

METHODOLOGY GUIDE FOR CYBERSECURITY INDEX

1. Index Overview and Description

The WisdomTree Team8 Cybersecurity UCITS Index [referred to as “the Index”] is designed to track the performance of companies primarily involved in providing cyber security-oriented products. The Index was developed by WisdomTree, Inc. (“WTI”), in collaboration with third party specialists in the cyber security sector.

The Index is reconstituted on semi-annual basis following the close of trading on the third Friday in March and September.

The Index also excludes companies based on environmental, social and governance (“ESG”) criteria. Companies that do not meet the Global Standards Screening (GSS) or are involved in certain business activities such as Controversial Weapons or are significantly involved in Thermal Coal, Tobacco, and unconventional Oil & Gas are excluded from the eligible investment universe. See Appendix A for details.

The Index is calculated to capture price appreciation and total return, which assumes dividends are reinvested into the Index. The Index is calculated using primary market prices and calculated in U.S. dollars.

2. Key Features

2.1. Membership Criteria

To be eligible for inclusion in the Index, component companies must be under coverage by the market management team of the third-party independent index calculation agent, must list shares on eligible stock exchanges and derive at least 50% of their revenue from providing primarily cyber security oriented products.

In the developed world, component companies must list their shares on one of the stock exchanges in the U.S., Europe (i.e., Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, or the United Kingdom), the Tokyo Stock Exchange, or on stock exchanges in Australia, Israel, Hong Kong, Singapore or Canada.

In the developing world, component companies must have their shares listed on a stock exchange in one of the following countries: Brazil, Chile, China, Czech Republic, Hungary, Indonesia, Korea, Malaysia, Mexico, Philippines, Poland, Russia, South Africa, Taiwan, Thailand, or Turkey. Securities must be incorporated in one of these Emerging Market Countries. In the case of China, companies that are incorporated or domiciled in China and trade on one of the stock exchanges in the

developed world are eligible for inclusion. In addition, Chinese domestic listed companies that are part of the connect program¹ and meet index requirements will be selected for inclusion.

Companies need to have market capitalization of at least \$300 million and a median daily dollar volume greater than \$1,000,000 for each of the three months preceding the Screening Date (after the close of trading on the last trading day in February and August).

Common stocks, REITs, tracking stocks, holding companies, ADRs, GDRs and EDRs are eligible for inclusion. Limited partnerships, limited liability companies, royalty trusts, Business Development Companies (BDCs) and mortgage REITs are excluded. Preferred stocks, closed-end funds, passive foreign investment companies, exchange-traded funds, and derivative securities such as warrants and rights are not eligible. The publicly traded security for WisdomTree, Inc., ticker WT, is not eligible for inclusion in any of WisdomTree's equity indexes.

Growth Score:

The index utilizes a "Growth Score" as defined by WTI. The "Revenue CAGR" for each company is calculated as the compound average annual revenue growth over the trailing three years. If a security was recently listed or if the data is missing, then 2- or 1-year growth rates will be used.

WTI assigns each company the following Growth Scores:

- "Growing Fast" – companies with a Revenue CAGR of 20% or higher
- "Growing" – companies that are not in the index with at least 7% Revenue CAGR, or companies that are currently in the index with a Revenue CAGR of 5% or higher.
- "N/A" - any other company

Focus Score:

The Index also utilizes a "Focus Score" which is developed by WTI in collaboration with third party specialists in the cyber security sector, which captures the perceived degree of a company's overall involvement across development themes in cyber security.

Based on the number of Development Themes along which a company scores a "High Exposure" ("Highs"), WTI defines a company's Focus Score to be

¹ [Stock Connect](#) is a unique collaboration between the Hong Kong, Shanghai and Shenzhen Stock Exchanges, which allows international and Mainland Chinese investors to trade securities in each other's markets through the trading and clearing facilities of their home exchange. First launched in November 2014, the scheme now covers over 2,000 eligible equities in Shanghai, Shenzhen and Hong Kong.

