

STATEMENT OF INVESTMENT POLICY AND OBJECTIVES (SIPO)

Smartshares Exchange Traded Funds

28 March 2024



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1. Description of the Scheme

The Smartshares Exchange Traded Funds (**Scheme**) is a managed investment scheme managed by Smartshares Limited (**Smartshares**).

2. Investment philosophy

Smartshares' investment philosophy is based on the following key beliefs:

- Most markets and asset classes are efficient, meaning there is limited opportunity for fund managers to provide above market returns after fees and other expenses.
- Based on academic evidence, asset allocation is the single most important factor in determining long-term investment returns.
- Diversification is the best way to manage the risk that a combination of assets within a portfolio fails to meet its investment objectives.

Smartshares aims to provide a comprehensive suite of listed and unlisted funds that can be used by individuals, companies, financial advisers and institutions. Most of these funds are designed to track market indices. These range from traditional market capitalisation weighted indices to customised indices that target or exclude a particular sector, industry or specific securities.

Smartshares recognises that in some markets the predominant index may not provide an efficient exposure. In these circumstances, it will use a systematic approach to manage a portfolio or select an external investment manager to meet the objective of the fund.

3. Investment objective

The Scheme offers access to a range of exchange traded funds (**ETFs**), across the investment asset classes of cash, fixed interest, shares and property. Each of the ETFs is listed on the NZX Main Board.

Each ETF has an investment objective. These are set out in the schedules to this SIPO.

4. Investment policies

A. Derivatives

A derivative is a financial product with a value that is reliant upon or derived from, an underlying asset or group of assets.

Each ETF has a derivatives policy. These are set out in the schedules to this SIPO.

B. Hedging

Hedging involves removing some or all of the foreign currency risk implicit in owning international assets. This limits the impact of foreign exchange rate movements on investment performance.





Each ETF that has foreign currency exposure has a hedging policy. These are set out in the schedules to this SIPO.

C. Securities lending

Securities lending is typically entered into when a financial institution (**borrower**) does not have sufficient financial products to complete a sale that it has agreed to, and therefore borrows financial products from the ETF to meet its obligations. After completion of the sale, the borrower returns replacement financial products to the ETF, together with an amount equal to any dividends that may have become payable over the loan period and a securities lending fee.

Some of the ETFs undertake securities lending. Each of these ETFs has a securities lending policy. These are set out in the schedules to this SIPO.

D. Corporate actions

Most Smartshares funds are designed to track market indices and are managed to minimise tracking error. However, Smartshares may exercise corporate actions (increasing tracking error and exposing the funds to more risk that a fund achieves a return that is lower than the investment objective for the fund) when doing so is reasonably expected to increase the returns to investors.

Some of the funds may exercise corporate actions. Each of these funds has a corporate actions policy. These are set out in the schedules to this SIPO.

E. Responsible investment

Smartshares' Responsible Investment Policy, which sets out its approach to responsible investing, is available at smartshares.co.nz/legal-documents.

5. Investment performance monitoring and reporting

The Scheme's investment performance is monitored every month (by Smartshares' Chief Investment Officer) and every three months (by Smartshares' Investment Oversight Committee and Smartshares' Board). In particular:

- every month, Smartshares prepares investment performance reports and provides them to the Chief Investment Officer;
- every three months, Smartshares prepares investment performance reports and provides them to Smartshares' Investment Oversight Committee; and
- every three months, Smartshares' Oversight Committee reports to Smartshares' Board. The investment performance reports are also provided to Smartshares' Board

Investment performance is monitored over one month, three months, one year, three years and five years periods.

Absolute performance, performance relative to benchmark indices and performance relative to peer averages is monitored.





6. Investment strategy review

Smartshares' Investment Oversight Committee reviews the Scheme's investment strategy annually, and undertakes an ad hoc review of the Scheme's investment strategy if:

- changes to market conditions necessitate changes to either: (1) the nature or types of investments that can be made and any limits on those; and/or (2) any limits on the proportions of each type of asset invested in; or
- Smartshares' Board instructs Smartshares' Investment Oversight Committee to review the Scheme's investment strategy.

Smartshares' Investment Oversight Committee considers management's recommendations in respect of any proposed changes to the Scheme's investment strategy.

Smartshares' Investment Oversight Committee reports to Smartshares' Board as to the outcome of its review, together with any proposed changes to the Scheme's investment strategy.

Smartshares' Board considers Smartshares' Investment Oversight Committee's report and may approve any changes to the Scheme's investment strategy.

7. SIPO review

Smartshares' Investment Oversight Committee reviews this SIPO annually, and undertakes an ad hoc review of this SIPO if:

- changes to the law or the Financial Markets Authority's guidance necessitate changes to this SIPO;
- Smartshares' Board instructs Smartshares' Investment Oversight Committee to review this SIPO; or
- changes to the Scheme's investment strategy (made as part of an ad hoc review of investment strategy) necessitate changes to this SIPO.

Smartshares' Investment Oversight Committee considers management's recommendations in respect of any proposed changes to this SIPO.

Smartshares' Investment Oversight Committee reports to Smartshares' Board as to the outcome of its review, together with any proposed changes to this SIPO.

Smartshares' Board considers Smartshares' Investment Oversight Committee's report and may approve any changes to this SIPO.

Changes to the SIPO can only be made following consultation with the supervisor.





Schedules

CORE SERIES

Schedule 1 – Smartshares S&P/NZX 50 ETF

The Smartshares S&P/NZX 50 ETF is listed on the NZX Main Board with the code NZG.

Investment objective

The Smartshares S&P/NZX 50 ETF's investment objective is to track the return (before tax, fees and other expenses) of the S&P/NZX 50 Index.

Investment strategy

Target asset allocation

The Smartshares S&P/NZX 50 ETF's target asset allocation and asset allocation ranges are set out in the following table:

Asset class	Target	Range
Cash and cash equivalents	0%	0% - 10%
Australasian equities	100%	90% - 100%

Permitted investments

The Smartshares S&P/NZX 50 ETF may invest in the following assets:

- financial products listed on the NZX Main Board that are included (or are reasonably expected to be included) in the S&P/NZX 50 Index; and
- cash and cash equivalents.

The S&P/NZX 50 Index is made up of 50 of the largest financial products listed on the NZX Main Board.

Further information about the S&P/NZX 50 Index is available at <https://us.spindices.com/indices/equity/sp-nzx-50-index>.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian and other short-term highly liquid investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The Smartshares S&P/NZX 50 ETF may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above. The Smartshares S&P/NZX 50 ETF may not use derivatives to lever the ETF.

Securities lending

The Smartshares S&P/NZX 50 ETF may lend up to 50% of the ETF's net asset value and up to 50% of the aggregate value of any class of financial product held by the ETF.





Investment restrictions

The Smartshares S&P/NZX 50 ETF may borrow up to 10% of the ETF's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund securities settlement or pay expenses).

Corporate actions

The Smartshares S&P/NZX 50 ETF may exercise corporate actions to participate in offers of securities to existing shareholders.





Schedule 2 – Smartshares S&P/ASX 200 ETF

The Smartshares S&P/ASX 200 ETF is listed on the NZX Main Board with the code AUS.

Investment objective

The Smartshares S&P/ASX 200 ETF's investment objective is to track the return (before tax, fees and other expenses) of the S&P/ASX 200 Index.

Investment strategy

Target asset allocation

The Smartshares S&P/ASX 200 ETF's target asset allocation and asset allocation ranges are set out in the following table:

Asset class	Target	Range
Cash and cash equivalents	0%	0% - 10%
Australasian equities	100%	90% - 100%

Permitted investments

The Smartshares S&P/ASX 200 ETF may invest in the following assets:

- financial products listed on the ASX that are included (or are reasonably expected to be included) in the S&P/ASX 200 Index;
- iShares Core S&P/ASX 200 ETF; and
- cash and cash equivalents.

The iShares Core S&P/ASX 200 ETF employs an indexing investment approach and invests all, or substantially all, of its assets in the financial products included in the S&P/ASX 200 Index.

The S&P/ASX 200 Index is made up of 200 of the largest financial products listed on the ASX.

Further information about the S&P/ASX 200 Index is available at <https://us.spindices.com/indices/equity/sp-asx-200>.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian and other short-term highly liquid investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The Smartshares S&P/ASX 200 ETF may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above. The Smartshares S&P/ASX 200 ETF may not use derivatives to lever the ETF.

Hedging

The Smartshares S&P/ASX 200 ETF's foreign currency exposure is not hedged.

Securities lending

The Smartshares Australian S&P/ASX 200 ETF may lend up to 50% of the ETF's net asset value and up to 50% of the aggregate value of any class of financial product held by the ETF.





Investment restrictions

The Smartshares S&P/ASX 200 ETF may borrow up to 10% of the ETF's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund securities settlement or pay expenses).

Corporate actions

The Smartshares S&P/ASX 200 ETF may exercise corporate actions to participate in offers of securities to existing shareholders





Schedule 3 – Smartshares US 500 ETF

The Smartshares US 500 ETF is listed on the NZX Main Board with the code USF.

Investment objective

The Smartshares US 500 ETF's investment objective is to track the return (before tax, fees and other expenses) of the S&P 500 Index.

Investment strategy

Target asset allocation

The Smartshares US 500 ETF's target asset allocation and asset allocation ranges are set out in the following table:

Asset class	Target	Range
Cash and cash equivalents	0%	0% - 10%
International equities	100%	90% - 100%

Permitted investments

The Smartshares US 500 ETF may invest in the following assets:

- the Vanguard S&P 500 ETF; and
- cash and cash equivalents.

The Vanguard S&P 500 ETF employs an indexing investment approach and invests all, or substantially all, of its assets in the financial products included in the S&P 500 Index.

The S&P 500 Index is made up of 500 of the largest financial products listed on the New York Stock Exchange or NASDAQ Stock Market.

Further information about the S&P 500 Index is available at <http://us.spindices.com/indices/equity/sp-500>.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian and other short-term highly liquid investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The Smartshares US 500 ETF may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above. The Smartshares US 500 ETF may not use derivatives to lever the ETF.

Hedging

The Smartshares US 500 ETF's foreign currency exposure is not hedged.

Investment restrictions

The Smartshares US 500 ETF may borrow up to 10% of the ETF's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund securities settlement or pay expenses).





