

Report and Financial Statements

For the year ended 31st December 2019

State Street Japan Equity Tracker Fund

State Street Japan Equity Tracker Fund

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* These collectively comprise the Manager's Report.

State Street Japan Equity Tracker Fund

Manager's Report

For the year ended 31st December 2019

Authorised Status

This Fund is an Authorised Unit Trust Scheme as defined in section 243 of the Financial Services and Markets Act 2000 and it is a UCITS Retail Scheme within the meaning of the FCA Collective Investment Schemes sourcebook. The unitholders are not liable for the debts of the Fund.

Investment Objective and Policy

The objective of the Fund is to replicate, as closely as possible, and on a “gross of fees” basis, the return of the Japan equity market as represented by the FTSE Japan Index (the “Index”) net of unavoidable withholding taxes.

The Manager will seek to achieve this objective principally by investing in the shares of certain companies included from time to time in the Index considered by the Investment Adviser to reflect accurately the performance of that Index. The Fund may also invest in transferrable securities, money market instruments, warrants, units in collective investment schemes, deposits and derivatives.

The Fund may invest in collective investment schemes managed or operated by companies in the same group as the Manager or the Investment Adviser. The Fund will seek to track the performance of the Index whilst seeking to minimise as far as possible the tracking error between the Fund's performance and that of the Index.

Strategy

The Fund is constructed to track, on a gross of fees basis, the performance of the FTSE Japan Index (the “Index”). The Fund is managed on a fully replicated basis and typically has a portfolio of approximately 506 stocks. The emphasis is on maintaining tracking precision, a combination of stocks is selected to minimise deviation from the Index. The Fund is managed to remain neutral on all factors contributing to risk.

Performance

The Fund returned 14.15% on a net fee basis for the year ending 31st December 2019 (the “Reporting Period”), underperforming the Index return of 14.41%. The size of the Fund's tracking difference for the Reporting Period was -0.26%, which was within the targeted tolerance.

Market Review

Japan equities as measured by FTSE Japan returned 14.41% (in GBP) during the Reporting Period. In its January meeting, the Bank of Japan kept policy measures unchanged. However, the Bank's Outlook for Economic Activity and Prices highlighted the high inflation and stagnant growth situation it is dealing with as it revised down its inflation forecasts, while its also modestly nudging up its forecasts for economic growth. The Bank of Japan left policy unchanged at its March and June meeting which lifted the yen to the strongest level versus dollar since 2018. However, by the end of the Reporting Period the yen was the sole developed market currency to depreciate relative to the US dollar.

The weakness in Japanese shares in comparison to the global equity markets was due to increased geopolitical tensions. The Japanese market also had mixed developments pertaining to trade. As part of an ongoing political dispute, South Korea removed Japan from its list of trusted trading partners followed by a similar measure put forth by Japan against Korea. However, Japan reached a basic agreement of a bilateral trade deal with the US following the G7 summit in France. From that point on, Japanese stocks steadily advanced with support from a recovering broader market sentiment. An increase in the country's value-added tax (VAT) from 8% to 10% went into effect and Japan began the preparation of first fiscal stimulus since 2016 to help offset any drag due to the VAT hike introduced during the Reporting Period. In December the government went on to unveil a larger than expected spending plan to help prop the economy up and defend against any negative effects from the VAT hike as well as aid in rebuilding from damage sustained from Typhoon Hagibis.

State Street Japan Equity Tracker Fund

Manager's Report (continued)

For the year ended 31st December 2019

Index Activity

The Index is subject to a review in March, June, September and December. During the March review of the Index, there were three inclusions (the largest being Goldwin), seven exclusions and four down weights. A June review of the Index witnessed four down weights. During the September review of the Index, there were six inclusions (the largest being Anritsu), thirteen exclusions, one up weight and four down weights. During the December review of the Index, there were five down weights.

Outlook

2020

We have seen an unprecedented increase in market volatility and extreme market moves across all asset classes over the last few weeks.

The spread of the COVID19 virus early in 2020 was already placing additional stress on an increasingly fragile global economy, and the breakdown of negotiations between Russia and Saudi Arabia about oil output added to market volatility. By Friday 6th March, markets were in negative territory for the year. By the end of the following week, and post the failure in oil negotiations over the weekend, equity markets were even more in the red, with developed markets suffering even more than emerging markets. Saudi Arabia declared they would not only ramp up oil production, but would also provide it at a discount, which sent oil prices collapsing. This further destabilised equity markets and caused a flight to defensive assets, with government bonds rallying and yields falling across the curve.

Since then, we have seen volatile markets, with extremely negative days, followed by very swift recoveries.

We are increasingly cautious about the general market outlook. Our 2020 outlook somewhat resembled our 2018 and 2019 outlooks; in each of these years, the global economy managed to expand despite late-cycle worries. As this long cycle matured and risks to the recovery gather, that forecast became more difficult to make. For 2020, even as some areas of the global economy weakened, we believed that some pillars of strength remained in place to see it through (US economy and US consumer, emerging markets, lower rates favouring corporate bond issuance).

Recent events have now challenged our base scenario and have dampened our expectations for the year. We are currently reviewing our global growth forecast and we expect to reduce it for 2020 and beyond. The IMF's recent forecast numbers show a 3% negative impact on global output, with developed economies shrinking by 6%. We are starting to see impact at company level and expect earnings warnings to ramp up; first in the more obvious sectors (travel & leisure, airlines) but it will spread and impact companies more widely.

Central banks and governments have responded quickly but impact has been mixed, especially from monetary policy. Market responses to US and EU rate cuts have been short lived and have not reassured investors sufficiently. It may be time to pass on the baton to fiscal policy, and the recent events have now precipitated fiscal action. Governments are implementing credit life lines, like in the UK, to help small and medium size business weather the storm, or implementing a fiscal led boost, like the payroll tax cut in the US.

We have seen some inflows into equities, primarily stemming out from investors rebalancing their portfolios, rotating out of fixed income to handle the equity underweights into their portfolios.

State Street Japan Equity Tracker Fund

Manager's Report (continued)

For the year ended 31st December 2019

Risk and Reward Profile



Risk Disclaimer

The risk category above is not a measure of capital loss or gains but of how significant the rises and falls in the Fund's return have been historically.

For example a fund whose return has experienced significant rises and falls will be in a higher risk category, whereas a fund whose return has experienced less significant rises and falls will be in a lower risk category.

The lowest category (i.e. category 1) does not mean that a fund is a risk free investment.

As the Fund's risk category has been calculated using historical data, it may not be a reliable indication of the Fund's future risk profile.

The Fund's risk category shown is not guaranteed and may change in the future.

Why is this Fund in this category?

The Fund is in risk category 6 as its return has experienced very high rises and falls historically.

The following are material risks relevant to the Fund which are not adequately captured by the risk category.

Index Tracking Risk: The Fund's performance may not exactly track the Index. This can result from market fluctuations, changes in the composition of the Index, transaction costs, the costs of making changes to the Fund's portfolio and other Fund expenses.

Liquidity Risk: It may be difficult for the Fund to buy or sell certain investments in difficult market conditions. Consequently the price obtained when selling securities may be lower than under normal market conditions.

Concentration Risk: A Fund that purchases a limited number of securities, or only securities of a limited number of countries or industries, may experience higher changes in value than a fund that does not limit its investments.

Counterparty Risk: Other financial institutions provide services to the Fund, acting as a counterparty to financial derivative transactions. There is a risk that these institutions may not be able to perform their obligations. This could reduce the value of the Fund's investments.

Derivatives Usage

Equity derivatives (index futures) are used in the Fund for efficient portfolio management purposes. The Fund invests in futures which are the most appropriate match to the Index. The main application of futures is in managing client inflows and outflows and to hedge accrued income. At all times the futures exposure is covered entirely by cash or cash equivalents.

As at 31st December 2019, the Fund had a total notional exposure to futures of £1,314,952.

State Street Japan Equity Tracker Fund

Manager's Report (continued)

For the year ended 31st December 2019

Tracking Error

The Tracking Error measures the standard deviation of the relative returns. It is the annualised standard deviation of the returns of a fund minus those of its benchmark (relative returns) and not the standard deviation of each fund's unique returns. The lower the tracking error of a fund, the more the fund resembles its benchmark or the market regarding risk and return characteristics.

The size of the Fund's tracking error for the twelve months ended 31st December 2019 was 0.08% which was within the targeted tolerance.

Distribution

There will be a distribution of 1.6627 pence per unit payable on 28th February 2020 (28.2.19: 1.5364).

State Street Japan Equity Tracker Fund

Portfolio Statement

As at 31st December 2019

	Holdings	Market Value £'000	% of Total Net Assets
Automobiles & Parts – 9.75% (31.12.2018 – 10.52%)			
Aisin Seiki	4,800	136	0.16
Bridgestone	15,900	450	0.54
Denso	12,200	421	0.51
GS Yuasa	2,180	36	0.04
Honda Motor	47,400	1,020	1.23
JTEKT	5,900	53	0.06
Koito Manufacturing	3,200	113	0.14
Mazda Motor	16,000	104	0.13
Mitsubishi Motors	18,600	59	0.07
NGK Spark Plug	5,900	87	0.11
NHK Spring	4,100	28	0.03
Nifco	2,200	46	0.06
Nissan Motor	51,600	228	0.28
Nissan Shatai	2,100	15	0.02
NOK	3,200	37	0.05
NSK	11,500	83	0.10
Stanley Electric	3,800	84	0.10
Subaru	16,700	315	0.38
Sumitomo Electric Industries	20,500	235	0.28
Sumitomo Rubber Industries	4,600	43	0.05
Suzuki Motor	11,800	374	0.45
Tokai Rika	1,200	18	0.02
Toyo Tire & Rubber	2,800	31	0.04
Toyoda Gosei	2,000	38	0.05
Toyota Boshoku	1,400	17	0.02
Toyota Industries	4,400	194	0.23
Toyota Motor	67,200	3,601	4.35
TS Tech	1,200	29	0.04
Yamaha Motor	8,100	124	0.15
Yokohama Rubber	3,400	50	0.06
		8,069	9.75
Banks – 5.74% (31.12.2018 – 6.53%)			
77 Bank	1,600	20	0.02

