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This Supplement forms part of and should be read in conjunction with the general description of the ICAV contained in the current Prospectus dated 8 March 2023 as may be amended and/or supplemented from time to time (the “Prospectus”) together with the most recent annual report and audited financial statements and if published after such report, a copy of the latest half-yearly report and unaudited financial statements. If you are in any doubt about the contents of this Supplement, you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser.

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## **WISDOMTREE ARTIFICIAL INTELLIGENCE UCITS ETF**

*(a sub-fund of WisdomTree Issuer ICAV, an Irish collective asset management vehicle which is constituted as an umbrella fund with segregated liability between its sub-funds and with variable capital. The ICAV was registered under the laws of Ireland with registered number C132923)*

### **SUPPLEMENT**

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This Supplement contains information relating to the WisdomTree Artificial Intelligence UCITS ETF. To the extent there is any inconsistency between this Supplement and the Prospectus, this Supplement shall prevail. Capitalised terms used and not defined herein shall have the meaning attributed to them in the Prospectus.

Application has been made to the London Stock Exchange for the Shares of WisdomTree Artificial Intelligence UCITS ETF issued and available for issue to be admitted to trading on the Main Market of the London Stock Exchange.

The date of this Supplement No. 24 is 30 March 2023.

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## 1. WISDOMTREE Artificial Intelligence UCITS ETF

<b>Fund:</b> WisdomTree Artificial Intelligence UCITS ETF
<b>Index:</b> NASDAQ CTA Artificial Intelligence Index

### 1.1. Investment Objective

The WisdomTree Artificial Intelligence UCITS ETF (the “**Fund**”) seeks to track the price and yield performance, before fees and expenses, of the NASDAQ CTA Artificial Intelligence Index (the “**Index**”).

### 1.2. Investment Policy

In order to achieve this objective, the Fund will employ a "passive management" (or indexing) investment approach and will invest in a portfolio of equity securities that so far as possible and practicable consists of a representative sample of the component securities of the Index.

The Fund will seek to invest all, or substantially all, of its assets in the constituents of the Index. However, the use of a representative sampling strategy means that it may invest in a sample of Index constituents whose risk, return and other characteristics closely resemble the risk, return and other characteristics of the Index as a whole. Therefore, while the Fund may from time to time invest in all constituents of the Index, it is not expected that it will always hold every constituent (or a similar weighting of any such constituent) of the Index.

Where consistent with its investment policy, the Fund may from time to time invest in equity or equity-related securities listed or traded on a Regulated Market (such as large, medium or small cap equities, common or preferred stocks and Depositary Receipts) and open-ended collective investment undertakings.

The Fund may hold ancillary liquid assets from time to time, for example, as dividends are collected. In such circumstances the Fund may seek to implement an effective cash management policy. In pursuit of this policy the Fund may invest in collective investment schemes, transferable securities and money market instruments (such as short dated government backed securities, floating rate notes, commercial paper, certificates of deposit, treasury bills and treasury notes, each of which are debt securities with varying maturities and where relevant, will be of investment grade at the time of acquisition). The Fund may not invest more than 10% of its net assets in aggregate in collective investment schemes.

With the exception of permitted investment in unlisted securities, investments will be made on the stock exchanges and markets listed in Appendix I to the Prospectus.

Where the Fund uses instruments which are not constituents of the Index, it will do so where it is consistent with its investment objective and policy, where the risk, return and other characteristics of these instruments resemble the risk, return and other characteristics of the Index as a whole and where the Investment Manager believes the use of such instruments will aid the objective of tracking the return and yield of the Index.

The Fund may enter into repurchase/reverse repurchase agreements and securities lending arrangements solely for the purposes of efficient portfolio management, subject to the conditions and within the limits set out in the Prospectus. The maximum proportion of the Net Asset Value of the Fund that can be subject to repurchase/reverse repurchase agreements and securities lending arrangements is 50%. Any type of assets that may be held by the Fund in accordance with its investment objective and policies may be subject to such Securities Financing Transactions. The expected proportion of the Net Asset Value of the Fund that will be subject to repurchase/reverse repurchase agreements and securities lending arrangements is 0%.

The Investment Manager conducts credit assessments of counterparties to a repurchase/reverse repurchase agreement or securities lending arrangement. Where a counterparty is subject to a credit rating by an agency registered and supervised by the ESMA that rating shall be taken into account in the credit assessment process and where the counterparty is downgraded by the credit rating agency

to A-2 or below (or comparable rating), a new credit assessment of the counterparty is conducted by the Investment Manager without delay. Another criterion used when selecting counterparties includes country of origin. For example, the counterparty may be a body corporate located in an EEA member state.

The Fund promotes, among other characteristics, environmental and social characteristics by seeking to track, before fees and expenses, the return performance of the Index, and qualifies as a financial product subject to Article 8(1) of SFDR. Information on how the Index is consistent with environmental and social characteristics is set out in "Index description" below. Please also refer to "ESG Screening Risk" under "Risk Factors" below, the section entitled "Sustainability Disclosures" set out in the Prospectus and the further disclosures in relation to the application of SFDR set out in the Annex to this Supplement.

### 1.3. Share Classes

The Fund may have different classes of Shares as set out in Section 5. Share classes may be designated in the Base Currency or in currencies other than the Base Currency (the **"Share Class Currency"**). Furthermore, the Fund may also offer hedged share classes (**"Hedged Share Classes"**) which will hedge the Share classes' exposure to the underlying portfolio currencies (the **"Portfolio Currency"** or **"Portfolio Currencies"**) to a currency designated at the Hedged Share Class level (the **"Exposure Currency"**). Although the Exposure Currency and Share Class Currency of some Share classes of the Fund are the same, the Exposure Currency of any new Share class established in the future may differ from its Share Class Currency. The Share Class Currency for each Share class and Exposure Currency for each Hedged Share Class are disclosed in Section 5 below under the heading "Available Share Classes".

