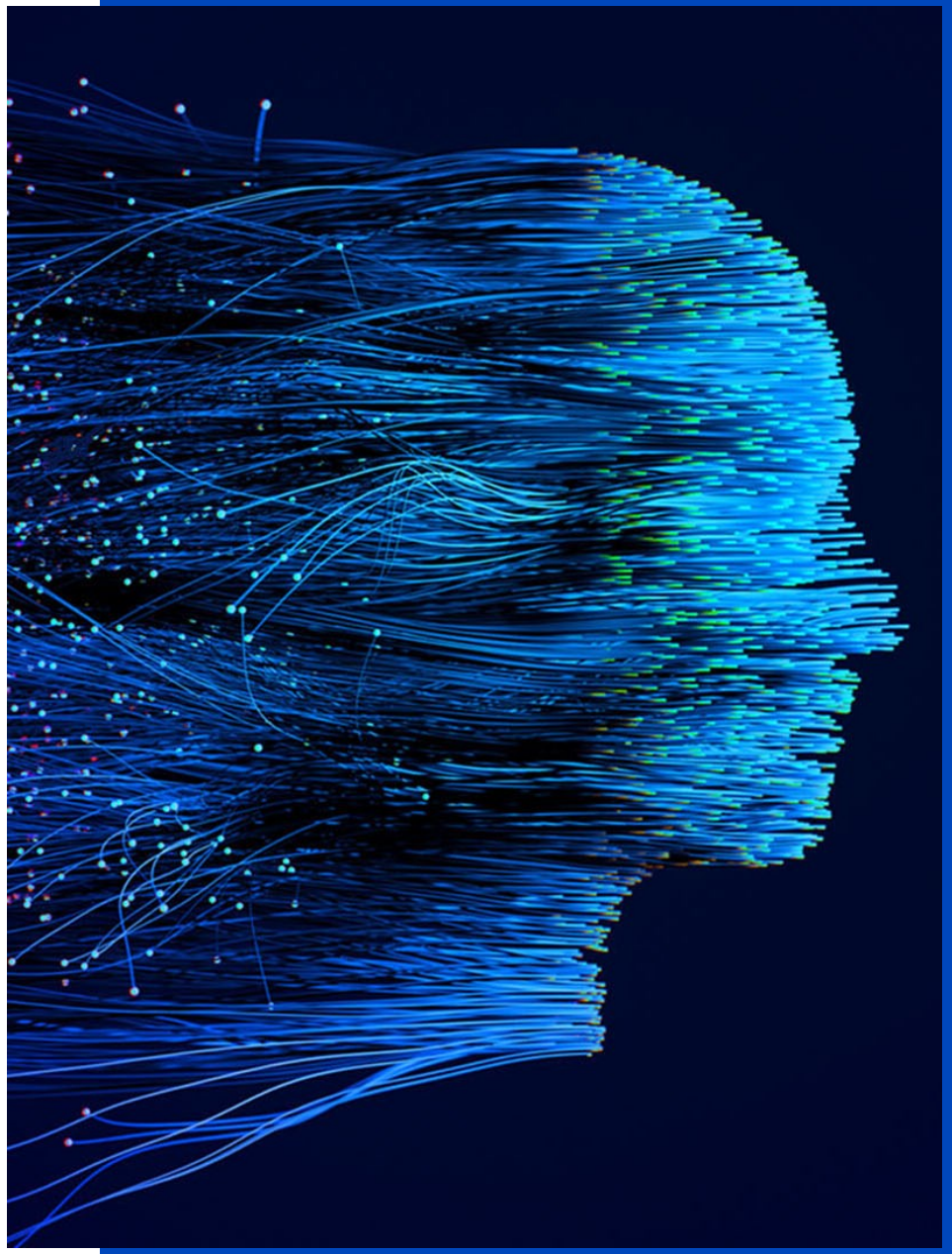
WisdomTree®

May 2026

WisdomTree Artificial Intelligence and Innovation Fund

WTAI



The Demand Signal Is Real and Measurable

AI has crossed the threshold from aspiration to measurable business outcome — and enterprise commitment is accelerating.

81%

of CIOs expect Gen AI workloads in production by end of 2026

Source: Morgan Stanley AlphaWise
n=100 US & EU CIOs, Q4 2025

The question has shifted from "will we use AI?" to "which workloads go first?"

30%

Quantifiable ROI

of Morgan Stanley-classified AI Adopters cited at least one measurable AI impact

6

Measurable Benefit Categories

companies are reporting quantifiable AI gains across financial impact, productivity, sales & marketing, product innovation, governance/risk/security and cross-functional efficiency

+310 bps

Margin Expansion

of EBIT margin expansion across AI Adopters in 2024–25, more than double the MSCI World's 150 bps expansion

