Introducing True Developed International

Published October 27, 2025

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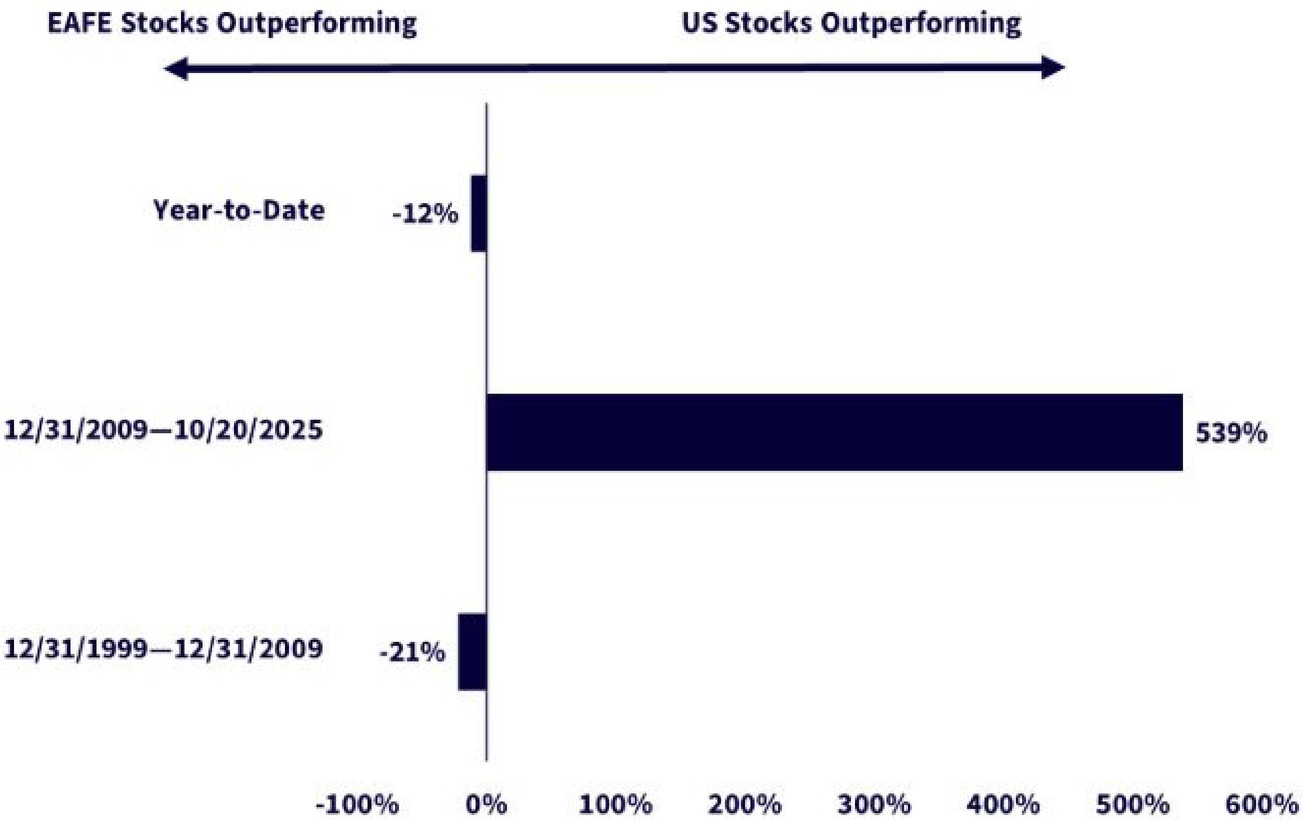
Key Takeaways

- As U.S. equity valuations stretch and AI-driven gains narrow, developed international markets, particularly value sectors like Telecoms, Utilities and Banks, are re-emerging as compelling alternatives for investors.
- The WisdomTree True Developed International Index now includes Korea, Taiwan and Poland as developed markets, reflecting their economic modernization and enhancing investors' exposure to globally significant companies like TSMC and Samsung.
- With a 22% rebalance turnover and a 7% increase in Information Technology exposure, the WisdomTree True Developed International Index offers a refreshed, dividend-weighted strategy for capitalizing on the evolving landscape of international equities.

