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# GAM FCM Cat Bond Inc.

Annual Report

for the year ended 31 December 2023

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GAM FCM Cat Bond Investments Inc. Annual Report for the year ended 31 December 2023.

# Directory

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## Directors

### Aldrian Foo

GAM Product Director  
Malaysia

### Jozef C. Hendriks\*

Company Director  
Bermuda

### Maxwell L. H. Quin\*

Company Director  
Bermuda

\* Independent Director

## Registered Office Address of the Company\*\*

Kingston Chambers  
P.O. Box 173, Road Town  
Tortola, VG1110  
British Virgin Islands

## Manager and Secretary

GAM Fund Management Limited  
Dockline  
Mayor Street  
IFSC  
Dublin, D01 K8N7  
Ireland

## Investment Manager

GAM International Management Limited  
8 Finsbury Circus  
London, EC2M 7GB  
United Kingdom

## Delegate Investment Manager

Fermat Capital Management LLC  
615 Riverside Avenue  
Westport, CT 06880  
United States of America

## Sub-Adviser

Fermat Capital Management (Bermuda) Ltd.  
Horseshoe Group, Emporium Building  
69 Front Street  
Hamilton HM 12  
Bermuda

## Administrator

GAM Fund Management Limited  
Dockline  
Mayor Street  
IFSC  
Dublin, D01 K8N7  
Ireland

## Delegate Administrator

State Street Fund Services (Ireland) Limited  
78 Sir John Rogerson's Quay  
Dublin 2, D02 HD32  
Ireland

## Custodian

State Street Custodial Services (Ireland) Limited  
78 Sir John Rogerson's Quay  
Dublin 2, D02 HD32  
Ireland

## Independent Auditors

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

## Legal Adviser

Maples and Calder  
5th Floor, Ritter House  
Road Town  
Tortola VG1110  
British Virgin Islands

\*\*With effect from 14 September 2023, the Company has changed its registered address from Craigmuir Chambers, P.O. Box 71, Road Town, Tortola, VG1110, British Virgin Islands to Kingston Chambers, P.O. Box 173, Road Town, Tortola, VG1110, British Virgin Islands.

as at 31 December 2023

Holding	Description	Fair value US\$	% of Company
<b>Investment Fund</b>			
10,059,339	GAM FCM Cat Bond Investments Inc.	2,501,493,644	100.02
		<u>2,501,493,644</u>	<u>100.02</u>

### Forward Foreign Exchange Contracts

Purchase currency	Contractual amount	Sale currency	Contractual amount	Maturity date	Counterparty	Unrealised gain/(loss) US\$	% of Company
CHF	270,201,931	USD	307,128,968	2024-01-08	State Street Bank	14,037,455	0.56
CHF	267,455,805	USD	311,442,367	2024-02-07	State Street Bank	7,429,469	0.30
JPY	16,318,482,103	USD	111,254,541	2024-01-09	State Street Bank	4,565,810	0.18
CHF	73,232,758	USD	83,241,083	2024-01-08	State Street Bank	3,804,568	0.15
AUD	114,934,751	USD	75,790,504	2024-01-08	State Street Bank	2,647,496	0.11
JPY	16,297,696,810	USD	113,665,080	2024-02-07	State Street Bank	2,524,187	0.10
CHF	72,875,974	USD	84,861,370	2024-02-07	State Street Bank	2,024,371	0.08
JPY	6,089,167,170	USD	41,514,125	2024-01-09	State Street Bank	1,703,711	0.07
JPY	5,962,487,272	USD	40,650,459	2024-01-09	State Street Bank	1,668,267	0.07
JPY	6,485,649,248	USD	45,232,885	2024-02-07	State Street Bank	1,004,497	0.04
JPY	5,963,796,578	USD	41,593,326	2024-02-07	State Street Bank	923,673	0.04
NZD	31,980,821	USD	19,448,496	2024-01-08	State Street Bank	800,471	0.03
AUD	117,363,879	USD	79,474,359	2024-02-07	State Street Bank	698,450	0.03
JPY	1,511,950,619	USD	10,308,028	2024-01-09	State Street Bank	423,034	0.02
JPY	974,301,882	USD	6,642,499	2024-01-09	State Street Bank	272,604	0.01
JPY	1,494,798,474	USD	10,425,178	2024-02-07	State Street Bank	231,514	0.01
EUR	29,708,357	USD	32,596,604	2024-01-08	State Street Bank	226,975	0.01
NZD	32,771,779	USD	20,527,259	2024-02-07	State Street Bank	224,820	0.01
EUR	30,896,449	USD	33,964,250	2024-02-07	State Street Bank	211,957	0.01
EUR	24,281,824	USD	26,642,503	2024-01-08	State Street Bank	185,516	0.01
EUR	25,231,797	USD	27,737,138	2024-02-07	State Street Bank	173,096	0.01
CHF	2,996,264	USD	3,401,938	2024-01-08	State Street Bank	159,468	0.01
JPY	972,989,024	USD	6,785,921	2024-02-07	State Street Bank	150,697	0.01
CHF	5,722,818	USD	6,690,537	2024-02-07	State Street Bank	132,536	0.01
CHF	2,428,173	USD	2,765,340	2024-01-08	State Street Bank	120,828	0.01
JPY	399,999,978	USD	2,720,561	2024-01-09	State Street Bank	118,433	0.00
AUD	3,940,415	USD	2,589,188	2024-01-08	State Street Bank	99,974	0.00
JPY	173,676,892	USD	1,168,941	2024-01-09	State Street Bank	63,720	0.00
JPY	182,113,063	USD	1,241,598	2024-01-09	State Street Bank	50,948	0.00
CHF	767,059	USD	870,913	2024-01-08	State Street Bank	40,825	0.00
JPY	302,198,730	USD	2,117,943	2024-02-07	State Street Bank	36,540	0.00

The accompanying notes form part of these financial statements.

# Portfolio Statement

as at 31 December 2023

## Forward Foreign Exchange Contracts, continued

Purchase currency	Contractual amount	Sale currency	Contractual amount	Maturity date	Counterparty	Unrealised gain/(loss) US\$	% of Company
CHF	1,552,552	USD	1,815,086	2024-02-07	State Street Bank	35,956	0.00
NZD	1,285,948	USD	779,197	2024-01-08	State Street Bank	35,013	0.00
AUD	1,769,130	USD	1,174,322	2024-01-08	State Street Bank	33,034	0.00
CHF	658,005	USD	749,373	2024-01-08	State Street Bank	32,743	0.00
JPY	73,233,016	USD	499,283	2024-01-09	State Street Bank	20,488	0.00
JPY	73,033,144	USD	498,916	2024-01-09	State Street Bank	19,437	0.00
GBP	972,145	USD	1,220,165	2024-01-08	State Street Bank	19,157	0.00
JPY	71,609,206	USD	489,189	2024-01-09	State Street Bank	19,058	0.00
JPY	66,543,875	USD	453,678	2024-01-09	State Street Bank	18,616	0.00
GBP	902,054	USD	1,132,192	2024-01-08	State Street Bank	17,776	0.00
AUD	3,051,994	USD	2,067,467	2024-02-07	State Street Bank	17,392	0.00
JPY	120,198,496	USD	842,405	2024-02-07	State Street Bank	14,534	0.00
JPY	109,627,474	USD	768,318	2024-02-07	State Street Bank	13,256	0.00
NZD	641,920	USD	396,551	2024-01-08	State Street Bank	9,887	0.00
EUR	1,204,779	USD	1,321,908	2024-01-08	State Street Bank	9,205	0.00
EUR	1,253,975	USD	1,378,485	2024-02-07	State Street Bank	8,603	0.00
EUR	921,507	USD	1,009,806	2024-01-08	State Street Bank	8,330	0.00
EUR	752,770	USD	824,901	2024-01-08	State Street Bank	6,805	0.00
NZD	975,624	USD	611,672	2024-02-07	State Street Bank	6,122	0.00
EUR	328,279	USD	357,841	2024-01-08	State Street Bank	4,861	0.00
JPY	17,183,097	USD	117,150	2024-01-09	State Street Bank	4,807	0.00
JPY	10,294,745	USD	69,289	2024-01-09	State Street Bank	3,777	0.00
JPY	27,513,516	USD	192,827	2024-02-07	State Street Bank	3,327	0.00
JPY	10,873,375	USD	74,132	2024-01-09	State Street Bank	3,042	0.00
JPY	18,040,625	USD	126,437	2024-02-07	State Street Bank	2,181	0.00
EUR	297,491	USD	327,079	2024-01-08	State Street Bank	1,607	0.00
GBP	996,738	USD	1,270,277	2024-02-07	State Street Bank	606	0.00
GBP	28,458	USD	35,694	2024-01-08	State Street Bank	586	0.00
GBP	925,256	USD	1,179,178	2024-02-07	State Street Bank	562	0.00
GBP	26,408	USD	33,122	2024-01-08	State Street Bank	544	0.00
EUR	37,366	USD	40,947	2024-01-08	State Street Bank	338	0.00
EUR	23,282	USD	25,630	2024-02-07	State Street Bank	124	0.00
EUR	16,439	USD	18,097	2024-02-07	State Street Bank	87	0.00
EUR	14,217	USD	15,631	2024-01-08	State Street Bank	77	0.00
GBP	11,352	USD	14,418	2024-01-08	State Street Bank	54	0.00
GBP	10,915	USD	13,864	2024-01-08	State Street Bank	51	0.00

The accompanying notes form part of these financial statements.

as at 31 December 2023

Forward Foreign Exchange Contracts, continued

Purchase currency	Contractual amount	Sale currency	Contractual amount	Maturity date	Counterparty	Unrealised gain/(loss) US\$	% of Company
GBP	15,014	USD	19,133	2024-02-07	State Street Bank	11	0.00
GBP	13,933	USD	17,755	2024-02-07	State Street Bank	10	0.00
EUR	829	USD	912	2024-02-07	State Street Bank	4	0.00
USD	911	EUR	829	2024-01-08	State Street Bank	(4)	(0.00)
USD	17,751	GBP	13,933	2024-01-08	State Street Bank	(11)	(0.00)
USD	19,129	GBP	15,014	2024-01-08	State Street Bank	(12)	(0.00)
USD	18,076	EUR	16,439	2024-01-08	State Street Bank	(87)	(0.00)
USD	25,601	EUR	23,282	2024-01-08	State Street Bank	(123)	(0.00)
USD	1,179,178	GBP	925,444	2024-01-08	State Street Bank	(610)	(0.00)
USD	57,345	EUR	52,480	2024-01-08	State Street Bank	(638)	(0.00)
USD	1,270,277	GBP	996,941	2024-01-08	State Street Bank	(657)	(0.00)
USD	125,858	JPY	18,040,625	2024-01-09	State Street Bank	(2,187)	(0.00)
USD	79,654	AUD	120,000	2024-01-08	State Street Bank	(2,241)	(0.00)
USD	96,985	NZD	156,996	2024-01-08	State Street Bank	(2,418)	(0.00)
USD	191,945	JPY	27,513,516	2024-01-09	State Street Bank	(3,335)	(0.00)
USD	611,604	NZD	975,624	2024-01-08	State Street Bank	(6,122)	(0.00)
USD	1,378,485	EUR	1,255,534	2024-01-08	State Street Bank	(8,704)	(0.00)
USD	764,802	JPY	109,627,474	2024-01-09	State Street Bank	(13,290)	(0.00)
USD	838,549	JPY	120,198,496	2024-01-09	State Street Bank	(14,572)	(0.00)
USD	2,065,498	AUD	3,051,994	2024-01-08	State Street Bank	(17,365)	(0.00)
USD	1,809,343	CHF	1,552,552	2024-01-08	State Street Bank	(36,064)	(0.00)
USD	2,108,250	JPY	302,198,730	2024-01-09	State Street Bank	(36,635)	(0.00)
USD	1,853,878	CHF	1,606,228	2024-01-08	State Street Bank	(55,322)	(0.00)
USD	6,669,368	CHF	5,722,817	2024-01-08	State Street Bank	(132,935)	(0.01)
USD	6,785,921	JPY	977,429,377	2024-01-09	State Street Bank	(151,460)	(0.01)
USD	27,737,138	EUR	25,263,166	2024-01-08	State Street Bank	(175,130)	(0.01)
USD	33,964,250	EUR	30,934,861	2024-01-08	State Street Bank	(214,448)	(0.01)
USD	20,527,259	NZD	32,776,069	2024-01-08	State Street Bank	(225,237)	(0.01)
USD	10,425,178	JPY	1,501,620,200	2024-01-09	State Street Bank	(232,688)	(0.01)
USD	79,474,359	AUD	117,472,302	2024-01-08	State Street Bank	(695,735)	(0.03)
USD	41,593,326	JPY	5,991,012,879	2024-01-09	State Street Bank	(928,354)	(0.04)
USD	45,232,885	JPY	6,515,234,812	2024-01-09	State Street Bank	(1,009,501)	(0.04)
USD	84,861,370	CHF	73,105,269	2024-01-08	State Street Bank	(2,033,483)	(0.08)
USD	113,665,080	JPY	16,372,073,328	2024-01-09	State Street Bank	(2,536,983)	(0.10)

The accompanying notes form part of these financial statements.

# Portfolio Statement

as at 31 December 2023

Forward Foreign Exchange Contracts, continued

Purchase currency	Contractual amount	Sale currency	Contractual amount	Maturity date	Counterparty	Unrealised gain/(loss) US\$	% of Company
USD	311,442,367	CHF	268,297,322	2024-01-08	State Street Bank	(7,462,909)	(0.30)
<b>Unrealised gain on forward foreign exchange contracts</b>						47,127,978	1.89
<b>Unrealised loss on forward foreign exchange contracts</b>						(15,999,260)	(0.65)
						<u>31,128,718</u>	<u>1.24</u>
<b>Financial assets and financial liabilities at fair value through profit or loss</b>						2,532,622,362	101.26
<b>Other net current liabilities</b>						(31,505,608)	(1.26)
<b>Total net assets attributable to the shareholders of the Company</b>						<u><u>2,501,116,754</u></u>	<u><u>100.00</u></u>

The accompanying notes form part of these financial statements.

as at 31 December 2022

Holding	Description	Fair value US\$	% of Company
<b>Investment Fund</b>			
10,346,695	GAM FCM Cat Bond Investments Inc.	2,160,419,485	100.37
		<u>2,160,419,485</u>	<u>100.37</u>

**Forward Foreign Exchange Contracts**

Purchase currency	Contractual amount	Sale currency	Contractual amount	Maturity date	Counterparty	Unrealised gain/(loss) US\$	% of Company
JPY	11,485,855,388	USD	81,768,500	2023-01-10	Goldman Sachs	5,337,428	0.25
CHF	210,338,446	USD	222,392,333	2023-01-10	Goldman Sachs	5,094,427	0.24
JPY	5,658,113,388	USD	40,280,452	2023-01-10	Goldman Sachs	2,629,301	0.12
JPY	5,531,906,025	USD	39,381,974	2023-01-10	Goldman Sachs	2,570,653	0.12
CHF	66,890,919	USD	70,724,243	2023-01-10	Goldman Sachs	1,620,108	0.08
USD	228,215,478	CHF	210,338,447	2023-01-10	Goldman Sachs	724,971	0.03
JPY	1,535,382,535	USD	10,930,481	2023-01-10	Goldman Sachs	713,486	0.03
EUR	22,373,199	USD	23,191,879	2023-01-10	Goldman Sachs	695,812	0.03
JPY	901,558,665	USD	6,418,251	2023-01-10	Goldman Sachs	418,951	0.02
USD	72,576,094	CHF	66,890,919	2023-01-10	Goldman Sachs	230,552	0.01
USD	87,180,031	JPY	11,485,855,388	2023-01-10	Goldman Sachs	70,487	0.00
GBP	7,243,278	USD	8,648,127	2023-01-10	Goldman Sachs	66,190	0.00
USD	8,768,597	GBP	7,243,279	2023-01-10	Goldman Sachs	54,261	0.00
EUR	1,112,990	USD	1,153,716	2023-01-10	Goldman Sachs	34,615	0.00
USD	41,988,317	JPY	5,531,906,025	2023-01-10	Goldman Sachs	33,948	0.00
EUR	22,903,199	USD	24,467,648	2023-02-08	Goldman Sachs	32,578	0.00
USD	30,329,348	JPY	3,995,852,106	2023-01-10	Goldman Sachs	24,522	0.00
EUR	530,000	USD	547,542	2023-01-10	Goldman Sachs	18,334	0.00
USD	11,653,873	JPY	1,535,382,535	2023-01-10	Goldman Sachs	9,422	0.00
GBP	893,183	USD	1,066,418	2023-01-10	Goldman Sachs	8,162	0.00
USD	1,081,273	GBP	893,183	2023-01-10	Goldman Sachs	6,691	0.00
USD	6,843,018	JPY	901,558,665	2023-01-10	Goldman Sachs	5,533	0.00
EUR	1,112,990	USD	1,189,015	2023-02-08	Goldman Sachs	1,583	0.00
USD	1,186,454	EUR	1,112,990	2023-01-10	Goldman Sachs	(1,891)	(0.00)
JPY	901,558,665	USD	6,869,746	2023-02-08	Goldman Sachs	(6,302)	(0.00)
GBP	893,183	USD	1,082,228	2023-02-08	Goldman Sachs	(6,816)	(0.00)
JPY	1,535,382,535	USD	11,699,391	2023-02-08	Goldman Sachs	(10,732)	(0.00)
JPY	3,995,852,106	USD	30,447,810	2023-02-08	Goldman Sachs	(27,931)	(0.00)
JPY	5,531,906,025	USD	42,152,317	2023-02-08	Goldman Sachs	(38,668)	(0.00)
USD	24,414,948	EUR	22,903,199	2023-01-10	Goldman Sachs	(38,908)	(0.00)
GBP	7,243,279	USD	8,776,340	2023-02-08	Goldman Sachs	(55,276)	(0.00)

The accompanying notes form part of these financial statements.



# Portfolio Statement

as at 31 December 2022

Forward Foreign Exchange Contracts, continued

Purchase currency	Contractual amount	Sale currency	Contractual amount	Maturity date	Counterparty	Unrealised gain/(loss) US\$	% of Company
JPY	11,485,855,388	USD	87,520,543	2023-02-08	Goldman Sachs	(80,286)	(0.00)
CHF	66,890,919	USD	72,810,801	2023-02-08	Goldman Sachs	(239,773)	(0.01)
USD	11,974,185	JPY	1,662,261,282	2023-01-10	Goldman Sachs	(632,093)	(0.03)
CHF	210,338,446	USD	228,953,512	2023-02-08	Goldman Sachs	(753,965)	(0.03)
<b>Unrealised gain on forward foreign exchange contracts</b>						20,402,015	0.93
<b>Unrealised loss on forward foreign exchange contracts</b>						(1,892,641)	(0.07)
						<u>18,509,374</u>	<u>0.86</u>
<b>Financial assets and financial liabilities at fair value through profit or loss</b>						2,178,928,859	101.23
<b>Other net current liabilities</b>						<u>(26,553,325)</u>	<u>(1.23)</u>
<b>Total net assets attributable to the shareholders of the Company</b>						<u><u>2,152,375,534</u></u>	<u><u>100.00</u></u>

The accompanying notes form part of these financial statements.

## for the year ended 31 December 2023

	Notes	2023 US\$	2022 US\$
<b>Income</b>			
Bank interest	2(d)	3,461	1,950
Net fair value gains/(losses) on financial assets and financial liabilities at fair value through profit or loss	4(b)	418,135,959	(96,260,514)
Other income		17	4
<b>Total net income/(loss)</b>		<b>418,139,437</b>	<b>(96,258,560)</b>
<b>Expenses</b>			
Performance fee	5(a)	(8,493,800)	(25,241)
Manager fee	5(b)	(11,154,628)	(11,032,214)
Investment manager fee	5(b)	(12,420,245)	(12,539,031)
Administration fee	5(c)	(1,693,261)	(1,570,844)
Custody fee	5(d)	(1,435)	(4,410)
Audit fee		(16,217)	(5,625)
Selling Agent fee	5(e)	(6,799)	(7,207)
Other expenses		16,217	5,625
<b>Total operating expenses</b>		<b>(33,770,168)</b>	<b>(25,178,947)</b>
<b>Total operating profit/(loss)</b>		<b>384,369,269</b>	<b>(121,437,507)</b>
<b>Finance costs</b>			
Interest expense	5(f)	(14,646)	(1,447)
Dividend distribution	2(k), 6	(19,289,767)	(9,674,939)
<b>Total finance costs</b>		<b>(19,304,413)</b>	<b>(9,676,386)</b>
<b>Increase/(decrease) in net assets from operations attributable to the shareholders of the Company</b>		<b>365,064,856</b>	<b>(131,113,893)</b>

All the amounts above arose from continuing operations. There were no gains or losses other than those shown in the Income Statement above.

# Balance Sheet

as at 31 December 2023

	Notes	2023 US\$	2022 US\$
<b>Assets</b>			
<b>Current assets</b>			
<b>Financial assets at fair value through profit or loss</b>			
- Investment Fund	2(b)	2,501,493,644	2,160,419,485
- Derivatives	2(b)	47,127,978	20,402,015
Cash and cash equivalents	2(c)	56,900	47,376
Subscriptions receivable	2(m)	37,087,198	34,454,643
Receivable for investments sold	2(l)	37,240,427	3,081,561
Interest receivable	2(d)	7,799	-
<b>Total assets</b>		<b>2,623,013,946</b>	<b>2,218,405,080</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
<b>Financial liabilities at fair value through profit or loss</b>			
- Derivatives	2(b)	(15,999,260)	(1,892,641)
Bank overdraft	2(c)	(4,071)	-
Redemptions payable	2(m)	(37,235,726)	(3,080,697)
Payable for investments purchased	2(l)	(52,353,765)	(54,176,446)
Other creditors		(10,718,665)	(1,993,802)
Distribution payable on income shares	6	(5,578,979)	(4,885,960)
Interest payable	2(d)	(6,726)	-
<b>Liabilities (excluding net assets attributable to the shareholders of the Company)</b>		<b>(121,897,192)</b>	<b>(66,029,546)</b>
<b>Net assets attributable to the shareholders of the Company</b>		<b>2,501,116,754</b>	<b>2,152,375,534</b>

These financial statements were approved by the Directors on 24 June 2024 and were signed on their behalf by:



Director **Jozef Hendriks**  
24 June 2024



Director **Aldrian Foo**  
24 June 2024

The accompanying notes form part of these financial statements.

# Statement of Changes in Net Assets attributable to the Shareholders of the Company



for the year ended 31 December 2023

	2023 US\$	2022 US\$
<b>Net assets attributable to the shareholders of the Company at start of year</b>	<u>2,152,375,534</u>	<u>2,140,949,132</u>
Proceeds from shares issued	563,151,483	428,902,076
Cost of shares redeemed	(579,475,119)	(286,361,781)
Increase/(decrease) in net assets from operations attributable to the shareholders of the Company	<u>365,064,856</u>	<u>(131,113,893)</u>
Change in net assets attributable to the shareholders of the Company	<u>348,741,220</u>	<u>11,426,402</u>
<b>Net assets attributable to the shareholders of the Company at end of year</b>	<u><u>2,501,116,754</u></u>	<u><u>2,152,375,534</u></u>

The accompanying notes form part of these financial statements.

# Cash Flow Statement

for the year ended 31 December 2023

	2023 US\$	2022 US\$
<b>Cash flows from operating activities</b>		
Increase/(decrease) in net assets resulting from operations	384,354,623	(121,438,954)
Movement in financial assets and financial liabilities at fair value through profit or loss	(366,018,922)	64,332,147
Movement in interest receivable	(7,799)	-
Movement in interest payable	6,726	-
Movement in other creditors	8,724,863	(4,736,379)
<b>Net cash inflows/(outflows) from operating activities</b>	<b>27,059,491</b>	<b>(61,843,186)</b>
<b>Cash flows from financing activities</b>		
Cash received on shares issued	433,749,588	410,979,430
Cash paid for shares redeemed	(442,206,879)	(341,799,092)
Dividend distribution paid	(18,596,748)	(7,338,478)
<b>Net cash (outflow)/inflow from financing activities</b>	<b>(27,054,039)</b>	<b>61,841,860</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>5,453</b>	<b>(1,326)</b>
Cash and cash equivalents at start of year	47,376	48,702
<b>Cash and cash equivalents at end of year</b>	<b>52,829</b>	<b>47,376</b>
<b>Supplementary Information</b>		
<i>Cash and cash equivalents comprise:</i>		
Cash and cash equivalents	56,900	47,376
Bank overdraft	(4,071)	-
Interest received	3,461	1,950
Interest paid	(14,646)	(1,447)
Distributions paid	(18,596,748)	(7,338,478)
<i>Non-cash operating and financing activities:</i>		
Non-cash purchase of investment	(126,769,340)	-
Non-cash subscription of shares	126,769,340	-
Non-cash sale of investment	103,113,211	-
Non-cash redemption of shares	(103,113,211)	-

The accompanying notes form part of these financial statements.

## 1. General information

GAM FCM Cat Bond Inc. (the “Company”) is an open-ended investment company organised in a similar manner to an open-ended unit trust or mutual fund, structured to make its investments through an investment company, GAM FCM Cat Bond Investments Inc. (the “Investment Company”). The Company and the Investment Company are each registered as a company limited by shares under the BVI Business Companies Act (2013 Revision) (as amended) of the British Virgin Islands.

The Company’s objective is to generate returns through selective investment in a global portfolio of insurance-linked securities.

Various classes of shares are available, denominated in US dollar, Australian dollar, Euro, New Zealand dollar, Pound sterling, Swiss franc and Japanese yen. Shares are normally issued and redeemed on the last business day of each calendar month, with subscriptions and redemptions being subject to the notice periods per the Prospectus. Although each class will be treated as bearing its own liabilities, the Company as a whole will remain liable to third parties for all liabilities of the Company. As at 31 December 2023 and 31 December 2022, there is no such existing or contingent liability.

At the year end, the Company owns 100% (2022: 100%) of the share capital of the Investment Company, however due to the application of IFRS 10 - Consolidated Financial Statement (“IFRS 10”) separate financial statements have been prepared. These financial statements reflect the total assets, liabilities and operations of the Company.

IFRS 10 defines an investment entity and introduced an exception from consolidation requirements for investment entities. The exception to consolidation requires investment entities to account for subsidiaries at fair value through profit or loss. The Company meets the definition of an investment entity as does the Investment Company therefore the Company and the Investment Company are preparing separate financial statements.

The Company is an alternative investment fund (“AIF”) and the Manager is its alternative investment fund manager (“AIFM”) for the purposes of the Directive 2011/61/EU of the European Parliament and of the Council (“AIFMD”).

## 2. Summary of material accounting policies

### (a) Basis of preparation of financial statements

The financial statements are prepared in accordance with IFRS Accounting Standards under the historical cost convention as modified by the fair valuation of financial assets and financial liabilities through profit or loss.

The financial statements of the Company are prepared on a going concern basis.

#### Accounting estimates and judgements

The preparation of financial statements in accordance with IFRS Accounting Standards requires the Directors to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions (the most significant of which are the fair value of financial assets/liabilities and expense accruals) are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### Standards and amendments to existing standards effective 1 January 2023:

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2023 (unless otherwise stated). The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

#### Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Accounting Standards Practice Statement 2

The amendments require the disclosure of material’ rather than significant’ accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information disclosed in the financial statements. To support this amendment, the IASB also amended IFRS Accounting Standards Practice Statement 2 Making Materiality Judgements to provide guidance on how to apply the concept of materiality to accounting policy disclosures.

#### Definition of Accounting Estimates - Amendments to IAS 8

The amendments to IAS 8 clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates. These amendments had no material impact on the financial statements of the Company.

#### New standards, amendments and interpretations effective 1 January 2024:

A number of new standards, amendments to standards and interpretations were issued and are effective for annual periods beginning 1 January 2024. None of these have been early adopted or are expected to have a material effect on the financial statements of the Company.

# Notes to the Financial Statements

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## 2. Summary of material accounting policies, continued

### (b) Financial assets and financial liabilities at fair value through profit or loss

#### Classification

IFRS Financial Instruments ("IFRS 9") replaced the provisions of IAS 39 that relate to the recognition, classification and measurement of financial instruments, including derecognition and impairment of such financial instruments. The Directors have determined that in order for the financial statements to give a true and fair view it is necessary to fair value all financial instruments through profit or loss as permitted by IFRS 9, since all financial instruments are managed on a fair value basis. Therefore the Company has classified its financial assets and financial liabilities at fair value through profit or loss.

#### 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

Financial assets and liabilities are initially recognised at fair value, and transaction costs for all financial assets/liabilities carried at fair value through profit or loss are expensed as incurred. Subsequent to initial recognition, all financial assets and liabilities at fair value through profit or loss are measured at fair value at market close on each valuation day.

The computation of realised gains and losses on sales of financial assets and liabilities at fair value through profit or loss is made on the basis of average cost and accounted for in the Income Statement. Gains and losses arising from changes in the fair value of the 'financial assets and financial liabilities at fair value through profit or loss' category are included in the Income Statement in the period in which they arise.

