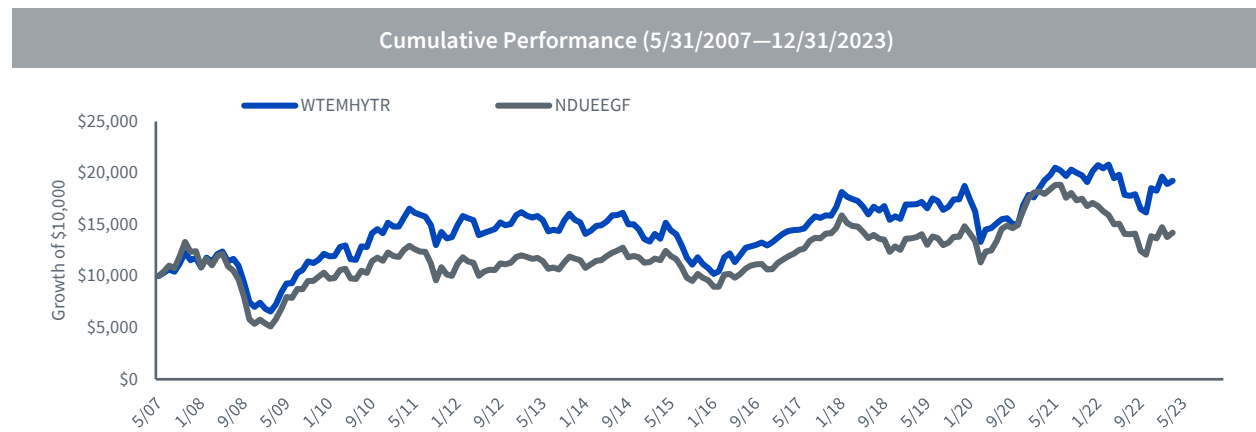


# WisdomTree Emerging Markets High Dividend Fund

# DEM

In the past few decades, index-based investment strategies have gained traction for obtaining exposure to broad asset classes. Numerous benefits of the passively managed exchange-traded fund (ETF) wrapper—including easy access to diversification, generally low fees in comparison to active strategies, tax efficiency and daily transparency of holdings—have helped these types of strategies gain in popularity. While the first set of indexes were traditional market cap-weighted offerings<sup>1</sup>, a growing body of evidence suggests that a rules-based approach to indexing can add significant value.

Take dividends as an example. At WisdomTree, we believe that dividends provide an objective measure of a company’s health and profitability—one that cannot be affected by accounting methods or government decisions. We have been weighting by dividends since WisdomTree launched its first ETFs in 2006. This methodology of weighting by their *Dividend Stream*<sup>®</sup> can help magnify the effects dividends have on performance, potentially increasing return or reducing volatility<sup>2</sup> compared to traditional market cap-weighted strategies. A potential benefit of this approach to investing is evident in the live performance track record of the WisdomTree Emerging Markets High Dividend Index.



This chart illustrates how a hypothetical investment of \$10,000 might have grown. The calculations assume reinvestment of dividends and do not reflect transaction and other costs. Past performance is not indicative of future results.

Index	vs. MSCI Emerging Markets Index	
	Beta	Correlation
WisdomTree Emerging Markets High Dividend Index (WTEMHYTR)	0.86	0.94
MSCI Emerging Markets Index (NDUEEGF)	1.00	1.00

Sources: WisdomTree, FactSet, 5/31/2007 - 12/31/2023. Start date reflects WisdomTree Index inception. Past performance is not indicative of future results. You cannot invest directly in an index. Index performance does not represent actual fund or portfolio performance. A fund or portfolio may differ significantly from the securities included in the index. Index performance assumes reinvestment of dividends but does not reflect any management fees, transaction costs or other expenses that would be incurred by a portfolio or fund, or brokerage commissions on transactions in fund shares. Such fees, expenses and commissions could reduce returns.

<sup>1</sup> Market capitalization weighting: Market cap = share price x number of shares outstanding. Firms with the highest values receive the highest weights.

<sup>2</sup> Volatility: A measure of the dispersion of actual returns around a particular average level.

