

Report and Financial Statements

For the year ended 31st December 2018

State Street Europe Ex UK Equity Tracker Fund

State Street Europe Ex UK Equity Tracker Fund

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* These collectively comprise the Manager's Report.

State Street Europe Ex UK Equity Tracker Fund

Manager's Report

For the year ended 31st December 2018

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 Europe Ex UK equity market as represented by the FTSE Developed Europe Ex UK 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 Developed Europe ex-UK Index (the “Index”). The Fund is managed on a fully replicated basis, and typically has a portfolio of approximately 454 stocks. The emphasis is on maintaining tracking precision, and 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 -9.25% during the 12-month period ending on 31 December 2018, compared to the Index return of -9.84%. The Fund's tracking difference for the 12-month period was 0.59%, the outperformance being largely attributable to uplift from beneficial tax rates versus the Index.

Market Review

Equity markets opened 2018 with an acceleration of positive momentum following what was the strongest year for global equity markets since 2009. The FTSE All World Index rose 5.5% in January, the strongest monthly return in a record run of 15 consecutive months of gains for the index. US tax cuts provided an added boost for investors heading into 2018 and US GDP growth accelerated to 4.2% on an annualised basis in the second quarter. However, 2018 as a whole proved more of a challenge for investors, particularly in the last three months of the year; global stocks suffered their worst quarterly fall in seven years and the FTSE World Index was down 13.4% from the start of October to the end of December. Investors had to contend with rising US central bank interest rates, a sharp slowdown in Eurozone business confidence, weaker Chinese growth and rising geopolitical concerns, notably related to Brexit, Italian politics and the ongoing trade conflict between the US and China.

Political uncertainty resurfaced in the Eurozone. The combination of political uncertainty and moderating economic performance no doubt contributed to the dovish guidance from the European Central Bank (ECB). The FTSE World Europe Index fell 17.6% during the reporting period. In October, German Chancellor Angela Merkel announced her intention to step down in the wake of a poor showing by her Christian Democratic Union party in regional elections. France had to deal with political turbulence associated with the “yellow vest” protests. December saw the end of the long-running dispute over Italy's 2019 budget. The Italian government agreed to delay some spending measures, meaning 2019's budget deficit target will be 2.04% of GDP compared to the 2.4% initially put forward.

State Street Europe Ex UK Equity Tracker Fund

Manager's Report (continued)

For the year ended 31st December 2018

Data continued to point to slowing momentum in the Eurozone economy. The economy grew at a rate of 0.4% in the first and second quarters of 2018 and slowed to 0.2% in the third quarter, the weakest growth rate since the second quarter of 2014. On an annual basis, GDP growth in the Eurozone fell to 1.6% in the third quarter from 2.2% in the second. In continental Europe, signs of somewhat sluggish growth weighed on the region and also contributed to a change in commentary from the European Central Bank. In Germany, GDP contracted by 0.2% in the third quarter – its worst showing since early 2013. Although other measures of German industry were more promising and French GDP was confirmed to have risen at a 0.4% pace in the third quarter, the substance of the data points across Europe were sufficiently mixed for ECB President Mario Draghi to acknowledge the “loss in growth momentum” at a speech in Frankfurt in mid-November. At its December meeting, the ECB ended its quantitative easing programme; Draghi noted that incoming data had been weaker than expected and referenced geopolitical factors, protectionism and financial market volatility as key risks.

US equities returned -6.2% over the reporting period. In the first three quarters of 2018, US equities rose strongly, backed by strong earnings and macro data, and the S&P 500 set an all-time record in September. The rally came to a halt in October when oil prices began to tumble and Federal Reserve Chair Jerome Powell turned hawkish about rate hikes in 2019. December was a particularly difficult month, with the S&P 500 down 9% and the Dow Jones down 8.7%, with concerns over interest-rate hikes, signs of a global economic slowdown, political dysfunction and policy risks weighing on US markets. The Federal Reserve increased the target for the federal funds rate four times in 2018, to a range of 2.25% - 2.50% but the guidance of two additional hikes in 2019 was not sufficiently dovish for equity markets. The threat of a government shutdown and a tweet from the US Treasury Secretary about liquidity in the banking system further rattled investors.

In the UK, the FTSE 100 fell 17.6% over the full year, its worst yearly performance since 2008, amid concerns over global economic growth, the potentially damaging effects of a trade war between the US and China and uncertainty over the outcome of Brexit. After months of negotiations, the UK government finalised a 585-page Withdrawal Agreement with the EU in November. However, several ministers resigned in protest at the Agreement, causing significant uncertainty over the prime minister's leadership and the final parliamentary passage of the deal. Prime Minister Theresa May postponed the parliamentary vote on the agreement from 11 December to 15 January amid wide speculation that she would lose the vote. *(By the time this commentary was written, the UK Parliament voted to reject the deal by a 432-202 margin - the largest legislative defeat a prime minister has suffered in modern British history).* In August, the Bank of England implemented its widely anticipated rate hike, raising rates from 0.50% to 0.75%, the second increase in a decade, on the back of upbeat economic data and a higher-than-anticipated inflation reading. Noting Brexit as the main challenge, the Bank maintained the bank rate at 0.75% at their meeting on 20 December 2018.

Asia Pacific equities ended the reporting period down 15.8%, in US dollar terms, with every Asian equity market in negative territory. Markets were hit by a myriad of concerns including US political, trade and monetary policy, and Brexit-related uncertainty. These fears were compounded by disappointing Chinese economic data. The Japanese equity market reflected the deterioration in global sentiment, and ended the reporting period down 16.1%. Weakness was particularly concentrated in October and late December, which coincided with periods of yen strength as the currency continued to be viewed as a “safe-haven” at times of increased uncertainty. The Shanghai Composite Index entered a bear market in June and declined nearly 23.9% during the reporting period. The world's second-largest economy is feeling the effects of a worsening trade outlook and government attempts to rein in risky lending after a rapid rise in debt levels.

Figures in USD unless specified otherwise. Sources: Bloomberg, FactSet, J.P. Morgan, Financial Times, Barron's, Bank of America-Merrill Lynch, Credit Suisse, Citigroup, The Wall Street Journal, MSCI, as of 1 January 2019.

Index Activity

A March review of the Index resulted in 12 additions and no deletions. The largest of the additions were Fischer (Georg) (Switzerland), Rheinmetall AG (Germany), and Elis SA (France). During a June review of the Index, there were no additions and two deletions. The deleted securities were Arjo B (Sweden) and Getinge B (Sweden). A September review resulted in 13 additions to and three deletions from the Index. The largest of the inclusions were PKO Bank Polski (Poland), PKN (Polski Koncern Naftowy) (Poland), and Gn Store Nordic (Denmark). During a December review of the Index, there were two additions and one deletion. The largest of the additions was Adyen (Netherlands).

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Manager's Report (continued)

For the year ended 31st December 2018

Outlook

While not hazarding to call the top of the equity markets, we are closer to the end of this cycle than to the beginning. This is what drives us to be more cautious and take some risk off the table. While we still maintain an overweight to US large caps, we are underweight to Europe and retain a small overweight to both Japanese and emerging market equities. With the increased capital expenditure in the US, we see the potential for lengthening the runway for US stocks. But there are enough uncertainties still around geopolitics, trade protectionism and inflation risk for us to adopt a more defensive approach and deploy our teams' stock-picking skills to identify attractive, late-cycle opportunities.