#### Fair Value Estimation

The Company classifies its unconsolidated Investment Company into financial assets at fair value through profit or loss by such designation on initial recognition. Financial assets at fair value through profit or loss are initially recorded in the Balance Sheet at cost which is the fair value at the date of initial recognition. Subsequent to initial recognition, financial assets at fair value through profit or loss are re-measured at fair value. Changes in fair value of the Investment Company are recorded in the Income Statement as "Net fair value gains on financial assets and financial liabilities at fair value through profit or loss". This is the net of coupon/interest payments at Investment Company level, all changes in fair value of underlying financial assets and liabilities, both realised and unrealised, gains and losses on foreign exchange and operating expenses at Investment Company level. Financial assets classified in this category are designated by management on initial recognition as part of a group of financial assets which are managed and their performance evaluated on a fair value basis, in accordance with a documented investment strategy. IFRS 10's Investment Entity Amendment also requires the Investment Company to be accounted for at fair value through profit or loss in accordance with IAS 39. As the Company's investment in the Investment Company, as defined under IFRS 10, is not held for trading, it is presented in the financial statements with the financial assets at fair value through profit and loss, as it is managed on a fair value basis.

As at 31 December 2023, investments totalling US\$2,501,493,644 (2022: US\$2,160,419,485) representing 100.02% (2022: 100.37%) of the net asset value ("NAV") of the Company were valued based on the latest available unaudited NAV provided by the relevant fund manager or administrator.

#### Forward Foreign Exchange Contracts

Forward contracts entered into by the Company represent a firm commitment to receive or deliver a fixed quantity of foreign currency at a specified value and point in time based upon an agreed or contracted quantity. The realised/unrealised gain or loss is equal to the difference between the value of the contract at the onset and the value of the contract at settlement date/year-end date and are included in the Income Statement.

An analysis of the portfolio is shown in the Portfolio Statement.

#### Offsetting financial instruments

The Company presents the fair value of derivatives in the Balance Sheet on a gross basis. Enforceable master netting or similar agreements are in place and a legal right of offset exists between the relevant counterparties. The Company holds such agreements with State Street Bank (2022: Goldman Sachs).

### (c) Cash and cash equivalents and bank overdraft

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

### (d) Bank interest

Interest earned and interest expense on cash at bank and broker balances is recognised using the effective rate of interest method.

### (e) Fees and expenses

Fees and expenses are accounted for on an accruals basis.

## 2. Summary of material accounting policies, continued

### (f) Shares in issue

All shares issued by the Company are redeemable at the shareholders option and are classified as financial liabilities under IAS 32 - Financial Instruments. Any dividend distribution on the shares is recognised as a finance cost in the Income Statement. Shareholders may request redemption of their shares on application to the Administrator in accordance with the terms of the Prospectus, for an amount equal to a proportionate share of the net asset value ("NAV") of the Company.

### (g) Foreign Currency Translation

#### Functional Currency and Presentation Currency

The Company has adopted the US dollar ("US\$") as its functional currency under IAS 21 - The Effects of Changes in Foreign Exchange Rates as it most appropriately reflects the economic environment in which the Directors believe the Company operates. The presentation currency is also the US\$.

#### Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of assets and liabilities denominated in foreign currencies are recognised in the Income Statement.

The following rates of exchange to US\$ have been used at the year end.

	<b>2023</b>	<b>2022</b>
Australian Dollar	1.4655	-
Euro	0.9053	0.9370
Japanese yen	140.9800	131.9450
New Zealand Dollar	1.5794	-
Pound sterling	0.7844	0.8310
Swiss franc	0.8417	0.9250

### (h) Other assets measured at amortised cost

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Investment Company shall measure the loss allowance on amounts due from broker at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Investment Company shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance. The Investment Company measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management consider both historical analysis and forward looking information in determining any expected credit loss. Management consider the probability of default to be close to zero as the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Investment Company.

### (i) Taxes

The Company is exempt from all income taxes in the British Virgin Islands. Interest, dividends and other revenue received and capital gains made by the Company may be subject to withholding or similar taxes imposed by the country in which such interest, dividends or other revenues or capital gains originate. The Company will not normally be eligible to benefit from any treaties for the relief from double taxation. If any subsequent tax liabilities are considered payable then adequate provision will be made in the financial statements.

Liabilities relating to uncertain tax positions are accrued only when such liabilities are probable and can be estimated with reasonable accuracy.

### (j) Investment Entity

The Company has multiple unrelated investors and indirectly holds multiple investments through the Investment Company. Ownership interests in the Company are in the form of redeemable shares which are classified as debt in accordance with IAS 32 and which are exposed to variable returns from changes in the fair value of the Company's net assets. The Company has been deemed to meet the definition of an investment entity per IFRS 10 as the following conditions exist:

- (i) The Company has obtained funds for the purpose of providing investors with investment management services.
- (ii) The Company's business purpose, which was communicated directly to investors, is investing solely for returns from capital appreciation and investment income, through the use of an Investment Company-Company structure.
- (iii) The performance of investments made through the Investment Company are measured and evaluated on a fair value basis.



# Notes to the Financial Statements

## 2. Summary of material accounting policies, continued

### (j) Investment Entity, continued

Although the Company does not meet all of the typical characteristics of an investment entity (namely, the Company does not have multiple investments), Management believe it is nevertheless an investment entity because it was formed in conjunction with the Investment Company and effects multiple investments through the Investment Company.

### (k) Distribution policy

In respect of the A AUD Income, A NZD Income, A USD Income, USD Open QII, Institutional Income and JPY Income classes the Directors may from time to time declare and pay a dividend whether interim or final and whether in money or in specie. Dividend distributions to redeemable participating shareholders are classified as finance costs in the Income Statement.

### (l) 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 year. These amounts are included in the Balance Sheet.

### (m) Subscriptions receivable / Redemptions payable

Subscriptions receivable and redemptions payable relate to subscriptions in the Company which are not yet paid by the investors and redemptions from the Company that are still to be paid by the Company to the investors. These amounts are included in the Balance Sheet.

## 3. Subsidiary

As detailed in Note 1, the Company has determined that the Investment Company continues to meet the definition of a subsidiary under the provisions of IFRS 10. Subsidiaries are entities under the Company's control. The Company controls an entity when it is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity.

The Company and Investment Company operate as an integrated structure whereby the Company invests solely into the Investment Company. Total subscriptions made by the Company into the Investment Company during the year ended 31 December 2023 was US\$621,118,442 (2022: US\$355,777,413). As at 31 December 2023 there were capital commitment obligations amounted to US\$52,353,765 (2022: US\$54,176,446) due to the Investment Company for unsettled purchases.

Movements in the fair value of the Investment Company's portfolio and corresponding movements in the fair value of the Investment Company may expose the Company to a loss.

Name of subsidiary	Place of incorporation and operation	Proportion of ownership	Proportion of voting power	Method used to account for investment
GAM FCM Cat Bond Investments Inc.	British Virgin Islands	100%	100%	Fair value through profit or loss

## 4. Financial assets and financial liabilities at fair value through profit or loss

### (a) Fair Value Hierarchy

The Company is required to disclose financial instruments measured at fair value based on a three level hierarchy that reflects the significance of the inputs in such fair value measurements. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1 - Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date. Investments typically classified within level 1 include active listed equities, exchange traded derivatives and certain government bonds.

Level 2 - Inputs other than quoted prices from active markets that are observable for the asset or liability either directly or indirectly, including inputs from markets that are not considered to be active. Investments typically classified within level 2 include investments in corporate bonds, certain government bonds, certain listed equities and over the counter derivatives. Investment funds are also considered level 2 investments if there is evidence that redemptions occurred during the year and there were no restrictions preventing redemptions at the year end.

Level 3 - Inputs that are unobservable that are significant to the valuation. Investments typically classified within level 3 include certain corporate bonds, private equities and investment funds that have suspended redemptions, created side pocket classes or imposed gates.

The Company uses the "market approach" valuation technique to value its investments. Inputs are determined by observable data. A financial instrument's level within the fair value hierarchy is based on the lowest level 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.

## 4. Financial assets and financial liabilities at fair value through profit or loss, continued

### (a) Fair Value Hierarchy, continued

The investment in the Investment Company is categorised as level 2, reflecting the observable inputs used in valuing the majority of the underlying portfolio of the Investment Company. Please refer to the audited financial statements of the Investment Company for further details.

All investments held at 31 December 2023 and 31 December 2022 were classified as level 2.

Other than financial assets at fair value through profit or loss and financial liabilities at fair value through profit or loss, all other financial instruments not measured at fair value through profit or loss are short-term financial assets and financial liabilities whose carrying amounts approximate fair value. These financial assets and financial liabilities are classified as level 2 apart from cash and cash equivalents which is classified as level 1.

Transfers between levels of the fair value hierarchy are deemed to have occurred at the beginning of the reporting year. There were no transfers between levels during the years ended 31 December 2023 or 31 December 2022.

### (b) Other net changes in fair value on financial assets and financial liabilities at fair value through profit or loss

	<b>2023</b>	<b>2022</b>
	<b>US\$</b>	<b>US\$</b>
- Realised	116,167,926	(14,195,321)
- Change in unrealised	301,968,033	(82,065,193)
<b>Total net gains/(losses)</b>	<b>418,135,959</b>	<b>(96,260,514)</b>

## 5. Fees and expenses

### (a) Performance fee

The Delegate Investment Manager shall be entitled to a performance fee in respect of the Open, Institutional, Institutional Income, GBP Distributor, EUR Institutional B, JPY Institutional B and JPY Income classes, attributable to each series in respect of each calendar year (the "performance period") that will accrue on each valuation day and be payable (i) annually in arrears at the end of each calendar year, (ii) as at each dealing day with respect to shares redeemed by shareholders or (iii) as of the date of closure of the Company, whichever is applicable. Distributions paid out by the Company shall not be deemed to impact the performance of a share class.

The performance fee is calculated on a series-by-series basis, in an amount to 10% of the outperformance of the relevant series over the Benchmark Return (as defined below) and subject to the High Water Mark (as defined below). Each performance fee is calculated on a series-by-series basis in an effort to ensure that performance fees are equitably assessed among shareholders. All fees and expenses (except the performance fee) that have been paid for a given period are deducted prior to calculating the performance fees for such period. Adjustments will be made to account for distributions, subscriptions and redemptions.

The performance fee with respect to a Series is calculated on a cumulative basis and is payable only where the NAV per share has risen above the High Water Mark. The "High Water Mark" is defined as the higher of (i) the issue price of the relevant series and, (ii) the highest NAV per share (adjusted for any distribution) of the relevant series as at any prior calendar year end. Therefore, the performance fee payable with respect to a series is not payable until all prior net losses with respect to such series are recouped. Shares issued as of separate dealing days will be designated as shares of separate series each with its own NAV per Share. The "Benchmark" is the prorated Risk-Free Rate. The rate is based on a 360-day year and subject to a maximum in each case of 10% per annum. The rate to be used will differ according to class currency.

In each case, the rate is pro-rated over the relevant calculation period based on the day count convention of each rate. Where the prorated Risk-Free Rate falls below zero, the rate will be fixed at 0% for calculation purposes. The "Risk-Free Rate" means an interbank interest rate benchmark, which will differ according to currency. Please refer to the prospectus for further details on these rates.

The "Benchmark Return" is the prorated return on the Benchmark with respect to the relevant calculation period (being the period from either (i) the date of issue of the series of share or (ii) the end of a prior calendar year end, to the relevant valuation day). Any underperformance of a series versus the Benchmark for a prior year will not be clawed back i.e., it is non-cumulative.

The performance fee will be accrued and taken into account in the calculation of the NAV per share (adjusted for any distribution) of each series on each valuation day.

Included in the calculation of the performance fee shall be net realised and unrealised capital gains plus net realised and unrealised capital losses as at the end of the relevant calendar year. As a result, performance fees may be paid on unrealised gains which may subsequently never be realised.

No performance fee is payable in respect of, or out of the assets attributable to, the non series classes of shares.

At the year end, other creditors included an amount of US\$8,521,871 (2022: US\$25,220) due to the Delegate Investment Manager in the form of a performance fee.

# Notes to the Financial Statements

## 5. Fees and expenses, continued

### (b) Investment Manager fee and Manager fee

The Company pays a monthly aggregate management fee at the annual rate of 1.45% of the NAV of the Open, GBP Distributor and JPY Income classes, 1.75% of the NAV of the Open II classes, 1.25% of the NAV of the Institutional II classes, 1.85% of the NAV of the Reserved classes, up to 1.05% of the NAV for the Z classes, up to 0.95% of the NAV of each Series in respect of the EUR Institutional B and 0.95% of the NAV of each Series in respect of the Institutional, Institutional Income, JPY Institutional B and USD P classes, from which the Manager and the Investment Manager receive their remuneration. The Investment Manager shall be responsible for the fees of the Delegate Investment Manager. At the year end, other creditors included an amount of US\$998,002 (2022: US\$997,543) due to the Investment Manager and US\$909,284 (2022: US\$865,347) due to the Manager.

The Delegate Investment Manager shall be responsible for the fees of the Sub-Adviser.

### (c) Administration fee

The Company pays a monthly fee to the Administrator at the annual rate of up to 0.08% of the NAV of the Company. At the year end, other creditors included an amount of US\$137,384 (2022: US\$122,814) due to the Administrator. The Administrator is responsible for the fees and expenses of the Secretary and the Delegate Administrator.

### (d) Custody fee

The Custodian will receive such fees as may be agreed, from time to time, at normal commercial rates.

### (e) Selling Agent fee

The Company pays a monthly fee, calculated on each valuation day, to each Selling Agent at the annual rate of up to 0.50% of the NAV of each Series in respect of the JPY Institutional B class introduced by the Selling Agent. At the year end, other creditors included an amount of US\$Nil (2022: US\$Nil) due to the Selling Agent.

### (f) Interest expense

Interest expense relate to a bank overdraft which is repayable on demand.

## 6. Dividend distribution

The following dividend distributions have been declared during the year:

	2023		2022	
	Rate per share	Total dividend US\$	Rate per share	Total dividend US\$
<b>As at 31 March</b>				
<b>GAM FCM Cat Bond A AUD Income Pool</b>				
GAM FCM Cat Bond A AUD Income	AUD1.7578	1,091,717	-	-
<b>GAM FCM Cat Bond A NZD Income Pool</b>				
GAM FCM Cat Bond A NZD Income	NZD1.7129	333,363	-	-
<b>GAM FCM Cat Bond A USD Income Pool</b>				
GAM FCM Cat Bond A USD Income	US\$1.6930	1,166,505	-	-
<b>GAM FCM Cat Bond JPY Institutional Income Pool</b>				
GAM FCM Cat Bond JPY Institutional Income Initial Series	JPY186.1575	291,604	JPY129.3740	216,668
<b>GAM FCM Cat Bond USD Open QII Income Pool</b>				
GAM FCM Cat Bond USD Open QII Income Series	US\$2.6526	325,499	US\$1.4417	176,910

## 6. Dividend distribution, continued

	2023		2022	
	Rate per share	Total dividend US\$	Rate per share	Total dividend US\$
<b>As at 30 June</b>				
<b>GAM FCM Cat Bond A AUD Income Pool</b>				
GAM FCM Cat Bond A AUD Income	AUD2.8333	1,985,450	-	-
<b>GAM FCM Cat Bond A NZD Income Pool</b>				
GAM FCM Cat Bond A NZD Income	NZD2.8587	558,461	-	-
<b>GAM FCM Cat Bond A USD Income Pool</b>				
GAM FCM Cat Bond A USD Income	US\$2.8517	1,937,126	-	-
<b>GAM FCM Cat Bond JPY Institutional Income Pool</b>				
GAM FCM Cat Bond JPY Institutional Income Initial Series	JPY206.6977	323,779	JPY136.4714	228,554
<b>GAM FCM Cat Bond USD Institutional Income Pool</b>				
GAM FCM Cat Bond USD Institutional Income Initial Series	-	-	US\$3.1473	3,494,812
<b>GAM FCM Cat Bond USD Open QII Income Pool</b>				
GAM FCM Cat Bond USD Open QII Income Series	US\$2.9878	379,706	US\$1.6520	202,716
	2023	2022	2023	2022
	Rate per share	Total dividend US\$	Rate per share	Total dividend US\$
<b>As at 30 September</b>				
<b>GAM FCM Cat Bond A AUD Income Pool</b>				
GAM FCM Cat Bond A AUD Income	AUD2.9761	2,185,822	-	-
<b>GAM FCM Cat Bond A NZD Income Pool</b>				
GAM FCM Cat Bond A NZD Income	NZD2.9665	554,695	-	-
<b>GAM FCM Cat Bond A USD Income Pool</b>				
GAM FCM Cat Bond A USD Income	US\$2.9262	1,987,733	-	-
<b>GAM FCM Cat Bond JPY Institutional Income Pool</b>				
GAM FCM Cat Bond JPY Institutional Income Initial Series	JPY175.8600	275,474	JPY160.3111	268,480
<b>GAM FCM Cat Bond USD Open QII Income Pool</b>				
GAM FCM Cat Bond USD Open QII Income Series	US\$2.9537	375,372	US\$1.6367	200,839
	2023	2022	2023	2022
	Rate per share	Total dividend US\$	Rate per share	Total dividend US\$
<b>As at 31 December</b>				
<b>GAM FCM Cat Bond A AUD Income Pool</b>				
GAM FCM Cat Bond A AUD Income	AUD3.0374	1,817,077	-	-
<b>GAM FCM Cat Bond A NZD Income Pool</b>				
GAM FCM Cat Bond A NZD Income	NZD3.0485	777,936	-	-
<b>GAM FCM Cat Bond A USD Income Pool</b>				
GAM FCM Cat Bond A USD Income	US\$3.2268	2,205,246	-	-
<b>GAM FCM Cat Bond JPY Institutional Income Pool</b>				
GAM FCM Cat Bond JPY Institutional Income Initial Series	JPY184.4139	288,873	JPY164.3538	274,201
<b>GAM FCM Cat Bond USD Institutional Income Pool</b>				
GAM FCM Cat Bond USD Institutional Income Initial Series	-	-	US\$3.9219	4,354,940
<b>GAM FCM Cat Bond USD Open QII Income Pool</b>				
GAM FCM Cat Bond USD Open QII Income Series	US\$3.3704	428,329	US\$2.0929	256,819

Net income available for distribution purposes comprises net dividends, bond interest, bank interest and sundry income received less expenses.

Dividends paid by the Company are disclosed separately in the Income Statement as a finance cost together with proposed distributions to holders of redeemable shares are recognised in the Income Statement when such dividends are appropriately authorised.

# Notes to the Financial Statements

## 7. Financial risk management

As at 31 December 2023 and 31 December 2022, the Investment Company held all of the assets on behalf of the Company with the exception of some of the forward foreign exchange contracts. Since the Company owns the Investment Company, all of the risks affecting the Investment Company will indirectly affect the Company. The Company is exposed to market risk, credit risk and liquidity risk arising from the financial instruments it holds.

The investment management and financial risk management of the Company has been delegated by the Board of Directors (which remains ultimately responsible) to the Delegate Investment Manager. The Board of Directors reviews the performance of the Company on a quarterly basis.

### (a) Market price risk

The Company's investments (refer to the analysis in the Portfolio Statement) are susceptible to market price risk arising from uncertainties about future prices. The Investment Manager manages price risk primarily through diversification of the portfolio of the Investment Company and by regularly reviewing and evaluating the Company's potential exposure to market risk.

At 31 December 2023, if the total fair value of investments had increased by 10% with all other variables held constant, this would have increased the net assets attributable to the shareholders by approximately US\$250,149,364 (2022: US\$216,041,949). Conversely, if the total fair value of investments had decreased by 10% with all other variables held constant, this would have decreased the net assets attributable to the shareholders by approximately US\$250,149,364 (2022: US\$216,041,949).

### (b) Currency risk

The Company may hold assets denominated in currencies other than the US\$, the functional currency. It may therefore be exposed to currency risk, as the value of the securities denominated in other currencies may fluctuate due to changes in exchange rates. The Investment Manager monitors the Company's currency risk exposure and may utilise hedging techniques in order to remove or reduce currency risks within the Company. As such, the Company enters into forward foreign exchange contracts in order to hedge against currency exchange rate risk on non US\$ denominated classes. Forward foreign exchange contracts may also be entered into in order to further the Company's objective in terms of capital appreciation. All forward foreign exchange contracts held by the Company at the year end are for the purpose of hedging against foreign exchange rate risk of non US dollar denominated classes.

The table below summarises the currency exposure risks of the Company as at 31 December 2023 and 31 December 2022.

As at 31 December 2023

	<b>Non-monetary assets/(liabilities)</b>	<b>Monetary assets/(liabilities)</b>	<b>Net currency exposure</b>
	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
Australian dollar	-	(161)	(161)
Euro	-	12,247	12,247
Japanese yen	-	(2,389)	(2,389)
New Zealand dollar	-	196	196
Pound sterling	-	494	494
Swiss franc	-	1,443	1,443
	-	11,830	11,830

As at 31 December 2022

	<b>Non-monetary assets/(liabilities)</b>	<b>Monetary assets/(liabilities)</b>	<b>Net currency exposure</b>
	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
Euro	-	10,814	10,814
Japanese yen	-	863	863
Pound sterling	-	379	379
Swiss franc	-	1,622	1,622
	-	13,678	13,678

### (c) Interest rate risk

The Company may hold interest-bearing financial assets and liabilities which may expose the Company to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial positions and cash flows. However, as the majority of the Company's financial assets and liabilities are non-interest bearing the Company is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates.

The cash positions of the Company which are held with the Custodian are earning interest at rates which are based on current, most appropriate rates, less a spread as determined by the Custodian.

## 7. Financial risk management, continued

### (d) Credit risk

The Company may be exposed to credit risk, which is the risk that a counterparty to a financial transaction with the Company will be unable to pay amounts in full when due.

Investment under custody with the Custodian are held in a bankruptcy remote vehicle and therefore are not exposed to significant credit risk with the Custodian. At 31 December 2023 the credit rating of the Custodian was equal to A (2022: A) according to Standard & Poor's.

The Delegate Investment Manager 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. Investments and cash held by brokers are not normally held within segregated accounts.

The following table discloses the breakdown of investments, pending trades and cash held with the Underlying fund & Custodian at the year end.

	<b>Financial assets at fair value</b>	<b>Pending trades</b>	<b>Cash</b>	<b>Total</b>
<b>As at 31 December 2023</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
Underlying fund & Custodian	2,501,493,644	37,240,427	56,900	2,538,790,971
State Street Bank	47,127,978	-	-	47,127,978
	<u>2,548,621,622</u>	<u>37,240,427</u>	<u>56,900</u>	<u>2,585,918,949</u>
	<b>Financial assets at fair value</b>	<b>Pending trades</b>	<b>Cash</b>	<b>Total</b>
<b>As at 31 December 2022</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
Underlying fund & Custodian	2,160,419,485	3,081,561	47,376	2,163,548,422
Goldman Sachs	20,402,015	-	-	20,402,015
	<u>2,180,821,500</u>	<u>3,081,561</u>	<u>47,376</u>	<u>2,183,950,437</u>

The Company, through its investment in the Investment Company, is exposed to the credit risk which the Investment Company has at any point in time. The maximum credit risk which the Company may have is the value of its investments in the Investment Company and amounts receivable from the Investment Company in respect of outstanding sales of investments.

Investments are broken down into the following concentrations:

	<b>2023</b>	<b>2022</b>
<b>Analysis, by geographical area</b>	<b>%</b>	<b>%</b>
British Virgin Islands	100.02	100.37
Forward foreign exchange contracts	1.24	0.86
Other net current liabilities	(1.26)	(1.23)
	<u>100.00</u>	<u>100.00</u>

The underlying geographical exposure is included in the Investment Company financial statements.

	<b>2023</b>	<b>2022</b>
<b>Analysis, by investment</b>	<b>%</b>	<b>%</b>
Investment Fund	100.02	100.37
Forward foreign exchange contracts	1.24	0.86
Other net current liabilities	(1.26)	(1.23)
	<u>100.00</u>	<u>100.00</u>

# Notes to the Financial Statements

## 7. Financial risk management, continued

### (e) Liquidity risk

Liquidity risk is the risk that the Company cannot generate sufficient cash resources to meet its payment obligations in full as they fall due, or can do so only at materially disadvantageous terms. If necessary, the Directors may borrow to meet redemptions or they may defer payment of redemption proceeds if they consider that borrowing would be materially prejudicial to the interests of continuing shareholders. The Directors may also limit aggregate redemptions with respect to any or all share classes on any dealing day where the Company has received redemption requests representing at least 10% of the total aggregate value of the shares in issue eligible for redemption as at that dealing day.

The Company may trade in derivative contracts traded over the counter which are not traded in an organised market and may be illiquid. As a result, the Company may not be able to liquidate quickly its investments in these instruments at an amount close to their fair value. In case of liquidity issues, the Company may borrow to meet redemption requests.

All financial liabilities are due within three months.

### (f) Offsetting and amounts subject to master netting arrangements and similar agreements

As at 31 December 2023 and 31 December 2022 the transactions between the Company and the below listed counterparties are governed by separate master netting agreements. Each agreement allows for net settlement of certain open contracts where the Company and the respective counterparty both elect to settle on a net basis. In the absence of such an election, contracts will be settled on a gross basis. However, each party to the master netting arrangement will have the option to settle all open contracts on a net basis in the event of default of the other party.

Financial assets subject to offsetting, enforceable master net arrangements and similar agreements:

Description of type of Financial Assets	Related amounts not set-off in the Balance Sheet					
	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities set off in the Balance Sheet	Net amounts of financial assets presented in the Balance Sheet	Financial Instruments	Cash collateral received	Net amount
	US\$	US\$	US\$	US\$	US\$	US\$
Derivative holdings						
State Street Bank	47,127,978	-	47,127,978	(15,999,260)	-	31,128,718
	<u>47,127,978</u>	<u>-</u>	<u>47,127,978</u>	<u>(15,999,260)</u>	<u>-</u>	<u>31,128,718</u>

Description of type of Financial Assets	Related amounts not set-off in the Balance Sheet					
	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities set off in the Balance Sheet	Net amounts of financial assets presented in the Balance Sheet	Financial Instruments	Cash collateral received	Net amount
	US\$	US\$	US\$	US\$	US\$	US\$
Derivative holdings						
Goldman Sachs	20,402,015	-	20,402,015	(1,892,641)	-	18,509,374
	<u>20,402,015</u>	<u>-</u>	<u>20,402,015</u>	<u>(1,892,641)</u>	<u>-</u>	<u>18,509,374</u>

## 7. Financial risk management, continued

(f) Offsetting and amounts subject to master netting arrangements and similar agreements, continued

Financial liabilities subject to offsetting, enforceable master net arrangements and similar agreements:

Description of type of Financial Liabilities	Gross amounts of financial liabilities recognised		Net amounts of financial liabilities presented in the Balance Sheet US\$	Related amounts not set-off in the Balance Sheet		Net amount US\$
	Gross amounts of financial liabilities US\$	Gross amounts of financial assets set off in the Balance Sheet US\$		Financial Instruments US\$	Cash collateral pledged for liabilities US\$	
Derivative holdings						
State Street Bank	(15,999,260)	-	(15,999,260)	15,999,260	-	-
	(15,999,260)	-	(15,999,260)	15,999,260	-	-

Description of type of Financial Liabilities	Gross amounts of financial liabilities recognised		Net amounts of financial liabilities presented in the Balance Sheet US\$	Related amounts not set-off in the Balance Sheet		Net amount US\$
	Gross amounts of financial liabilities US\$	Gross amounts of financial assets set off in the Balance Sheet US\$		Financial Instruments US\$	Cash collateral pledged for liabilities US\$	
Derivative holdings						
Goldman Sachs	(1,892,641)	-	(1,892,641)	1,892,641	-	-
	(1,892,641)	-	(1,892,641)	1,892,641	-	-

## 8. Share capital

The Company is authorised to issue an unlimited number of shares of no par value.