#### Hedged Share Classes

Hedged Share Classes will mitigate or hedge the exposure of each of the Portfolio Currencies to the relevant Exposure Currency through the use of forward exchange contracts or foreign-exchange (**"FX"**) swaps that so far as possible and practicable track the currency hedging methodology of a currency hedged version of the Index which seeks to provide a currency hedged return (the relevant **"Hedged Index"**). The Hedged Index of each Hedged Share Class is disclosed below under the heading "Available Share Classes".

The currency hedging methodology of Hedged Share Classes will so far as practicable replicate the currency hedging methodology of the applicable Hedged Index by entering forward exchange contracts (a contract between the Fund and a counterparty to buy or sell a specific currency in the future at a certain exchange rate) or by using unfunded FX swaps (in this context, a swap would be a contract between the Fund and a swap counterparty under which the latter provides the required currency exposure(s) to the Fund in exchange for a fee). Therefore, there is no discretion to alter or vary the hedging methodology used by a Hedged Share Class. The currency hedging methodology consists of entering into a forward exchange contracts or an unfunded FX swap in order to hedge the Portfolio Currency to the relevant Exposure Currency.

In accordance with the hedging methodology of the applicable Hedged Index, the Hedged Share Class' foreign currency exposures (**"Hedge Positions"**) are re-set at the end of each month. The Hedge Positions of the Hedged Share Class are proportionately adjusted for net subscription and redemptions during the month and may be adjusted during the month to account for price movements of the Fund's Investments, corporate events affecting such Investments, or additions, deletions or any other changes to the Index constituents (and thereby to the Fund's portfolio of Investments) to ensure compliance with the Prospectus. The Hedge Positions may also be adjusted during the month in order to avoid breaching the counterparty exposure limit.

Intra month, the notional amount of the Hedge Positions may not exactly offset the foreign currency exposure of a Hedged Share Class. Depending on whether the Index has appreciated or depreciated between each monthly Hedge Positions re-set, a Hedged Share Class' foreign currency exposure may be under-hedged or over-hedged respectively.

Any gains resulting from a Hedged Share Class' Hedge Positions shall be reinvested at the end of the month when the Hedge Positions are being re-set. In the event that the Hedge Positions provide

exposure to the relevant Exposure Currency which is greater than the corresponding exposure to the Portfolio Currency prior to the month-end reset, the Hedged Share Class will have an exposure to the Exposure Currency in excess of the value of the corresponding Portfolio Currency-denominated investments. Conversely, in the event that the Hedge Position provides exposure to the relevant Exposure Currency which is less than the corresponding exposure to the Portfolio Currency prior to the month-end re-set, the Hedged Share class will have an exposure to the relevant Exposure Currency which is less than the value of its corresponding Portfolio Currency-denominated Investments. Any exposure difference will be re-set at month end when the Hedge Positions are re-set. All hedging transactions will be clearly attributable to the specific Hedged Share Class and currency exposures of different classes will not be combined or offset.

#### **1.4. Risk Management Process**

In accordance with the requirements of the Central Bank, the Investment Manager, employs a risk management process to enable it to accurately calculate, monitor, measure and manage, the various risks associated with the use of FDI by the Fund. The Investment Manager uses the “Commitment Approach” to measure the Fund’s incremental exposure and leverage generated through the use of FDI. The Commitment Approach seeks to manage and measure the global exposure and potential loss due to the use of FDI by the Fund. Where FDI are used for currency hedging purposes the exposure of the FDI is calculated and then netted against the assets being hedged.

#### **1.5. Leverage and Global Exposure**

The Fund’s global exposure will be calculated using the commitment approach. It is not the Investment Manager’s intention to leverage the Fund. However, the Fund may be leveraged from time to time due to the use of FDI as part of the Fund’s investment objective and/or currency hedging. The Fund may therefore not be leveraged more than 100% of its Net Asset Value. That is, the total exposure associated with the Investments of the Fund, including investments in FDI, may amount to 200% of the Net Asset Value of the Fund.

#### **1.6. Portfolio Transparency**

Information about the Investments of the Fund is made available on a daily basis. The Fund will disclose on [www.wisdomtree.eu](http://www.wisdomtree.eu) at the start of each Business Day the identities and quantities of the securities and other assets held by it. The portfolio holdings so disclosed will be based on information as of the close of business on the prior Business Day and/or trades that have been completed prior to the opening of business on that Business Day and that are expected to settle on that Business Day.

#### **1.7. Anticipated Tracking Error**

The Investment Manager aims to keep Tracking Error below or equal to 2% for each Share class. There is, however, no guarantee that this level of Tracking Error will be realised and neither the ICAV, the Manager nor the Investment Manager will be liable for any discrepancies between the Fund’s anticipated level of Tracking Error and the actual level of Tracking Error (as subsequently observed). The annual report of the ICAV will provide an explanation of any divergence between anticipated and realised Tracking Error for the relevant period. The annual and half-yearly reports will state the Fund’s Tracking Error at the end of the period under review.

### **NASDAQ CTA Artificial Intelligence Index**

#### **1.8. Index Description**

The Index is designed to track the performance of companies engaged in the artificial intelligence (“AI”) that are determined by Consumer Technology Association (“CTA”):

To be eligible for inclusion in the Index, a security must meet the following criteria:

- (i) Be classified an AI company as an either enabler, engager or enhancer by CTA
  - Enablers are companies that develop the building block components for artificial intelligence, such as advanced machinery, autonomous systems/self-driving vehicles, semiconductors, databases used for machine learning etc.

- Engagers are companies that design, create, integrate, or deliver artificial intelligence in the form of products, software, or systems.
  - Enhancers are companies that provide their own value-added services within the Artificial Intelligence ecosystem, but which are not core to their product or service offering.
- (ii) be listed on an eligible stock exchange;
  - (iii) have a minimum market capitalisation of \$250 million;
  - (iv) have a minimum free float of 20%<sup>1</sup>;
  - (v) have a minimum three-month average daily dollar trading volume (ADDTV) of \$3 million;
  - (vi) Other criteria as outlined in the index methodology.