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 5 as its return has experienced medium to 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.

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Manager's Report (continued)

As at 31st December 2018

Derivatives Usage

Equity derivatives (index futures) are used in the Fund for efficient portfolio management purposes. 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 2018, the Fund had a total notional exposure to futures of £36,795,102.

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 2018 was 0.21% which was within the targeted tolerance.

Distribution

There will be a distribution of 0.5687 pence per unit payable on 28th February 2019 (28.2.18: 0.5402).

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Manager's Report (continued)

As at 31st December 2018

Securities Financing Transactions (SFT)

1) Global Data

Proportion of securities and commodities on loan as at 31st December 2018	£'000	%
Total lendable assets excluding cash and cash equivalents:	3,459,428	
Securities and commodities on loan	85,264	2.46%

Assets engaged in SFTs and total return swaps as at 31st December 2018	£'000	%
Fund assets under management (AUM)	3,871,429	
Absolute value of assets engaged in:		
Securities lending	85,264	2.20%

2) Concentration Data

Top 10 Collateral Issuers

Name and value of collateral and commodities received as at 31st December 2018	£'000
Republic of France	15,220
Government of United Kingdom	14,561
United States of America Treasury	11,653
Kingdom of Belgium	8,463
Federal Republic of Germany	7,351
Republic of Austria	5,175
Republic of Finland	5,068
Kingdom of Netherlands	3,876
ING	876
Linde	832

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Manager's Report (continued)

As at 31st December 2018

Top 10 Counterparties

Name and value of outstanding transactions as at 31st December 2018	£'000
Morgan Stanley International	30,199
JP Morgan Securities	25,458
Credit Suisse (Dublin)	7,877
UBS	7,735
Merrill Lynch	4,831
Deutsche Bank	4,302
Societe Generale	2,867
Citigroup Global Markets (UK)	1,044
Credit Suisse Securities (Europe)	742
HSBC Bank	209

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Manager's Report (continued)

As at 31st December 2018

3) Aggregate Transaction Data

Type, Quality and Currency of Collateral as at 31st December 2018

Type	Quality	Currency	£'000
Securities lending			
Equity	Traded on recognised exchange	Sterling	4,995
Equity	Traded on recognised exchange	Australian dollar	46
Equity	Traded on recognised exchange	Canadian dollar	222
Equity	Traded on recognised exchange	Chinese yuan	14
Equity	Traded on recognised exchange	Danish krone	62
Equity	Traded on recognised exchange	Euro	5,869
Equity	Traded on recognised exchange	Hong Kong dollar	29
Equity	Traded on recognised exchange	Japanese yen	781
Equity	Traded on recognised exchange	Norwegian krone	179
Equity	Traded on recognised exchange	Singapore dollar	1
Equity	Traded on recognised exchange	South African rand	16
Equity	Traded on recognised exchange	Swedish krona	268
Equity	Traded on recognised exchange	Swiss franc	451
Equity	Traded on recognised exchange	US dollar	6,380
Fixed Income	Investment Grade	Sterling	14,561
Fixed Income	Investment Grade	Canadian dollar	987
Fixed Income	Investment Grade	Euro	45,152
Fixed Income	Investment Grade	Swedish krona	13
Fixed Income	Investment Grade	US dollar	11,653
Total collateral held			91,679

Maturity Tenor of Collateral (remaining period to maturity) as at 31st December 2018

Type	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Securities lending	–	–	932	58	11,493	59,883	19,313	91,679
	–	–	932	58	11,493	59,883	19,313	91,679

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Manager's Report (continued)

As at 31st December 2018

Counterparty details as at 31st December 2018

Type	Country of counterparty establishment	Settlement and clearing	£'000
Securities lending	France	Tri-party	3,316
Securities lending	Germany	Tri-party	4,624
Securities lending	Ireland	Tri-party	8,348
Securities lending	Switzerland	Tri-party	8,341
Securities lending	United Kingdom	Tri-party	67,050
Total collateral held			91,679

Maturity Tenor of SFTs and Total and Total Return Swaps (remaining period to maturity) as at December 2018

Type	Less than one day £'000	One day to one week £'000	One week to one month £'000	One to three months £'000	Three months to one year £'000	Above one year £'000	Open maturity £'000	Total £'000
Securities lending	–	–	–	–	–	–	85,264	85,264
	–	–	–	–	–	–	85,264	85,264

4) Re-use of Collateral

The Fund does not engage in re-use of collateral.

5) Safekeeping of Collateral Received

Names and value of custodians safekeeping collateral as at 31st December 2018	£'000
Bank of New York	50,053
JP Morgan	41,626
Number of custodians safekeeping collateral	2

6) Safekeeping of Collateral Granted

The Fund does not borrow stock from counterparties; therefore, no collateral has been granted.

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Portfolio Statement

As at 31st December 2018

	Holdings	Market Value £'000	% of Total Net Assets
Austria — 0.55% (31.12.2017 — 0.63%)			
ams	63,678	1,195	0.03
ANDRITZ	60,264	2,170	0.06
Erste Bank	245,682	6,406	0.16
OMV	123,498	4,240	0.11
Raiffeisen Bank International	113,191	2,255	0.06
Telekom Austria	93,772	559	0.01
Verbund	55,226	1,846	0.05
Vienna Insurance	26,262	478	0.01
voestalpine	92,916	2,177	0.06
		21,326	0.55
Belgium — 2.12% (31.12.2017 — 2.47%)			
Ackermans & van Haaren	17,941	2,122	0.06
Ageas	159,188	5,615	0.15
Anheuser-Busch InBev	652,742	33,806	0.87
bpost	73,775	530	0.01
Bruxelles Lambert	58,793	4,015	0.10
Colruyt	38,836	2,170	0.06
KBC	231,362	11,770	0.30
Proximus	123,412	2,616	0.07
Sofina	12,928	1,924	0.05
Solvay	53,518	4,195	0.11
Telenet	36,503	1,330	0.04
UCB	98,988	6,335	0.16
Umicore	177,279	5,547	0.14
		81,975	2.12
Denmark — 3.76% (31.12.2017 — 3.81%)			
Ambu	123,508	2,326	0.06
AP Moeller - Maersk 'A' Shares	3,554	3,292	0.09
AP Moeller - Maersk 'B' Shares	5,637	5,549	0.14
Carlsberg	86,501	7,206	0.19
Chr Hansen	80,727	5,599	0.15

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Portfolio Statement (continued)

