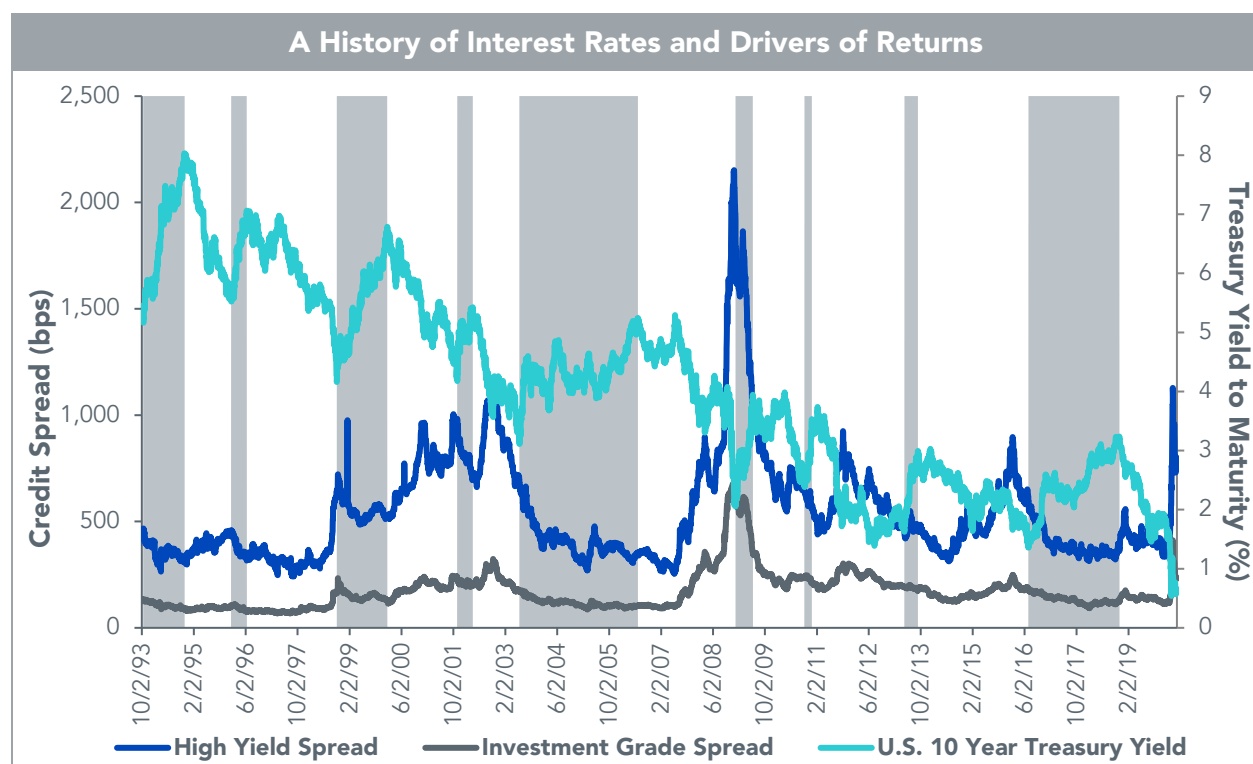


WisdomTree Interest Rate Hedged High Yield Bond Fund

HYZD

Amid the COVID-19 pandemic, U.S. interest rates have fallen to historically low levels, and U.S. credit spreads have widened substantially. While the timing and shape of the recovery remains uncertain, the level of interest rates and the unprecedented amount of stimulus summoned raise the possibility that rates could jump when the recovery does begin. As one means of potentially capitalizing on the current market environment, we believe a zero duration¹, high-yield bond strategy may provide a valuable means of “immunizing” portfolios against higher interest rates.

The WisdomTree Interest Rate Hedged High Yield Bond Fund (HYZD) seeks to track the price and yield performance, before fees and expenses, of the WisdomTree U.S. High Yield Corporate Bond, Zero Duration Index. HYZD offers investors strategic exposure to the high-yield corporate bond market while reducing their overall exposure to interest rate (duration) risk². We employ our fundamental screening and income tilting process to isolate attractive bonds with strong income characteristics and then offset these exposures with targeted short positions in Treasury securities and futures. By bundling this institutional style of approach to portfolio management in an exchange-traded fund (ETF), we believe that this product may provide investors with another strategy to help reduce the interest rate risk of their overall portfolio.



High-yield spread: The difference between yields on high-yield bonds as represented by the Bloomberg Barclays U.S. Corporate High Yield Index³. Credit spread: The portion of a bond's yield that compensates investors for taking credit risk. Basis points (bps): 1/100th of 1 percent. Yield to maturity:

¹ Duration: A measure of a bond's sensitivity to interest rate movements. For example, a duration of 5.5 years indicates that for a 1% rise in interest rates, the bond value would be expected to drop approximately 5.5%. Longer duration is indicative of greater sensitivity to interest rates.

