

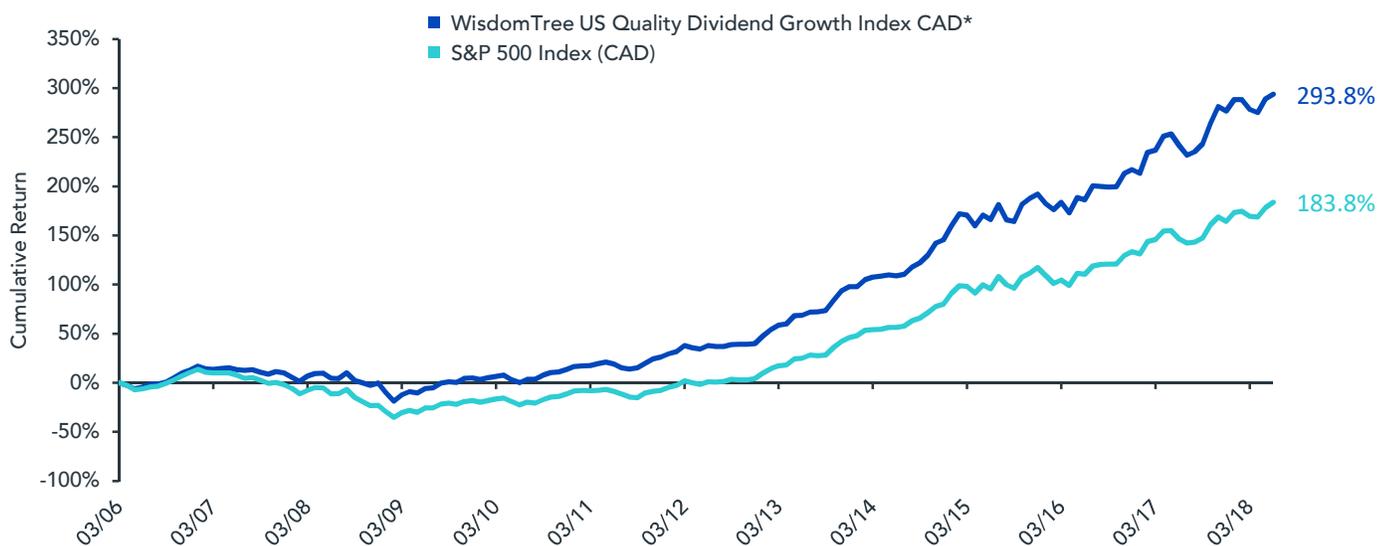
WisdomTree U.S. Quality Dividend Growth Strategy

DGR/DGR.B/DQD

In the current fast-paced environment, large technology companies often lead the way, creating the products and services we desire today—and will rely on tomorrow. In recent years, these large companies have also been leading the way in dividend growth, introducing dividends or increasing them faster than other sectors. But if your dividend fund uses a backward-looking growth screen, chances are you won't be able to take advantage of these dividend growth trends for 5, 10, or even 20 years.

Now, for the first time, WisdomTree brings you forward-looking dividend growth exchange-traded funds (ETFs) that seek to capture these dividend growth trends. The WisdomTree U.S. Quality Dividend Growth strategies look at certain fundamental metrics that we believe to be associated with a greater potential for future dividend growth, thereby raising the probability of generating exposure to some of the strongest potential dividend growers.

Cumulative Return (03/31/2006 - 6/30/2018)



Index	Avg. Ann. Return	Avg. Ann. St. Dev.	Sharpe Ratio	Beta Vs. S&P 500 (CAD)	Correlation Vs. S&P 500 (CAD)
WisdomTree U.S. Quality Dividend Growth Index CAD*	11.84%	10.86%	0.97	0.94	0.96
S&P 500 Index (CAD)	8.89%	11.17%	0.67	1.00	1.00

Sources: WisdomTree, FactSet, Bloomberg, 03/31/06–6/30/2018. *WisdomTree U.S. Quality Dividend Growth Index CAD was launched on June 7, 2016. Performance of the Index prior to the launch date represents hypothetical back-tested data. This hypothetical back-tested data has been calculated by an independent calculation agent and WisdomTree and has been included for illustrative purposes only. Index performance does not represent actual fund performance. Index returns assume reinvestment of distributions received but do not reflect fees, transaction costs or expenses. You cannot invest directly in an index. The chart shown is used only to illustrate the effects of the compound growth rate and is not intended to reflect future performance of the Index.

