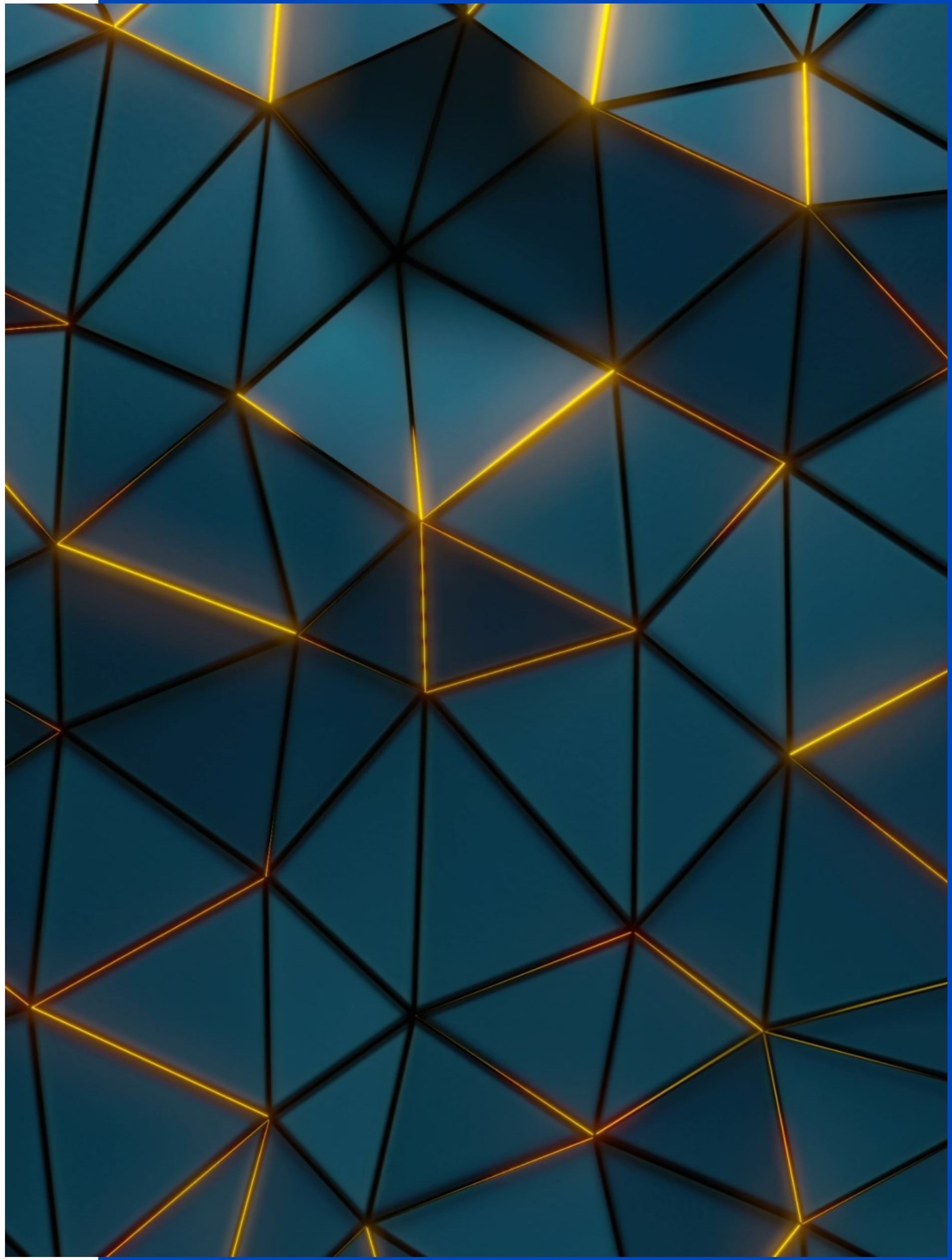
WisdomTree®

April 2026

# WisdomTree Efficient U.S. Plus International Equity Fund (NTSD)



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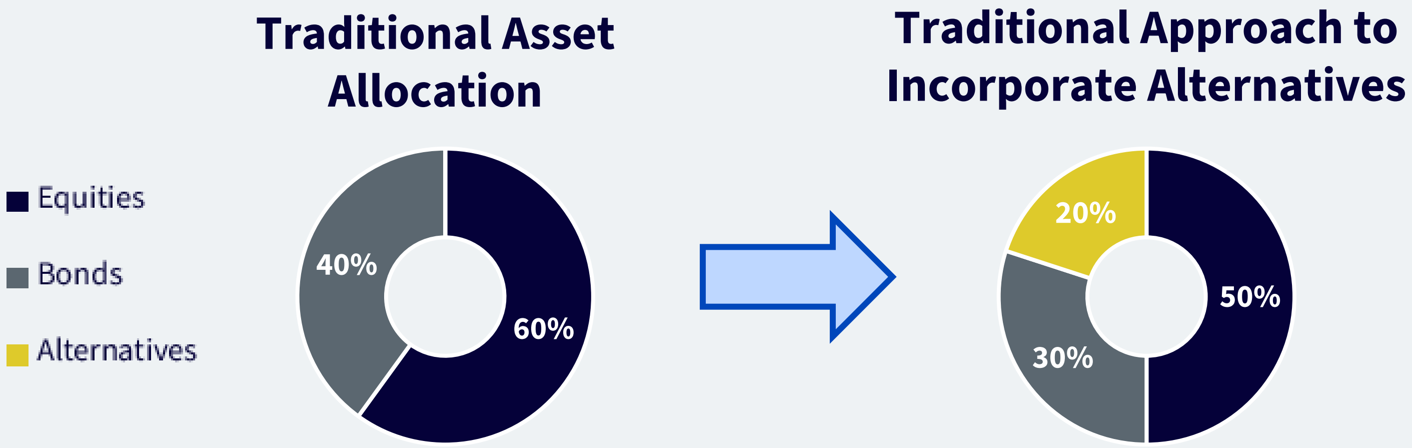
# **Building an Efficient Core:** Innovating Portfolio Construction

# **Portfolio Paradox:** Incorporating Alternatives Historically Required Reducing Existing Portfolio Exposures

**Incorporating alternative investment strategies can help enhance traditional portfolios by improving diversification and incorporating differentiated sources of return**

+ For most investors, a key disadvantage of incorporating alternatives is the need to fund the allocation by selling existing, longstanding exposures

**This often results in portfolios that are more "efficient" from a risk-adjusted return standpoint but may have lower expected returns.**




Source: WisdomTree; For illustrative purposes only.

