

WisdomTree's exchange-traded funds (ETFs) are designed to combine the outperformance potential of active¹ management with the low-cost, tax-efficiency and transparency of the ETF structure. Our Modern Alpha™ approach to investing seeks to provide investors with the benefits of both sources of return: alpha² and beta³.

WisdomTree believes there is a compelling, long-term market opportunity created by the evolution of platform business models, or "modern technology platforms." The WisdomTree Modern Tech Platforms Fund (PLAT) seeks to track the price and yield performance, before fees and expenses, of the WisdomTree Modern Tech Platforms Index (WTMDPL), which is comprised of a basket of modern technology platform companies.⁴

Technology continues to transform all segments of the economy. Platform-based businesses are gaining market share at the expense of traditional, linear businesses and doing so with much better economies of scale and long-term profitability figures. In our view, the platform concept is a primary driver of the success of the largest technology companies such as Google, Amazon and Apple.⁵

The Modern Platform Business Model

Successful modern platform-based businesses create large, scalable networks that facilitate transactions between interdependent groups of consumers and producers through technology. While the traditional business model creates value through linear supply-chain production, a platform business is a non-linear, asset-light model that creates value through connections⁶. These key differences enable platform businesses to potentially benefit from scale advantages beyond the capability of linear businesses, including linear tech businesses.

At a certain size, the benefit of further scale is limited for a linear business, but remains unlimited for a platform business. Platforms benefit from network effects—networks become increasingly valuable to users as they grow. Put another way, the marginal cost of adding an additional user approaches zero as a platform scales; conversely, a linear model reaches a point where the marginal cost outweighs the benefit.

The structural advantages of the platform-based businesses we seek to invest in can be reflected in financial metrics through robust revenue growth, margin expansion, substantial free cash flow generation and strong returns on capital.

Relative to the companies in the S&P 500 Index, the constituents of the WisdomTree Modern Tech Platforms Fund (PLAT) have generated greater revenue growth with stronger margins⁷.

¹ Active: Funds that attempt to outperform the market by selecting securities a portfolio manager believes to be the best.

² Alpha: Can be discussed as both risk-adjusted excess return relative to a specific benchmark, or absolute excess return relative to a benchmark. It is sometimes more generally referred to as excess returns in general.

³ Beta: A measure of the volatility of a security or a portfolio in comparison to a benchmark. In general, a beta less than 1 indicates that the investment is less volatile than the benchmark, while a beta more than 1 indicates that the investment is more volatile than the benchmark.

⁴ WisdomTree defines a modern technology platform as a company with a non-linear, multi-sided business model focused on creating value by facilitating interactions between two or more interdependent groups through technology.

⁵ PLAT held Alphabet, Amazon, and Apple in 1.5%, 1.1%, and 2.0% weights, respectively, as of 12/31/2019.

⁶ Linear business models create value downstream through a supply chain; non-linear business models do not create value downstream through a supply chain.

⁷ 1- and 3-year median sales growth and gross margins for WTMDPL and the S&P 500 Index are calculated as the median value of each constituent.

Median Sales Growth			Median Gross Margin		
Fund/Index	1-Year	3-Year	Fund/Index	1-Year	3-Year
PLAT	23.8%	19.0%	PLAT	66.6%	66.9%
S&P 500	7.4%	6.8%	S&P 500	36.9%	36.8%

Sources: WisdomTree, Facset, as of 12/31/19. Growth rates over 1-year are annualized. Past performance is not indicative of future results. Subject to change. You cannot invest directly in an index.

Platform businesses have penetrated many sectors of the economy. There are nine distinct platform models, defined by the type of transaction being coordinated through a company’s network.