² Interest rate risk: The risk that an investment's value will decline due to an increase in interest rates.

³ Bloomberg Barclays U.S. Corporate High Yield Index: Covers the universe of fixed-rate, non-investment-grade corporate debt.

The total returns of a bond received by an investor when a bond is held to maturity. U.S. 10-Year Treasury yield: The yield to maturity of a generic U.S. 10-year Treasury note. Past performance is not indicative of future results. An investor cannot invest directly in an index.

		Changes in Rising Rate Periods									
		10/15/1993 - 11/7/1994	1/18/1996 - 6/12/1996	10/5/1998 - 1/20/2000	11/7/2001 - 4/1/2002	6/13/2003 - 6/14/2006	6/1/2005 - 6/28/2006	12/30/2008 - 6/10/2009	10/7/2010 - 12/15/2010	5/2/2013 - 9/5/2013	7/8/2016 - 11/8/2018
Change in Yield (bps)	U.S. 5 YR Treasury	316	160	269	137	301	161	148	99	120	214
	U.S. 10 YR Treasury	287	154	263	125	195	136	189	115	137	188
Change in Spread over Treasuries (bps)	Investment Grade Bonds	-43	-28	-44	-34	-74	-12	-250	-26	-19	-232
	High Yield Bonds	-159	-143	-127	-287	-333	-78	-870	-83	9	-58

Sources: Bloomberg, WisdomTree. High-yield and investment-grade bonds represented by the Bloomberg Barclays U.S. Corporate High Yield and U.S. Aggregate Corporate indexes, respectively. Past performance is not indicative of future results. You cannot invest directly in an index.

The WisdomTree U.S. High Yield Corporate Bond, Zero Duration Index

The WisdomTree U.S. High Yield Corporate Bond, Zero Duration Index, tracks the performance of a combination of a long position in a strategic exposure to U.S. high-yield bonds issued by U.S.-publicly domiciled companies and a short position in on-the-run⁴ U.S. Treasury securities⁵ where the net interest rate exposure of the Index is adjusted to a zero year duration.

The long position is generated through a multi-step process that first screens the universe of high-yield debt issued by U.S.-domiciled public issuers to find those with a long-term history of generating positive free cash flow⁶. A risk-adjusted income score for each selected bond is calculated by our risk model. This score is then used to tilt the market weight of the bond within its sector. This portion of the Index is identical to our WisdomTree U.S. High Yield Corporate Bond Index⁷ and rebalanced semi-annually in May and November.

Index Components

Long Portfolio	Bonds included in the WisdomTree U.S. High Yield Corporate Bond Index.
Short Portfolio	Comprises short positions in U.S. Treasury Securities with an aggregate duration of 0 years. The portfolio will be rebalanced on a monthly basis.

Impact of Zero Duration Allocations in Investor Portfolios

When incorporated into a core fixed income portfolio, HYZD may offer several positive attributes in mitigating interest rate risk. The off-setting interest rate exposure of the short positions in nominal⁸ Treasury securities could offer a significant reduction in the interest rate risk of the overall portfolio, as seen in the next chart. Also, should there be an improvement in the U.S. economy, the various issuers' credit fundamentals may improve, driving down credit spreads and possibly resulting in price appreciation in the

⁴ "On-the-run" Treasuries are the most recently issued U.S. Treasury bonds or notes of a particular maturity. On-the-run Treasuries are the opposite of "off-the-run" Treasuries, which refer to Treasury securities that have been issued before the most recent issue and are still outstanding.

⁵ U.S. Treasury security: A debt security issued by the U.S. government.

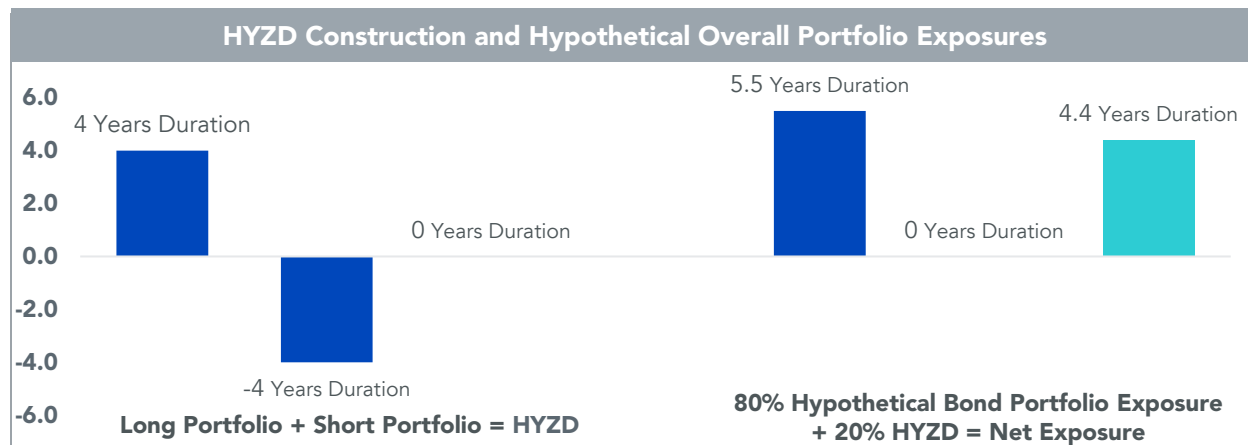
⁶ Free cash flow: A measure of how much cash is left in the company after taking into account all the necessary expenses, including net capital expenditures.