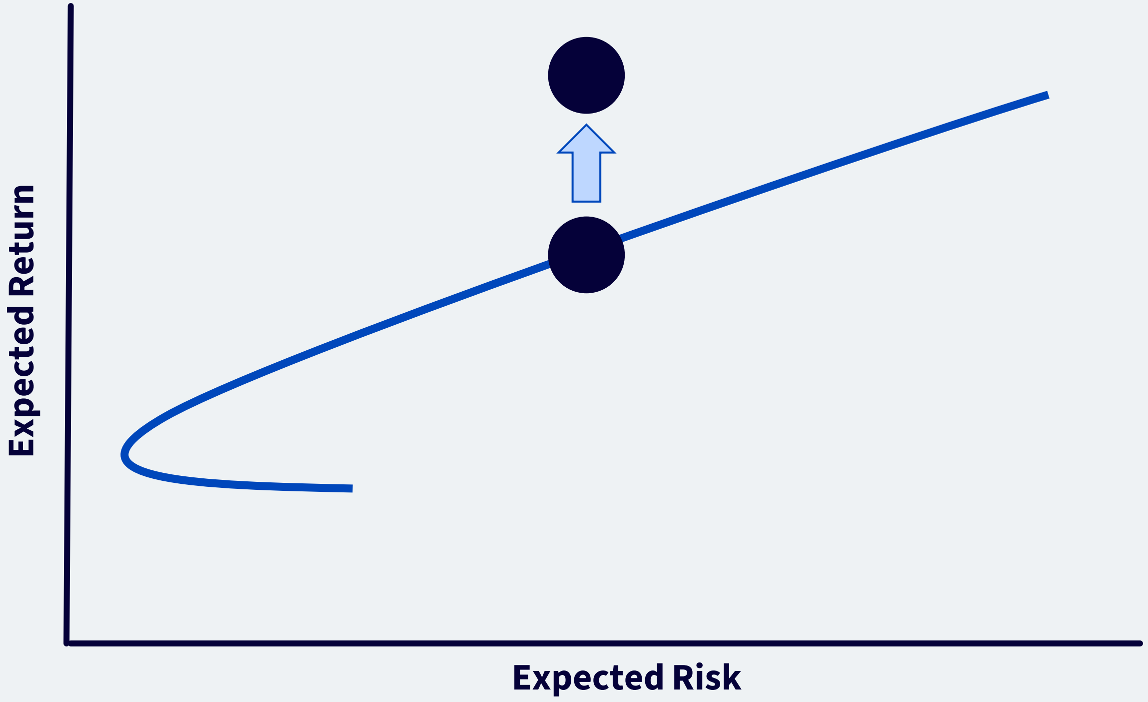
WisdomTree

# Even though stocks have offered the best returns among major asset classes, investors can often increase their expected return for a given level of risk by including other asset classes and then levering the diversified portfolio.

Asness, Clifford S. "Why Not 100% Equities?" *The Journal of Portfolio Management* 22, no. 2 (Winter 1996): 29–40.

# **Putting Theory Into Practice:**
Incorporating Alternatives

**Efficient Frontier:**
***Higher Expected Return for a Given Level of Risk***




Source: WisdomTree; For illustrative purposes only.

**Research has shown that prudent use of leverage can help solve this portfolio paradox**

+ Leverage can allow for the incorporation of alternatives without reducing existing exposures

**As a result, investors potentially obtain greater returns with similar volatility.**

# Capital Efficiency can Unlock the Benefit of Alternatives Without Reducing Existing Exposure

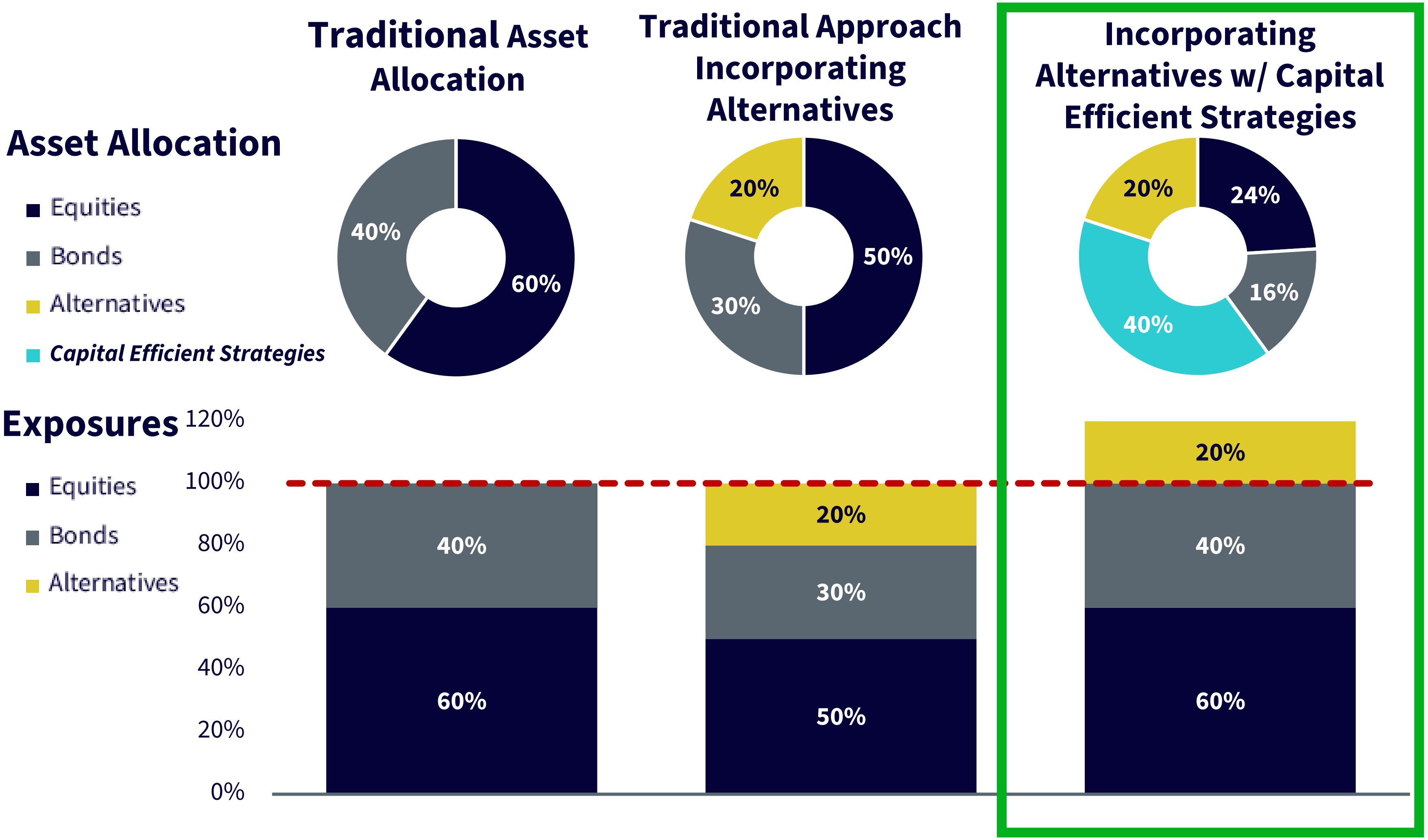
| Approaches to Portfolio Construction | Improves diversification | Incorporates diversified return sources | Maintains exposure to core asset allocation |
|---|---|---|---|
| **Traditional asset allocation (i.e., 60% equities/40% fixed income portfolio)**<br>*Balanced approach to portfolio construction* | ✓ | | ✓ |
| **Traditional approach incorporating alternatives**<br>*Provides the benefits of alts at the expense of (selling) existing exposures* | ✓✓ | ✓ | |
| **Incorporating alternatives with capital efficient strategies**<br>*Provides the benefits of alternatives without reducing core exposures* | ✓✓ | ✓ | ✓ |

Source: WisdomTree; For illustrative purposes only.