The Index utilises CTA's AI Intensity Rating, which captures the perceived degree of a company's AI sector involvement within each respective Enabler, Engager, and Enhancer category. Companies are ranked within each category, based on the Intensity Rating.

Securities meeting the above criteria and ranking in the top 15 of CTA's Intensity Rating from each category are included in the Index. Security additions and deletions are reviewed and rebalanced on a semi-annual basis in March and September.

The Index employs a modified equal weighting methodology which targets the following weight allocation by category: Enablers – 40%; Engagers – 50%; Enhancers – 10%. At each rebalance companies from each category are equally weighted within that category subject to a 4.5% maximum weight limit for each security.

The Index also excludes companies based on environmental, social and governance ("ESG") criteria. The ESG criteria seeks to exclude from eligible investment universe companies that (i) violate certain commonly accepted international norms and standards, such as United Nations and OECD guidelines, (ii) are involved in controversial weapons, such as anti-personnel mines and cluster munitions, (iii) are significantly involved in the tobacco industry, (iv) are significantly involved in thermal coal activity, such as coal mining and exploration and coal-based power generation, (v) are significantly involved in unconventional oil and gas exploration/production, such as oil sands, Arctic oil and gas or shale energy and (vi) do not meet such other ESG criteria such as significant involvement in small arms, as detailed in the Index methodology.

Full details on the methodology of the index are available at [indexes.nasdaqomx.com](https://indexes.nasdaqomx.com)

## **Hedged Index Methodologies**

The hedging methodologies of the Hedged Indices seek to minimise the impact of currency fluctuations in the relative value of the Portfolio Currency against the Exposure Currency through the use of forward exchange contracts. Each of the Hedged Indices applies a published one-month currency forward rate to the total exposure to Portfolio Currency-denominated assets to adjust the value of the Portfolio Currency against the relevant Exposure Currency.

An investment in a Share class that tracks the return of a Hedged Index is designed to have higher returns than an equivalent investment in a corresponding unhedged Share class when the Portfolio Currencies of the Fund are weakening relative to the Exposure Currency of the relevant Hedged Share Class. Conversely, an investment in a Share class that tracks the return of a Hedged Index is designed to have lower returns than an equivalent investment in a corresponding unhedged Share class when the Portfolio Currencies of the Fund are rising relative to the Exposure Currency of the relevant Hedged Share Class.

### **1.9. Index Calculation Agent**

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<sup>1</sup> This represents the percentage of a constituent's shares that can be publicly traded. The free-float method is a recognised way of calculating the publicly investable market capitalization of a company.

The Index is calculated and maintained by NASDAQ Inc. (the "**Index Sponsor**") or its affiliates (the Index Sponsor together with its affiliates are referred to collectively as the "**Corporations**").

## **2. RISK FACTORS**

**An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.** Investors should consider the risk factors set out in the Prospectus together with the following risks:

**Authorised Participant Concentration Risk.** Only an Authorised Participant may engage in creation or redemption transactions directly with the Fund. To the extent the Fund has a limited number of institutions that act as Authorised Participants, if these institutions exit the business or are unable to proceed with creation and/or redemption orders with respect to the Fund and no other Authorised Participant is able to step forward to make creation and/or redemption orders, the Shares may trade at a discount to the Fund's Net Asset Value and possibly face delisting.

**Concentration Risk.** The Fund may have direct or indirect exposure to issuers located in a single country, a small number of countries, or a particular geographic region. In these cases, the Fund's performance will be closely tied to the market, currency, economic, political, or regulatory conditions and developments in that country or region or those countries and could be more volatile than the performance of more geographically-diversified funds. In addition, the Fund may have concentrated exposure to companies in a particular industry, market or economic sector. When the Fund concentrates its investments in a securities or instruments exposed to a particular industry, market or economic sector, financial, economic, business, and other developments affecting issuers in that industry, market or sector will have a greater effect on the Fund than if it had not concentrated its exposure to that industry, market or sector. Further, investors may buy or sell substantial amounts of the Fund's shares in response to factors affecting or expected to affect a particular country, industry, market or sector in which the Fund concentrates its investments, resulting in abnormal inflows or outflows of cash into or out of the Fund. These abnormal inflows or outflows may cause the Fund's cash position or cash requirements to exceed normal levels, and consequently, adversely affect the management of the Fund and thereby, its performance.

**Counterparty Risk.** The Fund is subject to credit risk with respect to the counterparties with which the ICAV, on behalf of the Fund, enters into FDI and other transactions such as repurchase agreements and securities lending transactions. If a counterparty becomes insolvent or otherwise fails to perform its obligations, the Fund may experience significant delays in obtaining any recovery in an insolvency, bankruptcy, or other re-organisation proceeding and may obtain only a limited recovery or may obtain no recovery. In addition, if the credit rating of a derivatives counterparty or potential derivatives counterparty declines, the Fund may determine not to enter into transactions with that counterparty in the future and/or may terminate any transactions currently outstanding between the Fund and that counterparty. Alternatively, the Fund may determine to enter into new transactions with that counterparty and/or to keep existing transactions in place, in which case the Fund would be subject to any increased credit risk associated with that counterparty.

**Country Risk.** The value of the Fund's assets may be subject to uncertainties such as changes in a country's government policies, taxation, restrictions on foreign investment, currency decisions, applicable laws and regulations, or any natural disasters or political upheaval, which may weaken a country's securities markets.

**Currency Risk.** Where the Index constituents are denominated in currencies other than the Base Currency or the Share Class Currency, Investments of the Fund will be acquired in currencies which are not in the Fund's Base Currency or the Share Class Currency. The Fund will therefore be subject to exchange rate risk and the cost of acquiring Investments may be adversely or favourably affected by fluctuations in the exchange rate of the different currencies.

If an investor's currency of reference is different from the Fund's Base Currency or the Share Class Currency, adverse movements in exchange rates between those currencies can result in a decrease in return and a loss of capital for such investor.