BEING STUCK IN THE PAST MAY COST YOU

The WisdomTree U.S. Quality Dividend Growth strategies stand out with a forward-looking approach that may help investors capitalize on the trends in the market. While no methodology would be able to look into the future with certainty, we believe there is both logical and economic backing to the factors we have selected.

Quality Factors

- + Our quality factor ranking is based on three-year averages for return on equity (ROE) and return on assets (ROA). Firms may generate strong ROE figures by taking on extra leverage. However, by pairing these two factors, WisdomTree captures companies with strong ROE while guarding against increased leverage with the ROA screen.

Earnings Growth Expectations

- + An intuitive metric: firms expected to grow earnings faster, all else being equal, should have greater potential to increase dividends. While these are estimates, we find this factor creates a powerful basis for forecasting the direction of earnings growth in aggregate and thus favors constituents with greater growth expectations.

	WT U.S. Quality Dividend Growth Index CAD	S&P 500 Index (CAD)
Price/Earnings	15.8x	16.8x
Earnings Growth Expectations	11.0%	12.8%
Earnings Yield	4.5%	4.7%
Dividend Yield/Earnings Yield	50.7%	40.0%
3-yr Avg Return on Equity	19.7%	15.0%
3-yr Avg Return on Assets	4.5%	3.4%
ROE x Earnings Retention	9.7%	9.0%
Trailing 12M Dividend Yield	2.3%	1.9%
Net Buyback Yield	2.1%	2.0%
Shareholder Yield	4.4%	3.8%

Sources: WisdomTree, FactSet, as of 6/30/2018. Net Buyback Yield: A company's net share buyback is the difference between the capital raised by issuing new shares and the money the company spent on buying back any outstanding shares. A positive net share buyback means that more was spent on buying back existing shares than received from issuing new shares. Net buyback yield is the amount of a company's net buybacks divided by its market capitalization. Please note that net buyback yield does not represent a dividend paid by the company. Shareholder Yield: A data point that references the combination of dividend yield and buyback yield.

UNIQUE CHARACTERISTICS

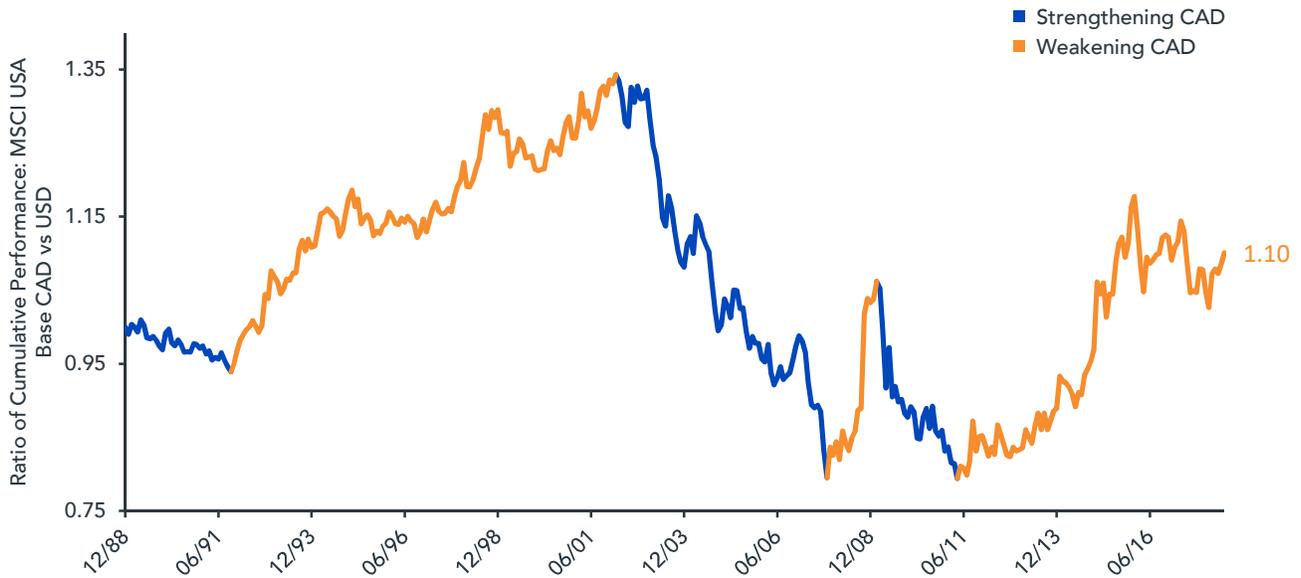
Consider the above and note that the earnings growth expectations as well as the ROE and ROA figures are particularly strong in the aggregate portfolio. Additionally, the shareholder yield comes as a function of the quality screen, which tilts toward companies that are better positioned to potentially buy back shares or issue dividends. At a constituent level, the Index methodology captures Apple, one of the largest dividend payers, as one of the largest holdings. Contrast this with the Dow Jones U.S. Select Dividend Index, the NASDAQ U.S. Dividend Achievers Select Index and the S&P High Yield Dividend Aristocrats Index whose backward-looking methodologies will prevent the inclusion of Apple for years to come.