80%

Cost Efficiency First

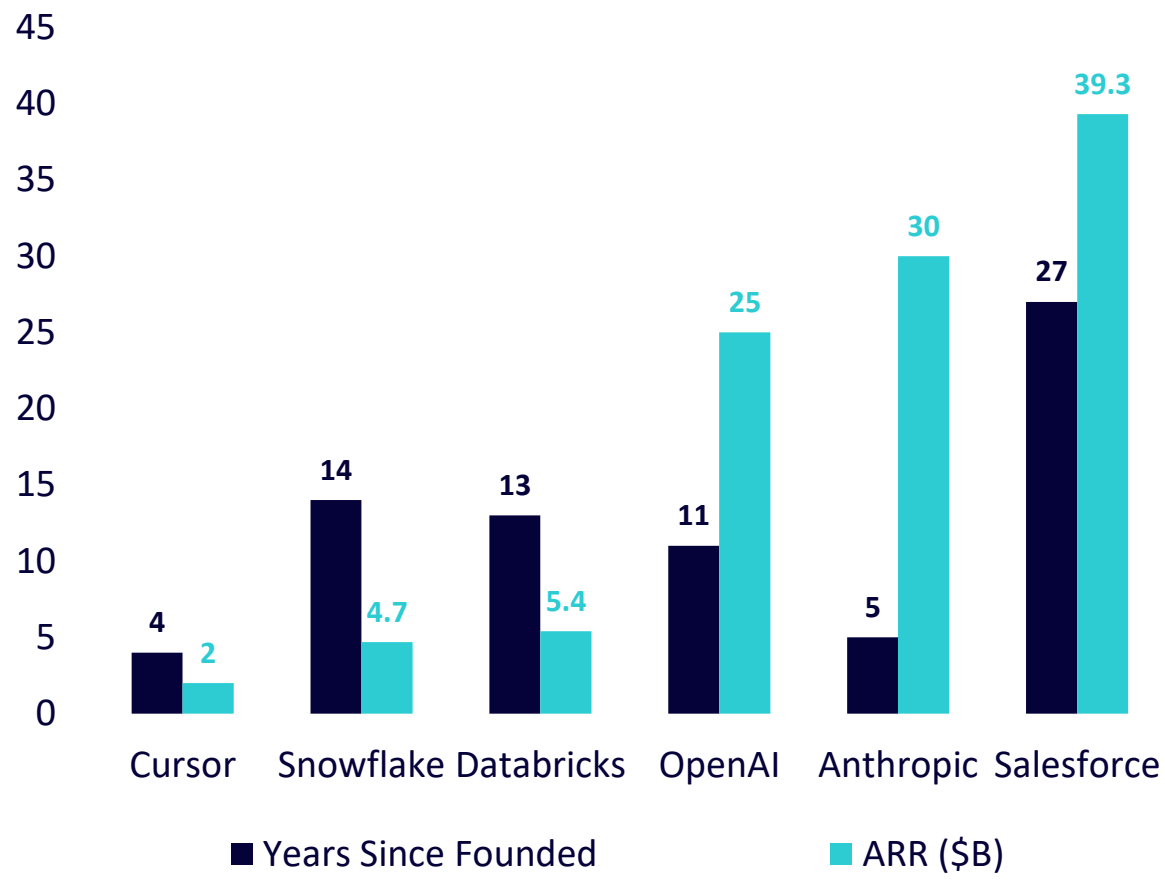
of expected AI benefits are projected to come from cost efficiency rather than revenue growth

Sources: Morgan Stanley Research, 'Mapping AI's Rate of Change', February 2026. ROI refers to return on investment. Bps refers to basis points, 1/100th of 1 percent. EBIT stands for earnings before interest and taxes. Gen AI refers to generative AI, which is a shorthand phrase to refer to large language models.

The Fastest Revenue Ramps in Technology History

Revenue growth at AI-native firms is scaling at unprecedented speeds.

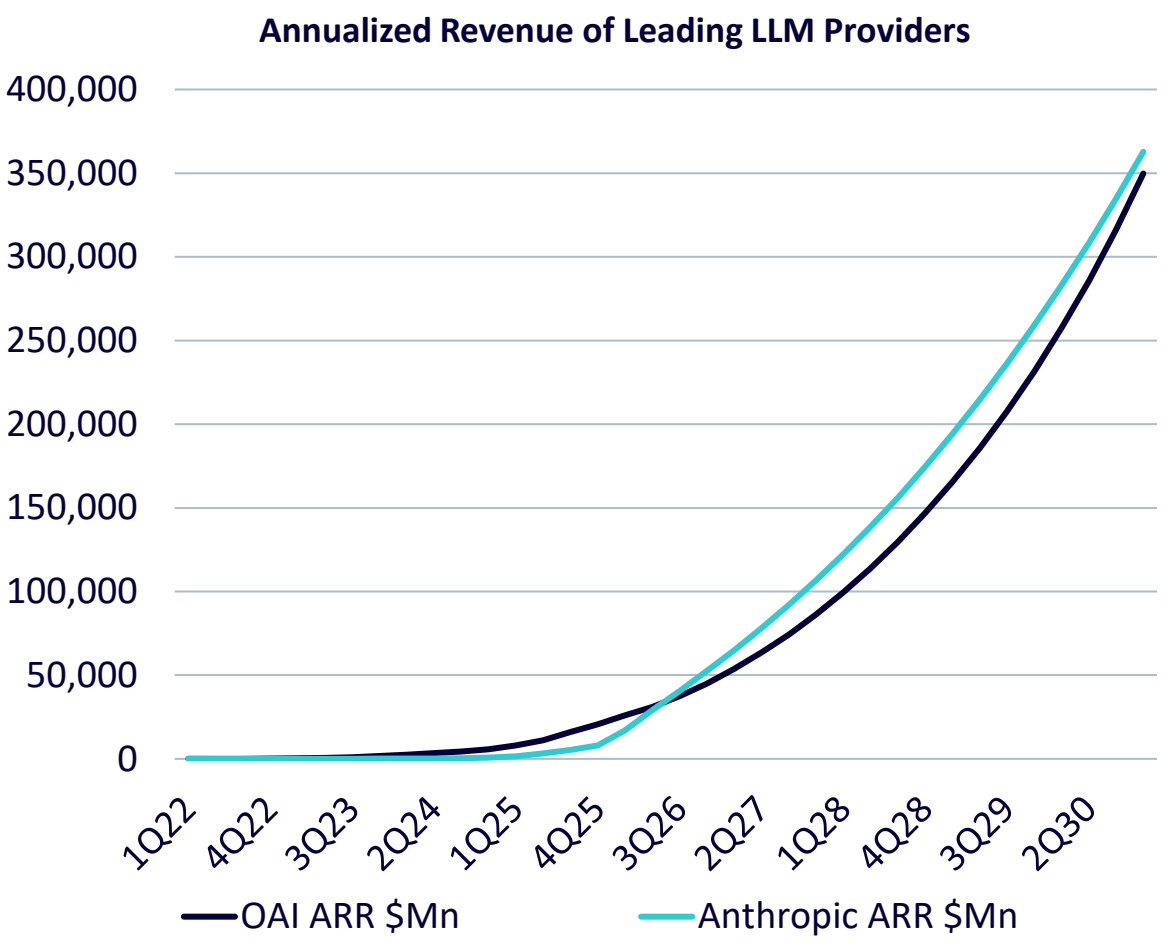
Company	Founded	Age (years)	Current ARR
OpenAI	2015	~11	~$25 billion ARR
Anthropic	2021	~5	~$30 billion ARR
Salesforce	1999	~27	$39.3 billion (FY2026 revenue)
Databricks	2013	~13	$5.4 billion ARR
Snowflake	2012	~14	~$4.7 billion (FY2026 revenue)
Cursor	2022	~4	~$2 billion