# Example: Funding Alternatives with Capital Efficient Strategies

## *A New Era of Smart Portfolio Construction*

Unlike traditional approaches to diversification, capital efficient strategies allow investors to **incorporate alternatives without reducing existing, longstanding exposures.**




Source: WisdomTree; For illustrative purposes only.

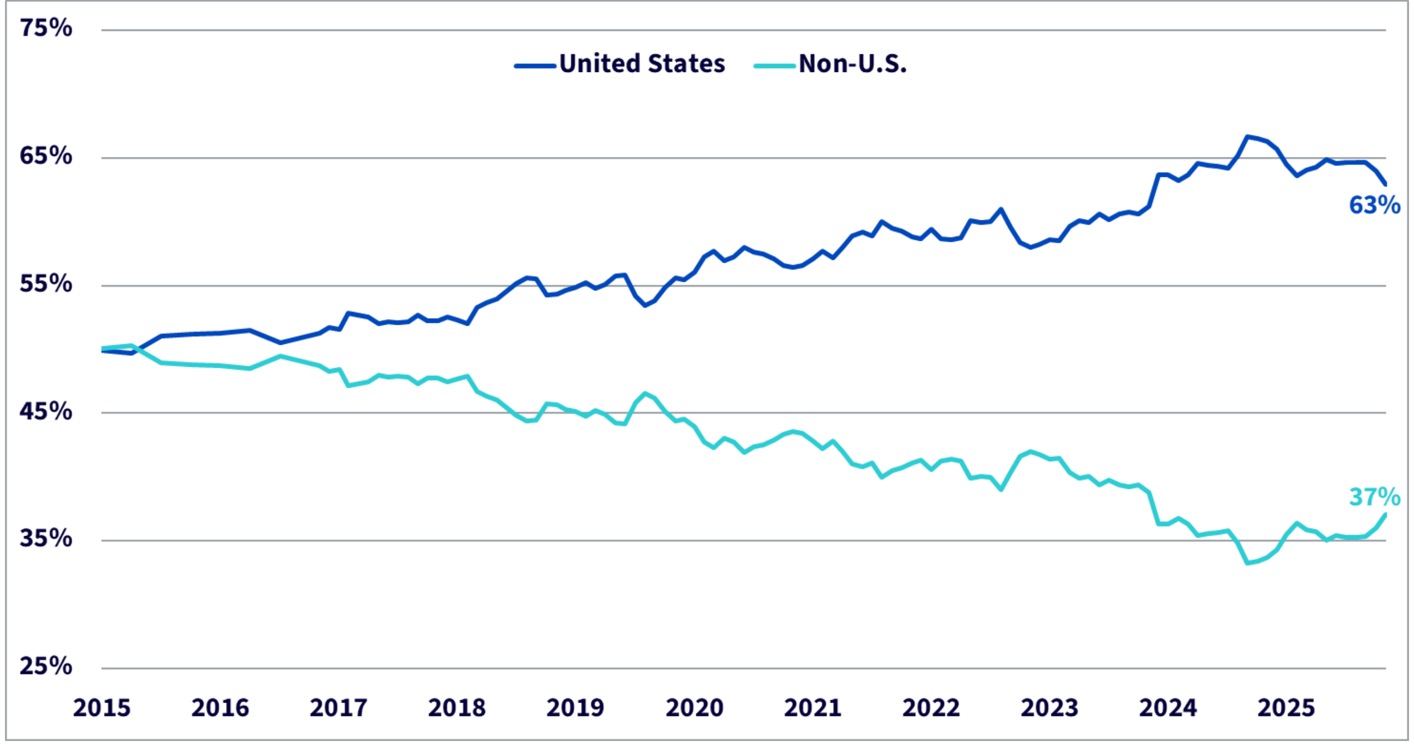
# International Equities' Role in a Portfolio

# Without International Exposure, U.S. Equities are Vulnerable to the Pitfalls of Home Country Bias

**U.S. equity markets comprise about 60% of global equity market capitalization. Within U.S. investors' portfolios, that share is often much higher.**

- **Home country bias** often dominates U.S. portfolios. Investors' familiarity with local equity markets and the companies that operate within them creates a psychological bias that often underweights international allocations.
- When U.S. markets outperform, the pitfalls of home country bias quickly compound:
  - The psychological bias becomes self-reinforcing
  - Investors become overexposed to their domestic market
  - Diversification benefits begin to disappear
  - Portfolios become poorly positioned for periods of non-U.S. leadership.

