



Water Island Merger Arbitrage USD Hedged Index

Water Island Indices

INDEX FACT SHEET

9/30/2025

The Water Island Merger Arbitrage USD Hedged Index is a passive, rules-based index that seeks to reflect a pure-play global merger arbitrage strategy investing in definitive, publicly announced mergers and acquisitions. Transactions must meet the following criteria to be eligible for inclusion in the Index:

- Deal value of USD \$200 million or greater
- Deal duration no longer than one year
- Target company trades in a developed market in North America or Europe
- Positive return opportunity (i.e., deal spread)

Transactions where stock is used as payment are fully hedged by shorting acquirer shares. All foreign currency exposure is also hedged. Risk-based constraints and liquidity-based weighting is used to construct an index with exposure to deals with the highest market-implied probability of success and highest market liquidity. The index is rebalanced and reconstituted twice per month.

KEY FACTS

Inception Date	January 11, 2007
Launch Date	January 17, 2020
Publication Date	January 31, 2020
Bloomberg Ticker	WIMARBH
Reuters Ticker	.WIMARBH
Calculation Agent	Solactive AG
Sponsor	Water Island Indices LLC

HISTORICAL DAILY INDEX LEVELS (DATE RANGE: 1/17/2020-9/30/2025)



TRAILING RETURNS (%)

	3M	1Y	3Y	5Y	SINCE LAUNCH
Water Island Merger Arbitrage USD Hedged Index	2.06	6.94	6.68	5.63	4.85

RISK METRICS

	% STANDARD DEVIATION	SHARPE RATIO	CORREL. VS. S&P	BETA VS. S&P	CORREL. VS. AGG	BETA VS. AGG
Water Island Merger Arbitrage USD Hedged Index	2.88	0.56	0.23	0.05	0.06	0.03

As of September 30, 2025. Sources: Water Island Indices, Solactive, Morningstar. Returns greater than one year are annualized. Risk metrics represent trailing three-year annualized values. The performance quoted represents past performance and does not guarantee future results. The launch date of the index is the date upon which index values were considered live. The publication date of the index is the date index values were first publicly released. All information is presented post-launch. Index performance is for illustrative purposes only, does not represent the results of actual trading or actual fund performance, and should not be considered a substitute for the performance of an actual portfolio. No representation is made that any account will or is likely to achieve performance similar to that presented. Index performance does not reflect any management fees, transaction costs, or expenses. The imposition of such charges would cause returns to be lower. Indexes are unmanaged and one cannot invest directly in an index.

MONTHLY RETURNS (%)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2020		-0.1	-6.0	2.8	-1.4	-0.2	4.4	0.5	-0.1	1.2	1.1	0.4	2.3
2021	-0.3	-0.5	0.5	1.8	1.1	-0.2	-0.5	0.4	0.3	0.2	0.3	0.8	4.1
2022	-0.3	0.4	0.5	-0.3	-0.5	-0.2	1.5	0.7	-0.6	2.1	-1.4	0.3	2.4
2023	-0.3	-0.3	0.4	0.7	-1.1	2.0	0.9	1.8	0.8	0.1	0.8	1.4	7.4
2024	-0.4	0.9	0.9	-1.2	0.9	0.3	1.7	1.2	0.3	0.8	-0.3	0.3	5.4
2025	1.4	1.1	0.2	0.0	0.6	0.6	1.2	0.6	0.2				6.1

Performance presented reflects monthly returns of full months post launch date. Year-to-date (YTD) return for 2020 reflects performance from 1/17/20-12/31/20.

IMPORTANT INFORMATION

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