- “Broad Focus” if Highs is 3 or above
- “Narrow Focus” if Highs is 1 or 2
- “N/A” if Highs is zero

Screening Criteria for Growth and Focus Scores

Companies being rated as “Growing Fast” or “Growing” in Growth Score and not being rated as “N/A” by Focus Score will be selected for inclusion. This means:

- Any new company entering the index must have at least 7% Revenue CAGR.
- Companies that are currently in the index with a Revenue CAGR below 5% will be excluded during the rebalance.

Furthermore, if less than 25 companies pass both Growth and Focus screens, the remaining companies from “Broad Focus” and “Narrow Focus” will be ranked by Revenue CAGR. Companies with higher Revenue CAGR will be selected for inclusion.

2.2. Base Date and Base Value

The WisdomTree Team8 Cybersecurity UCITS Index was established with a base value of 200 on October 30, 2020².

2.3. Calculation and Dissemination

The following formula is used to calculate the index levels for the Cybersecurity Index:

$$\frac{\sum i \{S_i P_i E_i\}}{D}$$

S_i = Number of shares in the index for security i .

P_i = Price of security i

E_i = Cross rate of currency of Security i vs. USD. If security price in USD, $E_i = 1$

D = Divisor

The Index is calculated whenever the stock exchanges are open. If trading is suspended while the exchange the component company trades on is still open, the last traded price for that stock is used for all subsequent Index computations until trading resumes. If trading is suspended before the opening, the stock’s adjusted closing price from the previous day is used to calculate the Index. Until a particular stock opens, its adjusted closing

² The inception date of the “UCITS” index is based on the earliest date an index employing the same methodology was incepted whereby such methodology was the same at the time of the commencement of the calculation of the index.

price from the previous day is used in the Index computation. Index values are calculated on both, price and total-return basis, in U.S. dollars, and disseminated on an end-of-day basis.

2.4. Weighting

Companies are assigned a Weight Factor based on their Focus and Growth Scores:

- 1.33 for companies with scores of “Broad Focus” and “Growing Fast”
- 0.75 for companies with “Narrow Focus” and “Growing”
- 1 for all other companies

Companies are weighted to reflect their proportionate share of the Weighting Factor, subject to the following “5/37.5 rule” and liquidity adjustment:

5%/37.5% rule – the collective weights of companies with over 5% weight is capped at 37.5% at the index rebalance.

Liquidity adjustment - In the event a company has a calculated volume factor (median daily volume traded over the preceding three months / weight in the index) that is less than \$400 million, its weight will be reduced such that weight after volume adjustment = weight before adjustment x calculated volume factor / \$400 million.

The Weighting Date is when component weights are set, and it occurs after the close of trading on the second Friday of the rebalance month. The changes will go into effect after the close of trading on the third Friday of the rebalance month.

2.5. Dividend Treatment

Normal dividend payments are not taken into account in the price Index, whereas they are reinvested and accounted for in the total return Index. However, special dividends that are not reinvested in the net total return index require index divisor adjustments to prevent the distribution from distorting the price index.

2.6. Tax Rates

The WisdomTree Team8 Cybersecurity UCITS total return index is calculated on a net basis. Net return indices reflect the return to an investor where dividends are reinvested after the deduction of a withholding tax. The tax rate applied is the rate to non-resident institutions that do not benefit from double taxation treaties and is determined by the independent index calculation agent in accordance with their

methodology.

2.7. Multiple Share Classes

In the event a component company issues multiple classes of shares of common stock, the share class with the highest median daily volume will be included. Conversion of a share class into another share class results in the deletion of the share class being phased out and an increase in shares of the surviving share class, provided that the surviving share class is in the Index.

3. Index Maintenance

Index Maintenance includes monitoring and implementing the adjustments for company deletions, stock splits, stock dividends, spins-offs, or other corporate actions. Some corporate actions, such as stock splits, stock dividends, and rights offerings require changes in the index shares and the stock prices of the component companies in the Index. Some corporate actions, such as stock issuances, stock buybacks, warrant issuances, increases or decreases in dividend per share between reconstitutions, do not require changes in the index shares or the stock prices of the component companies in the Index. Other corporate actions, such as special dividends and entitlements, may require Index divisor adjustments. Any corporate action, whether it requires divisor adjustments or not, will be implemented after the close of trading on the day prior to the ex-date of such corporate actions. Whenever possible, changes to the Index's components, such as deletions as a result of corporate actions, will be announced at least two business days prior to their implementation date.

