2.69	3.91
Consumer Durables & Apparel	2.40	5.27
Retailing	2.19	3.49
Household & Personal Products	1.65	0.34
Media & Entertainment	1.34	5.88
Software & Services	1.32	1.00
Industrial Support Services	0.95	2.69
Health Care Equipment & Services	0.89	2.38
Technology Hardware & Equipment	0.83	3.83
Consumer Services	0.65	6.32
Personal Goods	–	0.85
Personal Care, Drug & Grocery Stores	–	2.98
Fixed Interest	–	1.26
Travel & Leisure	–	1.21
External Funds (Other)	–	0.74
Forward Currency Contracts	0.10	(0.10)
Net other (liabilities)/assets	(0.32)	3.74
Total net assets	100.00	100.00

Analysis, by investment	31 December 2020 %	31 December 2019 %
Equity Quoted	100.22	95.10
Corporate Bonds	–	1.26
Warrants	–	–
Forward currency contracts	0.10	(0.10)
Net other (liabilities)/assets	(0.32)	3.74
Total net assets	100.00	100.00

### Risk and Reward Profile (unaudited)



The risk indicator is based on the volatility of the Fund's performance over the last 5 years. Where 5 years' performance history is not available the data is supplemented by proxy fund, benchmark data or a simulated historical series as appropriate.

- The Fund is assigned to the above category based on its historical fluctuations in value.
- The indicator helps investors to have a better understanding of the potential gains and losses related with the Fund. In this context, even the lowest category does not represent a risk-free investment.
- This profile is determined using historical data, as such may not be a reliable indication for the future risk profile. It is not guaranteed and may shift over time.
- This allocation to a risk category may change over time because the future performance of the Fund may fluctuate differently from in the past.
- The Fund does not offer the investor a guaranteed return. Nor does it guarantee the fixed repayment of the money invested in the Fund by the investor.

Further risks that may have a significant effect on the net asset value of the Fund include:

- **Brexit Risk:** the regulatory regime to which certain of the Investment Managers are subject to in the UK could be materially and adversely affected. The decision to leave the EU could also result in substantial volatility in foreign exchange markets and a sustained period of uncertainty for the UK, the EU and the global markets in general.
- **Capital at Risk:** all financial investments involve an element of risk. Therefore, the value of the investment and the income from it will vary and the initial investment amount cannot be guaranteed.
- **Investment Positions:** positions may increase in size relative to the size of the Fund. The risk is monitored by regularly adapting positions.
- **Equity:** investments in equities (directly or indirectly via derivatives) may be subject to significant fluctuations in value.

The "Investment Objectives and Policy" section of the Prospectus for this Fund give you more details about all the risks for the Fund.



## Portfolio Statement

as at 31 December 2020

Holdings	Description	Market Value £'000	% of Net Assets
<b>United Kingdom</b>			
<b>Banks 11.50% (December 2019: 12.20%)</b>			
19,391,601	Lloyds Banking	7,066	3.93
1,409,429	OSB	5,970	3.32
966,629	Standard Chartered	4,504	2.50
228,403	Close Brothers	3,157	1.75
		20,697	11.50
<b>Food Beverage &amp; Tobacco 11.07% (December 2019: 9.52%)</b>			
496,100	Imperial Brands	7,618	4.23
233,599	British American Tobacco	6,326	3.52
3,794,274	Bakkavor	3,073	1.71
1,884,068	Devro	2,894	1.61
		19,911	11.07
<b>Energy 7.83% (December 2019: 5.34%)</b>			
572,234	Royal Dutch Shell	7,207	4.01
2,696,893	BP	6,872	3.82
		14,079	7.83
<b>Telecommunication Services 6.29% (December 2019: 4.60%)</b>			
4,941,594	BT	6,535	3.63
3,958,640	Vodafone	4,788	2.66
		11,323	6.29
<b>Utilities 5.80% (December 2019: 6.32%)</b>			
351,710	SSE	5,276	2.93
596,587	National Grid	5,160	2.87
		10,436	5.80
<b>Capital Goods 5.44% (December 2019: 5.27%)</b>			
1,706,212	Eurocell	3,685	2.05
972,099	Volution	2,712	1.51
580,037	Morgan Advanced Materials	1,804	1.00
2,237,920	Speedy Hire	1,593	0.88
		9,794	5.44
<b>Diversified Financials 5.14% (December 2019: 3.00%)</b>			
3,295,910	Premier Miton	4,861	2.70
144,532	Rathbone Brothers	2,226	1.24
1,252,058	River & Mercantile	2,157	1.20
		9,244	5.14

## Portfolio Statement

as at 31 December 2020

Holdings	Description	Market Value £'000	% of Net Assets
<b>Commercial &amp; Professional Services 4.93% (December 2019: 3.49%)</b>			
1,443,825	Wilmington	2,303	1.28
2,677,913	DWF	2,182	1.21
2,015,428	GYG	1,401	0.78
812,838	Johnson Service	1,138	0.63
11,000,000	Arena Events	1,127	0.63
239,965	SThree	715	0.40
		8,866	4.93
<b>Transportation 4.73% (December 2019: 5.88%)</b>			
2,020,825	National Express	4,797	2.67
1,450,768	Wincanton	3,714	2.06
1,509,491	Fastjet Warrants Expiry date 31/07/2021*	–	–
		8,511	4.73
<b>Pharmaceuticals &amp; Biotechnology 4.43% (December 2019: 3.91%)</b>			
450,947	GlaxoSmithKline	6,052	3.36
285,204	Clinigen Healthcare	1,925	1.07
		7,977	4.43
<b>Materials 3.91% (December 2019: 2.38%)</b>			
2,036,909	Scapa	3,789	2.11
2,817,584	Elementis	3,240	1.80
		7,029	3.91
<b>Real Estate 3.26% (December 2019: 3.83%)</b>			
6,200,000	Grit Real Estate Income	3,007	1.67
3,816,619	Empiric Student Property**	2,859	1.59
		5,866	3.26
<b>Insurance 2.69% (December 2019: 7.62%)</b>			
1,817,437	Legal & General	4,838	2.69
		4,838	2.69
<b>Consumer Durables &amp; Apparel 2.40% (December 2019: 0.00%)</b>			
1,755,980	Joules	2,968	1.65
528,326	BOOT HENRY	1,347	0.75
		4,315	2.40
<b>Retailing 2.19% (December 2019: 4.08%)</b>			
3,421,276	Hostelworld	2,686	1.49
1,951,837	Shoe Zone	1,269	0.70
		3,955	2.19

\*Warrants.

\*\*Real Estate Investment Trust (REIT).

## Portfolio Statement

as at 31 December 2020

Holdings	Description	Market Value £'000	% of Net Assets
	<b>Household &amp; Personal Products 1.65% (December 2019: 1.08%)</b>		
3,900,000	Warpaint London	2,964	1.65
		2,964	1.65
	<b>Media &amp; Entertainment 1.34% (December 2019: 0.43%)</b>		
438,734	Informa	2,409	1.34
		2,409	1.34
	<b>Software &amp; Services 1.32% (December 2019: 1.00%)</b>		
5,129,596	Proactis	2,385	1.32
		2,385	1.32
	<b>Industrial Support Services 0.95% (December 2019: 0.34%)</b>		
160,813	Euromoney Institutional Investor	1,714	0.95
		1,714	0.95
	<b>Health Care Equipment &amp; Services 0.89% (December 2019: 0.53%)</b>		
1,339,483	Medica	1,594	0.89
		1,594	0.89
	<b>Technology Hardware &amp; Equipment 0.83% (December 2019: 2.69%)</b>		
679,441	Strix	1,495	0.83
		1,495	0.83
	<b>Consumer Services 0.65% (December 2019: 0.00%)</b>		
350,318	SSP	1,162	0.65
		1,162	0.65
	<b>United States</b>		
	<b>Energy 3.21% (December 2019: 0.70%)</b>		
5,108,829	Diversified Gas & Oil	5,773	3.21
		5,773	3.21
	<b>Capital Goods 2.06% (December 2019: 0.00%)</b>		
29,719	Huntington Ingalls Industries	3,706	2.06
		3,706	2.06
	<b>Ireland</b>		
	<b>Food Beverage &amp; Tobacco 2.20% (December 2019: 1.20%)</b>		
909,600	Origin Enterprises	2,524	1.40
637,752	C&C	1,451	0.80
		3,975	2.20
	<b>France</b>		
	<b>Energy 1.94% (December 2019: 2.33%)</b>		
110,308	TOTAL	3,485	1.94
		3,485	1.94

## Portfolio Statement

as at 31 December 2020

Holdings	Description	Market Value £'000	% of Net Assets			
324,097	Telecommunication Services 1.57% (December 2019: 1.58%)					
	Orange	2,824	1.57			
		2,824	1.57			
Forward Currency Contracts 0.10% (December 2019: (0.10%))						
Sale Currency	Contractual Amount	Purchase Currency	Contractual Amount	Maturity Date	Market Value £'000	% of Net Assets
EUR	10,190,021	GBP	9,253,731	2021-01-25	130	0.07
USD	4,862,919	GBP	3,617,884	2021-01-25	61	0.03
					191	0.10
	Total Investments				180,518	100.32
	Net other assets				(576)	(0.32)
	Total net assets				179,942	100.00

All holdings are equities and represent securities quoted on a Listed Securities Market, unless otherwise stated.