State Street Japan Equity Tracker Fund

Portfolio Statement (continued)

As at 31st December 2019

	Holdings	Market Value £'000	% of Total Net Assets
Banks – 5.74% (31.12.2018 – 6.53%) (continued)			
Aozora Bank	3,000	60	0.07
Bank of Kyoto	1,900	62	0.08
Chiba Bank	16,000	70	0.08
Chugoku Bank	4,000	31	0.04
Concordia Financial	30,200	95	0.11
Daishi Hokuetsu Financial	1,500	32	0.04
Fukuoka Financial	4,400	64	0.08
Gunma Bank	10,000	27	0.03
Hachijuni Bank	15,100	50	0.06
Hiroshima Bank	7,800	29	0.04
Hokuhoku Financial	3,600	29	0.04
Iyo Bank	6,800	29	0.04
Japan Post Bank	10,600	77	0.09
Kansai Mirai Financial	4,600	23	0.03
Kyushu Financial	10,300	34	0.04
Mebuki Financial	25,400	50	0.06
Mitsubishi UFJ Financial	339,870	1,400	1.69
Mizuho Financial	695,620	813	0.98
Nishi-Nippon Financial	3,600	22	0.03
Resona	59,400	198	0.24
Seven Bank	17,600	44	0.05
Shiga Bank	1,200	23	0.03
Shinsei Bank	5,000	58	0.07
Shizuoka Bank	14,900	85	0.10
Sumitomo Mitsui Financial	35,200	987	1.19
Sumitomo Mitsui Trust	10,100	304	0.37
Yamaguchi Financial	6,000	31	0.04
		4,747	5.74
Beverages – 1.29% (31.12.2018 – 1.42%)			
Asahi	10,300	357	0.43
Coca-Cola Bottlers Japan	4,075	79	0.10
Ito En	1,800	69	0.08
Kagome	2,061	37	0.04

State Street Japan Equity Tracker Fund

Portfolio Statement (continued)

As at 31st December 2019

	Holdings	Market Value £'000	% of Total Net Assets
Beverages – 1.29% (31.12.2018 – 1.42%) (continued)			
Kirin	22,000	365	0.44
Sapporo	1,700	30	0.04
Suntory Beverage & Food	3,200	101	0.12
Takara	4,300	30	0.04
		1,068	1.29
Chemicals – 4.35% (31.12.2018 – 4.44%)			
Air Water	4,400	49	0.06
Asahi Kasei	33,500	287	0.35
Daicel	8,200	60	0.07
Denka	2,200	50	0.06
DIC	2,200	46	0.06
Hitachi Chemical	2,700	86	0.10
JSR	4,700	66	0.08
Kaneka	1,400	34	0.04
Kansai Paint	5,200	97	0.12
Kuraray	9,700	90	0.11
Mitsubishi Chemical	33,500	190	0.23
Mitsubishi Gas Chemical	4,700	55	0.07
Mitsui Chemicals	4,700	87	0.11
Nagase	3,610	41	0.05
Nippon Kayaku	4,800	45	0.05
Nippon Paint	4,100	161	0.19
Nippon Shokubai	800	38	0.05
Nissan Chemical	3,900	124	0.15
Nitto Denko	4,300	185	0.22
NOF	2,000	51	0.06
Shin-Etsu Chemical	10,900	913	1.10
Showa Denko	3,800	77	0.09
Sumitomo Bakelite	800	23	0.03
Sumitomo Chemical	41,100	142	0.17
Taiyo Nippon Sanso	4,000	67	0.08
Teijin	5,300	75	0.09
Tokai Carbon	4,900	37	0.04

State Street Japan Equity Tracker Fund

Portfolio Statement (continued)

As at 31st December 2019

	Holdings	Market Value £'000	% of Total Net Assets
Chemicals – 4.35% (31.12.2018 – 4.44%) (continued)			
Tokuyama	1,700	34	0.04
Toray Industries	41,200	212	0.26
Tosoh	8,100	95	0.12
Ube Industries	2,900	48	0.06
Zeon	3,700	35	0.04
		3,600	4.35
Construction & Materials – 2.86% (31.12.2018 – 2.71%)			
AGC	4,800	131	0.16
Aica Kogyo	1,700	43	0.05
COMSYS	3,352	73	0.09
Daikin Industries	7,200	773	0.93
Haseko	8,400	86	0.10
Kajima	12,000	121	0.15
Kandenko	4,100	30	0.04
Kinden	3,600	42	0.05
Kyowa Exeo	2,700	52	0.06
LIXIL	7,200	94	0.11
Maeda	3,000	22	0.03
Maeda Road Construction	2,000	37	0.05
Nippo	1,600	26	0.03
Obayashi	18,800	159	0.19
Penta-Ocean Construction	7,200	34	0.04
Sanwa	5,500	47	0.06
Shimizu	15,100	117	0.14
SHO-BOND	1,200	38	0.05
Sumitomo Osaka Cement	900	30	0.04
Taiheiyo Cement	3,500	78	0.09
Taisei	5,500	174	0.21
Toda	6,000	30	0.04
TOTO	3,900	126	0.15
		2,363	2.86

State Street Japan Equity Tracker Fund

Portfolio Statement (continued)

As at 31st December 2019

	Holdings	Market Value £'000	% of Total Net Assets
Electricity – 1.12% (31.12.2018 – 1.53%)			
Chubu Electric Power	18,700	200	0.24
Chugoku Electric Power	7,900	79	0.10
Electric Power Development	4,600	85	0.10
Hokkaido Electric Power	4,600	17	0.02
Hokuriku Electric Power	3,800	21	0.02
Kansai Electric Power	19,600	172	0.21
Kyushu Electric Power	12,100	79	0.10
Shikoku Electric Power	4,300	32	0.04
Tohoku Electric Power	13,200	99	0.12
Tokyo Electric Power	42,700	139	0.17
		923	1.12
Electronic & Electrical Equipment – 6.96% (31.12.2018 – 5.74%)			
Alps Alpine	5,600	97	0.12
Amano	1,900	44	0.05
Azbil	3,700	79	0.10
Fuji Electric	3,200	74	0.09
Fujikura	6,700	21	0.03
Furukawa Electric	1,700	33	0.04
Hamamatsu Photonics	3,400	106	0.13
Hirose Electric	1,040	101	0.12
Hitachi	25,100	807	0.98
Horiba	1,000	51	0.06
Ibiden	3,000	54	0.07
Japan Aviation Electronics Industry	1,000	16	0.02
Keyence	4,900	1,310	1.58
Kyocera	8,300	431	0.52
Mabuchi Motor	1,200	35	0.04
Minebea Mitsumi	10,700	169	0.20
Murata Manufacturing	15,500	726	0.88
NGK Insulators	7,400	98	0.12
Nidec	6,300	657	0.79
Nippon Electric Glass	2,000	34	0.04
Omron	5,300	236	0.28

State Street Japan Equity Tracker Fund

Portfolio Statement (continued)

As at 31st December 2019

	Holdings	Market Value £'000	% of Total Net Assets
Electronic & Electrical Equipment – 6.96% (31.12.2018 – 5.74%) (continued)			
Sharp	4,900	57	0.07
Taiyo Yuden	3,100	72	0.09
TDK	3,400	293	0.35
Topcon	2,400	24	0.03
Ushio	3,500	40	0.05
Yokogawa Electric	6,900	93	0.11
		5,758	6.96
Financial Services – 2.07% (31.12.2018 – 2.07%)			
Acom	9,400	33	0.04
AEON Financial Service	3,700	44	0.05
Credit Saison	4,600	61	0.07
Daiwa Securities	43,300	166	0.20
Fuyo General Lease	500	26	0.03
Hitachi Capital	900	18	0.02
Ichigo	4,400	14	0.02
Japan Exchange	14,800	198	0.24
Matsui Securities	2,900	18	0.02
Mitsubishi UFJ Lease & Finance	12,300	60	0.07
Nihon M&A Center	3,600	94	0.11
Nomura	85,900	336	0.41
Orient	18,200	21	0.03
ORIX	34,300	432	0.52
SBI	6,043	97	0.12
SFCG~	60	-	0.00
Tokyo Century	1,300	53	0.06
Zenkoku Hoshu	1,400	45	0.06
		1,716	2.07
Fixed Line Telecommunications – 0.78% (31.12.2018 – 0.77%)			
Nippon Telegraph & Telephone	33,800	647	0.78
		647	0.78

State Street Japan Equity Tracker Fund

Portfolio Statement (continued)

As at 31st December 2019

	Holdings	Market Value £'000	% of Total Net Assets
Food & Drug Retailers – 0.77% (31.12.2018 – 0.77%)			
Ain	800	39	0.05
Cosmos Pharmaceutical	300	47	0.06
FamilyMart	6,400	117	0.14
Kobe Bussan	700	18	0.02
Kusuri no Aoki	500	24	0.03
Lawson	1,200	52	0.06
Matsumotokiyoshi	2,000	59	0.07
Sugi	1,100	44	0.05
Sundrug	1,700	47	0.06
Tsuruha	1,000	97	0.12
Welcia	1,500	72	0.09
Yaoko	500	19	0.02
		635	0.77
Food Producers – 1.83% (31.12.2018 – 2.25%)			
Ajinomoto	13,100	165	0.20
Ariake Japan	400	23	0.03
Calbee	2,200	54	0.07
Ezaki Glico	1,300	44	0.05
Fuji Oil	1,300	26	0.03
House Foods	1,900	49	0.06
Itoham Yonekyu	3,500	17	0.02
Kewpie	2,800	48	0.06
Kikkoman	5,000	186	0.22
Maruha Nichiro	900	17	0.02
Megmilk Snow Brand	1,400	24	0.03
MEIJI	3,700	190	0.23
Mitsubishi Shokuhin	400	9	0.01
Morinaga	1,200	44	0.05
Morinaga Milk Industry	1,000	31	0.04
NH Foods	2,800	88	0.11
Nichirei	3,000	53	0.06
Nisshin Seifun	6,600	87	0.11
Nissin Foods	1,800	102	0.12