As at 31st December 2018

	Holdings	Market Value £'000	% of Total Net Assets
Denmark — 3.76% (31.12.2017 — 3.81%) (continued)			
Coloplast	112,397	8,179	0.21
Danske Bank	550,774	8,539	0.22
DSV	153,394	7,919	0.20
Genmab	45,586	5,853	0.15
GN Store Nord	110,315	3,228	0.08
H Lundbeck	52,407	1,799	0.05
ISS	162,089	3,549	0.09
Jyske Bank	57,452	1,625	0.04
Novo Nordisk	1,418,772	50,836	1.31
Novozymes	176,311	6,169	0.16
Orsted	117,119	6,138	0.16
Pandora	87,746	2,800	0.07
Rockwool International	4,960	1,014	0.03
Tryg	103,258	2,036	0.05
Vestas Wind Systems	166,506	9,855	0.26
William Demant	87,848	1,954	0.05
		145,465	3.76
Finland — 2.86% (31.12.2017 — 2.14%)			
Elisa	106,905	3,462	0.09
Fortum	368,239	6,313	0.16
Huhtamaki	75,157	1,826	0.05
Kesko	55,655	2,353	0.06
Kone	326,879	12,217	0.32
Metso	96,514	1,984	0.05
Neste	111,010	6,712	0.17
Nokia	4,575,613	20,658	0.53
Nokian Renkaat	113,900	2,742	0.07
Nordea Bank	2,686,269	17,743	0.46
Orion	85,859	2,333	0.06
Sampo	413,649	14,261	0.37
Stora Enso	481,161	4,355	0.11

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Portfolio Statement (continued)

As at 31st December 2018

	Holdings	Market Value £'000	% of Total Net Assets
Finland — 2.86% (31.12.2017 — 2.14%) (continued)			
UPM-Kymmene	447,720	8,901	0.23
Wartsila	384,290	4,793	0.13
		110,653	2.86
France — 21.72% (31.12.2017 — 20.79%)			
Accor	169,412	5,643	0.15
Aeroports de Paris	23,671	3,516	0.09
Air France-KLM	194,960	1,659	0.04
Air Liquide	351,391	34,205	0.88
ALD	60,706	567	0.01
Alstom	131,001	4,147	0.11
Amundi	47,562	1,971	0.05
Arkema	60,201	4,050	0.10
Atos	78,399	5,030	0.13
AXA	1,590,460	26,921	0.70
BioMerieux	36,421	1,880	0.05
BNP Paribas	906,521	32,120	0.83
Bolloré	835,793	2,626	0.07
Bouygues	172,575	4,855	0.13
Bureau Veritas	227,798	3,638	0.09
Capgemini	132,064	10,289	0.27
Carrefour	470,215	6,293	0.16
Casino Guichard Perrachon	48,403	1,579	0.04
CNP Assurances	120,860	2,009	0.05
Covivio*	33,858	2,559	0.07
Credit Agricole	964,092	8,160	0.21
Danone	494,418	27,297	0.70
Dassault Aviation	1,919	2,084	0.05
Dassault Systemes	111,156	10,346	0.27
Edenred	203,298	5,859	0.15
Eiffage	62,593	4,099	0.11
Electricite de France	399,841	4,953	0.13
Elis	156,224	2,040	0.05
Engie	1,384,034	15,559	0.40

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Portfolio Statement (continued)

As at 31st December 2018

	Holdings	Market Value £'000	% of Total Net Assets
France — 21.72% (31.12.2017 — 20.79%) (continued)			
EssilorLuxottica	242,169	24,008	0.62
Eurazeo	39,588	2,196	0.06
Eutelsat Communications	143,486	2,216	0.06
Faurecia	62,173	1,845	0.05
Gecina*	44,284	4,492	0.12
Getlink	375,103	3,949	0.10
Hermes International	26,011	11,318	0.29
ICADE*	26,529	1,583	0.04
Iliad	20,481	2,255	0.06
Imerys	32,849	1,238	0.03
Ingenico	57,808	2,570	0.07
Ipsen	29,239	2,962	0.08
JCDecaux	52,072	1,146	0.03
Kering	62,649	23,145	0.60
Klepierre*	165,985	4,017	0.10
Lagardere	100,508	1,986	0.05
Legrand	224,030	9,913	0.26
L'Oreal	201,534	36,395	0.94
LVMH Moet Hennessy Louis Vuitton	207,202	48,020	1.24
Michelin (CGDE)	148,277	11,539	0.30
Natixis	684,061	2,529	0.06
Orange	1,621,263	20,598	0.53
Orpea	38,735	3,102	0.08
Pernod Ricard	173,886	22,366	0.58
Peugeot	442,511	7,406	0.19
Plastic Omnium	42,960	778	0.02
Publicis	174,604	7,849	0.20
Remy Cointreau	21,672	1,925	0.05
Renault	155,646	7,621	0.20
Rexel	258,250	2,156	0.06
Rubis	67,586	2,844	0.07
Safran	274,864	26,003	0.67
Saint-Gobain	412,596	10,801	0.28
Sanofi	903,565	61,361	1.58
Sartorius Stedim Biotech	22,187	1,740	0.04

State Street Europe Ex UK Equity Tracker Fund

Portfolio Statement (continued)

As at 31st December 2018

	Holdings	Market Value £'000	% of Total Net Assets
France — 21.72% (31.12.2017 — 20.79%) (continued)			
Schneider Electric	420,671	22,549	0.58
SCOR	131,382	4,646	0.12
SEB	23,133	2,342	0.06
Societe BIC	19,416	1,554	0.04
Societe Generale	594,485	14,845	0.38
Sodexo	75,669	6,079	0.16
Suez	318,795	3,299	0.08
Teleperformance	47,015	5,891	0.15
Thales	79,145	7,246	0.19
TOTAL	2,101,969	87,127	2.25
Ubisoft Entertainment	72,388	4,579	0.12
Unibail-Rodamco-Westfield*	112,532	13,676	0.35
Valeo	202,486	4,636	0.12
Veolia Environnement	425,407	6,856	0.18
Vinci	382,043	24,696	0.64
Vivendi	809,536	15,462	0.40
Wendel	23,509	2,209	0.06
Worldline	37,360	1,415	0.04
		840,933	21.72
Germany — 18.94% (31.12.2017 — 20.91%)			
1&1 Drillisch	37,505	1,498	0.04
adidas	158,015	25,870	0.67
Allianz	357,448	56,191	1.45
Axel Springer	38,606	1,711	0.04
BASF	764,028	41,421	1.07
Bayer	779,567	42,375	1.09
Bayerische Motoren Werke	274,660	17,429	0.45
Bayerische Motoren Werke Preference Shares	45,850	2,556	0.07
Beiersdorf	84,684	6,929	0.18
Brenntag	128,272	4,341	0.11
Carl Zeiss Meditec	30,382	1,863	0.05
CECONOMY	117,816	333	0.01
Commerzbank	858,714	4,457	0.12

State Street Europe Ex UK Equity Tracker Fund

Portfolio Statement (continued)

