2ND ENGINE BY PICTON

INDEX FACTSHEET

September 30, 2026

2ND ENGINE
EQUITY MARKET NEUTRAL INDEX

Index Overview
Equity market neutral managers can take both long and short positions while aiming to minimize systematic risk (i.e., market beta of zero). Managers seek to exploit specific stock opportunities and maintain a neutral exposure to broad stock groups, including sector, industry, market capitalization, country, and/or region. Managers often use leverage to enhance returns.

Objective
Establish an appropriate and representative baseline for measuring the performance of the liquid alternative strategies in Canada.

Key Features
- Designed to measure the performance of the liquid alternative universe that is increasingly popular, but difficult to track
- Constituents comprised of NI 81-102 alternative mutual funds
- Consists of 1) an overall index, 2) seven strategy-based indices, and 3) three goal-based indices

Weighting
Equal weighted

Rebalance Frequency
Quarterly
(Mar, Jun, Sep, and Dec)

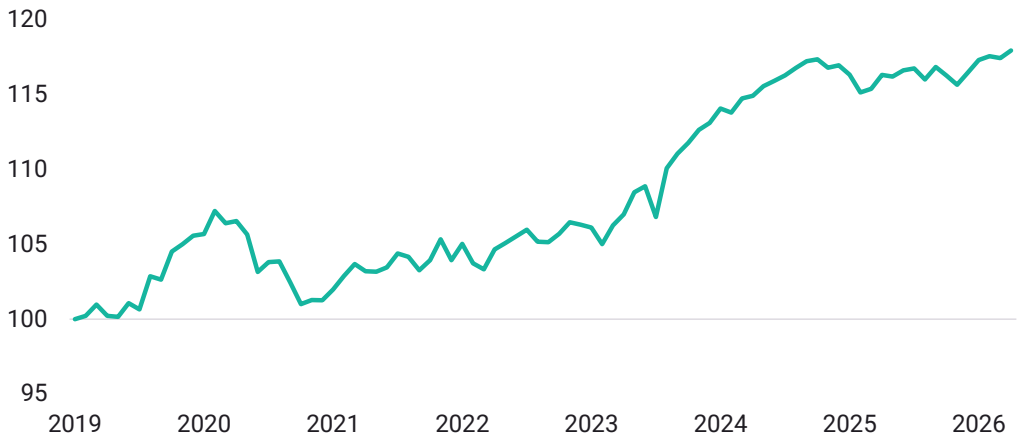
Re-constitution Frequency
Semi-annual - Jun and Dec

AUM Requirement
Inclusion: >C$20 million
Maintanance: >C$10 million

Base Value
Rebased to 100 on Jun 30, 2019

Number of Constituents
8

Cumulative Performance - Net Returns (CAD)
(Jun 30, 2019 - Sep 30, 2026)



Index Performance (%)

	1M	3M	YTD	1Y	3Y	5Y	Since 06/30/19
2ND ENGINE Equity Market Neutral Index	0.4	0.5	1.0	1.4	3.3	2.7	2.3
S&P/TSX Composite Index	-2.6	1.6	13.0	20.0	25.1	15.2	14.4
ICE BofA Canada Broad Market Index	-1.2	-3.0	-0.9	-1.2	4.6	0.2	0.7

Index Risk and Return Characteristics

	Annualized Standard Deviation (%)			Sharpe Ratio			Maximum Drawdown	
	3Y	5Y	Since 06/30/19	3Y	5Y	Since 06/30/19	%	Period
2ND ENGINE Equity Market Neutral Index	2.7	2.7	3.0	-0.10	-0.98	-0.05	-5.8	Jul 2020 - Mar 2021
S&P/TSX Composite Index	10.6	12.5	14.2	2.03	0.78	0.84	-22.3	Jan 2020 - Mar 2020
ICE BofA Canada Broad Market Index	4.9	5.8	5.7	0.20	-0.89	-0.30	-15.6	Jul 2020 - Sep 2023

Correlation (06/30/2019 - 09/30/2026)

	2ND ENGINE Equity Market Neutral Index	ICE BofA Canada Broad Market Index	S&P/TSX Composite Index
2ND ENGINE Equity Market Neutral Index	1.00	--	--
ICE BofA Canada Broad Market Index	0.03	1.00	--
S&P/TSX Composite Index	-0.27	0.54	1.00

The table above aims to show the correlation coefficient of the 2ND ENGINE Equity Market Neutral Index with broad Canadian equity and fixed income markets.

Index AUM Characteristics (C$ million)

Total	Mean	Median	Largest	Smallest
4,714	589	244	3,193	40

Family of 2ND ENGINE Liquid Alternative Indices



Disclosure

For further information, please email inquiry@secondengine.com.

2ND ENGINE™ is a division of Picton Mahoney Asset Management.

2ND ENGINE™, 2ND ENGINE Liquid Alternative 35 Index, 2ND ENGINE Absolute Return Index, 2ND ENGINE Alternative Fixed Income Index , 2ND ENGINE Diversifier 10 Index. 2ND ENGINE Equity Enhancer 10 Index, 2ND ENGINE Equity Long Short Index, 2ND ENGINE Equity Market Neutral Index, 2ND ENGINE Event-Driven Index, 2ND ENGINE Fixed Income Enhancer 10 Index, 2ND ENGINE Global Macro Index and 2ND ENGINE Multi-Strategy Index are trademarks of Picton Mahoney Asset Management.

This material has been published by Picton Mahoney Asset Management ("PICTON Investments") on October 06, 2026. It is provided as a general source of information, is subject to change without notification and should not be construed as investment advice. This material should not be relied upon for any investment decision and is not a recommendation, solicitation or offering of any security in any jurisdiction. The information contained in this material has been obtained from sources believed reliable, however, the accuracy and/or completeness of the information is not guaranteed by PICTON Investments, nor does PICTON Investments assume any responsibility or liability whatsoever. All investments involve risk and may lose value. This information is not intended to provide financial, investment, tax, legal or accounting advice specific to any person, and should not be relied upon in that regard. Tax, investment and all other decisions should be made, as appropriate, only with guidance from a qualified professional.

©2026 Morningstar. All Rights Reserved. The data used in part to create the index information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.