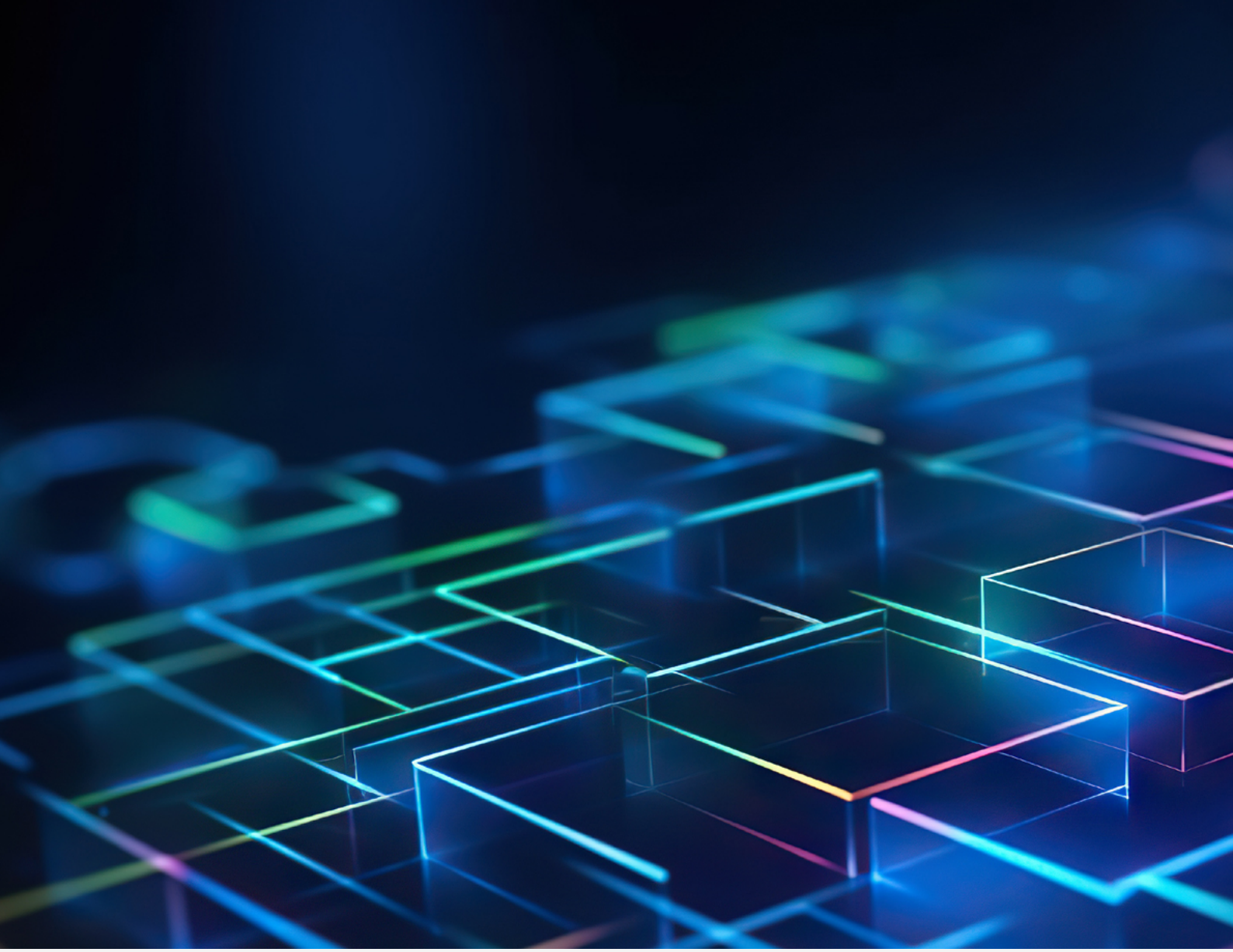


WisdomTree Global Megatrends Equity Index Methodology

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The WisdomTree Global Megatrends Equity Index is designed to track the performance of global listed companies involved in global megatrends including social, demographic, technological, environmental or geopolitical shifts defined in the WisdomTree Thematic Classification[1].

