What's Hot: Riding high interest rates with Treasury FRNs and AT1 CoCo bonds

Pubblicato il 2 ottobre 2026

Lucas Armada
Associate, Quantitative Research

Ayush Babel
Director, Quantitative Research

Piergiacomo Braganti
Director, Research

Punti chiave

- In a context of high and rising interest rates as well as a flat yield curve, Treasury Floating Rate Notes prove to be a useful instrument given their low duration and low volatility
- Rising yields in AT1 CoCo bonds prove to be macro rather than credit related, making those bonds attractive as the underlying European banks continue to display strong fundamentals

MARKETING COMMUNICATION – Please refer to the prospectus and KID of the relevant fund before making any final investment decisions.

In 2002, the iPhone did not exist, the Euro had just entered circulation and Bitcoin was still years from being introduced. The world was recovering from the dot-com bubble and the recession that followed, with the Fed cutting interest rates to historic lows to support the economy.

A few years later, in an overheating economy, rate-hiking cycles led the US Treasury 10-year yield to over 5%, peaking just before the Global Financial Crisis. It was then driven to an all-time low below 1% during the COVID pandemic after over a decade of Quantitative Easing and zero-rate policies put in place by central banks to revitalize the economy.

After the pandemic, higher persistent inflation led the Fed on another rate-hiking cycle that sent the 10-year Treasury yield almost back to its 2007 levels, before easing a little in the years that followed.

Today, a different picture lies before us: geopolitical tensions causing ever-so-high oil prices, rising inflation fears, and most importantly a high fiscal deficit in the US have propelled the US Treasury 10-year yield back to its 2002 levels, pointing at roughly 5.3%[1] on the 30th of September.

But this dynamic is not confined to the US – it affects all developed markets across the globe. The U.K. 10-year Gilt rose above 5.4%[1] in September, reaching its highest level since 2007 – the German 10-year

Bund yield reached 3.6%[1], a level last reached in 2009 – the Japanese government 10-year yield reached 3.1%[1], levels last seen in 1996.

A lot of different instruments are available to investors who want to invest in bonds - as markets are shifting into higher rates environments all around the globe, it is important to consider how different bond instruments may behave in the current environment.

For investors investing in USD, we focus first on US Treasury Floating Rate Notes and elaborate on why they make sense in the current environment.

The case for US Treasury Floating Rate Notes

A key metric investors look at when investing in bonds is **duration**.

Duration measures the sensitivity of a bond's price to a change in interest rates. The longer the duration, the more the bond price will move when interest rates change.

When rates are declining, long duration bonds will see their price advance - when rates are rising, on the other hand, low duration bonds will be more immune to price drops.

Investors, in the current setting, are not being rewarded to take on duration risk – the **yield curve is not very steep** (see Figure 1): investors are not paid a significantly higher yield for locking their money for longer.

In the current environment, with rates being high and with a sentiment of them staying higher for longer, **Treasury Floating Rate Notes** are a very well positioned instrument mainly because, by design, their duration is very low.

What are Treasury FRNs?

The US Treasury started issuing Floating Rate Notes in 2014, as part of a new class of issuance – the latest since the introduction of TIPS back in 1997.

A Floating Rate Note is a rather simple instrument: it is a coupon-paying bond with a finite maturity, whose **coupon is not fixed, but variable**. The coupon rate is the sum of two parts: a benchmark rate, and a spread rate.

In the case of the US Treasury, the coupon is updated every week based on the 13-week T-Bill auction, which sets the highest accepted discount rate for this instrument: this is the **benchmark rate**. During the first auction of a new FRN issuance, a **spread rate** will be agreed upon and fixed for the remainder of the bond's life. This rate is based on the highest accepted discount margin during this auction.

Interest is accrued daily, and **coupons are paid out quarterly**.

This is essentially why FRNs, by design, have a very low duration: since the coupon rate is reset every week, an FRN will have a very low sensitivity to a movement in rates because whatever happens to interest rates will be reflected in the bond's coupon at the next weekly update.

