

WisdomTree Interest Rate Hedged U.S. Aggregate Bond Fund

AGZD

With nearly \$4 trillion¹ benchmarked against the Bloomberg U.S. Aggregate Bond Index (Agg), the bond market's equivalent to the S&P 500, many investors view the Agg as a broad approximation of a generic U.S. investment-grade² bond portfolio. Historically, the securities that made up the Agg would make up a substantial portion of an investor's core bond portfolio. After historical quantitative tightening by the Federal Reserve and the rise in interest rates, once again the core could be counted on to generate potential income and help mitigate the volatility³ of other riskier asset classes.

Even though the outlook for interest rates trajectory is more balanced and is not as one sided as they used to be few years ago after COVID-19, we still believe interest rate hedges continue to provide a great tool in investors arsenal to reduce their interest rate risks and focus on sectors' specific fundamentals.

The WisdomTree Interest Rate Hedged U.S. Aggregate Bond Fund (AGZD) can help investors preserve the coverage and breadth of their current investments while reducing their overall exposure to interest rate risk. By employing an institutional-style approach of immunizing a bond portfolio against interest rate risk, we believe that bundling this exposure into an exchange-traded fund (ETF) may provide investors with yet another tool to help navigate a rising interest rate environment.

BLOOMBERG RATE HEDGED U.S. AGGREGATE BOND INDEX, ZERO DURATION

Institutional investment managers frequently employ Treasury futures⁴ in managing the risk of their portfolios. The Bloomberg Rate Hedged U.S. Aggregate Bond Index, Zero Duration seeks to combine exposure to the Bloomberg U.S. Aggregate Bond Index with a structured interest rate overlay⁵ to target a duration of zero years.

INDEX COMPONENTS

Long Portfolio	Bonds included in the Bloomberg U.S. Aggregate Index.
Short Portfolio	Comprises short positions in U.S. Treasury bonds ⁶ (with an aggregate duration target of zero years). The portfolio will be rebalanced monthly.

IMPACT OF ZERO DURATION ALLOCATIONS IN INVESTOR PORTFOLIOS

After Fed started their quantitative tightening back in 2022, WisdomTree sought to create tools that provide a hedged exposure to the U.S. bond market. Now that Fed is well into their rate cutting cycle, hedging duration exposure might be a goal of the past. However, we believe rates will stay elevated and will not go back to extreme lows of last decade. Through AGZD, investors can maintain traditional bond exposures but decrease their overall sensitivity to interest rates movements.

But how do investors incorporate a zero-duration fund into their wider portfolio? AGZD combines a long position

¹ Source: Bloomberg, as of 3/31/26.

² Bonds with ratings of BBB-/Baa3 or higher are considered investment grade.

³ Volatility: A measure of the dispersion of actual returns around a particular average level. Generally, the higher the volatility, the riskier the security.

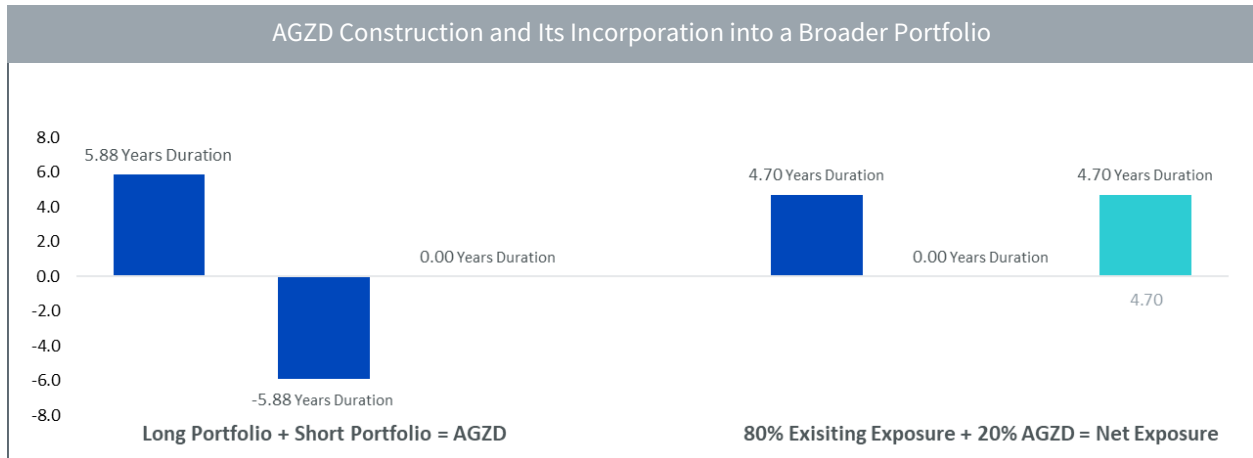
⁴ Futures/futures contract: Reflects the expected future value of a commodity, currency or Treasury security.