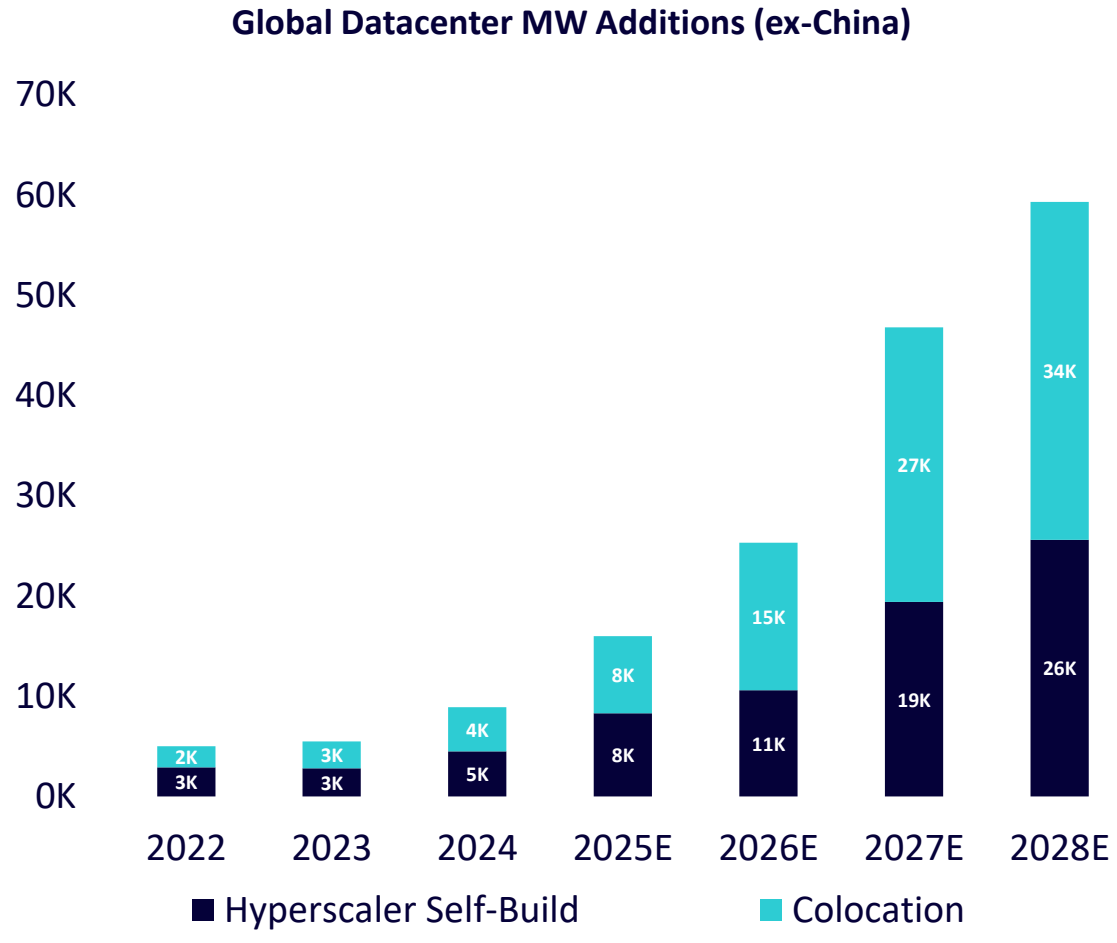


Sources: OpenAI — Reuters/The Information (Mar 2026) | Anthropic — official announcement, VentureBeat/Bloomberg (Apr 2026) | Salesforce — FY2026 earnings release, Bloomberg| Databricks — official press release, databricks.com (Feb 2026) | Snowflake — FY2026 financial results, Bloomberg| Cursor -- Bloomberg, TechCrunch (Feb 2026). ARR refers to annual recurring revenue. AI native refers to, usually newer companies that did not have to adopt AI because they were always focused on it.

AI Model Revenues Are Compounding — and Driving Data Center Demand

Revenue growth at frontier model labs is translating directly into demand for data center capacity additions globally.





Source: SemiAnalysis, April 2026. Forecasts are not an indicator of future performance. Historical performance is not an indication of future performance. OAI stands for OpenAI.LLM: Large Language Model. MW stands for Megawatt, a measure of electrical power energy.

Capital Is Flowing to Meet AI Demand

When the world's largest companies collectively announce $700bn+ in annual AI infrastructure spend, that is not sentiment – it is someone else's order book.

$190bn
Microsoft
FY2026 capex guidance

$180-$190bn
Alphabet
FY2026 capex guidance

$200bn
Amazon
FY2026 capex guidance

$125-$145bn
Meta
FY2026 capex guidance

Combined 2026 capex: $695 to $725bn — the largest single-year infrastructure investment in corporate history

WHOSE EARNINGS DOES THIS CAPEX BECOME?