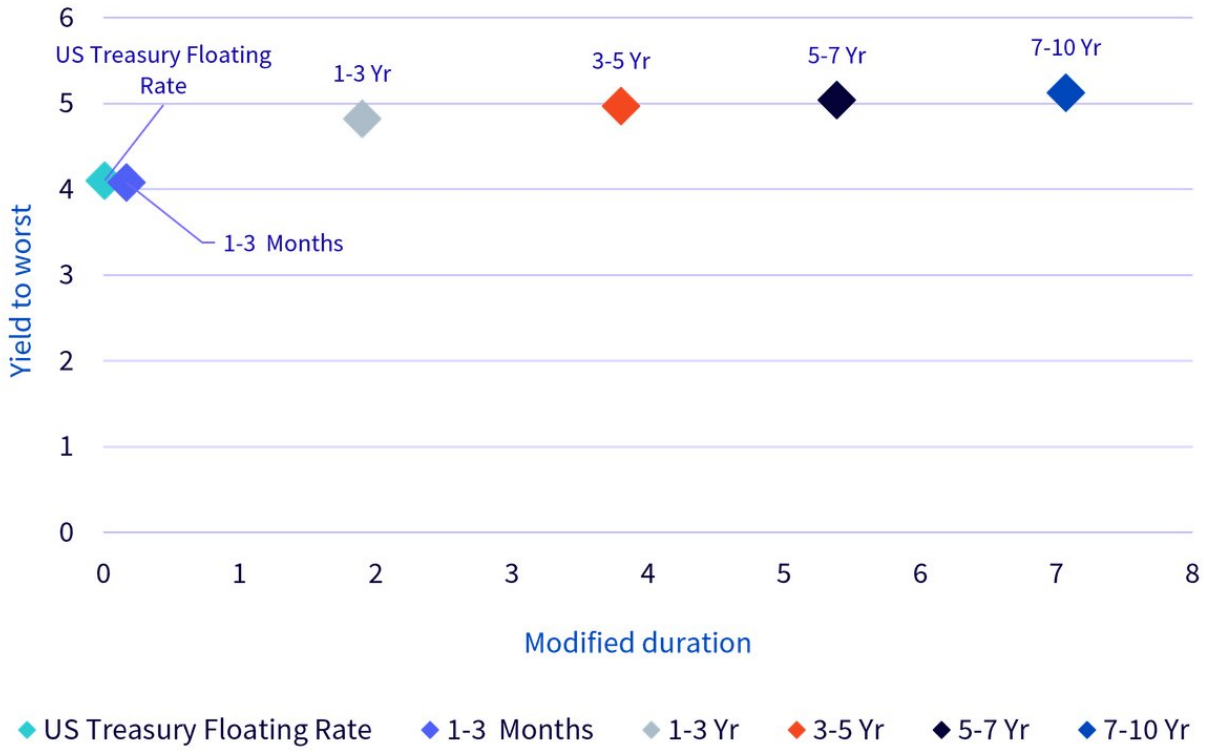
US Treasury FRNs compared to other Treasury instruments

Treasury FRNs differ from the other instruments used by the US Treasury. They make quarterly interest payments and their coupons adjust with the weekly auction of the 3-month T-bill rate.

FRNs	TIPS	T-Bills	T-Notes
Coupons			
+ Effectively reset weekly + Paid quarterly	+ Semi-annual coupon + Fixed rate of the adjusted principal	+ No coupon	+ Fixed semi-annual coupon
Principal			
+ Repaid at maturity	+ Adjusts to CPI	+ Repaid at maturity	+ Repaid at maturity
Maturity			
+ 2 years	+ 5, 10 and 30 years	+ Up to 1 year	+ 2, 3, 5, 7 and 10 years
Duration			
= time to next reset = 7 days	? maturity	= maturity	< maturity

Figure 1 shows that US FRNs exhibit the lowest duration amongst all US Treasury instruments while offering yields comparable with certain other Treasury maturities shown in Figure 1.