2019 comparative industry figures were updated to reflect changes to the Industry Classification Benchmark.

## Statement of Material Portfolio Changes (unaudited)

for the year ended 31 December 2020

Major Purchases	Cost £'000	Major Sales	Proceeds £'000
Royal Dutch Shell	7,630	Tesco	6,459
British American Tobacco	6,390	Halfords	6,320
BP	5,852	Strix	5,646
Vodafone	4,809	Hastings	5,463
Legal & General	4,611	Legal & General	4,913
Standard Chartered	4,099	BP	4,821
Lloyds Banking	3,909	DS Smith	4,581
Huntington Ingalls Industries	3,818	NatWest	3,784
Diversified Gas & Oil	2,922	SSE	3,594
DWF	2,810	BT	3,511
Elementis	2,726	Imperial Brands	3,392
BT	2,713	Aviva	3,138
SSE	2,308	AA Bond 5.5% 31/07/2022	3,120
Rathbone Brothers	2,104	Lloyds Banking	2,955
DS Smith	1,890	RSA Insurance	2,623
Persimmon	1,834	National Grid	2,593
Informa	1,828	Persimmon	2,502
Clinigen Healthcare	1,709	William Hill	2,499
Joules	1,697	Drax	2,454
St James's Place	1,628	OneSavings Bank	2,438
Total purchases for the year	92,802	Total sales for the year	102,562

## Statement of Total Return

for the year ended 31 December 2020

	Notes	2020		2019	
		£'000	£'000	£'000	£'000
<b>Income</b>					
Net capital (losses)/gains	2		(40,896)		22,069
Revenue	3	6,325		9,528	
Expenses	4	(1,129)		(1,246)	
Interest payable and similar charges		–		(1)	
Net revenue before taxation		5,196		8,281	
Taxation	5	(80)		(1)	
Net revenue after taxation			5,116		8,280
<b>Total return before distributions</b>			(35,780)		30,349
Distributions	6		(5,889)		(9,113)
<b>Change in net assets attributable to shareholders from investment activities</b>			(41,669)		21,236

## Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 December 2020

	2020		2019	
	£'000	£'000	£'000	£'000
<b>Opening net assets attributable to shareholders</b>		239,332		149,960
Amounts receivable on creation of shares	71,728		139,465	
Less: Amounts payable on cancellation of shares	(90,840)		(73,670)	
		(19,112)		65,795
Dilution levy		64		122
Change in net assets attributable to shareholders from investment activities		(41,669)		21,236
Retained distribution on accumulation shares		1,327		2,219
<b>Closing net assets attributable to shareholders</b>		179,942		239,332

## Balance Sheet

as at 31 December 2020

	Notes	2020 £'000	2019 £'000
<b>Assets:</b>			
Fixed Assets:			
Investments		180,518	230,619
Current assets:			
Debtors	7	1,618	1,353
Cash and bank balances	8	759	14,837
<b>Total assets</b>		<b>182,895</b>	<b>246,809</b>
<b>Liabilities:</b>			
Investment liabilities		–	(228)
Creditors:			
Distribution payable		(2,146)	(4,522)
Other creditors	9	(807)	(2,727)
<b>Total other liabilities</b>		<b>(2,953)</b>	<b>(7,477)</b>
<b>Net Assets Attributable to Shareholders</b>		<b>179,942</b>	<b>239,332</b>

## Notes to the Financial Statements

### 1. Investments at Fair Value

#### Fair Value Hierarchy

SORP requires disclosures of financial instruments measured at fair value to be based on three classifications of hierarchy that reflects the significance of the inputs in such fair value measurements.

The hierarchy gives the highest priority to quoted prices for identical instruments in active markets and lowest priority to valuation techniques using non-observable data. The three classifications of the fair value hierarchy are as follows:

Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

The Fund uses the "market approach" valuation technique to value its investments. Inputs are determined by observable data. A financial instrument's classification within the fair value hierarchy is based on the lowest classification of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" may require significant judgment but can generally be considered as that market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The categorisation of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the risk of that instrument.

The following table analyses within the fair value hierarchy of the financial assets and liabilities measured at fair value at 31 December 2020 and 31 December 2019:

Valuation technique	2020		2019	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1	180,327	–	227,596	–
Level 2	191	–	3,023	(228)
Level 3	–	–	–	–
Total investments at fair value	180,518	–	230,619	(228)

### 2. Net capital (losses)/gains

The net capital (losses)/gains during the year comprise:

	2020 £'000	2019 £'000
Non-derivative securities	(40,535)	21,029
Forward foreign exchange currency contracts	(491)	873
Currency gains/(losses)	161	(123)
Handling charges	(36)	(20)
Sundry charges	5	310
Net capital (losses)/gains	(40,896)	22,069

### 3. Revenue

	2020 £'000	2019 £'000
UK dividends	4,472	8,062
Overseas dividends	1,453	1,174
Property revenue from UK REITs – PID	27	99
Property revenue from UK REITs – Non PID	13	18
Bank interest	2	9
Interest on debt securities	116	166
UK scrip dividends non-taxable	242	–
Total revenue	6,325	9,528



## Notes to the Financial Statements

### 4. Expenses

	2020 £'000	2019 £'000
<b>Payable to the ACD, associates of the ACD, and agents of either of them:</b>		
ACD's periodic charge	1,048	1,111
<b>Payable to the Depositary, associates of the Depositary, and agents of either of them:</b>		
Depositary fees	35	34
Safekeeping charge	11	10
<b>Other expenses:</b>		
Audit fees	17	16
Other	18	75
<b>Total expenses</b>	<b>1,129</b>	<b>1,246</b>

### 5. Taxation

	2020 £'000	2019 £'000
<b>a) Analysis of tax charge in the year:</b>		
Overseas tax	80	1
<b>Total current tax (note 5b)</b>	<b>80</b>	<b>1</b>

#### b) Factors affecting current tax charge for the year:

The tax assessed for the year is lower than (2019: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2019: 20%). The differences are explained below:

Net revenue before taxation	5,196	8,281
Corporation tax of 20% (2019: 20%)	1,039	1,656
<b>Effects of:</b>		
UK dividends	(894)	(1,613)
Non-taxable scrip dividends	(48)	–
Revenue not subject to taxation	(293)	(235)
Movement in excess management expenses	196	183
Overseas tax	80	1
Expenses not deductible for tax purposes	3	10
Property revenue from UK REITs – Non PID	(3)	(4)
Non-taxable income taken to capital	–	3
<b>Current tax charge for year (note 5a)</b>	<b>80</b>	<b>1</b>

#### c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

#### d) Factors that may affect future tax charges:

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £459,825 (2019: £263,371) relating to surplus management expenses. It is unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts.

## Notes to the Financial Statements

### 6. Distribution

The distributions take account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprises:

	2020 £'000	2019 £'000
Interim	3,020	4,589
Final	2,767	6,015
Add: Revenue deducted on cancellation of shares	962	1,004
Deduct: Revenue received on creation of shares	(860)	(2,495)
Net distributions for the year	5,889	9,113
<b>Reconciliation of net revenue after taxation to net distributions for the year</b>		
Net revenue after taxation	5,118	8,280
Tax relief on ACD's periodic charge	(19)	(38)
Expenses charged to capital	790	871
Net distributions for the year	5,889	9,113

### 7. Debtors

	2020 £'000	2019 £'000
Sales awaiting settlement	519	–
Amounts receivable for issue of shares	465	329
Accrued revenue	544	910
Overseas tax recoverable	90	86
Reimbursement for capped expenses	–	28
Total debtors	1,618	1,353

### 8. Cash and bank balances

	2020 £'000	2019 £'000
Cash and bank balances	759	14,837
Total cash and bank balances	759	14,837

### 9. Creditors

	2020 £'000	2019 £'000
Purchases awaiting settlement	86	1,846
Amounts payable for cancellation of shares	384	614
Accrued expenses	337	267
Total creditors	807	2,727

## Notes to the Financial Statements

### 10. Reconciliation of Shares

Reconciliation of the share movement in the year:

	2020 Opening shares in issue	Issued	Redeemed	2020 Closing shares in issue
Z Distribution – Income Shares	16,796,038	7,912,738	(9,257,651)	15,451,125
Z Distribution – Accumulation Shares	3,634,484	1,512,651	(2,038,783)	3,108,352
Z II Class – Accumulation Shares	12,019	12,566	(4,006)	20,579
Institutional Class – Income Shares	1,099,473	46,587	(491,760)	654,300
Institutional Class – Accumulation Shares	2,296,774	95,836	(494,165)	1,898,445

The capital of the Fund is represented by the net assets attributable to Shareholders. The amount of net assets attributable to Shareholders can change significantly on a regular basis as the Fund is subject to regular subscriptions and redemptions at the discretion of Shareholders subject to the notice periods per the Prospectus.

### 11. Related party transactions

All material related party transactions, as set out in Financial Reporting Standard 8 “Related Party Disclosures”, have been disclosed in the notes to the financial statements.

The ACD is authorised to operate umbrella cash accounts held in the name of the Company and it has delegated such authority to the Transfer Agent. All subscriptions and redemptions from the relevant Fund will be channelled and managed through such umbrella cash accounts. The aggregate monies received through issue and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Shareholders.