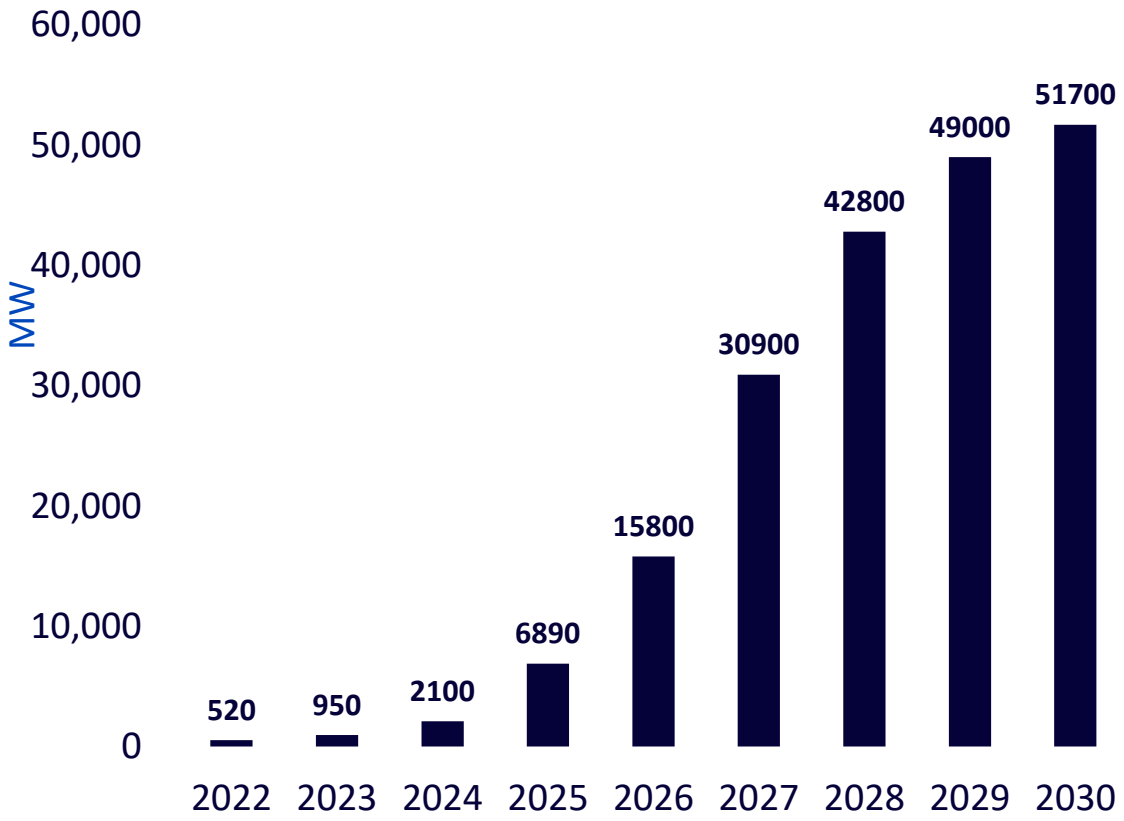
Chip Designers	Memory & Packaging	Optics & Networking	Power Infrastructure	Cloud & Neoclouds
NVIDIA · AMD · Broadcom	SK Hynix · Micron · ASE · KLA	Corning · Lumentum · Coherent	GE Vernova · EMCOR · Bloom	Amazon · Oracle · CoreWeave

Sources: Microsoft Microsoft Corporation. (2026, April 29). *Microsoft cloud and AI strength fuels third quarter results* [Press release]; Alphabet Alphabet Inc. (2026, April 29). *Alphabet announces first quarter 2026 results* [Press release]; Amazon Amazon.com, Inc. (2026, April 29). *Amazon.com announces first quarter results* [Press release]; Meta Meta Platforms, Inc. (2026, April 29). *Meta reports first quarter 2026 results* [Press release]. Capex is a short form of saying capital expenditures and is often referenced in the context of seeing what companies are doing with their available free cash flows.

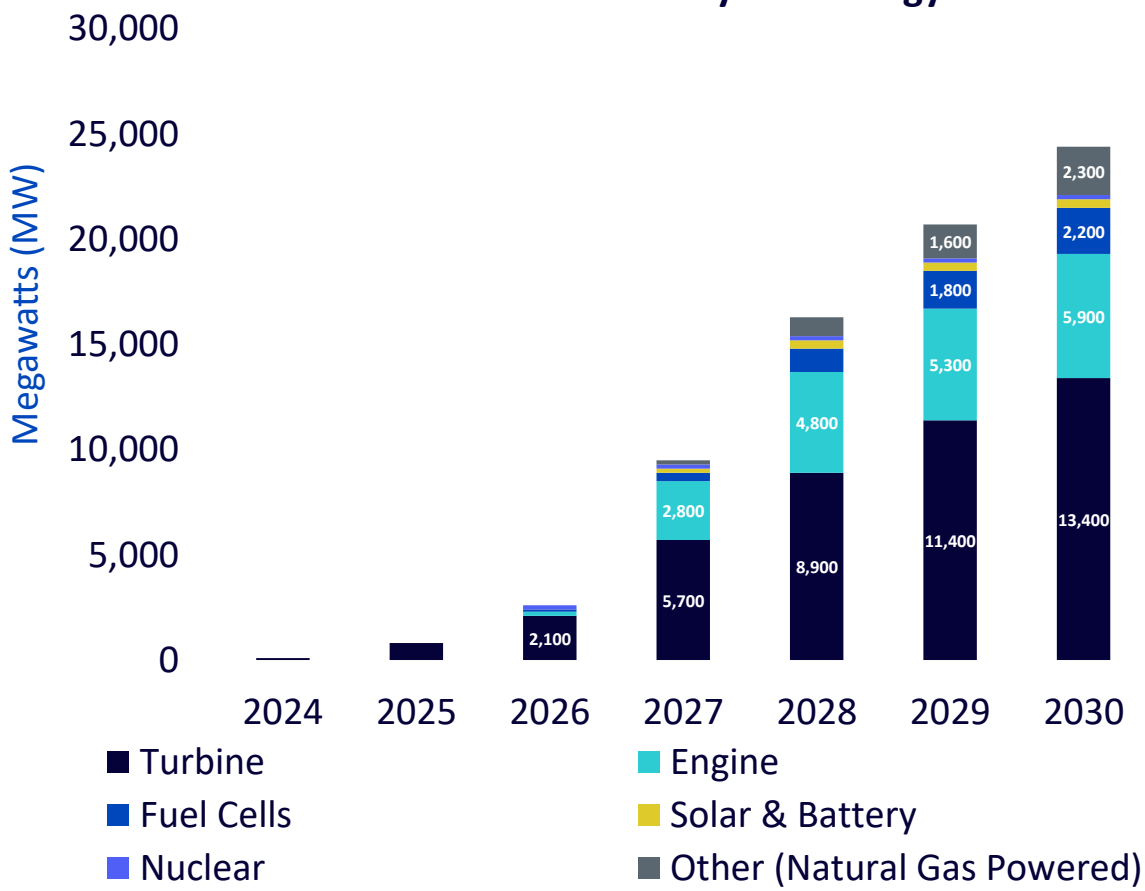
Power as a Binding Constraint on AI Deployment

Inference demand is pushing energy infrastructure to its limits — grid constraints are accelerating the shift to on-site power generation.