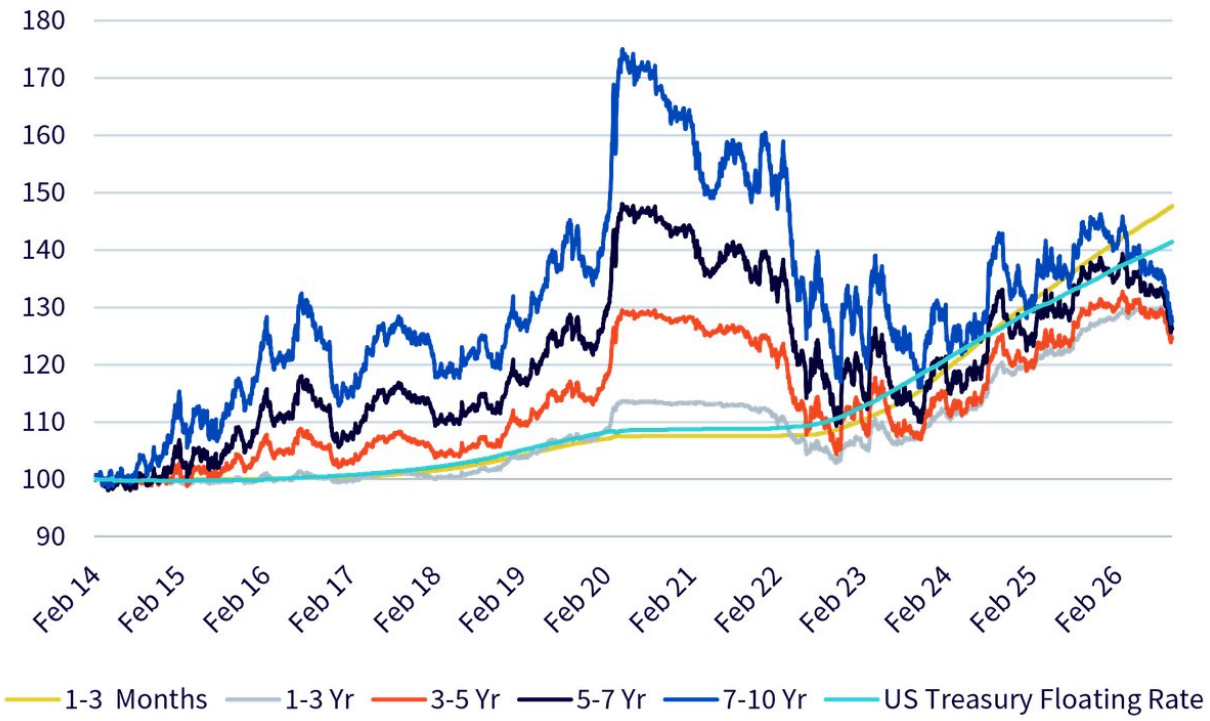
Figure 1: YTW vs modified duration for diferent U.S. Treasury insturments



Source: WisdomTree, Bloomberg, data as of 30.09.2026 (latest available data).YTW = yield-to-worst. Modified duration = percentage change in a bond price for a 1% parallel move in the yield curve.

Given their lower duration, they also exhibit much lower volatility compared to longer maturity US Treasury bonds, as can be seen on Figure 2: their historically lower price volatility may provide diversification relative to longer-duration Treasury exposure.

Figure 2: Total return evolution of different treasury strategies



Source: WisdomTree, Bloomberg, data as of 30.09.2026 (latest available data). **Historical performance is not an indication of future performance and any investment may go down in value.**

WisdomTree provide access to US Treasury FRNs via the **WisdomTree USD Floating Rate Treasury Bond ETF**, whose aim is to track the Bloomberg Barclays U.S. Treasury Floating Rate Bond Index, which tracks all the issuances of FRN by the US Treasury.

Investors should note that floating-rate Treasury exposure remains subject to interest-rate, market and currency risks. While FRNs generally have lower duration than fixed-rate Treasury bonds, their income can fall if short-term interest rates decline. The value of an investment may also fall, and investors whose base currency is not US dollars are exposed to movements in exchange rates.

The case for AT1 CoCo bonds

European banks continue to report strong profitability and capital metrics, with Q2 2026 results generally remaining resilient. Q2 2026 results confirmed it. Meanwhile, bond yields have surged across the board: **sovereigns, investment-grade corporates**, and, sharply, **AT1 CoCo bonds**, issued primarily by banks.

AT1 CoCo (Additional Tier 1 Contingent Convertibles) bonds are instruments issued by banks as part of their Additional Tier 1 capital buffer. They don't have a fixed maturity and are callable by the issuer at pre-determined dates. Their survival is contingent on the good health of the bank: if the bank's capital ratio falls under a threshold, CoCo bonds can either be written down or converted into equity, depending on the terms.

Morningstar DBRS called Q2 2026 "another quarter of solid results" for the European banking sector, with **aggregate net profit up 18% year-on-year**. The story holds up from every angle: resilient net interest margins, higher fee income, robust capital markets activity, asset quality that stayed low-risk despite geopolitical tensions, stable-to-improving credit indicators, and contained cost of risk. Several banks, **Deutsche Bank, Barclays, Société Générale** among them, also announced additional share buybacks, supported by their reported capital positions.

For roughly five months now, with a sharp acceleration in August and September, bond yields have risen hard. Here's the key insight: **The yield increase appears to have been driven primarily by broader interest-rate movements rather than a material widening in AT1 credit spreads.** The crucial detail: AT1 credit spreads remain near historic lows. AT1 credit spreads have remained relatively tight, indicating limited spread widening despite the increase in overall yields. **Higher yields are coming from the risk-free rate component, not from a repricing of bank credit risk.**

An ETF like the **WisdomTree AT1 CoCo Bond** (tracking the iBoxx Contingent Convertible Liquid Developed Europe AT1 index) is currently yielding a 7.01% Yield-To-Worst in USD, as of 28/09/2026[2].