International equities are finally attracting investors' attention. After a dominant 16-year stretch for U.S. stocks, many investors have overlooked meaningful exposure outside the U.S.

But with stretched U.S. valuations and concerns over an AI-driven bubble, interest abroad is being renewed. While international equities' outperformance this year is modest by historical standards, it marks a notable shift—led by traditional value sectors such as Telecoms, Utilities and Banks rather than the AI-related leadership driving U.S. markets.

Figure 1: S&P 500 vs. MSCI EAFE Cumulative Total Returns (Positive = U.S. Outperformance)



Sources: WisdomTree, MSCI, S&P, as of 10/20/25. **You cannot invest directly in an index. Past performance is not indicative of future returns.**

Evolving toward "True Developed" Exposure

The WisdomTree International LargeCap Dividend Fund was rebranded as the WisdomTree True Developed International Fund (DOL) on October 23, offering investors a refreshed, dividend-focused approach to developed international investing.

The underlying Index—now called the WisdomTree True Developed International Index—underwent its annual rebalance effective October 23, 2025. The rebalance incorporated new country eligibility updates that further enhance the Index's representation of today's developed markets.

Methodology Changes

The WisdomTree International LargeCap Dividend Index has been refashioned into the WisdomTree True Developed International Index, maintaining its valuation-sensitive design: all constituents must pay dividends, and weights are based on cash dividends paid.

The key change is the inclusion of Korea, Poland and Taiwan as eligible developed markets—reflecting the continued evolution and modernization of their economies and financial systems.

Figure 2: Index Methodology Change Summary

Index Methodology Comparison	
Index	**WisdomTree True Developed International Index**
Eligible Universe	WisdomTree International Equity Index and eligible dividend-paying companies with Primary Business Activities in **South Korea, Poland and Taiwan**
Security Selection	i) selecting the 300 largest companies by market capitalization from the WisdomTree International Equity Index **and ii) those companies from the WisdomTree Emerging Markets Dividend Index with primary business activities in South Korea, Poland and Taiwan, whose market capitalization exceeds the smallest company selected from the WisdomTree International Equity Index.**
Weighting	Dividend stream weighting

Source: WisdomTree

Developed Market Reclassification

The inclusion of Korea, Poland and Taiwan recognizes how each has built stronger institutions, achieved higher income levels and developed more mature financial systems. Korea and Taiwan now have gross domestic product (GDP) per capita levels similar to countries like Spain and Japan, while Poland continues to close the gap with Western Europe—well above traditional emerging-market thresholds.

Korea and Taiwan also stand out for their deep, liquid equity markets and world-class industries: Korea in semiconductors, OLED displays and smartphones, and Taiwan through TSMC's global dominance in chip manufacturing.

Across all three countries, governance and transparency have strengthened significantly. Korea's long-standing OECD membership, Poland's integration within the EU and Taiwan's AA credit rating all point to economies that increasingly look and act like developed markets.

Holdings and Sector Shifts

Following the rebalance, Taiwan Semiconductor Manufacturing Company (TSMC) and Samsung Electronics became new top holdings, together accounting for roughly 5% of the Index's turnover. Their inclusion also helped lift the Information Technology sector's weight by about 7%.

Meanwhile, exposure to Financials decreased by roughly 5%, reflecting the sector's pre-rebalance 30% weight and the application of a 25% sector cap.

