SMARTSHARES
a Member of the NZX Group

Smartshares Exchange Traded Funds

Smartshares Australian Equities ESG ETF

Fund update for the quarter ended 30 June 2023

This fund update was first made publicly available on 31 July 2023.

What is the purpose of this update?

This document tells you how the Smartshares Australian Equities ESG ETF has performed and what fees were charged. The document will help you to compare the fund with other funds. Smartshares Limited prepared this update in accordance with the Financial Markets Conduct Act 2013. This information is not audited and may be updated.

Description of this fund

Invests in Australian shares and is designed to track the return of the S&P/ASX 200 Fossil Fuel Screened (AUD) Index.

Total value of the fund:	$16,715,499
The date the fund started:	29 June 2023

What are the risks of investing?

Risk indicator for the Smartshares Australian Equities ESG ETF[1]

Lower risk						Higher risk
1	2	3	4	5	**6**	7
Potentially lower returns						Potentially higher returns

The risk indicator is rated from 1 (low) to 7 (high). The rating reflects how much the value of the fund's assets goes up and down. A higher risk generally means higher potential returns over time, but more ups and downs along the way.

To help you clarify your own attitude to risk, you can seek financial advice or work out your risk profile at sorted.org.nz/tools/investor-kickstarter.

Note that even the lowest category does not mean a risk-free investment, and there are other risks that are not captured by this rating.

This risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on the returns data for 5 years to 30 June 2023. While risk indicators are usually relatively stable, they do shift from time to time. The risk indicator will continue to be updated in future fund updates.

See the Product Disclosure Statement for the Smartshares Exchange Traded Funds – Specialist Series for more information about the risks associated with investing in this fund.

How has the fund performed?

	Past year
Annual return (after deductions for charges and tax)	Not applicable
Annual return (after deductions for charges but before tax)	Not applicable
Market index annual return (reflects no deduction for charges and tax)	13.49%

The market index annual return is based on the annual return of the S&P/ASX 200 Fossil Fuel Screened (AUD) Index. Additional information about the market index is available in the 'Other Material Information' document on the offer register at disclose-register.companiesoffice.govt.nz.

What fees are investors charged?

Investors in the Smartshares Australian Equities ESG ETF are charged fund charges. Based on the Product Disclosure Statement dated 26 June 2023, these are expected to be:

	% per annum of fund's net asset value
Total fund charges	0.50%
Which are made up of:	
Total management and administration charges	0.50%
Including:	
Manager's basic fee	0.50%
Other management and administration charges	0.00%[2]

Investors may also be charged individual action fees for specific actions or decisions (for example, withdrawing from or switching funds). See the Product Disclosure Statement for the Smartshares Exchange Traded Funds – Specialist Series for more information about those fees.

The fees set out above include GST where applicable.

Small differences in fees and charges can have a big impact on your investment over the long term.

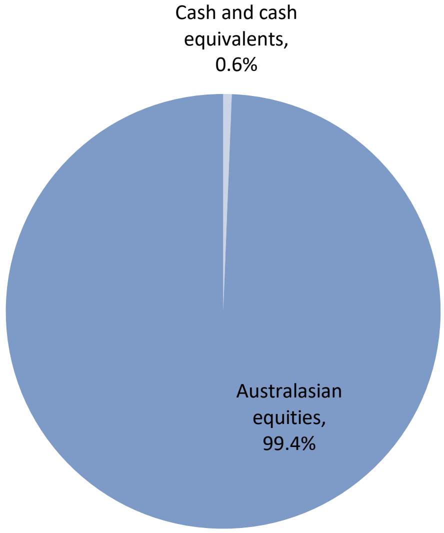
Example of how this applies to an investor

Tara had $10,000 in the fund on 29 June 2023 and did not make any further contributions. On 30 June 2023, Tara received a return after fund charges were deducted of $47 (that is 0.47% of her initial $10,000). This gives Tara a total return after tax of $47 for the 0 months and 2 days.

What does the fund invest in?

Actual investment mix

This shows the types of assets that the fund invests in.



Target investment mix

This shows the mix of assets that the fund generally intends to invest in.

Asset Category	Target asset mix
Cash and cash equivalents	-
New Zealand fixed interest	-
International fixed interest	-
Australasian equities	100.00%
International equities	-
Listed property	-
Unlisted property	-
Commodities	-
Other	-

Top 10 investments

Name	% of fund's net asset value	Type	Country	Credit rating (if applicable)
BHP Group Ltd	10.32%	Australasian equities	Australia	
Commonwealth Bank of Australia	8.20%	Australasian equities	Australia	
CSL Ltd	7.06%	Australasian equities	Australia	
National Australia Bank Ltd	4.14%	Australasian equities	Australia	
Westpac Banking Corp	3.66%	Australasian equities	Australia	
ANZ Group Holdings Ltd	3.53%	Australasian equities	Australia	
Macquarie Group Ltd	2.98%	Australasian equities	Australia	
Wesfarmers Ltd	2.82%	Australasian equities	Australia	
Telstra Group Ltd	2.41%	Australasian equities	Australia	
Woolworths Group Ltd	2.31%	Australasian equities	Australia	

The top 10 investments make up 47.43% of the fund's net asset value.

Currency hedging

The fund's foreign currency exposure is not hedged.

Key personnel

This shows the directors and employees who have the most influence on the investment decisions of the fund:

Name	Current position	Time in current position	Previous or other current positions	Time in previous or other current position
Guy Roulston Elliffe	Director	7 years and 7 months	Corporate Governance Manager - ACC (current position)	8 years and 2 months
Stuart Kenneth Reginald Millar	Chief Investment Officer - Smartshares	4 years and 1 month	Head of Portfolio Management - ANZ Investments	6 years and 4 months
Graham Nicholas Stewart Law	Director	1 year and 6 months	Chief Financial and Corporate Officer - NZX (current position)	5 years and 6 months
Alister John Williams	Director	7 years and 7 months	Investment Manager - Trust Management	5 years and 4 months

Further information

You can also obtain this information, the Product Disclosure Statement for the Smartshares Exchange Traded Funds – Specialist Series, and some additional information from the offer register at [disclose-register.companiesoffice.govt.nz.](disclose-register.companiesoffice.govt.nz)

Notes

1 Market index returns (as well as actual returns) have been used to complete the risk indicator, as the fund has not been in existence for 5 years. As a result, the risk indicator may provide a less reliable indicator of the potential future volatility of the fund. The risk indicator for the fund uses 5 years of market index returns.

2 These charges refer to the normal fund operating costs that are charged to the fund. For disclosure purposes, supervisor, audit and legal costs are not included in the manager's basic fee, but are included in the other management and administration charges. Some of these are fixed costs so the amount shown can range from 0% up to the total fund charges depending on the total value of the fund.