That compares very favourably with investment-grade corporates (offering markedly lower yields today[3]) and even with much of generalist high yield, while starting from a higher average issuer quality since European banks are typically stronger credits than the average industrial high-yield name.

AT1 CoCo bonds are subordinated instruments and involve additional risks compared with conventional corporate bonds, including the potential for coupon cancellation, conversion into equity or principal write-down under certain circumstances. Their value may fall as well as rise and investors may lose part or all of their investment.

[1]Bloomberg. Data as of 30/09/2026

[2] WisdomTree

[3] Markit iBoxx EUR Liquid Investment Grade Index, as of 29/09/2026 (Bloomberg)

Important Information

Marketing communications issued in the European Economic Area ("EEA") & Switzerland: This document has been issued and approved by WisdomTree Ireland Limited, which is authorised and regulated by the Central Bank of Ireland.

Marketing communications issued in jurisdictions outside of the EEA, except Switzerland: This document has been issued and approved by WisdomTree UK Limited or Atlantic House Investments Limited, which are both authorised and regulated by the United Kingdom Financial Conduct Authority.

WisdomTree Ireland Limited, WisdomTree UK Limited and Atlantic House Investments Limited are referred to as "WisdomTree" (as applicable) throughout. Our Conflicts of Interest Policy and Inventory are available on request.

This marketing communication is intended for all investors; however, the WisdomTree products described in this document and related materials may be restricted in certain jurisdictions and may only be available to particular categories of investors in accordance with applicable laws and regulations. Where a product is not authorised or its distribution is restricted in your jurisdiction, it is the responsibility of any person or entity in possession of this information to inform themselves of, and comply with, all relevant restrictions. Before making any investment, investors should seek appropriate legal, regulatory, tax and investment advice to assess the suitability and implications of investing in these products. Information about WisdomTree products is available at wisdomtree.eu. WisdomTree does not offer investment advice tailored to individual circumstances. Past performance is not a reliable indicator of future performance. Any historical performance included in this document may be based on back testing. Back testing is the process of evaluating an investment strategy by applying it to historical data to simulate what the performance of such strategy would have been. Back tested performance is purely hypothetical and is provided in this document solely for informational purposes. Back tested data does not represent actual performance and should not be interpreted as an indication of actual or future performance. The value of any investment may be affected by exchange rate movements. Any decision to invest should be based on the information contained in the appropriate prospectus and after seeking independent investment, tax and legal advice. The content of this document does not constitute investment advice nor an offer for sale nor a solicitation of an offer to buy any product or make any investment.

This marketing communication should be read in conjunction with the relevant WisdomTree products' Prospectus, Key Investor Information Document ("KIID"), Key Information Document ("PRIIPS KID") as relevant. In particular, investors should carefully read the specific risks detailed under the section entitled 'Risk and Reward Profile' in the KIID, 'What are the risks and what could I get in return?' in PRIIPs KID and under the section entitled 'Risk Factors' in the Prospectus of the Issuer for further details of risks associated with an investment in the product(s) detailed herein. Further information regarding the WisdomTree exchange-traded product(s) detailed herein, such as a detailed list of the underlying investments and the indicative net asset value, can be obtained by visiting the WisdomTree website at (www.wisdomtree.eu).

An investment in WisdomTree exchange-traded products ("ETPs") is dependent on the performance of the underlying index, less costs, but it is not expected to match that performance precisely. An investment in WisdomTree funds is dependent on the performance of the underlying investments, less costs.

Both WisdomTree ETPs and funds involve numerous risks including among others, general market risks relating to any relevant underlying index, credit risks on the provider of index swaps utilised in ETPs, exchange rate risks, interest rate risks, inflationary risks, liquidity risks, derivatives risk and legal and regulatory risks.

The information contained in this document is not, and under no circumstances is to be construed as, an advertisement or any other step in furtherance of a public offering of shares in the United States or any province or territory thereof, where none of the issuers or their products are authorised or registered for distribution and where no prospectus of any of the issuers has been filed with any securities commission or regulatory authority. No document or information in this document should be taken, transmitted or distributed (directly or indirectly) into the United States. None of the issuers, nor any securities issued by them, have been or will be registered under the United States Securities Act of 1933 or the Investment Company Act of 1940 or qualified under any applicable state securities statutes.

