

Smartshares Exchange Traded Funds

ANNUAL REPORT FOR THE YEAR TO 31 MARCH 2019

Details of Scheme

This is the annual report for the Smartshares Exchange Traded Funds (**Scheme**) for the year to 31 March 2019. The Scheme is a managed fund.

The Scheme's manager is Smartshares Limited (**Smartshares**), which is a wholly-owned subsidiary of NZX Limited, and the Scheme's supervisor is Public Trust.

The latest Product Disclosure Statement – Smartshares Exchange Traded Funds is dated 6 June 2019 and the latest Product Disclosure Statement – Smartshares Exchange Traded Funds – Smartshares ETFs built with iShares® Series is dated 28 May 2019. The Scheme is open for applications.

The latest fund updates for the Scheme are dated 1 May 2019.

The latest financial statements for the Scheme for the year to 31 March 2019, including the auditor's report relating to those statements, have been lodged with the Registrar of Financial Service Providers.

Copies of the product disclosure statements, fund updates, financial statements and auditor's report are available on the offer register and the scheme register at www.disclose-register.companiesoffice.govt.nz

Information on contributions and Scheme participants

	31 March 2019	1 April 2018
Number of managed investment products on issue (being units in the Scheme)	1,004,907,134	854,374,208

Changes relating to the Scheme

Smartshares fixed the fund charges for the Scheme on 8 February 2019 - previously, where a fund invested in a Vanguard fund, the fund charges disclosed to investors included an estimate of the Vanguard fund's costs (these costs aren't fixed). If the costs actually charged by the Vanguard fund were higher than Smartshares' estimate, the amount charged to investors would be higher than the amount set out in the product disclosure statement.

Post-year end, the following funds (each of which invest in an exchange traded fund managed by BlackRock Investment Management (Australia) Limited or its related entities) were added to the Scheme:

- Smartshares Automation and Robotics ETF
- Smartshares Emerging Markets Equities ESG ETF
- Smartshares Europe Equities ESG ETF
- Smartshares Global Aggregate Bond ETF
- Smartshares Global Equities ESG ETF
- Smartshares Healthcare Innovation ETF
- Smartshares Japan Equities ESG ETF
- Smartshares US Equities ESG ETF

Other information for particular types of managed funds

Fund	Unit Price	
	31 March 2019	1 April 2018
Smartshares Asia Pacific ETF	\$1.957	\$2.011
Smartshares Australian Dividend ETF	\$1.606	\$1.586
Smartshares Australian Financials ETF	\$6.831	\$7.254
Smartshares Australian Mid Cap ETF	\$6.665	\$6.762
Smartshares Australian Property ETF	\$1.551	\$1.307
Smartshares Australian Resources ETF	\$4.968	\$4.147
Smartshares Australian Top 20 ETF	\$3.627	\$3.425
Smartshares Emerging Markets ETF	\$1.239	\$1.281
Smartshares Europe ETF	\$1.580	\$1.605
Smartshares Global Bond ETF	\$3.195	\$3.142
Smartshares NZ Bond ETF	\$3.062	\$3.025
Smartshares NZ Cash ETF	\$2.980	\$2.986
Smartshares NZ Dividend ETF	\$1.239	\$1.071
Smartshares NZ Mid Cap ETF	\$5.371	\$4.741
Smartshares NZ Property ETF	\$1.281	\$1.078
Smartshares NZ Top 10 ETF	\$1.721	\$1.481
Smartshares NZ Top 50 ETF	\$2.782	\$2.430
Smartshares Total World ETF	\$2.153	\$2.022
Smartshares US 500 ETF	\$7.631	\$6.631
Smartshares US Large Growth ETF	\$4.520	\$3.840
Smartshares US Large Value ETF	\$3.174	\$2.839
Smartshares US Mid Cap ETF	\$4.691	\$4.207
Smartshares US Small Cap ETF	\$4.468	\$4.018



Changes to persons involved in the Scheme

During the year to 31 March 2019, the following changes to the people involved in the Scheme were made:

Directors of the manager and key personnel of the manager

Lindsay Wright was appointed as a director of Smartshares on 26 June 2018.

Paul Baldwin resigned as a director of Smartshares on 17 December 2018.

Post-year end, Stuart Millar was appointed as Smartshares' Chief Investment Officer on 29 April 2019.

Board Members of the supervisor

Dianne Williams and Simon Craddock completed their terms as Board Members of Public Trust on 31 October 2018.

Post-year end, Kirsty Campbell and Vicki Sykes were appointed as Board Members of Public Trust on 1 April 2019.

Contact details and complaints

Manager

Complaints about your investment or the Scheme can be made to Smartshares at:

Complaints
Smartshares Limited
PO Box 105262
Auckland 1143

Telephone: 0800 808 780
Email: smartshares@smartshares.co.nz

Supervisor

If you make a complaint to Smartshares, and the complaint cannot be resolved, you may refer it to the supervisor at:

Complaints
Public Trust
PO Box 1598
Shortland Street
Auckland 1140

Telephone: 0800 371 471
Email: cts.enquiry@publictrust.co.nz

How to find further information

Further information relating to the Scheme, including the product disclosure statements, fund updates, financial statements and auditor's report, is available on the offer register and the scheme register at www.disclose-register.companiesoffice.govt.nz. A copy of the information on the offer register or scheme register is available on request to the Registrar of Financial Service Providers.

The information set out above is available at www.smartshares.co.nz or by contacting us. You can obtain details of your investment by contacting us. This information is available free of charge. See below for Smartshares' contact details.

You can obtain general information about the Scheme at www.smartshares.co.nz

Independent dispute resolution scheme

Smartshares is a member of the Financial Services Complaints Limited Scheme (the supervisor is also a member), which is an independent dispute resolution scheme. If you make a complaint to Smartshares (or the supervisor), and the complaint cannot be resolved, you may refer it to Financial Services Complaints Limited at:

Financial Services Complaints Limited
PO Box 5967
Wellington 6140

Telephone: 0800 347 257
Email: complaints@fscl.org.nz

The Financial Services Complaints Limited Scheme will not charge you a fee to investigate or resolve a complaint.

Registrar

The registrar's contact details are:

Link Market Services Limited
PO Box 91976
Auckland 1142

Telephone: 09 375 5998
Email: enquiries@linkmarketservices.co.nz