State Street Japan Equity Tracker Fund

Portfolio Statement (continued)

As at 31st December 2019

	Holdings	Market Value £'000	% of Total Net Assets
Food Producers – 1.83% (31.12.2018 – 2.25%) (continued)			
Toyo Suisan Kaisha	2,300	74	0.09
Yakult Honsha	3,300	138	0.17
Yamazaki Baking	3,300	45	0.05
		1,514	1.83
Forestry & Paper – 0.16% (31.12.2018 – 0.17%)			
Nippon Paper Industries	2,200	28	0.03
Oji	25,200	104	0.13
		132	0.16
Gas, Water & Multiutilities – 0.55% (31.12.2018 – 0.69%)			
Osaka Gas	10,900	158	0.19
Toho Gas	2,600	81	0.10
Tokyo Gas	11,500	212	0.26
		451	0.55
General Industrials – 1.84% (31.12.2018 – 1.94%)			
FP	600	27	0.03
Fuji Seal International	1,100	19	0.02
IHI	3,200	57	0.07
ITOCHU	36,800	648	0.78
Lintec	1,500	26	0.03
Mitsubishi Materials	3,300	68	0.08
Nisshinbo	4,300	31	0.04
Rengo	5,391	31	0.04
Sojitz	32,200	79	0.10
Toshiba	12,100	311	0.38
Toyo Seikan	4,300	57	0.07
Toyota Tsusho	6,200	166	0.20
		1,520	1.84

State Street Japan Equity Tracker Fund

Portfolio Statement (continued)

As at 31st December 2019

	Holdings	Market Value £'000	% of Total Net Assets
General Retailers – 3.69% (31.12.2018 – 4.18%)			
Aeon	19,300	302	0.37
Autobacs Seven	1,900	23	0.03
Benesse	2,100	42	0.05
Bic Camera	4,900	42	0.05
DeNa	2,900	35	0.04
Fast Retailing	1,400	632	0.76
H2O Retailing	2,100	18	0.02
Isetan Mitsukoshi	9,760	67	0.08
Izumi	900	25	0.03
J Front Retailing	6,200	66	0.08
Kakaku.com	4,000	78	0.10
K's	5,200	52	0.06
Marui	6,000	111	0.13
Nitori	2,000	239	0.29
Pan Pacific International	14,000	176	0.21
Park24	3,000	56	0.07
Rakuten	21,700	141	0.17
Ryohin Keikaku	6,000	106	0.13
Seven & i	20,900	581	0.70
Shimamura	500	29	0.04
Takashimaya	4,000	34	0.04
USS	5,500	79	0.10
Yamada Denki	23,400	94	0.11
ZOZO	1,800	26	0.03
		3,054	3.69
Health Care Equipment & Services – 2.48% (31.12.2018 – 1.91%#)			
Asahi Intecc	5,100	113	0.14
Hoya	10,000	726	0.88
Mani	1,700	37	0.04
Miraca	1,300	24	0.03
Nihon Kohden	2,100	44	0.05
Nipro	3,300	30	0.04
Olympus	28,800	338	0.41

State Street Japan Equity Tracker Fund

Portfolio Statement (continued)

As at 31st December 2019

	Holdings	Market Value £'000	% of Total Net Assets
Health Care Equipment & Services – 2.48% (31.12.2018 – 1.91%#) (continued)			
Sysmex	5,100	264	0.32
Terumo	17,600	475	0.57
		2,051	2.48
Household Goods & Home Construction – 1.49% (31.12.2018 – 1.56%)			
Daiwa House Industry	17,600	414	0.50
Fujitsu General	1,800	31	0.04
Iida	3,800	51	0.06
Kokuyo	2,100	24	0.03
Makita	6,900	183	0.22
Pilot	1,000	31	0.04
Rinnai	1,000	59	0.07
Sanrio	1,400	21	0.03
Sekisui Chemical	9,700	128	0.15
Sekisui House	15,500	251	0.30
Sumitomo Forestry	3,500	39	0.05
		1,232	1.49
Industrial Engineering – 5.90% (31.12.2018 – 5.58%)			
Amada	8,400	73	0.09
Daifuku	2,600	120	0.15
Disco	700	126	0.15
DMG Mori	2,900	34	0.04
Ebara	2,700	62	0.08
FANUC	5,300	748	0.90
Hino Motors	7,000	57	0.07
Hitachi Construction Machinery	2,700	62	0.08
Hoshizaki	1,400	95	0.11
Isuzu Motors	14,200	128	0.15
Japan Steel Works	1,700	25	0.03
JGC	5,400	66	0.08
Kawasaki Heavy Industries	4,300	72	0.09
Komatsu	25,000	459	0.55

State Street Japan Equity Tracker Fund

Portfolio Statement (continued)

As at 31st December 2019

	Holdings	Market Value £'000	% of Total Net Assets
Industrial Engineering – 5.90% (31.12.2018 – 5.58%) (continued)			
Kubota	29,900	358	0.43
Kurita Water Industries	2,900	66	0.08
Kyudenko	1,100	25	0.03
MISUMI	7,800	147	0.18
Mitsubishi Electric	53,900	561	0.68
Mitsubishi Heavy Industries	7,800	230	0.28
Miura	2,600	69	0.08
Nabtesco	3,500	79	0.10
NTN	10,000	24	0.03
OKUMA	900	36	0.04
OSG	2,100	31	0.04
Shimadzu	7,100	170	0.21
SMC	1,600	559	0.68
Sumitomo Heavy Industries	3,100	67	0.08
Tadano	2,800	19	0.02
THK	2,900	60	0.07
Ulvac	1,400	42	0.05
Yaskawa Electric	7,200	209	0.25
		4,879	5.90
Industrial Metals & Mining – 0.96% (31.12.2018 – 1.11%)			
Daido Steel	800	27	0.03
Dowa	1,300	37	0.05
Hitachi Metals	5,300	59	0.07
JFE	14,200	139	0.17
Kobe Steel	9,400	39	0.05
Maruichi Steel Tube	1,500	32	0.04
Mitsui Mining & Smelting	1,400	28	0.03
Nippon Steel	22,278	256	0.31
Sumitomo Metal Mining	6,400	158	0.19
Yamato Kogyo	1,000	19	0.02
		794	0.96

State Street Japan Equity Tracker Fund

Portfolio Statement (continued)

As at 31st December 2019

	Holdings	Market Value £'000	% of Total Net Assets
Industrial Transportation – 0.87% (31.12.2018 – 1.04%)			
Fukuyama Transporting	800	22	0.03
Hitachi Transport System	1,100	23	0.03
Japan Airport Terminal	1,200	51	0.06
Kamigumi	2,500	42	0.05
Kawasaki Kisen Kaisha	2,300	30	0.04
Mitsubishi Logistics	1,900	38	0.04
Mitsui OSK Lines	2,660	56	0.07
Nippon Express	1,900	85	0.10
Nippon Yusen	4,100	56	0.07
Sankyu	1,400	53	0.06
Seino	3,700	38	0.05
SG	6,000	103	0.12
Yamato	9,600	124	0.15
		721	0.87
Leisure Goods – 5.09% (31.12.2018 – 4.60%)			
Bandai Namco	5,300	244	0.30
Casio Computer	6,000	91	0.11
Daiichikosho	1,200	48	0.06
GungHo Online Entertainment	990	16	0.02
Konami	2,500	78	0.09
Nexon	11,400	115	0.14
Nikon	8,900	83	0.10
Nintendo	2,900	886	1.07
Panasonic	58,600	419	0.51
Sega Sammy	5,500	61	0.07
Shimano	2,100	259	0.31
Sony	33,600	1,727	2.09
Yamaha	4,400	186	0.22
		4,213	5.09
Life Insurance – 1.11% (31.12.2018 – 1.26%)			
Dai-ichi Life	30,100	380	0.46

State Street Japan Equity Tracker Fund

Portfolio Statement (continued)

As at 31st December 2019

	Holdings	Market Value £'000	% of Total Net Assets
Life Insurance – 1.11% (31.12.2018 – 1.26%) (continued)			
Japan Post	36,000	257	0.31
Japan Post Insurance	5,300	68	0.08
Sony Financial	4,000	73	0.09
T&D	14,800	143	0.17
		921	1.11
Media – 1.10% (31.12.2018 – 1.02%)			
CyberAgent	2,400	64	0.08
Dai Nippon Printing	7,600	156	0.19
Dentsu	6,100	160	0.19
Fuji Media	1,100	12	0.01
Hakuhodo DY	6,400	79	0.10
M3	11,500	264	0.32
Nippon Television	1,200	12	0.01
Shochiku	300	34	0.04
SKY Perfect JSAT	3,000	10	0.01
Toho	3,100	98	0.12
Tokyo Broadcasting System	1,300	17	0.02
TV Asahi	600	8	0.01
		914	1.10
Mobile Telecommunications – 4.53% (31.12.2018 – 4.35%)			
Hikari Tsushin	600	114	0.14
KDDI	47,100	1,064	1.29
NTT DOCOMO	32,200	680	0.82
Softbank	43,500	441	0.53
SoftBank Group	43,900	1,450	1.75
		3,749	4.53
Nonlife Insurance – 1.66% (31.12.2018 – 1.67%)			
MS&AD Insurance	13,200	331	0.40

State Street Japan Equity Tracker Fund

Portfolio Statement (continued)