At the year end accrued expenses included amounts owing to the ACD of £176,857 (2019: £120,234). The charge for the year is disclosed in note 4.

As at 31 December 2020, one shareholder (2019: one) held over 20% of value of the Fund.

All other material related party transactions have been disclosed in the notes to the financial statements.

### 12. Share classes

The Fund has five share classes.

The ACD's periodic charge on each share class is as follows:

	%
Z Distribution – Income Shares:	0.55
Z Distribution – Accumulation Shares:	0.55
Z II Class – Accumulation Shares:	0.75
Institutional Class – Income Shares:	0.75
Institutional Class – Accumulation Shares:	0.75

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on pages 118 to 120.

The distribution per share class is given in the Distribution Tables on pages 121 and 122. All share classes have the same rights on winding up.

### 13. Capital commitments and contingent liabilities

On 31 December 2020, the Fund had no capital commitments (2019: £nil) and no contingent liabilities (2019: £nil).

### 14. Derivatives and other financial instruments

The main risks arising from the Fund's financial instruments are market price, foreign currency, liquidity, redemption, credit and interest rate risk.

#### (a) Market price risk

Market price risk arises from uncertainty about future prices of financial instruments held. It represents the potential loss the Funds might suffer through holding market positions in the face of price movements. The Investment Adviser takes into consideration the asset allocation of the portfolio when assessing the risk profile associated with particular countries or industry sectors whilst continuing to follow the investment objectives of the Funds' and by regularly reviewing and evaluating the Funds potential exposure to market risk using the commitment method.

With all other variables staying the same, if market prices increase or decrease by 10%, then the impact on the portfolio will be an increase or decrease of 10% (£17,994,232) (2019: £23,039,063).

#### (b) Foreign currency risk

A substantial portion of the financial assets of the Fund may be denominated in currencies other than the base currency of the Fund with the effect that the balance sheet and total return can be significantly affected by currency movements. The Fund may enter into forward foreign currency exchange contracts in order to hedge against currency movements. However, it is not always possible to precisely match the forward foreign exchange amount and the value of such securities may vary as a consequence of market movements over the life of the forward exchange contract.

## Notes to the Financial Statements

As at 31 December the Fund had the following net currency exposure (excluding sterling):

	Currency exposure 2020 £'000	Currency exposure 2019 £'000
Danish krone	1	2
Euro	(65)	288
Swiss franc	20	19
US dollar	150	(33)
Total	106	276

A 10% increase/decrease in the GBP exchange rate against all other currencies, assuming all other factors remained the same, would have a £9,638 decrease (2019: £25,103) and £11,780 increase (2019: £30,682) respectively on the net assets of the Fund.

### (c) Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous. However, the assets of the Fund comprise mainly realisable securities, which can be readily sold. The ACD may with prior agreement of the Depositary, temporarily suspend the issue, redemption and exchange of shares in the Fund where due to exceptional circumstances it is in the interests of all the shareholders in the Fund.

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual settlement date. Balances as set out in the table below have not been discounted, as the impact of discounting is not significant.

	<1 month £'000	1-3 months £'000
<b>As at 31 December 2020</b>		
Amounts payable on forward contracts	(191)	–
Amounts payable for shares cancelled	384	–
Purchases awaiting settlement	86	–
Accrued expenses	337	–
Distribution payable on income shares	–	2,146
Net assets attributable to shareholders	179,942	–
	180,558	2,146
	<1 month £'000	1-3 months £'000
<b>As at 31 December 2019</b>		
Amounts payable on forward contracts	228	–
Amounts payable for shares cancelled	614	–
Purchases awaiting settlement	1,846	–
Accrued expenses	267	–
Distribution payable on income shares	–	4,522
Net assets attributable to shareholders	239,332	–
	242,287	4,522

### (d) Redemption risk

The redemption risk for the Fund is the redemption of any shares that investors wish to sell. Large redemptions of shares in the Fund might result in the Fund being forced to sell assets at a time, under circumstances and at a price where it would, instead, normally prefer not to dispose of those assets. The Fund has a redemption risk due to a significant number of shares held by a small concentration of shareholders.

### (e) Credit risk

The Fund is exposed to credit risk on counterparties with whom it trades and may bear the risk of settlement default. Counterparty risk is limited in that most securities on the Fund are settled on delivery against payment in the recognised clearing systems and the risk of default is considered minimal as security delivery and payment are simultaneous.

At 31 December 2020 the Fund held cash deposits of £758,694 (2019: £14,836,773) with State Street Trustees Limited. The credit risk to the Fund is the risk that the counterparties default on their obligation to repay the Fund. The Fund manages this credit risk by only holding deposits with approved brokers that belong to an internationally recognised financial services firm.

The Investment Adviser manages credit risk for derivative transactions by only using approved brokers that belong to an internationally recognised financial services firm or alternatively command a high market share in a given market segment.

## Notes to the Financial Statements

### (f) Interest rate risk

The Funds may hold cash balances which are subject to a floating rate of interest. At the year end, floating rates were tracked against the Bank of England base rate -0.5% and for any overdrafts the Bank of England base rate + 1%. The amount of the cash balances are set out in note 8 to the financial statements for each Fund.

The majority of the assets of the Funds are equity shares and other investments which neither pay interest nor have a maturity date.

### (g) Gains and losses on financial assets

The net capital gains from trading in financial assets and financial liabilities shown in the Statement of Total Return are analysed in note 2 of the Financial Statements.

### (h) Fair value of financial assets and financial liabilities

All the assets of the Fund are held at fair value as determined in accordance with the accounting policies.

## 15. Portfolio transaction costs

Analysis of total trade costs.

	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
<b>Equities</b>	92,380	138,894	97,814	71,456
Bonds	–	738	3,120	–
Collective Investment Schemes	–	–	1,666	–
Trades in the year before transaction costs	92,380	139,632	102,600	71,456
<b>Commissions</b>				
Equities	35	60	(36)	(31)
Collective Investment Schemes	–	–	(1)	–
Total commissions	35	60	(37)	(31)
<b>Taxes</b>				
Equities	386	587	–	–
Total costs	421	647	(37)	(31)
<b>Total net trades in the year after transaction costs</b>	<b>92,801</b>	<b>140,279</b>	<b>102,563</b>	<b>71,425</b>

Total transaction cost expressed as a percentage of asset type cost.

	Purchases		Sales	
	2020 %	2019 %	2020 %	2019 %
<b>Commissions</b>				
Equities	0.04	0.04	(0.04)	(0.04)
Bonds	–	–	–	–
Collective Investment Schemes	–	–	(0.06)	–
<b>Taxes</b>				
Equities	0.42	0.42	–	–
Bonds	–	–	–	–
Collective Investment Schemes	–	–	–	–

Total transaction cost expressed as a percentage of average net asset value.

	2020 %	2019 %
Commissions	0.04	0.05
Taxes	0.21	0.31
Total costs	0.25	0.36

### Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was 1.29% (2019: 0.95%).

## Notes to the Financial Statements

### 16. Events during the year

2020 to date has seen a sharp increase in the volatility of global financial markets due to the COVID-19 pandemic. The ACD and the Investment Adviser are actively monitoring the situation. It should be noted that COVID-19 has, and may continue to have, an adverse effect on the global economy and the economies of certain nations, which may negatively impact the Fund's performance.

### 17. Events after the Balance Sheet date

There have been no significant events affecting the Fund since the year end.

## Net Asset Value and Comparative Tables

### Net Asset Value and Ongoing Charges Figure

	2020 (p)	2019 (p)	2018 (p)
<b>Z Distribution – Income Shares</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	979.43	885.95	1,009.72
Return before operating charges*	(124.08)	146.60	(74.87)
Operating charges	(4.67)	(5.93)	(6.34)
Return after operating charges*	(128.75)	140.67	(81.21)
Distributions on income shares	(26.20)	(47.19)	(42.56)
Closing net asset value per share	824.48	979.43	885.95
* including direct transaction costs of:	1.92	3.35	6.24
<b>Performance</b>			
Return after charges	(13.15%)	15.88%	(8.04%)
<b>Other information</b>			
Closing net asset value (£'000)	127,393	164,505	79,432
Closing number of shares	15,451,125	16,796,038	8,965,676
Operating charges	0.62%	0.63%	0.64%
Direct transaction costs	0.25%	0.36%	0.63%
<b>Prices</b>			
Highest share price	979.41	1,011.10	1,041.41
Lowest share price	587.39	880.01	891.22
	2020 (p)	2019 (p)	2018 (p)
<b>Z Distribution – Accumulation Shares</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	1,080.56	930.48	1,014.71
Return before operating charges*	(134.42)	156.33	(77.48)
Operating charges	(5.17)	(6.25)	(6.75)
Return after operating charges*	(139.59)	150.08	(84.23)
Distributions on accumulation shares	(24.27)	(44.38)	(37.26)
Retained distributions on accumulation shares	24.27	44.38	37.26
Closing net asset value per share	940.97	1,080.56	930.48
* including direct transaction costs of:	2.12	3.59	6.36
<b>Performance</b>			
Return after charges	(12.92%)	16.13%	(8.30%)
<b>Other information</b>			
Closing net asset value (£'000)	29,249	39,273	32,213
Closing number of shares	3,108,352	3,634,484	3,462,007
Operating charges	0.62%	0.63%	0.67%
Direct transaction costs	0.25%	0.36%	0.63%
<b>Prices</b>			
Highest share price	1,088.39	1,087.42	1,056.73
Lowest share price	648.03	929.47	913.62