WHAT ABOUT CURRENCY EXPOSURE?

When it comes to international equity exposure, Canadian investors are no stranger to the considerations associated with international currency risks. WisdomTree has pioneered three important categories of indexes and ETFs—dividend-weighted and factor-based investment strategies covering global markets, currency-hedged equities and, most recently, applying a Variably Hedged™ approach to currency hedging (Variably Hedged™ is a trademark of WisdomTree Investments, Inc. and refers to its variably currency-hedged ETFs, units thereof and/or its proprietary method of hedging based on technical and economic signals).

THE TRICKY THING ABOUT CURRENCY EXPOSURE

WisdomTree believes a strong case can be made that currency-hedged solutions provide a more-attractive strategic baseline exposure for investors focused on longer-term horizons. Currency risk can have positive or negative effects on international equity performance depending on the depreciation or appreciation of the Canadian dollar against the base currency of the equity exposure. While some investors fear missing out on the periods of outperformance, WisdomTree firmly believes that timing these moves can be extremely difficult without a systematic approach.



Sources: WisdomTree, Bloomberg, 12/31/1988–6/30/2018.

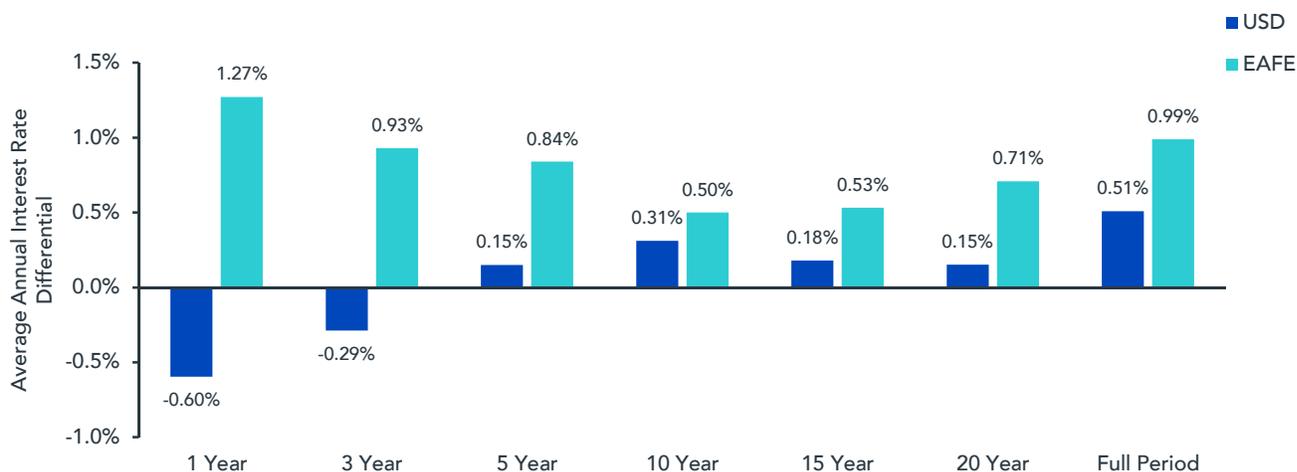
DEBUNKING A CURRENCY-HEDGING MYTH

One common misconception that investors have about currency hedging is that it is "expensive" to hedge foreign currency risk. As we show here, this is not true, as many currencies not only have low hedging costs but, in many cases, Canadian investors may actually receive a net benefit from implementing a currency hedge.