### The Difference Dividend Weighting Makes (Hypothetical Illustration)

Hypothetical Universe				Market Cap Weighted			Dividend Stream Weighted		
Company	Market Cap (\$B)	Dividend Stream (\$B)	Dividend Yield	Constituent Weight	Investment	Dividend Income	Constituent Weight	Investment	Dividend Income
A	\$400	\$10.0	2.50%	50%	\$50,000	\$1,250	40%	\$40,000	\$1,000
B	\$200	\$3.0	1.50%	25%	\$25,000	\$375	12%	\$12,000	\$180
C	\$200	\$12.0	6.00%	25%	\$25,000	\$1,500	48%	\$48,000	\$2,880
Totals	\$800	\$25.0	-	-	\$100,000	\$3,125	-	\$100,000	\$4,060
						Portfolio Dividend Yield	3.13%	Portfolio Dividend Yield	4.06%

Source: WisdomTree. For illustrative purposes only. Does not reflect an actual investment.

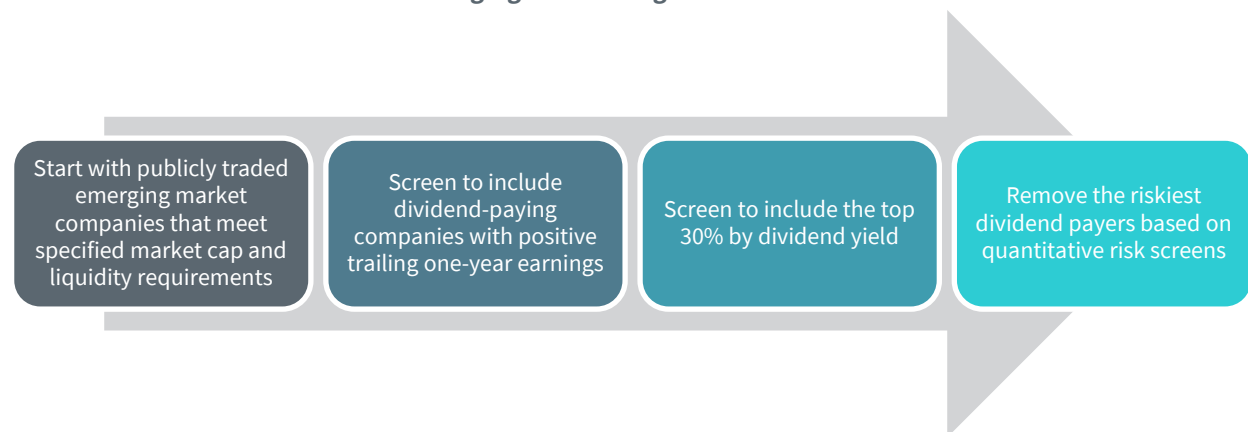
### A Methodology That Tilts Total Returns Toward Dividends

Most equity indexes have two components driving total returns—price return and dividend return. The price return reflects changes in the share prices of the underlying constituent, and the dividend return is a result of dividend payments. Dividend-focused methodologies tilt the profile of total returns toward dividends. The potential for risk-adjusted outperformance demonstrated by Wharton Professor Jeremy Siegel's research is the foundation upon which the WisdomTree Emerging Markets High Dividend Index was built. At its core, the methodology focuses on:

**Stock Selection**—Our high dividend strategies start with a universe of all companies meeting WisdomTree's market capitalization and liquidity<sup>3</sup> requirements. From there, we screen to include dividend-paying companies that rank in the top 30% by dividend yield and then screen out the riskiest companies based on quantitative risk screens<sup>4</sup>.

**Downside Risk Mitigation**—By dividend weighting our strategy, the portfolio takes on some unique “lower beta” tilts relative to a market cap-weighted approach. The portfolio has tended to be over-weight higher-yielding sectors such as utilities, real estate and consumer staples, which are typically more defensive.

### Investment Process: WisdomTree Emerging Markets High Dividend Index



<sup>3</sup> Liquidity: The degree to which an asset or security can be bought or sold in the market without affecting the asset's price. Liquidity is characterized by a high level of trading activity. Assets that can be easily bought or sold are known as liquid assets.

<sup>4</sup> Stock Selection: Additional details and requirements for inclusion, are available in the Equity Index Methodology.

The WisdomTree Emerging Markets High Dividend Fund seeks to track the price and yield performance of the WisdomTree Emerging Markets High Dividend Index, before fees and expenses.