As at 31st December 2018

	Holdings	Market Value £'000	% of Total Net Assets
Germany — 18.94% (31.12.2017 — 20.91%) (continued)			
Continental	88,950	9,641	0.25
Covestro	147,804	5,728	0.15
Daimler	719,860	29,664	0.77
Delivery Hero	87,986	2,567	0.07
Deutsche Bank	1,608,097	10,056	0.26
Deutsche Boerse	158,370	14,918	0.39
Deutsche Lufthansa	204,723	3,620	0.09
Deutsche Post	799,169	17,151	0.44
Deutsche Telekom	2,672,294	35,547	0.92
Deutsche Wohnen	302,368	10,856	0.28
DWS	35,675	748	0.02
E.ON	1,834,804	14,208	0.37
Evonik Industries	122,652	2,400	0.06
Fielmann	18,506	897	0.02
Fraport Frankfurt Airport Services Worldwide	27,677	1,552	0.04
Fresenius	330,411	12,569	0.33
Fresenius Medical Care	177,840	9,041	0.23
FUCHS PETROLUB	25,667	806	0.02
FUCHS PETROLUB Preference Shares	57,968	1,872	0.05
GEA	142,863	2,885	0.07
GRENKE	24,888	1,658	0.04
Hannover Rueck	52,073	5,501	0.14
Hapag-Lloyd	34,010	684	0.02
HeidelbergCement	126,742	6,072	0.16
Hella Hueck	42,851	1,338	0.03
Henkel	78,922	6,074	0.16
Henkel Preference Shares	146,338	12,531	0.32
HOCHTIEF	15,201	1,606	0.04
HUGO BOSS	51,489	2,492	0.06
Infineon Technologies	960,044	14,964	0.39
Innogy	103,942	3,463	0.09
K+S	156,973	2,215	0.06
KION	60,504	2,407	0.06
Knorr-Bremse	38,864	2,743	0.07
LANXESS	78,448	2,831	0.07

State Street Europe Ex UK Equity Tracker Fund

Portfolio Statement (continued)

As at 31st December 2018

	Holdings	Market Value £'000	% of Total Net Assets
Germany — 18.94% (31.12.2017 — 20.91%) (continued)			
LEG Immobilien	52,899	4,326	0.11
MAN	15,410	1,247	0.03
Merck	107,145	8,653	0.22
METRO	134,868	1,621	0.04
MTU Aero Engines	44,096	6,269	0.16
Muenchener Rueckversicherungs-Gesellschaft	123,985	21,205	0.55
OSRAM Licht	76,883	2,617	0.07
Porsche Automobil Preference Shares	130,790	6,062	0.16
ProSiebenSat.1 Media	189,367	2,643	0.07
Puma	6,734	2,581	0.07
Rational	3,009	1,340	0.03
Rheinmetall	34,923	2,419	0.06
Rocket Internet	53,824	975	0.03
RWE	436,150	7,424	0.19
RWE Preference Shares	50,594	856	0.02
SAP	810,577	63,246	1.63
Sartorius Preference Shares	28,613	2,797	0.07
Scout24	85,114	3,068	0.08
Siemens	642,133	56,126	1.45
Siemens Healthineers	110,771	3,633	0.09
Suedzucker	58,872	597	0.02
Symrise	104,249	6,035	0.16
Talanx	31,929	854	0.02
Telefonica Deutschland	674,785	2,070	0.05
thyssenkrupp	394,393	5,303	0.14
Uniper	158,820	3,222	0.08
United Internet	96,359	3,304	0.09
Volkswagen	27,227	3,399	0.09
Volkswagen Preference Shares	150,773	18,800	0.49
Vonovia	439,404	15,614	0.40
Wacker Chemie	12,815	910	0.02
Wirecard	96,544	11,508	0.30
Zalando	112,437	2,265	0.06
		733,268	18.94

State Street Europe Ex UK Equity Tracker Fund

Portfolio Statement (continued)

As at 31st December 2018

	Holdings	Market Value £'000	% of Total Net Assets
Ireland — 0.56% (31.12.2017 — 0.54%)			
AIB	683,451	2,258	0.06
Bank of Ireland	763,002	3,328	0.08
Glanbia	166,573	2,452	0.06
Irish Bank Resolution~	274,715	-	0.00
Kerry	122,851	9,538	0.25
Kingspan	126,026	4,228	0.11
		21,804	0.56
Italy — 4.44% (31.12.2017 — 4.79%)			
A2A	1,454,610	2,053	0.05
Assicurazioni Generali	1,080,021	14,153	0.36
Atlantia	450,326	7,304	0.19
Banca Mediolanum	200,325	915	0.02
Banco BPM	1,232,467	2,177	0.06
Buzzi Unicem	65,302	881	0.02
Buzzi Unicem Savings Shares	29,739	255	0.01
Davide Campari-Milano	492,999	3,268	0.08
DiaSorin	11,496	730	0.02
Enel	6,557,280	29,687	0.77
Eni	2,094,243	25,843	0.67
FinecoBank	314,420	2,477	0.06
Intesa Sanpaolo	12,640,467	22,008	0.57
Italgas	425,325	1,907	0.05
Leonardo	339,382	2,339	0.06
Mediaset	396,073	975	0.02
Mediobanca	504,874	3,343	0.09
Moncler	128,651	3,341	0.09
Pirelli & C	299,119	1,506	0.04
Poste Italiane	375,095	2,351	0.06
Prysmian	210,108	3,181	0.08
Recordati	82,495	2,243	0.06
Saipem	507,544	1,487	0.04
Salvatore Ferragamo	43,592	691	0.02
Snam	1,969,847	6,752	0.17

State Street Europe Ex UK Equity Tracker Fund

Portfolio Statement (continued)

As at 31st December 2018

	Holdings	Market Value £'000	% of Total Net Assets
Italy — 4.44% (31.12.2017 — 4.79%) (continued)			
Telecom Italia	9,298,401	4,034	0.10
Telecom Italia Savings Shares	5,109,895	1,913	0.05
Terna Rete Elettrica Nazionale	1,195,657	5,316	0.14
UniCredit	1,828,688	16,240	0.42
Unione di Banche Italiane	852,644	1,939	0.05
UnipolSai Assicurazioni	413,861	734	0.02
		172,043	4.44
Luxembourg — 0.65% (31.12.2017 — 0.61%)			
ArcelorMittal	508,280	8,276	0.21
Aroundtown	525,120	3,403	0.09
Eurofins Scientific	9,330	2,730	0.07
RTL	32,674	1,370	0.03
SES	304,426	4,566	0.12
Subsea 7	211,753	1,618	0.04
Tenaris	394,344	3,341	0.09
		25,304	0.65
Netherlands — 8.76% (31.12.2017 — 8.53%)			
Aalberts Industries	66,250	1,727	0.04
ABN AMRO	356,171	6,566	0.17
Adyen	5,020	2,141	0.06
Aegon	1,489,715	5,454	0.14
Airbus	459,771	34,649	0.90
Akzo Nobel	212,511	13,428	0.35
Altice Europe	507,609	774	0.02
ASML	339,524	41,799	1.08
ASR Nederland	119,679	3,715	0.10
Boskalis Westminster	65,137	1,271	0.03
CNH Industrial	836,567	5,893	0.15
EXOR	90,400	3,835	0.10
Ferrari	105,663	8,230	0.21
Fiat Chrysler Automobiles	930,358	10,590	0.27

State Street Europe Ex UK Equity Tracker Fund

Portfolio Statement (continued)