For the year ended 31 December 2023

	Number of shares at 1 January 2023	Number of shares issued	Number of shares redeemed	Number of shares at 31 December 2023	NAV per share 31 December 2023*
<b>Issued share capital</b>					
GAM FCM Cat Bond USD - Initial Series	52,392.78	-	(15,858.68)	36,534.10	US\$179.74
GAM FCM Cat Bond EUR - Initial Series	7,767.93	-	(85.00)	7,682.93	€165.09
GAM FCM Cat Bond GBP - Initial Series	5,758.89	-	(131.79)	5,627.10	£181.50
GAM FCM Cat Bond JPY - Initial Series	415,989.62	-	-	415,989.62	JPY14,805.26
GAM FCM Cat Bond USD Institutional Initial Series	2,613,880.36	-	(186,806.28)	2,427,074.08	US\$206.40
GAM FCM Cat Bond USD Institutional II Acc	3,903,870.20	55,943.45	(2,954,123.27)	1,005,690.38	US\$133.58
GAM FCM Cat Bond CHF Institutional Initial Series	234,046.24	-	(3,638.17)	230,408.07	CHF114.39
GAM FCM Cat Bond GBP Institutional Initial Series	6,538.23	-	(530.15)	6,008.08	£157.86
GAM FCM Cat Bond JPY Institutional 2018 Series 3	801,351.23	-	-	801,351.23	JPY11,800.47
GAM FCM Cat Bond A AUD Income	-	1,165,469.58	(264,356.58)	901,113.00	AUD107.95



# Notes to the Financial Statements

## 8. Share capital, continued

Issued share capital	Number of shares at 1 January 2023	Number of shares issued	Number of shares redeemed	Number of shares at 31 December 2023	NAV per share 31 December 2023*
GAM FCM Cat Bond A NZD Income	-	439,477.14	(30,264.33)	409,212.81	NZD109.17
GAM FCM Cat Bond A USD Income	-	693,144.49	(9,728.57)	683,415.92	US\$109.30
GAM FCM Cat Bond CHF Z	2,340,509.71	111,206.62	(168,756.87)	2,282,959.46	CHF114.43
GAM FCM Cat Bond USD Z	4,241,614.14	29,720.63	(6,758.79)	4,264,575.98	US\$152.86
GAM FCM Cat Bond EUR Institutional Initial Series	186,345.12	-	(6,516.70)	179,828.42	€130.55
GAM FCM Cat Bond JPY Institutional Income Initial Series	220,128.99	-	-	220,128.99	JPY7,033.42
GAM FCM Cat Bond JPY Institutional B Initial Series	80,000.00	-	-	80,000.00	JPY12,588.53
GAM FCM Cat Bond JPY Institutional II	382,947.21	494,147.92	(4,583.72)	872,511.41	JPY11,691.26
GAM FCM Cat Bond USD Open QII Income	122,709.48	4,375.98	-	127,085.46	US\$91.24
GAM FCM Cat Bond USD Institutional Initial Series	1,110,415.80	-	(1,110,415.80)	-	-
GAM FCM Cat Bond USD Open 2022 Series 1	2,960.00	-	(2,680.00)	280.00	US\$112.12
GAM FCM Cat Bond USD Open 2022 Series 11	500.00	-	-	500.00	US\$117.09
GAM FCM Cat Bond USD Institutional 2022 Series 1	28,337.22	-	(60.00)	28,277.22	US\$113.05
GAM FCM Cat Bond USD Institutional 2022 Series 2	173,936.38	-	(103,110.00)	70,826.38	US\$113.04
GAM FCM Cat Bond USD Institutional 2022 Series 3	13,631.10	-	(6,538.74)	7,092.36	US\$112.73
GAM FCM Cat Bond USD Institutional 2022 Series 4	3,996.99	-	(725.00)	3,271.99	US\$112.69
GAM FCM Cat Bond USD Institutional 2022 Series 5	7,420.00	-	(2,263.76)	5,156.24	US\$112.47
GAM FCM Cat Bond USD Institutional 2022 Series 6	50,189.46	-	(17,388.00)	32,801.46	US\$112.48
GAM FCM Cat Bond USD Institutional 2022 Series 7	8,078.33	-	(654.00)	7,424.33	US\$111.96
GAM FCM Cat Bond USD Institutional 2022 Series 8	4,360.00	-	-	4,360.00	US\$110.84
GAM FCM Cat Bond USD Institutional 2022 Series 9	623.36	94,865.34	(3,945.68)	91,543.02	US\$120.93
GAM FCM Cat Bond USD Institutional 2022 Series 10	3,902.70	-	(3,902.70)	-	-
GAM FCM Cat Bond USD Institutional 2022 Series 11	91,910.00	-	(91,910.00)	-	-
GAM FCM Cat Bond USD Institutional 2022 Series 12	1,589.16	-	(1,589.16)	-	-
GAM FCM Cat Bond USD Institutional 2023 Series 1	-	641,029.27	(2,280.00)	638,749.27	US\$115.02
GAM FCM Cat Bond USD Institutional 2023 Series 2	-	517,270.00	-	517,270.00	US\$113.82
GAM FCM Cat Bond USD Institutional 2023 Series 3	-	510,123.58	(890.00)	509,233.58	US\$111.94
GAM FCM Cat Bond USD Institutional 2023 Series 4	-	775,112.75	(2,968.00)	772,144.75	US\$110.67
GAM FCM Cat Bond USD Institutional 2023 Series 5	-	11,090.00	(6,302.00)	4,788.00	US\$109.52
GAM FCM Cat Bond USD Institutional 2023 Series 6	-	7,919.59	(520.00)	7,399.59	US\$108.63
GAM FCM Cat Bond USD Institutional 2023 Series 7	-	21,622.67	-	21,622.67	US\$106.47
GAM FCM Cat Bond USD Institutional 2023 Series 8	-	50.00	-	50.00	US\$105.04
GAM FCM Cat Bond USD Institutional 2023 Series 9	-	759.85	-	759.85	US\$103.44
GAM FCM Cat Bond USD Institutional 2023 Series 10	-	3,808.98	-	3,808.98	US\$101.68
GAM FCM Cat Bond USD Institutional 2023 Series 11	-	13,930.00	-	13,930.00	US\$100.91
GAM FCM Cat Bond USD Institutional 2023 Series 12	-	13,850.00	-	13,850.00	US\$100.00
GAM FCM Cat Bond EUR Institutional 2022 Series 1	325.00	-	-	325.00	€108.65
GAM FCM Cat Bond EUR Institutional 2022 Series 2	2,490.00	-	(107.06)	2,382.94	€108.66
GAM FCM Cat Bond EUR Institutional 2022 Series 3	1,680.00	-	(300.00)	1,380.00	€108.49
GAM FCM Cat Bond EUR Institutional 2022 Series 5	1,000.00	-	-	1,000.00	€108.42
GAM FCM Cat Bond EUR Institutional 2022 Series 7	4,600.00	-	(1,306.00)	3,294.00	€108.27
GAM FCM Cat Bond EUR Institutional 2022 Series 8	1,300.00	-	-	1,300.00	€107.41
GAM FCM Cat Bond EUR Institutional 2022 Series 9	2,100.00	5,979.39	(940.63)	7,138.76	€117.51
GAM FCM Cat Bond EUR Institutional 2022 Series 10	800.00	-	(800.00)	-	-
GAM FCM Cat Bond EUR Institutional 2022 Series 11	5,300.00	-	(5,300.00)	-	-

## 8. Share capital, continued

	Number of shares at 1 January 2023	Number of shares issued	Number of shares redeemed	Number of shares at 31 December 2023	NAV per share 31 December 2023*
<b>Issued share capital</b>					
GAM FCM Cat Bond EUR Institutional II Initial Series	-	285,000.00	-	285,000.00	€109.92
GAM FCM Cat Bond EUR Institutional 2023 Series 3	-	7,500.00	(7,500.00)	-	-
GAM FCM Cat Bond EUR Institutional 2023 Series 7	-	560.00	(500.00)	60.00	€105.80
GAM FCM Cat Bond EUR Institutional 2023 Series 10	-	1,110.00	-	1,110.00	€101.31
GAM FCM Cat Bond EUR Institutional 2023 Series 12	-	5,000.00	-	5,000.00	€100.00
GAM FCM Cat Bond GBP Institutional 2022 Series 2	40,991.49	-	(40,991.49)	-	-
GAM FCM Cat Bond JPY Institutional 2022 Series 3	216,604.48	-	(660.67)	215,943.81	JPY10,435.93
GAM FCM Cat Bond JPY Institutional 2022 Series 8	110,000.00	-	-	110,000.00	JPY10,317.67
GAM FCM Cat Bond JPY Institutional 2023 Series 2	-	300,000.00	-	300,000.00	JPY10,872.25
GAM FCM Cat Bond JPY Institutional 2023 Series 9	-	75,000.00	-	75,000.00	JPY10,182.16
GAM FCM Cat Bond CHF Institutional 2022 Series 1	1,000.00	-	(1,000.00)	-	-
GAM FCM Cat Bond CHF Institutional 2022 Series 2	4,000.00	-	-	4,000.00	CHF106.02
GAM FCM Cat Bond CHF Institutional 2022 Series 4	6,500.00	-	-	6,500.00	CHF105.90
GAM FCM Cat Bond CHF Institutional 2022 Series 5	450,000.00	-	-	450,000.00	CHF105.86
GAM FCM Cat Bond CHF Institutional 2022 Series 6	1,810.00	-	-	1,810.00	CHF106.03
GAM FCM Cat Bond CHF Institutional 2023 Series 1	-	180.00	-	180.00	CHF110.80
GAM FCM Cat Bond CHF Institutional 2023 Series 2	-	838.65	-	838.65	CHF109.93
GAM FCM Cat Bond CHF Institutional 2023 Series 3	-	520.00	-	520.00	CHF108.55
GAM FCM Cat Bond CHF Institutional 2023 Series 4	-	400.00	-	400.00	CHF107.70

### For the year ended 31 December 2022

	Number of shares at 1 January 2022	Number of shares issued	Number of shares redeemed	Number of shares at 31 December 2022	NAV per share 31 December 2022*
<b>Issued share capital</b>					
GAM FCM Cat Bond USD - Initial Series	52,888.66	678.97	(1,174.85)	52,392.78	US\$154.35
GAM FCM Cat Bond USD Open 2021 Series 11	557.55	-	(557.55)	-	-
GAM FCM Cat Bond USD Open 2021 Series 12	527.31	-	(527.31)	-	-
GAM FCM Cat Bond EUR - Initial Series	8,405.33	-	(637.40)	7,767.93	€144.32
GAM FCM Cat Bond GBP - Initial Series	6,919.56	-	(1,160.67)	5,758.89	£156.63
GAM FCM Cat Bond JPY - Initial Series	415,989.62	-	-	415,989.62	JPY13,364.42
GAM FCM Cat Bond USD Institutional Initial Series	3,000,532.27	170,625.53	(557,277.44)	2,613,880.36	US\$176.47
GAM FCM Cat Bond USD Institutional II Acc	3,123,669.91	1,054,749.57	(274,549.28)	3,903,870.20	US\$113.61
GAM FCM Cat Bond USD Institutional 2021 Series 1	10,036.90	-	(10,036.90)	-	-
GAM FCM Cat Bond USD Institutional 2021 Series 2	18,840.00	-	(18,840.00)	-	-
GAM FCM Cat Bond USD Institutional 2021 Series 3	50,912.59	-	(50,912.59)	-	-
GAM FCM Cat Bond USD Institutional 2021 Series 4	18,819.92	-	(18,819.92)	-	-
GAM FCM Cat Bond USD Institutional 2021 Series 5	5,330.00	-	(5,330.00)	-	-
GAM FCM Cat Bond USD Institutional 2021 Series 6	10,590.15	-	(10,590.15)	-	-
GAM FCM Cat Bond USD Institutional 2021 Series 7	20,473.46	-	(20,473.46)	-	-
GAM FCM Cat Bond USD Institutional 2021 Series 8	6,140.00	-	(6,140.00)	-	-
GAM FCM Cat Bond USD Institutional 2021 Series 9	144,614.66	-	(144,614.66)	-	-
GAM FCM Cat Bond USD Institutional 2021 Series 10	6,817.17	-	(6,817.17)	-	-
GAM FCM Cat Bond USD Institutional 2021 Series 11	5,620.00	-	(5,620.00)	-	-
GAM FCM Cat Bond USD Institutional 2021 Series 12	4,301.89	-	(4,301.89)	-	-
GAM FCM Cat Bond CHF Institutional Initial Series	157,747.29	76,502.50	(203.55)	234,046.24	CHF101.57
GAM FCM Cat Bond CHF Institutional 2020 Series 11	10,000.00	-	(10,000.00)	-	-
GAM FCM Cat Bond CHF Institutional 2021 Series 1	10,500.00	-	(10,500.00)	-	-

# Notes to the Financial Statements

## 8. Share capital, continued

Issued share capital	Number of shares at 1 January 2022	Number of shares issued	Number of shares redeemed	Number of shares at 31 December 2022	NAV per share 31 December 2022*
GAM FCM Cat Bond CHF Institutional 2021 Series 2	1,600.00	-	(1,600.00)	-	-
GAM FCM Cat Bond CHF Institutional 2021 Series 5	10,000.00	-	(10,000.00)	-	-
GAM FCM Cat Bond CHF Institutional 2021 Series 11	30,000.00	-	(30,000.00)	-	-
GAM FCM Cat Bond CHF Institutional 2021 Series 12	19,200.00	-	(19,200.00)	-	-
GAM FCM Cat Bond GBP Institutional Initial Series	24,472.64	1,240.63	(19,175.04)	6,538.23	£135.60
GAM FCM Cat Bond GBP Institutional 2021 Series 6	1,700.00	-	(1,700.00)	-	-
GAM FCM Cat Bond JPY Institutional 2018 Series 3	801,351.23	-	-	801,351.23	JPY10,608.26
GAM FCM Cat Bond CHF Z	2,015,253.11	338,393.83	(13,137.23)	2,340,509.71	CHF101.18
GAM FCM Cat Bond USD Z	4,216,772.11	56,169.07	(31,327.04)	4,241,614.14	US\$129.78
GAM FCM Cat Bond EUR Institutional Initial Series	107,229.74	81,212.71	(2,097.33)	186,345.12	€113.65
GAM FCM Cat Bond EUR Institutional 2020 Series 10	18,600.00	-	(18,600.00)	-	-
GAM FCM Cat Bond EUR Institutional 2021 Series 3	3,830.00	-	(3,830.00)	-	-
GAM FCM Cat Bond EUR Institutional 2021 Series 4	1,500.00	-	(1,500.00)	-	-
GAM FCM Cat Bond EUR Institutional 2021 Series 9	2,470.00	-	(2,470.00)	-	-
GAM FCM Cat Bond EUR Institutional 2021 Series 12	70,000.00	-	(70,000.00)	-	-
GAM FCM Cat Bond JPY Institutional Income Initial Series	220,128.99	-	-	220,128.99	JPY7,014.25
GAM FCM Cat Bond JPY Institutional B Initial Series	80,000.00	-	-	80,000.00	JPY11,330.99
GAM FCM Cat Bond JPY Institutional II	491,886.32	94,902.16	(203,841.27)	382,947.21	JPY10,486.68
GAM FCM Cat Bond USD Open QII Income	122,709.48	-	-	122,709.48	US\$87.98
GAM FCM Cat Bond USD Institutional Initial Series	385,000.00	725,415.80	-	1,110,415.80	US\$94.34
GAM FCM Cat Bond USD Institutional 2021 Series 5	250,000.00	-	(250,000.00)	-	-
GAM FCM Cat Bond USD Institutional 2021 Series 6	125,000.00	-	(125,000.00)	-	-
GAM FCM Cat Bond USD Institutional 2021 Series 9	350,000.00	-	(350,000.00)	-	-
GAM FCM Cat Bond USD Open 2022 Series 1	-	2,960.00	-	2,960.00	US\$96.18
GAM FCM Cat Bond USD Open 2022 Series 2	-	280.00	(280.00)	-	-
GAM FCM Cat Bond USD Open 2022 Series 11	-	500.00	-	500.00	US\$100.93
GAM FCM Cat Bond USD Institutional 2022 Series 1	-	28,557.22	(220.00)	28,337.22	US\$96.63
GAM FCM Cat Bond USD Institutional 2022 Series 2	-	199,063.38	(25,127.00)	173,936.38	US\$96.61
GAM FCM Cat Bond USD Institutional 2022 Series 3	-	14,296.98	(665.88)	13,631.10	US\$96.32
GAM FCM Cat Bond USD Institutional 2022 Series 4	-	4,896.99	(900.00)	3,996.99	US\$96.28
GAM FCM Cat Bond USD Institutional 2022 Series 5	-	7,420.00	-	7,420.00	US\$96.07
GAM FCM Cat Bond USD Institutional 2022 Series 6	-	55,279.56	(5,090.10)	50,189.46	US\$96.08
GAM FCM Cat Bond USD Institutional 2022 Series 7	-	9,968.33	(1,890.00)	8,078.33	US\$95.58
GAM FCM Cat Bond USD Institutional 2022 Series 8	-	4,360.00	-	4,360.00	US\$94.53
GAM FCM Cat Bond USD Institutional 2022 Series 9	-	1,052.66	(429.30)	623.36	US\$103.73
GAM FCM Cat Bond USD Institutional 2022 Series 10	-	33,247.70	(29,345.00)	3,902.70	US\$102.83
GAM FCM Cat Bond USD Institutional 2022 Series 11	-	91,910.00	-	91,910.00	US\$100.97
GAM FCM Cat Bond USD Institutional 2022 Series 12	-	1,589.16	-	1,589.16	US\$100.00
GAM FCM Cat Bond EUR Institutional 2022 Series 1	-	325.00	-	325.00	€94.57
GAM FCM Cat Bond EUR Institutional 2022 Series 2	-	3,090.00	(600.00)	2,490.00	€94.58
GAM FCM Cat Bond EUR Institutional 2022 Series 3	-	1,680.00	-	1,680.00	€94.41
GAM FCM Cat Bond EUR Institutional 2022 Series 5	-	1,000.00	-	1,000.00	€94.35
GAM FCM Cat Bond EUR Institutional 2022 Series 7	-	4,600.00	-	4,600.00	€94.20
GAM FCM Cat Bond EUR Institutional 2022 Series 8	-	1,300.00	-	1,300.00	€93.37
GAM FCM Cat Bond EUR Institutional 2022 Series 9	-	2,100.00	-	2,100.00	€102.86

## 8. Share capital, continued

Issued share capital	Number of shares at 1 January 2022	Number of shares issued	Number of shares redeemed	Number of shares at 31 December 2022	NAV per share 31 December 2022*
GAM FCM Cat Bond EUR Institutional 2022 Series 10	-	800.00	-	800.00	€102.06
GAM FCM Cat Bond EUR Institutional 2022 Series 11	-	5,300.00	-	5,300.00	€100.64
GAM FCM Cat Bond GBP Institutional 2022 Series 2	-	49,400.00	(8,408.51)	40,991.49	£95.70
GAM FCM Cat Bond JPY Institutional 2022 Series 3	-	217,000.00	(395.52)	216,604.48	JPY9,376.06
GAM FCM Cat Bond JPY Institutional 2022 Series 8	-	110,000.00	-	110,000.00	JPY9,258.14
GAM FCM Cat Bond CHF Institutional 2022 Series 1	-	1,000.00	-	1,000.00	CHF94.10
GAM FCM Cat Bond CHF Institutional 2022 Series 2	-	4,000.00	-	4,000.00	CHF94.12
GAM FCM Cat Bond CHF Institutional 2022 Series 4	-	6,500.00	-	6,500.00	CHF94.01
GAM FCM Cat Bond CHF Institutional 2022 Series 5	-	450,000.00	-	450,000.00	CHF93.96
GAM FCM Cat Bond CHF Institutional 2022 Series 6	-	1,810.00	-	1,810.00	CHF94.13
GAM FCM Cat Bond CHF Institutional 2022 Series 7	-	1,350.00	(1,350.00)	-	-

\* Based on published NAV.

Each share carries the right to one vote on matters put to a shareholder vote.

The Reserved classes are only available to investors who have negotiated terms of investment with the GAM Group.

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

Reconciliation of NAV	2023 US\$	2022 US\$
Net assets attributable to the shareholders of the Company per the financial statements	2,501,116,754	2,152,375,534
Proposed dividend distribution	5,578,979	4,885,960
<b>Net assets attributable to the shareholders of the Company in accordance with the Prospectus</b>	<b>2,506,695,733</b>	<b>2,157,261,494</b>

## 9. Total Expense Ratio Information

The total expense ratio table shows the actual expenses incurred by the Share Classes during the reporting year, expressed as an annualised percentage of the average net assets of the Share Classes for the corresponding year.

Total expense ratio for the year ended 31 December 2023:

Fund Class	Currency	Total TER excluding Performance Fee	Performance Fee	Total TER (Including Performance Fee)
GAM FCM Cat Bond USD - Initial Series	USD	1.58%	0.78%	2.36%
GAM FCM Cat Bond EUR - Initial Series	EUR	1.60%	0.52%	2.12%
GAM FCM Cat Bond GBP - Initial Series	GBP	1.60%	0.66%	2.26%
GAM FCM Cat Bond JPY - Initial Series	JPY	1.57%	0.45%	2.02%
GAM FCM Cat Bond USD Institutional Initial Series	USD	1.07%	0.87%	1.94%
GAM FCM Cat Bond USD Institutional II Acc	USD	1.34%	0.00%	1.34%
GAM FCM Cat Bond CHF Institutional Initial Series	CHF	1.09%	0.53%	1.62%
GAM FCM Cat Bond GBP Institutional Initial Series	GBP	1.03%	0.71%	1.74%
GAM FCM Cat Bond JPY Institutional 2018 Series 3	JPY	1.07%	0.55%	1.62%
GAM FCM Cat Bond A AUD Income	AUD	0.14%	0.00%	0.14%
GAM FCM Cat Bond A NZD Income	NZD	0.14%	0.00%	0.14%
GAM FCM Cat Bond A USD Income	USD	0.14%	0.00%	0.14%
GAM FCM Cat Bond CHF Z	CHF	1.19%	0.00%	1.19%

# Notes to the Financial Statements

## 9. Total Expense Ratio Information, continued

Fund Class	Currency	Total TER excluding Performance Fee	Performance Fee	Total TER (Including Performance Fee)
GAM FCM Cat Bond USD Z	USD	1.18%	0.00%	1.18%
GAM FCM Cat Bond EUR Institutional Initial Series	EUR	1.09%	0.62%	1.71%
GAM FCM Cat Bond JPY Institutional Income Initial Series	JPY	1.07%	0.63%	1.70%
GAM FCM Cat Bond JPY Institutional B Initial Series	JPY	1.18%	0.51%	1.69%
GAM FCM Cat Bond JPY Institutional II	JPY	1.39%	0.00%	1.39%
GAM FCM Cat Bond USD Open QII Income	USD	1.89%	0.00%	1.89%
GAM FCM Cat Bond USD Open 2022 Series 1	USD	1.58%	0.75%	2.33%
GAM FCM Cat Bond USD Open 2022 Series 11	USD	1.58%	1.13%	2.71%
GAM FCM Cat Bond USD Institutional 2022 Series 1	USD	1.07%	0.85%	1.92%
GAM FCM Cat Bond USD Institutional 2022 Series 2	USD	1.07%	0.77%	1.84%
GAM FCM Cat Bond USD Institutional 2022 Series 3	USD	1.07%	0.70%	1.77%
GAM FCM Cat Bond USD Institutional 2022 Series 4	USD	1.07%	0.79%	1.86%
GAM FCM Cat Bond USD Institutional 2022 Series 5	USD	1.07%	0.71%	1.78%
GAM FCM Cat Bond USD Institutional 2022 Series 6	USD	1.07%	0.75%	1.82%
GAM FCM Cat Bond USD Institutional 2022 Series 7	USD	1.07%	0.73%	1.80%
GAM FCM Cat Bond USD Institutional 2022 Series 8	USD	1.07%	0.63%	1.70%
GAM FCM Cat Bond USD Institutional 2022 Series 9	USD	1.07%	1.19%	2.26%
GAM FCM Cat Bond USD Institutional 2023 Series 1	USD	1.07%	1.17%	2.25%
GAM FCM Cat Bond USD Institutional 2023 Series 2	USD	1.07%	1.18%	2.26%
GAM FCM Cat Bond USD Institutional 2023 Series 3	USD	1.07%	1.12%	2.19%
GAM FCM Cat Bond USD Institutional 2023 Series 4	USD	1.07%	1.12%	2.19%
GAM FCM Cat Bond USD Institutional 2023 Series 5	USD	1.07%	1.20%	2.27%
GAM FCM Cat Bond USD Institutional 2023 Series 6	USD	1.07%	1.27%	2.34%
GAM FCM Cat Bond USD Institutional 2023 Series 7	USD	1.07%	1.10%	2.17%
GAM FCM Cat Bond USD Institutional 2023 Series 8	USD	1.07%	1.07%	2.14%
GAM FCM Cat Bond USD Institutional 2023 Series 9	USD	1.07%	0.92%	1.99%
GAM FCM Cat Bond USD Institutional 2023 Series 10	USD	1.07%	0.55%	1.62%
GAM FCM Cat Bond USD Institutional 2023 Series 11	USD	1.07%	0.66%	1.73%
GAM FCM Cat Bond EUR Institutional 2022 Series 1	EUR	1.09%	0.59%	1.68%
GAM FCM Cat Bond EUR Institutional 2022 Series 2	EUR	1.09%	0.58%	1.67%
GAM FCM Cat Bond EUR Institutional 2022 Series 3	EUR	1.09%	0.54%	1.63%
GAM FCM Cat Bond EUR Institutional 2022 Series 5	EUR	1.09%	0.57%	1.66%
GAM FCM Cat Bond EUR Institutional 2022 Series 7	EUR	1.09%	0.50%	1.59%
GAM FCM Cat Bond EUR Institutional 2022 Series 8	EUR	1.09%	0.46%	1.55%
GAM FCM Cat Bond EUR Institutional 2022 Series 9	EUR	1.09%	1.15%	2.24%
GAM FCM Cat Bond EUR Institutional II Initial Series	EUR	1.39%	0.00%	1.39%
GAM FCM Cat Bond EUR Institutional 2023 Series 7	EUR	1.09%	1.18%	2.27%
GAM FCM Cat Bond EUR Institutional 2023 Series 10	EUR	1.09%	0.75%	1.84%
GAM FCM Cat Bond JPY Institutional 2022 Series 3	JPY	1.07%	0.49%	1.56%
GAM FCM Cat Bond JPY Institutional 2022 Series 8	JPY	1.07%	0.36%	1.43%
GAM FCM Cat Bond JPY Institutional 2023 Series 2	JPY	1.07%	1.11%	2.18%
GAM FCM Cat Bond JPY Institutional 2023 Series 9	JPY	1.07%	0.80%	1.87%
GAM FCM Cat Bond CHF Institutional 2022 Series 2	CHF	1.09%	0.51%	1.60%
GAM FCM Cat Bond CHF Institutional 2022 Series 4	CHF	1.09%	0.49%	1.58%
GAM FCM Cat Bond CHF Institutional 2022 Series 5	CHF	1.09%	0.49%	1.58%

## 9. Total Expense Ratio Information, continued

Fund Class	Currency	Total TER excluding Performance Fee	Performance Fee	Total TER (Including Performance Fee)
GAM FCM Cat Bond CHF Institutional 2022 Series 6	CHF	1.09%	0.51%	1.60%
GAM FCM Cat Bond CHF Institutional 2023 Series 1	CHF	1.09%	1.09%	2.18%
GAM FCM Cat Bond CHF Institutional 2023 Series 2	CHF	1.09%	1.09%	2.18%
GAM FCM Cat Bond CHF Institutional 2023 Series 3	CHF	1.09%	1.04%	2.13%
GAM FCM Cat Bond CHF Institutional 2023 Series 4	CHF	1.09%	1.05%	2.14%

Total expense ratio for the year ended 31 December 2022:

Fund Class	Currency	Total TER excluding Performance Fee	Performance Fee	Total TER (Including Performance Fee)
GAM FCM Cat Bond USD - Initial Series	USD	1.57%	0.00%	1.57%
GAM FCM Cat Bond EUR - Initial Series	EUR	1.60%	0.00%	1.60%
GAM FCM Cat Bond GBP - Initial Series	GBP	1.60%	0.01%	1.61%
GAM FCM Cat Bond JPY - Initial Series	JPY	1.55%	0.00%	1.55%
GAM FCM Cat Bond USD Institutional Initial Series	USD	1.06%	0.00%	1.06%
GAM FCM Cat Bond USD Institutional II Acc	USD	1.37%	0.00%	1.37%
GAM FCM Cat Bond CHF Institutional Initial Series	CHF	1.08%	0.00%	1.08%
GAM FCM Cat Bond GBP Institutional Initial Series	GBP	1.04%	0.00%	1.04%
GAM FCM Cat Bond JPY Institutional 2018 Series 3	JPY	1.05%	0.00%	1.05%
GAM FCM Cat Bond CHF Z	CHF	1.17%	0.00%	1.17%
GAM FCM Cat Bond USD Z	USD	1.16%	0.00%	1.16%
GAM FCM Cat Bond EUR Institutional Initial Series	EUR	1.08%	0.00%	1.08%
GAM FCM Cat Bond JPY Institutional Income Initial Series	JPY	0.11%	0.00%	0.11%
GAM FCM Cat Bond JPY Institutional B Initial Series	JPY	1.16%	0.00%	1.16%
GAM FCM Cat Bond JPY Institutional II	JPY	1.34%	0.00%	1.34%
GAM FCM Cat Bond USD Open QII Income	USD	1.86%	0.00%	1.86%
GAM FCM Cat Bond USD Institutional Initial Series	USD	0.12%	0.00%	0.12%
GAM FCM Cat Bond USD Open 2022 Series 1	USD	1.84%	0.00%	1.84%
GAM FCM Cat Bond USD Open 2022 Series 11	USD	1.57%	0.80%	2.37%
GAM FCM Cat Bond USD Institutional 2022 Series 1	USD	1.24%	0.00%	1.24%
GAM FCM Cat Bond USD Institutional 2022 Series 2	USD	1.14%	0.01%	1.15%
GAM FCM Cat Bond USD Institutional 2022 Series 3	USD	1.06%	0.01%	1.07%
GAM FCM Cat Bond USD Institutional 2022 Series 4	USD	1.06%	0.05%	1.11%
GAM FCM Cat Bond USD Institutional 2022 Series 5	USD	1.06%	0.00%	1.06%
GAM FCM Cat Bond USD Institutional 2022 Series 6	USD	1.06%	0.01%	1.07%
GAM FCM Cat Bond USD Institutional 2022 Series 7	USD	1.06%	0.00%	1.06%
GAM FCM Cat Bond USD Institutional 2022 Series 8	USD	1.06%	0.00%	1.06%
GAM FCM Cat Bond USD Institutional 2022 Series 9	USD	1.06%	1.29%	2.35%
GAM FCM Cat Bond USD Institutional 2022 Series 10	USD	1.06%	1.84%	2.90%
GAM FCM Cat Bond USD Institutional 2022 Series 11	USD	1.06%	0.84%	1.90%
GAM FCM Cat Bond CHF Institutional 2022 Series 1	CHF	1.07%	0.00%	1.07%
GAM FCM Cat Bond CHF Institutional 2022 Series 2	CHF	1.07%	0.00%	1.07%
GAM FCM Cat Bond CHF Institutional 2022 Series 4	CHF	1.07%	0.00%	1.07%
GAM FCM Cat Bond CHF Institutional 2022 Series 5	CHF	1.07%	0.00%	1.07%
GAM FCM Cat Bond CHF Institutional 2022 Series 6	CHF	1.07%	0.00%	1.07%
GAM FCM Cat Bond GBP Institutional 2022 Series 2	GBP	1.07%	0.04%	1.11%

# Notes to the Financial Statements

## 9. Total Expense Ratio Information, continued

Fund Class	Currency	Total TER excluding Performance Fee	Performance Fee	Total TER (Including Performance Fee)
GAM FCM Cat Bond JPY Institutional 2022 Series 3	JPY	1.05%	0.00%	1.05%
GAM FCM Cat Bond JPY Institutional 2022 Series 8	JPY	1.05%	0.00%	1.05%
GAM FCM Cat Bond EUR Institutional 2022 Series 1	EUR	1.24%	0.00%	1.24%
GAM FCM Cat Bond EUR Institutional 2022 Series 2	EUR	1.15%	0.00%	1.15%
GAM FCM Cat Bond EUR Institutional 2022 Series 3	EUR	1.07%	0.00%	1.07%
GAM FCM Cat Bond EUR Institutional 2022 Series 5	EUR	1.07%	0.00%	1.07%
GAM FCM Cat Bond EUR Institutional 2022 Series 7	EUR	1.07%	0.00%	1.07%
GAM FCM Cat Bond EUR Institutional 2022 Series 8	EUR	1.07%	0.00%	1.07%
GAM FCM Cat Bond EUR Institutional 2022 Series 9	EUR	1.07%	1.13%	2.20%
GAM FCM Cat Bond EUR Institutional 2022 Series 10	EUR	1.07%	1.21%	2.28%
GAM FCM Cat Bond EUR Institutional 2022 Series 11	EUR	1.07%	0.68%	1.75%

## 10. Related parties

- (i) The Delegate Investment Manager and Sub-Adviser are considered to be related parties of the Company by virtue of the influence that they have over the Company's investment activities. The Manager, Administrator and the Investment Manager are also related parties because they are wholly owned subsidiaries of GAM Holding AG. Fee arrangements with these parties are set out in Note 5.
- (ii) No Director of the Company had any interest in any contract of significance in relation to the Company's business at any time during the years ended 31 December 2023 and 31 December 2022.
- (iii) As at 31 December 2023, one shareholder (2022: one shareholder) held over 20% of the issued share capital of the Company.
- (iv) The Directors of the Company received US\$3,300 (2022: US\$3,300) for acting as a Director of the Company, these fees were paid by the Investment Company. Aldrian Foo has waived his fee for acting as a Director of the Company.
- (v) On 31 January 2023, the Company received assets from the Investment Company to cover an in specie subscription with a market value of US\$126,769,340. On 28 February 2023, the Company transferred assets to the Investment Company to cover an in specie redemption with a market value of US\$103,113,211. Details of these transactions are disclosed in the Supplementary Information of the Cash Flow Statement.

