



# GARS Fund

Global Absolute Return Strategies

A smoother journey  
to retirement

Standard Life  
Investments

The Standard Life Investments GARS Fund  
aims to help DC pension plan members  
prepare and save for retirement

## About Standard Life Investments

- ▶ Parent Company Standard Life  
**Established 1825**
- ▶ Assets Under Management  
**€323.6 billion**  
as at 30 June 2016
- ▶ **Award Winning**  
investment products
- ▶ **Over 1,500**  
professionals across the globe

Standard Life Investments has not considered the suitability of investment against your individual needs and risk tolerance. To ensure that you understand whether this investment fund is suitable, visit [www.standardlifeinvestments.com](http://www.standardlifeinvestments.com) for more information about the GARS Fund. If you are still unsure, seek assistance from your personal adviser. The value of investments within the Fund can fall as well as rise and is not guaranteed – it may be worth less than you paid in.

# Helping you save for retirement

This document explains how GARS can help provide you with:

- 1** a pension that meets your needs and expectations
- 2** more certainty over the pension you will receive
- 3** peace of mind.

## The journey to retirement

**During your working life, you make regular payments into a pension plan, which needs to grow in order to meet your retirement goals.**

To help achieve this, you could choose from a variety of investments, such as shares, bonds and property. Historically, these types of investment have grown over time and helped provide an adequate pension.

However, while these investments may increase over the long term, they can also be subject to significant short-term swings in value. This can make your journey to retirement very uncertain.

**When building your pension, you should be comfortable that your investments can grow consistently and give you enough in retirement.**

## How to make the journey smoother

**We have designed GARS to give you the potential for a more certain journey to retirement.**

GARS is different from most other funds in a number of ways. The most important of these is that it aims to make money from markets that are going down as well as those that are going up. Irrespective of market conditions we aim for GARS to help your pension pot to grow, taking you towards your retirement goals.

**It also means GARS can help your pension pot grow at a steadier pace, making it easier to plan ahead for your retirement.**

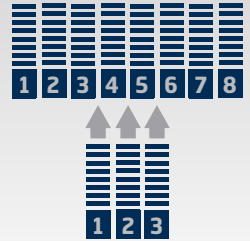
While we cannot guarantee positive returns, GARS aims to give you a smoother journey towards retirement and help you better plan for when you stop work.

# About GARS

We built GARS with pension savers in mind.

In fact, we designed it for our own company pension scheme. It aims to grow your pension savings steadily and more predictably although, like all investments, there can also be times where it goes down.

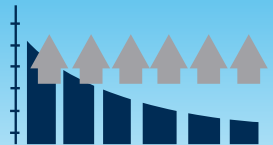
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2



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# What is different about GARS?

## More chances to make money

Most pension funds invest in shares, bonds and sometimes property. GARS invests in these markets and uses advanced investments across many other markets. This widens the choice and increases our chances of finding good ideas to make money.

## Spreading the risk more thinly

By investing across many different markets and types of investment, we are able to spread risk much further. We deliberately choose investments for GARS that are not all affected by the same things. In other words, GARS puts your eggs in many different baskets.

## GARS can make money even in falling markets

GARS' managers can access a wide range of investment tools and techniques, which allow them to try and make money even if investment markets are falling. However, when markets behave very differently from the managers' expectations, then GARS is unlikely to make money.

# The team behind GARS

Looking after GARS are over 50 skilled investment professionals, with an average of 16 years' industry experience.

The GARS team is split into three groups. These groups work closely together to choose the right investments for GARS.

## Strategists

The job of our strategists is to give advice on 'big picture' world developments that might affect our investment decisions. For instance, news about US jobs might signal a change in US interest rates.

## Investment managers

Our investment managers search for opportunities they believe will make money, given the big picture. They find their ideas from many different sources, for instance, from the findings of our strategists or from our equity, bond and commercial property experts. Our investment managers thoroughly analyse each idea before they consider it for GARS. We use our own tried and tested methods to help us find good opportunities. We continually check the investments we already hold to make sure each one is still suitable.