As at 31st December 2018

	Holdings	Market Value £'000	% of Total Net Assets
Netherlands — 8.76% (31.12.2017 — 8.53%) (continued)			
Gemalto	65,713	2,988	0.08
GrandVision	38,222	656	0.02
Heineken	194,037	13,445	0.35
Heineken Holding	89,997	5,957	0.15
ING	3,301,713	27,887	0.72
Koninklijke Ahold Delhaize	907,576	17,983	0.46
Koninklijke DSM	146,606	9,401	0.24
Koninklijke KPN	2,681,121	6,161	0.16
Koninklijke Philips	782,714	21,730	0.56
Koninklijke Vopak	55,967	1,993	0.05
NN	273,480	8,542	0.22
OCI	85,098	1,360	0.04
QIAGEN	187,281	4,989	0.13
Randstad	93,869	3,378	0.09
Signify	99,851	1,835	0.05
STMicroelectronics	532,177	5,964	0.15
Unilever	1,262,610	53,740	1.39
Wolters Kluwer	237,276	11,002	0.28
		339,083	8.76
Norway — 1.52% (31.12.2017 — 1.42%)			
Aker	19,712	826	0.02
Aker BP	92,506	1,828	0.05
DNB	859,884	10,772	0.28
Equinor	796,364	13,269	0.34
Gjensidige Forsikring	148,466	1,820	0.05
Mowi	345,856	5,729	0.15
Norsk Hydro	1,111,167	3,951	0.10
Orkla	638,098	3,937	0.10
Schibsted 'A' Shares	62,576	1,645	0.04
Schibsted 'B' Shares	82,716	1,969	0.05

State Street Europe Ex UK Equity Tracker Fund

Portfolio Statement (continued)

As at 31st December 2018

	Holdings	Market Value £'000	% of Total Net Assets
Norway — 1.52% (31.12.2017 — 1.42%) (continued)			
Telenor	577,542	8,772	0.22
Yara International	150,495	4,551	0.12
		59,069	1.52
Poland — 0.85% (31.12.2017 — 0.00%)			
Bank Polska Kasa Opieki	129,318	2,946	0.08
CD Projekt	59,032	1,796	0.05
Cyfrowy Polsat	208,046	981	0.02
Dino Polska	38,176	765	0.02
KGHM Polska Miedz	107,338	1,994	0.05
Lotos	80,411	1,487	0.04
LPP	460	755	0.02
mBank	11,290	1,001	0.03
PGE Polska Grupa Energetyczna	583,631	1,220	0.03
Polski Koncern Naftowy ORLEN	256,146	5,790	0.15
Polskie Gornictwo Naftowe i Gazownictwo	1,431,632	2,067	0.05
Powszechna Kasa Oszczednosci Bank Polski	711,649	5,871	0.15
Powszechny Zaklad Ubezpieczen	465,894	4,275	0.11
Santander Bank Polska	24,564	1,839	0.05
		32,787	0.85
Portugal — 0.33% (31.12.2017 — 0.31%)			
Banco Espirito Santo~	1,484,734	-	0.00
EDP - Energias de Portugal	1,959,315	5,362	0.14
Galp Energia	437,470	5,417	0.14
Jeronimo Martins	201,384	1,869	0.05
		12,648	0.33
Spain — 6.79% (31.12.2017 — 7.18%)			
Acciona	18,091	1,200	0.03
Acerinox	163,985	1,275	0.03
ACS Actividades de Construccion y Servicios	207,068	6,288	0.16

State Street Europe Ex UK Equity Tracker Fund

Portfolio Statement (continued)

As at 31st December 2018

	Holdings	Market Value £'000	% of Total Net Assets
Spain — 6.79% (31.12.2017 — 7.18%) (continued)			
Aena	54,608	6,654	0.17
Alba	12,070	460	0.01
Amadeus IT	348,911	19,053	0.49
Banco Bilbao Vizcaya Argentaria	5,655,781	23,532	0.61
Banco de Sabadell	4,806,268	4,316	0.11
Banco Santander	13,563,605	48,369	1.25
Bankia	1,013,102	2,328	0.06
Bankinter	514,341	3,240	0.08
CaixaBank	2,884,453	8,192	0.21
Catalana Occidente	39,449	1,154	0.03
Cellnex Telecom	136,937	2,752	0.07
EDP Renovaveis	136,128	950	0.03
Enagas	184,254	3,905	0.10
Endesa	262,979	4,752	0.12
Ferrovial	417,895	6,637	0.17
Fomento de Construcciones y Contratas	62,924	661	0.02
Grifols	268,855	5,526	0.14
Grifols Preference Shares	234,530	3,398	0.09
Iberdrola	5,013,772	31,583	0.82
Industria de Diseno Textil	887,865	17,811	0.46
Inmobiliaria Colonial Socimi*	200,000	1,460	0.04
Mapfre	853,766	1,778	0.05
Mediaset Espana Comunicacion	133,361	657	0.02
Merlin Properties Socimi*	264,287	2,558	0.07
Naturgy Energy	256,013	5,115	0.13
Red Electrica	351,820	6,156	0.16
Repsol	1,024,370	12,946	0.33
Repsol Right	1,024,370	368	0.01
Siemens Gamesa Renewable Energy	198,619	1,897	0.05
Telefonica	3,798,596	25,022	0.65
Zardoya Otis	147,440	822	0.02
		262,815	6.79

State Street Europe Ex UK Equity Tracker Fund

Portfolio Statement (continued)

As at 31st December 2018

	Holdings	Market Value £'000	% of Total Net Assets
Sweden — 5.75% (31.12.2017 — 5.96%)			
Alfa Laval	260,197	4,370	0.11
Assa Abloy	772,446	10,819	0.28
Atlas Copco 'A' Shares	527,716	9,838	0.25
Atlas Copco 'B' Shares	329,435	5,640	0.15
Boliden	224,485	3,817	0.10
Electrolux	203,586	3,373	0.09
Elekta	294,903	2,752	0.07
Epiroc 'A' Shares	527,716	3,918	0.10
Epiroc 'B' Shares	314,263	2,195	0.06
Ericsson 'A' Shares	12,654	87	0.00
Ericsson 'B' Shares	2,513,081	17,342	0.45
Essity	514,913	9,923	0.26
Fastighets AB Balder	68,612	1,531	0.04
Hennes & Mauritz	705,288	7,871	0.20
Hexagon	210,700	7,613	0.20
Husqvarna	328,509	1,911	0.05
ICA	72,428	2,032	0.05
Industrivarden 'A' Shares	170,764	2,771	0.07
Industrivarden 'C' Shares	151,582	2,406	0.06
Investor 'A' Shares	92,500	3,097	0.08
Investor 'B' Shares	387,230	12,881	0.33
Kinnevik	190,915	3,613	0.09
L E Lundbergforetagen	54,566	1,262	0.03
Latour	97,600	968	0.03
Lundin Petroleum	145,028	2,844	0.07
Nibe Industrier	250,641	2,018	0.05
Saab Non-voting	15,386	416	0.01
Saab Voting Rights	61,547	1,678	0.04
Sandvik	909,518	10,177	0.26
Securitas	274,634	3,460	0.09
Skandinaviska Enskilda Banken 'A' Shares	1,189,516	9,070	0.23
Skandinaviska Enskilda Banken 'C' Shares	38,273	293	0.01
Skanska	297,601	3,716	0.10
SKF	324,699	3,866	0.10
Svenska Cellulosa	517,171	3,148	0.08

State Street Europe Ex UK Equity Tracker Fund

Portfolio Statement (continued)

