

## INDEX FACTSHEET

June 30, 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

24

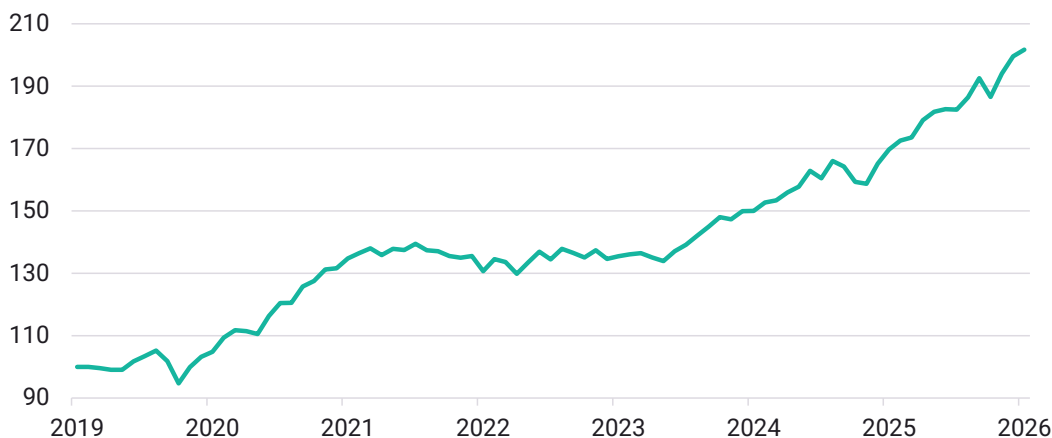
## 2ND ENGINE EQUITY LONG SHORT INDEX

### Index Overview

Equity long short managers can take both long and short positions, and maintain a net long position in equity markets. Managers generally aim to achieve higher risk-adjusted returns compared to broad equity markets. Strategies can vary widely in terms of region, net exposure level, leverage, holding period, concentration and valuation range.

### Cumulative Performance - Net Returns (CAD)

(Jun 30, 2019 - Jun 30, 2026)



### Index Performance (%)

|                                    | 1M  | 3M  | YTD  | 1Y   | 3Y   | 5Y   | Since 06/30/19 |
|------------------------------------|-----|-----|------|------|------|------|----------------|
| 2ND ENGINE Equity Long Short Index | 1.1 | 8.1 | 10.5 | 18.9 | 14.2 | 8.4  | 10.5           |
| S&P/TSX Composite Index            | 0.5 | 7.0 | 11.2 | 32.9 | 23.5 | 14.9 | 14.7           |
| ICE BofA Canada Broad Market Index | 0.4 | 1.9 | 2.2  | 3.3  | 4.3  | 0.7  | 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 Long Short Index | 6.2                               | 6.5  | 7.5            | 1.66         | 0.49  | 1.08           | -10.0            | Jan 2020 - Mar 2020 |
| S&P/TSX Composite Index            | 10.8                              | 12.5 | 14.4           | 1.82         | 0.77  | 0.85           | -22.3            | Jan 2020 - Mar 2020 |
| ICE BofA Canada Broad Market Index | 5.1                               | 5.8  | 5.7            | 0.09         | -0.77 | -0.22          | -15.6            | Jul 2020 - Sep 2023 |

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

|                                    | 2ND ENGINE Equity Long Short Index | ICE BofA Canada Broad Market Index | S&P/TSX Composite Index |
|------------------------------------|------------------------------------|------------------------------------|-------------------------|
| 2ND ENGINE Equity Long Short Index | 1.00                               | --                                 | --                      |
| ICE BofA Canada Broad Market Index | 0.48                               | 1.00                               | --                      |
| S&P/TSX Composite Index            | 0.86                               | 0.54                               | 1.00                    |

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

Index AUM Characteristics (C\$ million)

| Total | Mean | Median | Largest | Smallest |
|-------|------|--------|---------|----------|
| 8,916 | 357  | 128    | 1,743   | 11       |

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

FIXED INCOME

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  
Merger Arbitrage 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

OTHERS

2ND ENGINE  
Option-Selling Index

2ND ENGINE  
Digital Assets Index

**Disclosure**

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

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