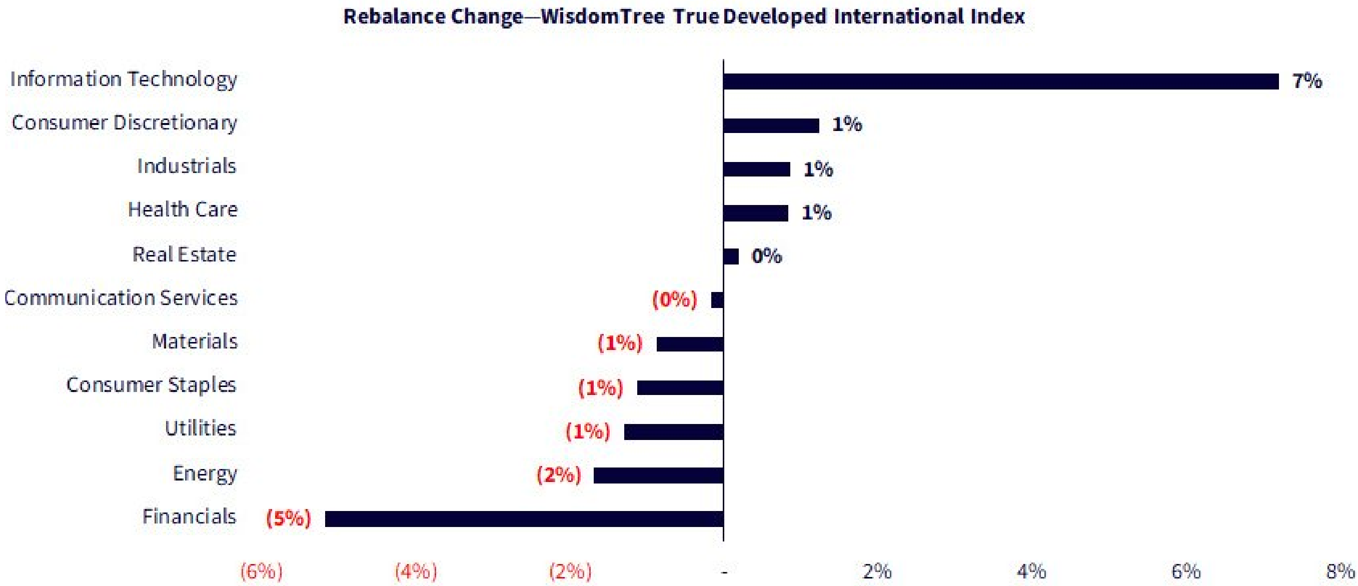
Figure 3: Top 10 Holdings

Post-Rebalance (WisdomTree True Developed International Index)			
Name	**Wgt**	**Sector**	**Country**
TSMC	**3.6%**	**Information Technology**	**Taiwan**
HSBC Holdings Plc	1.7%	Financials	United Kingdom
Toyota Motor Corp.	1.7%	Consumer Discretionary	Japan
Nestle S.A.	**1.6%**	**Consumer Staples**	**Switzerland**
Intesa Sanpaolo S.p.A.	1.6%	Financials	Italy
Novartis AG	1.5%	Health Care	Switzerland
Shell Plc	1.4%	Energy	United Kingdom
Roche Holding	**1.4%**	**Health Care**	**Switzerland**
Samsung Electronics	**1.3%**	**Information Technology**	**Korea**
LVMH	**1.3%**	**Consumer Discretionary**	**France**

Pre-Rebalance (WisdomTree International LargeCap Index)			
Name	**Wgt**	**Sector**	**Country**
HSBC Holdings Plc	3.8%	Financials	United Kingdom
Novartis AG	2.1%	Health Care	Switzerland
Intesa Sanpaolo S.p.A.	1.9%	Financials	Italy
BBVA	**1.7%**	**Financials**	**Spain**
British American Tobacco	**1.6%**	**Consumer Staples**	**United Kingdom**
Toyota Motor Corp.	1.6%	Consumer Discretionary	Japan
Allianz SE	**1.6%**	**Financials**	**Germany**
Shell Plc	1.4%	Energy	United Kingdom
Enel SpA	**1.4%**	**Utilities**	**Italy**
Banco Santander, S.A.	**1.3%**	**Financials**	**Spain**

Source: WisdomTree. Pre-Rebalance is the WisdomTree International LargeCap Dividend Index as of 9/30/25. Post-Rebalance is the WisdomTree True Developed International Index as of the 9/30/25 screening date. You cannot invest directly in an index.