This document may contain independent market commentary prepared by WisdomTree based on publicly available information. Although WisdomTree endeavours to ensure the accuracy of the content in this document, WisdomTree does not warrant or guarantee its accuracy or correctness. Any third party data providers used to source the information in this document make no warranties or representation of any kind relating to such data. Where WisdomTree has expressed its own opinions related to product or market activity, these views may change. Neither WisdomTree, nor any affiliate, nor any of their respective officers, directors, partners, or employees accepts any liability whatsoever for any direct or consequential loss arising from any use of this document or its contents.

This document may contain forward looking statements including statements regarding our belief or current expectations with regards to the performance of certain assets classes and/or sectors. Forward looking statements are subject to certain risks, uncertainties and assumptions. There can be no assurance that such statements will be accurate and actual results could differ materially from those anticipated in such statements. WisdomTree strongly recommends that you do not place undue reliance on these forward-looking statements.

WisdomTree Issuer ICAV

Certain funds referred to in this document are issued by WisdomTree Issuer ICAV ("WT Issuer"). WT Issuer is an open-ended, umbrella-type Irish Collective Asset-management Vehicle with segregated liability between sub-funds and is authorised by the Central Bank of Ireland ("CBI") as an Undertaking for Collective Investment in Transferable Securities ("UCITS") under Irish law. Each fund is represented by a separate class of shares (the "Shares") issued by WT Issuer.

The Fund is described in a Key Information Document (KID) or Key Investor Information Document (KIID) for UK investors, and the prospectus of WT Issuer ("WT Prospectus"). A copy of the WT Prospectus and the KID / KIID is available, for EEA/UK only, in English at www.wisdomtree.eu. Where required under national rules, the KID will also be available in the local language of the relevant EEA Member State. Investors should read the WT Prospectus before investing and should refer to the section of the WT Prospectus entitled 'Risk Factors' for further details of risks associated with an investment in the Shares.

The summary of investor rights associated with an investment in the fund is available in English on WisdomTree Europe's website. WisdomTree Management Limited may decide to terminate the arrangements made for the marketing of its collective investment undertakings. In such circumstances, shareholders in the affected EEA Member State will be notified of this decision and will be provided with the opportunity to redeem their shareholding in the fund free of any charges or deductions for at least 30 working days from the date of such notification.

WisdomTree USD Floating Rate Treasury Bond UCITS ETF

"BLOOMBERG®" and the Bloomberg indices listed as index components therein (the "Bloomberg Indices") are service marks of Bloomberg Finance L.P. and its affiliates, including Bloomberg Index Services Limited ("BISL"), the administrator of the Bloomberg Indices (collectively, "Bloomberg") and have been licensed for use for certain purposes by WisdomTree Issuer ICAV as the umbrella Irish collective asset-management vehicle of the Fund (the "Licensee"). Bloomberg is not affiliated with Licensee, and Bloomberg does not approve, endorse, review, or recommend the Fund. Bloomberg does not guarantee the timeliness, accuracy, or completeness of any data or information relating to the Fund.

WisdomTree AT1 CoCo Bond UCITS ETF

The iBoxx Contingent Convertible Liquid Developed Europe AT1 Index is a product of S&P Dow Jones Indices LLC or its affiliates ("SPDJI") has been licensed for use by WisdomTree. S&P®, S&P 500®, iBoxx®, iTraxx® and CDX® are registered trademarks of S&P Global, Inc. or its affiliates ("S&P"); Dow Jones®

is a registered trademark of Dow Jones Trademark Holdings LLC (“Dow Jones”); and these trademarks have been licensed for use by SPDJI and sublicensed for certain purposes by WisdomTree. WisdomTree AT1 CoCo Bond UCITS ETF is not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P, their respective affiliates, and none of such parties make any representation regarding the advisability of investing in such product(s) nor do they have any liability for any errors, omissions, or interruptions of the iBoxx Contingent Convertible Liquid Developed Europe AT1 Index.

CoCos are complex securities and potential investors should not discount tail risk and the possibility of conversion. CoCos coupon payments are fully discretionary and hence can in theory be skipped at any time.

For Investors in El Salvador:

This document has been produced for the purpose of providing information about the exchange traded products (ETPs). This document is made available on the condition that it is for the use only by the recipient and may not be passed on to any other person or be reproduced in any part. The ETPs have not been and will not be offered in the course of a public offering or of equivalent marketing in El Salvador and therefore, the provisions of the Stock Market Law of 1994 (Ley del Mercado de Valores) as amended, relating to registration requirements and to prospectus requirements do not apply. The ETPs have thus neither been registered for public distribution in El Salvador with the Stock Superintendency nor been the subject matter of a prospectus compliant with the Stock Market Law. Any subscription application by any person other than the initial recipient of the document will be rejected.