Hedging techniques in the form of currency forwards or swaps will be used to mitigate the exposure of a Currency Hedged Class to the Portfolio Currencies.

**Custodial Risk.** There are risks involved in dealing with the custodians or brokers who hold or settle a Fund's trades. It is possible that, in the event of the insolvency or bankruptcy of a custodian or broker, the Fund would be delayed or prevented from recovering its assets from the custodian or broker and may have only a general unsecured claim against the custodian or broker for those assets. The Depositary will hold assets in compliance with applicable laws and such specific provisions as agreed in the Depositary Agreement. These requirements are designed to protect the assets against the insolvency in bankruptcy of the Depositary but there is no guarantee they will successfully do so.

**Equity Risk.** The market prices of equity securities owned by the Fund may go up or down, sometimes rapidly or unpredictably. The value of a security may decline for a number of reasons that may directly relate to the issuer (investors should also refer to "Issuer-Specific Risk"). The values of equity securities also may decline due to general market conditions that are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates, or adverse investor sentiment generally. The Fund may continue to accept new subscriptions and to make additional investments in equity securities even under general market conditions that the Investment Manager views as unfavourable for equity securities. Equity securities generally fall into four broad categories – large-cap, mid-cap, small-cap and micro-cap. If the Fund invests primarily in one category, there is a risk that due to current market conditions, the Fund may perform less well than a fund that is invested in another category or across several categories.

**ESG Screening Risk.** The Fund seeks to track the performance of the Index which excludes securities based on ESG criteria. Investors should therefore make a personal ethical assessment of the extent of ESG exclusion undertaken by the Index prior to investing in the Fund.

**FDI Risk.** Forward exchange contracts or swaps entered into in respect of a Hedged Share Class may be executed either on an exchange or OTC. Derivatives are financial instruments that derive their performance and some of their risks from an underlying reference asset, such as an index. The return on a derivative instrument may not correlate with the return of its underlying reference asset. Derivatives are subject to other risks, such as market risks and issuer-specific risk. Derivatives may experience changes in their value as a result of the counterparty's credit quality. Derivatives can be volatile and may be less liquid than other securities and in particular less liquid than their underlying reference asset. The use of FDI may not always be effective in enhancing returns or mitigating risk. The Fund may take a credit risk with regard to parties with whom it trades and may also bear the risk of settlement default. The Fund may have to transact with counterparties on standard terms which it may not be able to negotiate and may bear the risk of loss because a counterparty does not have the legal capacity to enter into a transaction, or if the transaction becomes unenforceable due to relevant legislation and regulation.

**Geographic Investment Risk.** To the extent the Fund invests a significant portion of its assets in the securities of companies of a single country or region, it is more likely to be impacted by events or conditions affecting that country or region. For example, political and economic conditions and changes in regulatory, tax, or economic policy in a country could significantly affect the market in that country and in surrounding or related countries and have a negative impact on the Fund's performance. As per the Fund's investment objective, the Fund may invest all of its assets in companies organised in Japan.

**Hedging Methodology Risk.** While the hedging methodology used by the Hedged Indices and tracked by the Hedged Share Classes is designed to minimise the impact of currency fluctuations on Hedged Share Class returns, it does not necessarily eliminate the Hedged Share Class' exposure to the Portfolio Currency. The return of the forward currency contracts may not perfectly offset the actual fluctuations between the Portfolio Currency and the Exposure Currency.

**Investment Risk.** There is no assurance that any appreciation in the value of Investments will occur, or that the investment objective of the Fund will be achieved. An investment in the Fund exposes an investor to the market risks associated with fluctuations in the Index. The value of the Index can increase as well as decrease and the value of an Investment will fluctuate accordingly. Investors can lose all of the capital invested in the Fund.

**Issuer-Specific Risk.** Changes in the financial condition of an issuer or counterparty, changes in the specific economic or political conditions that affect a particular type of security or issuer, and changes in the general economic or political conditions can affect a security's or instrument's value. The value of



securities of smaller, less well-known issuers can be more volatile than that of larger issuers. Issuer-specific events can have a negative impact on the value of the Fund.

**Market Risk.** The trading price of securities owned by the Fund fluctuates in response to a variety of factors, sometimes rapidly or unpredictably. These factors include events impacting the entire market or specific market segments, such as political, market and economic developments, as well as events that impact specific issuers. The Net Asset Value of the Fund, like security prices generally, will fluctuate within a wide range in response to these and other factors. Possible continuing market turbulence may have an adverse effect on the Fund's performance. As a result, an investor could lose the value of its investment over short or even long periods.

**Mid and Large Capitalisation Investing.** The Fund may invest a relatively large percentage of its assets in the securities of mid and large capitalisation companies. The securities of mid-capitalisation companies may be subject to more unpredictable price changes than securities of larger companies or the market as a whole. The securities of large-capitalisation companies may be relatively mature compared to smaller companies and therefore subject to slower growth during times of economic expansion.

**Portfolio Turnover Risk.** Portfolio turnover generally involves a number of direct and indirect costs and expenses to the relevant Fund, including, for example, brokerage commissions, dealer mark-ups and bid/offer spreads, and transaction costs on the sale of instruments and reinvestment in other instruments. Nonetheless, a Fund may engage in frequent trading of investments in furtherance of its investment objective.

**Sectorial Investment Risk.** If the Fund invests a significant portion of its assets in the securities of companies of a particular sector, it is more likely to be impacted by events or conditions affecting that sector. The Fund may invest a relatively large percentage of its assets in particular sectors, including the consumer discretionary sector, the industrial sector, the materials sector and the information technology sector, which sectors have tended to form a relatively large percentage of the Index. Further details of the specific risks relevant to these sectors are set out below.