## 11. Interests in other entities

### Interests in Unconsolidated Structured Entities

A structured entity is defined as an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to the administrative tasks only and the relevant activities are directed by means of contractual agreements. A structured entity often has some of the following features or attributes:

- restricted activities;
- a narrow and well defined objective;
- insufficient equity to permit the structured entity to finance its activities without subordinated financial support; and
- financing in the form of multiple contractually linked instruments that create concentrations of credit or other risks.

### Involvement with Unconsolidated Entities

#### Investment entity

To adopt the amendment to IFRS 10 and to be exempt from preparing consolidated financial statements, the Company must meet the definition of an investment entity. The Company is satisfied that it meets both the required criteria and typical characteristics of an investment entity.

## 11. Interests in other entities, continued

Subsidiary

As at 31 December 2023 and 31 December 2022, the Company had one subsidiary, the Investment Company, which is an unconsolidated structured entity and is a 100% owned subsidiary of the Company. The Company has determined that the Investment Company continues to meet the definition of a subsidiary. Subsidiaries are entities under the Company's control. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity which is the case in this instance. Therefore the Investment Company is treated as an investment and is measured at fair value through profit or loss.

Below is a summary of the Company's holding in the unconsolidated subsidiary as at 31 December 2023:

Subsidiary	Line item in Statement of Financial Position	No of Investments	Subsidiary Nominal	Company's Holding Fair Value US\$	% of Total Financial Assets at Fair Value through Profit or Loss	Maximum exposure to losses US\$
GAM FCM Cat Bond Investments Inc.	Financial assets at fair value through profit or loss	1	10,059,339	2,501,493,644	100.00%	2,501,493,644

Below is a summary of the Company's holding in the unconsolidated subsidiary as at 31 December 2022:

Subsidiary	Line item in Statement of Financial Position	No of Investments	Subsidiary Nominal	Company's Holding Fair Value US\$	% of Total Financial Assets at Fair Value through Profit or Loss	Maximum exposure to losses US\$
GAM FCM Cat Bond Investments Inc.	Financial assets at fair value through profit or loss	1	10,346,695	2,160,419,485	100.00%	2,160,419,485

## 12. Significant events during the year

The Management of the Company acknowledges the military actions engaged by Russia in Ukraine and the conflict in Israel and their potential to negatively impact the markets in which the Company's assets are invested. The ultimate impact on the Company remains uncertain and can vary according to the countries, asset classes, industry sectors and securities they are invested in. The Manager and Investment Manager are closely monitoring the impact on the Company including any impact on liquidity and liquidity management, fair valuation procedures, investment compliance breaches.

There were no other significant events affecting the Company during the year.

## 13. Subsequent events

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

## 14. Contingent liabilities

The Directors are not aware of any contingent liabilities.

## 15. Approval of the financial statements

The financial statements were approved by the Board of Directors on 24 June 2024.



## Statement of Directors' Responsibilities

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It is the Directors' responsibility to prepare financial statements for each year which give a true and fair view of the state of affairs of the Company and results of the Company for that period. In preparing those financial statements, the Directors have a responsibility to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with IFRS Accounting Standards. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The integrity of these financial statements published, on [www.gam.com](http://www.gam.com), remain the responsibility of the Board.



## **Independent auditor's report**

To the Directors of GAM FCM Cat Bond Inc.

### **Report on the audit of the financial statements**

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#### **Our opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of GAM FCM Cat Bond Inc. (the Company) as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

#### ***What we have audited***

GAM FCM Cat Bond Inc.'s financial statements comprise:

- the balance sheet as at 31 December 2023;
- the portfolio statement as at 31 December 2023;
- the income statement for the year then ended;
- the statement of changes in net assets attributable to the shareholders of the Company for the year then ended;
- the cash flow statement for the year then ended; and
- the notes to the financial statements, which include material accounting policies and other explanatory information.

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#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's 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 are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

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#### **Other information**

Management is responsible for the other information. The other information comprises all of the information in the Annual Report (but does not include the financial statements and our auditor's report thereon).

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above 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, 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 in this regard.

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### **Responsibilities of management and those charged with governance for the financial statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

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### **Auditor's 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 auditor's 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 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.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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*Other matter*

This report, including the opinion, has been prepared for and only for the Directors in accordance with the terms of our engagement letter dated 14 December 2023 and for no other purpose. We do not, in giving this opinion, 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.

A handwritten signature in black ink that reads 'PricewaterhouseCoopers' in a cursive script.

PricewaterhouseCoopers  
Dublin, Ireland  
24 June 2024

# Appendix - Sustainable Finance Disclosure Regulation (SFDR) (Unaudited)

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: GAM FCM CAT Bond Inc. (the "Fund") Legal entity identifier: 549300BVLC12IINKY210

## Environmental and/or social characteristics

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



Did this financial product have a sustainable investment objective?	
<input checked="" type="radio"/> <input type="radio"/> <b>Yes</b>	<input type="radio"/> <input checked="" type="radio"/> <b>No</b>
<input type="checkbox"/> It made <b>sustainable investments with an environmental objective: ___%</b>	<input type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of 0% of sustainable investments
<input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy	<input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
<input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	<input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
<input type="checkbox"/> It made <b>sustainable investments with a social objective: ___%</b>	<input type="checkbox"/> with a social objective
	<input checked="" type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b>

All data presented in the annex which follows has been calculated based on the portfolio holdings of the Fund as at 31 December 2023 and constitutes unaudited information which has not been subject to any assurance provided by the Auditors or any third party.

### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promoted the following environmental and/or social characteristics:

- 1) The Delegate Investment Manager applied a proprietary rating methodology to support the promotion of high ESG characteristics in the Fund. The Fund primarily invests in securities assessed to have positive ESG ratings, while securities assessed as negative are not eligible for inclusion. The rating methodology is described in the Investment Strategy section the Fund's Prospectus under the heading "Analysis of ESG Factors" and the Delegate Investment Manager's ESG Policy, which is available by accessing the link detailed in response to the question "Where can I find more product specific information online?" in the Prospectus;
- 2) Excluded insurance-linked securities ("ILS") from sponsors involved in specific activities considered to cause negative environmental and social impact, as described in the Sustainability Exclusion Criteria within the Prospectus; and
- 3) Assessed adherence to generally accepted international norms and standards set by the United Nations Global Compact ("UN Global Compact"), by exclusion of ILS from sponsors that violate these principles.

The environmental and social characteristics were promoted in line with the binding elements of the Investment Strategy of the Fund, as outlined in the Fund's Prospectus, and there were no breaches of the exclusion criteria or significant adverse impacts during the year.

## Appendix - Sustainable Finance Disclosure Regulation (SFDR) (Unaudited)

No reference benchmark was designated for the purpose of attaining the environmental and social characteristics promoted by the Fund.

### ● **How did the sustainability indicators perform?**

The following sustainability indicators are used to measure the environmental and/or social characteristics of the Fund.

#### 1) **Indicators relating to the analysis of ESG factors**

The Fund invested in ILS with only positive or neutral ESG ratings, as assessed by the Delegate Investment Manager's proprietary ESG rating methodology, and excluded investments that are rated as negative. This assessment is conducted at the investment and sponsor level and reported as % of the Fund's ILS investments in each category.

No exceptions were made during the reporting period.

Sustainability Indicator	Units	Data source	Date <sup>1</sup>	Data coverage <sup>2</sup>	Proportion of data estimated <sup>3</sup>	Output <sup>4</sup>
<b>Investments with POSITIVE ESG ratings:</b> proportion of securities within the Fund with a POSITIVE sponsor ESG rating based on the Delegate Investment Manager's proprietary scoring framework.	% of Fund	Delegate Investment Manager internal ESG Score	31 Dec 2023	100%	Not applicable	89.96%
<b>Investments with NEUTRAL ESG ratings:</b> proportion of securities within the Fund with a NEUTRAL sponsor ESG rating based on the Delegate Investment Manager's proprietary scoring framework.	% of Fund	Delegate Investment Manager internal ESG Score	31 Dec 2023	100%	Not applicable	10.04%

<sup>1</sup> Data snapshot taken at the Fund's year end.

<sup>2</sup> Calculated as the proportion of ILS investments (by NAV) that are assigned ESG ratings. The calculation does not include non-ILS assets defined under "#2 Other" in the Prospectus.

<sup>3</sup> Not applicable as the ESG Scores are assessed internally.

<sup>4</sup> Calculated as the proportion of ILS investments (by NAV) that are rated ESG positive or neutral. The calculation does not include non-ILS assets defined under "#2 Other" in the Prospectus.

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

## Appendix - Sustainable Finance Disclosure Regulation (SFDR) (Unaudited)

### 2) Indicators relating to Sustainability Exclusion Criteria

Involvement by the sponsor in the following activities, beyond the revenue threshold specified, would result in the investment being ineligible (other than where outlined in the Sustainability Exclusion Criteria within the Prospectus). This assessment is conducted at the sponsor level and reported as % of the Fund's investment sponsored by entities failing the criteria.

No exceptions were made during the reporting period.

Given the nature of sponsors in the ILS market, which are predominantly (re)insurance entities and where a large percentage of sponsors are privately held companies or government-related entities, product involvement assessments are based on internal research drawing on information made available by the sponsors as well as from public third-party sources.

Sustainability Indicator	Units	Data source	Date <sup>5</sup>	Data coverage <sup>6</sup>	Proportion of data estimated <sup>7</sup>	Output <sup>8</sup>
<b><u>ILS sponsored by non-sovereigns</u></b>						
<b>Involvement in controversial weapons:</b> share of investments in ILS sponsored by companies involved in the manufacture or selling of controversial weapons.	% of Fund	Internal research	31 Dec 2023	100%	Not applicable	0%
<b>Involvement in weapons manufacturing or weapons component manufacturing:</b> share of investments in ILS sponsored by companies involved in the manufacture of military weapons systems, and/or tailor-made components of these weapons systems, and/or tailor-made products or services that support military weapons systems (above 10% revenue threshold).	% of Fund	Internal research	31 Dec 2023	100%	Not applicable	0%
<b>Involvement in tobacco manufacturing:</b> share of investments in ILS sponsored by companies involved in the manufacture of tobacco products (above 5% revenue threshold).	% of Fund	Internal research	31 Dec 2023	100%	Not applicable	0%
<b>Involvement in tobacco retail and distribution:</b> share of investments in ILS sponsored by companies involved in the distribution and/or retail sale of	% of Fund	Internal research	31 Dec 2023	100%	Not applicable	0%

<sup>5</sup> Data snapshot taken at the Fund's year end.

<sup>6</sup> Calculated as the proportion of ILS investments (by NAV) from ILS sponsors that are assessed Sustainability Exclusion Criteria. The calculation does not include non-ILS assets defined under "#2 Other" in the Prospectus.

<sup>7</sup> Not applicable as compliance with the Sustainability Exclusion Criteria is assessed internally by the Delegate Investment Manager.

<sup>8</sup> Calculated as the proportion of ILS investments (by NAV) from ILS sponsors that fail the criteria. The calculation does not include non-ILS assets defined under "#2 Other" in the Prospectus.

## Appendix - Sustainable Finance Disclosure Regulation (SFDR) (Unaudited)

tobacco products (above 5% revenue threshold).							
<b>Involvement in oil sands extraction:</b> share of investments in ILS sponsored by companies involved in oil sands extraction (above 25% revenue threshold).	% of Fund	Internal research	31 Dec 2023	100%	Not applicable	0%	
<b>Involvement in thermal coal mining:</b> Share of investments in ILS sponsored by companies involved in mining thermal coal or from generating electricity from thermal coal (above 25% revenue threshold).	% of Fund	Internal research	31 Dec 2023	100%	Not applicable	0%	
<b><u>Sovereign sponsored ILS</u></b>							
<b>“Not Free” Sovereign Sponsors:</b> share of investments in ILS sponsored by countries which have been assessed as “Not Free” by the Freedom House Global Freedom Score.	% of Fund	Freedom House	31 Dec 2023	100%	Not applicable	0%	

### 3) Indicators relating to international norms and standards ILS sponsored by non-sovereigns

Companies are expected to adhere to minimum international norms and standards as defined by the UN Global Compact. Companies assessed as having seriously breached the UN Global Compact are excluded, unless the issuer is considered to have taken substantial and adequate steps to have addressed the allegations. This assessment is conducted at the sponsor level and reported as % of the Fund’s investment sponsored by entities failing the criteria.

No exceptions were made during the reporting period.

RepRisk and Sustainalytics are used as independent third-party assessments of current severe UN Global Compact violations of sponsors. If only one assessment is available for a sponsor, that assessment is used as the final assessment of a sponsor’s compliance with the UN Global Compact. If a sponsor is not covered by either third-party data provider, internal research based on third-party data sources and engagement with the sponsor, if appropriate, are used to form an assessment.



## Appendix - Sustainable Finance Disclosure Regulation (SFDR) (Unaudited)

Sustainability Indicator	Units	Data source	Date <sup>9</sup>	Data coverage <sup>10</sup>	Proportion of data estimated <sup>11</sup>	Output <sup>12</sup>
<b>Violations of UN Global Compact principles (also related to Principal Adverse Impacts):</b> share of investments in investee companies that have been involved in violations of the UNGC principles.	% of Fund	RepRisk/Sustainalytics/Internal research	31 Dec 2023	96.57%	3.43%	0%

### ...and compared to previous periods?

There are no material differences in the environmental and/or social characteristics of the Fund when compared to the previous reporting period.

### What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Not applicable

### How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Not applicable.

### How were the indicators for adverse impacts on sustainability factors taken into account?

Not applicable.

### Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

Not applicable.



The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

<sup>9</sup> Data snapshot taken at the Fund's year end.

<sup>10</sup> Calculated as the proportion of ILS investments (by NAV) from non-sovereign ILS sponsors that are covered by at least one third-party data provider. The calculation does not include non-ILS assets defined under “#2 Other” in the Prospectus nor ILS from sovereign sponsors.

<sup>11</sup> Calculated as the proportion of ILS investments (by NAV) from non-sovereign ILS sponsors that are not by at least one third-party data provider. The calculation does not include non-ILS assets defined under “#2 Other” in the Prospectus nor ILS from sovereign sponsors.

<sup>12</sup> Calculated as the proportion of ILS investments (by NAV) from non-sovereign ILS sponsors that fail the criteria. The calculation does not include non-ILS assets defined under “#2 Other” in the Prospectus nor ILS from sovereign sponsors.

## Appendix - Sustainable Finance Disclosure Regulation (SFDR) (Unaudited)

### How did this financial product consider principal adverse impacts on sustainability factors?

The Fund considered the principal adverse impacts (PAIs)—as detailed in Table 1, and noting the additional indicators in Tables 2 and 3, of Annex 1 of the SFDR Delegated Act—on sustainability factors in a qualitative and/or quantitative way dependent on the relevance of the specific indicator and the quality and availability of data.

The actions taken in relation to the PAI indicators considered are summarised in the table below:

#### Non-Sovereign Issuers

Adverse Sustainability Indicator		Fund Considerations
<b>Table 1</b>		
Social & Employee Matters	10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	No investments in the Fund were sponsored by entities that violate any of the UN Global Compact principles, including on social and employee matters, throughout the reporting period.
	14. Exposure to controversial weapons (antipersonnel mines, cluster munitions, chemical weapons, and biological weapons)	No investments in the Fund were sponsored by entities that have any direct involvement in controversial weapons throughout the reporting period.
<b>Table 2</b>		
Emissions	4. Investments in companies without carbon emission reduction initiatives	If an ILS sponsor is involved in the generation of energy from thermal coal with a revenue level above the Sustainability Exclusion Criteria threshold, then an investment can only be made if the sponsor is involved in credible carbon emission reduction initiatives to bring the sponsor in line with the Sustainability Exclusion Criteria in a reasonable timeframe.  There is one ILS sponsors in the Fund that is involved in the generation of energy from thermal coal. that sponsor had a thermal coal-related revenue level below the Sustainability Exclusion Criteria threshold throughout the reporting period.
Energy performance	5. Breakdown of energy consumption by type of non-renewable sources of energy	
Water, waste and material emissions		Considered only if sponsor actions in this area leads to a UN Global Compact violation. No investments in the Fund were sponsored by entities that violate any of the UN Global Compact principles, including on environmental matters, throughout the reporting period.
<b>Table 3</b>		
Social and employee matters		Considered only if sponsor actions in this area leads to a UN Global Compact violation. No investments in the Fund were sponsored by entities that violate any of the UN Global Compact principles, including on labor standards matters, throughout the reporting period.
Human Rights		Considered only if sponsor actions in this area leads to a UN Global Compact violation. No investments in the Fund were sponsored by

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

## Appendix - Sustainable Finance Disclosure Regulation (SFDR) (Unaudited)

		entities that violate any of the UN Global Compact principles, including on human rights matters, throughout the reporting period.
Anti-corruption and anti-bribery		Considered only if sponsor actions in this area leads to a UN Global Compact violation. No investments in the Fund were sponsored by entities that violate any of the UN Global Compact principles, including on anti-corruption and anti-bribery matters, throughout the reporting period.

### Sovereign Issuers

Adverse sustainability indicator		Fund Considerations
<b>Table 1</b>		
Social	16. Investee countries subject to social violations	<p>Only considered through the Freedom House Global Freedom Score. Sovereign issuers that receive a "Not Free" score on the Freedom House Global Freedom Score are not eligible for investment, unless this sovereign is working through an international organization, such as the World Bank, the United Nations, a regional development bank or another body with robust and transparent sustainability safeguards.</p> <p>All sovereign ILS sponsors in the Fund were assessed as "Free" by the Freedom House Global Freedom Score, throughout the reporting period.</p>
<b>Table 3</b>		
Social	19. Average freedom of expression score	<p>Only considered through the Freedom House Global Freedom Score. Sovereign issuers that receive a "Not Free" score on the Freedom House Global Freedom Score are not eligible for investment, unless this sovereign is working through an international organization, such as the World Bank, the United Nations, a regional development bank or another body with robust and transparent sustainability safeguards.</p> <p>All sovereign ILS sponsors in the Fund were assessed as "Free" by the Freedom House Global Freedom Score throughout the reporting period.</p>
Human Rights	20. Average human rights performance	

## Appendix - Sustainable Finance Disclosure Regulation (SFDR) (Unaudited)



### What were the top investments of this financial product?

Largest Investments	Sector	% Assets	Country
BOND 811	Reinsurer	3.36	BERMUDA
BOND 669	Government	2.65	BERMUDA
BOND 900	Government	2.02	BERMUDA
BOND 662	Government	1.85	BERMUDA
BOND 872	Insurer	1.84	BERMUDA
BOND 809	Insurer	1.61	BERMUDA
BOND 787	Insurer	1.49	BERMUDA
BOND 797	Government	1.42	BERMUDA
BOND 906	Government	1.37	BERMUDA
BOND 781	Government	1.25	BERMUDA
BOND 594	Insurer	1.20	BERMUDA
BOND 827	Insurer	1.17	BERMUDA
BOND 646	Government	1.17	BERMUDA
BOND 691	Insurer	1.15	SINGAPORE
BOND 887	Government	1.04	BERMUDA

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: 31 December 2023

The table above provides a snapshot of the largest investments as at 31 December 2023. This snapshot is reflective of the general portfolio composition throughout the reporting period.

Investments typically support the (re)insurance industry, the sponsor type (e.g. insurer, reinsurer, corporate, government) is reflected in the columns "Sector" as this is most appropriate for the Fund. Government sponsors of ILS within the Fund include local municipalities, transit authorities, state insurance entities and residual insurance pools formed by statute, national insurance programs (that can be classified as sovereign) and public-private reinsurance pools, as well as international organizations (that can also facilitate ILS issuance for sovereigns). During the reporting period there were four ILS sovereign sponsors within in the Fund.

### What was the proportion of sustainability-related investments?

While the Fund promotes environmental and social characteristics within the meaning of Article 8 of the SFDR, it does not currently commit to investing in a minimum level of "sustainable investments" within the meaning of the SFDR and it does not currently commit to a minimum level of investments taking into account the EU criteria for environmentally sustainable economic activities within the meaning of the Taxonomy Regulation. As such, the Fund's portfolio alignment to sustainability-related investments is not calculated.

#### ● *What was the asset allocation?*

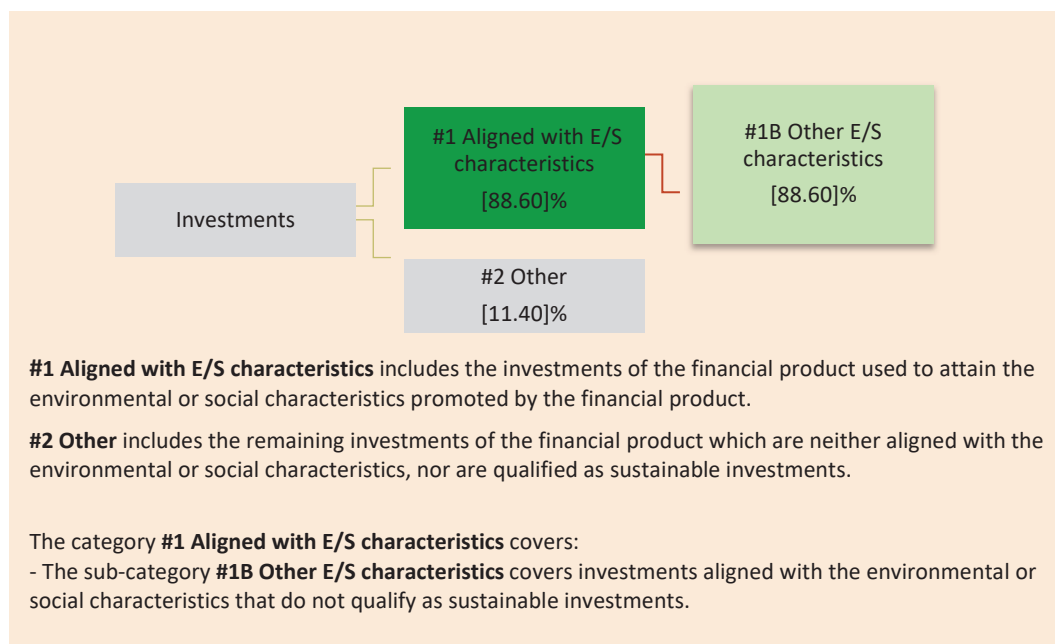
All assets excluding ILS that are rated NEUTRAL, cash, cash-equivalents, and/or certain derivatives are aligned with environmental/social characteristics of the Fund. As at 31 December 2023 (snapshot at year-end), 88.60% of the Fund was aligned with E/S characteristics, while 11.40% was in assets categorised as #2 Other in accordance with the Prospectus. Further details in relation to such assets



**Asset allocation** describes the share of investments in specific assets.

## Appendix - Sustainable Finance Disclosure Regulation (SFDR) (Unaudited)

is set out in the section entitled “What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?” below.



Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, , e.g. relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting the green operational activities of investee companies.

### **In which economic sectors were the investments made?**

Investments typically support sponsors in the (re)insurance industry and the sponsor type (e.g. insurer, reinsurer, corporate, government) is reflected in the table below as it is most appropriate for the asset class. Allocations are shown as a % ILS-only NAV of the Fund as at 31 December 2023.

<b>Sponsor Type</b>	<b>Allocation</b>
Insurer	62.49%
Reinsurer	10.88%
Corporate	2.16%
Government	24.47%

Sponsors are classified as an insurer, reinsurer, corporate or government by the Delegate Investment Manager on a best-efforts basis. If a sponsor is involved in both insurance and reinsurance, it is classified according to the line of business that contributes the most by premium. Government sponsors of ILS within the Fund include local municipalities, transit authorities, state insurance entities and residual insurance pools formed by statute, national insurance programs (that can be classified as sovereign) and public-private reinsurance pools, as well as international organizations.



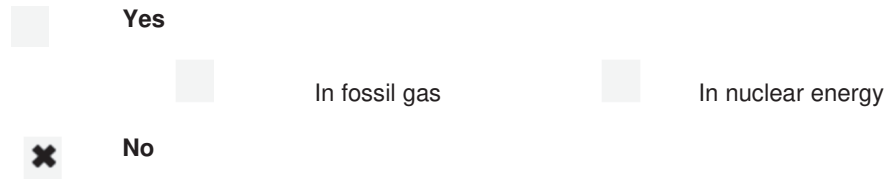
### **To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?**

While the Fund promotes environmental and social characteristics within the meaning of Article 8 of the SFDR, it does not currently commit to investing in a minimum level of “sustainable investments” within the meaning of the SFDR and it does not currently commit to a minimum level of investments taking into account the EU criteria for environmentally sustainable economic activities within the meaning of the Taxonomy Regulation. As such, the minimum proportion of the Fund’s investments that contribute to environmentally sustainable economic activities for the purposes of the Taxonomy Regulation, including investments in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy, is 0%.