The Index is built around 4 layers of alpha generation:

1. **The Strategic Thematic Asset Allocation:** The index invests in a curated portfolio of investment themes to focus on the most promising themes at a given time whilst maximising diversification amongst themes.

2. **The Tactical Thematic Asset Allocation:** Themes are driven by various factors over time, from regulatory changes, macro-economic background, to technological advances and evolving consumer preferences. This can produce both tailwinds and headwinds in a theme's development. The index uses momentum signals to overweight and underweight themes to adapt to the prevailing market conditions.

3. **The Thematic Stock Selection:** The index uses multiple thematic experts to build a systematic framework to identify the most relevant, pure-play companies for each theme.

4. **Final Momentum Stock Selection:** The number of holdings is reduced to around 600 stocks by focusing on the stocks with the highest momentum within each theme. The relative weight of each theme remains unchanged. The total number of stocks is capped at 750.

[1] For the WisdomTree Thematic Classification please refer to the Appendix at the end of the document.

Rebalancing Process



Theme Selection: Annually, the theme selection process is executed in April.

Weights for Tactical Themes and Underlying Stocks: The Index is rebalanced on a quarterly basis in January, April, July and October. This is when the different theme tactical weights and the underlying stocks' weights are adjusted.

Thematic Stock Selection: The Thematic Stock Selection takes place quarterly in January, April, July and October.

Index Construction

1. The Strategic Thematic Asset Allocation

On an annual basis, around 15 themes are selected from the "WisdomTree Thematic Classification", which classifies themes across 4 megatrends:


Technological Shifts


Demographic and Social Shifts


Environmental Pressures


Geopolitical Shifts

The theme selection is based on qualitative and quantitative indicators, focusing on two main criteria:

+ **Conviction:** High-conviction themes are the themes with greater market size, growth potential and investable universe.
+ **Diversification Potential:** Themes are assessed through a combination of hierarchical clustering calculated on the excess returns (vs. global equity benchmark) of each of the themes, along with the WisdomTree Thematic Classification as defined above.

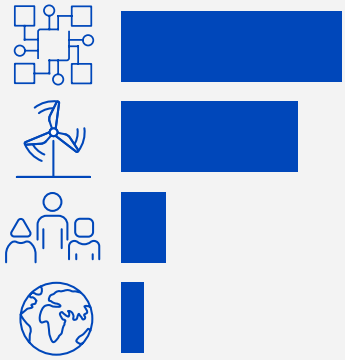
The 4 relevant Megatrends are weighted on rebalancing as follows:

55% for Technological Shifts

30% for Environmental Pressures

5% for Demographic and Social Shifts

10% for Geopolitical Shifts



The themes are then weighted within each megatrend on an equal weight basis adjusted for their respective historical volatility.

2. The Tactical Thematic Asset Allocation

The tactical allocation is based every quarter on a **momentum score** calculated independently for each theme by looking at the crossings of the 3-month and 12-month moving averages of the relative performance of the theme compared to the global equity benchmark. Depending on the momentum scores, the weighting of each theme is modified by a multiplier ranging from 0.5 to 1.5.

The final weight of each theme at the quarterly rebalancing is its strategic weight multiplied by the theme's tactical multiplier.

3. Thematic Stock Selection

The theme basket means a portfolio of companies, which have high exposure and are considered as the good representation of the relevant theme.

When available, the theme basket is derived from the portfolio of the relevant **WisdomTree equity Thematic ETFs** for that Theme. This allows investors to benefit from all the work done by WisdomTree and the relevant thematic expert for that theme. All the eligibility criteria, selection rules and weighting rules are those defined in partnership with the relevant thematic expert.

Hence, each theme basket is a diversified portfolio of expert-picked, pure-play, up-and-coming companies that are highly relevant to the theme.

For the selected themes where WisdomTree equity thematic ETFs are not available, the Index uses a rule-based approach to construct the relevant theme baskets:

Eligible Universe

Companies incorporated, domiciled and listed on eligible stock exchanges in developed or emerging markets

Eligibility Screen

+ Market capitalisation of at least **$500 million**
+ Median daily dollar volume greater than **$1 million** for the three months

ESG Screen

Companies are excluded from the universe based on the following Environmental, Social and Governance (ESG) criteria.