- **Consumer Discretionary Sector Risk.** This sector consists of, for example, automobile, media and retail companies. The consumer discretionary sector of the economy can be significantly affected by, among other things, economic growth, worldwide demand and consumers' disposable income levels and propensity to spend.
- **Industrial Sector Risk.** This sector can be significantly affected by, among other things, worldwide economic growth, supply and demand for specific products and services, rapid technological developments, international political and economic developments, environmental issues and tax and governmental regulatory policies.
- **Information Technology Sector Risk.** This sector can be significantly affected by, among other things, the supply and demand for specific products and services, the pace of technological development and government regulation. Challenges facing companies in the information technology sector include distressed cash flows due to the need to commit substantial capital to meet increasing competition, particularly in formulating new products and services using new technology, technological innovations that make existing products and services obsolete and satisfying consumer demand.
- **Materials sector risk.** This sector includes, for example, metals and mining, chemicals and forest product companies. This sector can be significantly affected by, among other things, commodity price volatility, demand for basic materials, world economic growth, depletion of natural resources, technological progress and government regulations.

**Shares of the Fund may trade at prices other than Net Asset Value.** As with all exchange-traded funds, the Fund's Shares may be bought and sold in the secondary market at market prices. Although it is expected that the market price of the Shares of the Fund will approximate to the Fund's Net Asset Value, there may be times when the market price and the Net Asset Value vary significantly, including due to supply and demand of the Fund's Shares and/or during periods of market volatility. Thus, you may pay more (or less) than Net Asset Value intra-day when you buy Shares of the Fund in the secondary market, and you may receive more (or less) than Net Asset Value when you sell those Shares

in the secondary market. If an investor purchases Shares at a time when the market price is at a premium to the Net Asset Value of the Fund's Shares or sells at a time when the market price is at a discount to the Net Asset Value of the Fund's Shares, an investor may sustain losses.

**Small-Cap Risk.** Small-sized companies may be more volatile and more likely than large- and mid-capitalisation companies to have relatively limited product lines, markets or financial resources, or depend on a few key employees. Returns on investments in stocks of small companies could trail the returns on investments in stocks of larger companies. The shares of newly established companies may be less liquid than the shares of more mature and established companies. Newly established companies, as compared with more mature and established companies, may have a shorter history of operations, may not have as great an ability to raise additional capital and may have a smaller public market for their shares.

### 3. SHARE DEALING

#### 3.1. General

Orders for Creation Units may be settled in cash, in-kind (or in a combination of both, at the Manager's discretion). Investors are referred to the procedures for subscribing and redeeming Creation Units in the section entitled "Share Dealing" of the Prospectus.

#### 3.2. Dealing

<b>Issue of Shares</b>	The Directors have resolved that Shares in the Fund will be issued in dematerialised (or uncertificated) form and that the Fund will apply for admission for clearing and settlement through a Securities Settlement System. Shares will therefore be issued in registered form and only persons appearing on the register of shareholders will be a Shareholder. Ownership of Shares will be confirmed by written confirmation of entry on the register of shareholders.
<b>Base Currency</b>	US Dollars
<b>Portfolio Currency</b>	The currency or currencies in which the underlying securities are held by the Fund and which may vary from time to time as the constituents of the Index change in accordance with the methodology described above under the heading "Index description".
<b>Business Day</b>	A day on which commercial banks are generally open for business in London.
<b>Creation Unit</b>	20,000 Shares, unless determined otherwise by the Manager.
<b>Dealing Day</b>	Each Business Day (provided that any day on which 30% or more of the markets on which constituents in the Index are listed or traded are closed, such Business Day shall not be a Dealing Day). A list of the Fund's Dealing Days is available from the Administrator.
<b>Dealing Deadline</b>	On each Business Day prior to the relevant Dealing Day, the time as set out in the table below.
<b>Publication Time</b>	8.00 a.m. (Irish time) on each Dealing Day.
<b>Valuation Point</b>	10.15 p.m. (Irish time) on each Dealing Day.
<b>Dividend Policy</b>	Dividends will normally be declared in June and December of each year.

Share classes with an accumulating policy shall not distribute dividends to Shareholders. Income and other profits will be accumulated and reinvested on behalf of Shareholders.

## **Subscriptions**

Creation Units may be subscribed for on a Dealing Day at a price based on the Net Asset Value per Share multiplied by the number of Shares in a Creation Unit. Applicants for Shares must also remit the amount of cash and charges as set out in the Portfolio Composition File and pay Duties and Charges, if applicable.

The Manager, at its discretion, may charge a Subscription Fee of up to 3% of the aggregate Net Asset Value per Share in the Creation Unit subscribed for.

## **Settlement of Subscriptions**

Settlement of subscriptions must be received by the Administrator:

(a) in respect of cash subscriptions, by 2 p.m. (Irish time) on the second Business Day after the relevant Dealing Day provided that if such day is not a day on which foreign exchange markets are open for settlement of payments in the relevant Share Class Currency (a “**Currency Day**”), settlement will be postponed to the immediately following Currency Day;

(b) in respect of in-kind subscriptions, by 2 p.m. (Irish time) on the second Business Day after the relevant Dealing Day or within such other period as the Directors may determine (not exceeding 10 Business Days following the relevant Dealing Deadline).

## **Redemptions**

Creation Units may be redeemed on a Dealing Day at a price based on the Net Asset Value per Share multiplied by the number of Shares in a Creation Unit. A redeeming Shareholder will have deducted from redemption proceeds an appropriate amount of Duties and Charges, if applicable.

Shares which are the subject of the redemption must be received by the Fund by 2 p.m. (Irish time) on the third Business Day after the relevant Dealing Day.

The Manager, at its discretion, may charge a Redemption Fee of up to 3% of the aggregate Net Asset Value per Share in the Creation Unit redeemed.

## **Settlement of redemptions**

Redemption proceeds will be typically transferred within three Business Days of the relevant Dealing Day and, in any event, within such other period as the Directors may determine (not exceeding 10 Business Days following the relevant Dealing Deadline), provided that all required documentation has been furnished to the Administrator and the relevant Shareholder has delivered, in the relevant Securities Settlement System, the Shares to be redeemed.