Figure 4: Sector Exposures

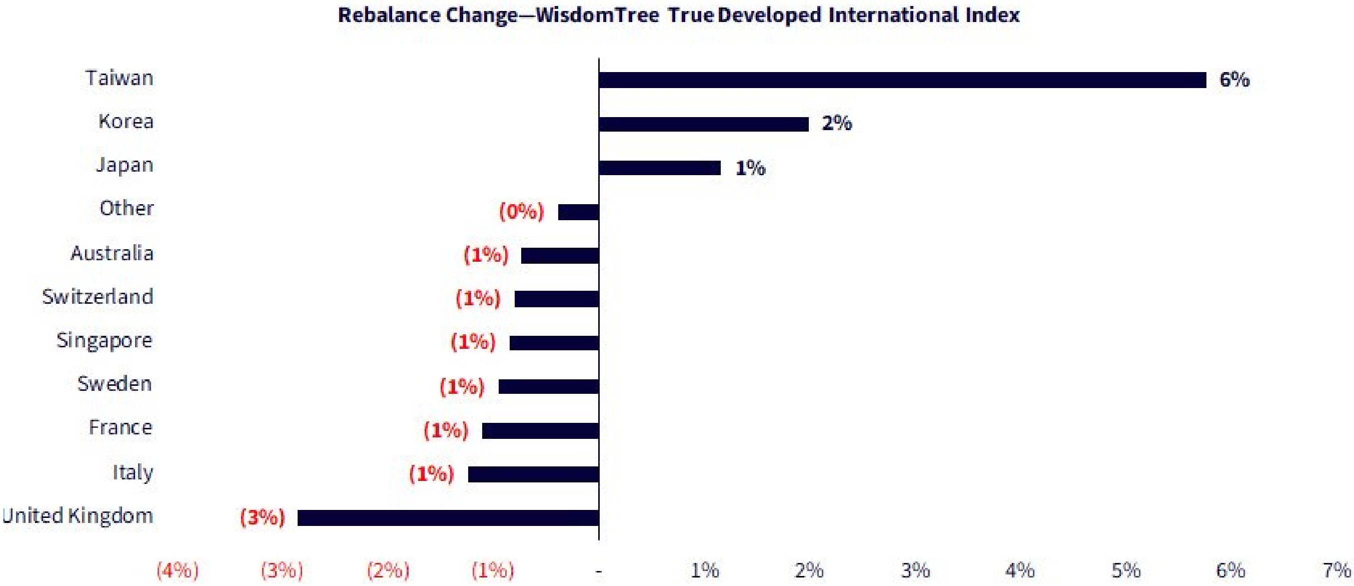


Source: WisdomTree. Pre-Rebalance is the WisdomTree International LargeCap Dividend Index as of 9/30/25. Post-Rebalance is the WisdomTree True Developed International Index as of the 9/30/25 screening date. You cannot invest directly in an index.

Country Exposures

Similar to what we saw on sector changes, we can see an increase to Taiwan (+6%) and to Korea (+2%). Poland was added at just under 0.5% collective weight.

Figure 5: Top Country Changes



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Valuation and Quality Metrics

The Index now includes 324 securities, up from 300 historically, as eligible companies from the newly added countries met minimum market-cap thresholds.

The Index's post-rebalance valuation and quality metrics remain consistent.

Figure 6: WisdomTree True Developed International Index Before and After Rebalance