Schedule 4 – Smartshares US 500 (NZD Hedged) ETF

The Smartshares US 500 (NZD Hedged) ETF is listed on the NZX Main Board with the code USH.

Investment objective

The Smartshares US 500 (NZD Hedged) ETF's investment objective is to track the return (before tax, fees and other expenses) of the S&P 500 Dynamic Hedged NZD Index.

Investment strategy

Target asset allocation

The Smartshares US 500 (NZD Hedged) ETF's target asset allocation and asset allocation ranges are set out in the following table:

Asset class	Target	Range
Cash and cash equivalents	0%	0% - 10%
International equities	100%	90% - 100%

Permitted investments

The fund may invest in the following assets:

- listed financial products that are included (or are reasonably expected to be included) in the S&P 500 Dynamic Hedged NZD Index;
- any fund in the Smartshares Exchange Traded Funds or other managed investment scheme managed by Smartshares;
- any fund managed by a third party; and
- cash and cash equivalents.

Further information about the S&P 500 Dynamic Hedged NZD Index is available at <https://www.spglobal.com/spdji/en/indices/equity/sp-500-dynamic-hedged-index>.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian and other short-term highly liquid investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The Smartshares US 500 (NZD Hedged) ETF may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above. The fund may not use derivatives to lever the ETF.

Hedging

The Smartshares US 500 (NZD Hedged) ETF's foreign currency exposure is hedged to the New Zealand dollar. The target hedging level is 100% of the fund's foreign currency exposure





(although the actual hedging level may differ from this because of cash flow and market movements).

Securities lending

The Smartshares US 500 (NZD Hedged) ETF may lend up to 50% of the ETF's net asset value and up to 50% of the aggregate value of any class of financial product held by the ETF.

Investment restrictions

The Smartshares US 500 (NZD Hedged) ETF may borrow up to 10% of the ETF's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund redemptions, securities settlement or pay expenses).

Corporate actions

The Smartshares US 500 (NZD Hedged) ETF may exercise corporate actions to participate in offers of securities to existing shareholders.





Schedule 5 – Smartshares Total World ETF

The Smartshares Total World ETF is listed on the NZX Main Board with the code TWF.

Investment objective

The Smartshares Total World ETF's investment objective is to track the return (before tax, fees and other expenses) of the FTSE Global All Cap Index.

Investment strategy

Target asset allocation

The Smartshares Total World ETF's target asset allocation and asset allocation ranges are set out in the following table:

Asset class	Target	Range
Cash and cash equivalents	0%	0% - 10%
International equities	100%	90% - 100%

Permitted investments

The Smartshares Total World ETF may invest in the following assets:

- the Vanguard Total World Stock ETF; and
- cash and cash equivalents.

The Vanguard Total World Stock ETF employs an indexing investment approach and invests all, or substantially all, of its assets in the financial products included in the FTSE Global All Cap Index.

The FTSE Global All Cap Index is made up of financial products of large, mid and small cap companies located around the world.

Further information about the FTSE Global All Cap Index is available at <http://research.ftserussell.com/vanguard/Home/Indices>.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian and other short-term highly liquid investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The Smartshares Total World ETF may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above. The Smartshares Total World ETF may not use derivatives to lever the ETF.

Hedging

The Smartshares Total World ETF's foreign currency exposure is not hedged.

Investment restrictions

The Smartshares Total World ETF may borrow up to 10% of the ETF's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund securities settlement or pay expenses).





Schedule 6 – Smartshares Total World (NZD Hedged) ETF

The Smartshares Total World (NZD Hedged) ETF is listed on the NZX Main Board with the code TWH.

Investment objective

The Smartshares Total World (NZD Hedged) ETF's investment objective is to track the return (before tax, fees and other expenses) of the FTSE Global All Cap Index, hedged to the New Zealand dollar.

Investment strategy

Target asset allocation

The Smartshares Total World (NZD Hedged) ETF's target asset allocation and asset allocation ranges are set out in the following table:

Asset class	Target	Range
Cash and cash equivalents	0%	0% - 10%
International equities	100%	90% - 100%

Permitted investments

The Smartshares Total World (NZD Hedged) ETF may invest in the following assets:

- the Vanguard Total World Stock ETF; and
- cash and cash equivalents.

The Vanguard Total World Stock ETF employs an indexing investment approach and invests all, or substantially all, of its assets in the financial products included in the FTSE Global All Cap Index.

The FTSE Global All Cap Index is made up of financial products of large, mid and small cap companies located around the world.

Further information about the FTSE Global All Cap Index is available at <http://research.ftserussell.com/vanguard/Home/Indices>.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian and other short-term highly liquid investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The Smartshares Total World (NZD Hedged) ETF may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above. The Smartshares Total World ETF may not use derivatives to lever the ETF.

Hedging

The fund's foreign currency exposure is hedged to the New Zealand dollar. The target hedging level is 100% (although the actual hedging level may differ from this because of cash flow and market movements).





Investment restrictions

The Smartshares Total World (NZD Hedged) ETF may borrow up to 10% of the ETF's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund securities settlement or pay expenses).





Schedule 7 – Smartshares S&P/NZX NZ Government Bond ETF

The Smartshares S&P/NZX NZ Government Bond ETF is listed on the NZX Main Board with the code NGB.

Investment objective

The Smartshares S&P/NZX NZ Government Bond ETF's investment objective is to track the return (before tax, fees and other expenses) of the S&P/NZX NZ Government Bond Index.

Investment strategy

Target asset allocation

The Smartshares S&P/NZX NZ Government Bond ETF's target asset allocation and asset allocation ranges are set out in the following table:

Asset class	Target	Range
Cash and cash equivalents	0%	0% - 10%
New Zealand fixed interest	100%	90% - 100%

Permitted investments

The Smartshares S&P/NZX NZ Government Bond ETF may invest in the following assets:

- debt securities issued or guaranteed by the New Zealand Government that are included (or are reasonably expected to be included) in the S&P/NZX NZ Government Bond Index; and
- cash and cash equivalents.

The S&P/NZX NZ Government Bond Index is made up of sovereign bonds issued by the New Zealand government.

Further information about the S&P/NZX NZ Government Bond Index is available at <https://us.spindices.com/indices/fixed-income/sp-nzx-nz-government-bond-index>.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian and other short-term highly liquid investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The Smartshares S&P/NZX NZ Government Bond ETF may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above. The Smartshares S&P/NZX NZ Government Bond ETF may not use derivatives to lever the ETF.

Investment restrictions

The Smartshares S&P/NZX NZ Government Bond ETF may borrow up to 10% of the ETF's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund securities settlement or pay expenses).





Schedule 8 – Smartshares Global Government Bond ETF

The Smartshares Global Government Bond ETF is listed on the NZX Main Board with the code GGB.

Investment objective

The Smartshares Global Government Bond ETF's investment objective is to provide returns (before tax, fees and other expenses) consistent with the Bloomberg Global Aggregate Treasuries (Scaled) Total Return Index (100% hedged to the New Zealand dollar).

Investment strategy

Target asset allocation

The Smartshares Global Government Bond ETF's target asset allocation and asset allocation ranges are set out in the following table:

Asset class	Target	Range
Cash and cash equivalents	0%	0% - 10%
International fixed interest	100%	90% - 100%

Permitted investments

The Smartshares Global Government Bond ETF may invest in the following assets:

- debt securities issued or guaranteed by overseas or New Zealand governments that are included (or are reasonably expected to be included) in the Bloomberg Global Aggregate Treasuries (Scaled) Total Return Index;
- funds that primarily invest in the assets set out above; and
- cash and cash equivalents.

The Bloomberg Global Aggregate Treasuries (Scaled) Total Return Index is based on the Bloomberg Global Aggregate Treasuries Total Return Index, with a scaled down exposure to Chinese-denominated securities from approximately 8.5% to 0.5% (this amount may fluctuate due to market movements and aggregate debt issued by the sovereign). The market index is representative of a developed market exposure, with a minimal emerging markets exposure. Further information is available at smartshares.co.nz/document-library/indices/Bloomberg-Global-Aggregate-Treasuries-Scaled-Total-Return-Index.pdf.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian and other short-term highly liquid investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The Smartshares Global Government Bond ETF may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above. The Smartshares Global Government Bond ETF may not use derivatives to lever the ETF.





Hedging

The Smartshares Global Government Bond ETF's foreign currency exposure is hedged to the New Zealand dollar. The target hedging level is 100% (although the actual hedging level may differ from this because of cash flow and market movements).

Investment restrictions

The Smartshares Global Government Bond ETF may borrow up to 10% of the ETF's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund securities settlement or pay expenses).





Schedule 9 – Smartshares Global Aggregate Bond ETF

The Smartshares Global Aggregate Bond ETF is listed on the NZX Main Board with the code AGG.

Investment objective

The Smartshares Global Aggregate Bond ETF's investment objective is to track the return (before tax, fees and other expenses) of the Bloomberg Global Aggregate Bond Index, hedged to the New Zealand dollar.

Investment strategy

Target asset allocation

The Smartshares Global Aggregate Bond ETF's target asset allocation and asset allocation ranges are set out in the following table:

Asset class	Target	Range
Cash and cash equivalents	0%	0% - 10%
International fixed interest	100%	90% - 100%

Permitted investments

The Smartshares Global Aggregate Bond ETF may invest in the following assets:

- the iShares Core Global Aggregate Bond UCITS ETF NZD Hedged (Acc); and
- cash and cash equivalents.

The iShares Core Global Aggregate Bond UCITS ETF NZD Hedged (Acc) employs an indexing investment approach and invests all, or substantially all, of its assets in the financial products included in the Bloomberg Global Aggregate Bond Index.

The Bloomberg Global Aggregate Bond Index is made up of global investment grade bonds.

Further information about the Bloomberg Global Aggregate Bond Index is available at <https://www.bloomberg.com/professional/product/indices/>.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian and other short-term highly liquid investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The Smartshares Global Aggregate Bond ETF may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above. The Smartshares Global Aggregate Bond ETF may not use derivatives to lever the ETF.

Hedging

The Smartshares Global Aggregate Bond ETF invests in the iShares Core Global Aggregate Bond UCITS ETF NZD Hedged (Acc), which foreign currency exposure is hedged to the New Zealand dollar.