WisdomTree ESG criteria include norms-based and activity-based exclusions, including:

— United Nations Global Compact (UNGC)

— Controversial weapons

— Tobacco

— Thermal Coal

— Unconventional oil and gas exploration/ production

— Small Arms

To obtain further information regarding the WisdomTree ESG exclusions, kindly refer to our responsible investing page.

Stock Selection in the Theme Basket

Stocks are selected based on their economic activity related to the relevant theme.

A company's engagement in these activities is indicated via applicable language in its company description, annual report, 10K or equivalent report, earnings call transcripts, patent submissions, news and press releases, as well as via revenue exposure.

Stock Weighting in the Theme Basket

Stocks are weighted by market cap adjusted by its revenue related to the theme.



4. Final Momentum Stock Selection

Momentum Score

A momentum score is calculated for each stock, which is based on 6-month and 12-month returns for each stock.

Selection

Companies with lower momentum scores are proportionally removed from each theme, resulting in approximately 20% are excluded when combining the holdings from all the themes. The total number of constituents is limited to 750. Where selection produces more than 750 eligible securities after the momentum cut, the lowest-weighted stocks are removed, but the weights will be redistributed to ensure the theme target allocation.

Final Weighting

The Index looks through each theme basket and derives each stock's weight as the cumulative sum of its weight in each theme basket multiplied by the theme weight in the index.

% Cap

The maximum weight of any stock in the Index is capped at 3% at rebalancing.

Liquidity Adjustment

The weight of any stock can be adjusted to make sure that its volume factor (median daily volume last 3 months divided by the weight of the stock) is at least **$400m**.

2026 Theme Baskets for the WisdomTree Global Megatrends Equity Index	
Megatrends	**Selected Themes**
Technological Shifts (55% weight)	AI Infrastructure Artificial Intelligence & Big Data Blockchain Cybersecurity Digital Infrastructure HealthTech Quantum Computing Physical AI & Robotics Rise of China Tech Space
Geopolitical Shifts (10%)	Rise of Tension Economic Resilience
Environmental Pressures (30% weight)	Grid Infrastructure Sustainable Energy Production Sustainable Energy Storage Nuclear Strategic Metals & Rare Earths
Demographic & Social Shifts (5% weight)	Ageing Population Rise of Emerging Markets Consumer

Appendix

WisdomTree's Thematic Classification divides over 50 investment themes across four main megatrends: Technological Shifts, Demographic & Social Shifts, Geopolitical Shifts and Environmental Pressures.

Diversified Thematics							
Technological Shifts		**Demographic and Social Shifts**		**Geopolitical Shifts**		**Environmental Pressures**	
Disruptive Technologies	Hyper Connectivity & Digitalisation	Demographic Shifts	Social Shifts	Globalisation	Multi-polarity	Energy Addition & Climate Change	Limited Resources
Artificial Intelligence & Big Data	Cloud Computing	Aging Population	Education	Global Logistics	China's Rise	Electrification	
Agentic AI	AI Infrastructure	Millennials & Gen Z	Equality, Inclusion & Diversity		Deglobalisation	Decarbonisation	Agriculture & Food
Rise of China Tech			Rise of the Middle Class		Rise of Tension	Protect Biodiversity	Natural Resources
Blockchain	Cybersecurity		Rise of EM Consumer		Economic Resilience	Grid Infrastructure	Water
HealthTech	Digital Health		Wellness			Sustainable Mobility	
Industry 4.0	Digital Infrastructure					Sustainable Energy Production	
Next Gen Communications	Fintech & Digitalisation of Finance					Sustainable Energy Storage	
Physical AI & Robotics	Gaming & Entertainment					Sustainable Food	
Semiconductors	Internet of Things					Sustainable Cities	
Smart Materials & Nano Tech	Metaverse					Sustainable Resource Management	
Space	Platforms & Digital Markets					Extreme Events	
Quantum Computing	Social Media & Media					Strategic Metals & Rare Earths	
						Nuclear	

Source: WisdomTree. April 2026.

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