As at 31st December 2019

	Holdings	Market Value £'000	% of Total Net Assets
Nonlife Insurance – 1.66% (31.12.2018 – 1.67%) (continued)			
Sompo	9,200	275	0.33
Tokio Marine	18,100	769	0.93
		1,375	1.66
Oil & Gas Producers – 0.82% (31.12.2018 – 0.99%)			
Cosmo Energy	1,600	28	0.03
Idemitsu Kosan	6,904	145	0.18
Inpex	25,500	201	0.24
Japan Petroleum Exploration	700	15	0.02
JXTG	84,800	293	0.35
		682	0.82
Personal Goods – 2.74% (31.12.2018 – 2.91%)			
ABC-Mart	600	31	0.04
Asics	4,700	59	0.07
Citizen	6,800	28	0.03
Fancl	1,800	36	0.04
Goldwin	1,000	56	0.07
Kao	12,800	802	0.97
Kose	800	89	0.11
Lion	6,700	99	0.12
Noevir	400	16	0.02
PALTAC	1,000	36	0.04
Pigeon	2,800	78	0.10
Pola Orbis	2,000	36	0.04
Shiseido	10,600	573	0.69
Toyobo	2,200	26	0.03
Unicharm	10,600	273	0.33
Wacoal	1,500	31	0.04
		2,269	2.74

State Street Japan Equity Tracker Fund

Portfolio Statement (continued)

As at 31st December 2019

	Holdings	Market Value £'000	% of Total Net Assets
Pharmaceuticals & Biotechnology – 7.07% (31.12.2018 – 6.69%#)			
Alfresa	4,500	70	0.08
Astellas Pharma	51,700	672	0.81
Chugai Pharmaceutical	5,900	413	0.50
Daiichi Sankyo	17,300	869	1.05
Eisai	7,200	410	0.50
Hisamitsu Pharmaceutical	1,800	67	0.08
Kaken Pharmaceutical	1,100	46	0.06
Kissei Pharmaceutical	846	18	0.02
Kobayashi Pharmaceutical	1,600	103	0.12
Kyowa Kirin	6,864	123	0.15
Medipal	4,200	70	0.08
Mitsubishi Tanabe Pharma	5,700	79	0.10
Mochida Pharmaceutical	600	18	0.02
Nippon Shinyaku	1,400	92	0.11
Ono Pharmaceutical	11,800	205	0.25
Otsuka	11,400	387	0.47
PeptiDream	2,500	97	0.12
Rohto Pharmaceutical	2,600	60	0.07
Santen Pharmaceutical	9,400	136	0.16
Sawai Pharmaceutical	1,100	53	0.06
Shionogi	7,500	352	0.43
Sumitomo Dainippon Pharma	4,500	67	0.08
Suzuken	2,100	65	0.08
Taisho Pharmaceutical	1,200	68	0.08
Takara Bio	1,200	17	0.02
Takeda Pharmaceutical	41,700	1,255	1.52
Tsumura	1,700	38	0.05
		5,850	7.07
Real Estate Investment & Services – 2.20% (31.12.2018 – 2.34%)			
Aeon Mall	3,200	43	0.05
Daito Trust Construction	1,800	169	0.20
Hulic	9,200	84	0.10
Mitsubishi Estate	32,000	464	0.56

State Street Japan Equity Tracker Fund

Portfolio Statement (continued)

As at 31st December 2019

	Holdings	Market Value £'000	% of Total Net Assets
Real Estate Investment & Services – 2.20% (31.12.2018 – 2.34%) (continued)			
Mitsui Fudosan	25,600	475	0.57
Nomura Real Estate	3,400	62	0.08
Open House	1,400	30	0.04
Relo	2,700	57	0.07
Sumitomo Realty & Development	10,700	283	0.34
Tokyo Tatemono	5,600	67	0.08
Tokyu Fudosan	17,100	90	0.11
		1,824	2.20
Software & Computer Services – 1.98% (31.12.2018 – 1.48%)			
Capcom	2,400	51	0.06
GMO internet	1,600	23	0.03
Itochu Techno-Solutions	2,700	58	0.07
Justsystems	900	38	0.05
Koei Tecmo	1,700	34	0.04
LINE	1,500	56	0.07
NET One Systems	2,300	45	0.05
Nihon Unisys	1,700	40	0.05
Nomura Research Institute	7,300	119	0.14
NS Solutions	800	20	0.02
NTT Data	17,300	176	0.21
OBIC	1,800	185	0.22
OBIC Business Consultants	400	14	0.02
Oracle	900	62	0.07
Otsuka	2,900	88	0.11
SCSK	1,300	51	0.06
Square Enix	2,000	75	0.09
TechnoPro	1,100	58	0.07
TIS	2,200	98	0.12
Trend Micro	3,100	121	0.15
Z	71,600	229	0.28
		1,641	1.98

State Street Japan Equity Tracker Fund

Portfolio Statement (continued)

As at 31st December 2019

	Holdings	Market Value £'000	% of Total Net Assets
Support Services – 4.45% (31.12.2018 – 4.37%)			
ASKUL	400	9	0.01
Benefit One	1,600	25	0.03
Glory	1,576	36	0.04
GMO Payment Gateway	1,100	57	0.07
Marubeni	42,500	240	0.29
Mitsubishi	34,100	687	0.83
Mitsui	46,100	623	0.75
MonotaRO	3,200	65	0.08
Persol	4,300	61	0.07
Recruit	34,800	991	1.20
Secom	5,300	360	0.44
Sohgo Security Services	1,800	74	0.09
Sumitomo	30,500	344	0.42
Toppan Printing	7,000	110	0.13
		3,682	4.45
Technology Hardware & Equipment – 4.07% (31.12.2018 – 3.35%)			
Advantest	5,400	231	0.28
Anritsu	3,800	57	0.07
Brother Industries	6,900	109	0.13
Canon	27,500	571	0.69
Canon Marketing Japan	1,100	19	0.02
FUJIFILM	9,800	356	0.43
Fujitsu	5,200	371	0.45
Hitachi High-Technologies	1,700	91	0.11
Konica Minolta	12,200	60	0.07
NEC	6,800	214	0.26
Renesas Electronics	21,000	109	0.13
Ricoh	18,300	152	0.19
Rohm	2,200	134	0.16
SCREEN	1,000	52	0.06
Seiko Epson	7,300	84	0.10

State Street Japan Equity Tracker Fund

Portfolio Statement (continued)

As at 31st December 2019

	Holdings	Market Value £'000	% of Total Net Assets
Technology Hardware & Equipment – 4.07% (31.12.2018 – 3.35%) (continued)			
Sumco	6,200	79	0.10
Tokyo Electron	4,100	681	0.82
		3,370	4.07
Tobacco – 0.66% (31.12.2018 – 0.80%)			
Japan Tobacco	32,200	544	0.66
		544	0.66
Travel & Leisure – 5.36% (31.12.2018 – 5.69%)			
ANA	2,900	73	0.09
Central Japan Railway	4,900	749	0.91
East Japan Railway	9,800	671	0.81
Hankyu Hanshin	5,800	189	0.23
Heiwa	1,500	24	0.03
HIS	800	17	0.02
Japan Airlines	2,900	68	0.08
Keihan	2,600	96	0.12
Keikyu	7,000	103	0.12
Keio	3,200	147	0.18
Keisei Electric Railway	3,900	115	0.14
Kintetsu	4,800	197	0.24
Kyoritsu Maintenance	600	22	0.03
Kyushu Railway	4,300	109	0.13
Nagoya Railroad	5,400	127	0.15
Nankai Electric Railway	2,800	58	0.07
Nishi-Nippon Railroad	2,100	37	0.04
Odakyu Electric Railway	8,100	143	0.17
Oriental Land	5,100	527	0.64
Resorttrust	1,500	19	0.02
Sankyo	1,400	35	0.04
Seibu	5,500	69	0.08
Skylark	4,900	73	0.09
Sotetsu	2,400	49	0.06

State Street Japan Equity Tracker Fund

Portfolio Statement (continued)

As at 31st December 2019

	Holdings	Market Value £'000	% of Total Net Assets
Travel & Leisure – 5.36% (31.12.2018 – 5.69%) (continued)			
Tobu Railway	5,700	157	0.19
Tokyu	13,300	186	0.23
West Japan Railway	5,000	328	0.40
Zensho	2,600	45	0.05
		4,433	5.36
Derivatives – (0.00%) (31.12.2018 – 0.00%)			
Topix Index Futures March 2020 [†]	11	(1)	(0.00)
		(1)	(0.00)
Portfolio of investments [^]		81,340	98.30
Net other assets		1,403	1.70
Total net assets		82,743	100.00

[^] Includes derivative liabilities.

~ Delisted.

Prior year comparatives have been updated due to industry sectors being updated by data providers.

All holdings are ordinary shares or common stock unless otherwise stated.

[†] Goldman Sachs is the counterparty, total notional exposure is £1,314,952 and 1.59% as a percentage of the Fund's value.

State Street Japan Equity Tracker Fund

Director's Report to Unitholders

For the year ended 31st December 2019

In accordance with the requirements of the Collective Investment Schemes sourcebook of the Financial Conduct Authority's handbook of rules and guidance we hereby certify the report on behalf of the Directors of State Street Unit Trust Management Limited.



A. Castle – Director, State Street Unit Trust Management Limited



V. Parry – Director, State Street Unit Trust Management Limited

16 April 2020

State Street Japan Equity Tracker Fund

Responsibilities of the Manager

For the year ended 31st December 2019

The Collective Investment Schemes (COLL) sourcebook requires the Manager to prepare financial statements for each accounting period which give a true and fair view of the financial position of the Fund as at the end of the accounting period and of its revenue for the period. In preparing the financial statements the Manager is required to:

- select suitable accounting policies and then apply them consistently
- comply with the disclosure requirements of the Statement of Recommended Practice relating to Authorised Funds issued by the Investment Management Association in May 2014
- comply with the requirements of the COLL
- follow generally accepted accounting principles and applicable accounting standards
- keep proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume the Fund will continue in operation
- take reasonable steps for the prevention and detection of fraud or other irregularities

The Manager is responsible for the management of the Fund in accordance with its Trust Deed, the Prospectus and the COLL.

ASSESSMENT OF VALUE

In accordance with FCA policy statement PS18/8 Value Assessment and Reporting Requirements, the Manager has performed a detailed assessment of whether the Fund provides value to investors. This assessment has been subject to scrutiny by the directors and the summary of the outcome is included as a report in the annual accounts.