Platform Type	Core Transaction	% Weight in PLAT	Company Examples
Product Marketplace	Physical Product	20.6%	Amazon (1.1% weight) - connects third-party sellers and buyers of products through its retail Marketplace website.
Services Marketplace	Service	21.0%	Booking Holdings Inc. (1.5% weight) - operates well-known websites (Booking.com, KAYAK, and OpenTable) which connect consumers and producers seeking to reserve a service.
Content Platform	Content (e.g., Video)	13.5%	Alphabet Inc. (1.5% weight) - Google Search provides a platform connecting consumers and producers of web content.
Investment Platform	Investment (e.g., Loan)	13.5%	CME Group Inc. (1.4% weight) - connects buyers and sellers of derivatives through its trading platforms.
Communication Platform	Direct Social Communication	10.9%	Atlassian Corp. (1.3% weight) - operates a marketplace for communication management applications that facilitate the information sharing between users.
Payment Platform	Monetary Payment	5.3%	Visa (1.4% weight) - connects merchants with consumers through its payment processing network.
Social Networking Platform	Double-Opt-In (e.g., Friending) Social Interaction	5.5%	Facebook (1.4% weight) - offers a centralized network that facilitates social interaction between users that agree to connect with each other.
Development Platform	Software Program	6.5%	Microsoft (1.7% weight) - provides a platform-based ecosystem (Windows) that connects users and producers of software programs.
Social Gaming Platform	Gaming Interaction	3.1%	Zynga Inc. (1.3% weight) - operates a gaming network that enable users to play with one another.

Exposures subject to change. As of 12/31/2019.

Weights refer to the percentage weight PLAT held in each company and platform type as of 12/31/2019.

Sector	Platform Type	% Weight in Platform Type per Sector	Company Examples
Communication Services	Content Platform	13.5%	Pinterest, Inc. (0.7% weight)
	Services Marketplace	6.3%	ANGI Homeservices Inc (0.5% weight)
	Product Marketplace	3.6%	Zillow Group Inc (1.8% weight)
	Social Networking Platform	4.4%	Match Group Inc (1.7% weight)
	Communication Platform	3.9%	Snap Inc (2.0% weight)
	Social Gaming Platform	1.3%	Zynga Inc (1.3% weight)
Consumer Discretionary	Services Marketplace	10.3%	GrubHub Inc (0.8% weight)
	Product Marketplace	7.9%	Alibaba Group Holding Ltd (1.6% weight)
	Social Gaming Platform	1.8%	Stars Group Inc/The (1.8% weight)
	Development Platform	1.7%	Sony Corp (1.7% weight)
Information Technology	Payment Platform	4.0%	Mastercard Inc (1.5% weight)
	Communication Platform	7.1%	Dropbox Inc (0.8% weight)
	Development Platform	4.8%	Apple Inc (2.0% weight)
	Product Marketplace	2.6%	Coupa Software Inc (1.8% weight)
Financials	Investment Platform	13.5%	Nasdaq Inc (1.5% weight)
	Payment Platform	1.3%	American Express Co (1.3% weight)
Industrials	Product Marketplace	6.5%	KAR Auction Services Inc (0.4% weight)
	Services Marketplace	2.5%	Lyft Inc (0.9% weight)
	Social Networking Platform	1.2%	51job Inc (1.2% weight)
Health Care	Services Marketplace	1.9%	Teladoc Health Inc (1.9% weight)

Sources: WisdomTree, Factset, as of 12/31/19.

Weights refer to the percentage weight PLAT held in each company and platform type as of 12/31/2019.

Investment Methodology

To build the Index, WisdomTree licensed data from Applico, a platform consulting business. Applico's founder and CEO, Alex Moazed, and principal, Nicholas Johnson, researched platform models extensively to write *Modern Monopolies*,⁸ an Amazon best seller, detailing the characteristics of platforms.

WTMDPL is an equally weighted Index composed of mid- and large-cap companies with at least \$2 billion in market capitalization and is listed on a U.S. or European stock exchange. PLAT generally uses a representative sampling strategy to track the Index.

In order to be eligible for investment in WTMDPL, a company must possess the following characteristics:

- **Customer Relationship**—The company has a direct relationship with a user group who consumes value.
- **Producer Relationship**—The company has a direct relationship with an external user group who supplies the value to be consumed by another user group.
- **Platform Revenue**—the company derives revenue from a platform business directly (as a percentage of the monetary value of each transaction it facilitates) or indirectly (by providing products or services related to the facilitation of value exchanges on the platform). Eligible platform types include services, product, payment, investment, social networking, gaming, communication, content and development.
- **Platform Revenue Percentage**—the company must meet a minimum threshold for revenue derived from platform business units.
- **Value Created by Producer**—value is supplied by a third party and is not directly controlled by the company, and that supply does not sit on the company's balance sheet.
- **Network Ownership and Network Effect**—the company owns the network by which the consumers and producers directly connect. The more consumers that use the platform, the more value each producer will gain from the platform, and vice versa.