For Investors in Brazil:

These Shares may not be offered or sold to the public in Brazil. Accordingly, the offering of the Shares has not been nor will be submitted to the Brazilian Securities Commission - CVM for approval. Documents relating to such offering, as well as the information contained herein and therein may not be supplied to the public, as a public offering in Brazil or be used in connection with any offer for subscription or sale to the public in Brazil.

This is a strictly privileged and confidential communication between WisdomTree and its selected client. This communication contains information addressed only to a specific individual and is not intended for distribution to, or use by, any person other than the named addressee. This communication (i) is provided for informational purposes only, (ii) should not be construed in any manner as any solicitation or offer to buy or sell any securities or any related financial instruments, and (iii) should not be construed in any manner as a public offer of any securities or any related financial instruments. If you are not the named addressee, you should not disseminate, distribute or copy this communication. Please notify the sender immediately if you have mistakenly received this communication.

For Investors in Chile:

Date of the offer: WisdomTree Issuer ICAV prospectus is dated 28th May 2026

(i) This offer is made pursuant to Rule 336 issued by the Comisión para el Mercado Financiero of Chile (CMF);

(ii) This offer deals with securities that are not registered in the Securities Registry nor in the Foreign Securities Registry kept by the CMF, and that are, therefore, not subject to the supervision of the CMF;

(iii) Given that the securities are not registered, there is no obligation for the issuer to disclose in Chile public information about said securities; and

(iv) The securities may not be publicly offered as long as they are not registered in the corresponding Securities Registry.

Fecha de inicio de la oferta: WisdomTree Issuer ICAV prospecto está fechado el 28 de mayo de 2026

(i) La presente oferta se acoge a la Norma de Carácter General N° 336 de la Comisión para el Mercado Financiero (CMF) de Chile.

(ii) La presente oferta versa sobre valores no inscritos en el Registro de Valores o en el Registro de Valores Extranjeros que lleva la Comisión para el Mercado Financiero, por lo que los valores sobre los cuales ésta versa, no están sujetos a su fiscalización;

(iii) Que por tratarse de valores no inscritos, no existe la obligación por parte del emisor de entregar en Chile información pública respecto de estos valores; y

(iv) Estos valores no podrán ser objeto de oferta pública mientras no sean inscritos en el Registro de Valores correspondiente.

For Investors in Colombia:

This document does not have the purpose or the effect of initiating, directly or indirectly, the purchase of a product or the rendering of a service by the ETF's to Colombian residents. The ETF products and/or services may not be promoted or marketed in Colombia or to Colombian residents unless such promotion and marketing is made in compliance with Decree 2555 of 2010 and other applicable rules and regulations related to the promotion of foreign financial and/or securities related products or services in Colombia. Neither the ETF's nor any related person or entity has received authorization or licensing from the Financial Superintendency of Colombia or any other governmental authority in Colombia to market or sell the Shares within Colombia.

Colombian residents acknowledge that (1) the receipt of this document does not constitute a solicitation from the Fund for its products and/or services, and (2) they are not receiving from the Fund any direct or indirect promotion or marketing of financial products and/or services. This document is strictly private and confidential and may not be reproduced or used for any purpose other than evaluation of a potential investment in the Fund by the intended recipient or provided to any person or entity other than the intended recipient.

For Investors in Costa Rica:

This is an individual and private offer which is made in Costa Rica upon reliance on an exemption from registration before the General Superintendence of Securities ("SUGEVAL"), pursuant to article 6 of the Regulations on the Public Offering of Securities ("Reglamento sobre Oferta Pública de Valores"). This information is confidential, and is not to be reproduced or distributed to third parties as this is NOT a public offering of securities in Costa Rica.

The Shares being offered are not intended for the Costa Rican public or market and neither are registered or will be registered before the SUGEVAL, nor can be traded in the secondary market.

For Investors in Mexico:

The ETF's have not been, and will not be, registered under the Mexican Securities Market Law (Ley del Mercado de Valores) and may not be publicly offered or sold in the United Mexican States. This document relating to the ETF's Offering may not be distributed publicly in Mexico. Certain Shares of the Issuer are listed on the Bolsa Mexicana de Valores, S.A.B. de C.V. ("BMV") in pesos and trades can be initiated through a local broker. Please confirm with your brokers that you are allowed to trade the Shares.

For Investors in Panama:

These Shares have not been and will not be registered with the Superintendence of the Securities Market of Panama (Superintendencia del Mercado de Valores de la República de Panamá). Accordingly, (i) the Shares cannot be publicly offered or sold in Panama, except in transactions exempted from registration under the securities laws of Panama, (ii) the Superintendence of the Securities Market of Panama has not reviewed the information contained in this document, (iii) the Shares and the offering thereof are not subject to the supervision of the Superintendence of the Securities Market of Panama, and (iv) the Shares do not benefit from the tax incentives provided by Panamanian securities laws and regulations.