## Investment risk experts

The aim of our risk experts is to ensure that the investment managers thoroughly understand the risk implications of each opportunity. This helps the managers choose investments for GARS that give you as smooth a journey as possible.



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# How GARS works

**GARS aims to give you a steadier and smoother journey to retirement than most investment funds with similar potential for growth. To help achieve this, we designed GARS so that it can access money-making opportunities in a broad range of market conditions, including potentially times when markets are falling.**

**GARS has a very wide choice of investments**, which can spread risk, making it more resilient during times when markets are unsteady.

GARS' managers also use a varied selection of tools and techniques, including derivatives. These allow us to invest so that, even if prices on investment markets fall, GARS still has the possibility of making money - although it can also lose money, depending on the managers' decisions.

**GARS can make money in many different ways, from many different markets.**

The value of investments within the Fund can fall as well as rise and is not guaranteed and may be worth less than you paid in. The GARS Fund makes extensive use of derivatives to help it meet its return targets, and to allow us to invest in an efficient, cost-effective way. The value of assets held in the Fund may rise and fall as a result of exchange rate movements. For more information about risk and the GARS fund, visit [www.standardlifeinvestments.com](http://www.standardlifeinvestments.com)



## Market return

We spread your pension savings among shares and bonds in different countries, choosing what we believe to be the most attractive investment opportunities.

The state of the world and its financial markets change frequently. Therefore, we review our choices and make changes where necessary, to ensure the countries and markets we have chosen are still suitable for the current conditions.

## Security selection

We carefully and thoroughly analyse individual shares and bonds before we decide whether or not to buy them for GARS. We use our own tried and tested investment process to help us do this. We frequently review the investments we already hold in GARS, to check they are still suitable.

## Directional strategies

Some markets can fluctuate around more or less the same level from one decade to the next. In between times though, they still go up and down.

For instance, in July 2013, £1 was worth around US\$1.5, roughly the same as in December 1992.

However, between those dates, the two currencies moved up and down a lot. For example in 2007, £1 was worth as much as US\$2.

We are able to make money from these upwards and downwards movements of markets that over very long periods of time may appear to be quite static.

## Relative value strategies

We can take advantage of differences between two markets or two groups of investments. For instance, if we expect US technology companies to do better than small-sized US companies, we can invest to make money from this view. Importantly, the way we invest means that even if the share prices of both technology and small-sized companies in the US fall, we can still make money, as long as the shares of US technology companies fall less than those of small-sized US companies.

# About Standard Life Investments

## Strong and market leading

We are a large and financially strong company, with many years of experience in managing pensions and investments.

## Talented people

At the heart of our success are over 1,500 individuals working for us around the world. We spend a lot of time and energy recruiting and keeping the best and most talented people.

## Taking care of your money

We thoroughly research and analyse each investment idea before we add it to any of our funds. We use our own tried and tested method to do this. Our aim is to constantly look ahead to anticipate change, so that we can deliver the best rewards for our investors.

## High standards

We take seriously our responsibilities to those people who have trusted their pension savings with us. We insist on the highest standards of honesty, integrity and fairness among all our staff.

## Experienced and competent

You can see our success from our various pension industry awards and from the growing number of companies asking us to manage their pension money.



## Global reach

Our headquarters are in Edinburgh and we have offices in 20 locations across Europe, North America, Asia and Australia. We also have close links with leading investment companies in India and Japan.

## Our global operations



\* Joint representative operation

Standard Life Investments Limited is registered in Ireland (904256) at 90 St Stephen's Green, Dublin 2 and Scotland (SC123321) at 1 George Street, Edinburgh EH2 2LL. Standard Life Investments Limited is authorised and regulated in the UK by the Financial Conduct Authority. Calls may be monitored and/or recorded to protect both you and us and help with our training.

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