

Smartshares Exchange Traded Funds

ANNUAL REPORT FOR THE YEAR TO 31 MARCH 2020

Details of Scheme

This is the annual report for the Smartshares Exchange Traded Funds (**Scheme**) for the year to 31 March 2020. 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 Fund – Core Series is dated 15 July 2020 and the latest Product Disclosure Statement – Smartshares Exchange Traded Fund – Specialist Series is dated 15 July 2020. The Scheme is open for applications.

The latest fund updates for the Scheme are dated 28 July 2020.

The latest financial statements for the Scheme for the year to 31 March 2020, 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 2020	1 April 2019
Number of managed investment products on issue (being units in the Scheme)	1,223,983,938	1,004,907,134

Changes relating to the Scheme

The following funds (each of which invest in exchange traded funds managed by BlackRock Investment Management (Australia) Limited or its related entities) were added to the Scheme on 6 June 2019:

- Smartshares Global Aggregate Bond ETF
- Smartshares Global Equities ESG ETF
- Smartshares US Equities ESG ETF
- Smartshares Japan Equities ESG ETF
- Smartshares Emerging Markets Equities ESG ETF

- Smartshares Europe Equities ESG ETF
- Smartshares Automation and Robotics ETF
- Smartshares Healthcare Innovation ETF

Smartshares replaced Nikko Asset Management New Zealand Limited as the investment manager of the Smartshares NZ Cash ETF on 31 January 2020.

Post-year end, the following funds were added to the Scheme on 15 July 2020:

- Smartshares S&P/NZX 50 ETF
- Smartshares S&P/ASX 200 ETF
- Smartshares Total World (NZD Hedged) ETF
- Smartshares S&P/NZX NZ Government Bond ETF.

All related party transactions entered into during the year to 31 March 2020 were on arm's length terms.

Other information for particular types of managed funds

Fund	Unit Price	
	31 March 2020	1 April 2019
Core		
Smartshares US 500 ETF	\$8.02026	\$7.64806
Smartshares Total World ETF	\$2.12853	\$2.15541
Smartshares Global Aggregate Bond ETF	\$1.34035	N/A
Smartshares NZ Cash ETF	\$2.96068	\$2.98067
New Zealand shares		
Smartshares NZ Top 50 ETF	\$2.49239	\$2.78125
Smartshares NZ Top 10 ETF	\$1.80378	\$1.72138
Smartshares NZ Mid Cap ETF	\$4.54824	\$5.36926
Smartshares NZ Dividend ETF	\$0.96547	\$1.23890
Smartshares NZ Property ETF	\$1.19371	\$1.28096
Australian shares		
Smartshares Australian Top 20 ETF	\$3.05432	\$3.63976
Smartshares Australian Mid Cap ETF	\$5.19764	\$6.67271
Smartshares Australian Dividend ETF	\$1.24027	\$1.62075
Smartshares Australian Financials ETF	\$4.96235	\$6.82782
Smartshares Australian Resources ETF	\$3.65099	\$4.96401
Smartshares Australian Property ETF	\$1.07087	\$1.55015
US shares		
Smartshares US Large Growth ETF	\$5.19209	\$4.53584
Smartshares US Large Value ETF	\$3.03579	\$3.17912
Smartshares US Mid Cap ETF	\$4.43412	\$4.70328
Smartshares US Small Cap ETF	\$3.87845	\$4.46862



International shares		
Smartshares Asia Pacific ETF	\$1.87706	\$1.95190
Smartshares Emerging Markets ETF	\$1.14094	\$1.24878
Smartshares Europe ETF	\$1.46754	\$1.58066
ESG shares		
Smartshares Global Equities ESG ETF	\$1.94213	N/A
Smartshares US Equities ESG ETF	\$2.05061	N/A
Smartshares Japan Equities ESG ETF	\$1.85944	N/A
Smartshares Emerging Markets Equities ESG ETF	\$1.86809	N/A
Smartshares Europe Equities ESG ETF	\$2.13028	N/A
Thematic shares		
Smartshares Automation and Robotics ETF	\$2.78024	N/A
Smartshares Healthcare Innovation ETF	\$2.49226	N/A
Bonds		
Smartshares NZ Bond ETF	\$3.06304	\$3.06278
Smartshares Global Bond ETF	\$3.22620	\$3.19301

Any difference between the unit prices announced to the market for 31 March 2020 and 31 March 2019 (which applies at the start of 1 April 2019) and the unit prices set out above is due to different unit pricing methodology.

Changes to persons involved in the Scheme

During the year to 31 March 2020, the following changes to the people involved in the Scheme were made:

Directors of the manager and key personnel of the manager

Stuart Millar was appointed as Smartshares' Chief Investment Officer on 29 April 2019.

Board Members of the supervisor

Bevan Killick completed his term as a Board Member of Public Trust on 31 October 2019.

Kevin Murphy and Meleane Burgess were appointed as Board Members of Public Trust on 1 February 2020.

Investment manager of the Scheme

Smartshares replaced Nikko Asset Management New Zealand Limited as the investment manager of the Smartshares NZ Cash ETF on 31 January 2020.

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

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: complaints@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

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@fscf.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