## Net Asset Value and Comparative Tables

### Net Asset Value and Ongoing Charges Figure

	2020 (p)	2019 (p)	
<b>Z II Class – Accumulation Shares<sup>(1)</sup></b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	1,087.89	1,000.00	
Return before operating charges*	(134.89)	89.53	
Operating charges	(1.19)	(1.64)	
Return after operating charges*	(136.08)	87.89	
Distributions on accumulation shares	(28.50)	(43.98)	
Retained distributions on accumulation shares	28.50	43.98	
Closing net asset value per share	951.81	1,087.89	
* including direct transaction costs of:	2.12	3.50	
<b>Performance</b>			
Return after charges	(12.51%)	8.79%	
<b>Other information</b>			
Closing net asset value (£'000)	196	131	
Closing number of shares	20,579	12,019	
Operating charges	0.14%	0.17%	
Direct transaction costs	0.25%	0.36%	
<b>Prices</b>			
Highest share price	1,095.81	1,094.70	
Lowest share price	653.09	951.15	
	<b>2020 (p)</b>	<b>2019 (p)</b>	<b>2018 (p)</b>
<b>Institutional Class – Income Shares</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	974.64	883.42	1,009.82
Return before operating charges*	(123.60)	145.97	(75.20)
Operating charges	(6.23)	(7.75)	(8.31)
Return after operating charges*	(129.83)	138.22	(83.51)
Distributions on income shares	(26.18)	(47.00)	(42.89)
Closing net asset value per share	818.63	974.64	883.42
* including direct transaction costs of:	1.92	3.34	6.24
<b>Performance</b>			
Return after charges	(13.32%)	15.65%	(8.27%)
<b>Other information</b>			
Closing net asset value (£'000)	5,356	10,716	11,979
Closing number of shares	654,300	1,099,473	1,355,974
Operating charges	0.82%	0.83%	0.84%
Direct transaction costs	0.25%	0.36%	0.63%
<b>Prices</b>			
Highest share price	974.53	1,005.70	1,040.03
Lowest share price	584.25	875.93	888.70

<sup>(1)</sup> Share class launched on 5 March 2019.



## Net Asset Value and Comparative Tables

### Net Asset Value and Ongoing Charges Figure

	2020 (p)	2019 (p)	2018 (p)
<b>Institutional Class – Accumulation Shares</b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	1,075.73	928.27	1,014.34
Return before operating charges*	(133.97)	155.70	(77.54)
Operating charges	(6.87)	(8.24)	(8.53)
Return after operating charges*	(140.84)	147.46	(86.07)
Distributions on accumulation shares	(22.45)	(42.14)	(35.20)
Retained distributions on accumulation shares	22.45	42.14	35.20
Closing net asset value per share	934.89	1,075.73	928.27
* including direct transaction costs of:	2.13	3.56	6.41
<b>Performance</b>			
Return after charges	(13.09%)	15.89%	(8.49%)
<b>Other information</b>			
Closing net asset value (£'000)	17,748	24,707	26,336
Closing number of shares	1,898,445	2,296,774	2,837,074
Operating charges	0.82%	0.83%	0.84%
Direct transaction costs	0.25%	0.36%	0.63%
<b>Prices</b>			
Highest share price	1,083.52	1,082.58	1,055.07
Lowest share price	644.84	927.25	911.47

## Distribution Tables

### Distribution in pence per share

Group 1 Interim Shares purchased prior to 1 January 2020

Group 2 Interim Shares purchased on or between 1 January 2020 and 30 June 2020

Group 1 Final Shares purchased prior to 1 July 2020

Group 2 Final Shares purchased on or between 1 July 2020 and 31 December 2020

### Z Distribution – Income Shares

	Net revenue	Equalisation	Distributions paid/payable 2020/2021	Distribution paid 2020
<b>Group 1</b>	<b>(p)</b>	<b>(p)</b>	<b>(p)</b>	<b>(p)</b>
Interim	12.8800	–	12.8800	21.8900
Final	13.3200	–	13.3200	25.3000
<b>Group 2</b>	<b>(p)</b>	<b>(p)</b>	<b>(p)</b>	<b>(p)</b>
Interim	2.2000	10.6800	12.8800	21.8900
Final	–	13.3200	13.3200	25.3000

### Z Distribution – Accumulation Shares

	Net revenue	Equalisation	Distributions paid/payable 2020/2021	Distribution paid 2020
<b>Group 1</b>	<b>(p)</b>	<b>(p)</b>	<b>(p)</b>	<b>(p)</b>
Interim	11.6300	–	11.6300	18.8400
Final	12.6400	–	12.6400	25.5400
<b>Group 2</b>	<b>(p)</b>	<b>(p)</b>	<b>(p)</b>	<b>(p)</b>
Interim	4.5800	7.0500	11.6300	18.8400
Final	–	12.6400	12.6400	25.5400

### Institutional Class – Income Shares

	Net revenue	Equalisation	Distributions paid/payable 2020/2021	Distribution paid 2020
<b>Group 1</b>	<b>(p)</b>	<b>(p)</b>	<b>(p)</b>	<b>(p)</b>
Interim	12.8100	–	12.8100	22.3000
Final	13.3700	–	13.3700	24.7000
<b>Group 2</b>	<b>(p)</b>	<b>(p)</b>	<b>(p)</b>	<b>(p)</b>
Interim	4.9900	7.8200	12.8100	22.3000
Final	–	13.3700	13.3700	24.7000

### Institutional Class – Accumulation Shares

	Net revenue	Equalisation	Distributions paid/payable 2020/2021	Distribution paid 2020
<b>Group 1</b>	<b>(p)</b>	<b>(p)</b>	<b>(p)</b>	<b>(p)</b>
Interim	10.7000	–	10.7000	17.8000
Final	11.7500	–	11.7500	24.3400
<b>Group 2</b>	<b>(p)</b>	<b>(p)</b>	<b>(p)</b>	<b>(p)</b>
Interim	4.2900	6.4100	10.7000	17.8000
Final	–	11.7500	11.7500	24.3400

## Distribution Tables

### Z II Class – Accumulation Shares

	Net revenue	Equalisation	Distributions paid/payable 2020/2021	Distribution paid 2020
<b>Group 1</b>	(p)	(p)	(p)	(p)
Final	28.5000	–	28.5000	43.9800
<b>Group 2</b>	(p)	(p)	(p)	(p)
Final	23.0300	5.4700	28.5000	43.9800

### Equalisation

Equalisation applies only to Group 2 shares. It is the average amount of income included in the purchase price of Group 2 shares and is treated as being refunded to the holders of these shares as a return of capital. Being capital, it is not liable to Income Tax but should be deducted from the cost of shares for tax on capital gains purposes.

GAM Global Eclectic Equity Fund closed on 19 May 2020.

## Statement of Material Portfolio Changes (unaudited)

for the year ended 31 December 2020

Total Purchases	Cost £'000	Major Sales	Proceeds £'000
Telefonica	1,682	Newmont	10,893
BT	1,575	Commerzbank	6,997
Pearson	899	Mitsubishi UFJ Financial	6,975
Koninklijke	885	Royal Bank of Scotland	6,937
Carrefour	849	Telecom Italia	6,250
Orange	452	Sumitomo Mitsui Financial	5,775
Bunge	226	General Electric	5,136
Marks & Spencer	62	Engie	4,872
Total purchases for the year	6,630	Fujitsu	4,721
		Carrefour	4,570
		Resona	4,466
		RSA Insurance	4,421
		Leonardo	4,158
		Credit Suisse	3,981
		Nomura	3,740
		Saipem	3,668
		Nippon Steel	3,641
		National Bank of Greece	3,582
		thyssenkrupp	3,574
		LIXIL	3,277
		Total sales for the year	148,459

# GAM Global Eclectic Equity Fund

## Statement of Total Return

for the year ended 31 December 2020

	Notes	2020		2019	
		£'000	£'000	£'000	£'000
<b>Income</b>					
Net capital (losses)/gains	2		(10,810)		38,087
Revenue	3	14,016		4,974	
Expenses	4	(164)		(1,269)	
Interest payable and similar charges		(14,068)		(21)	
Net (expenses)/revenue before taxation		(216)		3,684	
Taxation	5	(3)		(219)	
Net (expenses)/revenue after taxation			(219)		3,465
<b>Total return before distribution</b>			(11,029)		41,552
Distribution	6		–		(3,465)
<b>Change in net assets attributable to shareholders from investment activities</b>			(11,029)		38,087

## Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 December 2020

	2020		2019	
	£'000	£'000	£'000	£'000
<b>Opening net assets attributable to shareholders</b>		177,049		213,650
Amounts receivable on creation of shares	–		8,466	
Less: Amounts payable on cancellation of shares	(166,123)		(85,566)	
		(166,123)		(77,100)
Dilution levy		103		–
Change in net assets attributable to shareholders from investment activities		(11,029)		38,087
Retained distribution on accumulation shares		–		2,412
<b>Closing net assets attributable to shareholders</b>		–		177,049

## Balance Sheet

as at 31 December 2020

	Notes	2020 £'000	2019 £'000
<b>Assets:</b>			
Fixed Assets:			
Investments		–	154,209
Current assets:			
Debtors	7	–	299
Cash and bank balances	8	7	23,062
<b>Total assets</b>		<b>7</b>	<b>177,570</b>
<b>Liabilities:</b>			
Creditors:			
Distribution payable		–	(411)
Other creditors	9	(7)	(110)
<b>Total other liabilities</b>		<b>(7)</b>	<b>(521)</b>
<b>Net Assets Attributable to Shareholders</b>		<b>–</b>	<b>177,049</b>

## Notes to the Financial Statements

### 1. Investments at Fair Value

#### Fair Value Hierarchy

SORP requires disclosures of financial instruments measured at fair value to be based on three classifications of hierarchy that reflects the significance of the inputs in such fair value measurements.