Investment restrictions

The Smartshares Global Aggregate Bond ETF may borrow up to 10% of the ETF's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund securities settlement or pay expenses).





Schedule 10 – Smartshares NZ Cash ETF

The Smartshares NZ Cash ETF is listed on the NZX Main Board with the code NZC.

Investment objective

The Smartshares NZ Cash ETF's investment objective is to provide a return (before tax, fees and other expenses) that outperforms the S&P/NZX Bank Bill 90-Day Index over rolling one-year periods.

The S&P/NZX Bank Bill 90-Day Index is made up of a portfolio of bank bills with a maturity of 31 days to 90 days.

Further information about the S&P/NZX Bank Bill 90-Day Index is available at <http://us.spindices.com/indices/fixed-income/sp-nzx-bank-bills-90-day-index>.

Investment strategy

Asset allocation

The Smartshares NZ Cash ETF is 100% invested in cash and cash equivalents.

Permitted investments

The Smartshares NZ Cash ETF may invest in the following assets:

- debt securities issued or guaranteed by:
 - the New Zealand Government;
 - any New Zealand registered bank;
 - any New Zealand local authority or the Local Government Funding Authority; and
 - any corporations incorporated, constituted or registered in either New Zealand or overseas that meet the minimum credit rating criteria (including any New Zealand state-owned enterprise);
- debt securities issued or guaranteed by overseas Governments and supnationals; and
- cash and cash equivalents.

The Smartshares NZ Cash ETF may invest in funds that primarily invest in the assets set out above.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian and other short-term highly liquid investments (and funds that primarily invest in cash and cash equivalents).

The Smartshares NZ Cash ETF may also invest in other assets (which are not explicitly set out above) that Smartshares considers are consistent with the permitted investments set out above and that appropriately reflect the risk profile of the ETF and will contribute to the performance objectives of the ETF.

Derivatives

The Smartshares NZ Cash ETF may use derivatives (such as futures, forwards, options and swaps). The Smartshares NZ Cash ETF may not use derivatives to lever the ETF.





Investment restrictions

The maximum exposure to any one issuer (with the exception of the New Zealand Government) is 25%.

The minimum issuer long-term credit rating is BBB- issued by Standard & Poor's Financial Services LLC (**Standard & Poor's**) and the minimum issuer short-term credit rating is A-3 issued by Standard & Poor's, or their equivalent issued by Moody's Investor Services (**Moody's**) or Fitch Ratings (**Fitch**).

The minimum over-the-counter derivative counterparty rating is A- issued by Standard & Poor's, or its equivalent issued by Moody's or Fitch.

If an issuer or counterparty has multiple credit ratings, Smartshares will use the highest credit rating of Standard & Poor's, Moody's or Fitch. If an issuer or counterparty is not rated by any of these rating agencies, Smartshares will decide a credit rating. If an issuer or counterparty is downgraded below the minimums set out above, Smartshares will decide the appropriate action.

The Smartshares NZ Cash ETF's investments are subject to the following sector limits:

Sector	Range
New Zealand Government	0% - 100%
New Zealand banks	0% - 80%
Local Government	0% - 50%
Corporates	0% - 80%
Overseas Governments and supranationals	0% - 20%

The maximum maturity date of each security (other than floating rate notes) is 365 days.

The maximum exposure to floating rate notes is 35% and the maximum maturity date of individual floating rate notes is three years.

Where the Smartshares NZ Cash ETF invests in a fund, for the purposes of these investment restrictions, Smartshares will (where information in respect of the fund's underlying investments is available) aggregate the ETF's interests in the fund's underlying investments with the ETF's own investments.

All investments must be New Zealand dollar denominated.

The Smartshares NZ Cash ETF may borrow up to 10% of the ETF's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund securities settlement or pay expenses).

The Smartshares NZ Cash ETF may not invest in subordinated debt securities.





SPECIALIST SERIES

New Zealand shares

Schedule 11 – Smartshares NZ Top 50 ETF

The Smartshares NZ Top 50 ETF is listed on the NZX Main Board with the code FNZ.

Investment objective

The Smartshares NZ Top 50 ETF's investment objective is to track the return (before tax, fees and other expenses) of the S&P/NZX 50 Portfolio Index.

Investment strategy

Target asset allocation

The Smartshares NZ Top 50 ETF's target asset allocation and asset allocation ranges are set out in the following table:

Asset class	Target	Range
Cash and cash equivalents	0%	0% - 10%
Australasian equities	100%	90% - 100%

Permitted investments

The Smartshares NZ Top 50 ETF may invest in the following assets:

- financial products listed on the NZX Main Board that are included (or are reasonably expected to be included) in the S&P/NZX 50 Portfolio Index; and
- cash and cash equivalents.

The S&P/NZX 50 Portfolio Index is made up of 50 of the largest financial products listed on the NZX Main Board. The S&P/NZX 50 Portfolio Index is made up of the same financial products as the S&P/NZX 50 Index, but with a 5% cap on the weight of each product.

Further information about the S&P/NZX 50 Portfolio Index is available at <http://us.spindices.com/indices/equity/sp-nzx-50-portfolio-index>.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian and other short-term highly liquid investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The Smartshares NZ Top 50 ETF may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above. The Smartshares NZ Top 50 ETF may not use derivatives to lever the ETF.

Securities lending

The Smartshares NZ Top 50 ETF may lend up to 50% of the ETF's net asset value and up to 50% of the aggregate value of any class of financial product held by the ETF.





Investment restrictions

The Smartshares NZ Top 50 ETF may borrow up to 10% of the ETF's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund securities settlement or pay expenses).

Corporate actions

The Smartshares NZ Top 50 ETF may exercise corporate actions to participate in offers of securities to existing shareholders.





Schedule 12 – Smartshares NZ Top 10 ETF

The Smartshares NZ Top 10 ETF is listed on the NZX Main Board with the code TNZ.

Investment objective

The Smartshares NZ Top 10 ETF's investment objective is to track the return (before tax, fees and other expenses) of the S&P/NZX 10 Index.

Investment strategy

Target asset allocation

The Smartshares NZ Top 10 ETF's target asset allocation and asset allocation ranges are set out in the following table:

Asset class	Target	Range
Cash and cash equivalents	0%	0% - 10%
Australasian equities	100%	90% - 100%

Permitted investments

The Smartshares NZ Top 10 ETF may invest in the following assets:

- financial products listed on the NZX Main Board that are included (or are reasonably expected to be included) in the S&P/NZX 10 Index; and
- cash and cash equivalents.

The S&P/NZX 10 Index is made up of ten of the largest financial products listed on the NZX Main Board, but excludes products issued by non-New Zealand issuers.

Further information about the S&P/NZX 10 Index is available at

<http://us.spindices.com/indices/equity/sp-nzx-10-index>.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian and other short-term highly liquid investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The Smartshares NZ Top 10 ETF may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above. The Smartshares NZ Top 10 ETF may not use derivatives to lever the ETF.

Securities lending

The Smartshares NZ Top 10 ETF may lend up to 50% of the ETF's net asset value and up to 50% of the aggregate value of any class of financial product held by the ETF.

Investment restrictions

The Smartshares NZ Top 10 ETF may borrow up to 10% of the ETF's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund securities settlement or pay expenses).





Corporate actions

The Smartshares NZ Top 10 ETF may exercise corporate actions to participate in offers of securities to existing shareholders.





Schedule 13 – Smartshares NZ Mid Cap ETF

The Smartshares NZ Mid Cap ETF is listed on the NZX Main Board with the code MDZ.

Investment objective

The Smartshares NZ Mid Cap ETF's investment objective is to track the return (before tax, fees and other expenses) of the S&P/NZX Mid Cap Index.

Investment strategy

Target asset allocation

The Smartshares NZ Mid Cap ETF's target asset allocation and asset allocation ranges are set out in the following table:

Asset class	Target	Range
Cash and cash equivalents	0%	0% - 10%
Australasian equities	100%	90% - 100%

Permitted investments

The Smartshares NZ Mid Cap ETF may invest in the following assets:

- financial products listed on the NZX Main Board that are included (or are reasonably expected to be included) in the S&P/NZX Mid Cap Index; and
- cash and cash equivalents.

The S&P/NZX Mid Cap Index is made up of financial products listed on the NZX Main Board and included in the S&P/NZX 50 Index, but excludes products included in the S&P/NZX 10 Index and products issued by non-New Zealand issuers.

Further information about the S&P/NZX Mid Cap Index is available at <http://us.spindices.com/indices/equity/sp-nzx-midcap-index>.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian and other short-term highly liquid investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The Smartshares NZ Mid Cap ETF may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above. The Smartshares NZ Mid Cap ETF may not use derivatives to lever the ETF.

Securities lending

The Smartshares NZ Mid Cap ETF may lend up to 50% of the ETF's net asset value and up to 50% of the aggregate value of any class of financial product held by the ETF.

Investment restrictions

The Smartshares NZ Mid Cap ETF may borrow up to 10% of the ETF's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund securities settlement or pay expenses).





Corporate actions

The Smartshares NZ Mid Cap ETF may exercise corporate actions to participate in offers of securities to existing shareholders.





Schedule 14 – Smartshares NZ Dividend ETF

The Smartshares NZ Dividend ETF is listed on the NZX Main Board with the code DIV.

Investment objective

The Smartshares NZ Dividend ETF's investment objective is to track the return (before tax, fees and other expenses) of the S&P/NZX 50 High Dividend Index.

Investment strategy

Target asset allocation

The Smartshares NZ Dividend ETF's target asset allocation and asset allocation ranges are set out in the following table:

Asset class	Target	Range
Cash and cash equivalents	0%	0% - 10%
Australasian equities	100%	90% - 100%

Permitted investments

The Smartshares NZ Dividend ETF may invest in the following assets:

- financial products listed on the NZX Main Board that are included (or are reasonably expected to be included) in the S&P/NZX 50 High Dividend Index; and
- cash and cash equivalents.

The S&P/NZX 50 High Dividend Index is made up of 25 high yielding financial products listed on the NZX Main Board and included in the S&P/NZX 50 Index.