For Investors in Peru:

The Shares have not been and will not be approved by or registered with the Peruvian Superintendencia del Mercado de Valores (the "SMV"), the Lima Stock Exchange (the "BVL") or any other regulatory agency in Peru. Accordingly, the Shares may not be offered or sold in Peru or in any other jurisdiction except in compliance with the securities laws thereof. This document is only for the exclusive use of institutional investors in Peru and is not for public distribution.

For Investors in Uruguay:

Shares of the ETF's are not available publicly in Uruguay and are offered only on a basis which constitutes a private placement in Uruguay. As such, the Shares are not required to be, and will not be, registered with the Central Bank of Uruguay. The Shares correspond to an investment fund that is not an investment fund regulated by Uruguayan law 16,774 dated September 27, 1996, as amended.

For US Offshore Investors:

The Shares have not been and will not be registered under the United States Securities Act of 1933, as amended ("the 1933 Act") or the securities laws of any of the states of the United States. The Shares may not be offered, sold or delivered directly or indirectly in the United States or to or for the account or benefit of any "US Person". The Shares are being offered outside the United States pursuant to the exemption from registration under Regulation S under the 1933 Act. Offering materials for the offering of the Shares have not been filed with or approved or disapproved by the United States Securities and Exchange Commission or any other state or federal regulatory authority, nor has any such regulatory authority passed upon or endorsed the merits of this offering or passed upon the accuracy or completeness of any offering materials. Any representation to the contrary is unlawful.

For Investors in Switzerland:

This document/constitutes/an advertisement of the financial product(s) mentioned/herein.

The prospectus (in English only) and the key investor information documents (KID) (in German, French and Italian) are available from WisdomTree's website: https://www.wisdomtree.eu/en-ch/resource-library/prospectus-and-regulatory-reports

For WisdomTree UCITS products only: the representative and paying agent of the ETPs in Switzerland is Société Générale Paris, Zurich Branch,/Talacker/50, PO Box 5070, 8021 Zurich, Switzerland. The prospectus, the key investor information documents (KIID), the articles of association and the annual and semi-annual reports of the sub-funds are available free of charge from the representative and paying agent. As regards distribution in Switzerland, the place of/jurisdiction/and performance is at the registered seat of the representative and paying agent. Some of the sub-funds referred to in this document may not have been registered with the Swiss Financial Market Supervisory Authority ("FINMA"). In Switzerland, such sub-funds that have not been registered with FINMA may only be available to Qualified Investors.

For Investors in Malta:

This document does not constitute or form part of any offer or invitation to the public to subscribe for or purchase shares in the Fund and shall not be construed as such and no person other than the person to whom this document has been addressed or delivered shall be eligible to subscribe for or purchase shares in the Fund. Shares in the Fund will not in any event be marketed to the public in Malta without the prior authorisation of the Maltese Financial Services Authority.

FOR INVESTORS IN FRANCE:

Further information regarding the WisdomTree exchange-traded product(s) detailed herein, such as a detailed list of the underlying investments and the indicative net asset value, can be obtained by visiting the WisdomTree website at (www.wisdomtree.eu).

The product is intended for retail investors who: (i) can withstand capital loss, are not seeking to preserve capital and are not seeking a capital guarantee; (ii) have specific knowledge or experience in investing in similar products and in the financial markets; and (iii) are looking for a product that provides exposure to the performance of the underlying asset(s) and have an investment horizon in line with the recommended holding period indicated in the KID.

In addition, the indicative net asset value is shown on the Reuters and Bloomberg pages of the product and may also be mentioned on the websites of the product's listing venues.

Units in a listed exchange-traded product purchased on the secondary market generally cannot be sold directly back to the listed exchange-traded product. For investors who are not authorised participants, the purchase and sale of units must be done on a secondary market with the help of an intermediary (e.g., a broker), and may therefore be subject to additional fees and taxes. In addition, it is possible that investors may pay more than the current net asset value when purchasing units and receive less than the current net asset value when selling them.

Investors should carefully read the specific risks detailed under the section entitled ‘What are the risks and what could I get in return?’ in the Key Information Document for Packaged Retail and Insurance-based Investment Products (PRIIPs KID) and under the section entitled ‘Risk Factors’ in the Prospectus of the Issuer for further details of risks associated with an investment in the product detailed herein.

Investors are advised that the prospectus is available in French and English.