**Weight Within MSCI ACWI:** U.S. Exposure Dominates Global Equity Market Cap



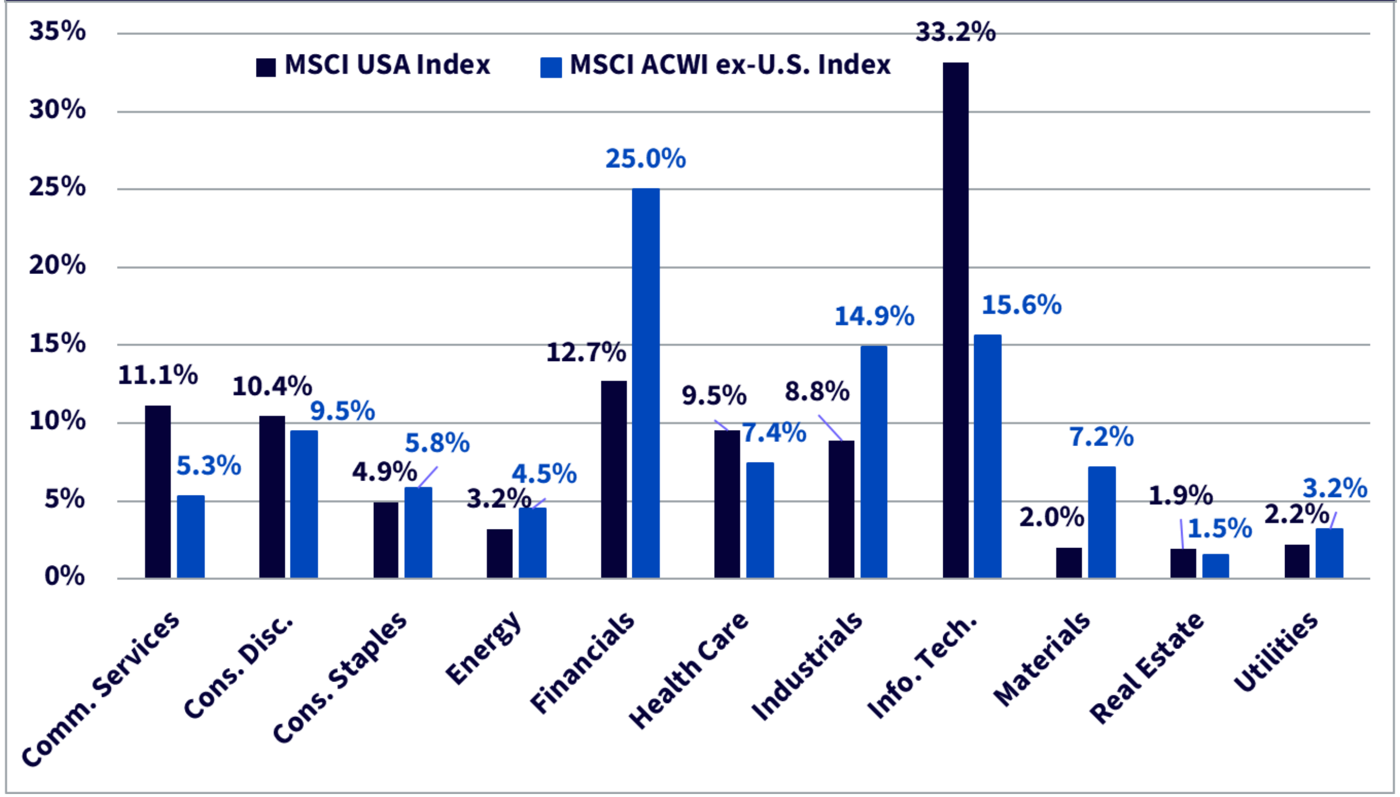

Source: WisdomTree, MSCI; [1]Represented by total United States country weight within the market capitalization-weighted MSCI All-Country World Index (ACWI) as of 1/31/2026. You cannot invest directly in an index. Subject to change.

# International Exposure Enhances the Composition of an Otherwise U.S.-Dominant Portfolio

**We believe that developed international equities can improve the sector, geographic, and stylistic exposures of a U.S.-centric equity allocation, which may result in improved risk-adjusted returns.**

+ **Sectors:** Non-U.S. allocations diminish the overwhelming influence of U.S. mega cap technology companies in an equity portfolio.
+ **Geography:** International exposures maintain a portfolio's ability to participate during periods of non-U.S. outperformance.
+ **Styles:** Non-U.S. equity markets are often composed of traditional cyclical industries corresponding to a Value mandate, opposite the Growth-laden U.S. market environment.

**The Composition of U.S. and Non-U.S. Markets Looks Drastically Different**




Source: WisdomTree, MSCI as of 1/31/2026. You cannot invest directly in an index. Subject to change.

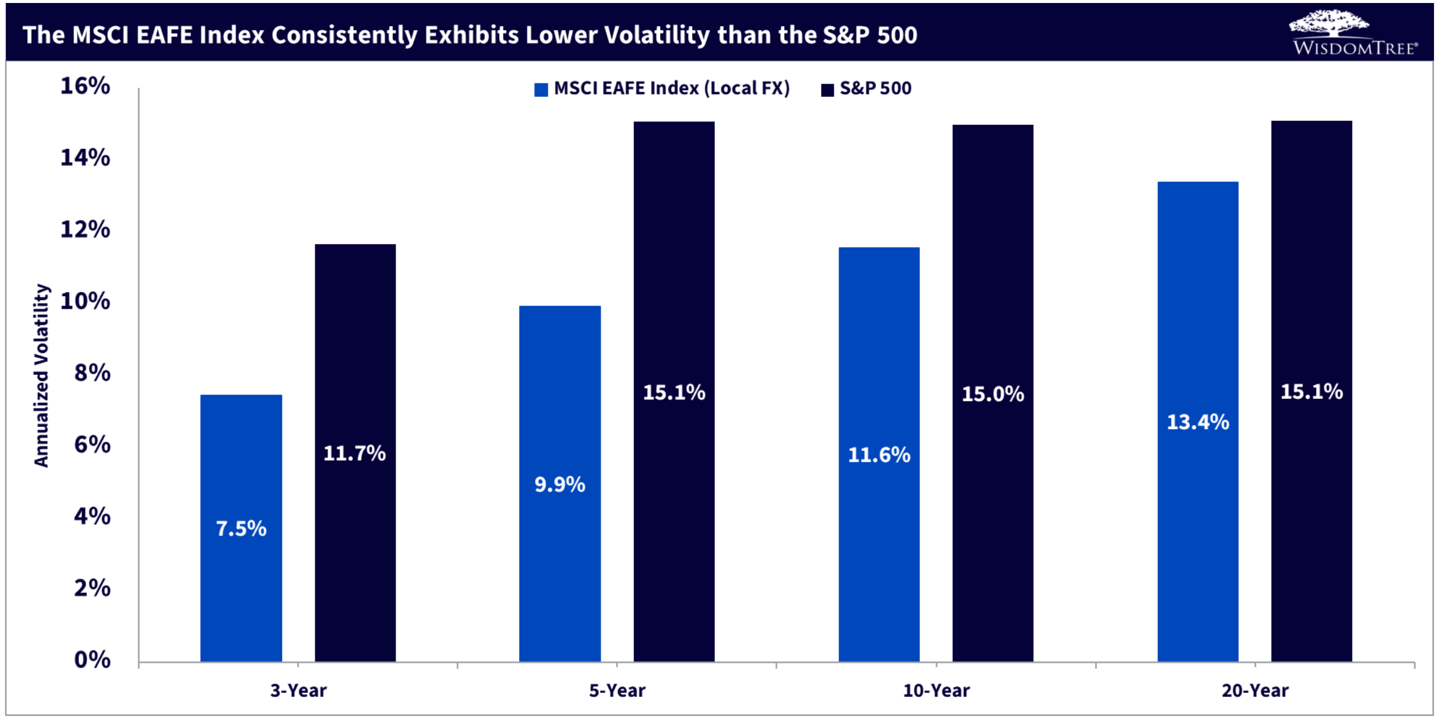
# International Allocations Produce Portfolio Diversification Benefits

**International equities often exhibit lower volatility than the S&P 500.**

+ This implies a portfolio diversification benefit, where an international allocation can reduce overall portfolio risk.

| MSCI EAFE Index (Local FX) | 1-Year | 3-Year | 5-Year | 10-Year | 20-Year |
|---|---|---|---|---|---|
| Correlation with S&P 500 | 0.73 | 0.70 | 0.83 | 0.83 | 0.86 |

**International equities are less correlated to U.S. markets, which may provide valuable cushion for a portfolio during U.S. equity drawdowns.**