As at 31st December 2018

	Holdings	Market Value £'000	% of Total Net Assets
Sweden — 5.75% (31.12.2017 — 5.96%) (continued)			
Svenska Handelsbanken 'A' Shares	1,227,849	10,689	0.28
Svenska Handelsbanken 'B' Shares	44,000	394	0.01
Swedbank	815,534	14,283	0.37
Swedish Match	149,058	4,608	0.12
Swedish Orphan Biovitrum	132,561	2,266	0.06
Tele2	397,944	3,981	0.10
Telia	2,292,324	8,523	0.22
Trelleborg	206,576	2,549	0.07
Volvo	1,250,899	12,845	0.33
		222,854	5.75
Switzerland — 18.56% (31.12.2017 — 17.66%)			
ABB	1,504,778	22,407	0.58
Adecco	126,242	4,618	0.12
Baloise	39,296	4,238	0.11
Banque Cantonale Vaudoise	2,149	1,268	0.03
Barry Callebaut	1,575	1,921	0.05
Chocoladefabriken Lindt & Sprungli	83	4,846	0.13
Chocoladefabriken Lindt & Sprungli Participation Certificate (Non-Voting)	929	4,514	0.12
Clariant	173,146	2,495	0.06
Credit Suisse	2,151,743	18,509	0.48
DKSH	20,602	1,113	0.03
Dufry	26,059	1,933	0.05
EMS-Chemie	5,761	2,143	0.06
Flughafen Zuerich	16,127	2,087	0.05
Geberit	30,162	9,184	0.24
Georg Fischer	3,348	2,097	0.05
Givaudan	7,583	13,746	0.35
Helvetia	5,905	2,702	0.07
Julius Baer	183,606	5,120	0.13
Kuehne + Nagel International	41,110	4,137	0.11
LafargeHolcim	399,947	12,901	0.33
Logitech International	123,304	3,037	0.08

State Street Europe Ex UK Equity Tracker Fund

Portfolio Statement (continued)

As at 31st December 2018

	Holdings	Market Value £'000	% of Total Net Assets
Switzerland — 18.56% (31.12.2017 — 17.66%) (continued)			
Lonza	62,824	12,745	0.33
Nestle	2,520,251	160,186	4.14
Novartis	1,821,834	121,948	3.15
OC Oerlikon	168,940	1,486	0.04
Pargesa	26,087	1,472	0.04
Partners	14,115	6,700	0.17
PSP Swiss Property	29,367	2,265	0.06
Richemont	419,367	21,043	0.54
Roche	22,112	4,216	0.11
Roche Non-Voting Shares	581,265	112,687	2.91
Schindler	14,901	2,262	0.06
Schindler Participating Certificates	33,352	5,172	0.13
SGS	4,347	7,652	0.20
Sika	114,247	11,338	0.29
Sonova	41,946	5,366	0.14
Straumann	8,526	4,197	0.11
Sulzer	10,380	645	0.02
Swatch	37,839	1,712	0.04
Swatch (Bearer)	24,993	5,707	0.15
Swiss Life	29,499	8,895	0.23
Swiss Prime Site	63,397	4,017	0.10
Swiss Re	249,761	17,928	0.46
Swisscom	20,999	7,856	0.20
Temenos	48,822	4,585	0.12
UBS	2,982,739	29,067	0.75
Vifor Pharma	35,456	3,019	0.08
Zurich Insurance	125,733	29,352	0.76
		718,534	18.56
United Kingdom — 0.16% (31.12.2017 — 0.21%)			
TechnipFMC	387,044	6,132	0.16
		6,132	0.16

State Street Europe Ex UK Equity Tracker Fund

Portfolio Statement (continued)

As at 31st December 2018

	Holdings	Market Value £'000	% of Total Net Assets
Derivatives — 0.00% (31.12.17 — (0.03)%)			
Euro STOXX 50 Index Futures March 2019 [†]	1,011	9	0.00
OMXS 30 Index Futures January 2019 [†]	192	(9)	(0.00)
Swiss Market Index Futures March 2019 [†]	112	37	0.00
		37	0.00
<hr/>			
Portfolio of investments [^]		3,806,730	98.32
Net other assets		64,877	1.68
Total net assets		3,871,607	100.00

[^] Includes derivative liabilities.

~ Delisted.

* Real Estate Investment Trust.

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

[†] Goldman Sachs is the counterparty, total notional exposure is £36,795,102 and 0.95% as a percentage of the Fund's value.

State Street Europe Ex UK Equity Tracker Fund

Director's Report to Unitholders

For the year ended 31st December 2018

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



W. Street – Director, State Street Unit Trust Management Limited

2 April 2019

State Street Europe Ex UK Equity Tracker Fund

Responsibilities of the Manager

For the year ended 31st December 2018

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.

State Street Europe Ex UK Equity Tracker Fund

Statement of the Depositary's Responsibilities

For the year ended 31st December 2018

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

The Depositary in its capacity as Trustee of State Street Europe Ex UK 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 Europe Ex UK Equity Tracker Fund ("the Trust")


For the year ended 31st December 2018

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

2 April 2019

State Street Europe Ex UK Equity Tracker Fund

Independent Auditors' Report to the Unitholders of State Street Europe Ex UK Equity Tracker Fund

For the year ended 31st December 2018

Annual report on the audit of the financial statements

Our opinion

In our opinion, State Street Europe Ex UK Equity Tracker Fund's financial statements:

- give a true and fair view of the financial position of the Trust as at 31st December 2018 and of the net revenue and the net capital losses 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 Annual Report and Financial Statements, which comprise: the balance sheet as at 31st December 2018; 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.

We have nothing to report in respect of the above matters.

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. For example, the terms on which the United Kingdom may withdraw from the European Union, are not clear, and it is difficult to evaluate all of the potential implications on the Trust's business and the wider economy.

State Street Europe Ex UK Equity Tracker Fund

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

For the year ended 31st December 2018

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 Authorised Fund 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 Authorised Fund 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 Authorised Fund 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 Authorised Fund 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 Authorised Fund 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 Europe Ex UK Equity Tracker Fund

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

For the year ended 31st December 2018

Other required reporting

Opinion on matter required by the Collective Investment Schemes sourcebook

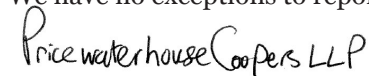
In our opinion, we have obtained all the information and explanations we consider necessary for the purposes of the audit.

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
Chartered Accountants and Statutory Auditors
Edinburgh
2 April 2019

State Street Europe Ex UK Equity Tracker Fund

Comparative Table

For the year ended 31st December 2018

Change in Net Assets Per Unit	2018 (£)	2017 (£)	2016 (£)
Opening net asset value per unit	1.9342	1.6599	1.3943
Return before operating charges	(0.1770)	0.2789	0.2693
Operating charges	(0.0048)	(0.0046)	(0.0037)
Return after operating charges*	(0.1818)	0.2743	0.2656
Distributions	(0.0499)	(0.0448)	(0.0405)
Retained distributions on accumulation units	0.0499	0.0448	0.0405
Closing net asset value per unit	1.7524	1.9342	1.6599
*after direct transaction cost of:	0.0003	0.0002	0.0002
Performance			
Return after charges	(9.40)%	16.53%	19.05%
Other Information			
Closing net asset value (£'000)	3,871,607	3,945,749	3,222,373
Closing number of units	2,209,294,521	2,040,006,996	1,941,276,607
Operating charges	0.25%	0.25%	0.25%
Direct transaction costs	0.02%	0.01%	0.02%
Prices			
Highest unit price	2.0288	2.0022	1.6669
Lowest unit price	1.7220	1.6610	1.2373