Further information about the S&P/NZX 50 High Dividend Index is available at <http://spglobal.com/spdji/en/indices/dividends-factors/sp-nzx-50-high-dividend-index>.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian and other short-term highly liquid investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The Smartshares NZ Dividend ETF may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above. The Smartshares NZ Dividend ETF may not use derivatives to lever the ETF.

Securities lending

The Smartshares NZ Dividend ETF may lend up to 50% of the ETF's net asset value and up to 50% of the aggregate value of any class of financial product held by the ETF.

Investment restrictions

The Smartshares NZ Dividend ETF may borrow up to 10% of the ETF's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund securities settlement or pay expenses).





Corporate actions

The Smartshares NZ Dividend ETF may exercise corporate actions to participate in offers of securities to existing shareholders.





Australian shares

Schedule 15 – Smartshares Australian Top 20 ETF

The Smartshares Australian Top 20 ETF is listed on the NZX Main Board with the code OZY.

Investment objective

The Smartshares Australian Top 20 ETF's investment objective is to track the return (before tax, fees and other expenses) of the S&P/ASX 20 Index.

Investment strategy

Target asset allocation

The Smartshares Australian Top 20 ETF's target asset allocation and asset allocation ranges are set out in the following table:

Asset class	Target	Range
Cash and cash equivalents	0%	0% - 10%
Australasian equities	100%	90% - 100%

Permitted investments

The Smartshares Australian Top 20 ETF may invest in the following assets:

- financial products listed on the ASX that are included (or are reasonably expected to be included) in the S&P/ASX 20 Index; and
- cash and cash equivalents.

The S&P/ASX 20 Index is made up of 20 of the largest financial products listed on the ASX.

Further information about the S&P/ASX 20 Index is available at <http://us.spindices.com/indices/equity/sp-asx-20>.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian and other short-term highly liquid investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The Smartshares Australian Top 20 ETF may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above. The Smartshares Australian Top 20 ETF may not use derivatives to lever the ETF.

Hedging

The Smartshares Australian Top 20 ETF's foreign currency exposure is not hedged.

Securities lending

The Smartshares Australian Top 20 ETF may lend up to 50% of the ETF's net asset value and up to 50% of the aggregate value of any class of financial product held by the ETF.





Investment restrictions

The Smartshares Australian Top 20 ETF may borrow up to 10% of the ETF's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund securities settlement or pay expenses).

Corporate actions

The Smartshares Australian Top 20 ETF may exercise corporate actions to participate in offers of securities to existing shareholders.





Schedule 16 – Smartshares Australian Mid Cap ETF

The Smartshares Australian Mid Cap ETF is listed on the NZX Main Board with the code MZY.

Investment objective

The Smartshares Australian Mid Cap ETF's investment objective is to track the return (before tax, fees and other expenses) of the S&P/ASX Mid Cap 50 Index.

Investment strategy

Target asset allocation

The Smartshares Australian Mid Cap ETF's target asset allocation and asset allocation ranges are set out in the following table:

Asset class	Target	Range
Cash and cash equivalents	0%	0% - 10%
Australasian equities	100%	90% - 100%

Permitted investments

The Smartshares Australian Mid Cap ETF may invest in the following assets:

- financial products listed on the ASX that are included (or are reasonably expected to be included) in the S&P/ASX Mid Cap 50 Index; and
- cash and cash equivalents.

The S&P/ASX Mid Cap 50 Index is made up of financial products listed on the ASX and included in the S&P/ASX 100 Index, but excludes products included in the S&P/ASX 50 Index.

Further information about the S&P/ASX Mid Cap 50 Index is available at <http://us.spindices.com/indices/equity/sp-asx-midcap-50>.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian and other short-term highly liquid investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The Smartshares Australian Mid Cap ETF may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above. The Smartshares Australian Mid Cap ETF may not use derivatives to lever the ETF.

Hedging

The Smartshares Australian Mid Cap ETF's foreign currency exposure is not hedged.

Securities lending

The Smartshares Australian Mid Cap ETF may lend up to 50% of the ETF's net asset value and up to 50% of the aggregate value of any class of financial product held by the ETF.





Investment restrictions

The Smartshares Australian Mid Cap ETF may borrow up to 10% of the ETF's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund securities settlement or pay expenses).

Corporate actions

The Smartshares Australian Mid Cap ETF may exercise corporate actions to participate in offers of securities to existing shareholders.





Schedule 17 – Smartshares Australian Dividend ETF

The Smartshares Australian Dividend ETF is listed on the NZX Main Board with the code ASD.

Investment objective

The Smartshares Australian Dividend ETF's investment objective is to track the return (before tax, fees and other expenses) of the S&P/ASX Dividend Opportunities Index.

Investment strategy

Target asset allocation

The Smartshares Australian Dividend ETF's target asset allocation and asset allocation ranges are set out in the following table:

Asset class	Target	Range
Cash and cash equivalents	0%	0% - 10%
Australasian equities	100%	90% - 100%

Permitted investments

The Smartshares Australian Dividend ETF may invest in the following assets:

- financial products listed on the ASX that are included (or are reasonably expected to be included) in the S&P/ASX Dividend Opportunities Index; and
- cash and cash equivalents.

The S&P/ASX Dividend Opportunities Index is made up of 50 high yielding financial products listed on the ASX and included in the S&P/ASX 300 Index.

Further information about the S&P/ASX Dividend Opportunities Index is available at <http://spglobal.com/spdji/en/indices/dividends-factors/sp-asx-dividend-opportunities-index>.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian and other short-term highly liquid investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The Smartshares Australian Dividend ETF may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above. The Smartshares Australian Dividend ETF may not use derivatives to lever the ETF.

Hedging

The Smartshares Australian Dividend ETF's foreign currency exposure is not hedged.

Securities lending

The Smartshares Australian Dividend ETF may lend up to 50% of the ETF's net asset value and up to 50% of the aggregate value of any class of financial product held by the ETF.





Investment restrictions

The Smartshares Australian Dividend ETF may borrow up to 10% of the ETF's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund securities settlement or pay expenses).

Corporate actions

The Smartshares Australian Dividend ETF may exercise corporate actions to participate in offers of securities to existing shareholders.





Schedule 18 – Smartshares Australian Financials ETF

The Smartshares Australian Financials ETF is listed on the NZX Main Board with the code ASF.

Investment objective

The Smartshares Australian Financials ETF's investment objective is to track the return (before tax, fees and other expenses) of the S&P/ASX 200 Financials Ex-A-REIT Index.

Investment strategy

Target asset allocation

The Smartshares Australian Financials ETF's target asset allocation and asset allocation ranges are set out in the following table:

Asset class	Target	Range
Cash and cash equivalents	0%	0% - 10%
Australasian equities	100%	90% - 100%

Permitted investments

The Smartshares Australian Financials ETF may invest in the following assets:

- financial products listed on the ASX that are included (or are reasonably expected to be included) in the S&P/ASX 200 Financials Ex-A-REIT Index; and
- cash and cash equivalents.

The S&P/ASX 200 Financials Ex-A-REIT Index is a sector sub-index of the S&P/ASX 200 Index and is made up of financial sector financial products, but excludes Australian Real Estate Investments Trusts (A-REITs).

An Australian Real Estate Investments Trust is an entity that owns, and generally operates, income producing real estate.

Further information about the S&P/ASX 200 Financials Ex-A-REIT Index is available at <http://spglobal.com/spdji/en/indices/equity/sp-asx-200-financials-ex-a-reit>.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian and other short-term highly liquid investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The Smartshares Australian Financials ETF may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above. The Smartshares Australian Financials ETF may not use derivatives to lever the ETF.

Hedging

The Smartshares Australian Financials ETF's foreign currency exposure is not hedged.

Securities lending

The Smartshares Australian Financials ETF may lend up to 50% of the ETF's net asset value and up to 50% of the aggregate value of any class of financial product held by the ETF.





Investment restrictions

The Smartshares Australian Financials ETF may borrow up to 10% of the ETF's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund securities settlement or pay expenses).

Corporate actions

The Smartshares Australian Financials ETF may exercise corporate actions to participate in offers of securities to existing shareholders.





Schedule 19 – Smartshares Australian Resources ETF

The Smartshares Australian Resources ETF is listed on the NZX Main Board with the code ASR.

Investment objective

The Smartshares Australian Resources ETF's investment objective is to track the return (before tax, fees and other expenses) of the S&P/ASX 200 Resources Index.

Investment strategy

Target asset allocation

The Smartshares Australian Resources ETF's target asset allocation and asset allocation ranges are set out in the following table:

Asset class	Target	Range
Cash and cash equivalents	0%	0% - 10%
Australasian equities	100%	90% - 100%

Permitted investments

The Smartshares Australian Resources ETF may invest in the following assets:

- financial products listed on the ASX that are included (or are reasonably expected to be included) in the S&P/ASX 200 Resources Index; and
- cash and cash equivalents.

The S&P/ASX 200 Resources Index is made up of companies from the S&P/ASX 200 index where the company is classified as belonging to the energy sector or the metals and mining industry.

Further information about the S&P/ASX 200 Resources Index is available at <http://us.spindices.com/indices/equity/sp-asx-200-resources>.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian and other short-term highly liquid investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The Smartshares Australian Resources ETF may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above. The Smartshares Australian Resources ETF may not use derivatives to lever the ETF.

Hedging

The Smartshares Australian Resources ETF's foreign currency exposure is not hedged.

Securities lending

The Smartshares Australian Resources ETF may lend up to 50% of the ETF's net asset value and up to 50% of the aggregate value of any class of financial product held by the ETF.





Investment restrictions

The Smartshares Australian Resources ETF may borrow up to 10% of the ETF's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund securities settlement or pay expenses).

Corporate actions

The Smartshares Australian Resources ETF may exercise corporate actions to participate in offers of securities to existing shareholders.





US shares

Schedule 20 – Smartshares US Large Growth ETF

The Smartshares US Large Growth ETF is listed on the NZX Main Board with the code USG.

Investment objective

The Smartshares US Large Growth ETF's investment objective is to track the return (before tax, fees and other expenses) of the CRSP US Large Cap Growth Index.

Investment strategy

Target asset allocation

The Smartshares US Large Growth ETF's target asset allocation and asset allocation ranges are set out in the following table:

Asset class	Target	Range
Cash and cash equivalents	0%	0% - 10%
International equities	100%	90% - 100%

Permitted investments

The Smartshares US Large Growth ETF may invest in the following assets:

- the Vanguard Growth ETF; and
- cash and cash equivalents.