3.1. Component Changes

Additions

Additions to the Index are made at reconstitution according to the inclusion criteria defined above. Changes are implemented following the close of trading on the third Friday in March and September. No additions are made to the Index between reconstitutions, except in the cases of certain spin-off companies defined below.

Deletions

Shares of companies that are de-listed or acquired by a company outside of the Index are deleted from the Index and the weights of the remaining components are adjusted proportionately to reflect the change in composition of the Index. A component company that files for bankruptcy is deleted from the Index and the weights of the remaining components are adjusted proportionately to reflect the change in the composition of the Index. If a component company is acquired by another company in the

Index for stock, the acquiring company's shares and weight in the Index are adjusted to reflect the transaction after the close of trading on the day prior to the execution date.³ Component companies that reclassify their shares (i.e., that convert multiple share classes into a single share class) remain in the Index, although index shares are adjusted to reflect the reclassification.

3.2. Spin-Offs and IPOs

Should a company be spun-off from an existing component company, it is allowed to stay in the Index that its parent company is in until the next reconstitution. Spin-off shares of publicly traded companies that are included in the same indexes as their parent company are increased to reflect the spin-off and the weights of the remaining components are adjusted proportionately to reflect the change in the composition of the Index. Companies that go public in an Initial Public Offering (IPO) and that meet all other Index inclusion requirements must wait until the next reconstitution to be included in the Index.

4. Index Divisor Adjustments

Changes in the Index's market capitalization due to changes in composition, weighting or corporate actions result in a divisor change to maintain the Index's continuity. By adjusting the divisor, the Index value retains its continuity before and after the event. Corporate actions that require divisor adjustments will be implemented prior to the opening of trading on the effective date. In certain instances where information is incomplete, or the completion of an event is announced too late to be implemented prior to the ex-date, the implementation will occur as of the close of the following day or as soon as practicable thereafter. For corporate actions not described herein, or combinations of different types of corporate events and other exceptional cases, WTI reserves the right to determine the appropriate implementation method.

Companies that are acquired, de-listed, file for bankruptcy, or re-incorporate outside of a defined domicile in the intervening weeks between the Screening Date and the Reconstitution Date are not included

³ Companies being acquired will be deleted from the Index immediately before the effective date of the acquisition or upon notice of a suspension of trading in the stock of the company that is being acquired. In cases where an effective date is not publicly announced in advance, or where a notice of suspension of trading in connection with an acquisition is not announced in advance, WisdomTree reserves the right to delete the company being acquired based on best available market information

in the Index, and the weights of the remaining components are adjusted accordingly.

5. Selection Parameters

Selection parameters for the WisdomTree Team8 Cybersecurity UCITS Index are defined in section 2.1. Companies that pass these selection criteria as of the Screening Date are included in the Index. The component companies are assigned weights in the Index as defined in section 2.4., and reconstitution of the Index takes effect as defined in section 3.1.

Appendix A - Environmental, Social, and Governance Considerations

The amendments to the European Regulation on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the EU BMR) introduced in November 2019 require administrators to explain how key elements of their benchmark methodologies reflect environmental, social and governance (ESG) factors. The ESG factors to be considered are prescribed in the regulation and the corresponding metrics for the benchmarks administered by WTI – see tables below.

The below listed indices exclude companies based on ESG criteria.