The hierarchy gives the highest priority to quoted prices for identical instruments in active markets and lowest priority to valuation techniques using non-observable data. The three classifications of the fair value hierarchy are as follows:

Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

The Fund uses the “market approach” valuation technique to value its investments. Inputs are determined by observable data. A financial instrument’s classification within the fair value hierarchy is based on the lowest classification of any input that is significant to the fair value measurement. However, the determination of what constitutes “observable” may require significant judgment but can generally be considered as that market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The categorisation of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the risk of that instrument.

The following table analyses within the fair value hierarchy of the financial assets and liabilities measured at fair value at 31 December 2020 and 31 December 2019.

The Fund closed on 19 May 2020 and as a result there are no investments measured at fair value as at 31 December 2020.

Valuation technique	2020		2019	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1	–	–	154,209	–
Level 2	–	–	–	–
Level 3	–	–	–	–
Total investments at fair value	–	–	154,209	–

### 2. Net capital (losses)/gains

The net capital (losses)/gains during the year comprise:

	2020 £'000	2019 £'000
Non-derivative securities	(12,364)	37,616
Forward foreign exchange currency contracts	(515)	(74)
Currency gains	2,082	549
Handling charges	(6)	(4)
Amount payable for Fund surplus	(7)	–
Net capital (losses)/gains	(10,810)	38,087

### 3. Revenue

	2020 £'000	2019 £'000
UK dividends	(26)	1,272
Overseas dividends	(562)	2,844
Property revenue from UK REITs – PID	–	59
Bank interest	14,542	443
Overseas scrip dividends non-taxable	–	35
UK scrip dividends non-taxable	62	263
UK PID scrip dividends	–	58
Total revenue	14,016	4,974

## Notes to the Financial Statements

### 4. Expenses

	2020 £'000	2019 £'000
<b>Payable to the ACD, associates of the ACD, and agents of either of them:</b>		
ACD's periodic charge	158	1,236
Capped OCF rebate	(1)	(15)
<b>Payable to the Depositary, associates of the Depositary, and agents of either of them:</b>		
Depositary fees	5	36
Safekeeping charge	2	12
<b>Total expenses</b>	<b>164</b>	<b>1,269</b>

### 5. Taxation

	2020 £'000	2019 £'000
<b>a) Analysis of tax charge in the year:</b>		
Overseas tax	3	219
<b>Total current tax (note 5b)</b>	<b>3</b>	<b>219</b>

#### b) Factors affecting current tax charge for the year:

The tax assessed for the year is higher than (2019: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2019: 20%). The differences are explained below:

Net (expenses)/revenue before taxation	(216)	3,684
Corporation tax of 20% (2019: 20%)	(43)	737

#### Effects of:

UK dividends	5	(254)
Non-taxable scrip dividends	(12)	(60)
Overseas non-taxable revenue	(6)	(570)
Movement in excess management expenses	56	147
Overseas tax	3	219
<b>Current tax charge for the year (note 5a)</b>	<b>3</b>	<b>219</b>

#### c) Deferred taxation:

There is no provision required for deferred taxation at the Balance Sheet date in the current or prior year.

#### d) Factors that may affect future tax charges:

At the year end, after offset against income taxable on receipt, there is a potential deferred tax asset of £426,149 (2019: £370,203) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised.

### 6. Distribution

The distribution takes account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprises:

	2020 £'000	2019 £'000
Final	–	2,823
Add: Revenue deducted on cancellation of shares	–	721
Deduct: Revenue received on creation of shares	–	(79)
<b>Net distribution for the year (note 6)</b>	<b>–</b>	<b>3,465</b>



## Notes to the Financial Statements

### 7. Debtors

	2020 £'000	2019 £'000
Amounts receivable for issue of shares	–	143
Accrued revenue	–	66
Overseas tax recoverable	–	68
Reimbursement for capped expenses	–	22
Total debtors	–	299

### 8. Cash and bank balances

	2020 £'000	2019 £'000
Cash and bank balances	7	15,428
Short term deposits	–	7,634
Total cash and bank balances	7	23,062

### 9. Creditors

	2020 £'000	2019 £'000
Amounts payable for cancellation of shares	–	6
Accrued expenses	–	104
Payable for Fund surplus	7	–
Total creditors	7	110

### 10. Reconciliation of Shares

Reconciliation of the share movement in the year:

	2020 Opening shares in issue	Issued	Redeemed	2020 Closing shares in issue
Institutional Class USD – Income Shares	3,224,129	–	(3,224,129)	–
Institutional Class – Accumulation Shares	13,370,117	–	(13,370,117)	–

The capital of the Fund is represented by the net assets attributable to Shareholders. The amount of net assets attributable to Shareholders can change significantly on a regular basis as the Fund is subject to regular subscriptions and redemptions at the discretion of Shareholders subject to the notice periods per the Prospectus.

### 11. Related party transactions

All material related party transactions, as set out in Financial Reporting Standard 8 “Related Party Disclosures”, have been disclosed in the notes to the financial statements.

The ACD is authorised to operate umbrella cash accounts held in the name of the Company and it has delegated such authority to the Transfer Agent. All subscriptions and redemptions from the relevant Fund will be channelled and managed through such umbrella cash accounts. The aggregate monies received through issue and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Shareholders.

At the year end accrued expenses included amounts owing to the ACD of £157,715 (2019: £98,385). The charge for the year is disclosed in note 4.

All other material related party transactions have been disclosed in the notes to the financial statements.

## Notes to the Financial Statements

### 12. Share classes

The Fund has two share classes.

The ACD's periodic charge on each share class is as follows:

	%
Institutional Class USD – Income Shares:	0.63
Institutional Class – Accumulation Shares:	0.63

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on page 132 and 133.

The distribution per share class is given in the Distribution Tables on page 134.

All share classes have the same rights on winding up.

### 13. Capital commitments and contingent liabilities

On 31 December 2020, the Fund had no capital commitments (2019: £nil) and no contingent liabilities (2019: £nil).

### 14. Derivatives and other financial instruments

The main risks arising from the Fund's financial instruments are market price, foreign currency, liquidity, redemption, credit and interest rate risk.

#### (a) Market price risk

Market price risk arises from uncertainty about future prices of financial instruments held. It represents the potential loss the Funds might suffer through holding market positions in the face of price movements. The Investment Adviser takes into consideration the asset allocation of the portfolio when assessing the risk profile associated with particular countries or industry sectors whilst continuing to follow the investment objectives of the Funds' and by regularly reviewing and evaluating the Funds potential exposure to market risk using the commitment method.

With all other variables staying the same, if market prices increase or decrease by 10%, then the impact on the portfolio will be an increase or decrease of 10% (£nil) (2019: £15,343,703). Market price risk not applicable for 2020 as no investments held.

#### (b) Foreign currency risk

A substantial portion of the financial assets of the Fund may be denominated in currencies other than the base currency of the Fund with the effect that the balance sheet and total return can be significantly affected by currency movements. The Fund may enter into forward foreign currency exchange contracts in order to hedge against currency movements. However, it is not always possible to precisely match the forward foreign exchange amount and the value of such securities may vary as a consequence of market movements over the life of the forward exchange contract.

As at 31 December the Fund had the following net currency exposure (excluding sterling):

	Currency exposure 2020 £'000	Currency exposure 2019 £'000
Euro	–	47,196
Japanese yen	–	47,883
South African rand	–	4,786
Swiss franc	–	4,293
US dollar	–	36,498
Total	–	140,656

A 10% increase/decrease in the GBP exchange rate against all other currencies, assuming all other factors remained the same, would have a £nil (2019: £12,786,903) decrease and £nil (2019: £15,628,438) increase respectively on the net assets of the Fund. Foreign currency risk not applicable for 2020 as no investments and foreign currency cash are held.

#### (c) Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous. However, the assets of the Fund comprise mainly realisable securities, which can be readily sold. As at 31st December 2021, all outstanding liabilities will be settled by the Manager when the Fund is terminated, in excess of 3 months.

The ACD may with prior agreement of the Depositary, temporarily suspend the issue, redemption and exchange of shares in the Fund where due to exceptional circumstances it is in the interests of all the shareholders in the Fund.

## Notes to the Financial Statements

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual settlement date. Balances as set out in the table below have not been discounted, as the impact of discounting is not significant.

As at 31 December 2020	< 1 month £'000	1-3 months £'000
Payable for Fund surplus	–	7
Net assets attributable to shareholders	–	–
	–	7
As at 31 December 2019	< 1 month £'000	1-3 months £'000
Amounts payable for shares cancelled	6	–
Accrued expenses	104	–
Distribution payable on income shares	–	411
Net assets attributable to shareholders	177,049	–
	177,159	411

### (d) Redemption risk

The Fund is closed with no shareholders and is not subject to the risk of redemptions.