The Vanguard Growth ETF employs an indexing investment approach and invests all, or substantially all, of its assets in the financial products included in the CRSP US Large Cap Growth Index.

The CRSP US Large Cap Growth Index is made up of growth financial products of large US companies.

Further information about the CRSP US Large Cap Growth Index is available at <http://www.crsp.org/indexes/crsp-u-s-large-cap-growth-index>.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian and other short-term highly liquid investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The Smartshares US Large Growth ETF may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above. The Smartshares US Large Growth ETF may not use derivatives to lever the ETF.

Hedging

The Smartshares US Large Growth ETF's foreign currency exposure is not hedged.





Investment restrictions

The Smartshares US Large Growth ETF may borrow up to 10% of the ETF's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund securities settlement or pay expenses).





Schedule 21 – Smartshares US Large Value ETF

The Smartshares US Large Value ETF is listed on the NZX Main Board with the code USV.

Investment objective

The Smartshares US Large Value ETF's investment objective is to track the return (before tax, fees and other expenses) of the CRSP US Large Cap Value Index.

Investment strategy

Target asset allocation

The Smartshares US Large Value ETF's target asset allocation and asset allocation ranges are set out in the following table:

Asset class	Target	Range
Cash and cash equivalents	0%	0% - 10%
International equities	100%	90% - 100%

Permitted investments

The Smartshares US Large Value ETF may invest in the following assets:

- the Vanguard Value ETF; and
- cash and cash equivalents.

The Vanguard Value ETF employs an indexing investment approach and invests all, or substantially all, of its assets in the financial products included in the CRSP US Large Cap Value Index.

The CRSP US Large Cap Value Index is made up of value financial products of large US companies.

Further information about the CRSP US Large Cap Value Index is available at <http://www.crsp.org/indexes/crsp-u-s-large-cap-value-index>.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian and other short-term highly liquid investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The Smartshares US Large Value ETF may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above. The Smartshares US Large Value ETF may not use derivatives to lever the ETF.

Hedging

The Smartshares US Large Value ETF's foreign currency exposure is not hedged.

Investment restrictions

The Smartshares US Large Value ETF may borrow up to 10% of the ETF's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund securities settlement or pay expenses).





Schedule 22 – Smartshares US Mid Cap ETF

The Smartshares US Mid Cap ETF is listed on the NZX Main Board with the code USM.

Investment objective

The Smartshares US Mid Cap ETF's investment objective is to track the return (before tax, fees and other expenses) of the CRSP US Mid Cap Index.

Investment strategy

Target asset allocation

The Smartshares US Mid Cap ETF's target asset allocation and asset allocation ranges are set out in the following table:

Asset class	Target	Range
Cash and cash equivalents	0%	0% - 10%
International equities	100%	90% - 100%

Permitted investments

The Smartshares US Mid Cap ETF may invest in the following assets:

- the Vanguard Mid Cap ETF; and
- cash and cash equivalents.

The Vanguard Mid Cap ETF employs an indexing investment approach and invests all, or substantially all, of its assets in the financial products included in the CRSP US Mid Cap Index.

The CRSP US Mid Cap Index is made up of midsize US companies.

Further information about the CRSP US Mid Cap Index is available at <http://www.crsp.org/indexes/crsp-u-s-mid-cap-index>.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian and other short-term highly liquid investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The Smartshares US Mid Cap ETF may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above. The Smartshares US Mid Cap ETF may not use derivatives to lever the ETF.

Hedging

The Smartshares US Mid Cap ETF's foreign currency exposure is not hedged.

Investment restrictions

The Smartshares US Mid Cap ETF may borrow up to 10% of the ETF's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund securities settlement or pay expenses).





Schedule 23 – Smartshares US Small Cap ETF

The Smartshares US Small Cap ETF is listed on the NZX Main Board with the code USS.

Investment objective

The Smartshares US Small Cap ETF's investment objective is to track the return (before tax, fees and other expenses) of the CRSP US Small Cap Index.

Investment strategy

Target asset allocation

The Smartshares US Small Cap ETF's target asset allocation and asset allocation ranges are set out in the following table:

Asset class	Target	Range
Cash and cash equivalents	0%	0% - 10%
International equities	100%	90% - 100%

Permitted investments

The Smartshares US Small Cap ETF may invest in the following assets:

- the Vanguard Small Cap ETF; and
- cash and cash equivalents.

The Vanguard Small Cap ETF employs an indexing investment approach and invests all, or substantially all, of its assets in the financial products included in the CRSP US Small Cap Index.

The CRSP US Small Cap Index is made up of small US companies.

Further information about the CRSP US Small Cap Index is available at <http://www.crsp.org/indexes/crsp-u-s-small-cap-index>.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian and other short-term highly liquid investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The Smartshares US Small Cap ETF may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above. The Smartshares US Small Cap ETF may not use derivatives to lever the ETF.

Hedging

The Smartshares US Small Cap ETF's foreign currency exposure is not hedged.

Investment restrictions

The Smartshares US Small Cap ETF may borrow up to 10% of the ETF's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund securities settlement or pay expenses).





International shares

Schedule 24 – Smartshares Asia Pacific ETF

The Smartshares Asia Pacific ETF is listed on the NZX Main Board with the code APA.

Investment objective

The Smartshares Asia Pacific ETF's investment objective is to track the return (before tax, fees and other expenses) of the FTSE Developed Asia Pacific All Cap Index.

Investment strategy

Target asset allocation

The Smartshares Asia Pacific ETF's target asset allocation and asset allocation ranges are set out in the following table:

Asset class	Target	Range
Cash and cash equivalents	0%	0% - 10%
International equities	100%	90% - 100%

Permitted investments

The Smartshares Asia Pacific ETF may invest in the following assets:

- the Vanguard FTSE Pacific ETF; and
- cash and cash equivalents.

The Vanguard FTSE Pacific ETF employs an indexing investment approach and invests all, or substantially all, of its assets in the financial products included in the FTSE Developed Asia Pacific All Cap Index.

The FTSE Developed Asia Pacific All Cap Index is made up of financial products of large, mid and small cap companies located in Japan, Australia, South Korea, Hong Kong, Singapore and New Zealand.

Further information about the FTSE Developed Asia Pacific All Cap Index is available at <http://research.ftserussell.com/vanguard/Home/Indices>.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian and other short-term highly liquid investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The Smartshares Asia Pacific ETF may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above. The Smartshares Asia Pacific ETF may not use derivatives to lever the ETF.

Hedging

The Smartshares Asia Pacific ETF's foreign currency exposure is not hedged.





Investment restrictions

The Smartshares Asia Pacific ETF may borrow up to 10% of the ETF's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund securities settlement or pay expenses).





Schedule 25 – Smartshares Emerging Markets ETF

The Smartshares Emerging Markets ETF is listed on the NZX Main Board with the code EMF.

Investment objective

The Smartshares Emerging Markets ETF's investment objective is to track the return (before tax, fees and other expenses) of the FTSE Emerging Markets All Cap China A Inclusion Index.

Investment strategy

Target asset allocation

The Smartshares Emerging Markets ETF's target asset allocation and asset allocation ranges are set out in the following table:

Asset class	Target	Range
Cash and cash equivalents	0%	0% - 10%
International equities	100%	90% - 100%

Permitted investments

The Smartshares Emerging Markets ETF may invest in the following assets:

- the Vanguard FTSE Emerging Markets ETF; and
- cash and cash equivalents.

The Vanguard FTSE Emerging Markets ETF employs an indexing investment approach and invests all, or substantially all, of its assets in the financial products included in the FTSE Emerging Markets All Cap China A Inclusion Index.

The FTSE Emerging Markets All Cap China A Inclusion Index is made up of financial products of large, mid and small cap companies located in emerging markets around the world.

Further information about the FTSE Emerging Markets All Cap China A Inclusion Index is available at <http://research.ftserussell.com/vanguard/Home/Indices>.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian and other short-term highly liquid investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The Smartshares Emerging Markets ETF may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above. The Smartshares Emerging Markets ETF may not use derivatives to lever the ETF.

Hedging

The Smartshares Emerging Markets ETF's foreign currency exposure is not hedged.

Investment restrictions

The Smartshares Emerging Markets ETF may borrow up to 10% of the ETF's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund securities settlement or pay expenses).





Schedule 26 – Smartshares Europe ETF

The Smartshares Europe ETF is listed on the NZX Main Board with the code EUF.

Investment objective

The Smartshares Europe ETF's investment objective is to track the return (before tax, fees and other expenses) of the FTSE Developed Europe All Cap Index.

Investment strategy

Target asset allocation

The Smartshares Europe ETF's target asset allocation and asset allocation ranges are set out in the following table:

Asset class	Target	Range
Cash and cash equivalents	0%	0% - 10%
International equities	100%	90% - 100%

Permitted investments

The Smartshares Europe ETF may invest in the following assets:

- the Vanguard FTSE Europe ETF; and
- cash and cash equivalents.

The Vanguard FTSE Europe ETF employs an indexing investment approach and invests all, or substantially all, of its assets in the financial products included in the FTSE Developed Europe All Cap Index.

The FTSE Developed Europe All Cap Index is made up of financial products of large, mid and small cap companies located in European countries.

Further information about the FTSE Developed Europe All Cap Index is available at <http://research.ftserussell.com/vanguard/Home/Indices>.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian and other short-term highly liquid investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The Smartshares Europe ETF may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above. The Smartshares Europe ETF may not use derivatives to lever the ETF.

Hedging

The Smartshares Europe ETF's foreign currency exposure is not hedged.

Investment restrictions

The Smartshares Europe ETF may borrow up to 10% of the ETF's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund securities settlement or pay expenses).





ESG shares

Schedule 27 – Smartshares Global Equities ESG ETF

The Smartshares Global Equities ESG ETF is listed on the NZX Main Board with the code ESG.

Investment objective

The Smartshares Global Equities ESG ETF's investment objective is to track the return (before tax, fees and other expenses) of the MSCI World Ex Australia Custom ESG Leaders Index.