This document is a promotional material relating to the financial product(s) mentioned herein. The prospectus and the Key Investor Information Document (KIID) are available on the WisdomTree website: https://www.wisdomtree.eu/resource-library/prospectus-and-regulatory-reports

The distribution of the Prospectus and the offering, sale and delivery of Shares in other jurisdictions may be restricted by law. WT Issuer is a UCITS governed by Irish legislation, and approved by the Central Bank of Ireland as UCITS compliant with European regulations although it may not have to comply with the same rules as those applicable to a similar product approved in France.

The Fund has been registered for marketing in France by the Financial Markets Authority (Autorité des Marchés Financiers) and may be distributed to investors in France. Copies of all documents (i.e. the Prospectus, any supplements or addenda thereto, the Key Information Document, the latest annual reports and the instrument of incorporation) are available in France, free of charge at the French centralizing agent, Societe Generale at 29, Boulevard Haussmann, 75009, Paris, France. Any subscription for Shares of the Fund will be made on the basis of the terms of the prospectus and any supplements or addenda thereto.

Investors should note that, relative to the expectations of the Autorité des Marchés Financiers, this UCITS presents disproportionate communication on the consideration of non-financial criteria in its management.

For Investors in Monaco:

This communication is only intended for duly registered banks and/or licensed portfolio management companies in Monaco. This communication must not be sent to the public in Monaco.

For Investors in Israel:

Offering materials for the offering of the Shares and securities have not been filed with or approved or disapproved by the United States Securities and Exchange Commission or any other state or federal regulatory authority, nor has any such regulatory authority passed upon or endorsed the merits of this offering or passed upon the accuracy or completeness of any offering materials. Any representation to the contrary is unlawful. The products mentioned herein have not been approved by the Israel Securities Authority and will only be distributed to Israeli residents in a manner that will not constitute “an offer to the public” under sections 15 and 15a of the Israel Securities Law, 5728-1968 (“the Securities Law”) or section 25 of the Joint Investment Trusts Law, 5754-1994 (“the Joint Investment Trusts Law “), as applicable. The products are being offered to a limited number of investors (35 investors or fewer during any given 12 month period) and/or those categories of investors listed in the First Addendum (“the Addendum”) to the Securities Law, “Sophisticated Investors”) who in each case have provided written confirmation that they qualify as Sophisticated Investors, and that they are aware of the consequences of such designation and agree thereto; in all cases under circumstances that will fall within the private placement or other exemptions of the Joint Investment Trusts Law, the Securities Law and any applicable guidelines, pronouncements or rulings issued from time to time by the Israel Securities Authority.

This prospectus or this document may not be reproduced or used for any other purpose, nor be furnished to any other person other than those to whom copies have been sent. Any offeree who purchases a product is purchasing such product for its own benefit and account and not with the aim or intention of distributing or offering such product to other parties (other than, in the case of an offeree which is a Sophisticated Investor by virtue of it being a banking corporation, portfolio manager or member of the Tel-Aviv Stock Exchange, as defined in the Addendum, where such offeree is purchasing a product for another party which is a Sophisticated Investor).

Nothing in this document should be considered investment advice or investment marketing as defined in the Regulation of Investment Counselling, Investment Marketing and Portfolio Management Law, 5755-1995. Investors are encouraged to seek competent investment counselling from a locally licensed investment counsel prior to making the investment. A recipient of this document may be required to provide confirmation that it is a Sophisticated Investor purchasing a product for its own account or, where applicable, for other Sophisticated Investors.

Certain information contained herein (the “Information”) is sourced from/copyright of MSCI Inc., MSCI ESG Research LLC, or their affiliates (“MSCI”), or information providers (together the “MSCI Parties”) and may have been used to calculate scores, signals, or other indicators. The Information is for internal use only and

may not be reproduced or disseminated in whole or part without prior written permission. The Information may not be used for, nor does it constitute, an offer to buy or sell, or a promotion or recommendation of, any security, financial instrument or product, trading strategy, or index, nor should it be taken as an indication or guarantee of any future performance. Some funds may be based on or linked to MSCI indexes, and MSCI may be compensated based on the fund's assets under management or other measures. MSCI has established an information barrier between index research and certain Information. None of the Information in and of itself can be used to determine which securities to buy or sell or when to buy or sell them. The Information is provided "as is" and the user assumes the entire risk of any use it may make or permit to be made of the Information. No MSCI Party warrants or guarantees the originality, accuracy and/or completeness of the Information and each expressly disclaims all express or implied warranties. No MSCI Party shall have any liability for any errors or omissions in connection with any Information herein, or any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.