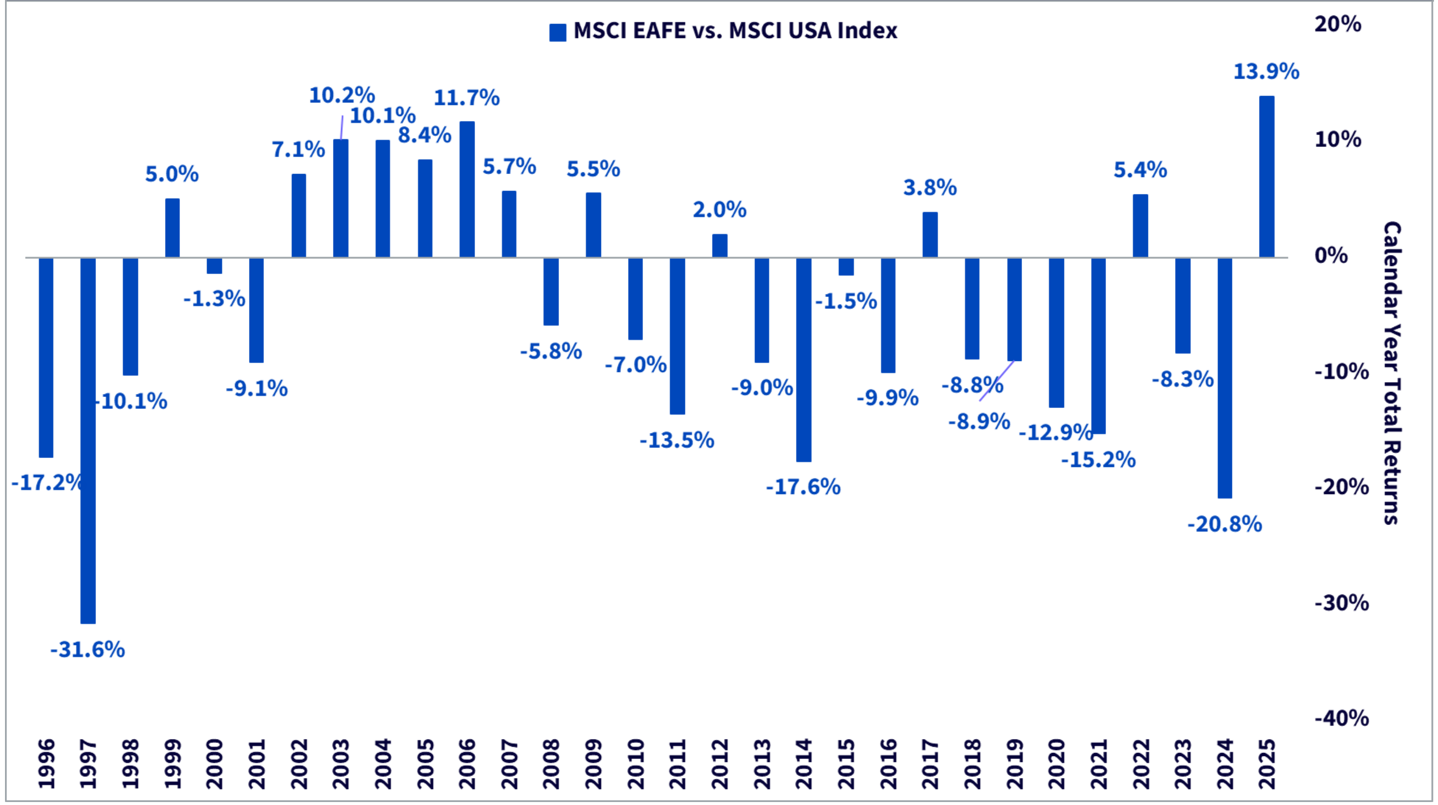

Source: WisdomTree, MSCI, S&P as of 1/31/2026. Past performance is not indicative of future results. You cannot invest directly in an index.

# International Equities May Not Need to Be a Portfolio's Bedrock, But They Also Shouldn't Be Overlooked

**Over the past 30 years, the MSCI EAFE Index outperformed the MSCI USA Index only 12 times.**

- But most U.S. equity leadership materialized in the post-Global Financial Crisis (GFC) era, coinciding with the meteoric rise of technology companies and artificial intelligence beneficiaries.
- But 2025 reminded markets how quickly a regional reversal appear and investors with U.S. overweights were punished.

