

## INDEX FACTSHEET

November 30, 2025

### 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  
Maintenance: >C\$10 million

### Base Value

Rebased to 100 on Jun 30, 2019

### Number of Constituents

8

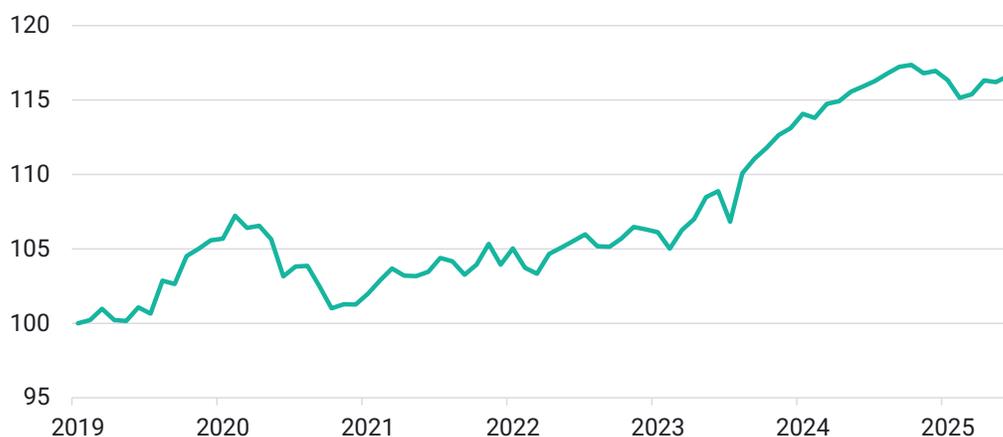
## 2ND ENGINE EQUITY MARKET NEUTRAL INDEX

### 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.

### Cumulative Performance - Net Returns (CAD)

(Jun 30, 2019 - Nov 30, 2025)



### Index Performance (%)

|  | 1M  | 3M   | YTD  | 1Y   | 3Y   | 5Y   | Since 06/30/19 |
|--|-----|------|------|------|------|------|----------------|
| 2ND ENGINE Equity Market Neutral Index | 0.4 | 1.1  | 0.3  | 0.6  | 3.4  | 2.5  | 2.4            |
| S&P/TSX Composite Index                | 3.9 | 10.5 | 30.0 | 25.7 | 18.9 | 16.2 | 14.0           |
| ICE BofA Canada Broad Market Index     | 0.3 | 2.8  | 3.8  | 3.3  | 4.3  | -0.1 | 1.2            |

### 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 | 2.8                               | 2.9  | 3.1            | -0.29        | -0.80 | -0.02          | -5.8             | Jul 2020 - Mar 2021 |
| S&P/TSX Composite Index                | 11.8                              | 12.0 | 14.6           | 1.24         | 0.95  | 0.79           | -22.3            | Jan 2020 - Mar 2020 |
| ICE BofA Canada Broad Market Index     | 5.4                               | 5.9  | 5.8            | 0.02         | -0.84 | -0.22          | -15.6            | Jul 2020 - Sep 2023 |

**Correlation (06/30/2019 - 11/30/25)**

|  | 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     | 0.01                                   | 1.00                               | --                      |
| S&P/TSX Composite Index                | -0.30                                  | 0.53                               | 1.00                    |

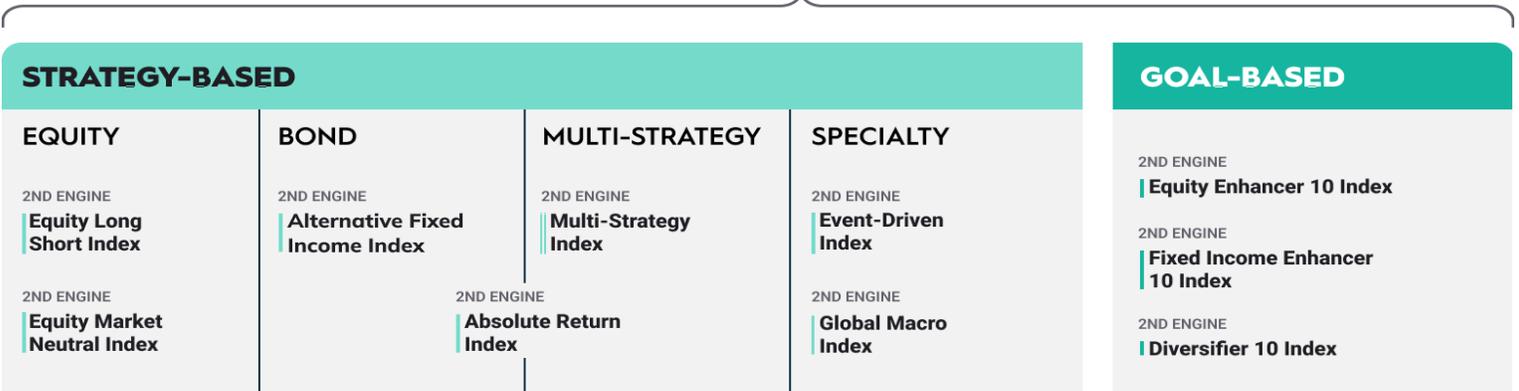
The table above aims to show the correlation coefficient of the 2ND ENGINE Equity Market Neutral Index with broad Canadian equity and fixed income markets.

**Index AUM Characteristics (C\$ million)**

| Total | Mean | Median | Largest | Smallest |
|-------|------|--------|---------|----------|
| 3,740 | 467  | 169    | 2,699   | 8        |

**Family of 2ND ENGINE Liquid Alternative Indices**

**2ND ENGINE  
LIQUID ALTERNATIVE 35 INDEX**



**Disclosure**

For further information, please email [inquiry@secondengine.com](mailto:inquiry@secondengine.com).

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