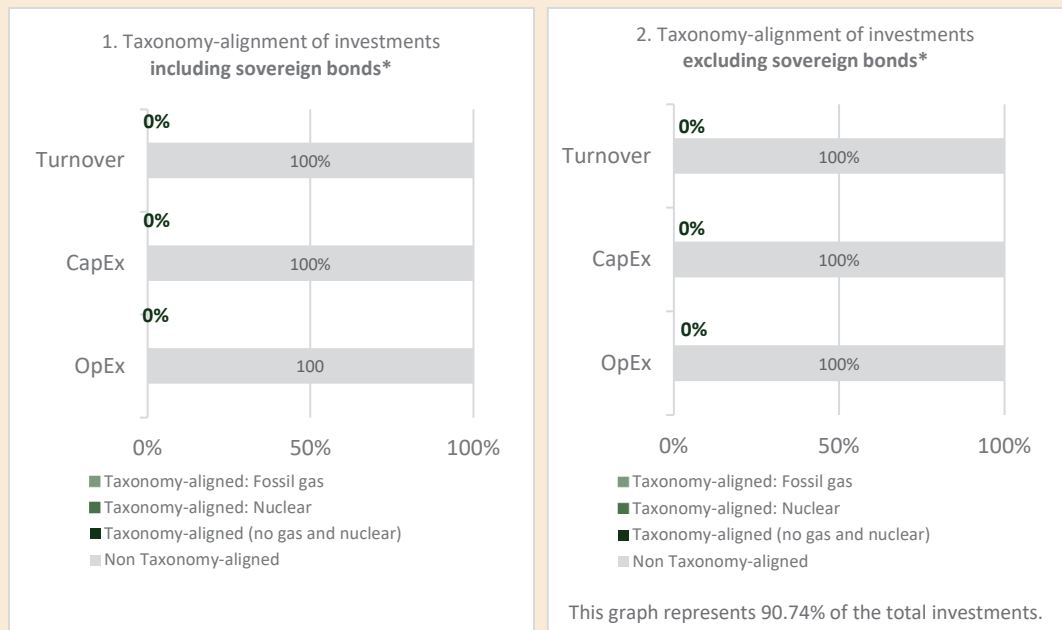
## Appendix - Sustainable Finance Disclosure Regulation (SFDR) (Unaudited)

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules. **Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective. **Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

● Did the financial product invest in fossil gas and / or nuclear energy related activities that comply with the EU Taxonomy<sup>13</sup>?



**The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.**



\*For the purpose of these graphs, 'sovereign bonds' consist of all ILS sovereign exposures

● What was the share of investments made in transitional and enabling activities?

Not applicable.

● How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable.

<sup>13</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

## Appendix - Sustainable Finance Disclosure Regulation (SFDR) (Unaudited)



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



**What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?**

Not applicable.



**What was the share of socially sustainable investments?**

Not applicable.



**What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?**

The following investments were included under “2 Other”:

- ILS rated NEUTRAL
- Cash
- Cash equivalents (including US Treasury Bills)
- Currency hedges for non-US dollar assets
- ILS repo positions

The non-ILS “other” investments listed above were used for currency and cash management purposes for the Fund.

All ILS investments in the Fund have the same investment rationale outlined above, including ILS with a neutral ESG rating.



**What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

### 1. Actions relating to analysis of ESG factors

The Fund invested in ILS with only positive or neutral ESG ratings, based on a proprietary ESG rating methodology, and excluded investments that are rated as negative. This assessment was conducted at the investment and sponsor level.

### 2. Actions relating to Sustainability Exclusion Criteria

The Sustainability Exclusion Criteria were assessed, on a best-efforts basis, as part of investment controlling, using internal research drawing on information from sponsors, independent ESG rating providers where available and other recognised public third-party sources. There were no breaches of the Sustainability Exclusion Criteria during the reporting period.

### 3. Indicators relating to international norms and standards

UN Global Compact compliance was assessed, on a best-efforts basis, as part of investment controlling. The Delegate Investment Manager used third-party data providers' frameworks and data to categorise serious breaches, which were intended to identify credible allegations of a violation of global norms, supplemented by internal research where third-party data coverage was unavailable. There were no breaches of the UN Global Compact compliance during the period.



**How did this financial product perform compared to the reference benchmark?**

No reference benchmark has been designated for the purpose of attaining the environmental and social characteristics promoted by the Fund.

● **How does the reference benchmark differ from a broad market index?**

Not applicable.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

## **Appendix - Sustainable Finance Disclosure Regulation (SFDR) (Unaudited)**

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

Not applicable.

- ***How did this financial product perform compared with the reference benchmark?***

Not applicable.

- ***How did this financial product perform compared with the broad market index?***

Not applicable



## **Appendix - Sustainable Finance Disclosure Regulation (SFDR) (Unaudited)**

### [Methodologies and data](#)

This report relies on sustainability-related data. The quality, timeliness, completeness and availability of sustainability-related data may still not be comparable with the general quality, timeliness, completeness and availability of more standardised and traditional financial data.

Sustainability indicators and asset allocation sections are reported based on a snapshot of the Fund at year-end and are not an average of quarterly values.

## **GAM Fund Management Limited – AIFMD disclosure**

### **Remuneration Disclosure**

#### **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 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 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') 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 EU regulations that apply to its regulated entities and delegates. The CMC's members are appointed by the Group CEO including senior members from the Risk, 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 each 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 designed to incentivise delivery of strong investment performance within a sound risk and control environment, and to safeguard the long-term success and prosperity of the customer and the Manager's 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 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**

The categories of staff for inclusion as Identified staff for GAM Fund Management Limited include:

- Executive and non-executive members of the Board
- Other members of senior management
- Staff responsible for control functions

Directors of this regulated entity do not receive any kind of variable remuneration linked to their role. Should any variable remuneration be granted to directors in the future, such remuneration will be fixed and not linked to the short-term results of the entity.

## Supplementary Information (Unaudited)

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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 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 2023 in relation to the AIFs managed by GAM Fund Management Limited.

GAM Fund Management Limited manages funds, with a combined AUM of €9,779m - representing funds of the Management Company, including those managed by delegates at 31 December 2023.

Total annual remuneration paid to all Management Company employees	€4.69M
Of which fixed:	€4.69M
Of which variable:	€0.0M
Number of Management Company employees	75
Total Remuneration paid to Identified Staff in the Management Company	€1.94M
Of which paid to Senior Management:	€0.79M
Of which paid to other identified staff:	€1.15M

Portfolio Management duties are delegated and the contractual arrangements to appoint the delegates include a provision which states that the delegate must follow, to an appropriate degree, AIFMD remuneration rules.

### 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 funds activities.

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# **GAM FCM Cat Bond Investments Inc.**

Annual Report

for the year ended 31 December 2023

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## Directors

### Aldrian Foo

GAM Product Director  
Malaysia

### Jozef C. Hendriks\*

Company Director  
Bermuda

### Maxwell L. H. Quin\*

Company Director  
Bermuda

\* Independent Director

## Registered Office Address\*\*

Kingston Chambers  
P.O. Box 173, Road Town  
Tortola, VG1110  
British Virgin Islands

## Manager and Secretary

GAM Fund Management Limited  
Dockline  
Mayor Street  
IFSC  
Dublin, D01 K8N7  
Ireland

## Investment Manager

GAM International Management Limited  
8 Finsbury Circus  
London, EC2M 7GB  
United Kingdom

## Delegate Investment Manager

Fermat Capital Management LLC  
615 Riverside Avenue  
Westport, CT 06880  
United States of America

## Sub-Adviser

Fermat Capital Management (Bermuda) Ltd.  
Horseshoes Group, Emporium Building  
69 Front Street  
Hamilton HM12  
Bermuda

## Administrator

GAM Fund Management Limited  
Dockline  
Mayor Street  
IFSC  
Dublin, D01 K8N7  
Ireland

## Delegate Administrator

State Street Fund Services (Ireland) Limited  
78 Sir John Rogerson's Quay  
Dublin 2, D02 HD32  
Ireland

## Custodian

State Street Custodial Services (Ireland) Limited  
78 Sir John Rogerson's Quay  
Dublin 2, D02 HD32  
Ireland

## Independent Auditors

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

## Legal Adviser

Maples and Calder  
5th Floor, Ritter House  
Road Town  
Tortola VG1110  
British Virgin Islands

\*\*With effect from 14 September 2023, the Investment Company has changed its registered address from Craigmuir Chambers, P.O. Box 71, Road Town, Tortola, VG1110, British Virgin Islands to Kingston Chambers, P.O. Box 173, Road Town, Tortola, VG1110, British Virgin Islands.

as at 31 December 2023

Description	Fair value US\$	% of Investment Company
<b>Debt securities</b>		
<b>Catastrophe bonds</b>		
BOND 811*	84,039,465	3.36
BOND 669	66,237,276	2.65
BOND 900*	50,448,875	2.02
BOND 662*	46,196,707	1.85
BOND 872	45,926,774	1.84
BOND 809 (9,600,000 units with fair value of US\$9,543,208 pledged as collateral)^	40,359,818	1.61
BOND 787*,**	37,179,118	1.49
BOND 797	35,439,540	1.42
BOND 906	34,178,322	1.37
BOND 781 (5,300,000 units with fair value of US\$5,251,732 pledged as collateral)^	31,287,441	1.25
BOND 594	29,921,175	1.20
BOND 827 (6,350,000 units with fair value of US\$6,051,808 pledged as collateral)^	29,248,817	1.17
BOND 646 (15,300,000 units with fair value of US\$15,502,067 pledged as collateral)^	29,160,095	1.17
BOND 691 (8,300,000 units with fair value of US\$8,203,897 pledged as collateral)^	28,753,177	1.15
BOND 887 (9,600,000 units with fair value of US\$9,792,643 pledged as collateral)^	26,113,705	1.04
BOND 873	24,380,913	0.97
BOND 918	24,211,534	0.97
BOND 710 (3,000,000 units with fair value of US\$2,949,788 pledged as collateral)^	23,794,959	0.95
BOND 895*	23,740,700	0.95
BOND 688	23,278,372	0.93
BOND 929	22,071,952	0.88
BOND 902	21,698,423	0.87
BOND 944	20,892,493	0.84
BOND 936	20,785,538	0.83
BOND 668	20,342,164	0.81
BOND 665	19,318,139	0.77
BOND 988*	19,151,653	0.77
BOND 568	19,105,789	0.76
BOND 670	19,016,222	0.76
BOND 664	18,910,207	0.76
BOND 708	18,825,160	0.75
BOND 504	18,564,418	0.74
BOND 905	18,500,000	0.74
BOND 663 (17,875,000 units with fair value of US\$17,997,367 pledged as collateral)#	17,997,367	0.72

\* Level 3 investments.

^ Partially pledged as collateral in respect of Repurchase Agreements.

# Fully pledged as collateral in respect of Repurchase Agreements.

\*\* Maturity date extended to an unknown date.

The accompanying notes form an integral part of these financial statements.

# Portfolio Statement

as at 31 December 2023

Description	Fair value US\$	% of Investment Company
<b>Debt securities, continued</b>		
<b>Catastrophe bonds, continued</b>		
BOND 602	17,957,557	0.72
BOND 812	17,827,423	0.71
BOND 828	17,139,123	0.69
BOND 829	17,066,649	0.68
BOND 930	17,054,938	0.68
BOND 901	16,608,228	0.66
BOND 647 (5,300,000 units with fair value of US\$5,190,426 pledged as collateral)^	15,884,661	0.64
BOND 922	15,835,404	0.63
BOND 709 (3,400,000 units with fair value of US\$3,326,621 pledged as collateral)^	15,473,677	0.62
BOND 773 (6,400,000 units with fair value of US\$6,405,056 pledged as collateral)^	15,372,139	0.61
BOND 617 (7,000,000 units with fair value of US\$6,917,621 pledged as collateral)^	15,346,247	0.61
BOND 707	15,256,671	0.61
BOND 808 (5,300,000 units with fair value of US\$5,310,886 pledged as collateral)^	15,165,087	0.61
BOND 690 (5,300,000 units with fair value of US\$5,195,551 pledged as collateral)^	15,124,936	0.60
BOND 921	14,519,698	0.58
BOND 912	14,391,663	0.58
BOND 692 (14,552,000 units with fair value of US\$14,390,052 pledged as collateral)#	14,390,052	0.58
BOND 946	14,135,782	0.57
BOND 574 (13,610,000 units with fair value of US\$13,779,252 pledged as collateral)#	13,779,252	0.55
BOND 826	13,699,739	0.55
BOND 717*,**	12,843,460	0.51
BOND 940	12,512,090	0.50
BOND 509*	12,380,104	0.49
BOND 991	12,095,371	0.48
BOND 604	12,067,889	0.48
BOND 774	11,809,586	0.47
BOND 938	11,543,579	0.46
BOND 798	11,525,113	0.46
BOND 813	11,514,493	0.46
BOND 925	11,466,057	0.46
BOND 919*	11,309,571	0.45
BOND 603 (9,360,000 units with fair value of US\$9,250,409 pledged as collateral)^	11,226,993	0.45
BOND 697	11,208,722	0.45
BOND 550 (11,020,000 units with fair value of US\$10,492,438 pledged as collateral)#	10,492,438	0.42

\* Level 3 investments.

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\*\* Maturity date extended to an unknown date.

The accompanying notes form an integral part of these financial statements.



as at 31 December 2023

Description	Fair value US\$	% of Investment Company
<b>Debt securities, continued</b>		
<b>Catastrophe bonds, continued</b>		
BOND 553	10,431,954	0.42
BOND 706	10,309,683	0.41
BOND 882	10,292,272	0.41
BOND 775*	10,167,569	0.41
BOND 950*	10,106,250	0.40
BOND 879*	9,907,600	0.40
BOND 819	9,891,864	0.40
BOND 702 (10,151,000 units with fair value of US\$9,874,628 pledged as collateral)#	9,874,628	0.39
BOND 649	9,580,291	0.38
BOND 644	9,449,361	0.38
BOND 869 (5,300,000 units with fair value of US\$5,256,731 pledged as collateral)^	9,387,728	0.38
BOND 951*	9,377,775	0.37
BOND 928	9,343,306	0.37
BOND 907	9,193,796	0.37
BOND 908	9,168,601	0.37
BOND 889 (2,000,000 units with fair value of US\$2,047,314 pledged as collateral)^	9,079,839	0.36
BOND 985	9,000,329	0.36
BOND 573	8,747,243	0.35
BOND 910	8,661,950	0.35
BOND 800 (6,000,000 units with fair value of US\$6,056,358 pledged as collateral)^	8,504,134	0.34
BOND 943	8,402,371	0.34
BOND 886	8,379,081	0.33
BOND 784	8,330,276	0.33
BOND 932	8,207,216	0.33
BOND 868 (1,500,000 units with fair value of US\$1,474,049 pledged as collateral)^	8,180,973	0.33
BOND 752*	8,074,924	0.32
BOND 511	8,000,675	0.32
BOND 816	7,976,976	0.32
BOND 810	7,962,080	0.32
BOND 675	7,911,966	0.32
BOND 753	7,868,758	0.31
BOND 917	7,804,739	0.31
BOND 545	7,793,981	0.31
BOND 792	7,648,163	0.31
BOND 893*	7,624,600	0.30

\* Level 3 investments.

^ Partially pledged as collateral in respect of Repurchase Agreements.

# Fully pledged as collateral in respect of Repurchase Agreements.

The accompanying notes form an integral part of these financial statements.

# Portfolio Statement

as at 31 December 2023

Description	Fair value US\$	% of Investment Company
<b>Debt securities, continued</b>		
<b>Catastrophe bonds, continued</b>		
BOND 948*	7,574,985	0.30
BOND 949*	7,549,740	0.30
BOND 825	7,549,222	0.30
BOND 701	7,222,131	0.29
BOND 898*	7,194,421	0.29
BOND 686	7,182,219	0.29
BOND 934	7,177,236	0.29
BOND 569	7,123,826	0.28
BOND 890	7,077,099	0.28
BOND 914	7,075,202	0.28
BOND 891	7,059,955	0.28
BOND 679	7,044,811	0.28
BOND 945	6,972,908	0.28
BOND 937	6,953,232	0.28
BOND 883	6,917,264	0.28
BOND 689	6,878,925	0.27
BOND 678	6,764,404	0.27
BOND 989*	6,740,976	0.27
BOND 892*	6,630,000	0.27
BOND 776 (6,420,000 units with fair value of US\$6,408,701 pledged as collateral)#	6,408,701	0.26
BOND 601	6,391,931	0.26
BOND 881	6,367,745	0.25
BOND 864 (6,375,000 units with fair value of US\$6,359,330 pledged as collateral)#	6,359,330	0.25
BOND 926	6,357,334	0.25
BOND 677	6,284,722	0.25
BOND 911	6,228,510	0.25
BOND 671	6,185,445	0.25
BOND 780	6,166,755	0.25
BOND 684	6,109,258	0.24
BOND 953	6,090,075	0.24
BOND 804	5,852,343	0.23
BOND 931	5,830,626	0.23
BOND 705 (5,300,000 units with fair value of US\$5,198,433 pledged as collateral)^	5,811,456	0.23
BOND 512 (3,500,000 units with fair value of US\$3,485,274 pledged as collateral)^	5,810,450	0.23
BOND 575	5,738,966	0.23

\* Level 3 investments.

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# Fully pledged as collateral in respect of Repurchase Agreements.

The accompanying notes form an integral part of these financial statements.

as at 31 December 2023

Description	Fair value US\$	% of Investment Company
<b>Debt securities, continued</b>		
<b>Catastrophe bonds, continued</b>		
BOND 801*	5,659,500	0.23
BOND 916	5,651,574	0.23
BOND 580	5,649,693	0.23
BOND 815	5,629,974	0.23
BOND 409*	5,557,581	0.22
BOND 682	5,547,791	0.22
BOND 942	5,487,406	0.22
BOND 673	5,482,028	0.22
BOND 505	5,399,408	0.22
BOND 650	5,359,114	0.21
BOND 704 (5,435,000 units with fair value of US\$5,351,153 pledged as collateral)#	5,351,153	0.21
BOND 824	5,348,393	0.21
BOND 699	5,327,784	0.21
BOND 581	5,274,458	0.21
BOND 935	5,173,005	0.21
BOND 862	5,118,275	0.20
BOND 700	5,103,322	0.20
BOND 605	5,084,203	0.20
BOND 814 (5,027,000 units with fair value of US\$5,041,532 pledged as collateral)#	5,041,532	0.20
BOND 698	5,027,567	0.20
BOND 680	4,882,781	0.20
BOND 723*, **	4,874,916	0.19
BOND 777	4,837,349	0.19
BOND 885	4,792,593	0.19
BOND 754 (3,850,000 units with fair value of US\$3,795,172 pledged as collateral)^	4,780,931	0.19
BOND 674	4,719,341	0.19
BOND 913	4,707,802	0.19
BOND 696	4,705,610	0.19
BOND 897*	4,635,880	0.19
BOND 904	4,464,435	0.18
BOND 799 (4,430,000 units with fair value of US\$4,463,722 pledged as collateral)#	4,463,722	0.18
BOND 923	4,446,630	0.18
BOND 865 (4,275,000 units with fair value of US\$4,441,175 pledged as collateral)#	4,441,175	0.18
BOND 866 (4,320,000 units with fair value of US\$4,428,762 pledged as collateral)#	4,428,762	0.18

\* Level 3 investments.

^ Partially pledged as collateral in respect of Repurchase Agreements.

# Fully pledged as collateral in respect of Repurchase Agreements.

\*\* Maturity date extended to an unknown date.

The accompanying notes form an integral part of these financial statements.

# Portfolio Statement

as at 31 December 2023

Description	Fair value US\$	% of Investment Company
<b>Debt securities, continued</b>		
<b>Catastrophe bonds, continued</b>		
BOND 878*	4,346,276	0.17
BOND 758	4,316,571	0.17
BOND 693 (4,287,000 units with fair value of US\$4,285,568 pledged as collateral)#	4,285,568	0.17
BOND 820	4,221,099	0.17
BOND 756	4,113,260	0.16
BOND 880	4,105,452	0.16
BOND 939	4,003,958	0.16
BOND 783	3,774,648	0.15
BOND 703	3,767,887	0.15
BOND 877*	3,750,000	0.15
BOND 861	3,625,379	0.14
BOND 779	3,575,542	0.14
BOND 683	3,528,739	0.14
BOND 909	3,501,980	0.14
BOND 896*	3,473,780	0.14
BOND 927	3,385,322	0.14
BOND 924	3,377,472	0.14
BOND 818	3,076,602	0.12
BOND 871	2,994,677	0.12
BOND 685 (3,000,000 units with fair value of US\$2,960,639 pledged as collateral)#	2,960,639	0.12
BOND 803	2,959,247	0.12
BOND 884	2,913,750	0.12
BOND 651	2,898,711	0.12
BOND 863	2,883,632	0.12
BOND 817	2,846,011	0.11
BOND 894*	2,773,783	0.11
BOND 822	2,744,883	0.11
BOND 805	2,731,992	0.11
BOND 952	2,684,904	0.11
BOND 422*	2,561,449	0.10
BOND 915	2,515,013	0.10
BOND 987*	2,439,353	0.10
BOND 821	2,383,050	0.10
BOND 790*, **	2,292,699	0.09
BOND 687 (2,281,000 units with fair value of US\$2,281,213 pledged as collateral)#	2,281,213	0.09

\* Level 3 investments.

# Fully pledged as collateral in respect of Repurchase Agreements.

\*\* Maturity date extended to an unknown date.

The accompanying notes form an integral part of these financial statements.

as at 31 December 2023

Description	Fair value US\$	% of Investment Company
<b>Debt securities, continued</b>		
<b>Catastrophe bonds, continued</b>		
BOND 757 (1,200,000 units with fair value of US\$1,182,553 pledged as collateral)^	2,271,487	0.09
BOND 718*,**	2,117,350	0.08
BOND 681	2,112,796	0.08
BOND 990	2,046,949	0.08
BOND 941	2,016,245	0.08
BOND 876	1,786,479	0.07
BOND 920*	1,733,763	0.07
BOND 874	1,721,639	0.07
BOND 875	1,647,323	0.07
BOND 899*	1,635,221	0.07
BOND 755	1,616,230	0.06
BOND 796	1,555,102	0.06
BOND 645 (1,545,000 units with fair value of US\$1,502,691 pledged as collateral)#	1,502,691	0.06
BOND 695*	1,447,228	0.06
BOND 833*,**	1,444,878	0.06
BOND 759	1,379,643	0.06
BOND 716*,**	1,192,843	0.05
BOND 947	1,182,402	0.05
BOND 933	1,182,325	0.05
BOND 572*	993,617	0.04
BOND 831*,**	952,200	0.04
BOND 507*	878,368	0.04
BOND 330*	769,018	0.03
BOND 888	518,679	0.02
BOND 763*,**	350,330	0.01
BOND 579	309,536	0.01
BOND 986	260,629	0.01
BOND 789*,**	168,302	0.01
BOND 329*	166,697	0.01
BOND 578*	150,338	0.01
BOND 555*	73,319	0.00
BOND 823*	70,125	0.00
BOND 791*,**	43,425	0.00
BOND 551*	27,648	0.00
BOND 519*	25,713	0.00

\* Level 3 investments.

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# Fully pledged as collateral in respect of Repurchase Agreements.

\*\* Maturity date extended to an unknown date.

The accompanying notes form an integral part of these financial statements.

# Portfolio Statement

as at 31 December 2023

Description	Fair value US\$	% of Investment Company
<b>Debt securities, continued</b>		
<b>Catastrophe bonds, continued</b>		
BOND 408*	389	0.00
<b>Total Catastrophe bonds</b>	<u>2,352,327,011</u>	<u>94.04</u>
<b>Corporate bonds*</b>		
BOND 460	24,050,000	0.96
BOND 471	3,750,000	0.15
BOND 400	3,330,000	0.13
<b>Total Corporate bonds</b>	<u>31,130,000</u>	<u>1.24</u>
<b>Total Debt securities</b>	<u>2,383,457,011</u>	<u>95.28</u>
<b>Preferred Equity Investments*</b>		
Preferred Equity Investment 974	21,742,970	0.87
Preferred Equity Investment 978	16,932,420	0.68
Preferred Equity Investment 750**	12,394,898	0.50
Preferred Equity Investment 627**	9,940,391	0.40
Preferred Equity Investment 849**	6,871,098	0.27
Preferred Equity Investment 973	5,750,000	0.23
Preferred Equity Investment 975	5,393,314	0.22
Preferred Equity Investment 966	4,320,000	0.17
Preferred Equity Investment 841**	4,021,360	0.16
Preferred Equity Investment 957	3,791,735	0.15
Preferred Equity Investment 959	3,286,430	0.13
Preferred Equity Investment 958	3,241,875	0.13
Preferred Equity Investment 965	3,240,000	0.13
Preferred Equity Investment 971	3,173,412	0.13
Preferred Equity Investment 857**	3,131,623	0.13
Preferred Equity Investment 981	3,062,494	0.12
Preferred Equity Investment 980	2,994,040	0.12
Preferred Equity Investment 982	2,780,633	0.11
Preferred Equity Investment 853**	2,776,900	0.11
Preferred Equity Investment 979	2,763,232	0.11
Preferred Equity Investment 976	2,746,713	0.11
Preferred Equity Investment 977	2,708,462	0.11
Preferred Equity Investment 858**	2,266,042	0.09
Preferred Equity Investment 964	2,160,000	0.09

\* Level 3 investments.

\*\* Maturity date extended to an unknown date.

The accompanying notes form an integral part of these financial statements.

as at 31 December 2023

Description	Fair value US\$	% of Investment Company
<b>Preferred Equity Investments*, continued</b>		
Preferred Equity Investment 666	2,132,654	0.09
Preferred Equity Investment 984	2,124,575	0.08
Preferred Equity Investment 969	1,971,800	0.08
Preferred Equity Investment 968	1,935,200	0.08
Preferred Equity Investment 852**	1,863,612	0.07
Preferred Equity Investment 632**	1,765,086	0.07
Preferred Equity Investment 733**	1,757,000	0.07
Preferred Equity Investment 972	1,724,138	0.07
Preferred Equity Investment 963	1,625,000	0.07
Preferred Equity Investment 623**	1,490,177	0.06
Preferred Equity Investment 960	1,465,413	0.06
Preferred Equity Investment 961	1,465,413	0.06
Preferred Equity Investment 983	1,423,433	0.06
Preferred Equity Investment 751**	1,398,546	0.06
Preferred Equity Investment 967	1,358,100	0.05
Preferred Equity Investment 735**	1,326,000	0.05
Preferred Equity Investment 835**	1,315,000	0.05
Preferred Equity Investment 956	1,314,066	0.05
Preferred Equity Investment 955	1,300,143	0.05
Preferred Equity Investment 859**	1,103,550	0.04
Preferred Equity Investment 729**	1,097,250	0.04
Preferred Equity Investment 962	1,079,244	0.04
Preferred Equity Investment 741**	1,078,240	0.04
Preferred Equity Investment 903	1,044,810	0.04
Preferred Equity Investment 837**	996,500	0.04
Preferred Equity Investment 970	993,300	0.04
Preferred Equity Investment 462**	970,051	0.04
Preferred Equity Investment 954	953,850	0.04
Preferred Equity Investment 640**	731,989	0.03
Preferred Equity Investment 732**	549,539	0.02
Preferred Equity Investment 856**	518,400	0.02
Preferred Equity Investment 834**	499,184	0.02
Preferred Equity Investment 327**	485,487	0.02
Preferred Equity Investment 734**	416,437	0.02
Preferred Equity Investment 847**	407,869	0.02
Preferred Equity Investment 728**	92,754	0.00

\* Level 3 investments.

\*\* Maturity date extended to an unknown date.

The accompanying notes form an integral part of these financial statements.

# Portfolio Statement

as at 31 December 2023

Description						Fair value US\$	% of Investment Company
<b>Preferred Equity Investments*, continued</b>							
Preferred Equity Investment 740**						90,541	0.00
Preferred Equity Investment 639**						4,692	0.00
<b>Total Preferred Equity Investments</b>						<u>175,359,085</u>	<u>7.01</u>
<b>Repurchase Agreement</b>							
2024-01-09-6.62 REPO - 09Jan24						(95,002,000)	(3.80)
<b>Total Repurchase Agreement</b>						<u>(95,002,000)</u>	<u>(3.80)</u>
<b>Forward Foreign Exchange Contracts</b>							
Purchase currency	Contractual amount	Sale currency	Contractual amount	Maturity date	Counterparty	Unrealised loss	% of Investment Company
USD	10,048,500	GBP	7,900,000	2024-01-31	State Street Bank	(23,958)	(0.00)
USD	36,727,481	EUR	33,275,000	2024-01-31	State Street Bank	(69,912)	(0.00)
USD	21,265,809	EUR	19,380,000	2024-01-31	State Street Bank	(165,699)	(0.00)
USD	8,592,079	EUR	7,925,000	2024-01-31	State Street Bank	(171,838)	(0.01)
USD	8,713,571	NZD	14,175,000	2024-01-31	State Street Bank	(262,275)	(0.01)
USD	23,927,297	JPY	3,492,000,000	2024-01-31	State Street Bank	(943,360)	(0.04)
<b>Unrealised loss on forward foreign exchange contracts</b>						<u>(1,637,042)</u>	<u>(0.06)</u>
						<u>(1,637,042)</u>	<u>(0.06)</u>
<b>Financial assets and financial liabilities at fair value through profit or loss</b>						2,462,177,054	98.43
<b>Other net current assets</b>						<u>39,316,590</u>	<u>1.57</u>
<b>Total net assets attributable to the shareholders of the Investment Company</b>						<u><u>2,501,493,644</u></u>	<u><u>100.00</u></u>

\* Level 3 investments.

