

INDEX FACTSHEET

January 31, 2026

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

13

2ND ENGINE MULTI-STRATEGY INDEX

Index Overview

Multi-strategy managers focus on building a portfolio of diversified alternative strategies. Multi-strategy funds typically are characterized by their ability to allocate capital based on perceived opportunities among several alternative strategies. Underlying strategies are either managed as a sub-sleeve of the overall portfolio or as a fund-of-fund (FoF) structure.

Cumulative Performance - Net Returns (CAD)

(Jun 30, 2019 - Jan 31, 2026)



Index Performance (%)

	1M	3M	YTD	1Y	3Y	5Y	Since 06/30/19
2ND ENGINE Multi-Strategy Index	2.6	3.9	2.6	10.6	7.3	4.6	5.6
S&P/TSX Composite Index	0.8	6.1	0.8	28.3	18.9	16.4	14.0
ICE BofA Canada Broad Market Index	0.6	-0.5	0.6	1.9	3.5	-0.1	1.0

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 Multi-Strategy Index	4.8	5.7	8.3	0.66	-0.05	0.37	-14.5	Jan 2020 - Mar 2020
S&P/TSX Composite Index	10.7	12.0	14.4	1.39	0.95	0.80	-22.3	Jan 2020 - Mar 2020
ICE BofA Canada Broad Market Index	5.2	5.9	5.8	-0.10	-0.85	-0.25	-15.6	Jul 2020 - Sep 2023

Correlation (06/30/2019 - 01/31/26)

	2ND ENGINE Multi-Strategy Index	ICE BofA Canada Broad Market Index	S&P/TSX Composite Index
2ND ENGINE Multi-Strategy Index	1.00	--	--
ICE BofA Canada Broad Market Index	0.47	1.00	--
S&P/TSX Composite Index	0.88	0.52	1.00

The table above aims to show the correlation coefficient of the 2ND ENGINE Multi-Strategy Index with broad Canadian equity and fixed income markets.

Index AUM Characteristics (C\$ million)

Total	Mean	Median	Largest	Smallest
2,073	159	75	920	21

Family of 2ND ENGINE Liquid Alternative Indices

2ND ENGINE LIQUID ALTERNATIVE 35 INDEX

STRATEGY-BASED

EQUITY

2ND ENGINE
Equity Long Short Index

2ND ENGINE
Equity Market Neutral Index

BOND

2ND ENGINE
Alternative Fixed Income Index

2ND ENGINE
Absolute Return Index

MULTI-STRATEGY

2ND ENGINE
Multi-Strategy Index

SPECIALTY

2ND ENGINE
Event-Driven Index

2ND ENGINE
Global Macro Index

GOAL-BASED

2ND ENGINE
Equity Enhancer 10 Index

2ND ENGINE
Fixed Income Enhancer 10 Index

2ND ENGINE
Diversifier 10 Index

Disclosure

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

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