State Street Japan Equity Tracker Fund

Statement of the Depositary's Responsibilities

For the year ended 31st December 2019

Statement of the Depositary's Responsibilities in respect of the Scheme

The Depositary in its capacity as Trustee of State Street Japan Equity Tracker Fund must ensure that the Trust is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Trust Deed and Prospectus (together "the Scheme documents") as detailed below.

The Depositary must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Trust and its investors.

The Depositary is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Trust in accordance with the Regulations.

The Depositary must ensure that:

- the Trust's cash flows are properly monitored and that cash of the Trust is booked in cash accounts in accordance with the Regulations;
- the sale, issue, repurchase, redemption and cancellation of units are carried out in accordance with the Regulations;
- the value of units of the Trust are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Trust's assets is remitted to the Trust within the usual time limits;
- the Trust's income is applied in accordance with the Regulations; and
- the instructions of the Authorised Fund Manager ("the AFM"), which is the UCITS Management Company, are carried out (unless they conflict with the Regulations).

The Depositary also has a duty to take reasonable care to ensure that the Trust is managed in accordance with the Regulations and the Scheme documents of the Trust in relation to the investment and borrowing powers applicable to the Trust.

Report of the Depositary to the Unitholders of the State Street Japan Equity Tracker Fund ("the Trust")

For the year ended 31st December 2019

Having carried out such procedures as we considered necessary to discharge our responsibilities as Depositary of the Trust, it is our opinion, based on the information available to us and the explanations provided, that, in all material respects the Trust, acting through the AFM:

- (i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Trust's units and the application of the Trust's income in accordance with the Regulations and the Scheme documents of the Trust; and
- (ii) has observed the investment and borrowing powers and restrictions applicable to the Trust in accordance with the Regulations and the Scheme documents of the Trust.

This report is given on the basis that no breaches are subsequently advised to us before the distribution date. We therefore reserve the right to amend the report in the light of such circumstances.

Yours sincerely

Depositary
HSBC Bank Plc
8 Canada Square
London E14 5HQ



16 April 2020

State Street Japan Equity Tracker Fund

Independent Auditors' Report to the Unitholders of State Street Japan Equity Tracker Fund

For the year ended 31st December 2019

Report on the audit of the financial statements

Our opinion

In our opinion, State Street Japan Equity Tracker Fund's financial statements:

- give a true and fair view of the financial position of the Trust as at 31st December 2019 and of the net revenue and the net capital gains on its scheme property for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law, the Statement of Recommended Practice for UK Authorised Funds, the Collective Investment Schemes sourcebook and the Trust Deed.

We have audited the financial statements, included within the Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 31st December 2019; the statement of total return and the statement of change in net assets attributable to unitholders for the year then ended; the distribution tables; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- the Manager's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Manager has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Trust's ability to continue as a going concern.

State Street Japan Equity Tracker Fund

Independent Auditors' Report to the Unitholders of State Street Japan Equity Tracker Fund (continued)

For the year ended 31st December 2019

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Manager is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Manager's Report

In our opinion, the information given in the Manager's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Responsibilities for the financial statements and the audit

Responsibilities of the Manager for the financial statements

As explained more fully in the Responsibilities of the Manager set out on page 26, the Manager is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Manager is also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing the Trust's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intend to wind up or terminate the Trust, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Trust's unitholders as a body in accordance with paragraph 4.5.12 of the Collective Investment Schemes sourcebook and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

State Street Japan Equity Tracker Fund

Independent Auditors' Report to the Unitholders of State Street Japan Equity Tracker Fund (continued)

For the year ended 31st December 2019

Other required reporting

Opinion on matter required by the Collective Investment Schemes sourcebook

In our opinion, we have obtained all the information and explanations we consider necessary for the purposes of the audit.

Collective Investment Schemes sourcebook exception reporting

Under the Collective Investment Schemes sourcebook we are also required to report to you if, in our opinion:

- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Edinburgh
16 April 2020

State Street Japan Equity Tracker Fund

Comparative Table

For the year ended 31st December 2019

	2019	2018	2017
Change in Net Assets Per Unit	(£)	(£)	(£)
Opening net asset value per unit	1.7174	1.8647	1.6361
Return before operating charges	0.2486	(0.1417)	0.2338
Operating charges	(0.0056)	(0.0056)	(0.0052)
Return after operating charges*	0.2430	(0.1473)	0.2286
Distributions	(0.0356)	(0.0315)	(0.0264)
Retained distributions on accumulation units	0.0356	0.0315	0.0264
Closing net asset value per unit	1.9604	1.7174	1.8647
*after direct transaction cost of:	0.0000	0.0001	0.0001
Performance			
Return after charges	14.15%	(7.90)%	13.97%
Other Information			
Closing net asset value (£'000)	82,743	70,727	70,247
Closing number of units	42,207,178	41,182,935	37,671,656
Operating charges	0.30%	0.30%	0.30%
Direct transaction costs	0.00%	0.01%	0.00%
Prices			
Highest unit price	2.0000	1.9782	1.9148
Lowest unit price	1.7200	1.6987	1.6343

General risk factors

The value of funds and the revenue from them is not guaranteed and may fall as well as rise. You may get back less than you originally invested. What you get back may depend on:

- (i) Investment performance is not guaranteed. Past performance is no guarantee of future performance. There may also be variation in performance between funds with similar investment objectives.
- (ii) The effect of an initial charge. If you sell your investment after a short period you may not get back what you originally invested, even if the price of your investment has not fallen.
 - The entire market of a particular asset class or geographical region may fall, having a greater effect on funds heavily invested in that asset class or region.
 - If you make regular withdrawals from your investment be aware that if the level of withdrawal exceeds the rate of investment growth of the Fund, your capital will be eroded.
 - Governments may change the tax rules which affect you or the funds in which you have invested.
 - Inflation will reduce what you could buy in the future, i.e. it will reduce the real value of your investment.
 - There is no certainty that the investment objective of any fund will actually be achieved.

State Street Japan Equity Tracker Fund

Statement of Total Return

For the year ended 31st December 2019

	Note	Year ended 31.12.19		Year ended 31.12.18	
		£'000	£'000	£'000	£'000
Income					
Net capital gains/(losses)	4		8,799		(7,127)
Revenue	6	1,936		1,662	
Expenses	7	(236)		(226)	
Interest payable and similar charges	8	(4)		(2)	
Net revenue before taxation		1,696		1,434	
Taxation	9	(195)		(163)	
Net revenue after taxation			1,501		1,271
Total return before distributions			10,300		(5,856)
Distributions	10		(1,501)		(1,271)
Change in net assets attributable to unitholders from investment activities			8,799		(7,127)

Statement of Change in Net Assets Attributable to Unitholders

For the year ended 31st December 2019

	Year ended 31.12.19		Year ended 31.12.18	
	£'000	£'000	£'000	£'000
Opening net assets		70,727		70,247
Amounts receivable on issue of units	9,374		20,076	
Amounts payable on cancellation of units	(7,678)		(13,770)	
		1,696		6,306
Dilution levy		2		6
Change in unitholders' funds from investment activities		8,799		(7,127)
Retained distributions on accumulation units		1,519		1,295
Closing net assets		82,743		70,727

State Street Japan Equity Tracker Fund

Balance Sheet

As at 31st December 2019

	Note	31.12.19 £'000	31.12.18 £'000
Assets			
Fixed assets:			
Investments		81,341	69,630
Current assets:			
Debtors	11	147	2,600
Cash and bank balances	12	1,278	23
Total assets		82,766	72,253
Liabilities			
Investment liabilities		1	-
Creditors			
Other creditors	13	22	1,526
Total liabilities		23	1,526
Net assets attributable to unitholders		82,743	70,727

State Street Japan Equity Tracker Fund

Notes to the Financial Statements

For the year ended 31st December 2019

1. Accounting policies

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention by the revaluation of the investments, and in accordance with the United Kingdom Generally Accepted Accounting Practice ('UK GAAP') which comprises the UK Financial Reporting Standard 102 ('FRS 102') and the Statement of Recommended Practice ('SORP') for Authorised Funds issued by the Investment Management Association in May 2014.

The financial statements have been prepared on a going concern basis.

(b) Basis of valuation of investments

The investments of the Fund have been valued at the closing bid market prices ruling on the principal markets on which the stocks are quoted, on the last business day of the accounting year.

Market value is defined by the SORP as fair value which generally is the bid value of each security.

Where applicable, unlisted and suspended securities are based on the Manager's assessment of their net realisable value.

Open futures contracts have been valued at fair value and the net gains/(losses) are reflected within Derivative contracts in net capital gains/(losses) on investments.

(c) Exchange rates

Foreign currency receipts and payments are translated at the rate applicable on the date of settlement.

Foreign currency assets and liabilities are valued at the rates on the last day of the accounting year.

(d) Recognition of revenue

Revenue is included in the Statement of Total Return on the following basis: Dividends are recognised when the security is quoted ex-dividend. Special dividends are treated as either capital or revenue depending on the facts of each particular case. Deposit interest and interest payable are recorded on an accrual basis.

(e) Treatment of expenses

Management expenses are charged against the revenue of the Fund on an accruals basis. All other expenses other than bank charges and interest are met by the Manager.

(f) Taxation

Provision is made for corporation tax at current rates on the excess of taxable revenue over expenses.

(g) Deferred taxation

Deferred tax is provided for on all timing differences that have originated but not reversed by the balance sheet date other than those differences that are regarded as permanent. Any liability to deferred tax is provided at the average rate of tax expected to apply.

Deferred tax assets and liabilities are not discounted to reflect the time value of money. Deferred tax assets are recognised only when, on the basis of available evidence, it is more likely than not that there will be taxable profits in the future against which the deferred tax asset can be offset.

(h) Dilution adjustment

In certain circumstances (as detailed in the Prospectus) the ACD may charge a dilution adjustment on the creation or cancellation of shares, which is paid into the capital of the relevant sub-fund on an accruals basis. The adjustment is intended to cover certain dealing charges not included in the mid-market value of the sub-fund used in calculating the share price, which could have a diluting effect on the sub-fund.