WisdomTree US Equity Income UCITS Index
WisdomTree US GBP Hedged Equity Income UCITS Index
WisdomTree US EUR Hedged Equity Income UCITS Index
WisdomTree US Quality Dividend Growth UCITS Index
WisdomTree Europe SmallCap Dividend UCITS Index
WisdomTree Europe Equity Income Index
WisdomTree Europe EUR Hedged Equity Income UCITS Index
WisdomTree Europe GBP Hedged Equity Income UCITS Index
WisdomTree Europe CHF Hedged Equity Income UCITS Index
WisdomTree Europe USD Hedged Equity Income UCITS Index
WisdomTree Europe Equity UCITS Index
WisdomTree Europe Hedged Equity UCITS Index
WisdomTree Europe GBP-Hedged Equity UCITS Index
WisdomTree Europe CHF-Hedged Equity UCITS Index
WisdomTree Eurozone Quality Dividend Growth Index
WisdomTree United Kingdom Equity Income Index
WisdomTree United Kingdom Quality Dividend Growth Index
WisdomTree Japan Dividend UCITS Index
WisdomTree Japan Hedged Equity UCITS Index
WisdomTree Japan GBP-Hedged Equity UCITS Index
WisdomTree Japan EUR-Hedged Equity UCITS Index
WisdomTree Japan CHF-Hedged Equity UCITS Index
WisdomTree Emerging Markets Equity Income UCITS Index
WisdomTree Emerging Markets SmallCap Dividend UCITS Index
WisdomTree Global Developed Quality Dividend Growth Index
WisdomTree Battery Solutions Index
WisdomTree Team8 Cybersecurity Index
WisdomTree Team8 Cybersecurity UCITS Index
WisdomTree Emerging Markets Ex-State-Owned Enterprises ESG Screened Index
WisdomTree Bio Revolution ESG Screened Index
WisdomTree Blockchain UCITS Index
WisdomTree Berylls LeanVal Global Automotive Innovators Index
WisdomTree Renewable Energy Index
WisdomTree US Efficient Core UCITS Index
WisdomTree Global Megatrends Equity Index

In accordance with the following principles, companies that are non-compliant with the Global Standards Screening (GSS) or are involved in Controversial Weapons, or are significantly involved in Thermal Coal, Tobacco, and unconventional Oil & Gas, as identified by the 3rd party ESG data providers, are excluded from the eligible investment universe. The implementation of these exclusions is limited to the companies that are covered by the ESG data provider. In the event a company is not covered by the ESG data provider, that company may be included in the eligible investment universe.

- **Global Standards Screening (GSS):** WTI will exclude companies that are non-compliant based on the ESG data providers' GSS assessment. GSS identifies companies that violate or are at risk of violating commonly accepted international norms and standards, such as the United Nations Global Compact (UNGC) Principles, the UN Guiding Principles on Business and Human Rights (UNGPs), the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and their underlying conventions.
- **Controversial Weapons:** WTI will exclude the companies that are involved in controversial weapons, such as the activities in anti-personnel mines, biological and chemical weapons, cluster weapons, depleted uranium, nuclear weapons and white phosphorus weapons.
- **Small Arms:** WTI will exclude the companies that derive over 5% of their 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.
- **Tobacco:** WTI will exclude the companies that are involved in tobacco production and supplying of tobacco-related products/services, or companies deriving over 5% of their revenue from tobacco distribution, as identified by the ESG data providers.
- **Thermal Coal:** WTI will exclude the companies deriving more than 5% of their revenue from thermal coal extraction or having more than 5% of their revenue or capacity from thermal coal-based power generation or having more than 5% of their revenue from providing tailor-made products and services to support thermal coal extraction.
- **Oil Sands:** WTI will exclude the companies deriving more than 5% of their revenue from extracting oil sands.
- **Arctic Oil & Gas Exploration:** WTI will exclude the companies deriving more than 5% of their revenue from unconventional oil and gas exploration in Arctic regions.
- **Shale Energy:** WTI will exclude the companies deriving more than 5% revenue from the shale energy exploration and / or production.