\*\* Maturity date extended to an unknown date.

The accompanying notes form an integral part of these financial statements.



as at 31 December 2022

Description	Fair value US\$	% of Investment Company
<b>Government Bond</b>		
United States Treasury Bill 0% 2023-01-05	59,987,400	2.78
<b>Total Government Bond</b>	59,987,400	2.78
<b>Convertible Bonds to Equities</b>		
BOND 802	3,503,500	0.16
<b>Total Convertible Bonds to Equities</b>	3,503,500	0.16
<b>Debt securities</b>		
<b>Catastrophe bonds</b>		
BOND 811*	79,245,493	3.67
BOND 669	51,976,182	2.41
BOND 652*	44,793,602	2.07
BOND 661*	42,476,983	1.97
BOND 662*	41,646,550	1.93
BOND 809 (9,000,000 units with fair value of US\$8,563,590 pledged as collateral)^	37,584,646	1.74
BOND 787*	33,964,065	1.57
BOND 781 (24,000,000 units with fair value of US\$22,874,097 pledged as collateral)^	32,667,070	1.51
BOND 797	32,096,670	1.49
BOND 567	29,581,198	1.37
BOND 827 (17,000,000 units with fair value of US\$15,899,812 pledged as collateral)^	28,854,417	1.34
BOND 691 (29,875,000 units with fair value of US\$27,333,933 pledged as collateral)#	27,333,933	1.27
BOND 708	26,998,379	1.25
BOND 760*	26,122,263	1.21
BOND 646 (20,000,000 units with fair value of US\$18,952,158 pledged as collateral)^	25,211,108	1.17
BOND 710 (16,000,000 units with fair value of US\$15,166,119 pledged as collateral)^	21,706,508	1.00
BOND 828	20,053,368	0.93
BOND 505	19,844,694	0.92
BOND 814 (20,507,000 units with fair value of US\$19,550,788 pledged as collateral)#	19,550,788	0.90
BOND 829	18,844,318	0.87
BOND 634 (18,940,000 units with fair value of US\$18,531,302 pledged as collateral)#	18,531,302	0.86
BOND 438 (18,830,000 units with fair value of US\$18,510,876 pledged as collateral)#	18,510,876	0.86
BOND 607 (16,000,000 units with fair value of US\$15,511,230 pledged as collateral)^	18,492,294	0.86
BOND 723*	18,224,434	0.84
BOND 812	17,833,034	0.83
BOND 665	17,774,979	0.82
BOND 473	17,519,057	0.81

\* Level 3 investments.

^ Partially pledged as collateral in respect of Repurchase Agreements.

# Fully pledged as collateral in respect of Repurchase Agreements.

The accompanying notes form an integral part of these financial statements.

# Portfolio Statement

as at 31 December 2022

Description	Fair value US\$	% of Investment Company
<b>Debt securities, continued</b>		
<b>Catastrophe bonds, continued</b>		
BOND 668	17,433,904	0.81
BOND 664	17,386,557	0.80
BOND 510	17,355,875	0.80
BOND 808	16,977,245	0.79
BOND 707 (12,800,000 units with fair value of US\$12,094,987 pledged as collateral)^	16,915,974	0.78
BOND 602 (17,000,000 units with fair value of US\$16,207,577 pledged as collateral)^	16,471,665	0.76
BOND 574	15,956,359	0.74
BOND 687 (4,000,000 units with fair value of US\$3,892,834 pledged as collateral)^	15,854,541	0.73
BOND 621 (2,165,000 units with fair value of US\$2,122,557 pledged as collateral)^	15,750,063	0.73
BOND 637 (5,700,000 units with fair value of US\$5,604,577 pledged as collateral)^	15,746,894	0.73
BOND 688	15,465,224	0.72
BOND 773 (15,900,000 units with fair value of US\$15,137,857 pledged as collateral)#	15,137,857	0.70
BOND 617	14,936,933	0.69
BOND 706	14,936,732	0.69
BOND 709 (10,000,000 units with fair value of US\$9,541,226 pledged as collateral)^	14,383,398	0.67
BOND 647 (15,239,000 units with fair value of US\$14,379,994 pledged as collateral)#	14,379,994	0.67
BOND 692 (15,517,000 units with fair value of US\$14,337,114 pledged as collateral)#	14,337,114	0.66
BOND 512	14,107,295	0.65
BOND 670	13,609,626	0.63
BOND 690 (6,500,000 units with fair value of US\$5,908,697 pledged as collateral)^	13,426,377	0.62
BOND 649 (12,225,000 units with fair value of US\$11,649,589 pledged as collateral)^	13,174,279	0.61
BOND 604	12,968,188	0.60
BOND 825	12,884,241	0.60
BOND 620 (6,000,000 units with fair value of US\$5,853,077 pledged as collateral)^	12,823,115	0.59
BOND 542	12,793,259	0.59
BOND 830*	12,518,000	0.58
BOND 431	12,066,071	0.56
BOND 606	11,965,538	0.55
BOND 826	11,859,030	0.55
BOND 544	11,371,952	0.53
BOND 663	11,032,643	0.51
BOND 566	10,791,750	0.50
BOND 603	10,670,952	0.49
BOND 545	10,480,068	0.49
BOND 552	10,402,012	0.48

\* Level 3 investments.

^ Partially pledged as collateral in respect of Repurchase Agreements.

# Fully pledged as collateral in respect of Repurchase Agreements.

The accompanying notes form an integral part of these financial statements.

as at 31 December 2022

Description	Fair value US\$	% of Investment Company
<b>Debt securities, continued</b>		
<b>Catastrophe bonds, continued</b>		
BOND 717*, **	10,212,448	0.47
BOND 553 (10,534,000 units with fair value of US\$10,138,741 pledged as collateral)#	10,138,741	0.47
BOND 702 (10,728,000 units with fair value of US\$9,999,917 pledged as collateral)#	9,999,917	0.46
BOND 676*	9,642,750	0.45
BOND 869 (5,000,000 units with fair value of US\$4,768,897 pledged as collateral)^	9,633,172	0.45
BOND 636	9,450,545	0.44
BOND 774	9,280,788	0.43
BOND 644	9,019,788	0.42
BOND 650	8,993,118	0.42
BOND 798	8,935,892	0.41
BOND 775	8,807,696	0.41
BOND 689	8,540,094	0.40
BOND 868 (8,950,000 units with fair value of US\$8,463,206 pledged as collateral)#	8,463,206	0.39
BOND 784	8,414,906	0.39
BOND 813	8,408,448	0.39
BOND 810	8,315,634	0.38
BOND 547**	8,309,641	0.38
BOND 870*	8,138,997	0.38
BOND 594	8,095,939	0.37
BOND 573	8,044,279	0.37
BOND 752	7,960,587	0.37
BOND 816	7,934,180	0.37
BOND 800	7,848,385	0.36
BOND 439 (7,694,000 units with fair value of US\$7,587,190 pledged as collateral)#	7,587,190	0.35
BOND 577	7,554,342	0.35
BOND 819	7,552,567	0.35
BOND 792 (8,200,000 units with fair value of US\$7,518,655 pledged as collateral)#	7,518,655	0.35
BOND 753	7,400,688	0.34
BOND 501	7,256,429	0.34
BOND 759 (6,000,000 units with fair value of US\$5,817,822 pledged as collateral)^	7,194,707	0.33
BOND 576	7,142,482	0.33
BOND 550	7,112,582	0.33
BOND 867 (7,385,000 units with fair value of US\$7,090,261 pledged as collateral)#	7,090,261	0.33
BOND 597	7,072,100	0.33

\* Level 3 investments.

^ Partially pledged as collateral in respect of Repurchase Agreements.

# Fully pledged as collateral in respect of Repurchase Agreements.

\*\* Maturity date extended to an unknown date.

The accompanying notes form an integral part of these financial statements.

# Portfolio Statement

as at 31 December 2022

Description	Fair value US\$	% of Investment Company
<b>Debt securities, continued</b>		
<b>Catastrophe bonds, continued</b>		
BOND 516	7,025,594	0.33
BOND 675	6,977,219	0.32
BOND 595 (7,213,000 units with fair value of US\$6,910,702 pledged as collateral)#	6,910,702	0.32
BOND 697	6,896,991	0.32
BOND 686	6,874,843	0.32
BOND 701	6,776,662	0.31
BOND 504 (7,120,000 units with fair value of US\$6,732,086 pledged as collateral)#	6,732,086	0.31
BOND 605	6,712,153	0.31
BOND 864	6,446,538	0.30
BOND 430	6,363,617	0.29
BOND 776	6,350,244	0.29
BOND 673	6,306,176	0.29
BOND 780	6,156,587	0.29
BOND 677	6,139,677	0.28
BOND 509	6,043,731	0.28
BOND 511	6,012,601	0.28
BOND 601	5,964,289	0.28
BOND 705 (6,135,000 units with fair value of US\$5,821,318 pledged as collateral)#	5,821,318	0.27
BOND 409**	5,751,814	0.27
BOND 648	5,737,836	0.27
BOND 569	5,599,269	0.26
BOND 679	5,537,230	0.26
BOND 788*	5,504,220	0.25
BOND 581	5,416,300	0.25
BOND 671	5,396,778	0.25
BOND 580	5,342,935	0.25
BOND 517	5,261,807	0.24
BOND 786*	5,230,000	0.24
BOND 824	5,202,094	0.24
BOND 704 (5,480,000 units with fair value of US\$5,201,718 pledged as collateral)#	5,201,718	0.24
BOND 575	5,181,967	0.24
BOND 754	5,171,520	0.24
BOND 862 (5,509,000 units with fair value of US\$5,116,705 pledged as collateral)#	5,116,705	0.24
BOND 815	5,096,009	0.24

\* Level 3 investments.

# Fully pledged as collateral in respect of Repurchase Agreements.

\*\* Maturity date extended to an unknown date.

The accompanying notes form an integral part of these financial statements.

as at 31 December 2022

Description	Fair value US\$	% of Investment Company
<b>Debt securities, continued</b>		
<b>Catastrophe bonds, continued</b>		
BOND 685	5,034,079	0.23
BOND 699	5,021,671	0.23
BOND 804	4,964,494	0.23
BOND 684	4,901,093	0.23
BOND 593	4,823,898	0.22
BOND 682	4,799,002	0.22
BOND 698	4,771,719	0.22
BOND 568	4,694,037	0.22
BOND 700	4,592,779	0.21
BOND 866	4,505,868	0.21
BOND 795	4,488,223	0.21
BOND 865	4,478,035	0.21
BOND 578	4,422,112	0.20
BOND 598	4,397,675	0.20
BOND 777	4,359,383	0.20
BOND 758	4,349,746	0.20
BOND 693	4,306,978	0.20
BOND 820	4,253,044	0.20
BOND 799	4,183,248	0.19
BOND 674	4,180,874	0.19
BOND 696	4,128,166	0.19
BOND 680	4,125,654	0.19
BOND 871	4,091,776	0.19
BOND 756 (3,420,000 units with fair value of US\$3,206,578 pledged as collateral)^	4,073,854	0.19
BOND 783	3,892,893	0.18
BOND 807*	3,736,250	0.17
BOND 695	3,720,779	0.17
BOND 422**	3,638,960	0.17
BOND 861	3,608,683	0.17
BOND 592	3,539,362	0.16
BOND 779	3,339,929	0.15
BOND 721*	3,314,536	0.15
BOND 596	3,307,171	0.15
BOND 722*	3,303,738	0.15

\* Level 3 investments.

^ Partially pledged as collateral in respect of Repurchase Agreements.

\*\* Maturity date extended to an unknown date.

The accompanying notes form an integral part of these financial statements.

# Portfolio Statement

as at 31 December 2022

Description	Fair value US\$	% of Investment Company
<b>Debt securities, continued</b>		
<b>Catastrophe bonds, continued</b>		
BOND 831*	2,999,000	0.14
BOND 817	2,955,943	0.14
BOND 678	2,881,512	0.13
BOND 801*	2,871,000	0.13
BOND 803	2,851,890	0.13
BOND 832*	2,826,000	0.13
BOND 683	2,793,357	0.13
BOND 703	2,787,679	0.13
BOND 818	2,741,880	0.13
BOND 475	2,728,438	0.13
BOND 805	2,620,101	0.12
BOND 822	2,601,444	0.12
BOND 821	2,225,304	0.10
BOND 757 (2,325,000 units with fair value of US\$2,187,365 pledged as collateral)#	2,187,365	0.10
BOND 863	2,130,583	0.10
BOND 789*	2,071,911	0.10
BOND 651	2,061,231	0.10
BOND 718*,**	2,001,750	0.09
BOND 790*	1,889,421	0.09
BOND 833*	1,756,300	0.08
BOND 785	1,656,052	0.08
BOND 572	1,623,994	0.08
BOND 681	1,489,952	0.07
BOND 755	1,456,846	0.07
BOND 645	1,369,745	0.06
BOND 716*,**	1,153,959	0.05
BOND 796	1,097,850	0.05
BOND 507	860,344	0.04
BOND 330**	695,976	0.03
BOND 555	346,800	0.02
BOND 763*,**	323,324	0.02
BOND 519	322,177	0.01
BOND 579	303,352	0.01
BOND 329**	270,931	0.01
BOND 335**	187,030	0.01

\* Level 3 investments.

# Fully pledged as collateral in respect of Repurchase Agreements.

\*\* Maturity date extended to an unknown date.

The accompanying notes form an integral part of these financial statements.

as at 31 December 2022

Description	Fair value US\$	% of Investment Company
<b>Debt securities, continued</b>		
<b>Catastrophe bonds, continued</b>		
BOND 408**	139,738	0.01
BOND 482*,**	76,011	0.00
BOND 823	49,833	0.00
BOND 406**	37,153	0.00
BOND 551	35,133	0.00
BOND 782	10,363	0.00
BOND 264**	690	0.00
<b>Total Catastrophe bonds</b>	<u>1,967,978,391</u>	<u>91.09</u>
<b>Corporate bonds*</b>		
BOND 460	11,282,500	0.52
BOND 471	3,500,000	0.16
BOND 400	3,080,000	0.14
BOND 615	2,500,000	0.12
<b>Total Corporate bonds</b>	<u>20,362,500</u>	<u>0.94</u>
<b>Total Debt securities</b>	<u>1,988,340,891</u>	<u>92.03</u>
<b>Preferred Equity Investments*</b>		
Preferred Equity Investment 860	21,728,692	1.01
Preferred Equity Investment 751**	19,043,170	0.88
Preferred Equity Investment 847	17,582,670	0.81
Preferred Equity Investment 855	14,982,525	0.69
Preferred Equity Investment 850	12,130,079	0.56
Preferred Equity Investment 750**	11,996,844	0.56
Preferred Equity Investment 627**	9,250,992	0.43
Preferred Equity Investment 848	8,450,000	0.39
Preferred Equity Investment 666	5,272,016	0.24
Preferred Equity Investment 841	3,645,443	0.17
Preferred Equity Investment 851	3,173,273	0.15
Preferred Equity Investment 843	3,141,120	0.15
Preferred Equity Investment 842	3,090,560	0.14
Preferred Equity Investment 853	2,672,349	0.12
Preferred Equity Investment 854	2,260,575	0.10
Preferred Equity Investment 859	2,041,195	0.09
Preferred Equity Investment 733**	1,691,854	0.08
Preferred Equity Investment 836	1,663,600	0.08

\* Level 3 investments.

\*\* Maturity date extended to an unknown date.

The accompanying notes form an integral part of these financial statements.

# Portfolio Statement

as at 31 December 2022

Description	Fair value US\$	% of Investment Company
<b>Preferred Equity Investments*, continued</b>		
Preferred Equity Investment 623**	1,434,815	0.07
Preferred Equity Investment 846	1,399,580	0.07
Preferred Equity Investment 845	1,399,580	0.07
Preferred Equity Investment 844	1,398,880	0.06
Preferred Equity Investment 632**	1,293,132	0.06
Preferred Equity Investment 735	1,264,000	0.06
Preferred Equity Investment 838	1,264,000	0.06
Preferred Equity Investment 840	1,252,624	0.06
Preferred Equity Investment 839	1,252,624	0.06
Preferred Equity Investment 835	1,220,028	0.06
Preferred Equity Investment 849	1,167,303	0.05
Preferred Equity Investment 852	1,111,350	0.05
Preferred Equity Investment 729**	1,044,076	0.05
Preferred Equity Investment 858	979,616	0.05
Preferred Equity Investment 462**	970,051	0.05
Preferred Equity Investment 837	908,861	0.04
Preferred Equity Investment 741**	757,616	0.04
Preferred Equity Investment 834	735,207	0.03
Preferred Equity Investment 640**	698,737	0.03
Preferred Equity Investment 856	598,868	0.03
Preferred Equity Investment 732**	539,589	0.03
Preferred Equity Investment 793	531,737	0.02
Preferred Equity Investment 794	525,784	0.02
Preferred Equity Investment 734**	404,487	0.02
Preferred Equity Investment 857	399,251	0.02
Preferred Equity Investment 740**	278,137	0.01
Preferred Equity Investment 728**	103,306	0.00
Preferred Equity Investment 327**	78,994	0.00
Preferred Equity Investment 731**	38,936	0.00
Preferred Equity Investment 726**	24,812	0.00
Preferred Equity Investment 639**	18,806	0.00
Preferred Equity Investment 727**	17,716	0.00
Preferred Equity Investment 622**	12,210	0.00
<b>Total Preferred Equity Investments</b>	<b>168,941,670</b>	<b>7.82</b>

\* Level 3 investments.

\*\* Maturity date extended to an unknown date.

The accompanying notes form an integral part of these financial statements.



as at 31 December 2022

Description						Fair value US\$	% of Investment Company
<b>Repurchase Agreement</b>							
2023-01-05-5.105 REPO - 05Jan23						(151,233,237)	(7.00)
<b>Total Repurchase Agreement</b>						(151,233,237)	(7.00)
<b>Forward Foreign Exchange Contracts</b>							
Purchase currency	Contractual amount	Sale currency	Contractual amount	Maturity date	Counterparty	Unrealised gain/(loss)	% of Investment Company
USD	9,110,155	GBP	7,560,000	2023-01-31	State Street Bank	9,693	0.00
USD	18,525,514	EUR	17,755,000	2023-01-31	State Street Bank	(457,562)	(0.02)
USD	38,911,693	JPY	5,356,000,000	2023-01-31	State Street Bank	(1,819,661)	(0.08)
<b>Unrealised gain on forward foreign exchange contracts</b>						9,693	0.00
<b>Unrealised loss on forward foreign exchange contracts</b>						(2,277,223)	(0.10)
						(2,267,530)	(0.10)
<b>Financial assets and financial liabilities at fair value through profit or loss</b>						2,067,272,694	95.69
<b>Other net current assets</b>						93,146,791	4.31
<b>Total net assets attributable to the shareholders of the Investment Company</b>						<u>2,160,419,485</u>	<u>100.00</u>

The accompanying notes form an integral part of these financial statements.

# Income Statement

for the year ended 31 December 2023

	Notes	2023 US\$	2022 US\$
<b>Income</b>			
Bank interest	2(f)	22,497,732	5,112,853
Bond interest on financial assets at fair value through profit or loss	2(e)	248,431,758	159,400,406
Net fair value gains/(losses) on financial assets and financial liabilities at fair value through profit or loss	3(b)	150,102,252	(212,162,904)
Other income		-	63
<b>Total net income/(loss)</b>		<b>421,031,742</b>	<b>(47,649,582)</b>
<b>Expenses</b>			
Custody fee	4(a)	(324,401)	(300,453)
Audit fee		(117,701)	(123,684)
Other expenses	4(b)	(912,370)	(931,603)
<b>Total operating expenses</b>		<b>(1,354,472)</b>	<b>(1,355,740)</b>
<b>Total operating profit/(loss)</b>		<b>419,677,270</b>	<b>(49,005,322)</b>
<b>Finance costs</b>			
Interest expense	2(f)	(1,359,750)	(3,226,794)
Withholding tax		-	(19)
<b>Total finance costs</b>		<b>(1,359,750)</b>	<b>(3,226,813)</b>
<b>Increase/(decrease) in net assets from operations attributable to the shareholders of the Investment Company</b>		<b>418,317,520</b>	<b>(52,232,135)</b>

All the amounts above arose from continuing operations. There were no gains or losses other than those shown in the Income Statement above.

The accompanying notes form an integral part of these financial statements.

as at 31 December 2023

	Notes	2023 US\$	2022 US\$
<b>Assets</b>			
<b>Current assets</b>			
<b>Financial assets at fair value through profit or loss</b>			
- Government Bonds	2(b)	-	59,987,400
- Convertible Bonds to Equities	2(b)	-	3,503,500
- Debt securities	2(b)	2,383,457,011	1,988,340,891
- Preferred Equity Investments	2(b)	175,359,085	168,941,670
- Derivatives		-	9,693
Cash and cash equivalents	2(c)	13,015,906	10,958,571
Cash collateral	2(d)	11,635,217	12,653,706
Subscriptions receivable	2(l)	51,979,107	54,159,204
Interest receivable		19,905,950	19,065,973
<b>Total assets</b>		<b>2,655,352,276</b>	<b>2,317,620,608</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
<b>Financial liabilities at fair value through profit or loss</b>			
- Derivatives	2(b)	(1,637,042)	(2,277,223)
- Repurchase Agreement	2(b)	(95,002,000)	(151,233,237)
Interest payable		(52,279)	(343,132)
Redemptions payable	2(l)	(36,721,763)	(3,081,559)
Payable for investments purchased	2(m)	(18,500,000)	-
Other creditors		(1,945,548)	(265,972)
<b>Total liabilities</b>		<b>(153,858,632)</b>	<b>(157,201,123)</b>
<b>Equity</b>			
Net asset attributable to the shareholders of the Investment Company		2,501,493,644	2,160,419,485
<b>Total liabilities and equity</b>		<b>2,655,352,276</b>	<b>2,317,620,608</b>

These financial statements were approved by the Directors on 24 June 2024 and were signed on their behalf by:



Director **Jozef Hendriks**  
24 June 2024



Director **Aldrian Foo**  
24 June 2024

The accompanying notes form an integral part of these financial statements.

# Statement of Changes in Equity

for the year ended 31 December 2023

	2023 US\$	2022 US\$
<b>Net assets attributable to the shareholders of the Investment Company at start of year</b>	<b>2,160,419,485</b>	<b>2,149,065,187</b>
Proceeds from shares issued	621,118,442	355,777,413
Cost of shares redeemed	(698,361,803)	(292,190,980)
Increase/(decrease) in net assets from operations attributable to the shareholders of the Investment Company	418,317,520	(52,232,135)
Change in net assets attributable to the shareholders of the Investment Company	341,074,159	11,354,298
<b>Net assets attributable to the shareholders of the Investment Company at end of year</b>	<b>2,501,493,644</b>	<b>2,160,419,485</b>

The accompanying notes form an integral part of these financial statements.

## for the year ended 31 December 2023

	2023 US\$	2022 US\$
<b>Cash flows from operating activities</b>		
Increase/(decrease) in net assets resulting from operations	418,317,520	(52,232,135)
Movement in cash collateral	1,018,489	(5,405,574)
Movement in financial assets and financial liabilities at fair value through profit or loss	(360,303,171)	90,349,291
Movement in interest receivable	(839,977)	(5,857,770)
Movement in interest payable	(290,853)	143,601
Movement in other creditors	1,679,576	(134,134)
<b>Net cash inflows from operating activities</b>	<b>59,581,584</b>	<b>26,863,279</b>
<b>Cash flows from financing activities</b>		
Cash received on shares issued	509,025,712	321,702,895
Cash paid for shares redeemed	(566,549,961)	(347,007,273)
<b>Net cash outflows from financing activities</b>	<b>(57,524,249)</b>	<b>(25,304,378)</b>
<b>Net increase in cash and cash equivalents</b>	<b>2,057,335</b>	<b>1,558,901</b>
Cash and cash equivalents at start of year	10,958,571	9,399,670
<b>Cash and cash equivalents at end of year</b>	<b>13,015,906</b>	<b>10,958,571</b>
<b>Supplementary Information</b>		
Cash and cash equivalents	13,015,906	10,958,571
Interest received	270,089,513	158,655,489
Interest paid	(1,650,603)	(3,083,193)
Taxes paid	-	(19)
<i>Non-cash operating and financing activities:</i>		
Non-cash purchase of investment	(114,272,827)	-
Non-cash subscription of shares	114,272,827	-
Non-cash sale of investment	98,171,638	-
Non-cash redemption of shares	(98,171,638)	-

The accompanying notes form an integral part of these financial statements.

# Notes to the Financial Statements

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## 1. General information

GAM FCM Cat Bond Investments Inc. (the "Investment Company") is an open-ended investment company organised in a similar manner to an open-ended unit trust or mutual fund. The Investment Company is registered as a company limited by shares under the BVI Business Companies Act (2013 Revision) (as amended) of the British Virgin Islands.

The Investment Company's investment objective is to generate returns through selective investment in a global portfolio of insurance-linked securities.

The Investment Company is 100% owned by GAM FCM Cat Bond Inc. (the "Company"). IFRS 10 - Consolidated Financial Statements ("IFRS 10") defines an investment entity and introduced an exception from consolidation requirements for investment entities. The exception to consolidation requires investment entities to account for subsidiaries at fair value through profit or loss. The Investment Company meets the definition of an investment entity, as does the Company, therefore the Investment Company and the Company are preparing separate financial statements.

The Company and Investment Company are an alternative investment fund ("AIF") and the Manager is their alternative investment fund manager ("AIFM") for the purposes of the Directive 2011/61/EU of the European Parliament and of the Council ("AIFMD").

## 2. Summary of material accounting policies

### (a) Basis of preparation of financial statements

The financial statements are prepared in accordance with IFRS Accounting Standards under the historical cost convention as modified by the fair valuation of financial assets and financial liabilities through profit or loss. The resulting accounting estimates will, by definition, seldom equal the related actual results.

The financial statements of the Investment Company are prepared on a going concern basis.

#### Accounting estimates and judgements

The preparation of financial statements in accordance with IFRS Accounting Standards requires the Directors to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions (the most significant of which are the fair value of financial assets/liabilities and expense accruals) are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### Standards and amendments to existing standards effective 1 January 2023:

The Investment Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2023 (unless otherwise stated). The Investment Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

#### Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Accounting Standards Practice Statement 2

The amendments require the disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information disclosed in the financial statements. To support this amendment, the IASB also amended IFRS Accounting Standards Practice Statement 2 Making Materiality Judgements to provide guidance on how to apply the concept of materiality to accounting policy disclosures.

#### Definition of Accounting Estimates - Amendments to IAS 8

The amendments to IAS 8 clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates. These amendments had no material impact on the financial statements of the Investment Company.

#### New standards, amendments and interpretations effective 1 January 2024:

A number of new standards, amendments to standards and interpretations were issued and are effective for annual periods beginning 1 January 2024. None of these have been early adopted or are expected to have a material effect on the financial statements of the Investment Company.

### (b) Financial assets and financial liabilities at fair value through profit or loss

#### Classification

IFRS 9 Financial Instruments ("IFRS 9") replaced the provisions of IAS 39 that relate to the recognition, classification and measurement of financial instruments, including derecognition and impairment of such financial instruments. The Directors have determined that in order for the financial statements to give a true and fair view it is necessary to fair value all financial instruments through profit or loss as permitted by IFRS 9 since all financial instruments are managed on a fair value basis. Therefore the Investment Company has classified its financial assets and financial liabilities at fair value through profit or loss.

## 2. Summary of material accounting policies, continued

### (b) Financial assets and financial liabilities at fair value through profit or loss, continued

#### Recognition/Derecognition

Purchases and sales are initially recognised on trade date – the date on which the Investment 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 Investment Company has transferred substantially all risks and rewards of ownership.

#### Measurement

Financial assets and liabilities are initially recognised at fair value, and transaction costs for all financial assets/liabilities carried at fair value through profit or loss are expensed as incurred. Subsequent to initial recognition, all financial assets and liabilities at fair value through profit or loss are measured at fair value at market close on each valuation day.

The computation of realised gains and losses on sales of financial assets and liabilities at fair value through profit or loss is made on the basis of average cost and accounted for in the Income Statement. Gains and losses arising from changes in the fair value of the 'financial assets and financial liabilities at fair value through profit or loss' category are included in the Income Statement in the period in which they arise.

#### Fair Value Estimation

As at 31 December 2023, investments totalling US\$2,463,814,096 (31 December 2022: US\$2,069,540,224) representing 98.49% (31 December 2022: 95.79%) of the net asset value ("NAV") of the Investment Company were valued based on quotes from one or more reputable brokers and third party pricing service.