State Street Japan Equity Tracker Fund

Notes to the Financial Statements (continued)

For the year ended 31st December 2019

2. Distribution policy

The policy is to distribute all available revenue, after deduction of those expenses which are chargeable in calculating the distribution.

In order to conduct a controlled dividend flow to unitholders, an interim distribution will be made at the Manager's discretion, up to a maximum of the distributable revenue available for the year. All remaining revenue is distributed in accordance with the COLL.

Distributions of revenue are paid six monthly by reference to net revenue arising in the period ended 30th June and 31st December.

Any revenue deficit will be borne by the capital account.

(a) Treatment of stock dividends

The ordinary element of stock dividends is treated as revenue and forms part of the distribution.

In the case of an enhanced stock dividend, the value of the enhancement is treated as capital and does not form part of the distribution.

(b) Expenses

Management expenses are charged to revenue.

(c) Equalisation

Equalisation takes account of the revenue received on the creation of shares and revenue paid on cancellation of shares and is allocated to the distribution account.

3. Risk management policies

In pursuing its investment objectives the Fund holds a number of financial instruments. The Fund's financial instruments comprise of securities and other investments, cash balances and bank overdrafts, short term fixed deposits, debtors and creditors that arise directly from its operations, for example, in respect of sales and purchases awaiting settlement, amounts receivable for creations and payable for liquidations and debtors for accrued revenue.

The main risks the Fund may face from investing are: (a) market risk, (b) market price risk, (c) foreign currency risk, (d) interest rate risk, (e) liquidity risk, (f) credit risk and (g) use of derivatives.

The Manager's policy for managing these risks are summarised below and have been applied throughout the year.

(a) Market risk

Market risk is the risk that the fair value or future cash flows of the financial instruments held by the Fund will fluctuate because of changes in underlying valuation factors. It represents the potential loss the Fund might suffer through holding market positions in the face of valuation factor movements. Market risk typically includes market price risk, foreign exchange or currency risk, and interest rate risk.

(b) Market price risk

Market price risk is the risk that the value of the financial instruments held by the Fund will fluctuate because of changes in market prices. It represents the potential loss the Fund might suffer through changes in market prices of the Fund holdings. The investment manager considers the asset allocation of the portfolio in order to minimize the risk associated with particular countries or industry sectors whilst continuing to follow the investment objectives of the Fund.

As an index Fund, the investment objective is to seek to track as closely as reasonably possible the performance of the benchmark index. In order to achieve this objective, the Fund invests primarily in securities held in the equity index benchmark. Market price risk for an index Fund arises from a mismatch in the relative proportion of assets in Fund from their respective proportions in the benchmark. The Fund places limitations on the amount by which a holding may deviate from the proportion benchmark to limit the market risk from mismatched positions.

State Street Japan Equity Tracker Fund

Notes to the Financial Statements (continued)

For the year ended 31st December 2019

3. Risk management policies (continued)

All securities investments present a risk of loss of capital. The investment manager assess the Fund's market risk volatility to ensure that the effect of utilizing financial derivative instruments is not significant enough to cause disproportionate losses to a Fund's overall value. The investment manager moderates this risk through careful selection of securities and financial instruments. The investment manager manages this risk through a combination of risk metrics. This includes, but is not restricted to, tracking error volatility, which measures the ex-ante volatility of excess returns of the Fund against its referenced benchmark. The tracking error volatility on the Fund is closely monitored on a regular basis, and is a key consideration when the Fund is rebalanced.

(c) Foreign currency risk

Any fluctuations in foreign currency exchange rates between the base currency ("GBP") and the respective foreign currencies may significantly affect the value of the Fund investments and the returns ultimately achieved by the Fund. Local interest rates and monetary policy, as well as other government fiscal and labour policies, also can adversely impact the Fund's currency values.

Based on the Fund mandate, there is no hedging of foreign currency risk exposure. This follows from the investment objective to track the performance of the benchmark, which is also not hedged against changes in foreign exchange rates.

(d) Interest rate risk

Interest rate risk is present when the value of investment securities may fluctuate as a result of a change in market interest rates. Explicit interest rate risk occurs when there is a direct relationship between changes in interest rates and changes in the value of investment securities. The Fund invests in only equity and equity-based instruments, the values of which are not directly dependent on interest rates.

(e) Liquidity risk

The Fund is exposed to daily cash redemptions of redeemable shares. So the main liability of the Fund is the redemption of any shares that investors wish to sell. Hence the Fund invest the large majority of the assets in investments that are traded in an active market and can ordinarily be readily disposed. However, liquidity risk will occur if an equity issuer becomes credit impaired or if the relevant market becomes illiquid. In such a case, it may not be possible to initiate or liquidate a position at a price that is deemed by the investment manager to be demonstrating fair value. Liquidity risk may be temporary or may last for extended periods.

The indexed Fund invests solely in securities which form part of the Benchmark Index. Benchmark Indexes are constructed using index rules requiring securities to have a specified minimum trading volume, which, although not guaranteeing liquidity, provides indication of the liquid nature of the securities underlying the Fund. The Fund is exposed to daily contributions and withdrawals which are managed to ensure that exposure to the Benchmark Indexes are maintained in order to meet the investment objective of the Fund.

(f) Credit risk

The Fund invests in only equity and equity-based instruments, which are not credit instruments, and therefore the Fund is not explicitly exposed to credit risk other than revenue index futures. Index futures used for efficient portfolio management are exchange traded and marked to market daily, so counterparty risk is negligible.

(g) Use of derivatives

The Fund uses equity index futures only, no other derivatives, for efficient portfolio management—index futures are used to equitize cash holdings from inflows and outflows and also anticipated cash flows (e.g. dividend receivables). As a result the exposure to futures are covered by cash and near cash at all times, and assist in meeting the investment objectives of the Fund.

State Street Japan Equity Tracker Fund

Notes to the Financial Statements (continued)

For the year ended 31st December 2019

4. Net capital gains/(losses)

The net capital gains/(losses) during the year comprise:

	31.12.19	31.12.18
	£'000	£'000
Non-derivative securities	8,690	(7,067)
Derivative contracts	91	(134)
Gains on foreign exchange	18	74
Net capital gains/(losses)	8,799	(7,127)

5. Purchases, sales and transaction costs

	31.12.19	31.12.18
	£'000	£'000
Purchases excluding transaction costs		
Equities	6,430	12,708
Total before transaction costs	6,430	12,708
Commissions		
Equities	1	2
	1	2
Taxes		
Equities	-	-
	-	-
Total purchases transaction costs	1	2
Purchases including transaction costs	6,431	12,710
	31.12.19	31.12.18
	£'000	£'000
Sales excluding transaction costs		
Equities	3,409	5,951
Total before transaction costs	3,409	5,951
Commissions		
Equities	(1)	(1)
	(1)	(1)
Taxes		
Equities	-	-
	-	-
Total sales transaction costs	(1)	(1)
Sales including transaction costs	3,408	5,950

State Street Japan Equity Tracker Fund

Notes to the Financial Statements (continued)

For the year ended 31st December 2019

5. Purchases, sales and transaction costs (continued)

	31.12.19	31.12.18
	%	%
Transaction costs as percentage of principal amounts		
Purchases - Commissions		
Equities	0.016	0.016
Purchases - Taxes		
Equities	0.000	0.000
Sales - Commissions		
Equities	0.029	0.017
Sales - Taxes		
Equities	0.000	0.000
	31.12.19	31.12.19
	%	%
Transaction costs as percentage of average net asset value		
Commissions	0.003	0.005
Taxes	0.000	0.000
Total	0.003	0.005

The above analysis covers any direct transaction costs suffered by the Fund during the year. However it is important to understand the nature of other transactions costs associated with different investments asset classes and instrument types.

Separately identifiable direct transactions costs (commissions, taxes etc.) are attributable to the Fund's purchase and sale of equity shares. Additionally for equity shares, there is a dealing spread cost (the difference between the buying and selling prices) which will be suffered on purchase and sale transactions.

For the Fund's investment in collective investment scheme holdings there will potentially be dealing spread costs applicable to purchases and sales. However, additionally there are indirect transaction costs suffered in those underlying funds, throughout the holding period for the instruments, which are not separately identifiable and do not form part of the analysis above.

During the year the Fund utilised futures derivatives instruments covering different underlying asset classes. The settlements values for opening and closing derivative positions are not comparable to principal values for transactions in direct holding investments and therefore purchase and sale amounts for derivative transactions are not quantified in the analysis above. Transaction costs for derivatives positions will be either suffered as direct costs or form part of the dealing spread for the instruments. Any direct costs are identified in the analysis above.

Dealing spread costs suffered by the Fund vary considerably for the different asset/instrument types depending on a number of factors including transaction value and market sentiment.

At the balance sheet date the average portfolio dealing spread (difference between bid and offer prices of all investments expressed as a percentage of the offer price value) was 0.00% (31.12.18: 0.00%).

6. Revenue

	31.12.19	31.12.18
	£'000	£'000
Overseas dividends	1,936	1,662
Revenue	1,936	1,662

State Street Japan Equity Tracker Fund

Notes to the Financial Statements (continued)

For the year ended 31st December 2019

7. Expenses

	31.12.19	31.12.18
	£'000	£'000
Manager's periodic charge	236	226
Total expenses	236	226

The audit fee for the year of £11,405 (exclusive of VAT) is borne by the Manager (31.12.18: £10,862).

As permitted by the Trust Deed, the Manager is remunerated out of the property of the Fund. This charge is expressed as an annual percentage of the value of the property of the Fund. The Manager's periodic charge was 30 basis points for the year ended 31.12.19 (31.12.18: 30 basis points).

8. Interest payable and similar charges

	31.12.19	31.12.18
	£'000	£'000
Interest payable	4	2
	4	2

9. Taxation

(a) Analysis of charge in year:

	31.12.19	31.12.18
	£'000	£'000
Overseas tax	195	163
Total current tax	195	163
Total tax charge (note 9b)	195	163

(b) Factors affecting total tax charge for the year:

	31.12.19	31.12.18
	£'000	£'000
Net revenue before taxation	1,696	1,434
Corporation tax of 20%	339	287
Effects of:		
Revenue not subject to corporation tax	(387)	(332)
Movement in excess management expenses	48	45
Overseas tax	195	163
Total tax charge for year (note 9a)	195	163

(c) Factors that may affect future tax charges:

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £405,994 (31.12.18: £358,151) in relation to surplus management expenses. It is unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts and therefore no deferred tax asset has been recognised.