### (e) Credit risk

The Fund is exposed to credit risk on counterparties with whom it trades and may bear the risk of settlement default. Counterparty risk is limited in that most securities on the Fund are settled on delivery against payment in the recognised clearing systems and the risk of default is considered minimal as security delivery and payment are simultaneous.

The Investment Adviser manages credit risk for derivative transactions by only using approved brokers that belong to an internationally recognised financial services firm or alternatively command a high market share in a given market segment.

At 31 December 2020 the Fund held cash deposits of £6,720 (2019: £15,427,732) with State Street Trustees Limited, £nil (2019: £7,634,267) with ABN AMRO. The credit risk to the Fund is the risk that the counterparties default on their obligation to repay the Fund. The Fund manages this credit risk by only holding deposits with approved brokers that belong to an internationally recognised financial services firm.

### (f) Interest rate risk

The Funds may hold cash balances which are subject to a floating rate of interest. At the year end, floating rates were tracked against the Bank of England base rate -0.5% and for any overdrafts the Bank of England base rate +1%. The amount of the cash balances are set out in note 8 to the financial statements for each Fund.

The majority of the assets of the Funds are equity shares and other investments which neither pay interest nor have a maturity date.

### (g) Gains and losses on financial assets

The net capital gains from trading in financial assets and financial liabilities shown in the Statement of Total Return are analysed in note 2 of the Financial Statements.

### (h) Fair value of financial assets and financial liabilities

All the assets of the Fund are held at fair value as determined in accordance with the accounting policies.

## Notes to the Financial Statements

### 15. Portfolio transaction costs

Analysis of total trade costs.

	Purchases		Sales	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
<b>Equities</b>	21,149	121,502	170,902	159,506
Trades in the year before transaction costs	21,149	121,502	170,902	159,506
<b>Commissions</b>				
Equities	2	44	(45)	(63)
Total commissions	2	44	(45)	(63)
<b>Taxes</b>				
Equities	16	217	(3)	(1)
Total taxes	16	217	(3)	(1)
Total costs	18	261	(48)	(64)
<b>Total net trades in the year after transaction costs</b>	21,167	121,763	170,854	159,442

Total transaction cost expressed as a percentage of asset type cost.

	Purchases		Sales	
	2020 %	2019 %	2020 %	2019 %
<b>Commissions</b>				
Equities	0.01	0.04	(0.03)	(0.04)
<b>Taxes</b>				
Equities	0.08	0.18	(0.00)	(0.00)

Total transaction cost expressed as a percentage of average net asset value.

	2020 %	2019 %
Commissions	0.06	0.05
Taxes	0.02	0.12
Total costs	0.08	0.17

### Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was nil (2019: 0.14%).

### 16. Events during the year

The final valuation of GAM Global Eclectic Equity Fund was completed on 19 May 2020 following the retirement of Andrew Green as Manager and the Fund has commenced the liquidation process of the Fund.

### 17. Events after the Balance Sheet date

There have been no significant events affecting the Fund since the year end.

## Net Asset Value and Comparative Tables

### Net Asset Value and Ongoing Charges Figure

	2020 (c)	2019 (c)	2018 (c)
<b>Institutional Class USD – Income Shares<sup>(1)</sup></b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	1,044.89	833.32	1,000.00
Return before operating charges*	(403.86)	234.58	(147.76)
Operating charges	(1.54)	(6.13)	(6.24)
Return after operating charges*	(405.40)	228.45	(154.00)
Distributions on income shares	–	(16.88)	(12.68)
Return to shareholder as a result of class closure	(639.49)	–	–
Closing net asset value per share	–	1,044.89	833.32
* including direct transaction costs of:	0.84	1.62	2.08
<b>Performance</b>			
Return after charges	–	27.41%	(15.40%)
<b>Other information</b>			
Closing net asset value (\$'000)	–	33,689	32,657
Closing number of shares	–	3,224,129	3,918,864
Operating charges	–	0.65%	0.65%
Direct transaction costs	0.08%	0.17%	0.22%
<b>Prices</b>			
Highest share price	–	1,066.26	1,011.35
Lowest share price	–	834.46	831.89

<sup>(1)</sup> Share class launched on 28 February 2018. Share class closed on 25 March 2020.

## Net Asset Value and Comparative Tables

### Net Asset Value and Ongoing Charges Figure

	2020 (p)	2019 (p)	2018 (p)
<b>Institutional Class GBP – Accumulation Shares<sup>(2)</sup></b>			
<b>Change in net assets per share</b>			
Opening net asset value per share	1,134.01	925.75	1,000.00
Return before operating charges*	(200.35)	215.02	(68.77)
Operating charges	(2.73)	(6.76)	(5.48)
Return after operating charges*	(203.08)	208.26	(74.25)
Distributions on accumulation shares	–	(18.04)	(13.87)
Retained distributions on accumulation shares	–	18.04	13.87
Return to shareholder as a result of class closure	(930.93)	–	–
Closing net asset value per share	–	1,134.01	925.75
* including direct transaction costs of:	0.94	1.73	1.70
<b>Performance</b>			
Return after charges	–	22.50%	(7.43%)
<b>Other information</b>			
Closing net asset value (£'000)	–	151,619	188,008
Closing number of shares	–	13,370,117	20,308,705
Operating charges	–	0.65%	0.65%
Direct transaction costs	0.08%	0.17%	0.17%
<b>Prices</b>			
Highest share price	–	1,151.22	1,040.15
Lowest share price	–	936.89	917.63

<sup>(2)</sup> Share class launched on 28 February 2018. Share class closed on 19 May 2020.

## Distribution Tables

### Distribution in pence and cents per share

Group 1 Final Shares purchased prior to 1 January 2020

Group 2 Final Shares purchased on or between 1 January 2020 and 31 December 2020

#### Institutional Class USD – Income Shares

	Net revenue	Equalisation	Distribution payable 2021	Distribution paid 2020
<b>Group 1</b>	(c)	(c)	(c)	(c)
Final	–	–	–	16.8800
<b>Group 2</b>	(c)	(c)	(c)	(c)
Final	–	–	–	16.8800

#### Institutional Class GBP – Accumulation Shares

	Net revenue	Equalisation	Distribution payable 2021	Distribution paid 2020
<b>Group 1</b>	(p)	(p)	(p)	(p)
Final	–	–	–	18.0400
<b>Group 2</b>	(p)	(p)	(p)	(p)
Final	–	–	–	18.0400

### Equalisation

Equalisation applies only to Group 2 shares. It is the average amount of income included in the purchase price of Group 2 shares and is treated as being refunded to the holders of these shares as a return of capital. Being capital, it is not liable to Income Tax but should be deducted from the cost of shares for tax on capital gains purposes.

## Statement of the Authorised Corporate Director's Responsibilities

The Collective Investment Schemes Sourcebook as issued and amended by the FCA requires the Authorised Corporate Director to prepare financial statements for each annual accounting period which give a true and fair view of the financial affairs of the Company and of its income/expenditure and net gains or losses on the property for the year. In preparing these financial statements the Authorised Corporate Director is required to:

- comply with the Prospectus, generally accepted accounting principles and applicable accounting standards subject to any material departures which are required to be disclosed and explained in the financial statements;
- select suitable accounting policies and then apply them consistently;
- comply with the disclosure requirements of the Statement of Recommended Practice relating to Authorised Funds issued by the IMA in May 2014;
- make judgments and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in operation for the foreseeable future.

The Authorised Corporate Director is required to keep proper accounting records, to manage the Company in accordance with the Collective Investment Schemes Sourcebook as issued and amended by the FCA, the Instrument of Incorporation and the Prospectus and to take reasonable steps for the provision and detection of fraud or other irregularities.

## Statement of Depositary's Responsibilities in respect of the Company

The Depositary must ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Open- Ended Investment Companies Regulations 2001 (SI 2001/1228), as amended, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Company's Instrument of Incorporation and Prospectus (together "the Scheme documents") as detailed below.

The Depositary must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Company and its investors.

The Depositary is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Company in accordance with the Regulations.

The Depositary must ensure that:

- the Company's cash flows are properly monitored and that cash of the Company is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, repurchase, redemption and cancellation of shares are carried out in accordance with the Regulations;
- the value of shares of the Company are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Company's assets is remitted to the Company within the usual time limits;
- the Company's income is applied in accordance with the Regulations; and
- the instructions of the Authorised Fund Manager ("the AFM") which is the UCITS Management Company, are carried out (unless they conflict with the Regulations).

The Depositary also has a duty to take reasonable care to ensure that Company is managed in accordance with the Regulations and Scheme documents in relation to the investment and borrowing powers applicable to the Company.