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 Europe Ex UK Equity Tracker Fund

Statement of Total Return

For the year ended 31st December 2018

		Year ended 31.12.18		Year ended 31.12.17	
	Note	£'000	£'000	£'000	£'000
Income					
Net capital (losses)/gains	4		(501,244)		450,870
Revenue	6	127,113		106,109	
Expenses	7	(10,314)		(9,161)	
Interest payable and similar charges	8	(497)		(230)	
Net revenue before taxation		116,302		96,718	
Taxation	9	(9,540)		(8,129)	
Net revenue after taxation			106,762		88,589
Total return before distributions			(394,482)		539,459
Distributions	10		(106,762)		(88,589)
Change in net assets attributable to unitholders from investment activities			(501,244)		450,870

Statement of Change in Net Assets Attributable to Unitholders

For the year ended 31st December 2018

	Year ended 31.12.18		Year ended 31.12.17	
	£'000	£'000	£'000	£'000
Opening net assets		3,945,749		3,222,373
Amounts receivable on issue of units	431,493		194,335	
Amounts payable on cancellation of units	(113,347)		(11,175)	
		318,146		183,160
Dilution levy		487		212
Change in unitholders' funds from investment activities		(501,244)		450,870
Retained distributions on accumulation units		108,469		89,134
Closing net assets		3,871,607		3,945,749

State Street Europe Ex UK Equity Tracker Fund

Balance Sheet

As at 31st December 2018

	Note	31.12.18 £'000	31.12.17 £'000
Assets			
Fixed assets:			
Investments		3,806,739	3,865,133
Current assets:			
Debtors	11	49,224	18,966
Cash and bank balances	12	16,730	63,544
Total assets		3,872,693	3,947,643
Liabilities			
Investment liabilities		9	1,059
Creditors			
Bank overdrafts	13	-	60
Other creditors	14	1,077	775
Total liabilities		1,086	1,894
Net assets attributable to unitholders		3,871,607	3,945,749

State Street Europe Ex UK Equity Tracker Fund

Notes to the Financial Statements

For the year ended 31st December 2018

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. Stock lending, deposit interest and interest payable are recorded on an accrual basis. Any income arising from stock lending is treated as revenue on an accruals basis and is disclosed in the notes to the Financial Statements net of directly attributable fees. The value of the collateral must always exceed the value of the stock on loan. The accepted collateral includes cash, equities, certain types of bonds and money market instruments as agreed with the Depositary.

(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 Europe Ex UK Equity Tracker Fund

Notes to the Financial Statements (continued)

For the year ended 31st December 2018

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, (g) use of derivatives and (h) Stock lending risk.

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 Europe Ex UK Equity Tracker Fund

Notes to the Financial Statements (continued)

For the year ended 31st December 2018

3. Risk management policies (continued)

All securities investments present a risk of loss of capital. The investment manager assesses 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 invests 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 equitise 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.

(h) Stock lending risk

Stock lending transactions may involve a risk that a counterparty will wholly or partially fail to honour its contractual obligations.

State Street Europe Ex UK Equity Tracker Fund

Notes to the Financial Statements (continued)

For the year ended 31st December 2018

3. Risk management policies (continued)

In order to mitigate that risk of counterparty default, the counterparties to these transactions may be required to provide collateral to suitably cover their obligations to the Schemes. In the event of default by the counterparty, it will forfeit its collateral on the transaction. However, there is risk that the collateral, especially where it is in the form of stocks, when realised will not raise sufficient cash to settle the counterparty's liability to the Schemes. Stock lending transactions may, in the event of a default by the counterparty, result in the stocks lent being recovered late or only in part. This may result in loss for the Lending Schemes.

4. Net capital (losses)/gains

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

	31.12.18 £'000	31.12.17 £'000
Non-derivative securities	(502,699)	446,356
Derivative contracts	2,566	2,406
(Losses)/gains on foreign exchange	(1,111)	2,108
Net capital (losses)/gains	(501,244)	450,870

5. Purchases, sales and transaction costs

	31.12.18 £'000	31.12.17 £'000
Purchases excluding transaction costs		
Equities	634,677	314,415
Total before transaction costs	634,677	314,415
Commissions		
Equities	140	67
Derivatives	27	17
	167	84
Taxes		
Equities	430	239
	430	239
Total purchases transaction costs	597	323
Purchases including transaction costs	635,274	314,738

State Street Europe Ex UK Equity Tracker Fund

Notes to the Financial Statements (continued)

For the year ended 31st December 2018

5. Purchases, sales and transaction costs (continued)

	31.12.18 £'000	31.12.17 £'000
Sales excluding transaction costs		
Equities	190,531	99,659
Total before transaction costs	190,531	99,659
Commissions		
Equities	(39)	(15)
Derivatives	(28)	(15)
	(67)	(30)
Taxes		
Equities	–	–
	–	–
Total sales transaction costs	(67)	(30)
Sales including transaction costs	(190,464)	99,629
	31.12.18	31.12.17
Transaction costs as percentage of principal amounts	%	%
Purchases – Commissions		
Equities	0.022%	0.021%
Purchases – Taxes		
Equities	0.068%	0.076%
Sales – Commissions		
Equities	0.020%	0.015%
Sales – Taxes		
Equities	0.000%	0.000%
	31.12.18	31.12.17
Transaction costs as percentage of average net asset value	%	%
Commissions	0.006%	0.003%
Taxes	0.010%	0.007%
Total	0.016%	0.010%

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.

State Street Europe Ex UK Equity Tracker Fund

Notes to the Financial Statements (continued)

For the year ended 31st December 2018

5. Purchases, sales and transaction costs (continued)

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% (31.12.17: 0.00%*).

*Prior year figures have been restated due to an incorrect calculation.

6. Revenue

	31.12.18 £'000	31.12.17 £'000
UK dividends	146	34
Overseas dividends	118,531	96,393
Stock dividends	7,996	9,606
Bank interest	4	(1)
Stock lending revenue	456	77
Derivatives revenue	(20)	-
Revenue	127,113	106,109

7. Expenses

	31.12.18 £'000	31.12.17 £'000
Manager's periodic charge	10,314	9,161
Total expenses	10,314	9,161

The audit fee for the year of £10,862 (exclusive of VAT) is borne by the Manager (31.12.17: £10,562).

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 25 basis points for the year ended 31.12.18 (31.12.17: 25 basis points).

8. Interest payable and similar charges

	31.12.18 £'000	31.12.17 £'000
Interest payable	497	230
	497	230

State Street Europe Ex UK Equity Tracker Fund

Notes to the Financial Statements (continued)

For the year ended 31st December 2018

9. Taxation

(a) Analysis of charge in year:

	31.12.18 £'000	31.12.17 £'000
Overseas tax	9,540	8,129
Total current tax	9,540	8,129
Total tax charge (note 9b)	9,540	8,129

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

	31.12.18 £'000	31.12.17 £'000
Net revenue before taxation	116,302	96,718
Corporation tax of 20%	23,260	19,344
Effects of:		
Revenue not subject to corporation tax	(25,331)	(21,202)
Movement in excess management expenses	2,071	1,858
Overseas tax	9,540	8,129
Total tax charge for year (note 9a)	9,540	8,129

(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 £6,645,909 (31.12.17: £4,575,216) 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.