State Street Japan Equity Tracker Fund

Notes to the Financial Statements (continued)

For the year ended 31st December 2019

10. Distributions

The distributions take account of revenue received on the creation of units and income deducted on the cancellation of units, and comprises:

	31.12.19	31.12.18
	£'000	£'000
Interim	817	662
Final	702	633
	<u>1,519</u>	<u>1,295</u>
Amounts deducted on cancellation of units	43	29
Amounts added on issue of units	(61)	(53)
Net distribution for the year	<u>1,501</u>	<u>1,271</u>

The net distributions of the year is represented by:

Net revenue after taxation	1,501	1,271
Net distribution for the year	<u>1,501</u>	<u>1,271</u>

11. Debtors

	31.12.19	31.12.18
	£'000	£'000
Creations awaiting settlement	18	2,486
Sales awaiting settlement	17	-
Spot FX awaiting settlement	-	5
Accrued revenue	111	105
Overseas tax recoverable	1	4
Total debtors	<u>147</u>	<u>2,600</u>

12. Cash and bank balances

	31.12.19	31.12.18
	£'000	£'000
Cash and bank balances	1,244	10
Amounts held at brokers	34	13
Total cash and bank balances	<u>1,278</u>	<u>23</u>

13. Other creditors

	31.12.19	31.12.18
	£'000	£'000
Liquidations awaiting settlement	-	40
Purchases awaiting settlement	-	1,467
Accrued Manager's periodic charge	22	19
Total other creditors	<u>22</u>	<u>1,526</u>

State Street Japan Equity Tracker Fund

Notes to the Financial Statements (continued)

For the year ended 31st December 2019

14. Contingent liabilities and commitments

The Fund had no contingent liabilities at year end (31.12.18: £nil).

15. Related party transactions

The Manager exercises governance and oversight over the Fund and is a related party by virtue of the Trust Deed constituting the Fund.

Amounts paid during the year or due to the Manager at the year end are disclosed under Expenses and Other Creditors in the Notes to the financial statements. At the year end £21,833 (31.12.18: £18,544) was due to the Manager in relation to accrued manager's periodic charges are disclosed in Other Creditors in the Notes to the Financial Statements.

Transactions relating to the creation and cancellation of units and the purchases and sales of investments which pass through the Manager, but are not for the benefit of, either related party are disclosed in the Statement of Change in Net Assets Attributable to Unitholders.

Amounts due to or from the Fund at the year end in relation to these transactions are disclosed under Debtors and Creditors in the Notes to the Financial Statements.

16. Risk disclosures

The Manager's policy for managing these risks are summarised below and have been applied throughout the year.

(a) Foreign currency risk

A substantial proportion of the net assets of the Fund are denominated in currencies other than Sterling ("GBP"), with the effect that the balance sheet and total return can be significantly affected by currency movements. The Manager will act accordingly in order to manage exchange rate risk.

The Fund's currency exposure as at 31st December 2019 was:

Currency	Net foreign currency assets/liabilities		
	Monetary exposures £'000	Non-monetary exposures £'000	Total £'000
Japanese yen	1,321	81,341	82,662
Total	1,321	81,341	82,662

The Fund's currency exposure as at 31st December 2018 was:

Currency	Net foreign currency assets/liabilities		
	Monetary exposures £'000	Non-monetary exposures £'000	Total £'000
Japanese yen	(1,338)	69,630	68,292
Total	(1,338)	69,630	68,292

If GBP to foreign currency exchange rates had increased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £7,514,727 (31.12.18: £6,208,311).

If GBP to foreign currency exchange rates had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £9,184,666 (31.12.18: £7,587,935).

These calculations assume all other variables remain constant.

(b) Market price risk

The Fund's investment portfolio is exposed to market price fluctuations which are monitored by the Manager in pursuance of the investment objective and policy as set out on page 1. Adherence to investment guidelines and to investment and borrowing powers set out in the Trust Deed, the Scheme Particulars and in the Financial Conduct Authority's Collective Investment Scheme sourcebook (the "COLL sourcebook") mitigates the risk of excessive exposure to any particular type of security or issuer. Further information on the investment portfolio is set out in the Manager's Report and Portfolio Statement.

State Street Japan Equity Tracker Fund

Notes to the Financial Statements (continued)

For the year ended 31st December 2019

16. Risk disclosures (continued)

If market prices had increased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £8,134,082 (31.12.18: £6,962,947). If market prices had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £8,134,082 (31.12.18: £6,962,947).

These calculations assume all other variables remain constant.

(c) Interest rate risk

The majority of the Fund's financial assets are equity shares and other investments which neither pay interest nor have a maturity date. Therefore interest rate risk is not deemed to be significant.

Interest on bank balances is calculated at the current Bank of England base rate minus 0.50%, while overdraft is calculated at the current Bank of England base rate plus 1.00% of its overseas equivalent.

(d) Liquidity risk

All of the Fund's financial assets are considered to be readily realisable in accordance with the market practices of the exchange on which they are traded. In general, the Investment Manager manages the Fund's cash to ensure it can meet its liabilities. Where investments cannot be realised in time to meet any potential liability, the Fund may borrow up to 10% of its value to ensure settlement.

All of the Fund's financial liabilities are payable on demand or in less than one year, therefore liquidity risk is not significant.

17. Unitholders' funds

	31.12.19	31.12.18
Opening units in issue	41,182,935	37,671,656
Issues	5,023,363	10,790,865
Cancellations	(3,999,121)	(7,279,586)
Closing units in issue	42,207,177	41,182,935

State Street Japan Equity Tracker Fund

Notes to the Financial Statements (continued)

For the year ended 31st December 2019

18. Fair value of investments

	31.12.19	31.12.18
	£'000	£'000
Assets		
Level 1 – Unadjusted quoted prices in an active market for identical assets accessible at the measurement date	81,341	69,630
Level 2 – Inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly	-	-
Level 3 – Price inputs are unobservable	-	-
	81,341	69,630
Liabilities		
Level 1 - Unadjusted quoted prices in an active market for identical assets accessible at the measurement date	1	-
Level 2 – Inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly	-	-
Level 3 – Price inputs are unobservable	-	-
	1	-
	81,340	69,630

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

The level 3 holding for the year to 31/12/2019 is SFCG (£nil).

The level 3 holding for the year to 31/12/2018 is SFCG (£nil).

19. Post balance sheet events

Beginning in January 2020, global financial markets have experienced and may continue to experience significant volatility resulting from the spread of a novel coronavirus known as COVID-19. The outbreak of COVID-19 has resulted in travel and border restrictions, quarantines, supply chain disruptions, lower consumer demand and general market uncertainty. The effects of COVID-19 have and may continue to adversely affect the global economy, the economies of certain nations and individual issuers, all of which negatively impact the Fund' performance.

The fall in NAV stems from a fall in the value of investments driven by fears of the negative impact on global growth from COVID-19.

Between 31 December 2019 and 14 April 2020 the Net Asset Value and Net Asset Value per share have fallen by the values indicated in the table below.

Accumulation Units	31.12.19	14.04.20	Change
Net Asset Value	82,742,641	73,855,919	(10.74)%
Net Asset Value per Unit	1.9604	1.7703	(9.70)%

As the fund's investments are marked to market, these events are non-adjusting post balance sheet events.

Rebecca Bridger was appointed as director on 2 April 2020.

State Street Japan Equity Tracker Fund

Distribution Tables

For the year ended 31st December 2019

Dividend in pence per unit payable on 31st August 2019

Group 1: Units purchased prior to 1st January 2019

Group 2: Units purchased on or after 1st January 2019 to 30th June 2019

	Net revenue pence per unit	Equalisation pence per unit	Amount paid 31.08.2019 pence per unit	Amount paid 31.08.2018 pence per unit
Accumulation Units				
Group 1	1.8945	-	1.8945	1.6176
Group 2	0.7162	1.1783	1.8945	1.6176

Corporate Unitholder Information

Franked Investment Income	100.00%
Unfranked Non Foreign Investment Income	0.00%
Unfranked Foreign Investment Income	0.00%

Dividend in pence per unit payable on 28th February 2020

Group 1: Units purchased prior to 1st July 2019

Group 2: Units purchased on or after 1st July 2019 to 31st December 2019

	Net revenue pence per unit	Equalisation pence per unit	Amount payable 28.02.2020 pence per unit	Amount paid 28.02.2019 pence per unit
Accumulation Units				
Group 1	1.6627	-	1.6627	1.5364
Group 2	0.2755	1.3872	1.6627	1.5364

Corporate Unitholder Information

Franked Investment Income	100.00%
Unfranked Non Foreign Investment Income	0.00%
Unfranked Foreign Investment Income	0.00%

Equalisation applies only to units purchased during the distribution period (Group 2 units). It is the average amount of income included in the purchase price of all Group 2 units and is refunded to holders of these units as a return of capital. Being capital, it is not liable to income tax but must be deducted from the cost of units for capital gains tax purposes.

State Street Japan Equity Tracker Fund

Directory

THE MANAGER

State Street Unit Trust Management Limited
20 Churchill Place
London E14 5HJ

Regulated by The Financial Conduct Authority

DIRECTORS

V. Parry*
A. Castle
W. Street~
N. Wightman*^
R. Bridger#

* Independent Director

~W. Street resigned on 30 July 2019

^N. Wightman appointed on 21 October 2019

#R. Bridger appointed on 2 April 2020

INVESTMENT MANAGER, REGISTRAR & TRANSFER AGENT

State Street Global Advisors Limited
20 Churchill Place
London E14 5HJ

Regulated by The Financial Conduct Authority

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP
Atria One
144 Morrison Street
Edinburgh EH3 8EX

DEPOSITARY

HSBC Bank plc
8 Canada Square
Canary Wharf
London E14 5HQ

HSBC Bank plc is authorised by the Prudential Regulation Authority and regulated by the Prudential Regulation Authority and the Financial Conduct Authority

CONSTITUTION

State Street Japan Equity Tracker Fund is an authorised unit trust scheme within the meaning of, and governed by section 243 of the Financial Services and Markets Act 2000. The Trust is a 'wider range' investment scheme under the Trustee Investments Act 1961.