## **Valuation methodology**

Investments of the Fund which are listed or traded on one Regulated Market for which quotations are readily available shall be valued at the last traded price on such Regulated Market for such Investment. Where Investments are quoted, listed or normally dealt in on more than one Regulated Market, the market which in the opinion of the Administrator, constitutes the main market for the relevant Investment or which provides the fairest criteria for valuing the relevant Investment shall be used. A particular or specific asset may be valued using an alternative method of valuation if the Directors deem it necessary and the alternative method has been approved by the Depositary.

**Compulsory redemption  
threshold**

US\$15 million.

#### 4. AVAILABLE SHARE CLASSES

Share Class Name	Index	ISIN	Share Class Currency	Exposure Currency	TER	Dividend Policy	Dealing Deadline for Cash (in Kind) Subscriptions /Redemptions, Irish time
WisdomTree Artificial Intelligence UCITS ETF – USD	NASDAQ CTA Artificial Intelligence Index	IE00BDVPNF06	US Dollars	n/a	Up to 1%	Distributing	4.30pm (4:30pm)
WisdomTree Artificial Intelligence UCITS ETF – USD Acc	NASDAQ CTA Artificial Intelligence Index	IE00BDVPNG13	US Dollars	n/a	Up to 1%	Accumulating	4.30pm (4:30pm)
WisdomTree Artificial Intelligence UCITS ETF – USD Hedged	NASDAQ CTA Artificial Intelligence USD Hedged Index	IE00BDVPNH20	US Dollars	US Dollars	Up to 1%	Distributing	4.30pm (4:30pm)
WisdomTree Artificial Intelligence UCITS ETF – USD Hedged Acc	NASDAQ CTA Artificial Intelligence USD Hedged Index	IE00BDVPNJ44	US Dollars	US Dollars	Up to 1%	Accumulating	4.30pm (4:30pm)
WisdomTree Artificial Intelligence UCITS ETF – EUR Hedged	NASDAQ CTA Artificial Intelligence EUR Hedged Index	IE00BDVPNK58	Euro	Euro	Up to 1%	Distributing	4.30pm (4:30pm)

WisdomTree Artificial Intelligence UCITS ETF – EUR Hedged Acc	NASDAQ CTA Artificial Intelligence EUR Hedged Index	IE00BDVPNL65	Euro	Euro	Up to 1%	Accumulating	4.30pm (4:30pm)
WisdomTree Artificial Intelligence UCITS ETF – GBP Hedged	NASDAQ CTA Artificial Intelligence GBP Hedged Index	IE00BDVPM72	Sterling	Sterling	Up to 1%	Distributing	4.30pm (4:30pm)
WisdomTree Artificial Intelligence UCITS ETF – GBP Hedged Acc	NASDAQ CTA Artificial Intelligence GBP Hedged Index	IE00BDVPM89	Sterling	Sterling	Up to 1%	Accumulating	4.30pm (4:30pm)
WisdomTree Artificial Intelligence UCITS ETF – CHF Hedged	NASDAQ CTA Artificial Intelligence CHF Hedged Index	IE00BDVPM04	Swiss Franc	Swiss Franc	Up to 1%	Distributing	4.30pm (4:30pm)
WisdomTree Artificial Intelligence UCITS ETF – CHF Hedged Acc	NASDAQ CTA Artificial Intelligence CHF Hedged Index	IE00BDVPM11	Swiss Franc	Swiss Franc	Up to 1%	Accumulating	4.30pm (4:30pm)

## 5. FEES

The Fund shall pay the following fees and expenses out of its assets:

- A. a TER (as set out in the table above);
- B. brokerage or other expenses of acquiring and disposing of Investments, as set out in further detail in the Prospectus; and
- C. extraordinary expenses (i.e. those unforeseen expenses falling outside of the general expenses payable by the Manager out of its fees, such as expenses related to any litigation, exercise of voting rights and corporate actions).

Investors are referred to the section of the Prospectus entitled “Operational costs and expenses”.

Fees and expenses relating to establishment of the Fund will be borne by the Manager.

## 6. MISCELLANEOUS

### Classification as an equity fund for German tax purposes

The Fund will be managed in such a way to ensure that it qualifies as an "Equity Fund", as such term is defined in the German Investment Tax Act 2018 (as amended), please see section headed "German Taxation" within the Prospectus.

## 7. DISCLAIMERS

### Index

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**Index Provider website**

The ICAV is required to provide details of the Index Sponsor's website to enable Shareholders to obtain further details of the Index (including its constituents). Neither the ICAV, the Manager nor the Investment Manager has any responsibility for the contents of such website and are not involved in any way in sponsoring, endorsing or otherwise involved in the establishment, maintenance or contents of the website.



## ANNEX

**Product name:** WisdomTree Artificial Intelligence UCITS ETF **Legal entity identifier:** 549300FIOXO4XSDNC049

### Environmental and/or social characteristics

#### Does this financial product have a sustainable investment objective?

<input type="checkbox"/> Yes	<input checked="" type="radio"/> <input type="radio"/> <input checked="" type="radio"/>	<input type="checkbox"/> No
<input type="checkbox"/> It will make a minimum of <b>sustainable investments with an environmental objective:</b> ____%  <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy  <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy		<input type="checkbox"/> It promotes <b>Environmental/Social (E/S) characteristics</b> and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ____ % of sustainable investments  <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy  <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy  <input type="checkbox"/> with a social objective
<input type="checkbox"/> It will make a minimum of <b>sustainable investments with a social objective:</b> ____%		<input checked="" type="checkbox"/> It promotes E/S characteristics, but <b>will not make any sustainable investments</b>