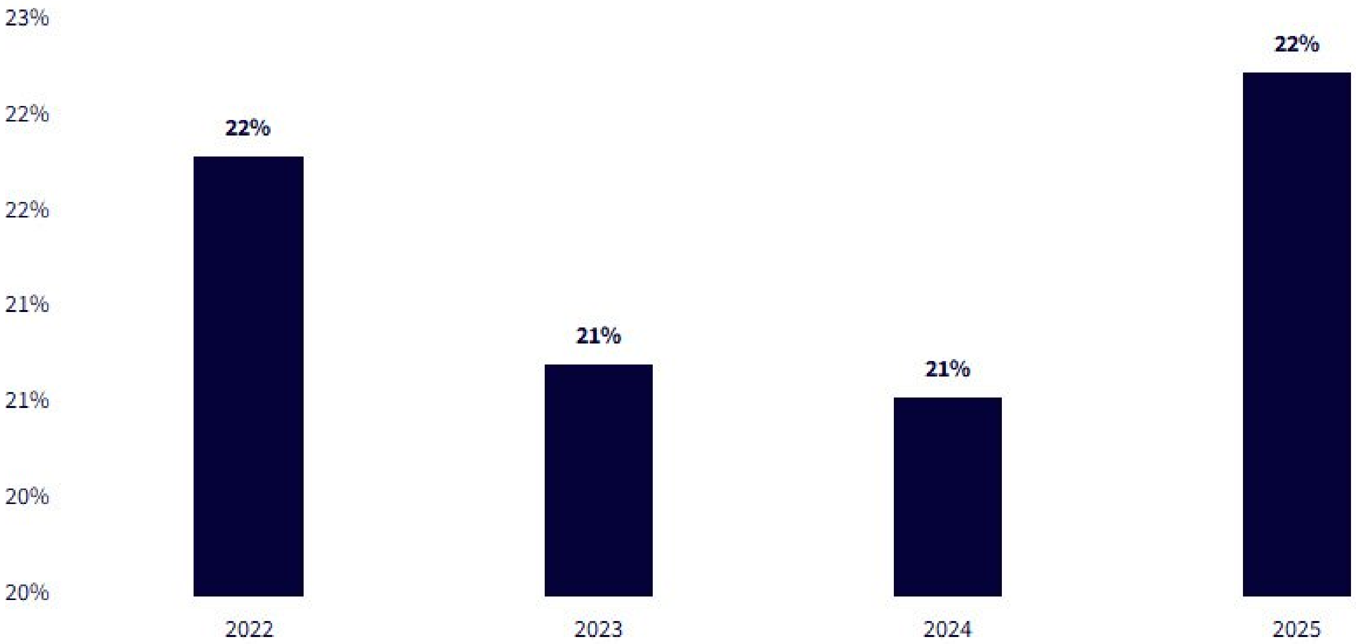
	Before	After
Characteristics		
Constituents	299	324
Large-Cap Weight	99.9%	99.9%
Mid-Cap Weight	0.1%	0.1%
Small-Cap Weight	0.0%	0.0%
Fundamentals		
Dividend Yield	3.8%	3.5%
Price to Earnings	14.2	15.0
Pct Negative Earners	0.6%	0.9%
Price to Book	2.0	2.1
Price to Sales	1.4	1.4
Return on Assets	1.7%	1.8%
Return on Equity	14.6%	14.3%
Return on Sales	14.7%	14.0%

Source: WisdomTree. Pre-Rebalance is the WisdomTree International LargeCap Dividend Index as of 9/30/25. Post-Rebalance is the WisdomTree True Developed International Index as of the 9/30/25 screening date. You cannot invest directly in an index.

Rebalance Turnover

Rebalance turnover was 22%—in line with the 21%–22% range observed in recent years—underscoring the modest impact of the new country eligibility.

Figure 7: Historical Rebalance Turnover



Source: WisdomTree. Rebalance turnover of the WisdomTree True Developed International Index

Positioning for a New Phase of International Leadership

After years of U.S. equity dominance, developed international markets are regaining investors' attention. With a modernized country framework and the same dividend-focused discipline, the WisdomTree True Developed International Index offers a timely way to capture this new phase of global market leadership.

Important Risks Related to this Article

There are risks associated with investing, including potential loss of principal. Foreign investing involves specific risks, such as risk of loss from currency fluctuation or political or economic uncertainty. Funds focusing their investments on certain sectors increase their vulnerability to any single economic or regulatory development. This may result in greater share price volatility. The Fund invests primarily in the securities of large-capitalization companies. As a result, the Fund’s performance may be adversely affected if securities of these companies underperform securities of smaller capitalization companies or the market as a whole. Securities that pay dividends, as a group, may be out of favor with the market and underperform the overall equity market or stocks of companies that do not pay dividends. The Fund invests in the securities included in, or representative of, its Index. The Index may not perform as intended. Please read the Fund’s prospectus for specific details regarding the Fund’s risk profile.