Investment strategy

Target asset allocation

The Smartshares Global Equities ESG ETF's target asset allocation and asset allocation ranges are set out in the following table:

Asset class	Target	Range
Cash and cash equivalents	0%	0% - 10%
International equities	100%	90% - 100%

Permitted investments

The Smartshares Global Equities ESG ETF may invest in the following assets:

- financial products that are included (or are reasonably expected to be included) in the MSCI World Ex Australia Custom ESG Leaders Index;
- the iShares Core MSCI World ex Australia ESG Leaders ETF; and
- cash and cash equivalents.

The iShares Core MSCI World ex Australia ESG Leaders ETF employs an indexing investment approach and invests all, or substantially all, of its assets in the financial products included in the MSCI World Ex Australia Custom ESG Leaders Index.

The MSCI World Ex Australia Custom ESG Leaders Index is a capitalisation weighted index that provides exposure to companies with high environmental, social and governance (ESG) performance relative to their sector peers and consists of large and mid cap companies in 22 developed markets countries.

Further information about the MSCI World Ex Australia Custom ESG Leaders Index is available at <https://www.msci.com/msci-esg-leaders-indexes>.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian and other short-term highly liquid investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The Smartshares Global Equities ESG ETF may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above. The Smartshares Global Equities ESG ETF may not use derivatives to lever the ETF.





Securities lending

The Smartshares Global Equities ESG ETF may lend up to 50% of the ETF's net asset value and up to 50% of the aggregate value of any class of financial product held by the ETF.

Hedging

The Smartshares Global Equities ESG ETF's foreign currency exposure is not hedged.

Investment restrictions

The Smartshares Global Equities ESG ETF may borrow up to 10% of the ETF's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund securities settlement or pay expenses).

Corporate actions

The Smartshares Global Equities ESG ETF may exercise corporate actions to participate in offers of securities to existing shareholders.





Schedule 28 – Smartshares Australian Equities ESG ETF

The Smartshares Australian Equities ESG ETF is listed on the NZX Main Board with the code AUE.

Investment objective

The Smartshares Australian Equities ESG ETF's investment objective is to track the return (before tax, fees and other expenses) of the S&P/ASX 200 Fossil Fuel Screened (AUD) Index.

Investment strategy

Target asset allocation

The Smartshares Australian Equities ESG ETF's target asset allocation and asset allocation ranges are set out in the following table:

Asset class	Target	Range
Cash and cash equivalents	0%	0% - 10%
Australasian equities	100%	90% - 100%

Permitted investments

The Smartshares Australian Equities ESG ETF may invest in the following assets:

- financial products listed on the ASX that are included (or are reasonably expected to be included) in the S&P/ASX 200 Fossil Fuel Screened (AUD) Index; and
- cash and cash equivalents.

The S&P/ASX 200 Fossil Fuel Screened (AUD) Index is made up of Australian companies screened for exposure to Controversial Weapons, Civilian Firearms, Tobacco, Thermal Coal and Oil Sands. In addition to the above, the index excludes companies that fail to comply with the United Nations Global Compact Principles. For more information, please see Smartshares' Responsible Investment Policy at smartshares.co.nz/legal-documents.

Further information about the S&P/ASX 200 Fossil Fuel Screened (AUD) Index is available at spglobal.com/spdji/en/indices/esg/sp-asx-200-fossil-fuel-screened-index.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian and other short-term highly liquid investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The Smartshares Australian Equities ESG ETF may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above. The Smartshares Australian Equities ESG ETF may not use derivatives to lever the ETF.

Securities lending

The Smartshares Australian Equities ESG ETF may lend up to 50% of the ETF's net asset value and up to 50% of the aggregate value of any class of financial product held by the ETF.

Hedging

The Smartshares Australian Equities ESG ETF's foreign currency exposure is not hedged.





Investment restrictions

The Smartshares Australian Equities ESG ETF may borrow up to 10% of the ETF's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund securities settlement or pay expenses).

Corporate actions

The Smartshares Australian Equities ESG ETF may exercise corporate actions to participate in offers of securities to existing shareholders.





Schedule 29 – Smartshares US Equities ESG ETF

The Smartshares US Equities ESG ETF is listed on the NZX Main Board with the code USA.

Investment objective

The Smartshares US Equities ESG ETF's investment objective is to track the return (before tax, fees and other expenses) of the MSCI USA ESG Screened Index.

Investment strategy

Target asset allocation

The Smartshares US Equities ESG ETF's target asset allocation and asset allocation ranges are set out in the following table:

Asset class	Target	Range
Cash and cash equivalents	0%	0% - 10%
International equities	100%	90% - 100%

Permitted investments

The Smartshares US Equities ESG ETF may invest in the following assets:

- the iShares MSCI USA ESG Screened UCITS ETF USD (Acc); and
- cash and cash equivalents.

The iShares MSCI USA ESG Screened UCITS ETF USD (Acc) employs an indexing investment approach and invests all, or substantially all, of its assets in the financial products included in the MSCI USA ESG Screened Index.

The MSCI USA ESG Screened Index is made up of U.S. companies screened for exposure to Controversial Weapons, Nuclear Weapons, Civilian Firearms, Tobacco, Thermal Coal and Oil Sands. In addition to the above, the index excludes companies that fail to comply with the United Nations Global Compact Principles.

Further information about the MSCI USA ESG Screened Index is available at <https://www.msci.com/esg-screened-indexes>.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian and other short-term highly liquid investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The Smartshares US Equities ESG ETF may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above. The Smartshares US Equities ESG ETF may not use derivatives to lever the ETF.

Hedging

The Smartshares US Equities ESG ETF's foreign currency exposure is not hedged.





Investment restrictions

The Smartshares US Equities ESG ETF may borrow up to 10% of the ETF's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund securities settlement or pay expenses).





Schedule 30 – Smartshares Japan Equities ESG ETF

The Smartshares Japan Equities ESG ETF is listed on the NZX Main Board with the code JPN.

Investment objective

The Smartshares Japan Equities ESG ETF's investment objective is to track the return (before tax, fees and other expenses) of the MSCI Japan ESG Screened Index.

Investment strategy

Target asset allocation

The Smartshares Japan Equities ESG ETF's target asset allocation and asset allocation ranges are set out in the following table:

Asset class	Target	Range
Cash and cash equivalents	0%	0% - 10%
International equities	100%	90% - 100%

Permitted investments

The Smartshares Japan Equities ESG ETF may invest in the following assets:

- the iShares MSCI Japan ESG Screened UCITS ETF USD (Acc); and
- cash and cash equivalents.

The iShares MSCI Japan ESG Screened UCITS ETF USD (Acc) employs an indexing investment approach and invests all, or substantially all, of its assets in the financial products included in the MSCI Japan ESG Screened Index.

The MSCI Japan ESG Screened Index is made up of Japanese companies screened for exposure to Controversial Weapons, Nuclear Weapons, Civilian Firearms, Tobacco, Thermal Coal and Oil Sands. In addition to the above, the index excludes companies that fail to comply with the United Nations Global Compact Principles.

Further information about the MSCI Japan ESG Screened Index is available at <https://www.msci.com/esg-screened-indexes>.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian and other short-term highly liquid investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The Smartshares Japan Equities ESG ETF may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above. The Smartshares Japan Equities ESG ETF may not use derivatives to lever the ETF.

Hedging

The Smartshares Japan Equities ESG ETF's foreign currency exposure is not hedged.





Investment restrictions

The Smartshares Japan Equities ESG ETF may borrow up to 10% of the ETF's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund securities settlement or pay expenses).





Schedule 31 – Smartshares Emerging Markets Equities ESG ETF

The Smartshares Emerging Markets Equities ESG ETF is listed on the NZX Main Board with the code EMG.

Investment objective

The Smartshares Emerging Markets Equities ESG ETF's investment objective is to track the return (before tax, fees and other expenses) of the MSCI EM IMI ESG Screened Index.

Investment strategy

Target asset allocation

The Smartshares Emerging Markets Equities ESG ETF's target asset allocation and asset allocation ranges are set out in the following table:

Asset class	Target	Range
Cash and cash equivalents	0%	0% - 10%
International equities	100%	90% - 100%

Permitted investments

The Smartshares Emerging Markets Equities ESG ETF may invest in the following assets:

- the iShares MSCI EM IMI ESG Screened UCITS ETF USD (Acc); and
- cash and cash equivalents.

The iShares MSCI EM IMI ESG Screened UCITS ETF USD (Acc) employs an indexing investment approach and invests all, or substantially all, of its assets in the financial products included in the MSCI EM IMI ESG Screened Index.

The MSCI EM IMI ESG Screened Index is made up of emerging markets companies screened for exposure to Controversial Weapons, Nuclear Weapons, Civilian Firearms, Tobacco, Thermal Coal and Oil Sands. In addition to the above, the index excludes companies that fail to comply with the United Nations Global Compact Principles.

Further information about the MSCI EM IMI ESG Screened Index is available at <https://www.msci.com/esg-screened-indexes>.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian and other short-term highly liquid investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The Smartshares Emerging Markets Equities ESG ETF may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above. The Smartshares Emerging Markets Equities ESG ETF may not use derivatives to lever the ETF.

Hedging

The Smartshares Emerging Markets Equities ESG ETF's foreign currency exposure is not hedged.





Investment restrictions

The Smartshares Emerging Markets Equities ESG ETF may borrow up to 10% of the ETF's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund securities settlement or pay expenses).





Schedule 32 – Smartshares Europe Equities ESG ETF

The Smartshares Europe Equities ESG ETF is listed on the NZX Main Board with the code EUG.

Investment objective

The Smartshares Europe Equities ESG ETF's investment objective is to track the return (before tax, fees and other expenses) on the MSCI Europe ESG Screened Index.

Investment strategy

Target asset allocation

The Smartshares Europe Equities ESG ETF's target asset allocation and asset allocation ranges are set out in the following table:

Asset class	Target	Range
Cash and cash equivalents	0%	0% - 10%
International equities	100%	90% - 100%

Permitted investments

The Smartshares Europe Equities ESG ETF may invest in the following assets:

- the iShares MSCI Europe ESG Screened UCITS ETF EUR (Acc); and
- cash and cash equivalents.

The iShares MSCI Europe ESG Screened UCITS ETF EUR (Acc) employs an indexing investment approach and invests all, or substantially all, of its assets in the financial products included in the MSCI Europe ESG Screened Index.