⁵ Interest rate overlay: Overlaying debt instruments on top of an existing portfolio.

⁶ U.S. Treasury bond: A debt security issued by the United States government.

in cash bonds representative of the Bloomberg U.S. Aggregate Bond Index with a short position in Treasury bonds and/or Treasury futures to target the zero-interest rate exposure.

Investors can use the portfolio as a stand-alone tool for combatting rising interest rates or combine it with other interest rate-sensitive assets in their portfolio to target their desired level of risk.



Long Portfolio: Bloomberg U.S. Aggregate Index. Short Portfolio: Short position in U.S. Treasury bonds. Existing Exposure: Bloomberg U.S. Aggregate Index. Sources: Bloomberg, WisdomTree, as of 3/31/26.

POTENTIAL TRADE-OFFS

Although the Fund seeks to target a duration of zero years, a rate increase of 100 basis points⁷ does not necessarily guarantee a 0% change in the price of the portfolio. Given that interest rates may rise at different speeds along various points of the yield curve, it may be possible that the targeted interest rate exposure is not effective at offsetting losses from long bond positions. Additionally, should rates remain constant (or fall), the strategy may underperform a long-only portfolio. However, in today's low-opportunity cost environment, we believe that the potential risks of rising rates outweigh the potential losses in carry⁸ from putting on this exposure.

⁷ Basis point: 1/100th of 1 percent.

⁸ Carry: The amount of return that accrues from investing in fixed income or currency forward contracts.

AGZD—MITIGATING RISING RATE RISK WITH INCOME

The WisdomTree Interest Rate Hedged U.S. Aggregate Bond Fund (AGZD) seeks to track the price and yield performance, before fees and expenses, of the Bloomberg Rate Hedged U.S. Aggregate Bond Index, Zero Duration.

WisdomTree Interest Rate Hedged U.S. Aggregate Bond Fund Quick Facts	
Ticker	AGZD
Exchange	NASDAQ
Expense Ratio	0.23%
Structure	Open-end ETF. Registered under the Investment Company Act of 1940.
Exposure	Combination of cash bonds with short positions in Treasury bonds and/or U.S. Treasury futures contracts.
Objective	The Fund seeks to track the price and yield performance, before fees and expenses, of the Bloomberg Rate Hedged U.S. Aggregate Bond Index, Zero Duration.
Duration Target	0.0 years
Rebalancing	The Fund adjusts the interest rate hedge monthly.

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 about AGZD, contact your WisdomTree representative or visit [WisdomTree.com/investments](https://www.wisdomtree.com/investments).

Please see the [WisdomTree Glossary](#) for definition 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. Fixed income investments are subject to interest rate risk; their value will normally decline as interest rates rise. The Fund seeks to mitigate interest rate risk by taking short positions in U.S. Treasuries (or futures providing exposure to U.S. Treasuries), but there is no guarantee this will be achieved. Derivative investments can be volatile and these investments may be less liquid than other securities, and more sensitive to the effects of varied economic conditions. Fixed income investments are also subject to credit risk, the risk that the issuer of a bond will fail to pay interest and principal in a timely manner, or that negative perceptions of the issuer's ability to make such payments will cause the price of that bond to decline. The Fund may engage in "short sale" transactions of U.S. Treasuries where losses may be exaggerated, potentially losing more money than the actual cost of the investment and the third party to the short sale may fail to honor its contract terms, causing a loss to the Fund. While the Fund attempts to limit credit and counterparty exposure, the value of an investment in the Fund may change quickly and without warning in response to issuer or counterparty defaults and changes in the credit ratings of the Fund's portfolio investments. Investing in mortgage- and asset-backed securities involves interest rate, credit, valuation, extension and liquidity risks and the risk that payments on the underlying assets are delayed, prepaid, subordinated or defaulted on. Due to the investment strategy of the Fund, it may make higher capital gain distributions than other ETFs. 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. Please read the Fund's prospectus for specific details regarding the Fund's risk profile.

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Bloomberg U.S. Aggregate Bond Index: Represents the investment-grade, U.S. dollar-denominated, fixed-rate taxable bond market, including Treasuries, government-related and corporate securities, as well as mortgage and asset-backed securities. S&P 500 Index: A market capitalization-weighted benchmark of 500 stocks selected by the Standard and Poor's Index Committee, designed to represent the performance of the leading industries in the United States economy. Bloomberg Rate Hedged U.S. Aggregate Bond Index, Zero Duration: Combines long positions in the Barclays U.S. Aggregate Bond Index with short positions in U.S. Treasury Bonds to provide a duration exposure of zero years. Market values of long and short positions are rebalanced at month-end.

WisdomTree Funds are distributed by Foreside Fund Services, LLC. Foreside Fund Services, LLC, is not affiliated with the other entities mentioned.