## Report of the Depositary

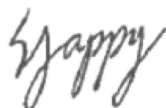
### To the shareholders of GAM Funds

Having carried out such procedures as we considered necessary to discharge our responsibilities as Depositary of the Company, it is our opinion, based on the information available to us and the explanations provided, that, in all material respects, the Company, acting through the AFM:

- (i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's revenue in accordance with the COLL Sourcebook and, where applicable, the OEIC Regulations and the Company's Instrument of Incorporation and Prospectus; and
- (ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

State Street Trustees Limited

28 April 2021





# ***Independent auditors' report to the Shareholders of GAM Funds***

## **Report on the audit of the financial statements**

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### **Opinion**

In our opinion, the financial statements of GAM Funds (the "Company"):

- give a true and fair view of the financial position of the Company and each of the funds as at 31 December 2020 and of the net revenue/expenses and the net capital gains/losses on the scheme property of the Company and each of the funds for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law), the Statement of Recommended Practice for UK Authorised Funds, the Collective Investment Schemes sourcebook and the Instrument of Incorporation.

GAM Funds is an Open Ended Investment Company ('OEIC') with 8 funds (6 active and 2 closed). The financial statements of the Company comprise the financial statements of each of the funds. We have audited the financial statements, included within the Annual Report (the "Annual Report"), which comprise: the balance sheets as at 31 December 2020; the statements of total return, and the statements of changes in net assets attributable to shareholders for the year then ended; the distribution tables; the summary of significant accounting policies applicable to all funds; and the notes to the financial statements.

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### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Independence**

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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### **Emphasis of matter – financial statements prepared on a basis other than going concern**

In forming our opinion on the financial statements, which is not modified, we draw attention to the *Summary of Significant Accounting policies applicable to all Funds* note (a) on page 5, the *Events during the year* note 14 on page 53 and note 16 on page 131 to the financial statements which describes the Authorised Corporate Directors' reasons why the financial statements of GAM UK Diversified and GAM Global Eclectic Equity Fund have been prepared on a basis other than going concern.

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### **Conclusions relating to going concern**

With the exception of those funds where a basis of accounting other than going concern has been adopted as set out in the Emphasis of matter - financial statements prepared on a basis other than going concern above, based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's or any funds' ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the Authorised Corporate Director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.



However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Company's or any funds' ability to continue as a going concern.

Our responsibilities and the responsibilities of the Authorised Corporate Director with respect to going concern are described in the relevant sections of this report.

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## **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Authorised Corporate Director is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

### *Authorised Corporate Director's Report*

In our opinion, the information given in the Authorised Corporate Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## **Responsibilities for the financial statements and the audit**

### *Responsibilities of the Authorised Corporate Director for the financial statements*

As explained more fully in the Statement of the Authorised Corporate Director's Responsibilities, the Authorised Corporate Director is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Authorised Corporate Director is also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Authorised Corporate Director is responsible for assessing the Company's and each of the funds ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Authorised Corporate Director either intends to wind up or terminate the Company or individual fund, or has no realistic alternative but to do so.

### *Auditors' responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company, we identified that the principal risks of non-compliance with laws and regulations related to breaches of the Collective Investment Schemes sourcebook, and we considered the extent to which non-compliance might have a material effect on the financial statements, in particular those parts of the sourcebook which may directly impact on the determination of amounts and disclosures in the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or to increase the net asset value of the Company or the funds and judgements and assumptions made by management in their significant accounting estimates. Audit procedures performed included:



- Discussions with the Authorised Corporate Director, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing relevant meeting minutes, including those of the Authorised Corporate Director's board of directors;
- Identifying and testing journal entries, specifically any journals posted as part of the financial year end close process; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to fair value of investments

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

#### *Use of this report*

This report, including the opinions, has been prepared for and only for the Company's shareholders as a body in accordance with paragraph 4.5.12 of the Collective Investment Schemes sourcebook as required by paragraph 67(2) of the Open-Ended Investment Companies Regulations 2001 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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## **Other required reporting**

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### **Opinion on matter required by the Collective Investment Schemes sourcebook**

In our opinion, we have obtained all the information and explanations we consider necessary for the purposes of the audit.

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### **Collective Investment Schemes sourcebook exception reporting**

Under the Collective Investment Schemes sourcebook we are also required to report to you if, in our opinion:

- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records.

We have no exceptions to report arising from this responsibility.

PricewaterhouseCoopers  
Chartered Accountants and Statutory Auditors  
Dublin, Ireland  
28 April 2021

- Maintenance and integrity of the GAM website is the responsibility of the Authorised Corporate Director, the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented to the website
- Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

## General Information (unaudited)

### The Company

GAM Funds, an open-ended investment company ("OEIC") with variable capital, is an umbrella company, consisting of a number of Funds. GAM Funds was authorised by the Financial Conduct Authority on 2 May 1997 and qualifies as a wider-range investment under the Trustee Investments Act, 1961.

### The Authorised Corporate Director ("ACD")

The ACD is the director of GAM Funds and is responsible for all aspects of administration and management within the OEIC. The ACD is GAM Sterling Management Company Limited, 8 Finsbury Circus, London EC2M 7GB, United Kingdom.

### The Depositary

The Depositary acts as the custodian for all assets relating to the Company. The Depositary is State Street Trustees Limited (Authorised and Regulated by the FCA), 20 Churchill Place, London E14 5HJ, United Kingdom.

Financial instruments held in Custody deposited with the Depositary under the terms of the Depositary Agreement are not subject to any encumbrance or security interest whatsoever and the Company undertakes that it will not create or permit to subsist any encumbrance or security interest over such financial instruments held in custody during the term of the Depositary Agreement except encumbrances that arise by the operation of law in favour of the Depositary, or as described in or as envisaged by the Prospectus and with the prior consent of the Depositary. No such encumbrances arose during the current or prior year.

### Minimum initial investment

In all Funds there is a minimum initial investment, please see prospectus for relevant minimum investments amounts.

### Distributions

The annual income payment date of each Fund is on or before 28 February. Semi-annual income payment date for relevant classes is on or before 31 August. Distributions from each Fund consist of investment income net of expenses and is allocated between income and accumulation shares according to the respective shares of each Fund represented by the accumulation shares and income shares in existence at the end of the relevant accounting period. For more details on the distribution policy, refer to the Prospectus.

### Accumulation and Income Shares

Investors may choose to hold either income or accumulation shares (including fractions of a share) in any of the Funds. Each income share represents one undivided share in the property of the respective Fund. Where both income and accumulation shares are in existence in a Fund, the number of shares (including fractions) in the property of the Fund represented by each accumulation share increases as income is accumulated.

Holders of income shares receive distributions (net of the tax which corresponds to the advance corporation tax borne by the Fund).

Holders of accumulation shares do not receive payments of income. Any income (net of the tax which corresponds to the advance corporation tax borne by the Fund) arising in respect of an accumulation share is automatically accumulated and is reflected in the price of each accumulation share. No preliminary charge is levied on this accumulation.

Where both types of shares are in existence, the income of the Fund is allocated between income shares and accumulation shares according to the respective shares in the property of the Fund represented by the accumulation shares and income shares in existence at the end of the relevant accounting period.

### Subscription Days

Shares may normally be purchased or sold on any business day. Prices of shares and estimated gross yields are calculated daily. A forward pricing basis is used.

### Application for Shares

All applications should be made to the ACD. Shares will be purchased at the next valuation point after receipt of cash or cleared funds and a contract note will be sent to the purchaser. Prospective shareholders should note that the price of shares can fluctuate and the income from them can go down as well as up and is not guaranteed. On redemption investors may receive less than the original amount invested. Past performance is not indicative of current or future performance. Any quoted performance figures do not take account of any charges or levies that may be incurred on the issue or redemption of shares.

### Repurchase of Shares

Shareholders may offer all the shares for sale to the ACD, or a lesser number, provided the shareholder maintains the minimum number of shares permitted, by telephoning the Administrator and providing written confirmation. The shares will be purchased from the shareholder at the next valuation point and a contract note confirming the sale will be sent.

### Dilution Levy

Where the Company buys or sells underlying investments in response to a request for the issue or redemption of shares, it will generally incur a cost, made up of dealing costs, stamp duty on the purchase of investments (if applicable) and any spread between the bid and offer prices of the investments concerned, which is not reflected in the issue or redemption price paid by or to the shareholder.

With a view to reducing this cost, the ACD is entitled to require payment of a dilution levy, to be added to the sale price or deducted from the redemption price of shares as appropriate. This may be up to 1% of the price of the share:

- redeemed on a dealing day on which the net redemptions exceed 5% in value (calculated on the current price) of the issued shares linked to that Fund;
- sold on a dealing day on which net sales of shares linked to a Fund exceed the same percentage.

### Income Distributions

The Funds pay their annual distribution at the end of February, the GAM UK Equity Income also makes an interim distribution which is paid at the end of August.

## General Information (unaudited)

### Charges

An initial charge of 5% for 'A' shares is included in the price of the shares. Out of this the ACD pays commission to recognised agents. An annual charge as listed below is deducted out of the property of the Company.

Fund	A	Institutional & R	Z & ZII
GAM Credit Opportunities (GBP)	Up to 1.50%	Up to 1.10%	Up to 1.50%
GAM Continental European Equity	Up to 1.50%	Up to 1.00%	Up to 1.50%
GAM Emerging Equity	Up to 1.50%	Up to 1.15%	Up to 1.50%
GAM UK Equity Income	Up to 1.50%	Up to 0.75%	Up to 1.50%
GAM Global Eclectic Equity Fund*	Up to 1.50%	Up to 1.05%	Up to 1.50%
GAM Global Diversified	Up to 1.50%	Up to 1.05%	Up to 1.50%
GAM North American Growth	Up to 1.50%	Up to 0.90%	Up to 1.50%

\* Fund closed 19 May 2020.