**What environmental and/or social characteristics are promoted by this financial product?** WisdomTree Artificial Intelligence UCITS ETF (the **Fund**) promotes environmental and social characteristics by excluding investment in companies involved in the high emitting sector of thermal coal activity, unconventional oil and gas exploration/production, tobacco and controversial weapons and small arms and which do not comply with specific environmental principles. The Fund also excludes investment in companies which do not, for example, adhere to internationally accepted human rights, labour standards or anti-corruption principles. A reference benchmark, the Nasdaq CTA Artificial Intelligence Index (the **Index**), has been designated for the purpose of attaining the social and environmental characteristics promoted by the Fund. Exclusion criteria are used in the Index's construction methodology and this approach promotes environmental and social characteristics. The Index excludes companies based on environmental, social and governance (**ESG**) criteria. The ESG criteria seeks to exclude from the eligible investment universe companies that (i) are non-compliant with certain commonly accepted international norms and standards, such as United Nations and OECD guidelines, (ii) are involved in controversial weapons such as anti-personnel mines and cluster munitions, (iii) are significantly involved in the tobacco industry (iv) are significantly involved in thermal coal activity, such as coal mining and exploration and coal-based power generation, (v) are significantly involved in unconventional oil and gas exploration/production, such as oil sands, Arctic oil and gas or shale energy and (vi) do not meet such other ESG criteria such as significant involvement in small arms, as detailed in the Index methodology.



**Sustainability indicators** measure how the environmental or social characteristics

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

● **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

The Index applies exclusionary ESG screening and global screening standard (**GSS**) criteria to verify companies' eligibility for inclusion in the Index. The sustainability indicators to measure the attainment of each of the environmental and social characteristics promoted by the Fund are based on exclusionary screening applied by the Index methodology. Principal Adverse Impact (**PAI**) indicators are considered in selecting the sustainability indicators for the Fund. The sustainability indicators are as follows:

Indicator	Metric
Exposure to controversial weapons	Share of investments in companies that are involved in, or own significant shares of companies involved in, the manufacture of controversial weapons such as anti-personnel mines and cluster munitions.
Exposure to small arms	Share of investments in companies which derive a certain proportion of revenue from activities connected to small arms. Such activities include the manufacturing and selling of small arms, or the manufacturing and selling of key components involved in small arms manufacture or being involved in the distribution of small arms.
Exposure to companies involved in tobacco production	Share of investments in companies that are involved in tobacco production and supplying of tobacco-related products/services, or companies which derive a certain proportion of revenue from tobacco distribution as detailed in the Index methodology.
Coal exposure	Share of investments in companies which derive a certain proportion of revenue from thermal coal extraction, revenue or capacity from thermal coal-based power generation or revenue from tailor-made products and services that support thermal coal extraction as detailed in the Index methodology.
Exposure to companies involved in unconventional oil & gas exploration/production	Share of investments in companies which derive a certain proportion of revenue from unconventional oil & gas exploration/production such as oil sands, Arctic oil and gas or shale energy as detailed in the Index methodology.
Violations of UNGC principles and OECD Guidelines	Share of investment in investee companies that violate commonly accepted international norms and standards, such as the United Nations Global Compact ( <b>UNGC</b> ) Principles, the UN Guiding Principles on Business and Human Rights ( <b>UNGPs</b> ), the Organisation for Economic Co-operation and Development ( <b>OECD</b> ) Guidelines for Multinational Enterprises and their underlying conventions

Further information regarding the exclusionary screening criteria can be found in the methodology for the Index.

- **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?** The Fund has not assessed whether the securities in which it invests satisfy the definition of sustainable investment under SFDR.

- **How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?** N/A

— How have the indicators for adverse impacts on sustainability factors been taken into account? N/A

— How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details: N/A

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



#### **Does this financial product consider principal adverse impacts on sustainability factors?**

**X**

Yes. PAIs of investee companies based on Table 1 of Annex I of the Regulatory Technical Standards and any relevant indicators in Tables 2 and 3 of Annex I are produced at Fund level. The Manager conducts controls on PAI indicators and monitors them. Threshold events are set for individual PAIs. If these thresholds are reached, the Manager may take action such as engagement and proxy voting to effect change or propose to exclude such security or securities from the eligible investable universe. Further information relating to PAIs will be made available in the annual report and audited financial statements of the ICAV.

☐ No

**What investment strategy does this financial product follow?** The Fund follows a passive (or indexing) investment strategy and will invest in a portfolio of equity securities that so far as possible and practicable consists of a representative sample of the component securities of the Index.

The Index is designed to track the performance of companies which are enhancing, enabling, or engaging AI and which satisfy criteria as outlined in the Index methodology.

- **What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?** The Fund will seek to invest all, or substantially all, of its assets in the constituents of the Index which are companies

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a

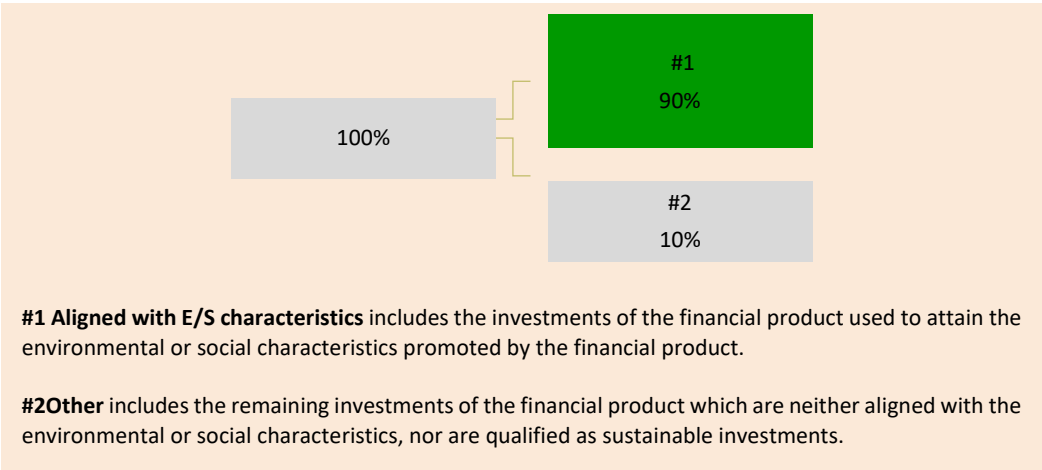
**Asset allocation** describes the share of investments in specific assets. activities of investee companies.



satisfying the Index methodology enhancing, enabling, or engaging AI. The Index methodology excludes investee companies which do not satisfy specific criteria, including ESG criteria, thereby attaining the environmental and social characteristics promoted by this product.