#### Debt Securities - Catastrophe Bonds

A well known category of ILS is commonly referred to as catastrophe bonds or "Cat" bonds and are linked to specifically defined loss events caused by both natural and non-natural catastrophes including, but not limited to, earthquakes, windstorm phenomena, mortality and other low frequency/high severity insurance related events. Cat bonds are generally floating rate securities with maturities of one to five years. Their coupons typically pay a fixed spread in excess of a quarterly coupon based on secured overnight rate of return for the currency relevant to the class in question. Cat bonds are relatively liquid instruments, although they may become illiquid during periods in which relevant catastrophes are occurring or immediately anticipated. As at 31 December 2023 and 31 December 2022 all positions are valued using a mixture of multiple brokers, single broker priced and third party pricing service.

#### Debt Securities – Corporate Bonds

Corporate Bonds are valued on the basis of dealer supplied quotations or by using a pricing service selected by the Delegate Investment Manager. The fair value of the instrument is estimated using valuation techniques if a quoted market price is not available from a broker/dealer or a third party pricing service. Valuation methods include the use of recent unaffiliated market transactions, reference to the current fair value of another instrument that is substantially the same, discounted cash flow techniques or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

#### Preferred Equity

The Investment Company also invests in catastrophe-linked preferred shares. They are similar to catastrophe bonds in that they are linked to specifically defined loss events caused by both natural and non-natural catastrophes. This class of investments are very illiquid, and such positions may be more difficult and costly to unwind in many circumstances. As at 31 December 2023 and 31 December 2022, these positions are valued using single broker prices and third party pricing service.

#### Repurchase Agreements

During the years ended 31 December 2023 and 31 December 2022 the Investment Company entered into repurchase agreements. There are no material income/gains arising from the use of repurchase agreements and transaction costs are embedded in the price of the investments and are not separately identifiable. Securities purchased under agreements to resell are valued at fair value and adjusted for any movements in foreign exchange rates. Interest rates vary for each repurchase agreement and are set at the initiation of the agreement.

#### Forward Foreign Exchange Contracts

Forward contracts entered into by the Investment Company represent a firm commitment to receive or deliver a fixed quantity of foreign currency at a specified value and point in time based upon an agreed or contracted quantity. The realised/unrealised gain or loss is equal to the difference between the value of the contract at the onset and the value of the contract at settlement date/period-end date and are included in the Income Statement.

An analysis of the portfolio is shown in the Portfolio Statement.

#### Offsetting financial instruments

The Investment Company presents the fair value of derivatives in "financial assets/financial liabilities fair value through profit or loss" in the Balance Sheet on a gross basis. Enforceable master netting or similar agreements are in place and a legal right of offset exists between the Investment Company and State Street Bank.

### (c) Cash and cash equivalents

Cash and cash equivalents comprises cash and foreign currency on deposit with the Custodian with original maturities of less than three months.

# Notes to the Financial Statements

## 2. Summary of material accounting policies, continued

### (d) Collateral

Cash collateral provided by the Investment Company is identified in the Balance Sheet as cash collateral and is not included as a component of cash and cash equivalents. For collateral other than cash, if the party to whom the collateral is provided has the right by contract or custom to sell or re-pledge the collateral, the Investment Company classifies that asset in its balance sheet separately from other assets and identifies the asset as pledged collateral. Where the party to whom the collateral is provided does not have the right to sell or re-pledge, a disclosure of the collateral provided is made in the notes to the financial statements.

Cash collateral, relates to cash pledged for bond contracts with fair value as at 31 December 2023 of US\$228,760,481 (2022: US\$219,873,254) held with Bank of New York Mellon Trust Company.

Stock collateral is pledged in respect of repurchase agreements that are held with JP Morgan. Securities with a fair value of US\$241,445,821 (2022: US\$394,185,153) have been pledged to JP Morgan on the repurchase agreements which had a fair value of US\$(95,002,000) (2022: US\$(151,233,237)) at the reporting date.

### (e) Bond interest income on financial assets at fair value through profit or loss

Bond interest income on investments in debt securities is recognised when earned using the effective interest method.

### (f) Bank interest

Interest earned and interest expense on cash at bank and broker balances is recognised using the effective rate of interest method.

### (g) Fees and expenses

Fees and expenses are accounted for on an accruals basis.

### (h) Shares in issue

All shares issued by the Investment Company are redeemable at the shareholders option and are classified as equity under IAS 32 - Financial Instruments. Shareholders may request redemption of their shares on application to the Administrator in accordance with the terms of the Prospectus, for an amount equal to a proportionate share of the NAV of the Investment Company.

### (i) Foreign Currency Translation

#### Functional Currency and Presentation Currency

The Investment Company has adopted the US Dollar ("US\$") as its functional currency under IAS 21 - The Effects of Changes in Foreign Exchange Rates as it most appropriately reflects the economic environment in which the Directors believe the Investment Company operates. The presentation currency is also the US\$.

#### Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of assets and liabilities denominated in foreign currencies are recognised in the Income Statement.

The following rates of exchange to US\$ have been used at the year end.

	<b>2023</b>	<b>2022</b>
Euro	0.9053	0.9370
Japanese yen	140.9800	131.9450
New Zealand dollar	1.5794	-
Pound sterling	0.7844	0.8313

### (j) Other assets measured at amortised cost

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Investment Company shall measure the loss allowance on amounts due from broker at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Investment Company shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance. The Investment Company measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management consider both historical analysis and forward looking information in determining any expected credit loss. Management considers the probability of default to be immaterial as the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Investment Company.



## 2. Summary of material accounting policies, continued

### (k) Taxes

The Investment Company is exempt from all income taxes in the British Virgin Islands. Interest, dividends and other revenue received and capital gains made by the Investment Company may be subject to withholding or similar taxes imposed by the country in which such interest, dividends or other revenues or capital gains originate. The Investment Company will not normally be eligible to benefit from any treaties for the relief from double taxation. If any subsequent tax liabilities are considered payable then adequate provision will be made in the financial statements.

Liabilities relating to uncertain tax positions are accrued only when such liabilities are probable and can be estimated with reasonable accuracy.

### (l) Subscriptions receivable / Redemptions payable

Subscriptions receivable and redemptions payable relate to subscriptions in the Investment Company which are not yet paid by the Company and redemptions from the Investment Company that are still to be paid by the Investment Company to the Company. These amounts are included in the Balance Sheet.

### (m) 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 year. These amounts are included in the Balance Sheet.

## 3. Financial assets and financial liabilities at fair value through profit or loss

### (a) Fair Value Hierarchy

The Investment Company is required to disclose financial instruments measured at fair value based on a three level hierarchy that reflects the significance of the inputs in such fair value measurements. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1 - Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Investment Company has the ability to access at the measurement date. Investments typically classified within level 1 include active listed equities, exchange traded derivatives and certain government bonds.

Level 2 - Inputs other than quoted prices from active markets that are observable for the asset or liability either directly or indirectly, including inputs from markets that are not considered to be active. Investments typically classified within level 2 include investments in corporate bonds, certain government bonds, certain listed equities and over the counter derivatives. Investment funds are also considered level 2 investments if there is evidence that redemptions occurred during the year and there were no restrictions preventing redemptions at the year end.

Level 3 - Inputs that are unobservable that are significant to the valuation. Investments typically classified within level 3 include certain corporate bonds and ILS, private equities and investment funds that have suspended redemptions, created side pocket classes or imposed gates.

The Investment Company uses a mixture of multiple brokers, single broker priced and independent pricing vendors to value its investments. Inputs are determined by observable data. A financial instrument's level within the fair value hierarchy is based on the lowest level 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.

Transfers between levels of the fair value hierarchy are deemed to have occurred at the beginning of the reporting year.

## Notes to the Financial Statements

### 3. Financial assets and financial liabilities at fair value through profit or loss, continued

#### (a) Fair Value Hierarchy, continued

The following tables analyse within the fair value hierarchy the Investment Company's financial assets and liabilities measured at fair value at 31 December 2023 and 31 December 2022:

As at 31 December 2023

	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
<b>Assets</b>				
Financial assets at fair value through profit or loss				
- Preferred Equity Investments	-	-	175,359,085	175,359,085
- Debt securities	-	1,907,482,529	475,974,482	2,383,457,011
<b>Total assets</b>	-	1,907,482,529	651,333,567	2,558,816,096
<b>Liabilities</b>				
Financial liabilities at fair value through profit or loss				
- Repurchase Agreement	-	(95,002,000)	-	(95,002,000)
- Derivatives	-	(1,637,042)	-	(1,637,042)
<b>Total liabilities</b>	-	(96,639,042)	-	(96,639,042)

As at 31 December 2022

	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
<b>Assets</b>				
Financial assets at fair value through profit or loss				
- Preferred Equity Investments	-	-	168,941,670	168,941,670
- Convertible Bonds to Equities	-	3,503,500	-	3,503,500
- Government Bond	59,987,400	-	-	59,987,400
- Debt securities	-	1,601,935,386	386,405,505	1,988,340,891
- Derivatives	-	9,693	-	9,693
<b>Total assets</b>	59,987,400	1,605,448,579	555,347,175	2,220,783,154
<b>Liabilities</b>				
Financial liabilities at fair value through profit or loss				
- Repurchase Agreement	-	(151,233,237)	-	(151,233,237)
- Derivatives	-	(2,277,223)	-	(2,277,223)
<b>Total liabilities</b>	-	(153,510,460)	-	(153,510,460)

Other than financial assets at fair value through profit or loss and financial liabilities at fair value through profit or loss, all other financial instruments not measured at fair value through profit or loss are short-term financial assets and financial liabilities whose carrying amounts approximate fair value. These financial assets and financial liabilities are classified as level 2 apart from cash and cash equivalents which is classified as level 1.

The level 3 holdings which amount to US\$651,333,567 (2022: US\$555,347,175) consists of privately held preferred equity investments and single broker or third party pricing service priced debt positions. A pricing committee consisting of members of the Administrator and the Delegate Investment Manager hold regular meetings to determine the price of the holdings by utilising obtainable information e.g. latest redemption price, prices from independent valuation expert.

## 3. Financial assets and financial liabilities at fair value through profit or loss, continued

### (a) Fair Value Hierarchy, continued

The following table is the movement in level 3 investments for the years ended 31 December 2023 and 31 December 2022.

	<b>2023</b>	<b>2022</b>
	<b>US\$</b>	<b>US\$</b>
Opening balance	555,347,175	691,403,018
Purchases	330,501,796	316,186,987
Sales	(369,883,118)	(363,916,448)
Transfer in	43,344,087	2,871,000
Transfer out	-	-
Gains/(Losses) recognised in profit/loss	92,023,627	(91,197,382)
Closing balance	<u>651,333,567</u>	<u>555,347,175</u>
Total unrealised gains/(losses) for the year included in the income statement for the assets held at end of year	<u>72,137,829</u>	<u>(121,137,195)</u>

As per IFRS 13, an entity is not required to provide quantitative information for level 3 instruments if the quantitative unobservable inputs are not observable by the entity. Based on this, the Directors believe that no further disclosure is required for the quantitative sensitivity analysis of level 3 inputs.

The tables below sets out information about significant unobservable inputs used as at 31 December 2023 and 31 December 2022 in measuring financial instruments categorised as level 3 in the fair value hierarchy:

Description	Fair value at		Valuation Technique	Reasonable possible shift +/- (absolute value)	Change in Valuation +/-
	31 December 2023	US\$			
Preferred Equity Investments	175,359,085		Priced by single broker or third party pricing service	10%	17,535,909
Debt securities	475,974,482		Priced by single broker or third party pricing service	10%	47,597,448

Description	Fair value at		Valuation Technique	Reasonable possible shift +/- (absolute value)	Change in Valuation +/-
	31 December 2022	US\$			
Preferred Equity Investments	168,941,670		Priced by single broker or third party pricing service	10%	16,894,167
Debt securities	386,405,505		Priced by single broker or third party pricing service	10%	38,640,551

### (b) Other net changes in fair value on financial assets and financial liabilities at fair value through profit or loss

	<b>2023</b>	<b>2022</b>
	<b>US\$</b>	<b>US\$</b>
- Realised	(25,952,466)	12,948,747
- Change in unrealised	176,054,718	(225,111,651)
<b>Total net gains/(losses)</b>	<u><b>150,102,252</b></u>	<u><b>(212,162,904)</b></u>

# Notes to the Financial Statements

## 4. Fees and expenses

Expenses such as Investment Manager fee, Manager fee, Performance fee and Administration fee are paid on behalf of the Investment Company by the Company.

### (a) Custody fee

The Custodian will receive such fees as may be agreed, from time to time, at normal commercial rates.

### (b) Other expenses

Other expenses comprise of legal and accounting fees, electronic data and accounting systems costs, printing and publication costs and certain other administrative costs and out of pocket expenses.

## 5. Financial risk management

The Investment Company through its investment objective may be exposed to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Investment Company is subject to certain investment restrictions and may also use certain derivative financial instruments to moderate certain risk exposures. The Directors of the Company and the Investment Company have the power to borrow as part of its investment philosophy.

The investment management and financial risk management of the Investment Company has been delegated by the Board of Directors (which remains ultimately responsible) to the Delegate Investment Manager. The Board of Directors reviews the performance of the Investment Company on a quarterly basis.

### (a) Market price risk

The Investment Company's investments (refer to the analysis in the Portfolio Statement) are susceptible to market price risk arising from uncertainties about future prices. The Investment Manager manages price risk primarily through diversification of the portfolio and by regularly reviewing and evaluating the Investment Company's potential exposure to market risk.

At 31 December 2023, if the total fair value of investments had increased by 10% with all other variables held constant, this would have increased the net assets attributable to the shareholders by approximately US\$246,381,410 (2022: US\$206,954,022). Conversely, if the total fair value of investments had decreased by 10% with all other variables held constant, this would have decreased the net assets attributable to the shareholders by approximately US\$246,381,410 (2022: US\$206,954,022).

### (b) Currency risk

The Investment Company may hold assets denominated in currencies other than the US\$, the functional currency. It may therefore be exposed to currency risk, as the value of the securities denominated in other currencies may fluctuate due to changes in exchange rates. The Delegate Investment Manager monitors the Investment Company's currency risk exposure and may utilise hedging techniques in order to remove or reduce currency risks within the Investment Company. As such, the Investment Company enters into forward foreign exchange contracts in order to hedge against currency exchange rate risk on non US\$ denominated securities.

The table below summarises the currency exposure risks of the Investment Company as at 31 December 2023 and 31 December 2022.

As at 31 December 2023

	<b>Non-monetary assets/(liabilities) US\$</b>	<b>Monetary assets/(liabilities) US\$</b>	<b>Forward currency contracts US\$</b>	<b>Net currency exposure US\$</b>
Euro	-	66,958,263	(66,992,820)	(34,557)
Japanese yen	-	25,098,021	(24,870,657)	227,364
Pound sterling	-	10,203,798	(10,072,458)	131,340
New Zealand dollar	-	9,062,723	(8,975,846)	86,877
	-	111,322,805	(110,911,781)	411,024

## 5. Financial risk management, continued

### (b) Currency risk, continued

As at 31 December 2022

	Non-monetary assets/liabilities US\$	Monetary assets/liabilities US\$	Forward currency contracts US\$	Net currency exposure US\$
Euro	-	18,310,331	(18,983,076)	(672,745)
Japanese yen	-	41,088,187	(40,731,354)	356,833
Pound sterling	-	8,841,474	(9,100,462)	(258,988)
	-	68,239,992	(68,814,892)	(574,900)

### (c) Interest rate risk

The Investment Company may hold interest-bearing financial assets and liabilities which may expose the Investment Company to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial positions and cash flows. As the Investment Company is invested in bonds, there is interest rate risk.

The cash positions of the Investment Company which are held with the Custodian are earning interest at rates which are based on current, most appropriate rates, less a spread as determined by the Custodian.

At 31 December 2023 and 31 December 2022 if the interest rates had changed by +/- 0.75%, with all other variables held constant, the impact on net asset attributable to shareholders would amount to +/- US\$18,663,489 (2022: 15,698,644) of the total interest rate sensitivity gap figures presented in the tables below.

The following tables summarise the Investment Company's exposure to interest rate risks. It includes the Investment Company's assets and trading liabilities at fair value categorised by the earlier of contractual re-pricing or maturity dates.

As at 31 December 2023

	Less than 1 month US\$	1 month-1 year US\$	1-5 years US\$	Over 5 years US\$	Non-interest bearing US\$	Total US\$
<b>Assets</b>						
Financial assets at fair value through profit or loss	239,262,112	663,620,745	1,618,754,121	37,179,118	-	2,558,816,096
Cash and cash equivalents	13,015,906	-	-	-	-	13,015,906
Cash collateral	11,635,217	-	-	-	-	11,635,217
Other assets	-	-	-	-	71,885,057	71,885,057
<b>Total assets</b>	263,913,235	663,620,745	1,618,754,121	37,179,118	71,885,057	2,655,352,276
<b>Liabilities</b>						
Financial assets at fair value through profit or loss	(95,002,000)	-	-	-	(1,637,042)	(96,639,042)
Other liabilities	-	-	-	-	(57,219,590)	(57,219,590)
<b>Total Liabilities</b>	(95,002,000)	-	-	-	(58,856,632)	(153,858,632)
<b>Total interest rate sensitivity gap</b>	168,911,235	663,620,745	1,618,754,121	37,179,118		

# Notes to the Financial Statements

## 5. Financial risk management, continued

(c) Interest rate risk, continued

As at 31 December 2022

	Less than 1 month US\$	1 month-1 year US\$	1-5 years US\$	Over 5 years US\$	Non-interest bearing US\$	Total US\$
<b>Assets</b>						
Financial assets at fair value through profit or loss	207,209,971	583,109,914	1,415,667,576	14,786,000	9,693	2,220,783,154
Cash and cash equivalents	10,958,571	-	-	-	-	10,958,571
Cash collateral	12,653,706	-	-	-	-	12,653,706
Other assets	-	-	-	-	73,225,177	73,225,177
<b>Total assets</b>	<u>230,822,248</u>	<u>583,109,914</u>	<u>1,415,667,576</u>	<u>14,786,000</u>	<u>73,234,870</u>	<u>2,317,620,608</u>
	Less than 1 month US\$	1 month-1 year US\$	1-5 years US\$	Over 5 years US\$	Non-interest bearing US\$	Total US\$
<b>Liabilities</b>						
Financial assets at fair value through profit or loss	(151,233,237)	-	-	-	(2,277,223)	(153,510,460)
Other liabilities	-	-	-	-	(3,690,663)	(3,690,663)
<b>Total Liabilities</b>	<u>(151,233,237)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,967,886)</u>	<u>(157,201,123)</u>
<b>Total interest rate sensitivity gap</b>	<u>79,589,011</u>	<u>583,109,914</u>	<u>1,415,667,576</u>	<u>14,786,000</u>		

(d) Credit risk

The Investment Company may be exposed to credit risk, which is the risk that a counterparty to a financial transaction with the Investment Company will be unable to pay amounts in full when due.

Counterparty risk is limited in that most securities are settled on delivery against payment (DVP trades) in the recognised clearing systems, and the risk of default is considered to be minimal as security delivery and payment are simultaneous.

The Delegate Investment Manager manages credit risk for non-DVP trades 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. Investments and cash held by brokers are not normally held within segregated accounts.

The following tables disclose breakdown of investments, cash and cash collateral held with State Street Custodial Services (Ireland) Limited, Bank of New York Mellon, Citigroup, HSBC Bank Plc and JP Morgan (S&P credit rating: AA-, AA-, BBB+ and A+ respectively) as custodian and brokers as at 31 December 2023 and 31 December 2022. The balance held with the Custodian in the table below includes securities with a fair value of US\$241,445,821 (2022: US\$394,185,153) which have been pledged to JP Morgan on the repurchase agreements.

As at 31 December 2023	Financial assets and liabilities at fair value US\$	Cash US\$	Cash collateral US\$	Total US\$
State Street Custodial Services (Ireland) Limited	2,096,400,432	13,015,906	-	2,109,416,338
Bank of New York Mellon	345,148,783	-	11,635,217	356,784,000
Citigroup	14,083,354	-	-	14,083,354
HSBC Bank Plc	103,183,527	-	-	103,183,527
JP Morgan	(95,002,000)	-	-	(95,002,000)
	<u>2,463,814,096</u>	<u>13,015,906</u>	<u>11,635,217</u>	<u>2,488,465,219</u>

## 5. Financial risk management, continued

(d) Credit risk, continued

As at 31 December 2022	Financial assets and liabilities at fair value US\$	Cash US\$	Cash collateral US\$	Total US\$
State Street Custodial Services(Ireland) Limited	1,839,993,779	10,958,571	-	1,850,952,350
Bank of New York Mellon	380,779,682	-	12,653,706	393,433,388
JP Morgan	(151,233,237)	-	-	(151,233,237)
	<u>2,069,540,224</u>	<u>10,958,571</u>	<u>12,653,706</u>	<u>2,093,152,501</u>

Investments are broken down into the following concentrations:

Analysis by Maturity	2023 %	2022 %
Up to one year	32.30	29.58
One to five years	64.71	65.53
More than five years	1.48	0.68
Other (Non-bond holding)	(0.06)	(0.10)
Other net current assets	1.57	4.31
	<u>100.00</u>	<u>100.00</u>

Analysis, by geographical area	2023 %	2022 %
Bermuda	75.05	74.51
United States	9.81	6.26
Cayman Islands	6.20	6.67
Singapore	3.93	4.78
Ireland	2.00	1.23
United Kingdom	1.02	1.91
Hong Kong	0.48	0.43
Forward foreign exchange contracts	(0.06)	(0.10)
Other net current assets	1.57	4.31
	<u>100.00</u>	<u>100.00</u>

Analysis, by investment	2023 %	2022 %
Debt instruments - Catastrophe Bonds	94.04	91.09
Preferred Equity Investments	7.01	7.82
Government Bond	-	2.78
Debt instruments - Corporate Bonds	1.24	0.94
Convertible Bonds to Equities	-	0.16
Forward foreign exchange contracts	(0.06)	(0.10)
Repurchase Agreements	(3.80)	(7.00)
Other net current assets	1.57	4.31
	<u>100.00</u>	<u>100.00</u>

# Notes to the Financial Statements

## 5. Financial risk management, continued

### (e) Liquidity risk

Liquidity risk is the risk that the Investment Company cannot generate sufficient cash resources to meet its payment obligations in full as they fall due, or can do so only at materially disadvantageous terms. The Delegate Investment Manager regularly reviews the liquidity profile of the portfolio. If necessary, the Directors may borrow to meet redemptions or they may defer payment of redemption proceeds to the Company. The Directors of the Company may also limit aggregate redemptions with respect to any or all share classes on any dealing day where the Company has received redemption requests representing at least 10% of the total aggregate value of the shares in issue eligible for redemption as at that dealing day.

The Investment Company may trade in derivatives, the majority of which are traded on a recognised market and are readily realisable, however from time to time, the Investment Company may invest in derivative contracts traded over the counter which are not traded in an organised market and may be illiquid. As a result, the Investment Company may not be able to liquidate quickly its investments in these instruments at an amount close to their fair value. In case of liquidity issues, the Investment Company may borrow to meet redemption requests.

All financial liabilities are due within one to three months.

### (f) Offsetting and amounts subject to master netting arrangements and similar agreements

As at 31 December 2023 and 31 December 2022 the transactions between the Investment Company and counterparties are governed by separate master netting agreements. Each agreement allows for net settlement of certain open contracts where the Investment Company and the respective counterparty both elect to settle on a net basis. In the absence of such an election, contracts will be settled on a gross basis. However, each party to the master netting arrangement will have the option to settle all open contracts on a net basis in the event of default of the other party.

Investments pledged as collateral by the Investment Company can be sold or re-pledged by the respective counterparty. Cash collateral received is restricted and does not form part of the Investment Company's cash and cash equivalents. Under the terms of the master netting agreements, collateral can only be seized by a party in the event of default of the other party.

Financial assets subject to offsetting, enforceable master net arrangements and similar agreements:

As at 31 December 2023 there were no financial assets subject to offsetting.

As at 31 December 2022				Related amounts not set-off in the Balance Sheet		
	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities set off in the Balance Sheet	Net amounts of financial assets presented in the Balance Sheet	Financial Instruments	Collateral received	Net amount
Description of type of Financial Assets	US\$	US\$	US\$	US\$	US\$	US\$
Derivative holdings						
State Street Bank	9,693	-	9,693	(9,693)	-	-
	9,693	-	9,693	(9,693)	-	-



## 5. Financial risk management, continued

(f) Offsetting and amounts subject to master netting arrangements and similar agreements, continued

Financial liabilities subject to offsetting, enforceable master net arrangements and similar agreements:

Description of type of Financial Liabilities	Related amounts not set-off in the Balance Sheet					
	Gross amounts of recognised financial liabilities US\$	Gross amounts of recognised financial assets set off in the Balance Sheet US\$	Net amounts of financial liabilities presented in the Balance Sheet US\$	Financial Instruments US\$	Collateral pledged for liabilities US\$	Net amount US\$
As at 31 December 2023						
Repurchase Agreements JP Morgan	(95,002,000)	-	(95,002,000)	-	95,002,000	-
Derivative holdings State Street Bank	(1,637,042)	-	(1,637,042)	-	-	(1,637,042)
	<u>(96,639,042)</u>	<u>-</u>	<u>(96,639,042)</u>	<u>-</u>	<u>95,002,000</u>	<u>(1,637,042)</u>

Description of type of Financial Liabilities	Related amounts not set-off in the Balance Sheet					
	Gross amounts of recognised financial liabilities US\$	Gross amounts of recognised financial assets set off in the Balance Sheet US\$	Net amounts of financial liabilities presented in the Balance Sheet US\$	Financial Instruments US\$	Collateral pledged for liabilities US\$	Net amount US\$
As at 31 December 2022						
Repurchase Agreements JP Morgan	(151,233,237)	-	(151,233,237)	-	151,233,237	-
Derivative holdings State Street Bank	(2,277,223)	-	(2,277,223)	9,693	-	(2,267,530)
	<u>(153,510,460)</u>	<u>-</u>	<u>(153,510,460)</u>	<u>9,693</u>	<u>151,233,237</u>	<u>(2,267,530)</u>

## 6. Share capital

The Investment Company is authorised to issue an unlimited number of shares of no par value.

All of the shares issued are held by the Company.

Issued share capital	Number of shares at 1 January 2023	Number of shares issued	Number of shares redeemed	Number of shares at 31 December 2023
	Ordinary Shares	10,346,695	2,812,510	(3,099,866)
Issued share capital	Number of shares at 1 January 2022	Number of shares issued	Number of shares redeemed	Number of shares at 31 December 2022
	Ordinary Shares	10,077,553	1,669,652	(1,400,510)

Each share carries the right to one vote on matters put to a shareholder vote.

# Notes to the Financial Statements

## 6. Share capital, continued

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

	31 December 2023	31 December 2022
Ordinary share	US\$248.65	US\$208.80

## 7. Related parties

- (i) The Delegate Investment Manager and Sub-Adviser are considered to be related parties of the Investment Company by virtue of the influence that they have over the Investment Company's investment activities. The Manager, Administrator and the Investment Manager are also related parties because they are wholly owned subsidiaries of GAM Holding AG. Fee arrangements with these parties are settled by the Company on behalf of the Investment Company.
- (ii) No Director of the Investment Company had any interest in any contract of significance in relation to the Investment Company's business at any time during the years ended 31 December 2023 and 31 December 2022.
- (iii) The Company is a related party to the Investment Company since it holds 100% of the shares issued by the Investment Company (31 December 2022: 100%) as disclosed in Note 6.
- (iv) During 2023 the Investment Company purchased and sold securities from another entity managed by the Delegate Investment Manager with a cost of approximately US\$2.8 (2022: US\$33) million and sales proceeds of approximately US\$68 (2022: US\$200) million respectively. In 2023 the sale of securities gave rise to realised loss of US\$1.1 (2022: US\$1.3) million. These transactions took place at market rates.
- (v) On 1 February 2023, the Investment Company received assets from another entity managed by the Delegate Investment Manager with a cost of US\$114,272,827 and cash amount of US\$12,496,513 to cover the inspecie subscription of US\$126,769,340. On 28 February 2023, the Investment Company transferred assets to another entity managed by the Manager with a market value of US\$98,171,638 and cash amount of US\$4,941,573 to cover the inspecie redemption of US\$103,113,211. The transfer of assets gave rise to realised loss of US\$7,215,020. Details of these transactions are disclosed in the Supplementary Information of the Cash Flow Statement. There were no such transactions in the year ended 31 December 2022.

## 8. Significant events during the year

The Management of the Company acknowledges the military actions engaged by Russia in Ukraine and the conflict in Israel and their potential to negatively impact the markets in which the Company's assets are invested. The ultimate impact on the Company remains uncertain and can vary according to the countries, asset classes, industry sectors and securities they are invested in. The Manager and Investment Manager are closely monitoring the impact on the Company including any impact on liquidity and liquidity management, fair valuation procedures, investment compliance breaches.

There were no other significant events affecting the Investment Company during the year.