The Investment Adviser's periodic charge is calculated on each business day based on the value of the Property of the Fund on the immediate preceding business day and is paid monthly in arrears on the first business day of the calendar month immediately following.

The Depositary's fee is charged in accordance with the provisions of the Prospectus and is paid out of the assets of the Company. Certain other costs, such as dealing costs, Auditors' fees, administration fees, registration fees and custodian fees are also payable out of the assets of the Company.

### Taxation for UK Shareholders

An individual shareholder who is resident (for tax purposes) in the United Kingdom is entitled to a £2,000 (2019/2020: £2,000) tax free dividend allowance. Dividends above this level are taxed at 7.5% (basic rate), 32.5% (higher rate) and 38.1% (additional rate).

Any gains arising to individual shareholders who are resident or ordinarily resident (for tax purposes) in the UK on disposal of their shares are, depending on their personal circumstances, subject to capital gains tax at 18% and 28% (the tax rate used depends on the total amount of taxable income). For 2020/2021 the first £12,000 (2019/2020: £12,000) of chargeable gains from all sources will be exempt from tax.

Corporate shareholders are subject to different treatment.

### Prospectus

Further details concerning the Company are contained in the Prospectus, which is available on application to the ACD.

### Reports and Accounts

The annual report of the Company will be published within four months of the year end and the half-yearly report within two months of the half year end in each year. Copies of the reports are available upon request from the ACD or via the internet at [www.gam.com](http://www.gam.com). The audited annual reports of the various Master funds that are held by relevant Fund are available via the internet at [www.gam.com](http://www.gam.com).

### Risks

The Funds are segregated portfolios of assets and, accordingly, the assets of a Fund belong exclusively to that Fund and shall not be used to discharge directly or indirectly the liabilities of, or claims against, any other person or body, including the Company or any other Fund, and shall not be available for any such purpose.

### Events during the Year

The final valuation of GAM Global Eclectic Equity Fund was completed on 19 May 2020 following the retirement of Andrew Green as Manager and the Fund has commenced the liquidation process of the Fund.

Kaspar Boehni & Timothy Rainsford have been appointed on 1 March 2020 as Directors of GAM Sterling Management Limited, the Authorised Corporate Director of the Company.

2020 to date has seen a sharp increase in the volatility of global financial markets due to the COVID-19 pandemic. The Authorised Corporate Director, the Investment Adviser and the Delegate Investment Adviser are actively monitoring the situation and will continue to manage the Company's assets within the investment and risk parameters that have been established. It should be noted that COVID-19 has, and may continue to have, an adverse effect on the global economy and the economies of certain nations, which may negatively impact the Company's performance.

Douglas Branson and Timothy Rainsford resigned as Directors of GAM Sterling Management Limited on 8 May 2020 and 14 August 2020 respectively.

The United Kingdom is no longer a member state of the European Union. Despite the negotiation of the UK-EU Trade and Cooperation Agreement in December 2020, the future economic and political relationship between the United Kingdom and the European Union (and between the United Kingdom and other countries) remains uncertain and subject to further negotiation in many respects, and a period of economic and political uncertainty may therefore continue in the United Kingdom and the European Union.

At the end of October 2020, the Company de-registered with the Swiss Federal Financial Market Authority (FINMA) the right to distribute shares of the Company in Switzerland.

In November 2020 the investment management responsibilities of GAM North American Growth were transferred from Gordon Grender to Ali Miremadi and Kevin Kruczynski.

### Events after year end

With effect from 1 January 2021, UK domiciled investment funds that has previously operated under the Undertakings for the Collective Investment in Transferable Securities (UCITS) regulations will cease to be classified as UCITS and will instead become 'UK UCITS'. The way in which the Funds are managed will not be impacted by this change.

Charles Naylor was appointed on 10 February 2021 as a Director to GAM Sterling Management Limited, the Authorised Corporate Director of the Company.

On 24 February 2021 a new prospectus of the Company was issued.

There has been no other significant events affecting the Company since the year end.



## GAM Sterling Management Limited – Remuneration Disclosure (unaudited)

### Qualitative disclosures

#### Decision-making process to determine remuneration policies

Under the GAM Group's framework ultimate responsibility in compensation matters is held by the Board of Directors ("the Board"). The Board is supported in compensation-related issues by the Compensation Committee ("CompC").

- The Board is responsible for establishing the Group Compensation Policy, and with support of the CompC regularly reviewing the Group Compensation Policy in order to meet any important regulatory developments and the objectives of the Group.
- The CompC is delegated with the role of supporting the Board in setting compensation guidelines, establishing share-based compensation plans and approving the aggregate variable compensation expenditure of the Group as well as determining and proposing to the Board the individual total compensation payable to the members of the Board (other than its Chairman) for approval. The CompC regularly reports to the Board on the status of its activities, the development of the compensation architecture within the Group as well as on the operational implementation of this Policy. The CompC consists of at least three members of the Board all of whom are Non-Executive Directors.
- The Compensation Management Committee ('CMC', 'the Committee') has delegated authority from the CompC to provide support and advice to the CompC to ensure that the compensation policy and practices across GAM Holding AG Group operate in line with applicable EU and UK regulations that apply to its regulated entities and delegates. The CMC comprises of five members including senior members from Risk, Legal, Compliance and Human Resources functions of the Group.

GAM Group's compensation philosophy is aligned with the Group's overall long-term objective of sustainable growth and profitability as well as its tolerance for risk. The Group's approach provides for compensation that attracts and retains employees in a given local market and motivates them to contribute to the development and growth of our business. The policy promotes sound and effective risk management and does not encourage inappropriate risk taking.

#### Link between pay and performance.

As described above, GAM Group operates a Group-wide remuneration policy, which applies to all employees across the Group including the above entities. The compensation structure is simple and straight-forward. It is first and foremost designed to safeguard the long-term success and prosperity of the shareholders. A robust performance management system forms part of the compensation process and enables us to reward success and minimise the possibility of payment for failure.

The composition of the elements within an individual's overall compensation is the result of the function and performance of the individual, including alignment with the Group's risk tolerances, market competitiveness and overall profitability. The Group's total compensation approach comprises fixed and variable compensation.

Fixed compensation includes base salary, which reflects seniority, experience, skills and market conditions, together with fixed allowances for certain employees in Switzerland consistent with customary local practice.

Variable compensation is awarded annually and is dependent on Group, business area and individual performance. Cash bonuses that are driven by activities that leave meaningful amounts of future risk with the Group, either via direct balance sheet exposure or through the potential for other negative income events are prohibited.

For members of the Group Management Board, a portion of variable compensation is paid in the form of deferred, share-based awards, reflecting their accountability for the operating results achieved and the impact of their decisions on the Group's future development.

In addition to members of the Group Management Board, other senior employees of the Group may have a portion of their variable compensation deferred to provide alignment with long term interest of clients and shareholders.

Discretionary compensation decisions are based on individual's achievement of pre-set targets and contributions to the Group's development. This fosters a work ethic that is driven by high performance and tangible results.

#### Identified Staff identification

The categories of staff for inclusion as Identified staff for GAM Sterling Management Limited include:

- Executive and non-executive members of the Board
- Other members of senior management
- Staff responsible for heading the investment management, administration e.g. marketing, human resources

Executive Directors of the UK regulated entities do not receive any kind of remuneration linked to their role. Should any remuneration be granted directors in the future, such remuneration will be fixed and not linked to the short-term results of the UK regulated entities.

The Identified Staff are identified and reviewed on an annual basis by the CMC in line with the criteria set out under EU regulations, namely:

If, in the performance of their professional activities certain staff of a delegate portfolio manager can have a material impact on the risk profiles of the funds they manage, these employees are considered as "Identified Staff". For this purpose the Group considers the respective delegate portfolio manager as subject to equally effective regulation if they are required by law and regulations or in accordance to internal standards to put in place a remuneration policy, which in accordance to the ESMA Remuneration Guidelines 2013/232 and 2016/575 is considered equivalent in its objectives. The Group's UCITS regulated entities will only delegate its portfolio management to firms, whose remuneration policy complies with the 'equivalence standard' as described.

#### Quantitative disclosures

The remuneration data provided below reflects amounts paid in respect of the performance year 2020 in relation to the UCITS funds managed by GAM Sterling Management Limited.

GAM Sterling Management Limited manages one UCITS fund, with a combined AUM of [£428 million – equal to funds of the Management Company, including those managed by delegates]. GAM Sterling Management Limited has a Board of Directors but the Company does not employ any staff, although persons do act on behalf of it. The Directors primary role is to ensure that all decisions related to the UCITS under management are taken in the best interests of investors.

For the performance year 2020, in total 26 individuals fell within the Identified Staff identification. The lists of Identified Staff are subject to regular review by the CMC and approved by the local entity's Board of Directors. All Identified Staff are notified of their identification and the implications of this status annually.

Total Remuneration paid to Identified Staff in the Management Company	<b>GBP 6,249,802</b>
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#### Notes

In the figures above, fixed remuneration relates to salary and pension benefits and variable remuneration includes the annual bonus including any long term incentive awards.

Where relevant, the remuneration information provided in the table above relates to a proportion of the amount of total fixed and variable remuneration paid to employees in the Management Company and its delegate(s) that relates to their UCITS activities.



## Contacts

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