- **What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?** There is no committed minimum rate, rather an investment will always be excluded if it does not meet specific criteria, including ESG criteria, built into the composition methodology of the Index.
- **What is the policy to assess good governance practices of the investee companies?** To be eligible for inclusion in the Index, a company must be listed on an eligible stock exchange and therefore is obliged to comply with securities listing rules including relevant corporate governance codes. Companies will be excluded if they do not meet the GSS assessment which includes an assessment for satisfying governance issues. The GSS assessment identifies companies that violate certain commonly accepted international norms and standards, such as UNGCP, UNGPs and OECD Guidelines for Multinational Enterprises and their underlying conventions. Companies on the UN, US and EU sanctions list are also excluded. In addition to the governance screening, the Fund, through its Investment Manager, adopts an active ownership policy to develop good governance practices in investee companies.

**What is the asset allocation planned for this financial product?** The Fund will invest all, or substantially all, of its assets in the constituents of the Index. The GSS process and ESG exclusion criteria factored into the Index construction means that companies who do not satisfy certain environmental and social criteria are excluded from the Index with the result that the investments held by the Fund should be aligned with minimum environmental and social characteristics. As a result, at least 90% of the Fund's assets are aligned with the environmental and social characteristics promoted by the Sub-Fund (#Aligned with E/S characteristics). Up to 10% of the investments of the Fund are not aligned with these characteristics (#2 Other).



- **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?** The Fund does not use derivatives to attain its environmental or social characteristics.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.



**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?** 0%. The Fund does not commit to a minimum extent of EU Taxonomy alignment for its investments because of the narrow scope for EU Taxonomy alignment. Some investments may be aligned with the EU Taxonomy. The Fund does not have any sovereign exposures.

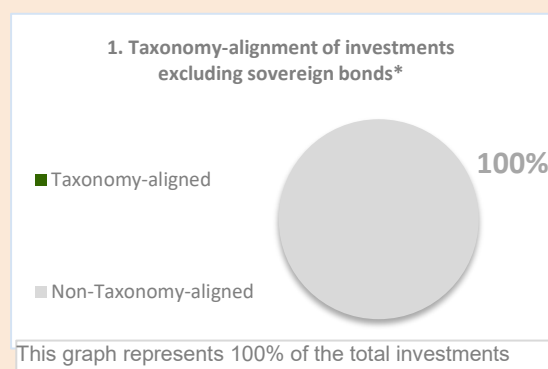
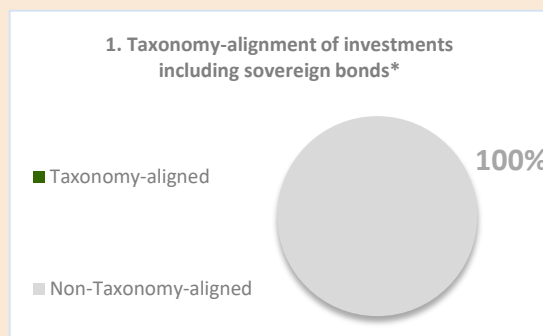
**Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>2</sup>?**

☐ Yes

☐ In fossil gas ☐ In nuclear energy

☒ No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

● **What is the minimum share of investments in transitional and enabling activities?** 0%



**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?** The Fund has not assessed whether the securities in which it invests satisfy the definition of sustainable investment under SFDR.



**What is the minimum share of socially sustainable investments?** 0%

**What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?** The Fund invests in companies enhancing, enabling, or engaging artificial intelligence (AI) which are eligible for inclusion in the Index. The Index's ESG criteria screen provides minimum environmental and social safeguards. The Fund may also hold ancillary liquid assets, for liquidity purposes in line with its obligations under the UCITS Regulations and in accordance with the limits permitted. There may be no minimum environmental or social safeguards in relation to these ancillary liquid assets. The Fund may also hold securities which no longer meet the environmental and/or social criteria described above but will not be removed from the Index until the next Index rebalance.

<sup>2</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214. M-42078375-35



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes? Yes

- **How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

The Index is designed to track the performance of companies which are enhancing, enabling, or engaging AI. The Index also excludes companies based on specified ESG criteria.

- **How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?** The investment strategy is to passively track the Index.

- **How does the designated index differ from a relevant broad market index?** The Index was designed in collaboration between WisdomTree and technology market experts NASDAQ and the Consumer Technology Association. The index excludes companies which do not meet WisdomTree's ESG criteria. Companies in the eligible universe are classified into three groups based on each company's position in the AI value chain and its estimated revenue exposure to AI:

Enhancers: Companies who are a prominent force within AI, but whose relevant product or service within AI is not currently a core part of their revenue

Enablers: Companies who are key players in the AI space, with some of their core products and services enabling the continued development of AI

Engagers: Companies whose main focus is in providing AI-powered products and services. The Index is also aligned with ESG factors using exclusion criteria. The Index methodology includes the GSS process described above which takes ESG considerations into account. Companies that are non-compliant with GSS criteria are excluded. The Index methodology also excludes companies engaged in specific activities, such as involvement in controversial weapons, tobacco, unconventional oil and gas exploration/production, small arms or thermal coal activities described in more detail above.

- **Where can the methodology used for the calculation of the designated index be found?**

<https://www.wisdomtree.eu/-/media/eu-media-files/other-documents/index/wt/index-methodology/nasdaq-cta-artificial-intelligence-index-methodology.pdf>



Where can I find more product specific information online?

More product-specific information can be found on the website:

<https://www.wisdomtree.eu/en-ie/etfs/thematic/wtai---wisdomtree-artificial-intelligence-ucits-etf---usd-acc>