⁷ WisdomTree U.S. High Yield Corporate Bond Index* is a rule-based alternatively weighted Index designed to capture the performance of selected issuers in the U.S. high-yield corporate bond market that are deemed to have attractive fundamental and income characteristics.

⁸ Rate on the Treasury security not adjusted for inflation.

bonds.

So how does the Fund work? HYZD essentially combines a long position in cash bonds from the WisdomTree U.S. High Yield Corporate Bond Index with a short position in Treasury securities and/or Treasury futures to target the zero duration exposure. Investors can use the portfolio as a stand-alone tool for combatting rising interest rates or as a means of mitigating interest rate risk associated with other interest rate sensitive assets in their portfolio.



Example on left: Long portfolio: WisdomTree U.S. High Yield Corporate Bond Index. Short portfolio: Short position in U.S. Treasury securities. Example on right: Hypothetical example of what may happen when adding HYZD to an existing portfolio with a duration of 5.5 years. The result (aqua box) is a reduction of overall portfolio duration to 4.4 years. Source: WisdomTree, as of 5/29/20.

Potential Trade-Offs

Although the Fund seeks to target a duration of zero years, a rate increase of 100 basis points does not necessarily guarantee zero impact on the price of the Fund. Given its investments in non-investment-grade bonds, the Fund will be adversely impacted by a deterioration in credit quality⁹. Also, it may be possible that the targeted short exposure does not completely mitigate the interest rate exposure of the long bond positions. Additionally, should rates remain constant (or fall), the strategy may underperform a long-only portfolio. However, in today's low interest rate environment, we believe that the potential risk of rising rates outweighs the potential losses in carry¹⁰ from putting on this exposure.

⁹ Credit quality: A measure of a borrower's potential risk of default.

¹⁰ Carry: The amount of return that accrues from investing in fixed income or currency forward contracts.

WisdomTree Interest Rate Hedged High Yield Bond Fund Quick Facts	
Ticker	HYZD
Exchange	NASDAQ
Expense Ratio	0.43%
Structure	Open-end ETF. Registered under the Investment Company Act of 1940.
Exposure	Combination of cash bonds with short positions in Treasury securities and/or U.S. Treasury futures contracts.
Objective	The Fund seeks to track the price and yield performance, before fees and expenses, of the WisdomTree U.S. High Yield Corporate Bond, Zero Duration Index.
Duration Target	0 Years
Rebalancing	The Fund adjusts the interest rate hedge monthly and rebalances its high-yield constituents semi-annually in May and November.

At WisdomTree, we do things differently. We build our ETFs with proprietary methodologies, smart structures and uncommon access to provide investors with the potential for income, performance, diversification and more.

For more information about HYZD, contact your WisdomTree representative or visit WisdomTree.com.

Investors should carefully consider the investment objectives, risks, charges and expenses of the Fund before investing. To obtain a prospectus containing this and other important information, call 866.909.9473 or visit WisdomTree.com. Investors should read the prospectus carefully before investing.

There are risks associated with investing, including the possible loss of principal. High-yield or “junk” bonds have lower credit ratings and involve a greater risk to principal. Fixed income investments are subject to interest rate risk; their value will normally decline as interest rates rise. The Fund seeks to mitigate interest rate risk by taking short positions in U.S. Treasuries, but there is no guarantee this will be achieved. Derivative investments can be volatile, and these investments may be less liquid than other securities, and more sensitive to the effects of varied economic conditions.

Fixed income investments are also subject to credit risk, the risk that the issuer of a bond will fail to pay interest and principal in a timely manner or that negative perceptions of the issuer's ability to make such payments will cause the price of that bond to decline. The Fund may engage in “short sale” transactions where losses may be exaggerated, potentially losing more money than the actual cost of the investment, and the third party to the short sale may fail to honor its contract terms, causing a loss to the Fund. While the Fund attempts to limit credit and counterparty exposure, the value of an investment in the Fund may change quickly and without warning in response to issuer or counterparty defaults and changes in the credit ratings of the Fund's portfolio investments. Due to the investment strategy of certain Funds, they may make higher capital gain distributions than other ETFs. Please read the Fund's prospectus for specific details regarding the Fund's risk profile.

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