10. Distributions

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

	31.12.18 £'000	31.12.17 £'000
Interim	95,905	78,114
Final	12,564	11,020
	108,469	89,134
Amounts deducted on cancellation of units	196	46
Amounts added on issue of units	(1,903)	(591)
Net distribution for the year	106,762	88,589

The net distributions of the year is represented by:

Net revenue after taxation	106,762	88,589
Net distribution for the year	106,762	88,589

State Street Europe Ex UK Equity Tracker Fund

Notes to the Financial Statements (continued)

For the year ended 31st December 2018

11. Debtors

	31.12.18 £'000	31.12.17 £'000
Creations awaiting settlement	23,493	1,724
Accrued revenue	1,374	1,080
Overseas tax recoverable	24,334	16,161
Dilution adjustment receivable	23	1
Total debtors	49,224	18,966

12. Cash and bank balances

	31.12.18 £'000	31.12.17 £'000
Cash and bank balances	14,061	58,495
Amounts held at brokers	2,669	5,049
Total cash and bank balances	16,730	63,544

13. Bank overdrafts

	31.12.18 £'000	31.12.17 £'000
Overdraft cash and bank balances	-	60
Total bank overdrafts	-	60

14. Other creditors

	31.12.18 £'000	31.12.17 £'000
Liquidations awaiting settlement	119	-
Accrued Manager's periodic charge	861	774
Spot FX awaiting settlement	97	1
Total other creditors	1,077	775

15. Contingent liabilities and commitments

The Fund had no contingent liabilities at year end (31.12.17: £nil).

16. 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 £861,096 (31.12.17: £774,225) 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.

State Street Europe Ex UK Equity Tracker Fund

Notes to the Financial Statements (continued)

For the year ended 31st December 2018

17. Risk disclosures

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

(1) 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 2018 was:

Currency	Net foreign currency assets/liabilities		
	Monetary	Non-monetary	Total
	exposures £'000	exposures £'000	£'000
Danish krone	1,816	145,464	147,280
Euro	22,045	2,607,431	2,629,476
Norwegian krone	695	60,689	61,384
Polish zloty	877	32,788	33,665
Swedish krona	1,383	240,593	241,976
Swiss franc	13,117	719,728	732,845
US dollar	868	-	868
Total	40,801	3,806,693	3,847,494

The Fund's currency exposure as at 31st December 2017 was:

Currency	Net foreign currency assets/liabilities		
	Monetary	Non-monetary	Total
	exposures £'000	exposures £'000	£'000
Danish krone	3,474	150,421	153,895
Euro	52,256	2,723,615	2,775,871
Norwegian krone	942	56,174	57,116
Swedish krona	4,855	235,092	239,947
Swiss franc	16,618	699,794	716,412
US dollar	374	-	374
Total	78,519	3,865,896	3,934,615

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 £349,772,177 (31.12.17: £358,510,129).

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 £427,499,328 (31.12.17: £438,179,047).

These calculations assume all other variables remain constant.

(2) 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.

If market prices had increased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £380,669,338 (31.12.17: £386,509,626). If market prices had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £380,669,338 (31.12.17: £386,509,626).

State Street Europe Ex UK Equity Tracker Fund

Notes to the Financial Statements (continued)

For the year ended 31st December 2018

17. Risk disclosures (continued)

These calculations assume all other variables remain constant.

(3) 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.

(4) 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 Advisor 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.

18. Unitholders' funds

	31.12.18	31.12.17
Opening units in issue	2,040,006,996	1,941,276,607
Issues	228,676,664	104,835,824
Cancellations	(59,389,139)	(6,105,435)
Closing units in issue	2,209,294,521	2,040,006,996

State Street Europe Ex UK Equity Tracker Fund

Notes to the Financial Statements (continued)

For the year ended 31st December 2018

19. Fair value of investments

	31.12.18 £'000	31.12.17 £'000
Assets		
Level 1 – Unadjusted quoted prices in an active market for identical assets accessible at the measurement date	3,806,739	3,865,133
Level 2 – Inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly	-	-
Level 3 – Price inputs are unobservable	-	-
	3,806,739	3,865,133
Liabilities		
Level 1 – Unadjusted quoted prices in an active market for identical assets accessible at the measurement date	9	1,059
Level 2 – Inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly	-	-
Level 3 – Price inputs are unobservable	-	-
	9	1,059
	3,806,730	3,864,074

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 holdings for the year to 31/12/2018 are Irish Bank Resolution (£nil) and Banco Espirito Santo (£nil).

The level 3 holdings for the year to 31/12/2017 are Irish Bank Resolution (£nil) and Banco Espirito Santo (£nil).

State Street Europe Ex UK Equity Tracker Fund

Distribution Tables

For the year ended 31st December 2018

Dividend in pence per unit payable on 31st August 2018

Group 1: Units purchased prior to 1st January 2018

Group 2: Units purchased on or after 1st January 2018 to 30th June 2018

	Net revenue pence per unit	Equalisation pence per unit	Amount paid 31.08.2018 pence per unit	Amount paid 31.08.2017 pence per unit
Accumulation Units				
Group 1	4.4215	-	4.4215	3.9444
Group 2	3.3234	1.0981	4.4215	3.9444

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 2019

Group 1: Units purchased prior to 1st July 2018

Group 2: Units purchased on or after 1st July 2018 to 31st December 2018

	Net revenue pence per unit	Equalisation pence per unit	Amount payable 28.02.2019 pence per unit	Amount paid 28.02.2018 pence per unit
Accumulation Units				
Group 1	0.5687	-	0.5687	0.5402
Group 2	0.3407	0.2280	0.5687	0.5402

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 Europe Ex UK 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

*Independent Director

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 Europe Ex UK 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 Europe Ex UK Equity Tracker Fund

Appendix I – Remuneration Policy (Unaudited)

State Street Corporation (“SSC”) and their 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 is then reviewed by the ECC prior to payment.

In September 2015, State Street formed a separate UK Remuneration Committee (“UK RemCo”) with the primary duties:

- to review and approve the identification and remuneration of Material Risk Takers (internally known as EU Identified Staff, or “EUIS”) in the UK;
- the oversight of compliance with applicable UK remuneration regulatory requirements, incl. those that have implications for risk and risk management; and
- the oversight of non-UK EUIS remuneration matters and compliance with applicable EU and local country remuneration regulatory requirements within the EU.

The ECC has approved a single global remuneration policy document, 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 emphasise total rewards.
- We target the aggregate annual value of our Total Rewards Program to be competitive with our business peers.
- 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 Europe Ex UK 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 31/12/2018¹

Fixed remuneration (in £ k)	32,613
Variable remuneration (in £ k)	25,277
Total Remuneration (in £ k)	57,890
Number of beneficiaries	319
Performance fee paid directly by the UCITS	n/a

Aggregate amount of remuneration as at 31/12/2018 (in £ k)

Senior Management of State Street Unit Trust Management Limited ²	20
Identified Staff of the Investment Manager	22,714

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/publications/firm/2018/ssga-pillar-3-disclosure-statement-2018.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. 2018 total remuneration data is not available as of 31 December 2018 as variable pay for 2018 will not be delivered before Q1 2019. Fixed remuneration for the performance year and 2017 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).