LLM Provider XPU Inference Capacity (MW)



Onsite Power Generation by Technology

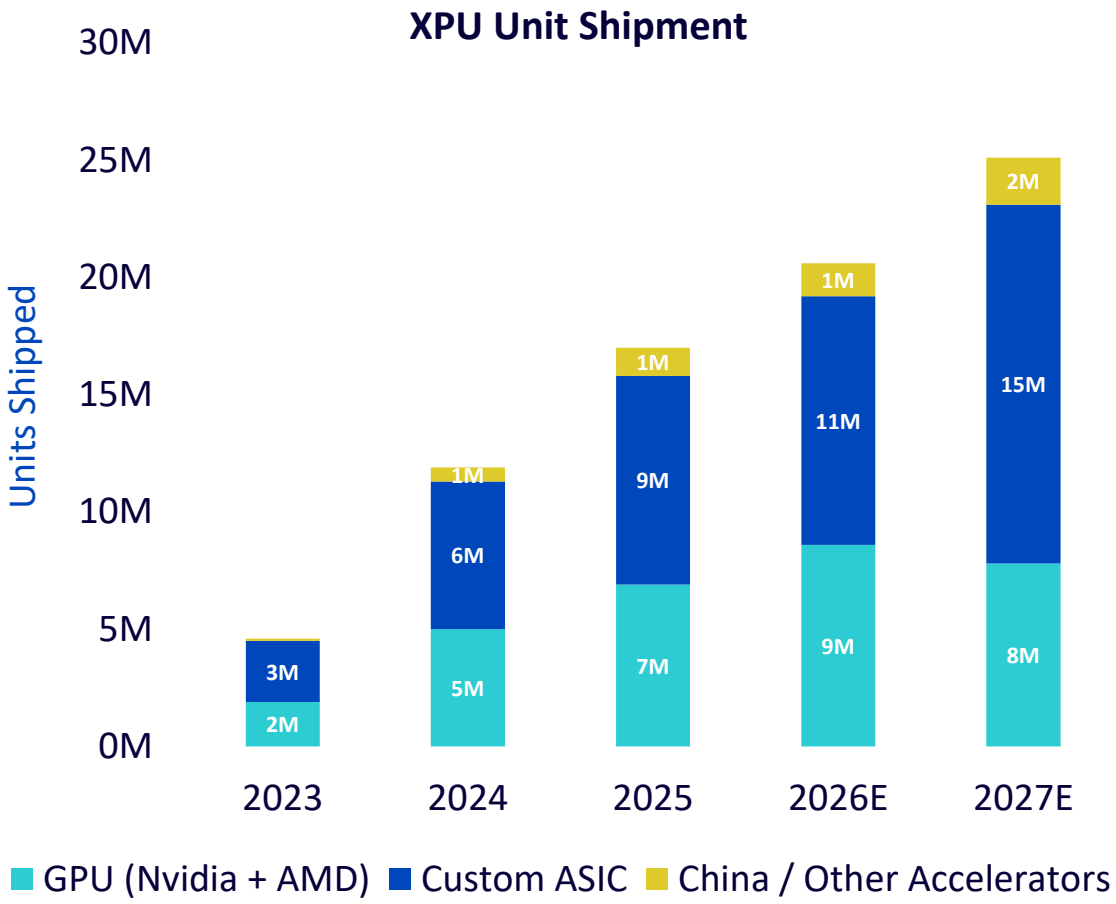


Key insight: inference workloads now dwarf training in power consumption; grid-constrained sites are pulling demand forward for on-site generation — turbines, fuel cells, solar, nuclear.

Source: SemiAnalysis AI Datacentre Industry Model, April 2026. XPU doesn't stand for a single fixed phrase — it's a generic umbrella term the industry uses to refer to any accelerator chip designed for AI and high-performance compute workloads. MW stands for Megawatt and is a unit of electrical energy. Forecasts are not an indicator of future performance.

The Silicon Constraint: Complexity Is the New Bottleneck

The accelerator is no longer just a chip — it is a system. Manufacturing that system at scale is where the next constraint lives.



Complexity at scale adds constraint

GPU and custom ASIC shipments are at record volumes. The bottleneck has shifted from how many chips can be designed to whether they can be manufactured, packaged and tested at acceptable yield.

Each generation requires more capital

TSMC's CoWoS advanced packaging capacity is constrained. A single GB200 system integrates thousands of components across multiple packaging layers. One defect at any layer lowers yield for the entire system.

The cost of a bad chip has risen

As systems grow more complex and shift from copper to optical interconnects, the premium on test and inspection rises sharply. Installing a defective chip in a $10m rack is no longer acceptable.

This creates durable revenue for the supply chain

Process control (KLA), advanced packaging (ASE), optical test (Advantest) and wafer fab equipment (ASML, Lam, AMAT) all benefit from complexity — not just volume.

Source: SemiAnalysis Accelerator Model, April 2026. XPU doesn't stand for a single fixed phrase — it's a generic umbrella term the industry uses to refer to any accelerator chip designed for AI and high-performance compute workloads. Forecasts are not an indicator of future performance. Holdings subject to change. GPU stands for graphics processing unit. AMD stands for Advanced Micro Devices. ASIC stands for application specific integrated circuit. CoWoS stands for Chip-on-Wafer-on-Substrate.

Software: The Disruptive Opportunity for Long-Term Value Capture

Software is AI's largest economic prize — and it's trading at historically low multiples. The challenge is distinguishing durable winners from those most exposed to AI displacement.