## 9. Subsequent events

After the year end, the Investment Company purchased and sold securities from another entity managed by the Delegate Investment Manager with a cost of approximately US\$152.1 million and sales proceeds of approximately US\$72.9 million respectively. The sale of securities gave rise to realised loss of US\$930,219. These transactions took place at market rates.

There have been no other significant events affecting the Investment Company since the year end.

## 10. Contingent liabilities

The Directors are not aware of any contingent liabilities.

## 11. Approval of the financial statements

The financial statements were approved by the Board of Directors on 24 June 2024.

It is the Directors' responsibility to prepare financial statements for each year which give a true and fair view of the state of affairs of the Investment Company and results of the Investment Company for that period. In preparing those financial statements, the Directors have a responsibility to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the accounts on a going concern basis unless it is inappropriate to presume that the Investment Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Investment Company and to enable them to ensure that the financial statements comply with IFRS Accounting Standards. They are also responsible for safeguarding the assets of the Investment Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The integrity of these financial statements published, on [www.gam.com](http://www.gam.com), remain the responsibility of the Board.



## **Independent auditor's report**

To the Directors of GAM FCM Cat Bond Investments Inc.

### **Report on the audit of the financial statements**

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#### **Our opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of GAM FCM Cat Bond Investments Inc. (the Investment Company) as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

#### ***What we have audited***

GAM FCM Cat Bond Investments Inc.'s financial statements comprise:

- the balance sheet as at 31 December 2023;
- the portfolio statement as at 31 December 2023;
- the income statement for the year then ended;
- the statement of changes in equity for the year then ended;
- the cash flow statement for the year then ended; and
- the notes to the financial statements, which include material accounting policies and other explanatory information.

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#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's 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 are independent of the Investment Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

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#### **Other information**

Management is responsible for the other information. The other information comprises all of the information in the Annual Report (but does not include the financial statements and our auditor's report thereon).

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above 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, 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 in this regard.

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### **Responsibilities of management and those charged with governance for the financial statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines 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, management is responsible for assessing the Investment Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Investment Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Investment Company's financial reporting process.

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### **Auditor's 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 auditor's 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 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.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Investment Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Investment Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Investment Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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*Other matter*

This report, including the opinion, has been prepared for and only for the Directors in accordance with the terms of our engagement letter dated 14 December 2023 and for no other purpose. We do not, in giving this opinion, 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.

A handwritten signature in cursive script that reads 'PricewaterhouseCoopers'.

PricewaterhouseCoopers  
Dublin, Ireland  
24 June 2024

# Appendix - Sustainable Finance Disclosure Regulation (SFDR) (Unaudited)

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: GAM FCM CAT Bond Inc. (the "Fund") Legal entity identifier: 549300BVLC12IINKY210

## Environmental and/or social characteristics

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



Did this financial product have a sustainable investment objective?	
<input checked="" type="radio"/> <input type="radio"/> <b>Yes</b>	<input type="radio"/> <input checked="" type="radio"/> <b>No</b>
<input type="checkbox"/> It made <b>sustainable investments with an environmental objective: ___%</b> <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul>	<input type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of 0% of sustainable investments <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul>
<input type="checkbox"/> It made <b>sustainable investments with a social objective: ___%</b>	<input checked="" type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b>

*All data presented in the annex which follows has been calculated based on the portfolio holdings of the Fund as at 31 December 2023 and constitutes unaudited information which has not been subject to any assurance provided by the Auditors or any third party.*

### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund promoted the following environmental and/or social characteristics:

- 1) The Delegate Investment Manager applied a proprietary rating methodology to support the promotion of high ESG characteristics in the Fund. The Fund primarily invests in securities assessed to have positive ESG ratings, while securities assessed as negative are not eligible for inclusion. The rating methodology is described in the Investment Strategy section the Fund's Prospectus under the heading "Analysis of ESG Factors" and the Delegate Investment Manager's ESG Policy, which is available by accessing the link detailed in response to the question "Where can I find more product specific information online?" in the Prospectus;
- 2) Excluded insurance-linked securities ("ILS") from sponsors involved in specific activities considered to cause negative environmental and social impact, as described in the Sustainability Exclusion Criteria within the Prospectus; and
- 3) Assessed adherence to generally accepted international norms and standards set by the United Nations Global Compact ("UN Global Compact"), by exclusion of ILS from sponsors that violate these principles.

The environmental and social characteristics were promoted in line with the binding elements of the Investment Strategy of the Fund, as outlined in the Fund's Prospectus, and there were no breaches of the exclusion criteria or significant adverse impacts during the year.

## Appendix - Sustainable Finance Disclosure Regulation (SFDR) (Unaudited)

No reference benchmark was designated for the purpose of attaining the environmental and social characteristics promoted by the Fund.

### ● **How did the sustainability indicators perform?**

The following sustainability indicators are used to measure the environmental and/or social characteristics of the Fund.

#### 1) **Indicators relating to the analysis of ESG factors**

The Fund invested in ILS with only positive or neutral ESG ratings, as assessed by the Delegate Investment Manager's proprietary ESG rating methodology, and excluded investments that are rated as negative. This assessment is conducted at the investment and sponsor level and reported as % of the Fund's ILS investments in each category.

No exceptions were made during the reporting period.

Sustainability Indicator	Units	Data source	Date <sup>1</sup>	Data coverage <sup>2</sup>	Proportion of data estimated <sup>3</sup>	Output <sup>4</sup>
<b>Investments with POSITIVE ESG ratings:</b> proportion of securities within the Fund with a POSITIVE sponsor ESG rating based on the Delegate Investment Manager's proprietary scoring framework.	% of Fund	Delegate Investment Manager internal ESG Score	31 Dec 2023	100%	Not applicable	89.96%
<b>Investments with NEUTRAL ESG ratings:</b> proportion of securities within the Fund with a NEUTRAL sponsor ESG rating based on the Delegate Investment Manager's proprietary scoring framework.	% of Fund	Delegate Investment Manager internal ESG Score	31 Dec 2023	100%	Not applicable	10.04%

<sup>1</sup> Data snapshot taken at the Fund's year end.

<sup>2</sup> Calculated as the proportion of ILS investments (by NAV) that are assigned ESG ratings. The calculation does not include non-ILS assets defined under "#2 Other" in the Prospectus.

<sup>3</sup> Not applicable as the ESG Scores are assessed internally.

<sup>4</sup> Calculated as the proportion of ILS investments (by NAV) that are rated ESG positive or neutral. The calculation does not include non-ILS assets defined under "#2 Other" in the Prospectus.

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.



## Appendix - Sustainable Finance Disclosure Regulation (SFDR) (Unaudited)

### 2) Indicators relating to Sustainability Exclusion Criteria

Involvement by the sponsor in the following activities, beyond the revenue threshold specified, would result in the investment being ineligible (other than where outlined in the Sustainability Exclusion Criteria within the Prospectus). This assessment is conducted at the sponsor level and reported as % of the Fund's investment sponsored by entities failing the criteria.

No exceptions were made during the reporting period.

Given the nature of sponsors in the ILS market, which are predominantly (re)insurance entities and where a large percentage of sponsors are privately held companies or government-related entities, product involvement assessments are based on internal research drawing on information made available by the sponsors as well as from public third-party sources.

Sustainability Indicator	Units	Data source	Date <sup>5</sup>	Data coverage <sup>6</sup>	Proportion of data estimated <sup>7</sup>	Output <sup>8</sup>
<b><u>ILS sponsored by non-sovereigns</u></b>						
<b>Involvement in controversial weapons:</b> share of investments in ILS sponsored by companies involved in the manufacture or selling of controversial weapons.	% of Fund	Internal research	31 Dec 2023	100%	Not applicable	0%
<b>Involvement in weapons manufacturing or weapons component manufacturing:</b> share of investments in ILS sponsored by companies involved in the manufacture of military weapons systems, and/or tailor-made components of these weapons systems, and/or tailor-made products or services that support military weapons systems (above 10% revenue threshold).	% of Fund	Internal research	31 Dec 2023	100%	Not applicable	0%
<b>Involvement in tobacco manufacturing:</b> share of investments in ILS sponsored by companies involved in the manufacture of tobacco products (above 5% revenue threshold).	% of Fund	Internal research	31 Dec 2023	100%	Not applicable	0%
<b>Involvement in tobacco retail and distribution:</b> share of investments in ILS sponsored by companies involved in the distribution and/or retail sale of	% of Fund	Internal research	31 Dec 2023	100%	Not applicable	0%

<sup>5</sup> Data snapshot taken at the Fund's year end.

<sup>6</sup> Calculated as the proportion of ILS investments (by NAV) from ILS sponsors that are assessed Sustainability Exclusion Criteria. The calculation does not include non-ILS assets defined under "#2 Other" in the Prospectus.

<sup>7</sup> Not applicable as compliance with the Sustainability Exclusion Criteria is assessed internally by the Delegate Investment Manager.

<sup>8</sup> Calculated as the proportion of ILS investments (by NAV) from ILS sponsors that fail the criteria. The calculation does not include non-ILS assets defined under "#2 Other" in the Prospectus.

## Appendix - Sustainable Finance Disclosure Regulation (SFDR) (Unaudited)

tobacco products (above 5% revenue threshold).							
<b>Involvement in oil sands extraction:</b> share of investments in ILS sponsored by companies involved in oil sands extraction (above 25% revenue threshold).	% of Fund	Internal research	31 Dec 2023	100%	Not applicable	0%	
<b>Involvement in thermal coal mining:</b> Share of investments in ILS sponsored by companies involved in mining thermal coal or from generating electricity from thermal coal (above 25% revenue threshold).	% of Fund	Internal research	31 Dec 2023	100%	Not applicable	0%	
<b><u>Sovereign sponsored ILS</u></b>							
<b>“Not Free” Sovereign Sponsors:</b> share of investments in ILS sponsored by countries which have been assessed as “Not Free” by the Freedom House Global Freedom Score.	% of Fund	Freedom House	31 Dec 2023	100%	Not applicable	0%	

### 3) Indicators relating to international norms and standards ILS sponsored by non-sovereigns

Companies are expected to adhere to minimum international norms and standards as defined by the UN Global Compact. Companies assessed as having seriously breached the UN Global Compact are excluded, unless the issuer is considered to have taken substantial and adequate steps to have addressed the allegations. This assessment is conducted at the sponsor level and reported as % of the Fund’s investment sponsored by entities failing the criteria.

No exceptions were made during the reporting period.

RepRisk and Sustainalytics are used as independent third-party assessments of current severe UN Global Compact violations of sponsors. If only one assessment is available for a sponsor, that assessment is used as the final assessment of a sponsor’s compliance with the UN Global Compact. If a sponsor is not covered by either third-party data provider, internal research based on third-party data sources and engagement with the sponsor, if appropriate, are used to form an assessment.

## Appendix - Sustainable Finance Disclosure Regulation (SFDR) (Unaudited)

Sustainability Indicator	Units	Data source	Date <sup>9</sup>	Data coverage <sup>10</sup>	Proportion of data estimated <sup>11</sup>	Output <sup>12</sup>
<b>Violations of UN Global Compact principles (also related to Principal Adverse Impacts):</b> share of investments in investee companies that have been involved in violations of the UNGC principles.	% of Fund	RepRisk/Sustainalytics/Internal research	31 Dec 2023	96.57%	3.43%	0%

● **...and compared to previous periods?**

There are no material differences in the environmental and/or social characteristics of the Fund when compared to the previous reporting period.

● **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

Not applicable

● **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Not applicable.

— **How were the indicators for adverse impacts on sustainability factors taken into account?**

Not applicable.

— **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?**

Not applicable.



*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.*

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

<sup>9</sup> Data snapshot taken at the Fund's year end.

<sup>10</sup> Calculated as the proportion of ILS investments (by NAV) from non-sovereign ILS sponsors that are covered by at least one third-party data provider. The calculation does not include non-ILS assets defined under “#2 Other” in the Prospectus nor ILS from sovereign sponsors.

<sup>11</sup> Calculated as the proportion of ILS investments (by NAV) from non-sovereign ILS sponsors that are not by at least one third-party data provider. The calculation does not include non-ILS assets defined under “#2 Other” in the Prospectus nor ILS from sovereign sponsors.

<sup>12</sup> Calculated as the proportion of ILS investments (by NAV) from non-sovereign ILS sponsors that fail the criteria. The calculation does not include non-ILS assets defined under “#2 Other” in the Prospectus nor ILS from sovereign sponsors.

## Appendix - Sustainable Finance Disclosure Regulation (SFDR) (Unaudited)

### How did this financial product consider principal adverse impacts on sustainability factors?

The Fund considered the principal adverse impacts (PAIs)—as detailed in Table 1, and noting the additional indicators in Tables 2 and 3, of Annex 1 of the SFDR Delegated Act—on sustainability factors in a qualitative and/or quantitative way dependent on the relevance of the specific indicator and the quality and availability of data.

The actions taken in relation to the PAI indicators considered are summarised in the table below:

#### Non-Sovereign Issuers

Adverse Sustainability Indicator		Fund Considerations
<b>Table 1</b>		
Social & Employee Matters	10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	No investments in the Fund were sponsored by entities that violate any of the UN Global Compact principles, including on social and employee matters, throughout the reporting period.
	14. Exposure to controversial weapons (antipersonnel mines, cluster munitions, chemical weapons, and biological weapons)	No investments in the Fund were sponsored by entities that have any direct involvement in controversial weapons throughout the reporting period.
<b>Table 2</b>		
Emissions	4. Investments in companies without carbon emission reduction initiatives	If an ILS sponsor is involved in the generation of energy from thermal coal with a revenue level above the Sustainability Exclusion Criteria threshold, then an investment can only be made if the sponsor is involved in credible carbon emission reduction initiatives to bring the sponsor in line with the Sustainability Exclusion Criteria in a reasonable timeframe.  There is one ILS sponsors in the Fund that is involved in the generation of energy from thermal coal. that sponsor had a thermal coal-related revenue level below the Sustainability Exclusion Criteria threshold throughout the reporting period.
Energy performance	5. Breakdown of energy consumption by type of non-renewable sources of energy	
Water, waste and material emissions		Considered only if sponsor actions in this area leads to a UN Global Compact violation. No investments in the Fund were sponsored by entities that violate any of the UN Global Compact principles, including on environmental matters, throughout the reporting period.
<b>Table 3</b>		
Social and employee matters		Considered only if sponsor actions in this area leads to a UN Global Compact violation. No investments in the Fund were sponsored by entities that violate any of the UN Global Compact principles, including on labor standards matters, throughout the reporting period.
Human Rights		Considered only if sponsor actions in this area leads to a UN Global Compact violation. No investments in the Fund were sponsored by

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

## Appendix - Sustainable Finance Disclosure Regulation (SFDR) (Unaudited)

		entities that violate any of the UN Global Compact principles, including on human rights matters, throughout the reporting period.
Anti-corruption and anti-bribery		Considered only if sponsor actions in this area leads to a UN Global Compact violation. No investments in the Fund were sponsored by entities that violate any of the UN Global Compact principles, including on anti-corruption and anti-bribery matters, throughout the reporting period.

### Sovereign Issuers

Adverse sustainability indicator		Fund Considerations
<b>Table 1</b>		
Social	16. Investee countries subject to social violations	<p>Only considered through the Freedom House Global Freedom Score. Sovereign issuers that receive a "Not Free" score on the Freedom House Global Freedom Score are not eligible for investment, unless this sovereign is working through an international organization, such as the World Bank, the United Nations, a regional development bank or another body with robust and transparent sustainability safeguards.</p> <p>All sovereign ILS sponsors in the Fund were assessed as "Free" by the Freedom House Global Freedom Score, throughout the reporting period.</p>
<b>Table 3</b>		
Social	19. Average freedom of expression score	<p>Only considered through the Freedom House Global Freedom Score. Sovereign issuers that receive a "Not Free" score on the Freedom House Global Freedom Score are not eligible for investment, unless this sovereign is working through an international organization, such as the World Bank, the United Nations, a regional development bank or another body with robust and transparent sustainability safeguards.</p> <p>All sovereign ILS sponsors in the Fund were assessed as "Free" by the Freedom House Global Freedom Score throughout the reporting period.</p>
Human Rights	20. Average human rights performance	

## Appendix - Sustainable Finance Disclosure Regulation (SFDR) (Unaudited)



### What were the top investments of this financial product?

Largest Investments	Sector	% Assets	Country
BOND 811	Reinsurer	3.36	BERMUDA
BOND 669	Government	2.65	BERMUDA
BOND 900	Government	2.02	BERMUDA
BOND 662	Government	1.85	BERMUDA
BOND 872	Insurer	1.84	BERMUDA
BOND 809	Insurer	1.61	BERMUDA
BOND 787	Insurer	1.49	BERMUDA
BOND 797	Government	1.42	BERMUDA
BOND 906	Government	1.37	BERMUDA
BOND 781	Government	1.25	BERMUDA
BOND 594	Insurer	1.20	BERMUDA
BOND 827	Insurer	1.17	BERMUDA
BOND 646	Government	1.17	BERMUDA
BOND 691	Insurer	1.15	SINGAPORE
BOND 887	Government	1.04	BERMUDA

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: 31 December 2023

The table above provides a snapshot of the largest investments as at 31 December 2023. This snapshot is reflective of the general portfolio composition throughout the reporting period.

Investments typically support the (re)insurance industry, the sponsor type (e.g. insurer, reinsurer, corporate, government) is reflected in the columns "Sector" as this is most appropriate for the Fund. Government sponsors of ILS within the Fund include local municipalities, transit authorities, state insurance entities and residual insurance pools formed by statute, national insurance programs (that can be classified as sovereign) and public-private reinsurance pools, as well as international organizations (that can also facilitate ILS issuance for sovereigns). During the reporting period there were four ILS sovereign sponsors within in the Fund.

### What was the proportion of sustainability-related investments?

While the Fund promotes environmental and social characteristics within the meaning of Article 8 of the SFDR, it does not currently commit to investing in a minimum level of "sustainable investments" within the meaning of the SFDR and it does not currently commit to a minimum level of investments taking into account the EU criteria for environmentally sustainable economic activities within the meaning of the Taxonomy Regulation. As such, the Fund's portfolio alignment to sustainability-related investments is not calculated.

#### ● *What was the asset allocation?*

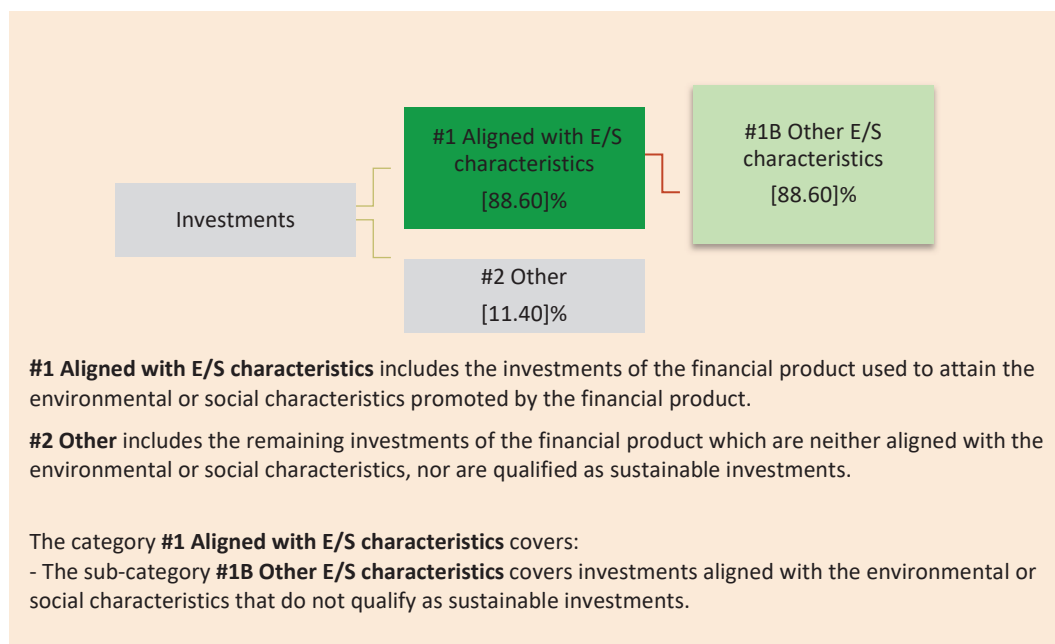
All assets excluding ILS that are rated NEUTRAL, cash, cash-equivalents, and/or certain derivatives are aligned with environmental/social characteristics of the Fund. As at 31 December 2023 (snapshot at year-end), 88.60% of the Fund was aligned with E/S characteristics, while 11.40% was in assets categorised as #2 Other in accordance with the Prospectus. Further details in relation to such assets



**Asset allocation** describes the share of investments in specific assets.

## Appendix - Sustainable Finance Disclosure Regulation (SFDR) (Unaudited)

is set out in the section entitled “What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?” below.



Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, , e.g. relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting the green operational activities of investee companies.

### **In which economic sectors were the investments made?**

Investments typically support sponsors in the (re)insurance industry and the sponsor type (e.g. insurer, reinsurer, corporate, government) is reflected in the table below as it is most appropriate for the asset class. Allocations are shown as a % ILS-only NAV of the Fund as at 31 December 2023.

<b>Sponsor Type</b>	<b>Allocation</b>
Insurer	62.49%
Reinsurer	10.88%
Corporate	2.16%
Government	24.47%

Sponsors are classified as an insurer, reinsurer, corporate or government by the Delegate Investment Manager on a best-efforts basis. If a sponsor is involved in both insurance and reinsurance, it is classified according to the line of business that contributes the most by premium. Government sponsors of ILS within the Fund include local municipalities, transit authorities, state insurance entities and residual insurance pools formed by statute, national insurance programs (that can be classified as sovereign) and public-private reinsurance pools, as well as international organizations.



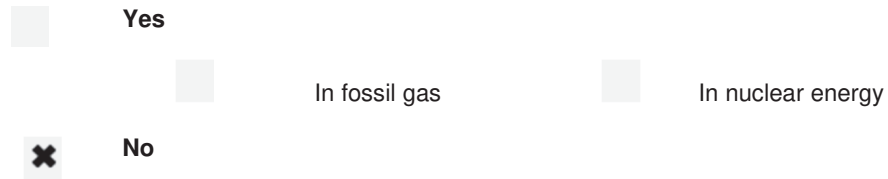
### **To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?**

While the Fund promotes environmental and social characteristics within the meaning of Article 8 of the SFDR, it does not currently commit to investing in a minimum level of “sustainable investments” within the meaning of the SFDR and it does not currently commit to a minimum level of investments taking into account the EU criteria for environmentally sustainable economic activities within the meaning of the Taxonomy Regulation. As such, the minimum proportion of the Fund’s investments that contribute to environmentally sustainable economic activities for the purposes of the Taxonomy Regulation, including investments in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy, is 0%.

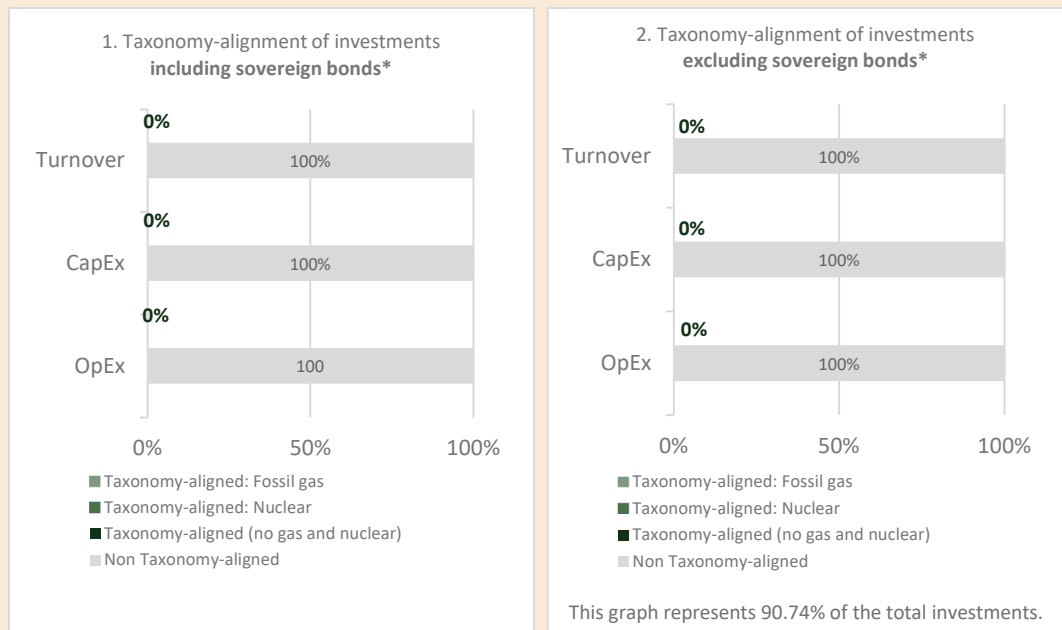
## Appendix - Sustainable Finance Disclosure Regulation (SFDR) (Unaudited)

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules. **Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective. **Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

● Did the financial product invest in fossil gas and / or nuclear energy related activities that comply with the EU Taxonomy<sup>13</sup>?



**The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.**



\*For the purpose of these graphs, 'sovereign bonds' consist of all ILS sovereign exposures

● What was the share of investments made in transitional and enabling activities?

Not applicable.

● How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable.

<sup>13</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.



## Appendix - Sustainable Finance Disclosure Regulation (SFDR) (Unaudited)



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



**What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?**

Not applicable.



**What was the share of socially sustainable investments?**

Not applicable.



**What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?**

The following investments were included under “2 Other”:

- ILS rated NEUTRAL
- Cash
- Cash equivalents (including US Treasury Bills)
- Currency hedges for non-US dollar assets
- ILS repo positions

The non-ILS “other” investments listed above were used for currency and cash management purposes for the Fund.

All ILS investments in the Fund have the same investment rationale outlined above, including ILS with a neutral ESG rating.



**What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

### 1. Actions relating to analysis of ESG factors

The Fund invested in ILS with only positive or neutral ESG ratings, based on a proprietary ESG rating methodology, and excluded investments that are rated as negative. This assessment was conducted at the investment and sponsor level.

### 2. Actions relating to Sustainability Exclusion Criteria

The Sustainability Exclusion Criteria were assessed, on a best-efforts basis, as part of investment controlling, using internal research drawing on information from sponsors, independent ESG rating providers where available and other recognised public third-party sources. There were no breaches of the Sustainability Exclusion Criteria during the reporting period.

### 3. Indicators relating to international norms and standards

UN Global Compact compliance was assessed, on a best-efforts basis, as part of investment controlling. The Delegate Investment Manager used third-party data providers' frameworks and data to categorise serious breaches, which were intended to identify credible allegations of a violation of global norms, supplemented by internal research where third-party data coverage was unavailable. There were no breaches of the UN Global Compact compliance during the period.



**How did this financial product perform compared to the reference benchmark?**

No reference benchmark has been designated for the purpose of attaining the environmental and social characteristics promoted by the Fund.

● **How does the reference benchmark differ from a broad market index?**

Not applicable.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

## **Appendix - Sustainable Finance Disclosure Regulation (SFDR) (Unaudited)**

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

Not applicable.

- ***How did this financial product perform compared with the reference benchmark?***

Not applicable.

- ***How did this financial product perform compared with the broad market index?***

Not applicable

## **Appendix - Sustainable Finance Disclosure Regulation (SFDR) (Unaudited)**

### [Methodologies and data](#)

This report relies on sustainability-related data. The quality, timeliness, completeness and availability of sustainability-related data may still not be comparable with the general quality, timeliness, completeness and availability of more standardised and traditional financial data.

Sustainability indicators and asset allocation sections are reported based on a snapshot of the Fund at year-end and are not an average of quarterly values.

# Supplementary Information (Unaudited)

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## **GAM Fund Management Limited – AIFMD disclosure**

### **Remuneration Disclosure**

#### **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 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 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') 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 EU regulations that apply to its regulated entities and delegates. The CMC's members are appointed by the Group CEO including senior members from the Risk, 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 each 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 designed to incentivise delivery of strong investment performance within a sound risk and control environment, and to safeguard the long-term success and prosperity of the customer and the Manager's 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 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**

The categories of staff for inclusion as Identified staff for GAM Fund Management Limited include:

- Executive and non-executive members of the Board
- Other members of senior management
- Staff responsible for control functions

Directors of this regulated entity do not receive any kind of variable remuneration linked to their role. Should any variable remuneration be granted to directors in the future, such remuneration will be fixed and not linked to the short-term results of the entity.

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 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 2023 in relation to the AIFs managed by GAM Fund Management Limited.

GAM Fund Management Limited manages funds with a combined AUM of €9,779m - representing funds of the Management Company, including those managed by delegates at 31 December 2023.

Total annual remuneration paid to all Management Company employees	€4.69M
Of which fixed:	€4.69M
Of which variable:	€0.0M
Number of Management Company employees	75
Total Remuneration paid to Identified Staff in the Management Company	€1.94M
Of which paid to Senior Management:	€0.79M
Of which paid to other identified staff:	€1.15M

Portfolio Management duties are delegated and the contractual arrangements to appoint the delegates include a provision which states that the delegate must follow, to an appropriate degree, AIFMD remuneration rules.

## 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 funds activities.