**Equity Leadership Often Fluctuates, and International Allocations Shouldn't Be Ignored**

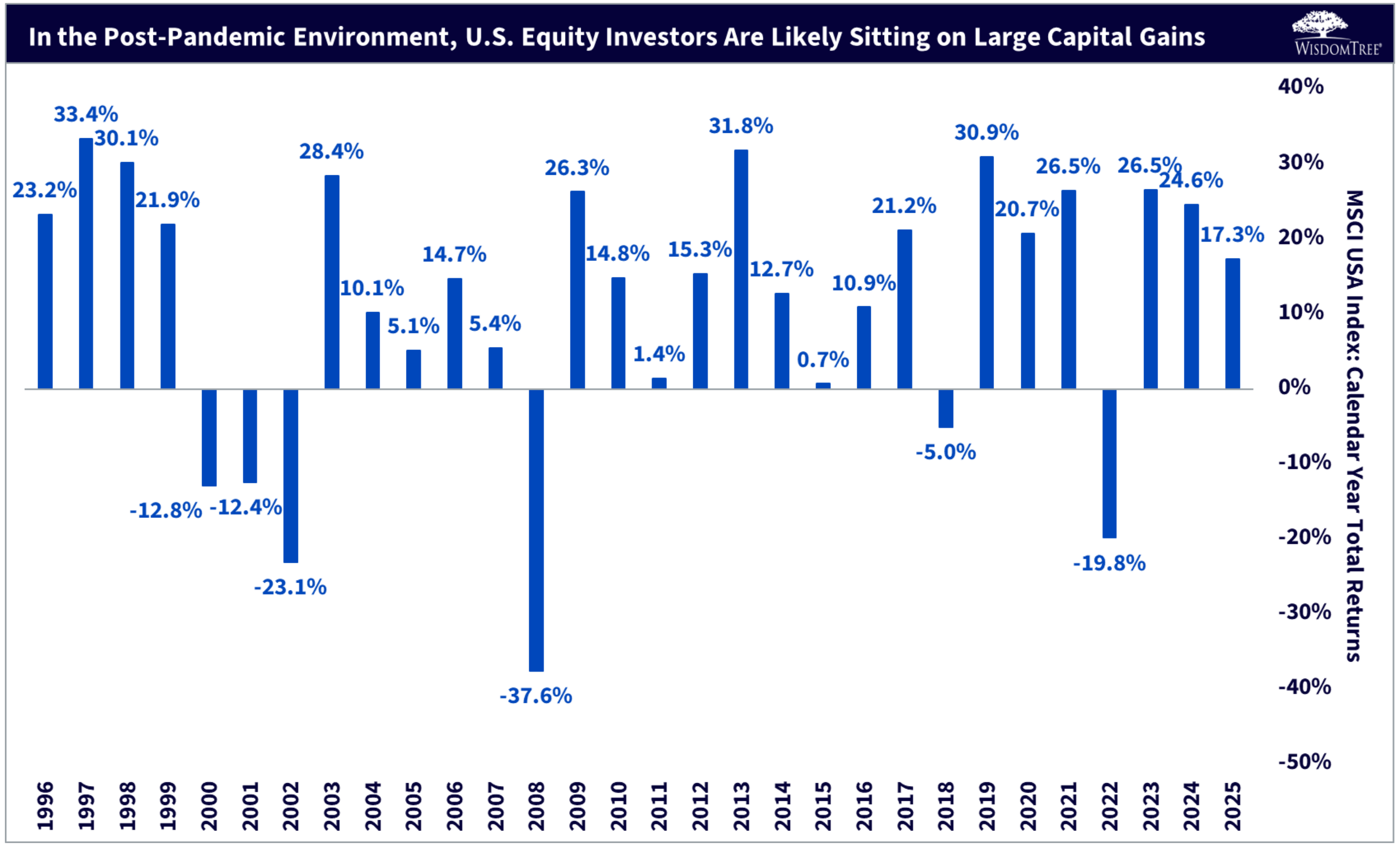



Source: WisdomTree, MSCI as of 12/31/2025. Past performance is not indicative of future results. You cannot invest directly in an index.

# **Problem:** How Does an Investor Allocate to International Equities Without Sacrificing Some of Their U.S. Exposure?

**The MSCI USA Index has produced double-digit total returns in eight of the past ten calendar years. Seven of them have been over 20%.**

- U.S. investors are likely sitting on large capital gains, as a result.
- That means they may be increasingly skeptical of adding international equities at the expense of existing, valuable U.S. allocations.
- **The challenge of including international equities often precludes an allocation altogether.**




Source: WisdomTree, MSCI as of 12/31/2025. Past performance is not indicative of future results. You cannot invest directly in an index.

# Fund Structure:
WisdomTree Efficient U.S. Plus International Equity Fund (NTSD)

# WisdomTree Efficient U.S. Plus International Equity Strategy Construction

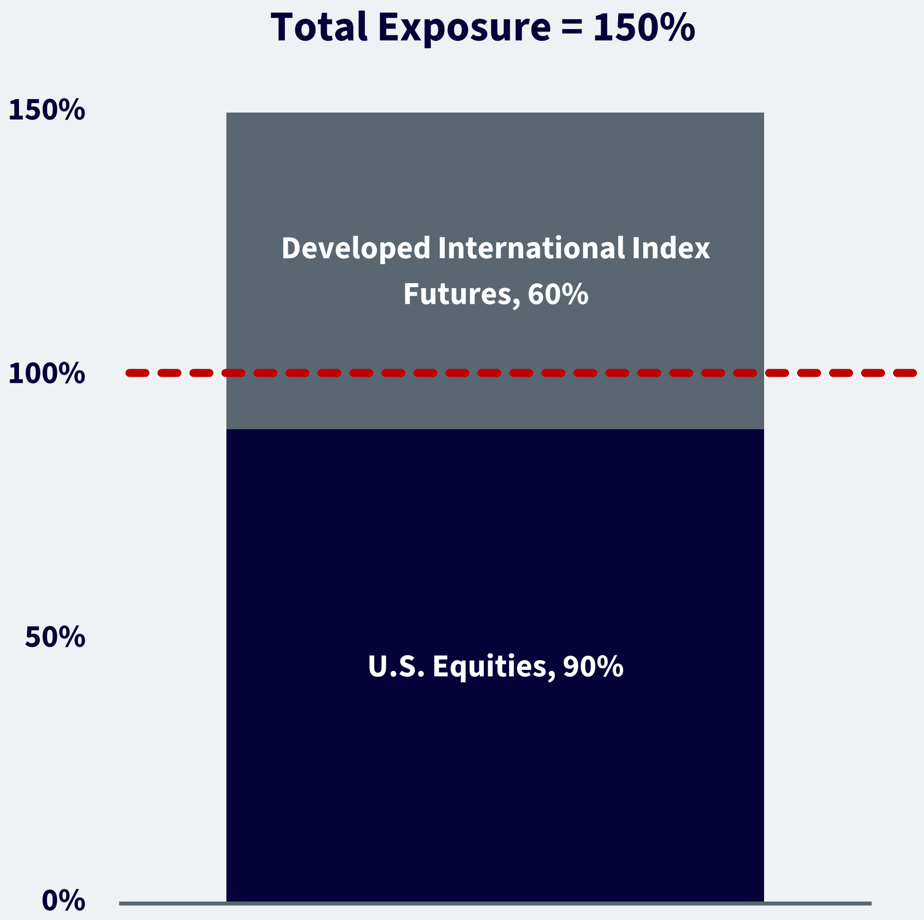
**The WisdomTree Efficient Efficient U.S. Plus International Equity Fund seeks total return by investing in U.S. equity securities and Developed International Index futures contracts**

+ For every $1.00 invested, the strategies provide $0.90 of exposure to U.S. equity securities and $0.60 of exposure to Developed International Index futures contracts
+ For every $1.00 invested, the strategies provide $1.50 of total exposure through accounting leverage[1]

**This framework frees up capital which to be invested in developed market international equities, which can:**

**Enhance returns** by introducing differentiated sources of equity market return to portfolios

**Improve diversification** by introducing exposures which complement traditional U.S. equity



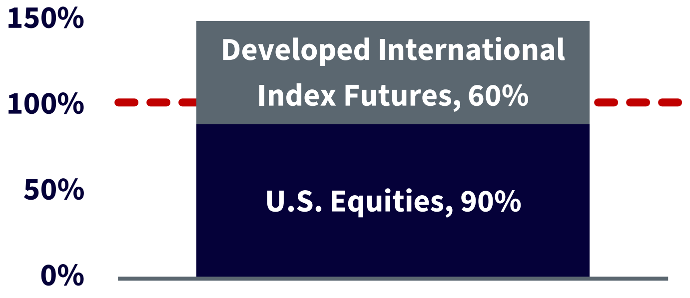

1 Accounting leverage refers to the fact that the total asset exposure of the strategy is enhanced to 1.5x. This strategy does not borrow to enhance investment returns.
Source: WisdomTree; For illustrative purposes only.