PROSPECTUS

Copies of the Prospectus are available from the Manager upon request.

Please remember that the price of units and the income from them can go down as well as up. Past performance is not necessarily a guide to the future. Changes in exchange rates may also affect the value.

State Street Japan Equity Tracker Fund

Appendix I – Remuneration Policy (Unaudited)

State Street Corporation (“SSC”), and its direct and indirect subsidiaries (together with the SSC hereafter referred to as “State Street”) operate a group-wide compensation strategy including a remuneration policy that applies to all State Street entities globally. As the Management Company, State Street Unit Trust Management Limited does not employ any staff and has delegated certain activities in respect of the investment management and risk management to the Investment Manager (State Street Global Advisors Limited or “SSGA Ltd.”). As a State Street subsidiary, SSGA Ltd. is fully integrated into State Street’s group-wide compensation strategy and subject to the global and regional governing body structure of State Street to provide appropriate and effective control of the remuneration arrangements (incl. compliance with the relevant remuneration regulations) across the State Street group of affiliated entities. Under its publicly available charter, the Executive Compensation Committee (“ECC”) of SSC oversees all of State Street’s compensation plans, policies, and programs in which senior executives participate and incentive, retirement, welfare and equity plans in which certain other employees of SSC participate. It also oversees the alignment of the incentive compensation arrangements with the State Street’s financial safety and soundness consistent with applicable related regulatory rules and guidance. The ECC approves the overall allocation of the Incentive Compensation (“IC”) Plan pool. State Street’s CEO allocates IC pools to business units and corporate functions based upon a variety of factors, which may include budget performance, achievement of key goals and other considerations. The final expenditure and overall allocation between current and deferred awards are then reviewed by the ECC prior to payment.

State Street also has a separate UK Remuneration Committee (“UK RemCo”) in place with the primary duties:

- the oversight of the process for identifying and determining the remuneration of EU Identified Staff (“EUIS”) in the UK;
- the oversight of decisions made by those with authority to determine the remuneration of EUIS in the UK; and
- Holistic oversight of non-UK EUIS remuneration matters, with a view providing a central forum for consideration of issues and thereby enhancing consistency of approach across State Street EMEA.

State Street operates an annually reviewed global remuneration policy document (supplemented by any relevant addenda by jurisdiction or regulatory regime), which documents State Street’s existing remuneration framework. This policy is intended to comply with applicable remuneration regulatory requirements including, but not limited to, those contained in the EU CRD IV, UCITS V Directive and AIFMD, and will be interpreted and administered accordingly. State Street’s remuneration policies and practices apply on a global basis to all employees of the State Street group (incl. the Investment Manager). The key principles that align State Street’s remuneration system with the business strategy are as follows:

- We emphasize total rewards.
- We target the aggregate annual value of our Total Rewards Program to be competitive with our business peers.
- We unequivocally support equal pay for work of equal value.
- Funding for our Total Rewards Program is subject to affordability and is designed to be flexible based on corporate performance.
- We differentiate pay based on performance.
- We align employees’ interests with shareholders’ interests.
- Our compensation plans are designed to comply with applicable regulations and related guidance, including prohibiting incentives to take excessive risks.

Given our process of structured discretion in determining incentive pool funding and individual award decisions, the deferral of incentive compensation, and the availability of ex-ante and ex-post adjustments, such as forfeitures and clawbacks, our compensation system is appropriately risk-sensitive and links current decisions and actions to future risk outcomes.

State Street Japan Equity Tracker Fund

Appendix I – Remuneration Policy (Unaudited) (continued)

State Street operates a fully flexible, discretionary bonus policy (i.e. the amount of individual variable pay may fluctuate significantly from one year to the next, depending on performance and the other factors described below, and even could be reduced to zero for any given year). The discretionary bonus policy is structured so as to achieve a balance between fixed and variable components, but also includes specific maximum pay ratios where required by local regulations. A number of employees in sales participate in Structured Incentive Plans, which aim to bring the variable compensation granted to plan participants into line with the revenues they generate as well as taking into account non-financial qualitative performance indicators. All such participants receive sufficiently high fixed compensation. Variable compensation is assigned on an individual basis by way of a review of both quantitative and qualitative factors.

Total amount of remuneration paid by the Investment Manager as at 31/12/2019¹

Fixed remuneration (in £ k)	32,737
Variable remuneration (in £ k)	20,666
Total Remuneration (in £ k)	53,403
Number of beneficiaries	293
Performance fee paid directly by the UCITS	n/a

Aggregate amount of remuneration as at 31/12/2019 (in £ k)

Senior Management of State Street Unit Trust Management Limited ²	48
Identified Staff of the Investment Manager	26,099

More details regarding State Street's remuneration approach including (but not limited to) information on the decision-making process to determine the remuneration policy, its basic characteristics and the linkage between pay and performance, are published separately in State Street's Proxy Statement at www.statestreet.com and the remuneration section of the UK Pillar 3 disclosure of SSGA Ltd. at <https://www.ssga.com/library-content/pdfs/ic/ssgal-31-12-2019.pdf>. In light of State Street's group-wide compensation strategy, the qualitative remuneration information included in the UK Pillar 3 disclosure equally apply to State Street employees outside the UK and the Investment Manager's employees.

¹ Disclosure is based on the remuneration of the entire staff of the investment manager, indicating the number of beneficiaries. 2019 total remuneration data is not available as of 31 December 2019 as variable pay for 2019 will not be delivered before Q1 2020. Fixed remuneration for the performance year and 2018 variable remuneration data has been provided for beneficiaries.

² Represents remuneration paid to independent directors (Directors who are also employees of the SSC do not receive remuneration in their capacity as board members).

State Street Japan Equity Tracker Fund

Appendix II – Assessment of Value

ASSESSMENT OF VALUE

In 2019, as part of its Asset Management Market Study, the Financial Conduct Authority (FCA) introduced a requirement that UK authorised fund managers (“AFM”) must assess the value that their funds bring to investors.

It is the duty of the AFM to act in the best interests of its investors. As part of fulfilling this duty, the AFM needs to consider whether the charges taken from the Fund are justified in the context of the overall service and value that is provided to investors.

Our overall conclusion is that State Street Unit Trust Management (the AFM for the Fund) provides value to the investors in our UK-domiciled funds. However, in the spirit of what the FCA is seeking to achieve, we recognise that there may be opportunities for us to improve the value we provide to investors in the Fund, accordingly the AFM will reduce the AMC with effect from 1 May 2020 as detailed in the following pages.

We are pleased to present our first annual value assessment report.

Assessment of Value - Details

The FCA identified seven separate criteria which should be considered as a minimum. The criteria was focused on whether charges paid by the Fund are justified in light of value and quality of service delivered. This statement references services provided directly by the AFM and also those services delegated by the AFM to third parties such as, but not limited to, investment management, depositary services, custody and settlement, audit provision, legal services, printing services, KIID production and maintenance, and other costs as may be set out or allowable in the Fund documentation. These seven criteria are as follows:

1. Quality of Service
2. Performance
3. AFM costs – general
4. Economies of scale
5. Comparable market rates
6. Comparable services
7. Classes of units

In conducting its assessment, the AFM has considered each of the criteria in turn as detailed below and carried out a comprehensive appraisal in order to determine whether overall value for money is being provided.

Quality of Service

Based on our review of all service providers to the Fund (Depositary, Custodian, Administrator, Investment Adviser, Distributor, Auditor and Company Secretary) and taking into consideration the nature, expertise, internal governance processes surrounding such services and in particular noting any reinvestment by such entities into their infrastructure and workforce which directly and indirectly benefit the Fund, we believe we have provided quality of service to investors.

Performance

The investment objective of the Fund is to track its benchmark on a gross of fees basis. The assessment itself was carried out on the net of fees performance returns, which allowed us to focus on pure performance output. The Fund targets investors with a medium to long term investment period, therefore the three- and five-year returns were taken into consideration.

With the above in mind, the assessment concluded the Fund had been managed in line with its investment objective and accordingly, performance returns were in line with its benchmark.

State Street Japan Equity Tracker Fund

Appendix II – Assessment of Value (continued)

AFM costs – general

Based on an assessment of all fees charged to the Fund, the AFM's Board of Directors have considered a number of factors, including the growth in assets under management and expense levels and have determined an overall fee reduction should be implemented resulting in a reduced AMC described below effective 1 May 2020. This will be reviewed on a periodic basis.

Scheme	Old AMC (%)	New AMC (%)
State Street Japan Equity Tracker Fund	0.30	0.12

Economies of Scale

The AFM seeks to achieve economies of scale where possible leveraging the size of the Fund and the wider State Street group structure. Given the small number and size of Funds in the product range, the AFM's Board does not currently see any ability to benefit from further economies of scale.

Comparable market rates

The AFM appointed an external third party to carry out a competitive assessment of all fees, including management fees and ongoing charges compared to funds of similar size and with similar objectives. The report found that overall the Fund's fees were lower than the average of the comparison group. Notwithstanding this, as outlined above, the overall AMC will be reduced as a result of an internal review.

Comparable services

A review against comparable services within the State Street Group found to be challenging due to no other funds or segregated mandates being of comparable size or objective, therefore focus was made to the Fund's peers as part of the comparable market rate analysis.

Classes of units

Analysis for this relates to whether investors are in the most appropriate share class and whether any share classes with substantially similar rights were subject to a different fee charging structure.

The Fund does only operate a single share class, and therefore no further analysis was undertaken as all investors are charged the same fee – however should further share classes be launched in the future, the AFM will ensure fee charges are appropriately structured in light of this annual review.