What Infrastructure Delivers Today	What Software Will Capture — Eventually
Revenue visibility Visible now — capex commitments are procurement orders	**Revenue visibility** Uncertain — monetization depends on enterprise adoption pace
Measurement Countable: watts, wafers, rack units, bandwidth, fiber	**Measurement** Difficult but emerging: productivity gains, workflow displacement, platform take rates
Pricing power Structural — physical constraints gate supply	**Pricing power** Contested — open-source, model labs, cloud providers all competing
Timing Order books extend 12–24 months; revenues are being recognised today	**Timing** Depends on enterprise readiness, regulation, integration complexity
Investment signal Hyperscaler capex announcements are the signal — already made	**Investment signal** Product launches, annual recurring revenue (ARR) growth, net retention — earlier to price in
Risk Cyclicality, valuation — but less so 'will the revenue arrive?'	**Risk** 'Will the revenue arrive? Will margins grow or sustain?' is still an open question for many names

WisdomTree's position: Overweight infrastructure where revenue is visible. Selective in software — cybersecurity, data infrastructure, enterprise AI — where the path to monetization is clearest. The balance shifts as the cycle evolves.

Source: WisdomTree. Portfolio weights as of May 2026 rebalance. Holdings subject to change. Capex is a short-form for capital expenditure.

The Applications: What the Infrastructure Is Actually For

The data center buildout is not abstract. These are the applications driving permanent, always-on AI compute demand that is scaling now.

Agentic AI & Enterprise Automation

When agents complete multi-step workflows autonomously — scheduling, analysis, code generation, customer service — the productivity capture becomes measurable and enterprise willingness to pay becomes concrete.

Exposure via: enterprise software, data infrastructure, cloud platforms

Robotics & Industrial Automation

Physical AI is the next frontier. Humanoid and industrial robots require real-time vision, motion planning and decision-making. Each robot is a mobile inference unit — the hardware buildout mirrors the data centre buildout at smaller scale.

Exposure via: compute and analog/discrete semis, industrial automation

Drug Discovery & Healthcare

AI is compressing drug discovery timelines from ~12 years toward 3–4. The data volumes and problem domain is enormous — only AI has the capability to model the complex multivariate, non-linear nature of such problems.

Exposure via: cloud platforms, genomics compute, data infrastructure

Autonomous Vehicles & Mobility

Every autonomous vehicle perceives the environment and runs inference continuously — not a one-time query but a permanent compute workload. Scaled across millions of vehicles, this is one of the most durable AI demand signals imaginable.

Exposure via: compute semis, analog and discrete semis, sensors

Cybersecurity & AI Defence

As AI proliferates, the attack surface expands exponentially — AI-generated phishing, deepfakes, autonomous threat actors and compromised model pipelines. Every enterprise deploying AI also needs AI-powered defence. This is the one area of software where spending is a necessity, not a choice.

Exposure via: agentic identity, secure access service edge, content delivery networks, firewall

AI Users & Operational Beneficiaries

Financial services, media, consumer platforms and supply chains are embedding AI into core operations — fraud detection, content generation, personalised recommendations, inventory optimization. These are the enterprises whose productivity gains make the AI spend rational.

Exposure via: cloud & neocloud platforms, enterprises of all industries and sizes

The common thread: every application above requires compute, memory, networking, power and software infrastructure to function at scale.

Source: WisdomTree.

Strategy & Methodology

How we identify, classify, select and weight companies

AI Is a Stack of Bottlenecks, Not a Single Layer

Each layer can gate another layer above it. A portfolio that only owns one part of the stack is exposed to the others.

Applications & Software	**CONSTRAINT:** Monetization timing & competitive dynamics	*Palo Alto · CrowdStrike · Snowflake · ServiceNow*	~13%
Hyperscalers & Neoclouds	**CONSTRAINT:** Token demand · Model & hardware efficiency · XPU pricing · capex cycles	*Alphabet · Amazon · Meta · Oracle · Microsoft · CoreWeave*	~18%
Memory, Networking & Optics	**CONSTRAINT:** HBM · NAND · Optics for bandwidth as clusters scale	*SK Hynix · Micron · Kioxia · Lumentum · Coherent · Arista*	~27%
Manufacturing, Packaging & Test	**CONSTRAINT:** Foundry · CoWoS capacity · yield at leading nodes	*TMSC · Lam Research · Applied Materials · KLA · Advantest*	~12%
Compute (Accelerators & CPUs)	**CONSTRAINT:** NVIDIA dominance · ASIC competition · supply lead times	*NVIDIA · AMD · Intel · Broadcom · Cerebras*	~15%
Power & Physical Infrastructure	**CONSTRAINT:** Grid access · site permits · thermal limits	*GE Vernova · Bloom Energy · Cummins · EMCOR · Delta*	~9%

Source: WisdomTree. Approximate weights as of May 2026 rebalance. Holdings subject to change. CPUs stand for central processing units. ASIC stands for application specific integrated circuit. CoWoS stands for Chip on Wafer on Substrate. HBM stands for High Bandwidth Memory. NAND refers to solid state memory and is a shorthand for referencing the 'not-and' types of logic gates. Capex is a shorthand for capital expenditure. XPU doesn't stand for a single fixed phrase — it's a generic umbrella term the industry uses to refer to any accelerator chip designed for AI and high-performance compute workloads.

Capex Is Someone Else's Earnings

Hundreds of billions in committed hyperscaler capex are converting into hard order books across the AI supply chain — visible revenue today, regardless of when AI applications fully monetise.

WHERE THE CAPEX LANDS

HYPERSCALER CAPEX: Microsoft · Google · Amazon · Meta

Compute Silicon	NVIDIA, AMD, Broadcom	*Direct beneficiary — captured in near-term guidance*
Foundry Capacity	TSMC, Samsung foundry	*Wafer commitments visible multiple years out*
Advanced Packaging & Test	ASE, Advantest, KLA	*CoWoS supply remains the binding constraint*
Networking & Optics	Corning, Lumentum, Coherent	*Scales with cluster size, not just GPU count*
Power & Grid	GE Vernova, EMCOR, Bloom, Vertiv	*Multi-year backlogs; power is the new bottleneck*

WHY THIS MATTERS NOW

↑ Upstream: "Picks & Shovels" Revenue

- Capex commitments translate into purchase orders, not forecasts
- Key inputs — HBM, CoWoS, optics, transformers — are structurally scarce
- Revenue measured in units shipped, wafers started, MW delivered
- De-risks the AI thesis: payback exists even if software monetization lags

↓ Downstream: Software Application Layer

- Where AI's largest economic value is expected to accrue over time
- Monetization timing harder to underwrite in the near term
- WTAI maintains selective software exposure: cyber, data infra, enterprise AI
- Reduced 16.6% → 13.1% in the May 2026 rebalance to fund upstream conviction

Source: WisdomTree. Portfolio weights as of May 2026 rebalance. Holdings subject to change. Capex is shorthand for capital expenditure. CoWoS stands for Chip-on-Wafer-on-Substrate. GPU stands for graphics processing unit. HBM stands for high bandwidth memory. MW stands for megawatt.