# WisdomTree Capital Efficient ETFs Package Exposure to Different Equity Markets in a Single Ticker Solution

## NTSD

**WisdomTree Efficient U.S. Plus International Equity Fund**

**Exposure:**



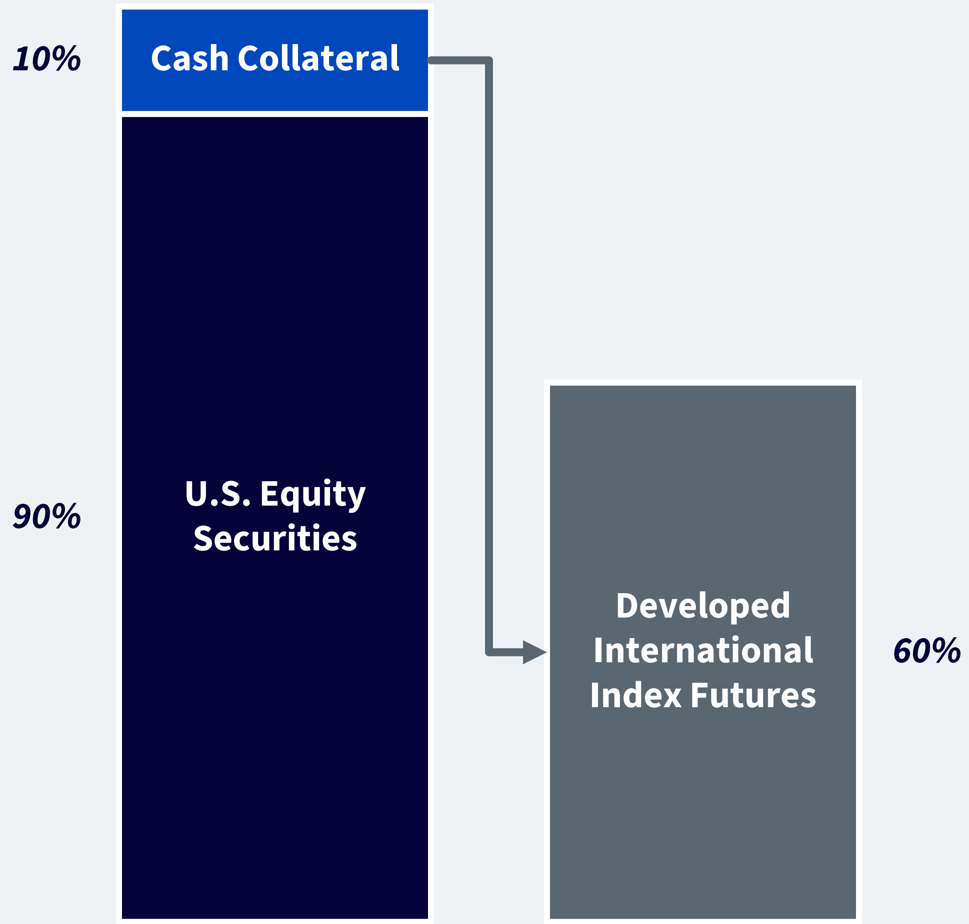

Largest 500 U.S. equities by market cap +
Developed International Index futures +
High quality short-term money market (cash collateral)

**Inception Date:** March 12, 2026

**Expense Ratio:** 0.35%

Source: WisdomTree; For illustrative purposes only.

# WisdomTree Capital Efficient Structure




1 Accounting leverage refers to the fact that the total asset exposure of the strategy is enhanced to 1.5x. This strategy does not borrow to enhance investment returns.
Source: WisdomTree; For illustrative purposes only.

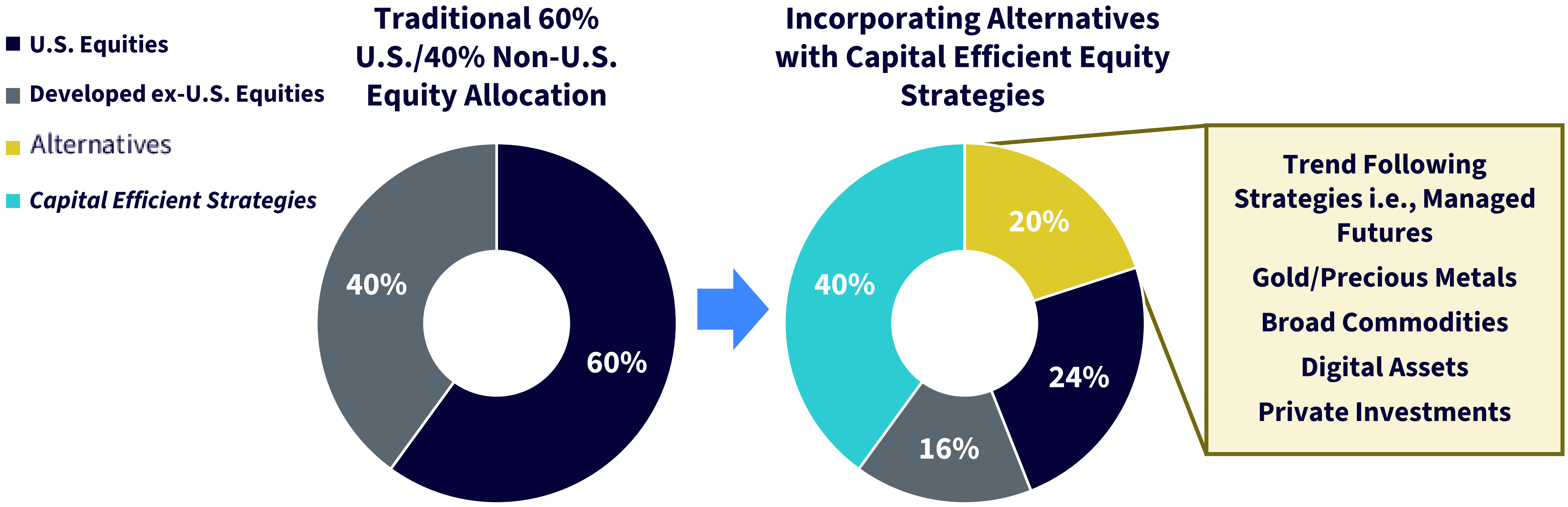
| NTSD Strategy Construction | |
|---|---|
| **Equity Securities** | 500 largest U.S. equities by market cap |
| **Developed Equity Market Futures** | Listed Developed International Index futures |
| **Cash Collateral** | Invested in high quality, short-term U.S. money market securities |
| **Leverage** | Accounting leverage[1] of 1.50x maintains a balanced, 60% U.S./40% Developed International equity allocation |
| **Rebalancing** | Quarterly rebalance on the last business day of February, May, August and November or anytime equity or bond exposures deviate by more than a 5% threshold between rebalance dates |
| **Exchange** | NYSE |
| **Creation Unit** | 25k shares |

**Delivered via ETF Structure**

| Intraday Liquidity | Low Fees | Transparent Exposure | Tax Efficiency |
|---|---|---|---|