The MSCI Europe ESG Screened Index is made up of European companies screened for exposure to Controversial Weapons, Nuclear Weapons, Civilian Firearms, Tobacco, Thermal Coal and Oil Sands. In addition to the above, the index excludes companies that fail to comply with the United Nations Global Compact Principles.

Further information about the MSCI Europe ESG Screened Index is available at <https://www.msci.com/esg-screened-indexes>.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian and other short-term highly liquid investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The Smartshares Europe Equities ESG ETF may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above. The Smartshares Europe Equities ESG ETF may not use derivatives to lever the ETF.

Hedging

The Smartshares Europe Equities ESG ETF's foreign currency exposure is not hedged.





Investment restrictions

The Smartshares Europe Equities ESG ETF may borrow up to 10% of the ETF's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund securities settlement or pay expenses).





Thematic shares

Schedule 33 – Smartshares Automation and Robotics ETF

The Smartshares Automation and Robotics ETF is listed on the NZX Main Board with the code BOT.

Investment objective

The Smartshares Automation and Robotics ETF's investment objective is to track the return (before tax, fees and other expenses) of the iSTOXX® FactSet Automation & Robotics Index, in New Zealand dollars.

Investment strategy

Target asset allocation

The Smartshares Automation and Robotics ETF's target asset allocation and asset allocation ranges are set out in the following table:

Asset class	Target	Range
Cash and cash equivalents	0%	0% - 10%
International equities	100%	90% - 100%

Permitted investments

The Smartshares Automation and Robotics ETF may invest in the following assets:

- the iShares Automation and Robotics UCITS ETF USD (Acc); and
- cash and cash equivalents.

The iShares Automation and Robotics UCITS ETF USD (Acc) employs an indexing investment approach and invests all, or substantially all, of its assets in the financial products issued by developed and emerging market companies which are generating significant revenues from specific sectors associated with the development of automatic and robotic technology.

The iSTOXX® FactSet Automation & Robotics Index is made up of stocks from the STOXX Global Total Market index that derive more than 50% of their annual revenue from sectors linked to the automation and robotics business.

Further information about the iSTOXX® FactSet Automation & Robotics Index is available at <https://www.gontigo.com/index/ixarobu>.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian and other short-term highly liquid investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The Smartshares Automation and Robotics ETF may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above. The Smartshares Automation and Robotics ETF may not use derivatives to lever the ETF.





Hedging

The Smartshares Automation and Robotics ETF's foreign currency exposure is not hedged.

Investment restrictions

The Smartshares Automation and Robotics ETF may borrow up to 10% of the ETF's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund securities settlement or pay expenses).





Schedule 34 – Smartshares Global Infrastructure ETF

The Smartshares Global Infrastructure ETF is listed on the NZX Main with the code INF.

Investment objective

The Smartshares Global Infrastructure ETF's investment objective is to track the return (before tax, fees and other expenses) of the FTSE Developed Core Infrastructure 50/50 Index, hedged to the New Zealand dollar.

Investment strategy

Target asset allocation

The Smartshares Global Infrastructure ETF's target asset allocation and asset allocation ranges are set out in the following table:

Asset class	Target	Range
Cash and cash equivalents	0%	0% - 10%
Other	100%	90% - 100%

Permitted investments

The Smartshares Global Infrastructure ETF may invest in the following assets:

- the iShares Core FTSE Global Infrastructure (AUD Hedged) ETF;
- financial products that are included (or are reasonably expected to be included) in the FTSE Developed Core Infrastructure 50/50 Index; and
- cash and cash equivalents.

The iShares Core FTSE Global Infrastructure (AUD Hedged) ETF employs an indexing investment approach and invests in a range of infrastructure securities listed in developed countries. It offers exposure to infrastructure sectors, including transportation, energy and telecommunications.

Further information about the FTSE Developed Core Infrastructure 50/50 Index is available at <https://www.ftserussell.com/products/indices/infra>.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian and other short-term highly liquid investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The Smartshares Global Infrastructure ETF may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above. The Smartshares Global Infrastructure ETF may not use derivatives to lever the ETF.

Securities lending

The Smartshares Global Infrastructure ETF may lend up to 50% of the ETF's net asset value and up to 50% of the aggregate value of any class of financial product held by the ETF.





Hedging

The Smartshares Global Infrastructure ETF's foreign currency exposure is hedged to the New Zealand dollar. The target hedging level is 100% (although the actual hedging level may differ from this because of cash flow and market movements).

Investment restrictions

The Smartshares Global Infrastructure ETF may borrow up to 10% of the ETF's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund securities settlement or pay expenses).

Corporate actions

The Smartshares Global Infrastructure ETF may exercise corporate actions to participate in offers of securities to existing shareholders.





Schedule 35 – Smartshares Healthcare Innovation ETF

The Smartshares Healthcare Innovation ETF is listed on the NZX Main Board with the code LIV.

Investment objective

The Smartshares Healthcare Innovation ETF's investment objective is to track the return (before tax, fees and other expenses) of the iSTOXX® FactSet Breakthrough Healthcare Index, in New Zealand dollars.

Investment strategy

Target asset allocation

The Smartshares Healthcare Innovation ETF's target asset allocation and asset allocation ranges are set out in the following table:

Asset class	Target	Range
Cash and cash equivalents	0%	0% - 10%
International equities	100%	90% - 100%

Permitted investments

The Smartshares Healthcare Innovation ETF may invest in the following assets:

- the iShares Healthcare Innovation UCITS ETF USD (Acc); and
- cash and cash equivalents.

The iShares Healthcare Innovation UCITS ETF USD (Acc) employs an indexing investment approach and invests all, or substantially all, of its assets in the financial products issued by developed and emerging market companies which are generating significant revenues from specific sectors focused on pushing the boundaries in medical treatment and technology.

Further information about the iSTOXX® FactSet Breakthrough Healthcare Index is available at <https://www.qontigo.com/index/ixbrhltu>.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian and other short-term highly liquid investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The Smartshares Healthcare Innovation ETF may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above. The Smartshares Healthcare Innovation ETF may not use derivatives to lever the ETF.

Hedging

The Smartshares Healthcare Innovation ETF's foreign currency exposure is not hedged.

Investment restrictions

The Smartshares Healthcare Innovation ETF may borrow up to 10% of the ETF's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund securities settlement or pay expenses).





Property

Schedule 36 – Smartshares NZ Property ETF

The Smartshares NZ Property ETF is listed on the NZX Main Board with the code NPF.

Investment objective

The Smartshares NZ Property ETF's investment objective is to track the return (before tax, fees and other expenses) of the S&P/NZX Real Estate Select Index.

Investment strategy

Target asset allocation

The Smartshares NZ Property ETF's target asset allocation and asset allocation ranges are set out in the following table:

Asset class	Target	Range
Cash and cash equivalents	0%	0% - 10%
Listed property	100%	90% - 100%

Permitted investments

The Smartshares NZ Property ETF may invest in the following assets:

- financial products listed on the NZX Main Board that are included (or are reasonably expected to be included) in the S&P/NZX Real Estate Select Index; and
- cash and cash equivalents.

The S&P/NZX Real Estate Select Index is made up of the largest and most liquid members of the S&P/NZX All Index classified under the GICS Real Estate Industry Group, but excludes products issued by non-New Zealand issuers.

Further information about the S&P/NZX Real Estate Select Index is available at <http://us.spindices.com/indices/equity/sp-nzx-real-estate-select>.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian and other short-term highly liquid investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The Smartshares NZ Property ETF may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above. The Smartshares NZ Property ETF may not use derivatives to lever the ETF.

Securities lending

The Smartshares NZ Property ETF may lend up to 50% of the ETF's net asset value and up to 50% of the aggregate value of any class of financial product held by the ETF.





Investment restrictions

The Smartshares NZ Property ETF may borrow up to 10% of the ETF's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund securities settlement or pay expenses).

Corporate actions

The Smartshares NZ Property ETF may exercise corporate actions to participate in offers of securities to existing shareholders.





Schedule 37 – Smartshares Australian Property ETF

The Smartshares Australian Property ETF is listed on the NZX Main Board with the code ASP.

Investment objective

The Smartshares Australian Property ETF's investment objective is to track the return (before tax, fees and other expenses) of the S&P/ASX 200 A-REIT Equal Weight Index.

Investment strategy

Target asset allocation

The Smartshares Australian Property ETF's target asset allocation and asset allocation ranges are set out in the following table:

Asset class	Target	Range
Cash and cash equivalents	0%	0% - 10%
Listed property	100%	90% - 100%

Permitted investments

The Smartshares Australian Property ETF may invest in the following assets:

- financial products listed on the ASX that are included (or are reasonably expected to be included) in the S&P/ASX 200 A-REIT Equal Weight Index; and
- cash and cash equivalents.

The S&P/ASX 200 A-REIT Equal Weight Index is a sector sub-index of the S&P/ASX 200 Index and is made up of Australian Real Estate Investment Trusts (A-REITs).

Further information about the S&P/ASX 200 A-REIT Equal Weight Index is available at <http://us.spindices.com/indices/equity/sp-asx-200-a-reit-equal-weight>.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian and other short-term highly liquid investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The Smartshares Australian Property ETF may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above. The Smartshares Australian Property ETF may not use derivatives to lever the ETF.

Hedging

The Smartshares Australian Property ETF's foreign currency exposure is not hedged.

Securities lending

The Smartshares Australian Property ETF may lend up to 50% of the ETF's net asset value and up to 50% of the aggregate value of any class of financial product held by the ETF.





Investment restrictions

The Smartshares Australian Property ETF may borrow up to 10% of the ETF's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund securities settlement or pay expenses).

Corporate actions

The Smartshares Australian Property ETF may exercise corporate actions to participate in offers of securities to existing shareholders.





Schedule 38 – Smartshares Global Property ETF

The Smartshares Global Property ETF is listed on the NZX Main Board with the code GPR.

Investment objective

The Smartshares Global Property ETF's investment objective is to track the return (before tax, fees and other expenses) of the FTSE EPRA/NAREIT Developed ex Australia Rental Index, hedged to the New Zealand dollar.