A Dynamic Framework for Capturing the AI Value Chain

AI is not a single industry. It is a multi-layered ecosystem where leadership and value accrual shift over time — the framework is designed to move with it.

Applications & Software

Software-as-a-Service (SaaS), vertical AI apps, enterprise & consumer software

Hyperscalers & Neoclouds

Amazon Web Services (AWS), Azure, Google Cloud Platform (GCP) & emerging neocloud providers

Memory, Networking & Optics

High Bandwidth Memory (HBM) · Not-And (NAND) · optical interconnects · switching for scale

Manufacturing, Packaging & Test

Foundry · Chip-on-Wafer-on-Substrate (CoWoS) advanced packaging · test & yield

Compute (Accelerators & CPUs)

Graphics Processing Units (GPUs) · Application Specific Integrated Circuit (ASICs) · Central Processing Unit (CPUs) for AI training & inference

Power & Physical Infrastructure

Grid access · on-site power · data center build-out

← Value accrual shifts across layers as AI evolves

Rules-based

Defined categories, liquidity screens and investability rules create a repeatable, institutional-quality process.

Adaptive

Quarterly committee review evaluates where the most important AI technologies, infrastructure layers and value accrual opportunities are emerging.

Diversified Across the Stack

Exposure spans compute, memory, networking, power, software and innovation — no single-layer concentration risk.

Economically Grounded

Weightings follow where AI deployment is constrained and revenue is being realized. Physical order books, capital expenditure (capex) signals, and revenue growth anchor the process.

"The methodology provides structure and consistency, while the committee evaluates where the most durable and differentiated AI exposures exist across the value chain."

Owning the Full AI Value Chain

Top-down classification across four categories, refined by subcategory — orienting toward layers where growth is being realized or AI deployment is constrained by supply.

Semiconductors — 42%

Compute
NVIDIA · AMD · Intel · Broadcom · Cerebras

Memory
SK Hynix · Micron · Kioxia · SanDisk

Packaging & Test
ASE Technology · KLA · Advantest

Power Semis
Monolithic Power · Texas Instruments

Innovation — 19%

Hyperscalers
Alphabet · Amazon · Meta · Oracle · Microsoft

Neoclouds
CoreWeave · DigitalOcean

AI Platform Users
Frontier AI deployment & operational efficiencies

Other Hardware — 26%

Optics
Corning · Lumentum · Coherent

Power & Grid
GE Vernova · Bloom Energy · Cummins · EMCOR

DC Infrastructure
Delta Electronics · Vertiv

Robotics
Fanuc · Tesla

AI Software — 13%

Cybersecurity
Palo Alto · CrowdStrike

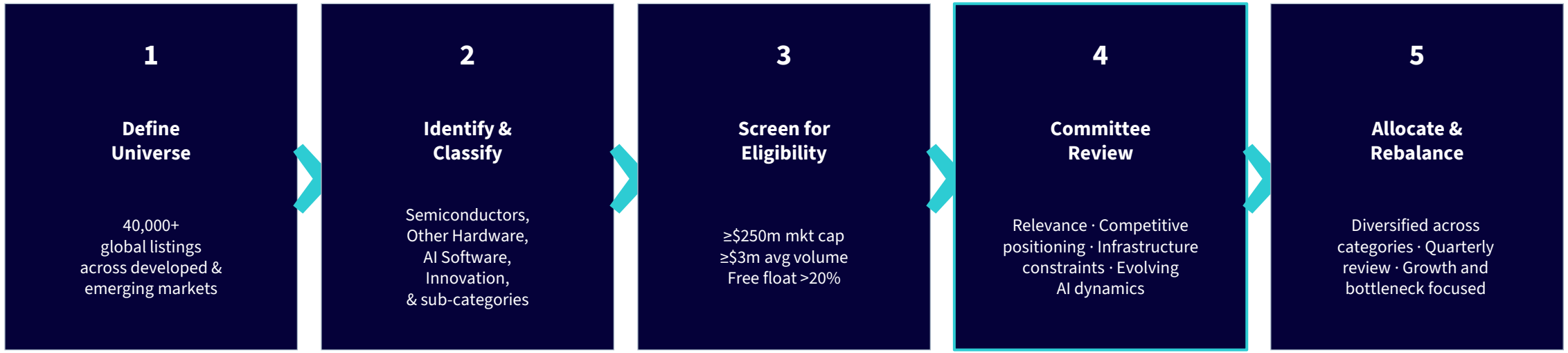
Data Infrastructure
Snowflake · MongoDB

Enterprise AI
Salesforce · ServiceNow

Source: WisdomTree, SemiAnalysis. Weights as of May 2026 rebalance. Holdings and weights subject to change. Not all names exemplified may be in the portfolio.

Methodology Overview

Rules-based structure with strong oversight — designed to maintain exposure to the most important layers of the AI ecosystem as the market evolves.



The key distinction:

	Systematic rules provide	Committee evaluation adds
Universe & eligibility	Repeatable screens	Review of borderline cases and new entrants
Classification	Consistent categorization across rebalances	Judgement on evolving AI sub-themes
Weighting	Diversified allocation across four categories	Tilts toward where constraints and value accrual are clearest
Rebalance	Quarterly schedule, rules-based triggers	Ongoing assessment of AI ecosystem evolution

Source: WisdomTree. Index reviewed and rebalanced quarterly in February, May, August and November.

Index Construction Summary

The WisdomTree Artificial Intelligence & Innovation Index follows a five-step process, reviewed quarterly by an investment committee.