# Capital Efficient Case Studies

# **Case Study #1:** Using Capital Efficiency to Maintain Regional Equity Exposures & Deploy Assets for Alternatives

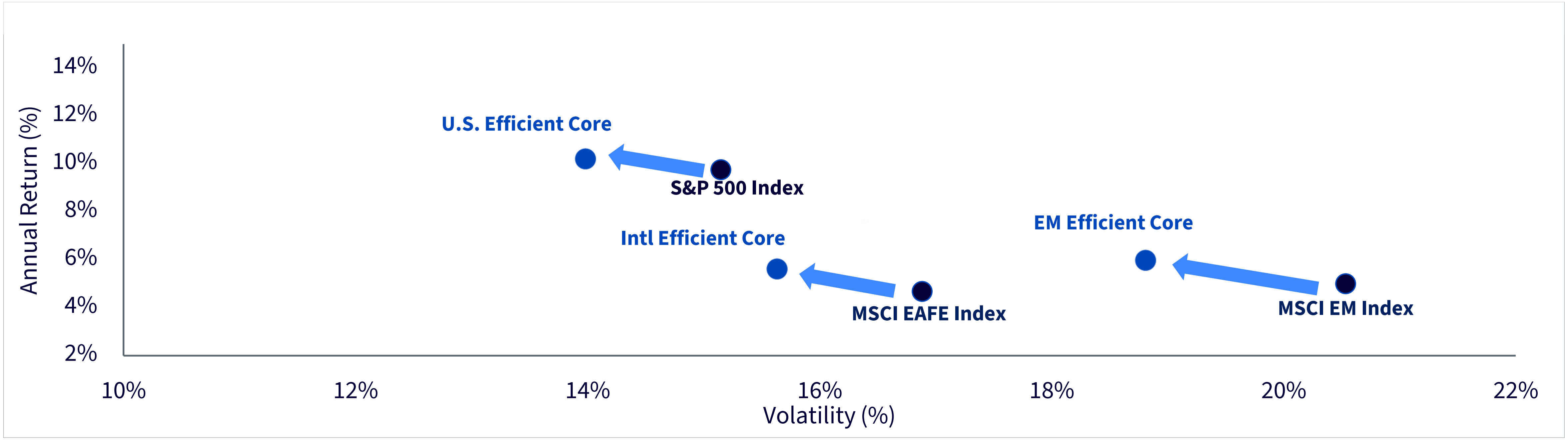



**Both portfolios have a similar exposure to U.S. and developed international equity markets**

Source: WisdomTree; For illustrative purposes only.

# **Case Study #2:** Replacing Equity Exposure with Efficient Core

**Compared to long-only equities, efficient core strategies tended to increase returns and reduce volatility**




Sources: WisdomTree, Bloomberg. Returns from 3/31/2006 to 3/31/2026. **Past performance is not indicative of future results.** You cannot invest directly in an index.. U.S. Efficient Core portfolio takes a 60/40 monthly rebalanced portfolio of S&P 500 Index, Bloomberg U.S. Treasury 7-10 Year Index levered 1.5 times; International Efficient Core portfolio takes a 60/40 monthly rebalanced portfolio of MSCI EAFE Index, Bloomberg U.S. Treasury 7-10 Year Index levered 1.5 times; Emerging Markets Efficient Core Portfolio takes a 60/40 monthly rebalanced portfolio of MSCI Emerging Markets Index, Bloomberg U.S. Treasury 7-10 Year Index levered 1.5 times. These strategies achieve 1.5x leverage by utilizing a "90/60" structure, investing 90% of its assets in equities and 10% in cash collateral to support 60% notional exposure to Treasury futures. This structure provides 150% (1.5x) of the capital efficiency of a traditional 60/40 portfolio. Leverage is maintained through ongoing portfolio rebalancing and futures management and may vary over time as a result of market movements.

The illustrated period reflects one of the most favorable interest rate environments, characterized by generally declining rates from 2005 through 2020, which likely benefited the hypothetical Treasury laddered portfolio. This period is not representative of all market conditions, particularly environments with rising or volatile interest rates. Hypothetical performance has inherent limitations and does not reflect actual trading, transaction costs, liquidity constraints, or other factors that may materially affect results.

These strategies involve the use of futures contracts and are subject to risks including leverage risk, roll risk, basis risk, and increased volatility. This illustration is not intended to represent the performance of any fund. Past performance is not indicative of future results.

# Index Definitions

**Bloomberg U.S. Treasury 7–10 Year Index:** Measures the performance of U.S. Treasury securities with remaining maturities between seven and ten years, representing intermediate-term U.S. government bond exposure.

**MSCI ACWI ex-USA Index:** Captures large- and mid-cap stocks across developed and emerging markets worldwide, excluding the United States. It represents global equity performance outside the U.S.

**MSCI All-Country World Index (ACWI):** A broad global equity benchmark that tracks large- and mid-cap stocks across developed and emerging markets worldwide. It represents the investable global equity opportunity set.

**MSCI EAFE Index:** Tracks large- and mid-cap equities across developed markets in Europe, Australasia, and the Far East, excluding the U.S. and Canada.

**MSCI EAFE Index (Local FX):** The MSCI EAFE Index measured in local currencies, reflecting equity performance without the impact of currency fluctuations relative to the U.S. dollar.

**MSCI Emerging Markets (EM) Index:** Captures large- and mid-cap representation across emerging market countries, providing exposure to equity performance in developing economies.

**MSCI USA Index:** A market capitalization-weighted index designed to measure the performance of large- and mid-cap segments of the U.S. equity market.

**S&P 500 Index:** A market capitalization-weighted index of 500 leading publicly traded U.S. companies, widely regarded as a benchmark for large-cap U.S. equities.

# Important Information

**Please see the [WisdomTree Glossary] for definitions of terms and indexes.**

**Investors should carefully consider the investment objectives, risks, charges and expenses of the Fund before investing. For a prospectus or, if available, the summary prospectus containing this and other important information about the fund, call 866.909.9473 or visit WisdomTree.com/investments. Read the prospectus or, if available, the summary prospectus carefully before investing.**

There are risks associated with investing including possible loss of principal. The Fund invests in equity securities of U.S. large-capitalization companies and in index futures contracts that provide exposure to international equity securities, and which are used to enhance the capital efficiency of the Fund. The Fund invests in a basket of equity securities of large capitalization U.S. companies generally weighted by market capitalization. The Fund expects to invest most of its assets in the securities of U.S. companies and is therefore, more likely to be impacted by events or conditions affecting the United States.

The Fund invests in derivatives to gain exposure to U.S. equity securities. The return on a derivative instrument may not correlate with the return of its underlying reference asset. The Fund's use of derivatives will give rise to leverage. Derivatives can be volatile and may be less liquid than other securities. As a result, the value of an investment in the Fund may change quickly and without warning and you may lose money. The Fund's investments strategy is subject to risks related to rolling. The price of futures contracts further from expiration may be higher or lower, which can impact the Fund's return.

Investments in non-U.S. securities, including depositary receipts, involve political, regulatory, and economic risks that may not be present in investments in U.S. Securities. While the Fund is actively managed, the Fund's investment process is heavily dependent on quantitative models, and the models may not perform as intended. Please read the Fund's prospectus for specific details regarding the Fund's risk profile.

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