Standardized Annual Returns (as of 12/31/2023)					
Fund/Index	1 Year	3 Year	5 Year	10 Year	Since Inception
WisdomTree Emerging Markets High Dividend Fund (NAV)	20.93%	6.60%	6.41%	2.93%	3.40%
WisdomTree Emerging Markets High Dividend Fund (Price)	20.99%	6.54%	6.47%	2.89%	3.22%
WisdomTree Emerging Markets High Dividend Index	21.83%	7.59%	7.44%	3.87%	4.38%
MSCI Emerging Markets Index	9.83%	-5.08%	3.68%	2.66%	1.72%
MSCI Emerging Markets Value Index	14.21%	-0.01%	3.38%	1.94%	1.50%

Sources: WisdomTree, FactSet. Since Inception period reflects WisdomTree fund inception date 06/16/2006 – 12/31/2023.

**Performance is historical and does not guarantee future results. Current performance may be lower or higher than quoted. Investment returns and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Performance data for the most recent month-end is available at [wisdomtree.com/investments](http://wisdomtree.com/investments).**

WisdomTree shares are bought and sold at market price (not NAV) and are not individually redeemed from the Fund. Total returns are calculated using the daily 4:00pm EST net asset (NAV). Market price ("Price") returns reflect the midpoint of the bid/ask spread as of the close of trading on the exchange where Fund shares are listed. Market price returns do not represent the returns you would receive if you traded shares at other times.

Quick Facts	
Ticker	DEM
Exchange	NYSE Arca
Expense Ratio (Gross)	0.63%
Expense Ratio (Net)	0.63%
Structure	Open-end ETF
Exposure	Dividend-paying stocks
Rebalancing	The portfolio is rebalanced on an annual basis.

## Definitions and Disclosures

**Passively managed:** Strategies that take a rules-based approach with regular rebalancing schedules that are not changed due to market conditions. **Actively managed:** Strategies that attempt to outperform the market by selecting securities a portfolio manager believes to be best. **Beta:** Measure of the volatility of an index or investment relative to a benchmark. A reading of 1.00 indicates that the investment has moved in lockstep with the benchmark; a reading of -1.00 indicates that the investment has moved in the exact opposite direction of the benchmark. **Correlation:** Statistical measure of how two sets of returns move in relation to each other. Correlation coefficients range from -1 to 1. A correlation of 1 means the two subjects of analysis move in lockstep with each other. A correlation of -1 means the two subjects of analysis have moved in exactly opposite directions. **Dividend yield:** A financial ratio that shows how much a company pays out in dividends each year relative to its share price. **Dividend Stream:** Refers to the regular dividends per share multiplied by the number of shares outstanding.

**WisdomTree Emerging Markets High Dividend Index:** The WisdomTree Emerging Markets High Dividend Index is a fundamentally weighted index that measures the performance of the highest dividend yielding stocks selected from the WisdomTree Emerging Markets Dividend Index. **MSCI Emerging Markets Index:** The MSCI Emerging Markets Index is a free float-adjusted market capitalization index that is designed to measure emerging markets equity performance. The MSCI Emerging Markets Value Index captures large and mid cap securities exhibiting overall value style characteristics across Emerging Markets (EM) countries.

**Investors should carefully consider the investment objectives, risks, charges and expenses of the Funds before investing. To obtain a prospectus containing this and other important information, please call 866.909.9473, or visit [WisdomTree.com/investments](http://WisdomTree.com/investments) to view or download a prospectus. Investors should read the prospectus carefully before investing.**

There are risks associated with investing, including possible loss of principal. Foreign investing involves special risks, such as risk of loss from currency fluctuation or political or economic uncertainty. Funds focusing on a single sector generally experience greater price volatility. Investments in emerging, offshore or frontier markets are generally less liquid and less efficient than investments in developed markets and are subject to additional risks, such as risks of adverse governmental regulation, intervention and political developments. Due to the investment strategy of this Fund it may make higher capital gain distributions than other ETFs. Please read the Fund's prospectus for specific details regarding the Fund's risk profile.

Dividends are not guaranteed, and a company currently paying dividends may cease paying dividends at any time. Diversification does not ensure a profit or protect against loss.

Unless otherwise stated, the data source is WisdomTree.

You cannot invest directly in an index. Additional index information is available at [www.wisdomtree.com/investments](http://www.wisdomtree.com/investments).

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