IT CAN PAY TO HEDGE

Historically, Canadian interest rates have been higher than interest rates in foreign markets. Based on how the forward currency contracts are priced, if the Canadian dollar short-term interest rate is higher than that of the targeted currencies, hedging those currencies against the Canadian dollar resulted in being paid positive interest rate differentials.

INTEREST RATE DIFFERENTIALS - CAD vs. USD/EAFE



Positive values indicate a "Net Benefit" while negative values indicate a "Net Cost" via interest rate differentials.

Sources: WisdomTree, Bloomberg, 12/31/1988–6/30/2018.

The **WisdomTree U.S. Quality Dividend Growth Index ETF** seeks to track, to the extent possible, the price and yield performance of the **WisdomTree U.S. Quality Dividend Growth Index CAD**, before fees and expenses. The fund has issued non-hedged units (**TSX: DGR.B**) and 100% passively hedged units (**TSX: DGR**) so that investors are empowered to take control of their international currency exposure. For those investors with concerns about their ability to decide how to rotate between hedged and unhedged strategies, Variably Hedged™ units of the **WisdomTree U.S. Quality Dividend Growth Variably Hedged Index ETF™ (TSX: DQD)** are available. For more information on our Variably Hedged™ currency strategy, see our International Investing brochure on our website.

Methodology	
Selection Criteria and Rationale	<p>The Universe of eligible companies begins with the WisdomTree Dividend Index of nearly 1500 investable dividend payers as of the most recent November 30th annual screening date. We then add the following screening criteria:</p> <ul style="list-style-type: none"> • Minimum market capitalization of \$2.0 billion • Must have dividend coverage ratio greater than 1.0x, as companies that do not have enough earnings to support their dividends are less likely, we believe, to be dividend growth leaders <p>The index comprises the 300 companies with the best combined rank of growth and quality factors from this universe:</p> <ul style="list-style-type: none"> • Growth ranking 50%: derived from long-term earnings growth expectations • Quality ranking 50%: split evenly between three-year average return on assets (ROA) and three-year average return on equity (ROE)
Weighting	<p>The index is Dividend Stream (dividend per share times shares outstanding) weighted to reflect the proportionate share of the aggregate cash dividends of each constituent. This gives bigger weight to companies growing their dividends</p>
Single Holding and Sector Caps	<p>At the annual rebalance, the following caps apply:</p> <ul style="list-style-type: none"> • No single stock can represent more than 5% of the index • No sector can represent more than 20% of the index • Between annual rebalances, single stock weights and sector weights may fluctuate above the 5% and 20% marks, respectively, due to market movement

Quick Facts: DGR	Quick Facts: DGR.B	Quick Facts: DQD
Ticker: DGR	Ticker: DGR.B	Ticker: DQD
Class: Hedged Units	Class: Non-Hedged Units	Class: Variably Hedged™ Units
Exchange: TSX	Exchange: TSX	Exchange: TSX
Management Fee: 0.38%	Management Fee: 0.35%	Management Fee: 0.43%
Management Expense Ratio: 0.43%	Management Expense Ratio: 0.37%	Management Expense Ratio: 0.48%
Exposure: United States, dividend-paying large-cap stocks	Exposure: United States, dividend-paying large-cap stocks	Exposure: United States, dividend-paying large-cap stocks

Management Expense Ratio (MER) - As reported on the Fund's most recent Management Report of Fund Performance. MER is the total of the Fund's management fee and operating expenses, including all waivers and absorptions, and is expressed as an annualized percentage of the average daily net asset value.

The WisdomTree ETFs listed on the Toronto Stock Exchange are managed by WisdomTree Asset Management Canada, Inc. Commissions, management fees and expenses all may be associated with investing in WisdomTree ETFs. Please read the relevant prospectus before investing, which is available at www.wisdomtree.com. WisdomTree ETFs are not guaranteed, their values change frequently and past performance may not be repeated. Nothing in any commentary should be considered a recommendation to buy or sell a particular security. Tax, investment and all other decisions should be made, as appropriate, only with guidance from a qualified professional.

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