Investment strategy

Target asset allocation

The Smartshares Global Property ETF's target asset allocation and asset allocation ranges are set out in the following table:

Asset class	Target	Range
Cash and cash equivalents	0%	0% - 10%
Listed property	100%	90% - 100%

Permitted investments

The Smartshares Global Property ETF may invest in the following assets:

- the iShares Core FTSE Global Property ex Australia (AUD Hedged) ETF;
- financial products that are included (or are reasonably expected to be included) in the FTSE EPRA/NAREIT Developed ex Australia Rental Index; and
- cash and cash equivalents.

The iShares Core FTSE Global Property ex Australia (AUD Hedged) ETF employs an indexing investment approach and invests all, or substantially all, of its assets in the financial products included in the FTSE EPRA/NAREIT Developed ex Australia Rental Index.

The FTSE EPRA/NAREIT Developed ex Australia Rental Index is comprised of a range of securities that include real estate investment trusts as well as companies that own real estate assets and derive a significant portion of their revenue from rental income.

Further information about the FTSE EPRA/NAREIT Developed ex Australia Rental Index is available at <http://research.ftserussell.com/vanguard/Home/Indices>.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian and other short-term highly liquid investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The Smartshares Global Property ETF may use derivatives to gain exposure to assets that are consistent with the permitted investments set out above. The Smartshares Global Property ETF may not use derivatives to lever the ETF.





Hedging

The Smartshares Global Property ETF's foreign currency exposure is hedged to the New Zealand dollar. The target hedging level is 100% (although the actual hedging level may differ from this because of cash flow and market movements).

Securities lending

The Smartshares Global Property ETF may lend up to 50% of the ETF's net asset value and up to 50% of the aggregate value of any class of financial product held by the ETF.

Investment restrictions

The Smartshares Global Property ETF may borrow up to 10% of the ETF's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund securities settlement or pay expenses).

Corporate actions

The Smartshares Global Property ETF may exercise corporate actions to participate in offers of securities to existing shareholders.





Bonds

Schedule 39 – Smartshares NZ Bond ETF

The Smartshares NZ Bond ETF is listed on the NZX Main Board with the code NZB.

Investment objective

The Smartshares NZ Bond ETF's investment objective is to provide a return (before tax, fees and other expenses) that outperforms the S&P/NZX A-Grade Corporate Bond Index over rolling three-year periods.

The S&P/NZX A-Grade Corporate Bond Index is made up of non-New Zealand Government bonds with credit ratings of A- or above issued by New Zealand entities (New Zealand dollar denominated).

Further information about the S&P/NZX A-Grade Corporate Bond Index is available at <http://us.spindices.com/indices/fixed-income/sp-nzx-a-grade-corporate-bond-index>.

Investment strategy

Target asset allocation

The Smartshares NZ Bond ETF's target asset allocation and asset allocation ranges are set out in the following table:

Asset class	Target	Range
Cash and cash equivalents	0%	0% - 100%
New Zealand fixed interest	100%	0% - 100%

The Smartshares NZ Bond ETF's actual asset allocation can be anywhere within the asset allocation ranges and Smartshares is not required to rebalance the ETF so that its actual asset allocation is consistent with its target asset allocation.

Permitted investments

The Smartshares NZ Bond ETF may invest in the following assets:

- debt securities issued or guaranteed by New Zealand or overseas entities (New Zealand dollar denominated); and
- cash and cash equivalents issued or guaranteed by New Zealand or overseas entities (New Zealand dollar denominated).

The Smartshares NZ Bond ETF may invest in funds that primarily invest in the assets set out above.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian and other short-term highly liquid investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The Smartshares NZ Bond ETF may use derivatives (such as futures, forwards, options and swaps). The Smartshares NZ Bond ETF may not use derivatives to lever the ETF.





Investment restrictions

The Smartshares NZ Bond ETF's investments are subject to the following credit rating limits issued by Standard & Poor's, or their equivalent issued by Moody's or Fitch:

Credit rating	Maximum fund exposure	Maximum exposure per issuer
AAA	100%	12.5%
AA- to AA+	100%	10%
A- to A+	80%	7.5%
BBB- to BBB+	60%	5%

The minimum issuer long-term credit rating is BBB- issued by Standard & Poor's and the minimum issuer short-term credit rating is A-3 issued by Standard & Poor's, or their equivalent issued by Moody's or Fitch.

The minimum over-the-counter derivative counterparty rating is A- issued by Standard & Poor's, or its equivalent issued by Moody's or Fitch.

If an issuer or counterparty has multiple credit ratings, Smartshares will use the highest credit rating of Standard & Poor's, Moody's or Fitch. If an issuer or counterparty is not rated by any of these rating agencies, Smartshares will decide a credit rating. If an issuer or counterparty is downgraded below the minimums set out above, Smartshares will decide the appropriate action.





The Smartshares NZ Bond ETF's investments are subject to the following sector limits:

Sector	Range
New Zealand Government	0% - 100%
New Zealand banks	0% - 70%
Local Government	0% - 50%
Corporates	0% - 50%
Overseas Governments and supranationals	0% - 30%

The average duration of the portfolio of financial products held by the Smartshares NZ Bond ETF must be within +/- 1.5 years of the average duration of financial products comprising the S&P/NZX A-Grade Corporate Bond Index.

Where the Smartshares NZ Bond ETF invests in a fund, for the purposes of these investment restrictions, Smartshares will (where information in respect of the fund's underlying investments is available) aggregate the ETF's interests in the fund's underlying investments with the ETF's own investments.

All investments must be New Zealand dollar denominated.

The Smartshares NZ Bond ETF may borrow up to 10% of the ETF's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund securities settlement or pay expenses).





Schedule 40 – Smartshares Global Bond ETF

The Smartshares Global Bond ETF is listed on the NZX Main Board with the code GBF.

Investment objective

The Smartshares Global Bond ETF's investment objective is to provide a return (before tax, fees and other expenses) that outperforms the Bloomberg Global Aggregate Bond Index by 1% per annum over rolling three-year periods, hedged to the New Zealand dollar.

The Smartshares Global Bond ETF's external investment manager is PIMCO Australia Pty Ltd (**PIMCO**).

The Bloomberg Global Aggregate Bond Index is made up of global investment grade debt from twenty-four local currency markets and includes treasury, government-related, corporate and securitized fixed-rate bonds from both developed and emerging markets issuers.

Further information about the Bloomberg Global Aggregate Bond Index is available at <https://www.bloomberg.com/professional/product/indices/>.

Investment strategy

Target asset allocation

The Smartshares Global Bond ETF's target asset allocation and asset allocation ranges are set out in the following table:

Asset class	Target	Range
Cash and cash equivalents	0%	0% - 100%
International fixed interest	100%	0% - 100%

The Smartshares Global Bond ETF's actual asset allocation can be anywhere within the asset allocation ranges and Smartshares is not required to rebalance the ETF so that its actual asset allocation is consistent with its target asset allocation.

Permitted investments

The Smartshares Global Bond ETF may invest in the following assets:

- debt securities issued or guaranteed by overseas or New Zealand entities; and
- cash and cash equivalents issued or guaranteed by overseas or New Zealand entities.

The Smartshares Global Bond ETF may invest in funds that primarily invest in the assets set out above.

Cash and cash equivalents include cash on hand, deposits held at call with banks or the custodian and other short-term highly liquid investments (and funds that primarily invest in cash and cash equivalents).

Derivatives

The Smartshares Global Bond ETF may use derivatives (such as futures, forwards, options and swaps). The Smartshares Global Bond ETF may not use derivatives to lever the ETF.





Hedging

The Smartshares Global Bond ETF's foreign currency exposure is hedged to the New Zealand dollar. The target hedging level is 100% (although the actual hedging level may differ from this because of cash flow and market movements)

Investment restrictions

The Smartshares Global Bond ETF's investments are subject to the following concentration limits:

Investment	Concentration limit
Issue/Issuer¹	5%
Issuer of asset-backed securities and mortgage-backed securities (excluding agency mortgage)	2%
High yield securities (rated below BBB-)	10%
Emerging market securities (as defined by the World Bank)	15%
Certain private placements	10%
Mortgage derivatives	10%
Structured notes	5%
Preferred securities	5%
Bank loans	10%
Asset-backed securities and mortgage-backed securities (excluding agency mortgage)	15%

The average duration of the portfolio of financial products held by the Smartshares Global Bond ETF must be within +/- 3 years of the average duration of financial products comprising the Bloomberg Global Aggregate Bond Index.

The Smartshares Global Bond ETF's investments are subject to the following credit rating limits issued by Standard & Poor's, or their equivalent issued by Moody's or Fitch:

- the minimum average portfolio quality across all investments is A-;
- for investments in short-term financial products, the minimum issue quality is B-; and

¹ Excludes (1) issuers of asset-backed securities and mortgage-backed securities (other than agency mortgage); and (2) sovereign debt of OECD Governments and US agencies (to which no limit applies) and supranational issuers (25% limit applies). Specific mortgage pools and trusts are considered separate issuers, and each tranche within a collateralised mortgage obligation is considered a separate issue.





- for investments in short-term commercial paper, the minimum commercial paper quality is A-2 issued by Standard & Poor's or P-2 issued by Moody's.

If an issuer or counterparty has multiple credit ratings, PIMCO will use the highest credit rating of Standard & Poor's, Moody's or Fitch. If an issuer or counterparty is not rated by any of these rating agencies, PIMCO will decide a credit rating. If an issuer or counterparty is downgraded below the minimums set out above, PIMCO will decide the appropriate action.

Where the Smartshares Global Bond ETF invests in a fund, for the purposes of these investment restrictions, PIMCO will aggregate the ETF's interests in the fund's underlying investments with the ETF's own investments.

The Smartshares Global Bond ETF may borrow up to 10% of the ETF's net asset value for the purposes of providing short-term liquidity (i.e. to temporarily fund securities settlement or pay expenses).

Investment in financial products issued by entities where any part of their revenue and/or activities involve tobacco and illegal weapons (cluster munitions, anti-personnel mines and nuclear explosive devices) is prohibited.

Investments in financial products issued by entities where a material part of their revenue (greater than 10%) and/or activities involve fossil fuel production is prohibited.

However, the Smartshares Global Bond ETF may use derivatives (such as credit default swaps) that include exposure to these financial products as part of a basket.