For the **WisdomTree Renewable Energy Index**, companies are excluded from the eligible investment universe based on the following criteria:

- **Global Standards Screening (GSS):** WTI will exclude companies that are “non-compliant” or “watchlist” based on the ESG data providers’ GSS assessment. GSS identifies companies that violate or are at risk of violating commonly accepted international norms and standards, such as the United Nations Global Compact (UNGC) Principles, the UN Guiding Principles on Business and Human Rights (UNGPs), the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and their underlying conventions.
- **Controversial Weapons:** WTI will exclude the companies that are involved in controversial weapons, such as the activities in anti-personnel mines, biological and chemical weapons, cluster weapons, depleted uranium, nuclear weapons and white phosphorus weapons.
- **Small Arms:** WTI will exclude the companies that are involved in 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.
- **Military Contracting:** WTI will exclude the companies that derive over 5% of their revenue from manufacturing military weapon systems and/or integral, tailor-made components for these weapons, or companies with over 5% of their revenue from providing tailor-made products and/or services that support military weapons.
- **Tobacco:** WTI will exclude the companies that are involved in tobacco production and supplying of tobacco-related products/services, or companies deriving over 5% of their revenue from tobacco distribution, as identified by the ESG data providers.
- **Thermal Coal:** WTI will exclude the companies deriving more than 0% of their revenue from thermal coal extraction or having more than 5% of their revenue or capacity from thermal coal-based power generation or having more than 5% of their revenue from providing tailor-made products and services to support thermal coal extraction.
- **Oil Sands:** WTI will exclude the companies deriving more than 0% of their revenue from extracting oil sands.
- **Arctic Oil & Gas Exploration:** WTI will exclude the companies deriving more than 0% of their revenue from oil and gas exploration in Arctic regions.
- **Shale Energy:** WTI will exclude the companies deriving more than 0% of their revenue from the shale energy exploration and production.
- **Oil & Gas:** WTI will exclude the companies deriving more than 5% of their revenue from oil and gas exploration, production, refining, transportation and/or storage, or companies with over 5% of their revenue from providing tailor-made products and services that support oil and gas exploration, production, refining, transportation and storage, or companies with over 5% of their revenue from generating electricity from oil and/or gas.

ESG considerations will be assessed on a quarterly basis at the end of February, May, September, and November, unless the index’s reconstitution date is less than 2 months away.

Consideration of ESG Factors

Equity Benchmarks

Item 1	Name of the benchmark administrator.	WisdomTree, Inc.
Item 2	Type of benchmark or family of benchmarks.	Equity
Item 3	Name of the benchmark or family of benchmarks.	WisdomTree Equity benchmarks
Item 4	Does the benchmark or family of benchmarks take into account ESG factors?	No. Whilst all WisdomTree equity benchmarks described in this document apply ESG filters as described more fully on pages 112 and 113, none take into account ESG factors.
Item 5	Where ESG factors are taken into account, list the ESG factor taken into account in the benchmark methodology and how they are used for the selection, weighting and exclusion of underlying assets. Disclose ESG factors at an aggregated weighted average value at the level of the family of benchmarks. (a) Environmental factors (b) Social factors (c) Governance factors	None of the benchmarks take into account ESG factors.
Item 6	Where ESG factors are taken into account, list, for each benchmark, the ESG factors taken into account in the benchmark methodology, taking into account the ESG factors listed in Annex II to Delegated Regulation (EU) 2020/1816, and how they are used for the selection, weighting and exclusion of underlying assets. The ESG factors shall not be disclosed for each constituent of the benchmark but shall be disclosed at an aggregated weighted average value of the benchmark. (a) Environmental factors (b) Social factors (c) Governance factors Alternatively, all of this information may be provided in the form of a hyperlink to a website of	Refer to response to Item 5.

	the benchmark administrator and ensure it is available for 5 years.	
Item 7	Description of whether data are reported, modelled or sourced internally or externally and if externally, name the third-party data provider. Describe how data are verified and their quality is ensured and the international standards used in the benchmark methodology.	<p>Sustainalytics is WTI's third-party ESG data provider. Data provided by Sustainalytics is compared to analysis prepared using Bloomberg as the data source and any significant differences in outputs are investigated.</p> <p>WTI excludes companies that are non-compliant based on the ESG data providers' GSS assessment. GSS identifies companies that violate or are at risk of violating commonly accepted international norms and standards, such as the United Nations Global Compact (UNGC) Principles, the UN Guiding Principles on Business and Human Rights (UNGPs), the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and their underlying conventions.</p>
Item 8	Date on which information has last been updated and reason for the update:	September 2023; Update responses to Items 4, 5, 6 and 7.