Step	Process	Key Criteria / Detail	Committee Role
1. Define Universe	Global equity screening	40,000+ listings across developed and emerging markets	Scope defined by index rules
2. Identify & Classify	AI involvement assessment	Company filings, earnings transcripts, patents, press releases — companies are mapped to four main categories and a broader group of subcategories	Evaluates borderline cases and new entrants
3. Screen	Investability filters	≥$250m market cap · ≥$3m avg daily volume	Rules-based, limited discretion
4. Select & Weight	Portfolio construction	Diversified across Semiconductors, Other Hardware, AI Software, Innovation categories	Weights follow bottlenecks, growth and value accrual
5. Rebalance	Quarterly review	February · May · August · November	Assessment of AI ecosystem evolution at each rebalance

Important: Weights are diversified across categories while evolving with AI technologies and infrastructure priorities. Equal weight serves as a starting point within categories but is not a constraint.

Source: WisdomTree. Index rebalanced quarterly in February, May, August and November. You cannot invest directly in an index.

Portfolio Characteristics

Current holdings and exposures

Portfolio Overview — Top 20 Holdings & Category Breakdown

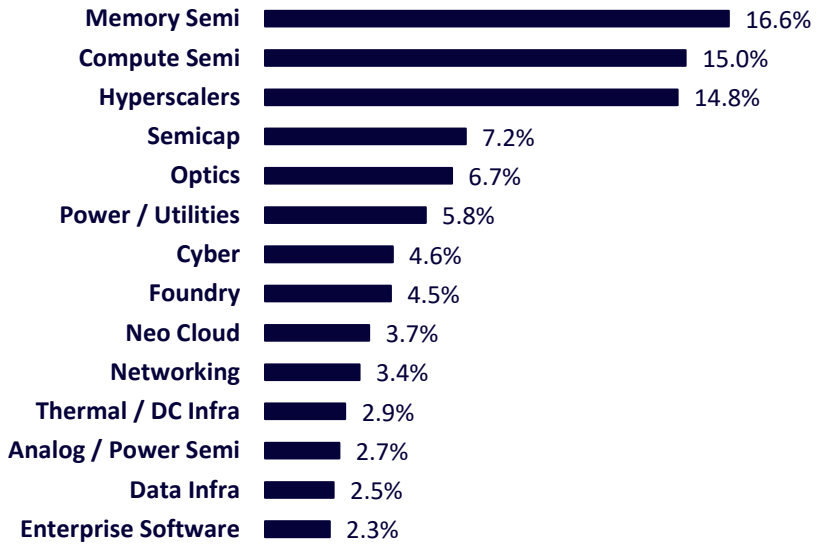
As of May 2026. Source: WisdomTree, FactSet. Holdings and weights subject to change.

Company	Category	Sub-theme	Weight
NVIDIA Corporation	Semiconductors	Compute Semi	**5.0%**
Samsung Electronics Co., Ltd.	Semiconductors	Memory Semi	**4.6%**
Amazon.com, Inc.	Innovation	Hyperscalers	**4.3%**
Micron Technology, Inc.	Semiconductors	Memory Semi	**4.0%**
Alphabet Inc. Class A	Innovation	Hyperscalers	**4.0%**
Meta Platforms Inc Class A	Innovation	Hyperscalers	**3.5%**
Broadcom Inc.	Semiconductors	Compute Semi	**3.5%**
Oracle Corporation	Innovation	Neo Cloud	**3.0%**
Taiwan Semiconductor Mfg Co. ADR	Semiconductors	Foundry	**3.0%**
SK Square Co., Ltd.	Innovation	Other	**2.8%**
Sandisk Corporation	Semiconductors	Memory Semi	**2.8%**
Lumentum Holdings, Inc.	Other Hardware	Optics	**2.5%**
Kioxia Holdings Corporation	Semiconductors	Memory Semi	**2.5%**
SK hynix Inc.	Semiconductors	Memory Semi	**2.3%**
Palo Alto Networks, Inc.	Software	Cyber	**2.3%**
Vertiv Holdings Co. Class A	Other Hardware	Thermal/DC Infra	**2.1%**
Lam Research Corporation	Semiconductors	Semicap	**2.1%**
DigitalOcean Holdings, Inc.	Software	Neo Cloud	**2.0%**
Advanced Micro Devices, Inc.	Semiconductors	Compute Semi	**2.0%**
Coherent Corp.	Other Hardware	Optics	**2.0%**

Category Breakdown

Category	Weight	Holdings
Semiconductors	**42.0%**	24
Other Hardware	**25.9%**	16
Innovation	**19.0%**	11
Software	**13.1%**	6
Total	**100%**	57

Key Sub-Classifications



Source: WisdomTree, FactSet. As of May 2026 rebalance. You cannot invest directly in an index. Holdings and weights subject to change. Semi is short for semiconductor. Semicap is short for semiconductor capital equipment. DC stands for direct current and refers to a manner in which electrical energy is delivered.

Fund Information

The WisdomTree Artificial Intelligence and Innovation Fund seeks to track the price and yield performance, before fees and expenses, of the WisdomTree Artificial Intelligence & Innovation Index, which identifies companies that are primarily involved in the investment theme of AI and Innovation.

+ **Ticker:** WTAI
+ **Exchange:** Cboe
+ **Expense Ratio:** 0.45%
+ **Structure:** Open-ended ETF
+ **Exposure:** Companies involved in targeted AI functions
+ **Index Rebalance:** Quarterly
+ **Number of Index holdings:** 57

You cannot invest directly in an index.

Important Information

Please see the WisdomTree Glossary for definition of terms.

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 companies primarily involved in the investment themes of artificial intelligence (AI) and innovation. Companies engaged in AI typically face intense competition and potentially rapid product obsolescence. These companies are also heavily dependent on intellectual property rights and may be adversely affected by loss or impairment of those rights. Additionally, AI companies typically invest significant amounts of spending on research and development, and there is no guarantee that the products or services produced by these companies will be successful. Companies that are capitalizing on innovation and developing technologies to displace older technologies or create new markets may not be successful. 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 or take defensive positions in declining markets. The composition of the Index is governed by an Index Committee, and the Index may not perform as intended. Please read the Fund's prospectus for specific details regarding the Fund's risk profile.

Statements concerning financial market trends are based on current market conditions, which will fluctuate. References to specific securities and their issuers are for illustrative purposes only and are not intended to be, and should not be interpreted as, recommendations to purchase or sell such securities.

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