Modernizing Your Portfolio

PLAT provides exposure to U.S., Asian and European equities with the potential for fundamental growth, and could be a well suited candidate to replace or complement growth-oriented investment strategies.

⁸ Alex Moazed and Nicholas L. Johnson, *Modern Monopolies*, 2016.

WisdomTree Modern Tech Platforms Index Holdings and Statistics

Sector Exposure		Country Exposure		Fund Information	
Sector	Weight	Country	Weight		
Communication Services	33.00%	United States	57.42%	Ticker	PLAT
Consumer Discretionary	21.76%	China	14.95%	Fund/Index	0.45%
Information Technology	18.46%	United Kingdom	4.85%	Number of Holdings	75
Financials	14.74%	Germany	6.93%	Weighting Mechanism	Equally Weighted
Industrials	10.10%	Japan	3.59%	Median Market Cap	\$9.3 bn
Health Care	1.94%	Canada	3.38%	% Weight Large Cap	53.2%
		Netherlands	2.85%	% Weight Mid Cap	42.2%
		Argentina	1.50%	% Weight Small Cap	4.6%
		Other	4.54%		

Top 10 Holdings by Market Cap			
Company	Country	Sector	Weight
Delivery Hero SE	DE	Consumer Discretionary	2.20%
Pinduoduo, Inc. Sponsored ADR Class A	CN	Consumer Discretionary	2.19%
London Stock Exchange Group plc	GB	Consumer Discretionary	2.03%
Apple Inc.	US	Financials	2.01%
Snap, Inc. Class A	US	Information Technology	1.98%
Teladoc Health, Inc.	US	Communication Services	1.94%
LINE Corp. Sponsored ADR	JP	Health Care	1.89%
Coupa Software, Inc.	US	Communication Services	1.83%
Copart, Inc.	US	Information Technology	1.80%
Stars Group Inc.	CA	Industrials	1.80%

Sources: WisdomTree, Facset, as of 12/31/19. Holdings subject to change.

Quick Facts	
Ticker	PLAT
Exchange	NYSE
Expense Ratio	0.45%
Structure	Open-end ETF
Exposure	Mid and large-cap equities generating substantial revenue from a modern platform business
Number of Holdings	75
Rebalancing	Annually

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 on PLAT, contact your WisdomTree representative or visit WisdomTree.com.

Unless otherwise stated, data source is WisdomTree.

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. Read the prospectus carefully before you invest.

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; these risks may be enhanced in emerging, offshore or frontier markets. Technology platform companies have significant exposure to consumers and businesses and a failure to attract and retain a substantial number of such users to a company's products, services, content or technology could adversely affect operating results. Technological changes could require substantial expenditures by a technology platform company to modify or adapt its products, services, content or infrastructure. Technology platform companies typically face intense competition and the development of new products is a complex and uncertain process. Concerns regarding a company's products or services that may compromise the privacy of users, or other cybersecurity concerns, even if unfounded, could damage a company's reputation and adversely affect operating results. Many technology platform companies currently operate under less regulatory scrutiny but there is significant risk that costs associated with regulatory oversight could increase in the future. The Fund invests in the securities included in, or representative of, its Index regardless of their investment merit and the Fund does not attempt to outperform its Index or take defensive positions in declining markets. The composition of the Index is heavily dependent on quantitative and qualitative information and data from one or more third parties and the Index may not perform as intended. Please read the Fund's prospectus for specific details regarding the Fund's risk profile.

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The S&P 500 Index: A capitalization-weighted index of 500 stocks selected by the Standard & Poor's Index Committee, designed to represent the performance of the leading industries in the U.S. economy. WisdomTree Modern Tech Platform Index: An equally weighted index that measures the performance of large- and mid-cap equities that are listed on a U.S. or European stock exchange, and that rely on a platform-based business model.

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WTGM-3005